

Emotions Tower As Perm Sec Aliyu Ahmed Bows Out Of Service PG 3

Reducing Taxes To Less Than 10 By Federal Government Is Welcome

The Presidential Committee on Fiscal Policy and Tax Reforms has unveiled a significant proposal to streamline Nigeria's tax system by reducing the number of taxes payable to fewer than 10, aimed at fostering a more business-friendly

environment within the country. Mr. Taiwo Oyedele, the committee's chairman, revealed that currently, over 62 taxes are being collected across various levels of government in Nigeria. We echo Mr. Oyedele's sentiments regarding the

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overwhelming burden that the multitude of taxes places on Nigerian business operators. Furthermore, the informal taxes collected throughout the country

only exacerbate this challenge. Therefore, we wholeheartedly support the concept of reducing the tax burden to a single-digit figure and applaud the government's plan to consolidate revenue collection agencies, having one for each tier of government.

This reorganization will allow these agencies to focus more on their primary responsibility – improving the lives of citizens.

It is imperative to recognise the pressing issues facing Nigeria, including widespread poverty,

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Finance Minister Sees Nigeria As Largest Economy For Investors After India, China

- Demands Greater Representation At W/Bank, IMF
- IMF Says Country's Reforms Underpin Stronger Economic Growth

During a recent interview in Marrakech, Morocco, held on the sidelines of the 2023 World Bank/International Fund (IMF) Annual Meetings, the Honourable Minister of Finance and Coordinating Minister of The Economy, **Mr. Wale Edun**, highlighted that, following China and India, Nigeria stands as the third-largest economy attracting substantial investors' interest. **Enam Obiosio** writes.

The position of Mr. Wale Edun, Minister of Finance and Coordinating Minister of the Economy, that Nigeria stands as the third largest economy attracting substantial investment coincides with the IMF's endorsement of reforms initiated by President Bola Tinubu's administration, and its optimistic projections for accelerated economic growth in Nigeria and other pivotal African nations. Since taking office in May, President Tinubu has restructured the nation's foreign-exchange system, eliminated costly gasoline subsidies, and initiated measures to enhance tax revenue, invigorating Nigeria's economy. The IMF's recent World Economic Outlook forecasts a 3.1 percent expansion in the Nigerian economy in the upcoming year, up from 2.9 percent in 2023.

Mr. Edun emphasised the importance of Nigeria's readiness to attract these



L-R: **Mr. Wale Edun**, Minister of Finance And Coordinating Minister of The Economy, **Rt. Hon. Andrew Mitchell MP**, British Minister of State for Development & Africa at the 2023 World Bank/IMF Annual Meetings in Marrakech, Morocco.

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...it pays to pay your TAX



NOTICE TO STAKEHOLDERS OF BANKS (IN-LIQUIDATION)

The Nigeria Deposit Insurance Corporation (NDIC), the Official Liquidator of deposit-taking banks licensed by the Central Bank of Nigeria is in the process of verifying and paying liquidation dividends to the specified stakeholders of the following defunct banks.

S/N	BANK	STAKEHOLDERS	DECLARATION STATUS
1	Liberty Bank	Depositor	1st Liquidation Dividend
2	Amicable Bank	Depositors	Final call for depositors.
3	City Express Bank	Depositors	3rd Liquidation Dividend
4	Assurance Bank	Depositors	2nd Liquidation Dividend
5	Century Bank	Depositors	2nd Liquidation Dividend
6	Fortune Bank	Depositors and Ex-Staff	2nd Liquidation Dividend
7	Allstates Trust Bank	Depositors and Ex-Staff	5th Liquidation Dividend
8	Prime Merchant Bank	Depositors and Ex-Staff	2nd Liquidation Dividend for depositors.
9	Allied Bank	Depositors/ MDAs	6th Liquidation Dividend
10	North South Bank	Depositors/ MDAs	Final Call for Depositors
11	Financial Merchant Bank	Creditors	1st Liquidation Dividend for Creditors
12	Icon Merchant Bank	Creditors	1st Liquidation Dividend for Creditors
13	Progress Bank	Creditors	1st Liquidation Dividend for Creditors
14	Commercial Trust Bank	Depositors	Final Call for Depositors
15	Merchant Bank of Africa (MBA)	Creditors	Final Call/Final Liquidation Dividends for Creditors
16	Premier Commercial Bank	Creditors & Shareholders	Final Call/Final Liquidation Dividends for Creditors
17	Co-Operative & Commerce Bank	Shareholders	2nd Liquidation Dividend for shareholders
18	Rims Merchant Bank	Shareholders	2nd Liquidation Dividend for shareholders
19	Nigeria Merchant Bank	Shareholders	2nd Liquidation Dividend for shareholders
20	Pan African Bank	Shareholders	Dividend for Shareholders.

Eligible stakeholders are, by this notice, advised to either contact NDIC officials in any of the underlisted NDIC Offices or visit NDIC website on www.ndic.gov.ng to download the verification forms that apply to each category of claimants.

Kindly note that duly completed verification forms may be returned to any of the underlisted offices or via our email address: claimscomplaints@ndic.gov.ng.

S/N	OFFICE	ADDRESS	TELEPHONE NO.
1	Lagos Office	23 A, MARINA, LAGOS. P.M.B. 12881, LAGOS	07080517483, 09063903615 08038112996, 08067298386
2	Enugu	No. 10, Our Lord's Street, Independence Layout, Enugu	08065996819
3	Benin	28A/28B, Benoni Hospital Road, Off Airport Road, GRA, Benin City, Edo State	08023124220
4	Kano	Plot 458, Muhammad Muhammad Avenue, Off Maiduguri Road, Hotoro, GRA, Kano	08133151192
5	Ilorin	No. 23B, Ahmadu Bello Way, GRA, Ilorin.	08023073975
6	Bauchi	Plot No. 3, Bank Road, P.M.B. 0207, Bauchi	09127343434
7	Sokoto	No. 2, Gusau Road, Opp. NNPC Mega Station, Sokoto.	08033142546. 09077367736 08033468446
8	Yola	No. 6, Numan Road, P.M.B. 2227, Jimeta, Yola, Adamawa State.	08067910599 08067923383, 09-4601515, 09-4601516
9	Port Harcourt	No. 104, Woji Road, Off Olu Obasanjo Road, GRA, Port Harcourt, Rivers State.	08054663230
10	Head Office Abuja	Head, Bank Examination Unit (BEU), NDIC, Abuja, Plot 447/448, Constitution Avenue, Central Business District, Garki, Abuja	09-4601260, 09-4601261
11	Owerri	No. 56, Area A, World bank Area, New Owerri Landmark, Behind Immaculate Hotel, opp. Fidelity Bank. Owerri, Imo State.	09135137677
12	Abeokuta	No. 1, Oshele Road, Ibara GRA, Abeokuta, Ogun State.	08033137255

Emotions Tower As Perm Sec Aliyu Ahmed Bows Out Of Service

At the reception held just a few days ago to bid farewell to **Mallam Aliyu Ahmed**, who was retiring as the Permanent Secretary Finance at the Federal Ministry of Finance, Budget, and National Planning, the ministry's top minds openly expressed their emotions and celebrated the strong bonds of friendship and collaboration. Former Honourable Minister of Finance, Budget, and National Planning, **Mrs. Zainab Shamsuna Ahmed**, who had closely worked with Mallam Ahmed during her time in office, was equally touched by the occasion. **Enam Obiosio** brings you the details.

During a recent farewell reception in honour of Mallam Aliyu Ahmed, the outgoing Permanent Secretary Finance at the Federal Ministry of Finance, Budget, and National Planning, a remarkable display of emotion and camaraderie was witnessed. Mrs. Zainab Shamsuna Ahmed, the former Minister of Finance, Budget, and National Planning, who had worked closely with Mallam Ahmed throughout her tenure in the previous administration, also shared in the warmth of the occasion.

Reflecting on her time as a minister, Mrs. Zainab Ahmed recalled: "I have faced situations in my career where I wondered, 'How can I handle all this work?' However, I have been fortunate to be surrounded by highly experienced individuals with immense industry expertise and an unwavering commitment to their work. Mallam Aliyu Ahmed is one of those exceptional individuals." She went on to emphasise the importance of recognising the entire team's contributions, stating: "Leaders often boast of their achievements during their tenures, but they sometimes forget to acknowledge the collective effort. I have always found that a bit peculiar, especially in a significant and vital ministry like ours. No leader accomplishes everything on his or her own; countless individuals are always involved in achieving transformative work and successes. Once again, I feel incredibly fortunate and proud to have worked with Mallam Aliyu Ahmed and his team of dedicated and resourceful professionals at the ministry."

Mrs. Ahmed expressed her deep appreciation for the opportunity to work with Mallam Ahmed, highlighting the need for the best hands, particularly experienced and dedicated ones, in the role of a minister in a significant ministry. She fondly remembered the day of her own farewell, remarking: "Today, for me, is not a day for lengthy speeches, but a day to cherish and remember. Just like on the 27th of May this year, in this very hall, I was also honoured with a farewell event as the Honourable Minister of the Federal Republic. On such days, one cannot help but feel proud to have served her beloved country, receiving all the humbling accolades."

During the event, she expressed her profound gratitude to Mallam Ahmed and his team for their unwavering support and the pivotal roles they played during her tenure at the ministry. In her words, she said: "I am truly grateful for his dedication and hard work. He laboured tirelessly, often going above and beyond to assist me in fulfilling our mandates. His dedication and professionalism are qualities I will always hold in high regard."

