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Nigeria Should Harness Potential Benefits Following Legal Victory Over P&ID

EDITORIAL

The federal government on Monday, October 23, 2023, finally emerged victorious in its legal case against Process & Industrial Developments (P&ID) in a United Kingdom (UK) court.

P&ID was awarded a 20-year contract in 2010 to construct and operate a gas processing plant in southern Nigeria as part of a wider plan to exploit Nigeria's abundant reserves of gas.

After the deal collapsed, P&ID took Nigeria to arbitration in London, and in 2017 it was awarded $6.6 billion for lost profits, a sum that has swelled with interest to over $11 billion, representing ten times the country's 2019 health budget.

However, Nigeria's lawyers say the country was the victim of "a campaign of bribery and deception" by P&ID, which they say paid bribes to senior officials to obtain the contract and then corrupted the country's lawyers to obtain confidential documents during the arbitration.

P&ID denied that it procured the contract through bribery or that it

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President Tinubu Reassures Investors, Says FG To Settle Outstanding Forex Commitments

- Wale Edun Unveils Plan to Digitalise Forex Operations, Speculators to Face Penalties, Targeting $10bn Inflows to Alleviate Liquidity Issues
- FEC Approves MTEF, Proposes N26.0trn Budget for 2024
- FG Secures $1.5bn World Bank Loan to Support National Initiatives

During the 29th Nigerian Economic Summit Group (#NES29) held in Abuja under the theme 'Pathways for Sustainable Economic Transformation and Inclusion,' ***President Bola Tinubu*** *offered a reassuring message to investors. He pledged that the federal government is committed to settling all pending foreign exchange obligations.* ***Enam Obiosio & Tony Tagbo*** *write.*

President Bola Ahmed Tinubu

Mr. Wale Edun, Minister of Finance And Coordinating Minister of The Economy

The 29th edition of the Nigerian economic summit, organised by the Nigerian Economic Summit Group (NESG) in partnership with the Federal Ministry of Budget and Economic Planning, served as the backdrop for the President's announcement.

President Tinubu acknowledged the erosion of investor confidence caused by a backlog of foreign exchange future contracts, a situation his administration aims to address.

He expressed his determination, stating: "All foreign exchange future contracts will be fulfilled by this government. I want to assure you that we have a clear plan to secure the necessary foreign exchange to revitalise our economy, and we will execute it."

In light of concerns within the business community, the President offered assurance that significant initiatives were already in progress to enhance foreign exchange liquidity.

Moreover, President Tinubu emphasised his administration's commitment to honouring all legitimate contracts pertaining to the nation's foreign exchange obligations.

He stated, "In line with our dedication to fostering fairness and the rule of law in our nation, this government will uphold the integrity of every valid contract. This particularly pertains to the government's foreign exchange obligations, and we have established a framework to ensure these commitments are fulfilled as planned."

Additionally, the President underscored the importance of close collaboration with the private sector to expedite financing for the ambitious three-trillion-dollar national infrastructure program.

He noted that this colossal endeavour could be accomplished within a decade, not a span of 300 years. "My government is fully aware of the financial challenges many of you are currently grappling with in the markets. I am pleased to inform you that we have a clear understanding of the additional foreign exchange

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CBN To Impose Penalties On Banks For Rejecting Cheques Starting November 1

- House of Reps Invites CBN Governor Over Lifting FX Restrictions on 43 Items
- Nigeria Witnessing Increase Interest In Foreign Portfolio Investment

Beginning from November 1, 2023, the Central Bank of Nigeria (CBN) will be implementing penalties against deposit money banks (DMBs) that refuse to accept banks' cheques.

This directive was conveyed in a recent circular issued by Mr. Sam Okojere, Director of the Banking Services Department at the apex bank.

The circular highlights the growing issue of magnetic ink character recognition (MICR) rejects and emphasises the CBN's commitment to reducing their prevalence.

DMBs have been instructed to reach out to their personalisers and stress the importance of validating MICR code-line details for accuracy, adhering to the Nigerian Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS), version 2.0.

The CBN intends to closely monitor compliance with this circular, and any bank experiencing MICR rejects after November 1, 2023, will face penalties as per the sanction grid.

In simple terms, MICR is a technology primarily used by the banking sector to streamline the processing and clearing of cheques. It involves the encoded numbers located at the bottom left of a cheque.

To address the MICR rejection issue, the CBN has urged both presenting and receiving banks to thoroughly inspect their in-house cheque processing equipment. The aim is to ensure proper calibration and supervision, thereby eliminating any image or data distortion during the cheque truncation process.

It is worth noting that the CBN introduced the NCS and NICPAS, version 2.0 on September 18, 2018, with the goal of enhancing the efficiency and security of the Nigeria Clearing System.

Recently, the CBN shared an updated list of accredited cheque printers and personalisers with banks and other stakeholders. This action aligns with the CBN's mandate to guarantee an efficient payment and settlement system and was communicated in a circular signed by the Director of Banking Services.

The circular read: "In pursuit of its objective to ensure an efficient payment and settlement system, the CBN, in collaboration with the MICR Technical Implementation Committee (MITC), conducted the re-accreditation of cheque printers and cheque personalisers in accordance with NICPAS qualification criteria."

A few days ago, the House of Representatives had summoned Mr. Yemi Cardoso, Governor of CBN, over the lifting of FX restriction on 43 items previously banned from accessing FX at the official window.

Mr. Yemi Cardoso, CBN Governor

Presenting the motion at plenary then, under Order 8, Rule 4 and Order 8, Rule 7(2) of the Standing Orders of the House, Hon. Sada Soli recalled that the CBN imposed the restrictions in June 2015, to conserve the FX reserves and promote local production of certain goods, including about 11 food items.

Hon. Soli stated that on October 12, 2023, the CBN announced, among other issues, the lifting of FX restrictions hitherto placed on the 43 items.

He noted that some of the items had tariffs to protect local industries, as they were on the imports prohibition list.

The lawmaker expressed concern that the CBN decision would greatly affect local production of items, such as rice, cement, and palm oil, among others, as it would force local manufacturers to hold the short end of the stick. He added that this would invariably lead to factory closures and ultimately erode the country's capacity to build the local economy.

He said: "Aware that almost all the 43 items are from two critical sectors, which have been identified by all policy documents from the Nigerian Economic Empowerment Development Strategy (NEEDS) and SEEDS to Vision 2022, as being areas that are critical to economic diversification;

"Worried that some of the listed items enjoy 60 percent-70 percent subsidy from their countries of origin, thus, putting Nigeria's local products at a comparative disadvantage and without any protection, and will lead to job losses and social exclusion."

Hon. Soli lamented that the benefit of the cheaper imported inputs, as stated by the CBN, would give undue advantage to middlemen to drive the economy, which is inimical to economic growth and not suitable to the current Unified Forex Market in the country.

The lawmaker lamented that Nigeria would not be competitive in the African Continental Free Trade Area if the country's markets were flooded with imported finished goods.

He also regretted that the apex bank's decision followed the rising food inflation in the country, which had adversely affected the economy and the purchasing power of consumers.

On the removal of subsidy, Mr. Cardoso noted that the removal of subsidy has put an end to the economic haemorrhage in the country.

The governor also said he was expecting foreign investment inflow from foreign portfolio investors. He made the statement at the National Economic Summit (#NES29) in Abuja, noting that the country was bleeding out its resources during the regime of subsidy.

Mr. Cardoso said that while he recognised the current challenges associated with the removal of the fuel subsidy, he assured Nigerians that they have no reason to be anxious over the state of the nation since the thing responsible for the "fiscal bleeding" of the economy namely subsidy has been removed.

The CBN boss also noted that since the removal of fuel subsidy Nigeria has witnessed a substantial increase in revenue generation in the foreign exchange market, highlighting that Nigeria is now on the path of rebuilding its economy.

Right now, from what I can see, we are on the path of rebuilding, and that is so important for us on the monetary side.

"If the fiscal is bleeding, it makes life very difficult for us on the monetary side. To the extent that that has stopped is a big deal."

Speaking further, the head of the CBN also emphasised that there will no longer be flip-flop policy decisions in the foreign exchange market, noting that the market will now be predictable, and transparent and provide a levelled playing field for all interested investors and participants.

He stated that the lack of transparency in the FX market has resulted in a trust deficit on the part of the investors.

"The attempt at the unification of the foreign exchange market is not by any means perfect, at least substantially more revenue has come in. The combination of those two things, in addition to some of the efforts that have been made on the fiscal side, is commendable.

And in due course, we will see the outcome. There are more difficult decisions to be made, but two very difficult decisions have been taken. Now, it is a question of managing things to get to where we want to get to a place where we have FX that is fixed for purpose. A FX that works for everybody. A FX market where you know the rules. A foreign exchange market where there are no policies flip-flops.

In addition, the CBN governor said that Nigeria is witnessing an increase in interest in foreign portfolio investment since the FX reforms. He further stated that confidence has been restored in the Nigerian market. He also said that the CBN will publish robust policy documentation on what the rules of the FX market operation will be in the coming weeks.

Right now, from what I can see, we are on the path of rebuilding, and that is so important for us on the monetary side

President Tinubu Reassures Investors, Says FG To Settle Outstanding Forex Commitments

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liquidity needed to restore market confidence," stated the President.

Addressing Nigeria's premier private sector think tank and policy advocacy group, he continued, "Today, I implore you to extend your efforts beyond previous endeavours. Bring forth your ideas, your leadership, your capital, and the collective determination of your substantial conglomerates and business networks. Together, let us forge a future filled with renewed hope. My government is ready. Are you ready too?"

In a separate development, the federal government has announced plans to automate foreign exchange transactions to eliminate wide arbitrage gaps and take action against naira speculators.

The Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, revealed this during the inaugural panel session of the #NES29.

