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FG Must Adopt Fundamental Approach For Sustainable, Inclusive Growth In Future

EDITORIAL

Recently, the Nigerian currency was recognised as the top-performing currency globally; however, just two months prior, in February, it had been ranked as the poorest-performing currency worldwide, reaching an exchange rate as high as N1,900 per US$.

This was as a result of the recent policy changes implemented by the President Bola Ahmed Tinubu's administration, which include the removal of petroleum subsidies and the adoption of a floating exchange rate for the naira, as these measures had subjected the country's currency to considerable strain.

However, the International Monetary Fund (IMF) cautioned that achieving such a turnaround may remain elusive unless Nigeria adopts a fundamental approach to revitalising its economy.

The IMF underscored the risk of economic instability if Nigeria does not undertake significant efforts to boost productivity and output.

We strongly believe that the federal government requires a multifaceted approach to addresses the structural issues contributing to its setbacks.

By implementing these policies, Nigeria can navigate its current economic challenges and set a course for sustainable and inclusive growth in the future.

One of such policies is for the diversification of the Economy. Nigeria has historically been overly reliant on oil revenue. Diversifying the economy by promoting non-oil sectors such as agriculture, manufacturing, tourism, and technology

Finance Minister Outlines Nigeria's Targets For Fiscal Improvement, Economic Stabilisation

*The Honourable Minister of Finance and Coordinating Minister of the Economy, **Mr. Wale Edun,** led the Nigerian delegation to the recent World Bank and International Monetary Fund (IMF) 2024 Spring Meetings in Washington DC, where discussions on how to advance the Nigerian economy were held. **Enam Obiosio** gives insights*

In one of the discussions at the meeting, Mr. Edun defined Nigeria's targets for fiscal improvement, aiming for over a 60 percent increase in revenue this year.

He stressed the importance of leveraging technology to enhance revenue management and collection, with the goal of reducing the fiscal deficit from 6.1 percent to 3.8 percent of gross domestic product (GDP).

Mr. Edun emphasised the critical role of digitisation and fiscal reforms in driving economic growth. He highlighted nation's commitment to integrating digital solutions across government operations to enhance efficiency and transparency.

Mr. Edun also underscored the need to address inflation, stabilise the exchange rate, and lower interest rates to create a more conducive investment climate.

Additionally, he discussed efforts to boost oil production as a

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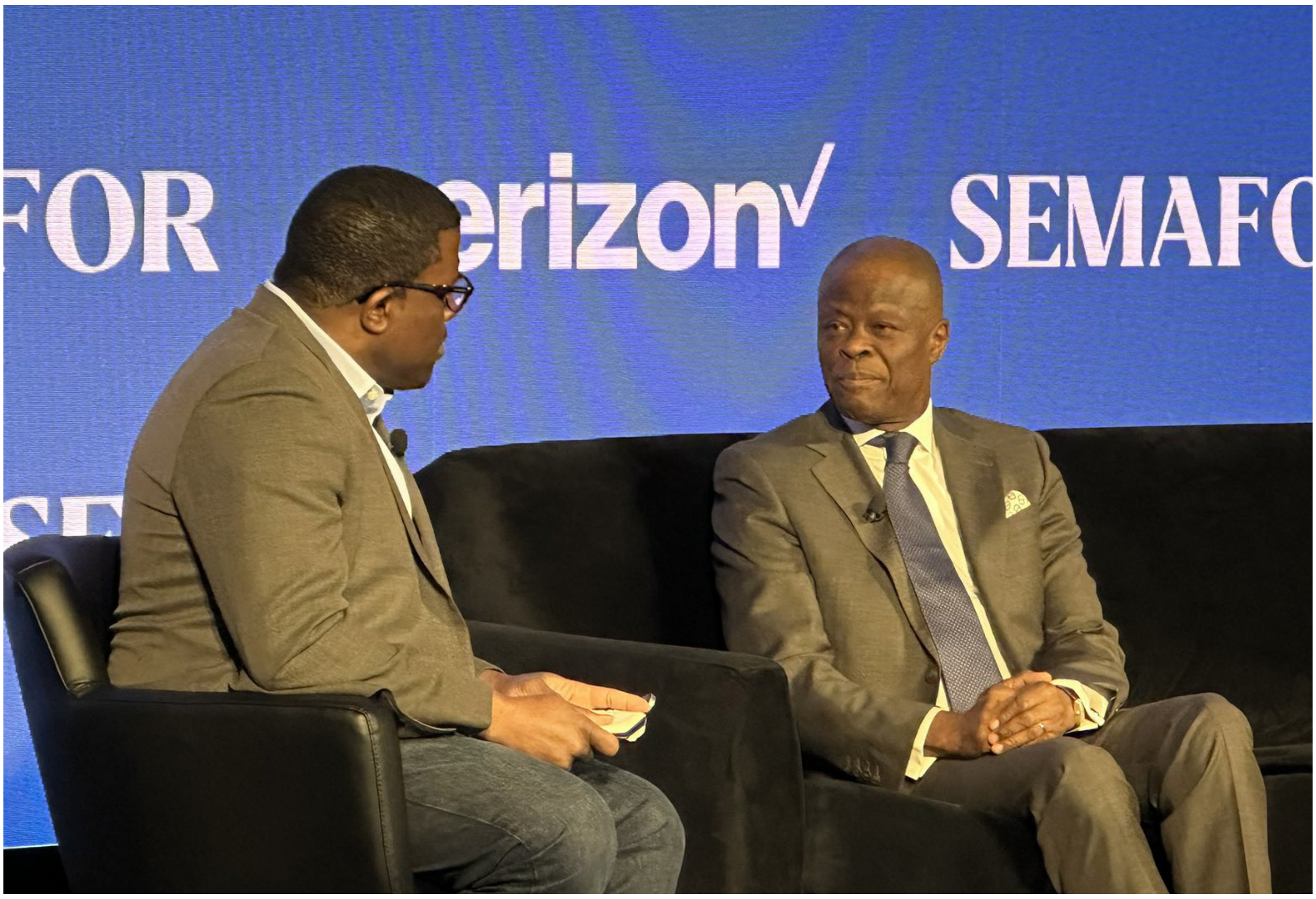

Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of the Economy, champions technology, revenue growth at Semafor World Economy Summit Washington, D.C.

NEXIM
NIGERIAN EXPORT-IMPORT BANK

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 manufactuiring, agro processing, solid minerals, and services sectors.

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SEC Approves N1.5trn Infrastructure Fund Programmes

By Kingsley Benson

The Securities and Exchange Commission (SEC) has approved five infrastructure fund shelf programs totalling N1.5 trillion, aimed at supporting the federal government's infrastructure development objectives.

This is set to facilitate the efficient capital raising process for the proposed recapitalisation of banks in Nigeria by issuing appropriate guidelines soon.

Additionally, SEC has actively supported the growth of the Fund Management industry, approving new mutual funds totalling N18.20 billion and discretionary/non-discretionary investment products totalling N17.60 billion in 2023.

Outgoing SEC Director-General (DG), Mr. Lamido Yuguda, emphasised the commission's collaboration with the Central Bank of Nigeria (CBN) and other relevant agencies to ensure a seamless recapitalisation process in the banking sector. While commending the CBN for its recent policy on bank recapitalisation, he assured that SEC has gleaned valuable insights from past exercises and will soon issue guidelines to facilitate an efficient capital raising process.

Mr. Yuguda reiterated SEC's commitment to a process characterised by speed, fairness, and good market conduct. He expressed confidence in the capital market's ability to provide the necessary funds for recapitalisation, citing its strength, efficiency, and resilience. Notably, several large companies have successfully raised significant financing from the market in recent quarters, underscoring its capacity to meet such funding needs.

Mr. Emomotimi John Agama, SEC Director-General (DG)

Furthermore, Mr. Yuguda highlighted SEC's dedication to embracing FinTech innovations while managing associated risks and establishing a regulatory framework for the digital asset space. He also mentioned the upcoming listings of gold, lithium, and oil and gas on the Lagos commodities and futures exchange, aimed at broadening opportunities for traders and investors in the commodities market.

The DG emphasised the commission's commitment to collaborating with the exchange to address challenges and strengthen the commodities market in Nigeria. He highlighted ongoing initiatives, such as inspection visits to various capital market operators, aimed at maintaining market fairness and ensuring it remains a reliable platform for financing and wealth creation.

He also underscored SEC's collaboration with international bodies like the Islamic Financial Services Board (IFSB) and the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI). These partnerships demonstrate SEC's dedication to enhancing market resilience and competitiveness on a global scale.

Meanwhile, President Bola Tinubu endorsed the appointment of Mr. Emomotimi Agama as the Director-General of the Securities and Exchange Commission (SEC).

According to a statement released by presidential spokesperson, Mr. Ajuri Ngelale.

Additionally, Mairiga Aliyu Katuka has been named as the Chairman of the Commission.

