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President Tinubu Nominates Olayemi Cardoso As New CBN Governor PG 7

Two Contexts Should Be Understood Now That AU Is Being Granted G-20 Status

EDITORIAL

Now that the African Union (AU) has obtained G-20 membership, it is crucial to grasp two key contexts. First, the AU represents Africa's collective economic and sociopolitical interests, akin to the European Union's (EU) role in the G-20, despite only three European countries being core G-20 members.

With the AU's full G-20 membership, two significant aspects must be understood. Firstly, the AU's increasing importance in Africa's economic governance is evident. The African Continental Free Trade Area (AfCFTA) has united Africa's 55 economies into the world's 8th largest economic bloc since January 2021. Consequently, the AU should play a more substantial role in Africa's development, serving as a conduit for nations without the same developmental challenges.

For example, at the Fourth AU Coordination Meeting, AU Chair, Macky Sall emphasised critical topics for the continent, including

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Tinubu: Nigeria Eager To Assume Crucial Role In G-20 As Africa's Largest Market, Economy, Democracy

- Edun Seeks Global Capital Opportunities At The Summit
- Nigeria Attracts $14bn In New Investments From India
- Nigeria, India Ink 3 MoUs on Digital Technology, Thriving Ecosystems, Investment Prospects

Highlighting Nigeria's prominent status as Africa's largest market, economy, and democracy, ***President Bola Ahmed Tinubu*** *conveyed the nation's steadfast commitment to playing a crucial role within the Group of Twenty (G-20) during his recent address in New Delhi, India. His speech resonated with a vision of shaping a more just global landscape.* ***Enam Obiosio*** *reports.*

In President Tinubu's compelling speech at the 18th G-20 Leaders' Summit, the President urged world leaders to unite and collaborate in addressing pressing global issues. He emphasised the need for inclusivity and the establishment of a fairer world order.

President Tinubu acknowledged the G-20's key role in crafting a rules-based world order that fosters shared prosperity and security. He stressed that most of today's pressing challenges transcend borders, necessitating multilateral cooperation.

He expressed: "Hence, enhanced collaboration, cooperation, and partnerships among diverse regions are the means toward a harmonious, prosperous, and sustainable global future. This underscores the paramount importance of the G-20 in shaping a

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Delegates at the 2023 G-20 Summit in New Delhi India.

AfDB Allocates $250m For Nigeria's Off-grid Energy Sector

• Launches $1bn Initiative To Enhance Climate Finance Access For Africa's Youth

• Reveals Program To Shield Farmers Against Climate Impact

By Jennete Ugo Anya

The African Development Bank (AfDB) has announced its commitment to disburse $250 million into Nigeria's off-grid energy sector.

This financial injection comes as a welcome boost to Nigeria's off-grid renewable energy efforts, as confirmed by Mr. Adebayo Adelabu, the Minister of Power, during his participation in the 2023 Korea-Africa Economic Cooperation (KOAFEC) Ministerial Conference held in Busan, South Korea.

Mr. Adelabu, in a message posted on the social media platform X, shared that the funding for the Nigeria Electrification Project (NEP), operated under the Rural Electrification Agency (REA), is in progress.

Additionally, he highlighted that AfDB has reaffirmed its commitment to disburse the previously approved $250 million for rural electrification projects. Furthermore, the bank has extended its support to Northern Nigerian states through the $20 billion 10,000MW Northern Africa Desert to Power fund.

The NEP is a federal government initiative driven by the private sector, with the aim of addressing the energy access gap. The NEP intends to provide electricity to households, micro, small, and medium-sized enterprises (MSMEs), as well as educational and healthcare facilities in underserved rural communities.

This would be achieved through the deployment of mini-grid systems, solar home systems (SHS), captive power plants, and productive use appliances, ensuring the sustainability of these off-grid solutions.

The NEP is anticipated to benefit more than 500,000 people by providing access to electricity. It would also contribute to an increase of approximately 76.5 MW in installed power generation capacity, enable eight universities to access reliable energy sources, support 20,000 MSMEs with productive use appliances and equipment, and result in the avoidance of 1.69 million tons of CO_2 emissions.

Private operators have significant opportunities in this project, including the installation of mini-grid systems in 250 sites, 24,500 installations of productive use solar PV appliances, the implementation of mini-grid systems in eight federal universities, and strengthening the institutional capacity of REA and the overall ecosystem.

To facilitate the implementation of the NEP, the federal government of Nigeria, through the REA, has successfully secured financing from both the World Bank ($350 million) and the African Development Bank ($200 million). Mr. Adelabu's statement suggests that these financial arrangements may have undergone revisions.

Under the initial financing provided for the NEP, over 600,000 households have gained access to electricity, along with 4,795 MSMEs. Treatment and isolation centres have been completed, and projects are in progress in three teaching hospitals and 15 federal universities.

Additionally, Mr. Adelabu announced that the Nigerian delegation has obtained an In-Principal Agreement from AfDB for technical advisory sponsorship. This sponsorship may encompass activities such as stress testing and capacity simulation of Nigeria's power infrastructure, with the aim of establishing operational capacity throughout the entire value chain, thereby facilitating project prioritisation.

In a significant show of support, Dr. Akinwumi Adesina, President of the AfDB Group, and William Ruto, the President of Kenya, championed the cause of African youth seeking a greater role in shaping both national and global climate policies.

They made this emphatic declaration during the recent Africa Youth Climate Assembly held in Nairobi, Kenya. The assembly deliberated on pressing issues, including the urgent establishment of a Global Green Bank and a New Global Financial Pact.

According to a statement released by APO

Dr. Akinwumi Adesina, President of AfDB Group

Group, representing the AfDB, the primary focus of the discussions was to prioritise the interests of young people in climate financing.

This comes as hundreds of young individuals from various parts of Africa are clamouring for a significant say in climate decision-making. At the assembly, a delegation comprising youth leaders, entrepreneurs, and policymakers formally presented the Africa Youth Climate Assembly Declaration to Dr. Adesina and President Ruto.

One of the pivotal calls from the delegates was for the establishment of a United Nations Youth office situated in Africa, which boasts the largest population of youth globally.

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In response to these passionate pleas, both President Ruto and Dr. Adesina hailed Africa's youth as the continent's most valuable asset and a dynamic source of innovation. They firmly endorsed the demand for an increased role in shaping national and international climate policies.

During a two-hour session, moderated by Elizabeth Wathuti, the Lead Coordinator of the African Youth Climate Assembly, the two leaders addressed a wide array of issues. These discussions encompassed topics such as facilitating youth access to financial resources, Africa's transition to sustainable energy sources, the plight of millions displaced due to climate change impacts, and resource mobilisation for sustainable development.

President Ruto underscored the significance of investing in young people and highlighted Africa's immense agricultural potential, given its vast expanses of uncultivated land, which constitutes 65 percent of the world's total.

He proposed that this land could be a catalyst for job creation and increased prosperity. Additionally, he outlined his government's initiative to establish smart cities to address unsustainable settlements and reduce pollution, thereby promoting environmentally sustainable development.

He stressed the importance of offering quality education and skills to empower young people to confront future challenges. To demonstrate his commitment, President Ruto disclosed that his government had allocated a historic budget of 630 billion Kenyan Shillings (approximately $433 million), which accounts for over 27 percent of the total annual budget, to education.

Dr. Adesina echoed similar sentiments, emphasizing the pivotal role of investing in youth to foster growth and stability across the continent. He stated, "The biggest risk in this continent is not investing in the youth. The youth need investment, not empowerment."

Dr. Adesina went on to reveal that the AfDB had devised a youth strategy aimed at creating 25 million jobs. Progress had already been made, with 15 million jobs generated—10 million in the formal sector and 5 million in the informal sector. The AfDB had also committed $4 million to support the ideas and initiatives of young people through the YouthADAPT program, a collaboration with the Global Centre on Adaptation (GCA). As part of this partnership, the Bank was actively backing the Africa Adaptation Acceleration Programme, which Dr. Adesina highlighted as the largest initiative of its kind globally, with the goal of mobilising $25 billion to expand adaptation efforts across the African continent.

In a recent development, Mr. Adesina has unveiled a groundbreaking $1 billion initiative aimed at expediting climate financing for youth-led enterprises in Africa. This additional funding injection will serve to bolster YouthAdapt, a collaborative project between the Bank and the Global Centre on Adaptation. YouthAdapt extends an open invitation to young entrepreneurs and micro, small, and medium-sized enterprises (MSMEs) across Africa to present innovative solutions and business concepts that hold the potential to drive climate change adaptation and resilience throughout the continent.

This major announcement took place during a High-Level Intergenerational Dialogue event titled "Africa Driving Climate Adaptation Solutions and Jobs," hosted at the Wangari Maathai Institute of Peace and Environment on the outskirts of Nairobi, Kenya. It's worth noting that the institute received funding from the AfDB and officially commenced operations in 2022. The event drew distinguished guests, including the 8th Secretary-General of the United Nations, Ban Ki Moon, and Graça Machel, Chair of the board of trustees of the Graça Machel Trust.

Dr. Adesina, in emphasising the significance of this $1 billion funding boost, expressed that African youth aspire for substantial investments rather than mere token gestures. He emphasised, "We have no alternative but to invest in our youth." Over the preceding two years, YouthAdapt has disbursed over $1.5 million to 33 young entrepreneurs across 19 African nations, resulting in remarkable profit increases of up to 200 percent for some recipients.

Dr. Adesina underscored the pivotal role that Africa's youth play in shaping the continent's future, asserting, "Africa's youth are the present. It is their views and perspectives that are going to change the continent. Failing to invest in the youth will hurt Africa; failure is not an option."

Ban Ki Moon, in his address to the youth participants, encouraged them to think beyond national boundaries as global citizens. He urged them to hold their leaders accountable for the promises they make and to utilise their voting power to ensure that climate adaptation and finance assume top priority in the political agenda.

