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FG Must Forge Nigeria's Path To Sustainable Growth

EDITORIAL

In recent reports, the International Monetary Fund (IMF) maintains its growth forecast for Nigeria's economy at 3.3 percent for the year 2024, signalling a modest improvement from the previous year. This positive outlook is attributed to advancements in the services and trade sectors, reflecting the potential for economic expansion.

However, amidst these hopeful projections, there are underlying challenges that demand urgent attention from policymakers.

One of the foremost concerns highlighted by the IMF is the persistently high

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President Tinubu Emphasises Need For Global Collaboration, Inclusiveness

Works To End Reign Of Economic Saboteurs

***President Bola Ahmed Tinubu** has returned to Nigeria after attending the Special World Economic Forum (WEF) meeting in Saudi Arabia, where he actively participated in discussions focused on global collaboration, growth, and energy for development.*

*In this story, we highlight the key points from President Tinubu's address at the WEF meeting and his call for global leaders to pay attention to the developments in the Sahel region. **Enam Obiosio** provides the highlight.*

President Tinubu during his address at the 2024 WEF meeting, emphasised the importance of collaboration and inclusiveness, particularly for Africa, in building a future of hope, peace, and progress for all.

He noted that capital mobilisation, necessary for economic growth and associated advancements in Africa could not be overlooked any longer.

The President highlighted the need for the diversity of Africa's resources to reflect in its economic realities, stating that "The capital formation that is necessary to drive the economy, agriculture, ensure food security, innovation, and technological advancement must be an inclusive programme of the entire world. No one should be left behind."

President Tinubu also called on global leaders to pay attention

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President Bola Ahmed Tinubu at the Special World Economic Forum (WEF) meeting in Saudi Arabia

DMO Seeks To Raise N450bn Through Bond Auction In May 2024

Offers Highest-Ever Interest Rates On May FGN Savings Bond: 17.4% , 18.4%

By Kingsley Benson

The Debt Management Office (DMO) has announced plans to issue bonds worth N450 billion in its upcoming auction scheduled for May 13, 2024.

This monthly bond auction aims to meet the financial needs of the government while offering attractive investment opportunities to both institutional and retail investors.

The auction will feature three bond series, each providing investors with various maturity options and competitive yields. The first series is a reopening of the 19.30 percent FGN APR 2029 bond, aiming to raise N150 billion. The second series is a reopening of the 18.50 percent FGN FEB 2031 bond, also targeting N150 billion. The third series is a newly introduced nine-year bond, FGN MAY 2033, aiming to raise N150 billion. The coupon rate for this bond will be determined at the auction.

Investors can participate in the auction on May 13, 2024, with settlement scheduled for May 15, 2024. Each unit will be priced at N1,000, with a minimum subscription requirement of N50,001,000 and subsequent multiples of N1,000. Interest payments will be made semi-annually, providing investors with regular income.

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

These bonds offer several benefits to investors, including tax exemptions for pension funds and other qualified investors. They are also classified as liquid assets for bank liquidity ratio calculations and are listed on the Nigerian Exchange Limited and the FMDQ OTC Securities Exchange.

In April 2024, the federal government raised N626.813 billion in its bond auction, indicating strong investor interest. The auction attracted significant capital inflow, particularly for the 10-year bond, demonstrating market confidence in the government's credit.

Meanwhile, the DMO initiated the subscription offer for the May FGN Savings Bonds, priced at N1,000 per unit, featuring historically high interest rates. The two-year savings bond, maturing on May 15, 2026, offers an interest rate of 17.407 percent per annum, while the three-year savings bond, maturing on May 15, 2027, offers an interest rate of 18.407 percent per annum.

These interest rates represent the highest ever offered by the DMO on FGN savings Bonds, indicating a move towards further rate hikes. Subscription for these bonds commenced on May 6, 2024, and will run until May 10, 2024, with settlement scheduled for May 15, 2024. Quarterly coupon payment dates are set for August 15, November 15, February 15, and May 15.

Nigeria witnessed a significant surge in interest rates on government securities in recent months, reaching as high as 19 percent. This aligns with the Central Bank of Nigeria's (CBN) hawkish stance aimed at curbing inflationary pressures. However, this approach poses fiscal challenges as borrowing costs escalate.

Despite these challenges, FGN Savings Bonds have become a critical tool in the government's debt strategy, particularly targeted at retail investors. These bonds assure quarterly interest payments and repayment of the principal amount upon maturity. They are offered at N1,000 per unit, with a minimum subscription of N5,000 and multiples of N1,000 thereafter, up to a maximum subscription of N50 million.

Backed by the full faith and credit of the federal government, these bonds qualify as securities under the Trustees Investment Act and government securities under the Company Income Tax Act and Personal Income Tax Act, offering tax exemptions for various investors. Additionally, they are listed on the Nigerian Exchange Limited (NGX) and qualify as liquid assets for liquidity ratio calculation for banks.

House Of Reps Orders CBN To Suspend Cybersecurity Levy Implementation

As CBN Raises N274.67bn In Treasury Bills Auction | Clarifies Issues On 50% Crude Oil Proceeds Repatriation

By Jennete Ugo Anya

The House of Representatives has demanded an immediate halt to the implementation of the cybersecurity levy proposed by the Central Bank of Nigeria (CBN).

The resolution was passed following a motion by Honourable Kingsely Chinda, who expressed concerns over the interpretation and impact of the levy on citizens.

The CBN had announced a 0.5 percent levy on electronic transactions, citing Section 44(2)(a) of the Cybercrimes (Prohibition, Prevention, etc.) (Amendment) Act, 2024.

However, Hon. Chinda argued that the circular issued by the CBN was ambiguous and open to multiple interpretations, including the possibility of bank customers being charged the levy.

The minority leader expressed concerns that the implementation of the levy could lead to further hardship for Nigerians, who are already experiencing the effects of subsidy removals and rising inflation.

He noted that civil society organisations and citizens have been vocal in their opposition to the levy, with some issuing ultimatums for its reversal.

The House of Representatives resolved to direct the CBN to withdraw the circular and issue a new one that aligns with the letters

and spirit of the law. Additionally, the House Committees on Banking Regulations and Banking and other Ancillary Institutions were tasked with guiding the CBN to ensure proper implementation.

The resolution aims to prevent the erroneous implementation of the Cybercrime Act and mitigate the potential negative impact on Nigerians. The CBN has been ordered to suspend the implementation of the cybersecurity levy until further clarification and guidance are provided.

Also, the CBN raised N274.67 billion, during its recent primary market auction (PMA) held on May 8th, 2024.

The apex bank was offering a one-year treasury bills set to mature on August 8th, 2025, at a stop rate of 20.70 percent.

This rate remained unchanged from the previous auction held on April 24, 2024, which witnessed a high demand for the 364-day bill.

In this auction, the CBN raised N274.67 billion, a decrease from the N362.45 billion raised in the previous auction across various maturities.

For the 91-day treasury bills, the CBN offered N39.90 billion and received strong investor interest, with subscriptions totalling N21.24 billion. Ultimately, N16.59 billion was allotted at a stop rate of 16.24 percent.

The 182-day treasury bills, with an offer size of N5.43 billion, attracted subscriptions amounting to N13.07 billion. The CBN allotted the entire N5.44 billion on offer at a stop rate of 17.00 percent.

The most sought-after segment, the 364-day treasury bills, initially offered N134.02 billion, but received subscriptions worth a staggering N879.75 billion. To meet the demand, the CBN allotted N252.64 billion at a stop rate of 20.70 percent.