Other professionals appointed by the president include Frana Chukwuogor as Executive Commissioner for Legal and Enforcement, Bola Ajomale as Executive Commissioner for Operations, and Samiya Hassan Usman as Executive Commissioner for Corporate Services.

Furthermore, the President appointed Lekan Belo and Kasimu Garba Kurfi as SEC's Non-Executive Officers.

Mr. Ngelale emphasised that the President expects all members of the Board to utilise their extensive experience and expertise to advance the commission's core mandate. This mandate includes developing and regulating a dynamic, fair, transparent, and efficient capital market to enhance investor confidence and significantly contribute to the nation's economic growth.

AfDB, Korea Sign $28.6m Worth Of Agreements

By Chiamaka Okpala G.

The African Development Bank (AfDB) and the government of Korea have entered into agreements totalling $28.6 million to bolster Africa's development efforts.

These funds, which complement a $600 million co-financing initiative under the Korea-Africa energy investment framework established in 2021, will support African countries in enhancing their human capacity and energy sectors.

Dr. Akinwumi Adesina, President of the AfDB Group, and Mr. Kyungho Choo, Korea's Deputy Prime Minister and Minister of Economy and Finance, finalised the first agreement for $28.6 million in Busan, Korea, during the 7th Korea-Africa Economic Cooperation Ministerial Conference (KOAFEC) in September.

Mr. Akinwumi Adesina, President of the African Development Bank (AfDB)

The newly secured funding will primarily focus on improving energy access, transforming agriculture, and fostering knowledge and capacity-building across various African nations. Disbursement will be carried out in three installments: $4.6 million in 2023, and $24 million in 2024 and 2025.

Mr. Choo reiterated Korea's commitment as a genuine partner for African countries, pledging the government's utmost efforts to contribute to Africa's sustainable growth and development.

Dr. Adesina hailed Korea's additional funding as timely, especially as the nation marks the 40th anniversary of joining the AfDB. He commended the government's dedication to fostering a strong partnership between the AfDB and Korea.

Furthermore, Dr. Adesina emphasised the unique relationship between Korea and Africa, highlighting Korea's remarkable transformation from an aid-dependent nation to a donor country within a single generation. He underscored the valuable lessons Africa can glean from Korea's development trajectory.

Finance Minister Outlines Nigeria's Targets For Fiscal Improvement, Economic Stabilisation

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means of ensuring sustainable debt management. He emphasised the link between revenue generation and debt management, drawing parallels with fiscal strategies employed by the United States.

Mr Edun highlighted the strides made in stabiliing the naira and improving its performance through enhanced coordination between fiscal and monetary policies. He painted the importance of attracting both portfolio and direct foreign investors to stimulate economic growth.

The Honourable Minister was actively engaged at the World Bank and IMF Spring Meetings, collaborating with international counterparts to advance Nigeria's economic interests and development objectives.

Also, in that same light, Mr. Edun unveiled plans to ultilise Ways and Means advances as a strategy to tackle excessive liquidity in the system and combat inflation.

Recall, in February 2024, the Central Bank of Nigeria (CBN) had declared that the apex bank would suspend providing Ways and Means advances to the federal government until all outstanding debts are settled.

However, Mr. Edun pointed out that both fiscal and monetary authorities are collaborating to address inflation and pressure on price stability, while also aiming to stabilise the exchange rate and lower interest rates to stimulate economic activity.

"We need to borrow less and focus more on domestic resource mobilisation. We want long-term resources to avoid repayment and refinancing pressures," Mr. Edun explained, underlining the importance of reducing reliance on borrowing and fostering sustainable economic growth.

In addition to addressing inflation, he talked about the government's efforts to enhance food security by prioritising farmers' access to their land, particularly in regions affected by insecurity, which has hampered agricultural productivity.

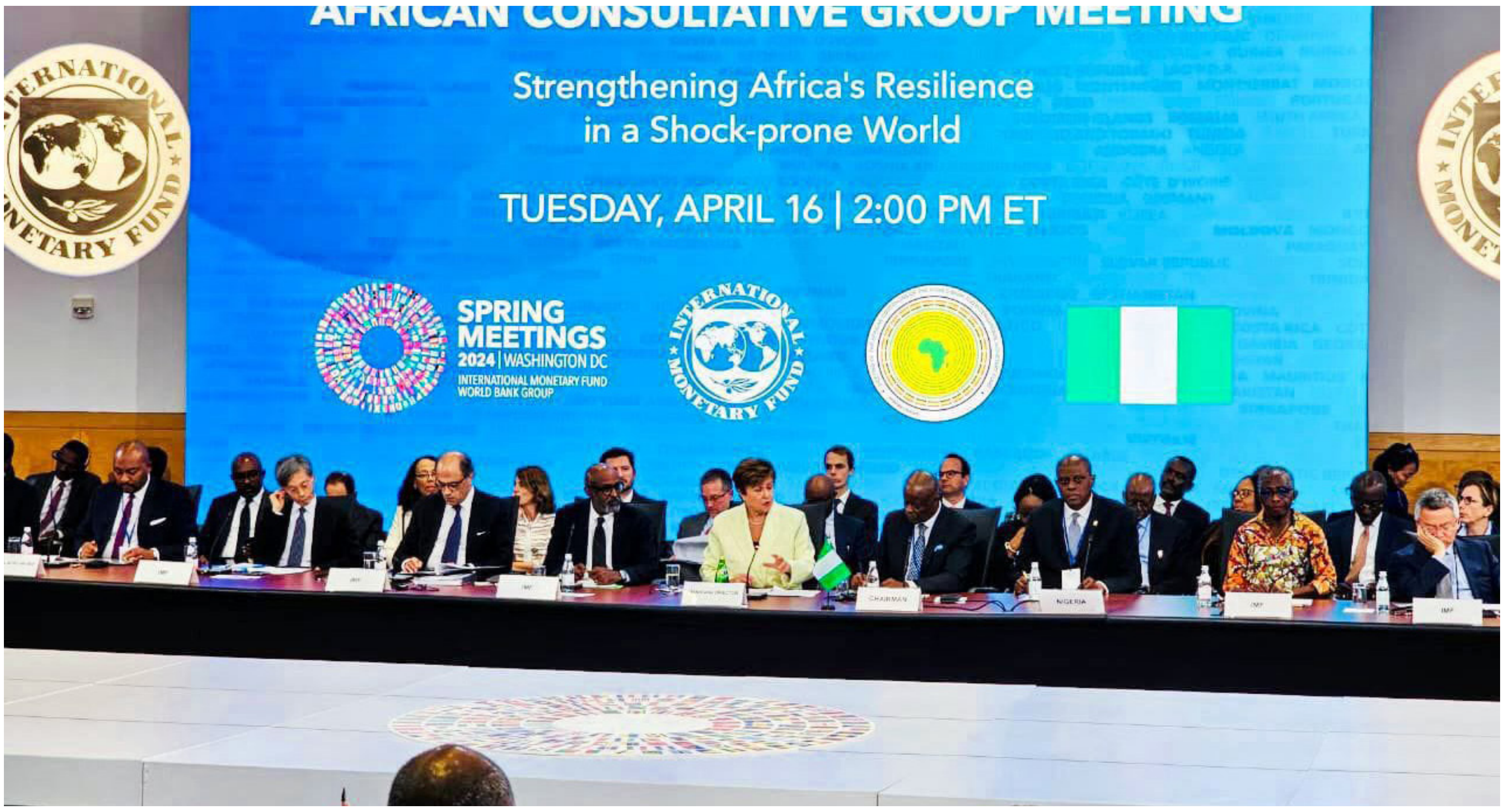
Mr. Edun further revealed plans to establish agro clusters in partnership with the African Development Bank (AfDB) to bolster food production across the country.

In another development, Nigeria actively sought to enhance trade and investment ties with member countries of the Group of Twenty-Four (G-24), as emphasised during the recent Spring Meetings.

Representing the federal government, Mr. Edun, through the Director -General of the Budget Office of the Federation, Mr. Ben Akabueze, extended the invitation for increased collaboration.

In a statement issued by Director of Information and Public Relations of the Ministry Of Finance, Mr. Mohammed Danjuma, the Nigerian government underscored its commitment to implementing intervention programs and robust policies under President Bola Tinubu's administration.

These initiatives have



Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of the Economy, in the Corporate Council on Africa's U.S.-Africa Trade & Investment Roundtable at DLA Piper, on the sidelines of the Spring Meetings in Washington D.C.

reportedly led to positive outcomes, notably reducing the disparity between the parallel market and the official foreign exchange market rates.

Mr. Edun highlighted Nigeria's attractiveness for foreign investments across various sectors, including manufacturing, agriculture, and oil and gas. Responding to inquiries from the media, he cited the significant investment from Russia in the Ajaokuta Steel Company in the past.

He also emphasised Nigeria's vast arable land, positioning the country as a potential major food exporter.

