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FG Must Turn Promises Into Tangible Results

EDITORIAL

As Nigeria steps into 2025, President Bola Ahmed Tinubu's New Year address resonates with optimism and ambition, painting a picture of a nation on the brink of economic revival and social stability.

The President spoke with clarity and resolve, outlining key priorities ranging from economic stability to social welfare, while acknowledging the difficulties endured by Nigerians in the past year. However, speeches—no matter how well-crafted—are only as impactful as the actions that follow them. The weight of expectations now rests heavily on the federal government's ability to translate these promises into measurable, tangible outcomes.

The President's speech did not shy away from the economic turbulence of the previous year. Nigerians have grappled with rising inflation, surging costs of food and essential medicines, and the lingering effects of subsidy removal. Yet, amidst these difficulties, there are glimmers of hope. The

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2024 In Review:

Evaluating President Tinubu's Economic Reforms, Impact On Nigerians

The year 2024 marked a defining period in Nigeria's economic history, characterised by bold policy decisions, ambitious reforms, and a leadership style willing to embrace difficult choices for long-term gains. ***President Bola Ahmed Tinubu's*** *administration stepped into office with a clear mandate: to stabilise an economy plagued by structural inefficiencies, escalating inflation, dwindling foreign reserves, and a volatile currency market. As 2024 has ended,* ***Enam Obiosio*** *reflects on key economic reforms implemented by the administration, and the road ahead.*

From the removal of fuel subsidies to the unification of the foreign exchange market, from efforts to tackle inflation to initiatives aimed at boosting local production, the President Tinubu administration has not shied away from addressing Nigeria's most pressing economic challenges. However, while some of these reforms have shown promising results, others have exposed deep structural weaknesses and sparked economic hardship among ordinary Nigerians.

Fuel Subsidy Removal: A Bold but Painful Move

Arguably the most impactful—and controversial—economic reform of this administration was the removal of fuel subsidies. Announced immediately President Tinubu assumed office, this decision was framed as a necessary step to free up funds for critical investments in infrastructure, healthcare, and education.

For decades, the fuel subsidy had been a

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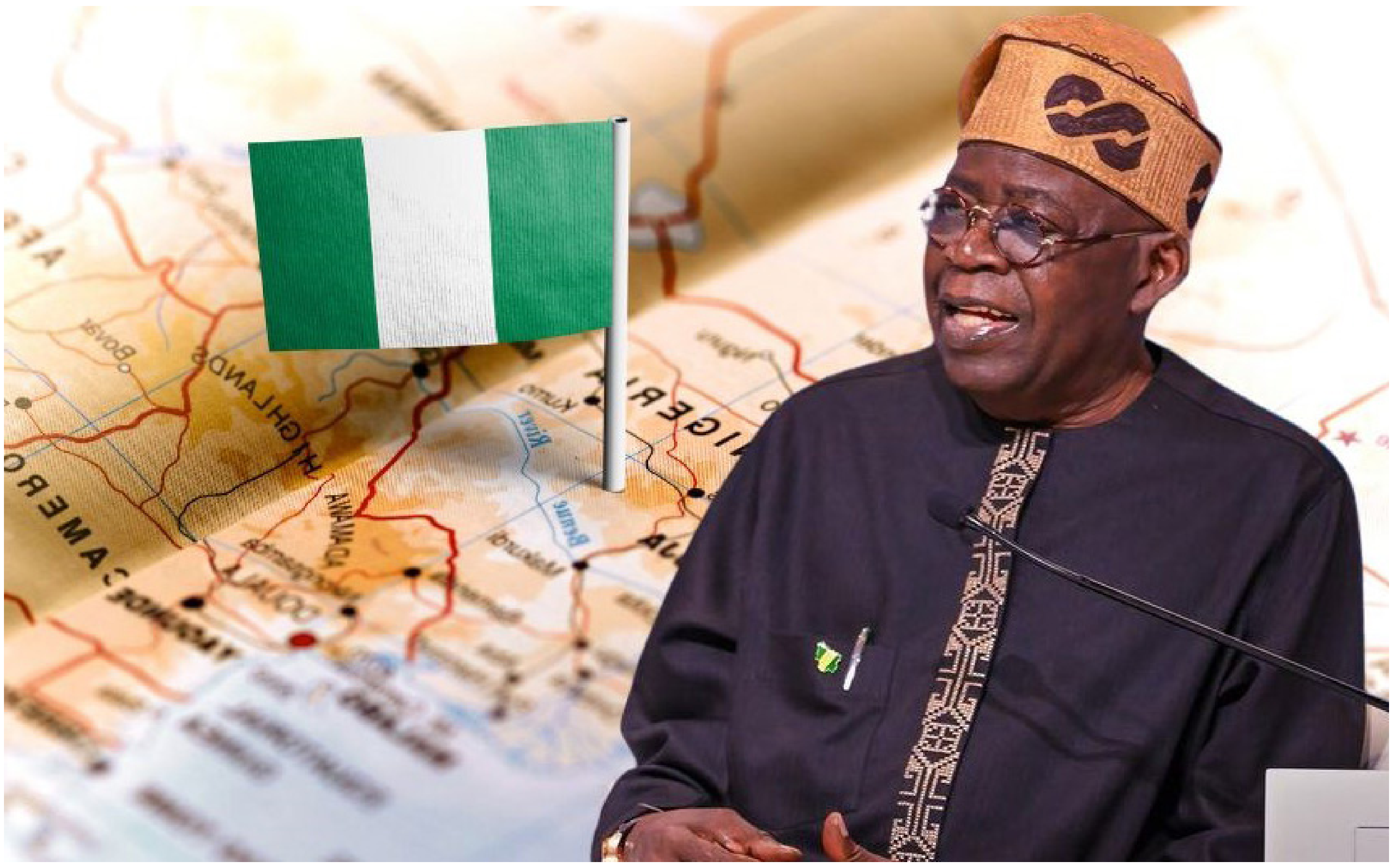

President Bola Ahmed Tinubu

FUND

AfDB Pledges To Disburse $2.2bn For Agro-Industrial Hubs In Nigeria

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AfDB Pledges To Disburse $2.2bn For Agro-Industrial Hubs In Nigeria

By Edmond Martins

Dr. Akinwumi Adesina, President of African Development Bank Group

The African Development Bank (AfDB) has pledged to disburse a staggering $2.2 billion in funding to establish Special Agro-Industrial Processing Zones (SAPZ) across the country.