The oversubscription in all tenors reflects robust investor interest in government securities despite economic challenges. The CBN's decision to offer competitive rates aims to attract both local and foreign investors, providing a safe and attractive investment option amidst inflationary pressures and global interest rate trends.

Overall, this auction demonstrates the CBN's commitment to offering competitive yields on government securities, ensuring liquidity, and fostering confidence in the financial markets.

In another development, the CBN issued clarifications on previous directives concerning foreign exchange "cash pooling" requirements for international oil companies (IOCs) operating in the country.

The apex made this when responding to queries raised by banks and stakeholders in a circular dated Tuesday, May 7, 2024.

In its latest circular, the CBN clarified that the initial 50 percent of repatriated proceeds could be pooled immediately or as required. Banks were instructed to submit cash pooling requests ahead of the expected receipt date, supported by necessary documentation, for approval by the CBN.

The remaining 50 percent of repatriated export proceeds could be allocated to meet financial obligations within Nigeria within the stipulated 90-day period.

These expenses include petroleum profit tax, royalty, domestic contractor invoices, cash calls, domestic loan and interest payments, transaction tax, education tax, and forex sales in the Nigerian foreign exchange market.

The CBN has implemented various measures to address liquidity challenges in the foreign exchange market, although more efforts are needed to achieve the apex bank's goal of price stability.

President Tinubu Emphasises Need For Global Collaboration, Inclusiveness

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to the developments in the Sahel region, emphasising the need for a studied understanding of the vectors of the current situation, while suggesting collaboration in the pursuit of enduring solutions.

He noted that the world needs to look at the fundamentals of the problem, not just geopolitically, but at the root, and facilitate the infusion of capital and pay adequate attention to ensuring the exploitation of resources and the creation of opportunities presented by the mineral resources available.

As the Chairman of Economic Community of West African States (ECOWAS), President Tinubu wielded big influence to discourage all unconstitutional change of government, and has eased sanctions to promote trade and economic prosperity in West Africa.

He highlighted the need for Africa to take action on promoting economic growth and prosperity, rather than just discussing it.

Speaking further at the meeting, President Tinubu said: “Are we going to play a big-brother role in a talk shop without taking necessary action? We just have to be involved in the promotion and prosperity of that region in order to see peace, stability, and economic growth.”

The President also detailed the steps taken to set Nigeria’s economy on the path of expeditious recovery, including the removal of fuel subsidy and the management of the nation’s currency.

He noted that these decisions were necessary to prevent the country from going bankrupt and to reset the economy and the pathway to growth.

President Tinubu acknowledged that the removal of fuel subsidy was a difficult decision, but one that was necessary for the country’s economic growth. He also highlighted the measures taken to cushion the effect of the subsidy removal on the vulnerable population, including the sharing of the pain across the board and the inclusion of those who are most vulnerable.

The President also commended the vibrant youth population in Nigeria, who are interested in innovation and leveraging technology, good education, and committed to growth. He noted that the government was able to manage the economic drawback and the fallout of the subsidy removal equally, engendering transparency, accountability, and fiscal discipline for the country.

Managing Director of the International Monetary Fund (IMF), Kristalina Georgieva, commended President Tinubu for his insights on how to execute strategic economic reforms.

She noted that the President emphasised the need for reforms to be accompanied by a human touch, and for the needs of people to be identified and catered to as governments implement tough but necessary reforms.

President of Rwanda, Paul Kagame, who was also on the high-level panel, commended President Tinubu for his prominence on inclusive economic growth.

He noted that Africa is the stage for an expanding middle class, and that it is the continent’s human resources, not natural resources, that make it strategic and central to the global community moving forward.

President Bola Ahmed Tinubu in a roundtable discussion at Special World Economic Forum (WEF) meeting in Saudi Arabia

> ...Nigeria’s economy has escaped the phase of sabotage, and the country is now focused on building a vast digital market capable of absorbing cutting-edge innovations and technologies

President Tinubu’s address at the WEF meeting pointed at the need for action on promoting economic growth and prosperity in Africa, and for reforms to be accompanied by a human touch.

Meanwhile, Vice President Kashim Shettima revealed that President Tinubu is committed to ending the reign of economic saboteurs who have hindered Nigeria’s progress.

Speaking at the recent 21st Replenishment of the International Development Association (IDA) meeting in Nairobi, Kenya, Vice President Shettima said that President Tinubu has been steadfast in fulfilling his promise to end economic sabotage since assuming office.

Representing President Tinubu, Vice President Shettima noted that Nigeria’s aspirations have transcended merely birthing unicorns to becoming a global hub for outsourcing talent within the digital and creative economy. He stressed that the country will achieve this by harnessing the potential of its youthful population.

The Vice President also noted that Nigeria’s economy has escaped the phase of sabotage, and the country is now focused on building a vast digital market capable of absorbing cutting-edge innovations and technologies. This, he said, would position Nigeria as a hub for outsourcing talent in the digital and creative economy spheres.

Vice President Shettima also highlighted the sweeping reforms implemented by the President Tinubu’s administration to curb illicit activities and currency manipulation that had long hindered the nation’s progress. He underlined Nigeria’s commitment to prioritising climate resilience and becoming an attractive destination for carbon market investments.

The Vice President expressed Nigeria’s belief that the summit’s communiqué would reflect the collective needs of African and IDA countries, capturing their “nuances, consensus, dreams, and projections.”

He listed key priorities for Nigeria’s economic recovery in the administration’s ‘Renewed Hope Agenda’, anchored on poverty alleviation, to include economic expansion, job creation, and enhanced access to capital, food security, and inclusivity.

This statement comes nearly two months after Vice President Shettima launched the Outsource to Nigeria Initiative (OTNI) to plunge Nigeria’s net into the $350 billion global outsourcing market. OTNI, a private sector-led, government-enabled program, is anchored by the Office of the Vice President to create jobs in the business process and technology-enabled outsourcing sector.

Vice President Shettima highlighted the need for strategic partnerships and regional economic integration through instruments like the African Continental Free Trade Area Agreement (AfCFTA) to dismantle investment barriers and facilitate access to international markets.

President of Kenya, William Ruto, underscored the urgency of the summit, citing the convergence of global crises, including geopolitical tensions, development and debt crises, and the climate emergency.

He highlighted the devastating impact of severe flooding in the East African region and the vulnerability of the continent to extreme weather patterns, underscoring the critical role of IDA in financing Africa’s development and stability.

World Bank President, Ajay Banga, expressed optimism about Africa’s potential, affirming IDA’s commitment to accelerating progress on the continent. He vowed to “move with urgency and purpose” and make the institution more efficient and impactful.

At the end of the summit, African Heads of State and Government adopted a joint communiqué committing countries to accelerate economic transformation, strengthen implementation capacities, mobilise domestic resources, and partner effectively with IDA.

They called for an ambitious replenishment of IDA to support the continent’s development goals. The Nairobi Communiqué outlined priorities for IDA21, including building human capital, creating jobs, boosting energy and digital access, enhancing resilience to climate change and fragility, and promoting inclusive growth policies.

The summit lay emphasis on the critical role of IDA in financing Africa’s development and stability, with 75 percent of its total commitment directed to Africa in the last fiscal year. African countries comprise eight of IDA’s top 10 borrowers, and the support is not just financial but a lifeline for development and stability.

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food price inflation, which reached a staggering 40 percent in March. This alarming trend not only raises immediate food security concerns but also underscores the need for targeted interventions to address the root causes of inflationary pressures.

