

# The Impacts Of The Fiscal Policies And The Ministry Of Finance Are Quite Notable

The impacts of the fiscal policy drive of the Honourable Minister of Finance, Budget and National Planning, and the way that the ministry and its agencies have executed their jobs from 2015 to date have been quite towering. The national development plan has seen the ministry collating and harmonising the inputs of its agencies into the agenda 2050 and

the National Development Plan 2021-2025. 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

## EDITORIAL

forecasting model of the Nigerian economy for government policy purposes. This culminated in the 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 a quarterly bulletin on the Nigerian economy.

Apart from submitting FEC

memoranda and the Reports between 2016 and 2022, the ministry has ensured 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

CONTINUES ON PAGE 6

# fmfinsights

Economy & Investment

Our Dear Esteemed Reader  
Happy New Year! Free

f fmfinsights | y fmfinsights | i @fmfinsights | www.fmfinsights.com | Monday, 2nd - Sunday, 15th January, 2023 | 39th EDITION

## How Finance Minister Increases Nigeria's Revenue Mobilisation, Infrastructure Growth

Since her appointment as the Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Shamsuna Ahmed has been blazing the trail in fastracking Nigeria's economic growth. In this report, our correspondent, Musa Ibrahim, analyses the efforts and policies initiated by the ministry under Mrs. Ahmed.

Mrs. Ahmed, upon assumption of office, set the ball rolling, knowing full well the challenges of the economy, one of which is revenue drive.

### Domestic Resource Mobilisation (DRM)

The domestic revenue mobilisation (DRM) is a non-oil revenue policy of the Federal Ministry of Finance, Budget and National Planning which has now grown non-oil revenues both in absolute and relative terms through the implementation of the Strategic Revenue Growth Initiative (SRGI).

Statistics have shown that non-oil revenues grew from 29.2 percent of total revenues between 2007 to 2014 to about 50 percent between 2015 and 2018 in particular.

Companies' income tax (CIT) and value added tax (VAT) have done particularly well with CIT exceeding the target by 31 percent while VAT and customs revenues were at 99.8 percent and 82.9 percent of target as of September 2022. And

CONTINUES ON PAGE 3



R-L: Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, with Honourable Minister of Information and Culture, Lai Mohammed, during Ministerial Scorecard of the Federal Ministry of Finance Budget and National Planning recently.

### SUKUK

N100bn Sovereign Sukuk Issuance For 2022 Closes On A High Note

PG 4

### PONZI

Experts Suggest Ways To Curb Menace Of Ponzi Schemes In Nigeria

PG 7

### LOANS

N500bn SME Loans: FG To Review Criteria For Disbursement –Ahmed

PG 11



...it pays to pay your TAX





## FACILITATING EXPORT DIVERSIFICATION PROMOTING TRADE CONNECTIVITY

NEXIM's mandate is to provide credit and risk-bearing facilities to support the export of Nigerian products and services. Also, the Bank, as part of its developmental roles is involved in trade-related infrastructure facilities with its regional Sealink project promotion to enhance Nigeria's trade connectivity. Our intervention covers manufacturing, agro processing, solid minerals, and services sectors.

### CORPORATE HEAD OFFICE

#### NEXIM House

Plot 975 Cadastral Zone AO,  
Central Business District, Abuja

**Phone** +234 9 4603 630- 9

**Fax** +234 9 4603 638

**Email** neximabj@neximbank.com.ng

### ONLINE

facebook.com/neximbank  
twitter.com/neximbank  
youtube.com/nexim bank

[neximbank.com.ng](http://neximbank.com.ng)

### REGIONAL OFFICES

#### Lagos Regional Office

189, Gerrard Street, Ikoyi,  
Lagos State, Nigeria.

**Phone** +234 1 7615891

**Email** lagosregionaloffice@neximbank.com.ng

#### Yola Regional Office

10 Obasanjo Way, Old NEPA Road,  
Jimeta, Adamawa State, Nigeria.

**Phone** +234 706 9790 897

**Email** yolaregionaloffice@neximbank.com.ng

#### Enugu Regional Office

House 11, Coal City Garden,  
GRA, Behind CBN, Enugu, Nigeria

**Phone** +234 806 0741 178

**Email** enuguregionaloffice@neximbank.com.ng

#### Kano Regional Office

Fatima House, (Opposite Daula Hotel) Murtala  
Mohammed Way, Kano State, Nigeria.

**Phone** +234 6 4638306

**Email** kanoregionaloffice@neximbank.com.ng

#### Calabar Regional Office

Calabar Export Processing Zone,  
P.M.B. 1127, (Free Trade Zone) Calabar,  
Cross River State, Nigeria.

**Phone** +234 806 2988 225

**Email** calabarregionaloffice@neximbank.com.ng

#### Akure Regional Office

10 Ogiri Oko Road Alagbaka,  
Akure, Ondo State

**Phone** +234 802 7451 554

+234 803 6998 465

**Email** neximabj@neximbank.com.ng

#### Benue Regional Office

10 Ogiri Oko Road, Opposite Mobile  
Police Head Quarter, Adjacent Central  
Bank of Nigeria, Old GRA, Makurdi, Benue State, Nigeria.

**Phone** +234 803 4776 379

+234 818 6607 759

**Email** neximabj@neximbank.com.ng



# How Finance Minister Increases Nigeria's Revenue Mobilisation, Infrastructure Growth

CONTINUED FROM COVER

subsequently, information and communication (ICT) reforms have also been instrumental in supporting domestic revenue mobilisation efforts which include full implementation of the Treasury Single Account (TSA), to check leakages and increased use of Government Integrated Financial Management Information System (GIFMIS) functionality and national single window implementation.

## Institutionalisation of Annual Finance Acts to Support Revenue Efforts

As part of its efforts to back revenue drive with relevant laws, the Annual Finance Act, re-introduced in the 2010 fiscal year, is now a fiscal addition by which specific provisions in extant tax laws impacting revenue generation and collection, tax administration and improvements to the business environment are amended via an omnibus bill.

Similarly, the ministry increased VAT revenues primarily to support states and local governments' finances during and after the impact of the COVID-19 pandemic on the economy.

The ministry had also embarked on reforming archaic tax legislation in line with global best practices to combat base erosion and transfer pricing as well as taxation of securities lending and real estate investment.

So far, fmfinsights notes that specific provisions in the last three Finance Acts have led to the removal of double taxation and simplification of minimum tax calculation (2019), increase in VAT rate from five percent to 7.5 percent (2019) and reduction of withholding tax from five percent to 2.5 percent for roads, bridges, buildings, and power plants and exemption of small businesses from CIT (2019) not forgetting the introduction of electronic money transfer levy (EMTL) of N50 on every N10,000 electronic transfer or receipt of money (2019 and 2020).

## Downward review of the Duty/Levy Regime Transportation Sector

The Federal Ministry of Finance has so far rolled out an initiative for the transport sector (targeting motor vehicles, buses and trucks – 2020) as well as several measures introduced to support automation and ICT reforms by the Federal Inland Revenue Service (FIRS) (2020 and 2021).

Worthy of note is the introduction of an excise duty of N10 per litre on non-alcoholic carbonated and sweetened beverages (2021) and the partial roll-back of the exemption of shares from capital gains taxes (2021).

## Debt Sustainability

In the area of debt sustainability, the Ministry of Finance championed the effective implementation of Nigeria's Medium-Term Dealers (MTDs)



Mr. Aminu Umar-Sadiq, MD/CEO, NSIA

that provide a bulwark against the current macroeconomic pressures facing Nigeria and other countries from the effects of the COVID-19 pandemic, United States (US) fiscal and monetary

policy and the Russia-Ukraine war by proactively restructuring Nigeria's debt portfolio (28 percent of gross domestic product (GDP) compared to 40 percent target) to give a greater share to

domestic borrowing.

Similarly, non- concessional financing and long-term debt instruments was taken into consideration and recognising contingent liabilities such as the

recourse to ways and means to shore up government's spending during tough times.

This in turn has put Nigeria in a stronger position to absorb external shocks from global financial markets.

## Innovative Approaches to Infrastructure Financing

Given Nigeria's limited fiscal space, the federal government through the Ministry of Finance, Budget and National Planning has overtime adopted several innovative approaches to ensure financing of critical infrastructure.

These innovations include Road Infrastructure Tax Credit Scheme (RITCS) by which Nigeria is leveraging private sector capital and expertise to construct, repair and maintain critical road infrastructure in key economic corridors and industrial clusters.

As a result of the project, so far, 33 road projects, covering a total length of 1,564.95 km have been approved, pursuant to which private sector companies are incentivised to invest in the construction and rehabilitation of Federal and State Roads, and subsequently recover their investment back through an innovative tax credit mechanism, setting off credits against corporate tax liabilities.

Already, leading corporate participants are sponsoring the project including Dangote Group's Reconstruction of 34km Apapa-Oworonshoki- Ojota Expressway as well as Dangote Group's 43km Obajana-Kabba Road.

Also, Nigeria LNG Limited's 38km Bodo-Bonny Road and Bridges Project, not forgetting MTN Group's Reconstruction of the 110km Enugu-Onitsha Expressway.

In total About N97.471 billion in tax credits have been approved for issuance.