Mr. Edun explained that all foreign exchange market activities, including both official and parallel markets where significant arbitrage has persistently occurred, would undergo rigorous monitoring, with wrongdoers identified and penalised.

Furthermore, he disclosed that President Tinubu had recently issued two executive orders. "One of these orders grants leniency for all cash in circulation to enter the formal economy, thereby increasing the money supply within legal parameters," he explained. "The second executive order allows for the domestic issuance of foreign currency, thereby incentivising the provision of foreign exchange from various sources."

The honourable minister also unveiled plans for a comprehensive overhaul of the foreign exchange market, acknowledging its inefficiencies due to a lack of liquidity.

He emphasised the government's determination to reform the system. "The foreign exchange market will be streamlined and restructured so that all legal and legitimate transactions will fall under the authority's oversight within the formal foreign exchange market. Anything outside this framework will be considered illegal, a criminal offense, and subject to penalties," Mr. Edun stated.

During a recent business conference, Mr. Edun made a significant announcement regarding the country's economic outlook. He expressed the nation's anticipation of an impending influx of approximately $10 billion in foreign currency within the next few weeks.

This infusion aims to alleviate the persistent liquidity challenges plaguing the foreign exchange market, which have hindered economic growth in the country, the largest in the region.

The country has grappled with an enduring scarcity of dollars ever since foreign investors withdrew their funds from local assets during a period of depressed oil prices.

Despite the passage of time, these investors have not yet returned, and the Central Bank remains unable to meet the outstanding demand for dollars, primarily from foreign investors looking to repatriate their funds or airlines seeking to transfer revenues generated from ticket

President Bola Ahmed Tinubu

sales abroad.

This shortfall in dollar availability has forced some businesses and individuals to turn to the unofficial black market, resulting in a series of record lows for the national currency, the naira, and a widening disparity between the official and black-market exchange rates.

Mr. Edun articulated, "We have a clear indication of an estimated $10 billion in foreign exchange inflows on the horizon, and we anticipate this to occur in the coming weeks rather than months."

He further revealed that this boost in liquidity would emanate from state oil firm crude sales and the willingness of foreign investment firms to invest in Nigeria. He affirmed: "Taken together, these measures are expected to facilitate the flow of foreign exchange within the economy."

Nigeria stands at a critical juncture, and addressing these challenges demands immediate, united efforts

The naira's value plunged to an all-time low of 1,200 naira per dollar on the black market, just two days after reaching a new low of nearly 1,000 naira on the official market.

President Tinubu reassured that all government-entered forward contracts would be honoured, while the central bank governor declared that the currency would adjust once market participant rules were clarified.

In his opening remarks, Mr. Niyi Yusuf, Chairman of NESG, emphasised that this year's summit was strategically designed to address the fundamental aspects of economic transformation needed to realize the government's envisioned future.

He stressed the urgency of implementing strategic shifts to enhance the ease and cost of doing business in a relatively short time frame, as the current situation poses a significant threat to the survival of enterprises and entrepreneurs.

He pointed out that limited access to foreign exchange, rising costs of inventory, imported inputs, and operations, combined with a complex tax system, continue to erode business financial health, leading to reduced production and employment opportunities.

Mr. Yusuf also highlighted the economic challenges facing both large corporations dealing with underutilised capacity and medium, small, and micro-enterprises struggling with complex issues.

He emphasised that these poor economic outcomes are leading to deteriorating social conditions that can't be ignored.

He expressed concern, saying: "With over 133 million Nigerians experiencing multidimensional poverty, we face the growing risk of stagnation and distress if we continue in a low-growth, low-investment environment. The future of Nigerian children is at risk across all regions."

Mr. Yusuf also pointed out the vulnerability of Nigeria's aging population, with the likelihood that retirees' savings and investments may be eroded in their early retirement years. The nation's high fertility rate, outpacing economic growth, poses the risk of an unproductive population bulge, straining social infrastructure to support children's health, nutrition, and education.

He emphasised that achieving a multi-trillion-dollar economy within a decade requires serious reform, consistent economic action, and deliberate institutional changes.

Nigeria stands at a critical juncture, and addressing these challenges demands immediate, united efforts. Urgent actions, such as a macroeconomic stabilisation program and enhanced national security to combat organised crime in the oil and minerals sectors, are essential to facilitate this growth trajectory.

Mr. Yusuf expressed appreciation for the dedication of private and public sector partners and the international community in working towards a stable, sustainable, secure, inclusive, and economically prosperous Nigeria.

He also commended the Ministers of Budget and Economic Planning, Finance and Coordinating Minister of the Economy, Health, and Coordinating Minister of Social Welfare for their support in making the summit a reality.

In related news, the Federal Executive Council (FEC) concluded its second meeting in six weeks by approving the Medium-Term Expenditure Framework and the 2024-2026 Fiscal Strategy Paper (MTEF/FSP). This move includes projections for the 2024 budget, which President Tinubu will present to the National Assembly for consideration.

The 2024 budget has been projected to reach a total of N26.01 trillion, comprising N1.3 trillion in statutory transfers and N10.26 trillion for non-debt recurrent expenditures.

Mr. Atiku Bagudu, the Honourable Minister of Budget and National Planning, disclosed this information during a media briefing following a council meeting chaired by President Tinubu at the State House in Abuja.

Furthermore, Mr. Wale Edun, the Honourable Minister of Finance and Coordinating Minister of the Economy, announced that the Federal Executive Council (FEC) has granted approval for a $1.5 billion financing request from the World Bank. He highlighted that the International Development Association has given the green light for these funds, which are interest-free.

Mr. Edun emphasised: "The total amount is $1.5 billion, and it aligns with the context discussed by the Minister of Planning and Budget regarding global monetary policy, which currently inclines towards high interest rates to combat inflation. However, this results in exorbitant interest rates for others, rendering them unaffordable."

He also noted that Nigeria's macroeconomic policies have garnered recognition from global financial institutions. "We have made the necessary tough decisions to restore economic equilibrium in the government's finances, prompting support and endorsement from multilateral development banks. It is on this basis that the World Bank is willing to consider and process $1.5 billion in concessional financing for us, which is not only affordable but can be disbursed swiftly."

Mr. Edun clarified that FEC approved the loan procurement due to its affordability. In addition to the World Bank financing, he revealed that the African Development Bank (AfDB) has also given the green light to an $80 million financing package for the Ekiti Knowledge Zone Project. This project aims to support the youth in Ekiti, enabling them to harness technology for employment, training, and participation in the knowledge-based and technological sectors, which are expanding within Nigeria's economy.

The government has earmarked a substantial $80 million to support the younger generation in the knowledge economy, technology, and communications sectors. During this announcement, Mr. Bagudu also disclosed that the President is preparing to present a supplementary budget.

This budget is intended to cover the financial aspects of wage awards and other commitments made to workers following the removal of the fuel subsidy. He emphasised that the January-December budget cycle will be maintained.

Mr. Bagudu further underscored that the Fiscal Responsibility Act obliges the executive branch to furnish the national assembly with a document outlining the medium-term economic outlook before presenting a budget. The assumptions underlying this fiscal plan include a crude oil price of $73.96 per barrel and an exchange rate of N700 to $1.

He noted, "The budget proposal takes into account the commendable measures implemented since June to restore

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EDITORIAL

Nigeria Should Harness Potential Benefits Following Legal Victory Over P&ID

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corrupted Nigeria's legal team during the arbitration, blaming the failure of the gas deal and the country's arbitration defeat on institutional incompetence.

Judge Robin Knowles allowed Nigeria's challenge in a written ruling on Monday.

"I have not accepted all of Nigeria's allegations," the judge said in his ruling.

But he added that the arbitration awards "were obtained by fraud, and the awards were, and the way in which they were procured was, contrary to public policy".

This landmark decision holds far-reaching implications and is undoubtedly a cause for celebration for the country.

On the Nigerian economy, the potential benefits of Nigeria's winning of the case cannot be overemphasised. The benefits definitely spell financial relief to the country. That Nigeria has successfully won the case, avoided paying the $11 billion arbitration award, provides a significant financial relief to the government. This money could be redirected to other critical areas, such as infrastructure development or healthcare.

That Nigeria has won the case would likely boost investors' confidence in the country. It would signal that Nigeria respects the rule of law, which could attract more foreign direct investments (FDIs) and encourage businesses to invest in the country.

We strongly believe that this positive outcome could help improve Nigeria's credit rating, making it easier for the government and businesses to access international financing at more favourable terms.

Nigeria, having avoided this substantial payout, could help stabilise the country's fiscal situation, reducing the risk of budgetary shortfalls and currency devaluation.

The government should look to realising the above stated potentials because if Nigeria were to lose the case and had to pay the $11 billion arbitration award, it would place a significant financial burden on the government. The payment would have likely led to budget cuts in critical areas, increased borrowing, or additional taxation.

Losing the case would have, among others, set a legal precedent that might encourage other companies to bring similar claims against the government, potentially leading to more arbitration cases and financial liabilities.

