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WILL OIL THEFT, PIPELINE VANDALISM EVER END IN NIGERIA?


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Editor's Note

DR. NJIDEKA KELLEY

Oil thieves and pipeline vandals have taken over Nigeria's oil and gas industry attacking from all fronts – upstream, midstream and downstream. These criminal activities have become booming business for the perpetrators and has held Nigeria hostage economically for over 20 years with unpleasant tales.

Oil theft and pipeline vandalism have become economic, social and environmental ills that seem to have defied any known solution in Nigeria. Rather than abate, these crimes are gaining traction with increasing entrants on daily basis.

These faceless thieves and vandals have continued to unleash havoc on the economy. The oil companies, the federal government and Nigerians are suffering their activities. Oil companies lose between 44 per cent and 82 per cent of their oil production to these criminals, while the government also loses money that could have accrued to it through production taxes and royalties, among others.

Currently, Nigeria cannot produce enough crude oil to meet its quota from the Organisation of Petroleum Exporting Countries (OPEC). Its production has dropped from 2.5 million barrels daily to about 1.12 million barrels daily as a result of activities of these criminals.

Nigerians, especially the host communities, suffer the menace of oil theft and pipeline vandalism most as their environment and means of livelihoods are devastated and polluted with the attendant health hazards.

There are also concerns that prices of common goods will continue to rise following macroeconomic uncertainties worsened by lingering impact of COVID-19 pandemic and the ongoing Russia-Ukraine crisis on the global economy including Nigeria. T

The Monetary Policy Committee (MPC) of the Central Bank of Nigeria highlighted these factors in its March meeting. This report examines the past, present and possible future of the state of the economy.

The Monetary Policy Committee (MPC) reviewed developments in the global and domestic environments in the first quarter of 2022 and the outlook for the rest of the year. These include the likelihood of tightening external financial conditions associated with monetary policy normalization in the Advanced Economies, the cocktail of sanctions imposed on Russia, global supply chain disruption associated with the invasion of Ukraine, and increasing vulnerabilities associated with the burgeoning global private and public debt portfolio and risks to financial stability.

Others include increased uncertainties across major financial markets and the increased risk of the continuing rise in prices confronting central banks due to the huge monetary and fiscal stimuli injected into the global economy to subdue the downside risks to growth.

Amid fears of a possible seven million barrels loss of oil from the Russia following its war with Ukraine, OPEC increased production quota allocation to member countries to prevent undue market shocks and to keep the market stable

The organisation approved a production quota of 1.753 million barrels per day (mb/d) for Nigeria for the month of May. Angola got mandate to produce 1.465mb/d; Saudi Arabia and Russia are to produce the highest volume of 10.549mb/d each; Iraq and Kuwait got 4.461mb/d and 2.695mb/d respectively. In a similar vein, the body approved that OPEC 10 are to produce 25.589mb/d; Non OPEC member countries are to produce 16.537mb/d and OPEC+ are to produce 4.2126mb/d all in the month of May.

For Nigeria, this is not the first time OPEC will be granting an enhanced production output for the country. Earlier in the year, allocated output to Nigeria stood at 1.7mb/d; 1.8mb/d; 1.718mb/d and 1.735 for January, February, March and April respectively but unfortunately, it wouldn't be able to meet that quota due to oil theft and pipeline vandalism.

Land, a basic economic resource and factor of production has proven indispensable in the planning and execution of investment and developmental projects in Nigeria in particular and worldwide generally.

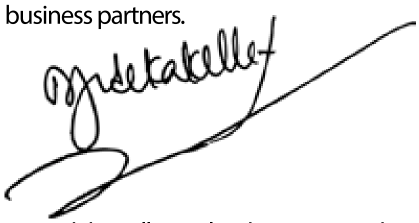
Though the Nigeria Land Use Act of 1978 is the principal legislation that regulates contemporary land tenure in the country, there remain endless struggles over land ownership in Nigeria. The Act vests all urban lands in the territory of each state (excluding those vested in the Federal Government or its agencies) solely in the Governor to hold in trust for the people and allocate to individuals and organisations for residential and other uses, and pegs tenure for 99years.

In exercising this power, the governor (or government) often times run into clashes with ancestral land owners. The squabbles become more bloody when the government misinterprets what constitutes urban territory by delving into rural communities in search of land for development. This adventure has always proved unsuccessful for projects, whether private or public.

The Government of Osun State, South West Nigeria, appear to have demystified these bottlenecks associated with access to land for investment through a tripartite model that places land owners, government and investors on the same page.

These and other interesting articles packaged in this edition for your (our readers') reading delight.

We, the management of Syndicate Publications Limited publishers of The Business Intelligence Africa (TBI Africa) magazine and online welcome Nigerian delegation and others to the 2022 Offshore Technology Conference. For the first timers, kindly network and make new friends and business partners.



Dr. Njideka Kelley is also the owner and Principal Consultant of
New Generation Consulting LLc,
10101 Fondren Road
Suite 353, Houston Texas 77076

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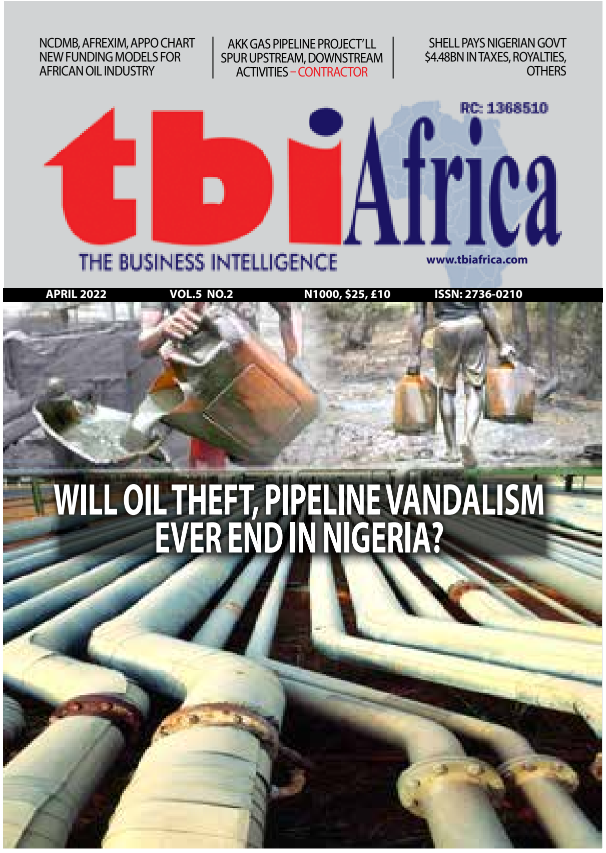

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THE BUSINESS INTELLIGENCE

COVER

APRIL 2022

WILL OIL THEFT, PIPELINE VANDALISM EVER END IN NIGERIA?

*Oil theft and pipeline vandalism have become booming business for the perpetrators and has held Nigeria hostage economically for over 20 years with unpleasant tales. Every government in these years seems helpless or lacked the will to tackle these crimes perpetrated by a few against the nation. Are these criminals invisible and invincible or are there facts that are being hidden from Nigerians? **EMEKA UGWUANYI** takes a holistic look at the issues.*


•Lawan


•Sylva


•Kyari

Oil theft and pipeline vandalism have become twin economic, social and environmental ills that seem to have defied any known solution in Nigeria. These economic crimes have lived with Nigeria for over two decades and have been passed from one government to another, while the criminals increasingly enlarge their coast of operation.

These faceless thieves and vandals have continued to milk Nigeria dry, smiling hilariously to the banks with our commonwealth. The few ones that are rarely caught end up being released without due legal punishment.

Over the years, it has been news of horror almost on daily basis on how Nigeria loses huge amounts of money to oil thieves, how scores of people lost their lives to pipeline explosions caused by oil thieves and pipeline vandals.

Meanwhile, pains of the activities of these criminals are felt and borne by the oil companies – majors and independents and the majority of Nigerians. Oil companies in Nigeria, particularly the International Oil Companies (IOCs) often declare force majeure due to production disruptions caused by oil thieves and vandals.

Every year, government in power through its spokesperson churns out press releases into the public space on how committed the government is to fighting oil thieves and pipeline vandals, with promises of ending the menace. But on the contrary, every year, these crimes continue to get more converts and increased operation with its dire consequences on the economy and Nigerians.

Just recently, the Chief Executive Officer of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Gbenga Komolafe, decried the rising spate of crude oil theft in the country, noting that a princely $3.27 billion worth of oil had been lost to vandalism and theft in the past 14 months. This is a country that has been forced to its knees by debt, unmanageable crisis in its education, power sectors and indeed all the sectors.

Komolafe who spoke at a stakeholders' engagement in Abuja, said the government is extremely worried about the huge loss of oil revenue to vandals. He noted that high-level cases of oil theft had become a threat to the country's corporate and economic existence, with the industry now thinking of transporting crude oil from fields to export terminals by trucks.

Komolafe's lamentation confirmed what the Shell boss said at an oil and gas conference in Abuja last year. The Managing Director, Shell Petroleum Development Company of Nigeria Limited (SPDC) and Country Chair, Shell Companies in Nigeria, Mr. Osagie Okunbor, had said Shell loses 44 per cent of oil it conveys through the Trans Niger Pipeline (TNP) to oil thieves, adding that the act bleeds the economy.

Okunbor stated that it is not just about the stolen oil and the financial losses but also the environmental consequences. "Once one of those assets is breached in any sense, it is not just the environmental consequences that you see, it is also the deferred production that result from this. I can tell you that our most important pipeline in the Delta – the Trans Niger Pipeline (TNP) and the reconciliation factor, which is the difference between what you put into the pipe and what arrives at the terminal, the reconciliation factor is around 56 per cent, which means 44 per cent of what goes into that pipeline disappears.

"This is material not just for Shell but it is even more material for the country. As you know, 90 per cent or more of oil that is produced in JV goes back to this country either via taxes or royalties, among others. I'm talking about the net after cost, so this country bleeds a bit," he added.

Komolafe further noted that much of the crude oil losses came from Bonny Terminal Network, Forcados Terminal Network and Brass Terminal Network. To him, factors aiding the criminal activities are economic challenges, inadequate security, poor surveillance, poor community engagements, exposed facilities and stakeholders' compromises, adding that due to the high level of theft, the country had been unable to meet its OPEC production quota.

However, the government is determined to end the menace, so the country could benefit from the rising price of oil and also protect the environment from oil spills, Komolafe added.

He said: "The issue of oil theft has become a very worrisome one to the government of Nigeria and I believe to you as investors too. It is important that government and oil companies work together to resolve the issue, especially on the agreed volume of oil lost to vandals, since the issues strike at the heart of federation revenue.

"You will recall that in the last one week, we have set up a crack team to determine the accurate figure because as a government, we cannot continue to act on the basis of an abstract or inaccurate figure in dealing with an important issue as crude oil theft because the issue goes to the heart of federation revenue.

"The concern of the government is to increase our national oil production. Basically, we are an oil economy and when the upstream is sick, it affects the wellbeing and health of the country.

"The situation in the upstream is getting to the level of threat to the existence and wellbeing of Nigeria. As responsible regulators, we are very concerned about it. We have been doing a lot and we are not relenting. We will do everything possible to increase oil production in a manner that will make the nation benefit from the upward swing in the international price of crude oil," Komolafe added.

The Chairman/Managing Director of ExxonMobil, Richard Laing, who represented the Oil Producers Trade Section (OPTS) of Lagos Chamber of Commerce, however, differed from Komolafe's views. Laing said though the issue is not new, it had grown from just oil theft to organized criminality, with sophisticated operation.

The ExxonMobil chief said: "As an industry, I know how hard my colleagues work

> ***The language is very important and I think we use theft rather quickly. I don't think this is theft, this is organized criminal activity***

to produce oil that we need and to suffer the level of theft that we have is disheartening. But more importantly, it is a threat to investments, a threat to the health of the industry and wealth of the nation

"It is important that the stakeholders integrate their activities and their thoughts. As OPTS, we have met with a number of stakeholders over the last several months and we want to make sure that whatever we do is joined up and effective.

"The language is very important and I think we use theft rather quickly. I don't think this is theft, this is organized criminal activity. The level of sophistication in terms of tapping into the pipelines, the distributions and efforts required to move hundreds of thousands of barrels a day isn't some guy coming along and tapping into a pipeline and taking container crude oil. It is organized criminality."

The Managing Director of Waltersmith Petroman, Engr. Chikeze Nwosu, who spoke on behalf of the Independent Petroleum Producers Group (IPPG), was different from other oil producers. He said about 82 per cent of the group's oil production was stolen in the month of February 2022.

Nwosu explained that the oil theft challenge had grown from what it used to be in the past when it was just about four per cent, lamenting that it was as high as 91 per cent in December 2021.

He said: "The Trans Niger Pipeline is the major issue. We have seen crude theft grow from single-digit percentages to 91 per cent in December for some of the operators who produce into the TNP, 75 per cent in January and the February report we got has an average of 82 per cent.

Oil theft gone beyond the physical

To underscore the damage and looming danger of oil theft and pipeline vandalism, a prominent and revered spiritualist and General Overseer of the Redeemed Christian Church of God (RCCG), Pastor Enoch Adeboye, has warned that the increasing spate of oil theft will push Nigeria into bankruptcy if urgent and far reaching measures aren't taken to stop it.

The eminent cleric quoted media reports that stated that about 80 per cent of Nigeria's oil production capacity is being stolen, warning that such development could lead the country into bankruptcy if not checked early.

He said: "It is in the news and nobody has denied it that as of now more than 80 per cent of the oil we are producing is being stolen… that leads me to several questions.

"Who is stealing the oil? Where is the money going? What do they want to do with the money? Who are the foreign nations buying this stolen oil? How many of these nations of the world are your friends?

"That is why we are going to pray so that our children and children's children do not keep paying debt. We are still borrowing. We will ask God to expose all those stealing our oil money. We will pray that God will have mercy on Nigeria."

The charismatic leader also bemoaned the high rate of insecurity in some parts of the country, particularly, in Kaduna State. "You cannot go to Kaduna by road, you cannot go to Kaduna by air and you cannot go to Kaduna by rail.

"The question is, why Kaduna and who are those ones responsible? Which state is going to be the next?

"We must pray for Kaduna, we must pray for the Northern part of the country and we must pray for Nigeria as a whole," he noted.

Corroborating Adeboye, an economist and founder of the Centre for the Promotion of Private Enterprise (CPPE), Dr. Muda Yusuf, also warned the federal government that unchecked crude oil

•*Komolafe*

•*Okunbor*

•*Nwosu*

theft, sustenance of petrol subsidy at its current rate and debt servicing would wipe out the government's expected revenue of N10.7 trillion in 2022 and plunge the country into bankruptcy.

Yusuf urged the government to pull the country's economy from the brink by addressing the challenges posed by economic headwinds experienced in the first quarter of 2022, which included rising insecurity, escalating energy cost and worsening exchange.

He said: "Unbridled pipeline vandalism, illegal refineries, oil theft, attacks on oil installations, among others" were threat to the economic survival of the nation and urged the government "to take urgent steps to pull the economy from the brink."

He noted that Nigeria's dysfunctional policy and regulatory environment in the oil and gas sector have been denying the country the benefits of rising crude oil prices in the international market. "This is why the surge in crude oil price, rather than be a blessing, penalises the Nigeria economy. This is the paradox we are confronted with. This is because of the inherent higher subsidy cost. This would escalate the fiscal deficit and increase public debt, which will translate to increased borrowing," he said.

Oil theft, pipeline vandalism is no new, and has grave consequences

In 2014, Nigeria was losing about 400,000 barrels per day to oil theft and pipeline vandalism. The then Special Adviser to the President on Niger Delta and Chairman Presidential Amnesty Programme, Kingsley Kuku, said the figure could go up, if the menace was not tackled..

He said in some communities, oil theft has outstripped fishing and farming. It was damaging and supplanting legitimate economic activities.

Also, the former Joint Task Force (JTF) Commander, Maj-Gen Emmanuel Atuwe, and the former Managing Director/Chief Executive Officer of Energia Limited, Mr. Felix Amieyeofori, painted gory pictures of the sector under oil theft and vandalism of pipelines.

According to Atuwe, there was need for more collaboration among security agencies. Refineries and filling stations, he said, should be built in the riverine areas to give them sense of belonging because they host oil. He noted that there was need for every kilometre of pipeline to be monitored by the host communities and the oil firms to honour their memoranda of understanding (MoUs)

Atuwe said the JTF and the Ministry of Justice were meeting to ensure that pipeline vandals serve jail terms. The meeting, he said, became imperative to ensure speedy trial of suspected vandals.

The Federal Government set up the Task force to ensure 24-hour patrol of oil installations to check pipeline vandalism, crude oil theft and other criminalities in the industry. But Atuwe noted that cases abound where vandals were arrested, remanded, and released on bail and they reappear in the creeks to continue their crimes.

"The undue release of these vandals must be stopped if the country would achieve meaningful progress in the fight against pipeline vandalism and oil theft," he said.

He said the safety of the pipelines would be guaranteed, when offenders were brought to book. He said: "Pipeline vandalism, oil theft and associated crimes persist because perpetrators were prevented from facing the law. Cases abound where people are released on bail when they committed offences that deserve punishment under the criminal code. The need to ensure that justice prevails, informed the meeting with the Ministry of Justice."

Atuwe said the zero tolerance policy declared on pipeline vandals was still in force, despite the surge in the criminal activities. "When I resumed office as the Commander, Joint Task Force, Operation Pulo Shield, in January 2014, I declared zero tolerance against pipeline vandalism to stop the activities of the perpetrators. The order is being maintained because we want to stop the crime. We are policing the creeks and other areas where there are pipelines. We work throughout the night.

"We arrested a vessel that was used to steal oil two days ago. As a nation, we should get angry with the depletion of oil through theft, protect the industry and the economy. Pipeline destruction is an offence that I think the perpetrators should not be allowed to go scot free. Anybody caught breaking oil pipes deserves a jail term, hence the need to meet Justice Ministry on the issue so they can help us in that regard," he said.

He said the JTF has enough facilities to deal with the situation, adding that more collaboration among the security agencies is needed to stop vandalism.

According to him, anyone caught stealing oil should not be released until the court gives judgment. The execution of justice, Atuwe said, should not be limited to pipeline vandals, but also to oil bunkers.

He said the need to look at the terminals through which oil is being exported illegally is imperative to solving the problem, adding that processes that would lead to speedy trial of oil thieves should be put in place for growth.

He urged the government to establish modern refineries in the Niger Delta to reduce unemployment, noting that the relationship between the oil companies and the communities has become soured in recent times.

"The relationship between oil companies and the communities was symbiotic before. There was trust between the two groups. The oil companies were meeting their obligations to the communities. At a point, trust was lost. Added to this is the impoverished nature of the communities. Poor infrastructure and unemployment in the oil producing communities are some of the factors that made the inhabitants to break pipelines," he said.

Amieyeofori said there were about 6000km of flowlines and pipelines in the Niger Delta; about 400,000 barrels of oil per day (bopd) are stolen. Between 2009 and 2011, $10 billion and $12 billion were lost to crude theft, he added.

He said about 100,000 bopd worth about $7 billion was lost yearly. Nigeria, according to him, follows Mexico, Iraq, Russia and Indonesia on the top five countries most plagued by theft, adding that about 75 per cent of the stolen oil is being exported with the rest being refined in illegal "artisanal refineries."

Who is responsible for oil theft? He said it includes some unscrupulous Niger Delta indigenes who collaborate with foreigners. These theft, he said, take place at oil terminals, pipelines and wellheads at night and the people who buy it include

Pipeline vandalism, oil theft and associated crimes persist because perpetrators were prevented from facing the law

illegal artisan refineries in the mangroves.

He said stolen crude goes through the creeks at night with the aid of vessels that transfer into internationally registered vessels, sold to international buyers, processed international oil refineries and paid for using international accounts.

He said products from illegal refineries are sold locally at very low prices. He quoted Reuters as saying: "Stolen Nigerian oil worth billions of dollars is sold every year on international markets and much of the proceeds are laundered in world financial centres like Britain and United States.

"In the study done by Chatham House, it was found that the countries with the most imported stolen oil from Nigeria include the United States, several West African countries, Brazil, China, Singapore, Thailand, Indonesia, and the Balkans. The thieves are able to import the oil through the roles of commodity traders that work in the industry."

The former Managing Director of Pipelines and Products Marketing Company (PPMC), a subsidiary of NNPC, Prince Haruna Momoh, said the PPMC had a total of 258 storage tanks of various sizes spread nationwide with a total holding capacity of 2.6 billion litres and 5120-kilometre pipeline network across the country. These he said, are more than enough for Nigerians not to experience fuel scarcity. But he noted that these facilities were to a very large extent rendered useless by the activities of vandals and oil thieves, hence the occurrence and reoccurrence of fuel scarcity with the attendant suffering caused Nigerians.

Momoh also noted that between 2009 and end of December 2012, the NNPC alone lost about N165 billion to petroeum products theft and repairs of vandalised pipes. For instance, while data from the Department of Petroleum Resources (DPR) showed the PPMC lost 20 metric tonnes of products between 1999 and March 2006 to activities of vandals, records show that in 2005, the cost of petroleum products lost to vandalism was put at N12 billion, while between January and May 2006, the loss was put at N7.07 billion.

The PPMC boss also said the corporation loses about N600 million worth of fuel monthly to vandals through the Arepo axis (System 2B pipeline) alone.

Casualities

Besides loss of products, over 2500 lives were lost to explosions from vandalised pipes in last 15 years. Sometimes, the exact figures of casualties were not got in the event of fire outbreaks while some incidents were not reported. In 2000, over 1000 lives were lost to fire outbreak from vandalised pipeline in Jesse, Delta State. In 2004, over 250 deaths were recorded in Abia State pipeline incident while over 250 lives were also lost in Ilado-Lagos pipeline explosion in 2005. A couple of other lives were lost in Ijeododo in Lagos, an area also known for its notoriety as vandals' haven. The area has recorded several incidents of explosions, in the past few years even in December last year it had an explosion which recorded no casualty. In December 2006 at Abule-Egba, Lagos, over 240 lives were lost to pipeline explosion.

Arepo had three explosions between August and January recording more than 10 deaths excluding members of staff of PPMC killed when they came to fix the vandalised pipe. There are many other explosions and each time it occurs, it is followed by fuel scarcity and loss of revenue to the government.

The most recent occurrence is the Imo State night explosion at an illegal refinery located in a forest in Abaezi community in the Ohaji, Egbema Local Government Area of the state, where more 100 people were burnt beyond recognition.

Possible solutions to the problem

Aside collaboration among security agencies and horizontal directional drilling (HDD), an indigenous player in the energy sector, Mr Victor Ekpenyong, has urged the federal government and oil firms to leverage the expertise of Nigerian

•Yusuf

•Laing

•Amieyeofori

firms and new technology to check oil theft and increase oil production.

He said that although the nation is capable of producing up to 2.5 million barrels of crude oil per day, the activities of oil thieves and vandals, who frequently attack oil installations, have compelled operators to shut down vandalised assets.

The Group Managing Director of the NNPC Limited, Mallam Mele Kyari, stated that oil output has nosedived to less than 1.15 million barrels per day due to the upsurge in oil theft and vandalism.

Ekpenyong, Chief Executive Officer and Founder, Kenyon International West Africa Limited explained that the indigenous oil services firm has developed a home-grown solution to oil theft and vandalism.

He explained that the solution, which the company refers to as Idle Well Management Solution, is currently being deployed in some oil fields and has proved cost effective and efficient.

The solution, according to him, includes installation of anti-theft devices on well heads that makes it impossible to steal crude or vandalise wellheads. He believes that if the solution is adopted across oilfields, oil production will take an upward swing and enable Nigeria benefit from the rising oil prices.

Ekpenyong said that its package to secure oil installations relies on idle well management practice which helps to monitor idle wells, preventing them from vandalism and theft.

Meanwhile, following public outrage against the massive stealing of Nigeria's crude oil, which had seen the country lose huge earnings as well as hobbled its ability to meet the quota allocated by the Organisation of Petroleum Exporting Countries (OPEC), the President of the Senate, Ahmad Lawan, yesterday constituted a 13-member Adhoc Committee to investigate oil theft in Nigeria and its impact on petroleum production and oil revenues.

The composition of the panel was announced on the floor at plenary. Lawan named Senator Bassey Albert Akpan as Chairman of the Committee. Other members on the panel include Senators Yusuf A. Yusuf, Solomon Olamilekan Adeola, Kabiru Gaya, Mohammed Adamu Aliero, George Thompson Sekibo and Gabriel Suswam.

The panel also included Senators Kashim Shettima, Aliyu Sabi Abdullahi, Ali Ndume, Stella Oduah, Sani Musa and Ibrahim Gobir.

The adhoc committee was given one month to conclude work on investigations and report back to the chamber in plenary.

On his part, the Group Managing Director of the Nigerian National Petroleum Company Limited, Mallam Mele Kyari, urged the National Assembly to establish a special court that would handle cases relating to oil and gas to accelerate prosecution of oil thieves.

He said: "I am not sure that we are short of legislation; it is life imprisonment for attack on these facilities. So, there are laws to support this. All we need to do is to increase the advocacy so that the legal process takes its course, prosecutions are done timely.

"I will recommend that we set up a special court for this. Such cases will be speedily dealt with, so that it is not just the ordinary 'small' people that you see at those locations that are prosecuted."

The GMD of the NNPC, who described oil theft and illegal refining as an elitist business, told the committee on Thursday that a few persons were responsible for the economic sabotage.

"We know that to sell crude oil in the international market, it is not the business of the ordinary people that you see in these illegal refineries. It is an elitist business and we must have the courage to set up very independent special courts to try cases related to this. Otherwise, the impact it has on our economic outlook – our ability to generate foreign exchange and in terms of energy security for this country – is threatened by a very few people.

"Clearly, they are a few people. It is not beyond us and I am very confident that the leadership being given by the Chief of Defence Staff alongside the service chiefs and others, will probably in another one to two months, bring some sanity. We are also working on sustainability, not just recovery but to have a sustainable framework," Kyari said.

The NNPC boss added, "It is not a helpless situation; yes, it is a very daunting situation, no doubt."

He recalled that the President, Major

• Adeboye

• Momoh

• Momoh

General Muhammadu Buhari (retd.), had directed the Chief of Defence Staff, Gen Leo Irabor, to "lead a war – clearly it is a war – to contain this situation and bring it to the barest minimum."

At on-the-spot assessment of some pipelines damaged by vandals at Ibaa community in Emeoha Local Government Area of Rivers State, Minister of State for Petroleum Resources, Timipre Sylva, said the Federal Government would no longer condone any form of criminality in the nation's oil and gas facilities and installations.

He said aside from causing huge losses for the country, the criminals involved in pipeline vandalism are also destroying the livelihoods of locals and the environment.

To resolve the issue, he said: "The community must be involved; the security arm must be involved and the third arm, which is the operating public, must be involved. I want to let everybody know that these criminals have their days numbered because the country has lost so much from their activities."

Also speaking, General Irabor, who said the military will deploy a different strategy and a new drive by pursuing not only the criminals, but also their sponsors, said: "We are not only zeroing in on the criminals, but also on those who are supporting them."

Also, the Nigerian Natural Resource Charter (NNRC) lamented the unending scourge of crude oil theft and pipeline vandalism in Nigeria, stating that proceeds from the illicit activity had been fueling crimes in the Niger Delta and is also being used to finance local and regional elections in the region.

In a presentation at the stakeholders' engagement seminar on advocacy against crude oil theft, organized by the New Nigerian Foundation (NNF), a consultant to the NNRC, Mr. Niyi Awodeyi, disclosed that it had been observed over the years, that prior to any election in Nigeria, crude oil theft and pipeline vandalism skyrocket in the country.