In addition to this momentous announcement, Dr. Adesina also commended the potential of the Africa Climate Risk Insurance Facility for Adaptation during an event at the Africa Climate Summit in Nairobi. He revealed that the bank is introducing a new initiative designed to shield farmers from the adverse effects of climate change. This initiative seeks to protect nations from catastrophic weather-related events.

The facility, which will be overseen by the bank, expands upon the pioneering Africa Disaster Risk Insurance Program. It is envisioned to develop insurance solutions that assist African countries, particularly their agricultural sectors, in preparing for, adapting to, and building resilience against the detrimental impacts of climate change, such as flooding and drought.

Dr. Adesina unveiled this groundbreaking adaptation facility at the event, stating that it will secure an initial $1 billion of concessionary high-risk capital and grants to stimulate the development and adoption of insurance solutions for countries, businesses, and communities adapting to climate change.

He emphasised the importance of this effort, stating, "This is our endeavour to escalate our support in ensuring that countries and households are insured against extreme weather patterns. Extreme weather events adversely affect the livelihoods of countless African farmers, with a majority being women. One way to address this issue is by ensuring that farmers have access to crop and livestock insurance."

Furthermore, the Facility for Adaptation will extend credit insurance to investment portfolios linked to climate, agri-food systems, and enterprise development. It will also collaborate with primary insurers across Africa to channel business opportunities to continental and international re-insurers. Additionally, the facility will provide support to national governments in more effectively managing climate-related disasters.

Tinubu: Nigeria Eager To Assume Crucial Role In G-20 As Africa's Largest Market, Economy, Democracy

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new, equitable world order."

He emphasised the need to address staggering income inequalities and unequal access to basic social resources, advocating for collectively designed, owned, and managed global governance structures in line with principles of unity, mutual respect, and sustainable development.

President Tinubu affirmed Nigeria's readiness to be a significant contributor within the G-20 family, emphasising its indispensable role in shaping a more equitable world.

A statement released by Chief Ajuri Ngelale, Special Adviser to the President (Media & Publicity), conveyed President Tinubu's congratulations to India for hosting the historic summit and for India's successful lunar mission, led by Prime Minister Narendra Modi.

This achievement served as an inspiring example for developing countries in the global south.

Regarding the issue of African Union (AU) inclusion in the G-20, President Tinubu welcomed this decision, viewing it as an opportunity for future membership that aligns with the global balance of power and the spirit of inclusiveness.

Reflecting on the summit's theme, 'One Earth. One Family. One Future,' the President underscored the interconnectedness of global affairs, emphasising the imperative of collaborative efforts. He highlighted the significance of addressing challenges related to technology, energy transition, access to credit, and the growing socio-economic divide, stressing the need to bridge the gap between the haves and have-nots in our shared global family.

In a stirring address, he passionately called for greater global unity, emphasising the responsibility of advanced economies to uplift disadvantaged regions in the global south and champion climate justice.

President Tinubu at the same time stressed the imperative need to fortify international systems for resource mobilisation and governance rooted in the principles of justice, equity, and fairness.

During Session II of the Summit, themed 'One Family', he underscored the enormity of the challenges confronting humanity today. He asserted: "The call for us to stand together as a united family has never been more pressing. We must strive to establish a world of inclusivity where all individuals, regardless of their economic, social, or political standing, have access to life's basic necessities. This should be done in a way that fosters broader and stronger stewardship of our planet."

President Tinubu called upon the global north, advanced economies, and international institutions to channel resources and support to the most vulnerable regions in the global south. He articulated: "By doing so, we will be constructing a society anchored in the values of tolerance and mutual respect. Diplomacy, dialogue, and cooperation should take precedence over competition, conflict, and divisions, which often arise from rigid ideologies and belief systems," concluded the President.

The foundation of the Nigeria-India Presidential Roundtable and Conference, held in New Delhi, was formed by substantial investment commitments. President Tinubu's visit to India's capital was marked by the approval of a groundbreaking $1billion agreement, aiming to elevate the Defense Industries Corporation of Nigeria (DICON) to 40 percent self-sufficiency in the local manufacturing and production of defense equipment by 2027. This endeavour was to be achieved through a comprehensive partnership with the Managing Arm of the Military-Industrial Complex of the Indian government.

Furthermore, Bharti Enterprises, a prominent first-generation Indian corporation with interests spanning telecom, space communications, digital solutions, insurance, processed foods, real estate, and hospitality, expressed its dedication to invest an additional $700million in Nigeria, with immediate action on the horizon.

President Tinubu was greeted with a multitude of investment proposals from Indian investors totalling approximately $14 billion. He passionately conveyed: "Nigeria is primed to offer the most favourable returns on investment. Our country is unrivalled in this regard. Therefore, the time to invest in Nigeria is now."

Among these commitments, Indorama Petrochemical Limited pledged an impressive $8billion to expand its fertilizer production and petrochemical facility in Eleme, Rivers State. Jindal Steel and Power Limited, a leading private steel producer in India, announced a significant $3billion investment in Nigeria after fruitful discussions with President Tinubu on the summit's sidelines.

Additionally, Jitender Sachdeva, the founding president of SkipperSeil Limited, declared a substantial $1.6billion investment to establish 20 100mw power generation plants across Northern states, ultimately adding 2,000mw of additional power within the next four years.

In a resounding declaration of his pragmatic leadership, President Tinubu emphasised the imperative for tangible results in Nigeria's industries and job market. He expressed deep appreciation for the favourable response from Indian companies and individuals to his administration's endeavours to enhance Nigeria's macroeconomic and investment climate.

With unwavering conviction, he urged all potential investors not to hesitate or be deterred by apprehensions about investing in Nigeria. "Bring forth your ventures," he encouraged. "Ask your questions and present your requests. The opportunities for trade and investment here are boundless. I lead a proficient team, and together, we are dedicated to resolving challenges," the president affirmed.

President Bola Ahmed Tinubu with **Indian Prime Minister, Narendra Modi,** at the 2023 G-20 Summit in New Delhi India.

PHOTO BY STATE HOUSE

President Tinubu at the same time stressed the imperative need to fortify international systems for resource mobilisation and governance rooted in the principles of justice, equity, and fairness

He conveyed to prospective investors that success in Nigeria requires commitment and diligence; there are no shortcuts or free lunches. However, he assured them of a robust economic policy and a cadre of capable individuals in leadership roles who are ready to drive prosperity through investment and infrastructure.

"I shall steer the course of investment, development, and prosperity for Africa's largest democracy, welcoming investors from around the world," he reiterated. Nigeria, he emphasised, stands open for business, inviting intelligent, innovative, and committed individuals in government to steer Africa's largest economy toward its destiny.

The president also took pride in announcing that Nigeria's stock market had achieved record-breaking bullishness since he took office, a testament to the country's thriving economic climate.

On the sidelines of the event, Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of The Economy, enthusiastically spoke about the vast investment prospects in Nigeria, aiming to attract even more capital into the nation. He stressed that President Tinubu's administration was actively addressing impediments that had previously deterred investment.

"We are dedicated to attracting global capital and promoting foreign direct investment, all in pursuit of job creation, economic diversification, and revenue expansion," Mr. Edun explained. "Nigeria is an alluring business destination teeming with opportunities across various sectors."

He went on to discuss how the government was diligently tackling macroeconomic challenges related to exchange rates, inflation, interest rates, liquidity, and financing, fostering a more stable economic environment. Additionally, Mr. Edun highlighted the administration's commitment to inclusivity, actively involving women and young people in the economic landscape, enabling them to play their crucial roles.

Mr. Edun, speaking to potential investors, emphasised the level playing field and abundant opportunities now available for seizing. The G-20, renowned as the premier platform for global economic cooperation, plays a essential role in guiding the world economy through its myriad challenges.

This group brings together the world's major economies, collectively representing 85 percent of the global gross domestic product (GDP), 75 percent of international trade, and two-thirds of the world's population. Nigeria's debut as a guest at the G-20 meeting underscores its growing influence on the global stage.

Mr. Edun, addressing a roundtable discussion themed 'Building Partnerships with Renewed Hope for a Diversified and Prosperous Economy,' expressed gratitude to Mr. Naveen Jindau, Chairman of Jindal Steel and Power Limited, for their significant $3billion investment in Nigeria's iron ore processing and steel development sector. He also commended the Tata group and others for their swift response to address systemic issues in Nigeria's macro-economic and investment climate. Furthermore, he thanked Mr. Sunil Bharti Mittal, Founder and Chairman of Bharti Enterprises, for pledging an additional $700million investment in Nigeria's first phase.

In response, Mr. Mittal lauded Nigeria's efforts in unifying the FX market and freeing up capital for infrastructure upgrades. He appreciated the President's candid remarks and assured that investors would heed the call, promising to bring substantial investments to Nigeria, underlining the positive impact of the President's leadership.

During the event, Honourable Minister of Communication, Innovation, and Digital Economy, Dr. Bosun Tijani, and his Indian counterpart signed a Memorandum of Understanding (MoU) to collaborate on sharing successful digital solutions for nationwide digital transformation.

Another MoU was inked with the Central Square Foundation for cooperation in education technology interventions aimed at achieving digital economic transformation on a broad scale.

Honourable Minister of Industry, Trade, and Investment, Dr. Doris Uzoka-Anite, facilitated a third MoU focused on Infrastructure Development, involving a partnership between Nigeria's Infrastructure Corporation of Nigeria Limited (InfraCorp) and Invest India, India's National Investment Promotion and Facilitation Agency, designed to assist investors seeking opportunities in India.

Concluding the interactive session, Mr. Chandrajit Banerjee, the Director-General (DG) of the Confederation of Indian Industries (CII), emphasised the significance of the Presidential Roundtable in laying a strong foundation for fostering collaboration between Indian businesses and Nigeria. He highlighted the potential areas of cooperation, including capacity building, skills development, agriculture, and the advancement of both digital and physical infrastructure.

In his statement, Mr. Banerjee expressed the CII's commitment to strengthening ties with Nigeria under the leadership of President Tinubu. He announced the CII's intention to send a high-level delegation to Nigeria and explore the possibility of establishing a second presence in Africa, with Nigeria as the primary focus.