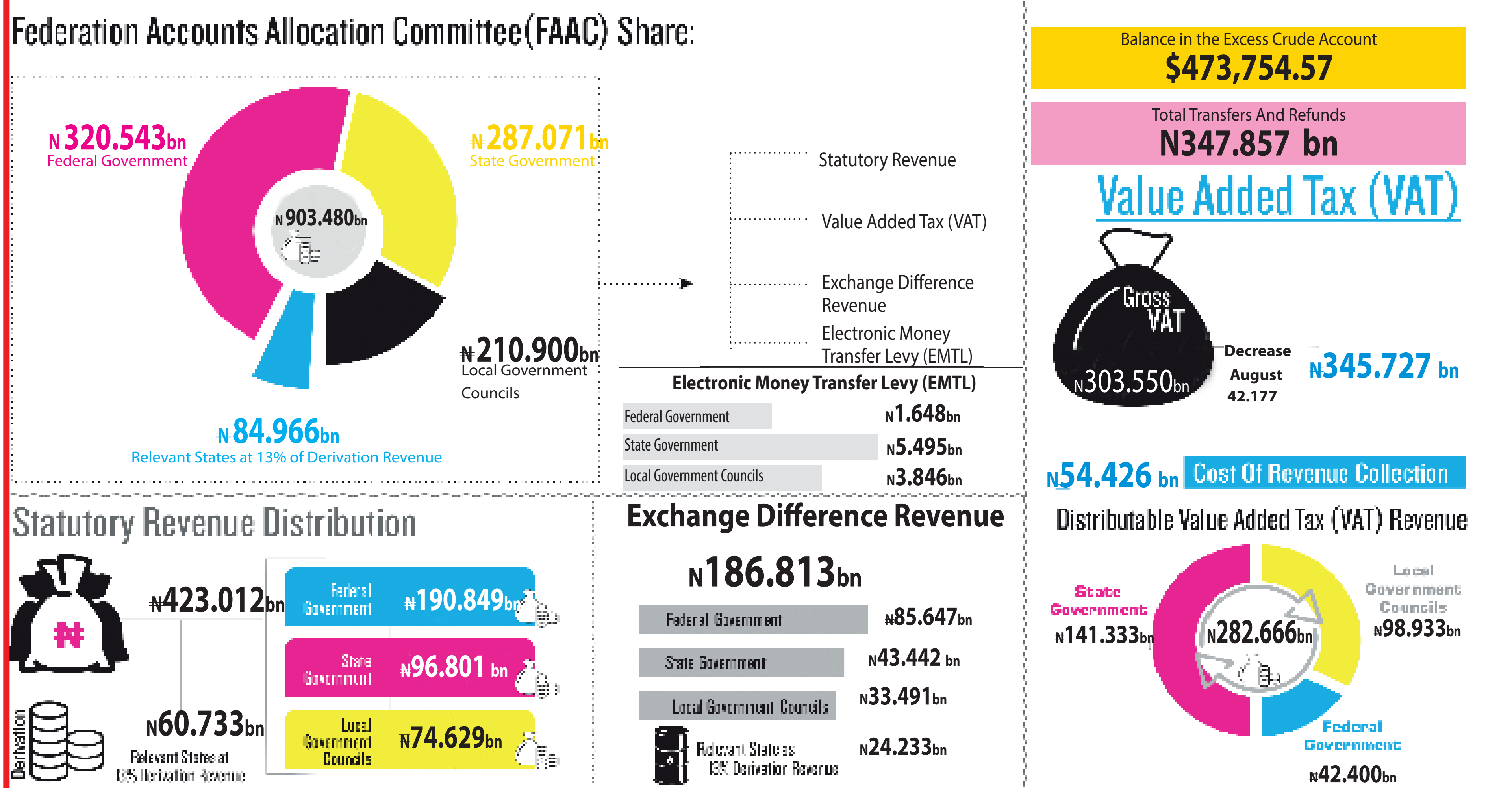
A loss in the case would have eroded investors' confidence, making it more challenging to attract foreign investments and businesses, which are essential for Nigerian economic growth.

We note that a large payment obligation would have had a negative impact on Nigeria's credit rating, making it more expensive to borrow on international financial markets and potentially leading to higher interest rates.

Regardless of the case's outcome, Nigeria should consider and stay the course with economic reforms and diversification to reduce its reliance on oil revenues and enhance its economic stability. Diversifying the economy, improving the business environment, and addressing corruption are to help mitigate the economic challenges on Nigerians.

We urge the government to realise the actual benefits that the winning of the case would have on the Nigerian economy.

FAAC Shares N903.480 Billion September 2023 Revenue To FG, States And LGCs



In the month of September 2023, Petroleum Profit Tax (PPT) and Oil and Gas Royalties increased considerably while Value Added Tax (VAT), Import and Excise Duties, Electronic Money Transfer Levy (EMTL), Companies Income Tax (CIT) and CET Levies recorded significant decreases.

AfDB, African Guarantee Fund Greenlight $1.2bn Loan for Women-Led Enterprises

● Dr. Akinsola Babalola Appointed As Special Assistant To The President by AfDB

By Jennete Ugo Anya

The African Guarantee Fund, in partnership with the African Development Bank Group (AfDB), has given its approval for a $1.2 billion loan designed to empower enterprises led by women across the African continent.

This substantial financial backing is set to make a positive impact on women entrepreneurs in 32 different countries throughout Africa.

The announcement of this initiative was made recently during the Affirmative Finance Action for Women in Africa (AFAWA) Finance Series event held in Lagos.

The primary objective of this event was to unlock diverse financing opportunities specifically tailored to support women entrepreneurs.

The AFAWA Finance Series is a vital component of the AfDB's overarching initiative. It brings together government representatives, policymakers, and leaders within financial institutions to introduce AFAWA's partnership services to the Nigerian market.

In his address, Mr. Lamin Barrow, the Director General for the AfDB Nigeria Country Department, emphasised the essential goal of the AFAWA initiative.

It aims to enhance women's access to financial resources across the continent by addressing the $42 billion financing gap for small and medium enterprises led by women.

"Our aspiration is to mobilise $5 billion in financing for African women-led businesses by 2026. Since the launch of AFAWA just over two years ago, the initiative has already allocated $1.2 billion for on-lending to women-led enterprises in 32 African countries," he stated.

During the opening ceremony, Mrs. Grace Ogbonna, speaking on behalf of the honourable minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, and serving as the Acting Permanent Secretary/Director of the Economic Research and Policy Management Department at the Federal Ministry of Finance, stressed the importance of women's empowerment.

She called for attention, commitment, and collective efforts to ensure that women have equal opportunities to fully participate in the economic growth of the nation.

Mr. Jules Ngankam, the Chief Executive Officer of the African Guarantee Funds Group, highlighted the financial exclusion of women in Africa, covering areas such as access to credit, land ownership, job opportunities, leadership roles, and wealth creation. He pointed out that these disparities have been limiting Africa's potential for far too long. He commended the Nigerian government for taking proactive steps to promote small and medium enterprises led by women and expressed the AGF's eagerness to collaborate with the government and policymakers to create a more conducive environment for women entrepreneurs.

Dr. Akinwumi Adesina, President of AfDB

In the meantime, the AfDB named Dr. Akinsola Babalola, a seasoned banking and finance management professional, as the Special Assistant to the President of the Bank Group.

Hailing from Nigeria, Dr. Babalola boasts over two decades of experience throughout sub-Saharan Africa. Prior to his tenure at the Bank, he held the position of Assistant Vice President at Ecobank Transnational Incorporated in Lome, Togo, where he dedicated 11 years to fulfilling various pivotal roles.

From 2012 to 2017, he held the role of Business Performance Manager in the office of the Deputy Chief Executive Officer, overseeing the financial performance of Ecobank's subsidiaries in over 30 countries. His commitment to this role saw him ensuring the sound financial health of Ecobank's diverse network.

From 2017 to 2018, Dr. Babalola, a Nigerian citizen, took on the role of Assistant Vice President for Regulatory Compliance Monitoring. Here, he played a critical role in enhancing enterprise-wide controls by assessing compliance risks and implementing regulatory changes across the subsidiaries of the Ecobank Group.

Between 2018 and 2021, he served as the Chief of Staff to the Group Execution for Operations and Technology. In this capacity, he was a linchpin in coordinating and executing the core activities of the largest division within Ecobank Group, aligning operations with the institution's strategic objectives. He was a driving force behind organisational reforms and spearheaded initiatives to modernise banking and financial systems. Notably, he led the team responsible for centralising and virtualising cross-functional operational activities across the Ecobank Group and established the Group Payment Operations in response to the growing need for efficient payment solutions across sub-Saharan Africa.

Until recently, Dr. Babalola was the head of two regional processing centres in Lagos and Abidjan, where he managed operational activities for Ecobank subsidiaries. He also spearheaded the Group Payment Operations Centre, overseeing all digital transactions.

Dr. Babalola briefly ventured into the international arena in 2008 with a stint at Shell International Petroleum Company in the United Kingdom. There, he evaluated strategic business opportunities in the gas-to-liquid markets and formulated a competitive positioning model for four niche applications.

His extensive educational background includes a Doctoral degree in Business Administration from the University of Manchester (United Kingdom, 2022), a Master of Business Administration from the University of Oxford (United Kingdom, 2008), a Master of Managerial Psychology from the University of Ibadan (Nigeria, 2006), and a Bachelor of Psychology from the University of Ibadan (Nigeria, 1998). He is also a Fellow of the Association of Certified Chartered Accountants (United Kingdom).

Expressing his gratitude for the appointment, Dr. Babalola conveyed his deep humility and honor, pledging his dedication to serve the esteemed institution and the Bank Group President, with a commitment to realising the transformative vision for the Bank and the African continent.

Dr. Adesina, President of the Bank, expressed his satisfaction with the appointment, highlighting Dr. Babalola's stature as a respected banker with a wealth of knowledge and experience in the commercial banking sector.

He emphasised that Dr. Babalola's extensive involvement in management, strategy, and implementation and announced his role in providing crucial strategic support at all levels of the Bank, both internally and externally, including with the boards of directors, senior management, and staff.

