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FOOD INFLATION

PERSISTENT UPWARD TREND IN THE COST OF LIVING

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BUSINESS NIGERIA MAGAZINE

Forging a Path to Sustainable Growth

Welcome to this edition of Business Magazine Nigeria. As we continue to witness unprecedented changes in the global economy, Nigeria stands at a pivotal juncture, brimming with opportunities and challenges. This issue is dedicated to exploring the avenues for sustainable growth and innovation that are shaping the future of our nation. Nigeria's entrepreneurial spirit is nothing short of remarkable. From bustling urban centers to emerging rural markets, we see a nation driven by a desire to innovate and excel. This month, we delve into the stories of visionary entrepreneurs who are transforming industries, creating jobs, and contributing to economic resilience. Their journeys serve as a testament to the potential within our borders and the limitless possibilities that lie ahead. Sustainability is a recurring theme in this issue. As global attention turns increasingly toward environmental stewardship and social responsibility, Nigerian businesses are stepping up. We highlight initiatives that are not only economically viable but also socially and environmentally conscious. From renewable energy projects to sustainable agriculture practices, these endeavors are paving the way for a greener, more inclusive economy. We also examine the critical role of government policy and infrastructure development in facilitating business growth. Effective policies, improved infrastructure, and access to capital are essential for nurturing innovation and driving economic development. Our articles provide insights into the latest policy reforms and investment opportunities that are crucial for sustained growth. At the heart of our magazine is the belief that Nigeria's greatest asset is its people. By investing in education, fostering a culture of entrepreneurship, and embracing technological advancements, we can empower the next generation of leaders to take our nation to new heights. Thank you for being a part of our journey as we navigate the complexities of today's business environment. We hope this edition inspires you to think creatively, act boldly, and contribute to the ongoing narrative of Nigeria's growth and prosperity.

Warm regards,
Ajetunmobi Olumayowa

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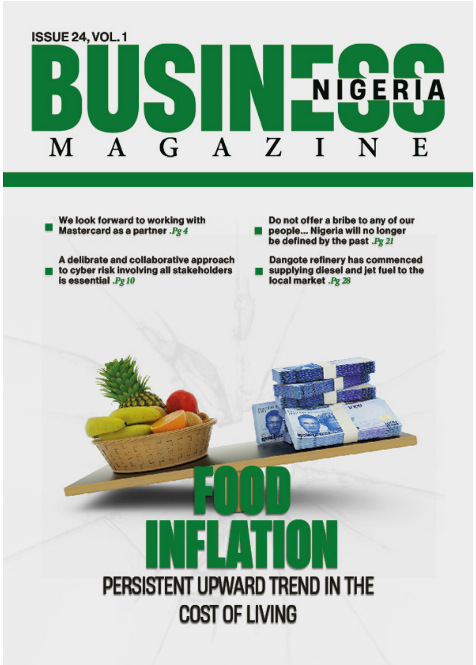
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Mastercard Partners MTN Fintech Group to Drive Acceleration of Mobile Money Ecosystem in Africa Across 13 Markets

Payments giant Mastercard has collaborated with MTN Group Fintech to enhance the expansion of the mobile money landscape across 13 vibrant markets in Africa, by providing all MTN MoMo customers with payment cards.

The collaboration will enable millions of people and small businesses across Africa to gain access to digital tools to transact through secure mobile payments, expanding access to the benefits of the cashless digital economy.

Also, the partnership will see the usage of Mastercard's cutting-edge technology and capabilities to support MTN's ambition to become Africa's largest fintech platform for both merchants and consumers.

This follows Mastercard and MTN's recent agreement for a minority investment into MTN Group Fintech – the digital financial services arm of Africa's largest mobile network operator – that concluded this month.

With MTN's overall subscriber base at 290 million and 60 million active monthly MoMo (Mobile Money) wallets, the agreement will impact 13 markets in Africa which include; South Africa, Rwanda, Ghana, Zambia, Nigeria, Cameroon, Cote d'Ivoire, Eswatini, Liberia, Republic of Congo, Republic of Guinea, Uganda, and Benin.

Speaking on the partnership, Executive Vice President, Market Development EEMEA, Mastercard, Amnah Ajmal said,

"Our innovation strategy is based on collaboration. We are very proud of our partnership with MTN which will enable digital commerce for millions of people in Africa. In addition, mobile money solutions can be greatly beneficial for SMEs, enabling growth through seamless commercial operations, wider payment acceptance, access to affordable credit, and secure digital tools".

Also speaking, Group CEO MTN Fintech Serigne Dioum said,

"When there is a mutual vision in this case to bring access, progress, financial inclusion, and prosperity to people – the road to partnership is a simple one. We look forward to working with Mastercard as a partner that is also committed to the enablement of more people and businesses through the collaboration into best-in-class apps, superior user experiences, safe transactions, secure remittances, new use cases, and expanded acceptance".

To enable global access for MoMo wallet users, a virtual and physical Mastercard companion card will be added to every MoMo wallet allowing users access to over 100 million acceptance locations globally enabling MTN to scale up internationally.

Nigeria-Indonesia Trade Volume Hits $4.7bn

The trade volume between Nigeria and Indonesia soared to $4.7 billion in 2022, according to Ishmael Balogun, President of the Nigerian-Indonesian Chamber of Commerce and Industry (NICCI). Balogun shared this update during a recent press conference announcing the Nigeria-Indonesia Investment and Trade Forum (NIITF), scheduled to be held in Kano.

Balogun highlighted NICCI's mission to bolster bilateral trade and investment between the two nations. "In performing this task, we position Nigeria as the number one investment destination in Africa. Currently, Nigeria is Indonesia's top trading partner on the continent, with a trade balance of $4.7 billion as of 2022," he stated.

Emphasising NICCI's commitment, Balogun noted that the chamber's board, management, and staff are dedicated to fostering continuous engagement and promotion of trade between Nigeria and Indonesia through various platforms such as trade forums, fairs, and bilateral symposiums.

The upcoming third edition of the NIITF, themed 'Indonesia meets Nigeria: An Opportunity for Expansion of Bilateral Investment and Trade,' will be held in June in Abuja. Balogun recalled that the inaugural edition took place in Jakarta, Indonesia, in October 2022, with the second edition following in October 2023.

"The second edition in Jakarta saw high-profile participation, including a keynote address by Dr. Peter Mbah, the Executive Governor of Enugu State, along with several distinguished delegates from both Nigeria and Indonesia," he added.

For this year's forum, NICCI aims to provide Indonesian participants with an immersive experience of Nigeria. "NICCI has partnered with the Indonesian Embassy in Nigeria, led by Ambassador Dr. Usra Harahap, and in collaboration with the Indonesian government's Ministry of Trade and Foreign Affairs, we have invited 70 Indonesian companies to Nigeria," Balogun explained.

Nigerian Ports Authority Meets with Barge Operators to Boost Export Efficiency

The Nigerian Ports Authority (NPA) has engaged in crucial discussions with the Barge Operators Association of Nigeria (BOAN) to ensure the seamless evacuation of export cargo from the hinterland to seaports. The meeting, led by NPA Managing Director Mohammed Bello-Koko, marks a significant step towards optimising the nation's logistics and export capabilities.

The NPA disclosed in a statement on Tuesday that Bello-Koko, hosting BOAN President Olubunmi Olumekun and other members, emphasised the substantial employment opportunities—both direct and indirect—generated by leveraging waterways to alleviate road congestion.

"The initiative has grown into a huge direct and indirect employment opportunity as well as business endeavours by using the waterways to reduce pressure and congestion on the road corridor," Bello-Koko noted.

The meeting aimed to provide essential support to enhance the barge operation value chain, focusing on professional standards to ensure the safety of both lives and investments. "We are driven by the relentless commitment to achieving seamless connectivity between the seaports and the hinterland. This is an enabling initiative for sustaining the growth of exports in the country," Bello-Koko added.

The deployment of barges for cargo evacuation from ports to the hinterland was initially introduced by the NPA as an intervention initiative, which has since become integral to Nigeria's export logistics strategy.

Restricted Credit Access Impedes Business Growth And Exacerbates Poverty Levels in Nigeria – NICA

The National Institute of Credit Administration (NICA) has expressed concerns regarding the adverse impacts of limited access to credit on business expansion, production capacity, and the escalation of poverty levels throughout Nigeria.

In a recent announcement, NICA highlights the importance of an efficient consumer credit system, which facilitates the purchase of goods and services on credit, thereby reducing reliance on cash transactions.
This system empowers individuals to fund critical and substantial projects, encourages domestic production, and promotes economic development.

The statement read:
"In the country, consumer credit has been bedeviled by challenges such as the demand for collateral by the lending institutions which many of the SMEs lack, unwillingness of banks to give out long-term loans, and high interest rates among other challenges. These have hindered the dreams of many ambitious entrepreneurs and regular salary earners from expanding their businesses or acquiring other household items.
It has also worsened financial inclusion, most especially at the grassroots. Poor credit access hinders business growth, reduces production capacity, and adds to the poverty level in the economy. To support the growing economy and unlock Nigeria's economic potential, credit availability should be prioritised."

NICA underscored the pivotal role of an efficient consumer credit system in nurturing economic advancement. Such a system not only allows individuals to make purchases on credit, reducing reliance on cash transactions but also facilitates the funding of urgent and substantial projects, thereby bolstering domestic production.

Mastercard Partners SAVA to Empower Small Businesses Across Africa With Advanced Financial Management Technology

Mastercard and Johannesburg-based fintech company SAVA have forged a partnership aimed at empowering small, medium, and micro enterprises (SMMEs) across South Africa, Nigeria, Kenya, and Egypt. Through this collaboration, SMMEs will gain access to an innovative online platform powered by SAVA's Payment Transaction System (PTS), offering digital bank accounts and integration tools for accounting, thereby enhancing their ability to manage company expenses efficiently.

Despite being major contributors to job creation and GDP in Africa, SMMEs often operate in cash-based economies, facing significant financing gaps estimated at US$330 billion by the World Bank. This partnership addresses these challenges and aligns with Mastercard's commitment to financial inclusion, targeting to onboard 50 million SMMEs globally into the digital economy by 2025.

■ *"At Mastercard, we are dedicated to harnessing the power of partnerships and deploying transformative technology to build a sustainable future where everyone can thrive."*

SAVA's advanced technology simplifies financial management for SMMEs, enabling them to scale their operations effectively. As part of the collaboration, SAVA will provide SMMEs with virtual and physical cards that allow pre-configured budgets and management via their app.

