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UNWAVERING DRIVE FOR DIVERSITY AND INCLUSION IN NIGERIA'S OIL INDUSTRY

'BONGA DELIVERED ON ITS MANDATE MORE THAN EXPECTED'

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Editor's Note

DR. NJIDEKA KELLEY

Despite being in operation for decades, women have not had a fair share in the oil and gas industry in Nigeria. But lately, there has been a conscious and determined moves to change the narratives having discovered that tapping the potentials women have can contribute immensely to unlocking the values in the industry.

It is indisputable that the oil and gas industry is the mainstay of Nigeria's economy and provides thousands of direct and indirect jobs and contributes substantially to the nation's foreign reserves.

The industry accounts for 40 per cent of Nigeria's Gross Domestic Product (GDP), 70 per cent of budget revenues and 95 per cent of foreign exchange earnings.

Besides these important contributions to the economy and huge potentials it holds, the industry remains male-dominated at all levels, from leadership roles in major corporations to mines and on oil rigs. It is in view this gender gap that there arose a call for deliberate inclusion of women in the sector to unlock the potentials.

A study by the Global Energy Talent Index noted that whereas women make up 48 per cent of the global labour force, they only account for 22 per cent of the labour force in the oil and gas sector. It further said women occupied about 50 per cent of non-technical positions at entry-level compared to only 15 per cent of technical and field role positions.

"This implies that the gender diversity and inclusion decreases with seniority, with only a tiny proportion of women in executive positions. The percentage of women in the industry drops from 36 per cent to 24 per cent between the middle and executive levels," the study added.

In Nigeria, women have been pushing for more inclusion in the energy space of which Dr. Nwachuku is at the forefront. Their efforts have begun to achieve results despite the socio-economic, political and cultural challenges.

Diversity and Inclusion currently dominates conversations in most global discourses and particularly in global oil and gas forums including Nigeria. The discussion aims to achieve a shared objective - bridge diversity and inclusion gap in the oil and gas industry.

In Nigeria, this consciousness about diversity and inclusion arose from the fact that the oil and gas industry despite being operational for over six decades has an unimpressive percentage of female actors in that space, less than 30 per cent.

But in the past few years, growing attention has been given to this initiative as government and private concerns take deliberate and conscious steps to engage capable females in the industry and in a competitive manner too.

Even though the oil and gas industry is technical and capital intensive and of high risk, women should leverage the opportunities in it by being aways resilient and prepared. But currently, women are making significant progress in the industry. For instance, Sen. Chuba Okadigbo is the current NNPC board chairman and Mrs Elohor Aiboni is the Managing Director of Shell Nigeria Exploration and Production Company (SNEPCo).

The Nigerian Content Development and Monitoring Board (NCDMB) has been in the forefront of championing diversity and women inclusion in Nigeria's oil and gas industry. The Board created a special purpose vehicle - the Nigerian Content Consultative Forum Diversity Sectoral Working Group (NCCF-DSWG).

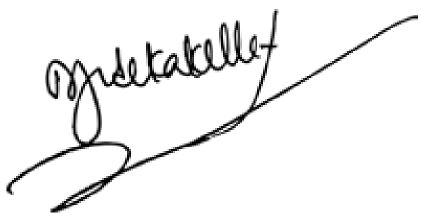
The NCCF-DSWG in 2022 organised the Nigerian Women in Oil and Gas Conference, which its theme was "Leveraging Opportunities for Women in the Oil and Gas Industry,"

The Federal Government has reiterated its commitment to implementing gender-friendly policies, noting that government would continue to promote women inclusion in the oil and gas industry.

"The government through its Nigerian Content Development and Monitoring Board (NCDMB) and the Nigerian Export-Import Bank (NEXIM) partnership has rolled out a 40 million dollar fund to empower women in the oil industry. This is in addition to the 300 million dollar Nigerian Content Initiative (NCI) Fund, which also provides long term single digit interest rate to make funding available with the Bank of Industry (BOI). This Fund is equally available to women and men who meet the criteria."

It harped on the need to get more girls into Science, Technology, Engineering and Mathematics (STEM), which was a pathway to careers in the oil and gas industry. Government also advised women in the Nigerian oil and gas industry to work together towards increasing participation of women in the industry by engendering growth, building capacities and capabilities, identifying opportunities, mentoring and coaching.

There are other interesting, informative and educative articles from different sectors for your reading delight.



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CONTENTS

APRIL 2023

'BONGA DELIVERED ON ITS MANDATE MORE THAN EXPECTED' 16

WABOTE, JONATHAN, LUMUMBA WIN AFRICAN HERITAGE AWARDS 21

NIGERIA'S DOMESTIC GAS NETWORK CAN TRANSPORT 6.9BN BCF FOR POWER, OTHERS – KYARI 24

SEPLAT ENERGY STRONGLY COMMITTED TO SUSTAINABILITY, ENERGY TRANSITION – COO 28

ROUTINE GAS FLARING IN NIGERIA ENDS 2023 –TOTALENERGIES 29

WHY GOVT SHOULD MAKE POLICIES TO DISCOURAGE POPULATION EXPLOSION – BALOGUN 33

NIGERIA'S PUBLIC DEBT RISES BY 17% LAST YEAR, HITS N46.25 TRILLION 37

NIGERIA'S CURRENCY REDESIGN 2023: A CASE STUDY APPROACH 41

DANGOTE LISTS N300B SERIES 1 AND 2 LARGEST BOND ON NGX FMDQ 46

AGRIC STAKEHOLDERS, FARMERS' AGENDA FOR NEW ADMINISTRATION 54

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COVER

APRIL 2023

DR CHIOMA NWACHUKU: UNWAVERING DRIVE FOR DIVERSITY AND INCLUSION IN NIGERIA'S OIL INDUSTRY

It takes passion, determination, resilience and courage to champion a course in defence of humanity. This is what Dr Nwachuku has untiredly done in advocacy of diversity and inclusion in the oil and gas industry in the past few years. To her, diversity and inclusion goes beyond increased or equality in female gender participation but inclusion of excluded groups of people based on race, physically challenged and ethnicity, among others. Dr Nwachuku's efforts in this direction have not only achieved great results but have earned her company - Seplat Energy Plc - tremendous public acceptance, growth and glowing commendations, ***EMEKA UGWUANYI*** *reports.*

The oil and gas industry is the mainstay of Nigeria's economy, providing thousands of direct and indirect jobs and contributing substantially to the nation's foreign reserves. The industry accounts for 40 per cent of Nigeria's Gross Domestic Product (GDP), 70 per cent of budget revenues and 95 per cent of foreign exchange earnings.

Besides these important contributions to the economy and huge potentials it holds, the industry remains male-dominated at all levels, from leadership roles in major corporations to mines and on oil rigs. It is in view this gender gap that there arose a call for deliberate inclusion of women in the sector to unlock the potentials.

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"This implies that the gender diversity and inclusion decreases with seniority, with only a tiny proportion of women in executive positions. The percentage of women in the industry drops from 36 per cent to 24 per cent between the middle and executive levels," the study added.

Her initiatives resulted in superior public confidence and outstanding brand equity of Seplat Energy, putting it on the map as a respected leader among the Independents

In Nigeria, women have been pushing for more inclusion in the energy space of which Dr. Nwachuku is at the forefront. Their efforts have begun to achieve results despite the socio-economic, political and cultural challenges.

Diversity and Inclusion currently dominates conversations in most global discourses and particularly in global oil and gas forums including Nigeria. The discussion aims to achieve a shared objective - bridge diversity and inclusion gap in the oil and gas industry.

In Nigeria, this consciousness about diversity and inclusion arose from the fact that the oil and gas industry despite being operational for over six decades has an unimpressive percentage of female actors in that space, less than 30 per cent.

But in the past few years, growing attention has been given to this initiative as government and private concerns take deliberate and conscious steps to engage capable females in the industry and in a competitive manner too.

Who is Dr. Chioma Nwachuku

Director, External Affairs & Sustainability, Seplat Energy PLC, Dr Chioma Nwachuku has proved her mettle in various sectors of the economy having traversed the academia, financial, telecoms and

oil & gas. Therefore, to say she is a thoroughbred and multi-skilled professional is only stating the fact.

Dr Nwachuku lectured at Lagos State University and the University of Lagos, where she moulded young men and women intellectually and in character, many of them doing well in various human endeavours across the globe. She has to her credit many academic research works and publications in communications.

She went further to build careers in financial and telecoms sectors. While in the banking industry, she manned strategic positions in corporate communications and public affairs, human resources and services. At Zain Telecommunications' operations in Nigeria and in the Middle East (Kingdom of Bahrain), she worked on various key projects for the company's worldwide business operations covering 24 countries. Afterwards, she joined Seplat Energy coming with a wealth of experience in management of human and material resources. Today, Seplat Energy leads in corporate governance among its peers - the Independents in Nigeria's oil and gas industry.

Dr Nwachuku had over the years built enviable corporate brands. Therefore, it wasn't difficult positioning Seplat Energy for greatness from inception in 2009. She applied her knowhow in brand and reputation management, community relations, partnership and regulatory management, deployment of appropriate corporate social responsibility (CSR) and sustainability strategic goals to the growth of Seplat Energy.

Unarguably, her wealth of experience immensely bore on Seplat Energy, Nigeria's leading Independent oil and gas company. Her strategic initiatives brought significant impact in building and sustaining the positive global reputation the Seplat brand enjoys today. The initiatives, also, resulted in superior public confidence and outstanding brand equity of Seplat Energy, putting it on the map as a respected leader among the Independents.

Today Seplat Energy is the only Nigerian oil and gas company that is listed and traded on the London Stock Exchange (LSE) and the Nigerian Exchange Limited (NGX) with excellent performance.

