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R-L: **Dr. Abubakar Sani,** Chairman, Governing Board, National Insurance Commission (NAICOM), **Mrs. Zainab Ahmed,** Honourable Minister of Finance, Budget and National Planning, **Mr. Sunday Olorundare Thomas,** Commissioner for Insurance/CEO, NAICOM, **Aliyu Ahmed,** Permanent Secretary, Ministry of Finance, Budget and National Planning, during the official commissioning of NAICOM portal in Abuja recently.

SEC Mulls Compulsory Adoption Of ICT For Virtual Capital Market Transactions

- Issues New Regulations On Cryptocurrency
- Pegs N10 bn Limit For Fund Raising

By Felix Omoh-Asun & Musa Ibrahim

The Securities and Exchange Commission (SEC) has proposed some guidelines that will enable investors in the capital market to be able to do virtually everything they need to do on their internet-enabled appliances and at their convenience.

The new guidelines, meant to fully digitalise the market, were contained in the Minimum Operating Standards for information technology for capital market operators (CMOs) released recently.

According to the SEC, the new regulatory framework undergoing review sought to mandate compulsory adoption of information and communication technology (ICT), particularly web-based applications and devices, for virtual capital market transactions.

The provisions of the document apply to all categories of CMOs unless in sections where reference is otherwise made to specific CMO categories. The purpose of the guidelines is to establish a threshold of operational efficiency in the Nigerian Capital Market through the effective adoption of information technology in driving business operations and ensuring the security, confidentiality, integrity and reliability of information systems.

A draft copy of the framework indicates that the new framework, upon final approval, will apply to all capital market operations, with particular emphasis on investor-facing functions such as securities trading, fund management, share registration and clearing and custodial services, among others.

The new rules mandate all capital market operators to have well-secured and functional website as well as functional electronic mailing system, either hosted privately or using a cloud service provider, with domain name owned and registered by the capital market operator. Once the rules come into effect, the use of free email providers and private emails like Yahoomail, Gmail and Hotmail, among others, shall become unacceptable for official transactions.

Under the proposed framework, stockbrokers will be "required to have websites and web applications that allow investors to securely create and manage their equities accounts

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Lamido Yuguda, Director-General of the Securities and Exchange Commission (SEC)

COMPULSORY EMPLOYEES GROUP LIFE INSURANCE

(Under the Pension Reform Act 2014 as amended)

A.FOR WHOM

All public and private sector organizations as specified in the Pension Reform Act 2014

B.WHAT DOES THE POLICY COVER

Compulsory

a). Death - Compensation for the employees who may die while in service

b). Disappearance - Compensation in the event of disappearance of an employee.

Optional

c). Additional Compensation for Permanent Disability (physical through accident).

d). Compensation for Temporary Total Disability and Medical Expenses following accident.

e). Compensation for any self-employed person who is worried by the happenings under (a-d) above.

C. HOW MUCH COMPENSATION DO I GET

I). Payroll Employees

For Death - Three (3) times Total Annual Emolument (TAE)

For Disappearance -Three (3) times Total Emolument (TAE)

For Permanent Disability - Three (3) times Total Annual Emoluments (TAE)

For Temporary Disability a percentage of the TAE based on the Degree of Disability

ii). Non Pay-roll Employee

A selected Capital Sum, reasonable enough, in case of death, to take care of the employees family or the employee in case of disability.

D. WHO IS LIABLE

All employers of labour in the public and private sectors as specified in the Pension Reform Act 2014.

E. HOW MUCH DO I PAY AS PREMIUM

Kindly contact the nearest insurance brokers or a life underwriter

G. WHO PAYS THE PREMIUM

The Premium is to be borne 100% by the Employer.

H. PENALTY FOR NON-COMPLIANCE

N250,000 fine plus One (1) year imprisonment at the minimum for every director or officer of the defaulting body corporate.

Ensure Compliance To Avoid Prosecution

NATIONAL INSURANCE COMMISSION

www.naicom.gov.ng

...for a healthier Insurance Industry in Nigeria

CBN To Attain 85% Financial Inclusion Target Soon, Says Emefiele

By Felix Omoh-Asu

Barring any unforeseen circumstances, the Governor, Central Bank of Nigeria (CBN), Mr. Godwin Emefiele, is optimistic that the Bank will soon achieve the 85 percent financial inclusion rate target from its current rate of about 70 percent.

Mr Emefiele made the disclosure while playing host to a delegation of Executive Directors from the Bank of Uganda, who were on an experience-sharing tour of the CBN's Central Bank Digital Currency (CBDC) project in Abuja last week.

He noted that the CBN was committed to accelerating the rate at which those who were financially excluded could come into the formal banking sector.

He expressed satisfaction that the country's Central Bank Digital Currency, the e-Naira, had recorded some level of success judging by the rate of integration and security features, adding that the CBDC would enhance the relationship between mobile banking and e-business and speed up the rate of financial inclusion.

Godwin Emefiele, CBN Governor

The CBN Governor also noted that the interest the novel e-Naira was attracting from other countries and multinational bodies such as the International Monetary Fund (IMF) and the World Bank, underscored the level and quality of work the CBN had put into the project.l

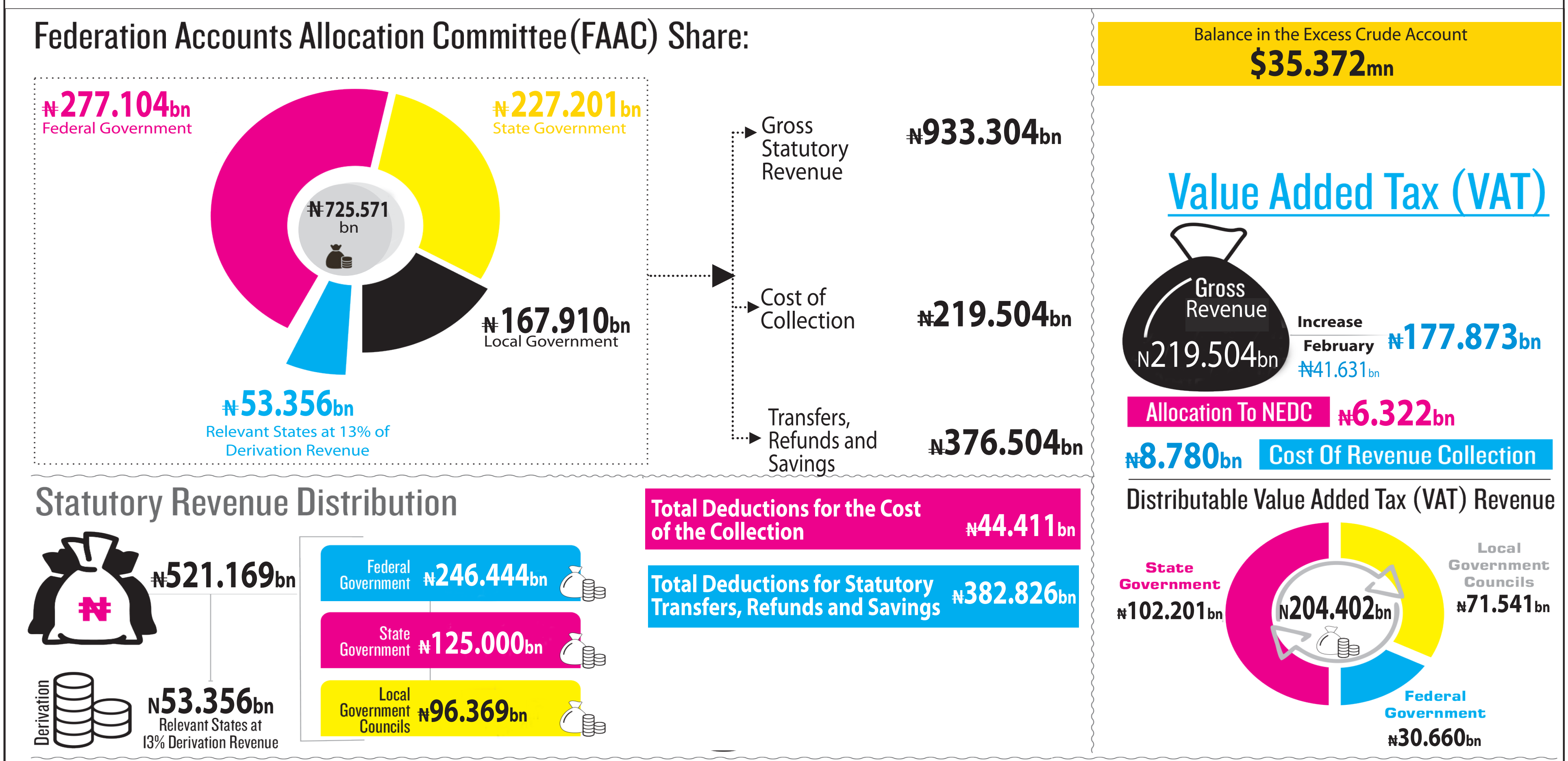
Although Emefiele noted that Nigeria, being the first country in Africa to launch its CBDC, was a case study to other climes, he said the country was treading cautiously to ensure it sustains the successes recorded thus far.

While equally stressing that the country had deepened its payment system infrastructure, which he noted was ranked among the best in the world, the Governor paid tribute to his predecessor in office, Sanusi Lamido Sanusi, for laying the foundation upon which the country's current payments system was built.

He recalled that Sanusi, as then CBN Governor, appointment him chairman of the sub-committee of the Bankers' Committee to lead the payments system drive in 2012, adding that the move paved the way for innovative ideas that eventually led to the creation of the e-Naira.

He therefore charged the Executive Directors (Deputy Governors equivalent) of the Bank of Uganda to strive to strengthen their country's payment system, noting that a strong payment system remained the bedrock for the successful take-off of a Central Bank Digital Currency (CBDC).

FAAC: FG, States, LGs Receive N725.571 bn For March



SEC Mulls Compulsory Adoption Of ICT For Virtual Capital Market Transactions

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online, make enquiries and receive customer support using chat-bots or other interactive programmes from web browsers". As the largest and main trade group, digitisation of stockbroking operations is expected to improve accessibility to the market for retail investors and to drive market penetration and inclusion.

According to the guidelines, "All CMOs are required to have a functional website, websites shall contain correct, up-to-date, and relevant information, websites shall not display errors or system messages revealing information about the underlying configuration of web applications, websites shall use the HTTPS (not merely HTTP) network protocol and other measures to ensure secured interoperability, adequate security measures must be put in place to ensure protection against availability attacks (especially denial of service attacks), integrity attacks and confidentiality attacks as well as regular audits and vulnerability tests shall be conducted to identify and fix vulnerabilities in the underlying operating systems, databases, webservers and third party software/applications".

"Applicable system and web application updates (patches) shall be regularly applied once they become available, access to databases and backend systems shall only be possible through front-end web applications and not directly from the internet, and shall only accord minimal privileges to databases and back-end systems, websites that allow file upload shall verify file types and scan for malicious code. the content management of websites shall be entirely domiciled in the CMO and not a third party and the development, hosting and maintenance of websites can involve third parties, in which case all the applicable requirements stated in this document to ensure availability, confidentiality and integrity of the website shall be included as mandatory elements of the terms of contract and SLA".

Also, fund and asset managers, who run the country's burgeoning collective investment schemes, will also be mandated to "have websites and web applications that allow investors to securely create and manage investment accounts online, make enquiries using chat-bots or other interactive programs from web browsers."

Fund and asset managers are also "required to have mobile applications that provide free access to the full stack of their service offering and allow retail investors to securely create and manage investment accounts online, make enquiries and receive in-app customer support".

In a major move that may finally bridge the gap fuelling unclaimed dividends, all registrars, central securities depositories and clearing houses will now be required to digitise their operations, as a regulatory requirement rather than optional service provision.

The guideline also stipulates that all central securities depositories and clearing houses shall have databases integrated with APIs that registrars and brokers can feed from as approved by the SEC while all registrars, central securities depositories and clearing houses are required to have websites and web applications that allow investors to securely create and manage their profiles online, make enquiries and receive customer support using chat-bots or other interactive programmes from web browsers.

Also, custodians and trustees are required to have websites and web applications that allow their clients to securely create and manage their accounts online, make enquiries and receive customer support using chat-bots or other interactive programs from their web browsers.

While securities exchanges had made self-driven efforts to automate their systems, the new rules make it mandatory for all exchanges-including equities, debt, derivatives and commodities exchanges among others, to "have secure trading platforms with robust features that include real-time quotes, charting tools, news feeds, trade monitoring and premium research". All exchanges are also required to "have a surveillance system that provides realtime monitoring of all trading activities."

According to the SEC, the purpose of the new framework "is to establish a threshold of operational efficiency in the Nigerian capital market through the effective adoption of information technology in driving business operations and ensuring the security, confidentiality, integrity and reliability of information systems.

The SEC noted that given the increased dependence of financial services and related business operations on technology, there is urgent need to put in place rules that define the minimum operating standards for the use of information technology by all operators in the capital market.

"This will help operators harness the huge operational benefits derivable from the adoption of technology and also manage the attendant cybersecurity threats and other risks that accompany the use of technology. It would also positively impact on the effectiveness and efficiency of the Commission to monitor and regulate all capital market operators in the market," the SEC stated.

In another development, the SEC has issued new regulations guiding the issuance, exchange and custody of digital assets in Nigeria.

The regulations, among others, provide that issuers may only raise funds within a limit of N10 billion. This is coming more than a year after the commission issued the classification and treatment of digital assets.

According to SEC, a digital asset means a digital token that represents assets such as a debt or equity claim on the issuer.