Mrs. Ahmed recalled the eventful eight years marked by a series of economic challenges, particularly the impact of two recessions resulting from the 2016 oil price collapse and the COVID-19 pandemic. She mentioned: "These economic crises tested our resilience as a team, and we sprang into action, responding swiftly with monetary and fiscal policies that facilitated a significant recovery and stability in our economy during that period. It was a time of resilience, managing multiple challenges in the midst of limited fiscal space, and we handled it with the utmost professionalism."

Regarding the implementation of far-reaching policy measures to mitigate the adverse effects of the pandemic,



Flanked by his wife and daughter, **Mallam Aliyu Ahmed**, outgoing Permanent Secretary Finance, Federal Ministry of Finance, receiving certificate of honour from **Mr. Wale Edun**, Honourable Minister of Finance and Coordinating Minister of Economy(r), at the recent send forth for **Mallam Aliyu**.

she noted that the ministry worked tirelessly to implement these measures to protect citizens and keep the economy afloat. These measures included various fiscal instruments such as tax relief for businesses, both small and large. The federal government adopted innovative financial strategies, including budget reallocation, supplementary budgets, and additional borrowing. She added: "We also introduced significant reforms to support economic recovery, committing to a medium-term revenue and expenditure framework to bolster public

In response, Mallam Ahmed expressed his gratitude for the honour bestowed upon him and his family. He humbly acknowledged the small role he played during his 34-year career in public service, which extended his gratitude to all who had supported him through both good and challenging times. Mallam Ahmed also commended the leadership of the Honourable Minister of Finance and Coordinating Minister of the Economy for swiftly implementing the 'Renewed Hope Agenda' of President Bola Ahmed Tinubu.

collaborating with every minister. We have travelled together, stayed in the same hotels, attended meetings in both small and large groups. This proximity allowed me to work closely with most ministers, and I want to express my gratitude for their invaluable contributions to our nation and the impact they have had on my career.

"Emotionally, it is challenging to find the right words for an occasion like this, especially when faced with the bittersweet task of bidding farewell to friends, colleagues, and partners. The

automate key processes and procedures for improved public sector accounting and financial management, have been a significant step forward.

"One of the remarkable initiatives includes the design and funding of specialised intervention plans, such as the Nigerian COVID-19 Action Recovery and Economic Stimulus (NG-CARES). Notably, the fiscal stimulus response from the Ministry of Finance in addressing the adverse impacts of the COVID-19 pandemic played a pivotal role in the swift and timely recovery of the Nigerian economy from the recession," he said.

Furthermore, the ministry has made substantial strides in its commitment to transparency and efficiency. Many of its revenue collection, debt recovery, and workflow processes have been automated. Examples include the Import Duty Exemption Certificate (IDEC), Project Lighthouse (Debt Recovery Portal), Project ERM (Electronic Records Management and File Tracking), and OneFinance.gov.ng. These improvements have made processes more transparent, efficient, and effective. The ministry also played a part in the reform efforts in the oil sector fiscal terms that led to the Petroleum Industry Act of 2021.

Mallam Ahmed also pointed out that development is like building blocks, where each individual contributes his or her part. He expressed his confidence in the solid foundation laid for automation and digitisation initiatives within the ministry. He believes that soon, the ministry will join the ranks of the Office of the Head of Civil Service of the Federation (OHCSF) and a few other MDAs that have gone paperless through digitisation.

He expressed his happiness with the ministry's efforts in capacity building and various initiatives to enhance staff welfare. Mallam Ahmed also acknowledged the support and collaboration of the Joint Union Congress, led by Comrade Attahiru Mohammed, which ensured industrial harmony throughout his tenure. He urged them to continue working toward maintaining industrial harmony for the benefit of the ministry and the entire nation.

In his word: "As the longstanding Permanent Secretary overseeing the Ministry of Finance, it is only natural for me to reflect on my journey. I have had the privilege of working closely with both the former minister and the current Coordinating Minister of the Economy on numerous ministerial and national assignments. Serving in this role over the years has been a tremendous honour.

Emotionally, it is challenging to find the right words for an occasion like this, especially when faced with the bittersweet task of bidding farewell to friends

finances, create fiscal space, and maintain public debt on a sustainable path. None of this would have been possible without the dedication of the team led by Mallam Aliyu Ahmed."

She attributed all her achievements to the unwavering support from a diverse range of stakeholders both within and outside the ministry. She expressed her deep gratitude for the invaluable contributions made by everyone involved, with a special mention of Mallam Aliyu, who had played a crucial role in these achievements.

With a heart full of appreciation, she thanked all the staff for the opportunity to collaborate with them on this incredible journey. She fondly remembered the years working alongside Mallam Aliyu Ahmed, and she believed that their memories would endure, God willing. She was confident that the ministry was now well-prepared to face the challenges and opportunities of the global economy. She expressed her privilege in working with Mallam Aliyu and thanked him for his unwavering support.

He emphasised the long journey ahead and pledged continued prayers and support for the Coordinating Minister of the Economy. He had faith that the Ministry of Finance's staff would steadfastly assist him during his tenure. He also recognised the former Honourable Minister of Finance, Budget, and National Planning, Mrs. Ahmed, for her dynamic, impactful, and excellent leadership during his time at the ministry. Their mutual respect and close cooperation had defined their four-year partnership.

Mallam Ahmed acknowledged the invaluable support and encouragement from the Head of Service during challenging times. He praised her exceptional ability to maintain stability and protect the ministry from political interference. He concluded by commending other ministers who had held positions in the Ministry of Finance, as he had closely collaborated with many of them throughout his career.

"In my role, due to the nature of my work, I have had the privilege of

difficulty is compounded when I reflect on the guidance, direction, and advice I have received from all of you.

"I am truly overwhelmed to see so many familiar faces from various ministries, departments, agencies, embassies, multilateral development banks, international financial institutions, and other stakeholders. I am also delighted to be joined by associates, colleagues, permanent secretaries, retired permanent secretaries, distinguished senators, members of the House of Representatives, family members, and others who have gathered here tonight to honour me and my family. Your presence is deeply appreciated.

Mallam Ahmed noted: "The core mission of the Ministry of Finance is to ensure the effective management of public finances and the implementation of fiscal policies. Under the leadership of the former minister, the ministry embarked on a series of reform initiatives to align the fiscal sector with international best practices. These reforms, particularly the use of information technology to

Finance Minister Sees Nigeria As Largest Economy For Investors After India, China

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investments and transform initial interest into tangible investments in agriculture, solid minerals, industry, manufacturing, and import substitution. These sectors are driving the interest of investors, including existing ones, in Nigeria, primarily through Foreign Direct Investment.

He further stated: “Our aspiration is to foster economic growth, reduce poverty, and improve the lives of all Nigerians. President Tinubu and his administration are committed to this goal. We are laying the foundation for success by making the necessary tough decisions.”

Mr. Edun also noted that his presence at the World Bank/IMF meetings in Marrakech was to gauge global perceptions of Nigeria. The response has thus far been positive, with Nigeria being appointed to chair the African Governors’ Forum of the World Bank. This role presents a unique opportunity to unite African countries, finance ministers, economic leaders, and government representatives, advocating for fair and equitable energy transitions and securing better deals for Africa as a whole.

Inclusiveness in decision making

Discussing inclusivity in decision-making, Mr. Edun emphasised the need for greater Nigerian representation in the governance of the World Bank and IMF, institutions pivotal in shaping global economic decisions.

He expressed: “We, alongside other African nations, are advocating for increased influence, including a third seat in the governance structure of the World Bank and IMF, ultimately representing Sub-Saharan Africa (SSA) and, most importantly, Nigeria.”

“We are advocating for increased representation in decision-making processes, especially those concerning critical matters such as tax reform. Back home, we are actively engaged in initiatives aimed at enhancing our tax environment. In the near future, we anticipate the announcement of measures designed to streamline tax operations and improve overall efficiency, ultimately addressing tax revenue and domestic resource mobilisation.

Debt sustainability issue

Concerns surrounding debt sustainability have grown, particularly with the rise in interest rates among global institutions. Under President Tinubu’s leadership, Nigeria is committed to reducing reliance on debt funding.

“We are shifting our focus towards increasing non-debt funding sources, fostering domestic and foreign investments. The federal government is also gearing up to introduce tax reforms that will optimise revenue generation through more effective tax collection methods,” he said.

“Our ongoing discussions centre on addressing the financing deficit faced by Nigeria and other developing nations. We are advocating for Nigeria to play a more significant role in decision-making processes and raising vital issues regarding the country’s inclusive growth.

Dealing with the issue of debt



Mr. Wale Edun (third from left), Minister of Finance And Coordinating Minister of The Economy, Ms. Patience Oniha (third from right), Director-General, Debt Management Office and other delegates at the 2023 World Bank/IMF Annual Meetings in Marrakech, Morocco.

sustainability, it is evident that interest rates are escalating globally, leading to mounting concerns about the burden of debt servicing in developing nations.

“Our administration’s strategy in Nigeria is to promote non-debt funding by encouraging domestic and foreign investment. As the Managing Director of the World Bank has pointed out, the wealth lies in richer countries, while the potential for investment and business expansion is abundant in poorer countries. Our focus is to bridge this gap and create an environment conducive to both domestic and foreign investors.

Presently, concessional financing is inadequate, and interest rates are on the rise, even within multilateral institutions. This has raised significant concerns about the growing global debt issue and the financing gap for the development needs of poorer countries like Nigeria. The current situation falls short of the expectations and requirements of developing nations.

We are advocating for increased representation in decision-making processes, especially those concerning critical matters such as tax reform

Therefore, the conversation is centred on the necessity for reform, change, and improvement, including the formation of a more robust World Bank group that can leverage private sector funding,

Domestic resource mobilisation

“One of the highlights of our discussions was the emphasis on domestic resource mobilisation, a priority highlighted by President Tinubu’s administration in Nigeria. It is clear that we need to enhance our capacity to generate resources domestically to address our developmental needs.”