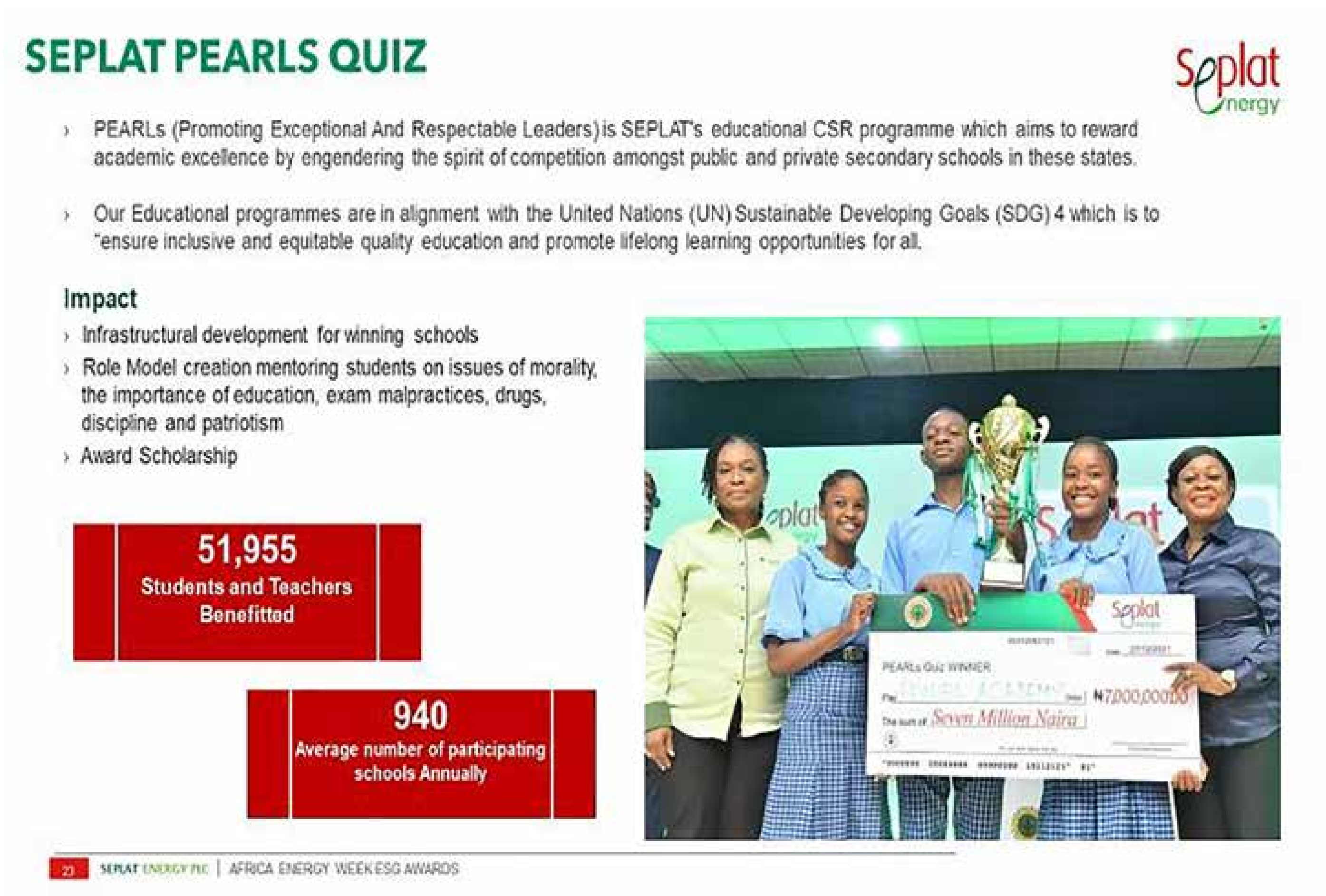
For her outstanding contributions to the Seplat brand, Dr Nwachuku currently heads a directorate in the company and she is on Board ANOH Gas Processing Company (AGPC) Limited, an Incorporated Joint Venture (IJV) between Seplat and the Nigerian Gas Company (NGC).

AGPC is a midstream gas company established to process natural gas for distribution to the local market and it is expected to deliver the 300 million standard cubic feet per day (MMscfd) capacity ANOH plant, located on oil mining lease (OML) 53 in Imo State, which will produce the natural gas. The ANOH project is transformative as it is strategic as it will greatly help Nigeria achieve its energy transition aspiration.

She has presented far-reaching and analytical papers at various conferences and seminars in Nigeria and overseas and has won several awards.

The passion

In one of her presentations delivered



at a forum in Houston organised by Energy and Corporate Africa, tagged "African Women in Energy Forum" with the theme: Empowering Diversity, Partnership & Sustainability for Economic Growth, Dr Nwachuku critically highlighted why diversity and inclusion is indispensable and rewarding in any system or organization.

In the incisive presentation, she said: "In today's world, the importance of diversity in all walks of life cannot be overemphasized, as well as the dangers of complacency and exclusion. Diversity in the workplace is much more than checking a box.

"Research has shown repeatedly that more diverse workforces are better for innovation, result in happier and more productive employees, and increase retention levels. These dividends, ultimately, drive economic growth and sustainability globally.

"For us in the energy industry space, embracing diversity will be vital for companies looking to drive value creation cum retention whilst managing the ongoing energy transition agenda and other deliverables towards realizing sustainable businesses in short, medium and long term.

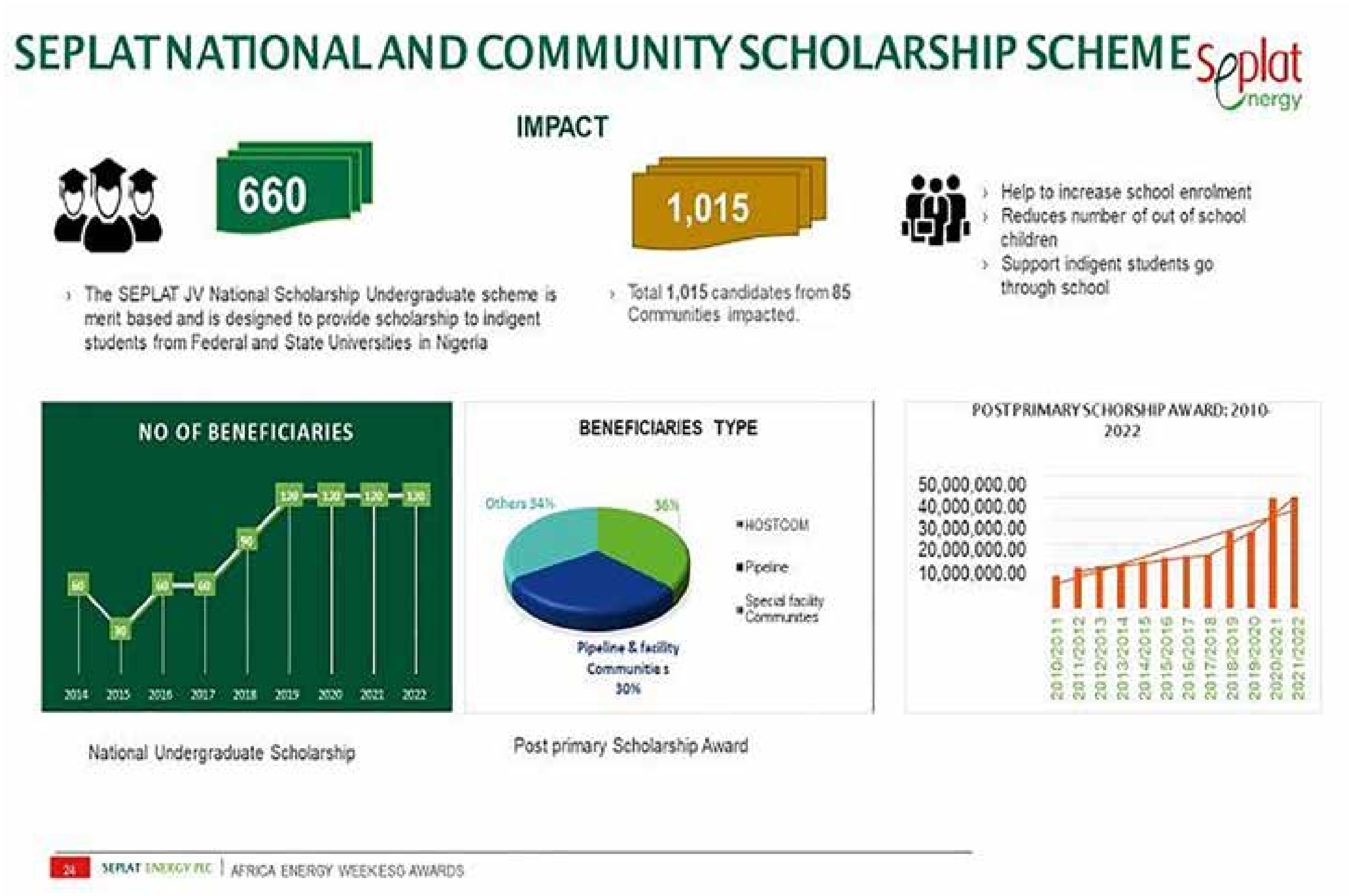
"In recent years, the energy industry has not been excluded from reckoning with its need for gender equality in its workforce. Despite accounting for nearly half of the global labour market, women are estimated to make up only 22% of the traditional energy and 32% of the Renewables' workforce, according to the International Renewable Energy Agency (IRENA). The numbers of women in leadership positions are even lower." This confirms outcomes of other researches carried out by several organisations across the globe.

Nwachuku noted that there are still many gender barriers and stereotypes that must be broken for the industry to move forward and reach its full potential during the energy transition. According to her, there is need to catch them young by including more efforts to introduce energy opportunities to students at a younger age and encouraging young women to enter the field.

"Creating gender equity needs to be supported at all levels of an organization and is everyone's responsibility. It starts with leading by example. Walk the talk, be vulnerable and unafraid to call out biases, and then own the opportunity to identify and address them. Leaders play a pivotal role in ensuring gender equity and can achieve this through hiring, development and succession to ensure gender balance and equal opportunity."

What Seplat does

"For us at Seplat Energy Plc, Diversity and Inclusion is indeed a tool for integration and national development. It is about empowering people by respecting and appreciating what makes them different, in terms of age, gender, ethnicity, religion, disability, sexual orientation, education, and national origin. It is an organisational effort and practices in which different



groups or individuals having different backgrounds are culturally and socially accepted and welcomed.