Regarding the operations of the Dangote Refinery, Mr. Edun defended the strategy of prioritising domestic petroleum product demands over exports, questioning the rationale of exporting refined products while still importing them from Europe.

The Honourable Minister assured stakeholders that the capital component of the 2023 supplementary budget would continue to be executed until June, demonstrating the government's commitment to impactful development across various sectors. Additionally, he confirmed that the 2024 budget implementation is proceeding as planned, with promises of improved citizen welfare.

In addition, Mr Edun, disclosed that the government is to receive around $2.2 billion single-digit interest loan from the World Bank and another budget support facility from the AfDB.

He revealed this during a press briefing at the end of Nigeria's activities at the meeting.

However, Mr Edun said that the World Bank is yet to approve the $2.25 billion loan application, which the government has touted as vital support for Nigeria's economic recovery efforts amidst ongoing fiscal deficit and supply chain challenges.

Despite the delay, the honourable minister assured that they are closely collaborating with the World Bank on the loan application, which comprises $1.5 billion in development policy financing and $750 million in Program-for-Results financing. There is optimism that the facility could receive approval for disbursement in June.

Mr. Edun described the loan as "virtually a grant," with favourable terms including a 40-year repayment period, 10 years moratorium, and a one percent interest rate. The government anticipates that it will also contribute to bolstering the nation's foreign reserves.

Highlighting the government's commitment to economic stability, he ruled out the key initiatives targeting agriculture, manufacturing, and electricity sectors. These initiatives aim not only to stabilise prices but also to enhance food security and reduce import dependency. Additionally, in line with the central bank's inflation targeting policies, efforts are underway to potentially reduce inflation by the second half of the year, facilitating a potential decrease in interest rates.

> Mr. Edun highlighted Nigeria's attractiveness for foreign investments across various sectors, including manufacturing, agriculture, and oil and gas

Mr. Edun also featured significant efforts in the housing sector to foster sustainable value chains, with the aim of catalysing economic growth and improving housing accessibility. Regarding the National Social Investment Programme (NSIP), recent enhancement, in its financial architecture aimed at enhancing targeted delivery and efficiency, is with direct transfers recommencing to support vulnerable populations.

Mr. Edun expressed confidence in country's future prosperity, highlighting ongoing adjustments and the resilience of Nigerians.

Permanent Secretary of the Federal Ministry of Finance, Mrs. Lydia Shehu Jafiya, echoed the ministry's commitment to executing government policies effectively to achieve their goals.

Also, the Governor of the CBN, Mr Olayemi Cardoso, revealed its collaboration with International Money Transfer Organisations (IMTOs) to double remittance flows into Nigeria, aiming to bolster the nation's economic recovery efforts amidst fiscal challenges and supply chain issues.

Mr. Cardoso, announced this partnership during the 2024 spring meetings. He emphasised that a task force established by the apex bank would oversee the process of remittance inflows, reporting directly to his office.

He expressed pride in the performance of the naira, declaring it the best-performing currency globally as of April 2024.

In reflecting on the challenges faced since assuming office, he mentioned tackling inflation and foreign exchange volatility. However, he noted relative stability achieved, particularly in the foreign exchange (FX market), enabling a transition from firefighting to strategic planning across key areas.

Mr. Cardoso highlighted significant improvement in the value of the naira in April, attributing it to bullish sentiment from leading international investment institutions.

Despite acknowledging persistent challenges such as elevated inflation and security concerns in food-producing regions, he expressed confidence in the CBN's policy reforms to address these pressures.

He reiterated the commitment to orthodox monetary policy and ongoing engagement with investors for the nation's growth. The response from portfolio investors has been positive, with many expressing intentions to partner with Nigeria.

Additionally, Mr. Cardoso also revealed interest from organisations like the Bill and Melinda Gates Foundation in collaborating with Nigeria. The CBN remains focused on ensuring exchange rate stability and fostering an environment conducive to economic growth and investment.

In all, the meetings were characterised by productive discussions aimed at translating commitments into tangible outcomes for Nigeria's economic development.

EDITORIAL

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can reduce the nation's vulnerability to fluctuations in oil prices. Policies should focus on providing incentives for investment in these sectors, improving infrastructure, and enhancing access to finance for small and medium-sized enterprises (SMEs).

Also, while the removal of fuel subsidies was a difficult but necessary step, the petroleum sector still requires comprehensive reforms. This includes addressing inefficiencies in the downstream and upstream segments, promoting transparency and accountability in the management of oil revenues, and attracting investment in refining capacity to reduce reliance on imported petroleum products.

We suggest that the federal government should put in place an exchange rate management system. The floating of the naira has led to volatility and depreciation, which has negatively impacted businesses and consumers. A more flexible exchange rate regime with managed interventions by the central bank can, of course, help stabilise the currency while allowing for market forces to determine its value. Additionally, crucial also are policies to enhance foreign exchange reserves and improve export competitiveness.

Moreover, the federal government should seriously consider to invest in infrastructure. Infrastructure deficit has remained a major constraint on economic growth in Nigeria. Policies should prioritise investment in transportation (roads, railways, ports), energy (power generation and distribution), and telecommunications infrastructure, also considering public private partnerships (PPPs). PPPs cannot be left out, as such partnerships can be leveraged to attract private investment in infrastructure development.

More so, the elimination of the fuel subsidies has increased the cost of living for many Nigerians. We believe if the government can implement targeted social safety nets, such as cash transfer programs for the vulnerable population, subsidised healthcare, and education assistance, of course, these can mitigate the impact of economic reforms on low-income households.

Additionally, we call on the government to improve the business environment, as addressing bureaucratic red tape, corruption, and inconsistent policies is essential to creating a conducive business environment. We believe streamlining regulations, improving access to credit, strengthening property rights, and enhancing ease of doing business indicators can attract investment and stimulate entrepreneurship.

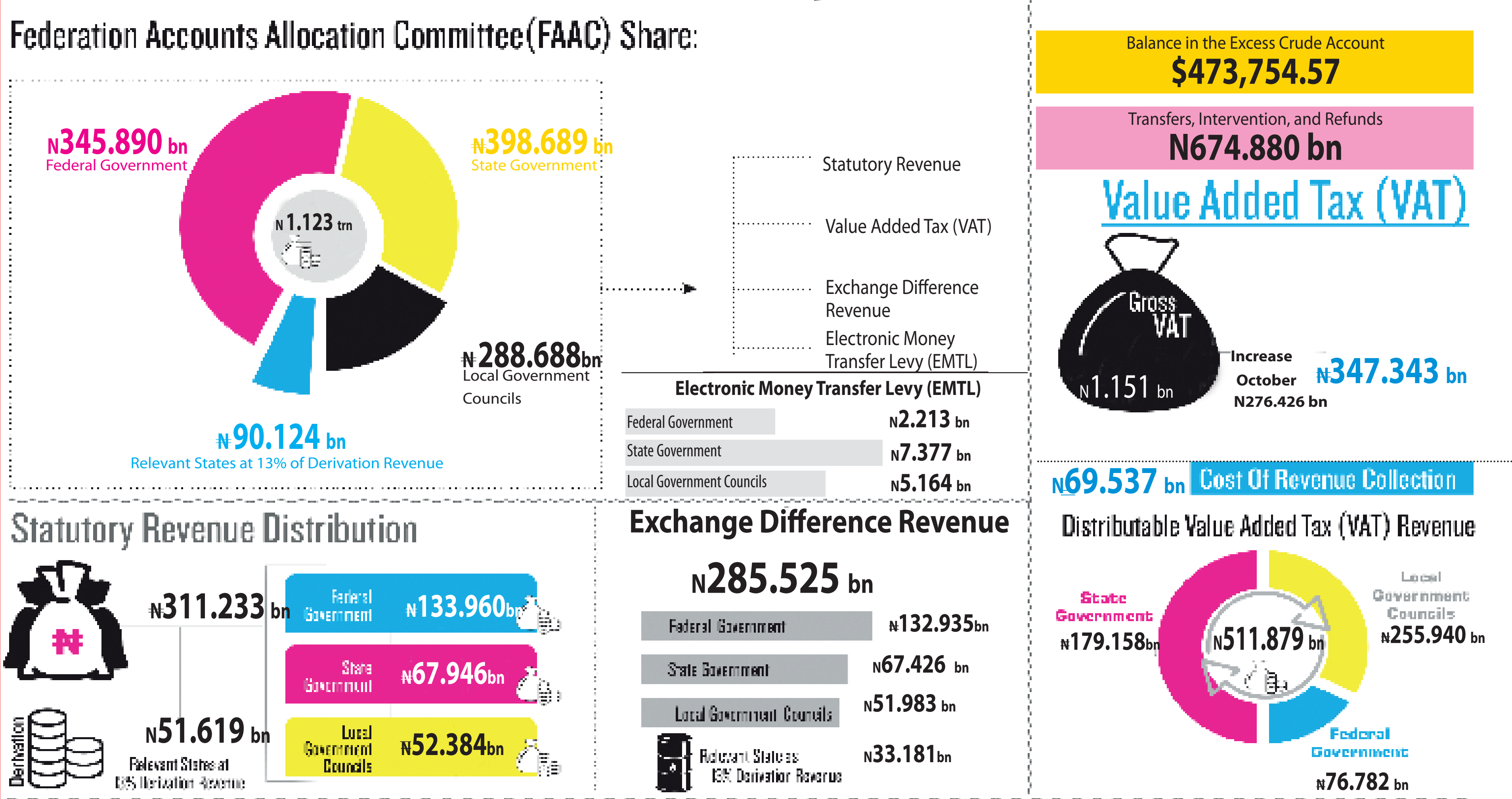
Again, the federal government should invest in human capital development. Of course, there is no gainsaying that education and healthcare are crucial for long-term economic development. We are of the opinion that the government implement policies to improve access to quality education, skills training, and healthcare services, as all these can strongly enhance human capital productivity and contribute to economic growth.