Integration with accounting packages streamlines spend control and management, offering time and cost savings through automated reconciliations for SAVA's customers.
Speaking on the partnership, President, EEMEA, Mastercard Dimitrios Dosis said,
"At Mastercard, we are dedicated to harnessing the power of partnerships and deploying transformative technology to build a sustainable future where everyone can thrive. Our new collaboration with SAVA represents an important step in our efforts to support small businesses that are key drivers of economic growth. By deploying the right, efficient technology we continue to boost financial inclusion in Africa and enable SMMEs to reap the full benefits of the digital economy".
Also speaking, CEO SAVA Kola Olajide said,
"Our collaboration with Mastercard reflects our credibility, epitomizes the essence of working together to transform pioneering ideas into reality, and underscores our shared commitment to developing innovative solutions tailored to the needs of African markets. We are excited to expand the utilization of this distinctive proposition that empowers SMMEs to manage their financial operations with greater control".

GTCO Fintech Subsidiary Habaripay Recorded A Profit of N2.17 Billion in 2023

In 2023, HabariPay, the fintech arm of Guaranty Trust Holding Company (GTCO), recorded a profit after tax of N2.17 billion. According to close examination of the bank's financial statement, HabariPay's profit surged by 159 percent from the N836 million reported in 2022.
The report disclosed that HabariPay's profit surge stemmed from various fintech revenue streams, including net commissions earned on merchant services and sales margins from bill payments like airtime vending and bulk SMS.
Further analysis of the report unveiled that in the previous year, the fintech firm witnessed a remarkable 213 percent increase in operating income, soaring to N4.7 billion from N1.5 billion in 2022. Operating expenses also rose to N2.4 billion from N597 million.

HabariPay's core fintech cashflow experienced a remarkable surge of 778 percent, reaching N641 million last year compared to N73 million in the preceding year. According to HabariPay's financials, the core business operations encompass a payment gateway facilitating transactions via virtual accounts, USSD, card, and bank transfer channels.

Aliko Dangote And Abdulsamad Rabiu Collectively Achieved A Capital Gain of N9.6 trillion in Q1 2024

Despite Nigeria's challenging economic conditions, including a high inflation rate of 31.70% and reduced consumer purchasing power, Africa's richest man Aliko Dangote and Abdulsamad Rabiu CEO of BUA Group, saw significant growth in their companies.

By the end of the first quarter of 2024, BUA Foods and Dangote Cement collectively amassed nearly N10 trillion in capital gains, surpassing a combined increase of over 200%.

According to analysis from the Nigeria Stock Exchange, BUA Foods and Dangote Cement showcased resilience in navigating the challenging economic terrain.

Despite the forex crisis and persistent inflationary pressures driving up importation costs, both companies exhibited strong performance and strategic prowess, leading to substantial capital gains during the first quarter of 2024.

Aliko Dangote

Dangote Cement Plc experienced a remarkable surge in share price, soaring by 114.7% during the first quarter of 2024. The share price escalated from N319.90 to N686.70 over the quarter.

The group's market capitalization experienced a staggering appreciation of N6.25 trillion, surging from N5.45 trillion to N11.70 trillion within the same period.

Dangote Cement's dominance in the Nigerian Stock Exchange (NGX) also witnessed a notable increase, with its market share climbing from 13.32% at the quarter's onset to 19.79% by the end, marking a substantial uptick of 6.47% points.

Abdulsamad Rabiu

In Q1 of 2024, BUA Foods recoreded an impressive performance on the Nigerian Stock Exchange (NGX).

During this period, the company's share price experienced a significant appreciation of 96.4%, surging from N193.40 to N379.90.

Additionally, BUA Foods' market capitalization witnessed substantial growth, increasing by N3.36 trillion. At the close of the quarter, the company's market capitalization stood at N6.84 trillion, marking a notable rise from the N3.48 trillion recorded at the beginning of the year.

Zenith Bank Shareholders Endorse Transition to HoldCo Structure

Zenith Bank Plc shareholders have given their unanimous approval for the bank's restructuring into a holding company. The decision was reached during a court-ordered Extraordinary General Meeting (EGM) held on, Victoria Island, Lagos, on Friday, April 26, 2024.
In accordance with the Scheme of Arrangement dated March 28 2024, pursuant to Section 715 of the Companies and Allied Matters Act (CAMA), 2020 between the Bank and the holders of the fully paid ordinary shares of 50 Kobo each in the Bank, the shareholders voted to transfer 31,396,493,787 ordinary shares of 50 Kobo each held in the issued and paid-up share capital of Zenith Bank Plc to Zenith Bank Holding Company Plc (the HoldCo) in exchange for the allotment of 31,396,493,787 ordinary shares of 50 Kobo each in the share capital of the HoldCo in the same proportion to their shareholding in the Bank. Similarly, the shareholders approved that each Existing GDR Holder receive, as consideration for each existing GDR held, one new HoldCo GDR.
Shareholders further endorsed the transfer of all shares held by the Bank's nominees in Zenpay Limited, a subsidiary of the HoldCo, along with associated rights and obligations, to the HoldCo. Additionally, the Board of Directors received authorization to delist the Bank's shares and existing GDRs from the Nigerian Exchange and the London Stock Exchange, respectively. Moreover, they were empowered to re-register the Bank as a private limited company in accordance with the CAMA Act 2020.

Airtel Payment Service Bank SmartCash, Hits 1.5 Million Active Users in March 2024

In March 2024, SmartCash, Airtel's innovative payment service bank (PSB), announced that it had achieved 1.5 million active users. This information was revealed in the financial results of its parent company, Airtel Africa, for the first quarter (Q1) of the fiscal year ending March 31, 2024.
The company wrote,
"During this year, we accelerated our customer acquisition strategy and our customer base is 1.5 million active customers. We continue to build the ecosystem to grow our transaction value".

In the first quarter (Q1) of 2024, Airtel reported a 15% growth in the annualized transaction value for SmartCash PSB compared to the quarter ended December 2023. Additionally, SmartCash expanded its agent network by 39,000 agents during the quarter, reaching nearly 205,000 agents by March 31, 2024. The mobile money customer base also grew to 38 million customers across Airtel's operations in 14 African countries by the end of March, with SmartCash accounting for 4% of the Group's mobile money customers.
Airtel plans to capitalize on the low penetration of traditional banking services and the large number of unbanked customers across Africa to further enhance its mobile money business, which caters to the needs of these customers through mobile money services.

Professor Pius Olanrewaju Sworn in as 23rd President of Chartered Institute of Bankers of Nigeria

Professor Pius Olanrewaju has been inaugurated as the 23rd President and Chairman of the Council of the Chartered Institute of Bankers of Nigeria (CIBN). The swearing-in ceremony was conducted by Justice Owolabi Dabiri and chaired by Senior Advocate of Nigeria, Wole Olanipekun, at a distinguished event in Lagos on Friday. Following his oath of office, Professor Olanrewaju was adorned with the official insignia, symbolising his new role. The Speaker of the House of Representatives, Tajudeen Abbas, represented by the Chairman of the House Committee on Banking, Nwachukwu Eze, commended the outgoing CIBN president, Ken Opara. Abbas highlighted the necessity for the new leadership to embrace technological advancements to enhance financial inclusion.

"Today, as you welcome the incoming President and new Chairman of the Council, we also reflect on the challenges and opportunities that lie ahead," Abbas stated. "The banking sector is constantly evolving, driven by technological advancements, regulatory changes, and shifts in customer behaviour.

The CIBN must remain steadfast in its commitment to excellence and innovation. The incoming leadership must embrace new ideas and emerging technologies and foster collaboration within the industry to navigate these challenges and seize the opportunities that lie ahead.

"As we look to the future, we must not lose sight of the importance of financial inclusion and sustainable development. Despite progress in expanding access to financial services, millions of Nigerians remain excluded from the formal banking sector. It is incumbent upon all stakeholders, including the CIBN, to redouble efforts to promote financial literacy, expand access to finance, and foster inclusive growth that leaves no one behind."

Additionally, Bello Hassan, Managing Director and Chief Executive Officer of the Nigeria Deposit Insurance Corporation, emphasised the importance of cybersecurity in the banking sector. "A deliberate and collaborative approach to cyber risk involving all stakeholders is essential to protect the resilience of the banking system," Hassan remarked.

Flutterwave Appoints Olajumoke Adenowo to Its Global Board of Directors

Flutterwave, Africa's foremost payments technology company, has appointed Olajumoke Adenowo to its global Board of Directors. Recognized as a global transformational leader and business builder across Africa, Olajumoke brings invaluable expertise to Flutterwave's mission of solidifying its pan-African and global presence.
Known as Africa's Starchitect by CNN, Olajumoke Adenowo boasts over 35 years of successful leadership in Architecture, serving as the Principal Architect of AD Consulting, a globally acclaimed architectural firm. With a proven track record of innovative problem-solving and overseeing landmark projects, she embodies the principles driving Flutterwave's remarkable growth.
Olajumoke Adenowo's appointment underscores Flutterwave's commitment to excellence and collaboration on a global scale. With her extensive network and experience serving on multiple boards, including the Cartier Women's Initiative Awards and the International Federation of Interior Architects and Designers GAP Jury, she brings strategic vision to Flutterwave's leadership.
Commenting on the new appointment, Olugbenga GB Agboola, CEO and Founder of Flutterwave, said: "We are thrilled to welcome Olajumoke Adenowo to Flutterwave's Board of Directors. Her wealth of experience and unwavering commitment to excellence will undoubtedly strengthen our company's trajectory on the global stage.
Olajumoke's insights and strategic vision will be invaluable assets as we continue to pioneer innovative solutions and drive impactful change across Africa and beyond. We look forward to her contributions and are confident that together, we will chart new heights of success."

flutterwave

Nigeria to Slash Petrol Imports by $4.4bn with Compressed Natural Gas Adoption

Nigeria is set to reduce its annual petrol importation by approximately $4.4 billion through the adoption of Compressed Natural Gas (CNG), the Federal Government announced on Tuesday. This initiative, spearheaded by the Presidential Compressed Natural Gas Initiative (PCNGI), aims to convert one million diesel and petrol-powered vehicles to run on CNG. Zayyan Tambari, Coordinator of Regulations, Compliance, and Facilitation at PCNGI, revealed this during a presentation at the Co-Creation Session on the Nigeria Gas Vehicle Monitoring System in Abuja. Tambari noted that the conversion would save the country about $4.4 billion annually on petrol imports. The government's goal is to replace 20 per cent of the 50 million litres of petrol consumed daily with CNG.

