INFRASTRUCTURE
FEC Approves $2.8m For Ibadan-Lagos, Port Harcourt-Maiduguri Rail Projects PG9

INVESTMENT
NIPC Begins Private Sector Mobilisation For N298trn NDP's Investments
PG16

ECONOMY
After Record N6.4trn Revenue In 2021, FIRS Targets N7trn This Year
PG12

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Nigeria's Economy Defies World Bank, AfDB Projections

Grows 3.4%, 5th Straight Growth Since 2020

By Felix Omoh-Asun

In the latest report of National Bureau of Statistics (NBS), the strong gross domestic product (GDP) growth recorded in 2021 was driven by growth in the non-oil sector.

According to the report, the non-oil sector contributed 92.76 percent of the GDP, powered by agriculture, trade, information and communication (telecommunication), including financial and insurance subsectors.

The NBS said that in overall performance, Nigeria's economy grew 3.4 percent, strongest since 2014 and 5th sustained straight positive growth since 2020 recession.

The GDP advanced by 3.98 percent, the fifth consecutive quarter of economic expansion, amid the ongoing recovery from the pandemic crisis which hit hard the country's oil sector.

Mrs. Zainab Shamsuna Ahmed, Hon. Minister Of Finance, Budget And National Planning

On one hand, the expansion continued to be driven by the non-oil sector (4.73percent), with main positive contributions from agriculture (3.58 percent), trade (5.34 percent), information and communication (5.03 percent) and financial services (24.14 percent.

On the other hand, the oil sector shrank 8.06 percent, reflecting lower oil output as the average daily crude oil production stood at 1.50 million barrels per day, down from 1.57 mbps in Q3 and 1.56 mbps a year ago. Despite a recovery in oil prices, Nigeria has struggled to meet its production targets due to operational challenges and insecurity coming from pipeline vandalism.

On a quarterly basis, the GDP increased 9.63 percent, following an 11.07 percent jump in the third quarter. In 2021, Nigeria grew by 3.4 percent, the fastest expansion since 2014, better than central bank's estimate of 3 percent.

The annual growth of 3.4 percent also represents the first annual growth since the COVID-19 pandemic induced recession of 2020 and the strongest growth in seven years since 2014.

The 3.4 percent GDP growth represents 5.32 percentage points the 1.92 percent contraction recorded in 2020, exceeding the World Bank and International Monetary Fund, (IMF's) 2021 projections of 2.5 percent and 2.7 percent for the country, respectively.

In the recent release, the NBS said that the Q4 2021 growth rate was higher than the 0.11percent growth rate recorded in Q4 2020 by 3.87 percent points and lower than 4.03 percent recorded

CONTINUES ON PAGE 5

NAICOM Seeks Insurance Cover For Intervention Funds
PG7

Why NASS Supported N3trn Revenue Target For Customs
PG4

Ministry Of Finance Receives Report On National Savings Scheme
PG 11

NDIC

Nigeria Deposit Insurance Corporation

Protecting your bank deposits

The Nigeria Deposit Insurance Corporation (NDIC) is an agency of government of the Federal Republic of Nigeria. It was established in 1988 and is responsible for administering deposit insurance in the country. It protects depositors and guarantees payment of insured funds in the event of failure of an insured licenced deposit-taking financial institution, thereby helping to maintain stability in the financial system.

The NDIC's Public Policy Objectives (PPOs) are: To Protect depositors by providing an orderly means of compensation in the event of failure of an insured financial institution; Enhance public confidence by providing a framework for the resolution and orderly exit of failing and failed financial institutions; and Contribute to financial system stability by making incidence of bank runs less likely. The NDIC had achieved these PPOs through the implementation of its following Mandates:

DEPOSIT GUARANTEE

Insurance of deposit liabilities of licensed deposit-taking financial institutions (banks) and guaranteeing payment to a maximum amount as stipulated in the NDIC Act, in the event of failure of a licensed financial institution. Thus, the sum of N500,000.00 or US$1,613 is paid to each depositor of Deposit Money Bank, Primary Mortgage Bank and Non-Interest Bank while the sum of N200,000.00 or US$645 is paid to each depositor of a Micro-Finance Bank;

BANK SUPERVISION

Supervision of banks to reduce the potential risk of failure, ensure effective payment system and healthy competition in the banking system; hence contributing to financial system stability;

DISTRESS RESOLUTION

Provision of financial and technical assistance to failing or distressed eligible insured institutions, in the interest of depositors; and

BANK LIQUIDATION

Orderly and efficient closure of failed institutions with minimal disruption to the banking and payment system.

NDIC's activities over the years had contributed to the development of the Nigerian economy through the promotion of soundness and safety of the banking system thereby enhancing confidence in the country's financial system.

More adult Nigerians now have access to formal financial services and are deriving numerous benefits through access to savings, credits, insurance and pension. NDIC, in collaboration with other Safety-net Players such as the Central Bank of Nigiera (CBN), has contributed to reducing the percentage of adult Nigerians that do not have acess to financial services from 46.30% in 2010 to 39.50% in 2014 (EFInA Financial Inclusion Study, 2014) in line with the Financial Inclusion policy of the Federal Government.

NDIC is also involved in social and developmental endeavours. Over the years, it has supported many community-based projects. Most of the projects were in the areas of Education and Human Capital Development.

> "ENGENDERING CONFIDENCE IN THE BANKING SYSTEM, PROMOTING FINANCIAL INCLUSION AND EXCELLENT IN CORPORATE SOCIAL RESONSIBILITY ACTIVITIES TOWARDS SUSTAINABLE DEVELOPMENT IN NIGERIA"

OUR CORE MANDATES

- → Deposit Guarantee
- → Bank Supervision
- → Distress Resolution
- → Bank Liquidation

CAC, ACCI To Integrate Coys Into Chambers Of Commerce and Industry

By Musa Ibrahim

Companies in Nigeria may soon be required to become members of Chamber of Commerce as part of processes to sanitise the economy and increase oversight on activities of companies in Nigeria.

This is part of the proposal now under consideration between the Abuja Chamber of Commerce and Industry (ACCI) and the Corporate Affairs Commission (CAC).

The leadership of both ACCI led by its President, Dr Al-Mujtaba Abubakar, and CAC under its Registrar-General (RG), Alhaji Garba Abubakar, met recently to exchange ideas on the proposal with several resolutions on how to make it a reality.

In his submission to the CAC, Dr Abubakar said: "We are here to seek partnership on a major campaign we are embarking - making all companies in Nigeria members of a Chamber of Commerce and Industry.

This policy exists in Europe, Middle East and South Asia, because it has a lot of advantages.

"We have prepared a concept note that articulates our proposals, its merits and process of implementation. In summary, however, we seek a two-stage implementation process; the first being optional request for companies to indicate Chamber of their choice during registration with CAC. And the second is a legislation to make Chamber membership mandatory.

"Advantages of our proposal are many, namely: membership of the Chamber allows for post -registration monitoring and partnering; it is easier for government to implement financial interventions for the companies as Chamber normally stands as guarantor.

"It helps government to carry out inclusive consultation, since the companies belong to one chamber or the other; it is easy for tax authority to expand tax base and enforce tax compliance; it is easy for company regulatory authority like CAC to verify and monitor registered companies, since they belong to one Chamber or the other.

"It is easy for companies' registration authority like CAC to get regular annual report from companies since they belong to one Chamber or other; it is easy for export facilitating agency to trace and track companies involved in export businesses and convenient for international investors to verify the credibility of potential local partners," he said.

While responding to the position paper submitted by the ACCI President, the CAC Registrar General described the proposal as "a timely move from the Chamber movement as it is a subject that will strengthen the mandate of CAC and facilitate business operations in Nigeria."

He noted that post-registration monitoring of companies in Nigeria is a major challenge to the CAC, noting that many registered companies mostly abandoned their statutory responsibilities once they receive their certificates of registration.

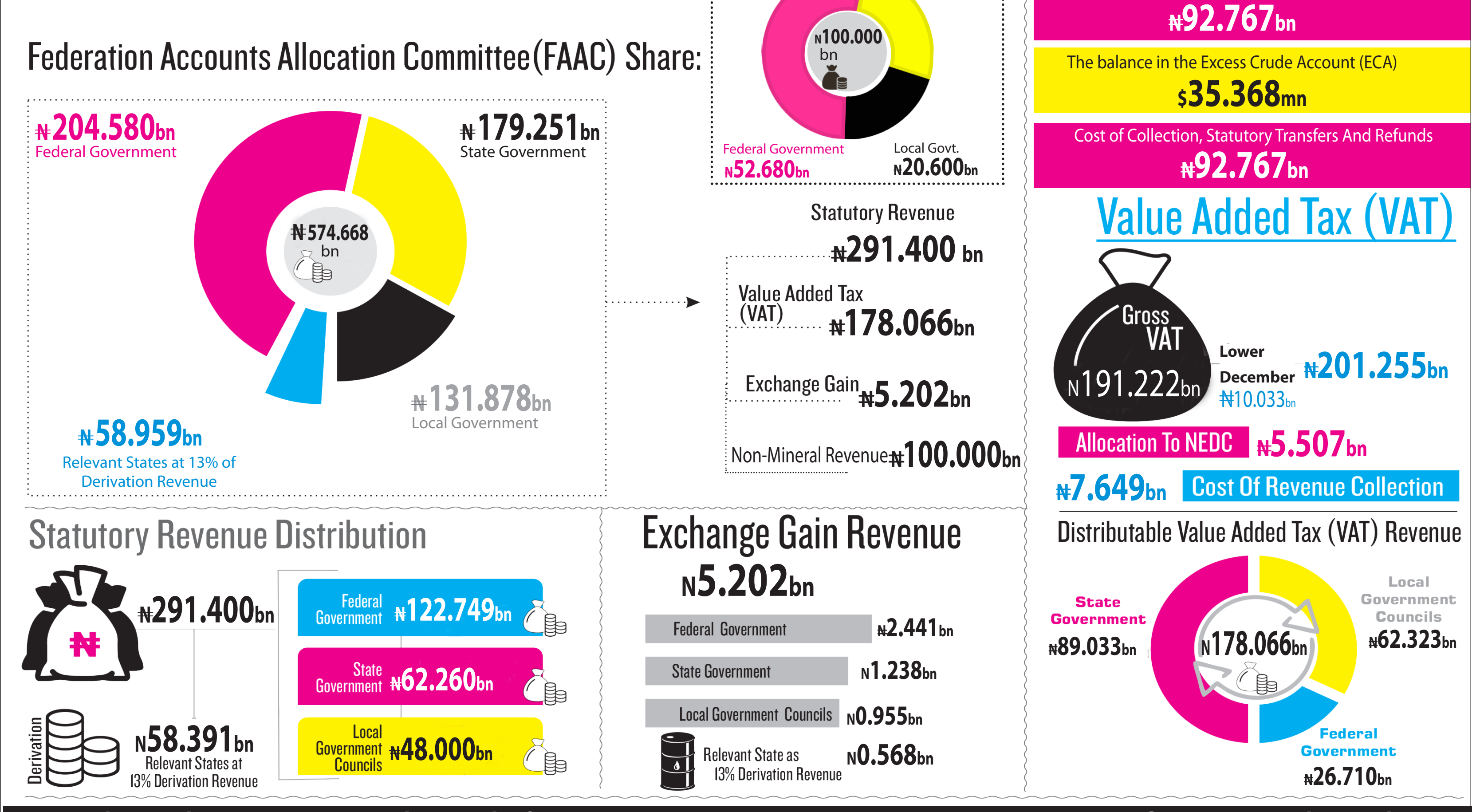
According to Abubakar, the proposal would create a common platform through which CAC could better coordinate and relate with registered companies, especially many of them hardly file returns 20 or even 30 years after registration.

While supporting that the Chamber has a critical role in creating post-registration ecosystem, Abubakar posited that in other climes, companies are not only compulsorily members of business Chambers but also that even the registration of companies are domiciled in the Chamber of commerce.

Citing example of Brazil where Chambers of Commerce handles company registration, the CAC boss said that the partnership between ACCI and CAC on this proposal would go a long way to simplify their work, promising to look into the proposal by reviewing the concept note.

"We will look into it and see how we can integrate it in our regulations through persuasive means at the beginning, by making them understand the benefits of registering with Chamber of Commerce. The inclusion in regulations will be a major movement in making the proposal a reality", he said.

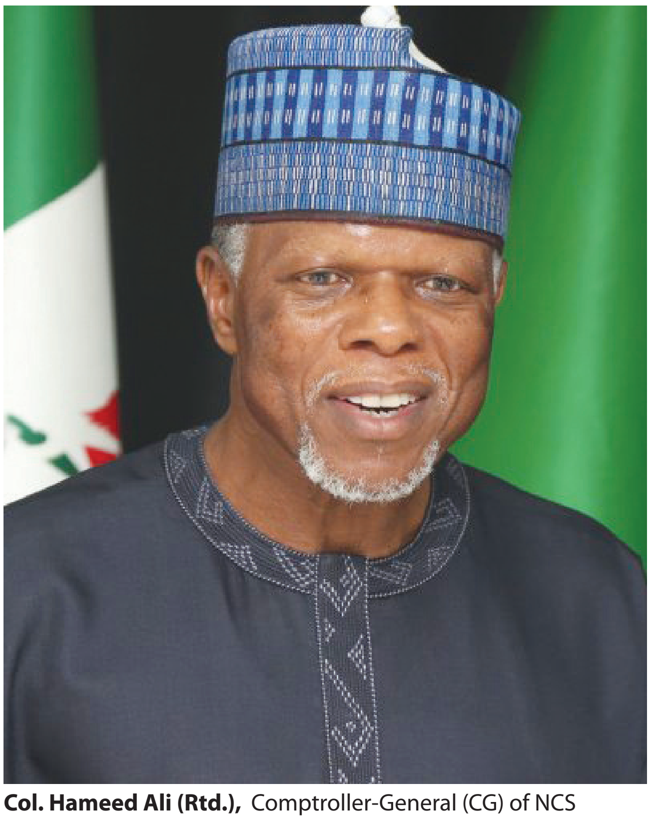
FAAC: FG, States, LGCs Share N574.668bn For January 2022



According to the Communiqué, in the month of January 2022, Companies Income Tax (CIT), Petroleum Profit Tax (PPT) and Oil and Gas Royalties decreased significantly while Value Added Tax (VAT), Import and Excise Duties decreased marginally.

Why NASS Supported N3 trillion Revenue Target for Customs

• Service Says VIN 'll Improve Transparency In Revenue Generation



Col. Hameed Ali (Rtd.), Comptroller-General (CG) of NCS

By Musa Ibrahim

The Nigerian Customs Services (NCS) is one of the major revenue generating agencies of the federal government.

So far, under the leadership of Comptroller-General (CG) of NCS, Col. Hameed Ali (Rtd.), the Service has repositioned to improve its revenue generation mandate.

Taking cognizance of the recent achievements of the the NCS, the House of Representatives recently set a N3.019 trillion revenue target for the NCS for the 2022 fiscal year.

Chairman, House Committee on Customs and Excise, Hon. Leke Abejide, gave the charge during the 2022 budget defence attended by the NCS Comptroller-General, Maj-Gen, Ali (Rtd.).

While commending the Service for exceeding the N1.678 trillion revenue projection set by the National Assembly as against the sum of N1.465 trillion initiated by Agency during the 2021 budget defence, the lawmaker expressed delight over the N2.241 trillion realised as at the end of the 2021 financial year.

Honourable Abejide, who further observed that from the recent circular from the Office of the Secretary to the Government of the Federation (OSGF) which raised the threshold service-wide for ministries, department and agencies (MDAs) on contract awards, harped on the need to ensure that all the MDAs improve on revenue generation.

He also disclosed that the joint Senate and House Committee on Customs and Excise has unanimously resolved to earmark reasonable amount to rehabilitate the 13 scanners out of the N27 billion surplus realised from the 2021 revenue.

"Another area we want your budget to capture is the corporate responsibility so that communities where Nigeria Customs and even people who work with Customs can have a belonging or take ownership of the agency.

"The information you need and assistance to tackle smugglers shall be provided by the people easily but, as it is now, the NCS is seen as enemy in these societies because they feel you only want something out of their area with little or no concern about them. Nigeria Army does a lot more of corporate social responsibility for the general public and their hosts, and other revenue generating agencies, and that is the reason for less reported acrimony and attacks against them.

"We want to change the budget cycle of the NCS to fall in line with national budget. On this note, the NCS budget should be ready from mid-November, so that we shall work it and pass same every December or before embarking on the Christmas and New year break."

In his presentation, the Service's CG, Ali, explained that the revenue target for NCS in the 2022 financial year is set at N3.019 trillion, consisting of N2.019 trillion for the federation; N253.23 billion for non-federation and N746.96 billion for import Value Added Tax (VAT).

According to him, when compared with the 2021 revenue target, the 2022 revenue target is higher by N965.42 billion or 31.98 percent.

On strategies to improve revenue generation in 2022, Ali said that considering the federal government pursuits toward improved internally generated revenue, the Service is in collaboration with the relevant government authorities in ensuring effective implementation of the said Act, hence the attractable excise duty of six percent on telecommunication services and N10 per litre on carbonated drinks are expected to commence fully within the fiscal year 2022.

He also informed the committee that the Service has installed three functional mobile scanners at different Customs locations, adding that subsequent to the purchase and deployment of operational vehicles, two sea-going vessels and 18 patrol boats across Customs' formations, would enhance the suppression of smuggling activities across difficult terrains.

"The post clearance audit and systems audit units of the Service, which were created to uncover illicit financial activities, are expected to contribute maximally in the Service's quest for improved revenue generation in 2022. The Service will maintain and deepen its collaboration efforts with relevant agencies.

"The absence of this measure is a potential avenue for tax evasions and economic sabotage. Thus, high level of this relationship must be deliberately structured in order to broaden our tax collectability."

Meanwhile, the Customs Area Controller in charge of the Port and Terminal Multipurpose Limited (PTML) Command of the NCS, Festus Okun, has said that the vehicle identification number (VIN) valuation system being implemented would increase transparency and revenue generation and engender predictability.

Okun said that the process would address discretionary duty value borne out of sentiments and address the problem of having variations in the value of same vehicle model and age in various commands of the Service.

He said that a recent stakeholders meeting held with the port users at PTML recently was targeted at keeping them abreast with the new policy on valuation for imported vehicles into Nigeria.

Okun said: "I will now relate VIN to some of the core principles of trade facilitation. Like, you can look at the trade facilitation agreement and the Kyoto Convention; what are they all saying? It is about processes and procedures that need to be simplified, to have harmonisation, to put integrity into the system for uniformity, predictability.

"By using it to generate appropriate duties and taxes to be paid, it means that it is predictable and there is harmonisation between all ports and terminals across the country. The human interface will be removed, and this brings integrity into the system. There will be harmonisation and absence of discretion because discretion is what has been causing a lot of issues, where people bring emotions into official transactions.

"When there is uniformity, there will be peace, because people will know that whatever is obtainable here is the same as all over, and when something is predictable, it means that route is made more user- friendly and people will rather come and make their transactions than go elsewhere. It is not like the NCS will relent in its enforcement of law but people will be encouraged to come into the system and do the appropriate thing. This will lead to a decrease in smuggling."

In another development, the federal government through the Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, disclosed that the delay in takeoff of the e-Customs modernisation project awarded in 2017 was as a result of legal issue.

Speaking recently before the House of Representatives' joint committee on Customs and Excise, Finance, and Banking and Currency, the Minister said that the federal government discovered after the contract award, that the company involved lacked the technical capacity to carry out the project.

The Committee is interacting with stakeholders to resolve the impasse causing non-commencement of the project, years after its contract was awarded.

According to Mrs. Ahmed, Messr Adani Nigeria Limited, who were awarded the contract by the Technical Committee on Comprehensive Import Supervision Scheme, leased the contract to another company, Adani International Limited, which is based in the United Kingdom (UK), and only registered four months after the contract was signed, a development she said was in breach of the required procedures.

The Honourable Minister told the Committee that after the cancellation of the contract by the Nigerian government, Adani Nigeria Limited filed three different suits against the federal government, citing breach of contract and sundry issues, explaining that the litigations yet to be decided on by the court were the challenges militating against commencement of the project.

Corroborating the minister's submissions, the CG of Customs, Col. Ali, said that Adani Nigeria Limited was not qualified to be awarded the contract in the first place, insisting that the normal thing was for the firm to be facing prosecution, and not the other way round.

Nigeria's Economy Defies World Bank, AfDB Projections

CONTINUED FROM COVER

in Q3 2021 by 0.05percent points. This is also contrary to the prediction by the Africa Development Bank (AfDB).

The continental body had projected the Nigeria economy to grow by 1.5 percent in 2021 and 2.9 percent in 2022, based on an expected recovery in crude oil prices and production. It said that the stimulus measures outlined in the ESP and the Finance Act of 2020 could boost non-oil revenues. It said improved revenues can narrow the fiscal deficit to 4.6 percent and the current account deficit to 2.3 percent of GDP in 2021 as global economic conditions improve. Reopening borders will increase access to inputs, easing pressure on domestic prices and inflation, projected at 11.4 percent in 2021. Downside risks include reduced fiscal space, should oil prices remain depressed. In addition, flooding and rising insecurity could hamper agricultural production. Further depletion in foreign reserves from $35 billion (7.6 months of import cover) could lead to sharp exchange rate depreciation and inflationary pressures. A potential relapse in COVID–19 cases could exacerbate these risks. High unemployment (27 percent), poverty (40 percent) and growing inequality remain a major challenge in Nigeria, AfDB had said.

Meanwhile, the real growth of the oil sector was –8.06 percent (year-on-year) in Q4 2021, indicating an increase by 11.71percent points relative to rate recorded in the corresponding quarter of 2020. Growth increased by 2.68 percent points when compared to Q3 2021 which was –10.73 percent.