Recalled 2020, the Central Bank of Nigeria (CBN) directed financial service providers to halt cryptocurrency transactions.

But, in its new regulations, SEC mandates the registration of "the offering and sale of digital tokens that are considered securities". It added that the rules shall apply to all issuers seeking to raise capital through digital asset offerings.

HIGHLIGHTS

According to the regulation, digital asset actors include digital asset offering platforms (DAOPs), digital asset custodians (DACs), virtual assets service providers (VASPs), and digital assets exchange (DAX).

SEC said that it would review applications within 30 days before determining whether the digital asset proposed to be offered constitutes a "security."

"The commission may reject any application for registration of digital assets if, in its opinion, the proposed activity infringes public policy, is injurious to investors or violates any of the laws, rules and regulations implemented by the commission," the regulator added.

The regulation provides that issuers may only raise funds within a limit of N10 billion. It, however, added that it could adjust the ceiling from time to time.

According to the regulation, SEC said it would accommodate digital assets offering platform (DAOP) — an electronic platform operated by a DAOP operator for offering digital assets — provided it tendered evidence of a minimum paid-up capital of N500 million and a current fidelity bond covering at least 25 percent of the minimum paid-up capital.

Paid-up capital is the amount of money a company has received from shareholders in exchange for shares of stock while a fidelity bond is a type of insurance that protects against losses incurred by fraudulent acts carried out by employees.

The regulation requires applicants seeking to register a DAOP to pay N100,000 for the filing or application fee, N300,000 for the processing fee, N30 million for the registration fee, and N100,000 for sponsored individuals.

SEC's new rules could help provide the needed regulatory lucidity for the scope of a digital asset or security.

In another development, following the prolonged Russia-Ukraine crisis lingers, Nigeria and other African countries are set to launch a platform to aggregate essential commodities and afford African countries access to scarce commodities.

The platform, known as the Africa Trade Exchange (ATEX), will pool-procure bulk basic commodities and ensure countries have access to scarce supplies in a transparent and equitable manner.

As a fall out of the Russia Ukraine crisis, India has banned the export of wheat while Indonesia has done same for palm oil. The platform will be anchored by AFREXIM Bank working with the African Continental Free Trade Area (AfCFTA) Secretariat, and UNECA.

This is contained in a statement issued by the United Nations Economic Commission for Africa (UNECA).

"ATEX represents only a fraction of Africa's economic and innovative potential, but it promises a transformation in the continent's approach to imports and trade," UNECA said. Funding will come from "the African Development Bank's (AfDB) $1.5 billion emergency food production plan to mitigate the effect of the Russia Ukraine war on food prices through rapid production of wheat, maize, rice and soybean".

The UNECA described the ATEX as "a digital trade platform, which will complement the digital ecosystem constructed to support the implementation of the AfCFTA Agreement".

ATEX, the United Nations agency added, "will help realise the development potential of e-commerce and digitalisation, particularly by facilitating access for small and medium-sized enterprises (SMEs) to the wider African market".

This, it said, "will enhance intra-African trade and the African trade position in the global market, thus assisting in adjusting to disruptions in supply chains and continued growth of African businesses and economies".

It added: "To support supply chain resilience, ATEX will digitally enable the trade of the main agricultural commodities and input imported by the continent from Russia and Ukraine: cereals (including wheat, maize, and grains), fertiliser and associated input, oils, oilseed, as well as other products and inputs critical to support agricultural value chains".

The UNECA stated: "The platform will facilitate pooled procurement by African buyers of these commodities from African suppliers where possible, as in the case of fertiliser; and from outside the continent where necessary, as in the case of cereals and grains".

This, the UNECA explained, would contribute "to the creation of new, continental supply chains which will insulate Africans from the volatility which has characterised recent years".

According to the UNECA, "just like the solutions developed in the pandemic, ATEX constitutes an African innovation designed to address another crisis facing the continent – it is a measure which the broader international community should support, and from which we can all learn".

The UNECA noted that "through this and other comparable programmes, Africa is demonstrating leadership and ownership over its own challenges".

"To say this is an African solution to an African problem is not to dismiss or discourage international collaboration – indeed, our global partners will be pivotal in ensuring that Africa is included in the conversation on supply chain resilience" the UNECA said. UNECA urged Africa to "develop a more secure and stable mechanism to obtain critical commodities and cultivate stronger intra-African links between suppliers". The Russia-Ukraine crisis has increased the strain on critical supply chains in commodity markets. With current and expected price increases in agricultural products and inputs such as cereals and fertilisers.

Aggregating Africa's demand for these commodities will allow the continent to negotiate for competitive prices, especially for cereals and grains, at the same time assuring net food importers of the access and affordability of commodities like wheat and maize.

UNECA also argues that, "aggregating fertiliser demand from importing countries can deliver African producers of inputs such as fertilisers, ensuring timeliness and affordability, and thereby reducing the risk of food shortages"

NDIC

Nigeria Deposit Insurance Corporation

Protecting your bank deposits

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

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.

OUR CORE MANDATES

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

PRESS RELEASE:

ACCOLADES FOR OUR TOP TAX-COMPLIANT COMPANIES IN 2021

The FIRS is pleased to celebrate the top-performing taxpayers who contributed to her success in 2021. The Service surpassed its tax collection target in 2021, and in doing so, crossed the N6trillion threshold for the first time.

The feat recorded by the Service was made possible by the uncommon leadership of the President, Commander-in-Chief of the Armed Forces of Nigeria – Muhammadu Buhari, the active support of our supervisory Ministry, the backing of the National Assembly and its leadership as well as the cooperation of all other stakeholders in the tax area. To everyone who contributed to FIRS' success in 2021, we say thank you.

Of particular importance is the contribution of our much esteemed taxpayers; they defied the very harsh global economic conditions imposed by the lingering COVID-19 pandemic to produce a heroic performance in tax payment, compliance and support. The combined efforts of all taxpayers made it possible for the Service to achieve the tax revenue collection of 2021 which provided our governments with necessary funds to meet their social contracts with the citizens.

In recognition of their support and very laudable performances in tax compliance, tax payment and timely responses to enquiries, the Service hereby shows special appreciation to the following companies:

S/N	COMPANY	CATEGORY
1	NIGERIA LIQUEFIED PETROLEUM GAS COMPANY LTD	Most Supportive Taxpayer
2	NIGERIA NATIONAL PETROLEUM COMPANY LTD	Highest Taxpayer
3	MOBIL PRODUCING UNLIMITED	Top-Performing Taxpayer
4	STAR DEEP WATER PETROLEUM LIMITED	Top-Performing Taxpayer
5	MTN NIGERIA COMMUNICATIONS PLC	Top-Performing Taxpayer
6	SHELL PETROLEUM DEVELOPMENT CO LIMITED	Top-Performing Taxpayer
7	CHEVRON NIGERIA LIMITED	Top-Performing Taxpayer
8	TOTAL E & P NIGERIA LIMITED	Top-Performing Taxpayer
9	AIRTEL NETWORKS LIMITED	Top-Performing Taxpayer
10	NIGERIAN PETROLEUM DEVELOPMENT COMPANY LIMITED	Top-Performing Taxpayer
11	NESTLE NIG. PLC	Top-Performing Taxpayer
12	DANGOTE CEMENT	Top-Performing Taxpayer
13	NIGERIAN BREWERIES PLC,	Top-Performing Taxpayer
14	TOTAL UPSTREAM NIG LTD	Top-Performing Taxpayer
15	INDORMA ELEME PETROCHEMICALS LTD	Top-Performing Taxpayer
16	NIG AGIP OIL CO. LTD	Top-Performing Taxpayer
17	BRITISH AMERICAN TOBBACCO MARKETING	Top-Performing Taxpayer
18	GUARANTY TRUST BANK PLC	Top-Performing Taxpayer
19	STANBIC IBTC BANK PLC	Top-Performing Taxpayer
20	LAFARGE AFRICA PLC	Top-Performing Taxpayer

The service also appreciates Northern Cables Processing and Manufacturing Limited (NOCACO) and Ikeja Electric Plc for being most improved in Tax filing and VAT compliance respectively.
We urge all taxpayers to join hands with the Federal Inland Revenue Service to make taxation the pivot of our nation's development and economic growth.

IT CERTAINLY PAYS TO PAY YOUR TAX.

Signed
Muhammad Nami
The Executive Chairman, Federal Inland Revenue Service.

Nigeria's GDP Sustains Growth For the 5th Time

...Non-oil Sector Takes Lead

By Felix Omoh-Asun

The National Bureau of Statistics (NBS), in its latest report, shows the Nigeria's gross domestic product (GDP) sustained 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.

The latest statistics reveals that the country recorded 3.98 percent GDP increase in the fourth quarter of 2021.

Leading the pack in the growth rate include non-export sector like services, agriculture, trade and ICT, among others.

The report reveals that the non-oil sector grew by 4.73 percent in real terms during Q4 of 2021.

"This rate was higher by 3.05 percent point compared to the rate recorded same quarter of 2020 and 0.71 percent point lower than the third quarter of 2021."

The report shows that services recorded the highest year-on-year growth rate of 5.58 percent in the fourth quarter of 2021, followed by agriculture with 3.58 percent, while industry had -0.05 percent.

On the contribution to total GDP, the NBS said agriculture contributed the most to GDP with 26.84 percent, followed by Trade with 15.66 percent and Information and Communication with 15.21 percent.

"The activity that contributes the least was Administrative and Support Services with 0.02 percent.

"This is followed by water supply, sewerage, waste management and remediation with 0.16 percent and arts, entertainment and recreation with 0.20 percent."

Data on foreign trade reveals that in Q4 of 2021, Nigeria's Total Merchandise Trade stood at N11,707.20 billion, 74.71 percent higher when compared to the value recorded in Q4, 2020

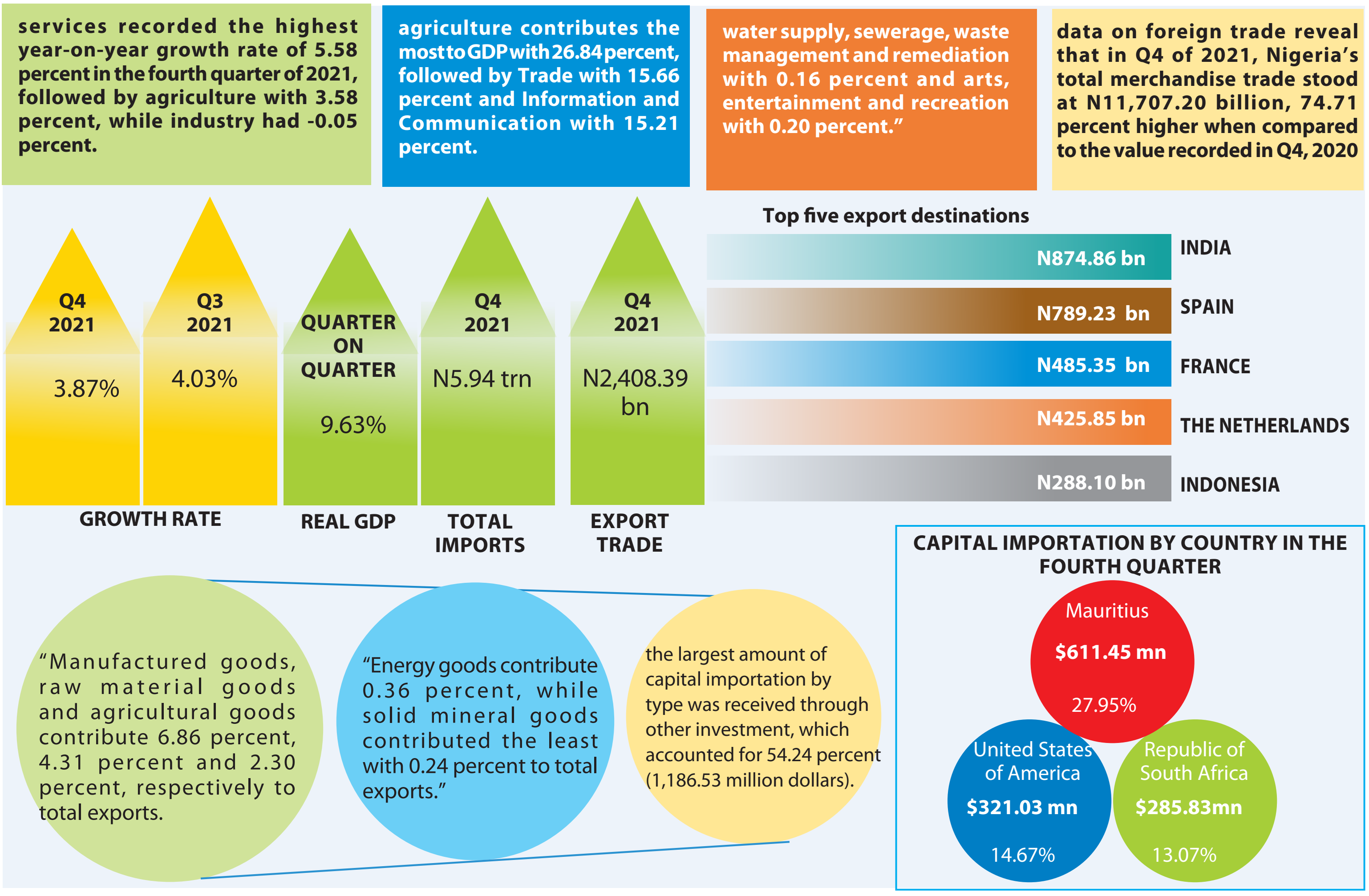
The report presents statistics on Nigeria's GDP, foreign trade, capital importation, consumer prices index, and social statistics.