“We are committed to ensuring the safety and welfare of all; and their health, happiness and professional development remain at the heart of our Human Resources and employment development policies.

“To support Seplat Energy's vision and mission statements, we ensure to attract and retain the right mix of skilled personnel and develop them into the highest calibre of professionals required to grow a world-class energy company, with equal opportunities for male and female members of our staff and management. This strong focus on Diversity and Inclusion (D&I) from the Board level, is the reason for our very high rate of full-time staff retention, which is an indicator of the company’s ability to attract and retain personnel. We are very conscious of the fact that the loss of people can result in skills shortage, loss of knowledge and higher recruitment costs.

“The company has continued to develop its employment policies with the aim of attracting and retaining high calibre industry talent. Staff turnover in our last rating has remained low at 4.5%. The company’s policy is to provide industry competitive benefits packages and provide progressive career opportunities to retain and attract high performing employees notwithstanding age, gender, ethnicity, religion, disability, sexual orientation, education, and national origin.

“Seplat Energy’s Board and employees are amongst its greatest assets and key stakeholders. The Company is therefore committed to promoting a diverse and an inclusive workplace that will maximise value to the business and ensure the sustainable success of the Company. It is therefore the policy and practice of the Company to attract, recruit and retain diverse and talented members of the Board, Management and workforce.

“The Company had adopted Diversity and Inclusion Policy aimed at setting the parameters within which Seplat Energy will promote diversity and inclusion within the organisation. This Policy applies to all Directors, employees, and business partners, including their respective recruitment, engagement, remuneration, evaluation, and promotion.

“This Policy also applies in all countries and locations in which Seplat Energy operates, except in jurisdictions where the Company has adopted a specific policy on D&I. The current Board consists of nationals from a variety of cultures within Nigeria and internationally, who have diverse expertise in the local and international oil and gas industry and different business sectors. The Nomination and Establishment Committee’s consideration of candidates for directorship includes a review of diversity matters.

“The Board also promotes diversity throughout the business. Seplat Energy’s Senior Management Team consists of men and women from different cultures in Nigeria and internationally, who have varying skills and experience in the different

sub-sectors of the oil and gas industry. The Board is proud of the increasing number of women within the Senior Management Team.

Overall, the Company's full-time workforce comprises of over 26% women and *five different nationalities. The Board is committed to continuous investment in diversity among its Directors and employees."

Leveraging strategic partnerships

Dr Nwachuku further emphasized the importance of diversity and its gains especially as it pertains to sharing of ideas, which she confirms that works. She said:

• We maintain a constructive and ongoing dialogue with our staff through regular employee-led forums, CEO town halls and Q&A sessions, as well as the Group intranet, social media channels, webinars and face-to-face meetings.

• The CEO hosted regular virtual town hall events, which included open Q&A throughout the year, as well as small group discussions, and took feedback via an anonymous survey and the Vault app.

• We also organise frequent pulse surveys to get direct feedback and understanding of matters important to our workforce. The responses and feedback allow management to understand employee priorities and develop appropriate action plans.

• We held quarterly JCC meetings. Joint Consultative Committee (JCC) is a platform used to discuss and address all staff welfare issues and also share knowledge on the Company's business performance. Shareholders and Investors:

• Throughout the year, the CEO met virtually or in person with major investors to discuss business performance, deleveraging and refinancing after the Full Year Results and Half Year Results market updates.

• The Senior Independent Director met virtually with major shareholders to discuss governance issues.

• The management team and Board hosted a Capital Markets Day event in July for investors and analysts.

• The CFO has hosted regular meetings with lending banks and bondholders as part of our refinancing discussion.

• The Chairman hosted a virtual Annual General Meeting which was also attended by the Directors. Nigerian Government and Partners:

• In line with the JOA provisions, statutory meetings were held with Partners (SUBCOM, TECOM & OPCOM). In addition, monthly review meetings were held with Partners at the frontline levels and the CEO had Quarterly Management Review (QMR) sessions with the Partner leadership.

• Annual engagement with NUPRC (formerly DPR) to present yearly Work programme/Budget and Bi-annual operations review meetings.

• Quarterly contract/performance reviews with NCDMB and submission of Project Performance Reports and other statutory reports.

Host Communities:

• Meetings with community youth groups

• GMoU related meetings with the CDC forum and HostCom leaders to address various concerns and manage expectations.

• Freedom to Operate (FTO) related discussions to enable vendors to carry out various operation activities and projects without hindrance.

• Project kick-off meetings to discuss project details, ensure all parties' readiness, health and safety and community benefits are fulfilled and general management of all stakeholders and for a hitch-free implementation phase.

• Meetings to seek communities' views and inputs during project planning, as well as during the commencement of certain contracting processes.

• For land acquisition including

negotiation, document execution and crops and land compensation payment discussions.

• Grievance & Conflict Management Meetings to address concerns and threats from communities and other local communities-based stakeholders.

Suppliers and contractors:

• Engagements held via virtual sessions and some onsite workshops.

• Supplier engagements and working sessions on new methodologies held every year.

• Series of Community Contractor engagements held yearly

• Annual Seplat Energy Vendor forum

• Contract Performance Reviews (CPR)

Sustainability

Seplat Energy's strategic response for the future of our business when we relaunched our strategic vision and redefined our purpose during the Seplat Energy Summit in October 2021, we went beyond just a change of name from Seplat Petroleum Development Company Plc to Seplat Energy Plc, we also unequivocally demonstrated our commitment towards sustainability. Our belief in and focus on sustainability has contributed to the achievements we have made and the strong foundation we have laid, as the leading indigenous independent energy company in Nigeria given our short history. Sustainability reporting provides a good platform to evaluate our ESG (Environment, Social, and Governance) performance and ensure we are on track in making meaningful contributions towards the achievement of our business aspirations and the Sustainable Development Goals (SDGs).

"We are in the process of developing a robust ESG strategy which will also enable us to develop a full scale business in carbon offset and carbon credit. We are soon launching the "Tree 4 Life" Initiative, through which we would be sequestering huge amounts of CO2 from the atmosphere.

As we work with a renewed mission to lead Nigeria's energy transition with accessible, affordable and reliable energy that drives social and economic prosperity, we remain committed to giving due priority to the issue of sustainability in all our operations. We repositioned, refocused, and rebranded the Company in 2021 with a redefined purpose, new vision, mission and core values, to reflect the essenceof Seplat as an energy solutions provider.

"Today, Seplat Energy is better poised to take advantage of existing and emerging opportunities in Africa's largest economy. With the vast gas resources in Nigeria, a huge supply gap in the power sector, and a growing population, we see an exciting future for the Company in exploiting these opportunities to drive Nigeria's energy transition and help steer the country towards sustainable development.

Community Relations

"Sustaining community relationships, building on partnerships and creating

an impact on local communities remain cardinal to energy companies, and Seplat Energy has continued to blaze the trail in this regard via a number of intervention programmes at community, state and national levels. For instance, to maintain peaceful and mutually beneficial relationships with the local communities in the areas where we operate, we proactively engage with our local stakeholders, providing clear andnecessary information about our presence and operations. Through cooperation and collaboration, we strive to create positive social and economic outcomes for the people.

"To clearly understand and respond appropriately to local needs, we ensure the involvement and participation in the analysis of local needs and the design and implementation of the sustainable development projects in these communities. Our social investment programme is pertinently aligned with the United Nations Sustainable Development Goals and our development projects are designed to promote better quality of life and socio-economic development of our host communities. Our cardinal areas of focus include:

• Local communities' stakeholders' engagement and relationship management

• Grievance mechanism / conflict resolution and peace building

• Capacity development and economic empowerment, and Sustainable Community infrastructure development & other initiatives.

Corporate Social Responsibility (CSR) projects

Seplat Energy's projects cut across all sectors of the economy – education, health, power, entrepreneurship and leadership, among others.

In education, it has the Seplat Pearls Quiz, Seplat National and Community Scholarship Scheme, Seplat Teachers Empowerment Programme (STEP), and Seplat Education Roundtable. In Entrepreneurship and leadership programme, it has Seplat Skill Acquisition and Youth Entrepreneurial Initiatives. In health sector, it has a programme called Eye Can See (ECS), among others.

In the Seplat JV Pearls Quiz, secondary schools are meant to compete. The programme aims to rekindle the spirit of academic excellence and healthy competition among schools and the youth population. This is done by motivating, encouraging and rewarding the scholarship spirit, while also inculcating the benefits of teamwork. PEARLs stands for Promoting Exceptional and Respectable Leaders. Besides putting the names of the winning school on the national and international space, winners go with fantastic prizes.

The school that wins the first prize will be entitled to N10 million project award in addition to N100,000 scholarship for three students. The second prize winner is entitled to N5 million project award and N75,000 scholarship for three students while the last and third prize winner goes home with N2 million project award and N50,000 scholarship for three students.