Following the conclusion of the session, President Tinubu held individual meetings with the top investors who had made significant pledges. These discussions aimed to finalise the necessary steps to ensure that no environmental challenges would hinder their success in Nigeria.

Afreximbank Total Assets Hit US$30.1bn; Net Interest Income Amounts To $663.6m

By Tony Tagbo

African Export-Import Bank (Afreximbank) has released the consolidated financial statements of the bank and its subsidiaries, for the half year (H1-2023) ended 30 June 2023.

The results demonstrate a strong and resilient performance, which was ahead of expectations.

Afreximbank Group's total balance sheet assets grew by eight percent from US$27.9billion as of 31 December 2022 (FY-2022) to approximately US$30.1billion as of 30 June 2023. The growth was driven by the increase in loans and advances to customers, which grew by 13 percent to close the period at US$26 billion.

The liquidity position remained strong at US$3 billion, representing 11 percent of total assets and achieving a liquidity coverage ratio of 310 percent.

Due to increased volume of interest-earning assets, particularly loans and advances and higher interest rates, total interest income recorded a strong growth of 107.1 percent to reach $1.1 billion for the H1-2023 period compared to $540.8 million for the same period in 2022.

Net interest income amounted to $663.6 million, up 76 percent from the prior year, mainly due to continuous effective management of interest expenses. Net Interest Margin as a result increased to 4.77 percent, compared to 3.47 percent last year.

The Group's shareholders' funds rose by 7.63 percent to US$5.6 billion as of 30 June 2023 compared to FY-2022. The growth was largely attributable to the $261 million fresh equity contributions from existing and new shareholders who have supported the ongoing general capital increase exercise which aims to raise US$2.6 billion paid-in equity by 2026.

Dr. Benedict Okey Oramah, President of Afreximbank

In addition, the growth in shareholders' funds was also underpinned by $125.5 million internally generated net earnings after taking into account the approved dividend and other appropriations which amounted to US$209 million.

Mr. Denys Denya, Afreximbank's Executive Vice President, Finance, Administration and Banking Services, commented: "During the period in which the bank celebrated its 30th anniversary, we have delivered a strong set of results, driven largely by a focused execution of our mandate as a countercyclical lender which generated increased volume of interest-earning assets, particularly loans and advances and benefited from a rising interest rate environment.

"The bank continued to make progress on its strategy implementation, carefully balancing the need to be profitable and sustainable, while maintaining sufficient liquidity, capital, and a quality portfolio of assets."

He further highlighted that despite the continued challenges caused by the Ukraine crisis, ongoing geo-political tensions and persistently high inflation, the H1 period saw some headwinds receding, including relatively lower energy and food prices, reduced supply bottlenecks and the re-opening of China, Africa's biggest trading partner.

Mr. Denya pointed out that Global Credit Rating (GCR) and Japanese Credit Rating (JCR) respectively affirmed Afreximbank's international scale long and short-term issuer ratings of A/A2 and A-, with a "Stable" Outlook, while Moody's maintained the Bank's credit rating at Baa1.

In addition, African Banker recently bestowed on Afreximbank, the 2023 African Bank of the Year and the DFI of the Year awards in recognition of the Bank's contributions to the continent's Trade and Development. Significant progress was made during the first half of the year with the Bank's subsidiary FEDA generating profit after only two years of operation and AfrexInsure generated premium income on assets valued at over $2 billion.

"We began the second half of 2023 well and are confident that Afreximbank's strong financial position will provide a solid base for the Group to continue assisting its clients and African countries in expanding trade and investments, meet trade finance obligations, boost production especially of food and export value added products, as well as alleviate supply chain constraints and enable the continent to adapt sustainably to the challenging effects of climate change."

Abuja Trade Fair Kicks Off September 28, As ACCI Targets N1bn From Exhibitors

By Tony Tagbo

The Abuja Chamber of Commerce and Industry (ACCI) is targeting to rake in over N1billion revenue from exhibitors that will attend the 18th Abuja International Trade Fair scheduled to commence on September 28.

The is event has over 500 companies which have indicated interest to attend the Fair which is expected to attract more than 100,000 visitors and tourists.

The President of the Chamber, Dr Al-Mujtaba Abubakar who disclosed this a press briefing in Abuja, described the Fair as a prestigious multi-sectoral event in Nigeria that continues to expand in scope and influence.

Mr. Abubakar who was represented by the Director-General (DG) of ACCI, Victoria Akai, said the Fair with the theme of "Sustainable Financing and Taxation as drivers for the new economy," would serve as a platform for businesses to engage with financial and tax institutions, discuss current trends and solutions, and foster sustainable approaches to the African Continental Free Trade Area (AfCFTA).

As one of the largest trade platforms in Africa, he said that the Fair offers domestic and international exhibitors an opportunity to showcase new product lines, access untapped markets, forge invaluable business relationships, unveil innovative products, and stay ahead of emerging trends.

The President added that the event is dedicated to connecting businesses with lucrative trade and investment prospects within the country.

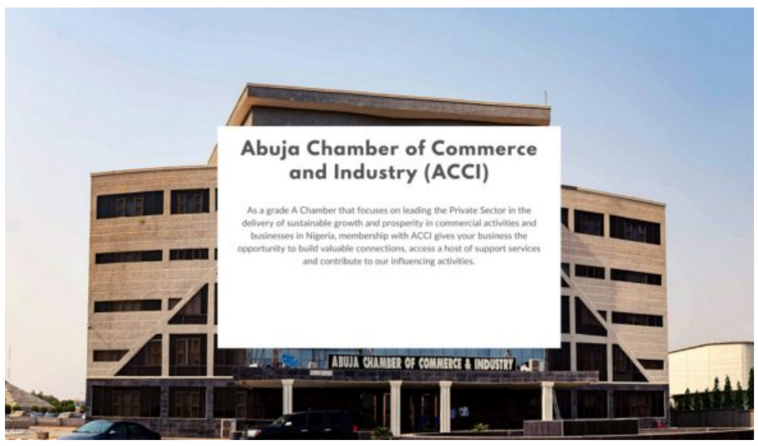
"This trading platform cultivates a neutral and inclusive environment, welcoming companies, trade associations, government investment and export promotion agencies, institutions, and private sector organisations. It serves as a catalyst for establishing fruitful investment and trade relations with new business partners.

"With Abuja's advantageous location as the nation's capital and its convenient approximate one-hour flight from all locations in Nigeria, coupled with accessibility to all geopolitical zones, hosting a significant number of international and local participants becomes both strategic and secure.

"The event will showcase innovative products and solutions from our partners and exhibitors in various sectors such as Fintech, tax collection, payment systems, e-health, food processing, and environmental safety", he noted.

The ACCI President said that this year's theme is centred on financing and taxation which is the cornerstone of any prosperous nation and immense importance to the business community as it is critical to addressing climate-friendly initiatives, the ease of doing business, and attracting foreign direct investment.

He said, "With expansive indoor and outdoor spaces, the fair



creates ample avenues for targeted marketing campaigns, enabling businesses to connect with their desired audiences.

"Moreover, it fosters a vibrant sense of community engagement through various exciting activities.

"The Trade Fair serves as a dynamic convergence of diverse industries, bringing together a wide array of exhibitors representing sectors such as industry, trade, agriculture, and services. Moreover, it provides a vibrant platform for fostering exchanges between national and international stakeholders, facilitating fruitful interactions between businesses and government agencies.

"Over 500 companies are expected to participate in the 2023 edition of the Trade Fair while over 100,000 visitors within and outside Nigeria are expected in attendance. So far, over 500 companies have indicated interest and we are expecting more."

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Two Contexts Should Be Understood Now That AU Is Being Granted G-20 Status

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the redistribution of Special Drawing Rights and the implementation of the G-20's Debt Service Suspension Initiative. These issues, along with ensuring equitable energy access, can be raised by AU representatives in the G-20 to benefit African countries collectively.

Secondly, it is essential for the AU to understand that its G-20 membership does not primarily reflect benevolence towards Africa, despite the presentation of many Africa-related proposals in this light. The G-20 requires African countries because they possess vital resources to address global energy challenges. They are major suppliers of critical raw materials used globally in various technologies, from smartphones to electric vehicle batteries and satellites, contributing to both profits and productivity increases.

For instance, Guinea supplies 64 percent of the EU's bauxite imports, the Democratic Republic of Congo provides 68 percent of cobalt and 36 percent of tantalum, and South Africa furnishes 71 percent of platinum. Notably, the AU was the first institution to advocate for the safe release of grain from Russian and Ukrainian ports, with most going to Asian and Middle Eastern countries.

The G-20's agenda includes critical items like digital payments, where African expertise and innovation can make valuable contributions. AfreximBank has collaborated with the AU on launching a complex cross-border payment scheme involving 42 currencies since 2018. Kenya's M-Pesa scheme was the world's first contactless domestic payment system.

Africa's climate actions over the next few decades will significantly impact sea-level rise worldwide, affecting places from Amsterdam to Shanghai. Including the AU in the G-20 is the practical path toward comprehensive solutions for sustainable global development and effective global governance.

The exciting development is that this inclusion has recently occurred. During a side-event organised by Institute for Development of Economics and Finance (INDEF), a prominent Indonesian economic think-tank, the G-20 clarified that Indonesia was Promoting AU inclusion, with Senegal's Mr. Sall and Moussa Faki as its representatives, was a crucial initiative. Their goal was to ensure the full representation of the African region within the G-20.

In a parallel to the EU's representation in the G-20, the AU possessed distinct regional integration mechanisms, making it unique globally. Charles Michel, President of the European Commission, expressed his support for AU membership in the G-20, drawing parallels to the EU's path.

