

# Encouraging Reforms In Finance Ministry Through Budget Office

The Federal Ministry of Finance, Budget and National Planning has over the years introduced a slew of reforms not only to bring out the best from departments under

its supervision and to achieve efficiency but also to bring them up to speed with best practices of modern fiscal authorities in the global space.

To that effect, the ministry

## EDITORIAL

has been in close cooperation with the National Assembly on enactment of an Organic Budget Law to mainstream the reforms as

is professionalised in the Budget Office of the Federation. This also involves restoration of a predictable January to December budget cycle that has long eluded successive administrations.

It is essential at this point to reel out some of the fiscal reforms introduced by the ministry, including improved budget preparation

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# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria

As the President Muhammadu Buhari-led administration has resolutely managed the Nigerian economy, different aspects of what the administration has been doing so far have been under scrutiny and widely reported, with obvious positive trajectories. **Enam Obiosio** particularly highlights the achievements of

the Ministry of Finance, Budget and National Planning, its departments and agencies and essentially the work that the Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Shamsuna Ahmed**, has been doing through effective fiscal policies from 2015 to 2022.

Nigeria's economy, no doubt, has potential. Since sustained broad-based economic growth and poverty reduction are critical to the economic stability, the Honourable Minister of Finance with her colleagues in the Federal Ministry of Finance, Budget and National Planning and its agencies have been in the forefront of driving the government's policies

to improve the fiscal structure of the Nigerian economy.

Achievements of The Federal Ministry of Finance, Budget and National Planning

On the policy management, monitoring and evaluation of the Federal Executive Council (FEC)/ Ministerial Tenders Board (MTB) approved capital projects of the agencies from 2015-2022,

the ministry successfully monitored and evaluated the implementation of all approved FEC/MTB capital projects of its agencies to improve transparency in federal government spending and expenditure as well as to provide useful feedback mechanism to plan future execution of government

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# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, with Comptroller-General of Customs, **Col. Hameed Ali (rtd)**, during the commissioning of the newly installed NUCTECH mobile scanners at the Apapa Sea Port in Lagos recently.

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project.

The ministry is represented by the ERPM department at the National Inclusion Steering Committee, and particularly serves as a member of the Financial Literacy Working Group. As part of the ministry's commitment to the goals of deepening financial inclusion and literacy in Nigeria, the division conducted a financial literacy training for selected staff of the department and they were subjected to online and physical training organised by GIZ and the Central Bank of Nigeria (CBN).

On the ministry's 40th deliverables, the ministry handles the collation of quarterly ministerial reporting template for onward submission to the office of the Secretary to the government of the Federation. This entails conducting technical sessions for review of submissions of departments and agencies saddled with the responsibilities of carrying out activities / mandates aimed at accomplishing the ministry's assigned 40 deliverables that in turn contributes to the administration's priority areas.

For the national development plan, the ministry ensured collating and harmonising the inputs of its agencies into the Agenda 2050 and the National Development Plan 2021-2025. plan is a medium-term blueprint designed to unlock the country's potentials in all sectors of the economy for a sustainable, holistic and inclusive development.

In 2020, the ministry embarked on the development and evaluation of macro econometric revenue forecasting model of the Nigerian economy for government policy purposes. The following year, the ministry began the development and evaluation of macro econometric expenditure forecasting model of the Nigerian economy for government policy purposes. This culminated in the advent of monthly forecasting of economic variables.

In 2021, the ministry through its Economic Research and Policy Management Department, conducted a research on effectiveness of modern day research tools/techniques in the economy of a developing economy; conducted a research on improving

government revenue collections and diversification of the economy; the mining sector. From 2020-2022, the ministry has published quarterly bulletin on the Nigerian economy.

From 2016 to 2022, the ministry has been responsible for submitting FEC Memoranda at the Cabinet Affairs Office for approval as follows: 41 FEC memoranda were submitted to the cabinet Affairs Office, out of which 38 was approved by the Council and three were step-down for further consultation; In 2021, 40 memoranda were submitted to the Cabinet Affairs Office, out of which 38 was approved by the council and two were stepped - down for further consultation. In 2020, 60 FEC memoranda were submitted to the Cabinet Affairs Office, out of which 58 was approved by the council and two were stepped-down for further consultation. In 2019, there were 33 FEC memoranda to the Cabinet Affairs Office, out of which 31 was approved by the council and two were stepped-down for further consultation.

In 2018, 23 FEC memoranda were submitted to the Cabinet Affairs Office and they were all approved by the council. In 2017, 16 FEC memoranda were submitted to the Cabinet Affairs Office, all the 16 were approved by the Council. In 2016, 11 memoranda were submitted to the Cabinet Affairs Office, and the whole 11 were approved by the council.

Considering production and publication of annual reports, from 2015 to 2020, the ministry produced and published its annual reports. There was distribution of 2018 and 2019 Annual Reports to various stakeholders; production and publication of Quarterly Performance Reports on the Nigerian Economy resumed with the receipt of budgetary allocation in 2021. Hence, Q1, Q2, Q3 and Q4 2021 quarterly performance reports on the Nigerian economy were produced and published.

In 2017, the ministry participated in Household Finance Consumption and Remittances Survey (HFCSRS) conducted across the six geo-political zones of Nigeria, jointly organised by the CBN, National Bureau of Statistics (NBS) and National Population Commission

(PenCom) between October 2017 and December 2018.

From 2015-2022, there has been an improved transparency and accountability in the management of the Federation Account resulting in the increased of revenue accruable to the three tiers of government. The ministry facilitated the implementation of various federal government intervention schemes to sub-nationals viz; salary arrears bailout facility used to offset the backlog of salaries of public servants

President's approval for a bridging facility of N656,112,099,740.03 disbursed in six tranches of N3,007,180.457.14 each to the 36 states to cushion the effects of the repayment of existing federal government loans (budget support facility, excess crude account-backed loan) facility and salary arrears bailout facility). A moratorium of two years was granted before the commencement of the repayment on the facility.

The ministry in collaboration

Mr. President's approval for the appointment of three pre-shipment inspection agents (PIAs) and two monitoring and evaluation agents (MEAs) for the Non-oil sector on the 29th September, 2020.

The ministry commenced the process of appointing Pre-shipment Inspection Agents (PIAs) and Monitoring and Evaluation Agents (MEAs) for both Crude-oil/gas in line with the Mr. President's directive and the provisions of section 25(2) of the public procurement Act, (PPA) 2007. The process is at advanced stage. In collaboration with other regulatory agencies, the ministry reviewed and issued the current Export/Import Guidelines in 2017 to make trade facilitation seamless and generate more revenue.

On Presidential Enabling Business Environment Council (PEBEC), the ministry collaborated with relevant stakeholders in getting Mr. President to sign an Executive Order (Eo1) on the Ease of Doing Business (EoDB), to achieve reduction of the documentation requirements from 10-7 for exports and 14-8 for import activities. It facilitated the automation of Nigeria Export Proceed Form (NXP) on the TRMS in collaboration with the CBN.

In liaison with the Nigerian Custom Service (NCS), the ministry ensured that all containerised cargoes coming into Nigeria must comply with the following: International Standard for packing / stuffing, timely issuance of Pre-Arrival Assessment Reports (PAAR) within 24 hours by the NCS, timely issuance of letter of Credit (LC) by authorised Dealer Bank (ADB) within 24 hours subject to availability of funds in importers' account and approval by the importer, timely issuance of Clean Certificate of Inspection (CCI) within 48 hours by the Pre-shipment inspection agents (PIAs), and timely transmission of NXP Forms by Banks and NCS within 48 hours.

The ministry facilitated obtaining the FEC approval for the award of contract for the purchase of three units of Rapiscan Mobile Scanners by NCS in 2021. The scanners have been supplied, deployed at Apapa, Tin-Can and Onne Ports and commissioned

## ... the ministry ensured collating and harmonising the inputs of its agencies into the Agenda 2050 and the National Development Plan 2021-2025

in the States, Excess Crude Account Backed (ECA) Loan facility assisting the States to address infrastructural deficits and budget support facility (BSF) under which N614.915 billion was released to 35 participating States for the effective implementation of their annual budgets, particularly capital expenditures.

The ministry facilitated other federal government's intervention facilities for sectoral development in the States such as the Commercial Agricultural Credit Scheme (CACs), Health care Support Facility, Differentiated Cash Reserved Requirement (DCRR) facility and several bonds issuance programme.

The ministry facilitated Mr.

with the World Bank introduced the States' Fiscal Transparency, Accountability and Sustainability (SFTAS) Programme for Result in 2018. The objective of the programme is to strengthen fiscal transparency, accountability, and sustainability in the states. So far, the total sum of USD\$1,204,235,000 (N471,909,039,950) was disbursed to states from inception of the SFTAS programme in 2018 to the second quarter of 2022.

The ministry regulates and promotes trade activities for economic growth and development through issuing guidelines for the export and import sectors. From 2015 to date, the ministry obtained

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by the Honourable Minister of Finance. The procurement of three units of Raspiscan Mobile Scanners is, therefore, aimed at enhancing revenue collection, reducing physical examination of goods and facilitating speedy clearance of goods as well as safeguarding national security and safety.

The ministry was to facilitate the implementation of federal government policy on border closure introduced on 20th August, 2019, and recommended measures that were put in place by the National Security Adviser leading to the country's borders becoming more secured which strengthened the economy, curtailed numerous trans-border economic and security challenges, achieved food security, reduction of some illegal activities around the borders, strengthened inter-agency collaboration and reduction of animosity, improved revenue generation and enhanced agriculture and industrialisation as enforcement on prohibition of smuggled agricultural, poultry and livestock products encouraged farmers and local industries in the agricultural value chain to increase local content production.

The ministry coordinates and aligns the operations of banking and financial institutions by establishing financial relations between the Federal, States and Local Governments as well as parastatals and government-owned companies.

In terms of achievement, the ministry processed Nigeria's membership into the African Trade Insurance (ATI); provided policy direction/guidance in the implementation of planned programmes and projects of parastatals/Adhoc Committees under the supervision of the ministry; and participated in the review of the Insurance Consolidated Bill, 2013 and re-enactment of Insurance Consolidated Bill, 2016 towards addressing the challenges in the insurance industry and repositioning it to be in conformity with international best practices.

The Honourable Minister granted approval to Nigeria Deposit Insurance Corporation (NDIC), for upward review of maximum deposit insurance coverage (MDIC) for primary mortgage banks (PMBs) from N200,000 to N500,000 per depositor and extension of the differential premium assessment system (DPAS) currently being used for deposit money banks (DMBs). The corporation has been faithful in the remittance of its surplus year in year out.

The Honourable Minister inaugurated the Governing Boards of National Insurance Commission (NAICOM), Nigeria Deposit Corporation (NDIC), Nigeria Export-Import (NEXIM) bank, Investments and Securities tribunal (IST) etc in realisation of the mandate of the agencies to enhance effective and efficient discharge of their mandate towards ensuring stability of the financial system.

In line with government diversification policy and to ensure non-oil exports, the Honourable Minister approved N500 billion and N50 billion for non-oil stimulation facility for NEXIM bank to boost non-oil exports financing as well as to enable manufacturers of non-oil products procure equipment and other materials for production activities. Recently, the bank rolled out N25 billion to qualified manufacturers of non-oil export products for export.

The Honourable minister approved for NEXIM bank to increase its share capital from N121 billion to N500 billion over the next five years.

So far, the ministry played an important role in reviewing policy matters related to the country's financial services sector such as the implementation process of the Nigeria capital market through the Capital Market Plan Implementation Committee (CAMMIC), commodities trading ecosystem based on the 10-year plan for the development of the Nigerian capital market (the Nigerian Capital Market Master Plan 2015-2025). These initiatives were geared towards improving the financial services sector by expanding the development of thriving commodities ecosystem with a view to achieve global best practice.

In collaboration with AMCON, the ministry was able to resolve a significant part of Eligible Bank Assets (EBA) disposable and recoveries of non-performing loans.

The states fiscal transparency, accountability and sustainability programme is not left out. In a bid to improve on the doing business environment and revenue generating capacity across the States of the federation, the Buhari administration, through the ministry, negotiated and implemented the project called 'States' Fiscal Transparency, Accountability and Sustainability programme' to provide fiscal support to states. The project cost was \$750,000,000 and it was given as grant to the States.

The federal government, through the action of the ministry, implemented the COVID-19 Action Recovery and Economic Stimulus programme (N-CARES) to support States level efforts to protect lives and livelihoods. The project was to ensure food security and stimulate economic activity.

The President Muhammadu Buhari-led administration, through the activities of the ministry, negotiated and obtained concessionary loan facilities to finance the following projects in order to strengthen infrastructural development across the country: Nigerian railway modernisation projects (Lagos-Ibadan Section) at the cost of \$1,267,317,586.10; Lagos-Ogun power transmission project -USD 238 million; Greater Abuja Water Supply project - \$379,691,165.88; Supply of Rolling Stock and Depot Equipment for Abuja Light Rail Phase 1 Project



L-R: Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, with Permanent Secretary Finance, Ministry of Finance, Budget and National Planning, **Mr. Aliyu Ahmed**, Director-General, Budget Office of the Federation, **Mr. Ben Akabueze**, in a chat during one of the senate committee briefings.