Our aspiration is to mobilise $5 billion in financing for African women-led businesses by 2026

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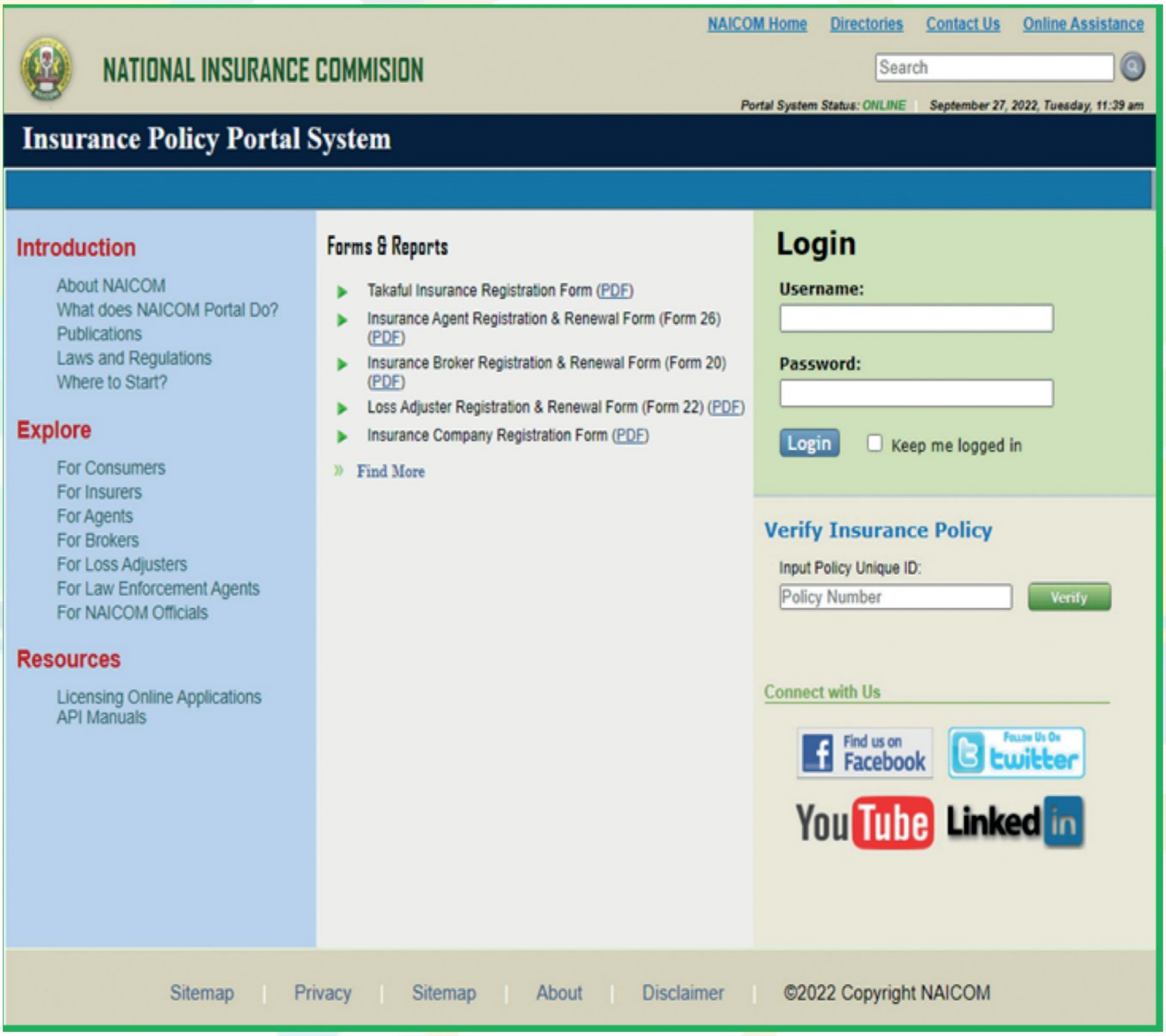
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NAICOM … For a Heathier Insurance Industry in Nigeria

NAICOM Reveals Strategic Roadmap For Insurance Industry

• Industry's Total Assets Surpass N2.33trn In 2022
• Elumelu Advocates Hike In Capital Base

By Tony Tagbo

The National Insurance Commission (NAICOM) has revealed a comprehensive 10-year transformation plan for the insurance industry, at an event which President Bola Ahmed Tinubu, represented by Mr. Okokon Udo, Permanent Secretary of the Federal Ministry of Finance, officiated the significant moment.

Mr. Olorundare Sunday Thomas, Commissioner for Insurance and Chief Executive Officer (CEO) of NAICOM, recently made the revelation at the national insurance conference held in Abuja.

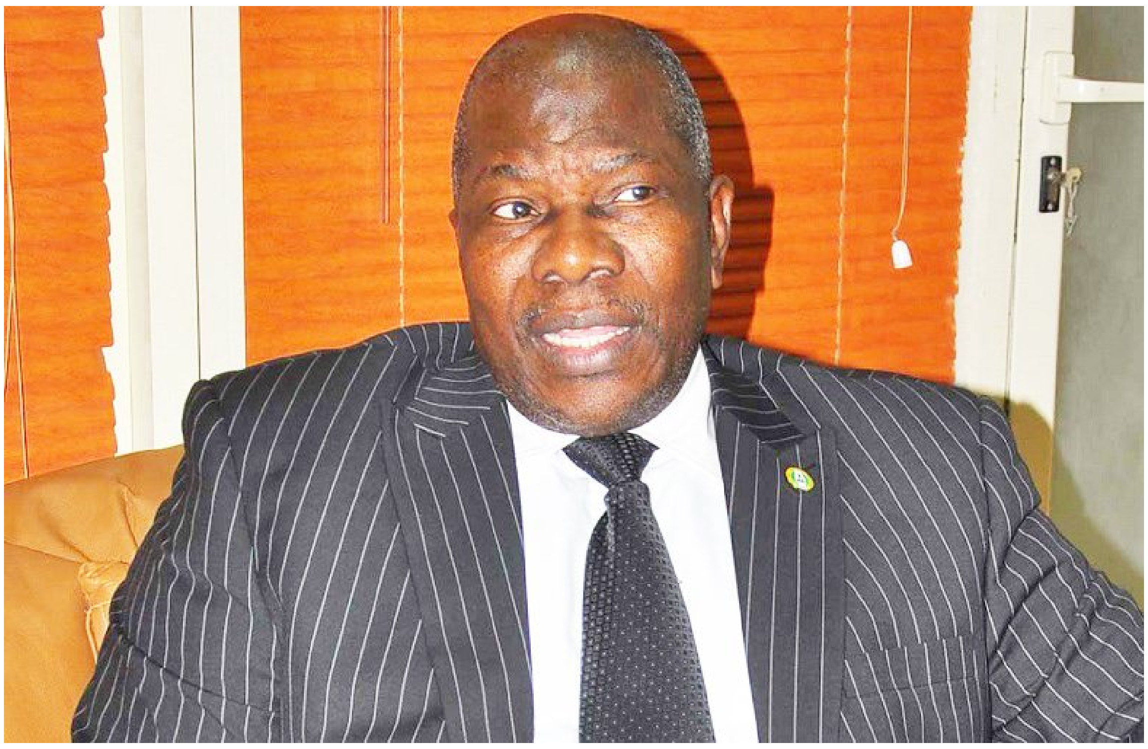
This ambitious roadmap, spanning from 2024 to 2033, is based on seven key strategic pillars.

The pillars encompass regulatory overhaul, the adoption of risk-based capital models, the promotion and expansion of insurance, diversification of insurance products, optimisation of distribution channels, digitalisation, talent development, and support for Nigeria's economic advancement.

On the 2023 conference themed: 'Redefining Safety – Insurance Solutions for Public Buildings and Buildings under Construction'. Mr. Thomas highlighted that the seven strategic objectives would serve as the guiding framework for NAICOM's transformation efforts over the next decade. In addition, NAICOM is set to launch the guidance note for the insurance of government assets and liabilities.

Speaking about the insurance industry's performance between 2014 and 2022, Mr. Thomas pointed out a significant growth trajectory. Premium income witnessed a remarkable average annual increase of 13.6 percent, soaring from N282 billion to N726.2 billion.

He revealed that the industry's asset base expanded by an average of 12 percent from N827.5 billion in 2014 to N2.33 trillion in 2022.



Mr. Sunday Thomas, Commissioner for Insurance and Chief Executive Officer (CEO) of NAICOM

Mr. Thomas outlined the industry's strategic goals for the next decade (2024-2033). These seven strategic thrusts aim to drive growth and development within the insurance sector: Enhancing the regulatory framework to sustain industry growth, transitioning to a risk-based capital model, promoting insurance awareness and adoption, expanding the range of insurance products offered, improving the effectiveness of distribution channels.

He emphasised the commission's dedication to fostering the development of the Nigerian insurance industry and aligning its success with the nation's status as the largest economy in Africa.

Under his leadership, NAICOM has worked to enhance the safety and stability of the Nigerian insurance sector by implementing prudential regulatory tools and good corporate governance practices.

Furthermore, the commissioner highlighted the commission's efforts to increase the availability of insurance products and boost local insurance capacity by licensing twelve new entrants.

Notably, the licensing of these companies marked the first new insurance company licenses in a decade and the first reinsurance company license in 32 years.

He noted that the conference serves as a platform for incentivising law enforcement agencies, state governments, professional bodies, and other stakeholders.

The event aims to create awareness about the importance of insurance in redefining safety in Nigeria. The conference encourages discussions on current and emerging issues, generating ideas and insights that can be transformed into actionable strategies for the effective enforcement of compulsory insurance by relevant authorities and government agencies. The goal is to foster collaboration and enhance national safety standards.

He emphasised several flagship initiatives undertaken as part of the medium-term NAICOM strategic plan for 2021–2023. The initiatives aim to enhance the safety and stability of the Nigerian insurance sector through improved regulatory tools and corporate governance practices.

They also involve aligning the supervisory regime with international best practices, enhancing distress management, and restructuring the market. Furthermore, NAICOM is implementing project e-regulation through the operationalisation of the business process management solution and the NAICOM portal, and developing an actuarial capacity program for the Nigerian insurance industry.