“We must rely more on our own resources and savings, striving for efficiency in tax collection, fee payments, and prudent spending. It is imperative that we expand our domestic financing base and reduce our dependence on external support. This message emerged as a key takeaway following the recent G-24 meeting, where discussions revolved around reforming the World Bank Group and IMF to better assist developing economies.

According to Mr. Edun, the increasing global interest rates emphasise the need for countries,

mobilisation.

Foreign exchange liquidity challenge

Addressing the challenge of foreign exchange liquidity, Mr. Edun mentioned engaging with the World Bank for foreign exchange funding. This strategy involves borrowing in a low-interest-rate currency, often the Japanese Yen, converting it to U.S. Dollars, and investing in high-yield assets. The returns from these investments allow the repayment of the borrowed currency and leave a profit in Dollars.

However, it is essential to note that every investment carries inherent risks, despite the potential for substantial profits. Mr. Edun’s background in investment banking, including a successful N4 billion investments in Airtel for Lagos State, underscores his familiarity with such financial manoeuvres.

Negative effects of high inflation on consumption of goods and services

In other economic development, the IMF expressed concern about the adverse effects of high inflation on the consumption of goods and services in Nigeria. As a result, they downgraded the country’s economic growth forecast from 3.3 percent to 2.9 percent.”

Nonetheless, the IMF predicted that Nigeria’s recent federal government reforms, including the removal of fuel subsidies and the elimination of multiple exchange rates, will contribute to a more robust and inclusive economic growth trajectory for the country. This projection comes in the midst of the ongoing World Bank/IMF Annual Meetings in Marrakesh, Morocco, where the IMF unveiled its latest World Economic Outlook report for October 2023.

The IMF’s new forecast for Nigeria’s economic growth is 0.3 percentage points lower than their previous estimate of 3.2 percent from July. It also falls short by 0.85 percentage points compared to the federal government’s 3.75 percent economic growth rate projection for 2023 as outlined in the national

budget.

Forecast for SSA, Nigeria

Furthermore, the IMF adjusted its economic growth forecast for sub-Saharan Africa in 2023, lowering it to 3.3 percent, down from the 3.3 percent forecast made in July. However, the IMF maintained its global economic growth forecast at 3.0 percent.

The fund expressed its concern about the global economy’s performance, describing it as “limping along” rather than sprinting. The IMF’s latest projections suggest a decrease in world economic growth from 3.5 percent in 2022 to 3 percent in the current year, with an anticipated further decline to 2.9 percent in the following year. This represents a 0.1 percentage point downgrade for 2024 compared to the July projection, remaining significantly below historical averages.

Regarding sub-Saharan Africa and Nigeria, the IMF anticipates a decrease in growth to 3.3 percent in 2023, followed by an uptick to 4.0 percent in 2024. These figures reflect 0.2 and 0.1 percentage point downward revisions for 2023 and 2024, respectively, with growth levels remaining under the historical average of 4.8 percent. This projected decline is attributed to various factors, including adverse weather conditions, the global economic slowdown, and domestic supply challenges.

Daniel Leigh, the Head of the World Economic Studies Division at the IMF, shared these insights during a press briefing on the October World Economic Outlook at the ongoing World Bank/IMF Annual Meetings in Marrakesh, Morocco. He highlighted Nigeria’s growth forecast, which is expected to decline to 2.9 percent in the coming year before a modest recovery to 3.1 percent in 2024. This downward revision is influenced by factors such as demonetization, high inflation, disruptions in the agricultural sector, and fluctuations in hydrocarbon production, all occurring amidst a backdrop of external challenges.

Felicitations!



Mrs. (Dr.) Zainab Shamsuna Ahmed
Former Minister of Finance, Budget and National Planning

***One more feather
to your cap.***

Congratulations on receiving your Honorary
Doctorate Degree (Honoris Causa) in Finance
from Gombe State University, Gombe.

This is undoubtedly one of many more successes to come

Courtesy: Family and friends

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Reducing Taxes To Less Than 10 By Federal Government Is Welcome

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low government revenue, high public debt, declining investment, and the concerning trend of youth emigration. Notably, the multi-dimensional poverty index, which considers factors such as access to healthcare, education, and security, has indicated that over 133 million Nigerians experience multidimensional poverty.

Consequently, Nigeria grapples with extensive poverty, insufficient government revenue, high public debt, and a notably high debt service to revenue ratio. Investment is on a decline, foreign investors are scarce, and domestic investment is insufficient, prompting many existing investors to leave the country. To address these fundamental challenges, we strongly urge the government to take the action.

In addressing poverty, it is vital for the government to assess public expenditure in relation to the gross domestic product (GDP). However, we acknowledge that reducing the number of federal government taxes may have various consequences, both positive and negative, contingent on the specific changes and the broader economic and fiscal context.

On the downside, a reduction in taxes could lead to decreased government revenue,

potentially straining the government's capacity to finance critical services like education, healthcare, infrastructure, and national defence. Tax modifications may also impact different income groups disparately, potentially exacerbating income inequality.

Lower tax revenue, without corresponding spending cuts, could result in budget deficits with long-term economic repercussions and necessitate increased government borrowing, which, in turn, could escalate national debt.

To offset revenue shortfalls, the government might reduce spending on public services, adversely affecting education, healthcare, and infrastructure. Implementing a new tax system is intricate and expensive, demanding alterations to tax laws, regulations, and infrastructure. It could necessitate significant operational changes within government agencies. Frequent tax policy shifts may create uncertainty for both businesses and individuals, making long-term financial planning more challenging.

However, on a positive note, a simplified tax system can reduce administrative costs and ease compliance burdens for individuals and businesses alike, facilitating a better understanding of tax obligations and simplified tax payment processes.

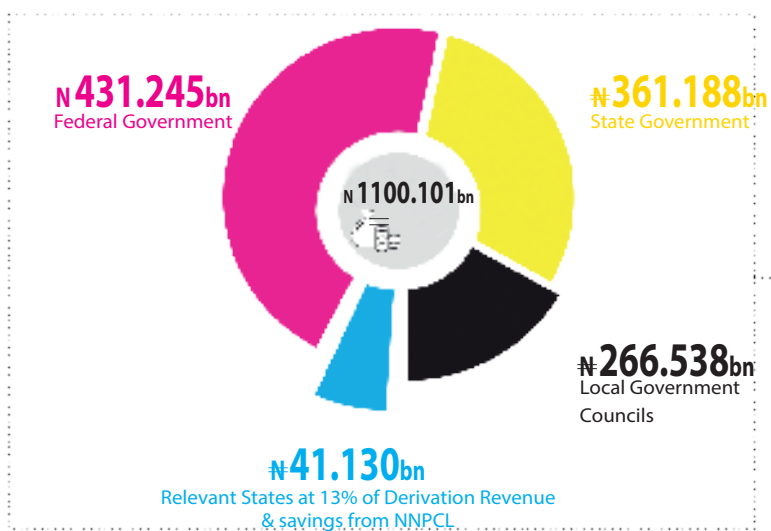
Streamlining the Nigerian tax system by both lowering tax rates and simplifying its complexity has the potential to invigorate economic growth and attract substantial investments. This approach would leave individuals and businesses with increased financial resources to spend and channel into investments. The ripple effects of such measures could position Nigeria as a more competitive player on the global stage, drawing businesses and investments from foreign shores, ultimately bolstering the nation's domestic economy.

The benefits of a simplified tax structure extend beyond economic growth. A more straightforward tax system with fewer categories and levies has the potential to promote tax compliance among the population, curbing the problems of tax evasion and fraud.

In this light, we applaud the notion of reducing the number of taxes. We are confident that the federal government has diligently assessed the advantages and disadvantages of such a move, aligning it with its policy objectives while also maintaining fiscal responsibility. This strategy holds the promise of being a win-win for both the government and the people of Nigeria.

FAAC Shares N1.1trn August 2023 Revenue To FG, States And LGCs

Federation Accounts Allocation Committee (FAAC) Share:



- Augmentation
- Statutory Revenue
- Value Added Tax (VAT)
- Exchange Difference Revenue
- Electronic Money Transfer Levy (EMTL)

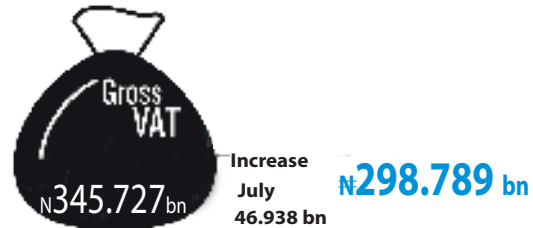
Electronic Money Transfer Levy (EMTL)

Federal Government	N2.115bn
State Government	N7.051bn
Local Government Councils	N4.936bn

Balance in the Excess Crude Account
\$473,754.57

Total Transfers And Refunds and Savings
N325.046 bn

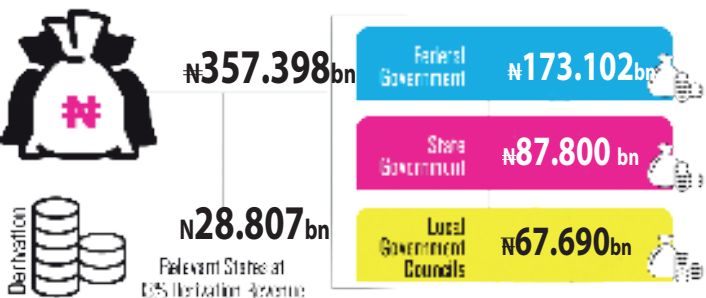
Value Added Tax (VAT)



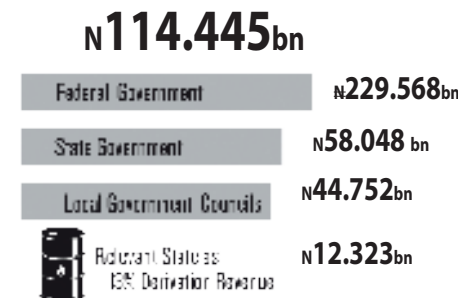
Augmentation N177.092 bn

N58.755bn Cost Of Revenue Collection

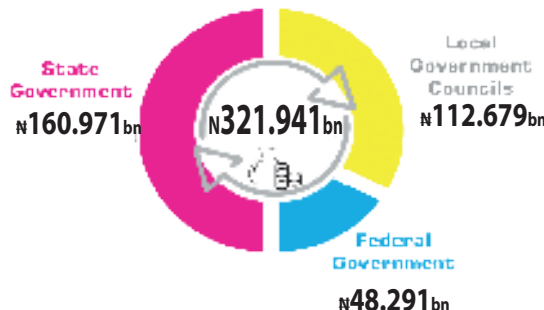
Statutory Revenue Distribution



Exchange Difference Revenue



Distributable Value Added Tax (VAT) Revenue



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.