Nigeria recorded an average daily oil production of 1.50 million barrels per day (mbpd) in Q4 2021, lower than the daily average production of 1.56mbpd recorded in the same quarter of 2020 by 0.06mbpd and lower than the third quarter 2021 production volume of 1.57mbpd.

The NBS said: "Nigeria's GDP grew by 3.98percent (year-on-year) in real

Mrs. Zainab Shamsuna Ahmed, Hon. Minister Of Finance, Budget And National Planning

terms in the fourth quarter of 2021, showing a sustained positive growth for the fifth quarter since the recession witnessed in 2020 when output contracted by -6.10 percent and -3.62 percent in Q2 and Q3 of 2020 under the COVID pandemic.

But NBS in its latest report said: "The fourth quarter growth indicates a steady economic recovery accounting for annual growth of 3.40 percent in 2021. The Q4 2021 growth rate was higher than the 0.11percent growth rate recorded in Q4 2020 by 3.87 percent points and lower than 4.03 percent recorded in Q3 2021 by 0.05 percent points.

"Nevertheless, quarter on quarter, real GDP grew at 9.63 percent in Q4 2021 compared to Q3 2021, reflecting a higher economic activity than the preceding quarter.

"In the quarter under review, aggregate GDP stood at N49.28 trillion in nominal terms. This performance is higher when compared to the fourth quarter of 2020 which recorded aggregate GDP of N43.56 trillion, indicating a year-on-year nominal growth rate of 13.11percent.

"The nominal GDP growth rate in Q4 2021 was higher relative to 10.07 percent growth recorded in the fourth quarter of 2020 but lower compared to 15.41percent growth recorded in the preceding quarter. 2021 annual nominal growth stood at 13.92 percent. For better clarity, the Nigerian economy has been classified broadly into the oil and non-oil sectors."

According to the bureau: "The oil sector contributed 5.19 percent to total real GDP in Q4 2021, down from figures recorded in the corresponding period of 2020 and down compared to the preceding quarter, where it contributed 5.87 percent and 7.49 percent respectively. Nevertheless, the sector contributed 7.24 percent to real GDP in 2021.

The non-oil sector grew by 4.73 percent in real terms during the reference quarter (Q4 2021). This rate was higher by 3.05 percent point compared to the rate recorded same quarter of 2020 and 0.71percent point lower than the third quarter of 2021.

"This sector was driven in fourth quarter 2021 mainly by agriculture (crop production); trade; information and communication (telecommunication); and financial and insurance (financial institutions), accounting for positive GDP growth."

In real terms, the non-oil sector contributed 94.81percent to the nation's GDP in the fourth quarter of 2021, higher than the share recorded in the fourth quarter of 2020 which was 94.13 percent and higher than the third quarter of 2021 recorded as 92.51percent. The annual contribution in 2021 was 92.76 percent."

Experts Speak

Speaking on the 2021 GDP growth rate, economists argued that the growth recorded in 2021 could be linked to the base effects of the recession witnessed in 2020.

They also emphasised the impacts of the increased economic activities and higher oil prices during the reference year.

According to them, the GDP figures are not a sign of better economic conditions as many Nigerians didn't witness any improvement in their wellbeing during the year under review.

The Chief Executive Officer (CEO) of Centre for the Promotion of Private Enterprise, Dr. Muda Yusuf, said, "Generally speaking, first is the fact that there is a very strong base effect in this numbers because when you are comparing 2021 with 2020, you are comparing a year when the economic activities were less affected by COVID to a year where we had a very severe impact of COVID.

"A year where we had a recession, a year when the economy contracted and a year when quite a number of sectors were on lockdown, so, when you are comparing 2021 with that kind of baseline, naturally, you should expect a very significant increase because it is year on year.

"Secondly, economic activities generally are rebounding, COVID is no longer that constraining, supply chains have been restored, sectors that were under lockdown have resumed operations, so the tempo of economic activities has increased because of the removal of the restrictions instituted to manage the pandemic.

"Thirdly, in 2021, we saw a rebound of oil price, with an average of almost 60 to 70 percent so the recovery of oil is also a major factor."

He added that while the growth should be acknowledged and cautiously commended, its impact on other parameters such as poverty, unemployment and other macroeconomic indices should be explored.

Yusuf said, "We must acknowledge and cautiously commend the annual growth, but more importantly, GDP is not an end itself, it is a means to an end, so we need to interrogate how the GDP is impacting other things such as poverty, employment, performance of SMEs, and macroeconomic indices like inflation and exchange rate. When you begin to look at these other parameters, you begin to see that the impacts on these parameters are very limited. We can't just be celebrating numbers but the impact of the numbers on the wellbeing of Nigerians. There is a whole lot that needs to happen to address poverty, inflation, the problems in the investment landscape and other parameters."

He stressed that there was limited impact of the growth on these key factors during the year under review. He, therefore, advised the government to focus more on addressing major problems in the country.

Expressing a similar view, a professor of Economics at the Olabisi Onabanjo University, Ago-Iwoye, Ogun State, Prof Sheriffdeen Tella, said: "The GDP grew simply because of the increase in the price of oil, not because of increase in other non-oil products and exports. We cannot say that this kind of GDP will have any positive effect on the lives of citizens. It would only have an effect if the money realised was spent on the citizens, and this cannot be seen immediately until after one or two quarters."

'NNPC's Pre-emptive Rights on Sale of JV Assets Will 'Demarket' Nigeria's Hydrocarbons'

By Albert Egbede

Any plan by the Nigerian National Petroleum Company (NNPC) Limited to exercise its pre-emptive rights over the sale of the assets of its Joint Venture (JV) partners may mean nationalisation of the facilities and a 'demarketing' of Nigeria's fossil fuels, the Editorial Board of Africa Oil & Gas Report, has posited.

In the article titled "NNPC's grab and grab will demarket the Nigerian Hydrocarbon Opportunity," the oil and gas-centred magazine, opined that if NNPC's intention is to take over ownership from non-investing partners through acquisition of the rights in the JVs, it will send the wrong signal to foreign and local investors.

Although still speculative, the editorial stated that if the national oil company makes good its plan, "investors around the world will mark Nigeria as a no-go area", since the NNPC could simply exercise its pre-emptive rights after they (investors) must have spent millions of dollars going through the bid process.

To buttress its argument, the magazine stated that in the week of January 24, 2022, speculations emerged that the NNPC had exercised its right of pre-emption of the ongoing divestment of ExxonMobil's JV assets, located in the shallow offshore in Nigeria.

On the heels of those speculations, it stated that the news that the state hydrocarbon firm had received a $5 billion corporate finance commitment from the African Export Import (Afrexim) Bank to fund major investments in the country's upstream sector, also emerged.

The company's editorial board insisted that if NNPC's plans for the money include pre-empting the sale of ExxonMobil's and /or Shell's JV assets to other parties, then it would be deeply concerning.

Specifically, the company stated that two sentences in the press release announcing the Afreximbank transaction, called for concern, namely that NNPC would be raising between $3.5 billion and $5 billion as corporate finance to fund major upstream investments and the second being the plans to take over ownership from non-investing partner through acquisition of pre-emption rights in the sample JV.

According to the board, the statements appeared to confirm the speculations that the NNPC was exercising its right of pre-emption on the ongoing divestment of ExxonMobil JV assets.

"If they do, we should all be worried by this proclivity of NNPC to grab and grab. For one, the Nigerian state is in dire need of investors taking interest in any sector of its economy," it noted.

In theExxonMobil divestment process, the Africa Oil & Gas Report said that the preferred bidder is the dual listed Seplat Energy, Africa's largest home-grown independent, which ran with Trident Energy, a London based explorer, backed with funding from Warburg Pincus, a leading global growth investor.

The reserved bidder, it added, is a consortium involving a new Nigerian independent and a London listed explorer, Cairn Energy, that made the first commercial oil find in Senegal and has invested over $400 million in the last 12 months acquiring Shell's brownfield assets in Egypt.

"What this means is that the divestment from majors attracts the cream of global investors. NNPC just concluded pre-empting the sale of the Chevron operated Oil Mining Leases (OMLs) 86 and 88 to Conoil Producing.

"If it swoops on ExxonMobil, it will draw a pattern. It would mean that it would do the same for Shell. And what does that mean? Nationalisation?

"Soon, investors around the world will mark Nigeria as a no-go area. For how do you spend over $4 million in a bidding process only to get to a pre-emption sign at the end?, it queried.

Describing the recent Marginal Field Bid Round as bungled and an exercise that turned out to be the least transparent licence offering anywhere on the continent, the board stated that the last thing Nigeria needs is not to be seen as a jurisdiction in which a company, from anywhere, is not welcome to bid for assets.

According to the magazine's official position, what's particularly note worthy about its penchant for grabbing is that NNPC is not using them to build any capacity.

It posited that NNPC will not manage the assets, adding that any excuse about "this being taken over in the interest of the state" is untrue.

It added: "In the last three years, it has implemented Finance and Technical Service Agreements (FTSAs), with companies that it chooses to work the assets. Its choice of 'partners' for the assets it grabs points more to cronyism than the quest to help build an industrial economy.

"So, NNPC takes an asset that should have gone to Conoil, a proven operator of oilfields in the last 30 years, and turns around to 'sell' the asset to MRS, a far downstream player.

"This time it plans to, if the speculations are confirmed, snatch victory from the jaws of Seplat, a 12-year-old technically honed operator with 80,000BOPD operated production capacity and then 'sell' it, through an FTSA arrangement, to a company that participated in the ExxonMobil bid but lost out?

While calling on those impacted to challenge the matters in court, the board noted that the argument that the NNPC was seeking to take advantage of the opportunity provided by the new Petroleum Industry Act (PIA) does not hold water since the national oil company is already in JVs in acreages that produce 45 per cent of the country's crude.

It continued: "It (NNPC) is also the Concessionaire in the Production Sharing Contract (PSC) arrangements, which deliver over 39 per cent of the crude, according to the 2018 Oil and Gas Industry annual report by the Nigerian Upstream Petroleum Regulatory Commission (NUPRC).

"And there is the matter of NPDC, the operating subsidiary of NNPC, which has been gifted joint venture participation in 10 Oil Mining Leases (OMLs), all of them producing."

According to the report, in 2019 alone, the Nigerian government added more to the cart and approved the transfer of OMLs 11, 24 and 98, including the operatorship of OML 116, from Federation's interest (NNPC) to NPDC which is also the sole stakeholder in three producing OMLs and two non-producing ones.

BPE Says Ready to Execute 42 Transactions In 5 Sectors This Year

By Felix Omoh-Asun

The Bureau of Public Enterprises (BPE) announced that it would execute 42 transactions in five different sectors of the economy this year.

The BPE said that the National Council on Privatisation (NCP), chaired by the Vice President, Prof. Yemi Osinbajo, had approved its 2022 workplan, according to a statement by the Head of Public Communications, Ibeh Chidi.

The statement said that the NCP also approved the revenue expenditure of the bureau. It said, "The transactions are 11 in the energy sector, 10 in the industries and services sector, eight in the agriculture and natural services sector and 13 in the infrastructure and public-private partnership sector.

"Rising from its first meeting for year 2022 at the presidential villa, after its inauguration last week, council also approved 2022 revenue and expenditure of the bureau, including the 2022 workplan risks and mitigation plans."

The BPE said that it always carried out a post-mortem review of its activities and achievements at the end of every year.

It said that the BPE also prepared a detailed workplan containing the deliverables and the cost and revenue estimates for the incoming year for consideration and approval by the NCP.

"The workplan provides the framework for tracking the implementation and realisation of the approved projects contained therein. It is a compendium of the various projects and reform initiatives which the BPE intends to carry out in 2022," it said.

NAICOM Seeks Insurance Cover For Intervention Funds

Mr. Sunday Thomas, Commissioner For Insurance/Chief Executive, National Insurance Commission (NAICOM)

By Musa Ibrahim

Commissioner for Insurance/Chief Executive, National Insurance Commission (NAICOM), Mr. Sunday Thomas, has said that funds disbursement by the government to farmers and traders under its poverty alleviation programme should be covered by insurance.

He said the government can guarantee business sustainability and revolving of funds for the future only with insurance.

Speaking at the retreat for members of the committee on implementation of compulsory insurances in Kano State, he said the objective of the retreat was to equip members of the committee with requisite information and knowledge to enable them maximise opportunities that will help grow and develop insurance culture in the state.

This, he said, would boost internally generated revenue for the state and serve as a social protection mechanism that will assist both government and citizens in the event of any disaster.

He said at the end of the deliberations, the committee will enforce in the state, third party motor insurance in respect of all mechanically propelled vehicles that ply the public roads;

liability insurance cover in respect of all buildings under construction that are more than two floors; liability insurance cover in respect of all public buildings including schools, offices, hotels, hospitals, market shops, shopping malls etc.; professional indemnity for all medical practitioners and hospitals.

Others are group life insurance cover by all employers of labour for all their employees where there are more than three persons; annuity for retirees as provided under the Pension Reform Act 2014 as an option among others.

He said, "The above compulsory classes of insurance I believe should be adequately covered by the committee. Beyond the compulsory classes of insurance, the committee could also look at encouraging individuals and corporate entities within the state to embrace other non-mandatory insurances either through Takaful Insurance (otherwise known as Islamic Insurance) or Microinsurance which caters for the low-income earners who constitute larger percentage of the population and businesses.

"This will enable an all-inclusive approach to the drive for insurance uptake and will address most of the sentiments against insurance in our society. I want to assure the members of the committee that the commission is ready to provide all necessary support especially in the area of publicity, knowledge gap about insurance and expertise to assist you carry out your assignment successfully."

He added that Kano, being one of the leading commercial nerve centres in the country with huge population and business potentials, the adoption and enforcement of these compulsory insurances will no doubt boost insurance premium income in the country.

The NAICOM boss also said the adoption would create thousands of employment opportunities in the state, improve standard of living of the people and increase the state's internally generated revenue.

"As I mention in Kano during our workshop recently, working out a fashionable mechanism will ensure Kano State an enviable status of a role model to other states in the country in the area of insurance penetration, "he said.

NNPC Discloses August 2021 Proceeds From Crude Oil, Gas Export

Nigerian National Petroleum Company (NNPC) Limited posted $224.29 million from crude oil and gas export proceeds in August 2021.

Garba Deen Muhammad, group general manager, public affairs division, NNPC, said this in a statement on Wednesday, pointing out that the figure represented a 17.26 percent increase against $191.26 million recorded in July 2021.

According to the statement, a breakdown of the figures captured in the August 2021 NNPC Monthly Financial and Operations Report (MFOR) showed that the export of crude oil amounted to $7.77 million while gas and miscellaneous receipts stood at $65.26 million and $151.26million, respectively.

Muhammad said the total crude oil and gas export receipt for August 2020 to August 2021 stood at $1.84billion.

In the gas sector, a total of 233.57billion cubic feet (bcf) of natural gas was produced in August 2021, translating to an average daily production of 7,534.67million standard cubic feet per day (mmscfd).

A total of 2,890.67bcf of gas was produced from August 2020 to August 2021, representing an average daily production of 7,303.61mmscfd during the period.

Muhammad said the period-to-date production from Joint Ventures (JVs), Production Sharing Contracts (PSCs) and the Nigerian Petroleum Development Company (NPDC), contributed about 57.51 percent, 20.88 percent and 21.62percent, respectively, to the total national gas production.

He said that the report also indicated that out of the 208.64bcf of gas supplied in August 2021, a total of 131.35bcf was commercialised, consisting of 40.22bcf and 91.13bcf for the domestic and export markets, respectively.

Noted the statement: "This translates to an average total supply of 1,297.54mmscfd to the domestic market and 2,939.31mmscfd of gas to the export market for the month".

"Total gas supply for the period of August 2020 to August 2021 stood at 2,792.28bcf out of which 537.51bcf and 1,245.93bcf were commercialised for the domestic and export markets respectively".

In the downstream sector, the statement said, a total of 1.532billion litres of white products were sold and distributed by the Petroleum Products Marketing Company (PPMC), a downstream subsidiary of the NNPC, in August 2021.

A further breakdown of the figure indicates that petrol accounted for 99 percent of total sales, while automotive gas oil (AGO), also known as diesel, accounted for the rest.

NDIC Pledges Commitment In Driving Procurement Process Efficiency

By Musa Ibrahim

The Managing Director/ Chief Executive, Nigeria Deposit Insurance Corporation (NDIC), Mr. Bello Hassan, has said that the corporation would continue to build capacity in procurement processes.

Mr. Hassan spoke at a two-day capacity building workshop for management staff of the corporation in Lagos recently.

According to him, "In furtherance to remain a learning and growth institution to keep abreast with the development in the procurement processes such as the recently published upward review of approval threshold and its implications on procurement, the NDIC found it necessary to hold this retreat.

"This would further engage the Bureau of Public Procurement (BPP) in a deeper conversation on the NDIC challenges in the procurement processes. The aim of this management retreat is to ensure that participants acquaint themselves with salient provisions of the Public Procurement Act, 2007 and to have a greater understanding of the procurement processes."

Mr. Hassan noted that the corporation had maintained a cordial and progressive engagement with BPP over the years in different capacities which had empowered the NDIC to discharge its mandate more efficiently and effectively to satisfy its stakeholders' expectations.

According to him, on a yearly basis, the employees of NDIC attend various BPP capacity building programmes offered at ABU Zaria and FUT, Owerri, and the corporation has a total number of 10 certified staff in the procurement department as of December, 2021.

The Director-General (DG) of BPP, Mamman Ahmadu, who was represented by the Director, Compliance, Certification and Monitoring, Ishaq Yahaya, said that the Public Procurement Act was enacted in 2007 and efforts were in progress to review and address some of the challenges in the Act.

In another development, the NDIC Boss, while speaking recently at an event, noted that most of the issues surrounding bank charges have been largely addressed, assuring that issues surrounding complaints of customers on bank charges will be duly addressed.

He said: "The issues of charges have been largely addressed. That is why we also have this workshop, so that the Finance Correspondents will also help us disseminate the information.

"The Central Bank of Nigeria (CBN) has already issued a guide to bank charges which strictly regulates how charges should be made to customers within the banking system.

"So, it is for us now to do more enlightenment to the banking public so that they can know what these charges are. The document is available on the CBN website. You can access it and see what the charges are as per those guidelines. It has already been standardised and taken care of.

"All we need to do is sensitise the banking public so that they can be aware that such document exist so that they are not unduly overcharged by the banks, and where customers discover that they have been overcharged, they can petition the CBN or the NDIC and it will be investigated, and if the bank is found to overcharge the customer, they will be directed to make appropriate refund.

"In several instances, it has happened and banks have made refunds to customers where they overcharge them", Mr. Hassan added.

EDITORIAL

With 3.4% GDP Growth, FG Bent On Citizens' Welfare, Poverty Alleviation Others

The National Bureau of Statistics (NBS) said, just a few days ago, that Nigeria's economy grew by 3.4 percent in 2021, up from the 1.92 percent contraction recorded in 2020.

Disclosing this in the just released National Gross Domestic Product Q4 2021 report, the NBS said: "Nigeria's Gross Domestic Product (GDP) grew by 3.98 percent (year-on-year) in real terms in the fourth quarter of 2021, showing a sustained positive growth for the fifth quarter since the recession witnessed in 2020 when output contracted by -6.10 percent and -3.62 percent in Q2 and Q3 of 2020 under the COVID-19 pandemic.

"The fourth quarter growth indicates a steady economic recovery accounting for an annual growth of 3.40 percent in 2021. The Q4 2021 growth rate was higher than the 0.11 percent growth rate recorded in Q4 2020 by 3.87 percent points and lower than 4.03 percent recorded in Q3 2021 by 0.05 percent points.

"Nevertheless, quarter-on-quarter, real GDP grew at 9.63 percent in Q4 2021 compared to Q3 2021, reflecting a higher economic activity than the preceding quarter.

In the quarter under review, aggregate GDP stood at N49,276,018.23 million in nominal terms. "This performance is higher when compared to the fourth quarter of 2020 which recorded aggregate GDP of N43,564,006.29 million, indicating a year-on-year nominal growth rate of 13.11 percent.

"The nominal GDP growth rate in Q4 2021 was higher relative to 10.07 percent growth recorded in the fourth quarter of 2020 but lower compared to 15.41 percent growth recorded in the preceding quarter. 2021 annual nominal growth stood at 13.92 percent. For better clarity, the Nigerian economy has been classified broadly into the oil and non-oil sectors."

Dr. Muda Yusuf, Chief Executive Officer (CEO), Centre for the Promotion of Private Enterprise (CPPE), says the nation's GDP growth rate of 3.4 percent shows economic recovery.

Yusuf recently made this known in Lagos. He noted that the figure surpassed projections of both the International Monetary Fund (IMF) and the World Bank of 2.6 percent and 2.7 percent respectively.

Yusuf attributed the positive growth to a strong base effect and the easing of shocks of the pandemic on the economy.

He noted that the base year (2020) was characterised by devastating shocks of the COVID-19 pandemic with its attendant collapse of commodity prices, supply chains disruptions, travel restrictions and lockdown.

"But in 2021, we saw a rebound of oil prices, relaxation of travel restrictions, improvements in vaccination rates, lifting of lockdowns and economic stimulus programmes by government.

"The fourth quarter typically witnessed increased spending and heightened tempo of economic activities because of the end of year festivities. These were the critical drivers of the growth," he said.

Yusuf, however, noted that the GDP growth was not an end in itself but a means to an end.

This paper understands that for growth to be meaningful it must impact on citizens' welfare, create jobs, alleviate poverty, reduce inequality, ensure prosperity of small businesses and promote inclusion. Therefore, it is our opinion that with the 3.4 percent GDP growth, the government is bent on consistently turning around the nation's economy for better.