As Axel Schimmelpfenning, IMF Mission Chief For Nigeria, rightly points out, sustaining a growth rate slightly above population dynamics presents a significant challenge that must be met with strategic policy measures.

President Bola Tinubu's administration has already embarked on a series of sweeping reforms aimed at revitalising the economy. From slashing costly subsidies to devaluing the currency, these measures signal a commitment to addressing longstanding structural issues and fostering sustainable growth.

However, we suggest it is crucial that these reforms be complemented with targeted policies to ensure their effectiveness in translating economic growth into tangible improvements in the living standards for all Nigerians.

We believe another key area of focus for the federal government should be the scaling up of social safety nets, such as the cash transfer program, to provide much-needed support to vulnerable segments of the population. Bolstering government revenues through fiscal discipline and improved tax collection is essential to sustainably fund these initiatives and ensure their long-term viability.

Moreover, efforts to diversify the economy away from oil dependency and promote inclusive growth must be accelerated to reduce vulnerabilities to external shocks and foster resilience.

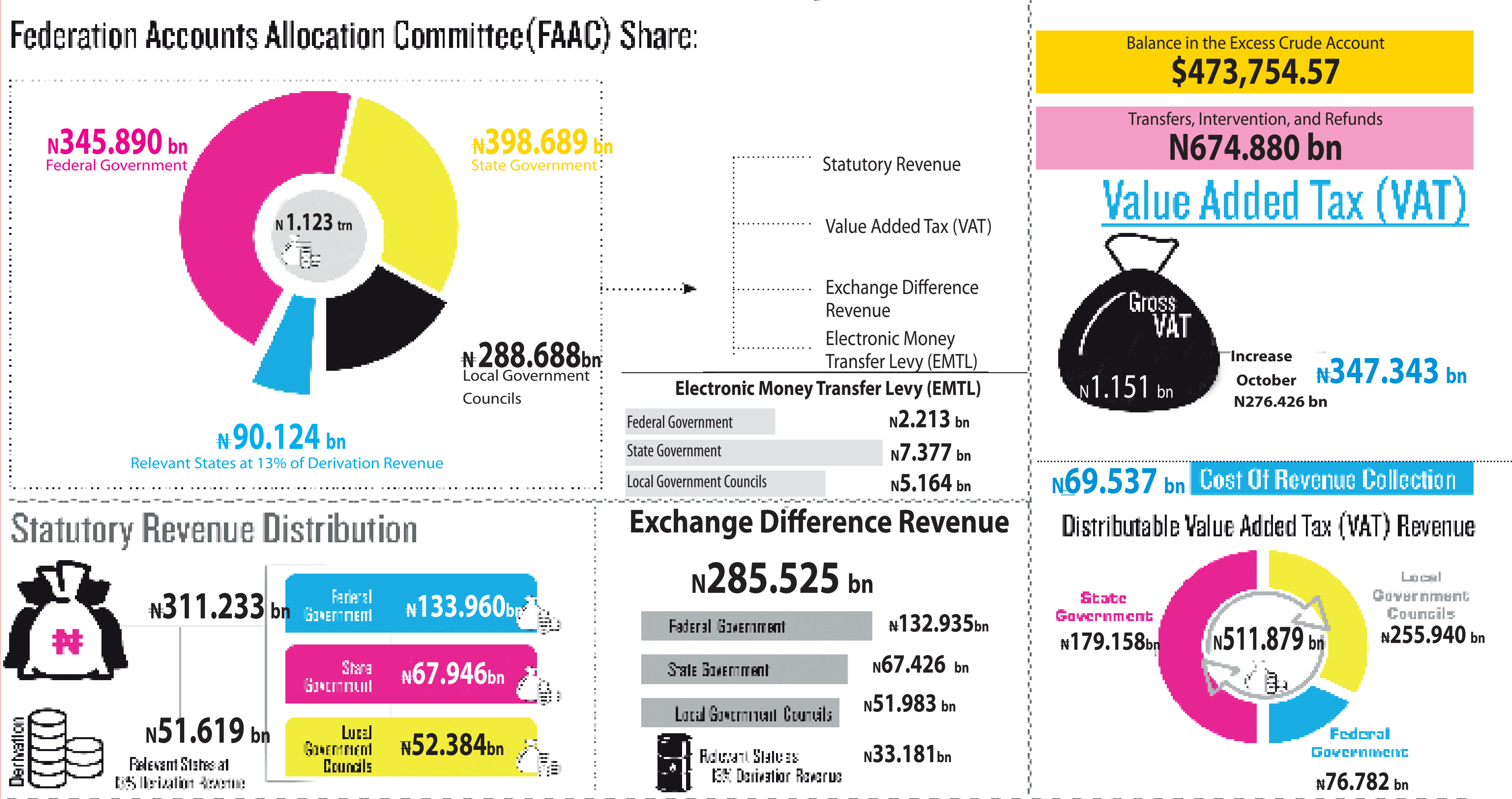
On the monetary front, the recent interest rate hikes by the Central Bank of Nigeria (CBN) are a step in the right direction to curb inflation.

However, a data-driven approach is necessary to further fine-tune monetary policy measures and maintain macroeconomic stability. Building up foreign exchange reserves and adopting a transparent framework for forex interventions are critical to mitigating volatility in the currency market and bolstering investor confidence.

Furthermore, enhancing the regulatory environment and promoting ease of doing business initiatives are no doubt essential to attract capital inflows and stimulate investment. By creating a more investor-friendly climate, Nigeria can capitalise on its vast potential and unlock opportunities for sustainable economic growth.

While the IMF's growth forecast offers optimism for Nigeria's economic prospects, it also serves as a call to action for policymakers to implement bold and decisive measures to address underlying challenges. It is our position that by prioritising targeted policies aimed at inclusive growth, fiscal sustainability, and macroeconomic stability, Nigeria can chart a course towards a prosperous and resilient future for all its citizens.

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.

Senate Commences Investigative Hearing On Solid Minerals Dev't

By Anita Dennis

The Senate has initiated a three-day investigative hearing focused on assessing the input and output values of Nigeria's mining industry, recognising its crucial role in economic diversification, foreign exchange earnings, and social inclusion.

The hearing follows the adoption of a motion by Senator Osita Ngwu, formerly chairman of the Senate Committee on Solid Minerals and now Minority Whip of the Senate. The session aims to scrutinise major mining stakeholders regarding the factors contributing to the decline in revenue from solid minerals development in the country.

Among the topics addressed, the committee reviewed the Bureau of Public Enterprises' (BPE) privatisation or commercialisation programs related to mining and mineral resources from 1999 to date. Senator Ngwu, representing Enugu West, had previously moved a motion in November 2023, calling for a halt to further privatisation of mining assets until the investigation concludes.

He highlighted the significance of the mining sector in various national development strategies and plans, emphasising its potential for economic diversification and social inclusion. Senator Ngwu expressed concerns about the sector's underperformance despite significant investments and privatisation efforts by the BPE.

The investigative hearing, declared open by Senate President, Sen. Godswill Akpabio, aims to gather insights from stakeholders and formulate comprehensive solutions and recommendations. The Senate seeks to address challenges in the mining sector and explore avenues for additional revenue generation to support national development goals under President Bola Tinubu's Renewed Hope agenda.

Sen. Akpabio underscored the significance of the gathering, emphasising its shared purpose of seeking answers to critical questions that will shape the future of the nation. Drawing parallels to Isaac Newton's curiosity leading to the discovery of the law of gravity, he highlighted the importance of conducting investigations to drive progress.