Customs CG Worries About Importation of Accidental Vehicles At PTML Terminal, Preaches Export

- Customs Captures N241m Contrabands In 7 Days
- Seizes N1.8bn Worth Of Car, Others,
- Approaches NAC To Review Levy On Imported Vehicles

By Jennete Ugo Anya

The Comptroller-General (CG) of the Nigeria Customs Service (NCS), Mr. Bashir Adewale Adeniyi, has expressed concern over the growing presence of damaged vehicles at Nigerian ports.

He made these remarks while addressing clearing agents at the PTML Terminal in Lagos, where he emphasised the need to shift the focus towards exports to boost foreign exchange earnings.

Mr. Adeniyi pointed out that the PTML Terminal is now primarily dominated by accidented vehicles, which is a departure from the past. He stressed the negative implications of this trend on the NCS's revenue generation, which has a target of N3.6 trillion for the year. The influx of accidented vehicles poses a challenge to achieving this goal, not only at PTML but also across other port locations.

Addressing the concerns raised by clearing agents regarding increased cargo clearance costs, Mr. Adeniyi attributed the issue to the fluctuating exchange rate and clarified that it was beyond the control of the customs authorities. He highlighted the need for a collective effort to bring in foreign currency, emphasising that the country should diversify its economic activities by focusing on exports.

He further emphasised the importance of a balanced international trade strategy, encouraging the nation to engage in more exports, not just imports. This approach, he believes, would not only boost the country's foreign exchange reserves but also enhance the national economy and strengthen the value of the naira.

Mr. Adeniyi also disclosed that the NCS is actively working on a plan to remove and transfer overtime cargoes from the ports.

In a separate development, the Ogun 1 Area Command of the NCS achieved a significant milestone by capturing various contraband items valued at N242 million within a span of seven days.

These contraband items, including used pneumatic tires, tokunbo tires, and cannabis sativa parcels, were seized at different locations within the state. Mr. Adeniyi announced this achievement during an address in Abeokuta, and the information was also relayed through a statement issued by the National Public Relations Officer of the NCS, Mr. Abdullahi Maiwada.

In a recent development, a significant haul of contraband items has been apprehended by customs officials. The seized



Mr. Bashir Adewale Adeniyi, Comptroller-General, Nigeria Customs Service

items include 3,149 bags of foreign parboiled rice, each weighing 50 kilograms, and 32 vehicles that were being used for transportation.

Of particular concern is the condition of the tires on these vehicles, as it has been revealed that a substantial number of them are unsuitable for Nigerian highways. Many of these tires have surpassed their recommended lifespan from their manufacturing date.

According to safety experts, high-quality pneumatic tires are considered safe for use for only four years from their manufacturing date. Any usage beyond this duration poses a significant risk to motorists and endangers their lives.

Mr. Adeniyi, the customs official, explained that these various contrabands were intercepted at different locations, including Papa/Ajgunle, Ilaro Road, Imasayi/Joga Road, Ijebu Ode axis, and Odogbolu bush path along Ijebu Ode road in Ogun State. He emphasized the commitment of the customs service to safeguarding society from the entry of harmful substances and ensuring the safety and well-being of Nigerians.

"We are resolute in our mission to curb illicit trade, protect our roads from dangerous tires, and shield our youth from the devastating effects of illicit drugs. Your support and understanding are invaluable as we work together to build a safer

and stronger Nigeria.

These seizures underscore our renewed determination and strategic deployment of both human and material resources. Our commitment to protecting Nigerians from the audacious actions of daredevil smugglers remains unwavering," Mr. Adeniyi explained.

Furthermore, Mr. Adeniyi pointed out a concerning issue of abuse of psychoactive drugs derived from the cannabis plant within Nigerian society,

We are resolute in our mission to curb illicit trade, protect our roads from dangerous tires, and shield our youth from the devastating effects of illicit drugs

particularly among the youth.

In related news, the Nigeria Customs Service (NCS), Federal Operations Unit Zone A Ikeja, has seized a variety of imported goods,

including used cars (tokunbo), bags of foreign parboiled rice, and other contraband items valued at N1.8 billion. Mr. Adeniyi showcased some of these seized goods to journalists at the unit in Lagos, highlighting that the seizures occurred at various times and locations within the South-Western States' border corridors.

These seizures also encompassed 35,100 liters of premium motor spirit, 1,100 liters of diesel, a 40-foot container carrying 360 bales of

used clothes, another 40-foot container containing 150 cartons of ladies' handbags, 50 bales of nickers, and a 20-foot container of unprocessed wood. The list

continues with 106 cartons of foreign frozen poultry, 55 pieces of used fridges, 110 pieces of used compressors, 148 cartons of foreign soap, 121 cartons of expired hair oil, and 25 used vehicles (tokunbo).

The unit managed to generate N73 million in revenue through documentary checks and the issuance of demand notices for those who paid below the required duty.

Lastly, Mr. Adeniyi discussed the significance of agriculture in Nigeria's economy and the government's commitment to achieving self-sustaining growth and improving the quality of life for all Nigerians. Additionally, the customs service is in discussions with the National Automotive Council (NAC) to potentially revise the levy on imported vehicles.

The NAC currently imposes a two percent levy on the Cost of Insurance and Freight (CIF) for new vehicles imported into Nigeria and a 15 percent levy on fairly used vehicles.

In a recent development, Mr. Adeniyi has revealed that the NCS has taken steps to request a revision of the levy imposed on new vehicles. This comes in the wake of a downward review that occurred over the past weekend.

Mr. Adeniyi clarified that while the customs authorities have initiated the review process, the ultimate decision on this policy lies outside their jurisdiction. He emphasised: "The NAC levy is not solely under the purview of Customs. We are in discussions with the National Assembly of Nigeria (NAC), and we have formally communicated with the government to address this issue."

He further explained that he would personally act on this matter if he could, but it was not within his authority since the levy was introduced by the federal government. Engaging with the government is essential to convey the reasons for the review, and this process is ongoing.

Mr. Adeniyi expressed confidence in the government's responsiveness, stating, "We have an administration that listens, and I believe they will consider revising some of these policies."

In a separate perspective, Mr. Kayode Farinto, former Vice President of the Association of Nigerian Licensed Customs Agents (ANLCA), criticised the continued existence of the NAC, asserting that the council has not fulfilled its intended purpose. Mr. Farinto also raised concerns about certain vehicle assemblers taking advantage of NAC waivers provided by the government to enrich themselves.

NEWS IN PICTURES

Mr. Wale Edun (spotting red cap on black agbada), Honourable Minister of Finance and Coordinating Minister of Economy, with staff members of Federal Ministry of Finance, and other dignitaries at the recent send forth for **Mallam Aliyu Ahmed**, outgoing Permanent Secretary Finance, Federal Ministry of Finance.



NEWS IN PICTURES



NDIC Warns The Public Against 'Wonder Banks'

By Jennete Ugo Anya

The Nigeria Deposit Insurance Corporation (NDIC) is cautioning the public about illegal fund managers commonly known as 'Wonder Banks' or 'Ponzi Schemes.'

Speaking during NDIC's Special Day at the 18th Abuja International Trade Fair, Mr. Bello Hassan, Managing Director/Chief Executive of the corporation, stressed the importance of informed decision-making, emphasising that "Knowledge is Power."

Addressing the issue of 'wonder banks' and 'ponzi schemes,' Mr. Hassan warned that these entities promise enticing high-interest rates and profits that are too good to be true, often resulting in significant financial losses.

He made it clear that these 'wonder banks' lack the necessary licensing from the Central Bank of Nigeria (CBN) and are not covered by the NDIC deposit insurance scheme.

To safeguard their finances, Mr. Hassan advised the public to only engage with banking institutions displaying NDIC stickers bearing the words: 'Insured by NDIC' in their banking facilities and branches across the country.

In addition to commending the Abuja Chambers of Commerce for hosting the 18th edition of the Abuja International Trade Fair with the theme 'Sustainable Financing and Taxation as Drivers for the New Economy,' Mr. Hassan emphasised the relevance of this theme to the government's efforts in achieving sustainable growth by fortifying the financial sector to stimulate economic development.

He stressed that the NDIC's role in supervising the banking sector and protecting depositors' funds from the repercussions of bank failures aligns with the



Mr. Bello Hassan, MD/CEO of NDIC

corporation's mission of ensuring financial system stability.