This ambitious initiative is poised to not only address food insecurity but also bolster Nigeria's standing as a leader in agro-industrial development in Africa.

The Special Agro-Industrial Processing Zones (SAPZ) program is a vital component of the AfDB's broader strategy to enhance agricultural productivity and create sustainable economic opportunities.

In a recent statement, Mr. Abdul Kamara, the Director-General of the AfDB Nigeria Office, outlined the scope and significance of this initiative. The funds, which are expected to be released starting this 2025, will facilitate the establishment of agro-industrial hubs across seven key regions, including the Federal Capital Territory (FCT), Cross River, Ogun, Oyo, Kaduna, Kano, and Kwara states. These zones are designed to serve as central points for agricultural processing, aggregation, and value chain development, addressing critical issues such as food security, job creation, and enhanced agricultural output.

The SAPZ will focus on transforming Nigeria's agricultural landscape by integrating smallholder farmers, small and medium-sized enterprises (SMEs), and large-scale industrial players into an efficient value chain. This approach will increase access to vital infrastructure, market linkages, and modern processing facilities, fostering growth and competitiveness within the agricultural sector. By focusing on the development of agro-industrial hubs, the SAPZ initiative seeks to bridge the gap between agricultural production and industrial processing, ensuring that raw agricultural materials are converted into high-value products.

The program's impact is expected to be far-reaching. Job creation will be one of the key benefits, with an estimated increase in employment opportunities across the agricultural value chain, from farming to logistics, processing, and marketing. The influx of investment into the sector is also likely to attract further opportunities for entrepreneurship, particularly for SMEs and micro, small, and medium enterprises (MSMEs), which are often the backbone of Nigeria's economy.

However, the SAPZ project has faced some delays since its approval in 2021, primarily due to the complexity of reaching agreements between the federal government, the AfDB, and co-financiers, including the International Fund for Agricultural Development (IFAD) and the Islamic Development Bank (IsDB). Despite these setbacks, Mr. Kamara confirmed that the necessary agreements have now been finalised and that bidding documents for construction and mobilisation activities are in the final stages of preparation.

> By focusing on the development of agro-industrial hubs, the SAPZ initiative seeks to bridge the gap between agricultural production and industrial processing...

For SMEs, this initiative offers a window of opportunity to scale operations and tap into previously underutilised resources. The establishment of agro-industrial zones will provide these businesses with access to world-class infrastructure and facilitate their integration into more robust value chains. This will not only help improve the competitiveness of local businesses but will also unlock new markets, both locally and globally.

As Nigeria continues to grapple with the challenges of food security, rising population growth, and economic diversification, initiatives such as the SAPZ program provide hope for a sustainable and prosperous future. The funding from the AfDB will play a key role in not only boosting food production but also ensuring that the benefits of increased agricultural productivity translate into tangible economic growth. By fostering a more interconnected and efficient agricultural sector, the SAPZ initiative stands as a cornerstone of Nigeria's long-term development strategy, with the potential to improve millions of lives across the country.

2024 In Review: Evaluating President Tinubu's Economic Reforms, Impact On Nigerians

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fiscal black hole, draining billions of dollars annually while benefiting middlemen more than the average Nigerian.

In theory, the subsidy removal was sound economic logic. However, its immediate aftermath was harsh. Fuel prices skyrocketed, transportation costs surged, and inflationary pressures intensified across various sectors. The ripple effect has been felt most acutely by low-income households, who struggled to cope with the rising cost of living.

Yet, amidst the hardship, some green shoots of progress emerged. Savings from the subsidy removal allowed the government to channel funds into infrastructure projects, particularly in road construction and energy initiatives. Furthermore, the reduction in fuel smuggling across borders hinted at an improvement in resource accountability.

Looking ahead, the success of this policy hinges on transparency in how subsidy savings are utilised. Nigerians must see visible improvements in public services, and safety nets must be strengthened to shield vulnerable populations from future shocks.

> There must be sustained investment in agriculture, improved security in farming areas, and better coordination between monetary and fiscal authorities

Exchange Rate Unification: Bringing Order to Chaos

Another key reform was the unification of Nigeria's multiple foreign exchange rates into a single market-driven rate. For years, Nigeria operated under a convoluted forex regime that bred corruption, discouraged foreign investment, and artificially propped up the naira while depleting foreign reserves.

The decision to adopt a market-determined exchange rate was a bold step towards restoring investor confidence and reducing arbitrage opportunities. However, the transition was anything but smooth. The naira initially plummeted against the dollar, triggering panic in the markets and pushing up the cost of imports.

By the latter part of the year 2024, some level of stability began to return. The foreign reserves saw marginal improvements, and foreign portfolio investors started trickling back into Nigeria's financial markets. Yet, local businesses that rely heavily on imports continued to grapple with higher costs.

For the reform to deliver its full potential, Nigeria must boost its export capacity, reduce reliance on imports, and address structural issues in its economy. The Central Bank must also ensure transparency and consistency in its forex policies to prevent market distortions.

Tackling Inflation: A Persistent Battle

Inflation remained one of the most stubborn challenges of 2024. At its peak, inflation climbed to a staggering 34.6 percent, eroding purchasing power and creating widespread economic anxiety. Food inflation, in particular, hit record highs, exacerbating hunger and poverty levels across the country.

To address this, the President Tinubu administration introduced a mix of monetary and fiscal measures. The Central Bank raised interest rates in an attempt to curb inflation, while the government launched initiatives aimed at boosting local food production and reducing import dependence.

Efforts were also made to improve the distribution and storage of agricultural products, with an emphasis on reducing post-harvest losses. Yet, insecurity in key farming regions remained a significant barrier, preventing many farmers from accessing their land and contributing to national food output.

This year, achieving inflation targets will require more than interest rate adjustments. There must be sustained investment in agriculture, improved security in farming areas, and better coordination between monetary and fiscal authorities.

National Credit Guarantee Company: Unlocking Access to Credit

One of the more forward-looking initiatives of the President Tinubu administration was the establishment of the National Credit Guarantee Company (NCGC). This entity was designed to improve access to credit, especially for small and medium-sized enterprises (SMEs), women entrepreneurs, and youth-driven startups.

For decades, SMEs have faced significant hurdles in accessing affordable credit from traditional financial institutions. High interest rates, cumbersome loan application processes, and lack of collateral have stifled entrepreneurial growth. The NCGC aims to address these barriers by providing risk-sharing instruments that encourage banks to lend to underserved sectors.