Also, the government can leverage Nigeria's position as a regional economic powerhouse to introduce policies that promote regional trade and cooperation within the Economic Community of West African States (ECOWAS) and other regional blocs. This includes harmonising trade policies, facilitating cross-border trade, and promoting infrastructure connectivity.

Furthermore, promoting trade and investment is crucial for supporting currency stability and economic growth. The government should prioritise policies that attract foreign direct investment (FDI), facilitate trade, and promote export diversification.

By adopting these fundamental approaches, it is our position that Nigeria can achieve economic stability, attracting investment, and fostering sustainable growth and development.

FAAC Shares N1,123.391 trn March 2024 Revenue To FG, States And LGCs



The tax landscape in January 2024 witnessed significant increases in CIT, import duty, petroleum profit tax (ppt), and oil and gas Royalties. However, VAT, export duty, EMTL, and CET Levies experienced considerable declines. This mixed performance reflects the evolving nature of Nigeria's revenue generation capabilities and the impact of global and local economic dynamics on tax collections.

FG Pursues Issuance Of Dollar-Denominated Domestic Bonds

By Majeed Saleem

The Debt Management Office (DMO) has recently revealed that the country is actively pursuing the issuance of dollar-denominated domestic bonds as part of its efforts to address the ongoing forex crisis.

The Director- General of DMO, Ms. Patience Oniha, said that the office is currently in the process of appointing advisers and determining the offer size for the proposed bonds.

The aim is to target residents and institutional investors with access to foreign exchange, with bond yields benchmarked against comparable dollar assets.

While details such as size, tenor, and pricing modality are yet to be finalised, Ms. Oniha confirmed the planned issuance of dollar-configured domestic bonds. These bonds aim to attract 'sticky' foreign capital and boost dollar liquidity in the economy.

Recall, Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, had announced plans to initiate the issuance of these bonds in the second quarter of the year few weeks ago at the Lagos Business School (LBS) breakfast club.

At that event, he elaborated on the government's multiple initiatives to bolster the supply of foreign capital, including Presidential executive orders to enhance dollar liquidity and sector-focused interventions in areas like oil and gas. These initiatives also encompass tax incentives, exemptions, and remissions for oil and gas companies, as well as efforts to promote local content compliance to reduce contracting costs and timelines in the petroleum sector.

Overall, Nigeria is strategically implementing a range of measures to address the forex crisis and attract foreign investment, with the issuance of dollar-denominated domestic bonds being a key component of this strategy.

Ms. **Patience Oniha,** The Director- General of DMO

FG Recovers N57bn Debt From 10 MDAs

By Jennete Ugo Anya

The federal government has announced a significant milestone in debt recovery efforts, disclosing the retrieval of N57 billion from the N5.2 trillion owed to the Federal Inland Revenue Service (FIRS) and various government bodies by ministries, departments, and agencies (MDAs).

Permanent Secretary of the Federal Ministry of Finance, Mr. Okokon Ekanem Udo, revealed this at a recent sensitisation workshop held in Enugu State.

According to him, the debts highlighted through the Project Lighthouse Programme were unearthed from data compiled from over 5,000 debtors across more than 93 MDAs.

Represented by the Ministry's Director of Special Projects, Mrs. Aisha Omar, Mr. Udo emphasised that the recovered funds encompassed refunds from companies failing to deliver on paid projects, unpaid credit facilities from institutions like the Bank of Industry (BOI) and Bank of Agriculture (BOA), as well as judgment debts and obligations owed to Pension Transitional Arrangement Directorate (PTAD) by insurance companies.

Mr. Udo noted that despite owing government agencies, some entities continued to receive payments through government platforms like Government Integrated Financial and Management Information System (GIFMIS) and Treasury Single Account (TSA), due to insufficient visibility over these transactions.

To combat this issue and enhance debt recovery, the ministry initiated Project Lighthouse, facilitating the aggregation of economic and financial information from various agencies.

Highlighting the revenue loopholes exacerbated by poor information sharing and enforcement, he stressed the ministry's consolidation efforts through the debt analytics and reporting application, which identified the substantial N5.2 trillion debt.

While acknowledging ongoing efforts in debt aggregation, the Permanent Secretary emphasised that approximately N57 billion has been recovered thus far.

The ministry has taken proactive steps, including a ministerial directive to MDAs to centralise government debt aggregation and establish a single window on the government's credit profile, aiming to address revenue loopholes and bolster debt recovery.

FG Withdraws 924 Dormant Mineral Licences

By Ahmed Ahmed

Honourable Minister of Solid Minerals Development, Mr. Dele Alake, has withdrawn 924 dormant mineral licenses under the Ministry's 'Use it or Lose it' policy.

In a recent press conference held at the Ministry's headquarters in Abuja, Mr. Alake announced the cancellation of 528 exploration licences, 20 mining leases, 101 quarry licences, and 273 small scale mining licences.

During the conference, Mr. Alake introduced a new policy requiring a fine for reinstatement within a 30-day ultimatum. The fines set by the government were as follows: N7.5 million for small scale mining licences, N5 million for exploration licences, and N10 million for mining licences, payable to the federal government.

He condemned individuals involved in license racketeering, who exploit valuable minerals for speculative purposes, tarnishing Nigeria's reputation and hindering foreign investment.

The Honourable Minister had previously warned license holders to resume mining projects promptly, citing the negative consequences of license racketeering. He highlighted the impact on foreign direct investment, the creation of a black market for mineral licenses, and the misallocation of funds due to inflated license prices. To ensure transparency and adherence to due process, a notice was published on December 27, 2023, giving license holders 30 days to rectify their status or provide reasons for dormancy.

Despite this notification, only 39 license holders took action, either commencing operations or addressing operational challenges. Consequently, Mr. Alake invoked the 'Use it or Lose it' policy and revoked the dormant licenses immediately.

This decision opens opportunities for investors worldwide, allowing them to apply for affected cadastral units on a 'First Come, First Served' basis. He emphasised the importance of diligence and readiness among investors, encouraging them to swiftly commence projects upon obtaining licenses, thereby promoting Nigeria as an attractive investment destination.

FG Begins Disbursement Of N200bn MSMEs, Manufacturers Intervention Fund

By Jennete Ugo Anya

The federal government has commenced the rollout of the N200 billion Presidential Intervention Fund tailored for micro, small, and medium scale enterprises (MSMEs) and manufacturers in Nigeria.

Honourable Minister of Industry, Trade, and Investment, Mrs. Doris Uzoka-Anite, recently announced this development via her official communication platform X, formerly known as Twitter.

Mrs. Uzoka-Anite highlighted that, alongside the ongoing disbursements aiding one million nano businesses nationwide, the initiative has expanded to encompass both MSMEs and manufacturers.

Under this scheme, the new grant will be repaid in monthly equal instalments over a three-year period, without a moratorium. Out of the N200 billion fund, N75 billion is allocated for MSMEs, while another N75 billion is earmarked for the manufacturing sector.

In her statement, Mrs. Uzoka-Anite expressed the government's commitment to bolstering economic growth and industrial development through this strategic allocation. She commended the success of the initial disbursement to nano businesses and reiterated the government's objective of supporting one million nano businesses across the nation.

Mrs. Doris Uzoka-Anite, Honourable Minister of Industry, Trade and Investment

Also, Mrs. Uzoka-Anite extended an invitation to eligible applicants to participate in the initiative by accessing the official application portal at www.fedgrantandloan.gov.ng. She emphasised the government's dedication to facilitating access to financial resources for businesses, with thousands of beneficiaries already benefiting from the scheme, and many more expected to follow suit.

"We extend an invitation to eligible enterprises to participate in this transformative initiative. To apply, please visit our official application portal at www.fedgrantandloan.gov.ng. For further detailed information, applicants are encouraged to visit their local state Bank of Industry branch. A comprehensive list of contact details can be found in the attached PDF document."