Mr. Hassan highlighted the priority given to Nigerian depositors, asserting that the corporation's foundation rests on guaranteeing the safety and security of their deposits, encapsulated in the slogan, 'Protecting your bank deposits.'

This assurance is pivotal for financial inclusion, as it instils confidence in the financial system and encourages the unbanked to access services provided by licensed banks.

Furthermore, Mr. Hassan reiterated the corporation's primary mandate, which encompasses deposit guarantee, bank supervision, distress resolution, and bank liquidation. He noted that NDIC has made substantial progress in fulfilling these responsibilities, advancing its public policy goals of establishing a robust deposit insurance scheme in Nigeria.

He also mentioned the recent revocation of licenses for 179 microfinance banks (MFBs) and four primary mortgage banks (PMBs) by the CBN. He highlighted NDIC's swift response in commencing the liquidation process and disbursing insured amounts to depositors within just seven days of the banks' closure.

Mr. Hassan provided an update on the organisation's efforts in settling claims related to closed Microfinance Banks (MFBs) and Primary Mortgage Banks (MPBs). As of September 22, 2023, the NDIC had disbursed a total insured sum of N1.084 billion to 29,573 depositors affected by these closures.

Furthermore, he emphasised that the payout process is ongoing, and individuals with deposits exceeding the insured limit will receive liquidation dividends once the corporation recovers debts and sells the physical assets of the closed financial institutions.

Mr. Hassan also announced that the NDIC is actively working on verifying and disbursing liquidation dividends to depositors and stakeholders of 20 additional closed banks. These banks include Allied Bank, Peak Merchant Bank, Commerce Bank, Continental Merchant Bank, Financial Merchant Bank, Fortune Bank, Gulf Bank, Hallmark Bank, Icon Merchant Bank, Liberty Bank, Nigeria Merchant Bank, North South Bank, Premier Commercial Bank, Prime Merchant Bank, Progress Bank, and Merchant Bank.

For those eligible for these payouts, detailed information and verification forms can be found on the NDIC's official website at www.ndic.gov.ng. Forms can be completed and submitted to claimscomplaints@ndic.gov.ng.

In addition to these measures, the NDIC has established a 24-hour help desk with a toll-free hotline at 080063424357 for

inquiries regarding deposit claims and complaints about any unethical practices by banks. The general public can access the NDIC's website and various social media platforms on Facebook, Twitter, Instagram, YouTube, and LinkedIn for further updates and information.

It is worth noting that the NDIC recently declared N16.18 billion in liquidation dividends for depositors, creditors, and shareholders of 20 banks in liquidation. The Director of Communication and Public Affairs at the NDIC, Mr. Bashir Nuhu, confirmed that verification and payments for stakeholders included in the declarations commenced on September 28, 2023. This follows previous disbursements totalling N45.45 billion in liquidation dividends for the same 20 banks by July 2023.

Stakeholders are encouraged to visit nearby NDIC offices or the claims page on the NDIC's website, www.ndic.gov.ng, to access, complete, and submit verification forms with the necessary supporting documents for processing.

The banks covered by these liquidation efforts are Liberty Bank, City Express Bank, Assurance Bank, Century Bank, Allied Bank, Financial Merchant Bank, Icon Merchant Bank, Progress Bank, Merchant Bank of Africa (MBA), Premier Commercial Bank, North South Bank, Prime Merchant Bank, Commercial Trust Bank, Cooperative and Commerce Bank, Rims Merchant Bank, Pan African Bank, Fortune Bank, All States Trust Bank, Nigeria Merchant Bank, and Amicable Bank in liquidation. Liquidation dividends represent payments exceeding the insured sums provided by the NDIC to depositors of closed banks, and they also encompass amounts disbursed to creditors and shareholders once depositors have been fully compensated.

NDIC Boss Urges ICAN To Integrate DIS Courses

By Kingsley Benson

The Managing Director/Chief Executive of the Nigeria Deposit Insurance Corporation (NDIC), Mr. Bello Hassan, has called upon the Institute of Chartered Accountants of Nigeria (ICAN) to incorporate courses on the Deposit Insurance System (DIS) into its educational programs and modules.

Mr. Hassan made the call during a courtesy visit by the Governing Council Members of ICAN, led by the President of the Institute, Mr. Innocent Iwaka Okwosa, to the corporation's management recently in Abuja.

Mr. Hassan said that including DIS courses within ICAN's

training programs would enhance the understanding of DIS not only within the banking sector but also among professional accountants.

He described it as critical to bridging the knowledge gap on the mandate and achievements of DIS, its critical role in protecting depositors and its contribution to financial system stability. He added that it would also address misconceptions of the benefits and limitations of the deposit insurance system.

Mr. Hassan, in a statement by Mr. Bashir A. Nuhu, Director, Communication and Public Affairs Department, NDIC, further stressed the significance of public awareness in maximising the impact and reach of the deposit

insurance system throughout the general public and the financial sector as a whole.

He stated that given the novel nature of the scheme in Nigeria and globally, collaboration with ICAN and other stakeholders had become imperative to strengthen the effectiveness of the corporation's operations to fully implement its mandate.

Mr. Hassan congratulated Mr. Okwosa on his assumption of office as the 59th ICAN President. He encouraged him to ensure that chartered accountants uphold the Institute's values of accuracy and integrity in all aspects of their work.

He also reassured the Institute of the corporation's unwavering

support and partnership in furthering the practice of accounting in the country. He also extended condolences to the Institute on the recent passing of the first chartered accountant in Nigeria, Mr. Akintola Williams who left a legacy of excellence and professionalism that has paved the way for the growth of the profession in Nigeria.

Mr. Hassan commended ICAN's commitment to maintaining zero tolerance for professional misconduct, asserting that this stance would continue to provide confidence to the corporation and other stakeholders in relying on the work of accountants in fulfilling their mandates.

In response, Mr. Innocent Iwaka Okwosa praised Mr. Hassan for his exemplary leadership and the professionalism he has instilled in the corporation's operations.

He noted that under Mr. Hassan's leadership, the corporation has made substantial contributions to ensuring the safety and stability of the nation's financial system, a crucial element for the growth and prosperity of the Nigerian economy.

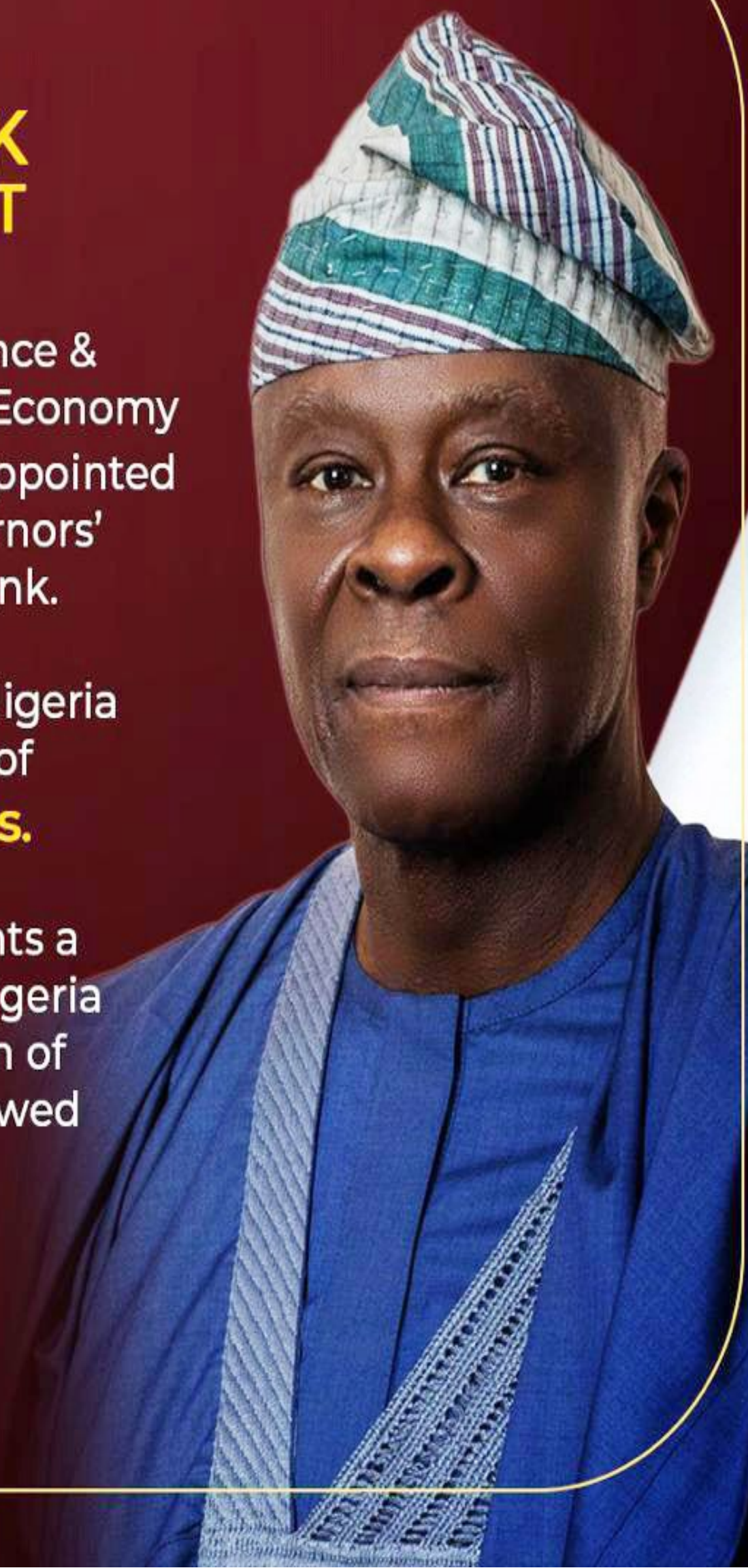
The collaboration between NDIC and ICAN holds the promise of strengthening the knowledge base among accountants and financial professionals while fostering the growth and stability of Nigeria's financial sector.