According to the report, Nigeria's GDP grew by 3.98 percent year-on-year in real terms in the fourth quarter of 2021.

"The Q4 2021 growth rate was higher than the 0.11 percent growth rate recorded in Q4 of 2020 by 3.87 percent points and lower than 4.03 percent recorded in Q3 of 2021 by 0.05 percent points.

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

The report says real growth of the oil sector was 8.06 percent year-on-year in Q4 of 2021, indicating an increase by 11.71 percent points relative to the rate recorded in the corresponding quarter of 2020.



It says growth increases by 2.68 percent points when compared to Q3 of 2021 which was 10.73 percent.

It says export trade in Q4 of 2021 stood at N5.77 trillion, indicating an increase of 12.27 percent over the preceding quarter and the value in 2021 also grew by 80.52 percent over the corresponding period of 2020.

On the other hand, total imports stood at N5.94 trillion in Q4, 2021, indicating an increase of 11.33 percent over the preceding quarter and 69.41 percent over the corresponding period of 2020.

"Export trade by region in Q4 of 2021 shows that Nigeria exported most products to Europe with goods valued at N2,408.39 billion or 41.76 percent of total exports.

"Asia was N1,875.56 billion, or 32.52 percent of total exports and Africa was N773.83 billion or 13.42 percent of total exports, of which N250.52 billion worth of goods were exported to ECOWAS countries.

"Exports to America amounted to N702.74 billion or 12.19 percent of total exports."

The report reveals that during Q4 of 2021, Nigeria imported goods mainly from Asia, valued at N2,743.76 billion or 46.19 percent of total imports.

"This was followed by Europe at N2,422.41 billion or 40.78 percent, America at N571.70 billion or 9.62 percent, Africa at N161.47 billion or 2.72 percent and Oceania at N41.24 billion or 0.69 percent."

It says that imports from ECOWAS countries accounted for N35.76 billion, or 0.6 percent of the value of total imports.

The report also reveals that export trade to trading partners shows that India remained the top export destination for Nigeria in Q4 of 2021.

"The top five export destinations were India, Spain, France, the Netherlands and Indonesia.

"With goods valued at N874.86 billion or 15.17 percent, N789.23 billion or 13.69 percent, N485.35 billion or 8.42 percent, N425.85 billion or 7.38 percent, and N288.10 billion or 5.0 percent of export trade.

"These five countries collectively accounted for 49.65 percent of the value of total exports in Q4, 2021."

The NBS says the sectoral share of imports for Q4 of 2021, showed that 50.51 percent were manufactured goods, followed by other petroleum oil products with 28.60 percent.

"Agricultural goods contribute 11.23 percent of total imports, while raw material goods contributed 9.16 percent. Solid minerals contributed the least with 0.50 percent."

Data on Exports by sector showed that in Q4 of 2021, crude oil accounted for 74.04 percent of total exports.

"Manufactured goods, raw material goods and agricultural goods contribute 6.86 percent, 4.31 percent and 2.30 percent, respectively to total exports.

"Energy goods contribute 0.36 percent, while solid mineral goods contribute the least with 0.24 percent to total exports."

On capital importation, the report says the total value of capital importation into Nigeria in the fourth quarter of 2021 stood at 2,187.63 million dollars from 1,731.37 million dollars in the preceding quarter showing an increase of 26.35 percent.

"The largest amount of capital importation by type was received through other investment, which accounted for 54.24 percent (1,186.53 million dollars).

"This was followed by portfolio investment with 29.39 percent (642.87 million dollars) and foreign direct investments (FDIs) amounted to 16.38 percent (358.23 million dollars) of total capital imported in Q4 2021."

The report says capital importation by sector, revealed that tanning had the highest inflow of 645.59 million dollars amounting to 29.51 percent of total capital imported.

This is followed by capital imported into the production sector, valued at 360.06 million dollars (16.46 percent) and the electrical sector with 325.55 million dollars (14.88 percent).

Capital Importation by country of origin reveals that Mauritius ranked top as source of capital imported into Nigeria in the fourth quarter of 2021 with a value of 611.45 million dollars, accounting for 27.95 percent.

This is followed by the United States of America and the Republic of South Africa valued at 321.03 million dollars (14.67 percent) and 285.83 million dollars (13.07 percent).

The NBS says that data on consumer price index (CPI), which measures the average change over time in prices of goods and services consumed by people for day-to-day living, measures the inflation rate.

In March 2022, inflation increased to 15.92 percent on year-on-year basis. This is 2.25 percentage points lower compared to the same period in March 2021 (15.70 percent).

"The composite food index rose by 17.20 percent year-on-year in March 2022, indicating a healthier rate than in March 2021 which was a 22.95 percent rise."

The NBS says that the current food index is caused by increases in prices of bread and cereals, partly due to the war in Ukraine.

The report says the urban inflation rate increased to 16.44 percent year-on-year in March 2022 from 18.76 percent recorded in March 2021.

It adds that the rural inflation rate increased to 15.42 percent in March 2022 from 17.60 percent in March 2021.

Data on social statistics, according to the report, revealed that in the area of health, cholera was the most reported disease in 2018 both for males and females, followed by measles, while Lassa fever was the least.

However, in 2019 and 2020, reported cases of measles were highest for both males and females, with 46,317 and 17,000 cases respectively.

The report says this is followed by yellow fever, while Lassa fever and cerebrospinal meningitis were the least.

"In terms of reported deaths, cholera claimed the majority of lives in 2018 for both sexes, followed by cerebrospinal meningitis while yellow fever had the least.

"Lassa fever recorded the highest cases of deaths in 2019 to 2020, with 174 and 244 reported deaths respectively, while cerebrospinal meningitis recorded the lowest with 25 and 9 deaths, respectively."

In education, the report reveals that female enrolment in adult literacy education was more than male in 2018, while in 2019 and 2020 male enrolment was more than female.

EDITORIAL

Creating Strong Strategy That Will Turn Around Nigeria's Revenue Position

Improving revenue generation and blocking leakages in Nigeria nay African region have for a very long time been pertinent issues particularly in West Africa, considering the region's socio-economic weaknesses.

This is in view of the fact that the country or the region is faced with deep levels of poverty, lowest share of world trade, weak infrastructure, low development of human capital, among others.

Of course, this is tasking and addressing these challenges demands a strong strategy that will turn around the revenue position of our country.

The Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, sometime ago said: "Nigeria's low revenue generation capabilities has been an enduring challenge to past and present governments. Although we are celebrated as the largest economy in Africa, translating this wealth into revenue generation remains a challenge".

We have, therefore, been faced with challenges in mobilising domestic funds necessary for human capital development and infrastructure that are both drivers of sustainable economic growth and development. Our current revenue to gross domestic product (GDP) ratio of about seven percent is unsatisfactory and we are keen on improving this by implementing various initiatives.

We have noted that the current contribution between oil and non-oil GDP for which the analysis about oil revenue to oil GDP reveals about 39 percent while non-oil revenue to non-oil GDP is 4.2 percent. And our VAT revenue to GDP in Nigeria for example stands at less than one percent (0.8 percent) which compares unfavourably to ECOWAS average of 3.4 percent. So also is our excise revenue which is 4.1 percent, compared to Ghana at 15.3 percent or Kenya at 19.5 percent.

We believe that it is important to reiterate that though tax exemptions and concessions have for long been used by successive governments in Nigeria to attract both domestic and foreign direct investments (FDIs) in the country with the expectation that the revenue foregone will lead to commensurate benefits in the economy in the form of employment generation, capital formation, wealth creation and poverty alleviation, revenue generation, technology transfer, amongst others.

All these have rather constitute huge tax expenditures and revenue leakages to government.

We have noted that since 2012 when the then coordinating minister for the economy and Minister of Finance reviewed grant of waivers, exemptions and other tax concessions from discretionary to sector-based policy in effort to address tax expenditure issues in Nigeria, the subject has continued to receive favourable attention of successive governments. Recently, this administration emphasised on the need to examine tax expenditure component of the federal government aggregate spending.

Towards consolidating the effort of government in this direction, the Honourable Minister of Finance, Budget and National Planning on the occasion of the 2021 budget breakdown to the media, private sector and civil society reiterated this commitment on cutting down tax expenditure.

And also just last month, April, 2022, the federal government issued a tax expenditure statement call circular to all ministries departments and agencies (MDAs) responsible for granting of incentives, waivers and other form of tax expenditures indicating guidelines and instructions for strict adherence, compliance, and reporting.

In the light of all these, we are calling for strategic intervention in the area of revamping tax revenue generation and blocking leakages through implementation of initiatives and programmes for tax transition in Nigeria and to ensure developing the capacity and expertise of staff of the fiscal institutions in the country.

73% of Pension Contributors Below 40yrs, Says PenCom

As Commission Mandates RSA Holders To Carry Out Data Recapture

By Musa Ibrahim

The National Pension Commission (PenCom) says most contributors under the Contributory Pension Scheme (CPS) are below 40 years.

The commission said that the figure represents 73 percent of the total contributors to the scheme.

PenCom said this in its 2021 fourth-quarter report tagged Age and Gender Distribution.

According to the report, the number of male contributors surpassed females in the Retirement Savings Account (RSA) holders' list.

"Analysis of new registrations on the CPS for the quarter showed that 73 percent were below the age of 40 years," the report states.

"This points to the increasing sustainability of the CPS, as the younger generation are actively being enlisted into the scheme.

"Regarding gender distribution, 65 percent of those that registered during the quarter were male, while 35 percent were female."

The report further added that over N6 billion was paid to retirees below 50 years under the retirement service account (RSA).

It said that the retirement benefit paid was higher compared to the fourth quarter of 2021.

"The commission approved the payment of N6,414.57 million to 10,804 RSA holders under the age of 50 years, who were disengaged from work and unable to secure jobs within four months," the report added.

"A total of N76.67 billion was paid as retirement benefits in Q4 2021. This was lower than the retirement benefits of N100.91 billion paid in Q3 2021 by N24.24 billion."

In another development, PenCom has asked retirement savings account (RSA) holders to visit any branch of their pension fund administrators (PFAs) to participate in the ongoing data recapture exercise (DRE).

It said that the exercise was for both active contributors and retirees whose data have not been recaptured.

"The DRE is in compliance with the directive of the federal government that all data generating organisations should harmonise their databases with the National Identity Management Commission (NIMC)," the statement reads.

It is also consistent with the need to have a credible database of all RSA holders in Nigeria.

PenCom urged all active contributors to visit their PFAs and provide the following documents to complete the data recapture: Staff identity card or any one of the following: National driver's license; or permanent voter's card (PVC); or international passport (mandatory for non-Nigerians); enrolment slip issued by NIMC; birth certificate or sworn affidavit of age declaration.

Retirees who are either on programmed withdrawal or annuity are expected to present their national driver's license or any one of the following: PVC; or international passport (mandatory for non-Nigerians) of enrolment slip issued by NIMC or a letter of retirement issued by the employer to the retiree.

The commission further directed all RSA holders who have had a name change (either their surnames or first names or both after registration) to present the following documents to their PFAs: Marriage certificate (only applicable in the case of marriage), newspaper publication for change of name, sworn affidavit, confirmation letter for change of name from employer (if still in employment).

"All PFAs have been directed by PenCom to issue acknowledgement slips to RSA holders who submit complete documents for their data recapture," PenCom said.

"The RSA holders will be notified of the status of their data recapture (successful or not successful) within five working days of submission of documents."

PenCom added that two agents, Payone Solution Systems Limited and Afritech Multi-Concept Limited, have been engaged by PFAs to carry out the DRE.

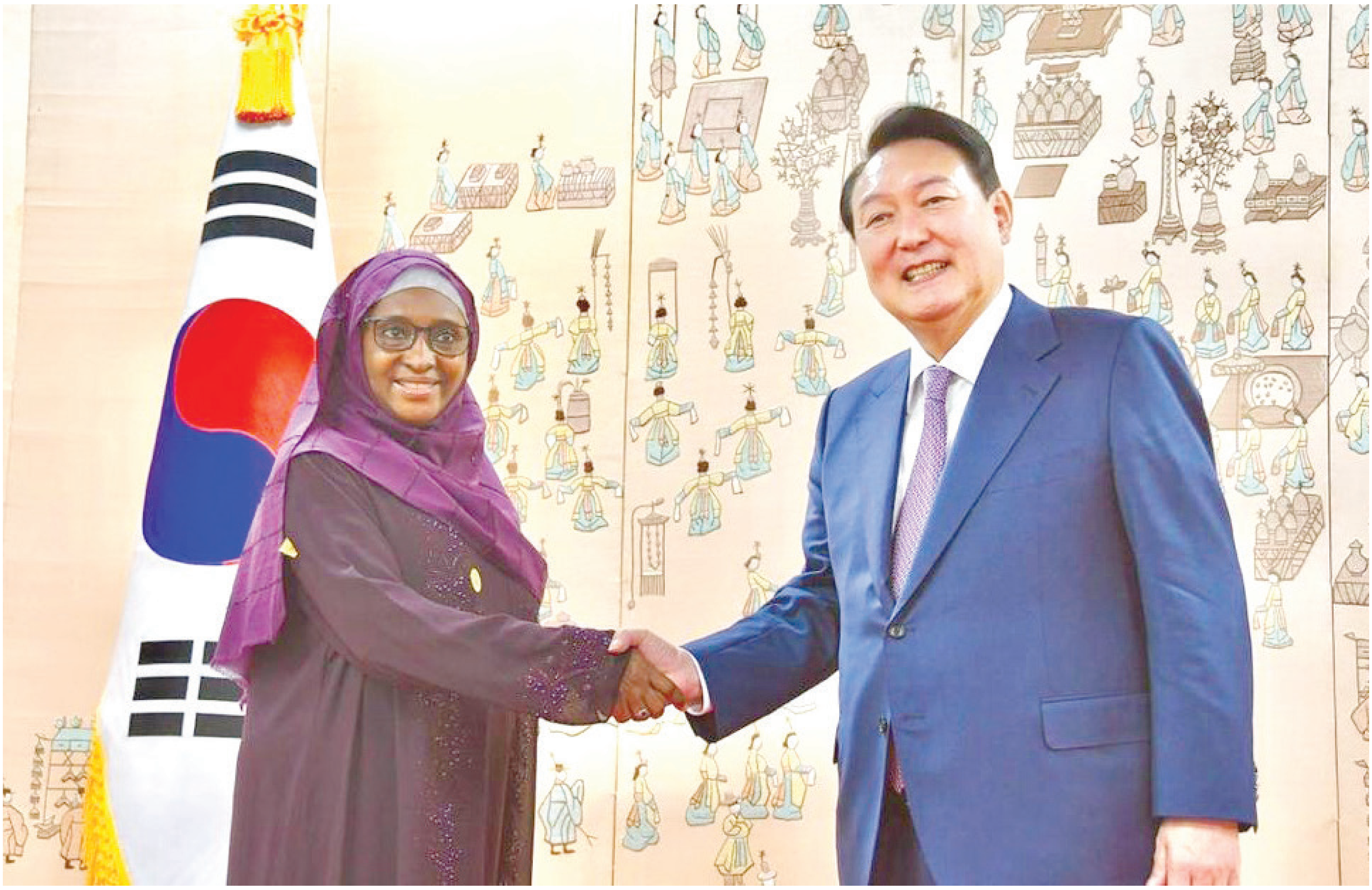
According to the commission, the agents are authorised to establish data recapture centres.