The Federal Government has already commenced rolling out CNG-powered buses and tricycles. Special Adviser to the President on Information and Strategy, Bayo Onanuga, confirmed that the deployment began in Ilorin, Kwara State, with the launch of a refuelling and conversion centre by Governor Abdulrahman Abdulrazak. CNG buses and tricycles were also unveiled at the event. Meanwhile, at the Abuja session, PCNGI stated that around $890 million in investment would be needed to develop the infrastructure for this alternative fuel. The Minister of State for Petroleum Resources (Gas), Ekperikpe Ekpo, represented by Abel Nsa, emphasized the importance of harnessing Nigeria's gas resources and addressing safety issues in CNG usage.

"We need to educate ourselves and use specific tools and materials that we have not used before," Ekpo stated. He drew a parallel with the economic impact of mobile phones introduced during President Olusegun Obasanjo's regime, highlighting the transformative potential of CNG.

Ogbugo Ukoha, Executive Director of Distribution System, Storage and Retailing Infrastructure at the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), announced that new filling stations would only be licensed if they provide CNG dispensing points. "We are also engaging stakeholders to mandate fuel trucks and fleet owners to convert to CNG given the high cost of diesel," he added. Michael Oluwagbemi, Project Director and CEO of PCNGI, underscored the benefits of gas as a cheaper, cleaner, and more sustainable fuel compared to crude oil. He stressed the importance of a smooth transition and strict regulatory compliance. "We need cooperation from all ecosystem members, from inspection to conversion, manufacturing to installation, ensuring a strong regulatory regime," he said.

Oluwagbemi also announced the commencement of a nationwide CNG conversion programme for mass transit buses. "This initiative aims to convert mass transit vehicles to cleaner energy sources, significantly reducing emissions and promoting environmental sustainability," he said. The initial phase will begin in Lagos, Kwara, the Federal Capital Territory, and Rivers states, in collaboration with major transport unions.

"The rollout will commence at eight of over 120 designated conversion workshop sites, with plans to scale up operations across 15 states in the next 45 days," Oluwagbemi concluded.

Nigeria's Crude Oil Production Sees Marginal Increase in Early 2024

Nigeria produced 159,158,191 barrels of crude oil in the first four months of 2024, according to data from the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). January's output was 44.2 million barrels, averaging 1.42 million barrels per day (mbpd). February saw a decline to 38.3 million barrels, with a daily average of 1.32 mbpd. Production dipped further in March to 38.1 million barrels at 1.23 mbpd, before a slight recovery in April to 38.4 million barrels, averaging 1.28 mbpd daily.

Comparatively, Nigeria's total oil output for the same period in 2023 was 144.8 million barrels, 14.3 million barrels less than in 2024. However, in the first four months of 2020, the country produced 215.2 million barrels, 56 million barrels more than this year's total.

Despite efforts to boost production, Nigeria has faced ongoing challenges. Recently, Mele Kyari, Group Managing Director of the Nigerian National Petroleum Company Limited (NNPC), highlighted the detrimental impact of oil theft and vandalism on the economy, noting that such activities discourage investment in the oil and gas sector.

Kyari reported that the country's output approached 1.7 mbpd as of May 18, expressing optimism about further increases. He pointed out the critical role of resolving security issues in boosting production, noting that "no one is going to put money into oil production when he knows the production will not get to the market." He detailed efforts over the past two years, including the removal of over 5,800 illegal connections and dismantling of over 6,800 illegal refineries.

Kyari optimistically noted that the security situation is improving, and production levels are expected to rise. He recalled a notable increase in production to 2.2 mbpd on April 17, 2020, attributing the spike to reduced criminal activities during the COVID-19 lockdown.

The NNPC head affirmed, "The good news is, there is substantial work being done by the government. It is already subsiding. We are already seeing the results," signalling a hopeful future for Nigeria's oil sector.

Phased VAT Increase to Ease Economic Impact, Says Tax Reform Chief

The Chairman of the Presidential Tax and Fiscal Policy Reforms Committee, Taiwo Oyedele, has confirmed that the proposed Value Added Tax (VAT) increase from 7.5 per cent to 10 per cent will be executed in phases. This strategic approach aims to mitigate the economic impact and prevent a sudden surge in the prices of goods and services.

Oyedele, speaking at a public consultation workshop for journalists and public analysts in Abuja on Monday, revealed that empirical data shows fewer than 10 per cent of affluent Nigerians are compliant with their tax obligations. The workshop, themed 'Proposed changes to the national tax policy, tax laws and administration,' highlighted significant adjustments in the VAT revenue-sharing formula, increasing the state collection rate from 50 to 55 per cent, the local government share to 35 per cent, and reducing the Federal Government's share to 10 per cent.

"The reforms will see a reduction in Company Income Tax from 30 per cent to 25 per cent, implemented gradually over the next few years," Oyedele stated. "Similarly, the VAT increase will also be phased, beginning with a modest increment in 2025 followed by another in 2026. This phased approach will help avoid a drastic drop in government revenue and allow for better planning."

Currently, VAT is a 7.5 per cent consumption tax administered by the Federal Inland Revenue Service, with revenues distributed to the three tiers of government. Despite generating N10.1 trillion in VAT under former President Muhammadu Buhari, the government has called for increased rates to boost revenue further. The former Minister of Finance, Zainab Ahmed, had recommended raising VAT to 10 per cent.

To alleviate the burden on essential goods, Oyedele mentioned that the committee has proposed zero per cent VAT on food, education, medical services, and accommodation. "These adjustments are designed to reduce the cost of essential products and help control headline inflation," he explained.

Oyedele also addressed the issue of tax compliance, particularly among wealthy Nigerians. "Our data shows that fewer than 10 per cent of affluent individuals pay the correct amount of tax. To improve compliance, we have recommended that candidates for elective office or government appointments must fully comply with their tax obligations," he said.

The proposed tax reforms include a comprehensive overhaul of the existing tax structure, consolidating various taxes into harmonised categories. The new regime aims to streamline tax collection and ensure more equitable distribution of tax revenue across the federal, state, and local governments.

Key Points from the Proposed Tax Reforms:

Gradual Increase in VAT: Increment from 7.5 per cent to 10 per cent in phases to avoid economic shock.

Adjustments in Revenue Sharing: Increased shares for states and local governments, reduced share for the Federal Government.

Zero VAT on Essentials: Food, education, medical services, and accommodation to carry zero per cent VAT.

Enhanced Tax Compliance: Recommendations for strict compliance checks for candidates seeking public office.

Harmonised Tax Structure: Consolidation of multiple taxes into unified categories for efficient administration.

By phasing in these reforms and focusing on strategic tax policy changes, the committee aims to create a more sustainable and equitable tax system while addressing the challenges of low tax compliance and high inflation.

Naira Omitted from IMF's Exchange Rate List Amid Economic Turbulence

In a stark reflection of Nigeria's ongoing economic difficulties, the Naira has failed to appear on the International Monetary Fund's (IMF) list of Representative Exchange Rates for Selected Currencies for June 2024. This list, which serves as a benchmark for facilitating international trade and financial transactions, includes several other African currencies such as the Algerian dinar (134.492200), Botswana pula (0.072800), Mauritian rupee (46.478600), and South African rand (18.697800).

The omission underscores the persistent challenges facing Nigeria's currency, including erratic exchange rates and instability. Economic experts cite inflation, currency fluctuations, and a decline in foreign investment as exacerbating factors.

"The absence of the Naira from this list may further undermine investor confidence in Nigeria's economy," remarked economic analyst Jonathan Thomas. "Nigeria's economic struggles have been ongoing, with the country facing a daunting task in stabilising its currency and revitalizing its economy."

The IMF's Representative Exchange Rates list is crucial for setting benchmarks in international trade and financial transactions. According to the IMF, "These representative exchange rates, which are reported to the Fund by the issuing central bank, are expressed in terms of currency units per U.S. dollar, except for those indicated by (1) which are in terms of U.S. dollars per currency unit."

In addition to African currencies, the IMF's report lists a variety of currencies from around the globe, including:

Asia: Chinese yuan (7.246300), Japanese yen (157.150000), Indian rupee (83.065900), Korean won (1,381.600000), Kuwaiti dinar (0.306500), Omani rial (0.384500), Philippine peso (58.524000), Qatari riyal (3.640000), Saudi Arabian riyal (3.750000), Singapore dollar (1.351100), U.A.E. dirham (3.672500), and Brunei dollar (1.351100).

Europe: Euro (1.084200), U.K. pound (1.271450), Czech koruna (22.798000), Danish krone (6.879700), Polish zloty (3.950100), Russian ruble (89.375500), Swedish krona (10.517890), Swiss franc (0.901100).

North America: Canadian dollar (1.363500), Mexican peso (17.633800), U.S. dollar (1.000000), Trinidadian dollar (6.706100).

South America: Brazilian real (5.236700), Chilean peso (916.770000), Uruguayan peso (38.786000).

Oceania: Australian dollar (0.664600).

Thomas added, "The IMF has been working with Nigeria to implement economic reforms, but progress has been slow. The absence of the Naira from this list serves as a stark reminder of the country's economic challenges."

As Nigeria grapples with its fiscal policies and attempts to stabilize its currency, the international community continues to monitor the situation closely. The exclusion of the Naira from the IMF's list not only highlights the immediate issues but also underscores the need for urgent and effective economic reforms to restore confidence and stability.

Federal Government Seeks $500m World Bank Loan to Enhance Rural Infrastructure

The Federal Government is seeking a $500 million loan from the World Bank to improve rural road infrastructure and enhance agricultural marketing across the country. This initiative aims to address the critical need for better connectivity in rural Nigeria, where 92 million people currently lack access to reliable roads.

The loan request is outlined in the final draft of the Resettlement Policy Framework for the Nigeria Rural Access and Agricultural Marketing Project Scale-Up (RAAMP-SU), spearheaded by the Federal Ministry of Agriculture and Rural Development. The RAAMP-SU project is designed to improve rural access and climate resilience, thereby boosting agricultural potential and marketing prospects for agrarian communities, ultimately contributing to better livelihoods for the rural populace. Key objectives of the project include enhancing rural access and climate resilience in served areas, strengthening institutional capacity for rural road network management, and solidifying the financial and institutional foundations for sustainable management of rural and state road networks.

This initiative is an extension of the earlier Rural Access and Agricultural Marketing Project, supported by the World Bank and the French Development Agency. The project is managed by the Federal Department of Rural Development within the Federal Ministry of Agriculture and Rural Development, under the oversight of the Federal Project Management Unit.