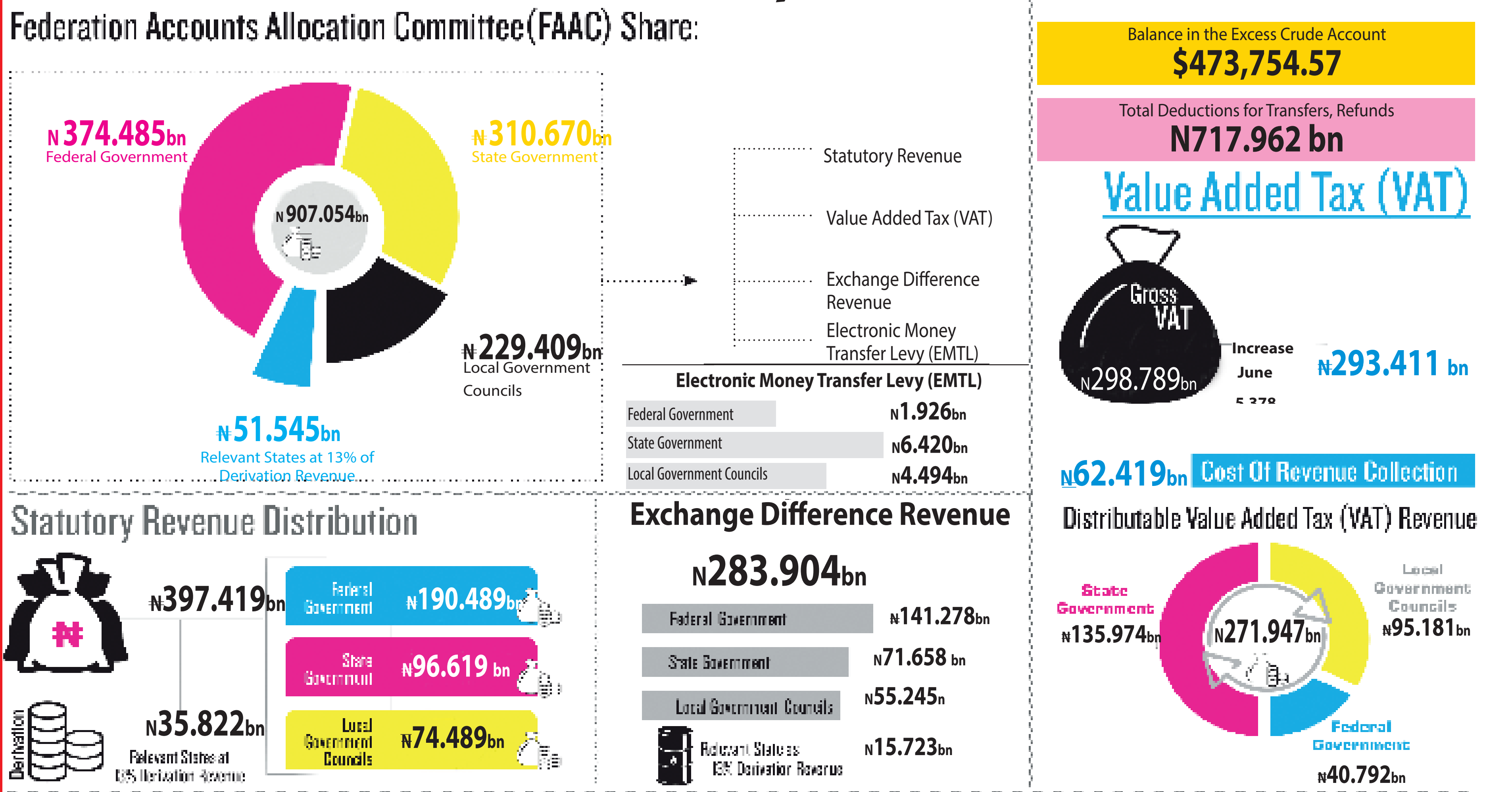
India, the recent G-20 host, formally extended invitations to both rotating and permanent AU representatives, effectively transforming the G-20 into a G-21, with the AU as a permanent, full member. This move granted Africa comprehensive representation in the G-20, mirroring the EU's presence with its presidency and commission.

This development ensured that Africans were not merely observers but active participants in the world's pivotal decision-making forums. The G-20 had set a significant precedent in this regard.

At the foremost table for global economic governance and international finance decisions, voices representing one of the world's largest economic blocs, accounting for 16.7 percent of the global population (1.37 billion people across 55 diverse and innovative economies), were now heard. This transformation was facilitated by Indonesia and India, with the support of the United States President, Joe Biden.

The AU must therefore be astute in its presence at the G-21, given the critical role it is to play and the weights of its engagements for the African region.

FAAC Shares N966.110 Billion July 2023 Revenue To FG, States And LGCs



The communiqué indicated that in the month of July, Import and Excise Duties and Electronic Money Transfer Levy (EMTL) increased considerably while Value Added Tax (VAT) increased marginally. It added that Petroleum Profit Tax (PPT), Companies Income Tax (CIT) and Oil and Gas Royalties recorded significant decreases.

President Tinubu Nominates Olayemi Cardoso As New CBN Governor

- Also Approves Nomination of Four New Deputy Governors of The Apex Bank
- As CBN Warns IMTO Against Selling Forex Above 'Approved' Exchange Rates Pricing Limit
- Denies Policy To Crash Exchange Rate To N1.25 Per Dollar
- Stops Banks From Spending Gains Of Forex Revaluation

By Majeed Salaam

Dr. Olayemi Michael Cardoso

President Bola Tinubu has approved the nomination of Dr. Olayemi Michael Cardoso to serve as the new Governor of Central Bank of Nigeria (CBN).

In a statement by presidential spokesman, Chief Ajuri Ngelale, recently, Mr. Cardoso will serve for a term of five years at the first instance, pending his confirmation by the Nigerian Senate.

It will be recalled that since the suspension of Mr. Godwin Emefiele as the CBN governor in June this year, a deputy governor of the bank, Faloshodun Shonubi, has been the acting Governor of the apex bank.

Mr. Cardoso, commonly known as Yemi Cardoso, is first Commissioner of Economic Planning and Budget in Lagos State in 1999 upon return to democratic rule under the then Governor Bola Tinubu.

In this capacity, he wrote and monitored the implementation of the blueprint which catalysed economic development in the world's sixth largest megacity, including leading to the state's development of independent tax revenues.

His private sector experience includes an illustrious career with Citibank, Chase and Citizens International Bank.

He has served on the board of several leading companies, including Texaco and Chevron Oil Plc. He is a member of the Belgian-based Cities Alliance Think Tank which aims to shape and influence policy and decision making on urban development in Africa and has strong relationships with key international donor agencies.

Mr. Cardoso's first degree is from the University of Aston, United Kingdom (UK) and his second degree from Harvard University, USA.

In 2017, he was awarded an honorary doctorate degree in business administration by his alma mater, Aston University, in recognition of "his outstanding contributions to business and society".

There are other unique things about the next CBN Governor: Dr. Cardoso is a financial and development expert with over 30 years' experience in the private, public and not-for-profit sectors; he is a Nigerian banker, chartered stockbroker and public policy maker; he is the founding chairman and co-chair of Ehingbeti Summit, the Lagos State annual economic summit.

President Tinubu also approved the nomination of four new Deputy Governors of the CBN, for a term of five years at the first instance, pending their confirmation by the Senate.

They include Mrs. Emem Usoro, Mr. Muhammad Dattijo, Mr. Philip Ikeazor, and Dr. Bala M. Bello.

Before Cardoso's nomination, Mr. Folashodun Adebisi Shonubi had been in charge of the apex bank in an acting capacity following his appointment by President Bola Tinubu. he, an economist, was the deputy (operations directorate) under the now-suspended CBN governor, Mr. Emefiele.

Shonubi assumed office in an acting capacity on June 9, 2023, following Mr. Emefiele's immediate suspension.

The suspension was announced in a statement issued by the Director of Information, Office of the Secretary to the Government of the Federation, Mr. Willie Bassey, who explained that the suspension of the CBN governor was based on an ongoing investigation and planned reform of the financial sector. Mr. Shonubi assumed the position of Operations Directorate on October 17, 2018.

CBN Warns IMTO Against Selling Forex Above 'Approved' Exchange Rates Pricing Limit

In a significant development aimed at stopping forex arbitrage, CBN has released a stern warning to all International Money Transfer Operators (IMTOs) within the country.

The apex bank warned IMTOs form selling forex higher than the approved rates which is the NAFEX rates plus or minus 2.5 percent. NAFEX closed at N773.04/$1 recently.

The warning addresses recent violations and breaches by some IMTOs and outlines potential sanctions for further non-compliance.

> There are other unique things about the next CBN Governor: Dr. Cardoso is a financial and development expert with over 30 years' experience in the private, public and not-for-profit sectors...

In an earlier circular released on August 9, 2023, referenced TED/FEM/PUB/PC/001/006, the CBN provided explicit guidelines and conditions for IMTOs. The circular clarified essential parameters around payment mode, pricing, and rate quote that must be strictly adhered to while offering international money transfer services.

However, the latest warning issued via a circular dated September 13, 2023, and referenced TED/FEM/PUB/PC/001/009, the regulatory body has observed several infractions following routine checks on the activities of these money transfer operators.

The CBN identified issues such as arbitrary rate quotes outside the permissible range, in clear violation of the extant regulations.

However, in the course of routine checks by the CBN, it was observed that some IMTOs were operating and acting in breach of above referenced circular. These actions included arbitrary rate quotes outside of permissible range and other sharp practices, in violation of extant regulations.

Such deviations from the rules compromise the stability of Nigeria's financial markets and have the potential to introduce unfair practices that may disadvantage consumers. To remove any ambiguity, the apex bank has restated its guidelines on rate quotes, emphasising that IMTOs are obligated to quote rates within an allowable limit of -2.5 percent to +2.5 percent around the previous day's closing rate of the Nigerian Foreign Exchange Market for their transactions.

What this means is that IMTOs are not expected to sell forex above the 2.5 percent of the previous day's NAFEX rates. Assuming the rate of N773.04, the exchange rate used by IMTOs to sell dollars will be around N792.73.

However, it appears most IMTOs sell at the black-market rates arbitraging from price differentials.