However, Mr. Thomas acknowledged various challenges that hinder the growth of the insurance industry. These challenges encompass talent shortages, low public awareness, affordability issues, trust and confidence deficits, cultural and religious biases, insufficient distribution channels, and a lack of robust insurance enforcement.

During his presentation at the event, Mr. Tony Elumelu, Group Chairman of Heirs Holdings and the theme paper presenter, made a compelling call to the NAICOM.

He urged the commission to revise the capital requirements for insurance companies. Specifically, he proposed a substantial increase in the capital base for non-life insurance companies, suggesting it should be raised to N30 billion, and for life insurance firms to N20 billion.

Presently, the capital requirements stand at N8 billion for life insurers, N10 billion for general underwriters, and N18 billion and N20 billion for composite and reinsurance companies, respectively.

Mr. Elumelu acknowledged that this proposal might not be popular at first, but he emphasised the substantial and long-term positive impact it would have on the insurance industry.

Furthermore, he called for a revaluation of the distinction in authorisations and licenses between life and non-life insurance firms, advocating that consolidated operators should maintain a capital base of N50 billion.

He also proposed that all insurers should mandatorily allocate 0.5 percent of their total revenue to promote industry awareness over a five-year period, with the Nigeria Insurers Association (NIA) taking professional responsibility for administering this.

Additionally, he recommended an increase in the capital base of insurance brokers to N1 billion.

The conference was attended by representatives from various sectors, including state governors, ministers, legislators, industry leaders, royal figures, and insurance experts.

The high point of the conference was the launch of the insurance industry strategic plan and the guidelines for insurance of government assets.

OAGF Disburses N743.7bn In Capital Funds To MDAs

By Chiamaka G. Okpala

The Office of the Accountant-General of the Federation (OAGF) has announced that it had released the sum of N743.7billion in capital funds to various federal ministries, departments, and agencies (MDAs) during the period from March to August this year.

The Accountant-General of the Federation (AGF), Mrs. Oluwatoyin Madein, shared this development during a one-day workshop focused on the implementation of the federal government's cash plan policy.

The event, held in Abuja, aimed to shed light on the positive impact of the policy in ensuring the timely allocation of funds for the execution of the federal government's capital budget.

The workshop themed 'Implementation of Cash Plan Policy in Nigeria: Prospects and Challenges,' served as a platform for discussing the policy's implications and benefits.

During her address to the participants, Mrs Madein highlighted the significance of the Government Integrated Financial Management System (GIFMIS) cash planning module in modernising the government's cash management practices.

She explained: "In line with the theme of this workshop, it is evident that attendees have a valuable opportunity to gain deeper insights into the recent deployment of an IT solution, the GIFMIS cash planning module, which has revolutionised federal government cash management practices."

She continued: "To put an end to the persistent delays in the budget cycle, the OAGF introduced a bottom-up cash management approach, complete with an implementation guideline in June 2020, along with a Treasury circular issued on May 29, 2020. To enhance the policy's implementation, the Minister of Finance, Budget, and National Planning secured presidential approval on August 24, 2022."

Mrs. Madein highlighted further improvements, saying: "Following this approval, the OAGF cash management team, in collaboration with the GIFMIS team and World Bank experts engaged by the OAGF, conducted a comprehensive review of the cash management guideline and standard operating procedures (SOP) in January 2023."

She also emphasised the policy's impact on addressing long-standing issues, noting: "Prior to implementing this policy, over N1.5 trillion in capital development funds remained committed for several months. This indicated that the actual cash requirements of MDAs were being overlooked, resulting in a slowdown in the utilisation of allocated funds and additional interest costs on borrowed funds."

Mrs. Madein concluded by sharing the remarkable results, which she said: "As of today, the treasury has successfully processed and disbursed a total of N743.737 billion between March and August 2023, with an additional N487.421 billion currently under processing for September and October 2023."

FG To Introduce 'Green Surcharge' On Imported Vehicles

• Confirms Appointment Of Mr. Adeniyi As Comptroller-General Of NCS

Musa Ibrahim

The federal government is set to introduce a 'green surcharge' on imported vehicles as part of its ambitious plan to boost tax revenues.

This announcement was made in the recently released Medium Term Expenditure Framework (MTEF), which outlines a hefty 2024 budget of N26 trillion.

The green surcharge is a key component of the government's strategy to generate approximately N2.6 trillion in net taxes through Nigerian Customs.

The MTEF document lays out a total of 18 strategies aimed at enhancing customs revenue collection between 2024 and 2026, with point XIII focusing on the introduction of a green surcharge on imported vehicles - "Introduction of green surcharge on imported vehicles and excise duty on gambling and lotteries including online betting..."

The specific nature of this green surcharge remains somewhat elusive, as the document does not provide a detailed explanation.

However, earlier in the year, President Buhari's administration had hinted at the introduction of additional taxes for imported vehicles.

To this end, the federal government had already implemented the Import Adjustment Tax (IAT) levy on motor vehicles, applying a 2-percent rate to vehicles having two litres engines (ranging from 2000 cc to 3999 cc) and a 4-percent rate to vehicles with engines exceeding four litres (4000 cc and above), effective from June 1, 2023.

Furthermore, starting from the same date, certain categories of vehicles were granted exemptions, including vehicles with engines below 2000cc, mass transit buses, electric vehicles, and locally manufactured vehicles.

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

It is worth noting that there appears to be some ambiguity regarding whether the taxes mentioned above are synonymous with the green surcharge.

According to data from the National Bureau of Statistics (NBS), Nigeria's expenditure on vehicles, aircraft, and related items, as well as vessels, totalled approximately N1.68 trillion.

The move by the federal government to introduce a green surcharge on imported vehicles underscores its commitment to boosting revenue generation and possibly promoting more environmentally friendly transportation options.

However, further details about the nature and implications of this surcharge remain eagerly awaited.

In another development, President Bola Tinubu, recently confirmed the appointment of Mr. Bashir Adewale Adeniyi, as the Comptroller-General (CG) of the Nigeria Custom Service (NCS).

According to a statement from Mr. Willie Bassey, Director of Information, Office the Secretary To The Government of The Federation, Mr. Adeniyi's appointment took effect from October 19, 2023.

President Tinubu tasked Mr. Adeniyi to bring his wealth of experience to bear on his new assignment, as he begins his tenure, which is in accordance with the extant provisions of the Public Service Rules (PSR).

Mr. Adeniyi was previously in an acting capacity after taking over from Col. Hameed Ali (retd) in June.

However, there is no doubt that Mr. Adeniyi, since assumption of office as the Acting CG of the NCS, had rolled out far-reaching policies that will drive activities of the service.

Subsequently, the NCS is now more focused on easing trade protocols, one of the core mandates of the service, a catalyst towards achieving other mandates such as robust revenue generation and suppressing smuggling across the country.

He had kick-started his leadership of the service primarily on growing the Nigeria's economy by removing all visible and hidden encumbrances at the ports, which hampered inter/intra trade.

As part of his creative strategy in reviewing anti-smuggling operations of the NCS and boosting trade, the CG dissolved the strike force team on July 17, 2023, and strengthened the federal operations unit of the service nationwide, geared towards enhancing trade, security and growing the economy.

He had embarked on strategic partnerships with all host communities and stakeholders in Nigeria's import and export business and has successfully restored peace in the Association of Nigeria Licensed Customs Agents, (ANLCA), after years of internal crisis, rancour and wranglings, which defied all solutions proffered by maritime stakeholders.

Mr. Adeniyi, no doubt, acknowledged this on assuming office with a commitment to "prioritise efficiency in service delivery as the bedrock of trade facilitation and revenue generation."

With his dynamic leadership, the NCS exceeded its revenue target by N307 billion and N343 billion in July and August 2023 respectively.

"I am delighted to announce that we have consistently exceeded the monthly target collection, marking a remarkable departure from previous performances". He said that the ongoing revenue recovery review activities had contributed an additional N8billion during the period.

"This underlines our commitment to revenue generation. Subject to unforeseen circumstances, we aim to sustain and even expand this momentum until the end of the year."

Ejikeme Announces PTAD's Enhanced Commitment to Pensioner Support

By Majeed Salaam

The Executive Secretary of the Pension Transitional Arrangement Directorate (PTAD), Dr. Chioma Ejikeme, has expressed her commitment to enhancing support for pensioners.

She made this declaration during her official reinstatement for a second four-year term, following President Bola Ahmed Tinubu's reappointment.

Dr. Ejikeme, who originally assumed her role in August 2019, will now lead the agency for another four years.

She emphasised her dedication to building upon the reforms initiated during her first tenure, which included the successful completion of manual pensioner verifications, the clearance of pension arrears, and pension recoveries, among other achievements.

Speaking on her plans, she stated, "With the collaboration of my dedicated team, Nigerian pensioners can expect continued excellence in service delivery and timely pension disbursements."

Additionally, Mr. Sani Mustapha, the Director of Corporate Services at PTAD, noted that Dr. Ejikeme's reappointment underlines President Tinubu's unwavering commitment to the well-being of senior citizens.

Recall that PTAD had promised ex-staff of the defunct Assurance Bank that their payment challenges would be resolved in one month.

The agency made the promise after pensioners of the affected bank staged a peaceful protest at the Lagos office of the PTAD over non-payment of pension arrears.

The association of the pensioners, in a statement after the protest, expressed frustrations over accumulated pension arrears since 2002, when the federal government through the Federal Ministry of Finance divested from the bank and sold off its stake to private investors.

One of the representatives of the pensioners, Mr. Idowu Oshikoya, expressed hope that their grievances would be resolved by the PTAD.

The agency, in a response to the pensioners' demand, pledged the commitment towards ensuring that the pensioners got their pension arrears, and ultimately enrolled on the PTAD monthly payroll.