The policy document highlights Nigeria's extensive road network, which includes approximately 194,000 kilometres of roads—34,000 kilometres of federal roads, 30,000 kilometres of state roads, and 130,000 kilometres of registered rural roads. Despite this network, the rural accessibility index for Nigeria stands at a mere 25.5 per cent, leaving approximately 92 million rural inhabitants without connectivity.

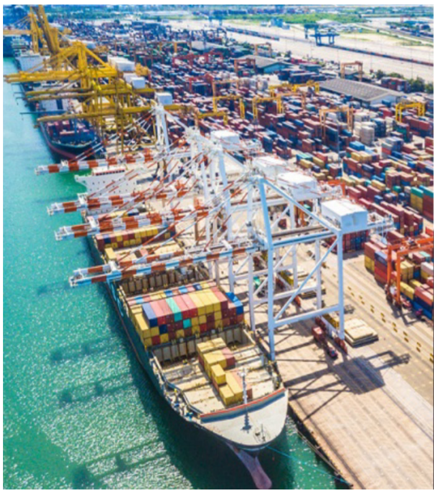
The document states, "Rural access is particularly restricted in areas densely populated by the economically disadvantaged. These factors underscore the imperative to expand and enhance the rural road network, as well as conserve rural road and transport assets."

The total cost of the RAAMP-SU project is estimated at $600 million, with the World Bank expected to provide 83.33 per cent of the required funding. This commitment is 79 per cent higher than the initial $280 million commitment for the parent project.

The project will finance three key components: Improvement of Resilient Rural Access ($387 million), Climate Resilient Asset Management ($158 million), and Institutional Strengthening and Project Management ($55 million).

Nigeria Risks Losing $27.29bn Investment in Delta Seaport Project

The lead promoter of the Escravos Seaport Industrial Complex (ESIC) project in Delta State, Mercury Maritime Concession Company (MMCC), has warned that Nigeria stands to lose a $27.29bn investment if necessary government approvals are not granted by the end of June.
Rear Admiral Andrew Okoja (rtd), Chairman of MMCC, issued this warning on Tuesday, citing prolonged delays by both the Federal and Delta State Governments as the primary obstacle to the project's commencement.



Okoja stressed that investors are prepared to fund the project, which is crucial for Nigeria's economic revitalisation. EDIB International of Hong Kong had earlier this year expressed its willingness to invest $27.29bn in developing the ESIC project. The deep seaport, located in Escravos (Gbaramatu Island/Omadino) within Warri South-West Local Government Area, would be a joint venture with MMCC.
Initiated in 2019, the ESIC project aims to develop 31,000 hectares of land into a multifaceted industrial complex, featuring a deep seaport, crude oil refinery, gas complex, independent power plant, airport, and nature park. Okoja highlighted that the lack of timely approvals from the government could result in missed opportunities for job creation and economic growth.
"This project has the potential to significantly boost the nation's economy from its current distressing state," Okoja remarked. He added that the ESIC project would open Delta State and seven other states, including the FCT, to international investment in trade, commerce, and industry.
"ESIC would transform the Delta State economy and those of the beneficiary states from a rural-driven economy with sporadic urban development to a metropolis-driven economy of international dimensions," Okoja added.
The ESIC is structured as a public-private partnership under the Infrastructure Concession Regulatory Commission Laws of the Federal Government of Nigeria. Modelled after the Lekki Deep Seaport/Free Trade Zone, the project aims to address chronic port congestion and serve the economic interests of the Niger Delta, eastern, and some northern states.
Furthermore, Okoja noted that the ESIC project would complement the ongoing Lagos-Calabar coastal highway. He detailed that the project sought a 50-year renewable concession lease, which would eventually revert to the Federal Government, along with an extension to 99 years for other infrastructure and land.

"It is important to note that by this arrangement, ownership of the deep seaport would revert to the Federal Government at the end of the 50-year concession," Okoja explained. He also mentioned the Delta State Government's willingness, expressed in May 2022, to lease 31,000 hectares of land for the project.
Okoja underscored the necessity of integrating road, rail, and marine connectivity to optimise cargo flow. He urged the Federal and Delta State Governments to confirm the previous administration's approvals and provide necessary guarantees to enable the release of funds by EDIB International Limited, the development partner and financier.
"We advise the Federal and Delta State Governments to take advantage of this three-week grace period before the expiration of this deadline, or else the funds earmarked for ESIC will be diverted to other needy African nations," Okoja pleaded.

Nigerians Grapple with Soaring Food Prices as Inflation Hits Record High

Nigerians are finding it increasingly challenging to afford basic necessities, with food inflation soaring to 40.66 per cent in May 2024. This alarming rise marks a significant increase from the 25.25 per cent recorded in June 2023, highlighting a persistent upward trend in the cost of living.

According to the latest Consumer Price Index (CPI) and Inflation report released by the National Bureau of Statistics (NBS), the headline inflation rate also increased to 33.95 per cent in May, up from 33.69 per cent in April. The CPI measures the average change over time in the prices of goods and services consumed by people for day-to-day living. This increase represents a 28-year high since March 1996, driven primarily by higher food and transport prices.

The NBS report provides a detailed breakdown of the items contributing to this surge in inflation. Key contributors include food and non-alcoholic beverages (17.59 per cent), housing, water, electricity, gas, and other fuels (5.68 per cent), and clothing and footwear (2.60 per cent). The steady climb in food prices from June 2023 to May 2024 reflects a continuous strain on Nigerian households. The price of food commodities increased steadily each month, crossing the 40 per cent mark in March 2024 and reaching 40.66 per cent in May.

Particular food items contributing to the year-on-year increase include semovita, oatflake, yam flour, garri, and beans, as well as Irish potatoes, yam, water yam, palm oil, vegetable oil, stockfish, mudfish, crayfish, beef, chicken, pork, and bush meat. These staples have become increasingly unaffordable for many Nigerians, further straining household budgets.

The report also highlights regional disparities in inflation rates, with Bauchi (42.30 per cent), Kogi (39.38 per cent), and Oyo (37.73 per cent) being the most affected states. In contrast, Borno (25.97 per cent), Benue (27.74 per cent), and Delta (28.67 per cent) recorded the slowest rises in headline inflation.

Several factors have contributed to the rising food prices, including government policies such as the removal of petrol subsidies. These policies have exacerbated the inflationary pressures, weakening the purchasing power of many citizens and making it increasingly difficult for households to afford daily meals. At the March Monetary Policy Committee meeting, the Governor of the Central Bank of Nigeria, Olayemi Cardoso, pointed out that the government's large-scale purchase of foodstuffs as palliatives is also contributing to the escalating food inflation.

As Nigerians continue to grapple with these economic challenges, the need for effective and sustainable policy measures becomes ever more pressing. Addressing the root causes of inflation and implementing strategies to stabilise food prices are crucial steps towards ensuring that all citizens can meet their basic needs and maintain a reasonable standard of living.

The project will finance three key components: Improvement of Resilient Rural Access ($387 million), Climate Resilient Asset Management ($158 million), and Institutional Strengthening and Project Management ($55 million).

SEC Mandates Enhanced Risk Management Standards for Capital Market Operators

The Securities and Exchange Commission (SEC) has mandated that all capital market operators adopt an enterprise risk management framework aligned with internationally recognised standards. This directive, disclosed in a statement on the SEC website, underscores a significant move to enhance risk management within Nigeria's capital markets.

The SEC specified that these standards include those established by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), the International Organisation for Standardisation (ISO 31000), and the Financial Action Task Force (FATF) Recommendations. The initiative aims to fortify risk management practices, mitigate systemic risks, and safeguard the interests of all stakeholders involved.

"All capital market operators are hereby directed to implement an enterprise risk management framework that conforms to international standards such as COSO, ISO 31000, FATF Recommendations, and any other internationally recognised risk management standards," the SEC stated. "The adoption of comprehensive risk management practices is imperative for minimising systemic impacts and protecting stakeholder interests."

The new framework requires capital market operators to consider their operational structure, business activities, client demographics, products, services, and delivery mechanisms. It mandates the establishment of a comprehensive risk governance structure, including a risk management committee with clearly defined roles and responsibilities. To ensure accountability and oversight, operators must define their risk appetite and tolerance statements and consistently report to senior management and the board of directors.

Moreover, the SEC emphasised the need for organisations to implement risk-awareness programmes to cultivate a robust culture of risk management throughout their operations. This directive forms part of the SEC's broader strategy to strengthen risk-based supervision, encompassing anti-money laundering and counter-terrorism financing measures within the capital market.

The commission has set a deadline for all capital market operators to submit a Board-approved risk management policy in PDF format by September 30, 2024, via email at rbs@sec.gov.ng to obtain a 'No Objection'. Additionally, operators must submit an annual risk profile by January 31 each year, assessing emerging threats and the measures implemented to mitigate them for the SEC's review.

"This directive is aimed at enhancing the implementation of risk-based supervision, including anti-money laundering and counter-terrorism financing measures in the capital market," the SEC noted. "Every capital market operator is required to submit their annual risk profile no later than January 31. Emerging threats and mitigation measures must be assessed and reported to the Commission for review," the statement concluded.

CBN Increases BDC License Fees to N2Billion, Introduces New Regulatory Guidelines

In a bid to stabilize the value of the naira exchange rate, the Central Bank of Nigeria (CBN) issued a draft revised regulatory and supervisory guidelines for Bureau De Change (BDC) operators in the country.

In the new regulatory guideline, the Apex bank announced the exclusion of governments, commercial banks, merchant banks, Other Financial Institutions (OFIs), public officers, and other entities from directly or indirectly owning Bureau De Change (BDCs).

The CBN noted that no person is permitted to carry on the business of BDC in Nigeria without its authorization. Also, the bank announced the increment of license fee to a minimum capital requirement of N2billion for Tier-1 firms in the sub-sector. Tier-2 BDCs are expected to have N500 million as minimum capital requirement.

This regulatory guidelines comes after the CBN on Fridat advised the Nigeria Customs Service (NCS) and other related parties to adopt the closing foreign exchange (FX) rate on the date of opening Form M for the importation of goods for import duty assessment going forward.

Section 2.0 of the guidelines states:

”The following shall not be allowed to participate in the ownership of BDCs, directly or indirectly: Commercial, merchant, non-interest and payment service banks, OFIs, including holding companies and payment service providers, serving staff of financial services regulatory and supervisory agencies;

“Serving staff of regulated financial services providers, Governments at all levels, public officers as defined in 5th Schedule Part IV of the Constitution of the Federal Republic of Nigeria.