He articulated the need to address why Nigeria's national economy heavily relies on crude oil and why the country hasn't fully tapped into its abundant solid mineral resources to diversify the economy and break free from oil dependence. He also raised concerns about insecurity stemming from illegal mining activities.

The Senate President challenged attendees to propose solutions for transforming Nigeria's mono economy into a fully diversified one, stressing the importance of improving the country's Internally Generated Revenue (IGR). He expressed gratitude to the committee and members for their dedication and commitment to organising the event.

Mr. Dele Alake, Minister of Solid Minerals Development

FG Unveils 10-Year Roadmap For Steel Development

By Majeed Saleem

The federal government has announced a 10-year roadmap for the revival of the steel industry, according to Honourable Minister of Mines and Steel Development, Alh Shuaib Audu.

The Honourable Minister made this disclosure during a visit to KAM Holdings Ltd, a steel products manufacturer in Ilorin, Kwara State.

He stated that the government is working with consultants to gather input from local steel companies to develop the roadmap. He emphasised the need to eliminate substandard steel products from the market to prevent building collapses.

The minister also highlighted President Bola Tinubu's commitment to supporting local investors in the steel sector. As part of this effort, the government has engaged the original developers of the Ajaokuta Steel Company, a Chinese consortium, to revive the facility.

The plan includes creating an industrial park where various steel companies can benefit from Ajaokuta Steel and contribute to the country's GDP.

Kwara State Governor, AbdulRahman AbdulRazaq, commended the federal government's move to revive Ajaokuta Steel Company, describing it as crucial to the administration's industrialisation drive.

He urged President Tinubu to consider KAM Holdings Limited, a prominent steel production company in Kwara, to take over the operation of Ajaokuta Steel Production.

The governor noted that Kwara is currently the second-largest steel production hub in Nigeria, thanks to the activities of KAM Holdings. He commended the minister for his efforts to revive Ajaokuta and for choosing Kwara as the first stop for his fact-finding visit.

This development is expected to boost Nigeria's industrialisation efforts and maximize its steel potentials, leading to significant economic growth and development.

CAC Sets Deadline For Fintechs To Register Agents, Merchants

By Edmond Martins

The Corporate Affairs Commission (CAC) has given financial technology companies (fintech), including Point of Sale (PoS) operators, a two-month ultimatum to register their agents, merchants, and individuals with the commission.

The move, which is in line with legal requirements and Central Bank of Nigeria (CBN) directives, aims to protect fintech customers' businesses and strengthen the economy.

The agreement was reached during a meeting between the CAC Registrar-General, Mr. Hussaini Ishaq Magaji, and fintech representatives.

Mr. Magaji emphasised that the action is backed by Section 863, Subsection 1 of the Companies and Allied Matters Act (CAMA) 2020 and the 2013 CBN guidelines on agent banking.

The registration deadline is set for July 7, 2024, and is not targeted at any specific groups or individuals, but rather aimed at providing protection for businesses.

The move seeks to curb the increasing exposure of payment channels to fraud, with the CAC estimating that about N1.9 billion is lost to PoS-related fraud annually, with over 10,000 reported cases.

The registration drive is part of efforts to safeguard the fintech industry and ensure compliance with regulatory requirements. Fintech companies are expected to comply with the deadline to avoid any potential penalties or sanctions.

FG Plans Fresh Audit Of N2.8trn Subsidy Claims

By Majeed Saleem

The federal government is gearing up to launch a fresh audit of the N2.8 trillion fuel subsidy claim submitted by the Nigerian National Petroleum Company (NNPC) Limited.

An initial audit conducted by KPMG had already reduced the claims from N6 trillion to N2.7 trillion.

This was revealed during the recent Federal Account Allocation Committee meeting (FAAC) held in March 2024.

Honourable Minister of Finance and Chairman of the committee, Mr. Wale Edun, provided updates, affirming the commitment to conducting a forensic audit of NNPC Limited.

This audit, scheduled to cover the period from 2015 to 2021, aims to verify the authenticity of NNPC/Federation Account claims regarding the N2.7 trillion.

Mr. Edun suggested that the Office of the Auditor-General for the Federation (OAuGF) be considered for the fresh audit due to their expertise in auditing. However, this proposal was met with dissent from Mr. Dapo Okubadejo, the Ogun State Commissioner for Finance. He argued that engaging an independent auditor would help mitigate potential conflicts of interest.

Mr. Wale Edun, Honourable Minister of Finance and Coordinating Minister of Economy

Other commissioners, including Mr. Isaac Kamalu of Rivers State and Mr. Lawal A. Maikano of Niger State, also contributed their perspectives to the discussion. Eventually, consensus was reached to prioritise the OAuGF for the audit, with the flexibility to engage an external audit firm if deemed necessary for additional support.

Following the initial proposal to engage the OAuGF for the audit, further discussion ensued among the stakeholders. The Head of Civil Service (HCF) for Ogun State emphasised the importance of engaging an independent auditor to prevent conflicts of interest and ensure impartiality in the audit process.

This sentiment was supported by the HCF of Niger State, who stressed the need for inclusiveness and objectivity.

However, the HCF of Rivers State cautioned that relying solely on an independent auditor might not guarantee the success of the exercise. Instead, he suggested a combination of both OAuGF and external audit firms to enhance the effectiveness of the audit.

The Federal Commissioner of Revenue Mobilization, Allocation, and Fiscal Commission, who also chairs the Indices and Disbursement committee, highlighted that the proposed audit aimed to address outstanding claims, including the reduction of NNPC Limited's claim from N6 trillion to N2.7 trillion after initial reconciliation by KPMG. He reiterated KPMG's recommendation for further audit to resolve these claims.

Ultimately, the meeting agreed to prioritise the OAuGF for the audit while also retaining the option to engage an external audit firm for additional support when necessary.

Efforts to obtain comments from the Chief Corporate Communications Officer of NNPC Ltd., Mr. Olufemi Soneye, were unsuccessful at the time of press. Meanwhile, during the meeting, the Commissioner of Finance for Delta State, Okenmor Tilije, raised concerns about the alleged utilisation of multiple exchange rates by federal government agencies in revenue conversion.

Mr. Tilije highlighted NNPC Limited's application of three different rates, resulting in a significant exchange rate differential of about N2.83 trillion between August 2023 and February 2024. These rates included the CBN Mandated Exchange Rate, the rate applied to Domestic Oil Payables, and the Weighted Average Rate on NNPC Limited Royalty and Taxes.

The discussions reflected a concerted effort among stakeholders to ensure transparency and accuracy in auditing NNPC Limited's subsidy claims and revenue conversions, aiming to enhance accountability and optimise revenue remittances into the Federation Account.

FG Should Raise VAT Rates - Oyedele

By Edmond Martins

The presidential committee on fiscal policy and tax reforms has recommended an increase in value-added tax (VAT) rate, proposing adjustments to the VAT revenue-sharing formula.

The committee's chairman, Mr. Taiwo Oyedele, made this announcement during a policy exposure and impact assessment session.

Currently set at 7.5 percent, VAT rate may see an upward revision according to the committee's proposal.

Mr. Oyedele highlighted the need to review the revenue-sharing structure, suggesting a reduction in the federal government's share from 15 percent to 10 percent. Additionally, the committee proposed increasing states' share while adjusting the distribution to allocate 90 percent to states and 10 percent to local governments.