He also stated that oil theft tends to rise during periods of high crude oil prices and in periods of increased production, as well as when militants groups are signaling the need for renegotiation of their amnesty payoffs.

He blamed the rising trend of crude oil theft in the absence of a comprehensive law or agency dealing with pipeline security, as well as the fact that several organizations overlap with each limited roles.

Awodeyi further highlighted the rise in the decentralized role of various agencies involved to curb the challenge; as well as acts and laws that were not in line with current realities.

He listed the social impact of crude oil thefts to include a decline in school enrollments, as most of the children instead of focusing on their education are attracted to the crude oil theft business; health risks associated with close proximity to oil theft have terribly impacted the lives of the people.

Awodeyi noted that the life expectancy of the average Niger-Delta inhabitant had dropped to 40 years compared to 54.5 years national average; consumption of contaminated food with high levels of traceable metals and hydrocarbons poses another health risk; and increased possibility of child malnutrition.

On the security and socio-political impact, he added that the advent of bush refineries had caused unrest and threat of violence due to control rights, high registration fees; control rights infighting had led to arms proliferation among rival gangs; while there was considerable local support for these gangs due to underdevelopment of the region and minimal government support and infrastructure.

He further identified complicity by highly placed civilians and military personnel, who most times secures release of arrested vandals.

The consultant added that crude oil theft has led to the loss of economic activities and jobs to neighbouring countries due to insecurity; displacement of civilians due to clashes between militants and military forces, with their properties destroyed during clashes and the high-handed approach of the Joint Task Force, which he said was causing social tensions.

He further listed the benefits of curbing oil theft to include increased oil production and export, increase in revenue thus allowing for economic diversification investments, adding that curbing the menace would free up the military and other security personnel and also return stability to the region and boost investments.

NIGERIA, OTHER OPEC MEMBERS EXPERIENCE PRODUCTION QUOTA CHALLENGE

At a critical time like this, the Organisation of Petroleum Exporting Countries (OPEC) is experiencing drop in production quotas from member nations. Unfortunately, Nigeria, in almost one year, has consistently fallen short of meeting her allocated quota, especially when the commodity has become bullish with its price hitting the rooftop. What are the implications for the country and OPEC?

Going by the current bullish trend in the international crude oil market, propelled by the increasing demand for the commodity, it is safe to say that oil producing countries like Nigeria should be smiling to the bank now. Again, since the last quarter of 2021, oil price has remained on the rising side and now further buoyed by the ongoing Russia/Ukraine war.

The Organisation of Petroleum Exporting Countries (OPEC), acting as regulator in the international oil domain and aware of the likely situation that may arise from the unfolding development, has tried to steady the production quota, not only to avoid a glut in the market but also to prevent a shortfall even as sanction against the world's second largest producer and supplier of the commodity, Russia, gets tougher.

For instance, amidst fears of a possible seven million barrels loss of oil from the Russian pipes, OPEC may have moved decisively by increasing production quota allocation to member countries.

At its last meeting earlier in the week, the organisation approved a production quota of 1.753 million barrels per day (mb/d) for Nigeria for the month of May. Angola got mandate to produce 1.465mb/d; Saudi Arabia and Russia are to produce the highest volume of 10.549mb/d each; Iraq and Kuwait got 4.461mb/d and 2.695mb/d respectively. In a similar vein, the body approved that OPEC 10 are to produce 25.589mb/d; Non OPEC member countries are to produce 16.537mb/d and OPEC+ are to produce 4.2126mb/d all in the month of May.

For Nigeria, this is not the first time OPEC will be granting an enhanced production output for the country. Earlier in the year, allocated output to Nigeria stood at 1.7mb/d; 1.8mb/d; 1.718mb/d and 1.735 for January, February,

March and April respectively.

Shortfall

This year, notwithstanding the enhanced production output granted the country, it has remained impossible to meet up with the allocation. For instance, available reports from OPEC showed that the country has fallen short of all its production allocations for this year. In its report, OPEC captured the country's output at 1.399mb/d in January; 1.25mb/d in February and 1.354mb/d in March. The report added that Nigeria maintained an average daily oil production of 1.424mb in 2021, while so far this year, it is producing below 1.4 mb/d failing to meet its OPEC quota.

But failing to meet production output capacity is not strange to Nigeria. Last August, the country managed a paltry 1.23mbpd, which was a major drop from the 1.32mbpd it produced a month earlier, while it produced 1.246mbpd in September and 1.227mb/d in October. This was at a time when the country had 1.6mbpd as its production output target.

A report by Cordros Capital indicated that Nigeria's oil sector contracted for the seventh consecutive quarter with a negative growth print of 8.1 per cent in fourth quarter 2021, bringing 2021 full year oil sector negative growth to 8.3 per cent. However, providing some comfort was the trend of slowing contraction in the oil sector as the negative growth of 8.1 per cent in fourth quarter 2021 was 4.6 percentage points and 2.7 percentage points slower than the 12.7 per cent and 10.7 per cent contraction in second quarter 2021 and third quarter 2021.

Causes

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) has also confirmed the various shortfalls this year. NUPRC noted Nigeria lost more than 115,000 barrels per day (bpd), valued at $3.27 billion worth of crude oil to oil theft and vandalism between January 2021 and February 2022.

According to analysts, the steady decline in oil production is directly associated with operational and maintenance issues, supported by incessant pipeline vandalism, which has prevented Nigeria from meeting its OPEC+ production quota, despite upward adjustment that has seen Nigeria's production quota rise to 1.72mb/d (excluding condensates). In addition, capital expenditure investment in the oil and gas sector continues to lag below pre-pandemic levels, despite the passage of the Petroleum Industry Act (PIA).

For the Minister of State for Petroleum Resources, Timipre Sylva, poor investment and the exit of oil majors are major issues affecting the country's inability to meet the oil production quota. The minister added that the drive towards renewable energy by climate enthusiasts had discouraged funding for the sector.

Speaking at a ministerial plenary session at the Ceraweek, in Houston, Texas, United States of America, Sylva, according to a statement by his Senior Adviser (Media and Communications) Horatius Egua, he noted that the speed with which international oil companies and other investors were withdrawing investments in hydrocarbon exploitation had contributed significantly to Nigeria's inability to meet OPEC targets.

"Lack of investment in the oil and gas sector contributed to Nigeria's inability to meet OPEC quota. We are not able to get the needed investments to develop the sector and that affected us. The rate at which investments were taken away was too fast," he added. He also cited security challenges as another major factor that contributed to the lack of significant growth of the sector.

The Group Managing Director, Nigerian National Petroleum Company (NNPC) Limited, Mele Kyari, blames the country's inability to meet its OPEC quota on lack of funding. He said financing was badly needed to improve the country's production capacity.

According to him, following the decision to allow more oil in the market, Nigeria and other members of OPEC would face challenges to quickly pump more oil. "Even if OPEC members decide to pump more oil, it may not be very, very realisable as the financing needed for more development is lacking," Kyari said in an interview with Bloomberg.

Far from the position of Sylva and Kyari, several other factors are said to be mitigating against the ability to meet the production target. One of such is the huge cost of restarting fields and pipeline vandalism in the country. An economist and oil market analyst, Mayowa Sodipo, noted that the level of vandalism is very high such that oil firms like Agip, Shell and some other companies have suffered serious damages to their facilities, thereby limiting their ability to contribute to production as a result of the shutdowns that usually followed such attacks.

"Unfortunately, when you experience a shutdown in your operation, restarting them is not straight forward, as restarting facility costs money," he explained.

Last year, for instance, a combined shortage of 1.62 million barrels was recorded at Qua Iboe terminal, with 200,000 barrels due to production shut-in arising from flare management and low well head pressure. Another 530,000 barrels were lost to shut-ins following tank top concerns, 650,000 barrels as a result of production cut-back as directed by the then Department of Petroleum Resources (DPR) as well as a loss of 240,000 barrels due to a gas leak on one of the assets.

This was followed by losses from the Forcados facility, which shed 200,000 barrels, 84,000 barrels, 30,000 barrels and 80,000 barrels respectively on different days, with reasons ranging from leak repairs, tank top issues, a fire incident and declaration of a force majeure.

Still, Forcados continued its shut-ins, shedding an additional 405,000 barrels of crude oil at the Uzere/Afisere/Kokori axis following a shutdown as a result of protests by community workers as well as a loss of 80, 000 barrels due to a fire incident.

In the same vein, Anyala Madu shed 105,000 barrels, Bonny suffered total shut-ins of 335,000 barrels, Ugo Ocha lost 30,000, Okono's shutdown led to loss of 96,000 barrels, while Sea Eagle lost 750,000 barrels.

Implication

The decline in oil output also depleted revenue accrued to the Federation Account amid zero remittances from the Nigerian National Petroleum Company (NNPC) Limited despite soaring oil prices.

Besides, with the inability to meet these allocated quotas, an increasingly huge gap between production increase on paper and actual growth in output now exist, which has made the market tighter than stakeholders had anticipated a few months ago.

Challenge

This is why stakeholders are worried that for a country that has failed to meet its production quota in more than one year, the new allocation may also be a squandered opportunity to make the critical revenue needed to finance this year's budget and other critical infrastructural needs in the country.

Yet, stakeholders like Kayode Oyedele, a public analyst, warned that if the trend of declaration of force majure by some of the International Oil Companies (IoCs) persists this year as experienced previously, then the 1.753mbpd allocation by OPEC+ to the country for the month of May will remain a charade. The issue of divestment by the IOCs remains a sore point against the march to meeting production capacity, with some of the multinational oil companies discreetly withdrawing their investment in the industry.

SPE, NCDMB LAUD DANGOTE PETROLEUM REFINERY'S WORLD-CLASS TECHNOLOGY APPLICATION

From left: Secretary of The Society of Petroleum Engineers (SPE)/Chairperson Lagos Section of SPE, Fanyama Okoli; Chairman of The Society of Petroleum Engineers (SPE), Prof. Olalekan Olafuyi; AGM Training, Development & Stakeholders Relationship Management, Dangote Oil Refinery Company Limited, Dr. Ebele Oputa; Director of Planning Research & Statistics, Nigerian Content Development & Monitoring Board, Patrick Obah, during the visit.

By Emeka Ugwuanyi

The Society of Petroleum Engineers (SPE) and the Nigerian Content Development and Monitoring Board (NCDMB) have applauded Dangote Petroleum Refinery for its application of world-class technology in the construction of the 650,000 barrels per day refinery project.

The two organizations whose leaders were on a tour of the petroleum refinery project recently, expressed the belief that the refining facility is capable of redefining Nigeria's domestic fuels production.

They also said that completion of the gigantic project will secure the future of young engineers in the Nigeria and put them at par with their counterparts in the global oil and gas industry.

Speaking after the tour of the refinery and petrochemical projects, National Chairman of SPE, Prof. Olalekan Olafuyi, disclosed that the visit was necessitated by the need for members to see the reality of the massive project.

According to him, "much has been heard and written regarding the refinery. Coming here has given us the opportunity to see the level of construction works, application of world class technology and massive equipment which are new to the Nigerian downstream oil and gas industry.

"We have heard before about Dangote Petroleum Refinery and have also seen that the project is for real. After touring the refinery, we are amazed by the level of work that has already been done and we are eagerly waiting for its completion. We are happy with what we have seen. Dangote is doing a great job with the construction of a world class petroleum refinery. It is remarkable that a Nigerian company is building a world-class project."

Speaking also at the event, Director of planning Research & Statistics, Nigerian Content Development & Monitoring Board, Patrick Obah stated that the Dangote refinery which is Africa's biggest oil refinery and the world's largest single-train facility is contributing to the implementation of the Nigerian Content Policy through its engagement of Nigerian engineers.

Obah said: "It is awesome that this kind of project is happening here in Nigeria. For the first time I saw a tank that could hold 120 million liters of liquid at the Dangote Petroleum Refinery plant. We are indeed happy that we have this kind of facility here in Nigeria. The visit is very enriching for members of the Society of Petroleum Engineers and the Nigerian Content Board.

"There is no doubt that the project gives inspiration to all visitors who come on a tour of the refinery. The refinery plant gives a lot of hope to Nigerians. It is important for us to grow local capacity that will be able to fit into the energy demand of tomorrow."

He, therefore, commended the Dangote Group for investing massively into the country's oil and gas industry.

Managing Director, Dangote Industries Free Zone Development Company (DIFZDC), Yinka Akande, said that Dangote Refinery has continued to provide employment for Nigerians. Akande said that Dangote will continue to promote the development of Nigerian Downstream oil and gas industry.

He thanked members of the two associations for coming to tour the massive Refinery project and Petrochemical projects.

Earlier while welcoming guests to the site, the AGM, Learning & Development & Stakeholder Relationship Management Dangote Projects, Dr. Ebele Oputa, stated that the company is dedicated to the training of young Nigerian engineers in Refinery Operations oversea and within the country.

She told the visitors that some young engineers employed by Dangote Petroleum Refinery are currently pursuing various doctorate and masters' degrees in some reputable universities in Nigeria, noting: "We target to train over 900 young graduates who are expected to operate the Refinery at completion. Another 10 Mechanical Engineers have also been trained in the General Electric University in Italy. 50 Process Engineers have received training from Honeywell/UOP for six months; 50 Management Trainees have completed their training in the Dangote business.

Currently, six graduates have been selected across the six geopolitical zones in conjunction with NCDMB and taking the MSc and/or PhD at Ahmadu Bello University, Zaria for Research & Development in Zeolites ZM5in", she added.

GLOBAL ENERGY TRANSITION AN OPPORTUNITY FOR NIGERIA'S OIL & GAS INDUSTRY -WABOTE

By Emeka Ugwuanyi

The ongoing disruptions in the international energy industry present a unique opportunity for the Nigerian oil and gas industry to attract investments and serve as one of the leading hubs to meet global energy needs.

The Executive Secretary of the Nigeria Content Development and Monitoring Board, (NCDMB) Engr. Simbi Kesiye Wabote stated this recently in a lecture he delivered at the Society of Petroleum Engineers - Oloibiri Lecture Series and Energy Forum (SPE – OLEF) 2022 held in Abuja.

He spoke on the theme, "Global Energy Transition: Implications on Future Investments in the Nigerian Oil and Gas Industry," and maintained that the clamour by developed countries to reduce carbon emissions through cutting the utilization of fossil fuels is because those nations have run out of hydrocarbon reserves.

The Executive Secretary outlined his perspectives on global energy transition, its implications on global energy security and investments, and the opportunities for the oil and gas industry in Nigeria, pointing out that the outcome of energy transitions has always been the redistribution of the constituents in the energy mix rather than the outright swap of one form of energy for another.

He said the rush to move the world away from fossil fuels has resulted in first world countries shifting funding away from the development of hydrocarbons towards renewable energy, and energy shortage, causing a decline in the supply of hydrocarbons due to lack of investments, because the pace of the shift to renewable energies is unable to meet world energy demand.

Bearing in mind the technological capability and natural endowments as key drivers to the energy mix, the Nigerian Content Chieftain observed that divestments have resulted in the emergence of indigenous companies playing major roles in exploration and production activities such that companies like Aiteo, First E&P, Eroton and others have acquired assets and are now responsible for the production of about fifteen percent of the nation's oil and more than sixty percent of domestic gas.

He decried the divestment of the International Oil Companies (IOCs) and their reluctance to make further investment in oil and gas which has resulted in the repatriation of capital out of Nigeria. He lamented that this has stifled the nation's economy of the much-needed foreign exchange and funds used as loans to acquire oil and gas assets instead of developing new production assets. He also hinted that energy shortage has provided a huge opportunity for the Nigerian oil and gas industry by diversifying oil and gas energy hubs even as it works on adding renewables to the global energy mix to ensure energy security.

Wabote canvassed for a balance between the drive for renewables and new investments in fossil fuels, warning that a misalignment in the transition strategy will result in supply and demand disruptions as witnessed in the current situation in Europe.

He further suggested that as the world continues to expand the options of sources of energy available for use, it should be open to welcome new additions without discarding existing ones. He however, bemoaned the demonizing or de-marketing of other energy sources and setting unrealistic deadlines for countries to abandon fossil fuels. He expressed hope that nations will jealously guard their local sources of energy to ensure it remains in their energy mix for the benefit of its people.

NCDMB, AFREXIM, APPO CHART NEW FUNDING MODELS FOR AFRICAN OIL INDUSTRY

L-R: Chairman, Heritages Times Ltd, Mr. Moses Siasia; Executive Secretary, Nigerian Content Development and Monitoring Board, NCDMB, Engr Simbi Kesiye Wabote; Secretary-General, African Petroleum Producers' Organization,APPO), Dr. Omar Farouk Ibrahim; Permanent Secretary, Ministry of Petroleum Resources, Dr. Nasir Sani Gwarzo; Director and Head Advisory and Capital Markets, African Export-Import Bank; Mr. Ibrahim Sagna;Technical Secretary of the National Committee for Local Content in Senegal, Mor Ndiaye Mbaye

By Emeka Ugwuanyi

The Nigerian Content Development and Monitoring Board (NCDMB), African Petroleum Producers' Organization (APPO), and Africa Export-Import Bank (AFREXIMBank) have outlined new and sustainable models of funding oil and gas investments in Africa, using resources drawn from the continent and de-emphasizing international financiers.

The new pathways were some of the key outcomes of the African Local Content Investment Forum (ALIF) hosted by the NCDMB in Lagos on Monday and form part of the concerted efforts to overcome the decision of western nations and their financial institutions, and international operating oil companies to suspend funding of new investments in hydrocarbon projects because of their advocacy for energy transition and green energy.

The rally by African institutions is also intended to respond to the sustained push by western nations for Africa to abandon her hydrocarbon resources by attracting or deploying funding to the oil and gas industry and is coming on the heels of COP26 event held in Glasgow in late 2021where leading advocates of energy transition made fresh commitments to curb methane emissions, align the finance sector with net-zero by 2050, ditch the internal combustion engine, accelerate the phase-out of coal, and end international financing for fossil fuels.

The Executive Secretary of NCDMB, Engr Simbi Kesiye Wabote, in his welcome address, stated that the African oil-producing countries need to continue exploiting their hydrocarbon resources to fuel their developmental and economic activities, but their actions must be backed by an urgent strategy to address funding, investment, and technological challenges.

He argued that the challenge of inadequate energy is partly the reason why Africa is faced with poverty, conflicts, migration, brain drain and ranks very low on Human Development Index.

He suggested that the African Export-Import Bank (AfreximBank), which supports several oil and gas deals in the continent, the African Development Bank (AfDB), and other funds from Development Financial Institutions (DFIs) in Africa could be explored for funding hydrocarbon development projects. He also recommended that credible businessmen in the continent could also be motivated to pick interest in the industry, adding that "there must be a means of aggregating the various funds so that big-ticket funding transactions can be carried out."

In his comments, the Secretary-General, African Petroleum Producers' Organization, (APPO), Dr. Omar Farouk Ibrahim pointed out that a major study commissioned by APPO on the Future of the Oil and Gas Industry in Africa in the Light of the Energy Transition revealed that the oil and gas industry in Africa would need a new development model to survive the energy transition.

The new model would emphasize greater cooperation and collaboration among African oil and gas producing countries. He said: "The model shall also seek to emphasize a continental-wide approach to addressing the funding challenge, the capacity development challenge, the lack of cross-border and regional energy infrastructure challenge, the technology deficit challenge and the underdeveloped energy market challenge, using the African Continental Free Trade Agreement as an enabling vehicle."

On sources of finance for energy projects in Africa in the absence of the traditional financiers, the APPO scribe recommended that various oil-producing countries should enact laws that provide for a portion of windfalls from oil and gas sales to be re-invested in the industry.

According to him, "we need to find ways of getting African oil and gas producing countries governments to commit a certain percentage of the windfalls to a special fund for the sustenance of the oil and gas industry during the transition period. A guaranteed source of revenue is the only guarantee for the success of the new order we want to see in Africa."

Ibrahim added that revenue shall not come from the private sector alone because the issue is a matter of national security. He insisted that "none of the financial institutions operating in Africa today can afford to provide all the funds required for the oil and gas industry in Africa to operate and grow, and at the same time meet its original mandate."

Acknowledging the impact of the global energy transition on investment philosophies of international operating companies and financial institutions, the Managing Director of AfreximBank, Dr. Benedict Oramah stated that African countries still rely on fossil fuels for growth and sustainable development, hence there is a need to continue financing oil and gas development in the continent to avoid destabilizing their economies.

The Managing Director who was represented by the Director and Head Advisory and Capital Markets, Mr. Ibrahim Sagna assured of the bank's commitment to the African oil and gas sector, pointing out that it had extended loans to players in the industry to the tune of $5bn by the third quarter of 2021.

PETROLEUM VARSITY GETS ICT CENTRE DONATION FROM NNPC, SNEPCO

By Emeka Ugwuanyi

The Nigerian National Petroleum Corporation (NNPC) and Shell Nigeria Exploration and Production Company Limited (SNEPCo), Thursday inaugurated a state-of-the-art Information and Communication Technology (ICT) Centre at the Federal University of Petroleum Resources, Effurun, in Delta State. The 100-seater one-storey building was built and equipped by the NNPC and SNEPCo partnership to promote research, teaching and learning in a conducive environment.

A view of one of the lecture halls of the fully equipped 100-seater Information and Communication Technology ICT two storey building donated by NNPC and SNEPCo and their co-venturers to the Federal University of Petroleum Resources Effurun in Delta State

Delta State Governor, Dr. Ifeanyi Okowa, said "the facility would go a long way in expanding the capacity of the students and staff of the university to compete locally and globally."

Represented by the state Commissioner for Science and Technology, Mrs. Jennifer Adesen-Efeviroro, Governor Okowa commended NNPC and SNEPCo for the focused intervention which he said could not have come at a better time when the world is technology-driven.

"An ICT Centre in the modern world has an immense economic significance," the governor said, adding that a prudent application of the facility to research, teaching and learning would catalyse innovations that would stand the university out among its peers.

Managing Director of SNEPCo, Mrs. Elohor Aiboni, describe the donation as one of the many intervention programmes of SNEPCo and its partners to set Nigerian schools on the path of accelerated digitalisation.

Elohor said, "Our educational system requires more investments beyond what any government can provide and that is why SNEPCo and its partners are focused on any support with the potential to boost the socio-economic development of Nigeria and its people." According to Aiboni, the NNPC-SNEPCo partnership with the support of the co-venture partners has delivered 33 ICT centres in secondary schools and universities across the country while two science blocks and laboratories have also been built and equipped to promote learning of Science, Technology, Engineering and Mathematics among secondary school students.

Group General Manager of National Petroleum Investment Management Services (NAPIMS), the investment arm of NNPC, Mr. Bala Wunti, also described the donation as a delight to NNPC which is keen on making significant impact in the lives of all Nigerians.

"We are keen on touching lives in many positive ways and this intervention, like many others delivered through our partners will go a long way in grooming Nigerian youths for the technological evolution in the world," Wunti said.

Represented by the NAPIMS Deputy Manager External Affairs, Mrs. Edith Bunmi Lawson, said the ICT Centre "will help create a pool of IT savvy professionals whose skills are of high necessity and demand in this global century."

The ICT centre is equipped with 100 computers with licensed software, a WIFI lounge, computer laboratories, conference rooms, a lecture hall, office spaces and equipment rooms. The facility also includes smart interactive boards, and a 100KVA generator.

SHELL CONSIDERS SUPPLY OF GAS TO POWER 255MW IPP

By Emeka Ugwuanyi

A proposed 225 megawatts (MW) independent power plant (IPP) is seeking gas supply from Shell Nigeria Gas (SNG), a leading domestic gas supply company with over 150 companies on its customers' list.

In a statement the company's Communications, Media and NGO Relations Manager, Bamidele Odugbesan, the Managing Director of SNG, Ed Ubong, says the company has the capacity to supply all the gas needed for the project being promoted by Coodsynergyn Oil West Africa Limited (CS OWA), and to be located in Southwest Nigeria.

"We have signed the heads of terms agreement with CS OWA as a prelude to a potential Gas Sale and Purchase Agreement," Ubong said on Monday adding that the new partnership "will deepen domestic gas utilisation, enhance further industrialisation, and enable local industries to have access to reliable and affordable energy to thrive and create employment opportunities for Nigerians."

According to the heads of terms agreement, SNG will build the required infrastructure to connect the power plant to the Escravos Lagos Pipeline System for easy access to gas.

General Manager Shell Energy business line in Nigeria, Markus Hector, said the natural gas-fired power project would bring tremendous benefits to the economy by bridging Nigeria's energy gap as part of the Decade of Gas initiative by the Federal Government.

He said, "Nigeria is an important heartland for Shell, and will remain so. We will continue to invest in the country to help meet its energy needs, with a focus to grow gas positions. SNG as part of the Shell Energy business line is positioned to drive the powering progress strategy by delivering more and cleaner energy to the Nigerian people and businesses."

Managing Director of CS OWA, Dr Olugbenga Odusanya, said he was excited about the prospect of the new power plant with potential to unlock the domestic gas market and contribute to industrialisation in Nigeria.

WHAT WILL IT TAKE TO SOLVE NIGERIA'S ENERGY CRISIS?

Nigeria is Africa's biggest oil producer but the west African nation struggles to meet its energy needs, a struggle that has persisted for many decades.

Authorities in the country said they disbursed over 3.2 billion US dollars to support power supply to Nigerians in the last five years. Godwin Emefiele who is head of the country's apex bank, Central Bank of Nigeria (CBN) said the monies were disbursed to electricity Generating and Distribution companies to acquire equipment, buy meters and improve electricity supply in the country.

Yet Nigerians have continued to battle poor power supply with the situation worsening last week when the country's power grid collapsed twice, causing a huge black out across most parts of the country.

Beat Fm, a 24-hour radio station in Lagos temporarily went off air, announcing moments before that it could not sustain operations into the night. Several other businesses were impacted. But this is not the first time that the power grid collapses in the nation of over 200 million people.

According to TheCable, there were power grid collapses in February, May, July, and August of 2021 and there have been about "206 collapses between 2010 and 2019."

Nigeria's power generation is mostly thermal and hydro and has an installed capacity of nearly 13,000 megawatts. For many years, authorities only manage to dispatch about 4,500 megawatts of its installed capacity.

By contrast, South Africa's total domestic electricity generation capacity is over 58,000 megawatts from all sources including coal which is by far its major energy source.

According to 2020 figures, South Africa has a population of nearly 60 million and Nigeria is Africa's most populous nation; it (Nigeria) also ranks as the biggest economy on the continent. When this reality is factored in, the disparity between both nations soon becomes evident and certainly not only on paper.

It is a disparity that can be seen in the stark reality of millions of homes in Nigeria that have to experience if at all, any power supply, at best, a very epileptic daily supply.

But not many would have imagined the situation to get terribly bad recently.

Generators could not save the situation

Despite being Africa's largest producer of crude oil, Nigeria imports almost all of its fuel and that is because none of its four refineries is operational- presenting a big paradox.

To avoid a spike in prices at the pump, the Nigerian government massively subsidizes Premium Motor Spirit (PMS) commonly known as Petrol. The price is fixed at 165 naira, which is about 40 cents. The price of diesel is however higher than petrol- usually just a little less than I dollar per litre.In dealing with the poor electricity supply, Nigerians for several years have relied heavily on small and huge generator sets operating on these products- petrol or diesel.

These imported generating sets have served as an alternative source of power for Nigerians and in some occasions the only source. So, when power supply from government and private providers significantly drops, the demand for petrol and diesel shoots up.

In February, a severe fuel shortage pushed prices up to 1.50 dollars per litre on the parallel market. The Nigerian National Petroleum Company (NNPC) announced that 100 million litres of adulterated petrol had been imported by error prompting a withdrawal from the market.