- \$ 157,001,049.89; National Information Communication Technology Infrastructure Backbone (NICTIB) Phase II Project: \$328,108,731.00/RMB 2,300,000,000.00.

Others are the four airports terminals expansion incremental project: \$208,905,161.52; Four airports terminals expansion ancillary project: \$183,621,056.83; e-Border solutions for Nigerian immigration service - USD \$172,745,821 construction of Lafia By-Pass Road and the dualisation of 9th Mile (Enugu) - Otukpo-Makurdi Road Section II of Keffi-Akwanga - Lafia-Makurdi-9th mile Enugu - Road Project (Keffi Phase II); the Green Imperative Project - €995 million. In line with President Buhari's led administration, the green imperative project was initiated and signed to enhance mechanisation, specialised extension services and agro processing in Nigeria.

On empowerment of Nigeria farmers through projects in the agricultural sector, projects in the agricultural sector are meant to empower Nigerian farmers, boost food production and create employment opportunities for youths and the rural populace. Some of which include the following:

The rural access and mobility projects (RAMPI) which involved four states, including Adamawa (\$50.0million), Enugu (\$60.0million), Niger (\$60.0million) and Osun (\$60.0million). The next phase of this project is the ongoing Rural Access and Agricultural Marketing Project (RAAMP) involving 19 States of the federation. Both are jointly financed by the World Bank and the French Development Agency (AFD); Special Agro-Industrial Processing Zones (SAPZ) being co-financed by the World Bank, AfDB and the IsDB with an indicative total financing of about \$618million and a counterpart funding of \$45 million; and the Livestock Productivity and Resilience Support Project (L-PRES) which is about to start implementation.

The ministry under its deliverable target strategy designed to enhance investments and improve tax revenue collection in the following areas (through its technical service department): The revised National Tax Policy, provided the framework for a sustainable tax

system, which created an additional source of revenue to government for economic development. The process of the revision revealed the need to develop an agenda for tax amnesty, which generated the sum of N82, 163,192,885.97, implying 89 percent performance under the VAIDS initiative, while outstanding liabilities for instalment payment was N10,566,856.796.03 (11 percent) from 2017 to 2019.

The federal government through the ministry introduced electronic money transfer levy (EMTL) in the fiscal item (i.e revenue) for the first time in Nigeria. As at June, earning from the item for 2022 alone is over N60billion (N60.118billion).

There is introduction of Finance Act as a yearly response mechanism to the changing economic realities, which established a new fiscal tradition in 2019 for the time in Nigeria. It has since 2019 become an annual routine legislative strategy for promoting fiscal equity, aligning domestic tax laws with global best practice and increasing revenue for the government. There is amendment of seven laws and changes to 56 law provisions in the Finance Act, 2019 and 14 laws and changes to 56 law provisions in the Finance Act, 2020.

The government, through the ministry raised revenue for government through tax policy change by increasing the rate of value Added (VAT) from five percent to 7.5 percent in February, 2020, which

accounted for 28.5 percent increase in actual VAT collection in 2020 and 35.4 percent in 2021. It introduced excise tax on alcohol, and cigarette and carbonated drinks, which did not only create an additional fiscal item for revenue collection, but also developed a platform for reducing the consumption of the products which are harmful to health.

The ministry played a critical role in initiating support to small and medium scale enterprises (SMSEs) by promoting social inclusion with their exemption from certain tax obligation and in other areas like market money and COVID-19 loan etc.

To encourage rapid development in strategic sectors of the economy under the present government, the import duty rate on several critical raw materials and other production inputs in the national list have been reviewed downwards. This is aimed at promoting local investments, domestic production and job creation.

There is establishment of Strategic Revenue Initiative which cuts across three thematic areas namely: Achieving sustainability in revenue generation, identifying new revenue streams and enhancing the enforcement with regards to revenue collection on existing revenue streams and achieving cohesion between revenue generating entities through cutting - edge tools and

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## As the service continues to work toward raising revenue and contributing to the national economy, the enforcement of ban on the importation of rice through the land borders has seen to an unprecedented growth in the local production of rice



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expertise needed to support high performance.

Other streams of activities executed by the ministry in the operation of international fiscal management from 2015 to 2022, include: Negotiation of avoidance of double taxation agreement (ADTA) between Nigeria and Hungary in 2021; Negotiation of ADTA between Nigeria and the Republic of Rwanda in 2021; and Negotiation of ADTA with Hong Kong in 2021.

Executive Order 007 of 2019 contains infrastructure policy measure that leverages on private sector capital and efficiency to reduce the road infrastructure gap for the construction, refurbishment and maintenance of critical road/bridge infrastructure in key economic areas across the six geo-political zones of the country. The achievement of the scheme is discussed under the following headings: Number of approved eligible roads from inception - A total number of 54 roads have been approved under the scheme. Details description is as follows: 19 eligible road projects totalling 780.15km approved in the pilot scheme in 2019; 14 additional eligible road projects approved in Q2 of 2021, totalling 33 eligible roads spanning 795.87km in the second round, cutting across the six geo-political zones of Nigeria; 21 additional eligible roads with 1,665.85km was approved in Q4 of 2022, totalling 54 eligible roads.

A total of 3,244.90km road has been awarded since inception. On the kilometre of road projects completed: Obajana-Kabba road (43km) 92 percent completion as at Q2, 2022; Apapa-Oshodi-Oworonshoki-Ojota Express Way (37km) 63 percent completion as at Q2, 2021; Bodo-Bonny Road and Bridges (38km) varied completion. In summary, a total of 309.1km road have been completed.

A total sum of N78.22billion was issued as tax credit certificate in 2021 and N44.242 million issued in the first quarter of 2022, amounting to an aggregate sum of N78.66 billion, while the amount certified for payment is N182.11 billion.

About 1,379 direct jobs and 2,977 indirect jobs were generated as at 2021.

The ministry established a multimedia-based programme which aim at supporting young entrepreneurs as they plan, start and grow their businesses, by providing enterprise education as well as franchise development.

The ministry conducted an impact survey of the programme to analyse the various reports of enterprise education workshop/books distribution at the NYSC orientation camps and tertiary institutions to ascertain the impact of the program on corp members and students of tertiary institution.

The 'Youwin connect education workshop/book distribution' has been carried out in batches in 2021 and other batches of workshops and distribution of books on enterprise education carried out at NYSC orientation camps and tertiary institutions across the country in 2021/2022. Since its inception, a total number of 2,500 of Enterprise Education workshop/books has been carried out for both NYSC camps and tertiary institutions nationwide.

The development of franchise infrastructure project in four central hubs has created a number of direct and indirect jobs across the aquaculture value-chain. The first phase of the programme which is in South West Zone (Ibi-Ade), Ogun



L-R: Director-General, Budget Office of the Federation, **Mr. Ben Akabueze**, Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, with Minister of State, Budget and National Planning, **Prince Clem Agba**, in a chat.

State is about 100 percent completed, the South East aquaculture value-chain, located in Ebonyi State, is 90 percent completed, North West located in Kaduna State, and North East at Borno State are 85 percent level of completion respectively.

It is the responsibility of the ministry to establish the pattern of government expenditure, identify areas of large spending and the reason. Further analysis is to establish initiative to cut down cost on such line items.

A retrospective review was done in 2012-2015. This initial review helped to establish strategies for cost -containment across MDAs, especially on travels and transport, training (especially international trainings), office stationeries and computer consumables, etc.

The review of the 2016, 2017 and 2018 federal government actual overhead expenditures financial years have also been concluded and the reports have been used at different forums (by the Vice President and Honourable Minister of Finance), to buttress government's savings on a number of line items in the overhead expenditure.

Following the appraisal of the federal government actual overhead expenditures for year 2012 to 2015 (and thereafter 2016 and 2017 overhead expenditures) and the recommendations of the Efficiency Unit of the ministry, the federal government directed that some expenditure items be capped at certain amounts, therefore approved the issuance of circulars by Office of the Head of Civil Service of the Federation (OHCSF), National Salaries, Income and Wages Commission and Office of the Secretary to the Government of the federation (OSGF).

The following circulars have so far been issued: Guidelines for meals and refreshment for meetings, parastatal, agencies, statutory corporations and government owned companies-issued March 2016; Revised frequency of meetings for part-time members of government committees, boards of federal agencies, statutory corporations and govt-owned companies - issued April

2016; Restriction of some overhead Expenditure items (printing of workshop materials (face-caps, souvenirs, bags, etc banned) no more calendars, almanacs, diaries -issued July 2016; Restriction on foreign trainings and international travels by public servants-issued July 2016; Guidelines for official travels by public/civil servants in federal MDAs- issued July 2016; Additional Guidelines on local and international travels-November 2016; Seminars and conferences by public officers on official travels-issued May 2017; and Guidelines for official trips by chairmen of federal government committees, boards of utilisation of meeting facilities in government buildings for conferences, seminars, workshops, etc -issued August, 2017.

zones of the country including the FCT, for all staff of MDAs engaged in procurement, budgeting and internal audit. The price checker has been installed on the BPP platform and a web address also created by Galaxy Backbone for access to the system.

In order to further reduce cost of governance, the ministry, through the Efficiency Unit, carried out a research and discovered that several government meeting facilities were not utilised for the purpose for which they were built. A nationwide wide survey was conducted to get the list of government meeting facilities across the country.

The introduction of expense card scheme for purchase of small items is to reduce the use of cash and eradicate fraud in the purchase

the federal government has been able to save over N400 billion and more will still be saved.

Achievement Of Budget And National Planning From 2015-2022

On the surveillance on the Nigerian economy and preparation of Annual and Half-year Performance Report by the Budget and National Planning arm of the ministry, there is co-hosting of the Annual Nigerian Economic Summit, and collaboration with the Nigerian Economic Society.

Nigeria joined the Open Government Partnership (OGP) in 2016 as part of efforts to fight corruption and improve governance in the country. Since joining in 2016, the country has achieved improved budgetary processes, improved procurement processes, a boost in anti-corruption fight through the introduction of transparency in company ownership (establishment of beneficial ownership register); Development of Nigeria's Economic Recovery and Growth Plan (ERGP); Macroeconomic dashboard for policy analysis; and Approval and launch of the National Policy on Food and Nutrition. The National Policy on Food and Nutrition (NPFN) was revised in 2016 through multi-stakeholder efforts to address food and nutrition challenges in Nigeria. The ERGP was formally launched by His Excellency, President Muhammadu Buhari, on April 5, 2017 and implemented to take the economy out of the 2015 recession. There is study on federal government's capital project expenditure and performance - carried out to assess the performance of government's capital project expenditure.

There was the hosting of the United Nations (UN) Economic Commission for Africa 2017 High Policy Dialogue on Development Planning in Africa - The theme of the Conference was 'Mainstreaming the Sustainable Development Goals into National Development Plans'; Inauguration of the National Council on Nutrition - The Council which was inaugurated by the Vice-president and Chair of the Council, Prof. Yemi

## Based on the efforts of the ministry through the Efficiency Unit, the federal government has been able to save over N400 billion and more will still be saved

On Price Checker, the ministry has designed, developed and installed a web-based platform to aid the procurement process. This platform will enable vendors of non-customised goods to upload their product details-prices, models, features and other specifications on the platform for use by staff of MDAs for their budgeting, procurement, market survey, price analysis and establishment of market trends of products.

The ministry executed this task in collaboration with Bureau of Public Procurement (BPP) and a Nationwide sensitisation programme has been carried out in the six geo-political

of items for utility purpose in the office environment. The pilot of this scheme is for fuel purchase for official vehicles, and the MDAs to be used are: The Federal Ministry of Finance and the Office of the Accountant-General of the Federation.

To further strengthen the cost and waste reduction initiatives, the ministry had opened discussions with local and international airlines such as Dana, Arik, Turkish, Lufthansa, British Airways (BA), Air France, Ethiopian, Emirates, etc, for travel discounts for staff of MDAs travelling on official assignments.

Based on the efforts of the ministry through the Efficiency Unit,

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Osinbajo, on the 22nd of November, 2017, 10 years after its establishment; and National Committee on Export Promotion. The National Economic Council (NEC) at its 80th meeting held on 28th September, 2017 set-up the National Committee on Export Promotion (NCEP), to accelerate the diversification of Nigeria's revenue away from crude oil into other exportable products in agriculture, solid minerals and manufacturing.

There was support to federal MDAs in the development of the ERGP Medium-Term Sector Strategy (MTSS) 2019-2021 - The exercise held from July 30 - August 21, 2018, and the outcome of the exercise served as input into the preparation of the 2019 federal government's capital budget proposal.

Apart from the ERGP Mid-Term review, there was a study on the Fiscal Sustainability of sub-national governments in Nigeria - The study was aimed at ascertaining the fiscal viability of states.

And there were publications of research reports - e.g., study on growth drivers of the Nigerian economy, empirical analysis of Nigeria's Bureau De Change (BDC) for Foreign Exchange, etc, production and revision of 2021-2023, 2022-2024, 2023-2025 macroeconomic outlooks/projections for the country, and sensitisation of members of the National Council on Development Planning (NCDP) /Joint Planning Board (JPB) on Bio economy. The sensitisation was carried out in Asaba, Delta State, on the benefits of bio economy in 2019.