WORLD BANK APPOINTMENT

Nigeria's Minister of Finance & Coordinating Minister of the Economy **Mr. Wale Edun** has been appointed to Chair the African Governors' Forum of the World Bank.

This marks the first time Nigeria has assumed the role of Chairman in **60 years.**

The appointment presents a unique opportunity for Nigeria and the implementation of President Tinubu's Renewed Hope Agenda.



Tinubu's Renewed Hope Agenda To Fast-track Nigeria's Agenda 2050 - Bagudu

● Nigeria Confronted By Challenges Demanding Equitable, Resilient Economic Development - NESG

By Tony Tagbo

There are every indication that Renewed Hope Agenda and 8 Priority Areas of the current administration are aimed at fast-tracking the goals of the Nigeria Agenda 2050 and the National Development Plan (NDP) 2021-2025.

Honourable Minister of Budget and Economic Planning, Senator Abubakar Atiku Bagudu, re-stated the government's plan for the economy at a world press conference held in Abuja recently ahead of the upcoming 29th Nigeria Economic Summit scheduled for October 23-24, 2023 in Abuja.

The minister said that his ministry would welcome innovative ideas from the stakeholders at the Summit to ensure its effective integration into the NDP 2021-2025.

According to him, the ministry is in the process of conducting the mid-term review of the NDP 2021-2025 with the purpose of fine-tuning the plan and ensuring that the Renewed Hope Agenda of the current administration is incorporated into the NDP 2021-2025.

"Overall, the main target of the Nigeria Agenda 2050 is to increase the country's per capita GDP to US\$6,000 and US\$33,000 by 2030 and 2050 respectively", he said.

Sen. Bagudu also said that the plan will bring poverty rate to 0.6 percent and unemployment rate to 6.3 percent, while transiting the economy to the highest per capita gross domestic product (GDP) in the Group of upper-middle income economies.

Speaking more on the plan, the minister noted that it would be effectively implemented by successive governments through six number 5-year medium-term national development plans and annual budgets.

The theme of the 29th Nigerian



Senator Abubakar Atiku Bagudu, Honourable Minister of Budget and Economic Planning

Economic Summit is 'Pathways to Sustainable Economic Transformation and Inclusion'.

The minister noted that the theme was chosen to discuss the imperatives for transforming the nation's economy while ensuring inclusivity.

According to him, the discussions around the theme will be dimensioned across five sub-themes; namely, stimulating economic growth; mobilizing finance for sustainable development; harnessing human capital development; promoting national cohesion & inclusion; and reforming public institution.

He revealed that the coming summit seeks to, among other

things, inspire confidence in the Nigerian economy to drive job creation, economic growth and the realization of Nigeria's economic potentials.

The minister noted that it will also collectively design and prioritize strategies to unlock untapped potentials, foster sustainable economic transformation and promote shared prosperity for the nation, apart from cultivating a people and technology-centred approach to addressing emerging trends, shaping a future of inclusive and sustainable economic growth for Nigeria.

Also speaking at the event, Chairman of the Nigeria Economic

Summit Group (NESG), Mr. Olaniyi Yusuf, said that Nigeria is confronted by critical challenges that demand equitable and resilient economic development.

According to him, "Nigeria stands at a unique juncture to chart a course towards shared prosperity and overcome long-standing obstacles that have impeded our socio-economic progress".

Mr. Yusuf said that in the face of a rapidly changing global economic landscape and increasing inequalities, a strategy for sustained growth must ensure a form of industrialization that makes opportunities accessible to all people and broadly distributes

income and non-income gains across society.

He stated that the country's inability to fully integrate solutions to social issues into targeted industrial and economic policies undermines the developmental potential of Nigerian economy, thus widening income inequality gaps.

The NESG helmsman pointed out that while there has been a broad decline in poverty worldwide, both extreme and moderate poverty remain and continue to increase in our country.

He identified low productivity, inadequately diversified local economic activity, high unemployment rates and job insecurity as serious challenges for our country.

Mr Yusuf said: "with a predominantly young population and a high debt burden, Nigeria must chart a trajectory that ensures inter-generational and sustainable growth, stressing that the nation has encountered various economic and political obstacles in recent years, underscoring the urgent need to redesign its systems and address structural issues.

He added that one of Nigeria's pressing concerns is the need to translate economic growth into improved living standards for all its citizens.

Earlier, the Permanent Secretary of the Budget and Economic Planning Ministry, Mr Nebolisa Anako, said that the coming summit is of great significance in terms of adding value in driving the current reforms by the present administration.

He appreciated the contributions of the various corporate organization and government institutions that have provided support and those who have made commitments towards the successful hosting of the summit.

Solid Minerals Sector: Nigeria's Emerging Economic Powerhouse - Chairman of FIRS

By Edmond Martins

The Acting Chairman of the Federal Internal Revenue Service (FIRS), Mr. Zaccheus Adedeji, has emphasised the potential for substantial economic growth and an increased contribution to the gross domestic product (GDP) through strategic investments in Nigeria's solid minerals sector.

Mr. Adedeji proposed that the federal government could bolster this sector to boost revenues deposited into the Federation Account.

This statement was made during his recent visit to Mr. Dele Alake, the Minister of Solid Minerals Development in Abuja. Mr. Adedeji referred to solid minerals as the 'golden goose' of the current administration and envisioned it as the country's next economic powerhouse, akin to the significance of the oil industry.

He underscored the importance of their visit, expressing confidence



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

in Mr. Alake's capabilities to make this vision a reality.

Mr. Adedeji also highlighted

the relevance of the solid minerals sector to tax revenue generation, citing its potential to contribute

up to 18 percent of the GDP, in stark contrast to the dwindling contribution from the oil and gas sector, currently standing at 78 percent.

In response, Mr. Alake reiterated the administration's commitment to elevating Nigeria to new heights and improving the well-being of its citizens, placing the transformation of the solid minerals sector as a cornerstone of their agenda.

In a separate event, Mr. Alake reiterated the government's dedication to comprehensive data collection on mineral deposits across the country.

During recent meeting with Mr. Samaila Zubairu, President/Chief Executive Officer of the Africa Finance Corporation (AFC) in Abuja, Mr. Alake expressed his appreciation for AFC's support in rejuvenating the solid minerals sector.

He stressed the necessity of enhancing data collection, stating that the ministry would heavily invest in generating precise and

concise data to empower potential investors in making informed decisions.

Furthermore, Mr. Alake affirmed the administration's shift of focus from fossil fuels and environmental challenges to the promising realm of solid minerals.

The establishment of the Ministry of Solid Minerals was part of President Tinubu's strategy to diversify the economy and broaden the nation's revenue sources, aligning with the administration's goal of economic development.

Mr. Alake disclosed that the solid minerals sector boasts an estimated value of over \$700 billion, positioning Nigeria to meet the global demand for critical solid minerals.

He made this announcement during the United Nations General Assembly (UNGA) in New York, underscoring the country's significance in the new world order, where minerals are essential for mobility, technology, energy sources, and storage.



FACILITATING EXPORT DIVERSIFICATION PROMOTING TRADE CONNECTIVITY

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

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How I Will Turn Around CBN's Dwindling Fortunes - *Yemi Cardoso*

By Tony Tagbo

The Senate recently confirmed the appointments of a new leadership at the Central Bank of Nigeria (CBN), comprising the Governor, Mr Olayemi Cardoso and four Deputy Governors.

This followed their nominations to the upper chambers of the National Assembly by President Bola Ahmed Tinubu for consideration.

The new CBN Governor and his team have since swung into action to turn around the dwindling fortunes of the apex bank which the President in his inaugural address stressed the urgent need to "clean up the CBN and its monetary policies".

As a first step to this task, a special investigator appointed to look into the affairs of the CBN is currently at work. Further to the clean-up exercise, the President deemed it necessary to bring in new leadership to the helm of affairs at the CBN.

According to a document obtained from the CBN, the new Governor has mapped out strategies in which he enumerated the preliminary challenges confronting the bank and how he intends to address them.

"I shall outline the challenges facing the CBN, introduce high-level proposals to address reformation challenges and discuss the role of a refocused CBN in supporting the economic agenda of the President Tinubu's administration.

What are the current challenges facing the CBN? In assessing these challenges, preliminary questions are being raised on addressing them. The questions are such as stated below:

Failure in corporate governance in CBN: How will issues of governance be addressed? Diminished institutional autonomy: How can public and financial systems stakeholders' confidence be restored in the autonomy and integrity of the CBN? Need to refocus CBN back to core functions: What needs to be in place to revert to evidence-based monetary policies? Discontinuation of unorthodox monetary policies and foreign currency management?

Unorthodox use of ways and means spending: What controls can CBN



Mr. Olayemi Cardoso, Governor of CBN

develop to enforce statutory limits in the use of ways and means of financing public sector deficit? Backlog of forex demand: How much of the backlog is real versus speculative/ hoarding? Are there creative financing options for clearing the short to medium term backlog? Lack of clarity in fiscal and monetary relationships – where are the delineations, and what should be the limits in CBN's fiscal side interventions? Inflation and price stability: What are the causes, and what is CBN's proposed response to address inflation and price stability issues?

Access to forex market and forex

price discovery: What mechanisms exist to address forex rate unification under a willing buyer and willing seller arrangement? What should be the role of the CBN in the forex market? Is there a need for interest rate realignment to money supply, inflation, and market realities? Current financial system stability: What is the current state of the financial system? Are CBN surveillance frameworks being updated proactively to track the expanding use of electronic payment systems by fintech and telcos?