A delay in cargo ships carrying refined oil due to the war in Ukraine was also blamed for the shortage. Long queues flowing onto the roads soon lined filling stations across the country for days and weeks, climaxing into a huge and almost nation-wide black out last week.

A troubled 'Privatised' sector

It is now nearly a decade since Nigeria 'privatised' its power sector. The process led to the creation of 11 distribution companies (Discos), while seven generating companies were sold to different private companies. But nothing significant has changed in the experience of consumers and year in, year out, both the government and the Discos blame each other for the failures and woes.

In an interview with africanews journalist Jerry Fisayo-Bambi, the CEO, of the Centre for the Promotion of Private Enterprise Nigeria, Muda Yusuf noted there are many structural and systemic problems facing the players in the power business sector.

First, he counters the CBN's claim of funding saying the stated amount of spending in five years is grossly inadequate.

"The funding you require for the power sector and to effectively turn around the power sector is far more than that. In fact you should be talking about 15 -20 billion US dollars. At the distribution end alone, there are major funding gaps. And some of the investors in the sector have claimed that they are not being allowed to charge a cost effective tariff" Yusuf, the former Director General of the Lagos Chamber of Commerce and Industries (LCCI) explained.

Yusuf points out further that the power

reforms that saw the sector privatised in 2011 was done partially and the quality of the process has raised concern. Generation and distribution were privatised with the exclusion of the transmission component, he says, explaining that the operators continue to struggle with funding and technical capacity.

"There is a major issue with regards to generating liquidity within the system, a major issue with indebtedness to the generating companies because they can not pay adequately for gas and gas suppliers sometimes disconnect them. Then the transmission problem is managed by the government and you can imagine what that means.. so it is a multifaceted and complicated issue compounded by massive electricity theft with some government agencies and consumers not paying adequately for electricity".

Indeed, it is a complicated issue. A former minister of power Prof. Barth Nnaji alludes to some of the insight shared by Yusuf.

“There is also human factor problem on distribution such as connection inefficiencies, leakages, people stealing power, and all kinds of things done by people that make it difficult for efficient distribution, and also, the distribution companies themselves who are not investing in infrastructure which brings about inability to supply power.” Barth Nnaji was quoted as saying recently in a local newspaper interview.

What then is the way out?

Members of the lower house of Nigeria's parliament on Tuesday 22 March mandated the Minister of Power, Abubakar Aliyu to take concrete actions aimed at solving the current nationwide blackout rather than always presenting theories.

The Committee on power led by Hon. Magaji Da’u Aliyu at a meeting with the minister, expressed disappointment over the attitude of the ministry towards power issues particularly during national emergencies.

“There is nothing on ground to show that there will be light or generation of up to 5000 megawatts, but we keep hearing about 30,000 megawatts of installed capacity across the power stations" Da’u Aliyu said.

The Member of Parliament in his rebuke of the current minister of power, hints of the government target of 30,000 megawatts of electricity by 2030, something Generation Companies in the country (GenCos) have assured authorities to be very much attainable. But Nigeria's former power minister Barth Nnaji thinks this is in fact a far cry from what is needed. “If we are going to be a mid-level economy, then we should clearly be talking about having the sort of power supply that Brazil has, which is over 100, 000 megawatts. If we are going to have 100, 000 megawatts of power supply, then we need to have transmission lines to match that capacity, but we don’t have it" he says.

As of today, only about 47 percent of Nigerians have access to electricity when it is available, the World Bank estimates. And if the country must achieve the target of 30, 000 megawatts by 2030, a pragmatic approach, which must be implemented commercially and politically, will need to be ensured at the very least.

Fuel scarcity disappears, generators can now be filled

The government says it has released one billion litres of fuel from the national reserve to normalize distribution of petroleum products across the country after the shortage that saw fuel queues return to the roads in the past month.

The queues have though started to disappear. But the inflationary pressures from the recent fuel shortage and lack of electricity supply have already compounded business dealings and left their ugly mark on this giant African nation.

According to the International Monetary Fund 2019 country report on Nigeria, electricity problem causes the Nigerian economy to lose an estimated $29-billion annually.

"This fuel is finished, it is frustrating and there is not much profit to be made when you spend so much monies on petrol. How do you make extra monies? It is not possible particularly when you have to give the best to your customers".

Those were the words of Olorundare Juwon, a Fashion Designer and owner of a garment factory in Lagos, as he stared miserably at his empty power generating set.

President Muhammadu Buhari in a rare move last week apologized to Nigerians for fuel and electricity issues. This week, he has promised citizens that the issues will soon be over.

But until then, people in business like Olorundare Juwon in Lagos and indeed millions more across Nigeria will continue to bear the brunt.

SHELL PAYS NIGERIAN GOVT $4.48BN IN TAXES, ROYALTIES, OTHERS

By Emeka Ugwuanyi

Shell Plc through its subsidiaries in Nigeria in 2021 paid the Nigerian government US$4,480,547,560.

This is contained in its 2021 Sustainability Report, 2022 Industry Associations Climate Review Update and 2021 Payments to Governments Report published Tuesday (yesterday).

A breakdown of the payment shows that US$2,885,571,789 came from production entitlements, US$511,270,685 from taxes and US$573,430,812 from royalties while US$510,274,274 came from fees.

Shell's Chief Financial Officer, Sinead Gorman, said: "Our operations generate revenue through taxes and royalties for governments around the world. These taxes and royalties are often used by governments to fund essential public services like education, transport and healthcare.

"Since 2016 Shell has made mandatory disclosures under the UK's Reports on Payments to Governments Regulations 2014 (amended December 2015). We have published the revenues that our operations generate through taxes and royalties on a voluntary basis since 2012. We believe that being open about our tax payments helps people to understand how much we pay and why.

"In 2021, Shell paid $58.7 billion to

Ben van Beurden

governments. We paid $6.0 billion in corporate income taxes and $6.6 billion in government royalties. In addition, we collected $46.1 billion in excise duties, sales taxes and similar levies on our fuel and other products on behalf of governments.

"The 2021 Payments to Governments Report details payments in 25 countries where Shell has Upstream operations, including the basis of reporting and a breakdown by country. The report is prepared in accordance with the UK's Reports on Payments to Governments Regulations 2014 (amended December 2015). This is the seventh report issued by Shell under such regulations.

Shell separately, and voluntarily, publishes its Tax Contribution Report and this has a different reporting basis. The report outlines Shell's approach to tax and taxes paid and covers 99 countries and locations across all our businesses. For the detailed basis of reporting of these publications we refer to the Payments to Governments Report and the Shell Tax Contribution Report respectively."

Shell has been formally reporting on sustainability-related performance for 25 years, with the aim of being transparent about activities that are important to investors, governments, and civil society. The 2021 Shell Sustainability Report outlines the progress towards many of its Powering Progress strategic ambitions, and shares related social, safety and environmental performance data.

In his introduction to the report, Shell's Chief Executive Officer, Ben van Beurden, said: "Our Powering Progress strategy, which we launched in 2021, sets out how Shell can play a leading role in helping the world to reduce its carbon emissions. At the heart of our strategy lies our own target to become a net-zero emissions energy business by 2050, in step with society's progress in achieving the Paris climate goals. In this, our 25th Sustainability Report, we share how we are working towards our Powering Progress goals."

POWER POSTS N74.3BN REVENUE AS SECTOR'S FINANCES IMPROVE

Transcorp Power Limited, owner of the 972 megawatts capacity power plant in Ugheli, Delta State, has announced revenue growth of N74.3billion in 2021 following the recent improvements in the financial performance of Nigeria's power sector.

In the 2021 annual report and financial statement of Transcorp Group, the Group Chairman, Tony Elumelu, said the power firm's revenue accounted for about 70 per cent of the total revenue of the group.

He said, "Transcorp Power Limited's revenue improved by 14 per cent from N65.1billion to N74.3billion, accounting for around 70 per cent of the total group revenue. Profit Before Tax increased by 92 per cent, from N12billion to N23.1billion.

"This excellent return again validated our investment and commitment to this critical sector."

Speaking further on the sound financials in the power sector as seen in the delivery of another plant, Elumelu said, "Our investment in Trans Afam Power Limited was also consolidated in the group's financials in 2021, accounting for 15 per cent of revenue and 25 per cent of the group's total assets as at December 2021."

The Federal Government through its Nigeria Electricity Trading Company Plc, Nigerian Electricity Regulatory Commission, and the Power Sector Recovery Programme had recently stated that the financial performance of the power sector was improving.

The PSRP, for instance, stated on Wednesday that the shortfall in electricity tariff paid by consumers across the country to power distribution companies had dropped from N1.891trillion to N247billion.

It had explained that the tariff shortfall was reduced through the implementation of the PSRP Financing Plan that was approved in November 2021 and that this had further enhanced the cash-flow in the power sector.

The PSRP described the plan as "a credible financing plan for the PSRP programme that identifies how tariff shortfalls will be paid and promotes sustainable growth of the Nigerian electricity supply industry."

On the reduction in tariff shortfall, it said, "Tariff shortfall payment has been cut-down from a historical accumulation of N1891billion (N1.891trillion) to N247billion in 2021, and is on course for elimination by December 2022."

Meanwhile, Elumelu stated in Transcorp's annual report that the gross earnings of the group increased to N111.2billion in 2021 from N75.3billion in 2020.

WHY NIGERIA'S POWER GRID KEEPS COLLAPSING

Over an 18-year period, beginning from 2000, Nigeria's electricity grid incredibly collapsed both partially or totally for 546 times. This collapse frequency is due majorly to the lack of a functional and reliable SCADA system that usually perceives disturbances and employs mitigating actions. Emeka Ugwuanyi writes.

SCADA is the acronym for Supervisory, Control and Data Acquisition. It is a technology that acquires real time data from field equipment for the purpose of supervision, control and analysis of power systems and associated field elements. The control centre takes advantage of acquired data for informed and prompt decision making. When SCADA is fused with an Energy Management System (EMS), the system further enjoys benefits like outage planning, load forecast, contingency analysis, generation Unit Scheduling and commitment, market settlements, etc. The SCADA/EMS may therefore be considered the Power System's 'brain' responsible for the efficient management and operation of interconnected systems within the grid.

An electric power grid is a network of interconnected power systems for delivering power from producers to consumers. The collapse of the grid means loss of power supply across the environments/customers that the grid supplies. This is otherwise referred to as voltage collapse. Grid collapse is an unacceptable situation that warrants setting up of investigative panels whose findings ensure recommendations of possible solutions meant to avoid future occurrences. However, this is not the case with Nigeria's grid. The grid collapses have been indiscriminate.

The existing SCADA/EMS is a proprietary Energy Management System by SIEMENS with proprietary database and inter- application messaging system. This system is vendor lock-in and its deployment was forklift (all in one); hence, TCN is compelled to buy all the EMS applications and equipment from this same vendor. This has circumscribed TCN's ability to upgrade, modify or change packages to suit the realities of the present day market environment. Although the accompanying packages could meet the then demands of an energy market, modules like the Automated Meter Reader developed in-house by TCN or procured for certain functions from vendors rather than SIEMENS, cannot be integrated into this system because of the system's proprietary nature.

It is even more worrisome that substations built, equipped and automated by vendors like ABB, NARI, GE, etc. cannot be easily integrated into this system without contracting the integration process out to SIEMENS or hiring the extremely special skills of experts who understand both systems. This is due solely to the lock-in nature of the existing system. The unfriendly nature of this deployed system has therefore annulled the integration objective and consequently hampered expansion and reliability.

The current TCN SCADA/EMS has centralized data aggregation centres at NCC Osogbo and SNCC Shiroro. The system consists of various packages like fault analyzers, data historian, power flow analyzer, contingency analyzer, etc. These various packages are aimed to work in harmony to achieve the key objectives of real time supervision and control of the power system for stability and security as well as data acquisition for system analysis and planning. However, these very appealing objectives are rarely achieved due to the limitations in communication infrastructure, substation automation, flexibility of the existing SCADA/EMS and user proficiency.

The dream for a desired and successful SCADA/EMS implementation begins with a reliable procurement process. To accomplish this, a solution-based procurement process which encompasses equipment procurement as well as all the factors that relate with the system to ensure that the desired objectives are met before the project close out should be adopted. This procurement process will recognize and correct the challenges that have plagued the current SCADA/EMS.

While many important requirements must be developed, perhaps one of the earliest to be considered is communications capability and required functionality. While specific features can be scaled to meet future needs and growth, available communications bandwidth needed to support any supplementary features should be taken into consideration upfront. Delivering communication services to operational applications requires not just implementing a suitable telecommunication infrastructure with adequate capacity but also with a high degree of reliability and security. The network must cover all service access points in power stations, control and monitoring platforms and must assure access to and from the technical offices. When very well designed and implemented, other applications like physical access control, video surveillance and metering can leverage the network's robustness and reliability. Moreover, existing legacy systems like radios, antennas, RTUs, fibre and cabling can also be leveraged in order to maximize investment return and reduce upfront costs.

Further on, with about $65 million available for the SCADA project, TCN must automate analogue transmission stations ahead of the procurement process. Likewise, TCN should adopt a modular system of SCADA deployment, a strategy that can afford them the luxury to replace modules of the SCADA with desired ones, upgrade such modules, modify them or integrate in house developed applications as well as afford them the ability to tweak the SCADA to suit the realities of the Nigerian electricity market. The modules can be deployed separately and from varying vendors but must be interoperable for easy and quick integration with other modules of the system. This will solve the non-flexible nature of the current system and also eliminate the challenges encountered while dealing with proprietary systems.

AKK GAS PIPELINE PROJECT'LL SPUR UPSTREAM, DOWNSTREAM ACTIVITIES – CONTRACTOR

•PROJECT TO BE COMPLETED Q1 2023 – KYARI

By Charles Okonji

The Oilserve Limited, contractor handling the ongoing Ajaokuta-Kaduna-Kano (AKK) gas pipeline project, says once completed, it will spur midstream and upstream activities in Nigeria.

The project which spans a length of 614 kilometres is being developed by the Nigerian National Petroleum Company Ltd. (NNPC) to transport natural gas from Ajaokuta, Kogi state through states and urban centres in Nigeria.

Mr Emeka Okwuosa, Chairman, Oilserve Limited, the project contractor, said this on Thursday during an inspection of the project site in Abaji, FCT by Malam Mele Kyari, Group Managing Director, NNPC and other dignitaries.

Kyari, was on inspection with its Board Chairman, Sen. Margery Okadigbo and other board members to assess the level of work done on the project which began in 2020.

Other officials on the inspection were, Group Executive Director (GED), Finance and Accounts, Mr Umar Ajiya, GED, Upstream, Mr Adokiye Tombomieye and Oilserv Limited, officials, among others.

The project is expected to be completed in the first quarter of 2023.

Okwuosa described gas as a key factor in the energy value chain in the country, adding that it would significantly make Nigeria to come up again industrially.

According to him, the AKK gas pipeline system is made up of the pipelines, Block Valve, Terminal Gas Station (TGS), Metering Station (MS), Block Valve Station (BVS), Intermediate Pigging Station (IPS), Kilometre Post (KP) and other stations.

He said the mainline construction was one-third completed, and the engineering more than 80 per cent while procurement was more than 50 per cent done.

"We feel good as a company, and we know that what we are doing is historical and it's very important to the country.

"So, it's not just about the pipeline is about the facilities. So, we feel good that we are moving and we are sure that we will keep the schedule," he said.

He said that pipeline activities involved a lot of planning, key and core engineering design, but most importantly putting the boots on the ground.

"Putting boots on the ground means bringing these pipes going through every meter of the 614 kilometres, of which we are building 303 kilometres," he said.

He said the challenges it was facing specifically ranged from security, tough terrain and weather.

"And project of this magnitude requires a lot of money but NNPC is up to the task. They have been able to mitigate some of the issues that arose originally.

"So challenges will be there. But the most difficult remains the security challenge," he said.

AKK gas pipeline system, when completed will provide gas for improved power generation, develop new industries, increase revenue generation, reduce gas flaring, promote local content and deepen local gas market.

Also, the Nigerian National Petroleum Company Ltd. (NNPC) says the ongoing Ajaokuta-Kaduna-Kano (AKK) gas pipeline project will be completed by the first quarter of 2023.

Malam Mele Kyari, Group Managing Director, NNPC, said this on Thursday while inspecting the AKK gas project site at Abaji, Abuja along with some NNPC Board members, top officials and other dignitaries.

Some of them are, the NNPC Board Chairman, Sen. Margery Okadigbo; Group Executive Director (GED), Finance and Accounts, Mr Umar Ajiya; GED, Upstream, Mr Adokiye Tombomieye.

Officials of Oilserv Limited, among others, were also present.

The project which spans a length of 614 kilometres is a natural gas pipeline being developed by the NNPC to transport gas from Ajaokuta through several states and urban centres in Nigeria.

The project, the construction of which began in 2020 and estimated at 2.8 billion dollars, is a segment of the Trans-Nigeria Gas Pipeline (TNGP) and the Trans Saharan gas pipeline project

Kyari, during the inspection, said the AKK gas pipeline was a signature project for President Muhammadu Buhari, a great one to deliver to the country before the end of his tenure.

He said that more importantly, it would bring major development, progress, creative jobs and stabilised power as well as revamp industries across the country.

Kari said this was because it would de-bottleneck gas supply network in the entire country.

According to him, it will serve as gas supply link to other African countries and Europe upon completion.

"We are very confident that by first quarter of 2023, we will put gas on these pipelines. This project will be delivered on schedule and timely, we are putting in place every-

thing required to deliver the project.

"We have missed some schedules but we are doing a catch up, we have put a number of interventions that are necessary, including deployment of additional resource required to deliver the project," he said.

The NNPC boss, while commending the contractor on its effort, said it should speed up the project because the whole world was in need of gas.

According to the GMD, it is a market opportunity for Nigeria, being the highest gas reserve country in Africa.

Also speaking, Okadigbo, said she was impressed with the progress made on the project and expressed optimism that it would be completed in good time.

Mr. Emeka Okwuosa, Chairman, Oilserve Limited, company in charge of the project Engineering, Procurement and Construction, said with prompt intervention of the NNPC management, it had redoubled effort and added more capacity to meet deadline.

"This is one out of six sites we are working, this is one of the crews of automatic welding, relative to the entire pipeline scope that we are executing; we have done 120 kilometres welding and more than 80 per cent engineering and procurement," he said.

Mr Steve Nnorom, Project Manager, Oilserv Limited, (segment one AKK pipeline work) analysed the pipeline and station installation, showing progress as at April 11, 2022.

Nnorom explained that it structured the work by splitting the spread into three segments, namely, Alpha, Bravo and Charlie for construction oversight.

He said that it was currently on Bravo, typically on welding.

Under the Alpha segment, which comprised survey verification, stringing, bush clearing, field joint coating among others, he said it had surveyed cumulatively 214 kilometres, performed bush clearing, done one third of mainland welding.

At Bravo segment, he said it had deployed latest technology of full automatic and manual welding spread and achieved one third of mainland pipeline and welding, adding that it would cover the entire location within committed time from its pace.

"We are doing all we can despite the challenges. The spread we are in now is less challenging.

"Starting from Ajaokuta, we have rocky terrain, 3.2 kilometres of that section are all rocky terrains but we are fragmenting the rocks for back-end activities which we are planning.

"In the upcoming months we will start ditching, lowering and back filling the pipelines. We are also placing order for other mainland procurement items that will go on the mainline," he said.

Speaking on infrastructure interference, he said the company was mindful of that, as power lines along its right of way were slowing down the progress of the project.

"We have human active environment whereby we cross people's buildings, markets not destroyed yet but we are working in conjunction with the owners who have issued the right of way for complete compensations to avoid interruption," he said.

Upon completion, AKK gas project would boost the agricultural and manufacturing sectors, and reduce the nation's carbon footprint as part of measures to cut down on global warming.

It will also provide gas for generation of power and for gas-based industries.

This will facilitate the development of new industries and also the revival of moribund onee along transit towns in Kogi, Abuja, Niger, Kaduna and Kano States.

SHELL RESTATES COMMITMENT TO SAFE OPERATIONS, ENERGY TRANSITION, OTHERS

By Emeka Ugwuanyi

Global energy giant, Shell Plc, has restated commitment to safety and energy transition that will ensure net zero emissions in its operations globally.

Shell's Chief Executive Officer, Ben van Beurden, made commitment in the company's 2021 Sustainability Report, 2022 Industry Associations Climate Review Update and 2021 Payments to Governments Report published yesterday.

Beurden said the world needs urgent action to achieve net-zero emissions and the more ambitious goal of the Paris Agreement: to limit the rise in average global temperature to 1.5° Celsius, and Shell's global climate and energy transition policy positions align with this.

He said: "Shell's target is to become a net-zero emissions energy business by 2050, in step with society's progress in achieving the goal of the Paris Agreement. We are transforming our business to meet our target, providing more low-carbon energy, and working with our customers and others as they make changes, sector by sector. This includes supporting government policies that will help the world to achieve net-zero emissions by 2050.

"We have updated our global policy positions on climate and energy transition to be in line with our Powering Progress strategy. By advocating these positions as we transform our business, we believe we are supporting the energy transition and the Paris Agreement.

"Our policy positions on climate and energy transition serve as a global framework for Shell's advocacy with governments, international organisations, industry associations, coalitions, and other stakeholders globally, regionally and within countries. They are an important part of our drive to provide greater transparency around our climate advocacy, and to meet expectations of institutional investors, non-governmental organisations and wider society.

"We will also use these policy positions as the basis of future assessments of our memberships of industry associations.

"Our policy positions reflect our belief that the world needs to rapidly decarbonise each of the key sectors that contribute to global emissions. This will take ambitious action at all levels of government, and by industry and consumers around the world. Our positions also reflect the need to ensure that the economic and social benefits of the energy transition are inclusive and distributed in a fair way.

"Where there are clear, commercial pathways to decarbonisation, we are calling for policies that drive urgent investment by the public and private sectors. For example, we advocate government policies that accelerate renewable power generation, and end unabated coal-fired power generation by 2040 where feasible.

"In sectors that are harder to decarbonise, such as aviation, shipping, heavy industry and commercial road transport, governments need to help drive the transition to low- and zero-carbon energy. In these sectors we are calling for policies that create commercial markets for fuels such as sustainable aviation fuel, hydrogen and advanced biofuels.

"We recognise that the pace of change will be different around the world. For example, we believe that in the majority of developed countries, with the right policy frameworks in place, the transition to the widespread adoption of zero-emission vehicles, and the phase out of sales of new internal combustion engine vehicles, should happen in the 2030s.

"Early 2022 has brought new uncertainties and challenges, and, like so many others, I am horrified by the war in Ukraine. I feel deeply for those suffering no matter where they are. All of us at Shell are concerned about our staff and contractors affected by the conflict and we are doing everything we can to help them. Shell is helping in the relief effort and working with governments to find ways to secure energy supplies for Europe and other markets.

"We also took decisive actions in support of global economic measures against Russia and you can read about them in the media release.

"As the world faces these new challenges, and even as the COVID-19 pandemic continues, it must not lose sight of the importance of taking action on climate change.

"Our Powering Progress strategy, which we launched in 2021, sets out how Shell can play a leading role in helping the world to reduce its carbon emissions. At the heart of our strategy lies our own target to become a net-zero emissions energy business by 2050, in step with society's progress in achieving the Paris climate goals.

"In this, our 25th Sustainability Report, we share how we are working towards our Powering Progress goals."

Safety is essential

The Shell Chief stated that one critical area in which we simply must do better is safety, which is essential to our strategy. We have made progress on improving the safety of our operations since the early 2000s.

"We have not been able to eliminate all fatal incidents involving Shell employees and contractors. The number of safety incidents increased in 2021. I am saddened by the deaths of eight of our contractor colleagues in Pakistan, Indonesia and Nigeria, and the death of a government security agent in Nigeria. We must strive continuously to improve our efforts to keep people safe."

Accelerating towards net zero

"In 2021, we took an important step towards becoming a net-zero emissions business with a new target to reduce our absolute emissions from our operations (Scope 1 and Scope 2) by 50% by 2030, compared with 2016 levels on a net basis. By the end of 2021, Shell had reduced Scope 1 and 2 emissions from our operations, and from the energy we buy to run our operations, by 18% from 83 million tonnes in 2016 to 68 million tonnes.

"We also achieved our first short-term target of a 2-3% reduction in net carbon intensity (NCI) by the end of 2021. Shell's NCI in 2021 was 77 gCO2e/MJ which was a 2.5% reduction from the 2016 reference year.

"We are also working with our customers and across sectors to help them find their own pathways to achieve net-zero emissions. This will help grow demand for new low-carbon products.

"But Powering Progress goes beyond achieving our net-zero targets. In 2021, we started incorporating new ambitions within our business to respect the environment and to power people's lives.

"We also continued to support the UN Global Compact's corporate governance principles on human rights, environmental protection, anti-corruption and better labour practices.

Respecting nature

"In this report, we have set out our commitments on biodiversity, water, and on helping to create a circular economy and reduce waste.

"It is also of the utmost importance that we continue to work to prevent oil spills. In 2021, we reduced the number of operational spills of more than 100 kilograms by 40%, compared with 2020. However, in Nigeria, spills caused by oil theft and sabotage of pipelines continued amid heightened security risks. We are dealing with these challenges and the impact they have on the environment, on local communities and on our business."

Contributing to countries and communities

"We are working with our suppliers to find ways to reduce greenhouse gas emissions across our supply chains. In 2021, we rolled out a new digital platform which enables our suppliers to track performance on emissions reduction, share best practice and exchange emissions data with their own supply chains.

REPS TO INVESTIGATE HIKE IN PRICES OF DIESEL, COOKING GAS

Gbajabiamila

The House of Representatives has resolved to investigate the rise in the cost of diesel and cooking gas with a view to cushioning the effects on Nigerians.

This is sequel to a unanimous adoption of a motion by Rep. Chike Okafor (APC-Imo), at the plenary on Tuesday.

Moving the motion, Okafor said that the Nigeria Mainstream and Downstream Petroleum Regulatory Authority (NMDPRA) was created in August 2021 in line with the Petroleum Industry Act.

He said that part of its mandate is to provide effective regulatory oversight, ensure sufficient product distribution and supply at an equitable and fair prices.

According to to him, almost all businesses and households in Nigeria depend on diesel-powered generators as an alternative source of electricity.

"The outrageous rise in the price of diesel shows that diesel which was sold between N280 and N350 per liter three weeks ago is currently being sold above N780 per litre.

"It is still rising on a daily basis accounting for over 115.4 per cent increase within three weeks.

"Diesel was deregulated in 2009 with an initial price of N100 per litre, and between 2009 and date, Nigerians have witnessed a rising percentage increase in the price of the product.

"The hike in the cost of diesel is alleged to be the handiwork of unscrupulous stakeholders in the industry, and is tantamount to economic sabotage.

"The hike is causing untold hardships to Nigerians as it will result in an increase in prices of food as well as other goods and services.

"Worried that the possible inflationary pressure envisaged from the rise in the cost of diesel could reduce consumers' disposable income, thus making it impossible for an average Nigerian to meet their basic needs," he said.

Okafor said if the ugly trend of the increasing price of diesel is not checked, the multiplier effect will spell doom for Nigeria's economy.

In his ruling, Speaker of the house, Femi Gbajabiamila, mandated the Committees on Petroleum Resources (Downstream and Upstream), and Gas Resources to investigate the matter and report back within six weeks.

He said that the committees should find out reasons for the unexplained astronomical increase in the price of diesel with a view to ensuring that a reasonable price is fixed to alleviate the sufferings of Nigerians.

HOW NIGERIA'S OIL, GAS SECTOR CAN SURVIVE ENERGY TRANSITION – OKUNBOR, OTHERS

Managing Director, Shell Petroleum Development Company (SPDC) and Country Chair, Shell Companies in Nigeria, Osagie Okunbor and other stakeholders in the energy sector in Nigeria, have said Nigeria can sustainably manage pressure from energy transition if proactive steps are prioritized.