There has been inflation and the sharp depreciation of the nation's currency which one could reason to have inflicted shocks on business performance and the welfare of citizens.

Citizens purchasing power was considerably eroded, thus aggravating poverty. We welcome the positive growth numbers, even as we reckon that there is still a great deal of work to be done to translate the growth to improved welfare and prosperity of small businesses.

We call for a mix of fiscal, monetary and social policy interventions.

There is an administration that actually earned more revenue from oil with $381.9 billion. Yet, it could not sustain the 8.01 percent growth rate in 2010.

Recall, President Buhari's current tenure has seen 0.41 percentage point drop in growth rate (from 2.65 percent to 2.21 percent), having taken the country in and out of two recessions, no thanks to slumps in oil prices and the COVID-19 pandemic.

We also understand the fact that GDP growth often does not reflect the real standard of living, quality of life and consumer purchasing power of a population. As an alternative, per capita income (income per head), measured by dividing the GDP by a population, is used to estimate the average amount in the pocket of each person in a country.

Economic sustainability forms an important component of sustainable development. Economic sustainability is the maintenance and sustenance of a high real growth rate of the economy to achieve the development or economic objectives. Despite the huge resources in Nigeria, the country ranks low in economic performance.

Nigeria has not been able to maintain the growth rate necessary to reduce poverty. Nigeria suffers from lack of balanced development where economic, social and environmental dimensions are given due consideration for long term sustainable development.

Measuring and managing Nigeria's sustainable development is key to achieving the country's development agenda.

We have acknowledged that in view of the multiple challenges to development in Nigeria, the present administration has been using a holistic approach that integrates socio-economic dimensions.

OPS Advises FG To Generate Revenue From Non-Tax Sources

Members of the Organised Private Sector (OPS) have urged the Federal Government to target non-tax sources to generate more non-oil revenues rather than borrowings from abroad.

President and Chairman of Council, Lagos Chamber of Commerce & Industry (LCCI), Michael Olawale-Cole and former President of the chamber, Babatunde Ruwase made this known following the planned amendment of the 2022 budget and the inclusion of additional N3 trillion.

The advice came on the heel of the directive from the Senate, asking the revenue agencies to target N3 trillion in 2022 so as to give comfort and cut reliance on borrowing.

The LCCI President explained that the move to make provision for N3 trillion fuel subsidy in this year's fiscal budget would made government to be more proactive in its bids to consider plans to extend more tax revenue nets in the country's non-tax sources to generate more revenues.

Olawale-Cole explained that the policy consistency was imperative for long-term investment planning and business projections, adding that government must curtails its loans borrowing and widening its dragnets on the non-tax sources to generate more revenues, especially in realising the N3 trillion fuel subsidy spending.

He commended government's political will to sign the Bill into law because of the expectations of many on the full exploitation of the inherent potentials of the oil and gas sector.

The LCCI president stressed that with the additional expenditure against the projected revenue, deficit financing would be needed to support the budget expenditure but government should be targeting non-tax sources.

He said: "We are likely to see government borrow more than projected to finance the bloated expenditure in the face of revenue mobilisation challenge.

In the face of this dilemma, the major concerns of the Organized Private Sector (OPS) are found in the policy inconsistencies that have tainted our policy environment; the loss of required foreign direct investments (FDIs); and the likely weak implementation of the Petroleum Industry Act (PIA).

"They are adding up to the N17.13 trillion that we had before. So, I would expect that the budget will go up to over N20 trillion now because they are not adjusting. And then, the implication of that is, we have to go out on borrowing to make up for this N3 trillion fuel subsidy again. This is not a question of adjustment. "In fact, there is no way we can adjust, so we are going to go out borrowing which is the sad part of it.

"Aig-Imoukhede actually worked for the ex-president of Jonathan's government and they made certain discoveries and it was very clear that there is leakage within the system. "We should go back to that Aig-Imoukhede's committee report and see how we can remove subsidy. If we cannot fuel subsidy we should be able to curb and eradicate the corruption element which we have not been able to do. But thank God, the House of Reps were saying on television that they want to investigate.

"We have investigated we have seen that corruption exist in the country's downstream sector. I think somebody among them should have asked of Aig-Imoukhede's report. That is the problem with Nigeria we do the something times and times again we try to solve that same problem. Not looking that this problem was there what sort of solution did we provide? What did we do?

Where did we go wrong? We go back to starting block. "Undauntedly, there is danger for Nigeria's economy ahead because we cannot continue like this it's very unfortunate. But We have to get rid of this subsidy thing."

UK Injects £10m Of Concessional Financing To Mobilise Pension, Insurance Investments, As Infracredit Acts As Capital Provider

By Felix Omoh-Asun

The UK is providing up to £10 million of concessional aid to reduce the risk for pension and insurance funds to invest in energy access projects, and support Nigeria's COP26 commitments.

InfraCredit is a Nigerian entity whose capital providers are the Nigeria Sovereign Investment Authority, Africa Finance Corporation, African Development Bank, KfW Development Bank, InfraCo Africa and GuarantCo. InfraCo Africa and GuarantCo are both Private Infrastructure Development Group companies funded by a range of development Partners - United Kingdom, Switzerland, Australia, Sweden, the Netherlands, France and Canada.

According to a press statement by the British High Commission, the financing will help Nigerian investors focus on low carbon energy, supporting off grid, low-carbon energy projects.

The statement added that the £10 million will be blended to de-risk transactions and therefore mobilise domestic institutional investment from local pension funds, insurance firms and other local institutional investors and it will help scale up domestic financing for eligible off-grid clean energy infrastructure, such as solar mini-grid and home systems, clean cooking infrastructure and SME cold storage infrastructure in Nigeria.

UK Minister for Africa, Vicky Ford said: "The UK is committed to increasing both renewable energy and energy access in Nigeria, driving clean, sustainable and resilient growth. "As the world looks to transition to clean growth, we are witnessing an era-defining opportunity for the private sector. This transaction is particularly exciting as it brings together UK government support with the institutional capital which is essential to grow the sector at scale."

This innovative blended finance initiative will provide affordable long-term financing from local investors for the low carbon energy sector to support scaling up of off-grid low carbon energy projects in unserved and underserved communities. This initiative will support the implementation of Nigeria's Nationally Determined Contributions plan, which Nigeria submitted to the UNFCCC before COP26, its Energy Transition Plan, which was presented by the Nigerian government at COP26, and Nigeria's plans to increase energy access including the Solar Naija programme.

Uche Orji, MD/CEO of The Nigerian Sovereign Investment Authority (NSIA), and Chairman of InfraCredit, said: "InfraCredit is pleased to be working with FCDO to mobilise private investment from domestic pension funds and other institutional investors into such an important developmental area as low carbon energy access. This programme is aligned with NSIA's other clean energy initiatives which aims to deliver up to 250-500MW of renewable energy capacity in Nigeria that will reduce annual CO2 emissions, alleviate poverty, create jobs and support local economic growth.

InfraCredit provides local currency (Naira) guarantees to enhance the credit quality of debt instruments issued by eligible infrastructure project sponsors.

Institutional financing is money held in pension, insurance or wealth funds for example. In Nigeria, there is over N12 trillion held in such funds. It is mostly invested in government securities or occasionally in Nigerian shares. Pension funds can according to the regulator, PenCom, deploy up to 4 percent of their assets into infrastructure funds but currently deploy about 0.5 percent. Infrastructure is a suitable for pensions as it returns finance over a long period of time.

Nigeria needs energy to grow and industrialise but its consumption is low – India and Indonesia use seven times as much, and 87 million Nigerians are without energy at all.

Renewable energy is the way forward as it has low carbon emissions and is cleaner. It can create many jobs in Nigeria – potentially a lot more jobs than oil and gas.

The UK hosted the UN Conference of the Parties (COP) event in November 2021, which aimed to reduce the rise in temperature from climate change and help mitigate the impacts of climate change. President Muhammadu Buhari attended and Nigeria submitted enhanced promises (Nationally Determined Contributions) around reducing carbon emissions by 20 percent (or 45 percent with support) and reaching net zero by 2060.

These promises included the use of increased renewable energy. Between 2014 and 2022, the UK has provided more than £80million into the renewable energy sector in Nigeria, including both grants, technical assistance and lending and is continuing to support the sector through advisory programmes such as UK Nigeria Infrastructure Advisory Facility.

The UK also provided more than $50million to set up InfraCredit in 2016.

FEC Approves $2.8m For Ibadan-Lagos, Port Harcourt-Maiduguri Rail Projects

By Felix Omoh-Asun

The Federal Executive Council (FEC) has approved $2.8million for the procurement of rolling stocks operational maintenance equipment for Ibadan to Kano standard gauge and Port Harcourt to Maiduguri narrow gauge railway projects.

The Minister of Transportation, Mr. Rotimi Amaechi, made the disclosure when he addressed State House correspondents at the end of the Council meeting presided over by Vice-President Yemi Osinbajo, in Abuja recently.

According to him, rolling stocks are consumables meant for the maintenance and operation of the railway.

"I have an approval of the cabinet to procure rolling stocks operational maintenance equipment for the new railway projects corridors in Ibadan to Kano standard gauge and Port Harcourt to Maiduguri narrow gauge rail lines to the tune of $2, 810, 574, 064.92 including 7.5 percent tax.

"Rolling stocks are consumables for the maintenance and operation of the railway.

"So, with this, we will replace all the rolling stock. They are essentially the consumables we use to maintain the trains coaches and locomotives," he said.

On the reported attack on train passengers in Kogi, Amaechi said the attack was not carried out at the train station, saying report reaching him indicated that the victims were attacked outside the station while heading to their destinations.

He said: "The report I got was not at the rail station, it was on their way out of the station.

"Our responsibility is inside the station. But again, you are right. I really have to go and find out the level of armed security in the station.

"We have never been attacked inside the station. Well, that does not mean we should not find out. So, I thank you for reminding me to cross-check. Policemen are supposed to be at every station because we have railway police. So let me not just assume that they are there because we have never been attacked in the station."

Amaechi also confirmed that nobody was killed as a result of the attack as being reported in some quarters.

"The report I got from them was that on their way home, the road from the station to the community that they were attacked. But I did not hear that they were killed. I will find out from the Managing Director of Nigerian Railway Corporation."

AGF Idris Commends The Nigeria Police, Pledges Support For The Force

Accountant-General of the Federation, Ahmed Idris, and wife of the FCT Police Commissioner, **Mrs. Maryam Babaji**, during recent courtesy visit to the Treasury House, Abuja.

The Accountant-General of the Federation (AGF), Ahmed Idris, has lauded officers and men of the Nigeria Police for their gallantry in maintaining peace and security in the country.

Mr. Idris, while interacting with members of the Police Officers Wife Association (POWA) Abuja chapter, noted that the Nigeria Police have shown great bravery in maintaining peace and security, adding that many police officers have paid the supreme price in the process.

In his words: "We appreciate the role the Nigeria Police play in maintaining peace and protecting property in this country. Many even lose their lives; they pay the supreme price. All these are for the good of the country and the citizens.'

Mr. Idris, who emphasised that national security is a panacea for any meaningful development, assured that the Treasury would continue to support the Nigeria Police in all ways possible.

In a release by Henshaw Ogubike, Director (Information, Press And Public Relations), Mr. Idris said: "Security is important and we appreciate the role played by the Nigeria Police. I believe their role will continue to be critical because without peace, we cannot attain any development. We, as an institution, will always back them up."

The AGF commended the Abuja Chapter of the POWA, chaired by Maryam Babaji, and the national body of the Association for their humanitarian activities.

Speaking on behalf of the Association, the Public Relations Officer, Mrs. Linda Lawal, acknowledged the cordial relationship that exist between the Treasury and the Nigeria Police. She solicited continuous support for the Association and for the Nigeria Police.

NEWS IN PICTURE

The Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, paid a courtesy visit to the Chief of Naval Staff, **Vice Admiral Awwal Gambo**, at the National Headquarters, Abuja. The host took the Honourable Minister on a tour of Naval facilities at the Naval Complex. Mrs. Ahmed went round the maritime intelligence facility, FALCONEYE, built by the Office of the National Security Adviser (NSA). The equipment is a state-of-the-art mass surveillance system.

Savings Critical To Growth Of Nation's Economy

By Albert Egbede and Emeh Obi

The Minister of Finance, Budget and National Planning, Hournable Dr. Zainab Ahmed has said that mobilisation of domestic savings for capital formation and investment is a critical success factor for harnessing the true growth potential of the Nigerian economy.

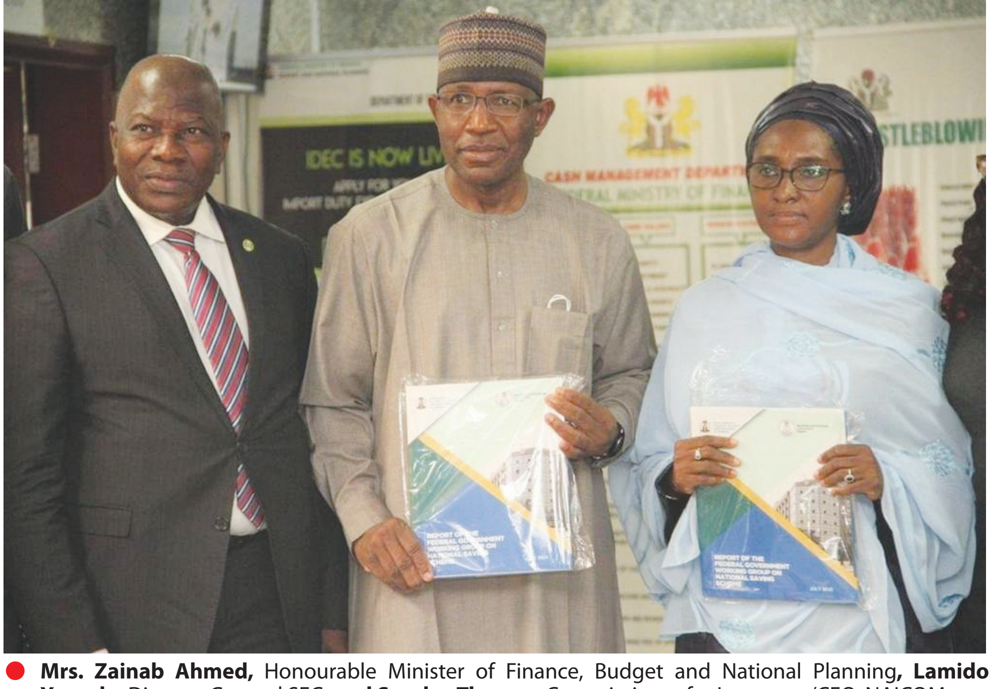
The Minister stated this during the submission of report of the Working Group on National Savings Scheme in Abuja, Tuesday.

The Minister stated that the just launched Medium-Term National Development Plan 2021-2025 recognised the role of a deep financial market in supporting the high and sustainable growth the plan aims to attain. I hope the proposals made in this report will guide government in taking actionable steps to actualise the objectives outlined.

She assured stakeholders that she would review the report and work with the Securities and Exchange Commission (SEC) and other stakeholders to ensure that the country fully realizes the potential benefits of the Scheme to the Country.

Ahmed said, "We understand that this initiative will involve several other agencies such as the Central Bank of Nigeria (CBN), Federal Inland Revenue Service (FIRS), National Insurance Commission (NAICOM) and other important stakeholders. We will leverage on our collaborative working environment within the Government to ensure we get necessary buy-in and commitment from relevant stakeholders.

"On behalf of the federal government and the



Mrs. Zainab Ahmed, Honourable Minister of Finance, Budget and National Planning**, Lamido Yuguda,** Director General SEC**, and Sunday Thomas**, Commissioner for Insurance/CEO, NAICOM

Ministry of Finance, Budget and National Planning, I extend my sincere appreciation for your selflessness in giving your time and skill in this painstaking work in support of Government. I trust that we will count on your patriotic spirit when we call on you for further support in this or other laudable endeavours for our dear Country."

Earlier, the Director-General (DG), SEC, Mr. Lamido Yuguda explained that the need to establish a National Savings Strategy was outlined in the 10 Years Capital Market Master Plan "as one of the key strategies to enhance capital formation by mobilising domestic funds for investment to drive rapid economic growth.

"It envisaged the deliberate provision of risk capital as venture capital and private equity that are naira based and more committed to the long-term prosperity of Nigeria as well as create a buffer to the instability created by foreign investors.

"The Capital Market Master Plan Implementation Council (CAMMIC) commissioned a white paper on a National Savings Strategy and recommended to the Minister of Finance, Budget and National Planning the formation of a Working Group to explore the feasibility of the report findings", he added.

Yuguda thanked the Honourable Minister for Finance, Budget and National Planning for graciously embracing this initiative and constituting this National Working Group and expressed the hope the Honourable Minister will accept the recommendations of Working Group and facilitate the adoption of the National Savings Scheme in the Nation's Development programme.

"We are indeed grateful for your commitment and efforts to position our market where it deserves to be – a capital market that will broaden access to economic prosperity by enabling the emergence of financially responsible citizens, accelerate wealth creation and wealth distribution, provide capital to small and medium scale enterprises, and catalyse housing finance," he added.

While presenting the report, Dr Ore Sofekun Member of the Committee and CEO of Foothold Advisors Limited who presented the report on behalf of the Committee Chairman, Mr Fola Adeola, said the scheme will be open-ended and considering its medium-term to long-term objective, participants will have the opportunity to decide how their contributions will be invested and will be able to make periodic re-allocations.

To allow for product diversification and provide savers flexibility and choice, she stated that multiple investor risk/return profiles have been designed with corresponding savings products. These products will allow service providers offer an array of diversified product options tailored to match customer needs. New Government issued savings instruments that have features to protect savers from rising inflation have been recommended and a number of special products have also been proposed with the needs of Nigerians in mind.

On implementation Roadmap, Sofekun said the Scheme will be subject to the overall supervision of the Securities and Exchange Commission, and structured, to start, as a Department within the SEC adding that with the Investment and Securities Act (ISA) of 2007 currently being reviewed, a new section should be introduced in the proposed Investments and Securities Bill (ISB) to provide for the establishment of the National Savings Scheme as a mandatory scheme and other related matters.

"The new provisions in the ISB should be articulated to give the NSS its own advisory board. The governance structure of the Scheme should be robust and transparent with stringent measures in place to ring-fence the assets of the Scheme. strategy and advise the government on the extent and period for program incentives, conduct technical reviews of proposed products and supervise overall program philosophy.

Why Buhari Is Spending 1.42trn On Infrastructure In 2022 - Minister of Finance

By Albert Egbede

The federal government on Tuesday explained why it will be spending a whopping N1.42 trillion on infrastructure and N2.11 trillion on human capital development in 2022.

The Minister of Finance, Budget and Planning, Dr. Zainab Ahmed, said it is meant to stimulate economic growth and development.

Ahmed stated this at the Town Hall Meeting on the achievements of the federal government in infrastructure development in Abuja.

She also added that despite the challenges of the growing population of Nigeria, the federal government has successfully implemented a range of infrastructure programmes that have had a positive impact on the lives and livelihoods of the citizenry.

She stressed that the President Muhammadu Buhari-led administration has continued to "prioritise spending on infrastructure and human capital to catalyse rapid economic development."

According to her: "This administration has successfully implemented a range of infrastructure programmes that have had a positive impact on the lives and livelihoods of the citizenry.

"I would like to use this forum to reiterate that good quality infrastructure is important, not only to engender and accelerate economic growth, but also to ensure and enhance inclusive growth for all within a nation space.

"Subsequently, this administration continues to prioritize spending on infrastructure and human capital to catalyze rapid economic development."

During her presentation, the Minister highlighted some of the programmes initiated by the Federal Ministry of Finance, Budget and National Planning, which include road, rail, health, power amongst others.

"Consequently, over a period of seven years (2015 – 2021), we have invested and completed 13 projects across seven key sectors including healthcare, education, agriculture, financial services, and housing. Some of these completed projects comprise the UFF-NAIC Agri Fund, established with Old Mutual to invest in processing opportunities with backward integration to primary agriculture; the Fund for Agricultural Finance in Nigeria (FAFIN) – an agriculture-focused private equity fund for agricultural SMEs across Nigeria. Another is the AFAM III Fast Power – a N10.4 billion investment in the procurement and local assembly of Solar Home Systems, as part of the FGN solar strategy for the electrification of 5 million households," she said.

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After Record N6.4trn Revenue In 2021, FIRS Targets N7trillion This Year

Promises To Leverage Finance Act, 2021 To Fund 2022 Budget

The Federal Inland Revenue Service (FIRS) in a record-breaking move announced revenue collection in taxes of about N6.4 trillion, which is the first in the history of the Service. After the feat, the Service is even aiming at collecting more tax this year. ***Felix Omoh-Asun*** *and* ***Musa Ibrahim*** *analyse the plans by the FIRS.*

The Federal Inland Revenue Service (FIRS) is set to surpass its N7trillion tax collection target in 2022.

The FIRS, it was learnt, is to exceed the target that the federal government set for the Service. "It is to compensate for the federal government's decision to appoint the FIRS as the Principal Tax Revenue Collection Agency".

The FIRS has the federal government's approval to collaborate with federal law enforcement agencies and ministries departments and agencies (MDAs).

New powers have now been vested in the FIRS. This includes the sanctioning of non-compliant taxpayers that refuses access to its information technology (IT) systems for which the FIRS may deploy both proprietary and third-party technology applications to collect information from taxpayers.

The FIRS is now empowered to assess non-resident firms to tax on fair and reasonable turnover tax basis, on turnover earned from providing digital services to Nigerian customers. Introduce turnover tax on fair and reasonable percentage of profits earned from providing digital services to Nigerian customers.

The FIRS collected N6.405 trillion tax revenue in 2021 and it now expects the government to increase the target to N7 trillion or more.