Explaining the rationale behind the recommendation, Mr. Oyedele emphasised that VAT primarily benefits states, tracing its origins back to the transition from sales tax in 1986 to VAT in 1993. He argued that the burden of VAT should fall on the ultimate consumer, advocating for transparency and neutrality in its implementation.

To mitigate the impact on consumers and small businesses, Mr. Oyedele outlined plans to exempt essential items such as food, education, medical services, and accommodation from VAT. This measure aims to shield vulnerable groups and prevent price hikes on essential goods and services.

Moreover, he assured that the proposed VAT reforms would not lead to increased product prices, as businesses have been consulted, and adjustments will be made in collaboration with the private sector.

In terms of administration, Mr. Oyedele recommended against granting exclusive custodianship of VAT collections to individual states, citing potential chaos. Instead, a coordinated approach would be pursued to ensure efficiency and stability in revenue collection.

Adelabu Says Tariff Hike Boosts Investor Confidence In Power Sector

By Ahmed Ahmed

Amidst debates over the recent Band A tariff hike, Honourable Minister of Power, Mr. Adebayo Adelabu, has stated that the policy is attracting both local and foreign investors to Nigeria's power sector.

Mr. Adelabu made this revelation during the launch of a mobile substation in Lagos State's Ajah area.

He noted that the revised tariff, applicable to 15 percent of Band A customers, has sparked renewed interest from investors, including previously hesitant bankers. Mr. Adelabu highlighted the positive impact of the tariff adjustment, stating that it has led to increased confidence in the sector.

However, the honourable minister cautioned power distribution companies against implementing the new tariff without ensuring a minimum of 20 hours of electricity supply. He reaffirmed the government's commitment to protecting consumers from exploitation, insisting on value for money.

Mr. Adebayo Adelabu, Honourable Minister of Power

Addressing concerns about preferential treatment for Band A customers, Mr. Adelabu clarified that the tariff revision has stimulated demand and encouraged DisCos to supply them adequately. He assured that efforts are underway to augment power generation by adding 1,200 megawatts, aiming to reach 6,000MW by September.

The tariff hike, implemented by the Nigerian Electricity Regulatory Commission, had initially increased rates for Band A customers to N225/kWh, though later reduced by 8.1 percent. Despite threats of protests from organised labour, Mr. Adelabu stands by the government's decision, citing its positive impact on investor confidence and sector growth.

FG Attracts Global Investors For 17 Oil Blocks

Set To Divest 26 Oil Blocks With 8.2m Barrels Of Reserves

By Kingsley Benson

The federal government has made a significant move to attract global oil sector investors by offering 12 oil blocks and five deep offshore assets for sale at the 2024 Offshore Technology Conference in Houston, United States.

During the African Oil Industry Opportunities Session, a side event at the conference, Chief Executive of the Nigerian Upstream Regulatory Commission, Mr. Gbenga Komolafe, highlighted Nigeria's vast hydrocarbon reserves, including 37.5 billion barrels of crude oil and condensate reserves and 209.26 trillion cubic feet of natural gas reserves.

These reserves, he noted, represent over 30 percent and 33 percent respectively of Africa's entire oil and gas reserves, in addition to other renewable energy resources.

Mr. Komolafe emphasised the federal government's commitment to the exploitation and optimisation of these resources in accordance with the Petroleum Industry Act. He announced the commencement of the 2024 licensing round, inviting international investors with financial and technical capacity to participate in the bidding process.

The 12 blocks offered for sale were carefully selected across diverse geological spectra, from onshore basins to continental shelves and deep offshore territories, with each block chosen for its potential to bolster the country's reserves and stimulate economic growth.

Mr. Komolafe assured investors of a fair, competitive, and transparent licensing round, conducted in accordance with the provisions of the Petroleum Industry Act and relevant regulations. He also highlighted the inclusion of seven deep offshore blocks from the 2022 Mini-Bid Round Exercise in this licensing round, covering an area of approximately 6,700 km2 in water depths ranging from 1,150m to 3,100m.

The guidelines for participation in the 2024 oil fields' bid round, as outlined by the Nigerian Upstream Regulatory Commission (NUPRC), are structured to ensure fairness and foster strategic partnerships, promoting not only economic returns but also technological exchange and capacity building.

The commission announced that the bid round for the 12 oil blocks and five deep offshore assets would conclude by January 2025. These newly offered greenfield oil blocks comprise six acreages on the continental shelf, four deep offshore blocks, and two onshore blocks in the Niger Delta region.

The key criteria for participation in the bid round include a demonstration of technical competence, financial capacity, and project viability. It is noted that the bid round will be conducted in accordance with the principles of fairness, competitiveness, and non-discrimination, as stipulated in Sections 73 and 74 of the Petroleum Industry Act, 2021.

The commencement of the 2024 bid round presents a significant opportunity for investors and companies to contribute to the development of Nigeria's oil and gas sector. By including both new greenfield blocks and those from previous bid rounds, the government reaffirms its commitment to maximising the potential of its petroleum resources.

With a focus on technical competence, financial capacity, and fairness, the NUPRC aims to ensure transparent conduct of the licensing round, in line with the provisions of the Petroleum Industry Act. This approach underscores the government's dedication to facilitating sustainable growth and development in the oil and gas industry.

The NUPRC announced plans to divest 26 oil blocks with estimated reserves of 8.211 million barrels of oil to indigenous companies.

The blocks also contain significant amounts of condensate and gas reserves.

According to Mr. Komolafe, the blocks have an estimated total reserve of 8.2 million barrels of oil, 2,699 million barrels of condensate, 44,110 billion cubic feet of associated gas, and 46,604 billion cubic feet of non-associated gas. Additionally, the blocks contain P3 reserves estimated at 5,557 million barrels of oil, 1,221 million barrels of condensate, 14,296 billion cubic feet of associated gas, and 13,518 billion cubic feet of Non-Associated Gas.

The current average production from these blocks is 346,290 barrels per day (bpd), but the technical production potential is much higher, standing at 643,054 bpd. This divestment has the potential to significantly boost national production, benefiting all stakeholders.

NUPRC has engaged two leading global oil and gas decommissioning consultants, S&P Global Commodity Insights (SPGCI) and Boston Consulting Group (BCG), to carry out due diligence on the proposed 26 oil blocks.

The consultants will also work with the commission to define end-of-field life and abandonment legacy liabilities, manage operational risk, and estimate total onshore decommissioning CAPEX liabilities.

The divestment process involves several indigenous companies, including Seplat, Oando, Chappal Energies, and Renaissance, acquiring assets from international oil companies (IOCs) such as Mobil Oil Producing Nigeria Unlimited (MPNU), Nigeria Agip Oil Company (NAOC), Equinor, and Shell Petroleum Development Company (SPDC).

NCS, NESP Launch Advance Ruling Scheme To Enhance Trade Facilitation

As NCS Hosts Regional Workshop On Revised Kyoto Convention

By Jennete Ugo Anya

In a bid to bolster trade facilitation and foster transparency within the trade space, the Nigeria Customs Service (NCS) has collaborated with the Nigerian Energy Support Programme (NESP) to introduce an innovative scheme called Advance Ruling.

The scheme aims to provide stakeholders with binding decisions from customs administrations on the classification, origin, and valuation of goods before importation.

The official launch of the Advance Ruling project took place on Thursday, 2nd May 2024, at Envoy Avenue in Abuja, with the Comptroller-General of Customs (CGC), Bashir Adewale Adeniyi, leading the ceremony.

Describing Advance Ruling as a critical mechanism, CGC Adeniyi highlighted its potential to reduce compliance costs and create a more conducive business environment for traders.