While still in its early stages, the NCGC represents a significant step towards unlocking Nigeria's entrepreneurial potential. However, its success will depend on transparency, accountability, and effective monitoring mechanisms. Without these, the initiative risks becoming another well-intentioned policy mired in corruption and inefficiency.

The One-trillion-dollar Economy Ambition: A Long Road Ahead

President Tinubu's vision of building a one-trillion-dollar economy is ambitious, bold, and inspiring. It signals a leadership that is not content with incremental progress but seeks transformative growth. However, achieving this vision requires more than optimism—it demands concrete action across key sectors such as manufacturing, technology, agriculture, and energy.

Infrastructure remains a bottleneck that must be addressed urgently. From dilapidated roads to an unstable power supply, these challenges continue to stifle productivity and discourage investment. Additionally, the ease of doing business must be prioritised, with consistent policies that reassure both local and foreign investors.

Year 2024 was not an easy year for Nigerians, but it was a year of bold reforms and necessary decisions. The President Tinubu administration demonstrated a willingness to confront long-standing economic challenges, even when the solutions were painful and unpopular.

Yet, the true measure of these reforms lies in their outcomes. Nigerians are not merely interested in macroeconomic indicators—they want to see the policies reflect in their daily lives. Lower food prices, better infrastructure, accessible healthcare, and greater economic opportunities must become the markers of success.

Stepping into 2025, the government must prioritise transparency, accountability, and citizen engagement. Policies must not only be well-crafted—they must be well-implemented. For every promise made, there must be measurable results. The productive revival brought to bear in the Nigerian refineries must be truly sustainable.

President Tinubu has laid the foundation, but the work is far from over. This year must be one of delivery, where bold reforms translate into tangible improvements for every Nigerian, from the bustling streets of Lagos State to the quiet farmlands of Nasarawa State. Only then can Nigerians truly say that Nigeria is on the path to sustainable economic prosperity.

FG Allocates N132bn To Boost Agriculture In 2025

By Musa Ibrahim

The federal government has allocated N132 billion to support farmers and drive agricultural development in 2025.

This allocation, outlined in the 2025 Appropriation Bill, forms a key part of the National Agricultural Development Fund (NADF) initiative aimed at tackling poverty, boosting productivity, and improving resource accessibility within Nigeria's agricultural sector.

Established under an Act signed by former President Muhammadu Buhari in October 2022, the NADF serves as a critical platform for implementing agricultural policies, providing financial support, and addressing systemic challenges that have stunted sectoral growth.

The fund is tasked with supporting agricultural activities across crop production, livestock, fisheries, poultry, and agroforestry, with a strong emphasis on enhancing food security. It also facilitates financial assistance to farmers through microfinance institutions, cooperatives, and farmer groups.

Key focus areas for the N132 billion allocation include providing farmers with improved seeds, fertilisers, mechanised equipment, irrigation systems, and better market access. These interventions aim to address historical challenges faced by smallholder farmers, who constitute over 80 percent of Nigeria's agricultural workforce.

An associate professor at the University of Africa, Bayelsa State, Unekwuojo Onuche, emphasised the importance of transparency and accountability in fund disbursement. "If this allocation marks a genuine improvement in real terms, then it is a positive step. However, timely and transparent disbursement is crucial to ensure the funds benefit the right people," he noted.

Similarly, agricultural economist, Joseph Deborah, from the Federal University of Agriculture, Abeokuta, warned against potential mismanagement. She advocated for direct farmer registration and empowerment mechanisms to prevent funds from being diverted. "This initiative holds promise, but its success hinges on proper implementation and ensuring the funds reach those they are meant for," she stressed.

FG Allocates N16.3trn For Debt Servicing In 2025 Budget

By Anita Dennis

The federal government has earmarked N16.327 trillion for debt servicing in its 2025 budget, a strategic move aimed at fulfilling the country's foreign and local debt obligations.

This allocation comes as part of the broader N49.7 trillion expenditure proposed by President Bola Tinubu's administration, highlighting the government's commitment to maintaining fiscal discipline and managing its debt in line with international standards.

The Debt Management Office (DMO) has assured the public that the provision is adequate to meet Nigeria's debt servicing requirements, both foreign and domestic, in the coming year. According to the DMO, the debt management strategy aligns with relevant national and international regulations, reinforcing Nigeria's ability to honour its debt obligations without jeopardizing the economy's growth potential.

In recent years, Nigeria has faced increasing scrutiny over its rising debt levels, but the DMO's confirmation of adequate provisions for debt servicing provides reassurance to both domestic and international investors. The country has consistently met its debt obligations, which has helped build investor confidence in Nigeria's financial markets. This confidence was further demonstrated by the recent successful issuance of $2.2 billion in Eurobonds, which was met with overwhelming demand. The Eurobonds, which were oversubscribed by more than $9 billion, attracted a wide range of investors from across the globe, including the UK, North America, Europe, Asia, and the Middle East.

The DMO pointed out that the Eurobond issuance highlights the growing trust in Nigeria's financial instruments and its ability to manage debt effectively. The transaction's success is also seen as a positive sign of the country's resilient credit position. With Nigerian investors also participating in the Eurobond offering, the government is bolstering its relationship with both local and foreign markets.

In addition to raising funds, the DMO noted that the Eurobond issuance has deepened Nigeria's domestic capital markets, opening up opportunities for other entities, including banks and corporate organizations, to tap into the international bond market. This has further boosted the attractiveness of Nigerian financial securities, including federal government Bonds, Sukuk bonds, and other government-issued instruments.

The DMO has also reassured stakeholders that provisions for debt servicing in Nigeria's Medium-Term Expenditure Framework (MTEF) for 2025-2027 are sufficient to meet the country's debt obligations. The agency's statement indicates that this provision will ensure the government can meet its debt servicing needs while continuing to allocate funds for crucial development projects aimed at fostering economic growth.

Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, commended the successful Eurobond issuance as a clear indication of growing investor confidence in the government's economic stabilisation efforts. He emphasised that the broad interest in Nigerian Eurobonds reflects the ongoing diversification of Nigeria's funding sources and its continued engagement with the international capital markets.

The Central Bank of Nigeria (CBN) Governor, Mr. Yemi Cardoso, also commented on the success of the Eurobond offering, noting that it demonstrates Nigeria's improved liquidity position and its ability to access international markets to support government financing needs. The positive reception of the bond issuance further highlights Nigeria's sound fiscal policies and prudent economic management.