There was constitution of Ministerial Committee on the Development of the Steel sector in Nigeria by the Permanent Secretary, launch of the National Social Protection Policy (NSPP), and completion and submission of Report on Alternative Source of Funding for the Social Investment Programme (SIP) in May, 2019.

The Economic Sustainability Plan (ESP)

was developed in 2020 in response to the challenges posed by the COVID-19 pandemic.

Concerning the State Employment and Expenditure for Results (SEEFOR) Project (2014-2020), the project involved a concessionary interest-free loan of US\$200 million from the World Bank with a grant element of about US\$78.4 million from the European Union. The arm of the ministry hosted and chaired the Inter-Governmental Committee of Officials/Experts- Sub-Regional Office West Africa (SRO-WA), organised National Consultation Workshops on ECOWAS Post 2020 Vision in three Geopolitical Zones in 2020 and provided country input to ECOWAS for the Production of ECOWAS Vision 2050.

There was production of the Reviewed National Integrated Infrastructure Master Plan (NIIMP) 2020 - 2043, and Preparation of the Development Cooperation Report (DCR) 2015 - 2020, and DCR 2021. The primary objective of the DCR is to provide a detailed account of how development cooperation resources are utilised in Nigeria and to support transparency and accountability between the Government of Nigeria and its development partners.

In 2021, there was support to federal MDAs in the development of the ERGP Medium-Term Sector Strategy (MTSS).

On surveillance on the Nigerian Economy and Preparation of Annual and a Half-year Performance Report, there were collaboration with the Nigerian Economic Society; development, approval and launch of NDP 2021-2025 (The National Development Plan (NDP), 2021-2025 is a medium-term plan); Production of Abridged Version of NDP 2021-2025 for printing and dissemination; Production and Presentation of Nigeria Country Report on the Implementation of AU Agenda 2063; Commencement of the Process for the Establishment of Plan Implementation Unit; and Signing of MoU with National Economic Summit Group (NESG).

The National Planning of the ministry managed GIZ - Policy Dialogue and Knowledge Management on Low Emission Development Strategies (DIAPOL-CE) Macroeconomic Model development, considering review of ERGP implementation performance; review of the National Social Protection Policy (NSPP); development and approval of the National Multi-Sectoral Plan of Action for Food and Nutrition (NMPFAN 2021 - 2025), and developed the National Food Systems Transformation Pathways for Nigeria.

There was State and Local Governance Reform (SLOGOR) Project - The Project was funded by the European Union, managed by the World Bank and coordinated by the National Project Coordinating Unit (NPCU) at the ministry.

The project was financed in the sum of €60 million between October 2012 and March 2021, and the major achievements recorded are that the project promoted better management of public financial management systems through the introduction/upgrade of the State Integrated Financial Management Information System (SIFMIS), the project significantly increased the internally generated revenue of the participating States through reforms of tax authorities, etc.

The National Planning arm of the ministry coordinated the review of the National Road Safety Strategy (NRSS:2021-2030) to assist in the reduction of road accident fatalities on Nigerian roads; prepared the Development Cooperation Report (DCR) 2015 - 2020, and DCR 2021. The primary objective of the DCR is to provide a detailed account of how development cooperation resources are utilised in Nigeria and to support transparency and accountability between the government of Nigeria and its development partners.

This year, a modelling lab/Economic Intelligence Desk was established in the ministry to undertake policy forecasts/analyses

and track macroeconomic indicators. Portfolio of macroeconomic models including Dynamic Computable General Equilibrium (CGE) model, Integrated Sustainable Development Goals (ISDG) model, Input-Output (I-O) model are domiciled in the ministry.

There is preparation of implementation Plan for NDP 2021-2025. The Implementation Plan for the NDP 2021-2025 is for effective delivery of the plan. The ministry has commenced the preparation of the perspective plan (Nigeria Agenda 2050) to give direction for government policies over a 30-year period., and there is development of the Volume III of the NDP 2021-2025: Legislative imperatives - the Volume III of the NDP 2021-2025 contains the Legislative imperatives for the plan to ensure continuity of the plan.

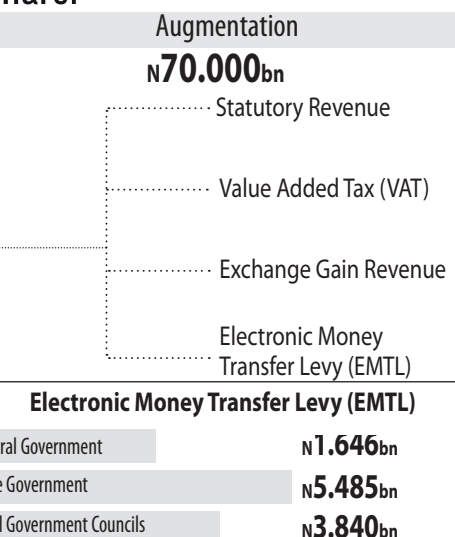
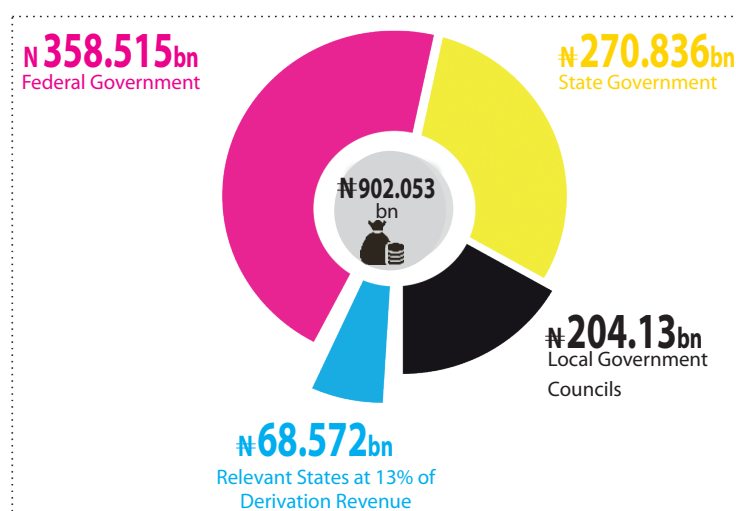
On the inauguration of Inter-Ministerial Technical Committee on identification and selection of suitable programmes and projects admitted into NDP 2021-2025 for Public Private Partnership (PPP), the committee will identify projects from the Volume II: Costed Capital Projects/Programmes of the NDP 2021-2025 that can be funded through PPP arrangements.

There are launching of multidimensional child poverty analysis, monitoring child poverty in Nigeria, and situation analysis of children (SitAn) studies - The reports of these three studies will help in shaping policies and actions of government and all stakeholders towards addressing the socio-economic, nutrition and health challenges of the child. There is the launch of the National Human Capital Development (HCD) Strategy Document - Nigeria's vision for HCD is to achieve a healthy, educative and productive Nigeria for a globally-competitive nation by 2030.

Below, it is considering the performance and achievements of the agencies, from the point of view of their initiatives from 2015 to 2022.

## FAAC Shares N902.053 bn November 2022 Revenue To FG, States, LGCs

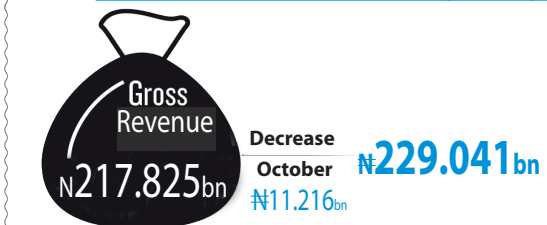
### Federation Accounts Allocation Committee (FAAC) Share:



Balance in the Excess Crude Account  
**\$473,754.57**

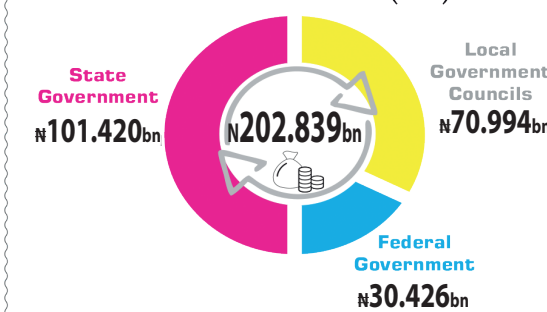
Total Deductions for Fransfers, Refunds and Levies  
**N232.288bn**

### Value Added Tax (VAT)

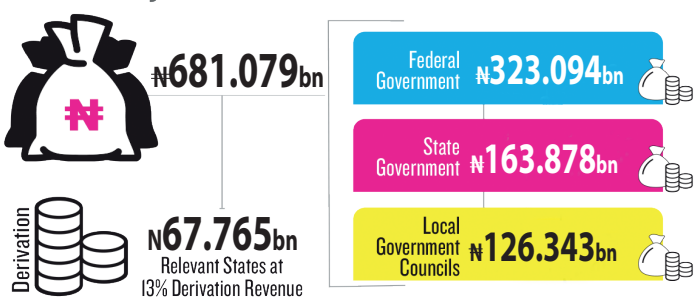


**N40.695bn** Cost of Revenue Collection

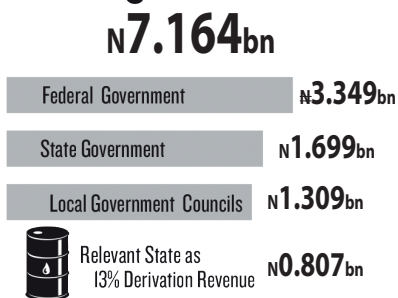
### Distributable Value Added Tax (VAT) Revenue



### Statutory Revenue Distribution



### Exchange Gain Revenue



According to the Communiqué, in the month of November 2022, Oil and Gas Royalties and Petroleum Profit Tax (PPT) recorded significant increases while Import and Excise Duties increased marginally. However, Value Added Tax (VAT) and Companies Income Tax (CIT) decreased considerably.



# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria

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## EDITORIAL

### Encouraging Reforms In Finance Ministry Through Budget Office

CONTINUES FROM COVER

and comprehensiveness; enhanced fiscal transparency and accountability; citizen access and understanding of the budget; citizen engagement and empowerment/ participation in the budget process; strengthening expenditure management; revenue collection and mobilisation.

We have it on good authority that the reforms are having good effect on the workings and process of the respective departments. Indeed, we are so moved by the efficacy that we undertake to further expatiate on the reforms.

On improved ministries departments and agencies (MDAs) budget preparation, the ministry has achieved five budget fundamentals including activation of Government Integrated Financial Management System (GIFMIS) Budget Preparation Subsystem for error-proof budget preparation and improved ownership by MDAs; a Zero-Base Budgeting System; introduction of the Help Desk, a dedicated hotline to support MDAs during budget preparation; stronger Plan-Budget link to enhance strategic focus of the federal government's budget; introduction of annual Finance Bills partly to support the realisation of fiscal projections.

But budgets must be comprehensive. This has led the Office to consolidation of the budget of Government-Owned Enterprises (GOEs) and integration into the federal government's budget submission from 2019 to enhance the comprehensiveness and transparency of the

federal government's budget. To that effect, it has included multilateral and bilateral project-tied loans and introduced the revenue component of the Appropriation Bill.

At the heart of the reforms is the overarching need for Enhanced Fiscal Transparency and Accountability, which is achieved through proactive and timely publication of budget documents and a regular preparation of Budget Monitoring Report. This lends itself to independent scrutiny and promotes accountability. This very characteristic of the fiscal process allows for citizen access and understanding of the budget. The inevitable and pre-meditated result of such openness is enhanced citizenship participation (preparation of improved content, reader-friendly and non-technical annual Citizens Guide to Understanding the Budget).

Little wonder Nigerians can now participate in the budget process via regular stakeholder consultative forum for the Medium-Term Expenditure Framework and Fiscal Strategy Paper (MTEF/FSP), public presentation of the executive budget proposals and at ministerial level in public hearings on the federal government's budget.

The Office has even leveraged technology and automation to get feedback from the public, covering a wider reach through the Budget Office Citizen Portal available on the website: [www.budgetoffice.gov.ng](http://www.budgetoffice.gov.ng). This is also complemented by the implementation of a Citizens Budget App to enhance citizen participation in budget monitoring.

The budget process would also require strengthening expenditure management. The process has been artfully done by extension of the Integrated Payroll and Personnel Information System (IPPIS) to all MDAs to automate personnel records and the process by which salaries are paid and eliminate the incidence of ghost workers.

Then there is the delicate issue of Revenue Collection/Mobilisation, a subject Nigerians are touchy about. The Office's reform here involves introduction of Enhanced Performance Management Framework including cost-to-income cap on GOEs to improve remittances. This is complemented with optimising operational efficiencies and revenue generation focus of GOEs.

To further etch the above, the Office introduced regular independent monitoring and reporting of revenue and expenditure performance of GOEs for enhanced GOEs' revenue performance and remittance; dimensioning the cost of tax waivers/ concessions and evaluating their effectiveness; and ensuring that MDAs appropriately account for and remit their internally generated revenue (IGR).