The PTAD, however, acknowledged the fact that the directorate had not been communicating with the defunct Assurance Bank's pensioners on matters pertaining to their pensions.

The agency assured them that efforts would be made within a month to address all issues relating to non-payment and underpayment of accumulated arrears by working in concert with the Nigeria Deposit Insurance Corporation (NDIC), to get all relevant information that would facilitate the payment of those yet to be paid.

President Tinubu Receives Tax Committee's 'Quick-Win' Report, Endorses Tax Reforms

• Presidential Committee Asks Govt To Drop 190 Taxes •OPS Blames States •Directs Implementation Of Recommendations Across MDAs •Committee To Address FEC As FIRS Pledges Implementation

By Ahmed Ahmed

President Bola Tinubu has received the 'Quick Win Report' and recommendations as well as endorsed the reforms by the Presidential Committee on Fiscal Policy and Tax Reforms during a recent brief ceremony at the Presidential Villa, Abuja.

Also, he has directed the immediate implementation of all recommendations by the committee across federal ministries, departments and agencies (MDAs).

In a move to eliminate multiple taxations, the committee has proposed the stoppage of 190 taxes suffocating businesses in Nigeria.

The organised private sector (OPS), which backed the recommendation of the committees, blamed states for multiple taxation in the country. The OPS lamented that multiple taxes had compounded the rising production costs, leading to reduced profit margins, supply chain disruptions, and a reduction in consumer spending.

Specifically, the telecommunication operators complained that the sector was one of the most taxed in the country with over 40 taxes directed at telecom firms.

The Head of Operations, Association of Licensed Telecoms Operators of Nigeria (ALTON), Mr. Gbolahan Awonuga, said the problem of multiple taxes was caused by the state governments.

In response to the toxic business environment, President Tinubu inaugurated the fiscal policy and tax reforms in August which was tasked with improving the nation's revenue profile and business environment.

The Chairman of the committee, Mr Taiwo Oyedele, while presenting his report to the President, said that the committee suggested reducing of over 200 taxes being paid by Nigerian businesses to 10.

In his suggestions to the President, Mr. Oyedele, among others, called for an emergency economic intervention bill (Executive Bill) and the issuance of Presidential Executive Orders to address the duplication of functions across the public service, and to ensure prudent public financial management in a bid to optimise value from government assets and natural resources.

Responding to the committee's presentation, the President commended their work and assured them of his support for the review and implementation of key recommendations.

"I have listened attentively to your report. Charting the critical

President Bola Ahmed Tinubu

path forward for Nigeria's economic recovery is crucial to all of us. I want to say thank you to your delegation," he said.

President Tinubu granted the request of the committee to address a meeting of the Federal Executive Council (FEC) and apprise cabinet members of their work and the expected outcomes to facilitate economic growth.

A statement by the Special Adviser to the President on Media and Publicity, Mr. Ajuri Ngelale, disclosed that the President directed his Special Adviser on Policy Coordination, Ms. Hadiza Bala Usman, to coordinate with the relevant government officials for the session.

In his remarks, the acting Chairman of the Federal Inland Revenue Service (FIRS), Mr Zacch Adedeji, pledged to ensure the implementation of the recommendations of the committee, as they may apply, pending the approval of the President.

Mr. Adedeji declared that beyond supporting the fiscal and tax reforms, the FIRS would explore opportunities to diversify the nation's revenue sources, as the historical over-reliance on oil has made the economy vulnerable.

He noted: "Nigeria's fiscal policy serves as the foundation of economic stability. It dictates how the government collects, manages, and allocates resources for the betterment of our people.

A well-developed fiscal policy is crucial for the provision of infrastructure, healthcare, education, and social services to our growing population. Tax reforms are an integral part of a robust fiscal policy."

Addressing State House Correspondents at a briefing attended by Mr. Adedeji and Mr. Ngelale, Mr. Oyedele argued that multiple taxation had shrunk the federal government's internally generated revenue (IGR) pool as opposed to increasing it.

"We have over 60 taxes and levies, officially collectible by federal, state and local governments. Unofficially, those taxes are over 200, making life difficult for our people. So, the taxes at all levels of government combined, we think, should be less than 10," he stated.

Giving a rundown of the committee's activities in the past two months, he explained, "We have been speaking to the various policymakers from the central bank leadership, to the finance minister who is also the coordinating Minister of the Economy, the FIRS and the Joint Task Board, and even to state governors.

"We also had sessions with the Senate. So, we have been actively engaging with various key stakeholders, trying to put the framework in place for implementing our recommendations.

"All we need to do is to formally present the report to Mr. President, but I will say that once we get the nod from Mr. President, it will be like switching on the tap and then the implementation starts immediately."

The tax expert cited instances where his team discovered that sachet water sellers were paying seven taxes daily.

"We were speaking to traders, Market Traders Association of Nigeria (MATAN), and they said to us, people selling 'pure water' in the market collect seven tickets every single day. Why should someone who is just trying to hawk 'pure water' to keep body and soul together have to pay seven taxes on a daily basis? It does not make sense to us.

"So, now we are in that phase of rewriting our laws. We spent time with the Senate and we would also do the same with the House of Representatives.

The former Africa Tax Leader at PriceWaterhouseCoopers said that his committee would continue public consultation and stakeholder engagement till November 15, saying, "We have received input from every single state in Nigeria and we are just starting."

He said that such efforts are crucial to the reform process, whose end results would increase Nigerians' employability in the global gig economy.

"The most sustainable way for any country to generate revenue is to grow the economy. When businesses succeed, when individuals prosper, they pay taxes. For us, that is the most fundamental.

"So, we are looking at how we can remove the impediments to businesses, to trade...think about young Nigerians, many of them very smart and intelligent. But today, we have legal and tax impediments that will not allow global organisations to hire Nigerians in Nigeria to work within the global value system.

"So, we will remove those impediments so that people can then gain employment, earn dollars while they are here in Nigeria, which not only helps with our foreign exchange management, but shows that people also have prosperity to lift themselves and their families from poverty, and of course, they will pay taxes on their income to the government," Mr. Oyedele further explained.

A facilitator at the Nigerian Economic Summit Group (NESG), Dr Ikenna Nwaosu, commended the planned elimination of over-taxation but observed that the committee needed to clarify the details of the taxes it sought to end.

Also, the Chief Executive Officer of Economic Associates, Dr Ayo Teriba, said: "It will be nice to know what the 10 taxes are. It is one thing to say that we are going to reduce the number of taxes and we are going to end up with 10.

"It is good that we do away with the multiplicity of taxes. Of course, 10 sounds fewer than 200, but it is a lot still. What are these taxes? What are the rates?

And the sum total of their effects? The fact that they have reduced may imply that their burden may be reduced, but that it may also not imply that the burden will reduce.

"So, it sounds good that we are going to eliminate these taxes. It will be nice to see the shortlist. It will be good news," Dr. Teriba stated.

President Tinubu Reassures Investors, Says FG To Settle Outstanding Forex Commitments

CONTINUED FROM PAGE 4

macroeconomic stability, notably the deregulation of petroleum prices, which effectively removed subsidies, and the regulation of the foreign exchange market."

He stated that the FEC deliberated on these measures and their implications, as well as those outlined in the 'Renewed Hope Agenda.' The discussions covered aspects like consumer credit, mortgages, reversing or dismissing institutions, and funding newly aligned institutional changes, especially ministries with specific functions aimed at driving economic growth.

"The council members have acknowledged the medium-term expenditure framework, and it has been agreed that we can proceed to the next phase of consultation and presentation to the national assembly," Mr. Bagudu stated.

In reference to the 2024 budget proposal, the honourable minister detailed, "The total estimated expenditure for the 2024 budget stands at N26.01 trillion. This amount includes statutory transfers of N1.3 trillion, non-debt recurrent expenditure of N10.26 trillion, debt service estimated at N8.25 trillion, and N7.78 trillion allocated for personnel pension costs."

According to the statement from Mr. Bagudu, the debt service budget saw an increase due to the securitization of N22.7 trillion from "ways and means," effectively making it a federal government debt with a nine percent interest rate. This led to an additional N2.1 trillion in debt service costs. He also pointed out that personnel costs rose substantially due to transfers resulting from an agreement between the federal government and organised labour.

When asked about the possibility of a supplementary budget, Mr. Bagudu confirmed that one was in the works. This was driven by ongoing commitments and immediate security responses.

He emphasised that the President was aware of the financial implications of the government's promises to labour, especially in light of the challenges posed by the removal of fuel subsidies.

The President was equally concerned about maintaining budgeting integrity and ensuring that allocated funds were spent within the specified timeframes.

In another development, the Minister of Works, Senator Dave Umahi, announced that the FE) had granted approval for the continuation of work on over 12,000 kilometres of roads and 24 bridges, some of which dated back two decades. This decision encompassed both inherited projects and new proposals. In light of this, FEC constituted a committee comprising key figures from various government bodies to strategise on sourcing the necessary funds and other aspects related to financing.

A notable change was announced regarding the scheduling of FEC meetings. They would now be held on Mondays, a departure from the previous practice of Wednesdays. Minister of Information, Mohammed Idris, shared this information during a press briefing. He clarified that while meetings may not occur on a weekly basis, they would convene when there were urgent matters to discuss.

NDIC Disburses N1.2bn In Deposits To Defunct MFBs, PMI

•Lauds Judiciary on Better Understanding of Deposit Insurance Practice

By Jennete Ugo Anya

The Managing Director and Chief Executive of the Nigeria Deposit Insurance Corporation (NDIC), Mr. Bello Hassan, has announced that the corporation has disbursed a total of N1.2 billion to 189 Microfinance Banks (MFBs) and four Primary Mortgage Institutions (PMI), which were recently liquidated by the Central Bank of Nigeria (CBN).