Speaking at the 2022 Oloibiri Lecture Series and Energy Forum (OLEF), Okunbor said Nigeria urgently needs to become a compelling investment hub with a stable political, legal and regulatory business environment.

Okunbor, who also made a case for industry consolidation especially for indigenous oil and gas companies, said advocacy and increased societal awareness on the future role of oil and gas remained sacrosanct.

Although Okunbor noted that Nigeria is energy rich, especially in fossil fuels, solar, wind, hydro, he said oil and gas would remain a key component of the energy mix for the foreseeable future, adding that making Nigeria a stronger, more compelling investment case is non-negotiable from a cost and carbon competitiveness standpoint.

According to him, guaranteeing investments in the Nigerian oil and gas industry will go beyond the energy transition for Nigeria.

To him, tackling the lingering concerns of crude oil theft and vandalism must become a priority.

Okunbor said industry consolidation especially with local players may be needed to reposition for stronger, healthier and financially more viable businesses that could compete for future investments.

The Shell chief added that evolving an integrated energy strategy that includes the

strategic and efficient development and exploitation of our various energy sources would also be a game changer.

Insisting that improving Nigeria's oil and gas investment climate goes beyond energy transition, Okunbor said stiffer and tougher competition for finance largely driven by ESG requirements would be a key consideration.

According to him, the societal pressure to withdraw investments from oil and gas may persist while Nigeria needs to overcome security challenges in the Niger Delta.

Reducing high cost of oil production through Operational Excellence, payment of outstanding cash-calls and gas and power receivables, strengthening and stabilising of the industry's regulatory and commercial framework to grow investments and current Geo-Political tail winds impacting commodity prices would help attract investments especially in gas.

Okunbor said it would be impossible to predict with precision how future energy systems would evolve, adding that tackling climate change requires a combination of more renewable sources of energy and natural gas while expanding energy access as energy transition may move at different paces in different countries.

"Oil and gas will remain in the energy mix for decades to come. The world needs to meet its energy needs as it tackles climate change. Energy use today is far more than electricity," he said.

Chairman, SPE Nigeria Council, Prof. Olalekan Olafuyi noted that the world is facing a serious energy challenge that requires an all-inclusive approach that could address specific regional problems with their peculiarities.

According to him, the outcome of COP-26 which has created a campaign against fossil fuel funding has been challenged by the recent energy crisis resulting from the Russian invasion of Ukraine, adding that it was high time to formulate frameworks and adopt best practices for the United Nations' Sustainable Development Goals, especially SDG seven, which aims at addressing affordable and sustainable energy for all and 13, which focuses on combating climate change and at the same time maintaining the United Nations' SDG one and three, which are centered around ending poverty and promoting healthy living.

NIGERIA SEEKS INVESTMENT TO ADDRESS PERSISTENT NATIONAL GRID FAILURE

The Minister of Power, Abubakar Aliyu, is wooing investors into the country's struggling electricity sector, especially the transmission segment, where perennial system failure disrupts power supply to homes and industries.

Recall that from 2013 to 2022, the Osogbo-based national electricity grid has failed electricity consumers more than 126 times.

The Association of Nigerian Electricity Distributors (ANED), the umbrella body of distribution companies, had earlier decried the repeated system collapse, blaming the situation on the obsolete and analog system being used by the Transmission Company of Nigeria (TCN), which is owned by the government.

The Association of Power Generation Companies (APGC) had similarly lamented over the impact on power infrastructure and the chaos it creates in the form of monetary setbacks for activities in hospitals, airports, and others."

While the sector is financially strapped as the industry struggles to perform eight years after the government sold it for about $3 billion, Aliyu stated that the Federal Government would be willing to accept investors into the sector.

In a release signed by the Deputy Director in the department of public relations at the ministry, Mathew Osumanyi Dan'asabe, Aliyu noted that investment in the sector would be needed more in addressing systems failure.

Aliyu said this while receiving the Ambassador of Turkey to Nigeria, Hidayet Bayratar.

According to him, President Muhammadu Buhari remained committed towards infrastructural development in the power sector.

He said Nigeria and Turkey's relationship is a long standing one which has culminated in the signing an MoU between the two countries last year in October to collaborate for mutual benefits.

'LOCAL REFINERS MAY BE TEMPTED BY IMPORT PARITY PRICES TO FOCUS ON EXPORT'

Except local refiners put patriotism above profit, it might be difficult to focus more on the domestic market in selling refined fuel, considering that they can make more in a competitive market, especially when exposed to import parity prices.

This was the view of some stakeholders at a virtual workshop organised by Major Oil Marketers Association of Nigeria (MOMAN) in Lagos.

Specifically, the Vice President, Crude and African Markets, Argus Media, James Gooder, in his presentation, noted that even if Nigeria had sufficient refining capacity, it would still be in a competitive market and exposed to import parity prices.

According to him, the local producers have the choice to sell in the domestic market or import. Import parity is a price-setting mechanism for a commodity in which the price is set based on the cost of importing the commodity into a location.

He said West Africa relies on imported products due to lack of sufficient regional refining capacity and that European surplus of petrol finds a natural home in Nigeria.

"In a global market, product flows are directed by price. Nigeria is competing with other destinations for products. Even if Nigeria had sufficient refining capacity, it would still be in a competitive market and exposed to import parity prices," he stressed.

Speaking on deregulation, Gooder said that regulated Premium Motor Spirit, PMS, petrol prices are out of step with market reality and that capped retail prices for PMS may be popular, or even expected, among those that can afford to own a car.

However, he said that current delivered prices for PMS are around three times as high as the pump price and there is an unfortunate but clear incentive to smuggle subsidized fuel out of Nigeria to neighbouring countries where retail prices are higher.

According to him, "The market is in an unusual state of turmoil and uncertainty. Fuel prices are high everywhere. Nigeria is an integral part of the world market and thus exposed to the same trends.

He noted that the Russia-Ukraine conflict has supercharged existing upward market momentum, adding that recovering global demand and constrained Organisation of Petroleum Exporting Countries, OPEC + output, low stocks and high refining costs have all played a part.

"But Russia is one of the three largest oil producers along with the US and Saudi Arabia. Market unwillingness to buy Russia oil in the spot market means there is greater competition for alternatives hence higher prices.

"Diesel is driving the oil complex. Russia is a major exporter of diesel as well as crude." he explained.

According to him, crude is expensive but diesel is at a strong premium and prices are highly volatile and unpredictable.

Chairman of MOMAN, Olumide Adeosun, lamented that the current N6.19 retail margin for marketers was hampering investments for oil marketers operating in the downstream sector.

He said total distribution margin under the current petrol pricing template accounts for 11.5 per cent of the petrol pump price despite significant increase in costs, saying operators are struggling along the supply chain to get petrol out of the nuzzles into the cars which is difficult to sustain.

"The backbone of distribution is based on diesel, from transport (vessels and trucks) to energy costs (depots and stations). This affects not just petrol distribution but also the distribution of aviation fuel".

Head, Economic Intelligence Research and Regulation for MOMAN, Ogechi Nkwoji reiterated that margins are designed to help operators cover the cost of investment and expenses but noted that the reality is far from the ideal, as many operators are barely surviving on the approved margins from the government.

DANGOTE REFINERY READY BEFORE BUHARI'S TENURE ENDS – DANGOTE

Chairman of the Dangote Group, Alhaji Aliko Dangote has assured that the Dangote Refinery would be ready for commissioning before President Muhammadu Buhari leaves office in 2023.

Dangote disclosed this to State House Correspondents on Friday after meeting with President Muhammadu Buhari at the Presidential Villa, Abuja.

Asked when the refinery would be ready for operations, the Forbe's Africa richest man said: "By the grace of God, Mr. President will come and commission before the end of his tenure".

According to him, when operational, the refinery would create jobs and generate more tax money, which would be used by government to develop the country further.

"In the near future they are expect to see more employment, they are expect to see more prosperity. We keep doing new things and good things and also we keep paying our taxes, which will complement the government's effort in providing education, good health and the rest", he said.

Asked if he was worried about potash scarcity as a result of the Russian/Ukrainian conflict, Dangote said there was no need for concern as only 26% of the world's potash supply comes from the two countries.

"No, we are not concerned. Well, there are some few other countries that have it, it's not only Ukraine that has it. Yes, Ukraine and Russia have about 26% of the world's potash but it does not mean that you cannot source potash elsewhere. So I'm not really very concerned, the concern is just about price," he said.

Speaking about why his team was at the Presidential Villa, he said: "We came here on a courtesy call and also a 'thank you visit', to thank him for personally coming to commission our fertilizer plant.

"This is just on the 22nd of March, about four weeks ago. So, I'm here with my board of directors, just to show gratitude to Mr. President and he received us very well".

WINNERS EMERGE FROM TOTALENERGIES STARTUPPER OF THE YEAR CHALLENGE IN NIGERIA

L R: Dr Samba Seye, Managing Director, TotalEnergies Marketing Nigeria Ltd; Rebecca Adeosun, Best Female Entrepreneur; Nonso Opurum, Best Startup under 3 years; Michael Osumune, Best Business Creation Project; Paul Onwuanibe, Managing Director/CEO Landmark Group; and Mr George Oguachuba, Executive Director, People and Country Services TotalEnergies EP Nigeria Ltd.

By Emeka Ugwuanyi

TotalEnergies Nigeria has announced winners of the 3rd edition of the Startupper of the Year Challenge.

The unveling/award ceremony took place on Wednesday, April 13, 2022, at the Eko Hotel & towers, Lagos.

The Startupper challenge by TotalEnergies is intended to contribute to the development of the local economic environment, encourage young companies to integrate environmental and societal dimensions (inclusion of women) into their businesses and showcase TotalEnergies commitment to local entrepreneurship.

The 3 best winners are Mr. Nonso Opurum: Best Startup under 3 Years (SOSO CARE - A low cost insuretech which aims to use recyclable garbage as a financial resource); Mr. Michael Osumune: Best Business Creation Project (Smart Inverter System Project - A smart inverter system that is used in solar PV installation for energy conversion process inclusive of wireless internet access and Ai-enabled security surveillance using face and people detection algorithm) and Miss Rebecca Adeosun, Best Female Entrepreneur (oCycle , Organic Cycle) - An Agro enterprise project that is aimed at curbing food wastage in Nigeria by up-cycling neglected Bio-waste into Bio-food, Bio-fertilizers and Bio-fuel).

The winners received a cheque of N5 million each and will also benefit from personalised coaching and mentoring for the development and visibility of their projects. The three winners will be given the opportunity to compete with winners from other 31 countries in Africa. The continental winners will be announced at a ceremony later in the year in Paris-France.

In his address at the award ceremony, the Country Chair, TotalEnergies companies in Nigeria, Mr. Mike Sangster, represented by the Managing Director of TotalEnergies Marketing Nigeria PLC., Dr. Samba Seye, reaffirmed the company's commitment to supporting the socio-economic development of the countries in which it operates.

"I believe today in our midst, we have entrepreneurs whose ideas can address some of the economic challenges Nigeria and other countries in Africa face. This is indeed, TotalEnergies vision for the Startupper: supporting young entrepreneurs in Africa to solve Africa's economic problems."

Mr. Sangster while noting that TotalEnergies cannot do it alone, enjoined other corporate organisations and individuals to join in identifying and supporting young entrepreneurs.

The 3rd edition of the Startupper in Nigeria attracted 4,460 applications with 15 entrepreneurs making the top final. The 15 Startuppers participated in a Booth Camp and pitched their ideas/projects before a jury comprising successful entrepreneurs, corporate managers, and CEOs.

SHELL MAKES STRONG PROGRESS TOWARDS NET ZERO EMISSIONS

By Emeka Ugwuanyi

Shell today published its Energy Transition Progress Report 2021 detailing the company's progress over the past year. This report will be put to shareholders for an advisory vote at the Annual General Meeting on 24 May 2022.

"In a time of great uncertainty, it is vital that our long-term energy transition strategy remains on track," said Ben van Beurden, Shell's Chief Executive Officer. "This report shows the strong progress we have made towards our target to become a net-zero emissions energy business by 2050."

This progress includes critical investment decisions in the production of low-carbon fuels, solar and wind power, and hydrogen, and significant changes to Shell's Upstream and refinery portfolios. The company has also simplified its share structure and moved its headquarters to the UK from the Netherlands.

In 2021, Shell continued to work with customers across sectors, from aviation to marine and road freight, forming more than 50 collaborations with other leading companies.

Today's publication shows Shell's progress against concrete climate goals. Last year, the company set a new target to reduce absolute emissions from its operations and the energy it uses to run them by 50% by 2030, compared with 2016 on a net basis. By the end of 2021, Shell had made a reduction of 18%.

Shell also achieved its short-term target to reduce the net carbon intensity of the energy products it sells by 2-3% by the end of 2021, compared with 2016 as well. The company is now working towards a 9-12% reduction in net carbon intensity by 2024, and a 20% reduction by 2030, both compared with 2016.

"We are helping our customers to identify and use low- and zero-carbon alternatives to the energy products they have used for many decades," said Andrew Mackenzie, Shell Chair. "We see great business opportunities for Shell in the fast-growing low- and zero-carbon markets where we are well positioned to provide the different products and solutions our customers need."

Shell's energy transition strategy was put to an advisory shareholder vote at the Annual General Meeting in 2021 where it secured around 89% of the vote. This year, Shell is asking shareholders to vote on its progress, as it will do every year until 2050. The vote on progress is purely advisory and not binding on shareholders.

AKK GAS PIPELINE PROJECT TO BE COMPLETED Q1 2023 –KYARI

The Nigerian National Petroleum Company Limited (NNPC) says the ongoing Ajaokuta-Kaduna-Kano (AKK) gas pipeline project will be completed by the first quarter of 2023.

The Group Managing Director, Malam Mele Kyari, said this while inspecting the AKK gas project site at Abaji, Abuja, in the company of some NNPC Board members, top officials and other dignitaries.

Some of them are the NNPC Board Chairman, Sen. Margery Okadigbo; Group Executive Director (GED), Finance and Accounts, Mr Umar Ajiya; GED, Upstream, Mr Adokiye Tombomieye.

The project which spans a length of 614 kilometres is a natural gas pipeline being developed by the NNPC to transport gas from Ajaokuta through several states and urban centres in Nigeria.

The project, the construction of which began in 2020 and estimated at 2.8 billion dollars, is a segment of the Trans-Nigeria Gas Pipeline (TNGP) and the Trans Saharan gas pipeline project

Kyari, during the inspection, said the AKK gas pipeline was a signature project for President Muhammadu Buhari, a great one to deliver to the country before the end of his tenure.

He said that more importantly, it would bring major development, progress, creative jobs and stabilised power as well as revamp industries across the country.

Kyari said this was because it would de-bottleneck gas supply network in the entire country. According to him, it will serve as gas supply link to other African countries and Europe upon completion.

"We are very confident that by first quarter of 2023, we will put gas on these pipelines. This project will be delivered on schedule and timely, we are putting in place everything required to deliver the project.

"We have missed some schedules but we are doing a catch up, we have put a number of interventions that are necessary, including deployment of additional resource required to deliver the project," he said.

The NNPC boss, while commending the contractor on its effort, said it should speed up the project because the whole world was in need of gas.

According to the GMD, it is a market opportunity for Nigeria, being the highest gas reserve country in Africa.

Also speaking, Okadigbo, said she was impressed with the progress made on the project and expressed optimism that it would be completed in good time.

Chairman and Group CEO, Oilserv Limited, company in charge of the project Engineering, Procurement and Construction, said with prompt intervention of the NNPC management, it had redoubled effort and added more capacity to meet deadline.

"This is one out of six sites we are working, this is one of the crews of automatic welding, relative to the entire pipeline scope that we are executing; we have done 120 kilometres welding and more than 80 per cent engineering and procurement," he said.

Mr Steve Nnorom, Project Manager, Oilserv Limited, (segment one AKK pipeline work) analysed the pipeline and station installation, showing progress as at April 11, 2022.

Nnorom explained that it structured the work by splitting the spread into three segments, namely, Alpha, Bravo and Charlie for construction oversight. He said that it was currently on Bravo, typically on welding.

Under the Alpha segment, which comprised survey verification, stringing, bush clearing, field joint coating among others, he said it had surveyed cumulatively 214 kilometres, performed bush clearing, done one third of mainland welding.

At Bravo segment, he said it had deployed latest technology of full automatic and manual welding spread and achieved one third of mainland pipeline and welding, adding that it would cover the entire location within committed time from its pace.

"We are doing all we can despite the challenges. The spread we are in now is less challenging.

"Starting from Ajaokuta, we have rocky terrain, 3.2 kilometres of that section are all rocky terrains but we are fragmenting the rocks for back-end activities which we are planning.

"In the upcoming months we will start ditching, lowering and back filling the pipelines. We are also placing order for other mainland procurement items that will go on the mainline," he said.

Speaking on infrastructure interference, he said the company was mindful of that, as power lines along its right of way were slowing down the progress of the project.

"We have human active environment whereby we cross people's buildings, markets not destroyed yet but we are working in conjunction with the owners who have issued the right of way for complete compensations to avoid interruption," he said.

Upon completion, AKK gas project would boost the agricultural and manufacturing sectors, and reduce the nation's carbon footprint as part of measures to cut down on global warming. It will also provide gas for generation of power and for gas-based industries.

This will facilitate the development of new industries and also the revival of moribund onee along transit towns in Kogi, Abuja, Niger, Kaduna and Kano States.

Stakeholders happy with progress made so far while Oilserv assures of timely completion

Oilserv assured the federal government of timely completion of the project worth $2.6 billion.

Engr. Emeka Okwuosa gave the assurance in Abuja while inspecting the project alongside Nigeria National Petroleum Commission (NNPC), Group Managing Director, Mallam Mele Kyari and other dignitaries. He said the company has completed one third of the entire project.

Identifying gas as a key factor in the energy chain value in the country, Okwuosa said investment in gas is the only way the country can come up again industrially, maintaining that, the investment will also create jobs for the timid population.

He said: "Gas is a key factor in the energy chain value in the country. Gas is what will make Nigeria to come up again industrially. We must develop the country's gas sector because Nigerians need jobs, Nigeria needs industrial development and gas will make a difference," he said.

"As you can see, every day we are achieving an unbelievable pace with at least one kilometre of welding or 40 inches, I can tell you to go anywhere in the world, you will never see this. This is one place you can see that happening and we are doing this with seven crews.

"When you talk about one third completed, this relates to construction, that is, the mainline construction, but engineering is more than 80percent done, procurement is more than 50 percent done. So overall is more than one third, we feel good as a company and we know that what we are doing is historical and it is very important to the country.

"The AKK project which is made up of the pipeline you see us welding here, is also made up of the terminal gas stations, intermediate picking stations, and other stations. So it is not just about the pipeline, it is about the facilities. So we feel good that we are moving and we are sure that we will keep to the schedule."

Also speaking, Oilserv Managing Director, Engr. Chigozie Obi disclosed that the company has deployed the Horizontal Directional Drilling (HDD) to enable the pipes go deep to truncate the activities of vandals, adding that the system also enables laying of fiber optic cable that can allow communication to know what is happening along the line.

"We have deployed different technologies, we have three different welding technologies already deployed starting from manual which is the conventional one, we have the semi-auto and we have the full auto which is the latest technology being used now currently", he informed.

Speaking in same vein, Oilserv Project Manager, Engr. Steve Nnorom, said that the AKK pipeline project was not just a construction project, he explained that there are other ancillary facilities like block valve stations, which he said was also on the main line. He further maintained that the project has two terminal gas stations, in addition to the intermediate pigging station.

NNPC boss, Kyari further noted that the project is a signature project of the federal government, adding that is committed to ensuring timely delivery of the project. He commended the management of Oilserv for a job well done, especially with the rate at which work is progressing.

"We are proud of Oilserv because they have proven their professionalism and competence in handling a project of this magnitude. AKK is a project that will boost industrialization across the country and we are happy that an indigenous company is executing the project to perfection. With what we have witnessed so far, we assure the management of Oilserv of our support towards the timely delivery of this project", he said.

NIGERIA CAN OPERATE OIL, GAS SECTOR WITHOUT EXPATRIATES, SAYS SPE

Society of Petroleum Engineers (SPE) has said exploration, production and other operations in the Nigerian oil and gas industry can now hold without support from expatriates.

Nigeria had granted 126,893 quota licences to expatriates, who operated with 14,690 companies. In the oil and gas sector, the figure has dropped steadily as efforts are being made towards ingenious participation in the oil and gas sector.

The Chairman of Society of Petroleum Engineers (SPE) Nigeria Council, Prof. Olalekan Olafuyi, noted that the impacts of Covid-19 pandemic showed that the country could solely handle its oil and gas sector and indeed drive the development of energy transition.

Speaking ahead of a yearly lecture of the society, Olafuyi stated that in the short term, Africa must maximize opportunities created by the availability of gas as a transition fuel at least in the next 30 years to create jobs and generate capital for the adoption of cleaner forms of energy.

In the long-term, he added that Africa's energy should purely be renewables powered, driven by advancements in hydrogen energy technology, solar, battery storage, and wind power.

Olafuyi said COVID-19 had a positive side where the industry ran with a completely indigenous workforce; showcasing that Nigeria has developed the capacity to run the industry.

Olafuyi

"The pandemic has shown that we have developed competence locally in terms of the workforce and vendors providing services. With proper legislative frameworks and implementation, homegrown innovations could foster effective energy transition at the lowest possible cost. This would strengthen our economy in the long run.

"Now, any investor would be confident that they could venture into business with locally available competencies without any need for expatriates who are relatively more expensive to maintain in terms of labour costs," he stated.

Olufuyi, while speaking on the Petroleum Industry Act, noted that the PIA has re-established the confidence the industry has in the government for sustainable and competitive oil and gas industry as investment interest deepens with confidence.

Speaking further on cost-cutting options, SPE noted that cost-cutting in the form of layoffs should be avoided unless it is seen by all parties as the only solution, adding that there is need to continue to push ideas and opinions that drive best practices.

"We recently hosted a summit in Port Harcourt, attended by policymakers, power sector companies, regulators, etc. where a roadmap was drafted and presented to the government, in solving sector's power challenges," he said.

Advising the country to expand local capacity beyond oil and gas, Olafuyi said dependence on indigenous competence across sectors should be up to 80 per cent.

He noted that SPE, in the last 10 years, had witnessed significant increase in the number of its flagship events, stressing that while the society had two flagship events in 2012, today it has moved to five in addition to several activities.

Olafuyi said there is a need to develop the Nigerian National Petroleum Company into the likes of Saudi Aramco, especially with the models as defined by PIA, which is aimed at building a strong economy for Nigeria and Africa in a wider scope.

HOW UNFRIENDLY POLICIES, ENERGY CRISIS UNDO BUSINESSES, BY INDUSTRY CHIEF

Deputy Managing Director of Royal Foam Products Limited, Mohammed Jibril, has said most industries and businesses in the country are underproducing and risk closure due to multiple taxations, lack of access to raw materials and unstable electricity supply, among others.

He said over 50 per cent of the youths in the country could not be employed because several industries were under-producing and urged the federal and state governments to streamline taxes with a view to offering tax holidays where possible.

Speaking at the commissioning of the Enugu depot of Royal Foams, Jibril stressed that there was the need to jumpstart the economy and reduce the over-reliance on oil.

On the challenges of the foam-manufacturing sector, he said two major raw materials; Toluene Diisocyanate (TDI) and polyurethane resin (POLYUR), which are by-products of crude oil, were are sourced from other countries.

He said: "Looking at the global economic crisis and the fact that these two raw materials are entirely by-products of crude oil, any time crude oil goes up, it affects all the by-products. It is an internationally induced cost. If the price of dollar goes up, it affects us.

"If there is any crisis between countries affecting prices of oil as we have now between Ukraine and Russia and even scarcity of the by-products, it affects prices of the raw materials, which causes increase. But the ability to understand what happens at the international market level and putting measures in place to take care of such shocks when they arise is the key.

"The government should create an enabling environment for people to go into businesses without fear of failure. For example, a lot of people are afraid of taxes, because the level of taxation on businesses in Nigeria currently is very high."

Jibril, who stressed that there was the need to grant tax holidays to budding companies, added that the government could decide to give new firms five years of tax holiday to help them succeed and employ people, insisting that poverty was pushing some youths into crime.

'PRICES OF COMMON GOODS WILL CONTINUE TO RISE"

• AS INFLATION BECOMES UNTAMABLE

There are concerns that prices of common goods will continue to rise following macroeconomic uncertainties worsened by lingering impact of COVID-19 pandemic and the ongoing Russia-Ukraine crisis on the global economy including Nigeria. The Monetary Policy Committee (MPC) of the Central Bank of Nigeria highlighted these factors in its March meeting. In this report, Assistant Editor (Finance Sector) ***Tonia OSUNDOLIRE*** *examines the past, present and possible future of the state of the economy as x-rayed by the MPC.*

The Monetary Policy Committee (MPC) met on 21st March, 2022, in an environment of heightened geopolitical tensions and persisting macroeconomic uncertainties, associated with the recent Russia-Ukraine crisis and headwinds stemming from the lingering impact of the COVID-19 pandemic.

A 10-man Committee led by the Governor of the Central Bank of Nigeria, Godwin I. Emefiele, reviewed developments in the global and domestic environments in the first quarter of 2022 and the outlook for the rest of the year.

These include the likelihood of tightening external financial conditions associated with monetary policy normalization in the Advanced Economies, the cocktail of sanctions imposed on Russia, global supply chain disruption associated with the invasion of Ukraine, and increasing vulnerabilities associated with the burgeoning global private and public debt portfolio and risks to financial stability.

Others include increased uncertainties across major financial markets and the increased risk of the continuing rise in prices confronting central banks due to the huge monetary and fiscal stimuli injected into the global economy to subdue the downside risks to growth.

Global economic developments

The Committee noted with concern, the recent heightening of uncertainties confronting the recovery of the global economy as the Russia-Ukraine conflict and numerous sanctions against Russia, introduced a new dimension of risk to the tepid recovery of the global economy.

It further took into cognizance, the lingering headwinds associated with the COVID-19 pandemic and global supply chain constraints; rising inflationary pressure; and more recently, the progression of an interest rate hike by the US Federal Reserve Bank and Bank of England (BOE).

The MPC members noted that the ongoing war and the resultant sanctions against Russia will continue to have a considerable impact on the global supply chain as both countries are major players in the global commodities market. With both countries significantly interconnected to the global financial markets, global capital flows are expected to experience some downturn, exacerbated by the increasing sanctions on Russia.