Furthermore, she elaborated on the eligibility criteria for MSME loans up to N1 million. Which comprises: the business must be an existing entity operational for at least one year or a registered startup; submission of Corporate Affairs Commission (CAC) business registration documents; presentation of the company's bank statement for existing businesses or the chief promoter's bank statement for startups; fulfilment of required monthly turnover and compliance with other specifications outlined by the bank; provision of a personal guarantee by the promoter; agreement to bank verification number (BVN) covenant, and adherence to global standing instruction, along with other securities as stipulated by the bank.

For manufacturers seeking loans of up to N1 billion, the applicant can opt for either working capital or asset financing: the business must maintain a minimum six-month business/corporate banking relationship and provide additional documentation as requested by the bank and asset financing entails a repayment period of five years, while working capital financing includes a six-month moratorium on principal and interest, followed by a 12-month equal instalment repayment plan.

FG, Others Signs Pact To Enhance Economic Growth, Financial Inclusion

Musa Ibrahim

The federal government, state representatives, and the organised private sector (OPS) joined forces on Thursday, April 25, 2024, to sign an accord aimed at advancing economic and financial inclusion across Nigeria.

The initiative seeks to ensure that financial services are accessible to all citizens, particularly those in disadvantaged and low-income communities.

The agreement, known as the Aso Accord, was formalised during a workshop convened by the Office of the Technical Advisor to the President on Financial Inclusion at the State House Conference Centre in Abuja.

Notable signatories included Vice President Kashim Shettima; Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, and Governor of the Central Bank of Nigeria (CBN), Mr. Yemi Cardoso, representing the federal government.

Governor AbdulRahman AbdulRazaq of Kwara State signed on behalf of the states, while Mr. Abubakar Suleiman, the Managing Director/Chief Executive Office (CEO) of Sterling Bank Plc., represented the OPS.

In his address opening the workshop, Vice President Shettima emphasised the urgent need for renewed commitment from state governors and other stakeholders in promoting economic and financial inclusion.

He highlighted President Bola Tinubu's dedication to inclusive economic growth and outlined the multifaceted approach being pursued to revitalise the economy, including job creation, food security, poverty eradication, and enhanced access to capital.

Vice President Shettima underscored the importance of collaborative efforts to reshape Nigeria's economic landscape and ensure prosperity for all citizens. He commended the contributions of various stakeholders, including past and present Governors of the CBN and the Federal Ministry of Finance, in advancing the cause of financial inclusion.

The signing of the Aso Accord represents a significant milestone in the nation's commitment to fostering inclusive economic development and providing tangible opportunities for economic empowerment to all segments of society.

Vice President Kashim Shettima signing an Accord aimed at advancing economic inclusion

"The accord will symbolise a renewed and active commitment from all leaders in the economic and financial inclusion space, affirming our collective resolve to forge a more inclusive and prosperous future for every Nigerian," stated the Vice President.

Meanwhile, Mr. Edun commended the support of stakeholders and emphasised the critical role played by the CBN in achieving the 100 percent financial inclusion target. He pledged his ministry's support to meet the targets set by stakeholders.

Earlier, Senator Hassan Hadejia, the Deputy Chief of Staff to the President, highlighted President Tinubu's expectation that the accord would prioritise equality and accessibility of financial services for all Nigerians. He urged stakeholders to ensure that no one is left behind as they adopt new strategies and models to achieve set targets.

In his goodwill message, the 14th Emir of Kano and former CBN Governor, Sanusi Lamido Sanusi, emphasised the importance of integrating financial literacy into the educational curriculum of Nigerian schools. He argued that there is a direct correlation between financial exclusion and various societal challenges, including insecurity and poverty.

Governor Lucky Aiyedatiwa of Ondo State outlined the efforts made by the state government to enhance financial inclusion, including initiatives by the state Entrepreneurship Agency to expand financial services in rural areas.

Dr. Clement Buari, representing the CBN Governor, highlighted the regulator's efforts to accelerate financial inclusion, particularly in underserved communities. He stressed the moral and pragmatic obligation for the CBN to alleviate citizens from the deprivation of financial access, pledging continued collaboration with stakeholders to bring more individuals and businesses into the formal financial system.

Also present at the event were Minister of Budget and Economic Planning, Sen. Abubakar Bagudu; Minister of Women Affairs, Mrs. Uju Kennedy-Ohanenye; Deputy Governor of Borno State, Umar Kadafur; Deputy Governor of Kebbi State, Abubakar Tafida, and heads of government agencies.

Malagi, Cardoso Emphasise Importance Of PR For National Development

By Jennete Ugo Anya

Honourable Minister of Information Minister and National Orientation, Mallam Idris Mohammed Malagi, along with Governor of the Central Bank of Nigeria (CBN), Mr. Olayemi Cardoso, have underscored the indispensable role of Public Relations (PR) in national development.

This was during the recent inaugural Nigeria Public Relations Week (NPRW) organised by the Nigeria Institute of Public Relations (NIPR) in Abeokuta, Ogun State.

At the event, the Honourable Minister unveiled a comprehensive five-point agenda aimed at revitalising the practice of PR in the country, with a view to bolstering Nigeria's long-term economic recovery.

Represented by the Director-General of the National Orientation Agency (NOA), Mallam Lanre Onilu, he emphasised the critical significance of PR in both Nigeria's economic resurgence and reputational enhancement.

The conference, themed: 'PR as a Critical Asset to Nigeria's Economic and Reputation Renaissance,' stressed the pivotal role of PR in the contemporary global landscape marked by rapid technological advancements and economic complexities.

Mallam Malagi delineated the five-point agenda geared towards improving the country's PR and communication strategies. These points include: rebuilding trust by instilling confidence in public communication; amplifying government narratives through the promotion of public policies and the narrative of Nigeria; reorienting national values to align with modern realities; modernising communication channels through

Mallam Idris Mohammed Malagi, Honourable Minister of Information and National Orientation

technological advancements and nurturing talent within the government's communication apparatus; and empowering the media by creating an enabling environment for media growth in Nigeria.

He also stressed the imperative of effective communication in an era characterised by the rapid dissemination of information.

Given Nigeria's vast potential and multifaceted challenges, Mr. Malagi reaffirmed the government's commitment to fostering economic growth, job creation, ensuring security, and combating corruption.

He noted, "President Bola Ahmed Tinubu's administration has proactively undertaken measures to revive the economy, with a focus on revitalising monetary policy through the CBN and implementing fiscal policy reforms. These efforts are aimed at fostering investor confidence and laying the groundwork for sustainable development and prosperity."

He underscored the importance of strategic PR in shaping narratives that celebrate achievements, transparently address challenges, and articulate a compelling vision for the future. He highlighted the need for recognition of the value that PR brings to the table in Nigeria's development journey.

Similarly, Mr. Cardoso, echoed the sentiment, affirming the critical role of PR in economic development.

Represented by Mr. Uchenna Ogbona, Corporate

Mr. Olayemi Cardoso, Central Bank of Nigeria (CBN)

Communications Department of the CBN, the governor emphasised PR's significance in Nigeria's economic recovery and reputation management. He stated that the gathering symbolizes PR's pivotal role as an essential asset for Nigeria's economic and reputational rejuvenation.

The apex bank's boss highlighted PR's instrumental role in shaping public opinion and perceptions, fostering trust among stakeholders, including Nigerians, investors, and customers, both domestically and internationally. He stressed the transformative impact of strategic communication and stakeholder engagement, stressing PR's role in shaping national capital, building trust, attracting investments, and fostering international partnerships.

However, Mr. Cardoso underlined the need for a strategic, focused, inclusive, and comprehensive approach to achieve these goals. He expressed optimism about leveraging PR instruments to transform challenges into significant accomplishments, underscoring the importance of unity in pursuit of common objectives.

The annual NPRW serves as a platform for various stakeholders, including PR practitioners, journalists, marketers, and others, to exchange ideas, participate in workshops, seminars, panel discussions, and networking opportunities, contributing to the growth and development of effective communication practices in Nigeria.

FIRS Advocates Capacity Building Among CATA Members

Eyes N1.9trn As Taxes From Public Sector

By Kingsley Benson

The Federal Inland Revenue Service (FIRS) has advocated for increased capacity building among members of the Commonwealth Association of Tax Administrators (CATA).

This call was made by Mr. Zacch Adedeji, the chairman of FIRS and the president of CATA, at the CATA management meeting recently held in Marlborough House; Pall Mall, London.

When addressing the CATA management meeting, Mr. Adedeji highlighted the importance of strengthening the skills and knowledge of tax personnel from member countries to address the challenges impacting the global tax administration landscape.

Mr. Adedeji encouraged for the increased adoption of technology to streamline tax processes while acknowledging the opportunities and threats posed by the rapid advancement in tax technology and digitisation.