## Presidential Infrastructure Development Fund (PIDF)

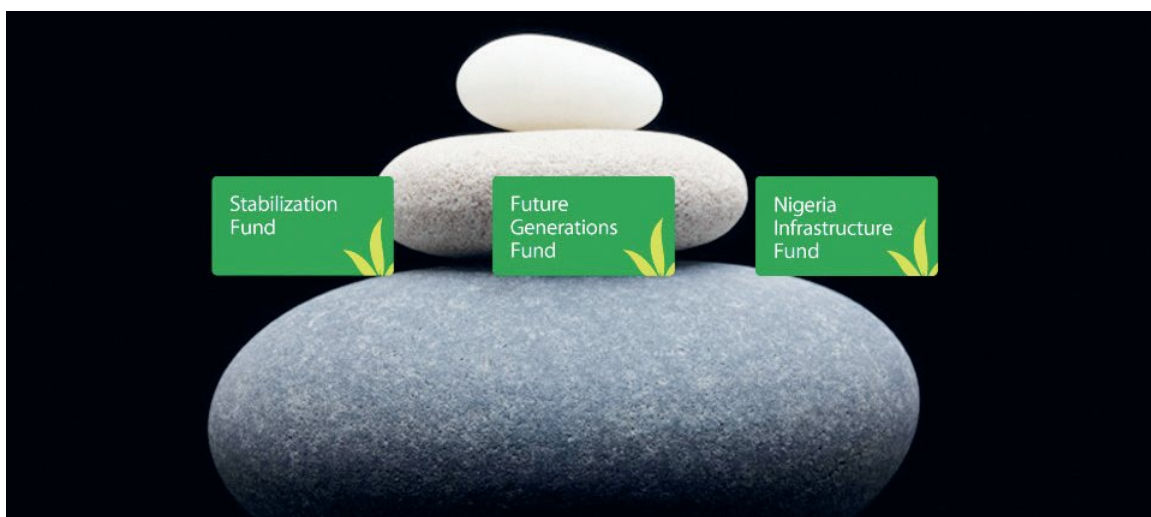
The federal government recently introduced a presidential initiative to accelerate the completion of key road infrastructure projects linking major commercial centres across the country.

The key projects include Lagos-Ibadan Expressway, Second Niger Bridge Project, Abuja-Kano Road, Mambila Hydro- Power Project and East-West Road as well as the Sukuk bonds.

So far, the Debt Management Office (DMO) has issued four Sovereign Sukuk bonds for construction and rehabilitation of key road projects through the Federal Ministry of Works and Housing and the Federal Capital Territory (FCT) administration. The total Sovereign Sukuk Issuance stands at N742.557 billion.

The different policies by the Ministry of Finance, under Mrs. Zainab Ahmed, have received commendations by stakeholders, while calling for the continuation of the policies by the next administration.

# The different policies by the Ministry of Finance, under Mrs. Zainab Ahmed, have received commendations by stakeholders





# N100bn Sovereign Sukuk Issuance For 2022 Closes On A High Note

By Jennete Ugo Anya

The Debt Management Office (DMO) has stated that the conclusion of the issuance of N100 billion Sovereign Al 'Ijarah Sukuk was successful.

The offer for N100 billion opened on November 21, 2022 and was supported by wide public sensitization to encourage subscription from diverse investors, particularly the retail investors. The initial offer size of N100 billion was upsized to N130 billion due to the over 165 percent Subscription level. The Sukuk was issued at a rental rate of 15.64 percent per annum. This brings the total Sovereign Sukuk Issuance to N742.557 billion as at date.

The level of subscription is evidence of investors' confidence in the use and impact of Sukuk in the construction and rehabilitation of road infrastructure across the country. The proceeds of the 2022 Sovereign Sukuk, like the previous Sukuk Issue Proceeds, will be used solely for the construction and rehabilitation of key road projects through the Federal Ministry of Works and Housing and the Federal Capital Territory Administration (FCTA).

The DMO appreciates all the investors (retail investors, banks, pension fund administrators, assets/fund managers, insurances companies, ethical funds, takaful operators/non-interest banks, stockbrokers, government agencies, high net worth individuals, trustees and unit trusts) who have continued to support the Federal Government's infrastructure development efforts through Sukuk financing. The strong participation of retail investor, ethical funds and non-interest financial institutions in this Sukuk Offering, attest to the fact that the government's objective of promoting financial



Ms Patience Oniha, Director-General, Debt Management Office

inclusion through admitting more retail investors and ethical funds into the financial system is being achieved.

The DMO on its part, will work to sustain the laudable achievements recorded so far in the use of Sukuk Issue Proceeds for the construction and rehabilitation of Nigerian roads, and thereby, continue to enhance ease of commuting and doing business, safety on our roads, job creation, economic growth, and prosperity of our nation.

Recall that Nigeria's Debt Management Office (DMO) not long ago expressed confidence in government's capacity to service its mountain raft of debts despite grave shortfalls in revenue, saying that the debts are concessional and within the low threshold of debt to GDP ratio.

However, in view of grave revenue challenges, the government agency called for urgent measures

to moderate further borrowings to stave off pressure on debt burden and sustainability.

Speaking at the annual workshop of the Capital Market Correspondents Association of Nigeria (CAMCAN) with the theme "Nigeria's Public Debt and the Capital Market," DMO Director-General, Ms Patience Oniha, explained that 60 percent of the government's external debt is long term and the cost is below three percent per annum.

According to her, the ratio of Nigeria's total public debt to GDP stood at 23.06 percent as of June 2022, which she said, is still within Nigeria's self-imposed limit of 40 percent and the World Bank/IMF recommended limit of 55 percent for countries within Nigeria's peer group and 70 percent for ECOWAS countries.

She admitted, however, that the ratio of debt service to revenue

is extremely high due to grave shortfalls in revenue, compounded by much dependence on crude oil earnings resulting in budget deficits over the past decades.

She noted that an extremely high ratio of debt service to revenue is an indication that urgent steps needed to be taken to boost nation's revenue and enhance public debt sustainability.

Nigeria's public debt stock has grown consistently over the past decades and even faster in recent years. Consequently, debt service has continued to grow.

She admitted that Nigeria's low revenue base is compounded by dependence on crude oil which has resulted in budget deficits over the past decades.

She however said efforts at increasing non-oil revenue are yielding positive results.

"Dependence on borrowing and low revenue base is now threatening

debt sustainability. With a low debt to GDP ratio, Nigeria's debt service to revenue ratio would have been low if revenue was strong," Oniha told capital market reporters.

She stressed the need for more efficient tax administration, plug revenue leakages, improves tax administration, and shore up non-oil revenue sources.

Revenue challenge, she said, remains one of the most critical fiscal policy issues currently threatening the nation's debt sustainability, pointing out that outlook of both the local and international markets are becoming tighter with rising interest rate.

She, therefore, called on the authorities to urgently moderate new borrowings for its debt to remain sustainable, accelerate its revenue base to shore up non-oil revenue, and rationalize expenditure.

According to her, most countries around the world have placed more emphasis on taxation as a principal source of funding for the government while the reverse is the case in Nigeria.

Aside from taxation as a source of revenue generation, Oniha stated that borrowings must be tied to projects that would generate commensurate revenues to service loans used to finance the projects.

She also said that physical assets such as idle or under-utilised properties could be redeveloped for commercialisation to generate revenue.

Speaking on initiatives and activities for debt sustainability, Oniha said that Nigeria deploys debt management tools of the World Bank and IMF that enable debt sustainability.

She noted these tools include an annual Debt Sustainability Analysis (DSA) and a Medium-Term Debt Management Strategy (MTDS) every four years.

## Scorecard: Policy Depth Of Finance Ministry, Agencies Spells Well For Nigeria Investment And Securities Tribunal (IST)

The Tribunal handled many cases including originating Applications, Appeals with an estimated monetary value of over N102,000,000,000.00. These cases which were resolved through litigation as well as the Tribunal's Alternative Dispute Resolution (ADR) window were duly resolved within the statutory period of three months.

The turnaround time for the resolution of disputes at the Tribunal (i.e. three months) has stood the IST out amongst other dispute resolution infrastructures in Nigeria. This tides with the government's desire for an enabling environment for doing business, which is a major attraction for both local and foreign investors.

Accordingly, the adjudicatory regime of the Tribunal is one of the key indicators of the ease of doing business in Nigeria.

The IST is a confidence builder that has helped in boosting investors' confidence and enhancing the desired market stability.

The use of new technologies in the courtroom such video conferencing, real-time court reporting/ transcription of proceedings, e-witnessing and evidence-presentation systems that can display digital photos, documents and other evidence has been accepted worldwide.

The IST has also setup wireless Voice over IP (VoIP) phones. These phones give improved call quality and are cost effective with the

efficient internet connectivity. The tribunal is also leveraging on this improved ICT infrastructure for e-filing and virtual hearing of cases.

The tribunal remodelled its courtrooms in the Head Office, Lagos and Kano Zonal Offices to a befitting standard with state-of-the-art sound, recording and transcription equipment. This provides a congenial atmosphere in the hearing of cases.

To improve the search engine optimisation and site performance, the tribunal redesigned its website to make it more attractive, generate more lead and functionality for better user experience. The website has since been up and running with daily updates, securities checks and maintenance.

The tribunal reviewed its 2014 procedural Rules to keep in tune with the evolving Nigerian capital market; the new Rule which took effect from the 5th September 2022 removed all lacuna observed in the old rules and incorporate the use of technology and other trends in the market in its proceedings.

As part of the Capital Market Master plan the tribunal has continued to engage critical stakeholders on its operations to further create public awareness and enlighten stakeholders on its operations.

The tribunal publishes its decisions in the Nigerian Investments and Securities Law Reports (NISLR) which serve as reference materials, whilst

deepening the capital market jurisprudence. Copies of several volumes of the publications are available in the tribunal.

The tribunal will urgently explore ways and means to secure the constitutional recognition and entrenchment of IST with the assistance of capital market solicitors, prominent legal practitioners and other capital market stakeholders. To achieve the world class status envisaged in her vision, the IST desired to keep its staff abreast with best practices local and international through training and retaining; this will positively impact on the quality of decisions, rulings and pronouncements. It will also affect the general operations of the tribunal.



# Non-oil Sector Keeping Nigeria's Economy Afloat - Finance Minister

## • The Sector Boosts 2.25 % GDP Growth



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**



Deputy Secretary-General of the United Nations, **Hajiya Amina Mohammed**

Recently, the Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, hosted the Deputy Secretary-General of the United Nations, **Hajiya Amina Mohammed**. In her submissions, the minister highlighted how the non-oil sector has been sustaining the Nigerian economy. Our correspondent, **Musa Ibrahim**, reports.

The Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, has said that the country's non-oil sector has now become a force to be reckoned with as it has been contributing immensely to the country's economy.

She spoke while briefing the Deputy Secretary-General of the United Nations (UN), Mrs. Amina Mohammed, who visited her in Abuja recently.

In her opening remarks, Mrs. Ahmed listed some of the achievements of the government, stating that progress has been made in diversifying the Nigerian economy with non-oil export contributing close to 73 percent. She said that economically, the country is in a healthy situation considering the position of the global economy.

Mrs. Ahmed noted that the country had witnessed two recessions during the President Buhari administration.

"But we have been able to turn it around. "The non-oil revenue share of funding the federal government is growing and contributing significantly, and that is what is really holding the economy now".

According to her, given that President Buhari has issued a proclamation authorising a national

census to be conducted, the country will need both technical and logistics support from the UN and other agencies that are saddled with such responsibilities.

"It will be very tasking on the federal government budget. Next year, we have elections and census that are very expensive, so we really do need these interventions to help us navigate those two big challenges," Ahmed said.

She, however, commended the United Nations Population Fund (UNFPA) for what it is doing with the National Population Commission (NPC), pointing out that UNFPA has embedded a special adviser that is working with the population commission.

The Honourable Minister while briefing the Deputy Secretary General on Nigeria's effort towards keeping its head above board, said that global rating agencies were insensitive to current global challenges and peculiarities of Nigeria and other developing nations in their recent downgrades of the country.

According to her, despite all the cooperation extended to

the rating agencies like Fitch, Moody's, Standard and Poor's (S&P), the rating agencies were not considerate in their assessment of the circumstances Nigeria and similar countries were operating in.

She said: "We are coping with a lot and we are doing the best we can under very difficult circumstances. But to have to cope with credit rating agencies working as if nothing has changed, not realising the kind of shocks we are suffering and coping with, and assessing us and downgrading us for factors external to us even when we are putting our best efforts, we think it is a situation we realise we cannot change.

"In this ministry, we engage every credit rating agency and provide everything it asks for. But it seems as if it is not enough. There has to be some support that we need to get.

"They themselves need to do things differently. You cannot be making the same kind of assessments they were making some time ago. Things are different.

"Things are not going well for

many countries. We have seen some of our sister countries really hurt."

The Honourable Minister called on the UN and other international bodies to save developing countries like Nigeria from the clutches of rating agencies, noting that unless there are interventions at a very high international level, countries that are developing will be the ones that would carry the brunt of this attitude of the credit rating agencies.

In her remarks, Mrs. Mohammed cautioned the federal government on the planned review of fuel subsidy. "Review of fuel subsidies is hugely important to the economy. However, it has to be handled with care, targeting effectively what one believes is important," Mohammed said.

She noted that it is also important "for people to understand that those perceived gains from subsidy are actually going to translate into their lives towards reducing poverty, ensuring jobs for our women and youths."

Meanwhile, the National Bureau of Statistics (NBS) has released new data that shows that Nigeria's gross domestic product (GDP) grew by 2.25 percent (year-on-year) in real terms in the third quarter of 2022.

The growth was boosted by Nigeria's emerging non-oil sector that recorded impressive growth rate in the quarter under review.

The non-oil sector grew by 4.27 percent in real terms during the reference quarter (Q3 2022). This rate was lower by 1.18 percent points compared to the rate recorded same quarter of 2021 and 0.50 percent points lower than the second quarter of 2022.

The sector was driven in the third quarter of 2022 mainly by

information and communication (telecommunication); trade; transportation (road transport); financial and insurance (financial institutions); agriculture (crop production) and real estate.

In real terms, the non-oil sector contributed 94.34 percent to the nation's GDP in the third quarter of 2022, higher than the share recorded in the third quarter of 2021 which was 92.51 percent and higher than the second quarter of 2022 recorded as 93.67 percent.

The total GDP growth rate declined from 4.03 percent in the third quarter of 2021. The reduction in growth is attributable to the base effects of the recession and the challenging economic conditions that have impeded productive activities.

According to the statistics bureau, the Q3 2022 growth rate decreased by 1.78 percent points from the 4.03 percent growth rate recorded in Q3 2021 and decreased by 1.29 percent points relative to 3.54 percent in Q2 2022.

However, quarter-on-quarter, real GDP grew at 9.68 percent in Q3 2022, reflecting a higher economic activity in Q3 2022 than the preceding quarter. In the quarter under review, aggregate GDP stood at N52, 255,809.62 million in nominal terms.

This performance is higher when compared to the third quarter of 2021 which recorded aggregate GDP of N45, 113,448.06 million, indicating a year-on-year nominal growth rate of 15.83 percent.

The nominal GDP growth rate in Q3 2022 was higher relative to the 15.41 percent growth recorded in the third quarter of 2021 and higher compared to the 15.03 percent growth recorded in the preceding quarter.

**The growth was boosted by Nigeria's emerging non-oil sector that recorded impressive growth rate in the quarter under review**



# THE TEAM

**Publisher/Editor-In-Chief**  
Yunusa Tanko Abdullahi

**Editor**  
Enam Obisio

**Associate Editors**  
Tony Tagbo  
Felix Omoh-Asun  
Joseph Uchea  
Emeh Obi  
Kirk Leigh

**Senior Correspondent**  
Musa Ibrahim

**Correspondents**  
Ahmed Ahmed  
Anita Dennis  
Chiamaka G. Okpala  
Edmond Martins  
Kingsley Benson  
Majeed Salaam  
Jennete Ugo Anya

**Reporter**  
Albert Egbede

**Advertising/Photo Director**  
Aisha Augie-Kuta

**Enquiries**  
08023130653  
08058334933

**Marketing**  
Elizabeth Akamai

**Subscriptions**  
Sandra Usman

**Graphics/Production**  
Gabriel Olatunde Emmanuel

D2-32 Atiku  
Abubakar Crescent,  
Cityview Estate,  
Dakwo, Abuja

# EDITORIAL

## The Impacts Of The Fiscal Policies And The Ministry Of Finance Are Quite Notable

CONTINUES FROM COVER

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.

Under the Honourable Minister, the ministry facilitated Mr. 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).

In liaison with the Nigerian Custom Service (NCS), the ministry ensured that all containerised cargoes coming into Nigeria must comply with government's directives. 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 by the Honourable Minister of Finance.

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).

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.

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).

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 N60 billion (N60.118 billion).

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.

The government, through the ministry raised revenue 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.

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 there for everyone to see. A total sum of N78.22 billion 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.

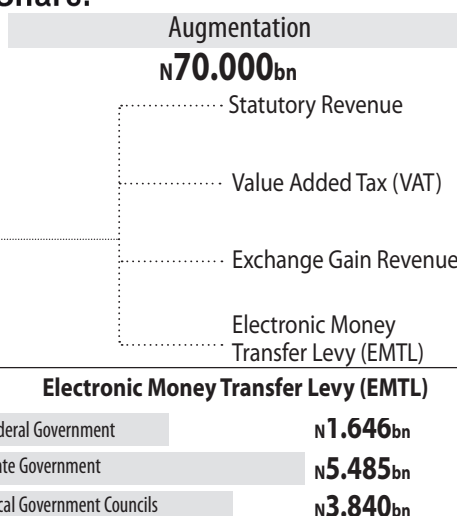
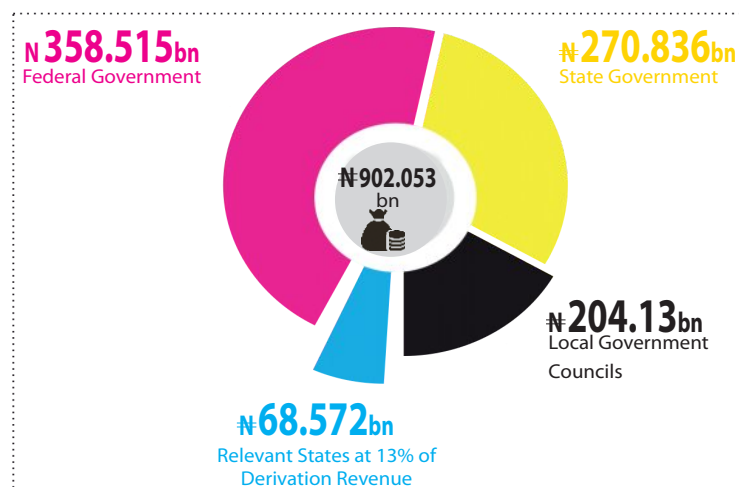
Since its inception of 'Youwin connect education workshop/book distribution', a total number of 2,500 of Enterprise Education workshop/books has been carried out for both NYSC camps and tertiary institutions nationwide.

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 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.

On Price Checker, the ministry has designed, developed and installed a web-based platform to aid the procurement process. 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. 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.