“Non-Governmental organizations, cooperative societies, charitable organizations, academic and religious institutions, non-Nigerian non-resident natural persons, non-Nigerian resident natural persons, non-resident non-regulated companies, telecommunication services providers. Sanctioned individuals and entities, a shareholder in another BDC (whether directly or indirectly), any other entity that the CBN may from time to time designate.”

The regulation, however, barred BDCs from engaging in street-trading, maintaining any type of account for any member of the public, including accepting any asset for safe keeping/custody; taking deposits from or granting loans to members of the public in any currency and in any form; retail sale of foreign currencies to non-individuals, except for BTA; international outward transfers; engaging in off-shore business or maintaining foreign correspondent relationship with any foreign establishment; and opening or maintaining any account with any bank or financial institution outside Nigeria among others.

It further barred the BDCs from borrowing sums which in aggregate exceed the equivalent of 30 percent of its shareholders’ funds unimpaired by losses, in the BDC’s audited financial statements of the preceding year. The draft regulation further stipulated that sellers of the equivalent of $10,000 and above to a BDC were required to declare the source of the foreign exchange and comply with all AML/CFT/CPF regulations and foreign exchange laws and regulations going forward.

President Tinubu Urges Qatari Investors to Report Any Government Official Obstructing Progress or Soliciting Bribes

President Bola Tinubu has assured the international business community of Nigeria's readiness for serious business under his administration.

He emphasized his commitment to dealing decisively with any entrenched interests undermining investor confidence in the Nigerian economy. He pledged to eliminate all obstacles hindering profitable and legitimate enterprise.

Addressing Qatari investors at the Nigeria-Qatar Business and Investment Forum in Doha, President Tinubu highlighted ongoing reforms and upgrades in Africa's largest economy and its systems. He urged Qatar's industry leaders to report any government official soliciting bribes or inducements during their business endeavors. President Tinubu assured them of direct access to the President's Office for prompt action.

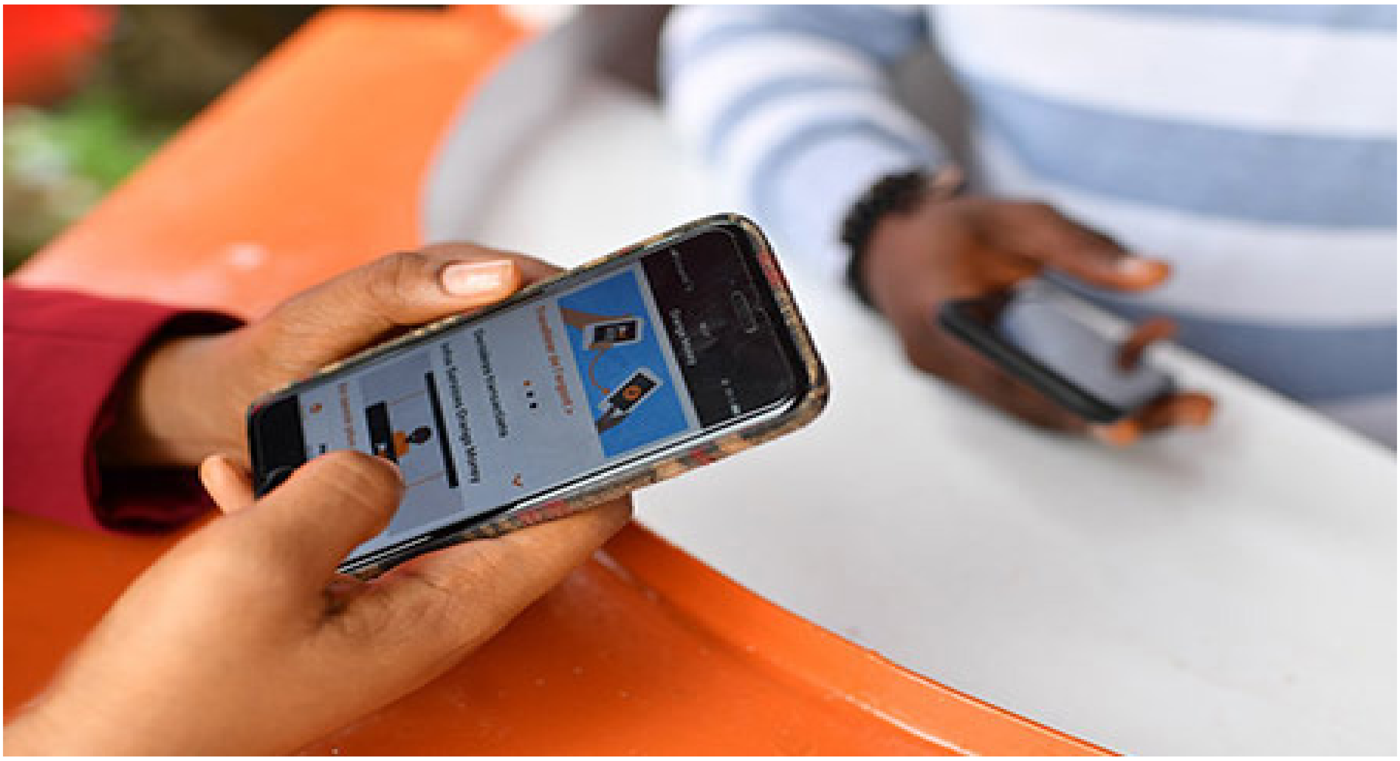
In his words,

"I am here to give you the assurance that reforms are going on; forget about whatever you heard in the past. Whatever is the obstacle or problem that some of you might have experienced; it is in the past, because there is no obstacle in the future.

"Do not offer a bribe to any of our people, and if it is requested or taken from you, report to us. You will have access to me. Nigeria will no longer be defined by the past, but by what we do now and moving forward. Do not let perceptions become a hindrance to your will to invest. Nigeria is serious about revolutionizing investment promotion. We are removing obstacles today and we are going to continue to remove all obstacles. We have done so much within nine months. And I am assuring you, it is free entry, and free exit. Your funds will flow smoothly into and out of our country. Bring your investments".

Moreover, the President noted that the war against corruption and insecurity in Nigeria had been significantly strengthened with the appointment of the former Chairman of the Economic and Financial Crimes Commission (EFCC), Mallam Nuhu Ribadu, as National Security Adviser (NSA).

Six Nigerian Commercial Banks Increased Their Investment on IT Amid Surge in Electronic Transactions



According to reports, six (6) commercial banks in Nigeria ramped up their investment in information and technology (IT) by 44.66 percent, totaling N205.34 billion. This surge in spending corresponds with the increasing number of customers engaging in electronic transactions.

Financial statements from these banks also indicate a significant uptick in income from electronic transactions, rising by 43.73 percent to N331.61 billion. These figures underscore the notable evolution occurring in Nigeria's payment landscape.

Check Out The Banks Below And The Amount Spent on IT;

Access Holdings Plc spent the most on IT last year, investing the sum of N78.05 billion.

Guaranty Trust Holding Company (GTCO), the owner of GTBank, increased its IT expenses to N50.24 billion, while Zenith Bank spent N33.59 billion.

The United Bank for Africa Plc (UBA) spent N23.19 billion; Stanbic IBTC Holdings Plc, N19.34 billion; and Wema Bank did N1.42 billion.

UBA reported the most electronic banking income of N125.58 billion. Access earned N101.62 billion from electronic transactions; Zenith, N51.82 billion; GTCO, N40.83 billion; Wema, N7.35 billion; and Stanbic, N4.42 billion.

It is interesting to note that electronic payments have experienced a notable surge in Nigeria in recent years. The Nigeria Inter-Bank Settlement System (NIBSS) reported a substantial year-on-year growth of 54.55 percent, with electronic payments reaching N611.06 trillion in 2023, up from N395.38 trillion in 2022. Also, instant payment channels witnessed a remarkable usage volume of 9.67 billion transactions.

The drive towards cashless transactions in Nigeria has been influenced in part by the Central Bank of Nigeria's (CBN) implementation of a naira redesign policy and withdrawal limits in December 2022.

With the country striving for a cashless future, the CBN's 'Payments Vision 2025' outlines a trajectory where cash usage should diminish significantly by the target year. This shift anticipates a majority of online transactions being handled by both traditional banks and fintech companies.

CBN Prohibits Lenders From Utilizing Foreign Exchange-denominated Collateral For Naira Loans

On Monday, the Central Bank of Nigeria (CBN) announced that it has prohibited commercial banks from using foreign currency-denominated collateral to issue naira loans. This measure is aimed at safeguarding the banking system from potential risks associated with the appreciation of the local currency.

In a circular, the regulator stated that the practice of using foreign currency as collateral for naira loans, which it had observed, is now "prohibited." Additionally, the central bank announced on Monday that it has sanctioned Eurobonds issued by the government and letters of credit issued by an offshore bank as acceptable forms of foreign currency collateral.

Lenders were instructed to conclude all loans currently backed by dollar-denominated collateral within 90 days or risk facing sanctions. Following its second devaluation in less than a year in January, the naira has experienced significant appreciation against the dollar in both the official and parallel markets. This strengthening occurred subsequent to the central bank's decision to raise interest rates in February and March, as well as to remove restrictions on foreign participation in its fixed-income auctions.

The bank now allows foreign investors to pre-fund their accounts and get naira at the prevailing exchange rate for bill auctions, analysts said. In the past, lenders faced constraints in fulfilling foreign investors' bids as they incurred extra costs on settlement day if they borrowed from the central bank's discount window to pay for bills.

Cashless Transactions in Nigeria Skyrocketed by 88% to Reach N237 Trillion in The First Quarter of 2024

New statistics from the Nigeria Interbank Settlement System indicate that cash transactions in Nigeria surged to N237 trillion in the first quarter of 2024.

According to data, there was an 88 percent surge in cash transactions in Nigeria, rising from N126 trillion in the first quarter of 2023 to N237 trillion in the same period of 2024.

Reports revealed that electronic payment channels were utilized 3.09 billion times in the first three months, marking a 6.2 percent increase from the 2.91 billion transactions recorded in the corresponding period of 2023.

The Nigeria Interbank Settlement System (NIBSS) records cashless transactions from the Nigeria Instant Payment System and Point of Sales terminals. Instant payment transactions totaled N234.5 trillion, while PoS transactions amounted to N2.6 trillion in the first three months of the year.

PoS transaction value and usage declined during the first three months of the year. The channel recorded N2.61 trillion worth of transactions, an 8.1 percent drop from N2.84 trillion in the corresponding period of 2023.