It also said that RSA holders are allowed to have their data recaptured at such centres by the agents (if they are unable to visit the offices of their PFAs).

NEWS IN PICTURE

The Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Shamsuna Ahmed**, was in the Republic of Korea in company of some Heads of parastatals from Nigeria for the inauguration of Mr. YOON Suk Yeoul as the 20th President of the Republic of Korea held on May 10, 2022.

NEWS IN PICTURE



The NSIA Is A Well-Oiled Machine With A Strong Team Driving It - Farouk Gumel

***Mallam Farouk M. Gumel**, Chairman, Board of Nigeria Sovereign Investment Authority (NSIA), Group Executive Director and Head of Agri-Businesses for the Tropical General Investment (TGI) Group, consummate professional with nearly two decades of cognate experience spanning consulting, audit, corporate finance, advisory services, and asset management, is also the Chairman of WACOT Rice Limited. Mallam Gumel, a Chartered Accountant, Honorary Consultant to the Presidency of Nigeria, has served on several Presidential and Ministerial level task forces/committees for more than a decade and was a Partner and Head of PricewaterhouseCoopers (PwC) West African Advisory/Consulting business covering Nigeria, Ghana, Liberia, Sierra Leone, and Angola. He also serves on the board of several companies.*

In this exclusive interview with our team, he speaks about a number of issues specifically concerning the NSIA. Excerpt:

In providing stabilisation and support to the federation revenue in times of stress: To what extent would you say the NSIA has been able to achieve this?

The Stabilisation Fund (SF) is one the mandate funds of the NSIA. The SF is intended to serve as a safeguard against budgetary deficits. It is a fund of 'last resort' from which government may make a withdrawal, where the conditions so demand. Since inception, the SF has performed in a manner consistent with the provisions of the NSIA Act. In 2020, during the COVID-19 pandemic, the federal government withdrew US$150million to fund its COVID-19 intervention budget. The NSIA continues to invest the SF in fixed income assets; mostly in short tenured, high quality interest yielding instruments to enable it meet any unexpected requests from Government.

What were the challenges you noticed at the NSIA when you assumed the Chairmanship and how have you been combining your role with other tasks?

The NSIA is a well-run institution of which all Nigerians should be proud. A true benchmark of an efficient public sector organisation. I must commend the previous boards and management for doing a fantastic job. The current board, which I Chair, intends to build on this very solid foundation we inherited.

Nigeria is a large country with huge demands. This means its Sovereign Wealth Fund (SWF) should be large enough to meet its current and future needs. The size of our fund to date does not reflect the size of our needs. It is important to point out that the current administration has made direct and indirect contributions to the NSIA to the tune of US$2.0 billion in the past five years. This is the only capital injection made into the NSIA since its initial seed funding of US$1billion at inception in 2011. As a board, our key focus is to explore various avenues to grow the fund size to enable us invest more in infrastructure and other impactful projects.

> The development of a nation's infrastructure is a collective effort. In Nigeria, it means both the public (federal, state, and local governments) and private sector must work together with a common goal and vision.

On the second question, adding NSIA to my list of oversight responsibilities has not materially changed my work schedule. If anything, it has only made it more interesting. The NSIA is a well-oiled machine with a strong team driving it. So as a board, our main focus area is strategy and growth. The current board is extremely diverse in experience and qualifications. We have experts from the capital markets, healthcare, public sector finance, agriculture, education, ICT, and law. Their experiences cover both the rural and urban economies. I am honored to serve with them

Nigerians have of recent been worried by the depletion of Nigeria's sovereign savings managed by the NSIA, are you also worried?

I am not sure which information you are referring to. The NSIA's funds have grown consistently both in Naira and Dollar terms. Our accounts are published for all to see on the NSIA website. The accounts show no records of depletion or impairment. In actuality, the Authority continues to grow as shown in the 2020 annual reports which was also globally published. If you add managed funds, NSIA's assets under management is now in excess of US$3.5billion. NSIA's core funds and retained earnings are responsibly invested.

What would you suggest as a panacea for the country's increasing infrastructure deficit? If it is within your power, would you like to set a radical way out of our infrastructure deficit?

The development of a nation's infrastructure is a collective effort. In Nigeria, it means both the public (federal, state, and local governments) and private sector must work together with a common goal and vision. Already, some radical measures have been introduced such as the Road Infrastructure Development and Refurbishment Investment Credit Schemes of 2021 which encourages private sector entities to participate in infrastructure development. Furthermore, the government has approved the federal roads and bridges tolling policy which will also encourage private sector investments in roads and bridges. When you look at information and communication technology (ICT) infrastructure, most of it belongs to the private sector. There are also private public partnerships (PPPs) on gas pipeline developments. So, a lot is happening.

As an organisation, the NSIA in the last three years has also invested in roads, hospitals and farms, working with partners in both the public and private sectors. I think it is fair to say Nigeria and Nigerians have started to think outside the box, and this approach, if sustained, will surely address the infrastructure deficit you mentioned.

Referencing the conservative fixed income mandates, is the NSIA looking to extend the longevity of horizons, knowing that you have only mostly engaged in short-term?

Our current fund allocation strategy is to apportion 20 percent to the SF, 30 percent in the Future Generations Fund (FGF) and 50 percent of contributions to the Nigeria Infrastructure Fund (NIF). The SF is the only fund of the three that is focused on short term investments. The other two funds have medium to long terms horizons. NIF for instance has a long-term investment horizon of anywhere from 20 to 25 years for core infrastructure assets.

Can you tell us in specific terms what is NSIA's contributions to the economic diversification promise of the current administration? In enhancing the development of infrastructure which, of course, is primarily investments in domestic infrastructure projects - what are the targeted agencies for financial returns?

Of the three NSIA funds, the NIF has had the greatest direct impact on the Nigerian's economy. As you know, infrastructure development enhances the efficiency and competitiveness of a country and serves as an enabler for economic diversification.

Our role as a board is, in part, to guide and approve the direction of the Authority's infrastructure investment strategy. We also review and approve the pipeline of infrastructure projects presented to us across the sectors of interest. In approving the projects, we focus on catalytic infrastructure investment which we believe would help to stimulate the economy. As I mentioned earlier, the NSIA has made significant impact in motorways/roads, healthcare, agriculture, education, financial markets infrastructure, gas industrialisation, power and many other sectors.

Mallam Farouk M. Gumel, Chairman, Board of Nigeria Sovereign Investment Authority (NSIA)

With the volatility of the oil industry, how has the NSIA been coping with revenue streams from the oil sector and savings?

The NSIA serves, in part, as a fiscal responsibility tool for the federation. Its whole essence is to hedge against volatilities in the oil industry and thus cannot invest in that same industry. This is the reason why the NSIA does not have assets in the oil industry. So, from an investment standpoint, we are not directly affected by the volatility. However, since contributions to the funds are principally from the excess above budgeted revenue from the sale of oil, contributions to the Fund are constrained when oil prices fall. The board is exploring contributions to the fund beyond oil. Other avenues to grow the fund such as assets transfer are being discussed.

In what ways has the increase in fuel subsidy affected the savings of NSIA?

We are not sure how the subsidy program will impact contributions from our shareholders. However, the funding we received in the past five years occurred during a recession when government revenues were the lowest in our history. So, we remain optimistic. As I mentioned earlier, the board is also looking at alternative ways to raise capital.

"Guided by the Santiago principles, the NSIA has developed and put into practice frameworks for good corporate governance, risk management, transparency and accountability and this has manifested in its very early attractiveness as a credible partner to leading private investors, private equity funds and foreign direct investment (FDIs)" Please expatiate.

All corporate governance obligations arising from the NSIA Act are reinforced by an overall responsibility on the NSIA to observe international best practices. These international best practices include the Santiago principles, which were established to define operational and governance frameworks for SWFs. In line with these governance obligations, the board conducts its strategic oversight of NSIA's operations, in a manner consistent with the legal and regulatory requirements of SWFs and within acceptable parameters of risk tolerance based on board's approved terms.

How much capital investment has the NSIA been able to attract into the country? What are the risk issues involved with NSIA's business model and how have you been able to mitigate them?

As you know, we have a sectoral approach to investing. Thus, a bulk figure will not do justice to the impact the inflow of such capital is having. For gas industrialisation, we are partnering with OCP of Morocco to build a US$1.4 billion plant to produce ammonia and diammonium phosphate. In agriculture, our investment of US$4.6million in the Fund for Agricultural Finance in Nigeria (FAFIN) enabled the company to raise US$70million. FAFIN is a first-generation private equity fund that provides financial, capacity-building and technical assistance to commercially viable small and medium enterprises (SMEs) in the Nigerian agribusiness sector. We partnered with GuarantCo to sponsor and invest in InfraCredit with a view to unlocking the potential for long term local currency infrastructure finance in Nigeria. The list goes on.

The NSIA has a growing portfolio of investments across a number of sectors of the economy. Its co-investment strategy has been to attract at least four times its investment in any project or initiative. As of December 2021, the Authority has been involved in programmes that have attracted over US$1.2billion in foreign direct investments into Nigeria's economy. Now, we are looking at creating funds of funds to attract investments from other global SWFs into Nigeria specific projects. We expect our investment footprint to expand further and as this happens, we anticipate additional inflow of FDIs.

On the follow up question, we see risk across all our operations. Indeed, there is no business without risk. However, we have a strong risk management team looking into and explore ways to mitigate them. At board level, our goal is to prevent loss or impairment of the funds. We understand this mandate and guide the management team accordingly.

It is on record that the NSIA has invested in health care facilities at LUTH, Lagos, Aminu Kano Hospital, Kano and in Umuahia, Abia. In what other areas has the NSIA made significant contributions?

We have invested in quite a few infrastructure projects. A number has already been reported in the papers and we have many in the pipelines. I will not want to disclose the details for now as they are still being negotiated. But I want to assure you and your readers that our pipeline is bursting with impactful projects that cut across the entire country. Our infrastructure footprint is extensive.

Considering the fact that even local government areas (LGAs) have a stake in NSIA savings, how have the LGAs benefited from the NSIA?

All the local governments are assured that their resources are being properly invested and they are earning returns. As a fund, benefits can come in different forms i.e. projects or capital appreciation or both. Some examples include the Presidential Infrastructure Development Fund (PIDF) road projects, the Presidential Fertiliser Initiative (PFI), the Presidential Artisanal Gold Mining Initiative (PAGMI) and even the hospital projects. We already have significant coverage; and we shall continue to do so as we grow.

Are there plans for the NSIA to upwardly review the expected average annualised returns? Is the NSIA looking to increase the number of its focus sectors?

The COVID-19 pandemic has clearly shown the need for nations to strike a balance between local production and international trade, especially in critical areas such as food and medicines. The team at the NSIA is always looking at projects that are not only patriotic but also financially viable. All options remain on the table.

> Our role as a board is, in part, to guide and approve the direction of the Authority's infrastructure investment strategy. We also review and approve the pipeline of infrastructure projects presented to us across the sectors of interest.

Nigeria Customs Hike Clearing Cost For Vehicle Spare Parts As Agents Groan

● Impounds Huge Stockpile Of Used Tyres Along Lagos-Ibadan Expressway

The cost of clearing goods from Nigeria's seaports has jumped by 67 percent, resulting in increases in the prices of vehicle spare parts and other products.

According to some freight forwarders, to clear a 40-foot container loaded with used vehicles' spare parts from the port, they used to pay N600, 000, but the cost has jumped to over N1 million for the same consignment, The Punch reports on Monday.

A member of the National Association of Government Approved Freight Forwarders (NAGAFF), Ugochukwu Nnadi, alleged that the Nigeria Customs Service (NCS), instead of generating revenue, was inflicting untold hardship on Nigerians with the high cost of clearing the consignment.