# 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**

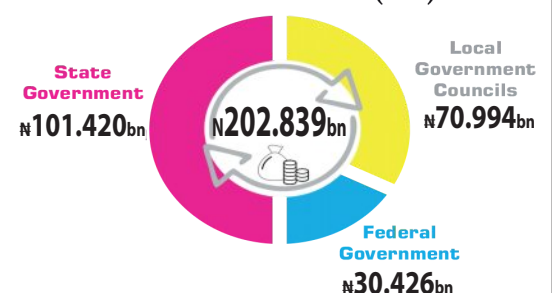
Total Deductions for Fransfers, Refunds and Levies  
**N232.288bn**

## Value Added Tax (VAT)

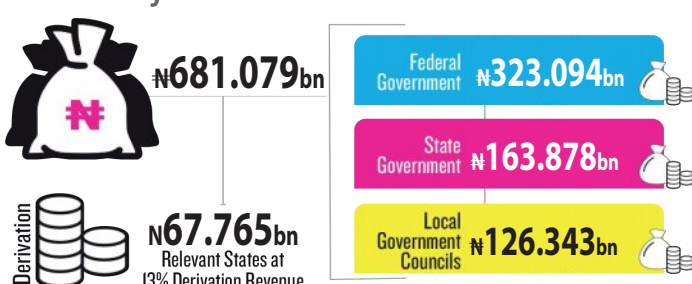


**N40.695bn** Cost Of Revenue Collection

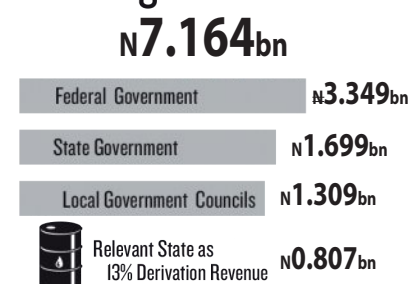
## Distributable Value Added Tax (VAT) Revenue



## 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.



# Experts Suggest Ways To Curb Menace Of Ponzi Schemes In Nigeria

## As CBN Explains Rationale Behind Naira Redesign

By Tony Tagbo & Musa Ibrahim

The fraudulent investing scam which generates returns for earlier investors with money taken from later investors set the tone for intellectual discussions by experts who gathered on how to end the devastating effects of Ponzi schemes on Nigerians.

They met at a 4-day workshop organised by the Nigeria Deposit Insurance Corporation (NDIC) for Finance Correspondents and Business Editors in Port Harcourt, Rivers State.

The history of Ponzi schemes in the country could be traced to the 1980s and early 1990s when the famous Umana-Umana investment platform and Planwell took the market unaware. Unsuspecting Nigerians were said to have lost an estimated N18 billion to the legendary MMM bust.

According to NDIC records, at least N911.45 billion has been lost to various Ponzi schemes and related frauds across the country since the debut of the scam 23 years ago.

Over 2,000 speculators lost N900 million to Yuan Dong Ponzi. Also, Galaxy Transport Ponzi schemes defrauded victims of N7 billion while N2 billion was lost to Famzhi Interbiz Limited. Nigerians who invested in Cowlane and Dureil also lost N100 million to each of the outfits.

At the NDIC workshop, five different papers were presented by resource persons sourced mainly from the corporation, Central Bank of Nigeria (CBN) and the media. The papers included, 'Rising Ponzi Scheme and Investment Scam in Nigeria: What We need to know; Understanding the role of premium contribution in an asante funding Deposit Insurance System; and The role of the media in addressing emerging issues in the banking industry'.

The Managing Director/CEO of the NDIC, Mr. Bello Hassan, had while declaring the workshop open, disclosed that the corporation has paid a total of N11.83 billion to over 443,949 insured depositors and over N101.37 billion to uninsured depositors of all categories of banks as at June 2022.

According to him, the NDIC bank liquidation mandate entails reimbursement of insured and uninsured depositors, creditors, and shareholders of banks in liquidation.

"The liquidation activities, as of June 30, 2022, covered a total of 467 insured financial institutions in liquidation, comprising 49 deposit money banks (DMBs), 367 microfinance banks (MFBs), and 51 primary mortgage banks (PMBs) and out of the 49 DMBs in liquidation, the corporation in September 2022 declared 100 percent liquidation dividend in 20 of those institutions, meaning that the corporation has realised enough funds from their assets to fully pay all depositors of the listed banks.

"As of June 30, 2022, the NDIC provided deposit insurance



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.

coverage to a total of 981 insured financial institutions, he said.

Giving a breakdown, the CEO explained that this includes 33 DMBs 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".

Delivering a paper at the workshop, NDIC Director of Bank Examination Department, Mr. Michael Oladele, noted that promoters of the schemes have become so sophisticated and creative in their tricks that broad

activities of Ponzi schemes which he linked to under-reporting and wrong classification.

According to him, a little more due diligence and recourse to history would have helped millions of Nigerians who had lost huge amount of money to the scammers.

The facilitator listed the key enablers of the frauds to include inadequate financial education, financial hardship, inadequate law enforcement/consequences, refusal to heed warnings and celebrity endorsements.

Mr. Oladele lamented that unrestrained Ponzi scheme cases trigger a lack of trust in the financial services system, poor

appropriate authorities.

However, on further investigations, it was discovered that the CBN is in collaboration with security agencies and other financial sector regulators to stem the tide of the unwholesome financial system.

It is intensifying its public awareness campaign to dissuade Nigerians from falling victims of the scammers.

Though the results are not measurable in terms of number of Nigerians that have used the CBN channels to escape the lure of the ponzi scheme purveyors, efforts of the apex bank have resulted in successful recovery and refund of N95.2 billion to victims in 2021.

The apex bank has used several public events to educate the general public on how to spot illegal financial services operators. It also used the occasions to advise the investing public to visit the websites of the Central Bank, SEC and other relevant member agencies of the apex bank's Financial Services Regulation Coordinating Committee (FSRCC) to verify the registration and licence status of illegal financial companies and schemes before investing in them.

The introduction of the new digital currency, e-Naira, by CBN is aimed at curbing the scheme. The CBN also used its website to enlighten the public against falling victim.

The apex bank described the continued activities of Ponzi schemes as a threat to the protection of investors, the functioning of a fair and orderly financial market, as well as the development of the economy at large.

### New Naira Has New Security Features – CBN

Meanwhile, the CBN has responded to complaints that its widely anticipated redesign of naira notes was merely a colour change of the notes without

additional security features, saying it had limited time to redesign the 200, 500 and 1000 bills.

The bank said that the new colours provided additional security.

Mr. Ahmed Umar, Director, Currency Operations of CBN, said this at a three-day workshop organised by the Nigeria Deposit Insurance Corporation (NDIC), for members of the Financial Correspondents Association of Nigeria (FICAN) and Business Editors.

Mr. Umar was represented by Amina Halidu-Giwa, Head, Policy Development Division, Currency Operations Department of the apex bank.

On why the new notes were so 'simple', Mrs. Halidu-Giwa said: "We want to solve a problem and we have limited time to do that. Redesigning is about change of colour or size. The ink itself is a security feature."

She said that the bank has no plan to introduce N5,000 notes. The workshop, which took place not long ago in Port Harcourt, has as its theme: 'Building Depositors Confidence Amidst Emerging Issues and Challenges in the Banking Industry.'

Mrs. Halidu-Giwa who spoke on the topic, 'Redesign of the Naira: Benefits to the financial system and the Nigerian economy', said that the apex bank was not carrying out note restructuring.

"We are not introducing any new note because there was noise, some people have seen one N5000 note that we do not know about," she said.

She explained that if the apex bank wanted to carry out note restructuring, it would need to coin the lower bills, like the N100 note for example.

She also said that the apex bank had not made any provision for exchange in the redesigned note, adding that what it was printing would only replace the currencies withdrawn.

"What we are printing is going to be very limited because we want other means of settling transactions to be used.

"Because Nigerians and cash, there seems to be a problem. And it will give us enhanced visibility and control of the currency. We will also be able to control the number of banknotes outside," she said.

The bank said that the redesign would encourage expanded financial inclusion and other forms of electronic transactions. According to her, it would discourage excessive carrying of cash and encourage other electronic means of transactions.

He said that when the unbanked were fully captured in the financial system, it would help form adequate data for effective planning for greater economic growth.

"Naira redesign will also help in reducing cash management expenditures, give visibility and control, and will help the bank to know the volume of money in circulation. It will also help in fighting counterfeiting and money laundering," she said.

**...at least N911.45 billion has been lost to various Ponzi schemes and related frauds across the country since the debut of the scam 23 years ago...**

base collaboration is needed to stay ahead of them.

He also stated that the corporation is seeking stronger collaboration among relevant agencies in the financial regulatory sector and public support to achieve a breakthrough in the war against Ponzi schemes.

He was worried that more MMM cases would be replicated as long as current desperation, get rich quick syndrome, financial illiteracy and ignorance continue arbitrarily in the country, even as he decried paucity of data on the

perception about the regulators, financial losses / mental stress, social unrest and inefficient monetary policies.

He pointed out that although the CBN, NDIC, and Securities and Exchange Commission (SEC), among other agencies, are already working to curb the activities of Ponzi schemes, there is urgent need for a much-stronger collaboration "as solo efforts would leave several loopholes for potential criminals to exploit", this is even as he called on the public to report suspected cases to the



# NEWS IN PICTURES



L-R: The Deputy Secretary-General of the United Nations, **Hajiya Amina Mohammed**, during her visit to the Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**.



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, with UN Resident & Humanitarian Coordinator a.i., **Matthias Schmale**.



L-R: Deputy Secretary-General of the United Nations, **Hajiya Amina Mohammed**, Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, and Minister of Power, **Mr. Abubakar Aliyu**.



**FEDERAL MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING**

May I take this opportunity of your birthday, to thank you for the inspirational leadership you are offering our great country, for all the hard work and sleepless nights, for the Pride & Respect you have brought our country.