SEC Urges Innovation in Nigerian Capital Market for Sustainable Growth

The Director General of the Securities and Exchange Commission (SEC), Emomotimi Agama, has called on capital market operators to embrace innovation as a key driver of sustainable growth, efficiency, transparency, and resilience within Nigeria's capital market.

Speaking at the 2024 Capital Market Solicitors Association Annual Business Summit in Lagos, themed 'Revolutionising the Nigerian Capital Market through Innovative Financial Instruments for Sustainable Development,' Agama emphasised the SEC's proactive stance in adapting regulations to accommodate emerging financial products and services driven by technology.

"In its efforts to support innovation and growth in the market, the SEC has established a programme of assessment called Regulatory Incubation to help new fintech businesses. The programme allows them to operate for one year within a highly fortified and limited regulatory perimeter while the SEC develops applicable rules that address these innovative technologies," Agama explained.

He added that the incubation programme ensures investor protection and market stability while fostering financial technology advancements in the Nigerian capital market. Central to the SEC's strategy is the Revised Capital Market Master Plan (CMMP 2021-2025), which aims to leverage technology and innovation to expand the depth and breadth of the Nigerian capital market.

Agama cautioned stakeholders about associated risks such as cybersecurity threats, regulatory complexities, and market volatility.

"While the potential of innovation is undeniable, embracing it also comes with challenges. Hence, we must be mindful that the exploration of new instruments must be balanced with robust risk management frameworks. The SEC will ensure appropriate safeguards are in place to protect investors and maintain market stability," he noted.

He commended the collaboration among stakeholders at the Summit, emphasising the need for continuous dialogue and improvement.

"The success of these initiatives demands collaboration by all stakeholders, including the CMSA, legal professionals, regulators, and market participants. We must create a forum for open dialogue and continuous improvement."

The SEC's regulatory incubation programme for fintechs is designed to ensure the safety of investors and their investments in the capital market.

President Bola Tinubu Endorses The Student Loan Amendment Bill, Officially Enacting it Into Law

President Bola Tinubu has signed the Student Loans (Access to Higher Education) Bill, 2024, into law on Wednesday.
This action follows the individual deliberations by both the Senate and the House of Representatives on the report of the Committee on Tertiary Institutions and TETFund.
Speaking after he signed the bill at the state House Abuja, Pres. Tinubu said
"This is to ensure that no one, no matter how poor their background is, is excluded from quality education and opportunity to build their future".
The executive bill titled "A Bill for an Act to repeal the Students Loans (Access to Higher Education) Act, 2023 and Enact the Student Loans (Access to Higher Education) Bill, 2004 to Establish the Nigerian Education Loan Fund as a body corporate to receive, manage and invest funds to provide loans to Nigerians for higher education, vocational training and skills acquisition and for related matters" was signed in the presence of the leadership of the National Assembly, Ministers and Major Stakeholders of Education.
This followed separate considerations by both the Senate and the House of Representatives of the report of the Committee on Tertiary Institutions and TETFund.
President Tinubu expressed gratitude to the lawmakers at the National Assembly for considering the piece of legislation speedily, affirming that the administration is determined to increase the skill levels of Nigerians.
He said, "I have just signed a bill proclaiming the student loan effectively. First of all, I must thank members of the National Assembly for their expeditious handling of this bill considering the children of Nigeria, that education is the tool to fight against poverty effectively.
"We are determined to ensure that education is given the proper attention necessary for the country including skills development programmes. We are here because we are all educated and were helped. In the past, we have seen a lot of our children dropped out of colleges and given up the opportunity. That is no more, the standard and the control is there for you to apply no matter who you are as long as you are a Nigerian citizen."
Recall that on June 12, 2023, Tinubu signed the Access to Higher Education Act, 2023 into law to enable indigent students to access interest-free loans for their educational pursuits in any Nigerian tertiary institution.

Nigerian Marketers Register With Dangote Refinery Ahead of Fuel Supply

With the eagerly awaited commencement of premium motor spirit (PMS) production from the Dangote Petrochemical Refinery this month, Nigerian petroleum marketers have started registering with the company to secure direct fuel supplies. This move comes as the Independent Petroleum Marketers Association of Nigeria (IPMAN) continues negotiations for bulk purchases to support members who might not afford large volumes individually.

Last month, Aliko Dangote, President of the Dangote Group, announced the refinery's readiness to begin PMS sales in June, aiming to end Nigeria's reliance on imported petrol. Speaking at the Africa CEO Forum Annual Summit in Kigali, Rwanda, Dangote confidently asserted that by June, Nigeria would cease importing petrol entirely, boasting sufficient gasoline production to cater to West and Central Africa, as well as aviation fuel for the entire continent and exports to Brazil and Mexico.

"Right now, Nigeria has no cause to import anything apart from gasoline and by sometime in June, within the next four or five weeks, Nigeria shouldn't import anything like gasoline; not one drop of a litre," Dangote declared. "We have enough gasoline to give to at least the entire West Africa, diesel to give to West Africa and Central Africa. We have enough aviation fuel to give to the entire continent and also export some to Brazil and Mexico."

This announcement has been well-received by independent marketers, who have long depended on third-party supplies at inflated costs. National Vice President of IPMAN, Hammed Fashola, expressed enthusiasm about the refinery's capacity to meet Nigeria's petrol needs. "The Dangote refinery can satisfy our needs as far as petroleum products are concerned, especially petrol," he said.

Marketers are now eager to begin lifting fuel from the refinery, with Fashola stressing that this development will end fuel scarcity in Nigeria by eliminating the need for imports. However, Fashola noted that while individual marketers are registering with the refinery, IPMAN as an organization has yet to secure a formal agreement for PMS supply and is advocating for a collective negotiation approach to secure price discounts.

IPMAN, controlling over 80% of Nigeria's filling stations, positions itself as a crucial partner for the Dangote refinery. Fashola highlighted the association's efforts to secure favourable terms through bulk purchases, saying, "We have our letter with them, we are expecting their response, and we will surely do a follow-up. We are just like a ready-made market for Dangote. It is an advantage for him to have us in his programme. I believe that he would like to have us."

He emphasised the importance of negotiating power in securing discounts and discouraged individual companies from acting independently. Despite the lack of a formal meeting with Dangote, individual marketers are already initiating registrations, reflecting their eagerness and the high stakes involved.

As of Sunday, discussions with the Dangote refinery are ongoing, with the association maintaining its strategy of securing collective agreements to benefit its members.

Nigeria Witnessed The Closure of 767 Manufacturers in 2023 – MAN

According to the Manufacturers Association of Nigeria (MAN), the manufacturing sector faced significant challenges in 2023, with 767 manufacturers ceasing operations and 335 becoming distressed during the year. These setbacks were attributed to factors such as exchange rate volatility, rising inflation, and other economic hurdles that have dampened the investment climate.

In a statement, MAN criticized the Federal Government's introduction of the Expatriate Employment Levy, expressing disbelief at its imposition. The association argued that the levy contradicts President Bola Tinubu's Renewed Hope Agenda and the core principles of his Fiscal Policy and Tax Reform initiative.

According to MAN, the unintended negative consequences on the manufacturing sector are humongous and cannot be accommodated at this time of evident downturn in our economy.

The statement read in part, "The imposition of EEL poses a potential impact on the manufacturing sector and the economy at large.

"This will in turn mark an unwarranted and unprecedented addition to the cost of doing business in Nigeria, especially to manufacturers. The manufacturing sector is already beset with multidimensional challenges. In the year 2023, 335 manufacturing companies became distressed and 767 shut down."

The statement further highlighted that capacity utilization in the sector plummeted to 56 percent due to increasing interest rates and a shortage of foreign exchange required to import raw materials and machinery.

MAN
MANUFACTURERS ASSOCIATION OF NIGERIA

Dangote Refinery Has Commenced Supplying Diesel And Jet Fuel to The Local Market

Nigeria's Dangote oil refinery has commenced supplying petroleum products to the local market, marking a significant milestone in the country's quest for energy self-reliance.

A company executive and fuel marketing associations confirmed this development. It is worth noting that Nigeria, a prominent oil-producing nation, has historically faced the challenge of exporting crude oil for refining and subsequently re-importing refined products.

Therefore, Dangote refinery aims to bridge this gap.

Devakumar Edwin, an executive at Dangote Group, affirmed the arrival of diesel and jet fuel shipments in the local market.

He said,

"We have substantial quantities. Products are being evacuated both by sea and road. Ships are lining up one after another to load diesel and aviation jet fuel. Ships load a minimum of 26 million liters, though we try to push for 37 million liters vessels, for ease of operations."

Abubakar Maigandi, head of the Independent Petroleum Marketers Association of Nigeria, said that local oil marketers reached an agreement on the price of diesel at 1,225 naira ($0.96) per liter following a bulk purchase deal.

He further noted that the association's members oversee about 150,000 retail stations throughout Nigeria.

Nigeria Announces Plan to Grant Mining Licenses Exclusively to Companies That Propose Local Processing Plans

Nigeria has announced plans to grant New mining licenses, exclusively to companies that present a plan for local mineral processing.

This move marks a significant shift from the country's long-standing policy of exporting unprocessed raw materials.

According to a government spokesperson, Nigeria intends to optimize the value extracted from its solid mineral deposits. Despite being Africa's foremost energy producer, Nigeria has traditionally failed to capitalize on its vast mineral wealth.

The mining sector's contribution to the nation's gross domestic product has consistently remained below 1%, largely due to insufficient incentives and neglect. To attract more investment into the mining industry, the government is issuing additional licences.

Also, to enhance the mining sector, Nigeria has formed a state-owned solid minerals corporation, providing investors with a 75% stake. Furthermore, a special security unit has been established to tackle illegal mining activities. The government is also working to regulate the artisanal miners who currently dominate the sector by organizing them into cooperatives.

Segun Tomori, a spokesperson for Nigeria's minister of solid minerals development, stated that the government intends to grant tax waivers on mining equipment imports to stimulate further investments in the country.

It also intends to make it easier to secure electricity generation licences, as well as enable full repatriation of profits.

APM Terminals Hosts Exporters' Forum to Boost Nigeria's Non-Oil Trade

In support of the Federal Government's initiative to diversify Nigeria's economy through the promotion of non-oil exports, APM Terminals Apapa held its inaugural exporters' forum on Wednesday.

Frederik Klinke, Country Chief Executive Officer of APM Terminals Nigeria, expressed gratitude to exporters for their contributions to economic growth. He emphasized the importance of non-oil exports and reassured exporters of APM Terminals' commitment to facilitating smooth transactions by ensuring quick loading and offloading, fast positioning for Customs examination, and prompt delivery.