The Office's commitment to the reforms, no doubt, will have posterity, as the work of Zainab Ahmed-led Ministry of Finance has laid the foundation for a solid budget framework heavily dependent on accountability and openness. It is a framework that other emerging economies can learn from as they seek to make progress in their fiscal operations.

## Debt Management Office (DMO)



In the period from May 2015 to September 2022, the DMO has executed its mandate effectively and efficiently in a manner that supported the vision and activities of the federal and sub-national governments and enabled private sector access to financing. On financing the budget deficits, the DMO raised a cumulative total of N18.149 trillion to part finance the deficits in the federal government's annual budget, (including supply from monetary budgets) 2015 to December 2022. This amount represented 86.03 percent of the cumulative deficits in the budgets of N21.097 trillion which underscores the role of the DMO in the successful implementation of the government's budgets and the attainments of the goals embedded in them.

Similarly, in 2022, the DMO as at September 2022 raised N3.2 trillion out of the N3.53 trillion new borrowing in the 2022 Appropriation (Repeal and Enacted) Act.

The Funds were raised through a combination of new domestic borrowing and new external borrowing using a variety of financial securities primarily FGN Bonds, Sukuk, Nigerian treasury bills and Eurobonds. On FGN Savings Bond, prior to March 2017, the DMO had issued securities in the domestic market in which only wholesale investors (banks, other financial institutions, associations, etc.) could invest. With the introduction of the FGN Savings Bond (FGNSB) with smaller minimum investment amounts of N5,000.00 and shorter tenors of two and three years, retail investors now participate in the FGN's securities market. The safety and regular returns offered by the FGNSB has continued to attract



L-R: Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, Director-General, Budget Office of the Federation, **Mr. Ben Akabueze**, and Director-General, Debt Management Office, **Ms. Patience Oniha**, during Public Consultative Forum on the 2025 Medium Term Fiscal Framework meeting.

retail investors; as at September 2022, a total of N37.37 billion from 30,338 investors across the country has been raised. The FGNSB has thus become an instrument for mobilising funds into the financial markets whilst also promoting financial inclusion.

On Sovereign Sukuk, perhaps one of the products that have revolutionised the Nigerian financial markets in recent years is the FGN's Sukuk or Sovereign Sukuk. Introduced in September 2017, the Sukuk, which is a non-interest financial product was aimed at promoting financial inclusion and attaching borrowed funds to specific capital projects. Through the Sukuk, the federal government has

raised N662.557 billion to support its objective of improving infrastructure to create jobs, improve the movement of persons, goods and services and support economic development.

In December 2017, the DMO issued a Sovereign Green Bond in the sum of N10.69 billion, making Nigeria the first African country and fourth in the world to issue a Green Bond. The feat was repeated in 2019 when another Green Bond, this time for N15 Billion was issued. The Green Bonds whose proceeds were deployed to green projects certified by Moody's positioned Nigeria as one of the countries committed towards the Climate Change Initiative. Amongst the

key projects financed with the proceeds of Green Bonds were the Renewable Energy projects (solar) at the Bayero University Kano, Abubakar Tafawa Balewa University, Bauchi and Federal University of Petroleum Resources, Effurun, Delta.

In order to spread out the maturity profile of the domestic debt stock to achieve smoother repayment profile and raise the proper funding required for infrastructure, the DMO issued FGN Bonds with tenors of 30 years and 25 years for the first time in its history in 2019 and 2020 respectively. Prior to this time, the longest tenor issued was a 20-year.

The 30-year FGN Bond was first

issued in April 2019, between then and August 2020, a total of N836.597 billion had been raised for which a Total Subscription of N1,149.77 billion was received. The 25-year FGN Bond was first issued in July 2020 and as at August 2020, N91.09 billion had been issued for which a total of N176.71 billion Subscription was received.

viii. Awards

The DMO's activities have brought local and international recognition to Nigeria. These include EMEA Finance; Best Sovereign Bond in Africa: Nigeria's US\$3billion Dual-Tranche 10 and 30-year Eurobonds issued in November 2017; Most Innovative Bond: Nigeria's US\$300mn Diaspora Bond issued in June 2017; Best Naira Bond: Nigeria's N100billion 7-year Inaugural Sukuk issued in September 2017; Global Capital Award; and Best African Borrower.

The DMO, as an implementing agency for achieving debt-related indicators under the World Bank's States Fiscal Transparency, Accountability and Sustainable Program for Results (SFTAS), collaborated with the World Bank in various Workshops organised under the Programme for the 36 state governments and the Federal Capital Territory (FCT), while also commencing the implementation of activities under its purview. Similarly, preliminary work towards the implementation of activities under the MIC-TAF grant for sub-national debt management capacity building projects sponsored by the African Development Bank (AfDB) also progressed in the course of 2019. Both programmes are geared towards improving various aspects of public debt management at the sub-national level. The AfDB Project was successfully completed in June 2022.



# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria

## Nigerian Export-Import (NEXIM) Bank



Upon assumption of office by the current executive management led by the Managing Director and Chief Executive (MD/CE), Mr. Abba Bello, on 2nd May, 2017, the new management developed a new Strategic Plan (2018 – 2022) in line with the objective of Nigerian Export-Import (NEXIM) Bank - to enhance its intervention in the different geo-political zones of the country.

Its strategic plan was articulated towards improving operational performance, achieving the bank's mandate and contributing towards meeting the objectives of the Federal Government of Nigeria under the Economic Recovery and Growth Plan.

It has contributed to the significant turnaround of the operational performance of the bank. Unlike the trend in the past, the bank has also engaged significantly with stakeholders, with improved relationship, manifesting in collaborative efforts towards policy intervention and increased focus on the non-oil export sector.

The declining trend in operational performance of the bank has since been reversed, with improvement in key financial indices as follows: Growth in the bank's balance sheet from N67.73billion in April 2017 to N242.55billion as at October, 2022. With continued positive performance, increased strategic partnerships for lines of credit and the push for recapitalisation of the bank, the target has been to achieve a significant increase in balance sheet size in line with growing export opportunities, particularly in view of the African Continental Free Trade Agreement (AfCFTA).

The bank has achieved an annual profit of N1.09billion in 2018, N2.13billion in 2019, N1.28billion in 2020 and N4.10billion in 2021, after a loss of N567million in 2017 and a bigger loss of N8.03billion in 2016. The profit decline in 2020 was due to the impact of COVID-19 on businesses, which necessitated the interest rebate and moratorium extension granted by the bank to its customers.

Its introduction of aggressive debt recovery and proactive loan work out measures leading to increase in overall recoveries from only N200million in December 2016 to N12.76billion and US\$5.50million between January 2017 and October 2022. In addition, assets worth about N7billion are currently up for sale.

The bank's continued efforts to clean up the balance sheet and improvement in risk management practices with new loans granted from 2018 performing 100 percent, has made a major departure from the huge non-performing loans in the past. It has ensured enhanced operating model through restructuring of Regional Offices for the bank to maintain presence in each geo-political zone of the country for better market penetration and nationwide coverage.

The management of intervention



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, with Chief Executive Officer, NEXIM Bank, **Mr. Abubakar Bello**, during a meeting at the minister's office recently.

funds is key to the bank, even with Export Development Fund.

Following effective stakeholder engagements and the high level of confidence in the current management, the Central Bank of Nigeria (CBN) released N50billion to NEXIM in February 2018 to implement the Export Development Programme. The Fund was further enhanced to N150billion in May 2022 following effective utilisation.

Considering its Non-oil Export Stimulation Facility, NEXIM is also collaborating with the CBN to manage the N500billion Non-Oil Export Stimulation Facility, which has been introduced to provide long term funds to export oriented projects towards increasing value added exports.

The bank is also managing Pandemic Trade Impact Mitigation Facility (PATIMFA). It secured \$25million from Afreximbank under the PATIMFA programme, which was launched to alleviate the economic and business impact of the COVID-19 pandemic on Nigerian businesses. The facility is available for continuous funding of exporters, particularly small and medium enterprises (SMEs), many of whom were adversely impacted by the disruptions of the global value chain and other fallouts of the COVID-19 pandemic.

Activities of the NEXIM Bank under the Export Development Fund (EDF) has led to processing of 356

applications worth N481.45billion and US\$9.72million, out of which N163.65billion has been approved. N203.86billion has been disbursed to 125 beneficiaries, while approvals totalling N77.04billion were undergoing pre-disbursement process

So far, \$630.02million and €9.56million have been received as export proceeds from projects that have repatriated their income, while others are yet to complete the transaction circle. Many of the institutions supported now feature on the list of top 100 exporters published annually by the CBN.

In furtherance of the federal government's objectives of creating jobs, reducing unemployment and promoting financial inclusion, the NEXIM Bank has launched special intervention programmes/ enhanced its operating structure as follows:

There is SME desk, created to support SME exporters under more favourable terms and conditions; Women and Youth Export Fund is established to provide credit assistance to industries dominated by women or women owned businesses towards achieving the objectives of sustainable development goals; and Project Preparation Fund was launched in partnership with Afreximbank to support project preparation phase of a project life cycle towards increasing pipeline of bankable projects.

On its intra-Africa trade initiatives, the bank would say that as part of our trade facilitation role and towards enhancing Nigeria's readiness under the African Continental Free Trade Agreement (AfCFTA), the NEXIM Bank is spearheading the following initiatives: The Sealink project, aimed at fostering regional trade connectivity and facilitating inland waterways operations to support hinterland trade and bulk commodities exports, especially of solid minerals. In this regard, the Nigerian Navy and the National Inland Waterways Authority (NIWA), have completed segment 1 and 2 of the joint survey and navigational charting activities covering Benue-Onitsha and Onitsha-Burutu and the pilot scheme of the Sealink project will commence by end of Q1 2023.

Other initiatives? Inter-State Road Transit Scheme, designed to facilitate the transportation of goods by road across Customs territories free of duties, taxes, and restrictions while in transit in line with ECOWAS protocol. NEXIM is the National Guarantor under the scheme whose role is to issue insurance bond to mitigate the risk of diversion. Another initiative is Factoring Services, being promoted in collaboration with FSS2020 of the CBN and the Nigerian Factoring Working Group (NFWG), to engender financial inclusion and provide

alternative trade financing support for MSMEs.

In highlights of impact projects, NEXIM is the Export Development Bank of Nigeria and in this role, it serves to develop key exportable commodities, unlock opportunities and derisk key non-oil export sector to facilitate investments, towards achieving the diversification objectives of the federal government of Nigeria.

Over the last three years, the Bank has operated under the philosophy of Produce, Add Value and Export (PAVE) to change the current narrative of the dominance of primary products in the export basket. Hence, in addition to supporting start up projects, a lot of emphasis was also placed on providing working capital to resuscitate many industrial projects, which have hitherto become moribund or operated below capacity towards "boosting our value-added exports and enhancing jobs creations." Some of the projects include: Ladgroup Limited, Ogun State, where the NEXIM funded the acquisition of the Shea Processing Plant, which led to the first major export of Shea butter from Nigeria in March, 2018. Prior to NEXIM's intervention, Nigeria had insignificant footprint in the export of shea products due to low processing capacity and high incidents of smuggling/informal trade. This is in spite of Nigeria's ranking as the world's largest producer of shea, with annual production of 364,000 metric tons, accounting for 45 percent of global output.

Other projects are follows: Vertex Agro Limited was supported with working capital funding to commission its Sesame seed and Cashew processing factories of annual installed capacities of 6,000 tons and 75,000 tons respectively per annum. This has facilitated the employment of over 250 staff of which 80 percent are women.

**So far, \$630.02million and €9.56million have been received as export proceeds from projects that have repatriated their income, while others are yet to complete the transaction circle**



# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria

## Development Bank of Nigeria (DBN)



In 2020, DBN established Entrepreneurship training programme and then 125 micro small and medium enterprises (MSMEs) from different parts of the country, different sectors of the economy and at different stages in their businesses were selected to be trained for the DBN training program. 75 micro enterprises were trained by the Enterprises Development Centre in Lagos.

In 2021, N482 billion of funds were disbursed to different institutions – precisely 208,371 MSMEs; 28 private finance institutions (PFIs) with 66 percent of the beneficiaries being women, and 27 percent the youth.

Over 1,300 MSMEs have been trained across Nigeria, and in view of its development impact dash board for 2021, while 96 percent of all DBN PFIs are happy to promote DBN within their circle, 43 percent are in trade and commerce, 16 percent manufacturing, 7.2 percent agriculture, 6.3 percent oil and gas, 3.5 percent transportation, and 3.4 percent education.

On DBN's performance from inception to September, 2022, about 246,000 jobs have been created and saved, 246,723 MSMEs funded, N81.9 billion disbursed to 159,550 women, N54 billion disbursed to

26,000 first time borrowers, N588.8 billion disbursed through 29 PFIs, and there has been nationwide distribution of loans - N37.4 billion disbursed to 66,402 youths, and 3,375 MSMEs trained.

In its May 2023 projections, the bank states that 457,000 jobs would be created, N700 million loan disbursement would be met, 352,000 number of MSMEs would be funded, and 4,800 MSMEs would be trained.