*Happy*  
**80<sup>TH</sup>**  
**BIRTHDAY,**  
**MR. PRESIDENT!**



His Excellency

**President Muhammadu Buhari**

**Signed:**

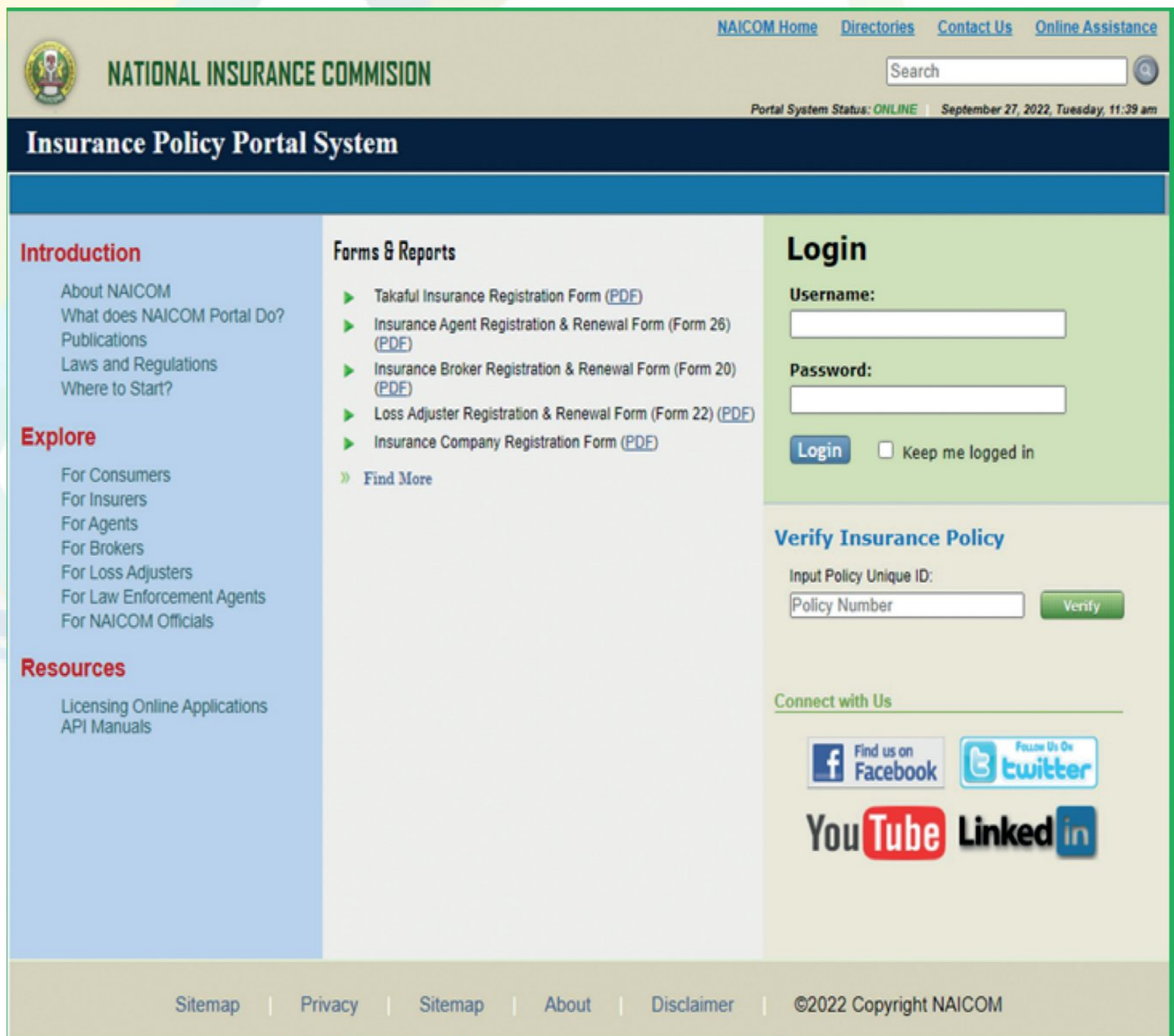
**Mrs. (Dr.) Zainab Shamsuna Ahmed (CON)**

Honourable Minister of Finance, Budget and National Planning



# EXPERIENCE A NEW WORLD OF INSURANCE WITH THE NAICOM PORTAL

Check/confirm the genuineness of your insurance policies by visiting the NAICOM PORTAL: <https://portal.naicom.gov.ng> or download the NAICOM Android App on Google play store.



The screenshot displays the NAICOM Insurance Policy Portal System interface. At the top, there is a navigation bar with links for NAICOM Home, Directories, Contact Us, and Online Assistance. The main header features the NAICOM logo and the text 'NATIONAL INSURANCE COMMISSION'. A search bar is located on the right side of the header. Below the header, the page is titled 'Insurance Policy Portal System'. The main content area is divided into three columns. The left column contains sections for 'Introduction' (About NAICOM, What does NAICOM Portal Do?, Publications, Laws and Regulations, Where to Start?), 'Explore' (For Consumers, For Insurers, For Agents, For Brokers, For Loss Adjusters, For Law Enforcement Agents, For NAICOM Officials), and 'Resources' (Licensing Online Applications, API Manuals). The middle column is titled 'Forms & Reports' and lists several PDF forms: Takaful Insurance Registration Form (PDF), Insurance Agent Registration & Renewal Form (Form 26) (PDF), Insurance Broker Registration & Renewal Form (Form 20) (PDF), Loss Adjuster Registration & Renewal Form (Form 22) (PDF), and Insurance Company Registration Form (PDF). There is also a 'Find More' link. The right column is titled 'Login' and includes fields for Username and Password, a Login button, and a checkbox for 'Keep me logged in'. Below the login section is a 'Verify Insurance Policy' section with an input field for 'Policy Number' and a 'Verify' button. At the bottom of the page, there are social media links for Facebook, Twitter, YouTube, and LinkedIn, along with a footer containing links for Sitemap, Privacy, About, Disclaimer, and a copyright notice for NAICOM.

**Visit the NAICOM Portal today for a whole new experience.**



## NATIONAL INSURANCE COMMISSION

Head office: plot 1239 Ladoke Akintola Boulevard Garki 11, Abuja. P.M.B. 457. Abuja. Nigeria  
E-mail: [contact@naicom.gov.ng](mailto:contact@naicom.gov.ng). Website: [www.naicom.gov.ng](http://www.naicom.gov.ng)

NAICOM ... For a Heathier Insurance Industry in Nigeria



# N500bn SME Loans: FG To Review Criteria For Disbursement – Ahmed • Explains Criteria For Lending

By Musa Ibrahim

The federal government has moved to review the criteria used by the relevant banks to disburse loans to medium and small-scale enterprises in the country to ensure geographical spread.

The Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, disclosed this recently while appearing before the Senate ad-hoc committee set up to investigate the alleged uneven disbursement of the disbursed to MSMEs by development banks.

The Senate had setup an ad hoc panel chaired by Senator Sani Musa to investigate a motion by Senator Ali Ndume, alleging irregularities in the handling of the federal government's credit facility.

Ndume in his motion, had, alleged that the South-West geopolitical zone in the country, especially Lagos State, had the largest number of loan beneficiaries.

However, the chief executive officers of the affected banks such as the Development Bank of Nigeria (DBN) and the Bank of Industry (BoI), among others, had told the panel that they adhere strictly to the criteria set up by their regulators and not on geopolitical considerations in giving out loans.

Members of the committee, especially those from the northern part of the country, disagreed with the banks' CEOs' submissions and insisted on the review of the criteria because the development banks were established to ensure even distribution of wealth across the country.

Subsequently, the Honourable Minister, while appearing before the panel, pledged to meet with the development banks' management and their regulators, the Central Bank of Nigeria (CBN), to carry out the review of the criteria for loan disbursement.

Mrs. Ahmed, however, cautioned that such a review would not be too flexible to ensure the sustainability of the development banks.

The Honourable Minister said: "I have been given copies of reports already submitted to the committee by the Development Bank.

"The criteria to access funds from the development banks are set by the supervising ministry. The last one was targeted at the technology sustainability plan.

"The DBN was set up to enhance the development of the MSMEs across the country but it doesn't lend directly to the beneficiary businesses.

"Instead, it lends to them through microfinance banks. The MFBS also provide criteria for the lender and do credit analysis. They send their reports to the DBN which would collate the report and approve them for disbursement.

"The criteria set by the DBN were reviewed by the regulator and approved by CBN.

The BoI was set up to also stay



Honourable Minister of Finance, Budget and National Planning, **Mrs. Zainab Ahmed**, during Ministerial Scorecard of the Federal Ministry of Finance Budget and National Planning recently.

healthy as a bank. It has done very well in terms of loan repayment. It is the only financial development institution that is giving dividends to the federal government.

"The BoI has also been able, on its own, to use its balance sheet, to raise resources from the domestic

a balance that would enable the banks to do more where development is much more needed. I have also seen reports of the development banks and noticed the uneven disbursement of their loans.

We also have to be careful so

committee the criteria for disbursing loans, the schedule of shareholding of the federal government in each of the development banks and the list of other shareholders. We will also provide how much intervention we had put in to the banks as a

## We do a risk assessment of the participating financial institutions (PFIs) before they begin to lend to businesses

capital market as well as from the international capital markets. It is doing quite well in terms of its performance but we hope it could do more and use its exposure to do more.

Right now, we are struggling to reinvigorate the Bank of Agriculture (BoA) which was also subjected to regulations and criteria, in areas that would make it stay afloat and make a certain level of returns because that is what would provide efficiency in the bank.

"If the government continues to provide intervention funds without adherence to criteria to sustain the existence of the banks, it will threaten their existence. I agree that we have to strike a balance between the survival of the banks, their profitability and the development objective of setting them up.

"Our ministry, the regulator which is the CBN, reviewed the criteria so that we could strike

that the banks would not use the review of the criteria as an excuse. For instance, before the current management of the BoA took over, the CBN just released funds and gave lists of those to give money to without giving us the opportunity to scrutinise the beneficiaries.

"At the end of the 90 percent of the facilities failed. We would also involve the National Assembly so that we would strike a balance between the objective of setting up the development banks and the need to make sure that they stay afloat and have a healthy balance sheet to be able to continue to do their work.

"Our intervention as a government is limited to our ability to continue to fund them so we make sure that they are healthy enough to also raise funds whether from local or international sources. Whatever we lend to them is not enough to make them carry out their objective.

"We will provide to the

government over a period of time," she explained.

"Earlier, Senator Sani Musa said that the federal government supported the development banks so that they would not be using the same considerations that commercial banks are using.

"We want to know the conditionalities that are making it very difficult for the MSMEs to access funds from the development banks; there is a need to look at it critically.