"For example, if you had a 40-foot container loaded with used motor parts before now, the surface duty was N600, 000. Now, they have given it a benchmark of N1 million at surface duty level.

"It is about 60 percent higher than what it used to be on the same goods. This is why engine parts are very expensive. Before now, you could get a used engine for around N30, 000, but you cannot get any engine now, no matter how small it is, for anything less than N100, 000. And they are doing these things thinking they are generating revenue, but they don't know that they are making the people poorer."

He further said that any rate paid by importers must be passed on to the consumers.

Also speaking, a member of the Association of Nigerian Licensed Customs Agents (ANLCA), Akintoye Ojo, said, "The prices of clearing imported car spare parts have gone up. The commodities in your container and the value are what determine the duty you pay. As a matter of fact, the Customs is increasing their values but they hide under the umbrella of freight charges and also insurance. For old spare parts, you can clear for less than N600, 000 before, but there is no spare parts container you can clear for less than N1.5million."

Meanwhile, the TinCan Island chapter Chairman of the African Association of Professional Freight Forwarders and Logistics of Nigeria, Geoffrey Nwaosu, explained that importers now loaded vehicles before putting used spare parts just to reduce the cost of clearing their consignments.

"Before now, it is used to be between N600, 000 for surface duty, but it is no longer like that for spare parts. Now, you must pay a surface duty of between N3 million and above for a 40-foot container.

"You can still pay this and still be battling with alerts since it is coming with Pre-Arrival Assessment Report, PAAR. But it is in two ways. You can load a car or two in the same container. They do this to avoid going to access foreign exchange for PAAR. So, they will add one or two vehicles and clear the cars and the spare parts."

Charles Nwarienne, a clearing agent, said: "You see, before now, it depended on different items. There were ones you would pay a surface duty N600, 000. Later, they adjusted the surface duty to N800, 000. We noticed the increment after the protest. The general cargo has started and it is part of the reason why we protested."

In his response, the National Public Relations Officer of the NCS, Timi Bomodi, blamed exchange rate costs for the hike.

Bomodi attributed the hike in the cost of clearing from the port to the volatility of the foreign exchange rate in the country.

"How much rent were you paying three years ago? What was the exchange rate officially last year and what is the exchange rate now? So, if somebody used to pay that amount when the exchange rate was lower and now that the exchange rate has gone up, do you think it is reasonable to expect that thing to remain like that?

In another development, the Federal Operations Unit (FOU), Zone A of the NCS has impounded some stockpiles of used tyres near the Redeemed Christian Church of God in Mowe, Ogun State.

The contraband was arranged in several batches and would require many trucks to evacuate them according to Compt. Kehinde Ejibunu said that the contraband was discovered through a tip-off. Used tyres fall under the import prohibition list and Ejibunu was shocked at such a huge stock.

He said: "Investigation will reveal whether they will retread and sell them as new because for someone to have this quantity kept in a discreet place like this has left much to be desired.

"It is important to let us know that smugglers are into different businesses in different facets. For someone to have these quantities, obviously it could not go to the market, it could be retreaded, but an investigation will reveal that.

"Equally, down there, there are few bales of used clothing, obviously to be ferried somewhere in Nigeria. It is heartrending to see that some unscrupulous Nigerians want to turn the country into a dumping ground. Such is not good for our economy and also, not good for our health."

However, he restated the resolve to reduce smuggling to the minimum, saying: "We as agencies of government are resolute and determined to fight this scourge of smuggling. Some credible intelligence led us to unravel this. This area is some kilometres from the Redeemed Christian Church of God along the Lagos Ibadan Expressway at Mowe.

Though no arrest has yet been made, he assured the unit will get the details of a container laden with brand new tyres, which was still on the premises, "and through this container, we will link the owner of this place."

On the possibility of the tyres being recycled to produce plastics, he said an investigation will reveal because, "even if they do, it must be within the ambit of the law. These tyres were not manufactured in Nigeria, they are foreign-used, so they are prohibited in the first instance.

Ejibunu added: "Smugglers have so many ways and are into so many things, and they think maybe virtually every second to beat government agencies, that is their target. I cannot imagine that someone could think and have used tyres of this quantity. I have never seen this type of quantity before.

"We have started the evacuation and an investigation will reveal if it is concealment. They could put those things inside containers, put cars and other things and cover them. It could even be inside the new tyres. Smugglers are into so many tricks but we will take this container to the office, trace the movement, then know the linkage."

The comptroller assured that the used tyres would be destroyed eventually after the due processes and procedures. He said: "We have agencies that are saddled with that responsibility of ensuring that government seizures are appropriately discarded through condemnation. After the expiration of 30 days, without anybody coming for it, we will compile it for seizures, and then to court for appropriate condemnation."

Ejibunu urged Nigerians not to turn the country into a dumping ground. According to him, "anybody who has money to buy a car should be able to buy good (brand new) tyres because it is far more expensive to buy a car than brand new tyres. For car owners to stay alive, I will enjoin Nigerians to stop patronising used tyres.

DMO Lists N225bn FGN Bond For Auction

Albert Egbede

The Debt Management Office (DMO) has offered three Federal Government of Nigeria (FGN) bonds valued at N225 billion for subscription through auction.

The DMO announced the bonds offer in a statement recently.

The offers are N75 billion, March 2025 FGN bond, at 13.53 percent interest rate per annum (10 year re-opening) and N75 billion, April 2032 FGN bond at 12.50 interest rate per annum (10-year re-opening)

The third offer is N75 billion, January 2042 FGN bond, at 23 percent interest rate per annum (20-year re-opening).

The FGN bonds are offered at N1,000 per unit, subject to a minimum of N50 million and in multiples of N1,000 thereafter.

"For re-openings of previously issued bonds, successful bidders will pay a price corresponding to the yield-to-maturity bid that clears the volume being auctioned, plus any accrued interest on the instrument.

"Interest is payable semi-annually, while the bullet repayment is on the maturity date," the DMO said.

It said that the FGN bonds qualify as securities in which trustees can invest under the Trustee Investment Act.

"They also qualify as government securities within the meaning of Company Income Tax Act (CITA) and Personal Income Tax Act (PITA) for Tax Exemption for Pension Funds, among other investors.

"They are listed on The Nigerian Stock Exchange and qualify as a liquid asset for liquidity ratio calculation for banks.

"FGN bonds are backed by the full faith and credit of the federal government and charged upon the general assets of Nigeria," it said.

President Buhari Pleads With AfDB To Support One Planet Summit Initiative

By Albert Egbede

President Muhammadu Buhari has pleaded with the World Bank, African Development Bank (AfDB) and other partners to support the One Planet Summit initiative and activate the US$19 billion pledge.

He said the pledge, meant for the activities of the Pan African Great Green Wall Agency (PAGGW), would be utilised for land restoration, tree planting, development of climate resilience infrastructure and investments in small and medium-sized farms.

The president's spokesman, Malam Garba Shehu, in a statement in Abuja, said the President made the charge at a side event he convened at the ongoing UN Conference Of Parties, COP15 in Abidjan, Cote d'Ivoire.

The presidential aide noted that the meeting was President Buhari's first assignment at the PAGGW Conference of Heads of State and Government following his election to head the institution in December last year.

President Muhanmnmadu Buhari

The meeting, which involved the 11 Sahel African states, discussed ways and means of accessing and utilising US$19 billion pledged by donors for the activities of the Pan African Great Green Wall Agency (PAGGW).

The Nigerian leader also underscored the importance of recharging Lake Chad, now down to 10 per cent of its water volume.

In his capacity as the President of the Conference of Heads of State and Governments of the member states of the PAGGW, Buhari said: "The inter basin transfer of water from Central Africa to the lake Chad should be taken seriously."

He asked the secretariat of the Agency, funders and the soon-to-be appointed consultant to carry out the measure as a way of restoring the socio-economy of the more than 30 million people of the Lake Chad basin area.

"As it is at the moment, the drying up of the Lake Chad has destroyed fish farming, animal husbandry and crop agriculture, leading to social and economic dislocation with serious consequences for peace in the basin area.

"This has led to migration to Europe by many, creating problems for you over there. These should engage your attention as a committee," he said.

At the select meeting, which included International/ Development Partners, Buhari said US$19 billion pledged fund would also support small holder farmers, create institutional framework to enhance security, stability and governance, and capacity building.

"All of you may wish to know that, in December 2021, I was elected to lead and drive the Agenda of the PAGGW bloc for the next two years.

"This bloc, which includes Nigeria, Senegal, Niger, Sudan, Mauritania, Ethiopia, Mali, Eritrea, Djibouti, Burkina Faso and Chad, is facing dire and present danger due to the devastating effect of desertification and drought which is impacting negatively on the security of our communities and the livelihood of our people.

"There is therefore an urgent need to confront these challenges associated with desert encroachment and drought," he said.

The President requested for more support for The One Planet Summit initiative, and the political will to actualise the mandate.

He said: "It is on this note that on behalf of member States, I welcome The One Planet Summit Initiative that pledges US$19 billion to support the activities of the PAGGW which necessitated this very important engagement with you this morning.

"The purpose of this meeting therefore is to draw your attention to this pledge and to inform you formally, that member states want to trigger the process for accessing the funding by utilizing the GGW Accelerator window mainly to address the following:

"Land restoration and tree planting, investment in small and medium sized farms/support to small holder farmers, develop climate resilience infrastructure, institutional framework to enhance security, stability and governance, and capacity building.

"I therefore call on you, especially the World Bank, AfDB and the One Planet Summit Initiative to support this drive," he said.

The president also called on the multilateral institutions to set up a task team to work with PAGGW.

"I will further request the partners, particularly the United Nations Conference, to Combat Desertification (UNCCD) and One Planet Summit to advise on a suitable Financial Consultant for the PAGGW that can coordinate the process under the auspices of the UNCCD and PAGGW in a transparent manner.

"It is my hope that the parties to this meeting will give us maximum cooperation in this regard and make good their pledge to support Africa's drive to addressing these climate challenges.

"Finally, I will also direct Nigeria's Minister of Environment to convene a meeting of Council of Ministers of member states to brief them on the outcome of this brief meeting."

In her remark, Amina Mohammed, the Deputy Secretary General, who represented the United Nations, described the meeting as "a new era in the Great Green Wall programme."

She enjoined the Agency, the 11 African nations involved as well as the group of donors under One Planet Summit to move proactively "with scale and urgency" to set up government governance structure.

She also demanded that they should focus on land restoration, put in place the digital backbone to connect farmers with markets and ensure that the programmes and activities of the PAGGW were well rooted in individual national plans.

Mohammed advised countries to include the One Planet initiative in their national plans, and not treat it as added-on development project.

She said the initiative must "align and adhere" to the priority of top national development plans in order to succeed.

"I believe that the capacity and commitment of the secretariat of the PGGWA, working together with UNCCD, and your team will be in the best place to engage with partners to develop the pipeline that will ensure that across the countries we are speaking to today, these efforts are made to come to realization sooner than later," she added.

The Executive Secretary of the UNCCD, Ibrahim Thiaw, described the coming together of Nigeria, Senegal, Mauritania, Mali, Burkina Faso, Niger, Chad, Sudan, Ethiopia, Eritrea and Djibouti as "a great inspiration".

He expressed the hope that the US$19 billion pledged at the One Planet Summit in Paris in 2021 would "turn the dollars into hectares."

Amina Mohammed, UN Deputy Secretary- General

I will further request the partners, particularly the United Nations Conference, to Combat Desertification (UNCCD) and One Planet Summit to advise on a suitable Financial Consultant for the PAGGW that can coordinate the process under the auspices of the UNCCD and PAGGW in a transparent manner.