Challenges faced by the bank's MSMEs in 2020 include poor power supply, inadequate finance due to collateral requirements and exorbitant rates, high cost of petrol, COVID-19 lockdown, exchange rate fluctuations, high transportation and clearing cost.

It would be interesting to know how DBN is solving challenges faced by the MSMEs; DBN constantly advocates for the creation of policies that support MSMEs and relieve their identified pain points.

In 2020, the bank subsidised interest rates for selected MSMEs most affected by the COVID-19 pandemic, and donated N100 million to support the fight against the pandemic, increased access and volume of loans to women owned and women –led business.



L-R: Head, Corporate Services, DBN, **Idris Salihu**; Executive Director, DBN, **Ijeoma D. Ozulumba**, and MD/CEO, DBN, **Dr. Tony Okpanachi**, in a chat during a strategic meeting.

## Nigerian Export-Import (NEXIM) Bank



CONTINUED FROM PAGE 8

GB Tannery Kano - a wholly owned indigenous company, which was funded towards increasing production capacity and boosting export of finished/crust leather by the company to about US\$9 million annually. Owing to NEXIM's intervention, the company has been able to install new processing line, which is expected to increase direct jobs offered by the company from 250 in 2019 to 400 in 2020/21. The bank's objective is to harness opportunities in the global leather industry. Hence, NEXIM is working with the leather cluster in Kano to assist indigenous tannery to upscale their operations and become major players in the global value chain.

Globus Enterprises Ltd and Gods Little Tannery Ltd are some of the other tanneries also supported in Kano.

Dutse Granite in another project in Kano, where the bank supported the acquisition of machinery and equipment for the processing of solid minerals for export; Plantation Industries Limited, Akure, Ondo State, funded by NEXIM as part of its efforts to promote value added exports in the cocoa industry. The bank's intervention has assisted the company to boost its processing capacity and increase its exports. The company has also been able to enhance its backward integration and boost intervention to farmers under its out-grower scheme with increase in jobs creation from 8,000 to 14,000 farmers.

Woodland Nigeria Limited is another indigenous private limited liability Company incorporated to carry on business as wood and timber merchants, growers

and exporters. The Company is engaged in sawmilling, wood processing, and manufacturing of furniture, floor boards and wall panels. The Bank provided support to the company to establish a rubber wood processing factory at Sapele, Delta State to facilitate the processing and production of laminated rubber wood board for the export market. The project is expected to create about 136 Jobs and generate foreign exchange earnings for the country to the tune of \$11.5 million.

Palladium Mining limited (PML) is an indigenous Nigerian solid mineral exploration and production company that specializes in exploration, mining, processing and trading in base metal minerals. PML currently mines lead and zinc ore from their site situated in Ihetutu, Ishiagu town in Ebonyi State, Nigeria and exporting same to various off takers outside the country, specifically in Germany and China. The bank's intervention to PML is to support the acquisition of mining and processing equipment to facilitate the export of Lead. The project is expected to support over 100 direct jobs and an estimated annual foreign exchange earnings of \$11.9 million.

Huxley Industries Limited is situated in Ogun State. It is a wholesale sector industry company, exporting cashew to India. NEXIM's intervention through the provision of working capital is to enable the company export cashew kernels, which is expected to create additional 100 jobs and projected foreign exchange earnings of US\$5.03 million, annually.

Bel Papyrus Limited is

a subsidiary company of a conglomerate, Group Boulus, which has diverse interest across the manufacturing sector of the Nigerian economy. The company was granted facility to support its strategic expansion exercise to boost the export of jumbo rolls to the West African market. It currently employs and empowers more than 20,000 people directly and indirectly along the entire value chain, with foreign exchange earnings potentials of at least \$12 million annually.

Faku Agro Allied Limited was supported with equipment financing for the procurement of a Shea Butter processing factory with a capacity of 200 tonnes per day. One completion of installation, the company will be further supported with a working capital facility to enable it sustain and increase its current staff strength of 54 direct employees and boost foreign exchange earnings by at least US\$11 million, annually.

Salid Agriculture Nigeria Limited was supported with equipment financing for the procurement of a 100 tonnes per day shea butter processing plant and trading facility to complement the company's existing commercial trading activities. The company presently employs 70 staff and is expected to increase its annual foreign exchange earnings by US\$7 million, following the Bank's intervention.

Colossus Investments Limited is a private limited company, located in Oregun Ikeja, Lagos State. The company was supported with working capital to facilitate exports of cashew nuts and Cocoa Beans. This is expected to support

at least 100 direct jobs and annual forex exchange generation of US\$15.00 million.

Alfa Systems and Commodity Company Limited is located in Akure, Ondo State. The company is into exports of Agricultural commodities. NEXIM Bank supported the company with working capital facility to facilitate exports of cocoa beans, cocoa butter and cocoa cake, which led to 132 direct jobs being sustained and creation of additional 150 jobs. The bank's intervention will also sustain the generation US\$6.19 million with additional foreign exchange earnings of US\$13.00 million annually.

Armajaro Nigeria Limited is located in Magboro, Ogun State. The bank supported the company with working capital facility to facilitate export of various Agricultural commodities, including cocoa beans, cashew nuts, ginger, sesame seeds and tumeric. This has led to 173 jobs being sustained and additional 200 jobs created. An estimated annual foreign exchange earnings of US\$16.59 million has also been sustained while the company is expected to increase its foreign exchange earnings by US\$21.30 million annually due to NEXIM's intervention.

Starlink Global Ideal Limited specialises in the trading of agricultural commodities, located in Isolo Industrial Estate, Lagos State. The bank supported the company with working capital to facilitate the export of cocoa beans and cashew nuts to Europe, which is expected to create/sustain 200 direct jobs and an estimated foreign exchange earnings of US\$40.00 million annually.

Others: Besides being a major

advocate of value-added exports, the Bank also supports the export of raw materials, particularly where the local industries cannot fully absorb production or where production capacity can be expanded. Hence the bank has also provided working capital to support many companies engaged in cleaning and export of various agricultural commodities and other products. Such commodities include hibiscus flower, dried ginger, sesame seeds, gum arabic and charcoal, which were exported to various parts of the world.

As part of its strategy to increase intervention to SMEs, NEXIM Bank is also working with various state governments and has signed memoranda of understanding (MoU) with about 10 States under the State Export Development Programme. This scheme is expected to facilitate industrialisation and economic development at regional level under the One State One Product programme, whereby each state of the federation is expected to identify and develop at least one commodity for export as part of the federal government's zero oil plan.

Given the unfolding opportunities offered by AfCFTA, the recent exit of Britain for the European Union and the prospects in other regions, NEXIM is taking steps to position Nigerian exporters to benefit from these opportunities. The Bank is therefore taking necessary steps to increase its funding capacity towards boosting its lending support thereby increasing foreign exchange earnings for the country and facilitating employment generation.



# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria National Bureau of Statistics (NBS)

The National Bureau of Statistics (NBS) has now fully switched from using paper questionnaire for data collection to using GPS enabled computer assisted personal interviewing system (CAPI) devices for data collection. CAPI devices are presently being used for most of the surveys in NBS.

In order to cope with increasing demand for robust and reliable statistics for planning, policy formulation, monitoring and evaluation of government programs, policies and projects, a revamped user-friendly website has been launched with various applications and features. Some of which are Online data portal - which has a wide range of functionalities, such as data analysis, mapping, and reports, enabling users to access the data in customised formats suited to their needs. This is the first for any African statistical agency; New online trade database - This is a new tool which allows users to query specific items trades between Nigeria and its trading partners across the world; and Enhanced social media presence - NBS is fully active on social media, constantly disseminating and engaging with users on reports thereby improving the understanding and utilisation of NBS products, both domestically and internationally.

NBS has a fully installed real time remote monitoring system for field data collection. This enables the tracking and monitoring of enumerators on the field on a real-time basis. This is resulting in better quality of returns from the field and is further translated to better statistical output.

In the last seven and half years, the number of statistical output has grown significantly from publishing under 50 outputs in 2011 to over 180 statistical reports in 2021 containing over 3,000 indicators.

NBS successfully completed the first ever nationwide Drug Use Survey (O18) and Corruption Survey (2017) in Africa. Both exercises conducted in collaboration with the United Nation's Office for Drug and Crime (UNODC), using electronic means of data collection. Also, for the first time in Nigeria, a stand - alone Multiple-dimensional



Prince Clem Agba, Minister of State, Budget and National Planning, with Mr. Semiu Adeniran, Statistician-General of the Federation/CEO of NBS, at the launch of Nigeria Multidimensional Poverty Index 2022.

Poverty Index (MPI) survey was conducted in 2021 and the report is based on senatorial district and will be made public very soon. The survey was in collaboration with United Nation Development Programme (UNDP) and Oxford Poverty Human Initiative (OPHI).

Over the last seven years, NBS has worked with state governments with support from donor partners to establish their State Bureau

of Statistics (SBSs) to aid the development of statistics at the subnational level. Presently, 24 states have successfully established their State Bureau of Statistics.

Between 2020 and 2021, NBS conducted the long-awaited National Business Sample Census (NBSC), which involves the listing of business establishments that have a fixed location and was later followed by sample survey.

NBS, after 30 years, commenced the National Agricultural Sample Census (NASC) exercise in 2022. This is a near complete listing of all agricultural activities in the country, including crop production, livestock, aquaculture, poultry, and forestry, similar to the NBSC.

NBS, with the support of World Bank, was able to conduct the Nigerian Living Standard Survey (NLSS) in 2018/2019, which

was used to produce headline poverty rate and other welfare indicators. The fully digital survey was adjudged to be the best in the series of living standard surveys conducted in the past.

NBS in collaboration with World Bank, is embarking on a robust Labour Force Survey to come up with reliable figures of Nigerians ages 15 years and above who are employed, underemployed or unemployed in both formal or informal sectors.

With support from the World Bank, NBS now has a fully operational Call Centre for remote data collection. This is one of the first to be installed by National Statistical Office in Africa and proved to be very useful during the COVID-19 lockdown period. It was used in the collection of 12 rounds of monthly data collection which focused on the impact of the pandemic on households and businesses using phone calls.

**In the last seven and half years, the number of statistical output has grown significantly from publishing under 50 outputs in 2011 to over 180 statistical reports in 2021 containing over 3,000 indicators**

## Centre For Management Development (CMD)

In pursuance of the functions assigned to it under the enabling Act of NCMD 2022 (as amended) and the additional ones given to it by the Council, the centre carried out the following activities from 2015 to 2022.

The centre collaborated with other relevant ministries, departments and agencies (MDAs) to operationalise the mandate of Accreditation and Quality Assurance of the Council. This includes Corporate Affairs Commission (CAC), Federal Inland Revenue Service (FIRS), Bureau for Public Procurement (BPP); and other agencies such as Administrative Staff College of Nigeria (ASCON), and Public Service Institute of Nigeria (PSIN) are involved in the accreditation process with CMD.

An output of the accreditation exercise is a directory of accredited management trainers and training institutions. On the whole, 1138 training firms/institutions and 2133 trainers have so far been licensed by the Nigeria Council for Management Development to practice within the period 2015-2022. This exercise aims at providing appropriate capacity to drive growth and national development.

The centre carried out major macro, sectoral and financial planning activities which include macro managerial training needs assessment, sectorial managerial training needs assessment, assessment of capacity of the 36 states of the federation to compute state gross domestic product (GDP). The centre was responsible

for preparation of Medium-Term Development Plan (2021-2025) and the Long-Term Development Plan - National Agenda 50.

The Centre has made significant contributions to the development of the country's management capacity, and more significantly, to the current economic recovery programmes of the federal government. The centre's training programmes organized in period 2015-2022 were in two broad areas, i.e the regular scheduled programmes and In-plant tailor-made programmes. These programmes covered the areas like economic management (macro and sectoral), management information system, management trainers' development, general management and human resources development.

Other areas include finance and accounting, entrepreneurship development, research and methodology, management consultancy, and information and communication technology.

The centre has promoted and still promoting entrepreneurship development through the training of small and medium scale entrepreneurs as well as the provision of advisory services.

The centre conducted surveys to determine the human capacity needs as well as the requirements for survival, growth and development of the sub-sector. The objective was to design appropriate training programmes and advocate for necessary government intervention for micro, small, medium enterprises (MSMEs)

The Act establishing CMD specifies that it should sponsor, promote and conduct research into all aspects of management and allied subjects in relation to the Nigerian Situation. The centre's publications include: Research reports, proceedings of conferences, books manuals, Nigerian Management Review (published bi-annually).

The centre acquired and maintains a stock of books and periodicals in the field of management and related areas to assist its training research and consultancy activities and to meet the information needs of the general public. The current library stock is 40,000 volumes of books and journals. The specialised management library provides stock of current management books and periodic journals.



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## Nigerian Customs Service (NCS)



In line with restructuring the administrative architecture of the Nigerian Customs Service (NCS), the Comptroller-General of Customs (CGC), Col. Hameed Ibrahim Ali (Rtd.), put in place mechanisms to review the position of the service with a view to improve the security, transparency, honesty and integrity in Customs operations. The strategic goals of the service which are encapsulated in the three 'Rs' are reform, restructure, and raise revenue.