These problem statements need in-depth review by the new CBN leadership to determine what mechanisms are

currently working, what can be tweaked or dispensed with and what new tools need to be introduced.

How a refocused CBN can support economic growth. Size matters. The economic policy proposals of the administration identify a set of fiscal reforms and growth targets that will achieve \$1.0 trillion gross domestic product (GDP) within eight years.

In reviewing selected Brazil, Russia, India, China, and South Africa (BRICS) and Mexico, Indonesia, Nigeria, and Turkey (MINT) countries, with large populations and similar developmental characteristics as Nigeria, it is interesting

to identify macro-economic indices that point to Nigeria's economic trajectory, given the faithful implementation of the proposed economic reforms. In economies bigger than \$1.0 trillion, these indicators include moderate inflation, sizable foreign reserves, and the capacity to quickly rebound from a cyclical economic downturn.

Advisory role of CBN: Much has been made of past CBN forays into development financing, such that the lines between monetary policy and fiscal intervention have blurred. In refocusing the CBN to its core mandate, there is a need to pull the CBN back from direct development finance interventions into more limited advisory roles that support economic growth.

These advisory roles could include, for instance: Act as a catalyst in the propagation of specialised institutions and financial products that support emerging sectors of the economy. Facilitate new regulatory frameworks to unlock dormant capital in land and property holdings. Accelerate access to consumer credit and expand financial inclusion to the masses.

De-risk instrumentation to increase private sector investment in housing, textiles and clothing, food supply chain, healthcare, and educational supplies. These verticals have huge demand patterns, with the potential for high local inputs and value retention, and can be the basis for rapid industrialisation. Exercise CBN's convening power to bring key multilateral and international stakeholder participation in government and private sector initiatives.

It must be emphasised that CBN does not have a magic wand that can be waved at the current economic challenges. The problems facing the bank are large and complex.

"However, with focused leadership and sustained reforms, it is expected that over time, the country will see gains, open economic spaces, attract new investments, create employment, and give our hardworking and talented compatriots opportunity for a more prosperous future".

Emotions Tower As Perm Sec Aliyu Ahmed Bows Out Of Service

CONTINUED FROM PAGE 3

"Today, we gather here for a send-off ceremony, a transition from my role within the Federal Civil Service after dedicating many years of service. This occasion is a testament to the strong and harmonious relationships we have fostered as colleagues. It signifies how deeply we have come to appreciate one another as individuals and institutions. I want to emphasise that my sentiments are genuine; I will genuinely miss this service and all of you. It has been a way of life for me for over three decades, and while change can be challenging, I look forward to embracing new opportunities.

"Before I conclude, I would like to offer one last piece of advice to the Coordinating Minister of the Economy. I urge you not to create redundant structures in your office. Our ministry boasts some of the best-trained staff in the public service, individuals who have received education from world-renowned institutions. They are more than capable of holding their own on the global stage. I encourage you to consult with them, make them your trusted advisors, and then make your informed decisions. While consultants can offer valuable insights, do not overlook the expertise and dedication of our in-house staff and structures.

"I have heard that in Chinese culture, goodbyes are rarely spoken, but rather, they say, "See you next time" or "Until we meet again." I believe that if fate allows, our paths may cross once more. This journey has been nothing short of incredible.

"Lastly, I would like to express my admiration and confidence in my friend and colleague of over thirty years, Permanent Secretary Okokon Udo. I leave my post knowing that the ministry is in capable hands. Without a doubt, Mr. Udo is a reliable and experienced leader who has made significant contributions to various departments within the ministry. He has also served in multiple other ministries. I have every confidence that he will continue to elevate the ministry to new heights.

"In closing, I want to extend my heartfelt gratitude to the Coordinating Minister of the Economy and Permanent Secretary Udo for the warm reception and generous gifts. Not many permanent secretaries receive such a grand farewell, and I am truly appreciative. I am at a loss for words to express my gratitude to Mrs. Omobola Olusola-Dada, Director of Human Resources Management, for coordinating this memorable event. May the Almighty bless you abundantly for your efforts fiscal sector with international best practices. These reforms, particularly the use of information technology to automate key processes and procedures for improved public sector accounting and financial management, have been a significant step forward.

"One of the remarkable initiatives includes the design and funding of specialised intervention plans, such as the Nigerian COVID-19 Action Recovery and Economic Stimulus (NG-CARES). Notably, the fiscal stimulus response from the Ministry of Finance in addressing the adverse impacts of the COVID-19

pandemic played a pivotal role in the swift and timely recovery of the Nigerian economy from the recession," he said.

Furthermore, the ministry has made substantial strides in its commitment to transparency and efficiency. Many of its revenue collection, debt recovery, and workflow processes have been automated. Examples include the Import Duty Exemption Certificate (IDEC), Project Lighthouse (Debt Recovery Portal), Project ERM (Electronic Records Management and File Tracking), and OneFinance.gov.ng. These improvements have made processes more transparent, efficient, and effective. The ministry also played a part in the reform efforts in the oil sector fiscal terms that led to the Petroleum Industry Act of 2021.

Mallam Ahmed also pointed out that development is like building blocks, where each individual contributes his or her part. He expressed his confidence in the solid foundation laid for automation and digitisation initiatives within the ministry. He believes that soon, the ministry will join the ranks of the Office of the Head of Civil Service of the Federation (OHCSF) and a few other MDAs that have gone paperless through digitisation.

He expressed his happiness with the ministry's efforts in capacity building and various initiatives to enhance staff welfare. Mallam Ahmed also acknowledged the support and collaboration of the Joint Union Congress, led by Comrade Attahiru Mohammed, which ensured industrial harmony throughout his tenure. He urged them to continue working toward

maintaining industrial harmony for the benefit of the ministry and the entire nation.

In his word: "As the longstanding Permanent Secretary overseeing the Ministry of Finance, it is only natural for me to reflect on my journey. I have had the privilege of working closely with both the former minister and the current Coordinating Minister of the Economy on numerous ministerial and national assignments. Serving in this role over the years has been a tremendous honour.

"Today, we gather here for a send-off ceremony, a transition from my role within the Federal Civil Service after dedicating many years of service. This occasion is a testament to the strong and harmonious relationships we have fostered as colleagues. It signifies how deeply we have come to appreciate one another as individuals and institutions. I want to emphasise that my sentiments are genuine; I will genuinely miss this service and all of you. It has been a way of life for me for over three decades, and while change can be challenging, I look forward to embracing new opportunities.

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"In closing, I want to extend my heartfelt gratitude to the Coordinating Minister of the Economy and Permanent Secretary Udo for the warm reception and generous gifts. Not many permanent secretaries receive such a grand farewell, and I am truly appreciative. I am at a loss for words to express my gratitude to Mrs. Omobola Olusola-Dada, Director of Human Resources Management, for coordinating this memorable event. May the Almighty bless you abundantly for your efforts.

Only 55% Of Nigerians Have Access To Electricity – FG

● AEDC To Provide Customers Meters At Previous Pricing Levels

By Tony Tagbo

The federal government says only 55 percent of Nigerians have access to electricity supply, with 86 percent-based in the urban areas.

The Director General of National Council on Climate Change (NCCC), Dr. Salisu Dahiru, made the disclosure at the opening of a two-day Africa Climate Forum 2023 in Abuja.

According to him, the government was not determined to increase access to electricity for the populace and also working to transition from fossil energy to clean and renewable energy.

Dr Dahiru noted that the modelling of Nigeria's draft Long-term Low Emission Development Strategy (LT-LEDS), indicates that about 60 percent of Nigeria's electricity can be achieved under the gas economy scenario while 80 percent can be achieved under the renewable energy scenario by 2050, adding that this will progress to 92 percent in 2060 under the renewable energy scenario.

The two-day forum which was organised by the Global Centre for Law, Business and Economy (GCLBE), has as its theme, 'Powering the Future: Financing Energy Transition for Sustainable Progress'.

Dr. Dahiru said that a decentralised renewable energy sector will create jobs in rural communities, noting that the sector employs twice as many workers directly and up to five times as many in indirect jobs, particularly in the informal economies, which are the largest source of employment for least developing countries.

He said, "According to the International Labour Organisation (ILO) Green Job assessment, there will be about six million fossil fuel jobs lost, but with the right policies 24 million new jobs will be created by 2030.

"A key co-benefit from climate action will be the creation of green jobs. A study carried out during the revision of Nigeria's Nationally Determined Contributions (NDC) in 2021 evaluating the impact of Nigeria's climate policies on employment, GDP and emissions, found that in terms of total number of jobs created, policies to increase power generation have the largest effect.

"Over the period 2020 up to 2035, on average, around 12 million net additional jobs will be added across the economy as compared to a baseline scenario."

He said in the quest for a better future, Africa must bridge technological gap and step-up dialogue around innovation. "The energy sector is already leading the charge to zero emissions, with breakthroughs and rapid price declines across the auto, power and lighting sectors," he added.

"Globally, the number of electric vehicles on the road has



jumped from 17,000 in 2010 to more than 7.2 million today. The installation of solar power grew from 290 MW in 2001 to nearly 127,000 MW in 2020. The share of LED bulbs in the lighting market has grown from one percent in 2010 to an expected 69 percent in 2020 and will be nearly 100 percent by 2025", he further stated.

Minister of State for Environment, Dr. Izaiah Kunle Salako, congratulated the organisers for taking the bold step to raise the issue of energy transition financing.

The minister who was represented by Mrs. Eniobong Abiola Awe, promised that the federal government is fully committed to ensuring the attainment of net zero emission by 2060.