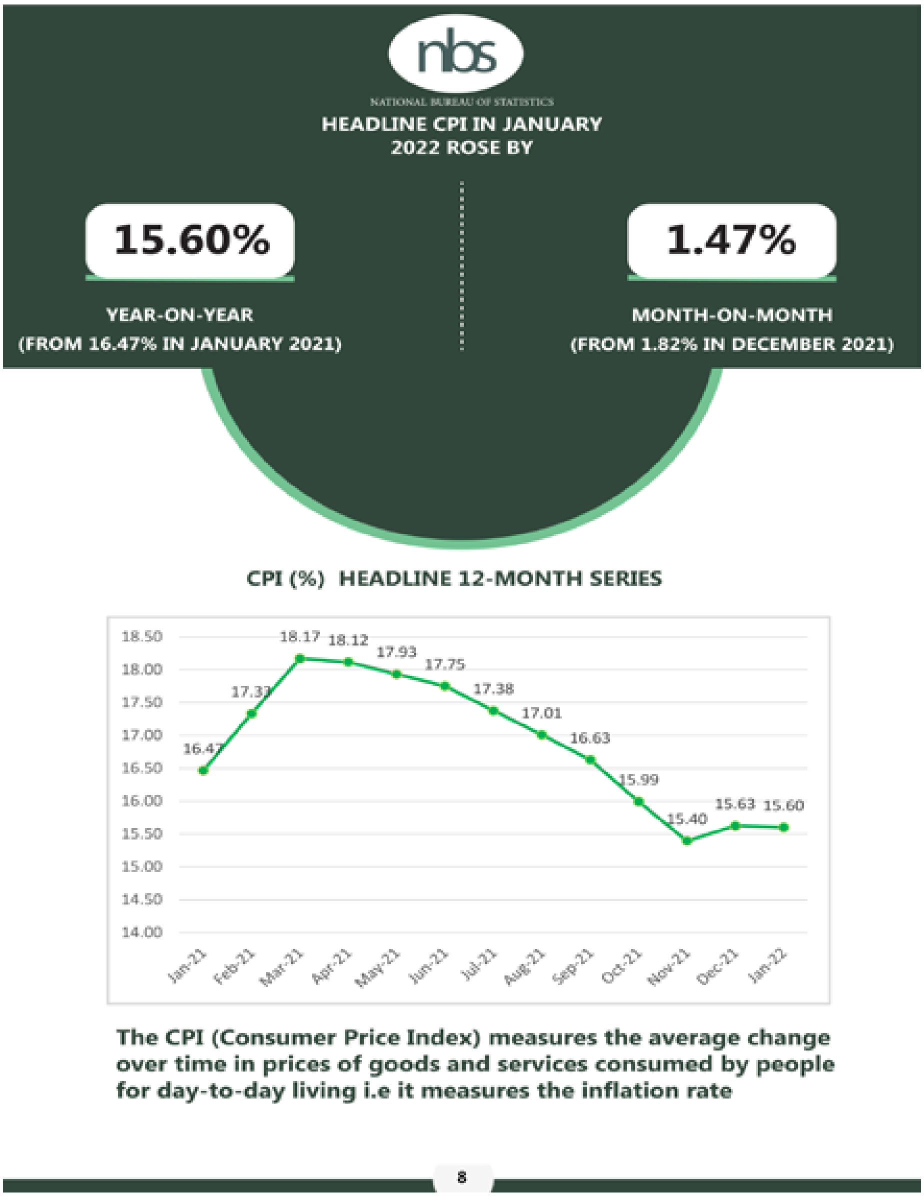
Consequently, the earlier projections by the International Monetary Fund (IMF) for global output growth in 2022 and 2023 of 4.4 and 3.8 per cent, respectively, are likely to be revised downwards due to the overarching downside risks identified on the horizon.

Price development across major Advanced Economies continued to trend upwards and is expected to be accentuated in the short to medium term, reflecting the persisting supply bottlenecks, rising food and energy prices, and the ongoing war which heightened the observed trend.

In the Emerging Market and Developing Economies (EMDEs), inflation remained high, with some economies recording inflation rates well above the average in the Advanced Economies.

This was mostly due to a mix of downside risks from the COVID-19 pandemic, capital flow reversals, legacy structural challenges, supply-side bottlenecks, and exchange rate market pressures. In the global financial markets, investors maintained a substantial portion of their portfolios in gold and other precious metals, as the uncertainty around market securities persists alongside the Pandemic and the emergence of new risks following the imposition of sanctions on Russia.

It is still unclear at the moment how the progression with monetary policy normalization by some key Advanced Economies will impact the recovery of the global economy, given the risks associated with this Crisis. Investors are however adopting a cautious approach in view of the impact of these



developments on activities in the global markets.

Global financial conditions are thus, expected to tighten in the short-term as the investment horizon gradually becomes clearer. This is expected to impact capital flows to emerging market economies as risk-averse portfolio investors adopt a wait-and-see approach.

Consequently, the risks to the overall recovery of the global economy remain heightened and call for cautious policy maneuvering to avoid a sharp downturn such as experienced in 2020.

Domestic economic developments

According to the National Bureau of Statistics (NBS), Real Gross Domestic Product (GDP) grew by 3.98 per cent (year-on-year) in the fourth quarter of 2021, compared with 4.03 per cent in the third quarter of 2021 and 0.11 per cent in the corresponding period of 2020. On a quarter-on-quarter basis, GDP grew by 9.63 per cent in the fourth quarter of 2021 compared with 11.07 per cent in the preceding quarter.

This indicates the fifth consecutive quarter of real output expansion, following the exit from recession in 2020. The positive performance was driven largely by the growth in the non-oil sector to 12.36 per cent in Q4 2021 from 10.99 per cent in Q3 2021.

Quarrying, transportation & storage; education; financial & insurance services; information & communication; as well as a steady rebound in manufacturing and mining activities were key to the growth of the non-oil sector.

The Committee, however, noted that

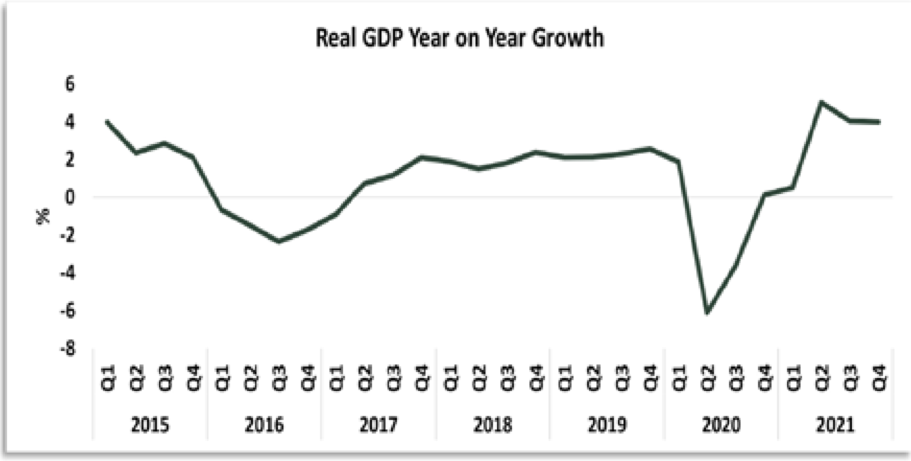


Figure 1: Real GDP Growth

although the Manufacturing Purchasing Managers' Index (PMI), remained above the 50-index points benchmark in February 2022, it moderated slightly to 50.1 index points from 51.4 index points in January 2022.

This sustained positive performance in the manufacturing PMI reflects the resilience of the economy in light of persisting headwinds to the recovery. The Non-Manufacturing PMI, however, remained below the 50 index points in February 2022 at 49.0 index points, with a slight moderation compared with 49.01 points in January 2022 as legacy headwinds such as the persisting insecurity and infrastructural constraints continued to impact production and the ease of doing business in Nigeria.

The Committee observed with concern, the marginal increase in headline inflation (year-on-year) to 15.70 per cent in February 2022 from 15.60 per cent in January 2022, a 0.10 percentage point uptick. This increase was largely attributed to a rise in the core component to 14.01 per cent in February 2022 from 13.87 per cent in January 2022, while food prices moderated marginally.

The rise in core inflation was mostly due to rising energy prices as a result of the current scarcity of Premium Motor Spirit (PMS), rise in the cost of Automotive Gas Oil (AGO), and hike in electricity tariff. The Committee, however, expressed cautious optimism, that with sustained interventions by the Bank in various sectors of the economy and broad fiscal support to tame these legacy structural constraints, price development will moderate as output growth improves.

The MPC, therefore, urged the fiscal authorities to seek innovative ways of addressing the current critical supply-side challenges confronting the economy, to enable the unhindered transmission of all the recently deployed fiscal and monetary stimulus to the real economy.

Members noted that the growth rate of broad money supply (M3) increased to 2.12 per cent in February 2022, compared with 1.74 per cent in January 2022. This was largely attributed to an increase in the growth rate of Net Domestic Assets (NDA) to 5.78 per cent in February 2022 from 2.62 per cent in the previous month.

On the developments in the money market, the Committee observed the movement in money market rates around the asymmetric corridor, reflecting the prevailing liquidity conditions in the banking system.

Accordingly, the monthly weighted average Open Buyback (OBB) and Inter-bank Call rates decreased to 5.81 and 9.30 per cent in February 2022 from 6.00 and 16.00 per cent in January 2022, respectively. The decrease in the rates reflected the liquidity conditions in the banking system.

The MPC noted the sustained improvements in the equities market in the review period. The All-Share Index (ASI) and Market Capitalization (MC) both increased significantly from 42,716.44 and N22.30 trillion on December 31, 2021, to 47,282.67 and N25.48 trillion on March 18, 2022, respectively. This prevailing positive performance was attributed to gradually improving macroeconomic fundamentals which support improved outcomes and returns on investments from companies quoted on the Nigerian Exchange Limited.

The MPC also noted the continued resilience of the banking system, evidenced by the further moderation of the ratio of Non-Performing Loans (NPLs) to 4.84 per cent in February 2022 from 4.90 per cent in December 2021.

The Committee also noted that Liquidity Ratio (LR) remained above its prudential limit at 43.5 per cent in February 2022, while the Capital Adequacy Ratio (CAR), moderated slightly to 14.4 per cent in February 2022 from 14.5 per cent in December 2021.

Overall, Members expressed confidence in the Bank's regulatory regime and commitment to maintaining stability in the banking system, urging the Management to sustain its tight regulatory surveillance.

On the external reserves position, the Committee noted the decrease in the level of gross external reserves to US$39.44 billion as of March 17, 2022, from US$40.21 billion on January 25, 2022, indicating a decrease of 1.95 per cent during the review period.

The moderate accretion to reserves reflects the duality of Nigeria's position as an oil exporter and importer of refined petroleum products. The Committee reviewed the performance of the Bank's various interventions to stimulate productivity in manufacturing, industry, agriculture, energy, infrastructure, healthcare, and micro, small and medium enterprises (MSMEs).

Between January and February 2022, the Bank disbursed N29.67 billion under the Anchor Borrowers' Programme (ABP) for the procurement of inputs and cultivation of maize, rice, and wheat, three crops that hitherto were significant concerns of FX demand.

These disbursements bring the total under the programme to over 4.52 million smallholder farmers, cultivating 21 commodities across the country, comes to a total of ₦975.61 billion. The Nigeria Commodity Exchange (NCX) has also been restructured to effectively aggregate excess outputs from the Bank's ABP-financed projects, with the objective of moderating food prices.

The Bank also released N19.15 billion to finance 5 large-scale agricultural projects under the Commercial Agriculture Credit Scheme (CACS), bringing the total disbursements under the Scheme to ₦735.17 billion for 671 projects in agro-production and agroprocessing.

In addition to these, the Bank disbursed the sum of ₦428.31 billion under the ₦1.0 trillion Real Sector Facility to 37 additional projects in the manufacturing, agriculture, and services sectors. The funds sourced from the Real Sector Support Facility - Differentiated Cash Reserve Requirement (RSSF-DCRR), were utilized for both Greenfield and brownfield (expansion) projects under the COVID-19 intervention for the Manufacturing Sector (CIMS).

Cumulative disbursements under the Real Sector Facility currently stand at ₦1.75 trillion, disbursed to 368 projects across the country. Under the 100 for 100 Policy on Production and Productivity (PPP), the Bank has disbursed the sum of ₦29.51 billion to 31 projects, comprising 16 in manufacturing, 13 in agriculture, and 2 in healthcare.

As part of its effort to support the resilience of the healthcare sector, the Bank also disbursed ₦8.50 billion to 6 healthcare projects under the Healthcare Sector Intervention Facility (HSIF), bringing the cumulative disbursements to ₦116.72 billion for 124 projects, comprising of 31 pharmaceuticals, 56 hospitals, and 37 other services.

An additional tranche of N14.7 million was disbursed to 5 researchers under the Healthcare Sector Research and Development (HSRD) Grant. To support households and businesses affected by the COVID-19 Pandemic, the Bank disbursed N21.66 billion to 19,685 beneficiaries, comprising 12,044 households and 7,641 small businesses under the Targeted Credit Facility (TCF) within the period.

The cumulative disbursements under the TCF stood at N390.45 billion to 797,351 beneficiaries, comprising 660,096 households and 137,255 small businesses. The Bank disbursed ₦11.11 billion to power sector players, under the Nigeria Bulk Electricity Trading Payment

Emefiele

Assurance Facility (NBETPAF), bringing the cumulative disbursements under this facility to ₦1.28 trillion.

The sum of ₦12.64 billion was also released to Distribution Companies (DisCos) under the Nigeria Electricity Market Stabilisation Facility – Phase 2 (NEMSF-2). The cumulative disbursement under the NEMSF-2 thus stood at ₦232.93 billion. Both interventions were designed to improve access to capital and ease the development of enabling infrastructure in the Nigeria Electricity Supply Industry.

Outlook

The overall medium-term outlook for the global economy remains uncertain as the war between Russia and Ukraine persists, alongside the ongoing COVID-19 pandemic. The sanctions against Russia are expected to have a considerable backlash against the global economy as Russia is an interconnected economy both in the global commodity and financial markets. The extent of the backlash has, however, not fully crystallized but presents a significant downside risk to the recovery of the global economy if the crisis is not resolved immediately.

Additionally, the COVID-19 pandemic remains a significant downside risk to global recovery as the virus continues to mutate into highly infectious strains. This is imparting a high level of uncertainty on economic agents, thus, creating inhibitions towards making the required investments to set the recovery on a sustainable path.

As part of the lifting of restrictions associated with the COVID-19 pandemic, the strong recovery of aggregate demand has continued to pose a strong upside risk to inflation, as supply bottlenecks persist. This has been further aggravated by sanctions imposed on trade with Russia and other blockages associated with supplies from Ukraine.

Consequently, inflation is expected to remain considerably high in the short term, even as some Advanced Economies progress with interest rate lift-off. The rise in both corporate and public debt in the Advanced Economies and Emerging Market and Developing Economies, is also a major threat to global financial stability as the risk of sustainability is heightened in the currently tensed global environment.

Capital flows are thus, expected to be restricted as global financial conditions tighten over the short to medium term. In the domestic economy, available data on key macroeconomic indicators suggest the likelihood of subdued output growth for the Nigerian economy for most of 2022. This is hinged on the dampening impact to the growth of rising energy prices in the domestic economy; tightening external financial conditions as some Advanced Economies pursue interest rate lift-off; as well as the persistence of legacy security and infrastructural problems.

It is, however, expected that monetary and fiscal stimuli will remain in place to continue to support the recovery until the downside risks to growth and the upside risks to inflation dissipate substantially.

Accordingly, the Nigerian economy is forecast to grow in 2022 by 3.24 per cent (CBN), 4.20 per cent (FGN), and 2.70 per cent (IMF).

The Committee's Considerations MPC noted with concern the impact which the global price increase in petroleum and other products is having practically on all economies. The Committee further noted that this has resulted in imported inflation on the Nigerian economy and believes that specific actions need to be taken to ensure that this trend does not continue given the adverse consequences and aggressive rising price level could have on the cost of living and purchasing power of Nigerians.

Before the Russia-Ukraine war, MPC was optimistic that the moderate decline in inflation was sustainable due to the

positive impact of good harvest on price levels. The MPC worries that, whereas global prices have gone up, this has been compounded by the shortage of supply of petroleum products.

In the short run, MPC urges NNPC to take urgent steps to ensure an adequate supply of petroleum products in Nigeria so as to reduce the rate of arbitrary increase in the price of petroleum products by oil marketers. The Committee noted, with grave concern, the unprecedented rate of oil theft recorded in recent time, and its debilitating impact on government revenue and accretion to reserves.

In the medium-term, MPC is hopeful that the proposed take-off of the Dangote Refinery in the course of the year would help to improve the supply of petroleum products in Nigeria. MPC also notes that the rising price of diesel is compounded by the problem of inadequate electricity supply which has adversely impacted domestic prices.

MPC advises the CBN management and the fiscal authorities to take specific and urgent actions to avoid many power generation stations shutdown for turn-around maintenance, resulting in the current unwarranted shutdown of generating assets. MPC is relieved that food inflation declined marginally due to good harvest.

Although some scarcity is expected as we approach the planting season, the Committee is optimistic that with the high level of strategic grain reserves of the CBN, it is relieved that food prices would remain relatively moderated. MPC further advised Management to redouble its developmental finance initiatives aimed at boosting domestic food output which would help in moderating food inflation going forward, thereby moderating headline inflation.

The Committee's decision

While growth has continued to improve, members noted that inflation was confronted with upward pressure due to emerging risks within the domestic and external environment.

The MPC, however, noted that the substantial upward push to price levels continued to be influenced by supply-side factors such as the scarcity of PMS, persisting insecurity and backlash from the Russia-Ukraine war. These require a careful and focused policy intervention to address and resolve.

In this light, the MPC urged the Bank to continue using the tools at its disposal, while increasing its collaboration with the fiscal authority to ensure that inflation is adequately reined in and growth is returned to a strong and sustainable path.

The Committee also encouraged the Bank to continue the use of its intervention mechanism to deploy funds to output-stimulating and employment-generating sectors of the economy.

In its consideration as to whether to hold, tighten, or loosen, MPC remained concerned that the global situation on rising prices may continue in the near term but may begin to moderate if deliberate and urgent actions are taken by both the monetary and fiscal authorities to correct the rising inflation.

On another hand, Committee was satisfied that the use of the Bank discretionary CRR policy should be deployed more aggressively to control the level of money supply in the economy.

On tightening in order to rein in the rising price level, MPC was of the view that given the fragile state of the current GDP growth and the potential external and domestic headwinds from the Russia-Ukraine war, a contractionary policy stance would stifle the expected investment expansion needed to drive growth and absorb the shocks in Nigeria.

MPC also feels that not only would tightening reverse the steady improvement recorded in credit expansion, it is also of the view that tightening would not necessarily tame the inflation, particularly where the marginal decline is relatively not yet sustainable.

In the case of whether to loosen, the Committee feels that loosening would trigger further liquidity surfeit and fuel inflationary pressure as available funds outstrip the economy's absorptive capacity. MPC also feels that loosening would trigger FX demand pressure, as the excess liquidity would exert demand pressure on the FX market and trigger a naira depreciation which would also fuel inflation.

Based on the foregoing, the Committee decided to adopt a hold stance as it would indicate a precautionary and consistent policy stance with the prevailing economic conditions particularly as further economic and financial shocks are exerted from the ongoing Russia-Ukraine war.

On the strength of the above considerations, three members voted to raise MPR by 25-basis points, one member voted to raise MPR by 50-basis points, while six members voted to hold all parameters constant. The Committee thus decided by a majority vote to retain the Monetary Policy Rate (MPR) at 11.5 per cent.

In summary, the MPC voted to: I. Retain the MPR at 11.5 per cent; II. Retain the asymmetric corridor of +100/-700 basis points around the MPR; III. Retain the CRR at 27.5 per cent; and IV. Retain the Liquidity Ratio at 30 per cent.

2022: BUDGET DEFICIT JUMPS TO N7.35TRN, BUHARI TO BORROW N965BN

The President, Major General Muhammadu Buhari (retd.), has written a letter to the House of Representatives, informing the parliament that the deficit in the 2022 Appropriation Act has risen by N965.42billion to N7.35trillion.

Consequently, the President said the Federal Government would borrow funds to fill the gap.

Buhari, therefore, called for an amendment to the Federal Government's budget and the fiscal framework for 2022.

Speaker of the House, Femi Gbajabiamila, read out the cover letter on the executive bill, titled, 'Submission of the Revised 2022 Fiscal Framework', and dated April 5, 2022, at the plenary on Thursday.

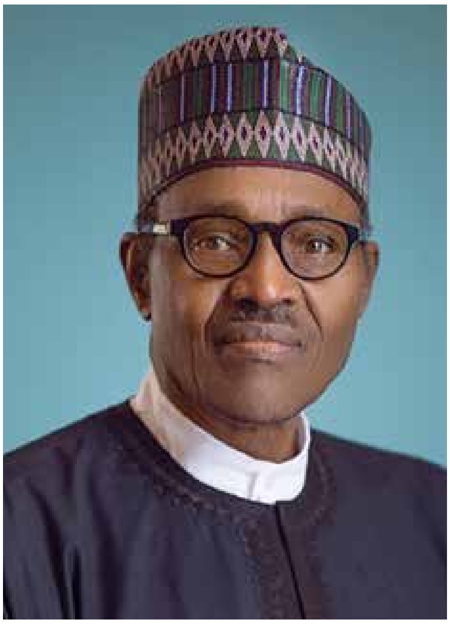
According to the President, there hBuhariave been new developments both in the global economy as well as in the domestic economy, which have necessitated the revision of the 2022 Fiscal Framework on which the 2022 budget was based.

Buhari said, "These developments include spikes in the market price of crude oil, aggravated by the Russian-Ukraine war, significantly lower oil production volume due principally to production shut-ins as a result of massive theft of crude oil between the production platforms and the terminals. The decision to suspend the removal of Premium Motor Spirit (PMS) subsidy at a time when high crude oil prices have elevated the subsidy cost has significantly eroded government revenues.

"There is also the need to make adequate provisions for the recent enhancements of allowances for officers and men of the Nigeria Police Force to boost their morale as they grapple with heightened security challenges in the country.

Following these developments, it has become necessary to adjust the fiscal framework and accordingly amend the 2022 Appropriation Act to ensure its successful implementation."

The President said the adjustments to the 2022 Fiscal Framework include an increase in the projected oil price benchmark by $11 per barrel, from $62 per barrel to $73 per barrel; a reduction in the projected oil production volume by 283,000 barrels per day, from 1.883 million barrels per day to 1.600 million barrels per day; an increase in the



Buhari

Zainab

estimated provision for PMS subsidy for 2022 by N3.557trillion, from N442.72billion to N4trillion.

Other adjustments include a N200billion cut in the provision for federally-funded upstream projects being implemented, from N352.80billion to N152.80billion; an increase in the projection for Federal Government independent revenue by N400bn; and an additional provision of N182.45billion to cater for the needs of the Nigeria Police Force.

The letter partly read, "Based on the above adjustments, the Federation Account (main pool) revenue for the three tiers of government is projected to decline by N2.418trillion, while FGN's share from the account (net of transfer to the Federal Capital Territory and other statutory deductions) is projected to reduce by N1.173trillion.

"However, the amount available to fund the FGN Budget is projected to decline by N772.91billion due to the increase in the projection for independent revenue (Operating Surplus Remittance) by N400billion.

"Aggregate expenditure is projected to increase by N192.52billion, due to increase in personnel cost by N161.40billion and other service wide votes by N21.05billion (both for the Nigeria Police Force), additional domestic debt service provision of N76.13billion, and net reductions in statutory transfers by N66.07billion."

Buhari listed statutory transfers' adjustments as follows: NDDC by N13.46billion, from N102.78billion to N89.32billion; NEDC by N6.30billion, from N48.08billion to N41.78billion; UBEC by N23.16billion, from N112.29billion to N89.13billion; Basic Health Care Fund by N11.58billion, from N56.14billion to N44.56billion; and NASENI by N11.58billion, from N56.14billion to N44.56billion.

He said, "Total budget deficit is projected to increase by N965.42bn to N7.35trillion, representing 3.99 per cent of the GDP. The incremental deficit will be financed by new borrowings from the domestic market.

"Given the urgency of the request for revision of the 2022 Fiscal Framework and the 2022 budget amendments, I seek the cooperation of the National Assembly for expeditious legislative action on this request."

Meanwhile, the House Committee on Customs laid its report on the 2022 budget of the Nigeria Customs Service.

The Chairman of the committee, Leke Abejide, laid the report at the plenary on Thursday.

The committee recommended from the Statutory Revenue Fund of the Nigeria Customs Service in the total sum of N369,136,090,650, out of which N108,853,901,275.62 is for personnel cost; N45,896,807,993.81 is for overhead cost and N214,294,269,945.73 is for capital projects for the year ending December 31, 2022.

INVESTMENT IN LAND: THE OSUN MODEL THAT BONDS STAKEHOLDERS

The Government of Osun State, South West Nigeria, appear to have demystified bottlenecks associated with access to land for investment through a tripartite model that places land owners, government and investors on the same page in the state. ***UCHENDU AMUTA*** *and* ***CHARLES OKONJI*** *examine the Osun model that has brought lasting peace and fueling investments in Osun State with a recommendation that Federal Government incorporates same in the proposed Nigeria Investment Policy currently undergoing stakeholders review.*

Land, a basic economic resource and factor of production has proven indispensable in the planning and execution of investment and developmental projects in Nigeria in particular and worldwide generally.

Though the Nigeria Land Use Act of 1978 is the principal legislation that regulates contemporary land tenure in the country, there remain endless struggles over land ownership in Nigeria. The Act vests all urban lands in the territory of each state (excluding those vested in the Federal Government or its agencies) solely in the Governor to hold in trust for the people and allocate to individuals and organisations for residential and other uses, and pegs tenure for 99years.

In exercising this power, the governor (or government) often times run into clashes with ancestral land owners. The squabbles become more bloody when the government misinterprets what constitutes urban territory by delving into rural communities in search of land for development. This adventure has always proved unsuccessful for projects, whether private or public.

In Africa (Nigeria a major stakeholder), land is largely owned by ancient communities and villages whose dwellers have tamed, cultivated and lived in such areas for centuries as inherited from their ancestral parents.

It is guarded jealously with everything available to them including their lives in any attempt to dispossess them of their lands by fiat. Even where government executive powers succeed in hijacking precious community lands and projects (investments) executed, such investments showed little or no progress due to constant threats from troubled host communities. Troubles because they (land owners) suddenly lost their all-important resource without recourse to their future livelihood and survival.

This has proven that the use of force to acquire land against the wishes of the original owners or occupants remains unproductive.

Just recently (January 2022 to be precise), the Obinagu and Eziachi communities of Ugwuoba in Oji River Local Government Area (LGA) of Enugu State clashed with the state government over land.

The contention is that the state government through the Enugu State Housing Development Corporation (ESHDC) forcefully took away their ancestral lands.

In Edo State, the story is not different. The people of Oghede Community recently took to the streets of the Ovia North East LGA against the destruction of their buildings and tombs, allegedly by the officers of the Nigeria Army.

The community people claimed that soldiers from the Ekheuan Barracks suddenly invaded the community, destroying their buildings with a claim that they (the Army) have rights to the land.

There are more of such incidents that have happened (still happening) in various states and communities in the country. The common denominator in these cases is that government did not take the communities fully along in the planning, land acquisition and execution of the projects.

What is so upbeat for instance, in putting up a housing estate in a community? Shouldn't the community be excited that such a development is coming to their territory? Why will government dispose people of their land to build houses that they (the community members) will never live in? Many more questions may run through your mind.

According to Dr. Olabode Olaonipekun, the Commissioner of Commerce, Industry, Cooperative and Employment, Osun State, access to land is a basic economic issue that should be treated by taking all stakeholders,

including host communities along.

Olaonipekun told TBI Africa that the government of Osun State realized this truth in its land acquisition process for investments and developmental projects, saying so far their approach has been of good success.

"Governor Gboyega Oyetola mandated us to look into all land acquisitions not completed and those completed and abandoned, hurdles faced and come up with a workable template.

"We discovered that the communities were not taken along in their acquisition and project execution. We then established a tripartite arrangement for land acquisition and project development and since then, peace and progress reign in the state", Olaonipekun disclosed.

The Osun State Commissioner who spoke at the stakeholders' engagement on the Draft Nigeria Investment Policy organised by the Federal Ministry of Industry, Trade and Investment in Lagos recently stated that the tripartite system involves land owners, government and investors, all in agreement as it relates to their stakes in a proposed investment.

"The investor, the government and the community (land owners) all have their percentage equity contributions in the project. The community equity is the land and royalties to be paid to them. Take for instance, a payment of 15 per cent, five per cent goes to the youths and the palace, while the balance goes into the project as investment by the community.