"We want to know the criteria being used by the development banks to disburse funds because we know that the standards were set by the CBN.

"The criteria should be such that the weak MSMEs would be able to access it.

The Bank of Industry, for instance, was set up to industrialise Nigeria. It means every part of the country must be considered.

The Nigerian economy is being run by the MSMEs because we

have about 39 million of them across the country. We need to ensure their survival," he added.

Also, Senator Ibrahim Hadejia called for a need to know the criteria used in the disbursement of the loans. "We need to know the core objective of establishing the BoI", he said.

"Is it for it to generate profit alone? It is a development bank, does not necessarily mean that it had to generate income.

"Income generation could be a secondary objective; it shouldn't be the primary purpose.

What is important is that we should have the criteria. The bulk of the money is from the federal government it has to be spread across the country. It is meant to intervene and provide support for the micro-enterprises.

Only 16 percent of the funds to manufacturing and six per cent to agriculture (sic). It is meant to breach the gap between a state that is above the poverty line and those that wallowing in poverty".

Senator Yusuf Yusuf also said: "If the loans being disbursed by development banks were guaranteed by the federal government, they are sovereign loans which must be guided by the principles of even distribution.

The DBN said that the PFIs which are primarily commercial banks and microfinance banks use their own criteria to give out loans not by geographical consideration. The PFIs and commercial banks are basically for profit and not for development."

DBN Explains Criteria for Loans Disbursement

Development Bank of Nigeria (DBN), had also explained that only companies with less than 250 employees are eligible for loans. DBN's Managing Director, Mr. Tony Okpanachi, also told the Senate Committee that only small and medium-scale enterprises (SMEs) with less than 250 employees and revenue not above N1.1 billion are qualified to access its loans.

He disclosed that southern Nigerian SME's have received the most funding due to possessing the most requirements.

"Our lending has criteria and they are the same as those set by the CBN. We do a risk assessment of the participating financial institutions (PFIs) before they begin to lend to businesses. We do not want to give out money and the money fritters away. So, we track the end users of the loans yearly," he said.

He also said that the DBN observed that there were issues with interest-based banking and loans in the north, citing that it has engaged two non-interest banks in Nigeria to cater to that region.

The DBN boss said that the process is continuous to get more businesses on board and urged participating financial institutions to build the capacity of small-scale businesses and train them on how to structure their businesses to be able to access the loans.



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

In our last edition, there is a story by Enam Obiole entitled 'scorecard', highlighting the achievements of the Federal Ministry of Finance, Budget and National Planning, its agencies as driven by Mrs. Zainab Shamsuna Ahmed, the Honourable Minister of Finance between 2015 and 2022.

Below is the story on the remaining agencies:

## Nigeria Sovereign Investment Authority (NSIA)

The Nigeria Sovereign Investment Authority (NSIA) of course manages Nigeria's Sovereign Wealth Fund. But, in the nutshell, it is an investment institution of the Federation set up to manage funds in excess of budgeted hydrocarbon revenues.

It plays a leading role in driving sustained economic development for the benefit of all Nigerians by building a savings base for the Nigerian people, enhancing the development of Nigeria's infrastructure, providing stabilisation support in times of economic stress.

Looking at its achievements between 2015 and 2022, it could be in place to consider it in sectors.

### Sector: Renewable Energy; Kano Solar

In partnership with federal government and Kano State government, the NSIA is overseeing the investment and installation of a 10MW solar plant on 24ha of land in Kumbotso Local Government, Kano State to feed an industrial cluster.

The business model links industrial customers to an additional power supply, simultaneously increasing electrification for small-medium sized businesses, and decreasing dependence on diesel-generators through the local distribution company.

Upon completion, this will be the largest solar plant in Nigeria and first under the NSIA's renewable energy platform. The project is anticipated to be completed in Q4 2022 and is expected to cost about US\$16m. (Under construction).

### Sector: Healthcare; NSIA-Kano Diagnostic Centre (NKDC)

Developed and operationalised to deliver first class diagnostic services in the northern region of the country, NKDC is a state-of-the-art facility managed and served by a group of enthusiastic, passionate, and patient-centric medical professionals who continuously aim to improve patient experiences. Over 30,000 patients have received service from the centre since it opened its doors in Q3 2021.

The centre is outfitted with a 5T magnetic resonance imaging machine, digital ceiling mounted X-ray, 3D/4D Ultrasound scan machine, basic pathology equipment and mobile X-ray machines amongst other top of the range diagnostic equipment.

NSIA Umuahia Diagnostic



Honourable Minister of Finance, Budget and National Planning, Mrs. Zainab Ahmed, assisted by 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.

### Centre (NUDC)

Operationalised in 2020, NUDC is a modern medical diagnostic centre – established through a joint venture between NSIA Healthcare Development and Investment Company (NHDIC) and the Federal Medical Centre Umuahia (FMCU) – which provides both basic and advanced radiology and laboratory tests.

The equipment mix at the centre includes: 128-slice Computerised Tomography Scan machine, Digital X-ray machines, 3D/4D Ultrasound scan machine, Mammography machine and Basic pathology equipment and others.

Over 20,000 patients have been served to date at the centre.

### NSIA LUTH Cancer Centre (NLCC)

NLCC is an outpatient cancer centre, established as a joint venture between NHDIC and Lagos University Teaching Hospital (LUTH). Services offered by NLCC include consultation, adjuvant therapy, brachytherapy, chemotherapy, external radiotherapy, internal radiotherapy, neoadjuvant therapy and palliative chemotherapy.

The NSIA-LUTH Cancer Centre is equipped with Varian's

most innovative cancer therapy solutions, enabling curative treatments to be delivered for the first time in Nigeria. The new cancer detection and treatment equipment, along with a more advanced training centre for medical staff is alleviating cancer treatment and detection in Nigeria and across the region. These solutions will make NSIA-LUTH a model for future cancer research facilities across West Africa. Close to 4,000 patients have received care to date.

### Oncology, Diagnostics and Cath Lab Expansion Programme

NSIA, through its healthcare subsidiary, NHDIC has received board approval for and commenced development of its diagnostics expansion programme. Under the first phase across eight additional states, NSIA will: Build, equip, maintain, and operate catheterisation labs; build, equip, maintain, and operate private modern medical diagnostic centres; build, equip, maintain, and operate an oncology centre for advanced radiotherapy.

Each centre will run as a joint venture between NSIA and the respective tertiary hospital / state

to ensure timely and efficient delivery of services.

The phase is part of the Authority's broader goal of expanding its healthcare footprint to a portfolio of 23 diagnostic centres, seven catheterisation labs and additional two oncology centres across Nigeria. The second phase will be initiated in due course.

### Healthcare Equipment Leasing Company (Equilease)

NSIA is establishing a specialty equipment leasing provider with a focus on the medical equipment segment as its market entry strategy. Through this company, the NSIA is uniquely positioned to provide an alternate financing option targeted at the healthcare sector.

### Agriculture: The Presidential Fertilizer Initiative (PFI)

PFI was flagged-off in Dec 2016 by President Muhammed Buhari. It is aimed at supporting the domestic blending of NPK 20:10:10 fertilizer towards reducing the challenges of the Nigerian farmers. The PFI delivered on key outcomes including over 30 million bags of 50kg NPK 20:10:10 equivalent

spanning project period and price reduction on fertilizer from over N10,000 to under N5,500. It contributed towards food security by facilitating increase in domestic food production through the provision of affordable, high-quality fertilizer.

Over its 5-year run, the programme rejuvenated the sector, gave life to 68 moribund blending plants and re-energised the industry which at the time only had only four barely functional plants to over 72 plants operating under the programme. With this, hundreds of thousands of indirect job and thousands of direct jobs have been created while the import substitution component of this programme helps to conserve the country's foreign exchange reserve.

### Babban Gona (BG)

BG is an inclusive agriculture model targeted at smallholder farmers across six northern states, namely Katsina, Kano, Kaduna, Plateau, Bauchi and Jigawa, with a view to linking the farmers to larger economic actors, ultimately improving agricultural productivity, expanding markets and trade, and increasing the economic resilience of susceptible rural communities.

Under the model, BG provides a suite of maize and rice inputs and mechanisation services that enables smallholder farmers to lower input costs, secure financing, and increase yields. Thousands of smallholder farmers have benefited from the programme since inception.

### Panda Farms

NSIA entered into a partnership with a specialist agriculture funds, UFF Agri and created a

**Over its 5-year run, the programme rejuvenated the sector, gave life to 68 moribund blending plants and re-energised the industry...**



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

CONTINUES FROM PAGE 12

US\$200million fund. Under the fund, the NSIA-UFF SPV invested in Novum Agric Industries Ltd, located in Nasarawa State.

The capital injection into the acquired company was used to construct and install state of the art irrigation infrastructure, water reservoirs, grain storage and processing facilities on the farm. The expanded infrastructure has increased the mill's output tonnage by 60 percent.

## Fund for Agricultural Finance in Nigeria (FAFIN)

FAFIN is an innovative agriculture-focused private equity fund that provides tailored investment capital and technical assistance to high-growth, commercially attractive agricultural small and medium enterprises (SMEs) across all regions in Nigeria using quasi-equity, equity, and structured debt instruments.

FAFIN invests in SMEs as part of its mission to positively impact the lives of smallholder farmers, increase the amount of commercial capital available for agribusinesses in the country, and catalyse agriculture-led inclusive economic growth in Nigeria.

Since FAFIN's launch in 2014, it has assessed hundreds of Nigerian agriculture firms and invested in over a dozen of these indigenous high growth companies. Through these investments in the dairy, edible oils, poultry, and cassava value chains of Nigeria, FAFIN has created over thousands of new jobs.