"Nigeria is naturally endowed with many resources to place it among the top emerging economies of the world," Klinke stated. "APM Terminals will continue to support the country's export drive to diversify the economy, earn more foreign exchange, and create jobs and prosperity for the people."

Ismaila Badjie, Commercial Manager of APMT Apapa, affirmed that the terminal would persist in exploring ways to facilitate non-oil exports across its facilities nationwide. Additionally, Caroline Aubert-Adewuyi, Chief Commercial Officer of APMT Nigeria, highlighted collaboration with the Nigerian Railway Corporation to use the new standard gauge rail line for transporting containers from Moniya, Oyo State, to the port. She also emphasized the terminal's commitment to using barges to ease the movement of cargo, reducing road congestion and enhancing import and export efficiency.

Aubert-Adewuyi assured exporters of regular interaction, announcing that the exporters' forum would be expanded and held bi-annually.

Olubunmi Olumekun, President of the Association of West African Exporters and Marine Professionals, thanked APMT Apapa for providing a platform to address logistics challenges

Nigeria's Oil Production Sees Marginal Rise Amid Lingering Concerns

Nigeria's oil sector received a modest boost in April, with daily production inching up from 1.23 million barrels per day (mbpd) in March to 1.28 mbpd, as reported by the Organisation of the Petroleum Exporting Countries (OPEC) in its Monthly Oil Market Report for May. This uptick follows a recent period of decline, signaling a potential turnaround for the country's oil industry, which has faced challenges in maintaining output levels. Nigeria's crude production had dipped from 1.32 mbpd in February to 1.23 mbpd in March, according to OPEC's assessment.

The decline in production has sparked concerns among stakeholders, who worry about the impact on government revenue and the nation's economy. Wole Ogunsanya, Chairman of the Petroleum Technology Association of Nigeria, highlighted the substantial loss incurred daily due to the country's underproduction, estimating the shortfall at around 500,000 barrels per day.

Attributing the drop in production to issues with the Trans Niger Pipeline and maintenance activities by oil companies, the Federal Government assured that efforts were underway to address these challenges. Minister of State for Petroleum Resources (Oil), Heineken Lokpobiri, underscored the government's commitment to resolving the situation and restoring production to previous levels.

Lokpobiri's statement in April reassured Nigerians that measures were being implemented to overcome the hurdles faced by the oil sector. He cited progress in addressing issues with the Trans Niger Pipeline and expressed optimism about returning production to its former levels in the near future.

Amidst efforts to boost production, Lokpobiri emphasized the government's intention to address idle oil wells and licenses, signaling a commitment to optimizing the country's oil resources. Revoking idle licenses and reallocating them to capable individuals represents a strategic move aimed at maximizing Nigeria's oil potential.

As Nigeria navigates its oil production challenges, stakeholders remain vigilant, hoping that the recent uptick in output will mark the beginning of a more stable and prosperous phase for the country's vital oil industry.

NDFF Conference Emphasizes Support for Local Industries, Calls for Investment in Health and Education

The Nigeria Development and Finance Forum (NDFF) concluded its 2024 Conference in Abuja, issuing a series of recommendations aimed at fostering economic growth and social welfare transformation in the country. Among the resolutions was a call for Nigerian leaders to prioritize local carriers for official international travel, echoing the principles of the Fly America Act.

During the two-day conference themed 'The Road to Economic and Social Welfare Transformation,' participants emphasized the importance of supporting locally-made products and services to stimulate economic growth. They urged government officials to lead by example in patronizing Nigerian businesses, highlighting the significance of matching practice with policy.

Furthermore, the forum underscored the necessity of providing palliatives to vulnerable citizens to mitigate the impact of economic shocks. Emphasizing the need for efficient delivery mechanisms, participants stressed the importance of policies aimed at improving the business environment, incentivizing production, and enhancing industrial capacity to foster economic resilience and shared prosperity.

Addressing the critical role of health and education in sustainable development, NDFF called for increased investment in both sectors. Participants advocated for a people-centric approach to governance, emphasizing the importance of reindustrializing the health sector to drive inclusive progress and economic resilience.

The conference, which featured six sessions covering various aspects of economic development, attracted prominent figures including government officials, industry leaders, and representatives from international organizations. Topics discussed ranged from fiscal policy and monetary stability to industry-focused sessions on the Nigerian blue and green economies.

Nestle Nigeria Crowned Toyota's Evergreen Customer of 2023

Toyota Nigeria Limited has honoured Nestle Nigeria Plc with the title of Evergreen Customer of 2023. The announcement was made by Chief Michael Ade-Ojo, Chairman of Toyota Nigeria Limited, at a celebratory event in Lagos dedicated to recognising their esteemed customers. Nestle Nigeria Plc emerged as the winner among a wide array of Toyota patrons, having consistently purchased the highest cumulative number of new Toyota vehicles over the past five years (2019–2023) from TNL-accredited dealers. In recognition of their loyalty and patronage, Nestle was awarded office equipment valued at approximately N10 million and a cash prize of N5 million.

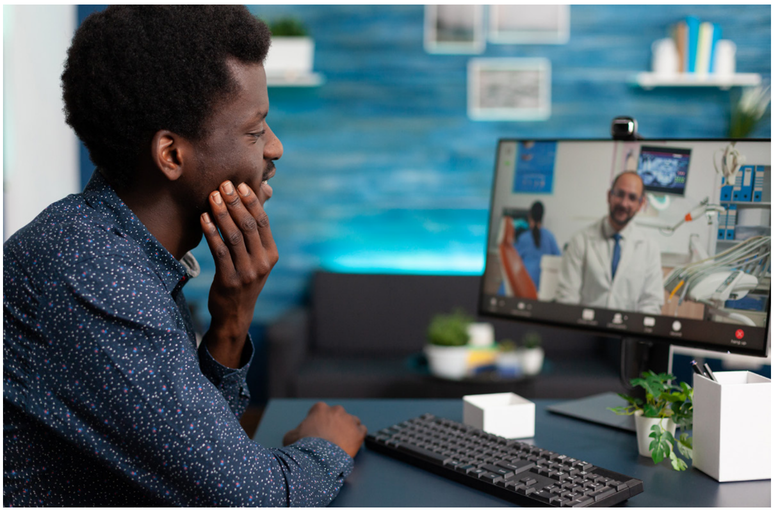
Chief Michael Ade-Ojo encouraged other customers to draw inspiration from Nestle's exemplary loyalty and hinted at an even more substantial reward for the 2024 Evergreen Customer—a brand-new vehicle.

Kunle Ade-Ojo, Managing Director of Toyota Nigeria Limited, emphasised the significance of the annual awards in appreciating and acknowledging customer loyalty. He stated, "At Toyota (Nigeria) Limited, the philosophy of 'Customer First' remains the focal point of all our activities. Therefore, at every opportunity, we like to recognise and acknowledge our customers' overwhelming love and support for us, which has been our driving force over the years. Your unwavering patronage of the Toyota brand and unshaken loyalty to it has been awesome."

In addition to Nestle, other notable recipients included Roxcon Nigeria Limited and Zenith International Bank, which received N3 million and N2 million respectively for securing the first and second runner-up positions in the 2023 TNL customer purchase assessment.

The ceremony concluded with Chief Ade-Ojo congratulating all the winners and expressing heartfelt gratitude for their steadfast loyalty to the Toyota brand and the company.

Afreximbank and MobiHealthCare Forge Partnership to Expand Telemedicine in Africa



The African Export-Import Bank (Afreximbank) and MobiHealthCare Limited have signed a pivotal facility agreement to expand Mobihealth's telemedicine services across Nigeria.
In a statement released on Tuesday via its website, Afreximbank revealed that this agreement also includes assessing the feasibility of extending similar services to Egypt, Ghana, Kenya, and Côte d'Ivoire.
Under the terms of the agreement, the multilateral financial institution will part-finance project preparatory activities, enabling MobiHealth to expand into the additional four countries. The project preparation facility, valued at up to $1.5 million, is expected to advance the project to bankability, potentially unlocking further investments estimated at $65 million.
"MobiHealth's platform leverages local and diaspora medical professionals who can diagnose and prescribe to patients remotely. This reduces waiting and travel times, providing new ways to serve harder-to-reach populations and removing barriers for the underserved," the statement added.
Afreximbank will act as the mandated lead arranger, overseeing senior debt syndication for the project implementation. This transaction originated from the Africa Investment Forum's 'Women as Investment Champions' initiative.
Commenting on the agreement, Kanayo Awani, Executive Vice President of Intra-African Trade and Export Development at Afreximbank, stated, "This initiative will fundamentally reshape healthcare delivery across the continent. By embracing digital technology, we are helping our member countries progress towards universal healthcare coverage and equitable access to quality, affordable healthcare. Afreximbank is pleased to support bankable studies and services to advance this impactful health project."
Dr Funmi Adewara, Chief Executive Officer and project sponsor of MobiHealth, hailed the agreement as a significant milestone in the company's mission to provide digital healthcare solutions across Africa. "We are thrilled to have Afreximbank's support, a pan-African multilateral financial institution with the scale and capacity to help us achieve this objective promptly," Adewara said. She praised Afreximbank, the Africa Investment Forum (AIF), and the U.S. Trade and Development Agency (USTDA) for their visionary leadership and commitment to quality healthcare for African citizens.
Chinelo Anohu, Senior Director at AIF, described the agreement as a groundbreaking achievement for a female-led startup, particularly given the financing challenges such enterprises typically face. "Mobihealth's innovative mobile health solutions are a game-changer for a continent where many struggle to access healthcare. This will make a significant difference in Nigeria and the wider African continent, especially for the 70 percent living in rural areas with little or no access to basic healthcare," she remarked.

AFREXIMBANK

Nigeria's Oil Output Nears 1.7 Million Barrels Per Day, Says NNPCL Chief

Nigeria's oil production is approaching 1.7 million barrels per day, up from 1.28 million in April, according to Mele Kyari, Group Chief Executive Officer of the Nigerian National Petroleum Company Limited (NNPCL). Speaking at a stakeholder engagement with the Nigerian Association of Petroleum Explorationists in Lagos on Saturday, Kyari highlighted ongoing critical gas infrastructure projects aimed at transporting 8 billion cubic feet of gas daily through an extensive pipeline network within the next four years.