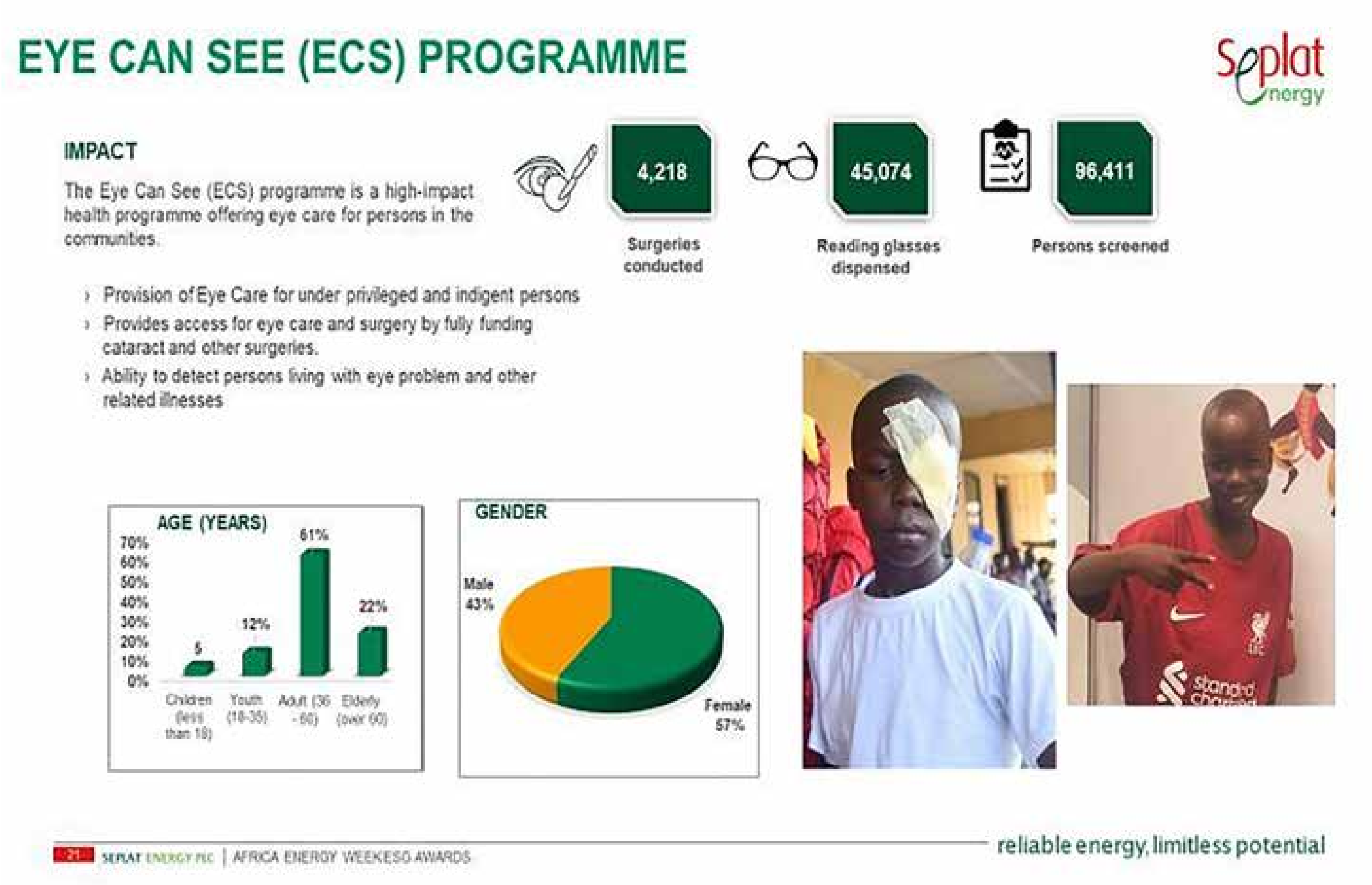
In addition, all the qualified schools and teachers that didn't win get great consolation prizes. All qualified schools from the test stage go home with Seplat branded laptop bags, exercise books and T-shirts. The qualification test is done online with Seplat providing data for all entrants. Last year, 682 schools took the test and 130 schools progressed to the next round.

The Seplat Energy JV's Seplat Energy PEARLs Quiz will hold its 12 edition this year.

Similarly, last year, Seplat Energy Plc in partnership with Conversations for Change (C4C) empowered 22 entrepreneurs from the duo's Youth Entrepreneurship Programme. The event had the entrepreneurs unveil their business plans following the 2022 C4C Global Entrepreneurship Fellowship Programme held at the Lux Terra Leadership and Training Centre, Abuja.

The business plans include: Café business, Catering, Fish drying, Fashion, Fashion/Fabric sales, Bag making, Shoe making, Footwear, Confectionaries, Agro processing, Palm oil production, Herbal skincare, Salon & Spa, Plants & Flowers, Gift curator, Photography, and Laundry services.

The beneficiaries were equipped to begin their business empires expected



to grow and flourish as well as provide support not just to them and their families, but also for communities, countries and indeed the world.

Seplat Energy is building project for power supply to Oben Cottage Hospital in Ugu, Orhionmwon, Edo State.

Government's involvement

The Nigerian Content Development and Monitoring Board (NCDMB) has shown leadership in this course. The Board created a special purpose vehicle - the Nigerian Content Consultative Forum Diversity Sectoral Working Group (NCCF-DSWG). The NCCF-DSWG in 2022 organised the Nigerian Women in Oil and Gas Conference, which its theme was "Leveraging Opportunities for Women in the Oil and Gas Industry,"

The Minister of State for Petroleum Resources, Chief Timipre Sylva, who resigned his from office recently, had at several forums reiterated the Federal Government's commitment to implementing gender-friendly policies. He noted that government would continue to promote women inclusion in the oil and gas industry. What we are doing is sensitise and galvanise to get more women involved. I can assure you that there are enough provisions in the Nigerian Oil and Gas Industry Content (NOGIC) Act and the Petroleum Industry Act (PIA) to encourage the participation of women.

"The Federal Government has deliberately been implementing gender-friendly policies. This is aimed at increasing access to funding, award of contracts and support for research and development in the interest of women operators in the Nigerian oil and gas industry.

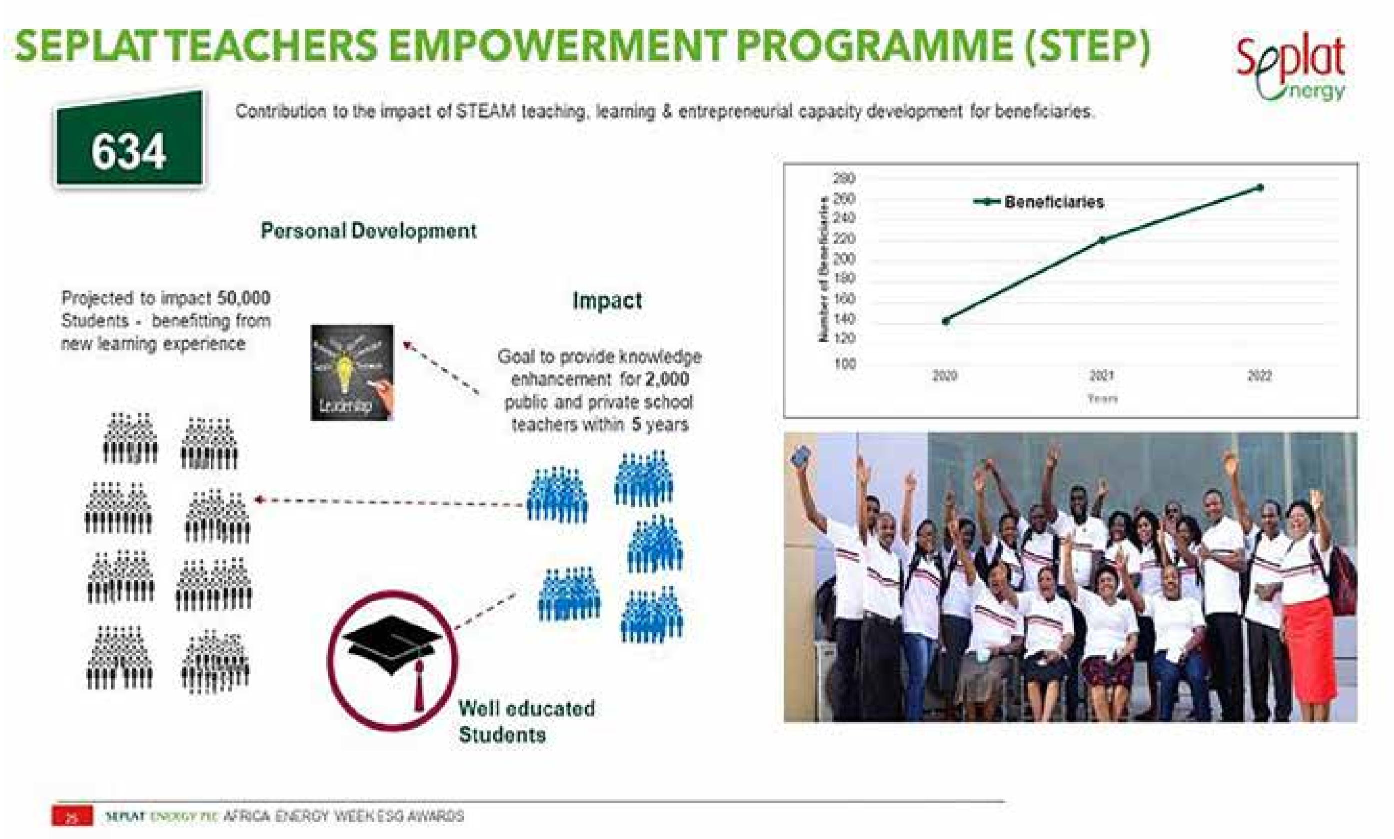
"This government through its Nigerian Content Development and Monitoring Board (NCDMB) and the Nigerian Export-Import Bank (NEXIM) partnership has rolled out a 40 million dollar fund to empower women in the oil industry. This is in addition to the 300 million dollar Nigerian Content Initiative (NCI) Fund, which also provides long term single digit interest rate to make funding available with the Bank of Industry (BOI). This Fund is equally available to women and men who meet the criteria."

Sylva stated that the industry played a pivotal role in the socioeconomic development of the world and would continue to play this key role in spite of the growing call for energy transition. According to him, harnessing the natural endowment, strength, intuition, knowledge and expertise of women for the growth of the industry has become a fundamental truth.

He noted that women needed one another to survive the realities of the sector whether locally or internationally, harping on the need to get more girls into Science, Technology, Engineering and Mathematics (STEM), which was a pathway to careers in the oil and gas industry. He also advised women in the Nigerian oil and gas industry to work together towards increasing participation of women in the industry by engendering growth, building capacities and capabilities, identifying opportunities, mentoring and coaching.

He, therefore, urged the various women groups in the sector to work together in championing the course of women in the industry.

Also, the Executive Secretary of NCDMB, Engr. Simbi Wabote, said the Board is dedicated to changing the narrative and providing women with more



opportunities, increased participation, and recognition in the oil and gas industry.

He said the enactment of the Petroleum Industry Act 2021 had created several opportunities that could be leveraged to increase the participation of women in the sector. These, Wabote said, include administration of the various Trusts and Funds contained in the Act such as Host Community Development Trust Fund and Environmental Remediation Fund, opportunities in National Gas Expansion Programme and the almost completed Industrial Parks in Bayelsa and Cross River States.