"This system has worked in the state for the past three years and there has been no complaint since then", he stressed.

This, according to Olaonipekun, is part of Osun State Government investment drive and elimination of all investment encumbrances that have been militating against both local and Foreign Direct Investment (FDI) in the state over the years.

This tripartite model he disclosed has made it possible for the investors, the government and the community to be joint owners of such investment to be situated in the state.

"As a commissioner in a state that embarked on an investment drive, we developed a model that made it possible for all stakeholders to be shareholders. The state becomes part owner, the community and the investors. With this model, job opportunities are opened to the community, security of the company becomes the concern of all stakeholders. We have tried this model in various communities in Osun State and tremendous success has been achieved through it.

"Nobody wants to put his money where he cannot get it back, so those bringing in money to the country for investment must be sure that they are able to recoup their capital and equally repatriate their proceeds from the investment. But they are facing difficulty in our investment climate in Nigeria. When we were attracting investment, you should encourage those that are bringing money to build our economy. When they come, we ask them to register for capital importation or Licences, of which the process is difficult and cumbersome. So, there must be a desk that will make it as convenient as possible for these investors. It must not be a difficult process to make it encouraging, because we need these investments and we also need these funds.

"Again, government should make it easy for investors to be able to repatriate whatever returns on their investment without hitches. There has to be a basic understanding between the host country and the investors, otherwise, there will be no need for an investor to put his money down in a country where he cannot repatriate his proceeds", he opined.

It could be recalled that the federal government is on the verge of cleansing the investment climate in the country by putting together a national investment policy. The draft document which undergoing stakeholders scrutiny nationwide is expected to be ready by the end of 2022 with access to land for investment purposes to be duly addressed.

Access to land is identified as a significant constraint to business in the country, particularly for Micro, Small and Medium Enterprises (MSMEs) operators and foreign investors due mainly to titling bottlenecks. The draft document also recognizes that timeliness for registering properties and transfer of ownership still remain problematic with the hope that the policy will address the issues involved.

To be known as Nigeria Investment Policy (NInP), the document will be the nation's first ever investment policy aimed at tackling all investment bottlenecks in the country including access to land.

In her opening remarks at the stakeholders engagement for necessary inputs on the draft investment policy document in Lagos recently, Dr. (Mrs) Evelyn Ngige, Permanent Secretary Federal Ministry of Industry, Trade and Investment said the new policy when in operation, would address lapses in the nation's investment drive.

Ngige who was represented at the occasion by Mrs Olukemi Arodudu (Director Investment Department, at the ministry) stated that the policy document will drive investment in the country holistically through investment promotion, facilitation and sustainable development.

She disclosed that the Minister of Industry Trade and Investment, Otunba Adebiyi Adebayo, has given them a clear mandate to hosting nationwide interactive engagement in the industry, trade and investment sector with a view to coming up with a sound policy direction to grow investment in the country.

"We have before now had snippets of the policy direction of government in our National Investment Law (NIPC Act) and in the overall framework of our International Investment Agreements regime, which was reformed in 2016 to attract the right quality of Investment required meeting the developmental aspirations of government in addition to the profit expectations of investors.

"Nigeria's reform of its IIA regime and in particular, the reform-oriented provisions of its modernized Bilateral Investment Treaty featured by UNCTAD in the 2017 World Investment Report as examples which other developing countries could emulate. We are delighted now to come up with collation of these snippets in this NInP document," she stressed.

She noted that this investment policy came at an auspicious time when Nigeria is focusing on economic diversification, as parties of the AFCFTA are actively negotiating the AFCFTA Investment Protocol, which is anticipated to be a reform-oriented International Investment Agreement to govern intra- African investments.

"To ensure the achievement of the objective of this Policy, the think-tank was constituted with representatives from several MDAs. Comments and inputs were also obtained from several MDAs and the document was subjected to the scrutiny of a number of development partners like UNCTAD, the World Bank and UNIDO," She noted.

In her remarks, Director Legal Services, Nigerian Investment Promotion Commission, Mrs Patience Okala, noted that the event was to reconsider and revive the investment and trade policy of Nigeria, with the aim of harmonizing it and making the nation's investment environment more attractive.

Okala said: "Our intention is to attract into Nigeria the right quality of investment required to meet the developmental aspiration of government, and in addition, to meeting the profit expectations of investors.

"Investment promotion in this modern age where the competition in investment is highly competitive, this programe is harmonizing all government agencies that have to do with investment, commerce and trade, as well as involving all state ministries of industry and investment for clarity of purpose. We all know that investors are only willing to invest in countries where they have high rate of returns on investment. So, with this, we have to harmonize, and update as well as eliminating those obsolete policies that are seen as hindrance to investment and trade.

"So, the addition that this policy is bringing is to fortify and validate the reforms that have already been going on. We know that before now, Nigeria has snippet of investment policy with different agencies, but the NIIP Act has a chunk of it, we have in our International Investment Agreement Regime that Nigeria has reforms. We have a chunk of the investment protections that will give the investors' confidence, just as we have it in the NIPC act as well, and also with the PEBEC, which is domicile with the office of the Vice President.

"This investment policy will condense all of these into one document, so that investors would be able to see in this one document, the clear policy direction of Federal Govern-

WHY WORKERS SHOULD ACCESS PENSION FUND FOR HOME ACQUISITION – UPDC BOSS

As the country's population is growing at geometric progression yearly with a corresponding massive housing deficit, it has become a serious concern not only to the government but to the housing and property developers, hence the need for alternate source of funding, ***CHARLES OKONJI*** *reports.*

In a chat with TBI Africa, Odunayo Ojo, the CEO of UPDC, a real estate company, called Federal Government to come up with a legislation that will allow workers below 50 years to access their pension accounts to acquire houses as it would go a long way in solving the huge accommodation problem in the country.

Odunayo stated; "Over the last few years we have seen some regulatory changes in real estate policies. Also there is advocacy going on now for people to be able to access their pension accounts for real estate investment. There are lots of people who are not up to 50 years of age that have contributed to pension fund for up to 15 years but cannot access their pension fund.

I advocate for them to be able to be part of this fund to invest in property ownership."

According to him, a pension fund contributor who has for instance up toN5M could use it as a deposit to acquire a dream property.

Ojo disclosed that there are plans for his company to increase the public

Odunayo Ojo

ownership of UPDC from the current 6 percent to 10 percent or more.

Currently, UPDC that is 25 years old in the industry with a total asset in excess of ₦22 billion is equally owned by Custodian Investment Plc with 51 per cent controlling equity, while UAC retains 43 per cent.

Pointed out that the company is currently embarking on new development projects, including a foray into other areas apart from Lekki Peninsula and Ikoyi to accommodate low and middle income earners where the company has identified a very high housing demand.

"By middle income housing, we mean those that salary income earners can afford. We want to take the brand to other areas apart from Lekki Peninsula and Ikoyi. We have already worked out incentive measures to allow for flexible payment up to three years."

He further disclosed plans to engage mortgage institutions and banks, including other avenues National Housing Funds (NHF), all in a bid to ensure flexible payment plan.

On incessant building collapse in the country, Ojo said such does not apply in all their projects because rigorous international building standards are religiously followed in the design and implementation of all their building projects.

"We test all our materials, we make sure that qualified personnel are engaged in all our projects, that is why we train and retrain our personnel to ensure standards. We equally insist that all materials pass conformity test before usage. Since inception, we have never experienced any form of building collapse." He stressed.

HUMAN CAPACITY DEVELOPMENT: DANGOTE FERTILIZER TO TRAIN A MILLION FARMERS

By Charles OKONJI

In line with its human capital development policy, Dangote Fertilizer Limited has concluded plans to train over one million Nigerian farmers within the next three years with the aim of enhancing the country's agriculture and food sufficiency.

The training, which is part of the Company's agriculture extension services, will involve Spot Demonstrations, Result Demonstrations, Field Demonstrations and Soil Samples Collections.

According to Mr. Uchenna Nwankwo, an official of Dangote Fertilizer, the exercise is designed to instruct farmers on the best practices in fertilizer application.

Speaking during his presentation at the Dangote Group Special Day at the ongoing Enugu International trade fair, he noted that free samples of Dangote Fertiliser will be used in field demonstrations while the results will be collated at the end of the farming season.

Commending Dangote Group for sponsoring the Trade fair, the President, Enugu Chamber of Commerce, Industry, Mines and Agriculture (ECCIMA), Mr. Jasper Nduagwuike, stated that the indigenous conglomerate activities are making great impact to the economic development of Nigeria.

Nduagwuike pointed out that Dangote Group is turning Nigeria's economy from consuming to producing, by manufacturing household items, fertiliser, and other products.

Urging other companies to emulate Dangote Group, he said, "ECCIMA expects other companies to emulate Dangote industries because that is the only way you can change the cause of this economy. I challenge Small and Medium Enterprises (SMEs) to understand that Dangote industries Limited was once an SMEs but with hard work, resilience, and determination, it is today a conglomerate.

"The profound gratitude of ECCIMA goes to Dangote industries for being a part of the sponsors of the Fair. This relationship will continue and for us it is morning yet on creation day".

On his part, the Regional Sales Director of Dangote Cement in Southeast, Mr. Abayomi Shittu, welcoming guests to the special day, said the interest of the Dangote Group is aimed at supporting government in job creation and reducing poverty in Nigeria.

He noted that the company, through its

job creation mechanism, has become the second biggest employer of labour in the country outside the government, which adding to him is a big plus to the company.

Shittu stated that the President/Chief Executive of Dangote Industries Limited, Aliko Dangote, is passionate about promoting the activities of Chambers of Commerce & Industries across the nation.

He said: "He is interested in activities of all the major Chambers of Commerce & Industries in Nigeria, hence our participation in trade fairs organized by Enugu, Abuja, Ogun, Kaduna, and Kano Chambers of Commerce & Industries."

Explaining the importance of Chambers of Commerce, he said, "Our participation at all major trade fairs across the country is a means of demonstrating our belief that Chambers of Commerce & Industry occupy a unique position in driving economic development through their activities. Our expectation is that through this Trade Fair will further expand awareness for our innovative products, generate sales, get prospective buyers, improve the image of our brands, and open up new markets that will further translate in job creation."

CANADA TO BAN NIGERIANS, OTHERS FROM BUYING HOMES

Canada is set to ban Nigerians and other foreigners from buying homes for two years as prices of real estate properties soar in the North American country.

The measure will help the country provide billions of dollars to spur construction activity in an attempt to cool off a surging real-estate market, Bloomberg reported Thursday.

According to the international news platform, the ban would be contained in Finance Minister Chrystia Freeland's budget today, according to a person familiar with the matter who asked not to be named because the matter is private.

However, the foreign-buyer ban won't apply to students, foreign workers or foreign citizens who are permanent residents of Canada, the source said.

The move signals that Prime Minister Justin Trudeau is becoming more assertive about taming one of the developed world's most expensive housing markets — and that the government is growing more concerned about the political backlash to inflation and the rising cost of housing.

Home prices in Canada have soared more than 50% over the past two years. The market saw a record monthly increase in February as buyers acted ahead of rate increases by the Bank of Canada, taking the benchmark price of a home to C$869,300 ($693,000).

Canada, one of the top destinations of Nigerians, has witnessed an upsurge of global immigrants of late including Nigerians in their 20s and 30s who relocated after the #EndSARS protests in October 2020.

The Canadian Government had also said it targets receiving 1.2 million immigrants from 2021 to 2023 in order to make up for a shortfall caused by the COVID-19 pandemic.

ADB PRESIDENT CANVASES INVESTMENT COLLABORATION WITH UAE

By Charles OKONJI

Adesina

The President, African Development Bank Group, Dr Akinwumi A. Adesina, who wrapped up a three day official visit to the United Arab Emirates (UAE) recently, has lobbied the oil rich emirate to partner African countries in all levels of development.

Adesina noted that there is a lot that Africa can draw from the UAE's remarkable success, adding that what the UAE has done, using its resources, its drive and determination to develop the country into is highly impressive.

He said: "There is a lot that Africa can draw from the UAE's remarkable success. What the UAE has done, using its resources, its drive and determination to develop the country into what it is today is highly impressive. We are keen to see the UAE become an even more valued and significant investment partner in Africa.

"The UAE has been a highly valued participant in the African Development Fund, our Bank Group's concessionary lending arm supporting low-income countries since 1978. Hopefully, we may at some point be able to welcome the UAE as a member of the African Development Bank."

Receiving the African Development Bank head, the Minister of State in charge of African Affairs, His Excellency Sheikh Shakhbout, spoke about the UAE's desire to help African countries diversify their economies, provide value-added support for small and medium-sized enterprises, explore potential social housing investment opportunities, and connect young African fin-tech companies to innovations that would allow them to grow and thrive on the continent.

The African Development Bank President and the Director General of the Abu Dhabi Fund for Development, His Excellency Mohammed Saif Al Suwaidi, also signed a memorandum of understanding for closer collaboration, on behalf of their respective institutions. Suwaidi said: "We consider the African Development Bank to be the continent's Think Tank. We believe that Africa is the world's next growth frontier and we don't want to miss that."

Adesina and His Excellency Sultan Bin Sulayem, CEO of Dubai Ports World, the world's largest port operator, with 78 marine and inland terminals in more than 60 countries, held substantive discussions. The Bank has actively financed port infrastructure projects in Africa. Adesina and Sulayem, discussed investment cooperation that would link African ports to renewable energy and industrial hubs, including food production, and agro-processing.

Equally productive discussions were held with Dr Mohamed Jameel Al Ramahi, CEO of Masdar, an innovative Abu Dhabi renewable energy company; with His Excellency Ahmed Saeed Al Calily, CEO and Chief Strategy and Risk Officer of Mubadala, a sovereign investor managing diverse portfolio of UAE and global assets; with senior officials of TAQA, a leading UAE energy company; and with the Abu Dhabi Investment Authority (ADIA).

ADB President also held a raft of bilateral meetings with other senior members of government and heads of UAE parastatal companies. They included discussions with the Minister of State for International Cooperation, Her Excellency Reem Al Hashimy, who is also Managing Director of Expo 2020 Dubai, and the Minister of State for African Affairs, His Excellency Sheikh Shakhbout bin Nahyan bin Mubarak Al Nahyan.

The visit, which took place alongside the World Government Summit and the closing days of Expo 2020 Dubai, explored potential partnerships for strategic investment in Africa between the African Development Bank Group and the UAE, in renewable energy, agriculture and food production.

His Highness Sheikh Maktoum Bin Mohammed Al Maktoum, Dubai's Deputy Ruler, Deputy Prime Minister and Minister of Finance of the United Arab Emirates, and the African Development Bank chief, discussed strategic opportunities that would strengthen economic ties between the UAE, the Bank, and Africa.

Prominent in discussions were investment synergies between the UAE's Etihad 7 energy initiative and the African Development Bank's Desert to Power initiative, with a combined potential to provide 350 million people with renewable energy.

As a keynote speaker at Dubai's Annual Investment Forum and during meetings with key government, business and investment leaders, Adesina highlighted the continent's largely untapped potential in several sectors, the bank's unparalleled knowledge of Africa's development and investment landscape, and the institutions risk management instruments.

NIDO-E CAUTIONS NIGERIANS ON ONLINE INFORMATION

By Charles OkONJI

Nigerians in Diaspora Organisation, Europe chapter (NIDO-E), has advised Nigerians to be weary of information published online before acting on them to ensure safety of citizens.

Dr Bashir Obasekola, Chairman, NIDO Europe Chapter, made the appeal during a forum held in Moscow, Russia recently.

The forum was organised by NIDO Russia Chapter with the theme, "Russia-Ukraine Situation: Impact on Nigerians in Russia/ Europe and Bilateral Relations."

Obasekola disclosed that NIDO leveraged its network across Europe to provide support and assisted many Nigerians fleeing Ukraine to ensure their safety.

He, however, said that some Nigerians were still trapped in Ukraine, noting that they need moral and psychological support till relief gets to them.

According to him, it is now risky to cross the border due to unverified information of recruitment of foreign mercenaries for the war.

"We pray that none of our citizens will be caught in that crossfire of being mistaken for mercenary," he said.

Obasekola said they were surprised at the news of some people going to the Ukraine Embassy in Nigeria seeking opportunities to join the ongoing crisis between Russia and Ukraine.

He described the step as a wrong signal

Bashir Obasekola

that might expose Nigerians in Diaspora to danger of being suspected as mercenaries.

The NIDO chairman, therefore, advised the public to be cautious with their moves and information they publish online.

He commended the Federal Government for evacuating about 2,000 Nigerians, noting that measures were being put in place to evacuate more from Ukraine.

Obasekola said that NIDO would continue to provide support to government in ensuring the safe evacuation of Nigerians.

Speaking also at the occasion, Dr Rex Essenowo, Former Chairman, NIDO Russia Chapter, said Nigerians in Diaspora had faced lots of crises in the past, but noted that the current crisis was different from others.

Essenowo said the forum presented a platform for Nigerians in Russia to brainstorm on opportunities emanating from the crisis amid various sanctions.

He appealed to President Muhammadu Buhari to expedite the inauguration of the Diasporan Committee Board to enable more participation that would enhance socio-economic development.

Similarly, Mr Sampson Uwem-Edimo, Chairman, NIDO Russia, said some Russian banks are seeking opportunities to partner with Nigerian banks to enhance the financial industry.

Uwem-Edimo noted that a Russian health facility had indicated interest in establishing a cancer centre in Nigeria, saying the Nigerian Ministry of Health was working out the modalities.

According to him, a Russian pharmaceutical firm is also willing to set up an office in Nigeria to deepen the trade and investment between both countries.

He said that in spite of the crisis, there are still many opportunities to deepen Russia-Nigeria bilateral cooperation.

Also, Prof. Abdullahi Yibaikwal, Nigerian Ambassador to Russia, said that Russian Government had pledged to provide the necessary assistance to ensure the safety and well-being of Nigerian citizens in Russia.

IMPORTATION OF SUBSTANDARD GOODS, DANGER TO NATIONAL DEVELOPMENT – SON

The Standards Organisation of Nigeria (SON) says importation of substandard goods poses danger to standard of living and also affects national development negatively.

Malam Farouk Salim, made this known at a stakeholders' meeting held in Lagos, with the theme; "Standards Save Lives Grow Economy".

He added that importation of substandard goods could destroy the economy of any country.

According to him, the essence of the sensitisation with stakeholders is to communicate and share views on how to make businesses more efficient.

He also noted that it was unfortunate that no one was tracking importers of substandard goods.

"Stakeholders should engage in bringing in genuine quality products into the country. As substandard goods continue to come into the country, the local manufacturers and industries will be destroyed.

"In other climes, when you buy a product and sell it to the public and someone is injured or they don't get satisfaction to the product, you will be sued and then money is lost or sometimes jail.

"In Nigeria, we have it develop to that level. We have the laws but we have not develop to the level where some gets punished," he said.

Also, Dr Kayode Farinto, Vice President, Association of Nigeria Licensed Customs Agents (ANLCA), called for the rerun of SON to the ports.

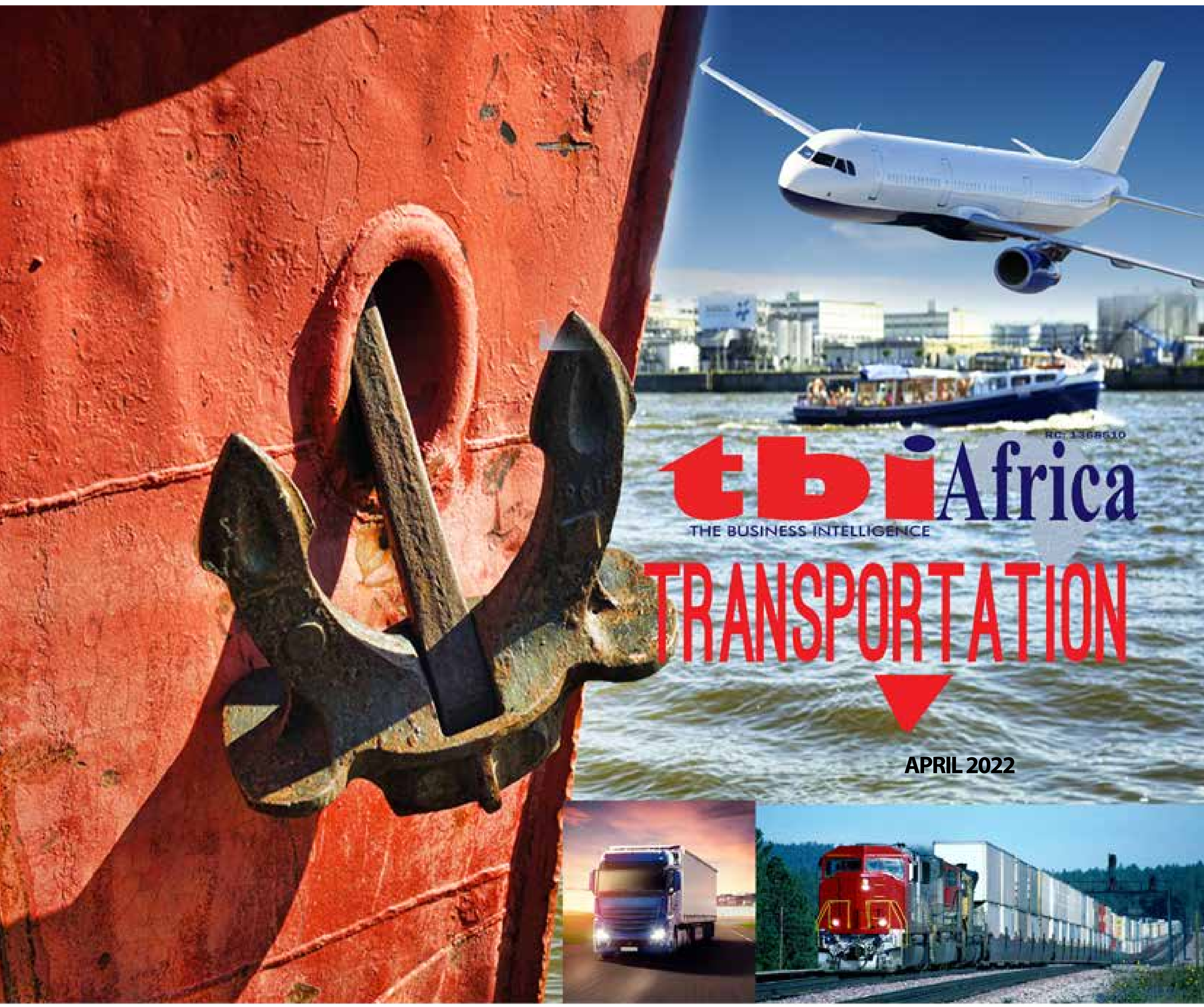
According to him, the return of SON to the ports will ensure the war against substandard goods in the country is achieved.

Farinto, speaking on 'Juxtaposing Substandard Imports, SON's Absence at Seaport', said that if the trend was not arrested urgently by providing solution, it could negatively affect the economy and dwindle the nation's income.

"SON vacated the seaport few years ago and was doing its regulatory role outside the port.

"But unfortunately, some nonconformists who import sub-standard goods has shown that there was need to reverse the Executive Order.

"This will ensure the country wins the war against importation of sub-standard goods in the country," he said.



WHY COLLABORATIONS ARE NEEDED TO FACILITATE GROWTH IN NIGERIA'S AVIATION SECTOR

*Aviation is indubitably a major driver of globalization and development in the modern world. It is a key component of the business world, as over a third of the global trade by value is carried through air transportation, **Charles OKONJI** reports.*

Reports show that the aviation industry supports over 87 million jobs around the world, cutting across direct employment, industry value chain, as well as the tourism sector with the industry fast, becoming the world's largest.

Currently, conservative estimates suggest that aviation supports up to 44.8 million jobs within the tourism industry alone.

The actual scale of contribution that aviation makes to economic growth can be measured through analysis of its revenue. The industry offers immense value to the global economy with up to $3.5 trillion support in economic activity, representing 4.1 percent of global gross domestic product.

Experts opine that if aviation were a country, it would rank 17th in the world based on gross domestic product, as it generates up to $691.3 billion annually, considerably larger than several G20 economies.

When combined with its supply chain and dependent industries, including its contribution to tourism, aviation provides significant additional economic benefits by encouraging trade and international investment.

As a key contributor to global economic prosperity, the relevance of the aviation industry in Nigeria's socio-economic development cannot be overstated. Given its contribution of $10 billion to GDP, Nigeria's aviation industry is one of the most thriving in Africa.

Beyond the myriad of economic benefits, the cultural and social impacts of

aviation present another big package by connecting billions of people, cultures and businesses across continents.

The Nigerian aviation industry experienced growth in five years to 2019 with the number of airlines, passenger traffic and cargo movement experiencing considerable increases over the period. In the last five years, domestic airlines have grown exponentially with up to 23 airlines becoming fully operational. The airlines acquired additional aircraft and applications for Air Operating Certificates (AOC) increased.

Then suddenly came the cold winds of adversity – the outbreak of the COVID-19 pandemic that hit the global aviation ecosystem badly, flipping the tourism and hospitality businesses on their heads.

On the one hand, global restrictions on air travels were needed to curtail the spread of the virus. On the other hand, the measures spelt a full-scale crisis for the transportation sector generally with massive losses of traffic and revenues.

According to a report by the Nigerian Civil Aviation Authority (NCAA), the pandemic cost the airline industry about $1billion and a total loss of $800billion to the Nigerian economy. Beyond the economic impact, the livelihoods of thousands were stymied with reports showing about 24,000 jobs losses while many employers suspended salary payments.

The post lockdown economy has presented a myriad of opportunities for Nigeria to expedite the growth of the aviation industry through innovative solutions that would change the narratives in the business.

There is a need for collaborative efforts between the government and relevant stakeholders within the private sector towards assuaging the constraints to value chain development.

Countries are continually relaxing travel restrictions and the future is once more brightening for aviation industries around the world. Bold and innovative actions are called for to act on the new opportunities emerging for Nigeria and Africa.

Able people and organisations are rising to the challenge to transform Nigeria's aviation industry into a global powerhouse, including an aviation specialist firm, Copterjet International.

The company, which officially launched last October, has called for strategic collaboration with stakeholders to drive growth, transformation and development in Nigeria's aviation value chain.

More than ever, there is a need for the acceleration of sectoral transformation and Copterjet is resolute in its vision to attain new standards of safety and efficiency as well as mobilization of investment capital for industry retooling and recovery.

In order to achieve this, financial institutions and other relevant stakeholders need to work in tandem – a fact the company acutely recognizes and aims to address with its services. The company offers aviation consulting, aircraft brokerage (acquisition, marketing and sales), aviation asset development and management and logistical services.

Toluwa Victor Olorunyonmi, chief executive officer, Copterjet International, has since elucidated the avenues in which growth can be accelerated in the industry, stating that the company has developed strategies geared towards harnessing the opportunities from the fallout of the COVID-19 pandemic.

"At CopterJet, our vision is premised on a resolute mandate to transform the aviation industry in Nigeria and beyond. We have drawn a detailed roadmap with back-end strategy geared towards driving major initiatives that would herald a new era of opportunities that would position Nigeria's aviation industry as a global powerhouse. Our coming marks the beginning of a new dawn and also a historic event in the aviation industry", he stated.

"As a nation, if we must drive the economy, we must initiate a collaboration to move the industry forward. We must drive the aviation industry to propel growth across sectors and industries in the economy", he added.

With Africa being the largest market for passenger flows to and from Nigeria, according to International Air Transportation Association (IATA), the Nigerian aviation industry is a goldmine that could propel the nation to the fore of global competitiveness.

However, this can only be achieved by stakeholders working cohesively to develop strategies geared towards building strong and dynamic partnerships to drive structural transformation.