With the 2025 budget provision for debt servicing, the federal government has demonstrated its commitment to meeting its financial obligations while securing a stable fiscal future. However, analysts caution that the government must continue to balance its borrowing strategy with investments in key sectors such as infrastructure and social services. By doing so, Nigeria can ensure sustainable growth, avoid excessive debt burdens, and provide future generations with greater economic opportunities.

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strengthening of the naira against the dollar, consecutive quarters of foreign trade surpluses, increased foreign reserves, and record-breaking growth in the stock market signal an economy gradually regaining stability. These indicators are not mere statistical milestones—they represent the foundation upon which broader economic recovery can be built.

However, for these improvements to translate into meaningful change for the average Nigerian, we ask the government to prioritise addressing the high cost of living. President Tinubu's promise to reduce inflation from its staggering 34.6 percent to 15 percent is a bold but achievable target if backed by deliberate and well-coordinated policies. Boosting food production through strategic agricultural investments and promoting local manufacturing of essential drugs are commendable initiatives, but they require robust execution and close monitoring. Insecurity in farming regions must be tackled decisively, and bottlenecks within the supply chain must be addressed to ensure food and medical supplies are both accessible and affordable.

A critical highlight of the President's address was the introduction of the National Credit Guarantee Company—a policy initiative aimed at breaking barriers to credit access for Nigerians, especially women, youth, and small business owners. For decades, the lack of accessible financing has stifled entrepreneurship and slowed down economic diversification. If implemented transparently and efficiently, this initiative has the potential to unleash a wave of economic participation across the country.

However, it must not fall prey to the pitfalls that have undermined similar initiatives in the past—bureaucratic red tape, political interference, and a lack of transparency. For us, the success of the National Credit Guarantee Company will depend on clear governance structures, periodic audits, and measurable deliverables. Nigerians must see this initiative not just as another government program but as a functional vehicle for economic empowerment.

Beyond the economic agenda, President Tinubu's speech highlighted the need for unity and collective responsibility in building a prosperous Nigeria. His call for Nigerians to rise above ethnic, religious, and political divides could not have come at a more crucial time. Nigeria's development trajectory has often been derailed by division and distrust. To foster national cohesion, the government must lead by example—ensuring inclusivity in policy implementation, fostering trust in public institutions, and communicating openly with citizens. Unity cannot thrive where there is inequality or a perception of exclusion.

The promise of a trillion-dollar economy by the Tinubu administration is bold, but it must not be reduced to a mere slogan. Achieving this goal will require a multi-sectoral approach driven by consistency, innovation, and accountability. Industrialisation, infrastructure development, digital transformation, and sustainable energy policies must all align under a unified vision. The government must prioritise building an enabling environment for both local and foreign investors, anchored on regulatory stability, security, and transparency.

Furthermore, governance in 2025 must be characterised by openness and accountability. Nigerians deserve frequent updates on the progress of key initiatives, and public officials must be held accountable for lapses in implementation. Transparency breeds trust, and trust is the foundation upon which any successful reform rests.

It is also imperative that the government does not lose sight of the human element in these reforms. Economic indicators may point to progress, but if citizens cannot feel these improvements in their daily lives—in the affordability of food, medicine, and transportation—then the reforms would have failed in their core purpose.

The President's call for Nigerians to remain focused and undistracted by divisive elements must also extend to his administration. The government cannot afford to be side tracked by political theatrics or bureaucratic inefficiencies. Every decision, every policy, and every initiative must be guided by the singular goal of improving the lives of Nigerians.

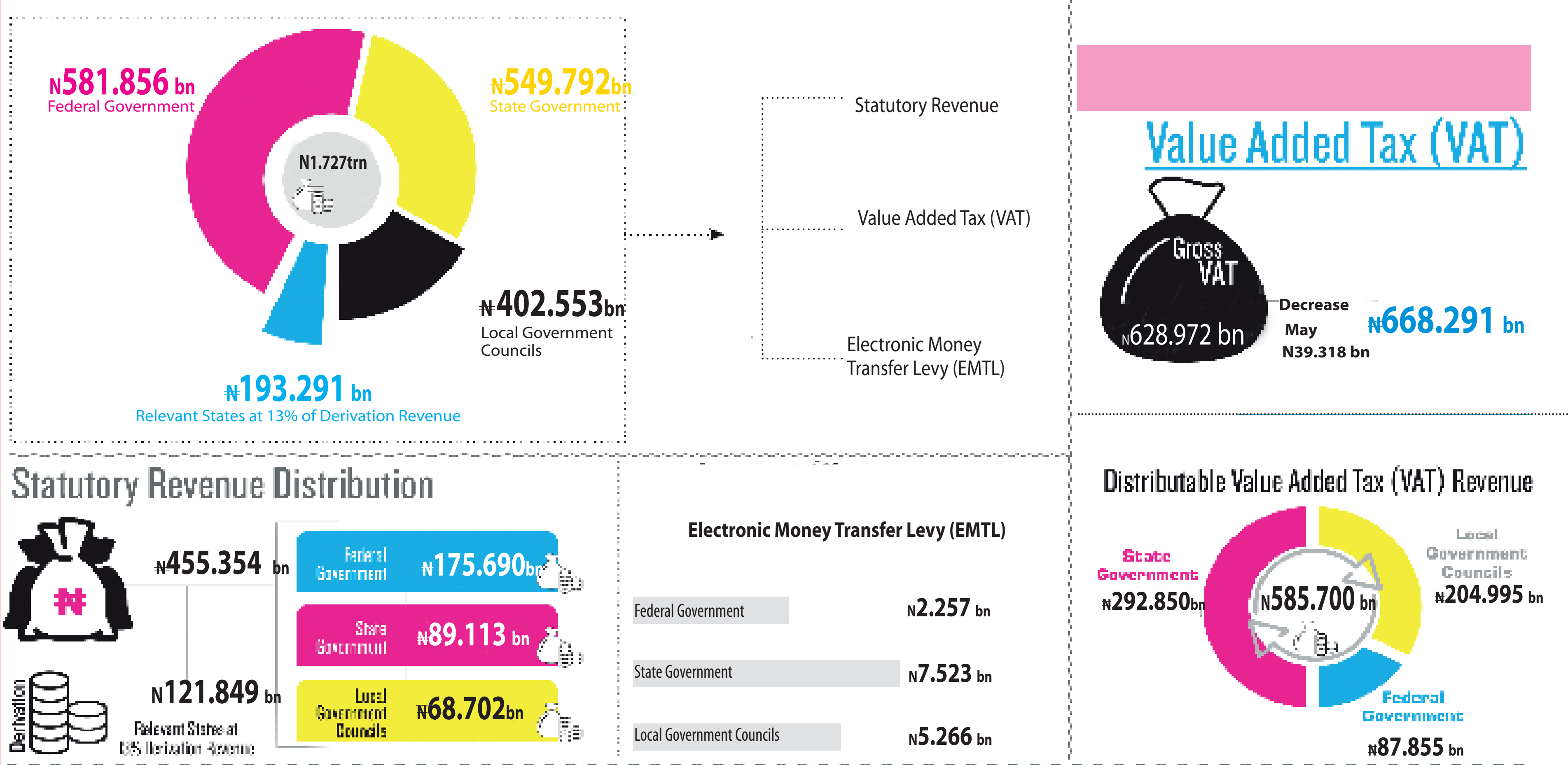
As we stand at the threshold of 2025, the weight of this moment cannot be overstated. This year presents a rare opportunity for the federal government to solidify the foundation it has been laying and deliver on the promises made to Nigerians. President Tinubu has set the stage with his speech, but the true test lies in action.