He underscored the significance of ongoing discussions on Organisation for Economic Co-operation and Development (OECD)'s pillars one and two, which aim to redefine international

Mr. Zach Adedeji, FIRS Chairman

tax rules, and highlighted the importance of international cooperation in addressing tax challenges, as demonstrated by the recent tax convention resolution at the United Nations Assembly.

In light of these developments, Mr. Adedeji emphasised the critical need for enhanced capacity building among CATA members to navigate evolving discussions and contribute to the formulation of transparent and beneficial tax rules for their respective jurisdictions.

Furthermore, he stressed the importance of effective implementation of these rules once concluded to ensure their successful integration into tax administration frameworks and maximize their benefits.

Mr. Adedeji also commended the management committee and members who have committed to hosting CATA's programs in 2024, highlighting their dedication to the association's strategic plan.

The meeting convened tax administrators from various nations, including the United Kingdom, Canada, Australia, Malaysia, Barbados, Papua New Guinea, Ghana, Lesotho, Maldives, Uganda, Mauritius, Nigeria, and others.

Also, the FIRS targeted N1.9 trillion as taxes from public sector in its quest to combat tax evasion and financial crimes in the revenue-generating sector of Nigeria.

In a bid to achieve this, the FIRS signed a Memorandum of Understanding (MoU) with the Independent Corrupt Practices and other related offences Commission (ICPC) recently at the ICPC's head office in Abuja.

Mr. Adedeji referred to the MoU as a means to foster collaboration between the two agencies.

He emphasised the role of tax compliance in building a fairer society, noting that tax evasion deprives the government of essential revenue for public services.

The FIRS projects to generate N1.9 trillion in taxes from the public sector through the collaboration with ICPC. Under the MoU, both agencies will establish a joint task force to coordinate their activities and share information on mutual cases of interest.

Additionally, they will conduct joint training programs to enhance staff skills in investigating financial crimes and detecting tax evasion.

The Chairman of the ICPC, Dr. Musa Adamu Aliyu, pledged the commission's support to the FIRS in combating tax evasion and financial crimes in the country.

Speaking at the signing ceremony, Dr. Aliyu underscored the importance of strategic partnerships in combating corruption, stating that corruption undermines societal fabric and impedes economic development.

He emphasised the need for joint efforts to investigate and prosecute cases of corruption, including tax evasion and other financial crimes.

NDIC Strengthens Its Commitment To Fight Corruption, Enhance Transparency

NDIC's Executive Director, Operations, **Mr. Mustapha M. Ibrahim** (2nd Left), and ICPC's Acting Director System Study and Review, **Mr. Olusegun Adigun** (3rd Left), among others during the inauguration of the NDIC's Anti-Corruption and Transparency Unit (ACTU) at the NDIC headquarters in Abuja.

Mr. Mustapha M. Ibrahim, Executive Director, Operations of the NDIC, presenting the corporation's research publications to the representative of the Chairman ICPC, Acting Director System Study and Review, **Mr. Olusegun Adigun,** during the inauguration of the NDIC Anti-Corruption and Transparency Unit (ACTU) by ICPC officials at the NDIC headquarters in Abuja.

Chairman of the NDIC's ACTU, **Dr. Bashir Mande** (Right), takes the oath of allegiance along with 10 other NDIC's members of staff during their inauguration ceremony conducted by **Barr. Adebimpe Abodunrin** at the NDIC Head Office in Abuja.

By Chiamaka Okpala G.

The Nigeria Deposit Insurance Corporation (NDIC) has strengthened its commitment to fight corruption and enhance transparency with its inauguration of the Anti-corruption and Transparency Unit (ACTU).

The Managing Director (MD) and Chief Executive (CE) of NDIC, Mr. Bello Hassan, who was represented by Mr. Mustapha M. Ibrahim, Executive Director, Operations of the corporation, at the head office, said: "The NDIC has a culture of zero tolerance for corruption, which is further strengthened by its core values of teamwork, respect and fairness, integrity, professionalism, and passion".

In a recent release by Mr. Bashir A. Nuhu, Director, Communication and Public Affairs of the NDIC, Mr. Hassan stated that the ACTU has strengthened the corporation's operational system through the implementation of various measures to ensure ethics, integrity, transparency and accountability in the workplace.

Mr. Hassan explained that the specific measures include robust internal controls, regular risk assessments, strict adherence to regulatory guidelines, and comprehensive training programs for employees.

The NDIC boss emphasised that the NDIC management remains committed to supporting ACTU activities, recognising the unit's critical role in ensuring the corporation's operations are conducted with integrity, free from corruption, and to foster public trust.

The Chairman of the Independent Corrupt Practices and Other Related Offences Commission (ICPC), Dr. Musa Adamu Aliyu, who was represented by Mr. Olusegun Adigun, Acting Director System Study and Review, coomended the NDIC's management for its dedication and active support in establishing and advancing the activities of the ACTU to address corruption issues and foster ethical practices.

He applauded the efficiency and diligence of the NDIC's ACTU in fulfilling its mandate, resulting in the corporation retaining the first position for two consecutive years on the annual ICPC Ethics and Integrity Compliance Scorecard.

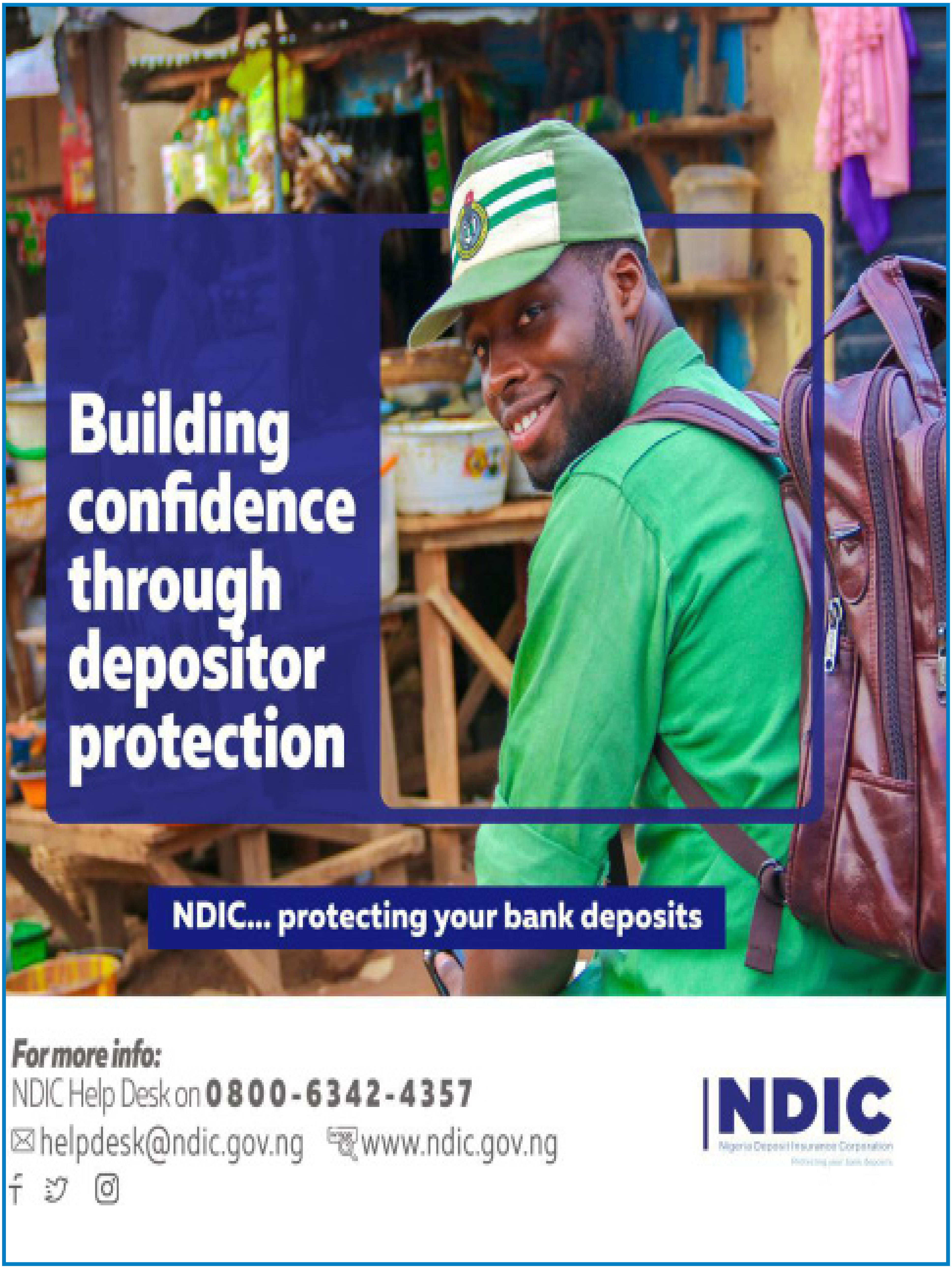
He urged the new ACTU members to see their nomination as an opportunity to build on the good legacies of the previous members and to complement management's efforts in promoting the core values of the corporation through their assigned duties.