Wabote said the US$40million Fund was set up by the NCDMB in partnership with the Nigerian Export-Import Bank (NEXIM Bank), adding that 15 applications had been received and three had been approved for disbursement.

The NCDMB boss further confirmed that the Oil and Gas Industrial Parks in Bayelsa and Cross River were getting ready for completion and would commence operations this year 2023.

He noted that the Board had started inviting applicants for allocation of plots to set up manufacturing outfits in the park and encouraged women-owned businesses with workable proposals to apply.

Wabote promised that women would be given special consideration as part of the Board's commitment to mainstream them into the oil and gas industry.

On her part, the Chairman Board of Directors, Nigerian National Petroleum Company Limited (NNPCL), Senator Margery Chuba Okadigbo, said it was imperative for more women to participate in the oil and gas space because of its significant contribution to the economy. She urged the leadership of the NCDMB to consider replicating the Board's Project 100 Companies by creating a model exclusively for women owned Nigerian companies.

NCCF DSWG boss, Mrs Alero Onosode, said the oil and gas industry is technical and capital intensive and of high risk, adding that women should leverage the opportunities by being always resilient and prepared. She pointed out that women are making significant progress in the industry especially with the appointment of Sen. Chuba Okadigbo as the NNPC board chairman and Mrs Elohor Aiboni as the Managing Director of Shell Nigeria Exploration and Production Company (SNEPCo).

Also, at the Annual General Meeting/ Lecture Series of the Oil and Gas Trainers Association of Nigeria (OGTAN) held in Abuja, several industry stakeholders called for an increase in diversity and inclusion in the oil and gas industry in Nigeria to create a balance in human development in the sector.

To them, inclusion and fairness in distribution of positions in the industry will lead to even growth in the industry.

Speaking at the OGTAN event which had its theme as "Diversity & Inclusiveness in Human Capital Development", the NCDMB Executive Secretary, Engr. Simbi Wabote, stressed that women rights are also human rights. According to him, industry data recently revealed an uneven gender distribution as women make up just 18 per cent of the workforce, while men constitute 82 per cent of employees in the oil and gas sector.

A report recently released by the Nigeria Extractive Industries Transparency

Initiative (NEITI) disclosed that of the 60 entities in the oil and gas industry that provided employment data for the 2020 audit, 18,712 employees were captured out of which 15,266 were male, while just 3,446 were female.

NEITI report further showed that of the 18,712 total employees in the industry, 1,495, about 8 per cent was on the top-level employment cadre in the industry; 9,475, made up 51 per cent middle level, while 7,742, approximately 41 per cent, was lower-level employees.

The report showed that out of 40 executive management positions in the petroleum industry, only 10 were occupied by women, signifying 25 per cent of total appointments.

The lower level employment record showed that out of 7,742 employees, 6,395 were men while the remaining 1,347 were women.

The International Labour Organization (ILO) said more than half of the professionals in the oil and gas industry will reach retirement age in the next decade, a situation which it said posed a major threat to the industry.

Wabote argued that women make up 49.3 per cent of Nigeria's population, saying this underscored the need for women to take centrestage in major areas of professional activities in the country.

Stressing that the role of women needed to be recognised, he, however, noted that significant measures had been taken to implement policies where they can have same opportunities as their male counterparts. "Women's rights are human rights," he said.

In his remarks, Principal, Petroleum Training Institute (PTI), Dr Henry Adimula, stated that gender and inclusiveness were critical to the social-economic development of any nation. He agreed that gender disparity remains a major issue in the industry, and explained that the chances of women had been worsened by early marriage, poverty , unwanted , which he said erode the prospects of girls as compared with their male counterparts.

He underscored the need to develop human capital in the country, noting that the United Nations effort at achieving gender parity has been very challenging in the oil and gas sector. According to him, since 2010, the general gap in the labour market in sub-Saharan Africa has amounted to $95 billion yearly in lost income, stressing that empowering women is smart politics.

President of OGTAN, Sam Onyeche, stated that gender equality and inclusiveness could form part of business decisions in the industry's projection, positing that OGTAN as a skills development organisation would continue to aid inclusiveness by its programmes and training methodologies, as a way of repositioning for better business performance.

The OGTAN president stated that in a fast changing energy world, the approach to policies should be reformed, while new technologies must be explored.

Technical Adviser to the Minister of State, Petroleum, Mr Justice Derefaka, in a keynote address, spoke of the need for empathy as well as giving people opportunities in the sector. According to him, empathy and justice where everybody has a fair chance is needed in the industry, stressing that diversity is critical to business growth.

He contended that people should not be defined by their gender or races, so as to sustain business resilience, stressing that there was need to upskill in digital technology since the future of oil and gas is innovation and technological know-how.

‘BONGA DELIVERED ON ITS MANDATE MORE THAN EXPECTED’

*Shell’s Bonga oil field exported its one billionth barrel on February 13, 2023. It is a feat hardly achieved by any oil field in the world but Bonga it is one billion barrels production and still counting. It is a milestone achievement for Shell, Nigeria and all stakeholders. **EMEKA UGWUANYI** reports.*

Like the goose that lays golden eggs, Bonga has impacted Nigeria and its economy in many positive ways. Testaments from Nigerians and non-Nigerians abound. It created value in different areas – local content, empowerment, value contributions to government and the economy.

From oil prospecting licence (OPL) 212 to oil mining lease (OML) 118, Bonga field, which sits in 1000-metre water depth and 120 km offshore Nigeria, has been Nigeria’s star deepwater asset.

Bonga, began production on November 2005 and made history by achieving export of one billion barrels on February 13, 2023. Bonga is celebrated always in Nigeria not just because of its production and immense value creation but for opening a historic space that was exceptionally dreaded.

Deepwater production comes with several hazards as a result of the extreme weather conditions which make oil and gas production from it a major technical and environmental challenge. The hazardous nature comes with enormous costs both to lives and resources but Shell through its exploration and production arm in Nigeria – Shell Nigeria Exploration and Production

Company (SNEPCo) was able to weather storm with its safety consciousness and application. Today, the rest is history and with great excitement Shell global, Shell Companies in Nigeria, Nigerian Government and its people celebrated the export of one billionth barrel from the asset on February 13, 2023.

Speaking on the one billion barrels production milestone, the Group General Manager, National Petroleum Investment Management Services (NAPIMS), Mr. Bala Wunti, said Bonga is world class asset with world class operations and management, adding that the asset has created enormous value for the country.

He said: "When I visited Bonga, it was very clear after 17 years of operation, and the way and manner the asset was managed was a clear demonstration of world class operations and management. The fact that we are able to achieve one billion barrels production milestone is a clear demonstration that indeed the SNEPCo management and staff have absolutely indicated that they are world class managers.

"Bonga is the first of them all. It is the one that heralded Nigeria's deepwater operation. It was as a result of its success that others followed. Since 2005 when it commenced operation after the field was founded in 1999, it has produced at least on the average almost 5.9 million barrels monthly and that translates to a cargo after every five days and that is a significant milestone. Besides, how many fields in the world have crossed one billion barrels production milestone.

"Therefore, in the comity of deepwater, it is really relevant and we appreciate the fact it is the best thing Nigeria has done to take the final investment decision (FID) on Bonga.

"Nigeria has achieved significant dividends from Bonga. If you look at government's total take from the asset's output, over 40 per cent of the production is lifted by Nigerians under the government take - comprising royalties, taxes and profit oil. The volume has significantly generated huge resource and financial benefit for country. But beyond the country, all the partners including the co-venturers and stakeholders have also generated significant value. Look Bonga as a whole, it has clearly delivered on its mandate fare more than we expected."

For the Managing Director of SNEPCo, Elohor Aiboni, achieving one billion barrels production was indeed a milestone and a moment to thank everyone who contributed to the achievement. She said: "I'm tremendously appreciative of everyone that has played key role in bring Bonga to this remarkable milestone. I'm grateful to our employees, contractors – past and present, including all the past managing directors who are as excited as us today."

Former spokesperson of the company, Mr. Precious Okolobo, aptly captured the one billion barrels production milestone event, which happened on the eve of Valentine's Day.

In his report entitled "Bonga: The journey to 1 billion barrels", Okolobo said: "Bonga interfered with the eve of Valentine's Day mood in Nigeria on 13 February 2023, and for a good reason. On that day, Nigeria's first deep-water well, operated by Shell Nigeria Exploration and Production Company (SNEPCo) hit one billion barrels of oil export since first oil in November 2005. The industry and Nigerians cheered the milestone which could also qualify as a new year gift. "One billion barrels is an exciting milestone," enthused Mrs. Elohor Aiboni, SNEPCo's first female Managing Director, while the Chief Upstream Investment Officer of NNPC's Nigeria Upstream Investment Management Services (NUIMS), Mr. Bala Wunti, said, "The place of Bonga in Nigeria's upstream DNA cannot be overemphasised."

Bala Wunti

Osagie Okunbor

Aiboni

"What ticks it for the Country Chair, Shell Companies in Nigeria, Mr. Osagie Okunbor, in the one-billion-barrel journey is the resilience, focus and dedication of the SNEPCo team, most of whom are Nigerians. "I feel a strong sense of pride knowing that, today, over 95 percent of SNEPCo staff, including those working on the Bonga FPSO, are Nigerian deep-water professionals, who contribute their quota to the development of Nigeria's deep-water resources."

"Indeed, Bonga is the story of man, nature and technology working in harmony in a geological zone that looked forbidden and unforgiving in Nigeria in the 1990s. How else can one describe the challenges of producing oil and gas beneath the world's oceans at water depths ranging from a few hundred to several thousand metres? The Bonga field is 120kms offshore, in water depths of more than 1,000 metres across an area of 60 square kilometres. Shell took the Bonga challenge by setting up SNEPCo in 1993 as "an organisation capable of finding and delivering hydrocarbons safely, responsibly and economically in Nigeria's frontier areas." Shell was not new to the demands and risks in deep-water exploration and production. As far back as 1978, the company began production at the Cognac oil and gas field in the Gulf of Mexico in water depths of 1,025 feet, the deepest in the world at the time.