Nigeria is not short of plans, policies, or promises—it is often short of execution. This year must be different. The federal government must rise to the occasion, ensuring that every promise made in the President's New Year address is backed by clear strategies, diligent implementation, and measurable outcomes.

The road ahead is undeniably challenging, but it is also full of potential. With transparency, accountability, and a deep sense of urgency, the government can turn these words into reality and set Nigeria firmly on the path to sustainable growth and prosperity. The time for action is now.

FAAC Shares N1.7trn November 2024 Revenue To FG, States And LGCs

Federation Accounts Allocation Committee(FAAC) Share:



The communiqué also noted that Oil and Gas Royalty and CET Levies experienced significant increases. However, revenues from excise duty, VAT, import duty, petroleum profit tax, companies income tax, and EMTL saw notable declines.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FG Launches N250bn Real Estate Fund To Tackle Housing Shortage, Drive Economic Growth

Dr. Armstrong Takang, Managing Director of MoFI


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

By Kingsley Benson

The federal government has launched the Ministry of Finance Incorporated (MoFI) Real Estate Investment Fund (MREIF), a significant initiative aimed at bridging the housing finance gap and fostering economic growth through the housing and construction sectors.

With an initial commitment of N250 billion, this fund promises to provide low-cost, long-term mortgage financing, targeting a wider segment of Nigerians and stimulating development across key sectors.

During the recent unveiling ceremony in Abuja, Honourable Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, emphasised the strategic importance of the MREIF in addressing Nigeria's acute housing shortage.

He outlined that this initiative would offer mortgages with repayment terms of up to 25 years, a stark contrast to the high-interest, short-tenure loans typically offered by commercial banks. By offering affordable financing options, the government aims to empower citizens to pursue homeownership, thus improving the overall quality of life and contributing to national economic growth.

The MREIF will be implemented in two phases. The first phase will see the disbursement of N150 billion, which is expected to catalyse private sector participation. The second phase will involve raising an additional N100 billion, providing further momentum for the program. According to Mr. Edun, this initiative is in line with President Bola Ahmed Tinubu's broader vision to foster homeownership, create jobs, and support sustainable economic development.

This new initiative is not just about providing affordable housing but also about driving job creation and stimulating the construction and real estate industries. By incentivising developers to build affordable homes, the MREIF is set to spur commercial activity, creating a ripple effect that will benefit various stakeholders across the economy. With Nigeria's growing urbanisation and expanding population, this is a timely intervention that is expected to alleviate the housing crisis that has long plagued the nation.

Dr. Armstrong Takang, the Managing Director of MoFI, shared that the fund's objective is not only to offer Nigerians a path to homeownership but also to enable them to build generational wealth through sustainable housing solutions. This long-term wealth-building focus could have a transformative impact on the country's social and economic fabric, helping to elevate many households out of poverty and into economic stability.

The signing ceremony witnessed strong support from key stakeholders, including government officials, private sector leaders, and representatives from financial institutions. Their collective backing signals a shared commitment to addressing Nigeria's housing deficit and supporting the growth of the construction and real estate sectors.

The MREIF is poised to be a game-changer, offering the kind of financing that can make homeownership accessible to more Nigerians while also invigorating the broader economy. With private sector participation encouraged and financial institutions on board, the fund has the potential to bring about long-lasting change. However, the success of the initiative will depend largely on effective implementation, the ability to maintain affordability, and ensuring that the homes being developed align with the needs of the target market.

> By offering affordable financing options, the government aims to empower citizens to pursue homeownership...

FG Launches 2024 Withholding Tax Regulations To Ease Tax Burden On SMEs, Boost Compliance

By Jennete Ugo Anya

The federal government has officially rolled out the 2024 Withholding Tax (WHT) Regulations, aimed at modernising Nigeria's tax system, improving compliance, and addressing inefficiencies that have long plagued businesses.

The regulations, which took effect recently, were approved in July 2024 and gazetted in October, as part of the government's broader fiscal reforms.

Mr. Taiwo Oyedele, Chairman of the Presidential Committee on Fiscal Policy and Tax Reforms, announced the commencement of the reforms on New Year's Day, January 1, 2025. He highlighted several key features of the new regime designed to foster growth, particularly for small and medium enterprises (SMEs), which have been heavily impacted by the complexities of the previous tax system.

One of the major changes is the exemption of SMEs from withholding tax compliance. This move is expected to ease the administrative and financial burdens on smaller businesses, helping them grow and innovate. Furthermore, businesses with low profit margins will benefit from reduced withholding tax rates, improving cash flow and reducing operational costs.

The regulations also provide exemptions for manufacturers, including farmers, from withholding tax. This is a significant step to support crucial sectors of the economy by ensuring their sustainability and enabling growth in these industries.

The new tax regime aims to curb tax evasion by eliminating opportunities for avoidance and promoting transparency in tax remittances. It includes clearer guidelines on the timing of deductions and definitions of key terms, which previously created ambiguity and made compliance challenging.

Mr. Oyedele pointed out that the old withholding tax system had evolved into a complicated framework that created numerous challenges for businesses. The new regulations are designed to streamline processes, making it easier for businesses to claim deductions and comply with tax requirements.

Under the new rules, small businesses with an annual turnover of up to N25 million are no longer required to deduct withholding tax on payments to suppliers. However, if a supplier lacks a Tax Identification Number (TIN) or if total payments exceed N2 million in one month, withholding tax will apply.