"We are given a target. We do not set targets for ourselves. There is a national tax collection target that is given to us. We would now set our own target inhouse to say that the federal government has said go and collect N7trillion. We would now say okay, inhouse we want to collect N10trillion; we want to surpass government's target.

"That is the energizer to the Service that makes us more or less beat our target most times," the service said.

Reports suggest that the FIRS will aggressively pursue the 10 percent Capital Gains Tax imposed on shares' disposal transactions, where the aggregate disposal proceeds exceed N100million in any 12 consecutive calendar months.

To surpass its given target, the source revealed that the FIRS will achieve 100 percent automation of all its tax administration processes, with the aim of blocking revenue leakages thereby revolutionising revenue generation in Nigeria.

The Service, he said, will give priority to the collection of taxes from the digital economy, and the Service will deploy technological tools in assessing entities that fall within the Significant Economic Presence (SEP) threshold and relevant turnover generated from Nigeria.

According to the source, "with the amendment of Section 10 of the Value Added Tax (VAT) Act by the Finance Act 2021, we will implement the published guidelines on the simplified compliance regime on VAT for non-resident suppliers, to collect VAT on the digital supply of services and intangibles to Nigeria."

The FIRS has disclosed that it generated the sum of N4.396 trillion in taxes from non-oil sector in 2021 compared to N2.507 trillion collected in 2017.

This was disclosed by the FIRS chairman, Muhammad Nami, in the Service's 2021 performance update.

According to the performance update, the nation recorded a consistent increase in tax collection from the non-oil sectors of the economy in 2021, peaking at 69 percent from 38 percent in 2017.

The FIRS boss stated that the surge in taxes from the non-oil sectors was primarily due to the adoption of the "TaxPro Max" Solution and other strategic reforms implemented by the Service.

TaxPro-Max enables seamless registration, filing, payment of taxes and automatic credit of withholding tax as well as other credits to the Taxpayer's accounts, among other features. TaxPro-Max also provides a single-view to Taxpayers for all transactions with the Service.

Nami said, "This feat was made possible due to the adoption of the in-house built TaxPro Max Solution and other strategic reforms implemented by the Service."

It was emphasised that the year 2021 was a significant one for tax administration in Nigeria and that corporate income tax collection for 2021 was based on business profits for 2020, as required by law.

The FIRS boss noted, "In the year 2020, the country entered into economic recession for the second time in five years. The recession was caused by a 5-month lockdown occasioned by the Coronavirus (COVID-19) pandemic. To compound the economic challenges of COVID-19, business activities were disrupted by the End-SARS protests. Due to the recession, many businesses struggled to survive with very few reporting profits. The base for corporate tax was grossly eroded due to losses and business failures."

He described the June 2021 launch of the new automated tax administration system (dubbed "TaxPro Max") as a game-changer.

"With the solution, taxpayers experienced ease of registration, reporting, payment and issuance of tax clearance certificates while the Service experienced greater efficiency in the deployment of resources thereby leading to improved revenue collection," he said.

In another development, the FIRS said it will start collecting taxes on income derived by companies from bonds and short-term securities.

A bond is a fixed-income instrument (loan) made by an investor to a borrower (typically corporate or government).

In 2012, the federal government had exempted bonds and short-term government securities from income tax for 10 years. With the expiration, FIRS said companies will now pay taxes on profits from loans to their government from January 2, 2022.

The new directive, contained in a circular, FIRS mandates businesses to pay income tax on the profit earned from bonds and short-term government securities, exempting income tax on bonds issued by the federal government.

It listed short term government securities to include treasury bills and

Muhammad Mamman Nami, Executive Chairman, FIRS

promissory notes; bonds issued by state and local governments and their agencies; and bonds issued by corporate bodies and supranational.

"The taxpaying public is hereby invited to note that income tax applies to income derived by companies from bonds and short-term securities effective from 2nd of January, 2022, except for bonds issued by the federal government," the circular read.

He urged Nigerians to obey the law by complying with the new directive. "Taxpayers are, therefore, expected to comply with the law by including such income in the self-assessment returns and tax computation of companies and paying appropriate taxes," he said.

In the same vein, the Service signed a Memorandum of Understanding (MoU) with the Nigerian Television Authority (NTA), Federal Radio Corporation of Nigeria (FRCN) and the National Orientation Agency (NOA).

The MOU will see government-owned media organisations and the tax collection agency collaborating to engage in a nationwide tax education campaign.

FIRS made the disclosure in a tweet recently. The agency said that it plans to increase awareness of the importance of tax payment by carrying out a nationwide campaign to educate and provide step by step instructions on taxes.

"Today the FIRS signed an MoU with the Nigeria Television Authority, the Federal Radio Corporation of Nigeria, and the National Orientation Agency, to commence a nationwide taxpayer education campaign that will focus on taxes to pay, how to pay, where to pay, when to pay and why we pay," the tweet reads.

In another development, FIRS stated that it would use the instrumentality of the Finance Act 2021, through collaboration with taxpayers and key stakeholders, to ensure adequate funding of the country's budget and raise the requisite financing for national development.

This was stated by Nami, while delivering the keynote address at the KPMG's Webinar on Nigeria's 2022 Budget and the Finance Act 2021.

This is even as Minister of Communication and Digital Economy, Isa Patani, said that the ministry is prepared to grow the nation's economy through information communication technology (ICT).

The Executive Chairman of FIRS noted that the Act had provided a framework for equitable treatment, automation and deployment of ICT infrastructure, a single agency for tax collection, taxation of the digital economy among other critical interventions for improved tax administration in the country.

On equitable treatment, Mr. Nami explained: "In the past, situations abound where certain goods or services streamed into Nigeria by non-resident companies, especially to consumers (B2Cs), were not subject to VAT. This raised the issue of equity, as goods and services offered by domestic companies are subjected to VAT.

"With the amendment of Section 10 of the VAT Act and our publication of the 'Guidelines on Simplified VAT Compliance Regime for Non-Resident Suppliers', there is now a mechanism for applying VAT on such goods or services, affording the same tax treatment to both local and foreign supplies.

"Similarly, companies deriving income from Nigeria without physical presence can now be assessed, like other companies with physical presence, on fair and reasonable percentage of their turnover in line with Section 30 of CITA," he said.

On automation of tax processes, the FIRS Executive Chairman noted that: "With the amendment of Section 25 of the FIRS Establishment Act, the Service can now deploy either proprietary or third-party developed technologies for tax administration. Those that may still stand in the way of achieving this objective will now be liable to a daily penalty of N25,000.

"With the extension of secrecy and confidentiality requirements to other persons, like service providers, vendors and consultants of the Service, the fear of taxpayers are further allayed on the secrecy and confidentiality of their commercial and other information."

Nami further noted that with the amendment to Section 68 of the FIRS Establishment Act by the Finance Act, complaints from taxpayers about multiple agencies of government demanding payment of tax from them had been addressed.

"This unfortunate situation is not in line with the national tax policy thrust and was causing confusion for our taxpayers and increasing their cost of compliance. However, the amendment to section 68 of the FIRS Act by the Finance Act 2021 has made it clear that FIRS is the only agency responsible for tax assessment, collection and enforcement. As such, taxpayers are to expect a streamlined tax administration regime going forward."

Mr. Nami stated that the Service will deploy compliance and enforcement strategies, and will leverage on intelligence and strategic data mining and analysis, to provide intelligence and information to enhance its audit and investigation functions, while also reducing the prevalence of tax abuse in incentive management in the country.

Meanwhile, The Minister of Communication and Digital Economy, Pantami, had assured the federal government that the ministry would not relent in its efforts at promoting Digital innovation and Entrepreneurship among Nigerian youths.

He insisted that doing so would make the youths become job providers and contribute to the growth of the nation's economy.

The minister gave the assurance while commissioning an IT Innovation centre (hub) named after the President Muhammadu Buhari, in Katsina State.

Pantami said the world economy had moved from being dominated by those in the oil and gas sector to those in the Information and Technology.

He cited individuals such as Jeff Bezos and Bill Gates and institutions such as the Silicon Valley and the Massacheuttes University of Technology, insisting that the ambition of the federal government was to have individuals and institutions that would attain the same greatness and wealth through Information and Technology.

According to him, Nigeria needs to create a conducive environment and mentorship that would encourage talented youths in the IT sector, adding that this informed the federal government to build the IT centre in Katsina state

The minister said: "Digital Innovation and Digital Entrepreneurship are the prerequisites for Digital economy. Leading nations today in Europe, Switzerland, Asia, South Korea and the United States excel in Digital innovation and Digital entrepreneurship have a strong economy.

"Nigeria cannot and should not be left behind. That is why this kind of IT hub where our youths' needs in Information Technology would be monitored while we shall continue to mentor them so that they will end up being job providers and successful IT individuals such as Jeff Bezos and Bill Gates of this world.

"A centre like this will help the federal government and the state government to discover our talented youths and mentor them so that they will become job providers and contribute to the nation's economy."

In addition, the FIRS also says its targets is to achieve 100 percent automation of tax administration processes.

The FIRS has stated that it would achieve 100 percent automation of all its tax administration processes with the aim of blocking revenue leakages thereby revolutionising revenue generation in Nigeria.

Calling for the cooperation of Nigerians to achieve this, Nami, while speaking as the special guest at the Pedabo 2022 annual public private sector engagement recently, highlighted that by virtue of the amendment to Section 25 of the FIRS (Establishment) Act in the 2021 Finance Act, any person who fails to grant the Service access to its information technology systems to connect to its automated tax administration solution is liable to penalties under the law.

"We will seek to achieve 100 percent automation of all our tax administration processes, which will block revenue leakages and revolutionise revenue generation in the country. We expect your full cooperation in this regard, considering that by the amendment to Section 25 of the Federal Inland Revenue Service (Establishment) Act in the 2021 Finance Act (through Section 18 of the 2021 Finance Act), any person who fails to grant the Service access to its information technology systems to connect to its automated tax administration solution is liable to penalties under the law."

Mr Nami in his address had earlier noted that in the year 2021, the Service had leveraged on the amendments to its Establishment Act to embark on "a major infrastructure overhaul, focusing on the deployment of technology for the automation of its processes and procedures," thereby deploying its home-grown integrated tax administration system, TaxPro Max.

He went further to state that in 2022, the Service will give priority to the collection of taxes from the digital economy, and that it will deploy technological tools in assessing entities that fall within the Significant Economic Presence (SEP) threshold and relevant turnover generated from Nigeria.

"With the amendment of Section 10 of the VAT Act by the Finance Act 2021, we will implement the published Guidelines on the Simplified Compliance Regime on VAT for Non-Resident Suppliers, to collect VAT on digital supply of services and intangibles to Nigeria.

"The Service has deployed a digital service interface, the Digital Economic Compliance (DEC) Tool, to facilitate the implementation of the Regime. The implementation of the DEC Tools will also assist the Service in determining entities that fall within the SEP threshold and relevant turnover generated from Nigeria. This tool will go live shortly."

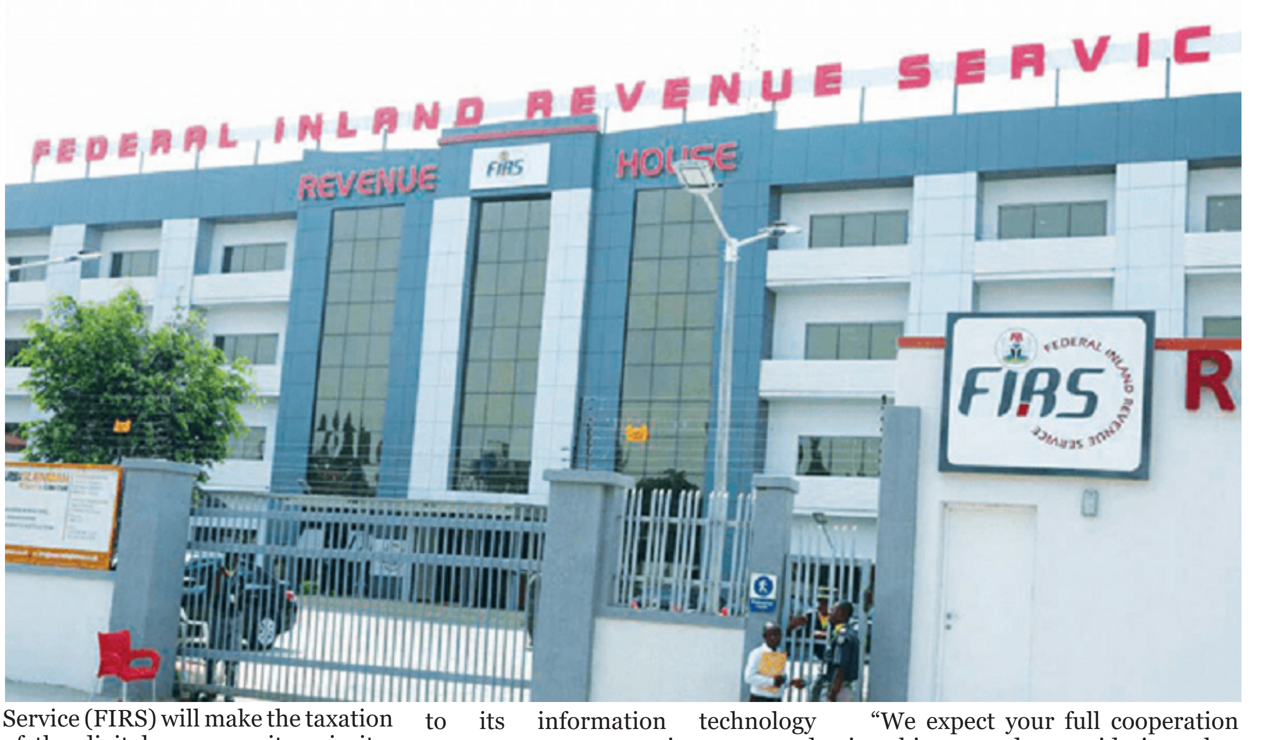
He also stated that the Service "will focus on compliance and enforcement strategies in 2022, by leveraging on intelligence, strategic data mining and analysis, to enhance audit and investigation functions and implementing the penalty regimes in accordance with the laws," adding that, "the Service is poised to ensure prosecution of recalcitrant taxpayers in 2022."

Mr. Nami called on taxpayers, tax consultants, tax collection agents and other stakeholders in the tax system to partner with the FIRS in 2022 to make taxation and tax revenue collection a pivot for economic growth and national development, stating that "no society can grow without its citizens paying their taxes."

FIRS Introduces Self-Service Stations In Tax Offices

'Self-Service Stations' where taxpayers across the country through online platforms can file tax returns, pay taxes, apply for and validate Tax Clearance Certificates among other services, by themselves is now available in the country.

By Albert Egbede



The Federal Inland Revenue Service (FIRS) has announced the introduction of the platform. In a statement issued on Thursday by Johannes Oluwatobi Wojuola, Special Assistant to the agency's Executive Chairman said the initiative, is aimed at supporting taxpayers in the optimised use of the TaxPro Max solution as well as increase voluntary tax compliance.

Disclosed the statement: "As part of the service's effort to enhance voluntary tax compliance, the self-service stations will, among other things, provide taxpayers the opportunity to carry out the following services online while in the tax Office: filing tax returns; paying taxes; applying for and validate TCCs; generating receipts and credit notes".

The statement added that to make it more convenient for the taxpayers, the self-Service stations have designated officers readily available to assist taxpayers with any technical difficulty or concerns that may arise.

The service enjoined taxpayers to take advantage of the Self-Service Stations in fulfilling their tax obligations.

The FIRS had announced the introduction of 'self-service stations' in all the FIRS Tax Offices to enable efficient service delivery for its IT Tax solutions including the TaxPro Max.

The Service added that the self-service options will come with a designated officer to assist taxpayers.

The FIRS announced that the introduction of the Self Service Stations in all of the FIRS tax offices nationwide is to support taxpayers in utilizing the TaxPro Max solution.

To enhance voluntary tax compliance, the stations will, among others, provide taxpayers with the opportunity to carry out the following services online while in the Tax Office: "To make it more convenient for the taxpayers, the self-service stations have designated officers readily available to assist taxpayers with any technical difficulty or concerns that may arise," the service added.

Recall the FIRS had disclosed that it generated the sum of N4.396 trillion in taxes from non-oil sector in 2021 compared to N2.507 trillion collected in 2017.

According to the performance update, the nation recorded a consistent increase in tax collection from the non-oil sectors of the economy in 2021, peaking at 69 percent from 38 percent in 2017.

FIRS boss, Muhammad Nami said, "This feat was made possible due to the adoption of the in-house built TaxPro Max Solution and other strategic reforms implemented by the Service."

The Federal Inland Revenue Service (FIRS) will make the taxation of the digital economy its priority, this year.

Wojuola, a few weeks ago, quoted the Executive Chairman of the FIRS, Mr. Muhammad Nami, as saying that the Service would take full advantage of the, previously untaxed, digital economy to boost revenue collection.

According to him, "the FIRS will deploy technological tools in assessing entities that fall within the Significant Economic Presence (SEP) threshold and relevant turnover generated from Nigeria.

"With the amendment of Section 10 of the VAT Act by the Finance Act 2021, we will implement the published Guidelines on the Simplified Compliance Regime on VAT for Non-Resident Suppliers, to collect VAT on digital supply of services and intangibles to Nigeria.

"The Service has deployed a digital service interface, the Digital Economic Compliance (DEC) Tool, to facilitate the implementation of the regime.

"The implementation of the DEC Tools will also assist the Service in determining entities that fall within the SEP threshold and relevant turnover generated from Nigeria. This tool will go live shortly."

The Chairman warned that any person or organisation that refused FIRS access to its information technology system would be penalised.

His words, "We will seek to achieve 100 percent automation of all our tax administration processes, which will block revenue leakages and revolutionise revenue generation.

"In line with the amendment to Section 25 of the FIRS (Establishment) Act in the 2021 Finance Act (through Section 18 of the 2021 Finance Act), any person who fails to grant the Service access to its information technology systems to connect to its automated tax administration solution is liable to penalties under the law."

Mr. Nami noted that in the year 2021, the Service had leveraged on the amendments to its Establishment Act to embark on "a major infrastructure overhaul, focusing on the deployment of technology for the automation of its processes and procedures," thereby deploying its home-grown integrated tax administration system, TaxPro Max.

He added that the Service "will focus on compliance and enforcement strategies in 2022, by leveraging on intelligence, strategic data mining and analysis, to enhance audit and investigation functions and implementing the penalty regimes in accordance with extant laws."

The FIRS boss urged taxpayers, tax consultants, tax collection agents and other stakeholders in the tax system to partner with the FIRS in 2022 to make taxation and tax revenue collection a pivot for economic growth and national development.

The service said: We will ensure 100 percent automation of tax administration processes in 2022 says the agency will achieve 100 percent automation of all its tax administration processes in 2022.

Johannes Wojuola, special assistant to the executive chairman, said this in a statement issued on Wednesday.

According to the statement, Nami said that the automation would block leakages and revolutionise revenue generation in Nigeria. "We will seek to achieve 100 percent automation of all our tax administration processes, which will block revenue leakages and revolutionise revenue generation in the country," Nami said.

"We expect your full cooperation in this regard, considering that by the amendment to Section 25 of the Federal Inland Revenue Service (Establishment) Act in the 2021 Finance Act (through Section 18 of the 2021 Finance Act), any person who fails to grant the Service access to its information technology systems to connect to its automated tax administration solution is liable to penalties under the law."

Nami assured that the agency would take the collection of taxes from the digital economy a top priority this year.

"The Service will give priority to the collection of taxes from the digital economy, and it will deploy technological tools in assessing entities that fall within the Significant Economic Presence (SEP) threshold and relevant turnover generated from Nigeria," Nami added.

"With the amendment of Section 10 of the VAT Act by the Finance Act 2021, we will implement the published Guidelines on the Simplified Compliance Regime on VAT for Non-Resident Suppliers, to collect VAT on the digital supply of services and intangibles to Nigeria.

"The Service has deployed a digital service interface, the Digital Economic Compliance (DEC) Tool, to facilitate the implementation of the Regime. The implementation of the DEC Tools will also assist the Service in determining entities that fall within the SEP threshold and relevant turnover generated from Nigeria. This tool will go live shortly."

He, however, urged taxpayers, tax consultants, tax collection agents and other stakeholders in the tax system to partner with the FIRS in 2022 to make taxation and tax revenue collection a pivot for economic growth and national development.

NIPC Begins Private Sector Mobilisation For N298trn NDP's Investments

Mulls Aggressive Approach To Attracting FDIs ● Lists India Among Top Investors in Nigeria

By Musa Ibrahim

In efforts to drive economic growth through investments, the Nigerian Investment Promotion Commission (NIPC) says it has begun mobilisation of N298.3 trillion capital from the private sector to add up to the N348.7 trillion needed fund for the National Development Plan (NDP).

The Commission also stated that it has commenced the process of validating investment announcement records to confirm figures that tally with actual investment in the country.

Acting Executive Secretary of NIPC, Mr. Emeka Offor, made the disclosure in Abuja at a media engagement recently.

"The work for NIPC in the next five years has been appropriately defined by the NDP 2021 – 2022. The Plan has projected a capital requirement of N348.7 trillion with 86 percent (N298.3 trillion) expected to be provided by the private sector.

"Mobilisation of this capital has become the focus of the commission. It is in this respect that the commission has begun the process of validating the records of the investment announcements. We expect the report from this exercise to give us a further understanding of investors' readiness to invest in Nigeria," he stated.

Mr. Offor further explained that according to NIPC's Strategic Plan from 2022 – 2026, validation of the records will give the commission direction towards a global drive on investment in Nigeria.