In view of the reforms, the CGC introduced the Customs Police Unit to enforce discipline. The introduction has to a large extent improved the sense of responsibility and diligence of officers and men.

To be noted is the enhancement of discipline for moral and ethical rebirth as seen in the rejection of N50million bribe money by a CAC serving in Apapa Port, a clear testimony of the positive effects of the reforms.

There is an introduction of professionalism in the service through trainings. The CGC prioritised seminars, workshops, conferences, trainings and meetings for officers and men locally and internationally. One of such is the training of 8000 customs personnel on weapon handling by the Nigerian Army in 2019.

Strictly based on merit, there has been promotion of officers as when due. The CGC in 2015 established the mandatory conduct of annual promotion exercises to ensure the steady progression of deserving officers.

There are on-going efforts to recruit fresh hands into the support staff at superintendent cadre and general duty at inspectorate cadre. To ensure inclusiveness and equitable representation in line with Federal Character requirements, the recruitment process and procedures adopted since 2015 were planned to focus on getting candidates from all 774 local government areas of the federation.

Also being put in place are provision of befitting accommodation for officers, across commands to ameliorate the challenge associated with effective deployment of officers and men; renovation of old buildings both residential and offices; and purchase of operational and staff vehicles, including boats and aircrafts, for aerial surveillance, all to enhance enforcement capabilities.

The CGC has strengthened the tradition of stakeholders and media engagement. This had led to the creation of the Nigerian Customs Broadcasting Network (NCBN), an initiative conceived as a strategic tool for media engagement that has enabled the service to tell its own story in more elaborate ways.

The service has worked to providing regional leadership for effective border management with neighbouring countries. There has been joint border patrols and one step border management



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, inspecting a quarterguard of a detachment of the Nigerian Customs Service at Apapa Area Command.

which has seen NCS coordinate activities of other government regulatory agencies at entry points using the single window platform. There is also joint examination of cargo at the entry points which has helped to eliminate delay associated with trans-border trade.

The NCS is not toying with restructuring; the service has ensured development of standard operating procedures for transparency in posting, promotion and recruitment. The introduction of e-Custom project which was vetted and approved by the Federal Executive Council (FEC), proposes to automate all custom processes and procedures with the expectant effect of heightened effectiveness and efficiency. The modernisation project is being viewed within West and Central Africa as a model and test case for all automation.

There is the update of the Nigerian Integrated Customs Information System (NICIS) I, to (NICIS) II in response to

evolving developments and challenges in technology and communications; creation of new departments, unbundling of commands and creation of new units.

The training and Doctrine Command (TRADOC) was created by the CGC, and it is saddled with the responsibility of creating regular training courses at the command and staff levels, and there is building of an e-Auction platform to ensure transparency and equal opportunity for all citizens, and reducing unnecessary steps in the cargo clearance procedure to enhance ease of doing business in Nigeria.

As the service continues to work toward raising revenue and contributing to the national economy, the enforcement of ban on the importation of rice and vehicles through the land borders, has seen to an unprecedented growth in the local production of rice.

Apart from setting up of Strike Force Team to ensure conformity with trade

regulations and block all illegal routes for smuggling, and holding regular meetings with stake holders in trade to consolidate efforts of the service in revenue collection drive, with rigorous anti-smuggling activities resulting in huge seizures of goods including 661 units of pump action rifles, the service has also set up of bonded vehicle terminals in the hinterland to ensure payment of appropriate duty on all imported vehicles and other positive multiplier effects like job opportunities, enhanced economic growth and national security.

You may note that duties collected by Customs Service remain one of the major components of the federal government's non-oil revenue projections in the annual budget.

The service has made distribution of relief materials to internally displaced persons (IDPs). In line with presidential directive that all seized foods and other perishable items be given to the victims of

insurgency in the North East, bags of rice, litres of vegetable oil, cartons of soaps and other items have been distributed to IDPs in Borno, Yobe, Adamawa and Edo States.

Deliverables of the NCS modernisation Project include Unified Customs Management System (UCMS), e-Port System, Non-Intrusive Inspection (NII) Scanners, Risk Control Centre (RCC), Mobile Enforcement, Electronic Cargo Tracking Solution, Intelligent Gate (IGate); and Smart Gate for Custom.

The expected benefits of the project are increased revenue, better enforcement, less human interaction and influence on Customs processes, effective monitoring, balanced deployment of resources, enhancement of integrity, reduced cost of business, promotion of national economic development, and continuous capacity building which will result in professionalism and specialisation in the NCS.

## November All-Item Index At 21.47%

The All-item Index (Headline Inflation rate) in November 2022 on a year-on-year basis, stood at 21.47 percent. This was 6.07 percent points higher compared to the rate recorded in November 2021, which was (15.40 percent). This shows that the headline inflation rate increased in November 2022 when compared to the same month in the preceding year (i.e., November 2021) by 6.07 percent.

The Consumer price index (CPI) measures the monthly change in prices paid by Nigerian consumers. The National Bureau of Statistics (NBS) calculates the CPI as a weighted average of the prices of a basket of goods and services representing aggregate Nigerian consumption spending. The CPI is one of the most

used measures of the inflation rate. The inflation rate measures the relative change in CPI between periods, usually reported on a year-on-year basis (annual inflation) and a month-on-month basis (monthly inflation).

The increase in the general price level in the annual inflation rate (Year-on-Year) can be attributed to an increase in the cost of importation due to the continual currency depreciation and a General increase in the cost of production due to a surge in energy cost

While on a month-on-month basis, the Headline inflation rate in November 2022 was 1.39 percent, which was 0.15 percent higher than the rate recorded in October 2022 (1.24 percent). The increase in the monthly

inflation rate (month-on-month basis) is attributed to higher demand, usually experience during the festive season.

The percentage change in the average CPI for the twelve months ending November 2022 over the average of the CPI for the previous twelve months period was 18.37 percent, showing a 1.39 percent increase compared to the 16.98 percent recorded in November 2021.

The components that made up the food sub-index in November 2022 was 24.13 percent on a year-on-year basis; which was 6.92 percent higher compared to the rate recorded in November 2021 (17.21 percent). The rise in the food sub-index was caused by the increases in prices of Bread and cereals, Oil and fat, Potatoes, yam

and other tubers, Food products n.e.c, and fish.

Whereas the month-on-month food inflation rate in November was 1.40 percent, this was 0.17 percent higher compared to the rate recorded in October 2022 (1.23 percent). The increase was attributed to an increase in prices of some food items like Oil and fat, Fruits, Fish and Tubers.

The average annual rate of food inflation for the twelve-month ending November 2022 was 20.41 percent. This is 0.21 percent points decline from the annual rate of change recorded in November 2021 (20.62 percent).

The Core Inflation rate, that is all-items index less farm produce, which excludes the prices of volatile agricultural produce stood at 18.24

percent in November 2022 on a year-on-year basis; showing a rise of 4.39 percent when compared to 13.85 percent recorded in November 2021.

On a month-on-month basis, the core inflation rate was 1.67 percent in November 2022, while the rate was 0.93 percent in October 2022. This shows a rise of 0.74 percent. The highest increases were recorded in prices of Gas, Liquid fuel, Passenger transport by Air, vehicle spare parts, and Solid fuel.

The percentage change in the average CPI for the twelve months ending November 2022 was 15.69 percent, which was 2.73 percent points higher than the previous twelve months period which recorded 12.96 percent in November 2021.



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## Securities And Exchange Commission (SEC)



**S**ecurities And Exchange Commission (SEC) initiative: Most of the SEC's initiatives are guided by the 10-year Capital Market Master Plan (CMMP - 2015 to 2025). The commission has been implementing the initiatives contained in the CMMP as a road map towards the development of the capital market in Nigeria. This was done through the mechanism of market structure, competitiveness, attractiveness, regulation and oversight.

**Crackdown on illegal fund manager Ponzi Schemes:** Consistent with the administration fight against corruption, the SEC continued to crack down on Ponzi schemes and illegal fund managers. This is as more members of the investing public continue to fall prey to the activities. The SEC is committed to always ensuring and maintaining an environment that is enabled by the appropriate regulatory framework, timely and affordable access to market, zero tolerance for infractions, heightened investor confidence and awareness.

**Corporate governance scorecard** was developed, with support from the International Finance Corporation (IFC) and unveiled in 2015 in a bid to improve disclosure and compliance in Nigeria.

The commission had for the National Investor Protection Fund (NIPF) put together a board and its verification committee inaugurated, as 580 eligible



**Mr. Lamido Yuguda**, Director-General of the Securities and Exchange Commission (SEC) (r), with other stakeholders during maiden Gombe Investment Summit.

investors had their compensation claims approved by the NIPF board and compensated in 2015.

There was the launch of the Capital Market Master Plan Implementation Council (CAMMIC); the master plan recommended in ensuring market institutions were strong and well-capitalised which SEC enforced in September, 2015.

The SEC achieved substantial dematerialisation of share certificates within 2015. At the beginning of the year, less than 40

percent of share certificates were dematerialised and by end of 2015, over 97.4 percent dematerialisation had been achieved.

On e-dividend, with the support from Central Bank of Nigeria (CBN) and Inter-Bank Settlement System (NIBSS), SEC launched a portal that enables both banks and registrars to share information about investors and boost efficiency of processing e-mandate forms.

Then, cash direct settlement was another key initiative that affects investors' confidence.

To deepen noninterest capital market, in 2015, SEC held the first of many regional roundtable events in Kano. The roundtables targeted potential issuers of non-interest product like Sukuk.

So, in 2016, there were such development as introduction of capital market studies in schools' curricula, non-interest capital market, campaign on e-dividend mandate management system (e-DMMS), CAMMIC Advocacy, inauguration of market technical committees, market integration,

and streamlining the bond issuance process.

In 2017, the commission put in place Nigerian Capital Market Development Fund (NCMDF), investor education portal, N100 billion debut Sovereign Sukuk, and budget seminar. While in 2018, the commission had engaged in such projects as capital market studies in schools' curriculum, disruptive technology, Nigerian commodity eco-system, green bond rules, and institutional cooperation, in 2019, it took on fintech roadmap, investor protection, innovative sec rules, securitisation, contribution to the introduction of financial act, and investor education.

In 2020, the commission had ensured the development of the SEC Corporate Governance Guidelines (SCCG), and in 2021, it focused on inauguration of a market-wide identity management committee, confirmation of the quantum of unclaimed dividends of publicly traded entities, implementation of cost – saving measures to ensure the continued discharge of the mandate of the commission, and strengthening of the institutional information technology (IT) capacity of the commission.

This year, the commission has worked on the review of the regulatory framework of the Nigerian capital market, review of the Capital Market Master Plan (CMMP), and National Savings Strategy (NSS).

## Federal Inland Revenue Service (FIRS)

**I**n 2019, the President appointed board members for the Federal Inland Revenue Service (FIRS) thus ending a 7-year hiatus during which the functions of the FIRS were affected by lack of a board.

Through the TaxPro Max tax administration solution, the FIRS has promoted the ease of paying taxes as well as compliance. The system allows for electronic filing and payment by registered taxpayers from anywhere in the world.

(ATAF) and subsequently named a member of a global think tank on taxation; A staff of the FIRS has been the Executive Secretary of the West African Tax Administration Forum (WATAF) since 2016; and during the period under review, Nigeria has hosted a number of international tax conferences and workshops of WATAF, ATAF and CATA, among others.

The service has fully implemented the Automatic



**Through the TaxPro Max tax administration solution, the FIRS has promoted the ease of paying taxes as well as compliance**

The National Tax Dialogue is held in the Presidential Villa to discuss issues relating to taxation and the Nigerian economy. Some of these include a development where The Executive Chairman of FIRS was elected the President of the Commonwealth Association of Tax Administrators (CATA); The former Executive Chairman of FIRS was elected Chairman of the African Tax Administration Forum

Exchange of Information-Common Reporting Standard (AEOI-CRS) system for Nigeria. This is a global tax cooperation that will provide real time information on financial transactions of individuals and corporate entities in Nigeria and help tackle tax evasion and illicit financial flows, both locally and internationally.

To bring its services closer to the people, the FIRS Contact

Centre was launched to respond to enquiries and complaints from the public and other stakeholders, and its agents can respond to callers in seven languages, namely: Yoruba, Hausa, Ibo, English, Pidgin English, French and Arabic.

In 2020, the Non-Resident Persons Tax Office (NRPTO) was established to administer Non-resident taxable persons earning income in Nigeria. This has been

strategic in growing the taxpayers' base.

In 2021, the FIRS achieved the globally recognised ISO 27001:2013 certification, which affirms FIRS compliance with the highest level of information security and the integrity of its system.

During the period under review, the Service has achieved consecutive increase in the year-on-year tax revenue collection.

In 2019, President Buhari signed Executive Order 007: Road Infrastructure and Refurbishment Tax Credit Scheme, which has boosted road infrastructure development with 13 road projects nationwide.

Since 2019, which marked the start of the annual Finance Act, the Service has recorded improvements in tax reforms in Nigeria.