In his goodwill message, Chairman, Senate Committee on Climate Change, Senator Seriake Dickson, said that Nigeria's dependence on fossil fuel is not only contributing to global warming, but also to air pollution, geopolitical and local conflicts as well as social inequities.

He said, "It is therefore our collective responsibility to drive this energy transition. Available records show that Africa has 40 percent of the world's renewable energy sources, yet available financing so far indicate that we are only attracting two percent of funding."

"Achieving energy transition is not an easy task. It requires investment in innovative technology, massive in clean energy infrastructure and a shift generally in our energy consumption pattern."

...it is crucial for Africa where most of the poor people in the world are resident to take issues around energy seriously

He promised that the National Assembly will be ready to support any move to achieve the financing of energy transition.

Earlier in his welcome address, Director General of Global Centre for Law, Business and Economy, Dr. George Nwangwu, said that lack of reliable power poses a major constraint to both private citizens and businesses, resulting in annual economic losses estimated at \$26.2 billion, an equivalent of 2 percent GDP.

"This is why it is crucial for Africa where most of the poor people in the world are resident to take issues around energy seriously," he said.

The 2-day forum attracted participants and stakeholders from the energy sector as well as goodwill messages from the diplomatic community.

In a recent development, Mr. Christopher Ezeafulukwe, the Managing Director of the Abuja Electricity Distribution Company (AEDC), addressed the matter of customers who had paid for electricity meters under the Meter Assets Providers (MAP) scheme before the price increase.

During a customer complaints and engagement forum held in Abuja as part of the 2023 Customer Service Week celebrations under the theme 'Customer Service Is Teamwork,' Mr. Ezeafulukwe reassured the customers that they would receive their meters at the previously agreed upon, lower rates.

Furthermore, he confirmed that customers who were still awaiting the supply and installation of their meters would not be subjected to the new,

higher charges. In line with AEDC's commitment to being customer-centric, the company would work closely with the MAP vendors to ensure that all customers who had made deposits would receive their meters.

It is worth noting that the Nigerian Electricity Regulatory Commission (NERC) had recently increased the prices of single-phase meters by N23,313.47 (equivalent to a 39.74 percent rise) from N58,661.69 to N81,975.16.

Additionally, the price for three-phase meters saw an increase of N34,151.74 (representing a 31.13 percent hike) from N109,684.36 to N143,836.10. However, Mr. Ezeafulukwe clarified that these price adjustments would not impact those who had already paid for their meters under the MAP scheme.

Emphasising AEDC's dedication to closing the metering gap within its franchise area and ensuring that customers only pay for the energy they consume, Mr. Ezeafulukwe also highlighted the company's ongoing investments in network improvements and customer service enhancements.

He noted that the relationship between AEDC and its customers had been characterised by warmth and cordiality.

The AEDC further explained that the Customer Complaints and Engagement Forum and other events held during the week aimed to recognise the importance of providing excellent customer service and to acknowledge the efforts of those individuals who deliver it consistently.

What To Expect With FG Removal Of VAT On Diesel For 6 Months

The federal government has made a significant announcement regarding the value-added tax (VAT) on diesel, with plans to remove it for the next six months. This decision was revealed by Mr. Femi Gbajabamila, the Chief of Staff to President Bola Tinubu. It comes as part of a series of concessions stemming from discussions between the federal government and the leadership of the Nigeria Labour Congress (NLC) and Trade Union Congress (TUC) during a four-hour meeting held at the State House on Sunday. The primary agenda of this meeting was to address the implications of discontinuing fuel subsidy.

A portion of the official statement released by The Presidency following the meeting with NLC and TUC read as follows: On Sunday, October 1, 2023, the federal government engaged in discussions with the leadership of the NLC and TUC to devise strategies for resolving issues arising from the removal of subsidies on premium motor spirit (PMS). Key highlights from the discussions included the federal government's announcement of a provisional wage increment of N25,000 for all federally employed personnel, effective for a six-month period. Additionally, the government is committed to expediting the deployment of Compressed Natural Gas (CNG) buses to alleviate the public transportation challenges resulting from the PMS subsidy removal, along with financial support for micro and small-scale enterprises.

Understandably, the federal government's decision to temporarily eliminate VAT on diesel for six months implies that during this specified timeframe, diesel will not be subject to the standard VAT rate typically applied to goods and services in Nigeria. VAT is a consumption tax levied at each stage of production and distribution, ultimately borne by the end consumer.

By waiving VAT on diesel, the government aims to mitigate the cost of diesel for both businesses and consumers, potentially benefiting various sectors of the economy. Diesel plays a vital role in transportation, power generation, and industrial processes in Nigeria. A reduction in diesel costs can translate to decreased production expenses for businesses, potentially lower consumer prices, and support for economic activities reliant on diesel as a power source.

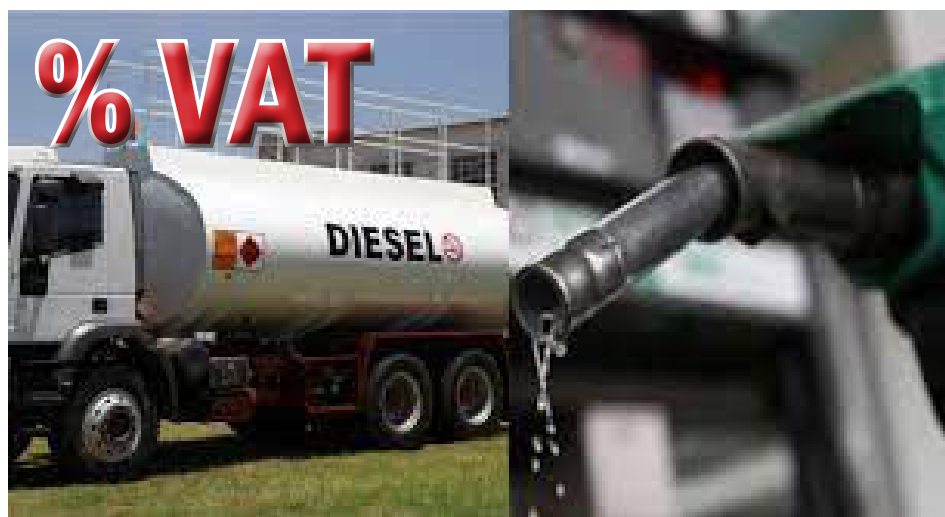
The objectives of this policy are likely focused on cost reduction. The removal of VAT from diesel can lead to reduced expenses for consumers and businesses, resulting in lower transportation costs and more affordable goods and services.

This measure may stimulate economic

POLICY BRIEF

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activity by making it more cost-effective for businesses to operate and for consumers to travel, ultimately boosting spending and economic growth. In some cases, removing VAT on essential

goods, like diesel, can be a short-term strategy to address inflation or economic challenges by reducing overall price levels. Furthermore, it promotes energy efficiency, encouraging the use of diesel for more energy-efficient purposes, such as power generation and transportation.

This decision may be a response to the National Bureau of Statistics (NBS) monthly inflation data, which showed an 8.57 percent increase in the average retail price of diesel in August 2023. Consumers were paying an average of N854.32 per litre, compared to the

previous year's lower cost of N786.88 per litre in the same month.

Mr. Bennett Korie, the President of the Natural Oil and Gas Suppliers Association of Nigeria, pointed out that the 7.5 percent VAT on diesel had pushed pump prices to a range of N900 to N950 across Nigeria. He attributed this price hike to foreign exchange challenges and the 7.5 percent VAT on diesel, which resulted in an increase from N650 per litre to over N900 per litre.

He highlighted that the cost of diesel has now surged to nearly N900 to N950 per litre, depending on the source of purchase, whereas prior to the introduction of VAT on diesel by the FIRS, diesel was priced at around N650 per litre.

The removal of VAT from diesel can lead to reduced expenses for consumers and businesses, resulting in lower transportation costs and more affordable goods and services

Analysing the potential repercussions of such a price hike based on economic principles and past occurrences, an escalation in diesel prices can trigger elevated transportation and production expenditures, potentially resulting in inflation. As diesel costs climb, businesses may transfer these additional expenses to consumers, causing an uptick in the prices of goods and services.

With the rise in prices of goods and services due to increased diesel costs, the cost of living for the average Nigerian citizen may escalate. This can dent the purchasing power of consumers and erode their overall quality of life. Diesel stands as a vital fuel source for transportation, particularly for commercial vehicles. Soaring diesel prices can lead to higher transportation fares and shipping charges, impacting both commuters and the transportation costs of goods, subsequently triggering a ripple effect across the economy. Elevated diesel prices can undermine business profitability, resulting in reduced investments and a potential slowdown in economic growth. This, in turn, can negatively affect job creation and the broader economic development.

It is worth noting that, historically, fuel price increases in Nigeria have incited protests and social unrest. The government may encounter pressure from citizens and various interest groups to cushion the impact through subsidies or other policy interventions. Heightened diesel prices might encourage businesses and consumers to seek alternative energy sources like natural gas, solar power, or electric vehicles. This transition could have enduring implications for the energy sector, diminishing the nation's reliance on fossil fuels.

However, it is essential to recognise that the precise consequences of a diesel price hike in Nigeria can hinge on a variety of factors, including the magnitude of the price increase, government policies, global oil prices, and the general economic conditions in the country.

Nonetheless, it is crucial to underscore that this is a provisional measure. Following the six-month interval, the government may reimpose VAT on diesel. Furthermore, these policies can have implications for government revenue, compelling the government to weigh the potential advantages against the loss of tax income as it reaches this decision.

After the six-month period, the government may reintroduce VAT to bolster its finances. The additional revenue stemming from fuel price hikes can be allocated to fund public services or reduce budget deficits, although this can provoke political debates.