The new regulations also mandate the use of alternative identifiers, such as the National Identification Number (NIN) or the company's RC number for businesses without a TIN. Additionally, the new rules will eliminate withholding tax on cash or instant electronic payments and other specific exempted transactions.

Businesses are required to file returns only for months in which tax was deducted at source. Failure to deduct tax where required will attract administrative penalties, and non-remittance of deducted taxes by the due dates will result in penalties and interest charges.

The introduction of penalties is designed to ensure compliance, and businesses must remit deducted taxes to the Federal Inland Revenue Service (FIRS) by the 21st of the following month or to state Internal Revenue Services by the 30th of the month.

The new withholding tax system also addresses several issues with the old regime, including the treatment of withholding tax as a separate levy, multiple taxation, and the financial strain caused by the difficulty in obtaining refunds for excess withholding tax. Additionally, the updated regulations aim to keep up with emerging economic challenges, reducing inequities and inefficiencies in the tax system.

In a related development, Oyedele revealed that a proposal to raise the turnover threshold for SMEs from N25 million to N50 million is currently under legislative consideration, which could further ease the tax burden on small businesses.

Withholding tax, or tax retention, is income tax paid to the government by the payer of income, rather than the recipient. The amount withheld serves as a credit against the income taxes the recipient must pay throughout the year. In essence, it ensures that taxes are deducted at source, streamlining the process for both businesses and the government.

Congratulations!

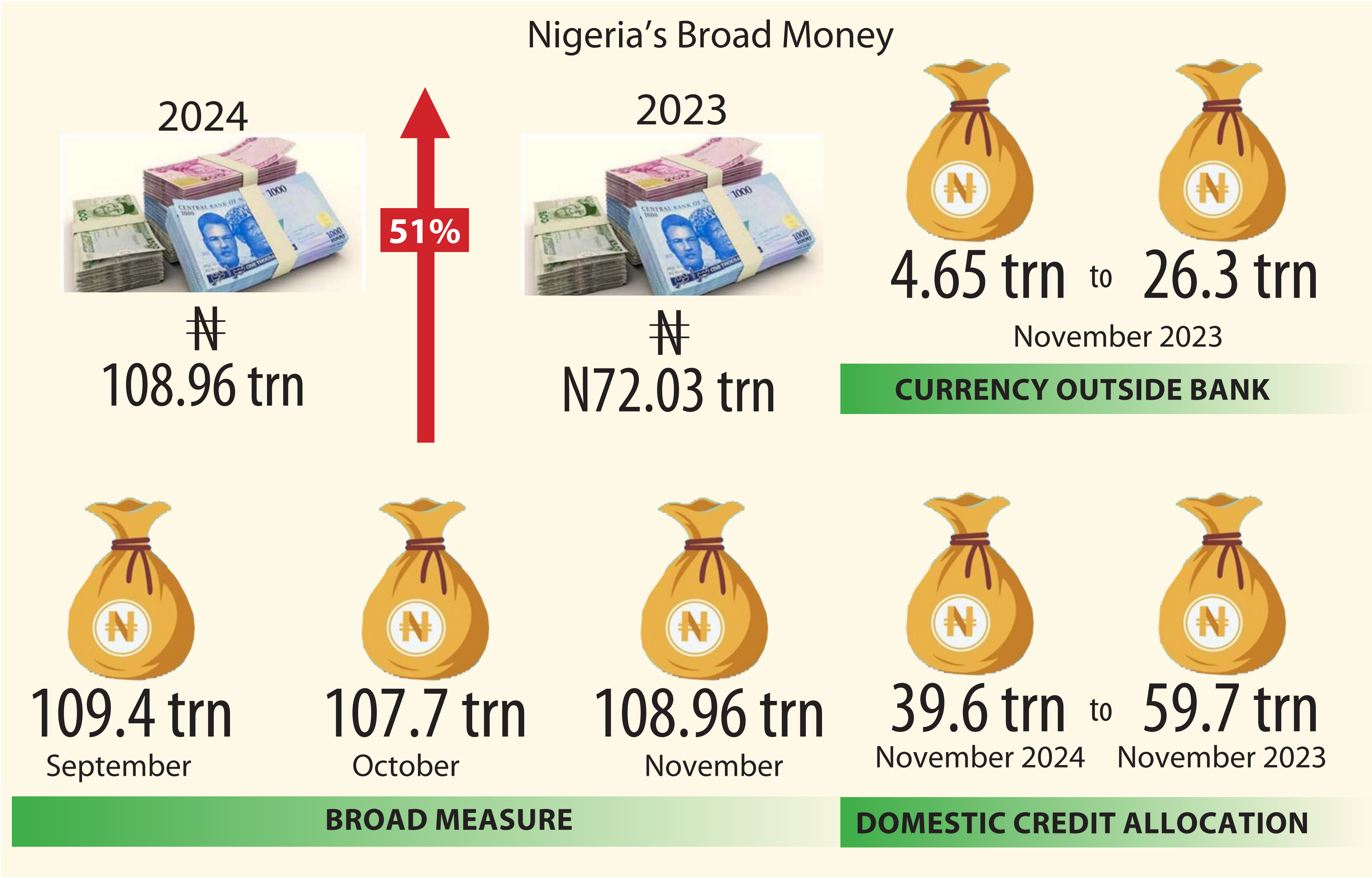
Dr Ayoade Alakija, Chair of the Board of FIND, the leading voice in diagnostics, was recently awarded Doctor of Science (DSc) of the Liverpool School of Tropical Medicine Honoris Causa. The award was given for her outstanding contributions to public health.

Dr Alakija is an advocate for equity and justice with a global presence and ability to inspire and catalyse action with results. As a medical doctor with over two decades' experience working across Asia, the Americas, the Pacific region, Europe and Africa, she brings her expertise in global health, development and integrated humanitarian systems coordination to bear on all her works . She brings unique insights from working at every level of the health and development architecture-local, national, regional and global.

Dr Ayoade Alakija was the humanitarian coordinator for the crises in North East Nigeria from 2016 to 2018.

Courtesy MRS (DR) ZAINAB SHAMSUNA AHMED (CON) AND FAMILY

Money Supply Soars 51% YoY To N108.96trn Among Rising Debts – *CBN*



By Jennete Ugo Anya

Nigeria's Broad Money Supply (M2) has soared by a staggering 51 percent year-on-year (YoY), reaching N108.96 trillion in November 2024, according to the Central Bank of Nigeria (CBN).