"The 2021 Investments Announcement Report indicated that US$23.30 billion was tracked during the year, representing about 39 percent more than the value tracked in 2020 (US$16.74 billion).

"The increase in value is indicative of the growing adaptation to the global 'new normal' after the economic disruption occasioned by the restrictions imposed to check the spread of COVID-19 pandemic. It also indicates the growing confidence of investors in the efforts to improve the national investment landscape."

According to him, the top five states, by the value of investments, are Lagos State (US$8.7 billion), Bayelsa State (US$3.6 billion), Delta State (US$2.9 billion), Akwa Ibom State (US$2 billion), and Adamawa State (US$1 billion).

"The manufacturing sector had the highest number of projects (20) as well as the highest value, US$10.5 billion (45 percent). Construction (16 percent), electricity, gas, steam and air conditioning supply (13 percent), information and communication (12 percent), and mining and quarrying (nine percent) made up the top five sectors for the year. More information is available on the website.

"Further to setting an agenda for the commission, we have begun the process of developing a strategic plan with a focus on the NDP sectors. Critical to this strategy is the profiling of the opportunities in each State as

Mr. Emeka Offor, Acting Executive Secretary Of NIPC

well as sustaining the engagements with the sub-national governments.

"We would continue to build on past successes while we chart new paths for sustainable development of the capacity of staff of the State Investment Promotion Agencies while also stimulating healthy competition for investments across the regions and the states.

"We would leverage on our relationships with the Executive of the States to ensure sustained appreciation of the issues of the business environment with the understanding that the aggregation of the sub-national perception forms the national image, and also expand the coverage of Nigerian Investment Certification Programme for States (NICPS)."

Offor said: "During this period, we would aim at completing the reform process we initiated on the process and administrative framework of the Pioneer Status Incentive under the Industrial Development (Income Tax Relief) Act. We would undertake the review of the qualifying list to include emerging activities that require government support while delisting activities that are matured.

"In line with the e-government initiative, the Commission launched the e-OSIC under the Single Window Investors' Portal (SWIP). The prevailing global business environment has made it imperative for organisations, such as us, to adopt technology as part of our operational tools.

"Consequently, we would aim at completing the three other modules by the end of Q3 2022 while also transiting the internal operations of the commission into an electronic document management system." the Executive Secretary further stated.

In another development, NIPC has unveiled its Foreign Direct Investments (FDIs) Strategic Plan for the year 2022.

Mr. Offor, who recently made this known at a forum in Abuja, said the agency would adopt an aggressive approach in encouraging both domestic and foreign investors to invest more on the Nigeria's economy.

"One of the major things we consider the most in NIPC is the projection of Nigeria's image to the world and we take that assignment very seriously because if a prospective investor feels good about your country and location, they will be thinking of investing there" he said.

He said that apart from series of stakeholders' engagements lined up by the agency, NIPC will also partner with the media to improve the business environment through developmental reporting to attract more investments into the country.

"We consider the press crucial to the work we do which is why we have as part of our plan quarterly engagement which will be slightly different from what we do in the past in the sense that we will showcase Nigeria's investment prospects more to attract investors, project a better image and support investments.

"We try to ensure that the information we put out projects Nigeria's image in positive light so that when the world or stakeholders get that information, they will be able to have a balance view of Nigeria.

"We have so many negative stories out there and we need to balance those stories with the real facts about Nigeria, the positive facts about Nigeria.

"We also try to let people know that even where we have challenges, those challenges should be seen as opportunities that an investor can invest to bring about the change that we desired" he said.

He, however, urged Nigerians to be the ambassadors of their country. "I will also like to mention that Nigerians should be the ambassadors of their country. We want a situation where by Nigerians talk less about the negative aspect and focus more on the good things about Nigeria, project them to the world and then we can now work on the negative and see how the government as a whole and the stakeholders can work to reduce the challenges, and it will be better for us" he concluded.

Meanwhile, Mr. Offor has stated that the Republic of India is among the 20 top investors in Nigeria.

While felicitating recently with the country on the occasion of her 73rd Republic anniversary day in Abuja, he said that India was strategic to the Nigerian economy. "Nigeria and India share a number of similarities and NIPC considers India to be of strategic importance to Nigeria's economic development.

"At NIPC, we went through a diligent process to identify countries that are of strategic importance to Nigeria and India was one of 20 countries so identified for investment promotion," he said.

He further described India as an information communication technology (ICT) powerhouse, stating that ICT is one of the sectors that Nigeria is looking forward to for a partnership with India.

"NIPC will continue to deepen relationship with India. We intend to hold more sector-specific events this year to present the opportunities to prospective investors," he said.

Also, he had earlier assured Polish Ambassador to Nigeria, Joanna Tarnawska, of NIPC's support in building awareness and improving investment relations between Poland and Nigeria.

On ascertaining the credibility of companies, Mr. Offor stated: "What we always suggest is that prospective investors talk to NIPC first so that we can handhold them – take them through the process. If there is need to take them to attend certain meetings – with regulators, other government agencies or state governors, we will willingly handhold them and ensure that they are in safe hands," he said.

Mr. Offor stated that in line with Nigeria's e-government initiative, NIPC launched an e-OSIC platform – https://swip.nipc.gov.ng/ which grants access to NIPC's one-stop-shop remotely, to further ease doing business in Nigeria.

Earlier, the Polish Ambassador, Mrs. Joanna Tarnawska, has expressed interest in identifying areas of cooperation with the Nigerian Investment Promotion Commission (NIPC) to facilitate the interests of Polish investors in Nigeria.

She made this known when the acting CEO of NIPC, Mr. Offor and his team paid her a courtesy visit at the Polish Embassy in Abuja.

The Ambassador described Nigeria as a thriving investment destination. However, she said that there was a negative perception of Nigeria by foreign media and a minor presence of Polish investors in Nigeria. She noted that the Polish investors face the challenge of identifying credible companies to collaborate with in Nigeria. "Nigeria is a favourable place in general for business and other forms of activities, but Polish investors simply do not know how and where to start," she said.

Consumer Price Index January 2022

BASE PERIOD NOVEMBER 2009 =100

The CPI measures the average change over time in prices of goods and services consumed by people for day-to-day living. The construction of the CPI combines economic theory, sampling and other statistical techniques using data from other surveys to produce a weighted measure of average price changes in the Nigerian economy. The weighting occurs to capture the importance of the selected commodities in the entire index. The production of the CPI requires skills of economists, statisticians, computer scientists, data collectors and others.

Key in the construction of the price index is the selection of the market basket of goods and services. Every month, 10,534 informants spread across the country provide price data for the computation of the CPI. The market items currently comprise of 740 goods and services regularly priced. The first stage in the calculation of the CPI is the collection of prices on each item (740 goods and services) from outlets in each sector (rural or urban) for each state. Prices are then averaged for each item per sector across the state. The next step is to use the average price to calculate the basic index for each commodity: The current year price of each commodity is compared with a base year's price to obtain a relative price.

Next, we use the Laspeyres formula to compute an aggregated index for each class (which has a multitude of commodities which have similar consumption purposes): Here the sum of the product of weights (obtained from the expenditure survey) and relative prices for each item is divided by the sum of the weight of the items in that class, and the result multiplied by 100 gives the required index number. This index number is still classified according to the urban or rural classification sector for each of the 36 states and the FCT. This yields 85 classes then 48 groups which are then reclassified into 12 Divisions to derive:

1. **The Country Composite Index**
2. **The Urban National Index**
3. **The Rural National Index**
4. **The Combined Urban and Rural State Composite Index**

The survey methodology generates 3774 all items indices for all states and the FCT.

This edition of the Statistical News contains the revised Consumer Price Index (CPI) based on Nigeria Living Standard Survey (NLSS) 2003/2004. The consumption expenditure data were re valued to November 2009, which is the base period for the revised CPI.

The May 2003 and September 1985 based indices are being continued using factors derived from the new CPI. These indices will yield the same price change for any commodity group contained in all the series. A new sub index Imported Food Index is available in the revised CPI.

Note: The urban and rural indices were weighted with the ratio of their populations to the national i.e., 0.455 and 0.545 respectively to compute the composite indices at the 12 Classification of Individual Consumption by Purpose (COICOP) functions and all items levels. This may cause variance between a recalculated all items index using the weights and All Items index published, because the weights were computed only from consumption expenditure survey result. The following breakdown highlights a non exhaustive list of the compo-nents of the current CPI:

The following breakdown highlights a non-exhaustive list of the components of the current CPI:

The consumer price index, (CPI) which measures inflation increased to 15.60 percent (year-on-year) in January 2022. This is 0.87 percent points lower than the rate recorded in January 2021 (16.47) percent. This shows that headline inflation rate slowed down in January when compared to the same month in the previous year. Increases were recorded in all COICOP di-visions that yielded the Headline index.

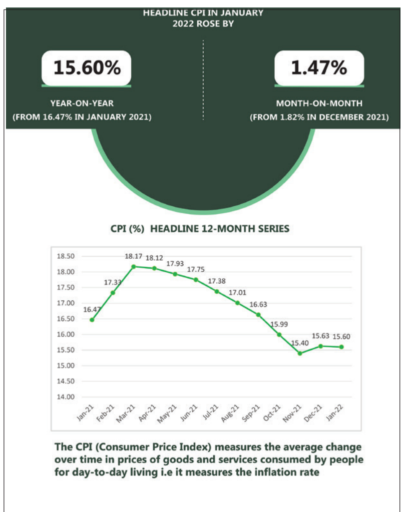
On month-on-month basis, the Headline index increased to 1.47 percent in January 2022, this is 0.34 percent points lower than 1.82 percent recorded in December 2021.

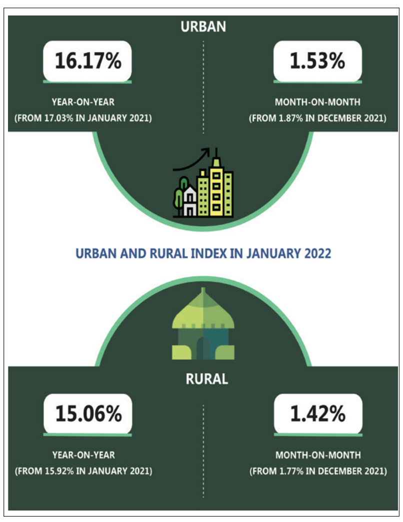
The percentage change in the average composite CPI for the twelve-month period ending January 2022 over the average of the CPI for the previous twelve-month period was 16.87 percent, showing 0.08 percent point from 16.95 percent recorded in December 2021.

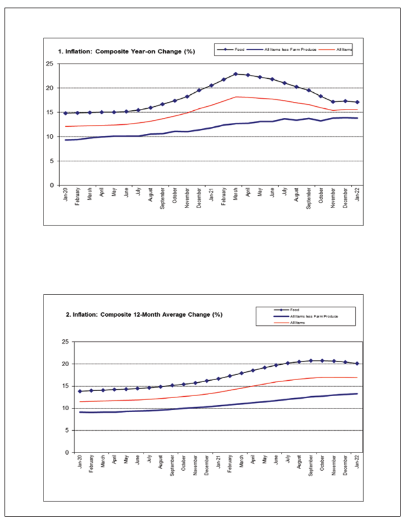
The urban inflation rate increased to 16.17 percent year-on-year in January 2022 from 17.03 percent recorded in January 2021, while rural inflation rate increased to 15.06 percent in Jan-uary 2022 from 15.92 percent in January 2021.

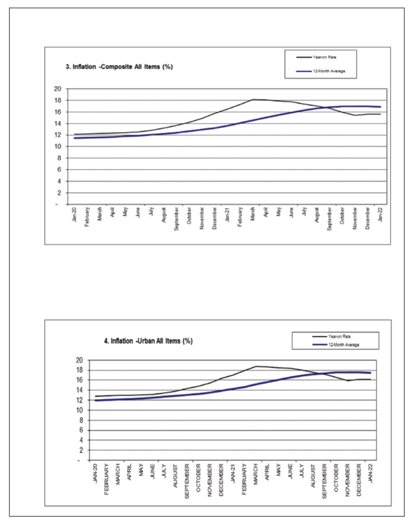
On a month-on-month basis, the urban index rose to 1.53 percent in January 2022, down by 0.34 percent points from 1.87 percent the rate recorded in December 2021. The rural index also rose to 1.42 percent in January 2022, down by 0.35 percent points from 1.77 percent the rate recorded in December 2021.

The corresponding twelve-month year-on-year average percentage change for the urban in-dex is 17.44 percent in January 2022. This is lower than 17.52 percent reported in December 2021, while the corresponding rural inflation rate in January 2022 is 16.31 percent compared to 16.40 percent recorded in December 2021.







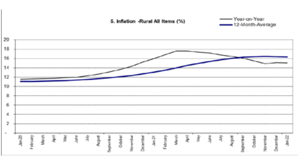


FOOD INDEX

The composite food index rose by 17.13 percent in January 2022 compared to 20.57 per-cent in January 2021. This rise in the food index was caused by increases in prices of Bread and cereals, Food product n.e.c, Potatoes, yam and other tuber, Soft drinks, Oils and fats and fruit.

On month-on-month basis, the food sub-index increased to 1.62 percent in January 2022, down by 0.57 percent points from 2.19 percent recorded in December 2021.

The average annual rate of change of the Food sub-index for the twelve-month period ending January 2022 over the previous twelve-month average was 20.09 percent, 0.31 percent points from the average annual rate of change recorded in December 2021 (20.40) percent.



FOOD SUB-INDEX IN JANUARY 2022 ROSE BY

17.13% YEAR-ON-YEAR (FROM 20.57% IN JANUARY 2021)

1.62% MONTH-ON-MONTH (FROM 2.19% IN DECEMBER 2021)

CORE SUB-INDEX IN JANUARY 2022 ROSE BY

13.87% YEAR-ON-YEAR (FROM 11.85% IN JANUARY 2021)

1.25% MONTH-ON-MONTH (FROM 1.12% IN DECEMBER 2021)

ALL ITEMS LESS FARM PRODUCE

The "All items less farm produce" or Core inflation, which excludes the prices of volatile ag-ricultural produce stood at 13.87 percent in January 2022, up by 2.02 percent when com-pared to 11.85 percent, the rate recorded in January 2021.

On month-on-month basis, the core sub-index increased by 1.25 percent in January 2022. This was down by 0.13 percent when compared with 1.12 percent recorded in December 2021.

The highest increases were recorded in prices of Electricity, Liquid fuel, Wine, Tobacco, Spir-it, Solid fuels, Cleaning, repair and hire of clothing, Shoes and other foot wear, Other ser-vices in respect of personal transport equipment, Other services n.e.c and pharmaceutical products.

The average 12-month annual rate of change of the index was 13.33 percent for the twelve-month period ending January 2022; this is 0.17 percent points higher than 13.16 percent recorded in December 2021.

STATE PROFILES

In analysing price movements under this section, note that the CPI is weighted by con-sumption expenditure patterns which differ across states. Accordingly, the weight as-signed to a particular food or non-food item may differ from state to state making inter-state comparisons of consumption basket inadvisable and potentially misleading.

All Items Inflation

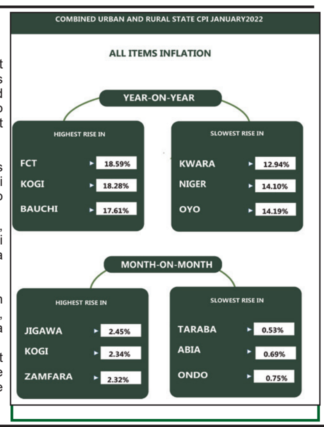
In January 2022, all items inflation on year-on- year basis was highest in Abuja (18.59%), Kogi (18.28%) and Bauchi (17.61%), while Kwara (12.94%) ,Niger (14.10%) and Oyo (14.19%) recorded the lowest rise.

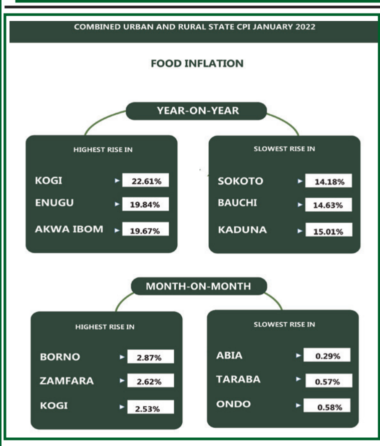
On month on month basis however, January 2022, recorded the highest increases in Jiga-wa (2.45%), Kogi (2.34%) and Zamfara (2.32%), while Taraba (0.53%), Abia (0.69%) and On-do (0.75%) recorded the lowest rise.

Food Inflation

The food inflation on a year-on-year basis was highest in Kogi (22.61%), Enugu (19.84%) and Akwa-Ibom (19.67%), while Sokoto (14.18%), Bauchi (14.63%) and Kaduna (15.01%) recorded the lowest rise in January 2022.

On month on month-basis, the food inflation was highest in Borno (2.87%), Zamfara (2.62%) and Kogi (2.53%), while Abia (0.29%), Taraba (0.57%) and Ondo (0.58%) recorded the lowest rise in January 2022.





APPENDIX

Table 1 Composite Consumer Price Index (Base November 2009 = 100)

		All Items Index: Monthly	Month on change (%)	Year-on-year change (%)	12-Month average change (%)	All Items less Farm Produce: Monthly	Month on change (%)	Year-on-year change (%)	12-Month average change (%)	Food: Monthly	12-Month average	Month on change (%)	Year-on change (%)	12-Month average change (%)
2021	January	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	16.66
	February	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	17.25
	March	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	17.93
	April	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	18.58
	May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	19.18
	June	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	19.72
	July	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.16
	August	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.50
	September	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.71
	October	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.75
	November	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.62
	December	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.40
2022	January	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.09

Table 2 Composite Consumer Price Index (Base November 2009 = 100)

		All Items	All Items less Farm Produce	All Items less Farm Produce and Energy	Imported Food	Food	Food & Non Alcoholic Bev.	Alcoholic Beverage, Tobacco and Kola	Clothing and Footwear	Housing Water, Electricity, Gas and Other Fuel	Furnishings & Household Equipment Maintenance	Health	Transport	Communication	Recreation & Culture	Education	Restaurant & Hotels	Miscellaneous Goods & Services	Month-on (%)	Year-on (%)	12-month average (%)
Weight		1000.00	513.10	405.55	132.88	507.06	518.00	10.87	76.50	167.34	50.30	30.04	65.08	6.80	6.87	39.44	12.12	16.63			
2021	January	361.2	316.5	309.0	394.2	413.8	411.0	268.0	328.1	323.9	291.0	285.9	319.4	181.1	238.2	288.7	250.9	289.4	1.5	16.47	13.6
	February	366.8	320.3	312.8	399.4	421.6	418.7	271.0	331.9	326.8	294.2	289.7	323.5	182.6	240.6	291.6	253.3	292.6	1.5	17.33	14.1
	March	372.5	323.7	316.1	404.8	429.7	426.7	274.1	335.7	329.8	297.5	293.6	327.6	184.1	243.1	294.5	255.8	295.9	1.6	18.17	14.6
	April	376.1	326.9	319.5	410.1	433.9	430.9	277.0	339.6	332.1	300.9	296.9	331.2	185.7	245.7	297.2	258.3	299.1	1.0	18.12	15.0
	May	379.9	331.0	323.7	415.5	438.5	435.4	279.7	343.5	334.4	304.3	300.2	334.8	187.2	248.3	299.9	260.9	302.4	1.0	17.93	15.5
	June	384.0	333.6	326.4	421.1	443.4	440.3	282.6	347.6	336.9	307.8	303.6	338.5	188.8	251.0	302.9	263.6	305.7	1.1	17.75	15.9
	July	387.5	338.0	331.1	426.7	447.2	444.1	285.3	351.8	339.7	311.3	307.0	342.3	190.4	253.6	306.0	266.3	309.0	0.9	17.38	16.3
	August	391.5	340.6	333.4	432.5	451.9	448.8	287.8	355.7	342.5	314.5	310.1	346.0	192.0	256.2	309.1	269.0	312.2	1.0	17.01	16.6
	September	396.0	344.8	337.8	438.4	457.6	454.4	290.7	359.7	345.4	317.9	313.3	349.8	193.6	258.7	312.3	271.8	315.5	1.1	16.63	16.8
	October	399.9	347.6	340.5	444.3	461.8	458.5	293.8	364.0	348.7	321.8	316.9	354.2	195.2	261.3	315.7	274.7	318.9	1.0	15.99	17.0
	November	404.2	352.0	344.7	450.4	466.7	463.4	296.9	368.2	352.1	325.6	320.4	358.5	196.8	264.2	319.1	277.9	322.8	1.1	15.40	17.0
	December	411.5	355.9	348.4	456.5	477.0	473.5	301.3	373.3	356.7	329.6	324.3	363.0	198.5	267.6	322.9	281.1	326.8	1.8	15.63	17.0
2022	January	417.6	360.4	352.7	462.8	484.7	481.2	306.7	378.6	361.0	333.6	328.3	367.6	200.2	271.1	326.8	284.5	330.9	1.5	15.60	16.9

Table 3 Urban Consumer Price Index (Base November 2009 = 100)