Mr. Bello Hassan, Managing Director (MD) and Chief Executive of NDIC

He stressed the need for the NDIC's management to sustain its commitment and support to ACTU so that the unit can perform optimally and remain a veritable tool in embedding laid down ethical standards amongst the staff members, and sustaining a positive image for the corporation.

At the event, 10 members of staff were sworn in as members of the NDIC's ACTU.

Their key functions include annual sensitisation of staff against corruption; conduct of system study and review and corruption risk assessment to strengthen internal systems; monitoring budget implementation of the corporation, coordinating whistleblowing platforms, identifying and rewarding outstanding members of staff amongst other responsibilities.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For more info:
NDIC Help Desk on 0800-6342-4357
helpdesk@ndic.gov.ng
www.ndic.gov.ng
NDIC
Nigeria Deposit Insurance Corporation

President Tinubu Reconstitutes 15-man NSWG For NEITI

By Anita Dennis

President Bola Tinubu has given the green light for the reconstitution of a 15-member National Stakeholders' Working Group (NSWG) for the Nigeria Extractive Industries Transparency Initiative (NEITI).

The NSWG will be chaired by Senator George Akume, the Secretary to the Government of the Federation (SGF).

As outlined in a statement from the SGF's office, the members include: Mr. Zacch Adedeji, the Executive Chairman of the Federal Inland Revenue Service (FIRS), representing the government; Mr. Mele Kyari, the Group Chief Executive Officer of Nigerian National Petroleum Corporation (NNPC) Ltd, representing extractive companies in the oil and gas sector; Mr. Oghenegwueke Ajafia, representing the oil producers trade section (OPTS) of the Lagos Chamber of Commerce, among others.

Furthermore, a representative from civil society organisations (CSOs) is yet to be elected, as the process is ongoing through NEITI. Other members representing various sectors, include women/geoscientists, extractive industries experts, industry unions in oil and gas, and specific geographic zones within Nigeria.

President Bola Ahmed Tinubu

The inauguration of the NSWG is pending and will be announced in due time. Dr. Orji Ogbonnaya Orji serves as the Secretary to the NSWG, while the Executive Secretary/CEO, with a single tenure of five years, is also yet to be named.

PFAs Invest N12.14trn In FG Securities

By Chiamaka Okpala G.

The Pension Fund Administrators (PFAs) have directed a substantial N12.14 trillion from pension fund assets into Federal Government of Nigeria (FGN) securities, encompassing bonds and treasury bills (TBs).

Despite FGN bonds offering relatively modest interest rates of 19 percent, falling below the inflation rate, pension operators perceive FGN securities as a secure investment avenue, representing the sole secure window for investment.

This investment amounts to approximately 60 percent of the N19.5 trillion pension assets as of January 2024, reflecting an accumulation since the establishment of the Contributory Pension Scheme (CPS) in 2004 until January 2024.

Director-General (DG) of PenCom, Mrs. Aisha Dahir-Umar, emphasised the significant impact of the CPS in Nigeria since its inception in 2004.

She highlighted the formation of long-term domestic capital represented by the substantial value of pension assets, benefiting over 10 million contributors.

Of the N19.5 trillion pension assets, N12.14 trillion has been channelled into FGN securities, with bonds attracting N11.59 trillion, treasury bills N221.81 billion, agency bonds N14.86 billion, sukuk bonds N124.89 billion, and green bonds N181.57 billion.

Mrs. Aisha Dahir-Umar, Director-General (DG) of PenCom

This substantial investment by pension fund managers in federal government securities has facilitated the government's expenditure and capital projects through local borrowing. Simultaneously, PFAs continue to regard these instruments as a safe and optimal investment option.

Investment income, primarily derived from FGN securities, has played a pivotal role in the sustained growth of pension funds, now standing at N19.5 trillion. This growth persists despite delays in the payment of monthly pension contributions by government entities at both state and federal levels.

Mrs. Oguche Agudah, Chief Executive Officer (CEO) of the Pension Fund Operators Association of Nigeria (PenOp), emphasised that PFAs perceive FGN securities as a safe investment with low risks, aligning with the strict investment guidelines outlined in the Pension Industry Investment Guidelines. The primary objective behind such investment choices is to ensure sufficient funds for contributors' retirement benefits.

Investing in FG securities provides assurance that pension funds are securely placed in an investment basket, ensuring they remain intact and accessible when needed. Over time, pension fund operators have strategically invested pension assets, yielding favourable returns. They are committed to exploring additional viable investment options permitted by law to enhance asset growth and ensure value for contributors' investments.

Experts at Coronation Asset Management highlighted that a significant portion of PFAs' funds may be allocated to individuals nearing retirement, necessitating low-risk fixed income funds like FGN Securities.

In January 2024, the Central Bank of Nigeria (CBN) utilised Open Market Operations (OMO) to curb inflation, leading to the sale of treasury bills at high discount rates. Consequently, PFAs redirected funds to this space, attracted by the returns. Additionally, interest rate hikes up to June 2023 further spurred investment in public debt by PFAs in 2023.

This transformation is gradually reshaping Nigeria's financial landscape and contributing to socio-economic development.

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ADVERT RATE

COLOUR

PRODUCT		
Size	Rate	Vat (7.5%)
F/P	620,300.00	46,522.50
H/P	392,100.00	29,407.50
Q/P	245,100.00	18,386.25
14.5x5	400,000.00	30,000.00
14.5x3	320,000.00	24,000.00
10x6	560,000.00	42,000.00
10x5	540,500.00	40,537.50
10x4	360,100.00	27,007.50
9x6	505,000.00	37,875.00
9x5	482,350.00	36,176.25
9x4	360,000.00	27,000.00
9x3	260,000.00	19,500.00
8x6	406,000.00	30,450.00
8x5	390,600.00	29,295.00
8x4	310,300.00	23,272.50
7x6	355,000.00	26,625.00
7x5	345,100.00	25,882.50
7x4	270,800.00	20,310.00
7x2	250,000.00	18,750.00
6x4	240,000.00	18,000.00
6x3	180,000.00	13,500.00
6x2	102,100.00	7,657.50
5x6	261,000.00	19,575.00
5x5	240,000.00	18,000.00
5x4	191,300.00	14,347.50
5x3	150,600.00	11,295.00
5x2	90,000.00	6,750.0
4x4	158,500.00	11,887.50
4x3	120,00.00	9,000.00
4x2	70,000.00	5,250.00
3x2	55,000.00	4,125.00
2x2	37,000.00	2,775.00
2x1	25,000.00	1,875.00
1x1	8,500.00	637.00

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	475,200.00	35,640
H/P	310,300.00	23,272.5
Q/P	152,500.00	11,437.5
14.5x5	312,150.00	23,411.25
14.5x3	286,500	286,500
9x6	252,400.00	18,930.00
9x5	301,000.00	22,575.00
9x4	240,600.00	18,045.00
9x3	225,500.00	16,912.50
8x6	330,000.00	24,750.00
8x5	265,650.00	19,923.75
8x4	235,550.00	17,666.25
7x6	215,000.00	16,125.00
7x5	155,000.00	11,625.00
7x4	150,300.00	11,272.50
7x2	135,000.00	10,125.50
6x4	148,100.00	11,107.50
6x3	120,800.00	9,060.00
6x2	80,000.00	6,000.00
5x6	155,000.00	240,000.00
5x5	180,000.00	180,000.00
5x4	102,100.00	
5x3	115,000.00	
5x2	120,000.00	
4x4	102,300.00	7,672.5
4x3	80,000.00	6,000.00
4x2	50,000.00	3,750.00
3x2	38,000.00	2,850.00
2x2	27,100.00	2,032.5
2x1	70,000.00	70,000.00
1x1	6,100	457.5

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

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

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

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

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Adelabu Urges Senate Committee To Address Nigeria's Gas Debt Issue

By Anita Dennis

Honourable Minister of Power, Mr. Adebayo Adelabu, has urged the Senate Committee of Power to address Nigeria's gas debt issue.

During the committee's recent visit to the Transmission Company of Nigeria (TCN)'s headquarters in Abuja, he informed the committee of the federal government's outstanding debt to generation companies amounting to over N1.3 trillion and $1.3 billion owed to gas suppliers.

Mr. Adelabu also outlined plans to increase power generation to 6,000 Megawatts by the end of 2024, up from the current 4,000 MW target. These efforts aim to mitigate the challenges faced by the power sector and enhance electricity supply across the country.

He expressed concern about the nation's over-reliance on the national grid and disclosed a new target of achieving a transmission capacity of 10-12,000 MW within the next three years. He attributed the frequent grid collapses to the absence of Supervisory Control and Data Acquisition (SCADA) systems. He affirmed the administration's commitment to surpassing the long-standing 4,000 MW threshold, which has persisted for decades.