Acknowledging the significance of the project, CGC Adeniyi underscored its alignment with international standards set by the World Customs Organisation (WCO) and the World Trade Organization (WTO). He highlighted that Advance Ruling enhances predictability and transparency in customs procedures, thereby streamlining trade processes and minimizing delays, uncertainties, and associated costs.

CGC Adeniyi expressed gratitude to President Bola Ahmed Tinubu for his commitment to enhancing Nigeria's economy and supporting

Mr. Bashir Adewale Adeniyi, Comptroller-General of Customs

the NCS. He noted that the launch of Advance Ruling aligns with the administration's policy directive to facilitate trade for legitimate traders, as outlined in the government's Policy Advisory Document.

As part of the initiative, the service plans to conduct workshops and sensitisation sessions at Customs Area Commands to ensure stakeholders are well-informed and prepared to utilise the Advance Ruling mechanism effectively.

CGC Adeniyi also commended the German International Cooperation Agency (GIZ) and other partners for their unwavering support in achieving significant milestones in trade facilitation activities under the Nigeria Energy Support Programme.

Highlighting the importance of capacity building, CGC Adeniyi reiterated the service's commitment to leveraging internal resources while exploring collaboration opportunities with external partners like GIZ to ensure the successful implementation of initiatives like Advance Ruling.

Also, NCS commenced a three-day workshop on the Revised Kyoto Convention (RKC) on Monday, 6th May 2024, in Abuja, Nigeria. The event saw the participation of over 32 delegates from West and Central Africa, as well as East and Southern Africa regions.

Assistant Comptroller-General in charge of Strategic Research and Policy (SR&P), ACG Ibrahim Alfa, representing the Comptroller-General of Customs, officially declared the workshop open.

ACG Alfa pointed to the timeliness of the workshop and highlighted the significant strides made by the service in improving staff efficiency. He urged non-contracting members to seriously consider acceding to the convention, expressing confidence that implementing RKC provisions would greatly benefit participant countries and contribute to harmonising customs procedures across Africa.

ACG Alfa also called on African contracting party members to actively engage in the current RKC review process, emphasising the importance of consultations, discussions within WCO committees, and feedback on emerging trade facilitation challenges.

Phuntsho Dorji, Technical Staff of the WCO Secretariat, urged participants to pay close attention to the workshop discussions, emphasising its role in uniting participating countries.

He commended the CGC Adeniyi, for hosting the workshop and encouraged participants to seize the opportunity to foster unity among themselves.

The Revised Kyoto Convention (RKC) serves as a vital mechanism for enhancing international trade facilitation and customs modernisation by harmonising customs procedures, promoting transparency, and improving the efficiency of cross-border trade. The workshop aimed to facilitate knowledge exchange, collaboration, and alignment with international best practices among participating countries.

NBS Publishes March 2024's Price Watch For Selected Food

By Edmond Martins

The National Bureau of Statistic (NBS) has published a list of prices of selected foods for March 2024 across the nation.

NBS's recent report shows that the average price of 1kg Rice local sold loose stood at N1,340.74. Which indicates a rise of 152.93 percent in price on a year-on-year basis from N530.08 recorded in March 2023 and 9.63 percent rise in price on a month-on-month basis from N1,222.97 in February 2024.

The average price of 1kg of Beef (boneless) increased by 73.78 percent on a year-on-year basis from N2,479.61 in March of last year (2023) to N4,309.16 in March 2024.

On a month-on-month basis, the average price of this item increased by 17.91 percent from N3,654.56 in February 2024.

The average price of 1kg of Beans brown (sold loose) rose by 106.78 percent on a year-on-year basis from N596.96 in March 2023 to N1234.40 in March 2024. On a month-on-month basis, it increased by 4.79 percent from N1,177.93 in March 2024.

Similarly, the average price of 1kg of Garri white, sold loose rose by 112.34 percent on a year-on-year basis from N353.16 in March

Prince Adeyemi Adeniran, Statistician-General of the Federation

2023 to N749.89 in March 2024, while there was an increase of 3.66 percent on a month-on-month basis.

In addition, the average price of 1kg of Yam tuber rose by 141.25 percent on a year-on-year basis from N443.02 in March 2023 to N1,068.78 in March 2024. On a month-on-month basis, it increased by 5.87 percent from N1,009.56 in February 2024 to N1,068 in March 2024.

The state profile analysis in March 2024 reveals that the highest average price of 1kg of Rice local sold loose was recorded in Niger state at N1,699.98 while the lowest was recorded in Benue state at N985.83.

The highest average price of 1kg of Beef boneless, was recorded in Kwara at N5,500.00 while the lowest was recorded in Benue State at N3,400.22.

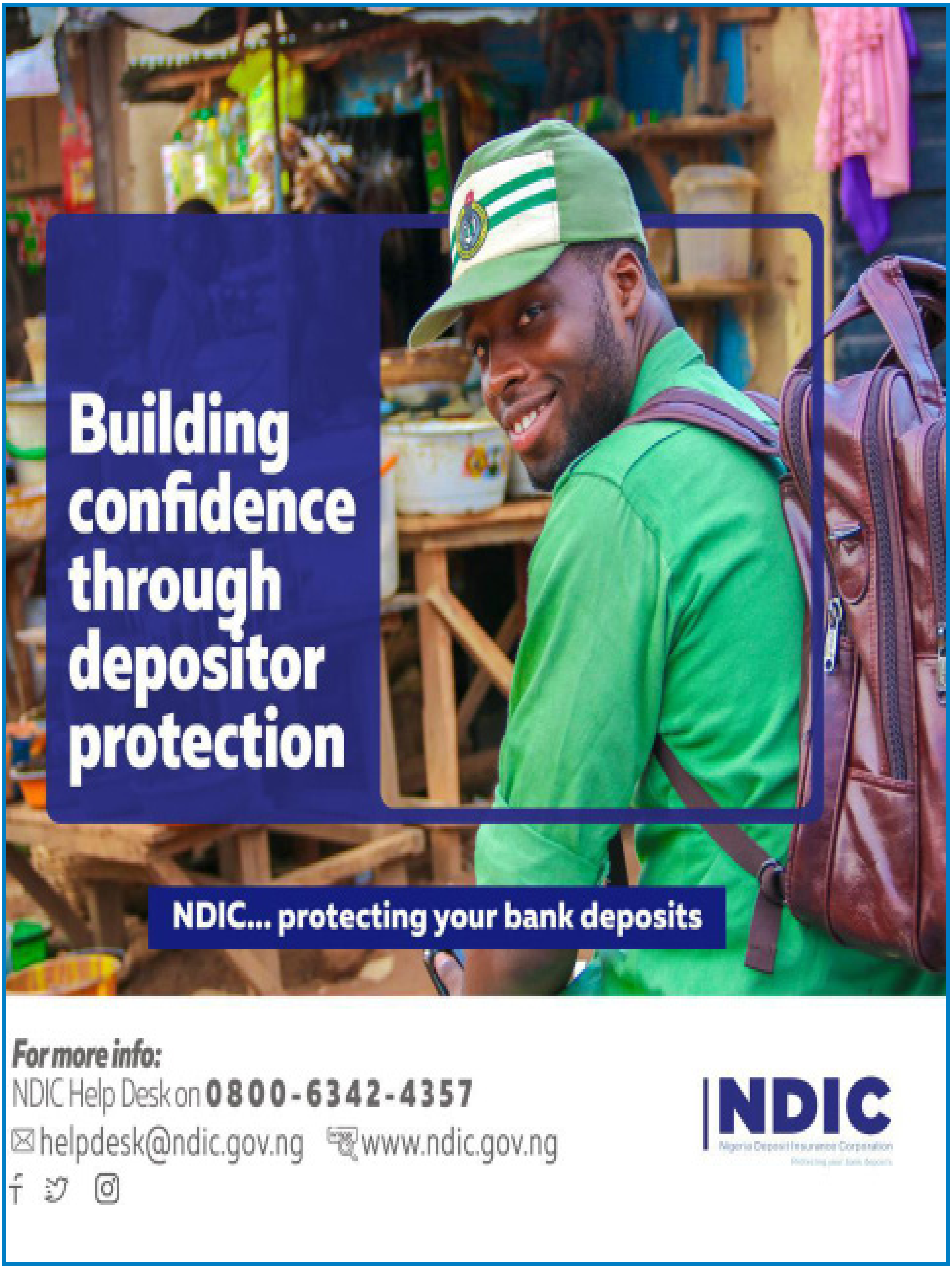
In terms of the average price of 1kg of Beans brown (sold loose), Ondo state recorded the highest price at N1,596.68, while Sokoto recorded the least price at N745.5. Ogun state recorded the highest average price of 1kg of Garri white at N1021.13, while the lowest was reported in Benue at N490.55. The highest average price of 1kg of Yam tuber was recorded in Edo at N 1,695.13, while the least average price was recorded in Katsina at N723.39.