This surge is primarily attributed to the federal government's increased domestic borrowings, which have significantly impacted the country's liquidity levels. The increase marks a sharp rise from the N72.03 trillion recorded in the same period of 2023, reflecting substantial changes in the nation's financial landscape.

M2, which includes cash, demand deposits, savings deposits, money market deposits, and time deposits, is considered a broad measure of liquidity in the economy. Over the course of 2024, M2 exhibited sustained growth, rising continuously for six months from April 2024. However, in October, the trend briefly reversed, declining by 1.5 percent month-on-month (MoM) to N107.7 trillion from N109.4 trillion in September. This was followed by a slight rebound in November, with M2 rising by 1.2 percent, reaching N108.96 trillion.

Several key components contributed to the growth in money supply. Among these, quasi-money, which encompasses savings deposits and time deposits, showed a marginal increase of 1.96 percent, growing to N72.7 trillion in November 2024 from N71.3 trillion in November 2023. Demand deposits, on the other hand, saw a significant jump of 34.4 percent, climbing to N31.6 trillion from N23.2 trillion during the same period. A notable increase was also recorded in currency outside banks, which rose by 50.9 percent, reaching N4.65 trillion in November 2024, up from N3.08 trillion in November 2023. Narrow money (M1), reflecting the growth in cash and demand deposits, also expanded by 38 percent, reaching N36.3 trillion from N26.3 trillion in November 2023.

On the credit side, the CBN reported significant growth in domestic credit allocation, with credit to the government increasing by 54 percent YoY, reaching N39.6 trillion in November 2024, compared to N25.7 trillion the previous year. Similarly, credit to the private sector grew by 27 percent, amounting to N75.96 trillion from N59.7 trillion in November 2023. The combined growth in both government and private sector credit led to a 91 percent YoY rise in net domestic credit, which soared to N115.6 trillion in November 2024, up from N60.5 trillion during the same period of 2023.

This dramatic rise in money supply indicates a sharp increase in domestic borrowing, which the government has relied upon to finance its fiscal deficits. While the increased liquidity helps fuel economic activities, experts have raised concerns about the potential inflationary pressures it could bring. A substantial rise in money supply without a corresponding increase in productive output could lead to inflation, particularly as the cost of living continues to climb in the country.

The surge in liquidity also highlights the continued need for balanced fiscal and monetary policies. With Nigeria's government increasingly depending on domestic borrowings, particularly to cover its fiscal gaps, it is crucial to manage these funds responsibly. Without careful monitoring and adjustments, excessive liquidity could further strain the nation's economy, potentially stifling growth in the long term.

Experts suggest that Nigeria must adopt a cautious approach in managing this liquidity growth. Effective monetary tightening measures could be required to ensure that inflation remains in check, while still supporting economic activities. Moreover, careful attention to the allocation of the borrowed funds and strategic investment in infrastructure and productive sectors of the economy could help mitigate the negative effects of inflation and ensure the stability of the country's financial system.

While the 51 percent surge in Nigeria's money supply is indicative of increased government borrowing and liquidity expansion, the country must adopt a prudent approach in managing this growth. Striking the right balance between stimulating economic growth and preventing inflation will be key to sustaining a stable economic environment in the coming months. With domestic credit growth continuing to rise and the government heavily dependent on borrowings, maintaining fiscal discipline and implementing effective monetary policies will be essential to ensuring long-term economic stability in Nigeria.

PHOTO NEWS

The Federal Capital Territory (FCT) Football Association (FA) Chairman, **Alh. Mohammed Mouktar (r),** meets with the Executive Governor of Jigawa State, **Mallam Umar A. Namadi,** to express condolences on the passing of the governor's beloved mother, **Hajiya Maryam Namadi Umar,** and his eldest son, **Abdulwahab,** who was killed in a car accident just a day after the death of the governor's mother. Alh. Mouktar expressed his deepest sympathies to **Governor Namadi,** his family and the people of Jigawa State during a courtesy call in Dutse, describing the losses as painful. The FA Chairman prayed for the repose of the dead and asked Almighty Allah to grant them Jannatul Firdaus.

World Bank Releases $1.5bn Loan To Nigeria Following Swift Implementation Of Economic Reforms

By Chiamaka Okpala G.

The World Bank has disbursed a $1.5 billion loan to Nigeria under the Reforms for Economic Stabilisation to Enable Transformation (RESET) initiative, signalling confidence in President Bola Tinubu's economic reforms.

The funds were released in record time, less than six months after the loan's approval in June 2024, highlighting Nigeria's rapid implementation of key fiscal measures.

The RESET programme, designed to stabilise Nigeria's economy and drive sustainable growth, consists of two tranches: a $750 million International Development Association (IDA) credit with a 12-year maturity and a six-year grace period, and a $750 million International Bank for Reconstruction and Development (IBRD) loan with a 24-year maturity and an 11-year grace period.

Key triggers for the release included the removal of fuel subsidies and comprehensive tax reforms. The subsidy removal, implemented in mid-2023, aligned petrol prices with international market rates and exchange rates, easing pressure on Nigeria's public finances.

In its official statement, the World Bank commended Nigeria for exceeding the conditions set for the second tranche release, noting that deregulation was executed ahead of schedule and with full commitment.

"Effective October 2024, the price of premium motor spirit (PMS) has been determined by the international market and the exchange rate set by the Central Bank of Nigeria," the World Bank document stated.

The reforms, though lauded for fiscal discipline, have sparked concerns over rising living costs due to increased petrol prices. Nonetheless, the World Bank emphasized that these changes are crucial for long-term economic stability and transparency.

Additionally, the World Bank revealed progress under the Accelerating Resource Mobilisation Reforms (ARMOR) project, which was approved alongside RESET. So far, $1.88 million of the $750 million ARMOR facility has been disbursed, further supporting Nigeria's fiscal policy framework.

Ghana's Economic Developments

GDP Growth:

Ghana's economy experienced significant growth in 2024:

- Q1 2024: Expanded by 4.8%.
- Q2 2024: Achieved a 6.9% year-on-year growth, the fastest in five years.
- Q3 2024: Recorded a 7.2% growth, marking the highest quarterly GDP growth in the last five years.
- The non-oil sector also showed robust performance with an average growth rate of 6.2% for the first three quarters of 2024.

Inflation:

- Inflation rates have shown signs of cooling:
- Eased from 26.4% in 2023 to 23% in the third quarter of 2024.
- Dropped to 23.2% in February 2024.