		All Items	All Items less Farm Produce.	All Items less Farm Produce. and Energy	Imported Food	Food	Food & Non Alcoholic Bev.	Alcoholic Beverage. Tobacco and Kola	Clothing and Footwear	Housing Water, Electricity. Gas and Other Fuel	Furnishings & Household Equipment Maintenance.	Health.	Transport	Communication	Recreation & Culture.	Education	Restaurant & Hotels	Miscellaneous Goods & Services	Month-on (%)	Year-on (%)	12-month average (%)
Weights		1000.00	552.64	418.67	155.45	476.88	490.59	11.19	65.50	191.51	49.81	27.40	74.54	10.14	7.14	40.05	14.49	17.65			
2021	January	370.4	323.3	314.2	402.4	425.1	421.3	265.9	340.2	340.2	297.6	295.5	346.3	183.0	249.6	295.0	262.8	301.9	1.52	17.03	14.23
	February	376.3	326.6	317.4	407.8	433.5	429.6	269.1	344.6	343.2	301.1	299.7	351.0	184.6	252.3	298.1	265.5	305.4	1.58	17.92	14.66
	March	382.3	330.7	321.4	413.3	442.2	438.2	272.5	348.9	346.2	304.8	303.9	355.7	186.3	255.1	301.2	268.1	309.0	1.60	18.76	15.15
	April	386.1	333.6	324.4	418.8	446.7	442.6	275.4	353.0	348.7	308.4	307.5	359.8	188.0	257.9	304.0	270.8	312.5	0.99	18.68	15.63
	May	390.1	338.4	329.6	424.4	451.6	447.5	278.2	357.3	351.2	311.9	311.1	363.8	189.6	260.7	306.9	273.7	316.0	1.04	18.51	16.09
	June	394.4	341.8	333.0	430.1	456.9	452.7	281.1	361.9	353.8	315.7	314.7	368.0	191.4	263.7	310.2	276.7	319.6	1.09	18.35	16.51
	July	398.2	346.3	337.8	435.9	461.2	456.9	284.0	366.4	356.7	319.4	318.5	372.3	193.1	266.7	313.5	279.6	323.3	0.98	18.01	16.89
	August	402.5	349.7	341.1	441.8	466.3	462.0	286.7	370.8	359.7	323.1	321.8	376.6	194.8	269.6	316.9	282.6	326.8	1.06	17.59	17.19
	September	407.3	354.2	345.9	447.9	472.6	468.2	289.7	375.1	362.7	326.8	325.2	381.2	196.5	272.4	320.4	285.7	330.5	1.21	17.19	17.41
	October	411.5	358.4	350.3	454.0	477.0	472.6	293.0	379.9	366.0	331.0	329.1	386.3	198.3	275.3	324.1	289.0	334.3	1.02	16.52	17.53
	November	416.1	362.4	354.0	460.2	482.4	477.9	296.3	384.4	369.5	335.1	332.9	391.2	200.0	278.6	327.8	292.6	338.8	1.12	15.92	17.55
	December	423.8	366.8	358.1	466.5	493.7	489.0	300.9	389.9	374.1	339.3	337.0	396.4	201.8	282.3	331.8	296.1	343.2	1.87	16.17	17.52
2022	January	430.3	371.1	362.1	473.0	502.3	497.5	305.6	395.4	378.4	343.7	341.2	401.6	203.7	286.1	336.0	299.8	347.9	1.53	16.17	17.44

Table 4 Rural Consumer Price Index (Base November 2009 = 100)

		All Items	All Items less Farm Produce.	All Items less Farm Produce. and Energy	Imported Food	Food	Food & Non Alcoholic Bev.	Alcoholic Beverage. Tobacco and Kola	Clothing and Footwear	Housing Water, Electricity. Gas and Other Fuel	Furnishings & Household Equipment Maintenance.	Health.	Transport	Communication	Recreation & Culture.	Education	Restaurant & Hotels	Miscellaneous Goods & Services	Month-on (%)	Year-on (%)	12-month average (%)
Weights		1000.00	480.09	394.61	114.03	532.25	540.89	10.61	85.68	147.16	50.72	32.25	57.19	4.01	6.65	38.93	10.14	15.78			
2021	January	353.4	310.8	304.6	387.4	404.9	402.8	271.0	316.9	308.3	286.3	278.1	289.8	177.6	228.3	283.4	241.1	279.0	1.46	15.92	13.04
	February	358.7	315.0	309.0	392.4	412.2	410.0	273.8	320.3	311.2	289.3	281.7	293.2	179.0	230.5	286.1	243.3	282.0	1.50	16.77	13.48
	March	364.2	317.9	311.6	397.6	419.7	417.4	276.7	323.7	314.2	292.3	285.3	296.8	180.4	232.8	288.9	245.5	285.0	1.52	17.60	13.99
	April	367.7	321.3	315.4	402.8	423.7	421.5	279.5	327.3	316.3	295.5	288.4	299.8	181.8	235.2	291.5	247.9	288.0	0.95	17.57	14.48
	May	371.3	324.7	318.8	408.1	428.0	425.7	282.2	330.9	318.5	298.7	291.5	303.0	183.3	237.6	294.1	250.3	291.0	0.98	17.36	14.94
	June	375.1	326.8	320.9	413.5	432.6	430.3	284.9	334.6	320.8	302.0	294.6	306.2	184.7	239.9	296.9	252.8	294.1	1.02	17.16	15.36
	July	378.3	331.1	325.5	419.0	436.0	433.7	287.5	338.5	323.6	305.4	297.8	309.4	186.2	242.3	299.7	255.3	297.2	0.87	16.75	15.73
	August	382.1	333.1	327.0	424.7	440.4	438.1	289.9	342.1	326.3	308.2	300.7	312.5	187.7	244.6	302.6	257.7	300.2	0.99	16.43	16.03
	September	386.3	337.1	331.0	430.4	445.6	443.2	292.7	345.7	329.2	311.4	303.7	315.8	189.1	246.9	305.6	260.2	303.1	1.10	16.08	16.26
	October	389.9	338.6	332.4	436.3	449.5	447.1	295.7	349.6	332.3	315.0	307.0	319.6	190.6	249.3	308.7	262.9	306.2	0.95	15.48	16.39
	November	394.0	343.3	337.0	442.2	454.1	451.7	298.5	353.5	335.7	318.6	310.4	323.3	192.1	251.8	311.9	265.7	309.6	1.04	14.89	16.42
	December	401.0	346.8	340.3	448.2	463.6	461.0	302.8	358.3	340.3	322.3	314.0	327.1	193.7	254.9	315.5	268.7	313.2	1.77	15.11	16.40
2022	January	406.7	351.5	344.9	454.3	470.6	468.0	307.1	363.3	344.6	326.1	317.8	331.1	195.3	258.2	319.2	271.9	316.9	1.42	15.06	16.31

Table 5 Combined Urban And Rural State Consumer Price Index (Base Period: November 2009 = 100)

State	Jan-21: Food	Jan-21: All Items	Dec-21: Food	Dec-21: All Items	Jan-22: Food	Jan-22: All Items	MoM: Food	MoM: All Items	YoY: Food	YoY: All Items
Abia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Abuja	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Adamawa	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Akwa Ibom	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Anambra	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bauchi	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bayelsa	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Benue	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Borno	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cross River	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Delta	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ebonyi	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Edo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ekiti	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Enugu	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Gombe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Imo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Jigawa	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kaduna	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kano	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Katsina	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kebbi	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kogi	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Kwara	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Lagos	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nassarawa	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Niger	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ogun	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ondo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Osun	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oyo	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Plateau	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rivers	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sokoto	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Taraba	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Yobe	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Zamfara	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Note: Indices may not be used for inter-state price comparison because market baskets differ from state to state

Source: National Bureau of Statistics (NBS)

Real Sector Leads In CBN's 100-For-100 Scheme

By Emeh Obi

The manufacturing sector has emerged leading beneficiaries in the first tranche disbursement of the Central Bank of Nigeria (CBN) 100-for-100 Policy on Production and Productivity (PPP).

According to CBN's data, the sector received a total of N15.97 billion representing 68.8 percent of the N23.2 billion disbursed by the apex bank so far.

The 100-for-100 PPP is one of the apex bank's interventions designed to fast track productive activities in priority sectors of the economy.

The Manufacturers Association of Nigeria (MAN) and Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA) said that the policy would go a long way in boosting the production capacity of the real sector.

However, the Centre for the Promotion of Private Enterprise (CPPE), an economic and business advocacy think tank, believes that it is not significantly different from earlier real sector intervention funds.

The disbursement details show that funds were

Godwin Emefiele, CBN Governor

disbursed to 28 beneficiaries in the first tranche of the programme – 14 companies in the manufacturing sector, 12 in the agricultural sector, while the remaining two are in the healthcare sector.

In the current disbursement, 14 manufacturing companies received N15.97 billion out of the N23.2 billion disbursed in the first tranche, representing 68.8 percent, the 12 Agric companies got N5.43 billion (23.4 percent) while the two companies in the healthcare sector got N1.8 billion (7.8 percent).

Meanwhile, Manufacturers Association of Nigeria (MAN) has commended the gesture, describing it as timely intervention by the CBN. According to Mansur Ahmed, president of MAN, while the oil economy had made little impact on the economy, the apex bank's intervention efforts will achieve a huge economic transformation.

He urged his members to take advantage of the CBN funding, adding that MAN was ready to work with the CBN and banks to make the policy a success.

"It will broaden the space of participation and increase the quality and production capacity of our members and make them more competitive in their chains of operation."

Also reacting, Ayo Olukanni, Director-General (DG), NACCIMA, stated: "This is a positive development which we hope will be sustained to enable the real sector to get back on its feet.

"The attention to manufacturing and agric and the healthcare sectors in particular is a reflection of the priority areas of focus; which has the potential of a multiplier effect on the economy. We commend the CBN on this initiative and look forward to the next round."

Muda Yusuf, CEO, CPPE, stated: "The CBN 100 for 100 programme is not significantly different from the earlier real sector intervention funds. It is essentially a question of sustaining an existing momentum of real sector financing by the CBN.

"But what is becoming increasingly evident is that while financing is necessary to boost real sector growth, it is not a sufficient condition to transform the real sector.

Foreign exchange issues need to be addressed. The challenge of insecurity needs to be more effectively tackled, structural bottlenecks need to be fixed, and investment climate issues are also very paramount.

"This reality underscores the imperative of monetary and fiscal policy complementarities. Very little progress can be made if these other factors are not reckoned with."

How We're Making Capital Market Attractive – SEC DG

Urges Young Nigerians To Invest More In Capital Market

By Musa Ibrahim

The Securities and Exchange Commission (SEC) has reaffirmed its commitment to making the capital market attractive to Nigerians of all ages and status.

Director-General (DG) of SEC, Mr. Lamido Yuguda, stated this during a meeting with a team led by the British Deputy High Commissioner in Abuja.

Mr. Yuguda said that the Commission is implementing various initiatives to ensure that products and offerings in the market are accessible to both the young and the old which he said would further deepen the market.

According to him, "When we assumed office, we were shocked to know that the average age of the Central Securities Clearing System (CSCS) account holder was over 50 years. The CSCS is a depository. So, if you are investing in equities you..........

According to him, the Commission is taking steps to guarantee that market items and offerings are available to both young and old people, which would help to broaden the market.

Given the average age of 50 years, he discovered that most young Nigerians were not interested in participating in the Nigerian capital markets.

Yuguda said, "The average age of that account holder was over 50, and that made us realise that the young people were not participating in this market and when young people are not participating in any market, that market is doomed to fail. And young people today prefer to do things on their phones; if you have to fill a stack of forms manually young people would not do it. We want to make investing in the capital market a fun experience."

According to him, the capital market experience starts with a bank account. "So, we decided to look at the whole process and find out what is turning young people off. We have started the process and seen how the tech companies are providing much-needed relief to the kind of bureaucracy that happens in the capital market," he said.

Mr. Yuguda also said that the SEC recently accepted an e-offer for MTN, expressing the Commission's delight. He claimed that with the e-offers, many Nigerians would be willing to engage in the capital market, discouraging people from supporting unlawful enterprises.

In order to entice more individuals to the market, he said, the Commission was focused on a proper identity management system, which would also help with the issue of unclaimed dividends.

One approach to keep people out of the unregulated space is for the SEC to develop more alternative investment opportunities for all types of people.

"The more you can create alternative options, the easier it is to pull people away from unregulated space and that is why the Sandbox is so attractive to us and why we encourage it," he added.

Recall that Mrs. Zainab Ahmed, the Honourable Minister of Finance, Budget and National Planning, had said that the Nigerian capital market could provide funds needed for government projects.

She then urged capital market operators to ramp up retail investments by encouraging citizens to invest in the capital market.

Mrs. Ahmed was speaking at the 5th Budget Seminar organised by the Security Exchange Commission (SEC) themed 'Financing Nigeria's Budget and Infrastructure Deficits through the Capital Market'.

The finance minister emphasised the importance of the capital market as a channel through which government budget and economic infrastructure deficits can be financed.

"Past experiences have shown that the capital market has been supportive in providing the necessary funds to finance governments' projects," Ahmed said.

"The budget is N13.95 trillion, capital expenditure of N4.37 trillion amounting to 32.2 percent of the total expenditure and overall deficit of N5.6 trillion to be financed by almost equally domestic and foreign sources.

"Government is committed to introducing more of these instruments in partnership with the capital market, to finance projects for economic growth."

In his remarks, Mr. Yuguda said the capital market had the capacity to roll out innovative products to support the country's infrastructure needs.

"This is necessary for us to be able to effectively compete with the rest of the world. The communiqué from this meeting will be circulated to relevant public and private sectors stakeholders as input in financial discussions on fiscal policy."

Also speaking at the virtual event, Aisha Dahiru-Umar, director-general of the National Pension Commission (PenCom), represented by Farouk Aminu, the commission's head of corporate affairs, had said that the pension sector is ready to invest in the capital market.

Company Income Tax Declines By N124bn In Q4, 2021 — NBS

Company Income Tax (CIT) recorded N124.71 billion decline from N472.52 billion in quarter three, 2021 to N347.81 billion in quarter four, the National Bureau of Statistics (NBS), said.

The Bureau said this in its "Company Income Tax (CIT) Quarter Four, 2021" data obtained from its website on Thursday.

It also said that on a year-on-year basis, CIT collections in the period under review increased by 17.61 percent from quarter four, 2020.

The report said that Information and Communication sector accounted for the highest CIT at N51.05 billion, followed by Manufacturing at N45.09 billion, while Financial and Insurance Services and Mining and Quarrying accounted for N31 billion each.

However, activities of households as employers, undifferentiated goods and services-producing activities of households for own use at N189.44 million accounted for the lowest remittance of CIT, though it recorded a 563.56 percent growth.

This was followed by activities of extraterritorial organisations and bodies which remitted N447.01 million and water supply, sewerage, waste management and remediation activities which accounted for N328.57 million.

It said real estate activities which stood at N1.68 billion, and human health and social work activities accounted for N2.83 billion.

The NBS said that on a quarter-on-quarter basis, positive growths were recorded in accommodation and food service activities (116.01 percent); activities of extraterritorial organisations and bodies (128.92 percent).

Growths were also recorded in construction at N5.384 billion (33.32 percent) and electricity, gas, steam and air conditioning supply N5.17 billion (representing 84.68 percent).

"On the other hand, decreases in collections were recorded in administrative and support service activities (-72.15 percent), agriculture, forestry and fishing (-34.52 percent), arts, entertainment and recreation (-25.31 percent).

"Others are education (-1.61 percent), financial and insurance activities (-5.52 percent), information and communication (-4.33 percent), manufacturing (-23.21 percent) and mining and quarrying (-7.56 percent)."

The report said that local CIT payments recorded N258.85 billion, while foreign CIT payment stood at N88.96 billion.

The NBS said that data for the report was provided by Federal Inland Revenue Service (FIRS, verified and validated by NBS.

NATIONAL INSURANCE COMMISSION

INSURANCE WEB AGGREGATORS OPERATIONAL GUIDELINES

Table of Contents

1.0 INTRODUCTION

i. This Operational Guidelines shall serve as a working document to register, supervise, and monitor web aggregators as Insurance Intermediary who maintain a website for providing information on products of different Insurers. In exercise of the powers conferred by the National Insurance Commission Act 1997, the Commission hereby issues Insurance Web Aggregators Operational Guidelines.
ii. This Guidelines comes into effect on the date of release to the insurance industry and the public
iii. This Guidelines shall apply to all Web Aggregators and Insurers respectively carrying on insurance business in Nigeria.
iv. This Guidelines shall be read in conjunction with other relevant Legislation, Guidelines and Circulars as determined to be applicable to the newly inclusive distribution channels approved by the Commission.
v. It is the responsibility of Web Aggregators to obtain any clarification required on the applicability of this Guidelines, and any other Regulations from the Commission.

2.0. Definitions:

In this Guideline and for the purpose of this Guidelines, the following definitions shall subsist unless otherwise directed:

Act means the NAICOM Act 1997 and/or Insurance Act 2003.
Agreement means Contract/SLA entered into between a Web Aggregator and an Insurer.
FMCG means Fast Moving Consumer Goods.
GPI means Gross Premium Income.
Industry means the Insurance industry of Nigeria comprising the Underwriters, Brokers, Reinsurers, Loss Adjusters, Agents and all other Operators captured by the NAICOM Act 1997 and the Insurance Act 2003.
Insurer as defined in the Insurance Act 2003.
Lead means information pertaining to a client who has accessed the Website of a Web Aggregator and has submitted contact information of any kind for obtaining information on prices or features/benefits of insurance products.
Lead Generation means the process of collecting the details of the clients or prospects in any fashion or approaching the clients directly or in distant mode to ascertain their intent to purchase insurance before proceeding with solicitation of insurance products and includes all the activities leading to the solicitation.
Lead Management refers to the Software deployed by the entity for recording, filtering, validating, grading, distribution, follow up and closure of leads from the enquiries received on the Website of the Web Aggregator with an intention to buy insurance products.
MOU means Memorandum of Understanding.
NAICOM Act 1997 means National Insurance Commission Act 1997.
NCC means Nigerian Communications Commission.
SLA means Service Level Agreement.
Solicitation means the approach of a prospect by an insurer or an intermediary with a view to convince the prospect to purchase an insurance policy.

The Commission means the National Insurance Commission of Nigeria.

Web Aggregator means a Company registered under the Companies and Allied Matters Act No 1 of 1991 "CAMA" approved by NAICOM under this Guideline, which maintains/owns a website and avails information pertaining to insurance products and price/features comparisons of products of different insurers and offers leads to an Insurer.

All words and expressions used herein but not defined herein but defined in the Act as amended from time to time shall have the meanings respectively assigned to them in the Act.

3.0. AUTHORIZATION

The National Insurance Commission by the powers conferred on it by the provisions of section 49 (1B) of National Insurance Commission Act 1997 hereby issue the following Guidelines on licensing and operation of Web Aggregators. –

4.0. REGISTRATION AND APPROVAL PROCEDURES

4.1. Approval and/or No Objection are required in two phases/stages as follows:
i. Application for issuance of No Objection by NAICOM to Insurance Operators (Insurers/Brokers);
ii. Application for issuance of Licence to Web Aggregator by NAICOM.

4.2. APPLICATION FOR ISSUANCE OF NO OBJECTION TO INSURANCE OPERATORS BY NAICOM

Any Insurer who intends to carry on a Web based Insurance business shall make an application to the Commission in the prescribed manner in line with NAICOM's Guidelines on Web Aggregator's model of business.

An applicant having satisfied the requirements set out under Extant Laws and this Guidelines, the Commission will grant No Objection with such conditions as it may deem fit.

The application shall be accompanied with the following:
i. Application letter with Service Level Agreement (SLA) signed with a Web Aggregator, which it intends to partner with.
ii. A copy of the Appointment letter issued by the insurer to the Web Aggregator.
iii. Board approvals or resolutions in support of such partnership.
iv. A copy of Risk Management framework on web aggregator operations.

4.3. APPLICATION FOR ISSUANCE OF LICENCE BY NAICOM TO WEB AGGREGATOR:

An applicant who intends to register as a web Aggregator shall make an application to the Commission in the prescribed manner in line with NAICOM Guidelines on Web Aggregator.

The registration of a web aggregator shall be in Three (3) stages:

Stage 1:
i. Copy of No Objection/approval issued by Nigerian Communications Commission (NCC)
ii. Copy of letter of appointment issued to the Web Aggregator from named Insurer(s)/ Broker(s)
iii. Copy of SLAs with named Insurers/Brokers
iv. Copy of Certificate of incorporation issued by Corporate Affairs Commission (CAC)
v. Certified True Copy of Memorandum and Articles of Association of the Applicant
vi. Copy of Board resolution in support of partnership with named Insurers/Brokers
vii. Payment of non-refundable application fee

Stage 2:
i. Organisational chart showing functional responsibilities.
ii. Board Resolution to commence a Web Aggregator operation
iii. Curriculum Vitae (CV) and Credentials of Principal Officers and Directors.
iv. Principal place of business of the Web Aggregator and confirmation of place of hosting the website.
v. Snapshots of contents of proposed website along with proof of domain name registration.
vi. Details of infrastructure including IT infrastructures available.
vii. Details and experience of the platform authorised Verifiers
viii. Copy of the Risk Management Framework.
ix. List of persons who have control over or responsibility for the website contents in relation to insurance web aggregation.
x. A user I.D. and temporary password (with only view permission) to verify the aggregator's website.
xi. Business plan with five years financials projection
xii. Sworn declaration of non-disqualification by the proposed directors in line with Section 12(1) of the Insurance Act 2003.
xiii. Professional Indemnity Cover of not less than N20 Million limit of liability
xiv. Copy of Letter of appointment and acceptance of same of the proposed MD/CEO.

Stage 3
i. Physical verification of web aggregator head office address and IT/ infrastructure to be deployed.
ii. Payment of Licence fee.
iii. Issuance of licence.

5.0. SERVICE LEVEL AGREEMENTS (SLAs)

5.1. WEB AGGREGATORS' AGREEMENTS WITH INSURER/BROKER

A Web Aggregator shall enter into an 'agreement' with the insurer and a copy of such agreement shall be filed with the Commission within 30 Days for ratification.