Also, analysis by zone showed that the average price of 1kg Rice local sold loose was highest in the South-west at N1,526.95, followed by the South-south at N1,469.39, while the North-West recorded the lowest average price at N1,104.96.

The average price of 1kg of Beef boneless was highest in the South-south and the South-east at N5,087.89 and N4,877.51, respectively, while the lowest was recorded in the North-West with N3,577.50.

The South-east recorded the highest average price of 1kg of Beans brown (sold loose) at N1,465.87, followed by the South-south at N1,459.22, while the lowest was recorded in the North-west with N863.22.

The South-west and the South-east recorded the highest average price of 1kg of Garri white at N894.51and N835.67, respectively while the lowest was recorded in the North-west with N618.32.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NERC Splits TCN Into Two Independent Operators

By Chiamaka Okpala G.

The Nigerian Electricity Regulatory Commission (NERC) has officially divided the Transmission Company of Nigeria (TCN) into two separate entities: the Nigerian Independent System Operator Nigeria Limited (NISO) and the Transmission Service Provider (TSP).

This development was announced in a circular dated April 30, 2024, signed by NERC Chairman, Mr. Sanusi Garba and Vice Chairman, Mr. Musiliu Oseni.

According to the statement, TCN has transferred all market and system operation responsibilities to the newly formed NISO.

Previously, the commission had granted TCN transmission service provider (TSP) and system operations (SO) licenses under the Electric Power Sector Reform Act.

The unbundling took effect on May 1, 2024, and will remain in place until modified or annulled by a subsequent order issued by the commission. TCN, as a successor company, was issued two separate licenses to operate as the transmission service provider and system operator for the national grid system.

The Electricity Act 2023, which came into effect on June 9, 2023, provided clearer guidelines for the incorporation, governance structure, and licensing of the ISO, as well as the transfer of assets and liabilities of the system operations portion of TCN to the ISO.

As a result, the commission has mandated the Bureau of Public Enterprises (BPE) to incorporate a private company limited by shares under the Companies and Allied Matters Act (CAMA) by May 31, 2024, without fail. This development aims to enhance the efficiency and effectiveness of the power sector.

The NERC announced that the corporation is mandated to perform market and system operation functions as outlined in the Electricity Act and the terms and conditions of the system operation license issued to the TCN.

NERC further stated that, subject to availability at the Corporate Affairs Commission (CAC), the company's name shall be the NISO.

The electricity regulator specified that NISO will be responsible for holding and managing all assets and liabilities related to market and system operation on behalf of market participants, consumer groups, or other stakeholders as determined by the Commission, as per the object clause in NISO's memorandum of association, in line with the Electricity Act.

Additionally, the new Independent System Operator (ISO) will oversee the negotiation and signing of contracts with successor generation licensees and independent power producers for the procurement of ancillary services. It will also fulfill its licensing requirements and carry out market and system operations duties in alignment with the best interests of system users and market players.

Nigeria's Pension Fund Assets Drop To N19.69trn In March

As PTAD Delists Pensioners Who Failed To Confirm Their Aliveness

By Majeed Salaam

Nigeria's pension fund assets experienced a slight decline to N19.669 trillion as of March 31, 2024, representing a marginal decrease of about 0.45 percent from the N19.759 trillion reported in February 2024.

The monthly report for March 2024, released by the National Pension Commission (PenCom), disclosed that the total pension fund net asset value dropped to N19.669 trillion compared to N19.759 trillion reported the previous month.

Analysis of the data indicates that investment in Federal Government of Nigeria (FGN) securities continued to dominate portfolio allocation, accounting for approximately N12.200 trillion or 62.03 percent of the total net asset value (NAV).

Pension funds also allocated N2.058 trillion to corporate debt securities and N1.779 trillion to money market instruments. Investments in ordinary shares of local companies increased by 8.72 percent to N2.082 trillion from N1.915 trillion in February.

Dr. Chioma Ejikeme, Executive Secretary of PTAD

In terms of fund allocation, Fund II, the default Retirement Savings Account (RSA) Fund under the Multi-Fund Structure, maintained the largest share of the Active RSA Funds allocation with N8.331 trillion or 42.35 percent of the total fund NAV. Fund III also experienced a 1.19 percent increase from N5.112 trillion to N5.173 trillion, maintaining its second position for fund allocation.

Meanwhile, RSA membership for March 2024 rose by 0.22 percent to 10,280,956 from 10,258,611 members in February 2024. Pension funds' NAVs have witnessed significant growth from N14.9 trillion in December 2022 to N19.7 trillion in March 2024, representing a remarkable N4.8 trillion or 32.21 percent increase.

This surge is likely attributed to a combination of increased pension fund contributions and a rise in portfolio values. For instance, FGN Securities' Net Asset Values have risen from N9.64 trillion in 2022 to N11.89 trillion as of March 2024.

In another development, the Pension Transitional Arrangement Directorate (PTAD) took action to delist pensioners who have failed to confirm their aliveness from the pension payroll.

In a release posted on PTAD's social media handle on Monday, May 6th, 2024, signed by Olugbenga Ajayi, the Head of the Corporate Communications Unit PTAD, the directorate announced the delisting of pensioners who did not confirm their aliveness as per the notification sent out in February 2024.

It was disclosed that pensioners who missed the deadline for confirming their aliveness have been suspended from the pension payroll. However, if these pensioners confirm their aliveness after the due date, they will be automatically reinstated onto the pension payroll for the next payment cycle. Any missed payments during the suspension period will be calculated and included in the pension arrears, according to the directorate.

The pensioners have been instructed to check their department's lists to see if their names are included. If their names are listed, they are directed to visit https://iamalive.ptad.gov.ng/ to begin the confirmation process using the facial confirmation option, which is described as easy, secure, and cost-effective.

Furthermore, it was emphasised that PTAD would never request bank verification number (BVN), automated teller machine (ATM) card details, ATM card PIN for 'I Am Alive' confirmation, or cash to process pension payments. Pensioners are warned to beware of fraudsters and are encouraged to report suspicious phone calls or messages, all this aims to ensure transparency and security in the pension confirmation process.