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ADVERT RATE

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Size	Rate	Vat (7.5%)
F/P	557,916.68	41,843.76
H/P	316,462.50	23,734.68
Q/P	152,770.00	11,457.76
14.5x5	452,218.76	33,916.40
14.5x3	271,293.26	20,347.00
10x6	374,250.00	28,068.76
10x5	311,875.00	23,390.62
10x4	249,500.00	18,712.50
9x6	336,825.00	25,261.88
9x5	280,687.50	21,051.56
9x4	224,550.00	16,841.26
9x3	168,412.50	12,630.94
8x6	299,400.00	22,455.00
8x5	249,500.00	18,712.50
8x4	199,600.00	14,970.00
7x6	251,975.00	18,898.12
7x5	218,312.50	16,373.44
7x4	174,650.00	13,098.76
7x2	172,150.00	6,549.38
6x4	149,700.00	11,227.50
6x3	112,275.00	8,420.62
6x2	74,850.00	5,613.75
5x6	187,125.00	14,034.38
5x5	155,937.50	11,695.32
5x4	124,750.00	9,356.26
5x3	93,562.50	7,017.18
5x2	62,375.00	4,678.12
4x4	99,800.00	7,485.00
4x3	74,850.00	5,613.76
4x2	49,900.00	3,742.50
3x2	37,425.00	2,806.88
2x2	24,950.00	1,871.26
2x1	12,475.00	935.62
1x1	6,237.50	467.82

PUBLIC NOTICE POLITICAL

Size	Rate	Vat (7.5%)
F/P	578,838.55	43,412.90
H/P	328,329.84	24,624.74
Q/P	158,498.88	11,887.42
14.5x5	234,558.65	35,183.80
14.5x3	284,858.44	21,364.38
10x6	388,303.80	29,122.78
10x5	323,586.50	24,268.98
10x4	258,869.20	19,415.20
9x6	349,473.42	26,210.50
9x5	291,227.85	21,842.08
9x4	232,982.28	17,473.68
9x3	174,736.70	13,105.26
8x6	310,643.04	23,298.22
8x5	258,869.20	19,415.20
8x4	207,095.36	15,532.16
7x6	271,812.66	20,385.94
7x5	226,510.55	16,988.30
7x4	181,208.44	13,590.64
7x2	90,604.22	6,795.32
6x4	155,321.52	11,649.12
6x3	116,491.14	8,736.84
6x2	77,660.76	5,824.56
5x6	194,151.90	14,561.40
5x5	161,793.24	12,134.50
5x4	129,434.60	9,707.60
5x3	97,075.95	7,280.70
5x2	64,717.30	4,853.80
4x4	103,547.66	7,766.08
4x3	77,660.74	5,824.56
4x2	51,773.84	3,883.04
3x2	38,830.38	2,912.28
2x2	25,886.92	1,941.52
2x1	12,943.46	970.76
1x1	6,471.72	485.38

BLACK AND WHITE

PRODUCT

Size	Rate	Vat (7.5%)
F/P	366,792.56	27,509.44
H/P	198,423.18	14,881.74
Q/P	95,782.00	7,183.66
14.5x5	283,950.60	21,296.30
14.5x3	190,000.00	14,250.00
9x6	234,993.60	17,624.52
9x5	176,245.20	13,218.4
9x4	140,996.16	10,574.72
9x3	105,747.12	7,931.04
8x6	187,994.88	14,099.62
8x5	156,662.40	11,749.68
8x4	126,329.92	9,474.74
7x6	164,495.52	12,337.16
7x5	137,079.60	10,280.98
7x4	109,663.68	8,224.78
7x2	54,831.84	4,112.38
6x4	93,997.44	7,049.80
6x3	70,498.08	5,287.36
6x2	70,498.08	5,287.36
5x6	117,496.80	8,812.26
5x5	97,914.00	7,343.56
5x4	78,331.20	5,874.84
5x3	58,748.40	4,406.14
5x2	39,165.60	2,937.42
4x4	62,664.96	4,699.88
4x3	46,998.72	3,524.90
4x2	31,322.48	2,349.18
3x2	23,499.38	1,762.46
2x2	15,666.24	1,174.96
2x1	7,833.12	587.48
1x1	3,916.56	293.74

PUBLIC NOTICE POLITICAL

Size	Rate	Vat (7.5%)
F/P	435,178.08	32,638.36
H/P	254,538.96	19,090.42
Q/P	131,226.90	9,842.02
14.5x5	38,040.56	2,853.04
14.5x3	232,825.87	17,461.94
10x6	319,512.00	23,963.40
10x5	266,260.00	19,969.50
10x4	213,006.00	15,975.46
9x6	287,560.80	21,567.06
9x5	239,634.00	17,972.56
9x4	191,707.20	14,378.04
9x3	143,780.40	10,783.54
8x6	255,609.60	19,170.72
8x5	213,008.00	15,975.60
8x4	170,406.40	12,780.48
7x6	223,658.00	16,774.36
7x5	186,382.00	13,978.66
7x4	149,105.60	11,182.92
7x2	74,552.80	5,591.46
6x4	127,804.80	9,585.36
6x3	95,853.60	7,189.02
6x2	63,902.40	4,792.68
5x6	159,756.00	11,981.70
5x5	133,130.00	9,984.76
5x4	106,504.00	7,987.80
5x3	79,878.00	5,990.86
5x2	53,252.00	3,993.90
4x4	85,203.20	6,390.24
4x3	83,902.40	6,292.68
4x2	42,601.60	3,195.12
3x2	31,951.20	2,396.34
2x2	21,300.80	1,597.56
2x1	10,650.40	798.78
1x1	5,325.20	399.40

SPECIAL POSITION	Rate	Vat (7.5%)
FPS 6x2	1,291,193.44	96,839.50
BPS 6x2	923,375.00	69,253.12
STRIP (FRONT) 2X6	1,322,912.50	99,218.44
STRIP (BACK) 2X6	1,037,500.00	77,812.50
STRIP (INSIDE) 2X6	218,460.38	16,384.52
EARPIECE (FRONT) 2X2	517,094.30	38,782.08
EARPIECE (BACK) 2X2	405,145.10	30,385.88
EARPIECE (INSIDE) 2X2	240,000.00	18,000.00
CENTERSPREAD (FULL)	3,320,000.00	249,000.00
CENTERSPREAD (HALF)	1,992,000.00	149,400.00
CENTERSPREAD (STRIP)	594,300.00	44,572.50
DOUBLESPREAD	2,982,952.00	223,721.40

WRAP	Rate	Vat (7.5%)
FULL WRAP	41,500,000.00	3,112,500.00
10 X 6	28,620,690.00	2,146,551.76
HALF PAGE (FRONT)	20,800,000.00	1,560,000.00
5X6 (FRONT)	14,312,344.00	1,073,425.80
4X6 (FRONT)	11,448,274.00	858,620.56
2X6 (UNDER MASTHEAD	7,262,500.00	544,687.50
2X6 (FRONT POLITICAL)	1,560,000.00	117,000.00

LOOSE INSERT	
RATE PER 1,000 SHEETS	60,000.00
HANDLING CHARGE (SINGLE)	1,000,000.00
HANDLING CHARGE (SINGLE)	1,000,000.00

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FIRS Celebrates Nigeria Petroleum Development Company Limited, 21 Other Top Taxpayers In 2021

• Partners NCC to Boost Tax Payment In Telcoms

For fulfilling their tax obligations despite the ravaging COVID-19 pandemic and the attendant harsh economy, the Federal Inland Revenue Service (FIRS) has celebrated Nigeria Petroleum Development Company Limited and 21 others, describing them as the top taxpayers for 2021.

Companies in Nigeria weathered a turbulent time from 2019 through 2022 occasioned by oil price plunge, COVID-19 pandemic and insecurity that battered the economy.

Despite these challenges, the FIRS commended the companies for their exceptional efforts for providing the necessary funds for the government to meet its social contract with the Nigerian citizens.

Nigeria Liquefied Petroleum Gas Company Ltd (NLPG) tops the list of top-performing taxpayers and was described as the most supportive taxpayer, while the Nigeria National Petroleum Company (NNPC) was listed as the highest taxpayer.

Others on the list of top-performing taxpayers are Mobil Producing Limited, Star Deep Water Petroleum, MTN Nigeria Communications Plc, Shell Petroleum Development Company Limited, Chevron Nigeria Limited, and Total E & P Nigeria Limited.

Also on list are Airtel Networks Limited, Nestle Nig. Plc, Dangote Cement, Nigeria Breweries Plc, Total Upstream Nigeria Ltd, Indorama Eleme Petrochemicals Ltd, NIG Agip Oil Co. Ltd, British American Tobacco Marketing, Guaranty Trust Bank Plc, Stanbic IBTC Bank Plc and Lafarge Africa Plc.

The FIRS also appreciated the Northern Cables Processing and Manufacturing Limited (NOCACO) and the Ikeja Electric Plc for being the most improved in tax filing and VAT compliance respectively.

The FIRS, in a statement signed by its Executive Chairman, Muhammad Nami, said that the Service would not have been able to generate N6.405 trillion in 2021 without the support of the country's taxpayers.

"In 2021 the FIRS surpassed tax collection target for the year and crossed the N6trillion threshold for the first time', stated the Executive Chairman who also thanked President Muhammadu Buhari, the support of the Ministry of Finance, Budget and National Planning, and the National Assembly for the tax revenue collection of N6.405 trillion in 2021.

"The feat recorded by the Service was made possible by the uncommon leadership of the President Muhammadu Buhari, the active support of our supervisory Ministry, the backing of the National Assembly and its leadership as well as the cooperation of all other stakeholders in the tax area.

"To everyone who contributed to FIRS' success in 2021, we say thank you. Of particular importance is the contribution of our much-esteemed taxpayers; they defied the very harsh conditions imposed by the lingering COVID-19 pandemic to produce a heroic performance in tax payment, compliance and support.

The revenue authority urged taxpayers to join hands with the FIRS to make taxation the pivot of the nation's development and economic growth.

Recall that the country's top-performing taxpayers were scheduled to be unveiled, recognised and awarded by President Buhari at an exclusive dinner during the FIRS 2022 National Tax Week. This was, however, cancelled in honour of the victims of the unfortunate attack on the Kaduna-Abuja railway on the 28th of March, 2022.

• **Mohammed Nami**, Executive Chairman, Federal Inland Revenue Service (FIRS)

Also recall that last month, the Nigerian telecoms giant, MTN Nigeria Communications Plc's total tax contribution to all government agencies including the FIRS amounted to N757.6 billion.

The company paid a total of N618.7 billion in direct and indirect taxes to the FIRS in the 2021 tax year, which makes it the largest single biggest contributor to taxes in Nigeria at 13.5 percent.

The Nigerian Communications Commission (NCC) and the FIRS have taken their collaboration further by setting up a joint committee of senior and management staff of the two agencies towards the implementation of inter-agency strategies for enhancing national revenues in the telecommunications sector.

Meanwhile, the NCC's Executive Commissioner, Stakeholder Management, Adeleke Adewolu, inaugurated a 17-member committee (six officials of NCC and 11 officials of FIRS) on behalf of the Commission's Executive Vice Chairman, Prof. Umar Danbatta, and the Executive Chairman of the FIRS, Mr. Muhammad Nami, at the NCC's Board Room in Abuja recently.

The inauguration, according to NCC, was carried out with senior officials of NCC and those of the tax agency, led by its Coordinating Director for Compliance Support Group, Dr. Dick Irri, who represented the FIRS Executive Chairman, Mr. Nami, at the event.

While inaugurating the committee on behalf of the heads of the two agencies, Adewolu stated that the terms of reference (ToR) of the committee include reviewing the Memorandum of Understanding (MoU) signed between the NCC and the FIRS on June 9, 2020; carrying out inter-agency interaction on the implementation of the NCC's Revenue Assurance System (RAS); and ensuring that it incorporates the needs of FIRS to the extent that RAS can remain the sole interface with telecoms service providers' networks vis-à-vis the tax authority's information needs from the telecoms sector.

Given the committee's composition and with the extensive experience and commitment of its members – which had informed their selection by the agencies – Adewolu stated that the managements of the two agencies expected no less than an excellent output from the committee, tasking them to work together harmoniously and in the overall national interest.

Also in his comments, Irri, who led the FIRS delegation to the inauguration, advised the committee to take the assignments very seriously. "I would like to task you to take this assignment as a national matter as we expect the two agencies to work in harmony, collaborate effectively and have a warm handshake that will make this synergy between the two agencies a great example of collaboration between federal government agencies towards enhancing fiscal governance in Nigeria," he said.

The decision to set up the committee was one of the major outcomes of the meeting between the agencies on March 8, 2022 organised at the instance of the Minister of Communications and Digital Economy, Prof. Isa Pantami, to discuss the request by the FIRS for data and documents from the telecoms industry for enhancing national revenues from the sector.

Improving Revenue Generation, Blocking Leakages Are Pertinent In West Africa - FG

Improvement in revenue generation and blocking leakages are for long very pertinent issues particularly in West Africa considering the region's socio-economic weaknesses, according to the federal government of Nigeria.

Hajia Fatima Z. Hayatu, Director Technical Services, Federal Ministry of Finance, Budget and National Planning, said this in her speech at the workshop on tax expenditure organised by the ECOWAS Commission under the context of the implementation of the support programme for tax transition in West Africa and the Islamic Republic of Mauritania (PATF) held recently in Abuja.

Speaking on behalf of Mrs. Zainab Shamsuna Ahmed, Honourable Minister of Finance, Budget and National Planning, Hayatu noted that the region is faced with deep levels of poverty, lowest share of world trade, weak infrastructure, low development of human capital, among others.

Addressing the forgoing challenges, according to her, demands a strong strategy that will turn around its revenue position.

"As you are all aware, Nigeria's low revenue generation capabilities has been an enduring challenge to past and present governments. Although we are celebrated as the largest economy in Africa, translating this wealth into revenue generation remains a challenge," she said.

"We have therefore been faced with challenges in mobilising domestic funds necessary for human capital development and infrastructure that are both drivers of sustainable economic growth and development. Our current revenue to gross domestic product (GDP) ratio of about seven percent is unsatisfactory and we are keen on improving this by implementing various initiatives," she also stated.

Hajia Hayatu noted that the case remains the same with the current contribution between oil and non-oil GDP for which the analysis on oil revenue to oil GDP reveals about 39 percent while non-oil revenue to non-oil GDP is 4.2 percent. Our VAT revenue to GDP in Nigeria for example stands at less than one percent (0.8 percent) which compares unfavourably to ECOWAS average of 3.4 percent.

"So also is our excise revenue which is 4.1 percent, compared to Ghana at 15.3 percent or Kenya at 19.5 percent.

It is important to reiterate that though tax exemptions and concessions have for long been used by successive governments in Nigeria to attract both domestic and foreign direct investments in the country with the expectation that the revenue foregone will lead to commensurate benefits in the economy in the form of employment generation, capital formation, wealth creation and poverty alleviation, revenue generation, technology transfer, amongst others, they constitute huge tax expenditures and revenue leakages to government, according to her.

Since 2012 when the then coordinating minister for the economy and Minister of Finance reviewed grant of waivers, exemptions and other tax concessions from discretionary to sector-based policy in effort to address tax expenditure issues in Nigeria, "the subject has continued to receive favourable attention of successive governments. Recently, this administration emphasised on the need to examine tax expenditure component of the federal government aggregate spending."

Towards consolidating the effort of government in this direction, the Honourable Minister of Finance, Budget and National Planning on the occasion of the 2021 budget breakdown to the media, private sector and civil society reiterated this commitment on cutting down tax expenditure.