The agreement shall contain but not limited to the following:
i. The Web Aggregator's website model to be offered.
ii. Duties and responsibilities of each of the parties under the agreement during and upon formation of the contract
iii. Time frame and mode of transmission of leads to be shared
iv. Responsibility of complying with regulatory and other legal requirements by both parties to the agreement
v. Data elements to be shared i.e. name of prospect/client/visitors to the website, contact details etc
vi. Duration of the contract and whether it is renewable
vii. Conditions for termination of the agreement
viii. Commission and fees to be charged
ix. Dispute resolution mechanism
x. Measures to safeguard confidential information
xi. Scope of operation of the partnership
xii. Business and professional conducts.
xiii. Disclaimer Clause - that the risks shall be underwritten by the Insurance Company with no recourse to the Web Aggregator in terms of claims or any legal proceedings between the Insurance company and the Web Aggregator's Clienteles.
xiv. Record keeping and confidentiality of information.
xv. Prohibited businesses (if applicable).
xvi. Any other relevant information.

5.2. TRANSMISSION OF LEADS TO THE INSURER

Terms on Leads to be shared shall include but not limited to the following:
i. Web Aggregator shall disclose prominently on the home page that the client/visitor's particulars could be shared with insurers.
ii. Web Aggregator shall provide an option to select a minimum of three (3) Insurers to whom the lead can be communicated.
iii. Web Aggregator shall not transmit the data of a client to Insurer(s) other than the one(s) preferred by the Client.
iv. Web Aggregator shall transmit the data of clients to the insurer:
a. Immediately but not later than three (3) days of visit to the website.
b. In a secure manner to prevent unauthorised access and misuse of information of Clients
c. in compliance with generally accepted LT. security procedures
v. Web Aggregator shall use Lead Management System (LMS) and the full details of the visitors to the website and the Leads and preference of the visitor should be recorded.
vi. LMS Data should be shared only with the Insurance Companies that have signed agreements with the Web Aggregator and with the Commission (if required)
vii. LMS should ensure transparency and accountability.
viii. Web Aggregators should deploy an IT Firm to audit the LMS systems at least once in a year.
ix. The Audit Report of the IT Firm should be submitted to the Commission and the partner Insurers who has a contract with the Web Aggregators.
x. Web Aggregator shall develop a Website portal or search utility to enable a Client to gain several quotes via an electronic e-quote form.
xi. A Web Aggregator shall have agreements with a number of Insurers to provide a comparative quote based on pre-determined list of specified needs as disclosed by potential Clients.
xii. A Web Aggregator shall transmit the details of the potential Client to the Insurer who will then contact the potential Client to conclude the transaction and issuance of policy

6.0. APPLICATION AND ELIGIBILITY CRITERIAL FOR GRANT OF LICENCE

i. An Applicant seeking a grant of License as Web Aggregator shall complete the Application form as prescribed in Schedule I of the Guideline
ii. The Application shall be made for a Web Aggregator licence, along with the requisite fees as specified in the Guidelines.
iii. The Applicant shall submit the evidence of approval/No Objection Letter from NCC before securing the licence to operate as Web Aggregator from the Commission.
iv. The Commission may require an applicant to furnish any further information or clarification for the purpose of disposal of the application and thereafter, in regard to any other matter as may be deemed necessary by the Commission.
v. The Applicant shall appear before the Commission for personal representation in connection with an application.
vi. In the event of change of the name of any Insurer, the Web Aggregator partnering with such Insurer shall be apprised of the development.
vii. Validity of Licence - A Licence issued shall be valid for a period of two years, unless same is suspended or cancelled pursuant to this Guidelines

6.1. Eligibility Criteria for Grant of Licence as Web Aggregator:

For the Grant/Renewal of Licence of the Web Aggregator, the Applicant shall ensure the fulfilment at minimum the following conditions;
i. The Applicant must be registered with the Corporate Affairs Commission (CAC)
ii. The Memorandum of Association of the Company shall have the business of Web Aggregation as its main objective.
iii. The Applicant is not engaged in any other business other than the main objects of the Memorandum of Association.
iv. The Applicant shall have minimum share capital of NSMillion registered with CAC
v. The Applicant shall employ/designate a Principal Officer to manage the Company on full time
vi. The Principal Officer shall possess a minimum qualification and must have relevant University first degree qualification or its equivalent and IT related qualification and/ or relevant training experience
vii. The Principal Officer must satisfy the conditions of FIT and PROPER Persons criteria set out by the Commission.

viii. The Applicant must have the necessary infrastructure, such as, adequate and conducive office, adequate customer base and necessary IT equipments to effectively discharge its duties.

7.0. MODE OF OPERATIONS, CODE OF CONDUCT, OBLIGATIONS AND RESTRICTION

7.1. Mode of Operations

Professional Indemnity Insurance:
a. Every Web Aggregator shall possess and continue to maintain a Professional Indemnity Insurance Cover with a minimum limit of liability of N20Million or 50% of its annual gross commission income (whichever is higher) throughout the validity period of the Licence granted by the Commission.
b. The Indemnity Cover shall be on a yearly basis for the entire period of its licence.

7.2. Code of Conduct of Web Aggregator

a. Conduct in matters relating to Clients relationship –

Every Web aggregator shall:
i. conduct its dealings with Clients with utmost good faith and integrity at all times;
ii. act with care and diligence;
iii. ensure that the Client understands his/her relationship with the Web Aggregator and on whose behalf the Web Aggregator is acting;
iv. treat all information supplied by the prospective Clients as completely confidential to themselves and to the Insurer(s) to whom the business is being offered;
v. take appropriate steps to maintain the security of confidential documents in their possession;
vi. understand the type of Client it is dealing with and the extent of the client's awareness of risk and insurance;
vii. treat the client fairly and avoid conflict of interest; and
viii. draw the attention of the client to Section 76 of the Insurance Act 2003, which prohibits rebating and sharing of commission

b. Conduct in relation to complaints handling –

A Web Aggregator shall:
i. have in place a system for recording and monitoring complaints;
ii. accept complaints electronically and in writing etc.;

iii. ensure that the website contains details of complaints handling procedures and provides a facility for complaints to be logged online;
iv. ensure that communication of customers in any form, written/phone/fax/email/ messaging etc are acknowledged promptly and in no case beyond three (3) days from the date of receipt of such complaint;
v. ensure that the grievance is resolved to the satisfaction of the customer;
vi. ensure that response letters are sent to the Complainant on the resolution of the grievance, and inform him/her of other redress procedure available if not satisfied; and
vii. ensure that complaints are dealt with at a suitably senior level cadre of the Web Aggregator.

c. Conduct in matters relating to advertising
Every Web Aggregator shall ensure that website contains no advertisement or any information prohibited in 7.5 below

d. Conducts in matters relating to training - Every Web Aggregator shall:
i. Ensure that its staff are aware of and adhere to the standards expected of them by this Guideline;
ii. Ensure that staff are competent, suitable and have been given adequate training;
iii. Ensure that there is a system in place to monitor the quality of training given to the staff;
iv. Ensure that members of staff are aware of legal requirements including the law of agency affecting their activities; and only handle classes of business in which they are competent;

7.3 Business Obligations

7.3.1. Obligations of Web Aggregators

i. A Web Aggregator shall display License obtained from the Commission and details of validity of license on its website.
ii. A Web Aggregator shall prominently display the names of Insurers with whom it has an agreement to refer leads in the Home page of the website.
iii. A Web Aggregator shall state clearly that insurance is the subject matter of solicitation.
iv. A Web Aggregator shall continue to maintain the minimum share capital at all times.

v. A Web Aggregator shall at no point of time of its functioning, have referral arrangement with any Insurer, act as Corporate Agent, Micro Insurance Agent, Surveyor or Loss Assessor.
vi. A Web Aggregator shall not exclusively promote the products of any particular Insurer and shall suggest the best available product in the market that fits the need of Clients
vii. A Web Aggregator shall maintain register of all persons engaged for the purpose of lead generation/solicitation of insurance business. The register shall, apart from name and address of such persons contain valid proof of identification and other relevant credentials
viii. A Web Aggregator shall maintain an effective Lead Management System (LMS) and ensure that Leads are recorded and monitored through the LMS
ix. A Web Aggregator shall maintain the records and the reports of its activities under the agreement with the Insurer, in the manner specified in the agreement entered into between the Insurer and the web aggregator.
x. A Web aggregator shall along with its employees (whatever their designation may be) comply with all the provisions of the Insurance Act 2003 and the rules and regulations framed therein and other regulations issued by the Commission from time to time.
xi. A Web Aggregator, it's Employees or Promoters shall not accept any payment from Insurers/Brokers other than the remuneration specified in the guidelines.

7.3.2. Web Aggregator's Site Specimen & Display of Product Comparisons on the website

Display of Product Comparisons on the Website

i. Web Aggregators shall disclose prominently on the home page, a notice that the Client/Visitor's information could be shared with Insurers.
ii. Product information displayed shall be authentic and solely on information received from Insurers.
iii. Web Aggregators shall not display ratings, rankings, endorsements or bestsellers of insurance products on their website. The content of the Website shall, at all times, be unbiased and factual; they shall not comment on insurers or their products in their editorial or at any location in their Website.
iv. Products shall be categorized as follows:

Life: a. Term Assurance Products
b. Endowment Products
c. Other associated life products

Non-life: a. Motor Insurance
b. Personal Accident Insurance
c. Micro-Insurance
d. Takaful Insurance
e. Other classes

v. Products under a category as mentioned above can be compared in respect to basic product features such as:
a. Eligibility criteria
b. Plan, Policy Term, Premium Payable, Minimum and Maximum Sum Assured, Minimum and Maximum age of entry or exist, Maturity etc.
c. Benefits such as Survival/Maturity Benefits, Death Benefits, Surrender benefits, loans etc.
d. Interest rate on Investment linked products.
e. Any other additional information or special product features relating to the products under comparison
vi. Template can be mutually worked out between the Web Aggregators and Insurers whose products are compared
vii. Product comparisons that are displayed shall be up to date and reflect a true picture of the products
viii. Web aggregators shall display product information purely on the basis of the information furnished to them by Insurers
ix. Web Aggregators can use published data for additional information to customers such as data provided by the Commission
x. Web Aggregators can integrate their Websites with the Insurers Website for:
a. Online Sale.
b. Registration of Customers Data or Proposal Form.
c. Online underwriting decision.
xi. Web Aggregator shall not carry any advertisement or sponsored content on their Website
xii. Web Aggregator shall integrate their website with the Commission's Portal.

7.3.3. Obligations of Insurers

i. An Insurer shall not pay any fee or remuneration, by whatever name called, to Web Aggregators other than what is prescribed in the Guidelines
ii. An Insurer shall not pay commission, on any type of renewal premium or premium payable from the second year and the subsequent years, to web aggregators, except where such renewal is conducted through the Web Aggregators platform.
iii. An Insurer shall not engage any person/entity who owns/maintains a website not licensed by the Commission under this Guideline.
iv. An Insurer shall not make any payment, by whatever name called, in the form of advance to a Web Aggregator
v. An Insurer shall not pay any remuneration after termination of agreement with Web Aggregator.
vi. An Insurer shall not pay any remuneration after the lapse of validity of License given by the Commission to the Web Aggregator.
vii. An Insurer shall obtain and maintain records of leads / data obtained from each Web Aggregator through the lead management System of the Web Aggregator, the details of the policies sold out of the leads / data thus obtained and the information regarding the premium payments.
viii. Insurers shall share product information and premium rates with Web Aggregators and the information so shared shall match with the product approved by the Commission.
ix. Insurers shall make no payment by any name to Web Aggregators or related parties towards infrastructure or on any account other than payment on the policies solicited or procured on the Web Aggregator's website
x. Insurers shall specifically identify the policies procured through Web Aggregators and obtain all relevant records pertaining to such policies. The Insurer shall produce

NATIONAL INSURANCE COMMISSION

INSURANCE WEB AGGREGATORS OPERATIONAL GUIDELINES

such records before the Commission in case of dispute involving alleged violation or breach of conduct by the Web Aggregator/

7.4 Requirements and Scope of Outsourcing Activities
Outsourcing of the activities shall be at the discretion of the Insurers. However, it is reiterated that execution of core activities are to be carried out by the Insurers as provided in the Prudential Guidelines for Insurers and Reinsurers in Nigeria.

7.5 Restrictions
The Web Aggregator shall conduct the business in a fair manner and shall not:
i. Display any information pertaining to products or services of other Financial/Fast Moving Goods Company(FMGC) or any other product or service in the Website;
ii. Display advertising of any sort, either pertaining to any product or service including insurance product or service, other financial products or service/or any other product or service in the Web Aggregator's website;
iii. Operate multiple websites or tie up with other approved/ unapproved/unlicensed entities/websites for lead generation/comparison of product etc;
v. Operate the websites of other financial/commercial/ marketing or sales or service entities or use other social media sites for comparison of products etc; and

v. Operate in any other manner for the purpose of transmitting leads to any entity engaged in insurance business excepts as provided under this guidelines.

8.0. INFORMATION TECHNOLOGY (IT) INFRASTRUCTURAL REQUIREMENTS FOR OPERATIONS OF A WEB AGGREGATOR

8.1. Standards for Computer Networks & Internet
i. Networks used for transmission of data must be demonstrated to meet the requirements specified for data confidentiality and integrity.
ii. Web Aggregators are required to deploy a proxy type firewall to prevent a direct connection between the Aggregators backend systems and the Internet.
iii. Aggregators are required to ensure that the implementation of the firewalls addresses the security concerns for which they are deployed.
iv. External devices such as tablets, smart phones, personal computers, (PC's) at remote branches, kiosks, etc. Permanently connected to the company's network and passing through the firewall must at the minimum address issues relating to non-repudiation, data integrity and confidentiality. Aggregators may consider authentication via Media Access Control (MAC) address in addition to other methods.
v. Aggregators are required to implement proper physical access controls over all network infrastructures both internal and external.

8.2. Standard on Protocols
i. Web Aggregators must take additional steps to ensure that whilst the web ensures global access to data enabling real time connectivity to the company's back-end systems, adequate measures must be in place to identify and authenticate authorized users while limiting access to data as defined by the Access Control List.
ii. Web Aggregators are required to ensure that their ports are disabled to control the use of external devices.

8.3. Transacting Insurance
Aggregators shall put in place procedures for maintaining the company's website which should ensure the following:

i. Only authorized staff shall be allowed to update or change information on the website.
ii. Updates of critical information should be subjected to dual verification.
iii. Website information & links to other websites should be verified for accuracy and functionality.
iv. Management should implement procedures to verify the accuracy & content of any financial planning software, calculators, and other interactive programs available to customers on an internet website or other electronic insurance services.
v. Links to external websites should include a disclaimer that the Customer is leaving the Insurance Company's site and provide appropriate disclosures, such as noting the extent, if any, of the Insurance Company's liability for transactions or information provided at other sites.
vi. Web Aggregators must ensure that the Internet Service Provider (ISP) implement a firewall to protect the company's website.

8.4. Backup, Recovery & Business Continuity
Web Aggregators should ensure adequate back up of data as may be required by their operations. Web Aggregators should also have, well documented and tested business continuity plans that address all aspects of the insurance business.
i. Both data and software should be backed up periodically, the frequency of backup depending on the recovery needs of the application. Online/real time systems require frequent backups within a day. The backup may be incremental or complete. Automating the backup procedures is preferred to obviate Operator's errors and missed backups.
ii. Recovery and business continuity measures, based on criticality of the systems, should be in place and a documented plan with the organization and assignment of responsibilities of the key decision making personnel should exist.
iii. An off-site back up is necessary for recovery from major failures/disasters to ensure business continuity. Depending on criticality, different technologies based on backup, hot sites, warm sites or cold sites should be available for business continuity. The business continuity plan should be frequently tested. ;

8.5. IT Security Policy and Privacy
Web Aggregators shall have in place a security policy duly approved by their Board and the policy should address the following issues:
i. Basic approach to information security measures.
ii. The IT assets that must be protected and the reasons for such protection.
iii. Priorities of information and information systems that must be protected.
iv. Involvement of Management and the establishment of an Information Security Coordination Division (ISCD).
v. Checks for compliance with Laws/Regulations.
vi. The use ofconsultants (where necessary).
vii. Identification of information security risks and their mitigation plan.
viii. Disabling an account after three (3) unsuccessful logins may result in denial of service when it is done by somebody else mischievously or when restoration takes unduly long time.
ix. Decision making process of carrying out information security measures.
x. Procedures for revising information security measures.
xi. Responsibilities of each officer and employee and the rules (i.e. disciplinary action) to be strictly applied as needs be.
xii. Quarterly IT Audit to determine effectiveness and compliance to the security policy.
xiii. User awareness and training regarding information security.
xiv. Business Continuity Plans.
xv. Procedures for periodic review of the policy and security measures.
xvi. Procedures for change and configuration management covering facilities.

8.6. Standards on Identification
All users of critical devices on networks used by Web Aggregators shall be uniquely identified to facilitate arrangements for authentication, access control, confidentiality, demarcations and enforcement of security policies.
A customer registration process should ensure that all users and critical devices are uniquely identified and linked with all authorized identification systems (i.e. International Passport, Driver's License, etc.). All identities must be aged and renewed on expiry.
Authentication: A minimum of two-factor authentication process is required for all User to access to the services provided. Web Aggregators may need to consider.

the use of Public Key Infrastructure (PKI) for authentication of Users for e-insurance services.

8.7. ACCESS CONTROL
Web Aggregators shall introduce logical access controls in the IT infrastructure deployed. Controls instituted by Web Aggregators shall be tested using periodic penetration testing, which should include but not limited to the followings:
i. Password guessing and cracking.
ii. Search for back door traps in programs.
iii. Attempts to overload the system using Ddos (Distributed Denial of Service) & Dos (Denial of Service) attacks.
iv. Check if commonly known vulnerabilities in the software still exist.
v. Web Aggregators may for the purpose of penetration testing engage external Experts (Consultant).

8.8. SECURITY LOG (AUDIT TRAIL)
Computer access, including messages received, shall be logged and security violations (suspected or attempted) shall be reported for follow-up actions in line with the Organization's escalation policy.
i. Log of Messages: The insurance applications run by the Web Aggregators shall have proper record keeping facilities for legal purposes.
ii. All received and sent messages must be kept in both encrypted and decrypted form. When stored in encrypted form, it should be possible to decrypt the information for legal purpose by obtaining keys with owners' consent ·

9.0. CAPITAL, FEES, COMMISSION, PREMIUM ETC
9.1. Capital
i. The Applicant shall have a minimum share capital not less than N5Million as at the date of application and shall continue to maintain same throughout the license period.
ii. The Web Aggregator shall submit to the Commission a financial position duly certified by an External Auditor every year after finalisation of books of Accounts.

9.2. Fees Payable for Registration/Renewal

i.	Non-Refundable Application fee	N500,000.00
ii.	Licensing fee	N2,500,000.00
iii.	Renewal fee	N1,000,000.00

9.3. Iss Levy Payable by Web Aggregator
Insurance levy payable by Web Aggregator shall be 1% of the gross commission income or minimum of N200, 000, whichever is higher.

9.4. Commission Payable to Web Aggregator
i. The commission to be paid by the Insurer Partner to Web Aggregator shall not exceed 30% of Brokers Commission as stated in Section 53 of the Insurance Act, 2003.
ii. A Web Aggregators shall put in place a robust LMS and transmit leads at no extra cost to the Insurers.
iii. The Insurer shall keep adequate records of commission paid to a Web Aggregator.

9.5. PAYMENT OF PREMIUM
i. Payment of premium under web Aggregation operation shall be guided by Section 50(1) of the Insurance Act 2003 which provides for receipt of an insurance premium as condition precedent to a valid contract of insurance and highlighted further that there shall be no cover in respect of an insurance risk, unless the premium is paid in advance i.e. "No premium, No cover".
ii. Where Client made a payment for premium on a policy and account debited, the Insurer partner Account must be credited simultaneously with the full value amount paid as premium.

10.0 VALIDITY OF LICENSE/RENEWAL
i. A licence once issued shall be valid for a period of two calendar years unless same is suspended or cancelled pursuant to this Guideline.
ii. A renewal application and documentation shall be submitted at least 45 days prior to the date of expiration of license.
iii. Thirty (30) days of grace from the date of expiry may be allowed for renewal of licence only and any business transacted after the grace period shall attract a minimum penalty of NIMillion or 10 times the commission received on such transaction(s), whichever that is higher.
iv. Licence issued to Web Aggregator that is not submitted for renewal after expiration of the thirty (30) days of grace, is deemed as lapsed and re-registration may be considered after three (3) years of cool-off period.
v. Application for renewal of licence shall be in such a form as may be prescribed by the Commission from time to time.

11.0 EMPLOYEES OF WEB AGGREGATOR
11.1. Web Aggregator's Principal Officer
i. A Web Aggregator shall employ/desir:nate a senior officer from the position of Assistant General Manager (AGM) and above to manage the affairs of the company on full time basis.
ii. At minimum, the officer must possess first degree or its equivalent in Insurance from relevc;nt University/ Polytechnics and must demonstrate vast proficient in IT backed by certification from reputable Academic/Training Institutions.
iii. The Principal Officer shall fulfil conditions of FIT and PROPER Persons set by the Commission.
iv. The Principal Officer of a Web Aggreg-ator shall be subject to the approval of the Commission.
v. The Proposed Principal Officer shall not violate the obligations of Web Aggregator as specified by this Guideline and shall adopt appropriate Code of Good Conduct.
vi. The Principal Officer on commencement of operations as a Web Aggregator shall embark on at least eighty (80) hours of practical training in Insurance and Web Aggregation in NAICOM accredited Training Institutions within 6 months of operat!Oi1. Evidence cf attendance to be forwarded to Commission for appropriate action.
vii. Web Aggregators shall be responsible for all acts of commission and omission of the Employees including the Principal Officer in their employment

11.2 Other Employees of Web Aggregator
Other employees of a Web Aggregator are also required to have certification in Insurance and IT and their functions shall include but not limited to the following:
i. The employee of a Web Aggregator shall complete minimum of seventy-two (72) hours practical training in Insurance and Web Aggregation in NAICOM accredited training institution
ii. Obtaining detailed information about the Customer and his/ her business.
iii. Maintaining. detailed knowledge of available insurance Products from insurers partner.
iv. Providing requisite lead information to the Partner Insurer in assessing the risk to decide pricing terms and conditions for cover.
v. Maintaining proper records of Leads and businesses generated

12.0 DISPUTE RESOLUTION AND COMPLAINTS REDRESS MECHANISM.
12.1 Dispute Resolution among the Web Aggregator /Insurers partners and the Public.
i. For any disputes arising between a Web Aggregator and the Partner Insurer, the provisions of SLA in respect to Arbitration Clause must be exhausted before referring the matter to the Commission.
ii. In any dispute arising out of Insurance transactions, the person so affected may refer the matter to the Commission.