Debt Restructuring:

- Ghana successfully restructured $13 billion in US dollar bonds, reducing its debt by over $4 billion and exiting a debt default nearly two years after an economic crisis halted debt repayments.
- The International Monetary Fund (IMF) projects Ghana's public debt to fall below 80% of GDP next year, down from nearly 100% in 2022.

International Relations:

- An Australian gold miner, Cassius Mining, has filed a $443 million claim against the Ghanaian government, alleging substantial financial losses due to the non-renewal of their prospecting license.

Economic Outlook:

- The World Bank notes that Ghana's economic indicators remain on track for 2024 and beyond, highlighting steady progress in addressing severe macroeconomic imbalances.
- The African Development Bank projects GDP growth to rise to 3.4% in 2024 and 4.3% in 2025, led by industry and services.

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Economy & Investment

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	11,625.00
5x5	180,000.00	13,500.00
5x4	102,100.00	7,657.50
5x3	115,000.00	8,625.00
5x2	120,000.00	9,000.00
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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President Tinubu Must Back Promises With Visible Results In 2025

POLICY BRIEF *with* ENAM **OBIOSIO**

As President Bola Ahmed Tinubu has delivered his New Year speech, I listened intently, not just for the promises and plans—which have become a staple of such addresses—but for the weight of responsibility that came with each word. It was a speech brimming with optimism, ambition, and undeniable charisma. The President painted a picture of a nation on the cusp of economic renewal, social stability, and national unity. But while words can inspire, only action can transform hope into reality.

2024 was a gruelling year for many Nigerians. Inflation reached a staggering 34.6 percent, food prices soared, and the ripple effects of fuel subsidy removal left households gasping for relief. Yet, despite these daunting challenges, there were some bright spots worth acknowledging. The naira strengthened against the dollar, our foreign reserves grew steadily, and Nigeria recorded foreign trade surpluses across three consecutive quarters. The stock market flourished, and the surge in foreign investments signalled renewed confidence in our economy. These are not just economic metrics—they are indicators of a system trying to correct itself amid immense pressure.

But these improvements have yet to translate into meaningful relief for the average Nigerian. I still see mothers standing in long queues at local markets, clutching their meagre savings in search of affordable food. I see young people brimming with entrepreneurial ideas but held back by the crushing reality of inaccessible credit facilities. I see workers tirelessly grinding, yet their salaries fail to keep pace with the soaring cost of living. These are the faces behind the statistics, and their lives must become the focal point of every government policy.

President Tinubu's pledge to bring inflation down from 34.6 percent to 15 percent is a bold promise, and I commend his audacity in setting such a clear target. However, achieving this goal will require more than good intentions—it will demand rigorous planning, disciplined implementation, and a strong political will to confront systemic inefficiencies. Boosting food production, as mentioned in the speech, is a solid plan. But let us not deceive ourselves: without addressing insecurity in farming regions and tackling logistical bottlenecks in our agricultural value chain, food will remain scarce and expensive.

One of the standout announcements in the President's address was the establishment of the National Credit Guarantee Company. This initiative has the potential to change the game for small businesses, entrepreneurs, and marginalised groups like women and youth who have long been excluded from traditional financial systems. For too long, Nigeria's small business sector—the backbone of our economy—has been starved of the oxygen it needs: access to affordable credit.

But let me be clear: we have seen similar initiatives in the past, many of which started with great fanfare but ended in failure due to corruption, political interference, and a lack of transparency. This time must be different. There must be clear governance structures, periodic audits, and a laser focus on delivering results. If implemented properly, this initiative could unleash a wave of economic activity across Nigeria, from bustling tech startups in Lagos to agricultural cooperatives in rural Kaduna.

Another powerful message in the President's speech was his call for national unity. He urged Nigerians to rise above the distractions of politics, ethnicity, and religion. It was a necessary reminder, especially in a country where these fault lines often threaten to pull us apart. But national unity cannot be achieved through words alone—it must be reflected in actions. Policies must be inclusive, government appointments must be merit-based, and communication with citizens must be transparent. Trust is earned, not demanded.

> ...without addressing insecurity in farming regions and tackling logistical bottlenecks in our agricultural value chain, food will remain scarce and expensive

President Tinubu also reiterated his administration's ambition to build a one-trillion-dollar economy. It is an ambitious vision, and rightly so. But such an economy will not emerge from wishful thinking. It will require heavy investment in infrastructure, digital transformation, education, and healthcare. It will demand a ruthless focus on ease of doing business, regulatory transparency, and, above all, security. Investors—both local and foreign—will only commit their resources to Nigeria if they see stability, consistency, and a clear pathway to profitability.

Yet, amidst the big promises and grand visions, one question keeps echoing in my mind: will these plans trickle down to the common Nigerian? Will the trader in Aba feel the impact of a stronger stock market? Will the farmer in Sokoto experience the benefits of increased foreign reserves? Will the young graduate in Kano see opportunities from the trillion-dollar economy? These are the questions that must guide every policy in 2025.

Beyond economic promises, governance in 2025 must be marked by accountability and transparency. Nigerians deserve regular updates on government initiatives, and public officials must be held accountable for failures in implementation. The days of sweeping failures under the carpet must end. A government that keeps its citizens informed earns their trust, and trust is the bedrock of any functional democracy.

It is also time for the President and his cabinet to set clearer timelines and measurable outcomes for their promises. Nigerians are tired of vague pronouncements and open-ended targets. Every promise made in that New Year speech must be backed by concrete action plans, and every citizen must be able to track their progress.

At the heart of this all lies a fundamental truth: a stronger Nigeria is possible, but it will not build itself. The government must lead with sincerity, consistency, and urgency. There is no time for distractions, political gamesmanship, or half-measures.

2025 is not just another year—it is a defining moment for the President Tinubu's administration. It is the year that will either validate the government's promises or expose them as empty rhetoric. The President has spoken with optimism, and rightly so. But optimism, no matter how inspiring, will mean little if Nigerians do not see tangible results in their daily lives.

The path ahead is tough, but it is not insurmountable. With a united citizenry, a focused government, and a clear sense of direction, Nigeria can turn this corner. President Tinubu has set the stage with his words, but now, it's time for action.

The time for excuses has passed. The time for empty rhetoric is over. This year must be different. For every promise made, Nigerians must see a corresponding result. Only then will 2025 be remembered—not as another year of lofty speeches—but as the year Nigeria truly began its journey towards sustainable prosperity.

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