"Just last month, April, 2022, the federal government issued a tax expenditure statement call circular to all ministries departments and agencies (MDAs) responsible for granting of incentives, waivers and other form of tax expenditures indicating guidelines and instructions for strict adherence, compliance, and reporting," Hayatu noted.

The workshop on tax expenditure, according to her, is thus, timely and very important given the foregoing revenue challenge of the country.

Stating further, she said: "ECOWAS intervention in the area of revamping up tax generation and blocking leakages through implementation of the support programme for tax transition (PATF) in Nigeria is indeed a laudable one. Your mission of developing the capacity and expertise of staff of the fiscal institutions is commendable.

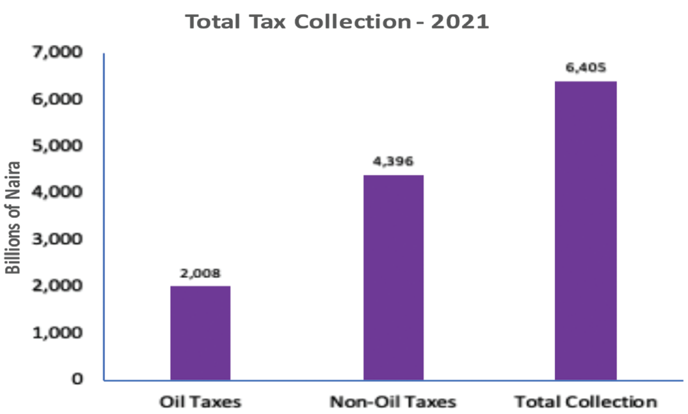
"I want to assure you that knowledge and skills gained from this workshop will go a long way in improving the capacity of Nigeria's fiscal institutions in improving revenue generation. I want to also assure you that we will continue to collaborate with the Commission and the EU for the development of all.

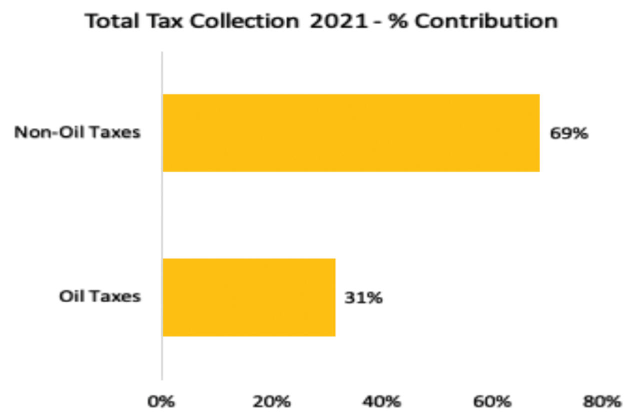
2021 FIRS PERFORMANCE UPDATE

FIRS 2021 Performance Update

- The year 2021 was a critical one for tax administration in Nigeria. In line with the law, 2021 corporate income tax revenue was based on business profits of 2020.
- In year 2020, the country entered into economic recession for the second time in 5 years. The recession was caused by a 5-month lockdown occasioned by the Coronavirus 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.
- Upon the coming into office of the current Management, FIRS began strategic administrative and operational reforms including implementation of new policies that would improve its capacity to achieve its mandate.
- The deployment of the new automated tax administration system (the "TaxPro Max") in June 2021 was 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.
- The year was indeed very challenging but it opened a new vista of opportunities leading to very encouraging results.
- A major setback faced by the Service, and which negatively affected the full implementation of its reforms, efficiency and achievements was the very strong opposition mounted against its statutory mandate by certain interests. The controversies created dilemmas for many taxpayers as regards the competent authority for tax payment and compliance.
- Notwithstanding the limitations faced as a result of the challenges, the Service achieved over one hundred percent of its 2021 collection target.
- The performance would have been exceptional but for the unexpected distractions.

Total Tax – Cash Collection 2021

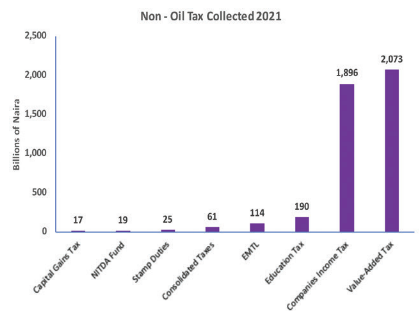


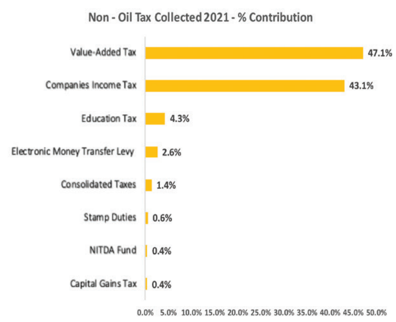


- In 2021, FIRS collected ₦6.405 trillion in both oil (₦2.008 trillion) and non-oil (₦4.396 trillion) revenues as against a target of N6.401 trillion.
- Non-oil sector contributed 68.64% of the total collection in the year, while oil sector's contribution was 31.36% of total collection.

2021 FIRS PERFORMANCE UPDATE

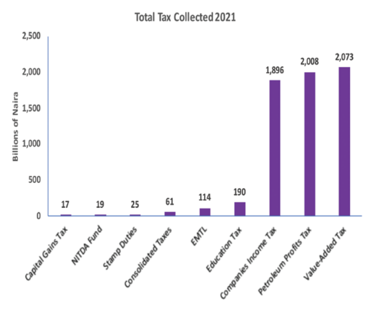
Non-Oil Revenue by Tax Types – Cash Collection 2021

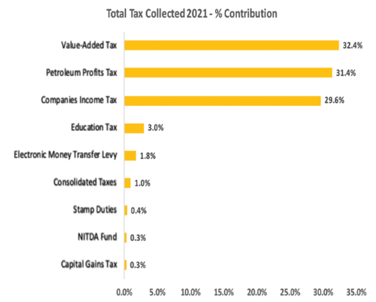




- Companies Income Tax ₦1.896 trillion; VAT ₦2.07 trillion; Electronic Money Transfer Levy ₦114 billion; and Earmarked Taxes ₦208.8 billion (NITDA Fund & Eduction Tax) were the major non-oil taxes.

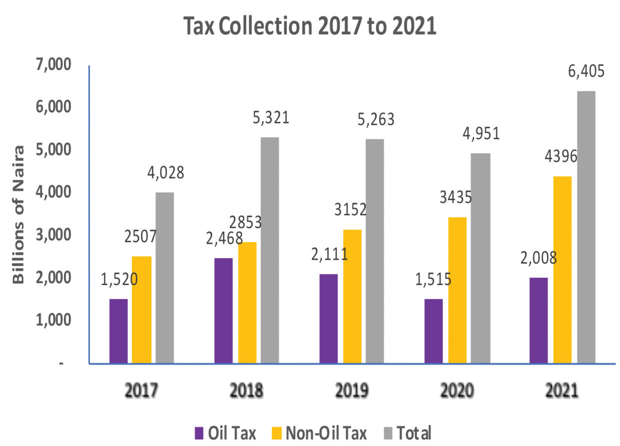
Total Tax by Tax Types– Cash Collection 2021

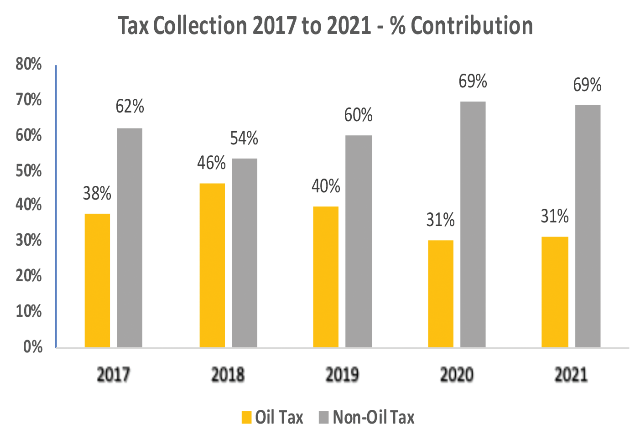




- The Service also issued certificates for the sum of ₦147.8 billion tax credit to private investors and NNPC for road infrastructure under the Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme created by Executive Order No. 007 of 2019.

Total Tax Collection 2017 - 2021

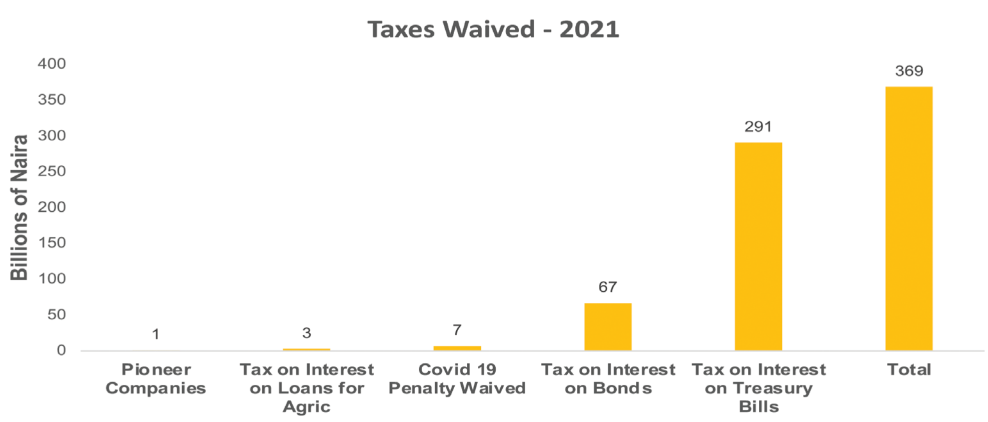




- The graphs above show the consistent increase in tax collection from the non-oil sectors of the economy from 38% in 2017 to 69% in 2021. In the year 2021 for instance, the Service collected a sum of ₦4.396 trillion as non-oil taxes compared to ₦2,507 trillion collected in 2017.
- This feat was made possible due to the adoption of the in-house built TaxPro Max Solution and other strategic reforms implemented by the Service.

Taxes Waived in 2021

- The above total cash collection is exclusive of the following non-cash collections for the year 2021:



- Tax waivers granted by Government was to support businesses operating in preferred sectors such as manufacturing, agriculture, etc.

- The achievements recorded in 2021 were made possible by the sense of patriotism of our esteemed taxpayers, cooperation and support of relevant stakeholders and loyalty and dedication of officers of the Service.

Muhammad Nami
The Executive Chairman, Federal Inland Revenue Service.

Nigeria's Inflation Rate Hits Eight Months High, Now 16.82% In April

The consumer price index (CPI), which measures Nigeria's inflation rate, increased to 16.82 percent in April 2022- the highest in the last eight months and 0.02 short of the prediction of the Central Bank of Nigeria (CBN) for May.

The CBN had earlier projected that Nigeria's inflation rate may hit 16.84 percent in May 2022.

In his statement at the last CBN Monetary Policy Committee meeting, Adenikinju Adeola Festus, a member of the committee, said that the upsurge in the inflation rate was supply-driven.

According to him, if not properly addressed, it "will compromise long-term investment and economic growth."

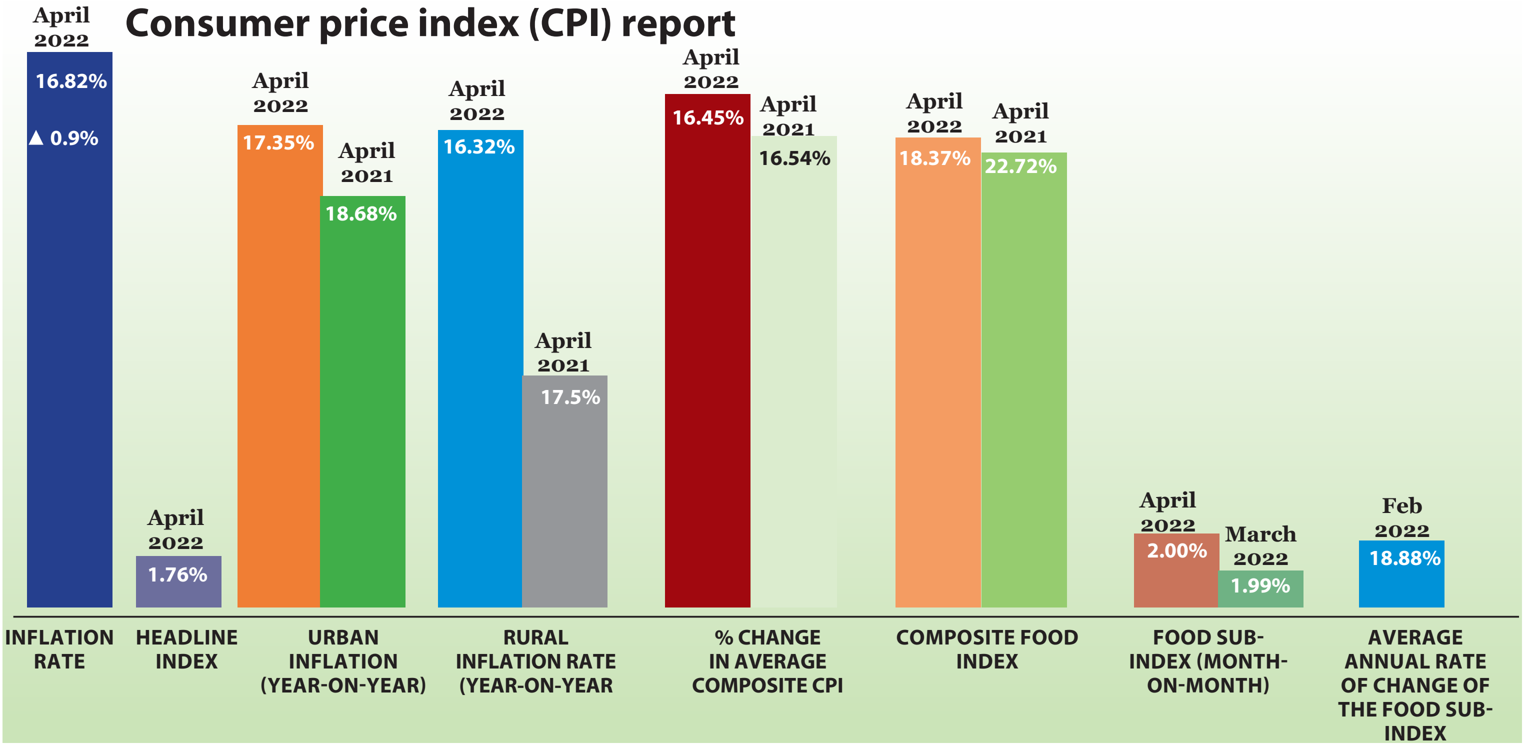
"The Federal Ministry of Finance, Budget and National Planning forecasted growth of 4.20 percent for 2022. Due to the ongoing Russia-Ukraine crisis, the Bank Staff forecast that inflation would continue to rise in the medium term to 16.84 percent by May 2022," he had stated.