Kyari addressed the persistent issue of oil theft and vandalism, which has significantly hampered Nigeria's crude oil production. He stressed the importance of resolving security challenges in the oil and gas sector to boost production. "To increase oil production, we must remove the security challenge in our onshore assets. The security issue is real, affecting infrastructure and market delivery," he said. Over the past two years, NNPCL has dismantled more than 5,800 illegal connections and over 600 illegal refineries.

Due to pipeline vandalism, many have resorted to costly and inefficient methods such as barging and trucking petroleum products. "Barging is not economical. In 1991, we didn't think of putting oil on trucks, but that's our reality today," Kyari noted. Despite these challenges, Kyari expressed optimism, citing substantial government efforts to combat these issues. "We are already seeing the results. Our production is inching towards 1.7 million barrels per day. We should be able to take control of this infrastructure."

Kyari also highlighted the significance of the Ajaokuta-Kaduna-Kano (AKK) pipeline in ensuring gas supply across Nigeria. He mentioned that the final task to connect the east and west involves a 2.7 km river crossing, expected to be completed by the end of May or June, enabling the flow of gas from the east to the west.

Abiodun Ogunjobi, President of NAPE, underscored the importance of upgrading existing gas infrastructure and adding new ones for efficient gas production and utilisation. George Osahon, Chairman of NAPE's Board of Trustees, stressed the vital role of NNPCL in oil and gas exploration in Nigeria and called for industry support in technical training and research data availability. Chief Chamberlain Oyibo, immediate past BOT Chairman, emphasized the need for implementing good policies and incentives to address the decline in the nation's reserve and production.

NASENI CEO Urges Financial Managers to Enhance Resource Control at Workshop

Khalil Halilu, the Executive Vice Chairman and Chief Executive Officer of the National Agency for Science and Engineering Infrastructure (NASENI), underscored the importance of effective resource control during a one-day sensitisation workshop on Government Integrated Financial Management Information System (GIFMIS) policy and guidelines.

The workshop, held in collaboration with the Office of the Accountant General of the Federation at NASENI's headquarters in Abuja, aimed to enhance financial management practices for NASENI's principal officers, directors, managing directors, and accounting officers system-wide.
In a statement released by Chima Akwaja, Deputy Director of Information at NASENI, Halilu emphasized the significance of accurate financial record-keeping and the adoption of innovative processes in line with the GIFMIS policy. He urged staff to maintain confidentiality in financial management, highlighting the critical importance of adhering to public service regulations to uphold the integrity of official information.
Jeremiah Asanato, the Deputy Programme Manager of the System Support and Sustainability Directorate at the Office of the Accountant General of the Federation, provided an overview of GIFMIS during the workshop. He explained that GIFMIS is designed to integrate budgeting and government expenditure, with the aim of addressing irregularities, corruption, and fraudulent activities within government Ministries, Departments, and Agencies.
NASENI, an intervention agency, is tasked with nurturing a dynamic Science and Engineering infrastructure base to facilitate industrialization through homegrown solutions. As the agency continues its mandate, workshops such as this serve as crucial platforms for fostering transparency, accountability, and effective financial management practices across the organization.

Federal Government Greenlights Special Purpose Vehicle to Expand Internet Access Across Nigeria

In a significant move towards bridging the digital divide and fostering economic growth, the Federal Government announced on Tuesday the approval of a special purpose vehicle (SPV) dedicated to overseeing the deployment of an additional 90,000 kilometers of fiber optic cable infrastructure nationwide, aimed at achieving universal internet access across Nigeria.

Minister of Communications, Innovation, and Digital Economy, Bosun Tijani, outlined the transformative potential of the project, emphasizing its role in bolstering the national internet backbone infrastructure and maximizing the utilization of the eight submarine cables already operational in Nigeria. The expansion initiative is poised to elevate Nigeria's terrestrial fiber optic backbone to approximately 125,000 kilometers, positioning it as the third-largest in Africa, behind South Africa and Egypt.

Tijani underscored the strategic significance of the SPV, highlighting its mandate to manage the project's implementation, financing, and operations. Drawing parallels to successful public-private partnership models such as the Nigerian Inter-Bank Settlement System (NIBSS) and Nigeria LNG Limited (NLNG), the minister expressed confidence in the SPV's capacity to drive efficiency and accountability in governance and operations.

"This ambitious endeavor will not only optimize the utilization of our existing submarine cable infrastructure but also pave the way for expanded connectivity to over 200,000 educational, healthcare, and social institutions across Nigeria," Tijani remarked. "By addressing the current digital divide, we aim to ensure that a larger segment of our population can reap the benefits of internet connectivity."

Highlighting the economic implications of the project, Tijani projected a significant boost to Nigeria's gross domestic product (GDP), with estimated growth of up to 1.5 percent per capita. The initiative is expected to elevate Nigeria's GDP from $472.6 billion in 2022 to $502 billion over the next four years, underscoring the pivotal role of digital infrastructure in driving economic development and competitiveness.

The announcement comes in the wake of a report by the Groupe Spécial Mobile Association (GSMA), revealing that a staggering 71 percent of Nigerians lack regular access to mobile internet. The report emphasizes the imperative of policy interventions to enhance infrastructure deployment and expand internet coverage, projecting that Nigeria could potentially add 15 million internet users by 2028 with the right policy frameworks in place.

Nigeria Appeals to UAE For Investment in Ageing Oil Pipeline

The Nigerian government has called on the United Arab Emirates to invest in the renewal and reconstruction of its more than 50-year-old oil pipelines, highlighting that these critical infrastructures have exceeded their operational lifespans.

Heineken Lokpobiri, Minister of State for Petroleum, made the appeal in Abuja on Monday during a meeting with a UAE delegation led by the United Arab Emirates Ambassador to Nigeria, Salem Al Shamsi. Lokpobiri emphasised the urgency of the investment, noting the strategic importance of the pipelines to Nigeria's oil export capabilities.

"This country has enormous investment opportunities; our pipelines need renewal. They have been there for over 50 years since Nigeria found oil in commercial quantities in 1956/1958," Lokpobiri stated. "From then till now, it is almost 70 years, and most of those pipelines were built around that time and have already outlived their lifespans. Even if you can produce, you need to evacuate to the terminals where you would export."

Lokpobiri assured potential investors from the UAE of attractive investment models, explaining that they would recover their investments through the transportation of crude oil. "For any barrel of crude you transport through your pipes, you have to recover your investment by placing mutually agreeable charges," he said.

The minister also highlighted Nigeria's significant gas reserves, asserting that the country's gas potential far exceeds its oil reserves. "Nigeria has over 208 trillion cubic feet of gas. We in Nigeria know that these records are over 20 years. We can double or triple our gas reserves," he said. "Even our crude reserves, I'm very confident that the 37 billion barrels we are talking about are also records of about 20 years."

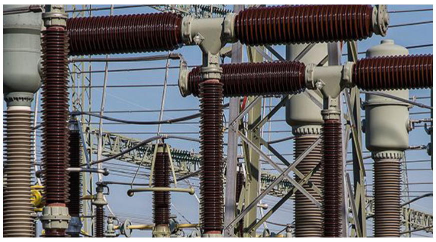
Lokpobiri acknowledged bureaucratic delays in past investments but noted that the government was working to streamline processes. He highlighted the changes brought about by the Petroleum Industry Act, which aims to transform the Nigerian National Petroleum Company (NNPC) into a profit-driven national oil company.

"We want to assure the UAE that Nigeria is open for investments, and we are committed to deepening our very strategic relationship with the UAE," Lokpobiri said, adding that the two countries would continue to collaborate within the framework of OPEC.

The call for investment comes amid broader plans to overhaul Nigeria's extensive but ageing pipeline network. Mele Kyari, Group Chief Executive Officer of the NNPC, recently announced a three-year plan to replace over 5,000km of petroleum product pipelines. Speaking at the 2024 Society of Petroleum Engineers Oloibiri Lecture Series and Energy Forum in Abuja, Kyari underscored the economic necessity of pipeline transportation for petroleum products.

Nigerians Face Increased Electricity Expenses as A Result of The Newly Introduced Tariff Plan

Following an announcement by the government's regulatory body on Wednesday, Nigerians will experience an increase in electricity tariffs. The Nigerian Electricity Regulatory Commission (NERC) has enacted a tariff hike across the nation, as disclosed by Musiliu Oseni, the commission's head, during a press conference in Abuja.
Oseni clarified that the tariff increase primarily affects local consumers, who represent 15 percent of the population but consume a disproportionate 40 percent of the generated electricity.
This adjustment is intended to alleviate the financial strain on the government, which currently provides significant subsidies. Oseni stated that these subsidies could reach as high as 1.6 trillion nairas (over $1.2 billion) for the year 2024.
The affected electricity consumers, who enjoy a minimum of 20 hours of electricity supply per day, will now face increased tariffs, the regulatory official said. This adjustment is part of the government's efforts to streamline costs and optimise resource allocation in the electricity sector.
The announcement has elicited varied reactions from Nigerians, with some voicing concerns about the potential strain on household finances, especially given the current economic difficulties.



Nigeria has long struggled with electricity supply challenges, including insufficient generation capacity and distribution inefficiencies.
While the government aims to address these issues, the tariff hike represents a bold step in the ongoing efforts to reform the country's energy sector, Oseni said.

MTN Nigeria Suffers A Staggering N740 billion in Forex Losses, Resulting in The Complete Depletion of Shareholders' Funds

MTN Nigeria Plc has disclosed a significant foreign exchange loss amounting to N740 billion, a stark increase from N81 billion reported in 2022, marking the company's first reported loss since its listing on the Nigerian Exchange Group (NGX). This loss contributed to a pre-tax deficit of N177.8 billion, a sharp contrast to the N518.8 billion pre-tax profit recorded in the previous year, ultimately resulting in a depletion of shareholders' funds.
The company attributed this substantial loss primarily to operational shifts in the Nigerian foreign exchange market, particularly the dissolution of the segmented/parallel structure announced by the Central Bank of Nigeria (CBN) in June 2023. MTN utilized an official exchange rate of N907.11/$1 as of December 31, 2023, hinting at potentially broader losses should the prevailing exchange rate between the naira and dollar persist until the end of March when it publishes its Q1 results.
Furthermore, the net loss for the year led to a decline in retained earnings and shareholders' funds to negative N208.0 billion and N40.8 billion, respectively. As a result of substantial currency devaluation and its adverse impact on retained earnings, the Directors have proposed to forgo issuing a final dividend payment for the year ending December 31, 2023.
Despite these challenges, the company's revenue witnessed growth, reaching N2.47 trillion for the fiscal year ending December 31, 2023, up from N2.01 trillion in 2022, reflecting a year-on-year increase of +22.69%.

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