Speaking at the 2023 NDIC's sensitisation seminar for Federal High Court Judges in Uyo, Akwa Ibom State, Mr. Hassan highlighted that the NDIC's prompt action ensured that insured depositors received their funds within seven days, even though the legal framework allows up to 30 days for such disbursements.

He also mentioned that the payment process is ongoing but has not yet concluded due to the lack of records for some customers with unverified Bank Verification Numbers (BVN) needed to identify their corresponding bank accounts in other financial institutions.

Furthermore, the NDIC has managed to secure N1.6 billion for paying creditors and depositors of the 20 commercial banks that were liquidated. The corporation has finalised plans to expedite these payments.

In a call to depositors, Mr. Hassan encouraged them to provide any necessary information that would facilitate the payment of insured deposits.

He expressed his satisfaction with the NDIC's efficient disbursement process, which has ensured a quick turnaround of just seven days for depositors to access their funds.

Mr. Hassan stated: "To date, we have disbursed approximately N1.2 billion in insured deposits to the depositors of MFBs and PMIs. We continue the disbursement process, but the delay is due to the absence of BVN records for some customers, preventing us from identifying their accounts in other banks."

L-R: President World Federation of Female Judges, **Hon. Justice Binta Nyako;** MD/CEO of NDIC, **Mr. Bello Hassan,** and Chief Judge of Federal High Court, **Hon. Justice John T. Tsoho**, in a discussion at the NDIC Sensitisation Seminar for Judges of the Federal High Court of Nigeria themed: 'Strengthening Depositors Confidence in Banks and other Financial Institutions through speedy Dispensation of Justice' held recently in Uyo, Akwa-Ibom State.

He also clarified that the maximum coverage for depositors differs, with Deposit Money Banks (DMBs), Primary Mortgage Banks (PMBs), Payment Service Banks (PSBs), and subscribers of Mobile Money Operators (MMOs) having a maximum coverage limit of N500,000 per depositor for each deposit-taking institution, while MFBs have a maximum limit of N200,000 per depositor for each MFB.

In a release by Mr. Bashir A. Nuhu, Director, Communication and Public Affairs, NDIC, the NDIC also commended the judiciary on its better understanding of the deposit insurance practice towards promoting stability of the nation's financial system.

Mr. Hassan gave the commendation in his address at the 2023 sensitisation seminar, which was in collaboration with the National Judicial Institute (NJI) for Judges of the Federal High Courts on the theme: 'Strengthening Depositors Confidence in Banks and Other Financial Institutions through Speedy Dispensation of Justice'.

He stated that the overarching objective of the deposit insurance scheme in Nigeria, is to protect depositors in the event of failure of the insured institutions, thereby engendering public confidence in the financial system and curtailing the incidences of bank runs in the system.

He, however, noted that in carrying out its mandate efficiently, the corporation required an effective collaboration with the judiciary, in view of its critical role in resolving disputes that often arise from revocation of banking licences, liquidation of failed banks and termination of liquidation activities.

While stating that the corporation, since inception, has been confronted with many challenges such as misconception of its mandate and basic principles of deposit insurance, the NDIC boss expressed gratitude that the seminar has resulted in a better understanding of the corporation's distinct roles by members of the Bar and the Bench, as well as speedy dispensation of cases involving banks in-liquidation for the sake of financial system stability in Nigeria.

To deepen knowledge of the deposit insurance practice and law, Mr. Hassan disclosed that papers presented at previous editions of the annual events have been published by the corporation under the title: 'Law and Practice of Deposit Insurance in Nigeria', in two volumes, to serve as a veritable reference material, stating that the publications are being distributed free of charge to our stakeholders.

36 States, FCT Achieve 1.57% Increase In IGR, Reaching A Total Of N1.93trn In 2022

By Edmund Martins

In 2022, the 36 states of the country and the Federal Capital Territory (FCT), Abuja, jointly reported a total internally generated revenue (IGR) of N1.93 trillion, marking a 1.57 percent growth compared to the previous year.

This figure represents a 14 percent decrease from the N753.46 billion generated in 2021, as per the National Bureau of Statistics (NBS) latest report.

Lagos emerged as the top performer in IGR, contributing a significant N651.14 billion during 2022, followed by Rivers State and the FCT, which reported earnings of N172.82 billion and N124.36 billion, respectively.

The primary sources of IGR in 2022 were taxes and revenues from various ministries, departments, and agencies (MDAs).

These taxes included Pay-As-You-Earn (PAYE), direct assessment, road taxes, stamp duties, capital gains tax, withholding taxes, other taxes, and revenue from local government areas (LGAs).

Overall, the collective IGR for 2022 amounted to N1,925,612,626,650.76, indicating a modest growth compared to the N1,895,786,762,263.80 generated in 2021.

Lagos, Rivers, and the FCT led in IGR, contributing N651,145,633,085.30, N172,823,232,535.44, and N124,366,774,519.25, respectively.

Conversely, Kebbi, Taraba, and Yobe reported the lowest IGR in 2022 with values of N9,146,249,907.83, N10,238,110,125.95, and N10,456,776,796.18, respectively.

Among the revenue sources, PAYE was the primary contributor, accounting for 67.62 percent of the total tax-generated revenues nationwide. Capital gains tax made the smallest contribution in 2022, representing only 0.24 percent of the total tax revenue.

States like Oyo, Lagos, and Jigawa reported the highest revenue from LGAs during the year, with figures of N11,832,437,020.33, N11,505,586,283.35, and N8,700,993,591.78, respectively.

The NBS report offers valuable insights into the financial performance of Nigerian states in 2022, providing a comprehensive overview of revenue sources and showcasing the states that excelled in revenue generation. This data is crucial for evaluating the economic well-being and fiscal capacity of different regions throughout the country.

NDIC
Nigeria Deposit Insurance Corporation
Protecting your bank deposits

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

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Zacch Adedeji Urges Economic Diversification To Stabilise Economy

● Says No Tax Hike Plans For Firms

By Jennete Ugo Anya

The Chairman of the Federal Inland Revenue Service (FIRS), Mr. Zacch Adedeji, has emphasised the urgency of diversifying Nigeria's sources of revenue and reducing its heavy reliance on oil during a recent retreat on fiscal policy and tax reforms in Abuja.

Mr. Adedeji stressed that Nigeria, with its considerable potential, must confront the challenges and opportunities presented by its fiscal policies and tax systems. He underscored the cerucial role of Nigeria's fiscal policy in maintaining economic stability, as it governs how the government collects, manages, and allocates resources for the public's benefit.

A well-structured fiscal policy is also crucial for providing essential infrastructure, healthcare, education, and social services for the country's growing population and maintaining a competitive economic environment for both domestic and foreign investors.

Mr. Adedeji pointed out the importance of tax reforms as a key component of a robust fiscal policy. While acknowledging that the current tax system contributes significantly to revenue, he noted that there is room for improvement.

To stimulate economic growth and reduce the burden on individuals and businesses, he emphasised the need to simplify tax laws, enhance compliance, and expand the tax base for greater fairness and equity.

The FIRS has already taken substantial measures to enhance tax collection efficiency, reduce

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

tax evasion, and create a more business-friendly environment. However, Mr. Adedeji emphasised that further efforts are required to continue this progress.

Additionally, he called for the exploration of alternative revenue sources, as the over-dependence on oil revenues has made the Nigerian economy highly susceptible to volatility, as seen in recent years.

Diversifying revenue sources, according to Mr. Adedeji, would not only enhance fiscal resilience but also enable the government to better address the most pressing needs of the people, particularly poverty alleviation.

He emphasised that discussions on fiscal policy and tax reforms should prioritise social inclusion and poverty reduction. Incentives should be well-targeted and streamlined to prevent abuse and unnecessary losses while simultaneously promoting investment and job creation.

He urged for collaboration, innovation, and diligent efforts to forge a path toward more equitable fiscal policies and tax reforms, ushering in a new era of prosperity for the country.

Also Mr. Adedeji moved to dispel concerns expressed by corporate organisations regarding the service's intention to raise the country's tax-to- gross domestic product (GDP) ratio from 10.86 percent to 18 percent.

He assured that this endeavour would not necessarily result in higher taxes or the introduction of new ones, as the administration led by President Bola Tinubu is committed to fostering a conducive environment for business growth.

He, in a statement, outlined his vision for the FIRS under his leadership, expressing the goal of achieving an eight percent increase in the tax-to-GDP ratio over the next three years, surpassing the African average of 16.5 percent, all while ensuring that it does not hinder investment or economic expansion.

This ambitious plan had sparked some concerns that it might lead to tax rate hikes or the introduction of new taxes.

Addressing representatives of major tax-paying corporations during a gathering in Lagos, Mr. Adedeji emphasised: "Our mission as a revenue-generating agency is not to introduce additional taxes; our primary aim is to utilise data to enhance tax compliance."

He also conveyed that the invited companies and those voluntarily fulfilling their tax responsibilities have no reason to worry.

He elucidated further, stating: "Our strategy is straightforward: we aim to boost tax revenue and tax prosperity, not poverty. Thus, it is not in our interest to harm the sources of wealth creation.

We will not collect more than what is rightfully owed to us, but we are committed to ensuring that everyone pays their due. Our approach is one of equitable engagement, and you can be assured that the 18 percent tax-to-GDP target will not translate into higher tax burdens."

How Private Financing Can Promote Infrastructure Development, Economic Growth – SEC DG

● Calls For Partnership With Credit Rating Agencies

By Musa Ibrahim

The Director-General (DG) of the Securities and Exchange Commission (SEC), Mr. Lamido Yuguda, disclosed that private sector financing can promote infrastructural development and deepen economic growth in Nigeria.