### Agri Plus Naira Fund

The Naira Fund is a sector specific infrastructure fund, established to develop large-scale, innovative agriculture projects across the food value chain, with a focus on export production to drive foreign currency revenue generation, improved nutrition, job creation and food security in Nigeria. It will leverage the significant amount of local currency capital available in Nigeria, as

well as the confidence in NSIA's extensive track record for investing in domestic infrastructure.

The Naira Fund will serve as a conduit for pooling funds from local and international investors and investing in a diversified portfolio of innovative, sustainable, large-scale agriculture projects. Amongst other outcomes, it will generate foreign exchange revenues and inflow into Nigeria through export activities and boost local production capacity by introducing market system incentives, supporting infrastructure and training to motivate and enable farmers to produce more and push the country towards self-sufficiency and food security.

**Financial Markets; Infrastructure Credit Guarantee Company Limited (InfraCredit)**

InfraCredit was conceived as a credit enhancement facility designed to provide credit enhancement of local currency infrastructure debt instruments. When fully funded, the company will facilitate an infrastructure bond market worth almost US\$1.5 billion.

This company will make it possible for pension funds and insurance companies to invest in infrastructure via the credit-enhanced bonds. The company is fully operational and has supported some catalytic infrastructure projects in Nigeria with the last three years including North South Power Project and Lagos Free Zone Company/Project (Lekki).

### Family Home Fund (FHFL)

FHFL was incorporated and commenced operation in 2016. A flagship initiative of the Honourable Minister of Finance, FHFL is designed to create a blended pool of long-term funds to solve the problems in mass housing development through the provision of affordable homes and mortgages. NSIA serve as an incubator for the company in its early days.

It has gone on to build affordable homes across the

country including in Asaba, Kano, Ogun, and many other locations. This is part of a broader strategy to address the housing shortage in Nigeria while at the same time leveraging sustainable building practices to deliver affordable housing units.

### Nigeria Mortgage Refinance Company (NMRC)

NMRC is a private sector-driven mortgage refinancing company with the public purpose of promoting home ownership for Nigerians while deepening the primary and secondary mortgage markets.

### Development Bank of Nigeria (DBN)

NSIA controls a 20 percent stake in DBN on behalf of the Ministry of Finance Incorporated (MOFI). The DBN objective is to alleviate financing constraints faced by micro, small and medium enterprises (MSMEs) and small corporates in Nigeria. NSIA incubated DBN.

DBN has provided funding to over 10,000 SMEs in Nigeria and availed over N50billion in accessible and affordable loans through its partner banks. It also offers training and skill enhancement workshop to upskill SMEs and assist them with the financial tools to run small businesses.

### NG Clearing (NG) Ltd

NG Clearing is West Africa's Premier Central Counterparty (CCP) and a Financial Markets Infrastructure (FMI) company driving the clearing and settlement of exchange traded derivatives.

The company's platform provides clearing and settlement of exchange-traded derivative instruments along with risk management and it also acts as a guarantor to both parties in a transaction, enabling clients to have a successful execution of derivatives and other trades from various trade points.

### Toll Roads/ Presidential Infrastructure Development Fund (PIDF)

PIDF is an initiative of President Muhammadu Buhari managed by the NSIA. PIDF was conceived in 2018 as Mr. President's initiative to accelerate the execution of certain critical and strategic infrastructure projects essential to the rapid growth and modernisation of Nigeria's economy.

The Lagos Ibadan Express (LIE), Second Niger Bridge (2NB) and Abuja Kano Road (AKR) projects (the 'ongoing projects') are currently under construction and very near completion. NSIA is responsible for administering the financing required to develop the projects.

The three roads will be commercialised through tolling, concessions, marketing, and other revenue generating strategies

### Gas Industrialisation; Multipurpose Industrial Platform Ltd (MIPL - Ammonia Project)

MIPL is a backward integrated initiative under the PFI. MIPL Project will produce 1.5 million tonnes per annum of Ammonia of which up to 70 percent of the Ammonia produced will be allocated for export to Morocco while the balance will be routed to the production of 1.0 million tonnes per annum of Di-ammonium Phosphate (DAP) and NPK fertilizers to feed domestic demand. US\$1.4billion will be invested in building out the Ammonia plant and its supporting infrastructure with a target operations-commencement date of 2025.

The project will be sited in Akwa Ibom State in a gas-rich location. Factors such as land availability and accessibility; gas adequacy; sufficiency of marine draft; and other environmental and social considerations informed the decision to site the plant in Akwa Ibom. It expects that at completion, the plant will

creation over 1,000 direct jobs and thousands of indirect jobs.

### Innovation & Technology; Kasi Cloud

NSIA invested in Kasi Cloud. Kasi is a first-of-its-kind mass-scale data centre and digital ecosystem platform company, bringing world-class design and critical digital infrastructure services to Africa via Lagos, Nigeria. The data centre and interconnection facility will provide access to a world-class digital ecosystem, accelerating scalability and connectivity across the region and the world.

### Innovation Fund

NSIA has set up a programme to showcase Nigerian techpreneurs and innovators. Working with accelerators programme who have built and demonstrated access to a pipeline of investible founders/innovators NSIA will target, identify, and support a number of these startups to create the next generation of homegrown tech companies in the mold of Andela, Flutterwave & Paystack.

### Green Investments/ Sustainability; Vitol

NSIA and Vitol created a US\$50 fund to channel investments in sustainable projects to deliver emission-reduction results with accompanying socio-economic benefits. The fund will invest exclusively in projects in Nigeria, partnering with local NGOs which have a proven track record of successfully delivering high-quality projects that combine carbon offsetting with social benefits which contribute to UN Sustainable Development Goals.

It is anticipated that the new venture will be open to new investors as the partners develop the project pipeline. This initiative will seek to mobilise voluntary market carbon capital from the partners and potential third parties in a small step toward a more equitable energy transition for Africa.

# Tax & Technology: FIRS Board Celebrates Members of Management Team For Global Recognition

By Kingsley Benson

The Executive Chairman of the Federal Inland Revenue Service (FIRS), Mr. Muhammad Nami, has joined members of the board, management and staff of the Service in felicitating two members of the FIRS management team for receiving global recognition awards in tax and technology respectively.

While Mr. Mathew Olusanya Gbonjubola, the Group Lead of the Special Tax Operations Group at the FIRS, was listed among the World's Top 50 Tax Persons for the year 2022, Mrs. Chiaka Ben-Obi, Group Lead, Digital and Innovation Support Group, FIRS, emerged as the winner of the 2023 ISACA Technology for Humanity Award, for championing efforts to transform Nigeria's FIRS to a digitised organisation.

ISACA, the awarding institution, is an international professional association focused



Mrs Chiaka Ben-Obi, Group Lead, Digital Innovation Support Group, FIRS on IT governance.

In a congratulatory message to the duo, Mr. Nami stated that they were deserving of the awards, being a testament to their hard work and contributions to the

successes of the Service.

"Indeed, you are deserving of this wonderful achievement which is a testament to your hard work, analytical insight into tax issues, and immense contributions to the

success of my administration.

"I appreciate every effort you put in to make tax administration in the country richly beneficial to the citizens of this potentially great country."

The Executive Chairman of FIRS further stated that the qualities of Mr. Gbonjubola and Mrs Ben-Obi were the kind needed for Nigeria's progress and development.

He urged them to continue to dedicate themselves to the service of the nation as they worked to build a robust tax system for the country.

"I dare say that this country is in dire need of committed and selfless people like you who are passionate about its progress and development.

"Let us continue to forge the necessary synergy that will lead to the actualisation of our collective vision of a robust tax system for the country. I strongly believe that this is the only way we can leave an indelible mark on the sands of

time," he noted.

Mr. Gbonjubola, who is a chartered accountant, is a Co-Chair of the United Nations (UN) Committee of Experts on International Cooperation in Tax Matters. He has vast experience in auditing, finance and taxation with over 25 years of experience in the FIRS.

Mrs. Chiaka Ben-Obi, who holds both Bachelor of Science in Political Science and Public Administration, as well as an MBA, oversees the departments of the FIRS saddled with the responsibility of transforming FIRS into a digitalised organisation.

Before she was appointed Group Lead of Digital Innovation Support Group, she was the Director of the Modernisation Department where she took on the assignment of delivering on modernisation agenda projects aimed at transforming the Service into a modern, efficient and effective tax administration agency.



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

The National Pension Commission (PenCom) was established by the Pension Reform Act of (PRA) of 2004, now repealed and replaced by the Pension Reform Act (PRA) 2014.

The commission as the regulator of pension matters is mandated to license and supervise all pension fund operators, as well as establish standards for the management of pension funds. Basically, the commission has the overriding objective of ensuring safety of pension assets and soundness of the pension industry.

The accumulated pension asset as at 30th September, 2022 is a total of N14.42 trillion. In addition, monthly pension contribution inflows amount to about N71 billion, resulting in an average of 22 percent annual growth rate. The proportion of total pension assets to Nigeria's GDP grew from 1.4 percent in 2006 to 31.89 percent in July 2022. It is noteworthy that the federal government has been consistent in the remittance of the monthly contributions of its employees.

The cardinal principle of separation of custody of pension assets from management and supervision has resulted in a pension scheme with sound internal mechanism for transparency and accountability.

Whereas Pension Fund Administrators (PFA) manages the pension funds, they do not have access to same as custody is vested in the Pension Fund Custodians (PFCs).

The Pension fund assets are being invested in safe and structured financial instruments, thereby deepening the Nigerian economy.

A total of 9.79 million employees from both the public and private sectors had registered with PFAs as at 30 September, 2022.

Over the last seven years, pension funds and assets have grown significantly from N5.30 trillion as at 31st December 2015, to N14.42 trillion as at 30th September 2022, representing a growth rate of 172 percent.

These funds have been deployed to support the Nigerian economy through the federal government's socio-economic development programs. As at September 2022, investment in federal government securities amounted to N9.19 trillion, accounting for 64 percent of the total 'Pension Funds Under Management'.

Pension Funds also accounted for 43 percent of the FG's domestic debt as at 30th June 2022.