In response, Senator Eyinnaya Abaribe, Chairman of the Senate Committee on Power, rebuffed the minister's remarks, highlighting the ministry's failure to address SCADA procurement complaints over the past 12 years. He expressed dismay at the persistence of challenges in the power sector despite substantial investments and questioned the recurrent grid collapses.

He assured that the committee would engage with the federal government to address the outstanding gas debt, exploring all available options to ensure resolution. Sen. Abaribe expressed confidence in the minister's assurance regarding the completion of the World Bank SCADA project within two years and pledged the committee's oversight on its implementation.

Mr. Adebayo Adelabu, Honourable Minister of Power

Furthermore, the committee plans to scrutinise the National Electricity Regulatory Commission (NERC) and other stakeholders regarding the recent tariff review on April 29. Sen. Abaribe also emphasised the committee's intent to review penalties for power asset vandalism.

Meanwhile, the Managing Director of the TCN, Mr. Abdulaziz Sule, appealed to the Senate Committee on Power to aid in securing funding for the completion of over 120 projects aimed at enhancing the country's transmission network.

During the committee's recent visit to TCN's headquarters in Abuja, Mr. Sule highlighted the need for increased budgetary allocation, citing the inadequacy of the N2 billion allocated in the 2024 budget for operational purposes.

He emphasised the challenges posed by vandalism, particularly in the North East and South East regions, which hinder the progress of transmission projects. He disclosed TCN's collaboration with a Chinese firm to establish a super grid and stressed the necessity of funding for constructing new substations.

In her presentation, Engr. Nafisat Ali, the Executive Director of the Independent System Operator (ISO), underscored the criticality of gas availability for power generation, stating, "Today there is no gas. We need gas."

Despite the power shortage in the country, Mrs Ali lamented that Distribution Companies (DisCos) persist in rejecting load allocations, posing a significant challenge.

According to TCN, Nigeria experienced six power grid collapses in 2024, with gas shortages for power generation and vandalism of power infrastructure cited as primary causes.

Sen. Abaribe, accompanied by the Honourable Minister of Power and other officials, conducted inspections of various projects before convening with members and staff of the TCN in a separate meeting.

This proactive approach underscores the committee's commitment to addressing challenges and enhancing the efficiency of the power sector.

FG Orders Sale Of DisCos Managed By Banks, AMCON Within 3 Months

By Musa Ibrahim

The federal government has issued a directive for the resale of electricity Distribution Companies (DisCos), which are currently under the management of banks and the Asset Management Company of Nigeria (AMCON), to reputable power operators within three months.

It is reported that five DisCos are presently under the management of AMCON and bank lenders. For instance, the Abuja Electricity Distribution Company (AEDC) is under the management of the United Bank of Africa (UBA). In 2022, Fidelity Bank and Afreximbank took over the management of the Benin Electricity Distribution Company, Kaduna Electricity Distribution Company, and Kano Electricity Distribution Company, while the Ibadan Electricity Distribution Company is managed by AMCON.

Honourable Minister of Power, Mr. Adebayo Adelabu, revealed this during an oversight visit to the Ministry in Abuja by members of the Senate Committee on Power.

He emphasised that energy distribution assets are technical and should be managed by technical experts. He stressed that tough decisions regarding the DisCos were necessary because the entire Nigerian Electricity Supply Industry (NESI) suffers when they underperform.

Mr. Adelabu stated that the ministry would urge the Nigerian Electricity Regulatory Commission (NERC) to revoke licences of underperforming DisCos and consider changing their management boards if required. He highlighted the urgency of the situation, stating that DisCos currently under AMCON and bank lenders must be sold to technical power operators within three months.

He stressed the need for DisCos to be managed by technical experts due to the technical nature of the industry.

Furthermore, the Honourable Minister disclosed that the federal government plans to unbundle the DisCos along state lines to enhance their efficiency.

He highlighted that some of the DisCos are too large to operate efficiently and effectively, suggesting that each state government should have a designated DisCo for their respective states.

He also revealed that the federal government had mobilised companies with $200 million to supply three million meters in 2003, but this was never fulfilled, raising questions about the whereabouts of the funds and accrued interest over the years.

Mr. Adelabu stated that President Tinubu directed the revocation of the contract and assured that the government would bridge the current metering gap of eight million within the next four to five years.

He mentioned that funding for this initiative is sourced from a seed capital of N100 billion and N75 billion, with support from the Nigerian Sovereign Investment Authority (NSIA).

Describing the power sector crisis as historical, Mr. Adelabu attributed issues to uncompleted projects and urged the committee to approve funds for the completion of over 120 projects across the country.

In response, Chairman of the Senate Committee on Power, Senator Abaribe, announced that the Senate had scheduled an investigative hearing for April 29, 2024, summoning the Honourable Minister of Power and top officials of the NERC to address concerns about the recent electricity tariff hike.

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Nigeria Should Chart A Path Towards Economic Recovery, Prosperity

POLICY BRIEF

with

ENAM **OBIOSIO**

The current economic landscape of Nigeria paints a bleak picture, characterised by soaring costs of doing business, widespread harm to enterprises, governmental functions, and consumers alike.

The recent Consumer Price Index (CPI) report for March, revealing a staggering 33.2 percent inflation rate, only exacerbates the gravity of the situation.

It is evident that urgent and decisive action is required to address the root causes of these challenges and chart a path towards economic recovery and prosperity.

Nigeria must implement a combination of monetary and fiscal measures to improve the business environment.

In that light, I suggest the Central Bank of Nigeria (CBN) should adopt measures to stabilise the exchange rate, such as managing foreign exchange reserves, intervening in the foreign exchange market when necessary, and implementing policies to curb speculation and volatility in the currency markets.

Another monetary measure the federal government can adopt is for the CBN to consider adjusting interest rates to support businesses. Lowering interest rates can reduce borrowing costs for businesses, stimulate investment, and encourage economic activity. However, this must be balanced with considerations of inflation and currency stability.

Also, I urge that the government should review and simplify the tax system to reduce the tax burden on businesses. Of course, lowering corporate taxes or providing tax incentives for investment can improve the competitiveness of businesses and stimulate economic growth

Again, the government through the CBN should ensure adequate liquidity in the financial system to support lending to businesses. This may involve implementing open market operations, adjusting reserve requirements, and providing liquidity support to banks as needed.

More so, it is believed that prioritising infrastructure development can reduce the cost of doing business. It is my opinion that the government should invest in critical infrastructure such as transportation networks, energy infrastructure, and digital connectivity to improve efficiency and reduce operational costs for businesses.

Additionally, efforts to diversify the economy away from oil dependency and towards sectors such as agriculture, manufacturing and technology will help alleviate pressure on inflation and enhance economic resilience.

Again, I suggest the government should streamline regulations and reduce bureaucratic barriers as this can make it easier for businesses to operate. The government should review and simplify regulatory processes, eliminate unnecessary red tape, and create a more transparent and predictable regulatory environment.

Obviously, micro, small and medium-sized enterprises (MSMEs) are vital for economic growth and job creation. It is on such note that the government should provide targeted support for SMEs, including access to finance, capacity building, and technical assistance programs.

In addition, the government should address insecurity which, of course, is critical for creating a conducive business environment. We need to invest in security infrastructure, enhance law enforcement capabilities, and implement measures to combat crime and insurgency.

However, beyond monetary and fiscal policies, several additional measures can also be taken to enhance the situation and improve the business environment in Nigeria, one of which is by implementing structural reforms to address underlying issues such as corruption, inefficiency. This may involve strengthening institutions, enhancing governance frameworks, and promoting transparency and accountability in government operations.

Another measure I suggest is for the federal government to invest in education and skills development programs, which can improve the quality of the workforce and enhance productivity. By providing access to quality education and training opportunities, individuals can acquire the skills needed to thrive in the modern economy.

Again, we should not undermined the role of innovation and technology in fostering and reducing the cost of doing business. The government should encourage innovation and the adoption of technology, as this can drive productivity improvements and enhance competitiveness. The government has to create an enabling environment for innovation, including providing support for research and development, promoting entrepreneurship, and facilitating access to technology infrastructure.

Also, the federal government has to streamline trade processes and reduce trade barriers, as this can enhance the competitiveness of Nigerian businesses in the global market. It should invest in trade facilitation measures, such as improving customs procedures, reducing import/export tariffs, and harmonising regulations to facilitate cross-border trade.

Furthermore, since creating a favourable investment climate is crucial for attracting domestic and foreign investment, we have to look to providing legal certainty, protecting property rights, enforcing contracts, and promoting investor-friendly policies. Additionally, the government should work to enhance the ease of doing business indicators to attract investment and promote entrepreneurship.

By implementing these complementary measures alongside monetary and fiscal policies, the government can create a more conducive business environment, stimulate economic growth, and improve the overall well-being of its citizens.

> I urge that the government should review and simplify the tax system to reduce the tax burden on businesses

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