By law, Deposit Insurance coverage is compulsory for all licensed banks in Nigeria. Look for the NDIC sticker at your bank or ask your bank representative.



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# Nigerian Deposit Insurance Corporation (NDIC)

The story of the Nigerian banking sector would be incomplete without a mention of the crucial role of the Nigerian Deposit Insurance Corporation (NDIC). Set up in 2015, it has achieved giant strides that have contributed to the stability of the financial sector.

Its financial stability activities include deposit guarantee, bank liquidity/claims settlement, and assets management, among others.

As at June 30, 2022, the NDIC provided deposit insurance coverage to 33 deposit money banks (DMBs) which was made up of 24 commercial banks, six merchant banks and three non-interest banks (NIBs) plus two non-interest windows; 882 microfinance banks (MFBs); 34 primary mortgage banks (PMBs); three payment service banks (PSBs) and 29 mobile money operators (MMOs).

The mandate of the NDIC entails reimbursement of insured depositors, uninsured depositors, creditors, and shareholders of banks in-liquidation. The liquidation activities, as at June 30, 2022, covered a total of 467 insured financial institutions in-liquidation, comprising 49 DMBs, 367 MFBs, and 51 PMBs.

This involved payment to insured and uninsured depositors of closed insured banks; payments to uninsured creditors of banks in-liquidation; payments to shareholders of banks in-liquidation.

The NDIC asset management portfolio has seen it involved in risk assets recovery; disposal of physical Assets. Data shows that as at June 30th 2022, the cumulative realisation since inception from physical assets and rent collected on properties of banks in-liquidation stood at N23,393.51 million.

The cumulative sum realised from investments of banks, in liquidation from inception to June 30th 2022, was N4.925 billion.



**Mr. Bello Hassan**, Managing MD/CEO, Nigeria Deposit Insurance Corporation, in the midst of others at the recently organised NDIC/FICAN workshop in Port Harcourt.

The NDIC, in collaboration with the Central Bank of Nigeria (CBN), jointly conducted 166 routine risk-based supervision of DMBs, 181 risk assets assessments and four maiden examinations from 2015-2021.

The NDIC conducted 673 special investigations arising from petitions and complaints from stake holders and supervised special insured financial institutions. In all the NDIC in collaboration with the CBN, examined 1,785 and 66 PMBs from 2015-2021.

The board of the NDIC approved the framework for pass-through deposit insurance for subscribers of mobile money operators (MMOs) in 2015. The concomitant effect naturally is the supervision of mobile money operators:

There were 29 licensed MMOs as at June 30th 2022. The 13 of the MMOs were bank-led, while 16 were non-bank-led.

The NDIC conducted early warning signal (EWS) review on all the insured DMBs to determine their viability, safety, soundness

and financial capability.

In 2017, the CBN/NDIC in collaboration with international development partners, commenced and financed the implementation of Microfinance Banks Unified Information Technology (NAMBUIT) platform. As at March 31, 2022, the NAMBUIT platform had onboarded 154 MFBs.

In 2022, the NDIC deployed SCV template to banks in order to ensure efficiency in addressing challenges of prompt payment to depositors of insured financial Institutions (IFI) in the event of their failure and liquidation.

In 2018, the NDIC, in collaboration with CBN, adopt the bridge bank mechanism to resolve the distressed Skye Bank to protect depositor's funds and minimise distribution to the nation's payment system.

Prior to and from 2015, the NDIC complied with all the provisions of the applicable statutory laws, including the pension reform Act, 2014 (as amended), NHIS Act, 2004.

The NDIC, between 2015-

2022, had sponsored several corporate social responsibilities (CSR) projects including the construction, furnishing rehabilitations, equipping of classrooms, skill acquisition centres, computer/ICT buildings/centres, lecture halls language laboratories, library buildings, e-libraries Science laboratory, Science/engineering blocks, school toilet facilities/boreholes, community hospitals, fencing of schools and centres for financial economics.

In 2016, it also established the Efficiency Unit to improve efficiency and cost management on overhead expenditure to support the Federal Government's accountability and transparency drive.

In 2017, the corporation was awarded ISO certifications by the British Standards Institution (BSI) in 3 areas, namely: ISO 27001: 2013 (information Security management), ISO 22301: 2012 (Business Continuity Management) and ISO 20000; 2011 (IT Service Management). The NDIC has been recertified

in December 2021, on the three standards. Also, in 2017 and 2019, the NDIC was awarded the best performing Ministerial Servicom Unit (MSU) in the country, following an assessment of its public service delivery.

The NDIC in collaboration with CBN had been implementing the 2015 National Financial Literacy Framework (NFLF) in Nigeria. Financial literacy aims to improve consumers/investors' understanding of the financial products, their risks, and develop the skills and confidence to make informed choices.

This led to the introduction of deposit insurance courses in Nigerian universities and other tertiary institutions. The program commenced in the year 2015 with the pilot program in Ahmadu Bello University Zaria and Bayero University Kano. Memorandum of Understanding (MoU) has been executed with nine other Universities.

NDIC has been a key member of the International Association of Deposit Insurers (IADI) and has recorded a number of achievements such as African Centre for Studies of Deposit Insurance System (ACSDIS) in Abuja: This was approved in February, 2020 as a proposal to establish the African Centre for Studies of Deposit Insurance System (ACSDIS) in Abuja, Nigeria. The centre will provide training programmes to all deposit insurance official across the African region and beyond.

Other achievements are execution of memorandum of understanding (MoU) with sister deposit insurance agencies; to improve operational efficiency and promote international cooperation/collaboration in areas of common interest; and full membership of Islamic Financial Services Board (IFSB). NDIC obtained full membership of IFSB, Malaysia in 2018, beside the CBN. The IFSB is a global Standard-Setting organisation in the Islamic financial service industry.

## Nigeria Bulk Electricity Trading Plc (NBET)

Between its 2015 and 2023, NBET achieved the completion of \$1 billion foreign direct investment 452.60MW for Azura-Edo Power Plant which is Nigeria's first financed power project. The plant currently contributes about 10 percent (452.60MW) of the available capacity to the national grid.

Furthermore, NBET finalised power purchase Agreement with KOWA Hydro Dam Power Plant with a generation capacity 40MW and currently put an average of 28MW on the grid; and sale of 726MW AFAM IV and V.

NBET facilitated the successful completion of the sale of Afam IV and V to Transcorp Power Plant through the execution of power purchase Agreement (PPA) which will ensure capacity recovery to the tune of 726MW of electricity to the Grid before the end of this

administration.

NBET seamlessly and transparently implemented N1.3trillion payment Assurance Intervention from the Federal Government by way of electricity pricing reform designed to solve the liquidity challenges in the power sector by increasing the revenue available to Generation Companies (Gencos), and Gas Suppliers which has increased generation thereby reducing weighted average cost of electricity.

The collaboration and signing of MOU with EPIAS, has the potential to unlocking the Nigeria Electricity pricing mechanism that will in turn strengthen the power sector's reliability.

NBET developed the settlement, accounting, managerial, governance and transparent systems which has resulted into bilateral agreements between Gencos and Niglerlec, Kamsteel

Industries Ltd, Inner Galaxy, Ade Folorunsho Technical Ventures Ltd, Hydropolis Investment Ltd, Kamsteel (Shagamu), Ashaka Cement, kamsteel Integrated Ltd, Xing 1 AND Xing 2, Olam Flour Mills, Obafemi Awolowo University, Sunflag Steel Signalling the commencement of contract based market as encapsulated in the Market Rules, this aligns with the next stage of the market.

NBET is in the process of concluding power purchase agreement (PPA) with various independent power producers (IPPs) developers that will add an average of 1,780MW to the National grid before the end of this administration. By this, the available capacity which exceeded 5,000MW as at September 1st 2022 would increase to 6,780.60MW by May 2023 that is 35 percent increase in available capacity.

NBET has put a tight water fall

in place to guarantee payments to Gencos and to also eliminate the posting of Bank Guarantees to generating companies. Out of the eleven distribution companies, eight have active bank guarantees in favour of NBET while the remaining three are at verge of posting bank guarantee to NBET.

In ensuring that certainty of payments of gas supplied to the generating companies through GACN has secured the supply of the needed gas quantity to sustain the power sector, by May 29, 2023, the power generation is expected to hover around 600MW.

The sum of \$350 million part of \$1billion Eurobond at 5.5 percent annual interest was provided to support NBET as capitalisation. The principal and interest were paid from the account of NBET without passing the burden to the federal government.

The peak generation has

witnessed about 30 percent increase from 4,500MW to 5,800MW since NBET commenced trading in the electricity market and ensuring regular payments to GenCos for the electricity supplied to the Grid. This includes NBET's direct payment arrangement for GenCos' equipment suppliers and operation and maintenance contractors as well as Gas suppliers.

NBET is at the core of implementation of the on-going PSRP. It has a dual role of ensuring efficient and accurate administration of its contractual relationships with both GenCos and DisCos through transparent billing and payments, and a channel for the application of the \$750 million dollars PSRO Loan proceeds, the PAF and FGN's budgetary appropriation in addressing tariff shortfalls in the electricity market.



# Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria National Insurance Commission (NAICOM)

During the period under review, the commission continued with the implementation of ongoing programs and development of new initiatives intended to reposition the Nigerian insurance industry for optimal contribution to the economy.

These include the following: Performance of the Nigerian insurance industry, automation of the commission's processes (completed on the 1st of September, 2021), partnership with FSD Africa on Risk- Based Capital, Economic, Social and Governance (ESG) and Innovation Framework, establishment of College of Insurance Supervisors of the west African Monetary Zone (CISWAMZ) by WAISA, formation of the Insurer's Committee in November, 2015, similar to the Banker's Committee to serve as a platform for the Nigeria's insurance sector.

On formation of West Africa Insurance Supervisor's Association of Nigeria, a Multilateral Memorandum of Understanding (MMOU) was signed with Insurance Supervisory Authorities of other Anglophone West African countries in September, 2015.

The index based agricultural insurance was inaugurated in February, 2019; there was actuarial capacity development programme, establishment of NAICOM auditorium at College of Insurance and Financial Management, and protection of



L-R: Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, one of the attendants, and Commissioner for Insurance/CEO, NAICOM, **Mr. Sunday Thomas**, during a meeting at the minister's office recently.

government assets. The asset of the Nigerian insurance grew from N827.5billion in 2015 to N2.3trillion as at June 2022 which represents average growth in total asset of the industry of 13.8 percent between 2015 and 2022. Other indices such as claims, capitalisation, retention ratios etc. have grown significantly.

During COVID-19 pandemic, the commission had given support to the federal government. A total of N643.9million was mobilised out of which N500million was donated to the federal government, N112.5million to procure free COVID-19 intervention Term Life Insurance Cover for frontline health personnel attending to

COVID-19 victims.

The commission has ensured improved accessibility of insurance through licensing of new entrants, stabilisation, reorganisation and improved capacity of the commission, staff welfare and emoluments, improved human capacity and infrastructure of the commission, information technology standards for the industry, insurance sector recapitalisation exercise, the insurance bill, construction of an industry committee on African Continental Free Trade Area (AfCFTA), regulatory guidelines, transition of the insurance sector to IFRs 17, alternative distribution channels, market development

and enforcement of compulsory insurance, and workshops and conferences.

On gross premium income, it is important to note that the insurance industry is one of the few sectors that continued to record growth in spite of the economic recession and the impact of the COVID-19 pandemic in 2020. From a premium of N282billion in 2015, the Nigerian insurance industry generated gross premium income of N616.1billion in 2021 and is expected to generate N737.53billion by December 2022.

The Nigerian insurance industry between the period 2015 and 2022 recorded gross premium income of N282billion,

N289.3billion, N326.1billion, N372.3billion, N426.2billion, N508.2billion, N514.5billion, N616.1billion and N737.5billion in 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 (projected full year figure, half year as at 30th June was N369.2billion) respectively. These represent increases in gross premium income of 2.6 percent (2015), 12.7 percent (2016), 14.2 percent (2017), 14.5 percent (2018), 19.2 percent (2019), 1.2 percent (2020), 19.7 percent (2021) and 19.7 percent (2022) with an average annual increase of 13.6 percent during the period under review. The non-life sector continues to dominate the industry.

In response to changes in the regulatory industry's landscape and impact of COVID-19 on our activities etc, the commission developed a Strategic Plan 2021-2023 after a rigorous process which includes a developmental strategy retreat that enabled the inputs of all the staff of the commission to be collated and incorporated into the deliverables and specific initiatives as well as approval of the governing board of the commission.

A strategic plan implementation matrix indicating relevant deliverables, initiatives and action items as well as corresponding the 'Start and End' dates was developed, the directorates/units responsible for each of the action items were identified, and this action cascaded to all the directorates/units for execution.

## Pension Transitional Arrangement Directorate (PTAD)

Interestingly, the PTAD created the pensioner data base through a well-organised, pension – friendly field verification from 2015-2019 across the six geo-political zones of the country.

The Directorate within this period has brought to bear prioritisation of pensioners welfare through state/regional mop-up exercise. Through the field mobile mop-up verifications conducted from 2015-2021, PTAD has created a comprehensive, credible pensioner database capturing about 263,819 pensioner biometrics and digitised employment records (as at December, 2021).