FG LAUDS SHIPPERS' COUNCIL OVERTIME REDUCTION AT BERTH

The Federal Ministry of Transportation has lauded the Nigerian Ports Process Manual for reducing vessels berthing time at the country's seaports from five hours to ninety minutes.

Speaking in Lagos at the flag-off of the Operation Free the Port Corridor by the Port Standing Task Team, a committee under the Nigerian Shippers' Council, the Permanent Secretary, FMOT, Dr Madgalene Ajani, said the time used in resolving importers' complaints had reduced from 10 days to four hours.

She also said the reduction in berthing and complaint time had helped to improve the ease of doing business and efficiency at the seaports.

Ajani, however, explained that freeing the port corridor must be done holistically and with the support of other agencies.

"To free the port corridor, the key thing is that we have to do things holistically and that treatment is what we are trying to achieve. The aim of this holistic achievement is for us to achieve ease of doing business in Nigerian ports and the corridors.

"So, it takes all of us here to agree that we can do this and to be able to achieve this we need to have a Standard Operating Procedure that we need to follow. The SOP is not conscripting everybody to follow one person's SOP. The NPPM will put everybody's SOP into focus and we will come together as a team to achieve results."

She, however, commended the presidential standing committee on what had been achieved in the last one year, adding that the feat could not have realised by the activities of only just one person, but everyone.

"In December 2020, we stormed Apapa but we could not even navigate. We came by water from Marina and even to drive out from Apapa Port to Tin Can to see what was going on was not very easy. And after, we constituted a project development implementation team and everybody was working to see that goods for Christmas went to the users. In January, February 2021, the whole thing clamped down. And the question is, will we ever be able to clear Apapa corridor? I can boldly say that we are moving forward."

Speaking earlier, the Executive Secretary, NSC, Emmanuel Jime, said the task team was set up for the purpose of removing illegal checkpoints and shanties along the port corridors.

He applauded the support and level of buy-in obtained from the stakeholders, especially the public and private sectors.

"I am particularly excited because of the level of buy-in obtained from the stakeholders coming from both the public and private sectors. It just goes to demonstrate how all of us are eager to rid the port corridors of the anomalies we witness daily.

"This exercise 'Operation Free the Ports' Corridors' is fittingly named. Indeed, the port corridors are not free; the traffic does not have a free flow, the shanties are not freeing spaces for a conducive business environment, and the unnecessary checkpoints obviously do not make for an atmosphere free of extortion and other forms of corrupt practices.

WACT APPLAUDS NPA, APM TERMINALS FOR BERTHING OF `MV LADY JANE'

The West Africa Container Terminal Nigeria (WACT) says effective coordination by the Nigerian Ports Authority (NPA) and investment in the terminal by APM Terminals, made it possible to handle very large container vessels.

The Managing Director of WACT, Mr Naved Zafar, in a statement in Lagos on Tuesday, said that the investment amounted to $112 million (about N47 billion).

Zafar said that the transformation plan which WACT embarked on since last year, made it possible for `MV Lady Jane', the second largest ship to call at Onne Port.

According to him, declaring a big ship like this is a clear indication of the unwavering trust in their capabilities and an affirmation of the investments that they have made since last year.

"The 5,042 TEUs container ship named Lady Jane is the second largest container ship to berth at a Nigerian port and received by WACT.

"Lady Jane operated by OOCL shipping line, which has a length overall of 294.5 meters arrived at WACT Onne Port Complex, Rivers State, on April 13.

"In line with WACT's vision of becoming the gateway to East Nigeria and beyond, we continue to stretch our boundaries by investing and expanding in our service capabilities to deliver the best-in-class supply chain solutions, to both our shipping line customers and landside customers.

"The arrival of Lady Jane is the practical manifestation of that commitment," he said.

Zafar said that WACT previously made history in August, 2020, when it received the largest containership to berth in Nigeria.

The ship named Maersk Stadelhorn had length overall of 300 meters and capacity to carry about 10,000 TEUs (Twenty-foot Equivalent Units).

In the same vein, Onne Port Manager, Mr Stanley Yitnoe, said that the achievement indicated that the container traffic was growing.

"Last year, container traffic in Onne grew by 31 per cent but with Lady Jane bringing in containers to discharge and to load, including full exports, container traffic is definitely picking up in Onne.

MIMASA COMMITTED TO MARITIME UNIVERSITY DEVELOPMENT – JAMOH

By Emeka Ugwuanyi

Dr Bashir Jamoh, Director-General, Nigerian Maritime Administration and Safety Agency (NIMASA), says the agency remains committed to the development of the Nigerian Maritime University (NMU), Okerenkoko, Delta.

Jamoh gave the assurance when a delegation from the university paid a visit to NIMASA management in Lagos, according to a statement he issued on Sunday.

Jamoh said that in spite of handing over of the university to the National Universities Commission, NIMASA was committed to supporting NMU by completing projects it initiated there.

Jamoh advised the management of NMU to seek national and international accreditations to ensure that certificates from the school would enjoy global recognition.

He equally urged NMU management to seek collaboration with the World Maritime University, among other specialised higher institutions of learning.

"Nigerian Maritime University can conveniently bridge the gap in terms of human capacity deficiency in the Nigerian maritime sector.

"All you need to do as management is to seek collaboration with similar specialised

Bashir Jamoh

institutions and ensure that NMU certificates enjoy global recognition.

"Our goal is to seek top-level manpower development from NMU instead of the current situation where institutions abroad are preferred to Nigeria-based," he said.

The director-general said that NIMASA still made budgetary provisions for NMU to ensure completion of projects it initiated.

"Our belief is that a well-funded NMU will greatly enhance youth employment and engagement particularly in the Niger-Delta region," he said.

On the Modular Floating Dockyard, he said that experts had been in Nigeria for more than a month working on deployment of the dockyard.

He also informed the NMU management that the facility would be available for its students for practical experience.

"Experts from the firm that built the Modular Floating Dockyard have been in Nigeria for a while now, providing technical support and working on how to deploy the dockyard productively.

"When I gave them a deadline recently, I was given professional counsel not to rush the deployment.

"If we have waited this long, we might as well wait a while longer and ensure we don't regret deployment in a hurry.

"Students from NMU and other institutions will be welcomed for practical experience in mechanical, electrical, welding and other areas when we begin full operation," he said.

Jamoh also disclosed that a proposal to convert Science and Technical College, Okoloba, Delta, to a campus of the Nigerian Maritime University was under consideration.

"Our facilities at the Science and Technical College, Okoloba in Delta State, are grossly being underutilised.

CLEARING AGENTS REJECT CUSTOMS' 15% LEVY ON IMPORTED VEHICLES

Clearing agents have rejected the imposition of 15 per cent levy on imported vehicles by the Nigeria Customs Service.

The NCS had introduced a 15 per cent National Automobile Commission levy on used imported vehicles, a decision which didn't go down well with the clearing agents.

The agents have argued that the NAC levy is mostly on new vehicles and are questioning the rationale behind its imposition on used vehicles.

In a quick response, the service in a statement released by the National Public Relations Officer, Timi Bomodi, said that the move was in compliance with the Economic Community of West Africa Common External Tariff.

The statement read, "On Friday the 1st of April 2022, the Nigeria Customs Service migrated from the old version of the ECOWAS Common External Tariff (2017- 2021) to the new version (2022- 2026). This is in-line with World Customs Organization five years review of the nomenclature. The contracting parties are expected to adopt the review based on regional considerations and national economic policy.

"The nation has adopted all tariff lines with few adjustments in the extant CET. As allowed for in Annex II of the 2022-2026 CET edition, and in line with the Finance Act and the National Automotive policy, NCS has retained a duty rate of 20 per cent for used vehicles as was transmitted by ECOWAS with a NAC levy of 15 per cent. New vehicles will also pay a duty of 20 per cent with a NAC levy of 20 per cent as directed in Federal Ministry of Finance letter ref. no. HMF BNP/NCS/CET/4/2022 of 7th April 2022.

"It is instructive to note that domestic fiscal policy on the importation of motor vehicles and other items is targeted at growing the local economy in these sectors. The focus of NCS is on implementation of these policies in the hope that it achieves its desired objectives in line with National Automotive Policy and other fiscal policies of government."

However, the President of the African Association of Professional Freight Forwarders and Logistics, Mr Frank Ogunojemite, said that the service had no reason for that increment.

"They don't have any reason for the increment, they only said that they have reduced the duty to 20 per cent. The Customs does not have the legal right to increase that. This new levy will increase inflation, it will make the products out of reach of the common man."

ATTACK: NRC CONFIRMS 14 MORE SAFE PASSENGERS ON BOARD

The Nigerian Railway Corporation (NRC) has confirmed safety of 14 more passengers on board the attacked Abuja-Kaduna train of March 28, bringing the total safe passengers to 186.

The NRC's Managing Director, Mr Fidet Okhiria, confirmed this in a statement. "The statement is aimed at updating Nigerians on the on-going development regarding the clearing of the incident site (recovery of the rolling stock, repairs of the track) and status of Passengers that were on-board the AK9 train of Monday, March 28.

"Of the 362 validated passengers on board the attacked AK9 train service on March 28, 186 persons on the manifest are confirmed to be safe and at their various homes (additional 14 persons confirmed safe today)," Okhiria said.

He said 51 phone numbers on the manifest are either switched off or not reachable since Tuesday morning and 35 phone numbers on the manifest are ringing, but no response from the other end.

He stated that 60 phone numbers on the manifest when called, response non-existent, 22 persons are reported missing by their relatives and eight persons confirmed dead.

According to Okhiria, two coaches (SP 00016 and SP 00017) earlier re-railed have safely been moved to Rigasa Station.

He said: "This brings the total number of recovered Coaches and safely moved to NRC Stations to be seven.

"Intensive work continues on track repairs. More concrete Sleepers were moved to site while some section of twisted tracks has been straightened. "We remain grateful to the security agencies for all the support. We are very appreciative of the Squadron Commander MOPOL 1 Kaduna visit to the accident site today.

"The NRC will continue to update the general public of developments to prevent misleading information and falsehood," the NRC boss added.

"We remain grateful to the security agencies for all the support. We are very appreciative of the Squadron Commander MOPOL 1 Kaduna visit to the accident site today.

"The NRC will continue to update the general public of developments to prevent misleading information and falsehood," the NRC boss added.

GLOBAL, AFRICAN AIRLINES RECORD MAJOR OPERATION RECOVERY

As more countries lift the restrictions triggered by the COVID-19 pandemic, air travel is receiving a boost.

The global capacity figures for scheduled seats by airlines have hit 91.5 million weekly, data from worldwide industry data bank has shown.

Collated by ch-aviation, the global database for airlines, airports and the air transport value chain, it stated that scheduled seats by global carriers increased by 46 per cent as at the end of March, this year, compared to the same week last year.

The data indicates that the figures for scheduled seats went up by 85 per cent compared with figures of 2020.

According to the data, Africa's capacity has been increasing, with 2.7 million weekly scheduled seats.

It stated that Africa recorded a 62 per cent increase in figures and a significant spike netting over 125 per cent figures compared with March 2020.

The ch-aviation report reads "Asia saw a considerable rise in demand at the end of March, with 35.4 million weekly scheduled seats.

This is the continent's highest peak since the COVID-19 outbreak, representing a 14 per cent increase over March 2021 and a 67 per cent increase compared to the same week in 2020.

Following a significant drop in mid-January, Europe's capacity figures grew in February and March, totalling 21.6 million scheduled seats by the end of last month. This represents a 167 per cent growth over the end of March, last year and a massive 317 per cent increase over March 2020.

"The number of scheduled seats in North America has been growing continuously since January, and now stands at 24.6 million. For March, there was a 38 per cent increase compared to March 2021 and a 27 per cent increase compared to March 2020.

"Oceania's capacity figures have been fluid since the beginning of the year, and after a significant drop in February, they're back on the rise, with 1.9 million weekly seats currently scheduled. This represents a 33 per cent increase over the same week last year and a 129 percent increase over March 2020."

The ch-aviation report, however, noted that South America is the only continent that has experienced consistent growth since April 2021, with only minor troughs.

It reads: "We see five million weekly scheduled seats there, representing a significant 119 per cent increase over the same week in March 2021 and a 286 per cent increase over March 2020."

Also, the global industry data bank has shown the top 25 airlines worldwide with the highest load factors for January 2022.

While Azur Air made the top of the list with a load factor of 93 per cent, Mandarin Airlines is at the bottom of the list, with a load factor of nine per cent.

The report reads: "At ch-aviation, we keep track of aircraft deliveries from the largest aircraft manufacturers: Airbus, Boeing, ATR, Bombardier, COMAC, De Havilland, Embraer, and Irkut…"

WHY AIRLINE OPERATORS THREATEN TO SUE FG

Airline Operators of Nigeria (AON) says it will sue the Federal Government over continued multiple entries granted to foreign airlines.

The body also declared that for any foreign airline or investors to invest in the new national carrier, it must deposit at least $200 billion with the Central Bank of Nigeria (CBN) to be sure of their seriousness, saying that no airline should use Nigeria as a dumping ground for unused aircraft.

This is as the federal government said the multiple entries granted airlines was a good economic decision to the foreign airlines, but regretted that it put pressure on the foreign exchange for Nigeria.

Speaking at the Q1 2022 Breakfast Business Meeting organised by the Aviation Round Table (ART) with the theme: 'Economic Implications of Multiple Entry Points by Foreign Airlines Into Nigeria," Yunusa Abdulmunaf, President of AON, said that the body has decided to challenge the government in the court of law of the current policy on multiple entries to airlines is not addressed.

Abdulmunaf, who was represented at the occasion by Allen Onyema, the Vice President of AON, said that the body would in the next few days meet with Hadi Sirika, the minister of aviation to deliberate on the issue.

He expressed confidence that the government would address the issue in the next 21 days, but said the body was not giving the government an ultimatum.

The AON President lamented that billions of naira are being lost annually to multiple designations granted the foreign carriers and warned that if the policy continued

Minister of Aviation, Hadi Sirika

unabated the domestic airlines would die, while the foreign airlines would eventually take over the domestic market.

He insisted that the multiple designations are one of the greatest disservices to the Nigerian economy and its people.

The AON said: "All the foreign airlines that come into Nigeria, every day the Central Bank Governor cries about the amount of money being repatriated abroad. We are talking about the scarcity of foreign exchange in the country, but the foreign airlines are removing billions of dollars every year from this country, and airlines in Nigerians have been hassled with lots of requests on how to repatriate dollars into the system. Where am I going to get it from?

"Yet we are creating more avenues for these things to happen by giving multiple destinations to these foreign airlines. All the foreign airlines that come to this country, about 20 or 30 of them have not been able to employ more than 150,000 Nigerians.

"We keep on badmouthing Nigerian airlines, forgetting that we are the architects of our own undoing. Air Peace alone employs over 4,000 people directly. It would take foreign airlines another 60 years to generate 4,000 jobs. Yet Air Peace has to beg to be given rights to build a hangar in its own country, it has no land in its own country. No land for its assets and passengers. It didn't start today."

Besides, Sirika has said that multiple entries approval to foreign airlines is a capital flight against the country.

He said that this prevents the indigenous airlines from generating much revenues, rather growing the economics of foreign airlines.

"Technically, it creates capital flight from Nigeria," he said.

Also, Gabriel Olowo, the President of ART, decried that foreign airlines are gradually taking over the domestic market with continuous approvals for multiple entries for foreign airlines.

"The damage of multiple entries into Nigeria is huge. Britain for instance has 21 flights into Nigeria weekly. European Unions have 43 frequencies every week into Nigeria. Also the Middle East has 56 flights weekly into multiple entries into Nigeria.

"As it is today, we have zero participation in the international sector as an industry and the domestic sector is eroded through multiple entries into Nigeria," Olowo said.

EMIRATES, QATAR AIRWAYS JOSTLE FOR NIGERIA'S NATIONAL CARRIER

United Arab Emirates (UAE) national carrier, Emirates Airlines, and its Qatari counterpart, Qatar Airways, have rallied behind Nigeria's new national carrier project for successful take-off next quarter.

While Qatar Airways is among legacy carriers pushing for technical partnership, Emirates has only pledged to support Nigeria if invited by the Federal Government.

Besides appointing an interim team to manage the incubation phase, the Ministry of Aviation has also submitted a request for the Air Operator's Certificate (AOC) and Air Transport Licence (ATL) from the Nigerian Civil Aviation Authority (NCAA).

Already christened Nigeria Air, the proposed carrier, last month, opened an invitation to interested private parties to submit proposals for the take-over and further development of the new carrier.

Minister of Aviation, Hadi Sirika, at the ongoing World Development Summit (WDS) in Dubai, said the process to set up the new airline was in full swing and promised it would be delivered before the end of this administration.

Sirika said the Nigerian potential was too huge for the country not to have a national carrier.

"Nigeria is situated at the centre of Africa; equidistant from all locations in Africa of about 30.4 million square kilometres miles, 1.5 billion people and very green land. If Central and Eastern Africa are the belt of the continent, then Nigeria is the buckle. We have 200 million people and a rising middle-class with a high propensity to fly. So, Nigeria is a candidate for a national carrier."

The minister reiterated that the government would have only a five per cent stake in the private sector venture, with no government control, interference or membership on its board.

HOW BUHARI'S REFORMS IMPACT CORRUPTION IN NIGERIA'S MARITIME SECTOR

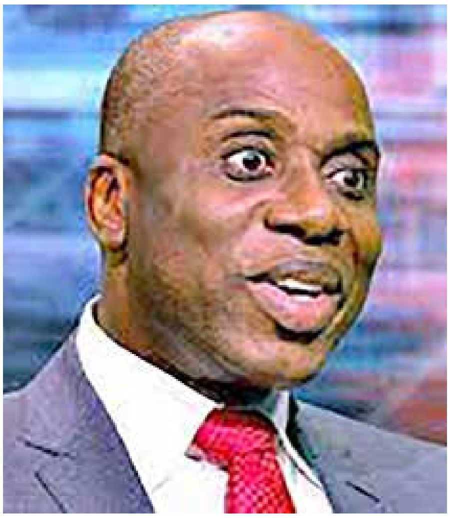
Charles OKONJI

Illegal demands by public officials in Nigeria from Ship Masters for large unreceipted cash payments in the process of vessel clearance dropped from 266 reported incidents in 2019 to 128 in 2020 and 40 in 2021.

All issues reported through the Port Service Support Portal (PSSP) were, from 2020, typically resolved during normal ship operations of the port visit and as at the time of writing, there were only two of such issues yet to be resolved. Behind this major shift in performance is a crop of probably less known civil servants who have been involved in the ports reforms that the Federal Republic of Nigeria has been running since 2012 in collective action with the Maritime Anti-Corruption Network, MACN.

One of such courageous officers and worthy of note is Moses Fadipe of the Nigeria Shippers Council (NSC). He was honoured with the distinction of "Most Outstanding Man of the Year in the Public Sector (Maritime), 2021" by Freight Watch Publications and "Star Boy of 2021" by the NSC. But Moses Fadipe as Head of the Port Standing Task Team (PSTT) which commenced operations on March 3, 2021, in Lagos for the Western Ports and September 28, 2021, in Port Harcourt for Nigeria's Eastern Ports, did not act alone, he acted in concert with other members of the PSTT drawn from the anti-corruption commission (The Independent Corrupt Practices and other related offences Commission or ICPC), Department for State Security (DSS) and the Nigerian Ports Authority (NPA).

At various times since 2012 when the collaboration between MACN and the Presidency of the Federal Republic of Nigeria began, MACN, through its Nigeria partner, the Convention on Business Integrity (CBi), has given direct feedback to the government over the progress being made or the lack thereof and the Nigerian government has always responded appropriately with new strategies and tactics where such was required to keep reforms on track. An example is 'Operation Mark' which came into being in 2019 after MACN complained that the levels of corruption were still unbearable and was the precursor of the Port Standing Task Team (PSTT). Operation



Rotimi Amaechi, Minister of Transportation

Mark carried out sting operations to catch and prosecute officials who wilfully flouted the Standard Operating Procedures (SOPs) put in place at the ports by each agency and terminal operator located there.

In December 2020, at the World Anti-Corruption Day, the Nigerian Presidency introduced the Nigerian Port Process Manual (NPPM) which depicts the specific steps to be taken to complete each port process, identifies the stakeholders involved and gives an indication of timelines. The PSTT, led by Mr Fadipe, was mandated to monitor and enforce compliance by all government agencies and private stakeholders with the provisions of the NPPM and help remove opaqueness in port operations in line with international best practices as entrenched in the Nigerian Port Process Manual (NPPM). The Port Process Manual is aimed at fostering an enabling environment for domestic and foreign ports users, by eliminating bottlenecks and illegal demands (such as for large unreceipted cash payments).

This approach was taken because Nigeria is seeking an effective, successful, systemic intervention in the port sector which would rapidly change the narrative, the perception and the ranking of Nigeria in the Corruption Perceptions Index (CPI) by Transparency International. The Nigerian Port Process Manual on port operations is also one of the key interventions for the effective implementation of Nigeria's Executive Order 001, which was directed at promoting transparency and efficiency in the business environment and designed to facilitate the ease of doing business in Nigeria.

Apart from the sharp reduction in the number of demands for large unreceipted cash payments in the process of vessel clearance, the introduction of the SOPs and NPPM has increased the level of transparency around processes to be complied with in Nigeria's Ports. The introduction of the Port Service Support Portal has also made complaints and grievance handling processes more transparent and effective. Effectiveness is measured in the consistency with which the procedures are upheld and the resultant predictability in cost and time spent on vessel clearance through the ports. Before the launch of the NPPM, it took a vessel an average waiting time of five hours at anchorage after pilot assignment before being birthed. There was a proliferation of various government manning agencies without any specified number of officers boarding a vessel with an average boarding time of not less than 90 minutes by each agency during the vessel clearance exercise. NPPM has rationalized all that now. A recent article summarises the specific achievements of the PSTT in their first 9 months of working on the NPPM to correct some of these ills.

Prior to the launch of the NPPM and the constitution of the PSTT, the maritime sector was bedevilled with challenges of infrastructure to ports administration which created circumstances of excessive delays right from anchorage, vessel reception to import/export processes, excessive 'red tape,' human and vehicular congestion in and around the ports, and illegal charges leading to high costs of business operations.

The economic cost of these challenges in the light of the losses that come with the attendant inefficiencies has been estimated at around $7 billion annually. This made the Nigerian Government through the Nigerian Shippers Council (NSC), the Technical Unit on Government and Anti-Corruption Reforms (TUGAR) and The Independent Corrupt Practices and other related offences Commission (ICPC), in collaboration with the Maritime Anti-Corruption Network (MACN) and the United Nations Development Programme (UNDP), embark on a process of reforms to address the challenges in the maritime sector.

LEKKI PORT EXPRESSES APPRECIATION OVER PRESIDENT BUHARI'S VISIT

The company in charge of the construction of the $1.5 billion Lekki Deep seaport, Lekki Port LFTZ Enterprise Limited, has expressed appreciation over the recent visit of President Muhammadu Buhari to the deep seaport in Lagos.

Speaking during the visit, the Chief Executive Officer, Lekki Port LFTZ Enterprise Limited, Mr Du Ruogang, expressed profound appreciation of the company to the President for the visit and the immense support the project has received since its inception, stating that the team remains committed to delivering the project as scheduled.

Ruogang further assured that the company is working round the clock to complete the construction as scheduled by September to ensure that commercial operations commence by the fourth quarter of 2022.

"We are indeed very pleased and grateful to His Excellency, the President of the Federal Republic of Nigeria, President Muhammadu Buhari for the visit to Lekki Port today. This day will remain a memorable one in the history of this port. We sincerely thank the President and all the dignitaries that accompanied him here today even as we look forward to having them soon for the official commissioning," he said.

Also speaking during the visit, the Managing Director of Lekki Freeport Terminal, the terminal operator for the port, Mr Denrick Moos, assured that the port operation would be a world class and efficient one, leveraging technology in the automation of its processes.

Moos commended both the promoters and partners of the project including Tolaram and China Harbour Engineering Company, for their commitment towards the timely delivery of the project ahead of operational readiness.

INVESTIGATE ARMS PROLIFERATION AT SEAPORTS, CLEARING AGENTS URGE FG

Clearing agents using the nation's ports of Apapa and Tin-Can in Lagos have called on the Federal Government to investigate the claims by the Chief of Naval Staff, Vice Admiral Awwal Gambo, that the ports are being used to proliferate arms and weapons into the country.

Recall that during a recent visit to the Minister of Transportation, Rotimi Amaechi, Gambo had said that the level of arms proliferation at the ports was scary.

Speaking with the Nigerian Tribune, a port user, Tajudeen Alao, wondered why the ports were being used to proliferate arms despite the port reform of 2006. According to Mr Alao, "Part of the reason Nigeria embarked on the port reform of 2006 was to ensure we stop doing things the old fashioned way at our ports.

"Private investors have taken over operation of port terminals at the ports yet the number one naval security officer in the land is saying that the level of arms proliferation at our ports is scary. The Federal Government needs to investigate this claim. It shouldn't just be swept under the carpet. That such allegation is coming from the nation's number one naval personnel speaks volume. The man said according to credible intelligence, the level of arms proliferation at our ports is scary. Are we just going to sit and let this pass by judging by the level of insecurity in the country?

"It is important that the various security agencies investigate this claim. Insecurity in Nigeria is getting to an alarming height and all hands must be on deck to nip the menace in the bud."

Also speaking, another clearing agent, Chima Aloysius, wondered why the Nigerian Ports Authority (NPA) does not invite the Nigerian Navy to the port during inspection of imports containing fertiliser-making materials or explosives for mining sites.

In the words of Aloysius, "The Chief of Naval Staff said that the level of arms proliferation wouldn't have been this high if the NPA invites its officers during inspection of imports that contain fertiliser-making materials or explosives for mining sites. What this simply means is that we lack inter-agency collaboration at our ports.

"Why should a container containing fertiliser-making materials or explosives for mining sites be allowed to exit the ports without the Navy inspecting it? With the level of insecurity in Nigeria, we all know what this kind of cargoes can be used for if they get into the wrong hands.

"It is important that the claim by the Navy Chief is investigated. Also, the Navy should be called to the ports anytime certain kinds of imports arrive the ports."

The Chief of Naval Staff, Vice Admiral Awwal Gambo, recently raised the alarm that the amount of importation of small arms and weapons into the country through the seaports is scary.

Speaking during a courtesy visit to the Minister of Transportation, Rotimi Amaechi, the naval chief called for a return of the Navy to the ports.

"Credible intelligence has it that since we left the ports in 1996, the proliferation of small arms and light weapons into our country is scary. But again, at every importation of fertiliser-making materials or explosives for mining sites, the Navy had to be invited.

"If NPA invites us at every opportunity to come and inspect these consignments and also ensure that they get to the destinations they are meant for and they are not diverted, then why not have us at the ports so that when the containers come in, they are not broached in the ports and subsequently after the inspection, we make sure they get to the right destination.

NIGERIAN AIRLINES CANCEL MORE FLIGHTS AS FUEL SCARCITY CONTINUES

The fuel scarcity in Nigeria has taken a toll on the airline industry with several flights reportedly delayed or cancelled due to lack of jet fuel.

Nigeria largest carrier, Air Peace, confirmed Wednesday that the shortage will impact on a number of its flights to Dubai and Johannesburg, its major routes.

Its other major airline, Arik Air, also confirmed it will experience many delays from Wednesday and onwards and many domestic flights will have to be cancelled if the problem persists.

According to Reuters, Nigeria imports almost all its jet fuel, which has nearly doubled to as high as 625 naira ($1.50) per liter since December, Arik Air said.

At Nigeria's busiest airports in Lagos and Abuja, aircraft scheduled to fly on Tuesday were parked for hours waiting for fuel.