12.2. Customer Complaints Redress Mechanism.
A Web Aggregator and the Partner Insurer shall put in place an appropriate complaints redress mechanism to ensure that client's issues are appropriately addressed.

13.0. FINANCIAL REPORTING REQUIREMENTS AND DISCLOSSURES
13.1 Annual Reports
A Web Aggregator shall prepare the following:
i. Balance Sheet or Statement of Affairs as at the end of each accounting year.
ii. Profit and Loss Account annually
iii. Statement of Cash/Fund flow.
iv. Any additional statements on Web Aggregator's business which may be required by the Commission.
v. Every Web Aggregator shall submit to the Commission, a copy of the audited financial statements along with the certificate of oath from the auditor within 6 months from the close of the accounting year in line with the provision of the Insurance Act 2003.
vi. For the purpose of this Guideline, the accounting year shall be a period of 12 months (1st January- 31st December) and the accounts shall be in compliance with International Financial Reporting Standard (IFRS).

13.2. Returns & Prudential Records
i. All documents relating to business conducted through a Web Aggregator shall be maintained at the Head office of the Web Aggregator or such other branch office as may be designated.
ii. All the electronic Records, books and documents, statements, contract notes etc. referred to in this Guideline and maintained by the Web Aggregator shall be retained for a period of not less than 10 years from the end of the year to which they relate. However, the Digital Records/documents pertaining to the cases of legal disputes reported and the disposal of same is pending, such Records are required to be maintained till the cases are disposed off by the Court.

13.3 Disclosures to the Commission
i. A Web Aggregator shall disclose to the Commission, as at when required, any information in line with the provision of the Act.
ii. A Web Aggregator shall disclose to the Commission on his own any material change in the composition of the Web Aggregator's within thirty (30) days of such change.
iii. A Web Aggregator shall seek the prior approval of the Commission on the following:
a. Change of Principal Officer. Change of Director(s).
b. Change in name of the Company.
c. Change of address of registered office/Corporate Office. Opening/closing of branch office.
d. Engaging the services of service providers or third party vendors. Change of location of the servers hosting the comparison website.
iv. A Web Aggregator shall submit to the Commission the following information:
a. List of qualified personnel.
b. Outstanding claims in respect of Professional Indemnity Policy.
c. Acquisition of any property.
d. Any other information as will be required from the commission from time to time

14.0 REMEDIAL MEASURES & SANCTIONS
14.1. Remedial Measures
i. Where the Commission determines non-compliance with prov1s1ons of this Guidelines, it may take any intervention measures, remedies or steps prescribed in the Insurance Act 2003
ii. Where the Commission determines that the Web Aggregators' non-compliance with the provisions of this Guidelines impacts on the Company's ability to identify, assess, manage and mitigate its risks in a systematic manner, the Commission may issue such orders which it considers necessary to protect Policyholders' interest in accordance with the NAICOM Act 1997
iii. Power of Authority to Inspect:-In addition to the above, the Commission may appoint one or more of its Officers or Information Technology Experts as inspecting authority to undertake inspection of the premises of the Web Aggregator to ascertain and see how activities are carried on and also to inspect the books of account, records, and documents of the Web Aggregator for compliance purpose under the following conditions:
i. To ensure that the provisions of the Act, rules and regulations are being complied with;
ii. To ensure that the Lead Management System is managed as per the provisions of this Guidelines;
iii. To investigate the affairs of the Web Aggregator to ensure proper development of insurance business in the interest of policyholders.

14.2. Sanctions
14.2.1. Action against the Web Aggregator:-
i. The Commission may cancel the licence granted to a Web Aggregator or take any other action as deemed appropriate under the Act in case of failure to exercise due diligence or comply with its obligations in this Guidelines or such other directives issued by the Commission
ii. The Commission will also impose any or all of the available administrative sanctions in accordance with the powers under the NAICOM Act 1997 and the Insurance Act 2003
iii. Penal Provision:- in case of violation of the provisions of the NAICOM Act 1997 and the Insurance Act 2003 or any Rules, Regulation, Circular/ Guidelines issued by the Commission from time to time the Commission may impose appropriate penalty depending on the nature/gravity of infractions.

14.2.2. Action Against a Web Aggregator without Approval or Valid Licence:-
i. From the date of commencement of this Guideline no person shall function as a Web Aggregator unless he/she is licensed by the Commission under this Guideline.
ii. Notwithstanding and without prejudice to initiation of criminal proceedings against any person, who acts as a Web Aggregator without holding a valid Licence issued by the Commission, the Commission may in addition to ongoing prosecution impose against such person penal action under the Act.

15.0 EFFECTIVE DATE
This Guideline shall be effective from 1st February 2022. All Insurance Companies and Web Aggregators operating under any agreement of a business relation whether called Web Aggregation business or otherwise shall comply with the provisions of this Guideline within sixty (60) days of its coming into effect.

16.0 ENQUIRY
Enquiries on any aspect of this Guideline should be referred to:

Address: National Insurance Commission, Plot 1239, LadokeAkintola Boulevard Garki II, Abuja.
Telephone: 09-8756021
E-mail: PolReg@naicom.gov.ng/ authpolicy@naicom.gov.ng
Website:www.naicom.gov.ng

Insert NAICOM's Logo
APPLICATION FOR REGISTRATION/RENEWAL OF LICENCE AS WEB AGGREGATOR
Under the Insurance Act 2003
PARTICULARS OF APPLICANT

1. NAME OF THE APPLICANT:_______________________
2. CONTACT ADDRESS____________________________
3. TELEPHONE NO________________________________
4. E-mail_______________________________________
5. The licensing/ renewal fee of N................................ payable in respect of this application has been paid to the Commission via receipt No of_________20_________________

2. ORGANISATIONAL STRUCTURE
2.1 Status of the Applicant:
(e.g. Limited company-Private/Public, partnership, proprietary, others. If listed, names of Stock Exchanges and latest share price to be given)
Name of the company
Status
Date of Incorporation
DD_MM_YYYY
Name of stock exchanges (where listed)

2.2 Scope of business as described in the Memorandum of Association
(To be given in brief along with copy of Memorandum and Articles of Association or Partnership Deed).

2.3 List of major shareholders (holding 5% and above of applicant directly or along with associates)

Shareholding as on:____________
Name of shareholder No of Shares held
% of total paid up capital of the company

2.4 Particulars of all Directors -
Name
Designation/Qualifications/Position
Shares in company
Director in other company
Increase the table to seven

2.5 Name and activities of associate companies/concern
Name of company/firm
Address
type of activity
Nature of interest of promoters if any nature and interested of associate company(ies)

2.6 Name and Address of the Principal bankers of the applicant
____
2.7 ____

3. BUSINESS INFORMATION
3.1 Business plan with five years financials projection to be attached to the application.
3.2 Organisation Chart separately showing functional responsibilities to be enclosed
3.3 Particulars of Key Management Personnel
Name
Position/Designation
Working Experience
Date of Appointment
Functional areas
3.4 Any other information considered relevant to the nature of services rendered by the applicant.

4. FINANCIAL INFORMATION
Authorised share capital
Issued share capital
Paid-up share capital

DECLARATION
THIS DECLARATION IS TO BE SIGNED BY TWO OF THE DIRECTORS
1. We hereby apply for license as a web aggregator to transact Insurance business.
2. We have gone through the Insurance Act 2003 and the web aggregator guidelines and are satisfied that we are eligible to apply for the Web Aggregator's licence.
3. We state that we have truthfully answered the questions above and provided all the information which might reasonably be considered relevant for the purposes of our Licence.
4. We declare that the information supplied in the application form is complete and correct.
5. We undertake that we shall not allow or offer to allow, either directly or indirectly, as an inducement to any person, any rebate of the whole or part of the commission earned by us during the Licence period.
6. We undertake to service the run-off business on the books at the time of cancellation or non renewal of Licence.
7. We declare that we do not possess an insurance agent Licence under section 34 of the Insurance Act.

For and on behalf of

________________ ________________
(Signature and Name of Director) (Block Letters) Signature and Name of Director (Block Letters)

EU Okays €820m Digital Economy Package For Nigeria

The Executive Vice President of European Union (EU) Commission, Margrethe Vestager, has disclosed that the EU has approved a three-year digital economy package worth €820 million for Nigeria.

This, she said, was part of a Global Gateway Africa-Europe Investment Package worth €150 billion announced recently by President of the EU Commission, Ursula von der Leyen.

Vestager, who spoke while leading a delegation of the EU Commission on a visit to the Vice President, Prof. Yemi Osinbajo, at the State House, announced an EU-Nigeria digital economy package of at least €820 million until 2024.

According to her, the package would help enhance connectivity, digitalise public services, support entrepreneurship and build digital skills, while developing a human-centric, democratic governance framework for technology.

Responding, Osinbajo welcomed the EU digital economy support, which he described as impressive noting that the use of digital technology was crucial in Nigeria's recently released National Development Plan.

The VP added that it was a relief that the EU supported the view canvassed by Nigeria that gas be considered a transition fuel as the global community moves towards net-zero emissions targets.

He said: "We are relieved to hear of the EU's support on gas as a transition fuel. It's some bit of relief. Nigeria has been in the forefront of the international advocacy on the issue."

Issues discussed at the meeting included the use of digital technology, trade and investment, the importance of the energy relationship between Nigeria and the EU also featured, while a consideration of all options for increased supply of Liquified Natural Gas (LNG) from Nigeria to the EU was agreed to, following a request from the EU.

The importance of a renewed Nigeria-EU partnership was noted during the meeting, including expectations for a successful EU-AU (European Union – African Union) Summit in Brussels later this week, specifically from the 17th-18th of February.

Customs Intercepts N3.2bn Langolin Scales, Elephant Tusks In Lagos

By Albert Egbede

The Comptroller-General (CG) of the Nigeria Customs Service (NCS), Col. Hameed Ali, recently said that officers of the Strike Force Unit intercepted pangolin scales and Elephant tusks worth N3.2billion in Lagos.

The Customs CG, who was represented by the outgoing national Public Relations Officer of the Service, Joseph Attah, at a press briefing in Lagos, said the seizures were carried out on the 2nd of February, 2022 at the Lekki area of the state.

The current interception is coming barely three months after the unit intercepted sacks of pangolin scale worth N1.7billion in Lagos. Also, the unit in August, 2021 intercepted another sacks of Pangolin scales worth N22billion in Lagos.

The CG, while briefing newsmen, stated that the interception was made from a Siena bus with registration number KRD 541 HH in Lekki area of Lagos.

"On the 2nd of February, 2022, upon credible intelligence, the CGC's Strike Force stormed Lekki area of Lagos and intercepted one Toyota Sienna bus with registration number KRD 541 HH with chassis: STDZA23C955338572 suspected to be loaded with un-Customs goods. Immediately, the vehicle with its content, including 4 occupants (all Nigerians) were taken to the station and detained.

"Upon 100 percent physical examination, the following items were found: fifteen sacks of pangolin scales and four sacks of elephant tusks. Total quantity of Elephant tusks intercepted is 145kg while total quantity of Pangolin scales is 839.4kg with a total value of N3.2billion," he pointed out.

The CG, however, stated that the sting operation and interception was the fourth major seizure of pangolin scales, ivory and other assorted wildlife parts in Nigeria within the last 13 months.

"The operation was conducted in collaboration with the Wildlife Justice Commission, targeting the illegal trade of wildlife from Africa to Asia.

"What you are seeing today is the fourth major seizure of Pangolin scales, ivory and other assorted wildlife parts in Nigeria within the last 13 months," he stressed.

He stressed that, "we wish to specifically commend the Wildlife Justice Commission for their continued commitment to this cause through provision of credible and actionable intelligence. Nigeria Customs appreciates this working synergy and look forward for more."

Customs Intercepts 17 Truckloads Of Foreign Rice, Arrests 23 Suspects

By Albert Egbede

The Federal Operations Unit (FOU), Zone A of the NCS, recently said that it intercepted 17 truckloads of foreign parboiled rice smuggled into the country from neighbouring countries along the Papalanto area of Ogun State.

Speaking at a press briefing in Lagos, the Acting Customs Area Controller (CAC) of the unit, Hussein Ejibunu, said 9,697 bags of 50kg rice; 3,173 cartons of Basmati rice at 5kg each and 297 bags (25kg) foreign parboiled rice were intercepted in five weeks.

According to him, the unit intercepted seizures worth N4.6 billion in January 2022 even as he also said the unit recovered N192 million from under declaration of cargoes by clearing agents at the Apapa and Tin-Can Island seaports.

"The Federal Operations Unit Zone A of NCS has continued its vigorous anti-smuggling exploits in January 2022 with seizures and Duty Paid Value (DPV) of N4.6 billion and recovered N192 million as revenue within five weeks."

"However, 23 suspected smugglers were arrested. The unit's anti-smuggling and revenue recovery activities will increase this year due to the support and logistics upgrade it received from the service management," he added.

The Acting Comptroller, however, gave the breakdown of the seizures, to include 1,076 kegs of premium motor spirit (PMS); 68 sacks of used cloth; 2,535 pieces of used tyres; 17 units of used vehicles and 206 used compressors.

Others are 1,076 kegs at 25 litres of PMS, 195 bales of used clothes; 51 parcels (39.5KG) Indian hemp; 7,557,400 tablets of 225mg Tramadol; 7 units used motorcycles; 21 bales of new bed sheet and 57 units used plasma TV.

"While many travelled to enjoy the yuletide season, our operatives were out there in the field to prevent illicit items from being smuggled into the country. From December 23, 2021, till date, a lot more have been seized.

"Despite the ups and downs, the unit waxed on positively in the fight against smuggling as witnessed by you all. It is only regrettable that we lost four gallant officers in the line of duty that same year.

"If there is anything the unit will not condone, it is to lose any of our officers to smugglers this year. A new approach and tactics strictly to our chest will be deployed this time around. Smugglers are by this warned to stay away from smuggling," he added.

The NCS also said that it intercepted cocaine valued at N3.9 billion hidden inside a Ford transit bus in Lagos.

Hussein Abdullahi, spokesperson of the command, disclosed this in a statement recently.

According to the statement, Bello Jibo, Customs Area Comptroller, said the substance was discovered on January 23 in a bus conveying religious books.

The cocaine is said to have weighed 11.913kg. "The Seme Area Command of the Nigeria Customs Service has reported the interception of cocaine weighing 11.913kg," the statement reads. The street value of the items was estimated to be N3,916,624,147.00.

"Jibo explained that the substance was intercepted along Seme-Badagry Expressway at about 09:00 hours on Sunday, 23 January, 2022.

"Consequently, the substance was subjected to test and verification by the National Drug Law Enforcement Agency (NDLEA) and National Agency for Food and Drug Administration and Control (NAFDAC) and was found to be cocaine weighing 11.913kg."

In another development, the NCS said its officers also intercepted 31,950 litres of petroleum product in Seme recently.

The petroleum product was said to be contained in 1,065 jerrycans "with Duty Paid Value (DPV) of N10,041,198.00".

"This came after the Area Command initiated offensive patrol against the smuggling of petroleum products along the creeks within Seme and Badagry," Abdullahi said.

"The Customs Area Controller, Compt. Bello Mohammed Jibo, stressed that the offensive crackdown on the activities of the petroleum product smugglers is with a mission of getting them arrested wherever they are.

"He reassured residents that the Command will continue to make life uncomfortable for the unpatriotic Nigerians trading illegal businesses in the area."

He also appreciated the "cooperation of sister agencies and relevant stakeholders at Seme border".

PTAD Pension Transitional Arrangement Directorate

Pension Transitional Arrangement Directorate

BEWARE OF PENSION FRAUDSTERS!

Learn About the

PTAD PAYMENT PROCESS

We are always improving our service to pensioners

Due to complaints about late payments we seek to explain our payment process to all pensioners.

These are the steps

#1

PTAD carries out biometric verification of pensioners and computes a payroll approved by the Executive secretary on or before the 15th of every month.

#2

Payroll is uploaded into GIFMIS payment system managed by the office of the Accountant general.

#3

CBN releases the funds required for the payments to the OAGF.

#4

After these steps pensioners will receive their due payments on or before the 25th of every month.

E-mail: **info@ptad.gov.ng, complaints@ptad.gov.ng**
Website: **www.ptad.gov.ng**

Address: Pension Transitional Arrangement Directorate, No. 22 Katsina Ala Crescent, off Yedseram Street, Maitama, Abuja, Nigeria.

If you need any information on your pension, call PTAD toll free on;

0800-CALL-PTAD (0800-22557823)
or 09-4621721, 09-4621722 (Rates Apply)

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NIGERIA CUSTOMS SERVICE (NCS)

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Monday 28th February - Sunday 13th March, 2022

POLICY BRIEF with ENAM **OBIOSIO**

Even With The Risk, Technology Advancing Financial Inclusion

Either way, for technology to benefit everyone, private sector innovation needs to be supported by public goods.

Of course, digital technology is transforming the financial industry, changing the way payments, savings, borrowing, and investment services are provided and who provides them.

Fintech and big tech companies now compete with banks and others across a range of markets. Meanwhile, digital currencies promise to transform the heart of finance: even money itself.

But there is the question of just how much has technology advanced financial inclusion. For sure, in the past year alone, digital finance has helped households and businesses meet the challenges posed by the COVID-19 pandemic. It has also given governments new ways of reaching those who need support.

While in the words of these economists and authors, Jon Frost, Leonardo Gambacorta, and Hyun Song Shin, "Yet, if it is to realise its full potential in bolstering financial inclusion, private sector innovation must be supported by the appropriate public goods, as innovation has large spillovers to all aspects of economic activity. Public goods provide the underpinnings of financial inclusion." I am also of the view that though progress to date has been impressive, the private sector rather should support the public goods.

According to them, financial inclusion can be understood as universal access to, and use of, a wide range of reasonably priced financial services. "Inclusion made great strides in the decade between the global financial crisis and the pandemic. Despite a volatile global economy, World Bank data show that 1.2 billion adults gained access to a transaction account between 2011 and 2017. Much of this progress came directly from new digital technologies.

As COVID-19 have imposed social distancing and lockdowns, digital payments became a lifeline for many people. Mobile money is a case in point.

Technology has in a decade achieved what might have taken half a century with traditional growth processes.

As COVID-19 imposed social distancing and lockdowns, digital payments became a lifeline for many people. Small businesses were able to continue accepting payments, and individuals could send money to their loved ones quickly and at low cost. While not everyone was able to access digital payments and financial services, technology helped fill the gaps. In some countries, a good number of digital accounts were opened remotely between mid-March and the end of April 2020.

Governments worldwide used new digital infrastructure to reach households and informal workers. There have been projects that fully integrated the country's largest mobile operators and banks. There has been fast payment system that fulfils the same purpose.

Although the pandemic will leave major economic damage and inequality in its wake, I do believe that it will help drive the adoption of digital technologies that enable financial inclusion and economic opportunity. But these technologies will not succeed on their own. To understand how digital technology and policies can help, it is helpful to look first at the underlying economics.

At the heart of digital innovations stand a few technological enablers. First are mobile phones and the internet, connecting individuals and businesses with information and providers of financial services. A second empowerment is the storage and processing of large volumes of digital data. Finally, advances like cloud computing, machine learning, distributed ledger technology, and biometric technologies play a role, though with some risk. Even with the risk, private sector should support public goods. enable

But at the core of all these innovations is the ability to gather information and reach users at a very low cost. Economists have assessed the range of specific costs that decrease with digital technologies. Two economic features of digital technology help show why these factors have been so powerful and what risks they pose.

First, digital platforms are highly scalable. Platforms can be thought of as 'matchmakers' that help different groups of users find one another. "For instance, a digital wallet provider like PayPal brings together merchants and clients who want to make secure payments. The more clients use a particular payment option, the more attractive it is for merchants to accept it, and vice versa. This is an example of economies of scale, which allow providers to grow quickly.

Similarly, Big Techs such as Amazon or China's Alibaba can serve as matchmakers to help buyers and sellers of goods find one another, but they can also link merchants with providers of credit and other services. Because of the range of services provided (including nonfinancial), they have information that can be very valuable for their financial offerings. This exemplifies economies of scope, which give the advantage to providers with multiple business lines.

Second, digital technologies can improve risk assessment, benefiting from the same data that are the natural by-product of their business. This is particularly relevant for services such as lending, as well as investment and insurance.

Research with data suggests that, by relying on big data, big tech lenders have less need for collateral. This can open up access to lending for borrowers who have no house or other assets to offer as collateral, and make loans less sensitive to asset price changes.

Such economies of scale and scope, together with improvements in predictive power, can drive financial inclusion forward by leaps and bounds. Indeed, big tech credit has boomed worldwide in the past decade, "rising to an estimated $572 billion in 2019."

Finally, there is a serious risk that sensitive data could be misused and privacy violated. Smart public policies are needed to mitigate these risks, while allowing the potential of digital technologies to be fulfilled.

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