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Economy & Investment

ADVERT RATE

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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

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HANDLING CHARGE (SINGLE)	1,000,000.00

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NEXIM Bank Takes Centre Stage At NDFF 2024 Conference

Left to right: **Ms Funke Agbor (SAN),** Partner Dentons ACAS-Law, **Mr.Andrew Lynch MD/CEO,** Mediterranean Shipping Company(MSC) Nigeria, **Mr Hope Yongo,** Technical Adviser to MD NEXIM Bank, and **Mr.Chidi Ilogu (SAN),** Senior Partner at Foundation Chambers, all at the recent NDFF Conference in Abuja.

Left to right: **Mr.Andrew Lynch MD/CEO,** Mediterranean Shipping Company(MSC) Nigeria, **Ms Funke Agbor (SAN),** Partner Dentons ACAS-Law, **Jide Akintunde,** MD/CEO, Financial Nigeria International, **Mr. Abba Bello,** Managing Director/Chief Executive of NEXIM Bank, **Mr Hope Yongo,** Technical Adviser to MD NEXIM Bank, and **Mr.Chidi Ilogu (SAN),** Senior Partner at Foundation Chambers, all at the recent NDFF Conference in Abuja.

By Jennete Ugo Anya

The Nigerian Export-Import (NEXIM) Bank, played a significant role at the recent Nigeria Development and Finance Forum (NDFF) 2024 conference, held at the Transcorp Hilton Hotel Abuja.

The two-day event, themed: 'The Road to Economic and Social Welfare Transformation,' aimed to provide strategies for Nigeria's economic growth and progress.

On the first day of the event, NEXIM Bank's participation focused on promoting sustainable economic progress in Nigeria. Managing Director\Chief Executive (MD\CE) of NEXIM Bank, Mr. Abba Bello, and Technical Adviser to the MD/CE of the bank, Mr. Hope Yongo, engaged with industry stakeholders and dignitaries, including Honourable Minister of Health and Social Welfare, Prof Muhammad Ali Pate, and Director-General (DG) of the National Agency for Food and Drug Administration and Control (NAFDAC), Prof Moji Adeyeye.

Also, on the second day, NEXIM Bank's role in facilitating trade and driving Nigeria's foreign exchange earnings was highlighted in an industry-focused session on the Nigerian blue economy. Mr. Hope Yongo joined other major industry stakeholders to share perspectives and provide insights on the bank's initiatives to unlock investments in the blue economy.

The session, titled: 'Nigeria's Blue Economy: Prospects, Opportunities, and Challenges,' featured a panel discussion moderated by Funke Agbor, SAN, Partner at Dentons ACAS Law. Other participants included MD/CEO of Mediterranean Shipping Company (MSC) Nigeria Ltd, Mr. Andrew Lynch, and Managing Partner, Foundation Chambers, Mr. Chidi Ilogu, SAN.

NEXIM Bank's participation at the NDFF 2024 conference demonstrated its commitment to supporting Nigeria's economic growth and development. As a key player in the country's export-import sector, NEXIM Bank continues to drive initiatives aimed at unlocking investments and promoting sustainable economic progress.

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Enhancing The Impact Of Conditional Cash Transfer Scheme: A Call To Action

POLICY BRIEF

with

ENAM **OBIOSIO**

According to the World Bank, the federal government's conditional cash transfer scheme had limited impact on household consumption, financial inclusion, women's employment and employment of beneficiaries.

This is despite the global lender funding a significant chunk of the cash transfer programme signed off to the nation as a loan.

Recall, in 2016, the federal government in collaboration with the World Bank launched a social safety net programme for the nation. The project is being implemented through the National Social Safety Nets Project. At its launch, the government planned to share N5,000 to one million Nigerians as part of its N500 billion social intervention package.

In the following years of President Muhammadu Buhari's administration, the programme was sustained alongside others.

However, on assumption of office, President Bola Tinubu, through the National Economic Council, rejected the social intervention register on the back of credibility issues.

The government, however, secured $800 million World Bank facility planned to be disbursed in the form of cash transfer to the most vulnerable Nigerians, following the removal of the petrol subsidy. The conditional cash transfer scheme is, of course, aimed to alleviate poverty and improve household welfare through providing cash transfers to eligible households.

However, the recent assessment by the World Bank suggests that the scheme did not significantly boost household consumption. Another goal of the cash transfer scheme was to promote financial inclusion among beneficiaries by encouraging them to engage with formal financial services.

The cash transfer scheme may have aimed to provide temporary relief to vulnerable households and facilitate their transition out of poverty by supporting employment opportunities. However, the global bank's assessment indicates that the scheme had little impact on improving employment outcomes for beneficiaries. This suggests that additional measures may be needed to address structural barriers to employment, such as skills development, job creation initiatives, or access to markets and opportunities.

It is evident in that the World Bank's assessment serves as a wakeup call for the Federal Government of Nigeria to improve the positive impact of the conditional cash transfer scheme on its beneficiaries.

In order to achieve a greater impact of the cash transfer on its beneficiaries, I suggest the government should refine the targeting criteria to ensure that cash transfers reach the most vulnerable households who are in genuine need of the assistance. This may involve updating beneficiary selection processes based on updated data and indicators of poverty and vulnerability.

Another measure I believe the government can adopt is increasing the amount of cash transfers to beneficiaries to ensure they are adequate to meet basic needs and contribute meaningfully to household consumption. This may require reallocating resources or securing additional funding to expand the scale and scope of the program.

> …the government can strengthen the effectiveness of the conditional cash transfer scheme and maximise its positive impact on poverty reduction, household welfare, and economic empowerment of beneficiaries.

Also, the federal government should provide complementary support services; it should by providing beneficiaries with access to complementary support services such as financial literacy training, vocational skills development, and job placement assistance. These services can empower beneficiaries to make informed financial decisions, improve their employability, and enhance their long-term economic prospects.

More so, there should be a system for implementing robust monitoring and evaluation mechanisms to track the effectiveness and impact of the cash transfer scheme over time. This, I want to believe, should involve regularly collecting and analysing data on key indicators such as household consumption, financial inclusion, and employment outcomes to inform evidence-based decision-making and programmatic adjustments.

Moreover, the lack of significant improvement in financial inclusion among beneficiaries indicates that barriers such as limited access to formal financial services or lack of financial literacy may be hindering their ability to fully utilise the cash transfers. To enhance financial inclusion, the government should invest more in financial literacy programs and initiatives to improve access to banking services, especially in rural and underserved areas where beneficiaries may face greater challenges.

Additionally, the conditional cash transfer scheme's limited impact on employment outcomes reflects that it may not be effectively supporting beneficiaries in securing sustainable livelihoods. To address this, the government again should complement cash transfers with initiatives aimed at promoting skills development, job training, and entrepreneurship opportunities. By equipping beneficiaries with the necessary skills and resources, the government can also empower them to participate more actively in the labour market and increase their chances of finding stable employment.

In all, to enable the greater impact of the cash transfer scheme, the federal government must adopt a comprehensive approach that addresses the underlying structural barriers to poverty alleviation, financial inclusion, and employment. By implementing these measures, the government can strengthen the effectiveness of the conditional cash transfer scheme and maximise its positive impact on poverty reduction, household welfare, and economic empowerment of beneficiaries.

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All correspondence to Editor: **Enam Obiosio** (08058334933); D2-32 Atiku Abubakar Crescent, Cityview Estate, Dakwo, Abuja;
E-mail: info@fmfinsights.com; **Website:** www.fmfinsights.com