The CBN has specified a series of sanctions that would be enforced on IMTOs found in breach of this regulation. The penalties include: Being compelled to sell their forex proceeds directly to the CBN, suspension from engaging in international money transfer operations, the potential loss of their operating license.

Going forward, any IMTO in breach of this specific regulation would face sanctions, including but not limited to being compelled to sell their proceeds to the CBN, suspension from operations and loss of operating license.

This announcement from the CBN aims to put an end to the arbitrage opportunities that IMTOs have been exploiting, although it remains uncertain whether the warning alone will serve as sufficient deterrence.

A longstanding issue with past exchange rate policies has been the persistent disparity between official and black-market rates, which provides fertile ground for arbitrage. This gap often arises from limitations in forex supply, exacerbated by mounting demand pressures—a more complex challenge that the central bank must also confront.

Additionally, beyond targeting IMTOs, there's the concern that retail forex buyers could also take advantage of the arbitrage opportunities, thereby diminishing the effectiveness of the CBN's warning.

Denies Policy To Crash Exchange Rate To N1.25 Per Dollar

In another development, the apex bank denied a report that it is planning to introduce a new naira policy that would crash the dollar exchange rate to N1.25 kobo.

A report spreading online recently claimed that the CBN is considering a new FX policy. The report stated that the policy is billed for November 2023 and would better anchor inflation expectations and make for easier conversion to other major currencies.

According to the report, the policy would reverse the tendency for currency substitution. Also, it stated that the policy would eliminate higher denomination notes with lower purchasing power.

Reacting to the report on its X handle, the CBN in a statement described it as false. "The CBN will like to bring to your attention that the attached message currently circulating on social media is false and should be disregarded. "

The exchange rate, as of then was at N742.10 to the dollar at the investors and exporters' (I&E) window — Nigeria's official FX market.

Stops Banks From Spending Gains Of Forex Revaluation

Still on foreign exchange, the CBN has issued fresh rules to guide banks against abuse of ongoing forex reforms.

According to a circular, BSD/DIR/CON/LAB/16/020, signed by Director, Banking Supervision Department, Mr. Haruna Mustafa, the bank has reviewed impact of recent foreign exchange rate regime change on the banking system and observed its potential to significantly increase naira values of banks' Foreign Currency (FCY) assets and liabilities, resulting in varying levels of FX revaluation gains or losses across the industry.

The bank noted that additional implications of foreign exchange policy reforms may include breaches of single obligor and net open position limits, possible increase in asset quality risks, and pressure on industry capital adequacy.

The CBN, therefore, approved prudential guidance and directives for immediate implementation by banks. Under treatment of foreign exchange revaluation gains, banks are required to exercise utmost prudence and set aside the FCY revaluation gains as a counter-cyclical buffer to cushion any future adverse movements in the FX rate. In this regard, banks shall not utilise such FX revaluation gains to pay dividend or meet operating expenses.

Under Single Obligor Limit (SOL), banks that inadvertently breach the limit, due to the foreign exchange policy, will be granted forbearance upon application to the CBN. The forbearance shall apply only to existing facilities as at effective date of the policy.

With regards to Net Open Position (NOP), banks that exceed prudential limits due to the foreign exchange revaluation shall be granted forbearance for the breach upon application to the CBN. Existing prudential regulations on capital adequacy, dividend payments and FCY borrowing limits shall continue to apply.

The CBN stressed that banks are encouraged to build capital buffers to increase resilience against potential volatility and/or economic shocks, adding that it will continue to monitor emerging vulnerabilities and take appropriate regulatory action.

NCS Suspends 2 DMBs From Import Duty Collection Over N10bn Non-Remittance

By Jennete Ugo Anya

Mr. Bashir Adewale Adeniyi, Acting Comptroller-General of NCS

Stakeholders facing difficulties with a specific bank are encouraged to explore suitable alternatives for their financial needs

The Nigeria Customs Service (NCS) has taken action by suspending the authorisation of two Deposit Money Banks (DMBs) entrusted with the collection of import duty on behalf of the service.

This suspension has been initiated due to the banks' inability to consistently and punctually remit the crucial funds required for national development, as well as to safeguard the efficiency and integrity of the customs duty collection process.

Reports indicate that these two banks have failed to remit a staggering sum of N10billion, leading to their suspension from this important duty. In an official statement released by Mr. Abdullahi Maiwada, the National Public Relations Officer, Acting Comptroller-General of Customs, Mr. Bashir Adewale Adeniyi, expressed concerns about these banks' inability to meet the service-level agreements (SLAs) associated with customs duty and statutory charge remittances.

However, Mr. Adeniyi clarified that the suspension would be lifted once the affected banks fully comply with all regulatory requirements and settle their outstanding remittances.

The official statement conveyed the following message: "In a significant development, Mr. Adeniyi has taken decisive action in response to selected authorised dealer banks failing to meet SLAs related to customs duty and statutory charge remittances.

This decision followed a thorough audit and due process, aligning with the NCS's commitment to upholding transparency, accountability, and efficiency in revenue collection. The primary objective is to ensure the accurate and timely remittance of customs duties and other essential funds for national development. Despite the deactivation of these banks, the Comptroller-general has implemented measures to minimise disruptions for importers and stakeholders within the trading ecosystem, assuring the trading community that all pending assessments will undergo clearance processes in line with international best practices."

The customs chief recommended that importers who previously relied on the suspended DMBs for duty payments should turn to other authorised financial institutions that adhere to NCS regulations. This step aims to ensure that the importation process remains smooth and efficient for all stakeholders.

Stakeholders facing difficulties with a specific bank are encouraged to explore suitable alternatives for their financial needs.

The banks that have been temporarily deactivated would have the opportunity to regain their operational status once they meet all regulatory requirements and settle any outstanding remittances. Collaborative efforts between financial regulators and stakeholders are currently in progress to ensure the customs duty collection system remains efficient and reliable.

The NCS places a high priority on trade facilitation, with a strong commitment to putting the interests of stakeholders and Nigerian citizens first, even when some authorised dealer banks may not fully comply. This action reflects the NCS's dedication to maintaining a fair and transparent customs revenue collection process, as stated by their representative.

Meanwhile, the Council for the Regulation of Freight Forwarding in Nigeria (CRFFN) has appealed to Mr. Gboyega Oyetola, Honourable Minister of Marine and Blue Economy, to grant the agency permission to collect Practitioners Operating Fee (POF) on wet cargoes.

During the minister's visit to her office as part of his working tour of agencies under the ministry, the acting registrar of CRFFN, Mrs. Chinyere Uromta, emphasised that allowing the collection of POF would significantly enhance the Council's Internally Generated Revenue (IGR).

Mrs. Uromta pointed out that with the removal of subsidies on petroleum products, it is crucial to enable CRFFN to collect POF on wet cargo, which represents another source of revenue for the council. She also urged the federal government to reconsider its decision to discontinue funding for the council by January 1, 2023.

She highlighted that without CRFFN's intervention in the freight forwarding subsector of the economy, Nigeria could face potential delisting from the International Federation of Freight Forwarding Associations (FIATA). Recalling the recommendation of the Presidential Committee on Salaries (PCS) to remove federal government funding from CRFFN starting January 1, 2023, the Registrar expressed concern about the challenge posed by the current inadequacy of IGR to cover personnel costs.

"We hold an optimistic outlook, envisioning enhanced collaboration and interaction with pertinent government entities such as the NCS, Federal Ministry of Aviation, Nigerian Ports Authority, Federal Ministry of Finance (Revenue Department), and others. Through such concerted efforts, the council is poised to overcome the challenges plaguing the collection of IGR, which currently exceeds N3billion annually.

It is imperative for the government to grant us the opportunity to refine our revenue processes to avert any adverse effects on Nigeria's standing at the FIATA congress," she emphasised. The registrar expressed concern about the federal government's auto-deduct policy, which deducts 40 percent of the council's revenue at the source for the Consolidated Revenue Fund (CRF). This high deduction rate has impeded the council's ability to fulfill critical financial obligations, especially since it was recently removed from the personnel budget starting in January 2024.

She expressed hope that the Budget Office of the Federation would address this matter by considering a reduction or complete removal of the 40 percent remittance.

Furthermore, she called for the urgent amendment of the council's establishing Act. She pointed out that the current Act portrays the council solely as a professional body, failing to recognise its role as a regulatory agency of the federal government and an international regulatory body for freight forwarding standards, established by the United Nations and globally acknowledged as FIATA.

"FIATA plays a pivotal role in shaping the curriculum for the training of freight forwarders worldwide. It sets certification standards through its congress and various committees, collaborating with other United Nations entities such as the World Trade Organisation (WTO), the International Maritime Organisation (IMO), International Civil Aviation Organisation (ICAO), and more. CRFFN engages with FIATA to enhance capacity development, facilitate certification, manage national membership subscriptions, and maintain an up-to-date membership register of qualified practitioners for shippers' easy access when choosing a freight forwarder."

"The current Act governing the agency fails to acknowledge its core mandate, which is to regulate freight forwarding practice in Nigeria. Instead, it erroneously categorises it as a professional body. We strongly advocate for the immediate amendment of the CRFFN Act to rectify these anomalies."

"In light of the expanded Blue Economy mandate of the Ministry of Marine and the African Continental Free Trade Agreement (AfCFTA) regime, a revised Act addressing education, registration, and regulation of the freight forwarding profession in Nigeria is essential. This repositioning of the council will undoubtedly bring the much-needed order to the freight forwarding industry and, in turn, enhance revenue generated from our regulatory functions," she concluded.

FIRS Seamless Sail Under Nami To Gather More Momentum With Adedeji In The Saddle

By Ahmed Ahmed

Mr. Zacch Adedeji, Acting Executive Chairman, Federal Inland Revenue Service

Mr. Muhammad Nami, former Executive Chairman, Federal Inland Revenue Service

Mr. Muhammad Nami, immediate past chairman of Federal Inland Revenue Service (FIRS), was nominated by President Buhari in December 2019.