Speaking at a pre-event news conference on the forthcoming West Africa Capital Market Conference (WACMAC) in Lagos, Mr. Yuguda noted that the availability of infrastructure is crucial to raising the living standard of Nigerians.

The conference with the theme: 'Infrastructural Deficit and Sustainable Financing in an Integrated West Africa Capital Market,' will be held in Lagos on 25th October. It is being organised by the West Africa Capital Market Integration Council (WACMIC).

The SEC boss called on the private sector to rise to the challenge of sourcing long-term financing from the capital market to fund the infrastructure deficit in the West African sub-region.

"In many countries, provision of infrastructure has been steadily moving away from government to the private sector, owing to increasing demand and reduced ability of the government to fund infrastructure alone," he said.

"Infrastructure deficit refers to a situation where there is insufficient infrastructure relative to the needs of the population."

Mr. Lamido Yuguda, Director-General SEC

Mr. Yuguda said that the need to tackle the infrastructure deficit in the sub-region and embrace principles of sustainable finance to promote economic development would be among the issues to be discussed at the conference.

"This (infrastructure) deficit poses a significant challenge to the region's sustainable development," he said.

"To address this gap, there is a growing need to adopt innovative financing mechanisms and sustainable financing options to mobilise the desired funds to meet the region's critical infrastructure needs, foster economic growth and achieve Sustainable Development Goals (SDGs)."

Mr. Yuguda said the availability of infrastructure such as power, telecommunications, roads, railways, schools, hospitals, shopping malls and hotels remains crucial to improving the living standard of the people.

He explained that with Nigeria's booming population, the nation needs enhanced investment in infrastructure to improve the people's livelihood and reduce brain drain.

"The population is increasing, and we need adequate infrastructure in Nigeria to raise living standards," he said.

He stated that the forthcoming conference would bring together experts, regulators, policymakers and industry leaders who would share insights, experiences and strategies to proffer solutions to the region's infrastructure deficit.

"The WACMAC 2023 provides a unique platform to engage in meaningful discussions, share insights and forge partnerships that will help shape the future of our capital markets," he said.

Also, SEC and other stakeholders in the capital market have said that strengthening the relationship between credit rating agencies (CRA) and sub nationals in the country would boost infrastructure funding in Nigeria.

This was revealed at the third edition of DataPro's International Credit Rating Webinar themed: 'Role of Sub-nationals and Credit Rating Agencies in Infrastructure Development.'

Speaking at the webinar, Mr. Yuguda pointed out that credit rating agencies play an important role in infrastructural development by providing independent assessments of the creditworthiness of subnational governments and other borrowers which helps investors to make informed investment decisions on optimal capital allocation.

He, however, noted that there are concerns about the activities of these rating agencies and the impact on the capital market, to which Mr. Yuguda said that the SEC had been proactive in mitigating here in Nigeria.

He said: "The commission is not unaware of these concerns, and is committed at ensuring that registered rating agencies operate in a fair and transparent manner. We have taken a number of steps to protect investors and promote confidence in the debt capital market by strengthening our oversight function on rating agencies through issuance of new regulations and amending existing ones to improve the quality and transparency of the entire credit ratings.

"I believe that the synergy between the subnational governments and credit rating agencies will potentially play a major role in promoting sustainable infrastructural developments, create a favorable investment climate and advance the country's quest for rapid transformation."

In his comments, the keynote speaker, Mr. Kehinde Ogundimu, said that given the enormity of the gap in infrastructure funding and the role of rating agencies, it was important for the "CRAs not to attract any negative attention to themselves."

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Economy & Investment

ADVERT RATE

COLOUR

PRODUCT

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

GENERAL INFORMATION

DEADLINE
WITHIN ABUJA
5 Days of Publication

SUR-CHARGE
SPECIAL POSITION
100% : Pages 2, 3 and 4
50% : Pages 5, 6 and 7

TECHNICAL DATA
Print Process = Web Offset Litho
Copy Required = Camera Ready Artwork with a good resolution (minimum 300dpi)

Printed by the 1065 Konsult
D2-32 Atiku Abubakar Crescent, Cityview Estate, Dakwo, Abuja | +234 802 313 0653
All corresponce to info@ the1065Konsult.com | www.the1065konsult.com

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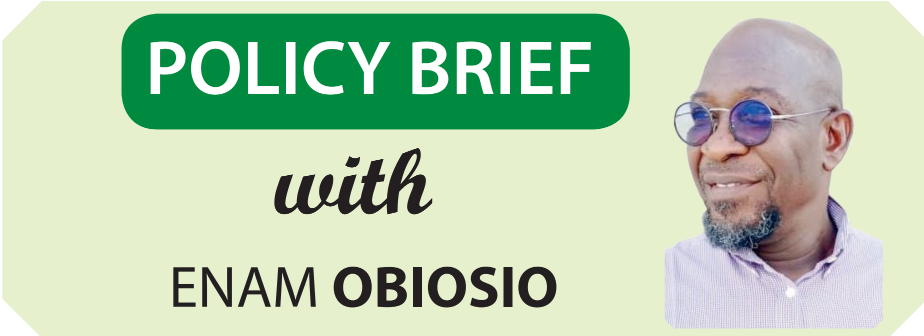
Economy & Investment

fmfinsights fmfinsights @fmfinsights www.fmfinsights.com Monday 30th October - Sunday 12th November, 2023 57TH EDITION

Nigeria's Triumph In P&ID's Case: **The Positive Impacts of Winning The Case**



In a momentous legal victory, Nigeria has recently emerged triumphant in a long-standing arbitration case with Process and Industrial Developments (P&ID), involving an $11 billion arbitration award.

Nigeria on Monday, October 23, 2023, won its bid to overturn a $11 billion damages bill for a collapsed gas processing project it said was procured by a concerted campaign of bribery.

The country was on the hook for the sum, representing around a third of its foreign exchange reserves, after a little-known British Virgin Islands-based company took Nigeria to arbitration over the deal. A commercial court in the United Kingdom (UK) rendered a verdict that significantly altered the course of a protracted and complex legal battle between Nigeria and P&ID, a British Virgin Islands-based company.

P&ID was awarded a 20-year contract in 2010 to construct and operate a gas processing plant in southern Nigeria as part of a wider plan to exploit Nigeria's abundant reserves of gas.

After the deal collapsed, P&ID took Nigeria to arbitration in London, and in 2017 it was awarded $6.6 billion for lost profits, a sum that has swelled with interest to over $11 billion, representing ten times the country's 2019 health budget.

However, Nigeria's lawyers say the country was the victim of "a campaign of bribery and deception" by P&ID, which they say paid bribes to senior officials to obtain the contract and then corrupted the country's lawyers to obtain confidential documents during the arbitration.

P&ID denied that it procured the contract through bribery or that it corrupted Nigeria's legal team during the arbitration, blaming the failure of the gas deal and the country's arbitration defeat on institutional incompetence.

Judge Robin Knowles allowed Nigeria's challenge in a written ruling on Monday.

"I have not accepted all of Nigeria's allegations," the judge said in his ruling.

But he added that the arbitration awards "were obtained by fraud, and the awards were, and the way in which they were procured was, contrary to public policy".

This landmark decision holds far-reaching implications and is undoubtedly a cause for celebration for the country. It is not only a testament to the nation's commitment to the rule of law but also carries significant positive impacts for the country's

economy, international reputation, and its capacity to safeguard its resources.

First and foremost, this victory is also a testament to the resilience and dedication of Nigeria's legal team, demonstrating the country's commitment to upholding the rule of law.

The outcome of this arbitration case underscores the importance of a robust and impartial legal system, which is crucial for attracting foreign investments and fostering economic growth. It sends a clear message that Nigeria is a country where the rule of law is upheld and contractual obligations are honoured.

Of course, this is an essential factor in building trust with foreign investors and encouraging them to invest in Nigeria.

From an economic perspective, the winning of the $11 billion arbitration award is a significant relief for Nigeria. In a time when the nation, like many others, is grappling with economic challenges, this legal victory is a much-needed boost. The victory ensures that Nigeria with the financial resources necessary to invest in critical infrastructure, social services, and economic development projects, does not lose such amount of money.

The funds can be channelled into sectors such as healthcare, education, and job creation, ultimately benefiting the Nigerian people.

Moreover, Nigeria's success in the case, of course, has a positive impact on its international reputation. It demonstrates the country's ability to protect its resources, enforce its contracts, and defend its interests on the global stage.

This outcome is likely to instil greater confidence among international investors, signalling that Nigeria is a reliable partner for business and economic cooperation. In an increasingly competitive global economy, this is a valuable development that can attract further investments and promote economic growth.

Additionally, the arbitration victory showcases Nigeria's commitment to fighting corruption and upholding the integrity of public contracts. The case revolved around a controversial gas supply project that was allegedly marred by corruption. Nigeria's ability to win this case not only serves as a deterrent to potential wrongdoers but also emphasises the nation's commitment to good governance and transparency.

It is important to acknowledge that this victory is not just a financial gain but a step towards reinforcing the principles of justice and equity in international business dealings. By securing this arbitration, Nigeria sends a powerful message to the international community about its dedication to fair and ethical business practices.

Again, Nigeria's winning of the case against P&ID is a milestone achievement with numerous positive impacts. It reaffirms the rule of law, bolsters the nation's economic prospects, enhances its international reputation, and underlines its commitment to good governance. This victory should serve as an inspiration for other nations to pursue legal recourse in the face of contractual disputes, ultimately fostering a more just and equitable global business environment. Nigeria's future looks brighter as a result of this triumph, and the nation should continue to build upon this success for the betterment of its people and the prosperity of its economy.

The outcome of this arbitration case underscores the importance of a robust and impartial legal system, which is crucial for attracting foreign investments and fostering economic growth

Published by **The 1065 Publishing**
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E-mail: info@fmfinsights.com; **Website:** www.fmfinsights.com