Local media reports, that airlines like Ibom Air could not fly most of their aircraft on Tuesday, March 8, due to fuel scarcity. The airline admitted to the situation and predicted the situation may extend to Wednesday.

"We have encountered a situation today where aviation fuel is scarce and therefore unavailable at almost all our flight destinations. This has significantly impacted our flight schedule and may do the same subsequently.

"At this time, we have no indication when the issue will be resolved, however, we are working with our fellow airlines and fuel suppliers to find a solution," the airline said.

Dana Air also found itself in the same situation last week where most of their flights were cancelled due to scarcity of fuel.

In February, one of Nigerians airlines, Air Peace informed passengers that some of their flights were delayed due to scarcity. The airline said their Lagos to Port Harcourt flight for 14:30 on February 15 was delayed due to lack of fuel and the Port Harcourt to Abuja flight for 16:25 and Abuja to Lagos for 16:25 were also affected.

Despite being Africa's largest oil producer, Nigeria imports almost all its jet fuel.

Motorists have also been suffering from severe fuel shortages at the pumps for weeks.

Global oil prices have hit a 14-year peak after Russia's invasion of Ukraine.

INCREASED SYNERGY AMONG GOG STATES RESPONSIBLE FOR DECLINE IN PIRACY –JAMOH

The Director-General of the Nigerian Maritime Administration and Safety Agency (NIMASA), Dr. Bashir Jamoh, has ascribed the decline of piracy on Nigerian waters and the Gulf of Guinea to collaboration among various organs of Government in Nigeria, Governments in the region and stakeholders from within and outside the country.

Dr Jamoh who stated this while receiving the management of the Nigerian Television Authority, NTA Channel 10 in Lagos, noted that the success in fighting piracy in Nigeria is a combination of many factors, which has seen the entire gamut of security architecture working together to achieve a common goal.

"Our joy is that Nigeria has exited the piracy list and the progress is steady. No single organization can lay total claim for the success. The Presidency is playing a major role by providing direction, the Armed forces are playing their role as enshrined in the constitution, and NIMASA is playing its role by being an effective Maritime Administration with the Deep Blue Project as a focal tool. The National Assembly who gave us the SPOMO Act and the Judiciary who have now ensured maritime crimes are punished in Nigeria should also get credit", he said.

Dr Jamoh also acknowledged the support from the international maritime stakeholders as key to the success in the fight against piracy in the Gulf of Guinea". According to him, the international conglomerates, including the major oil marketers, International Tanker owners, INTERTANKO, and the International Cargo Owners, INTERCARGO amongst others who are part of the joint industry-working group, which has now metamorphosed into the SHADE Gulf of Guinea, also deserve some credit.

Furthermore, the NIMASA helmsman disclosed that two of the Agency's Global Maritime Distress Safety System (GMDSS) located at the Regional Maritime Rescue Coordination Center, RMRCC in Kirikiri Lagos and Takwa Bay are now fully functional.

"We have greatly enhanced the safety of navigation of vessels on our waters, every vessel within the Nigerian territorial waters and even beyond can easily access our GMDSS. The ones in Takwa Bay and Kirikiri are now fully functional, while the other three stations located in Oron, Bonny and Escravos are almost ready to commence full operations. These are some gaps identified in the Nigerian Maritime Administration and Safety Agency by the IMO during its last IMO Member State Audit Scheme (IMSAS) and we are closing these gaps," he said.

Commenting on the Suppression of Piracy and other Maritime Related Offences SPOMO Act, which now serves as a model for other countries in the Region, Dr Jamoh noted the need for harmonization of laws to ensure uniformity of purpose in prosecuting maritime offences within the region.

REVIVING AGRICULTURE IN NORTHEAST AMID PEACE WINDOW

As relative peace returns to Borno and other states in the North East following the over 12 - year Boko Haram insurgency, Agricultural activities which was on the verge of extinction due to constant attacks on farmers by the terrorists have witnessed revival in most part of the region of recent.

Borno, Yobe , Bauchi, Gombe, Adamawa and indeed Taraba are States in Nigeria with great potentials to increase their Agricultural production and agro- businesses remain their main occupation.

However, these six Northeastern States have also recently experienced severe internal conflict arising from the over decade Boko Haram/ ISWAP insurgency, which have negatively affected Agricultural productivity and investment resulting in massive displacement.

Prior to the insurgency in 2009, the Northeast region especially Borno State, was already considered as the fastest growing region in western Sudan and sub- saharan Africa with its capital of Maiduguri booming as far as urbanisation is concerned due to the high level of Agricultural businesses, but the insurgency disrupted the well-established agricultural value chains.

Indeed, the hazard caused by the Boko Haram insurgency is not only felt in Nigeria but in some other parts of Africa. Cameroon and Chad, sharing border with Nigeria in the Northeast, are also affected as their traders can no longer come to Maiduguri to buy and sell.

According to the Sole Administrator, Borno State Chamber of Commerce, Industries, Mines and Agriculture (BOCCIMA), Alhaji Ahmed Ashemi, the whole of Northeast was an agrarian area and the major source of livelihoods of people especially, those in the rural areas, who are more in number was Agriculture.

BOCCIMA added that the insurgency had adversely affected their ability including access to their farmlands for years particularly, in Borno State where farming activities fell 10 percent of its level before the insurgency.

He noted that it was in 2021 that revival of farming activities began because more areas have been liberated, adding that even the terrorists are facing fighting fatigue that have reduced their activities and allowed farming activities to continue.

Ashemi, however, said with the creation of the North East Development Commission (NEDC) in addition to efforts of the various governments in the Northeast to revive Agricultural activities following the emerging, hope is returning back to the glorious days is at hand.

The BOCCIMA Boss however urged the NEDC to implement its Agricultural programme for the Northeast diligently with transparency, noting that when that is done, those groups or strata of society for which the programme is intended are also taken along in the preparation and implementation so that it will have greater effect.

Meanwhile speaking with our correspondent, the Managing Director NEDC , Dr. Mohammed Alkali, said the region had faced devastating situation in its Agricultural activities when the Commission was established to restore means of livelihood and fast track development in virtually all facets of life.

Alkali said in addressing the needs and problems of the people in the region, NEDC came up with aggressive Agricultural integrated programme designed to revive the Agricultural economy of the region through massive food production for consumption and event export.

He said the programme involves the provision of Agricultural Machineries and Equipment, seeds, fertiliser, agrochemicals and other logistics to enhance the production capacity of small holder farmers in the region and enable them improve their livelihood.

Alkali said the Commission knowing the commanding role Agriculture plays in the economy of Borno and the Northeast Zone will support the State in whatever way to boost Agricultural production.

He said for a start , the State will be receiving some farm inputs including 1, 500 bags of improved rice seeds , 4,500 bags of foliar fertiliser, 465 cartons of herbicides, 1500 bottles of fungicides and 250 portions of Chile pepper seeds as well as assortment of farm machinery and other logistics.

Alkali said in Yobe Agriculture is the mainstay of the economy, endowed with vast Agricultural and livestock in Northeastern region of the country, with farming, fishing and livestock rearing employing about 245, 478 people, representing 26.6 labour force of the State.

He said in order to enhance the production capacity of small holder farmers in the State, NEDC launched its Agric- Integrated programme with the distribution of equipment and machinery as well as farm inputs including 1500 bags bags of improved rice seeds, 4500 bags of fertiliser, 465 cartons of herbicides and 1500 bottles of fungicides.

He said NEDC realising Adamawa's potentials of producing groundnut, cotton, onions, maize , yam, cassava, guinea corn, millet and rice devised means of assisting smallholder farmers in the state to boost their Agri-businesses online with the Agric-Integrated Programme of the Commission.

He noted that the recent "EndSARS" protests that took place in the State, all the Commission's inputs and equipment stored in the Adamawa State Ministry of Agriculture facility in Kofare, were looted .

He said but determined not to leave the State behind, the Commission ordered for replacement of all the farm inputs for onward distribution to small holder farmers in the State, adding that they included 1500 bags of improved rice seeds, 4500 bags of fertiliser, 645 cartons of herbicides and 1500 bottles of fungicides.

He said like Adamawa, knowing that the major occupation of the people of Taraba State is Agriculture as the State produce cash crops like coffee, tea, groundnuts, maize , rice , yam among others, NEDC acknowledging this potentials fully identified with the state and extended its hands of support and assistance to the smallholder farmers in order to boost their production capacity.

Alkali said the state recieved 10 planters, 8 trans-planters , 10 4-wheel tractors , 10 boom sprayers , 18 trailer bodies and quantities of 3-wheel tractors from the Commission, 28 tool boxes , 2 iron bull tractors, 10 disk plough, adding that other items donated included 1500 improved rice seeds, 4500 bags of assorted fertilisers, herbicides and insecticides.

He said: "Bauchi State, nicknamed " Pearl of Tourism ", is already feeling the impact of NEDC Agric- Integrated Programme after receiving some Agricultural equipment which included 10 tractors, 28 deep plough tractors, 10 planters , 10 boom sprayers , 18 trailer bodies and quantities of 3-wheel tractors from the Commission.

"Other items donated included 1500 bags of improved rice seeds, 4500 bags of assorted fertilisers , 315 bottles of herbicides, 1500 bottles of fungicides and 1500 bottles of Mancozeb.

"In Gombe, NEDC also set machinery in motion for a massive intervention in the Agricultural sector in other to revive and boost farming activities across the state. The State recieved it's own share of Agricultural machineries and equipment as well as agrochemicals including 1500 improved rice seeds, 4500 bags of fertiliser, 465 cartons of herbicides and 1500 bottles of fungicides for distribution to its smallholder farmers."

Alkali while noting that the intervention in Agricultural sector in the Northeast is continuous project, said it is the desire of the Commission to hasten the revival of Agricultural activities in the region which in turn , will lead to economic recovery and prosperity.

FG INAUGURATES NATIONAL STEERING COMMITTEES TO BOOST FOOD SECURITY

The Federal Government on Thursday in Abuja inaugurated five National Steering Committees for donor-funded projects implemented by the Federal Ministry of Agriculture and Rural Development.

The projects are designed to enhance food security, create jobs and diversify the economy.

The committees will work on Rural Access and Agricultural Marketing Project (RAAMP), Agro-Processing Productivity Enhancement and Livelihood Improvement Support Project (APPEALS), and Agricultural Transformation Agenda Support Programme Phase-One (ATASP-1).

Minister of Agriculture and Rural Development, Dr Mohammad Abubakar, said the inauguration marked a significant milestone in the implementation of development partners support projects in the agricultural sector.

"It is pertinent to note that the collaboration and partnership with the donors have yielded remarkable results in the development of agri-business hubs in Nigeria.

"This is so significant in the area of provision of food security, job creation, youth empowerment, rural development and economic diversification, especially now that the country is facing an unprecedented high cost of food items.

"One can see vividly that the policy and institutional framework for all the projects are in line with the core mandates of the ministry.

"The mandates food security, job creation, import substitution and economic diversification," he said.

The minister noted that the projects had

been without steering committees over the years, thus making it difficult to effectively tract their performance.

The is especially about tracking the approval and monitoring of Annual Work Plan and Budgets (AWPB), which is the core responsibility of the steering committees as contained in the project appraisal document, he said.

Steering committees for FGN/IFAD projects, which included Value Chain Development Projects (VCDP), Livelihood Improvement and Family Support Enterprise (LIFE-ND), and Climate Change Adaptation and Agribusiness Support Programme were inaugurated in 2021.

The ATASP-1 has the minister as chairman, leading 13 members; the RAAMP has 17 members with the minister as chairman, while APPEALS has 20 members with the minister also as the chairman.

FGN/IFAD –VCDP has 26 members with the minister as chairman, and FGN/IFAD –LIFE-ND has 18 members with minister also as chairman.

The Director, Lands and Climate Change Management Services at the ministry, Mr Shehu Bello, said members of the committees were expected to assist in addressing the challenges bedevilling the projects.

He said members were also to consider and approve the AWPB as well as support in policy matters and general oversight of the projects.

"Committee members should, in pursuance of their responsibilities endeavour to align the project activities toward the promotion of commercial agriculture to ensuring food sustainability, job creation and income generation.

"This idea will encourage large-scale mechanised agricultural production, small holder farmers along the value chain of production, processing and marketing," he said.

Bello represented the permanent secretary in the ministry, Dr Ernest Umakhihe, at the inauguration.

HOW PRICES OF FOOD INCREASED IN MARCH – NBS

The National Bureau of Statistics (NBS) has explained how the prices of food items rose in March 2022.

According to its document "Selected food price watch for the month of March 2022," the average price of 1kg of beans (white, black eye, sold loose) increased on year-on-year basis by 46.64 percent from N345.03 in March 2021 to N505.94 in March 2022.

It noted on month-on-month basis, this increased by 1.69 percent from N497.54 in February 2022.

The document said the average price of Bread Sliced 500g increased on year-on-year basis by 34.98 percent from N331.76 in March 2021 to N447.80 in March 2022.

NBS noted that on month-on-month basis, the average price of this item increased by 2.23 percent in March 2022.

"Similarly, the average price of 1kg tomato on year-on-year basis rose by 53.29 percent from the value recorded in March 2021 (N267.45) to N409.96 in March 2022.

"On month-on-month basis, it increased from N393.08 in February 2022 to N409.96 in March 2022 indicating 4.29 percent growth. "In the same vein, the average price of Agric eggs (medium size price of one) increased by 27.14 percent from N48.43 in March 2021 to N61.58 in March 2022."

The NBS added that it also grew by 2.93% on month-on-month basis. The document said the average price of 1kg Plantain (Unripe) rose by 43.54 percent on year-on-year basis from N228.18 in March 2021 to N327.54 in March 2022.

In addition, according to the NBS, "the average price of Groundnut oil: 1 bottle, specify bottle stood at N994.62 in March 2022, showing an increase of 46.00 percent from N681.23 in March 2021."

NIGERIA TO BECOME AFRICA'S FERTILIZER POWERHOUSE – BUHARI

President Muhammadu Buhari has said development in the Nigerian fertilizer value chain is moving the country to becoming a regional and global fertilizer powerhouse.

He attributed Nigeria's rising prominence to the implementation of the "right policies" by his administration, which has given birth to over seventy active blending plants in the country.

In a statement by Femi Adesina, special adviser to the president on media and publicity, the president said Nigeria is definitely a "global player" in the Urea space.

"With our over seventy blending plants operating, Nigeria is on its way to becoming Africa's fertiliser powerhouse. And with our mega Urea production facilities, Nigeria is definitely a global player in the Urea space," the president was quoted to have said at an audience with the Executive Committee of Fertiliser Producers and Suppliers Association of Nigeria (FEPSAN) in Abuja.

According to the statement, Mr Buhari noted that this remarkable achievement, in a very short period of time, had ensured a steady flow of investments to the sector from the private sector; bringing prosperity to millions of Nigerians and good returns to the investors.

The president expressed delight that the era of persistent shortage of fertiliser in the country is now a thing of the past, commending FEPSAN for partnering with the Government in the very patriotic backward integration project of enhancing the agricultural value chain.

"When this administration came to office in 2015, our focus was on three key areas; Security, Economy and tackling corruption. For every nation to have peace and prosperity, its economy must be inclusive," the statement quoted the president to have said. He said: "For Nigeria, a predominantly agrarian nation, having an inclusive economy meant we needed to prioritise the enhancement of our agricultural value chain."

Based on this, the president said, "We quickly identified the persistent shortage of fertilizer as a key reason for the low yields experienced in our farms."

"This historical scarcity of fertiliser was due to our over reliance on imports and the inefficient participation of the Government in distributing this essential commodity to the farmers. As a government, it was very clear to us that these practices needed to change. Nigeria is naturally blessed with most of the raw materials needed to produce fertilisers," Mr Buhari said.

He explained that Nigeria has all the skills and manpower required to convert these raw materials to fertilisers and that with the right enabling environment, Nigeria has the entrepreneurs who are ready to invest in the sector.

"So we went to work. And as the Chairman of FEPSAN mentioned in his remarks, the rest is now history," he said.

According to the statement, the president noted that a key indicator of the present government's successful policies is the fact that the country had no shortages of fertilizers during the global COVID lockdowns.

"Today, I am pleased to hear your assurances that we will not have any shortages in Nigeria because of the Eastern European conflicts that have impacted the global fertilizer trade. All these trends indicate our backward integration policy was the right policy," he said.

In his remarks, CBN Governor, Godwin Emefiele, said fertiliser remains a key input to achieving food security and that in realisation of this, the apex bank has continued to place great importance on its availability and accessibility by farmers to improve yield, productivity and ultimately, output.

He said over N114.09billion has been disbursed to support the fertiliser industry in the last five years.

Mr Emefiele explained that the interventions were long-term loans at concessionary interest rates to support domestic blending and distribution across the country.

Given the massive funding support received by FEPSAN members from the CBN, the apex bank governor announced that the bank is working with majors in the industry, such as Dangote and Indorama, to ensure that they sell Urea at discounted prices to the blending plants to ensure that the prices of fertilizer are moderated in the market.

"The Bank will equally work with the blending plants to ensure that the blended fertilisers are made available to end-user farmers at affordable prices," he said.

Anchor Borrowers' Programme

On CBN Anchor Borrowers' Programme, Mr Emefiele said the Bank has disbursed N941.26billion to 4.2million smallholder farmers cultivating 21 agricultural commodities on 5.4 million hectares of land across the country.

He added that for the 2021 wet season programme, the CBN disbursed N193.59billion to 923,699 farmers cultivating seven commodities on 1.16 million hectares of land.

According to the statement, Mr Emefiele noted that the CBN currently has a balance of stock of fertiliser from the last planting season under the Anchor Borrowers' Programme to the tune of 1.95 million bags and have committed additional 2.6 million bags for use during the 2022 programme.

Also speaking, FEPSAN president, Thomas Etuh appreciated President Buhari for commissioning two facilities by members of the association- Barbados blending plant in Kaduna and the Dangote Urea plant in Lagos- within two months.

"Mr President, FEPSAN's success is not only evident by the number of factories we commission, but also by the many pyramids of rice, maize and other crops you have been inspecting across the country, he said.

He said, "Mr President, before you created the PFI Initiative in 2016, Nigeria's fertiliser production base was almost zero. We had less than 7 companies producing at 10 per cent of their installed capacity. Nigeria's Urea output was reported at less than 300,000 tons."

IN QUEST OF FOOD SUFFICIENCY IN NIGER DELTA

In the last 10 years, international and local organisations have been helping communities in the Niger Delta to develop agriculture.

The Niger Delta is rich in natural resources, with good agricultural land and abundant fish resources, yet many of its rural people live in abject poverty.

The region has an estimated population of 45 million, according to the National Population Bureau (NBS), but 80 per cent of their food is grown by smallholder farmers. For a region that is largely dependent on agriculture, the existence of these farmers is crucial to the local economy and its sustainable development.

But many people, including the youth, are leaving the farms. To solve the problem, the government and development community are placing more importance on empowering farmers to improve their livelihood by helping them increase productivity and efficiency of their farms.

There have been growing donor-funded programmes to support productive agricultural activities in the Niger Delta areas. One of them is the International Fund for Agricultural Development (IFAD), a specialised agency of the United Nations dedicated to eradicating rural poverty in developing countries. It is driving a Livelihood Improvement Family Enterprises Project in the Niger Delta (LIFE-ND).

The LIFE-ND is aimed at enhancing income, food security and job creation for rural youths within the ages of 18-35 and women-headed household with children below 15, through the incubation model in Niger Delta states of Abia, Bayelsa, Edo, Delta, Ondo, Cross River, Imo, Akwa Ibom and Rivers.

IFAD Nigeria Country Programme Manager, Patrick Habamenshi, said its incubation centres across various communities in Delta, Bayelsa and Ondo states were helping young people receive training on various agricultural value chains and agribusiness ventures. According to Habamenshi, the project has the potential to address the challenges of youth restiveness and other social vices in the region, by making youths productive, self-reliant in addition to contributing to the Gross Domestic Product (GDP), and also to create more employment in the region.

He said: "We are very pleased with everything we are seeing at the incubation centres.

"When the Federal Government was thinking about the project with the Niger Delta Development Commission, they were

looking at finding activities for young people who might otherwise find themselves in trouble.

"The project is pulling young people into agricultural farming. When we look at what we are seeing on the ground, it is very encouraging. You see young people explaining what they learnt in this incubation.

"They are also demonstrating and practising what they learnt which gives us confidence that they can stand on their own when they graduate and pull other young people into agriculture."

IFAD has ongoing projects, which are promoting sustainable agriculture investments and livelihoods. The interventions of the Fund include enabling more sustainable and efficient use of natural resources, particularly water management; promoting climate-smart strategies; and leveraging opportunities provided by the expanding private sector involvement in agriculture.

It has built on its previous projects and programmes to improve the livelihoods of rural people and enhance national food security. The interventions have led to innovations and solutions that have contributed to strengthening the resilience of small-scale farmers and other rural people and building rural communities. The support from the IFAD has marked a turning point in the lives of many women and men.

In Niger Delta, Partnership Initiatives in the Niger Delta (PIND) has been working to increase agriculture's contribution to gross domestic product (GDP), expand job opportunities, and empower women and youths to develop small enterprises to improve their livelihoods.

Launched in 2010, PIND has provided technical and enterprise development training to fish farmers on how to improve their selection of catfish species, prepare ponds, use fertiliser, feed, medicine, and water.

The organisation has created about 60,000 full-time jobs and attractedN43.1 billion investments into the sector.

About 396,454 smallholder farmers and enterprises have been reached through various programmes to improve agricultural practices, and promote adoption of innovative climate-smart technologies.The farmers have earned a net increase in income of N 35.3 billion.

In all, PIND seeks to empower the region's women. Gender-transformative approaches are woven in its activities, ensuring that the rural women who participate in the project can make money, reduce their household workloads, and make their voices heard in home and community decision-making.

Because women comprise over 40 per cent of the agricultural labour, they are also responsible for childcare and household food and water security. PIND Knowledge and Communications Manager, Chichi Nnoham-Onyejekwe, reiterated that the organisation has enable them access technology, and input.

The beneficiaries of PIND have shared their experiences. Prince Nzeota Uche, a poultry farmer from Abia State, said: "I was doing between 50 and 100 broilers. But after attending the training by PIND, he has scaled up to 500 broilers and 1,000 layers. He also provides services to farmers.'

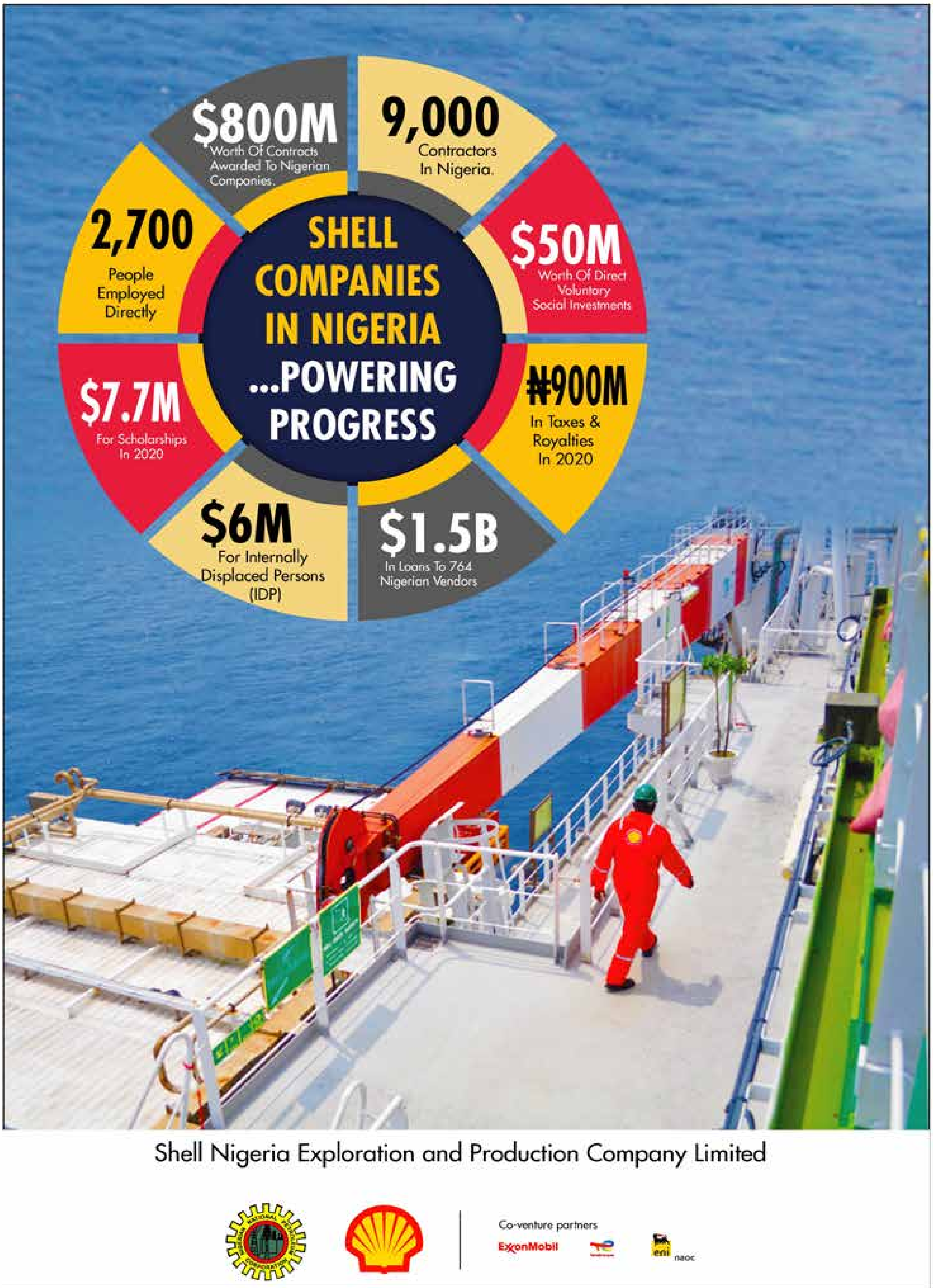
ADVERT RATES

HARD COPY

RATE	N=	K
Inside Front Cover	580,000	00
Back Cover	610,100	00
Inside Back Cover	551,850	70
Half Page Front Cover	320,175	50
Half Page Back Cover	300,750	00
Quarter Page Front Cover	175,950	85
Quarter Page Back Cover	160,800	65
Full Page	515,700	50
Half Page	265,000	90
Quarter Page	143,250	75
Centre Spread	1,450,270	00
WRAP AROUND Full Wrap Full Front Page Half Page Front	 10,000,000 6,000,000 4,500,000	 00 00 00

ONLINE

ADVERT BANNER SIZE/LOCATION	1 Month	3 Months	6 Months
Leader board: Top.Header Banner - (728x90px)	N650,000	N950,000	N1,500,000
Bottom Banner - (728x90px) (Home page)	N600,000	N850,000	N1,000,000
Sidebar Ad - (500x250px)	N800,000	N900,000	N1,700,000
Article Top Ad - (468x60px) Ads on every article)	N150,000	N450,000	N500,000
Article Inline Ad - Banner - (468x60px)	N150,000	N350,000	N400,000
Article Bottom Banner - (468x60px) (Ads on every article)	N150,000	N350,000	N450,000


$800M
Worth Of Contracts Awarded To Nigerian Companies.
9,000
Contractors In Nigeria.
$50M
Worth Of Direct Voluntary Social Investments
₦900M
In Taxes & Royalties In 2020
$1.5B
In Loans To 764 Nigerian Vendors
$6M
For Internally Displaced Persons (IDP)
$7.7M
For Scholarships In 2020
2,700
People Employed Directly
SHELL COMPANIES IN NIGERIA ...POWERING PROGRESS
Shell Nigeria Exploration and Production Company Limited
Co-venture partners
ExxonMobil
eni
naoc