At the inauguration of the new FIRS Board on January 16, 2020, Mr. Nami rolled out his four-point agenda for the FIRS, as follows: Rebuilding FIRS' Institutional Framework; Robust Collaboration with Stakeholders; Building a Customer-Centric Institution; and Making FIRS a Data-Centric Institution.

A bold and ambitious agenda, but also one fully in keeping with the role and significance of the FIRS to the Nigerian economy. He had barely started to implement the agenda when the pandemic struck. In February 2020, he organised a Corporate Plan Retreat for the management of the Service, the first in the life of the FIRS under his leadership. At that retreat, he disclosed an N8.5 trillion target for 2020, broken down into oil tax target of N3.7 trillion and non-oil tax target of N4.8 trillion.

Mr. Nami completely revamped the way the FIRS operated and fulfilled its mandates. His strategy included a focus on intelligence-gathering, information-sharing, plugging the loopholes exploited by individuals and businesses, and reducing the red tape and other obstacles that affect compliance. All of these, he would say, must be underlined by the deployment of cutting-edge technology.

To this end the service unveiled a series of palliative measures aimed at cushioning the burden of tax compliance on taxpayers.

For example, the FIRS under Nami's directives opened up a window for taxpayers with outstanding liabilities, allowing them to enjoy an extended payment period while enjoying a waiver of penalties and interests during this extended period. The original extension period of June 30, 2020 was further extended to August 31, 2020.

When Mr. Nami resumed at the FIRS he was reported to have called his management team together to inform his vision and objectives for his tenure. He summarised what he wanted to achieve in a four-point agenda: to rebuild the FIRS institutional framework; to improve collaboration with stakeholders; to make the FIRS a customer-centric institution and to make the FIRS a data-centric institution.

One of the first things he then did was to end the contracts of over 2,000 tax consultants previously hired and gave the job of tax administration back to the FIRS staff. As it should have been.

Under him, the management approved a new structure for the FIRS. The new organogram was designed to create improved service delivery to taxpayers. It introduced taxpayer segmentation where large taxpayers, media taxpayers and small taxpayers' offices were created. The audit and investigation departments were also reviewed for effectiveness. With the new boss on ground, the FIRS annual corporate retreat was reintroduced to provide staff the opportunity to discuss their work, network, review the workings of the service and improve on their capacity to deliver.

Mr. Nami further established the tax incentive management department to monitor companies and enterprises that were benefitting from tax holidays and tax exemptions and ensuring that they were not making taxable profits and refusing to pay taxes on that income.

One major legacy of the Nami-led FIRS would be his deployment of technology to transform tax administration. Tax administrators would remain in the brick-and-mortar age if they do not bring their work to be in line with technological advancement, he would say. As the world progresses, and advancements in technologies are recorded, for any sector of human life to engage with the dynamics of the world, it must be technologically advanced too.

> A bold and ambitious agenda, but also one fully in keeping with the role and significance of the FIRS to the Nigerian economy

He would take the credit for courageously deploying technology in the FIRS for tax administration. With the amendment of the FIRS Establishment Act through the Finance Act 2020, where the service was given the powers to use technology for tax administration, the FIRS deployed its homemade solution called Tax-Pro Max to register taxpayers, receive filings from them, and receive payments too.

The TaxPro Max is the first of its kind in Nigeria. Its deployment was a bold move by the FIRS against many odds. The revolutionary TaxPro Max: FIRS' homegrown digital platform for tax administration, allows taxpayers to register, file returns and pay their taxes easily from any location. It has now cut off suspect middlemen from the tax filing processes and has made tax administration far easier and in line with global standards.

It was thus not surprising to see that the FIRS collected N664 billion in the month of June 2021 alone. This was the single highest amount ever collected in a month by the service since the COVID-19 pandemic.

In line with building a data-centric institution, Mr. Nami set up the intelligence, strategic data mining and analysis department (ISDMA) to deploy analytical tools to analyse data mined from the revolutionary TaxPro Max to properly assess taxpayers.

The FIRS has also improved its relationship with various stakeholders within the government finance networks as well as the security departments and agencies. This has allowed for the service to receive more information on taxpayers, easily track tax defaulting and enforce compliance.

The world saw all these and honoured Mr. Nami with the extra job of leading the Commonwealth Association of Tax Administrators (CATA) as the association's president. He was elected unanimously as the president of CATA. The election was a testament to the work that he did in Nigeria. It was a recognition and an affirmation of his success stories, and the call for him to take leadership of global taxation matters.

In December 2020, the FIRS announced that it had collected a total of N4.95 trillion compared to its target of N5.07 trillion. This was an uncommon feat: it happened despite the COVID-19 pandemic and meant the FIRS had met 98 percent of its target. Mr. Nami had indeed proved the naysayers wrong, countless times. He kept to his four-point objective in rebranding and reforming the FIRS to be one of Nigeria's leading government institutions.

Despite the fiscal chaos, it collected total tax revenue of over N4.952 trillion, a little short of the target of N5.07 trillion the federal government had set for it. This near 100 percent feat was prodigious.

The FIRS under Mr. Nami had to grant tax exemptions to small companies to cushion the effects of the pandemic. In the same year too, the service under him achieved 109 percent of its non-oil tax collection target.

In the first quarter of 2020 alone, stamp duty earnings jumped to over N66 billion from the N18 billion recorded the previous year.

Apart from building institutional frameworks to collaborate better with stakeholders and make FIRS a customer-friendly institution and data-driven, the Nami-led FIRS also deployed a digital service interface, the digital economic compliance (DEC) tool, to facilitate the implementation.

The implementation of the DEC tools also assists the service in determining entities that fall within the SEP threshold and relevant turnover generated from Nigeria was revolutionary in itself.

Apart from shoring up revenue, full automation of all its tax administration processes was to block revenue leakages thereby revolutionising revenue generation in Nigeria.

A review of Nami's efforts and achievements would also look at the stamp duty matter – one of the major issues that had dominated the airwaves then and generated a lot of discussions. The Finance Act 2019, a landmark legislation that amended the existing Stamp Duties Act, among others, makes it unambiguously clear that the FIRS is the sole competent tax authority to assess, collect and account for stamp duty relating to matters between a company and an individual or group of individuals in Nigeria. It also expands the list of dutiable items, as well as reviews the amount payable, to bring it in line with modern realities.

To appreciate the impact and seriousness of the reform set in motion by the new stamp duty regime, one only had to compare the stamp duty revenue from the entire 2019 with the figure from the first half of 2020. Between January and December 2019, the total stamp duty collected in Nigeria was N18 billion. In the first half of 2020 alone, that figure leapt to N66 billion, a more than 3-fold increase.

Besides, in line with the seriousness of the federal government's revenue efficiency drive, it set up an Inter-Ministerial Committee on the Audit and Recovery of Stamp Duties, which was inaugurated by the then Secretary to the Government of the Federation, Mr. Boss Mustapha, in June 2020. The committee was made up of a wide range of senior government officials, including the chairman of the FIRS.

At the inauguration of the committee, the FIRS under Mr. Nami's leadership seized the opportunity to launch the FIRS' new adhesive stamps, to replace the old system of postage stamps being used to symbolise stamp duties.

On that occasion of the launch, Mr. Nami announced his vision to "reposition stamp duties as the next major revenue source for Nigeria." The agency then generated N8 trillion in eight months as the country's tax-to-gross domestic product (GDP) 'rose to 10.86 percent' under his leadership. The agency obviously foraged then for national revenue target.

Certainly, it is to sustain the momentum for revenue maximisation for the public good that President Bola Tinubu recently directed Mr. Nami to proceed on three months of pre-retirement leave. To replace Mr. Nami, the president has appointed Zaccheus Adedeji, a former Commissioner of Finance during the administration of late Governor of Oyo State, Abiola Ajimobi.

This was disclosed recently by the Special Adviser to the President on Media and Publicity, Chief Ajuri Ngelale. The directive, he stated, is in line with the provisions of Public Service Rule (PSR) 120243.

"The President has directed the erstwhile FIRS Chairman, Mr. Muhammad Nami, to proceed on 3 months of pre-retirement leave, as provisioned by Public Service Rule (PSR) 120243, with immediate effect, leading to his eventual retirement from service on December 8, 2023," the statement reads.

"Hon. Zacch Adedeji is hereby appointed in acting capacity for a 90-day period before his subsequent confirmation as the substantive Executive Chairman of the FIRS for a term of four years in the first instance."

The new appointment takes immediate effect. Until his recent appointment, Adedeji, a certified accountant who hails from the Iwo-Ate area of Ogo-Oluwa local government of Oyo State, was the special adviser to President Tinubu on Revenue. He was also the executive secretary and chief executive officer (CEO) of the National Sugar Development Council (NSDC). Adedeji, who recently bagged his doctorate degree from Obafemi Awolowo University (OAU), Ile-Ife, Nigeria, is a first-class graduate in accounting from the same university.

Total Public Debt Reaches N87.38trn - *DMO*

By Kingsley Benson

The Debt Management Office (DMO) has unveiled a comprehensive snapshot of Nigeria's financial obligations to various countries and institutions, painting a vivid picture of the nation's fiscal landscape.

As of June 30, 2023, Nigeria found itself in debt to several nations and organisations, with a staggering total public debt of N87.38trillion, equivalent to $113.42billion.

Multilaterals took the lion's share of Nigeria's debt burden, accounting for 48.17 percent of the total. This included substantial sums owed to the World Bank (N14 billion) and the African Development Bank (N1.55 billion).

Bilateral debt was the next significant slice of the pie, totaling N5.5billion and encompassing obligations to countries like China, France, India, Germany, and Japan.

The remaining categories included commercial loans, promissory notes, and syndicated loans, with their respective percentages of 36.19, 2.16, and 0.70 percent.

Notably, this formidable debt figure incorporated both domestic and external obligations of the federal government of Nigeria, the 36 states, and the Federal Capital Territory. A substantial addition to the Public Debt Stock was the inclusion of securitised Ways and Means Advances of the federal government, totaling N22.712 trillion.