Furthermore, Pension Funds have supported infrastructure development in Nigeria through a combined investment of N334.21 billion in infrastructure assets.

The Pension Industry has also contributed to further deepening the Nigerian capital market through its investments activities. Specifically, pension fund investments in the Nigerian equities market amounted to N868.58 billion as at 30 September 2022. These investments have helped improve access to capital for private companies, as well as provide market liquidity.

The bond market has also witnessed resurgence within the past seven years with pension funds providing liquidity and relatively cheaper working capital



The National Pension Commission (PenCom) and the Pension Fund Operators recently held its quarterly forum in Abuja. The forum was chaired by the Director-General of the Commission, Hajia Aisha Dahir- Umar. The Commissioners, Technical, Administration and Inspectorate Divisions of PenCom -Mr. Anyim .C. Nyere, Dr. Umar Farouk Aminu and Mr. Clement Oyedele Akintola respectively, were also in attendance.

for corporates that has helped drive the Nigerian economy. Companies such as Dangote Industries, MTN and Flour Mills have at various times accessed pension funds to fund long term expansion and drive down cost of capital.

The main objective of the Contributory Pension Scheme (CPS), is to ensure the timely payment of retirement benefits to retirees as and when due. However, this objective was hitherto jeopardised due to non-release of funds for the payment of accrued pension rights and other pension liabilities, a situation that emerged in 2014.

President Muhammadu Buhari,

to N562,238,067,439.76.

Mr. President had in 2021 approved the sum of N79,815,578,673.61 for settlement of the 2.5 percent shortfall in the rate of employer pension contribution for employees/retirees of Federal Treasury-funded MDAs. The shortfall resulted from the increase in the minimum pension contribution for employers from 7.5 percent to 10 percent, in line with section 4(1) of the PRA 2014. The settlement of the 2.5 percent shortfall is another significant step in ensuring compliance with the PRA 2014, as it signifies the commencement of payment of the reviewed monthly pension

an arrangement under the CPS that allows the self-employed and persons in organisations with less than three employees to make financial contributions towards the provision of pension at their retirement or incapacitation.

In 2021, the commission automated the pre-retirement verification and enrolment exercise by designing and developing an online enrolment application with the capacities to register, verify and enrol federal government's prospective retirees. Prospective retirees, in federal government Treasury- Funded MDAs are now seamlessly enrolled without having to travel across the country

deployed by the commission for the purpose of initiating, processing and monitoring the RSA Transfer process on an on-line real time basis.

Pension enhancement is an initiative introduced by the commission, under the CPS, for boosting the pension of retirees receiving pension under the programmed withdrawal mode. The maiden pension enhancement was conducted in December, 2017, and 64,076 retirees who had sufficient growth in their RSAs to warrant an upward review of their monthly pensions benefited from an enhanced monthly pension totalling N303 million. The commission obtained necessary approval from the Buhari-led administration to conduct the pension enhancement every three years in order to ensure that more retirees benefit from the periodic enhancement.

The second edition of the exercise, which was conducted in February 2020 covered 86,108 retirees who benefited from an enhanced monthly pension totalling N444 million.

The commission, in its drive to improve the capacity of PFAs in terms of operational efficiency, effectiveness and quality of service delivery, increased the minimum regulatory capital (Shareholders' Fund) requirement for PFAs, from N1billion to N5billion unimpaired by losses. The increase in the shareholders' fund will enable PFAs employ and retain skilled staff and ensure the adequacy of resources to fund operational requirements, e.g., ICT infrastructure, branch office expansion) and activities, as well as maintain quality service standards within the pension industry.

The commission has continued to encourage States to implement the CPS by providing technical assistance where necessary. In November 2015, the commission made a presentation to the National Economic Council (NEC) where State Governors expressed their resolve to implement the CPS for the benefit of their workers. Currently, about 25 states have enacted laws on the CPS, while seven states are currently at the bill stage. Furthermore, five states had enacted laws on the Contributory Defined Benefits Scheme (CDBS).

## The commission has continued to encourage States to implement the CPS by providing technical assistance where necessary

due to his commitment to the welfare of retirees, directed the release of the sum of N54 billion in April 2017 towards the settlement of inherited and current liabilities to federal government retirees under the CPC.

In 2021, the President had also approved the release of over N150 billion for the settlement of GFN retirees outstanding accrued rights and other pension liabilities.

In furtherance to Mr. President's avowed commitment to the timely payment of benefits to the retirees, the commission received the total sum of N518, 920,960,439.76 from the federal government for the payment of accrued pension rights of retirees/deceased employees of Treasury- Funded ministries, departments and agencies (MDAs).

The President also approved the release of the sum of N43,317,107,000.00 for settlement of outstanding accrued pension rights liabilities of retirees/deceased employees of Treasury – funded MDAs, bringing the total amount

contribution rate of the federal government which was outstanding since 2014.

In September 2022, the commission had issued the guidelines on accessing retirement savings account (RSA) balance towards payment of equity contribution for residential mortgage by RSA holders. The guidelines seek to provide an opportunity for RSA holders to own homes before retirement, thereby increasing wealth and reducing the associated impact of old age poverty.

In July 2018, the Multi-fund Structure for RSA Funds was introduced in the pension industry. The RSA Multi-fund structure is designed for investment of pension contributions based on the age and risk profiles of RSA holders.

The Micro Pension Plan was launched by Mr. President on 28th march, 2019 to provide pension coverage for informal sector workers, such as artisans, traders, professionals, bricklayers, etc. The Micro Pension Plan is

for the exercise, as the online enrolment application can easily be accessed through mobile phones or computer systems. The process of determination of prospective retirees/retirees accrued pension liabilities has been significantly fast tracked.

In 2019, the commission developed and deployed the Enhanced Contributor Registration System (ECRS). This enabled the harmonisation of the pension industry's database of registered pension contributors with the National Identity Management Commission's (NIMC) database, in line with the federal government's directive to all government agencies that maintain databases.

In November 2020, the RSA transfer Window was launched by the Secretary to the Government of the Federation (SGF), Mr Boss Mustapha, following the development of the RSA Transfer System (RTS) application by the commission. The RTS is a computer-based application





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.



# Place Of People In The Connection Between Fiscal Policy And Cost Of Living

## POLICY BRIEF

with

ENAM OBIOSIO



Unarguably, it is advisable for countries to prioritise protecting the vulnerable through targeted support while keeping a tight fiscal stance to help fight inflation.

Governments, as ours, confront difficult trade-offs amid sharp increases in food and energy prices. Policymakers must protect low-income families from large real income losses and ensure their access to food and energy. But they must also reduce vulnerabilities from large public debts and, in response to high inflation, maintain a tight fiscal stance so that fiscal policy does not work at cross-purposes with monetary policy.

Obviously, food prices have been up by half since 2019 and supply disruptions have persisted in both food and energy markets. Higher prices threaten people's standard of living everywhere, prompting governments to introduce a variety of fiscal measures, including price subsidies, tax cuts, and cash transfers. We estimate the median fiscal cost of such measures at 0.6 percent of national gross domestic product, on top of pre-existing subsidies, among countries for which estimates were available.

It is notable that most governments face further pressure on public finances already strained by the pandemic. Not only in Nigeria, rising inflation, weakening currencies, and climbing interest rates have led to surging credit spreads in many countries and higher interest expense going forward. Global public debt is projected to remain elevated at 91 percent of GDP in 2022 — after receding from a historic high in 2020—and remains about 7.5 percentage points higher than pre-pandemic levels. Low-income countries like ours are particularly vulnerable: nearly 60 percent of the poorest economies are in debt distress or at high risk of it.

Economic and finance experts have pointed how policymakers can approach these trade-offs, helping people bounce back from the current crisis and better cope with future challenges.

Facing high debt levels and rising borrowing costs, policymakers are advised to prioritise targeted support through social safety nets to the most vulnerable people. In some countries, this might entail providing discounts on utility bills (for basic usage) to vulnerable low- and middle-income families. Allowing energy prices to



adjust is crucial to preserving broader incentives to curb energy use and increase supply.

Faced with long-lasting supply shocks and broad-based inflation, governments are advised not to attempt to limit price increases through price controls, subsidies, or tax cuts. Such a move would be costly to budgets and ultimately ineffective. With limited resources, many low-income countries will need greater global efforts in humanitarian assistance and emergency financing.

In a time of high inflation, policies to address high food and energy prices should not add to aggregate demand. Demand pressures force central banks to raise interest rates even higher,

making it more expensive to service government debt. A tightening fiscal stance sends a powerful signal that policymakers are aligned in their fight against inflation.

We are hereby saying that governments need to build resilience over time to a range of adverse shocks. The pandemic and the global financial crisis, beyond country-specific natural disasters and other adverse events, have shown that governments must prepare for rainy days. Building fiscal buffers gradually would eventually allow policymakers to respond swiftly and flexibly to crises.

Several fiscal tools that have proved useful during the pandemic can be made part of a more permanent toolkit,

depending on the countries' capacity and available fiscal space, because palliative-provision schemes in Nigeria, for example, proved effective during the pandemic by stabilising more than 40 percent of individual income loss in the country. Exceptional financial support to companies can prevent widespread bankruptcies. But such support should be reserved for severe crises as it exposes governments to sizable fiscal risks.

More generally, social safety nets do help people bounce back from unemployment, sickness, or poverty, making them more resilient to a broad set of challenges. Such systems can be made readily scalable and better targeted with the help of information communication technology.

I want to ask that we look at how major global crises during the past decade-and-a-half have led to innovative and forceful fiscal responses, against the backdrop of rising debt and constrained monetary policy.

I, therefore, note the role of fiscal policies in a shock-prone era as we just face in recent times —and how the policies have really helped buffer against losses during crises and build resilience — as we could also learn from experiences across the world.

## Policymakers must protect low-income families from large real income losses and ensure their access to food and energy