"Backed by Shell's global expertise, SNEPCo drilled the first exploration well in 1995, named Bonga, after a local fish species. Bonga 1X led up to further discoveries until first oil was achieved in November 2005. The first export left the field in February 2006. This was Nigeria's first deep-water production and increased the nation's output by 10 per cent.

"The Bonga floating, production, storage, and offloading (FPSO) vessel, anchored 120 kilometres offshore in the Gulf of Guinea, is at the heart of the operations in the field. The FPSO hull was constructed by Samsung Heavy Industries in South Korea, and was commissioned by the then First Lady of Nigeria, Mrs. Stella Obasanjo. As an employee of Shell, I was part of a company team that witnessed the commissioning in the SHI yard. We saw an FPSO hull that did not give any indication of the gargantuan size it would assume on the installation of the topsides in Newcastle, U.K. The hull arrived for the outfitting in October 2002 and we also saw how the topsides were fitted with the active involvement of Nigerian engineers who will be the seed staff back home (local content development started very early on Bonga!) The vessel arrived the shores of Nigeria as a 300-metre FPSO and the height of a 12-storey building with a deck roughly the size of three football fields. It receives crude through undersea pipelines that is then offloaded to tankers while the gas is piped to the Nigeria LNG plant. The FPSO has done this safely since 2005 and has even passed the one-billion-barrel mark as I write this.

"Giving any insight to the success story, Mrs. Elohor said an integrated delivery approach, continuous improvement and the support lever offered by the technological prowess of the Shell Group were the pillars of SNEPCo's excellence delivery. "We are building a leading safe, simpler and cost-disciplined deep-water business that brings value to our partners, shareholders and Nigeria which remains a heartland for Shell," she said. In practical terms, SNEPCo has developed a team that believes in itself and co-owns the vision of the company. And then the safety culture. In 2016, SNEPCo began "a Safety Leadership Journey" that encouraged people to focus on safety and highlight unsafe working conditions. As part of efforts to drive operational excellence, the company reviewed and revalidated the wells at Bonga through "detailed engineering studies" with the aim to optimise processes and eliminate waste.

"Perhaps, the greatest determinant of Bonga's success story is the emphasis on technological excellence. With the Shell Group backing, SNEPCo has deployed the best technology to safely produce oil and gas that is making all stakeholders happy. In one example, SNEPCo has deployed a 7th generation, twin-decked rig that cuts drilling times and costs and became the first in the world to perform a well drilling completion operation in a single trip rather than several. The Turn Around Maintenance (TAM) activities on the Bonga FPSO are another testament to SNEPCo's pioneering role in deep-water technology. There have been seven TAMs since 2005 with the latest being last year, when the exercise was completed in 22 out of the planned 30 days.

"The fourth TAM, done in 2017 was one of the most complex, featuring 373 critical scopes in statutory and regulatory safety checks, inspections, repairs and replacement of equipment and upgrades. They were all closed out in the 36-day shutdown period and just within one week of reopening, Bonga recorded a peak production of 220,000–240,000 barrels per day. It is this kind of laser-focused delivery that has resulted in the one-billion-barrel milestone. The success of Bonga proves the partnership of the Oil Mining Lease 118 holder, NNPC Ltd; the concessionaire, SNEPCo; and SNEPCo's co-venturers – TotalEnergies EP Nigeria Limited, Nigerian Agip Oil Company, and Esso Exploration and Production Nigeria Limited. The production milestone shows a partnership that is working well.

"Nigeria has every cause to celebrate the milestone. Last year alone, SNEPCo remitted $562 million in corporate tax and payments to government, and another $23 million to the Niger Delta Development Commission (NDDC.) SNEPCo's operations have inspired several significant discoveries of oil and gas over the last two decades, including the Bolia and Nwa Doro fields, in each of which it has 55 percent interest. SNEPCo has awarded major engineering and construction contracts to indigenous companies, such that the manufacture and rebuild of hydraulic flying leads and refurbishment of old subsea trees are being carried out in-country by wholly indigenous companies.

"As part of SNEPCo's social investments, over 1,150 students have benefited from both the NNPC-SNEPCo National Cradle-to-Career and the NNPC-SNEPCo National University scholarships since inception of the programme in 2016. Both scholarship programmes aim to promote academic excellence and improve the skills of young Nigerians with a view to building a competent skill pool for the oil and gas industry. Late last year, Nigeria's Tertiary Education Trust Fund presented an award to SNEPCo for consistent contributions towards the growth of the public tertiary education sector. In 2019, the company launched the Vision First Initiative, taking medical eyecare to various parts of the country. The latest outreach in the programme was held in Lagos recently with more than 2000 people benefitting. Indeed, Nigerians won't mind if SNEPCo continues to interfere with their Valentine's Day celebrations. With SNEPCo, the love for Nigeria and its people is real!"

FG APPROVES AMENDMENT OF 2022/2023 DEEP OFFSHORE OIL BLOCK BID ROUND


Mr Gbenga Komolafe

President Muhammadu Buhari has approved the amendment of the 2022/2023 Deep Offshore oil block mini-bid process to accommodate concerns raised by potential local and international investors.

The Nigerian Upstream Petroleum Regulatory Commission (NUPRC) stated in Abuja that the amendments would address concerns over the terminal date of the current administration to the closure of the bid schedule.

Chief Executive of the NUPRC, Mr Gbenga Komolafe, said in the statement that the amendments would also boost confidence in the transparency and continuity of the process.

Komolafe said following the approval by the president, the NUPRC had extended the deadline for the submission of bids to May 19.

He said it had also revised the timeline for concluding activities of contract negotiations and signing to between July 3 and July 28.

The extension of time would afford interested international oil companies enough time to enter into, and conclude necessary joint venture arrangements with indigenous companies.

It would also allow for proper evaluation of relevant data by all bidders, Komolafe said.

He added that the bid round was progressing in accordance with the Schedule which had been published as part of the guidelines.

"Outstanding activities for the conclusion of the exercise include the Technical/Commercial bid submission and the Ministerial Consent/Contract Negotiation and Signing.

"The Technical/Commercial bid submission involves data access, purchase, evaluation, bid preparation and submission, bid evaluation and publication of results was well as commercial bid conference and announcement of winners.

"The Commission is fully committed to conducting the bid round in a manner that guarantees the achievement of the objectives of the exercise," he assured.

Komolafe added that constant interrogation and oversight of the process showed two concerns which the Commission felt might impact the success of the exercise if not immediately addressed.

He listed the concerns as the plan to conclude the bid process before transition to the in-coming government and the need to guarantee participation of qualified indigenous companies, working collaboratively with multinational oil companies.

The collaboration would leverage technology, funding and expertise in the deep offshore, he noted.

Komolafe said also that the NUPRC had announced the requirement for Joint Venture arrangements between international oil companies and indigenous companies and amended the guidelines accordingly.

He said the measure would address the issue of collaboration between indigenous and interactional oil companies and was also in consonance with, and supports the Nigerian Content requirements of the bid round.

Komolafe said it was also in accordance with the Nigerian Constitution which provided that resources of the nation should be harnessed in a manner that promoted national prosperity and efficient, dynamic and self-sustaining economy.

ANGER TRAILS NNPCL'S HIRING OF EXPATRIATE TO HEAD SUBSIDIARY

Kyari

The appointment of Jean-Marc Cordier as the head of the oil trading arm of the Nigerian National Petroleum Company Limited has raised diverse concerns among industry experts and operators.

Cordier would head NNPC Trading Ltd, a subsidiary of NNPCL, and this was announced in a statement issued in Abuja by the company's Chief Corporate Communications Officer, Garba-Deen Muhammad.

The announcement, however, triggered resentments among analysts and operators on Monday, though other experts found nothing wrong with the development.

Energy expert and Chief Executive Officer, Sage Consulting, Bode Fadipe, said, "It is of concern to most Nigerians that at this time of our life we are still having a foreigner in such a strategic business enterprise in this country.

"The question many people will ask is that, don't we have Nigerians who can manage that office? Are the expatriates now investors in the business or is it a joint venture that allows a foreigner to hold that kind of position?

"Has NNPC Ltd sold its shares to the public? To the best of my knowledge, it is still the Nigerian government that owns the shares in NNPCL. It is still owned by the government, so when did it start appointing foreigners to such a level?"

Fadipe said this was the first time he would see such an appointment in the national oil company, describing the development as abnormal.

"I think it is an anomaly. I don't know what would have informed that kind of position, but I think it is a situation that calls for further interrogation," the energy analyst stated.

But on his part, a legal consultant and energy law advisor, Prof. Yemi Oke, argued that under the Petroleum Industry Act 2021, NNPCL should be a going concern, as there were requirements under the law for appointments.

"There are other Nigerian companies that have expatriates as employees, all they need is to comply with the expatriate quota and show that there's no local manpower skilled enough to man that particular office, due to the technical nature of the position," he stated.

However, an impeccable source at the national oil firm told our correspondent that most commercially viable subsidiaries of NNPCL would be managed by expatriates, going forward.

"I was reliably told that most subsidiaries or units that are commercially viable, the operations would be managed by expatriates, with the those in M3 category now limited to administrative schedules.

"This is same with NNPC Retails (the filling stations arm), NETCO (National Engineering and Technical Company), NPDC (Nigeria Upstream Development Company), etc," the source, who pleaded not to be named due to lack of authorisation, stated.

The source added, "If the expatriates are on M3 NNPC grade (Executive Vice President is M2, Group Chief Executive Officer is M1), would that not lead to rivalry and conflict, at the expense of the company's manhours?"

When asked what then could be the reasons for appointing expatriates if the units to be headed by them were currently commercially viable under the management of indigenes, the source replied, "Perhaps, it is to instill higher productivity, improved net profit, better efficiency and operational effectiveness."

NNPCL, in its statement, said Cordier, served as a former Vice President of the Abu Dhabi National Oil Company, adding that his appointment was in furtherance of the ongoing repositioning in the company for improved growth, better performance and service delivery.

The statement read in part, "A renowned international oil trader, Cordier, a French/Swiss national, holds a Masters degree in Corporate Finance with Distinction from Paris 9 University.

"He comes into the role with a rich background spanning over 30 years in physical oil, oil derivatives, and risk management, with significant experience in reorganising and creating a trading business."