The inclusion of these securitised advances, following the necessary approvals, allowed them to be counted in the Total Public Debt Stock. Notably, the federal government had previously disbursed $1.17 billion to service foreign debt commitments during the first half of 2023, according to data from the Central Bank of Nigeria.

Ms. Patience Oniha, Director-General of DMO

In a concerning turn of events, despite the massive debt load of N87trillion, President Tinubu's administration was reported to have fallen short in servicing loans owed to China and other nations in 2023, as revealed by the DMO.

This period witnessed Nigeria's total external debt surge from N49.8 trillion to N87.379 trillion by June 30, 2023, as disclosed on the DMO's website.

This figure encompassed both external and domestic debts, including those incurred by the 36 states and the Federal Capital Territory, culminating in the daunting N87.739 trillion total debt burden.

Pension Fund Assets Hit N17.07trn In July 2023 – PenCom

By Tony Tagbo

Data from the National Pension Commission (PenCom) reveals pension fund assets rose to N17.07 trillion for the period ended 31st July 2023.

This represents an increase of about 1.85 percent when compared to the N16.76 trillion that was reported as net asset value in June 2023.

This was contained in the PenCom's monthly report for the month of July 2023.

According to the report, the total pension fund net asset value rose to N17 trillion in the month of June compared to N16.7 trillion reported a month earlier.

A closer look at the data reveals that investment in federal government's securities continues to dominate portfolio allocation with about N11 trillion or 64.7 percent of total net asset value (NAV).

Portfolio allocation to federal government's Securities was N10.8 trillion in June or 64.6 percent of total net asset values.

Pension Funds also allocated N1.8 trillion to corporate debt securities and N1.58 trillion to money market instruments.

Investments in ordinary shares of local companies rose to N1.338 trillion from N1.268 trillion in June.

Fund allocation which is the default Retirement SA Fund under the multi-fund structure, maintained the largest share of the Active RSA Funds allocation with N7.3 trillion or 43 percent of the total fund NAV.

Fund allocations also rose from N4.5 trillion to N4.6 trillion maintaining its second position for fund allocation.

Agusto & Co. Upgrades FHFL Rating From "A" To "A+"

By Jennete Ugo Anya

Credit rating agency, Agusto & Co. has just delivered some positive news for Family Homes Funds Limited (FHFL) by upgrading its rating from "A" to "A+."

This rating boost, according to Agusto & Co., underscores FHFL's robust financial position and its unwavering commitment to delivering affordable housing to the families who need it most.

In its comprehensive report, Agusto & Co. also pointed to the steadfast support FHFL receives from the federal government, demonstrated by continuous capital injection in the form of grants. The FHFL's strong rating is further buoyed by its impressive asset quality, robust capitalisation, sound liquidity and funding profile, and an experienced management team.

In response to this announcement, Mr. Abdul Mutallab Mukhtar, the Managing Director of the FHFL, expressed his satisfaction, stating: "This upgrade is a testament to our resilience and strategic prowess. We take pride in the positive impact we bring to people's lives. Our dedicated professionals, sound financial strategies, prudent risk management, and our commitment to environmental, social, and governance principles are all aligned with our mission."

He continued: "This upgrade is not just a validation; it is a reaffirmation of our core values. We are motivated to continue our journey, driven by a boundless spirit of innovation and an unwavering commitment to growth and excellence."

In another exciting development, FHFL recently celebrated its 2023 Human Resources (HR) Week, a special annual event dedicated to honouring its most valuable asset – its people. From August 7th to August 11th, 2023, FHFL hosted a series of events and activities aimed at nurturing a positive work culture, promoting collaboration, and enhancing employee well-being, all under the theme of 'Igniting Change and Accountability.'

The week began with an enlightening lecture titled 'Driving Change from Within & the Ripple Effect of Accountability' by renowned business coach and management consultant, Mr. Oluseye Taiwo Adepoju, known as 'The Oracle.'

This engaging session set the tone for a week of personal and professional growth. Icebreaker activities, both physical and mental, helped foster connections and break down barriers among team members.

Mr. Adepoju emphasised the importance of not only measuring Key Performance Indicators (KPIs) but also keeping people informed, inspired, and engaged.

Day two featured book reviews, where teams chose and presented key takeaways from inspirational books such as 'Who Moved My Cheese' by Dr. Spencer Johnson and 'The Difference Maker' by John Maxwell. These discussions ignited conversations on change, accountability, leadership, resilience, and creativity, forging stronger connections among colleagues.

On day three, employees celebrated cultural appreciation by donning vibrant cultural attire, showcasing their diverse heritages. The office transformed into a global village, with various cultural outfits on display. The event featured a rich tapestry of stories, music, and food, fostering a deeper understanding and appreciation of the diverse backgrounds within the team.

Day four was on nourishing and appreciating bonds between the employees. Healthy living was the watch word as an emergency medical officer guided the employees towards selfcare and managing emotional intelligence. Everyone participated by sharing preferred methods of dealing with stress and anxiety. The shared experience deepened a sense of collaboration and well-being.

The special day was also dedicated to expressing gratitude and appreciation to colleagues for their work and dedication. It featured anonymous exchange of heartfelt appreciative notes to one another. There was also a lecture on anti-fraud and whistle blowing.

Day five featuring games of strategy had the week take a playful turn as teams engaged in strategic games and challenges. Puzzle-solving, painting, tug of war, sack race, and team-building obstacle courses tested employees problem-solving skills and unity under pressure. Laughter echoed through the crowd as bonds were strengthened.

There was celebration of achievements; there were awards to recognise outstanding teamwork, innovation, and dedication. An atmosphere of appreciation filled the room, affirming the collective efforts of everyone.

Considering reflection and renewal, the week concluded with moments of reflection and goal setting. Employees carried with them a renewed sense of purpose and connection. The blend of lectures, games, cultural appreciation, mental health awareness, and awards had woven a tapestry of unity that would forever shape their shared path forward.

The FHFL is a limited liability company with initial shareholding by the Federal Ministry of Finance Incorporated (MoFI) and the Nigeria Sovereign Investment Authority (NSIA). The company aims to reduce Nigeria's housing deficit by facilitating the development of affordable homes and advancing innovative paths to home ownership. In the process, the company strives to spur the development of relevant skills, support the industry, and create jobs.

Overall, these developments highlight FHFL's commitment to growth, excellence, and its people, as it continues to make a positive impact in the realm of affordable housing.

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ADVERT RATE

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

PUBLIC NOTICE POLITICAL

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

BLACK AND WHITE

PRODUCT

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

PUBLIC NOTICE POLITICAL

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

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

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

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

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FIRS Records N781bn Revenue From VAT In Q2 2023

As NBS says Nigeria's Inflation Soars To 25.80% In August

By Tony Tagbo

National Bureau of Statistics (NBS), says value added tax (VAT) generated a whopping N781.35 billion for Q2 2023, showing a growth rate of 10.11 percent on a quarter-on-quarter basis from N709.59 billion in Q1 2023.

In a statement by the NBS on its website, local payments recorded N512.03 billion, while foreign VAT payments were N142.63 billion.

Similarly, import VAT contributed N126.69 billion in Q2 2023. "On a quarter-on-quarter basis, the activities of extraterritorial organisations and bodies recorded the highest growth rate with 212.06 percent, followed by real estate activities with 123.09 percent.

On the other hand, activities of households as employers, undifferentiated goods- and services-producing activities of households for own use had the lowest growth rate with –57.06 percent, followed by agriculture, forestry, and fishing with –32.86 percent.

In terms of sectoral contributions, the top three largest shares in Q2 2023 were manufacturing with 29.64 percent; information and communication with 21.19 per cent; and financial and insurance activities with 11.18 percent" the NBS noted.

Mr. Semiu Adeyemi Adeniran, Statistician-General of the Federation and Chief Executive Officer of NBS

Similarly, NBS noted that on the aggregate, company income tax (CIT) for Q2 2023 was reported at N1.53 trillion, indicating a growth rate of 226.40 percent on a quarter-on-quarter basis from N469.01 billion in Q1 2023. Local payments received were N1.02 trillion, while foreign CIT payment contributed N505.91 billion in Q2 2023.

"On a quarter-on-quarter basis, water supply, sewerage, waste management, and remediation activities recorded the highest growth rate with 626.52 percent, followed by accommodation and food service activities with 585.11 percent. On the other hand, education had the lowest growth rate with – 15.48 percent, followed by public administration and defence, compulsory social security with 25.46 percent.

"In terms of sectoral contributions, the top three largest shares in Q2 2023 were manufacturing with 25.63 percent; financial and insurance activities with 24.47 percent; and information and communication with 20.30 percent" the bureau explained.

However, the activities of households as employers, undifferentiated goods- and services-producing activities of households for own use recorded the least share with 0.01 percent, followed by activities of extraterritorial organisations and bodies with 0.06 percent; and water supply, sewerage, waste management, and remediation activities with 0.09 percent.

In addition, on a year-on-year basis, CIT collections in Q2 2023 increased by 114.28 percent from Q2 2022" the statistical agency, noted.

Nigeria's Inflation Soars To 25.80% In August

Nigeria witnessed a significant surge in inflation, with the rate reaching 25.80 percent in August 2023.

There was an increase of 1.72 percentage points compared to the previous month's rate of 24.08 percent.

The NBS revealed the increased in its latest Consumer Price Index (CPI) report for August 2023.

This substantial increase in inflation can be attributed to the removal of petrol subsidies and the devaluation of the official exchange rate, both of which had a direct impact on consumer prices. Month-on-month inflation also experienced an uptick, rising to 3.18 percent in August from the 2.89 percent recorded in the preceding month.

When analysing the contributors to year-on-year inflation, it was found that food and non-alcoholic beverages had the most significant impact, accounting for 13.36 percent. This was followed by housing, water, electricity, gas, and other fuels, contributing 4.32 percent, and clothing and footwear, contributing 1.97 percent.