Clean up exercise on the payroll of pensioners is regularly conducted, to remove deceased pensioners and ineligible pensioners as they are reported or identified. As a result of the continuous clean up, PTAD has 228,828 pensioners on the payroll as at 31st August, 2022.

In line with one of its corporate goals of ensuring prudent financial management of public funds, PTAD suspended 21,227 unverified parastatals pensioners from the payroll in October 2020 due to non-verification and 5,834 due to irregular bank verification number (BVN) respectively.

The agency has automated regular and timely payment of over N610billion as monthly pensions from January 2015 to December, 2021.

PTAD has ensured that

monthly pensions are paid as and when due to all qualified pensioners on the pension payroll. All pension payments processes are automated with minimal manual interference, beginning from the benefits computation system to the payroll management system, before it is uploaded to the government approved platform-GIFMIS for cash backing by the Central Bank of Nigeria (CBN) directly into individual pensioners' account. Total monthly pension that the agency has paid as at 2021 is N610,191,189,712.66 to 263,819 pensioners' database, with 229,256 pensioners on payroll.

By the agency, there is the implementation of consequential Adjustment of Pension for all DBS pensioners, increase of average minimum pension from about N500.00 to N8,638.74 and payment of N37.5billion arrears. The PTAD database that has been developed over the years, provided the much need data for accurate implementation. A total of N37,499,801,323billion has been paid in as final consequential adjustment arrears to pensioners of the four pension departments under PTAD.

PTAD inherited the assets and liabilities of the defunct pension offices. The sum of £26,505,862.97million, and £862.87 was repatriated as pensions funds that had hitherto been under investment with Crown Agents Investment Management

Limited, (CAIM), and United Kingdom. The total amount transferred into PTAD treasury account is decomposed as follows: The sum of £16,052,002.40 as transferred from the Nigeria Cocoa Research Funds; and the sum of 10,453,860.57 was transferred from the Federal Civil Service Funds.

PTAD has so far paid a total of N1,103,985,124 to 559 to retired war affected police officers. These pensioners are former police officers who fought on the side of Biafra during the in 1971, but later pardoned and granted amnesty in May, 2000, by the President Olusegun Obasanjo. Most of the officers were not paid until October 2017 when President Muhammadu Buhari approved the payment of their accrued arrears, unpaid gratuities and death benefits. PTAD commenced the enrolment and payments of the qualified officers on Friday 20th October, 2017 at a flag off ceremony held in Enugu.

PTAD inherited the liabilities of the defunct pension offices upon assuming responsibility for the defined benefits scheme (DBS). As at 31st December 2021, the Directorate has recovered cash and non –cash assets totalling N17.85 billion, comprising N11. billion from the pension Boards of Trustees (BOT) and N6.85 billion from insurance under writers.

The Directorate ensured complete payment of outstanding

pension liabilities due to New Nigeria Newspaper (NNN) and Nigeria Reinsurance Corporation ((Nigeria –Re) Pensioners; and partial settlement of various outstanding pension liabilities due to pensioners of other defunct agencies.

PTAD also completed the payment of all outstanding inherited liabilities due to ex-workers of two defunct agencies – namely, Nigerian Reinsurance Corporation (Total 126 months of inherited liabilities completely liquidated) and new Nigeria Newspaper Ltd (total 219 months of inherited liabilities completely liquidated). The Directorate also settled a significant portion of the outstanding inherited liabilities due to ex-workers of NICON Insurance, Delta Steel Company Ltd and NITEL/MTEL which are also defunct.

PTAD has developed the 'I am alive' confirmation solution, a web-based application designed to consolidate the gains of the field verification exercises. The "I am alive" confirmation application is used to periodically confirm whether a pensioner is alive and should continue to receive their pension. The solution was successfully and officially launched under a pilot project on Tuesday, October 12, 2021 by the Executive Secretary, Dr. Chioma Ejikeme. Further, through it, deceased pensioners can be promptly identified and removed from the

payroll enhancing the integrity and accuracy of PTAD payroll and saving government funds.

As of July 31st 2022, PTAD has paid out the sum of N8.5billion as various pension entitlements to 26,282 Civil Service Pension Department (CSPD) pensioners following the Directorates' computation and validation project which commenced in 2020.

One of the most important steps taken by PTAD early on its establishment is the adoption of the 'Zero Tolerance' to pension fraud. This was aimed at establishing trust between the Directorate and its pensioners, and to ensure pensioners are not swindled by fraudsters. The Unit was established in 2016 to expedite the fight against corruption.

The Directorate has created state offices in all geo-political zones of Nigeria. The aim of establishing state offices in all geo-political zones of Nigeria is to reduce exposure to the risks associated with long-distance travel for pensioners, most of whom are very vulnerable given their age and sometimes, health conditions. The liaison office in Ibadan, Oyo state was opened on march 3rd, 2022. This brings the total number of state offices to 12, with a minimum of one in every geo-political zone of the country.

..to be continued in the next edition



# On The Many Achievements of Federal Ministry of Finance, Its Agencies

The Ministry of Finance, Budget and National Planning has from inception of this administration successfully monitored and evaluated the implementation of all approved FEC/MTB capital projects of its agencies to improve transparency in federal government spending and expenditure as well as to provide useful feedback mechanism to plan future execution of government project.

From 2015-2022, there has been an improved transparency and accountability in the management of the Federation Account resulting in the increased revenue accruable to the three tiers of government. The ministry facilitated the implementation of various federal government intervention schemes to sub-nationals viz; salary arrears bailout facility used to offset the backlog of salaries of public servants in the States, Excess Crude Account Backed (ECA) Loan facility assisting the States to address infrastructural deficits and budget support facility (BSF) under which N614.915 billion was released to 35 participating States for the effective implementation of their annual budgets, particularly capital expenditures.

The ministry facilitated other federal government's intervention facilities for sectoral development in the States such as the commercial agricultural credit scheme (CACs), health care support facility, differentiated cash reserved requirement (DCRR) facility and several bonds issuance programme.

The ministry facilitated President Muhammadu Buhari's approval for a bridging facility of N656,112,099,740.03 disbursed in six tranches of N3,007,180,457.14 each to the 36 states to cushion the effects of the repayment of existing federal government loans (budget support facility, excess crude account-backed loan) facility and salary arrears bailout facility). A moratorium of two years was granted before the commencement of the repayment on the facility.

The ministry in collaboration with the World Bank introduced the States' Fiscal Transparency, Accountability and Sustainability (SFTAS) Programme for Result in 2018. The objective of the programme is to strengthen fiscal transparency, accountability, and sustainability in the states. So far, the total sum of USD\$1,204,235,000 (N471,909,039,950) was disbursed to states from inception of the SFTAS programme in 2018 to the second quarter of 2022.

The ministry regulates and promotes trade activities for economic growth and development through issuing guidelines for the export and import sectors. From 2015 to date, the ministry obtained Mr. President's approval for the appointment of three pre-shipment inspection agents (PIAs) and two monitoring and evaluation agents (MEAs) for the Non-oil sector on the 29th September, 2020.

The ministry commenced the process of appointing Pre-shipment Inspection Agents (PIAs) and Monitoring and Evaluation Agents (MEAs) for both Crude-oil/gas in line with the Mr. President's directive and the provisions of section 25(2) of the public procurement Act, (PPA) 2007. The process is at advanced stage. In collaboration with other regulatory agencies, the ministry reviewed and issued the current Export/

## POLICY BRIEF

with

**ENAM OBIOSIO**



Import Guidelines in 2017 to make trade facilitation seamless and generate more revenue.

On Presidential Enabling Business Environment Council (PEBEC), the ministry collaborated with relevant stakeholders in getting Mr. President to sign an Executive Order (Eo1) on the Ease of Doing Business (EoDB), to achieve reduction of the documentation requirements from 10-7 for exports and 14-8 for import activities. It facilitated the automation of Nigeria Export Proceed Form (NXP) on the TRMS in collaboration with the CBN.

In liaison with the Nigerian Custom Service (NCS), the ministry ensured that all containerised cargoes coming into Nigeria must comply with the following: International Standard for packing /

country's borders becoming more secured which strengthened the economy, curtailed numerous trans-border economic and security challenges, achieved food security, reduction of some illegal activities around the borders, strengthened inter-agency collaboration and reduction of animosity, improved revenue generation and enhanced agriculture and industrialisation as enforcement on prohibition of smuggled agricultural, poultry and livestock products encouraged farmers and local industries in the agricultural value chain to increase local content production.

The ministry coordinates and aligns the operations of banking and financial institutions by establishing financial relations between the Federal, States and Local Governments as well as parastatals

**So far, the ministry played an important role in reviewing policy matters related to the country's financial services sector such as the implementation process...**

stuffing, timely issuance of Pre-Arrival Assessment Reports (PAAR) within 24 hours by the NCS, timely issuance of letter of Credit (LC) by authorised Dealer Bank (ADB) within 24 hours subject to availability of funds in importers' account and approval by the importer, timely issuance of Clean Certificate of Inspection (CCI) within 48 hours by the Pre-shipment inspection agents (PIAs), and timely transmission of NXP Forms by Banks and NCS within 48 hours.

The ministry facilitated obtaining the FEC approval for the award of contract for the purchase of three units of Raspiscan Mobile Scanners by NCS in 2021. The scanners have been supplied, deployed at Apapa, Tin-Can and Onne Ports and commissioned by the Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Shamsuna Ahmed. The procurement of three units of Raspiscan Mobile Scanners is, therefore, aimed at enhancing revenue collection, reducing physical examination of goods and facilitating speedy clearance of goods as well as safeguarding national security and safety.

The ministry was to facilitate the implementation of federal government policy on border closure introduced on 20th August, 2019, and recommended measures that were put in place by the National Security Adviser leading to the

and government-owned companies.

In terms of achievement, the ministry processed Nigeria's membership into the African Trade Insurance (ATI); provided policy direction/guidance in the implementation of planned programmes and projects of parastatals/Adhoc Committees under the supervision of the ministry; and participated in the review of the Insurance Consolidated Bill, 2013 and re-enactment of Insurance Consolidated Bill, 2016 towards addressing the challenges in the insurance industry and repositioning it to be in conformity with international best practices.

The Honourable Minister granted approval to Nigeria Deposit Insurance Corporation (NDIC), for upward review of maximum deposit insurance coverage (MDIC) for primary mortgage banks (PMBs) from N200,000 to N500,000 per depositor and extension of the differential premium assessment system (DPAS) currently being used for deposit money banks (DMBs). The corporation has been faithful in the remittance of its surplus year in year out.

The Honourable Minister inaugurated the Governing Boards of National Insurance Commission (NAICOM), Nigeria Deposit Corporation (NDIC), Nigeria Export-Import (NEXIM) bank, Investments and Securities tribunal (IST) etc in realisation

of the mandate of the agencies to enhance effective and efficient discharge of their mandate towards ensuring stability of the financial system.

In line with government diversification policy and to ensure non-oil exports, the Honourable Minister approved N500 billion and N50 billion for non-oil stimulation facility for NEXIM bank to boost non-oil exports financing as well as to enable manufacturers of non-oil products procure equipment and other materials for production activities. Recently, the bank rolled out N25 billion to qualified manufacturers of non-oil export products for export.

The Honourable minister approved for NEXIM bank to increase its share capital from N121 billion to N500 billion over the next five years.

So far, the ministry played an important role in reviewing policy matters related to the country's financial services sector such as the implementation process of the Nigeria capital market through the Capital Market Plan Implementation Committee (CAMMIC), commodities trading ecosystem based on the 10-year plan for the development of the Nigerian capital market (the Nigerian Capital Market Master Plan 2015-2025). These initiatives were geared towards improving the financial services sector by expanding the development of thriving commodities ecosystem with a view to achieve global best practice.

In collaboration with AMCON, the ministry was able to resolve a significant part of Eligible Bank Assets (EBA) disposable and recoveries of non-performing loans.

The states fiscal transparency, accountability and sustainability programme is not left out. In a bid to improve on the doing business environment and revenue generating capacity across the States of the federation, the Buhari administration, through the ministry, negotiated and implemented the project called 'States' Fiscal Transparency, Accountability and Sustainability programme' to provide fiscal support to states. The project cost was \$750,000,000 and it was given as grant to the States.

The federal government, through the action of the ministry, implemented the COVID - 19 Action Recovery and Economic Stimulus programme (N-CARES) to support States level efforts to protect lives and livelihoods. The project was to ensure food security and stimulate economic activity.

The President Muhammadu Buhari-led administration, through the activities of the ministry, also negotiated and obtained concessionary loan facilities to finance, among others, the following projects in order to strengthen infrastructural development across the country: Nigerian railway modernisation projects (Lagos-Ibadan Section) at the cost of \$1,267,317,586.10; Lagos-Ogun power transmission project -USD 238 million; Greater Abuja water supply project - \$379,691,165.88; Supply of rolling stock and depot equipment for Abuja light rail phase 1 project - \$157,001,049.89; National information communication technology infrastructure backbone (NICTIB) phase II project: \$328,108,731.00/RMB 2,300,000,000.00.