Also commenting on the development, the President, Nigeria Consumer Protection Network, Kunle Olubiyo, said NNPCL should endeavour to promote the local content drive of the Federal Government.

"Does it mean that there are no competent Nigerians who could do the same job, with respect to the promotion of local content? NNCPL has a mandate of refining petroleum products and it is a national company.

"So for it to now go out to look for a foreigner shows that it is taking the wrong direction. Was it established solely as an oil marketing company? I think that move is a misalignment on this part," he stated.

WABOTE, JONATHAN, LUMUMBA WIN AFRICAN HERITAGE AWARDS

By Emeka Ugwuanyi

It was a night of colourful display of African culture and honour at the inaugural African Heritage Concert and Awards, where the Executive Secretary of the Nigerian Content Development and Monitoring Board (NCDMB), Engr. Simbi Kesiye Wabote, was conferred with the Champion of Local Content Development in Africa Award.

The event was held in Kigali, Rwanda and it featured a stellar cast of change makers across Africa who physically picked up their awards, including the immediate past Nigerian President, Dr. Goodluck Jonathan, who won the African Democracy and Peace Icon Award; former President of the Republic of Botswana, Dr. Seretse Khama Ian Khama, who picked up the African Philanthropist Award, and pan-Africanist and legal practitioner, Prof PLO Lumumba, who was conferred with the Africa Advancement Icon Award.

Some other winners included the late President of the Republic of Tanzania, Mr. John Magufuli, who won the African Icon Award (posthumous); the former President of the Nigerian Bar Association (NBA), Mr. Olumide Akpata, who was conferred with the African Legal Icon Award and the Triplets Ghetto Kids from Uganda, who won the African Entertainment Award.

The Executive Secretary dedicated the award to his family and the hard-working staff of the Board. He noted the award and several others he had clinched in the past were made possible by the staff's dedication and support. He hinted that the award would challenge him to continue promoting local content across Africa in concert with other organisations and individuals.

He emphasised that all Africa nations should optimize value addition to their natural resources and develop the capacities and capabilities of their human resources, so they can participate fully in the value chain of their extractive industries, particularly the oil and gas industry. He stated that NCDMB had already started to promote local content implementation in the linkage sectors such as mining, power and manufacturing. He indicated that the primary task for the various African nations is to energize their core sectors and inculcate the can-do belief in their nationals.

Wabote hailed the organizers of the African Heritage Concert and Award, describing the award as a stepping stone to the African continent's development.

Former President Jonathan also commended the organisers of the African Heritage Concert and Award for honouring Africans who have distinguished themselves in different endeavours. He regretted that "we live in a thankless society," and urged that it is important to celebrate the efforts of individuals who are changing the narrative. He admitted that the African continent is facing huge challenges, yet some persons are working hard to ameliorate the difficulties and are making huge differences in the same environment, hence the need to acknowledge their efforts.

Jonathan challenged political officer holders to initiate policies that would improve the lives of the citizenry and build institutions that will outlive them, such they would be remembered for good when they leave office. Speaking further, the former President commended the Government and people of Rwanda for their developmental strides and becoming a preferred destination where organisations and groups across Africa and beyond now prefer to host their events.

Prof PLO Lumumba in his acceptance speech hinted that Africa is currently in the cusp of hope and development. He warned that foreign interests are currently scrabbling for the resources in the continent, advising that "if we are not careful, Africa will be eaten for lunch. We should be alert and ensure that it does not happen again, our continent should not be conquered again."

In his welcome comments, the Chairman of Heritage Times, Mr. Moses Siloko Siasia explained that the African Heritage Concert and Awards was conceived to motivate change makers in the public, and private sectors across the continent, with a view to positioning them as models for other persons to emulate.

The Executive Secretary was accompanied to the African Heritage Concert and Awards by two members of the Board's Governing Council, Mr. Mina Oforiokuma and Mr. Nicolas Odinuwe. Other officials on the entourage were the Director of Monitoring and Evaluation, Mr. Akintunde Adelana; Director Finance and Personnel Management, Mr. Isaac Yalah and Special Technical Assistant to the Executive Secretary, Engr. Abayomi Bamidele.

NIGERIA UNDER-PRODUCES OPEC'S CRUDE OIL QUOTA BY 30.6M BARRELS IN TWO MONTHS

Nigeria, Africa's biggest crude producer, drilled 30.6 million less barrels of oil in January and February compared to the quota allocated to the country by the Organisation of Petroleum Exporting Countries (OPEC) during the period.

A review of data from the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) for the two months showed that while in January, Nigeria drilled 39 million of the 55 million barrels allocated to it, in February this year, it only managed to produce 36.5 million of the total projected output of 50.4 million barrels.

According to the analysis, in total, Nigeria was expected by the international oil producers' group to produce 106.2 million barrels of oil in January and February, but could only drill 75.5 million barrels during the period under consideration.

The 13-member OPEC group distributes oil production quotas to its members based on market conditions to ensure price and supply stability in the global oil market. Nigeria's share of that quota was 1.8 million barrels per day for both months under review. For over two years, Nigeria has been unable to meet its OPEC production quota for what it blames on oil theft and pipeline vandalism in the Niger Delta.

But in the second half of last year, just before production fell to a historic 900,000 bpd, the government in collaboration with local security groups took steps to curb the menace.

The development led to the significant increase in Nigeria's production to 1.3 million bpd in February, although Africa's most populous country was supposed to produce 1.8 million bpd for the period.

The erstwhile Minister of State, Petroleum Resources, Chief Timipre Sylva and the Group Chief Executive Officer of the Nigerian National Petroleum Company Limited (NNPC), Mallam Mele Kyari, have had to shift the date Nigeria will meet its OPEC production quota several times in the last two years.

However, while Sylva before his exit had pledged that finally, Nigeria was on its way to fulfill its production obligation in May this year, Kyari in February promised that Nigeria intends to hit 2.2 million bpd, without OPEC restrictions this year.

"We have crossed 1.6 million barrels per day, this is not rocket science. We have a line of sight to recovery to the quota level of 1.8 million barrels per day. I know that it is not far away probably two to three months maximum. But we will be there and that will bring back partners to invest, return the confidence of our investors and ultimately bring back growth.

"For us, we see a trajectory of restoring production including condensates within the year. We believe we can hit a target of 2.2 million bpd, but our budget target is 1.8 million bpd, but we know that it is practical to do 2.2 million bpd within 2023," he said on at least two occasions in February.

On his part, Sylva who projected that normalcy will return by May this year, stressed that: "Once we are able to build enough confidence in the security of the pipelines, producers will then be able to inject into the pipelines once again."

However, when the NUPRC data is analysed against the 1.69 million barrels per day oil production benchmark in the 2023 Nigerian budget in contrast to the OPEC production quota of 1.8 million bpd, the deficit reduced, with the country recording about 23.7 million barrels in both months.

A recent review showed that with that huge deficit production recorded in January and February, despite the rise in production and against the $83 price per barrel of oil for both months, the country could have lost as much as $2 billion in gross revenue, translating to about N920 billion at the N460 to a dollar official exchange rate.

In recent times, the largest volume of production has come in from Forcados with 6.93 million barrels during the month, followed by Escravos terminal with 4.03 million barrels during the period.

But when condensates are added, Nigeria produced 46.3 million barrels in January, while in February it drilled 43.3 million barrels. That is 1.5 million bpd in January and 1.54 million bpd in February. Condensates are outside OPEC computations for oil production.

Aside oil theft, another critical challenge hindering production, has been the years of underinvestment in the sector.

This has now been made even worse by the decision of the Europe and America to halt the funding of hydrocarbons exploration due to their impact on the environment.

EMEKA OKWUOSA RESIGNS FROM THE BOARD OF DIRECTORS, EROTON EXPLORATION AND PRODUCTION LIMITED

Oilserv Limited hereby brings to the notice of the general public that its Chairman/GCEO, Engr. Emeka Okwuosa, CON, had resigned from the board of Eroton Exploration & Production Limited as a Non-Executive Director of the company.

The resignation of Engr. Emeka Okwuosa, CON, from the board of Eroton Exploration & Production Limited, took immediate effect from 16th February 2023 following the notice of resignation dated 16th February 2023 communicated to the Chairman and the Board.

Engr. Emeka Okwuosa, CON, a consummate industry professional and energy icon was invited to the Board of Eroton Exploration and Production Limited as a Non-Executive Director, to share his wealth of experience with the Board and Management of the company. He exercised this responsibility with utmost good faith to the company in accordance with his fiduciary duty as a Non-Executive Director. However, Engr. Emeka Okwuosa, CON, has voluntarily exited the Board.

Engr. Emeka Okwuosa, CON, has extended his sincere thanks to the Chairman and Board of Eroton Exploration & Production Limited for the opportunity of service to the company and wishes the company success in its endeavours.

SHAREHOLDERS PROTEST OANDO PLANNED DELISTING, SHARE ACQUISITION

Some shareholders have expressed concerns over Oando Plc's plan to delist from the capital market and acquire the shares of minority shareholders.

Oando in a corporate notice informed the Nigerian Exchange Limited of its latest plans.

The company's core investor, Ocean and Oil Development Partners Limited, proposed to acquire the shares of its minority shareholders at the rate of N7.07 per unit.

Oando had reported N34.7bn as profit after tax in the 2021 financial period and at the close of trading on Thursday, the shares of the company was N5.40 per unit on the NGX.

Part of the corporate notice read, "It is intended that the transaction will be executed through a Scheme of Arrangement in accordance with Section 715 of the Companies and Allied Matters Act, 2020 (as amended), and other applicable laws, rules, and regulations.

"Under the scheme, each scheme shareholder shall be entitled to receive the sum of N7.07 in cash or its equivalent in South African Rand (ZAR) for every ordinary share held by the qualified scheme shareholders at the effective date of the scheme."

Reacting to the development, the Chairman of the Emeritus of the Independent Shareholders Association of Nigeria, Sunny Nwosu, slammed the company and said shareholders of Oando, who have not been paid in years, now have to deal with the acquisition of their shares.