This is contained in the latest inflation report.

However, in its latest CPI report released on recently by the National Bureau of Statistics (NBS), the bureau noted that April's inflation report showed a 0.9 percent point higher than the 15.92 percent recorded in the previous month (March 2022).

According to the Bureau, on a month-on-month basis, the headline index increased by 1.76 percent in April 2022, compared to the 1.74 percent increase recorded in the previous month.

It added that the urban inflation rate increased to 17.35 per cent (year-on-year) in April 2022 from 18.68 percent recorded in April 2021, while the rural inflation rate increased to 16.32 percent in April 2022 from 17.5 percent in April 2021.



"In April 2022, the consumer price index (CPI) which measures inflation increased to 16.82 percent on a year-on-year basis. This is 1.3 percent points lower compared to the rate recorded in April 2021 (18.12) percent. This means that the headline inflation rate slowed down in April when compared to the same month in the previous year. Increases were recorded in all COICOP divisions that yielded the Headline index," the NBS stated.

"On a month-on-month basis, the headline index increased to 1.76 percent in April 2022, this is a 0.02 percent rate higher than the rate recorded in March 2022 (1.74) percent.

"The percentage change in the average composite CPI for the twelve months ending April 2022 over the average of the CPI for the previous twelve months period is 16.45 percent, showing a 0.1 percent decrease compare to the 16.54 percent recorded in March 2022.

"The urban inflation rate increased to 17.35 percent (year-on-year) in April 2022 from 18.68 percent recorded in April 2021, while the rural inflation rate increased to 16.32 percent in April 2022 from 17.57 percent in April 2021.

"On a month-on-month basis, the urban index rose to 1.78 percent in April 2022, up by 0.02 from the rate recorded in March 2022 (1.76), while the rural index also rose to 1.74 percent in April 2022, up by 0.01 from the rate that was recorded in March 2022 (1.73) percent."

The NBS added that the corresponding twelve-month year-on-year average percentage change for the urban index is 17.01 percent in April 2022. This is lower than 17.10 percent reported in March 2022, while the corresponding rural inflation rate in April 2022 is 15.91 percent compared to 16.00 percent recorded in March 2022.

"The composite food index rose to 18.37 per cent in April 2022 compared to 22.72 per cent in April 2021. This rise in the food index was caused by increases in the prices of bread and cereals, food products n.e.c, Potatoes, yam, and other tubers, wine, fish, meat, and oils.

"On a month-on-month basis, the food sub-index increased to 2.00 percent in April 2022, up by 0.01 percent points from 1.99 percent recorded in March 2022.

"The average annual rate of change of the Food sub-index for the twelve months ending April 2022 over the previous twelve-month average is 18.88 percent, 0.34 per cent points from the average annual rate of change recorded in March 2022 (19.21) percent."

According to the Bureau, all items less farm produce or core inflation, which excludes the prices of volatile agricultural produce, stood at 14.18 percent in April 2022, up by 1.44 percent when compared with 12.74 percent recorded in April 2021.

"On a month-on-month basis, the core sub-index increased to 1.22 percent in April 2022. This is down by 0.24 percent when compared with 0.98 percent recorded in March 2022. The highest increases were recorded in prices of gas, liquid fuel, cleaning, repair and hire of clothing, clothing materials, other articles of clothing, and clothing accessories.

"The average 12-month annual rate of change of the index was 13.68 percent for the twelve months ending April 2022; this is 0.12 percent points higher than the 13.56 percent recorded in March 2022."

Registration Is Now Open For The 2nd Biennial West Africa Capital Market Conference

We are pleased to announce that registration is now open for the 2nd biennial West Africa Capital Market Conference (WACMaC) to be held from the 23rd to the 25th of May, 2022 at Mövenpick Ambassadorial Hotels & Resorts, Accra – Ghana with the theme: "Deepening and strengthening The Capital Markets Across West Africa Through Effective Regulation". Attendees can register via the dedicated conference website, at https://wacmac21.sec.gov.gh/.

The event will be chaired by the Director-General of SEC Nigeria/ Chairman of WASRA, Mr. Yuguda Lamido.

Registration costs $100 per in-person participant and $50 for virtual participation for stakeholders attending the closed workshop scheduled for the 23rd of May and the public conference on the 24th of May 2022.

The public conference will feature over 20 distinguished speakers and panelists from Africa and beyond, including senior policy makers, business leaders, investors, thought leaders, and keynote speakers such as Evans Osano – Director, FSD Africa; Dr. Muhammad Kabir Muhammad – Chief Strategy Officer – Jaiz Bank; Ms. Marianne Olson – Senior Special Counsel, US SEC; Nigel James, -Senoir Associate Chief Accountant, US SEC; Kobby Bentsi-Enchil – Head, Investment Banking, Stanbic Bank Ghana; Euphemia Swen-Monmia- Director, Central Bank of Liberia; Temidayo Obisan – Executive Commissioner Operations SEC Nigeria; Ms. Fatima Muiruri – Legal Manager, Equity Bank, Kenya to mention a few.

The conference is expected to feature sessions on sustainable finance and regional development, Innovative finance and technology in an integrated market, private equity and venture capital in SME financing in Africa, and deepening West Africa's Capital Markets, among others.

Please note that participants are responsible for the cost of their travel and accommodation.

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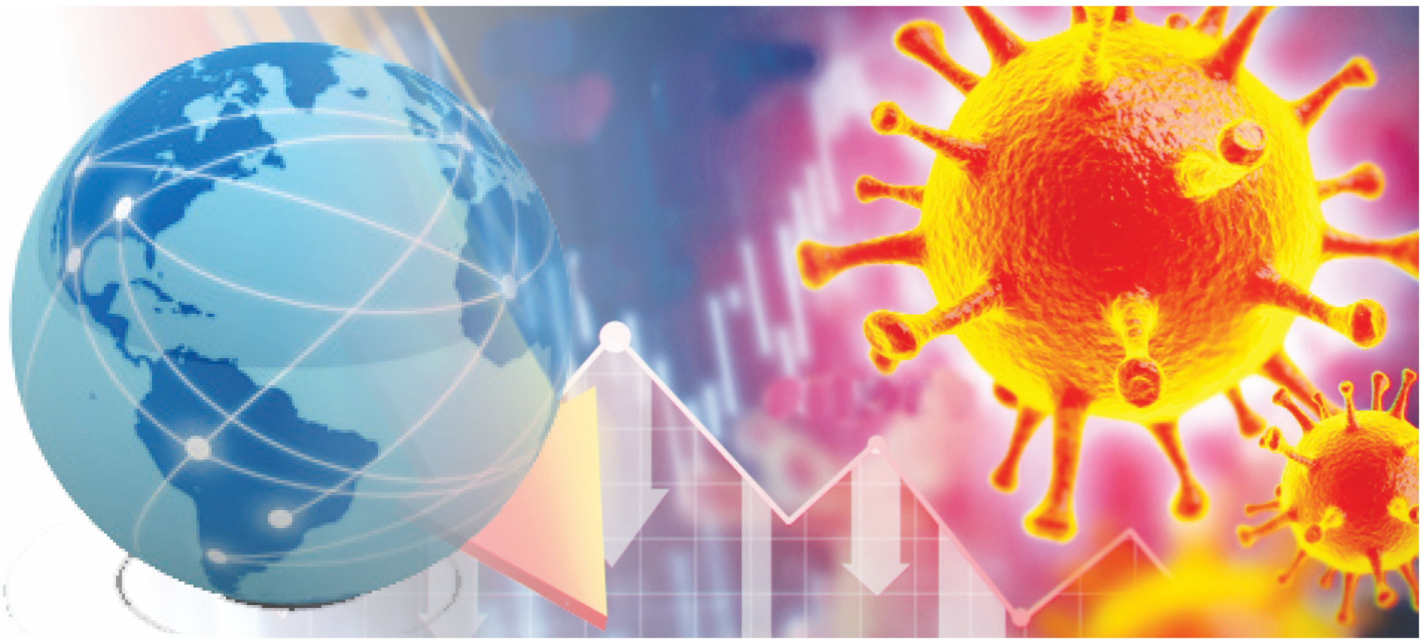
Monday 23rd May - Sunday 5th June, 2022

POLICY BRIEF with ENAM OBIOSIO

A Call For Global Cooperation To Prevent Further Economic Deglobalisation



The dual shocks from the COVID-19 pandemic and elevated geo-political tensions have strained global supply chains, fragmented cross border payment systems, constrained smooth flow of trade, dampened the recovery momentum, and threaten to reverse gains made in global economic and financial integration.

Against this background, the federal government of Nigeria has called for global cooperation to prevent further economic deglobalisation and prevent a retreat from multilateralism which has conferred immense trade and growth benefits to advanced economies, as well as emerging market and developing economies (EMDEs).

The government has expressed concerned that the associated global supply bottlenecks are further heightening uncertainty by increasing food and energy prices, eroding incomes, which is deepening poverty and inequality.

This was the position of Mrs. Zainab Shamsuna Ahmed, Honourable Minister of Finance, Budget and National Planning, while speaking on Deglobalisation And Sovereign Debt Crisis - Early Warning Exercise (EWE), at the Spring Meetings of the International Monetary Fund (IMF) and the World Bank Group (WBG).

According to her: “As such, the timely delivery of food and vaccines without trade restrictions, remains critical in efforts to bring the pandemic firmly under control, avert starvation, and preserve social cohesion.

It was her position that the aggressive tightening of monetary policy by major central banks to contain inflation which intensified on the back of higher commodity prices, present risk of capital flow reversals in EMDEs.

“As such, we are concerned that the increased risk aversion that has manifested itself through the deglobalisation of financial flows and the flight to safety, will morph into the drying up of funding and liquidity markets, and the sudden stop of capital flows”, she stated.

At the same time, exchange rate fluctuations, according to her, would present external and financial stability risks in our region, further dampening growth prospects with adverse feedback loops on inflation. In this context, she viewed timely and tailored fund policy guidance as critical to help countries calibrate their policy mix to balance the competing objectives of maintaining price, financial, and external stability. She urged major central banks to clearly communicate their policy interventions to unintended spillovers to EMDEs including in SSA.

She had noted with concern, the risk of a sovereign debt crisis compounded by rising borrowing costs, subdued global growth performance, and pre-existing vulnerabilities. Moreover, additional fiscal pressures from rising commodity prices and the effects of exchange rate depreciation on debt service costs makes the risk of a wave of defaults a concerning possibility. speak

At the same time, the increased sovereign-bank nexus and rising contingent liabilities that typify crisis periods, according to her, brings to the fore, the far-reaching effects of rising debt levels.

“Moreover, the realisation that higher growth and fiscal adjustments alone may not be adequate to improve debt outlook, is sobering. Against this background, we stress the need for orderly debt resolution considering that more countries are now at high risk or in debt distress.

“We wish to reiterate our call for urgent actions to strengthen the operationalisation of the G20 Common Framework and a debt standstill for its debt relief applicants. Once the Common Framework is revamped to deliver on its promises, we see merit in extending its coverage to include vulnerable emerging markets and other low-income countries that are currently ineligible.

“We also call on the IMF to flexibly apply its Lending into Arrears policies to accommodate debt distressed members in crisis periods.

Regarding domestic debt, Mrs. Ahmed also stated: “Fund technical support would be required to balance competing objectives of debt restructuring to ensure fiscal sustainability and preserve the viability of exposed financial and non-financial corporates. Furthermore, we underscore the need for the IMF to explore more active deployment of its precautionary instruments to help provide liquidity support to members and help insure against elevated external vulnerabilities. The Honourable Minister concluded by stating that “all these should be complemented by other layers of the global financial safety net (GFSN) including regional financial arrangements.

The EWE is part of the IMF’s efforts to strengthen surveillance, especially the analysis of economic, financial, fiscal, and external risks as well as cross-sectoral and cross-border spillovers.

The exercise examines unlikely but plausible risks that would necessitate policy recommendations that could differ from those related to baseline projections presented in the World Economic Outlook, Global Financial Stability Report, and the Fiscal Monitor. The EWE does not attempt to predict crises. Rather, it seeks to identify the vulnerabilities and triggers that could precipitate systemic crises, and identifies risk-mitigating policies, including those that would require international cooperation.

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