In August 2023, the urban inflation rate soared to 27.69 percent, marking a significant increase of 6.73 percentage points compared to the 20.95 percent recorded in August 2022. In contrast, the rural inflation rate stood at 24.10 percent, which represented a 3.98 percentage point increase from the 20.12 percent recorded in August 2022.

Food inflation was a major concern, as it spiked to 29.34 percent in August 2023, reflecting a 2.35 percentage point increase from the previous month and a substantial 6.22 percentage points higher than the same period in 2022.

On a month-on-month basis, food inflation for August 2023 reached 3.87 percent, up by 0.41 percentage points compared to July 2023 (3.45 percent). The average annual rate of food inflation for the twelve months ending in August 2023 was 25.01 percent, showing a 5.99 percentage point increase from the average recorded in August 2022 (19.02 percent).

This surge in food inflation was primarily driven by rising prices in categories such as oil and fat, bread and cereals, fish, fruit, meat, vegetables, potatoes, yam, and other tubers, as well as vegetable, milk, cheese, and eggs.

Excluding volatile agricultural produce, the 'All items less farm produce' category reached 21.15 percent in August 2023 on a year-on-year basis, marking a 0.67 percentage point increase compared to the 20.47 percent recorded in July 2023. On a month-on-month basis, core inflation was 2.18 percent in August 2023, up by 0.07 percent from July 2023.

The average twelve-month annual inflation rate for the period ending in August 2023 was 19.18 percent, which was 4.38 percentage points higher than the 14.80 percent recorded in August 2022. This increase was particularly notable in the prices of items such as passenger transport by air, passenger transport by road, medical services, vehicle spare parts, and maintenance and repair of personal transport equipment.

In terms of regional variations, Kogi, Lagos, and Rivers recorded the highest year-on-year inflation rates in August 2023 at 31.50 percent, 29.17 percent, and 29.06 percent, respectively. Conversely, Sokoto, Borno, and Nasarawa experienced the slowest rise in headline inflation, with rates of 20.91 percent, 21.77 percent, and 22.25 percent, respectively.

In the realm of food inflation, Kogi, Lagos, and Kwara recorded the highest rates at 38.84 percent, 36.04 percent, and 35.33 percent, while Sokoto, Nasarawa, and Jigawa saw the slowest rise in food inflation, with rates of 20.09 percent, 24.35 percent, and 24.53 percent, respectively.

PTAD Pays N846.1mn Accrued Arrears And Gratuity To Pensioners

By Anita Dennis

The Pension Transitional Arrangement Directorate (PTAD) has paid the sum of N846,146,987.71 to 2,730 pensioners of the civil service pension department of an accrued arrears and gratuity that were owed the pensioners.

The arrears paid to these retirees ranged from previously verified pensioners not on the payroll, those who did not received their gratuity on retirement and failed payments on the Government Integrated Financial Management System (GIFMIS) platform.

In his remark, the Ag. Executive Secretary of PTAD, Mr. Sulayman Shelleng, said that the payment is going to be continued until all accrued arrears are paid. He assured other pensioners who are yet to receive their arrears to be calm as the directorate is working tirelessly to ensure that all outstanding arrears of pensions and gratuity are paid soon.

In a recent statement by Mr. Olugbenga Ajayi, Head, Corporate Communications, PTAD, Mr. Shelleng further assured Defined Benefit Scheme (DBS) pensioners of the directorate's continued strive to ensure that their welfare is promoted.

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Global Power: **Granting AU G-20 Status Opens New Vista For Expansive Development**

POLICY BRIEF *with* ENAM **OBIOSIO**

The African continent had an eventful summer, marked by a significant development at the recently concluded summit of the Group of 20 (G-20), an international forum comprising 19 major global economies and the European Union (EU) in New Delhi. During this summit, the African Union (AU) was warmly embraced as the newest member of the G-20, having its status as a permanent member.

This decision carries profound implications for the African continent, recognising it as a formidable global power in its own right. The transformation from G-20 to G-21 now includes permanent members Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Türkiye, United Kingdom (UK), United States (US), the EU, and, notably, the AU.

The G-20, which collectively represents approximately 85 percent of the world's global gross domestic product (GDP), 75 percent of global trade, and comprises two-thirds of the global population, has significantly expanded with the inclusion of the AU. The AU consists of 55 member states, albeit with six nations currently under suspension, boasting a combined GDP of $3trillion and a population of 1.4billion.

Previously classified as an 'invited international organisation,' the AU has now attained full member status, on par with the EU, which stands alongside 19 individual countries, including prominent nations like the UK, Russia, and the US. This development signifies that Africa, as a whole, now possesses a strong and influential voice on the international stage.

The United Nations (UN) has welcomed this historic move, acknowledging it as a testament to Africa's growing influence and importance on the global platform. Stéphane Dujarric, Spokesperson for the Secretary-General of the UN, commented, "This is a reflection of Africa's growing influence and importance on the global stage. When much of the existing international multilateral architecture was built, most of Africa was still colonised and did not have an opportunity to have their voices heard. This is another step towards correcting that imbalance."

Kenya's President, William Ruto, has also expressed optimism, stating that this development will enhance Africa's voice, visibility, and influence. This newfound influence is particularly crucial as many of the world's most pressing challenges disproportionately affect some of the world's most impoverished nations, many of which are in Africa.

For instance, Africa bears a disproportionate burden of the climate crisis, despite contributing only a fraction of global emissions. The climate emergency poses severe threats to food security, ecosystems, and economies across the continent, heightening the risk of conflicts over dwindling resources, as noted by the World Meteorological Organisation.

Indeed, climate change and environmental concerns dominate the World Economic Forum's Global Risks Report 2023, comprising six of the top 10 most significant risks facing the world in the coming decade. South African President, Cyril Ramaphosa, emphasised the importance of collective action, stating: "As African and other developing economy countries, we face the task of meeting our climate commitments in the midst of significant developmental challenges like poverty, inequality, and unemployment. Climate change, environmental degradation, unsustainable consumption and production, and resource scarcity are challenges that can only be addressed collectively and with a great deal of solidarity". This landmark inclusion of the pan-African organisation representing 55 countries and nearly 1.5 billion people gives the G-20 more legitimacy in coordinating global economic governance. This issue of African representation is even more crucial as new fora—such as the BRICS group that recently announced an expanded membership at its summit in South Africa—are visibly questioning the legitimacy of exclusive decision-making in the prevailing institutions of global governance.

Indeed, supporting A.U. membership in the G-20 was one of the key commitments made by President Joe Biden during the U.S.-Africa Leaders Summit in December 2022.

To harness the full benefits of this G-20 membership, the AU must take important steps to identify mechanisms for its representation at the Forum and ways to continuously develop consensus among African countries on issues that are key such as climate finance, global trade, global taxation, the energy transition etc.

Indeed, there is some progress in developing a common Africa position on climate action. The first ever Africa Climate Summit was hosted in September in Nairobi under the leadership of Kenya's president, William S. Ruto.

Africa stands to gain several benefits from its engagement with the G-20. While Africa is not a member of the G-20, it often participates in G-20 meetings and discussions as a guest or invited partner. Now that AU has been admitted into the world largest economies, there are some potential gains for Africa.

On economic growth and development, Africa can benefit from the G-20's efforts to promote global economic stability and growth. Its discussions on trade, investment, and infrastructure development can create opportunities for African countries to attract foreign investment and promote economic development.

And there could be agriculture and food security. African countries can engage with the G-20 to promote agricultural development and food security initiatives. These efforts can help address hunger and poverty in the region, as well as technology transfer. Collaboration with G-20 members can facilitate technology transfer to African countries, enabling them to adopt innovative solutions and boost productivity in various sectors.

Considering tourism and hospitality, Africa boasts a diverse range of natural attractions and cultural experiences. Developing the tourism and hospitality sector can attract foreign tourists and stimulate economic growth. Same for financial sector development; strengthening the financial sector, including banking and capital markets, can facilitate investment flows into Africa and support economic growth.

The G-20 can play a crucial role in addressing Africa's debt challenges. During times of financial crises, the G-20 may provide debt relief or financial assistance to African countries, helping them manage their fiscal situations more effectively. There are bound to be trade opportunities; the G-20 can provide a platform for African nations to engage in discussions about global trade policies. The discussions can lead to more favourable trade agreements and market access for African products, which can boost exports and economic growth, and there could be sustainable development goals (SDGs) factors to consider.

The G-20 has committed to supporting the United Nations' SDGs. African countries can benefit from G-20 initiatives that align with the SDGs, such as those focused on poverty reduction, education, healthcare, and environmental sustainability, so also is the infrastructure investment. The G-20 has discussed the importance of infrastructure development for economic growth. African countries can seek support and investment in their infrastructure projects, such as roads, railways, and energy systems, which can improve connectivity and competitiveness.

Given the importance of global health, especially as in the wake of the COVID-19 pandemic, the G-20 can provide resources and coordination to address health crises in Africa. This includes support for vaccine distribution and healthcare capacity building, and it can extend its influence to climate change and environmental protection. The G-20 addresses climate change and environmental issues, and Africa is particularly vulnerable to the impacts of climate change. African countries can engage with the G-20 to access climate financing and promote sustainable environmental policies.

The continent could benefit from capacity building and technical assistance. The G-20 often offers capacity-building programs and technical assistance to developing countries. African nations can benefit from these initiatives to strengthen their governance, financial systems, and regulatory frameworks, and also ensure knowledge sharing. Participation in G-20 meetings provides African leaders and policymakers with opportunities to learn from the experiences of other countries and access best practices in various policy areas.

On regional integration, the G-20 can support African regional integration efforts, helping to break down trade barriers and promote economic cooperation among African nations.

However, it is essential to note that the extent to which Africa can gain from its engagement with the G-20 depends on effective advocacy and negotiation by African leaders and the willingness of G-20 members to prioritise African interests. Essentially, with Africa's diverse range of countries which means that the benefits and priorities may vary from one nation to another, granting the AU membership in the G-20 is a step that recognises the continent as a global power in itself.

> Indeed, climate change and environmental concerns dominate the World Economic Forum's Global Risks Report 2023...

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