He said, "In the last 10 years, shareholders of Oando have not received any dividend from them. You are selling the assets that have made NNPCL a super regulator and a super marketer; because they are the ones distributing the fuel that is being imported with taxpayers' money; and now, they are also a super retailer. This is not part of corporate governance, this is cheating! We have seen a lot of disrespect for shareholders, especially for people who think they are doing good investments by going to the capital market."

Also commenting, the Coordinator of the Sage Shareholders Association, Ibadan, Kehinde Olowolafe, said while it was within Oando's right to exit the market, it was important that regulators ensure minority shareholders were not cheated.

He said, "The capital market is governed by laws, rules and regulations, and many companies operating in the market have the obligation to respect the rules that guide them. It is within the right of Oando Plc, having met the requirements to do so. The market is free entry and free exit. What I know is that the regulators must ensure that shareholders particularly minority ones are not shortchanged or cheated by the owners."

On the N7.07 per unit proposed for the acquisition of the shares, Olowolafe said, "Although it is not favourable to us, during the EGM, we can talk to them to increase the price. There will be bargaining between the minority shareholders and the owners in order for us not to be cheated by the company."

Meanwhile, Oando says it has applied to the Securities and Exchange Commission for a "No Objection" to the transaction.

The shares of Oando closed at N5.70 on Friday and at the close of trade on the NGX on Monday, the share appreciated by 0.88 per cent to close at N5.75.

Other companies that have delisted from the bourse include 11 Plc, formerly Mobil Oil Nigeria Plc, which voluntarily exited the NGX in 2021, Studio Press Nigeria Plc.

NIGERIA'S DOMESTIC GAS NETWORK CAN TRANSPORT 6.9BN BCF FOR POWER, OTHERS – KYARI

The Nigerian National Petroleum Company Limited (NNPC Ltd), says Nigeria's domestic gas infrastructure network has capacity to transport 6.9 billion Standard Cubic Feet (BCF) of gas to support power generation and gas-based industries.

Malam Mele Kyari, Group Chief Executive Officer (GCEO), NNPC Ltd., made this known in Abuja at the 2023 edition of the Oloibiri Lecture Series and Energy Forum (OLEF).

The forum, which was organised by the Society of Petroleum Engineers (SPE), had its theme as "Effective Gas Resources Utilisation: A Lever for Enhancing Energy Security and Achieving Net-Zero Emission Goals in Nigeria".

Kyari said Nigeria's huge investment in gas infrastructure is hinged on its growing natural gas reserves, thus supporting the Nation's aspiration to create Africa's biggest industrial hub, powered by low-carbon energy.

He said the NNPC Ltd. was taking advantage of Nigeria's huge natural gas reserves of over 200 Trillion Cubic Feet (TCF) with a potential to grow to 600 TCF as more investment is expected due to recent resolution of the Production Sharing Contract disputes with partners.

He said this significant reserve would serve as a low-carbon energy alternative that would support growth in power and industrial sectors, address energy poverty, reduce carbon-footprint and create more employment opportunities.

"NNPC is playing a leading role in the realisation of National Gas Expansion Programme, which seeks to deepen natural gas utilisation as an alternative transportation fuel, and an important feedstock for gas-based industries development.

"We are working assiduously to ensure timely delivery of gas pipeline infrastructure projects, including the Abuja-Kaduna-Kano gas pipeline corridor, planned Nigeria-Morocco and Trans-Sahara Gas Pipelines, that will connect West African countries to deliver natural gas to international markets," he said.

For the gas export market, he said the on-going Nigeria Liquified Natural Gas (NLNG) Train Seven would expand Nigeria's LNG production capacity from 22 Million Tons Per Annum (MTPA) to about 30 MTPA.

He said it was leveraging the provisions of the Petroleum Industry Act to attract more investment in the Nigerian Petroleum sector, to continue to guarantee access to energy while aligning with global energy transition.

"As part of our sustainability strategy, NNPC is deploying carbon-reduction initiatives to gradually decarbonise our operations and improve our compliances with global emission reduction.

"All of these cannot be achieved if we do not have security of our operations. We will continue to further deepen collaboration amongst all the relevant stakeholders; government security agencies, host communities and others to enhance energy security.

"NNPC will deepen relationship with the Industry, Governments, Research Institutions and the Academia to strengthen its Renewable Energy Division to pursue commercially viable new energy ventures in line with Nigeria's net-zero aspiration by 2060," he said.

Kyari, while thanking the SPE for their efforts in promoting innovation, knowledge sharing required for our industry, urged them and other industry stakeholders to continue to collaborate with the NNPC Ltd to guarantee energy security.

In an address, Mr Gbenga Komolafe, Commission Chief Executive, Nigerian Upstream Petroleum Regulatory Commission (NUPRC), said how to provide clean, sustainable and affordable energy to global populace is a critical challenge.

Komolafe, represented by Dr Nuhu Habib, Executive Commissioner, Production and Development, NUPRC, said it was committed to ensure access to enabling environment and regulatory frameworks for progressive investments in gas production and energy transition achievement.

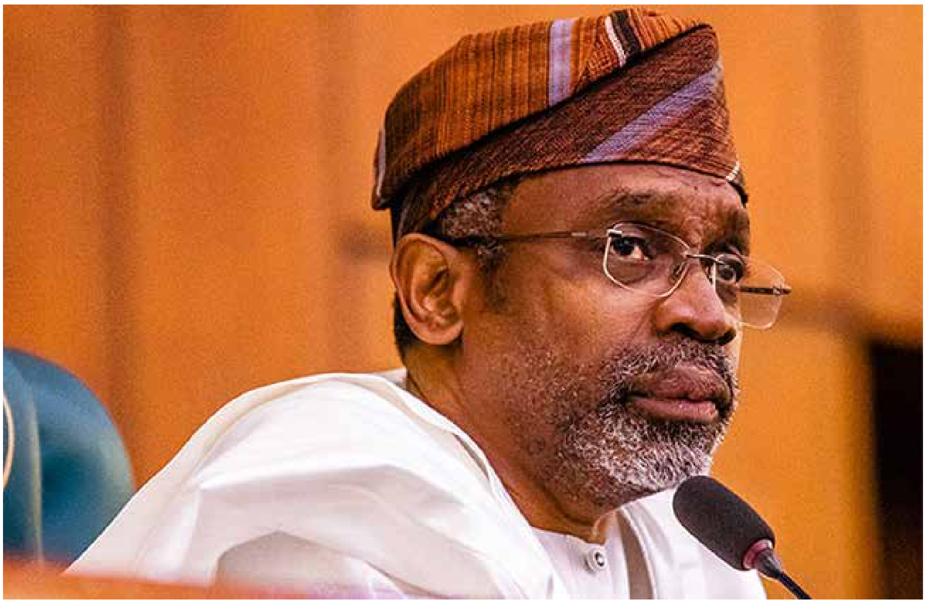
Also speaking, Mr Farouk Ahmed, Authority Chief Executive, Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), called for concerted efforts of all levels of government to ensure energy security was guaranteed.

Ahmed, represented by Dr Mustapha Lamorde, Executive Director of Health, Safety, Environment and Community (HSEC), said the authority drafted 20 oil and gas industry regulations to fully deliver value to Nigeria's economy.

He said out of the regulations, 12 had been gazetted while five out of the gazetted regulations are gas based.

He, however, expressed assurance that the authority is positioned to ensure enabling environment and investments in gas value chain for business to thrive

REPS PROBE ALLEGED N20BN DIVERSION BY NNPCL OFFICIALS



The House of Representatives, has set up an ad hoc committee to investigate the Nigerian National Petroleum Company Limited over the alleged diversion and conversion of N20bn by its officials in the guise of payment to consultants, this is despite the NNPCL denying the allegation earlier

The Deputy Chairman, House Committee on Banking and Currency, Hafis Kawu, had moved a motion of urgent public importance, urging the chamber to probe into the alleged crime.

Moving the motion titled 'Urgent Need to Investigate the Conversion of N20 Billion by Staff of the Nigerian National Petroleum Corporation(sic)', Kawu partly said, "The House is informed that staff of the Nigerian National Petroleum Corporation are reported to have diverted the over N20bn in the guise of consultancy fees paid to its consultants."

Kawu stated that the alleged action by the NNPCL officials breached Section 88(1) and (2) of the 1999 Constitution, which, among other things, makes it compulsory for the National Assembly to appropriate public funds before they are expended.

The lawmaker also stated that the funds should have been spent on public needs.

Kawu called for an urgent investigation of the matter and that the House should be briefed on the outcome as a matter of urgency.

The lawmakers unanimously adopted the motion.

Speaker of the House, Femi Gbajabiamila, consequently set up a panel chaired by a member of the Peoples Democratic Party from Rivers State, Kingsley Chinda, which was expected to turn in its report within three weeks.

NNPCL had on Monday night said it did not pay N20bn to ghost consultants as alleged by an online medium.

A statement issued by the Chief Corporate Communications Officer, NNPCL, Garba-Deen Muhammad, had partly read, "NNPC Ltd read with utmost dismay, a report by an online platform alleging: paying the sum of N20bn to ghost consultants, and theft of multi-billion naira tax due to the Ogun State Government.

"NNPC Ltd wishes to state that as a responsible corporate organisation, it does not have or deal with ghost consultants. At NNPC Ltd, the process of engaging consultants whenever the need arises is clear and verifiable and follows global best practices.

"It is, therefore, unfortunate that for whatever reason, the said the online platform would make such a grievous allegation, mindless of the consequences of such actions. The claim of a missing N20bn is absolutely false and baseless."

The oil firm demanded that the online media platform should retract the said publication, stressing that the going organisation should verify its facts before going to the press.

NNPC said the second component of the said report was related to Ogun State Government claiming a back duty tax liability of about N18bn, against an NNPC subsidiary, the Petroleum Products Marketing Company Ltd.

"For clarity, PPMC had objected and challenged the claim through its tax consultant. Consequently, the Ogun State Government took the matter to court which is not unusual in business circles.

"The matter is currently before the court and NNPC Ltd will prove its case accordingly.

"In conclusion, NNPC Ltd strongly advises the said online publication to be mindful of the consequences of its actions before taking them.

It stated that for a matter that was already in court, as admitted by the online publication, it was sad that any medium could arrive at such subjudice conclusions as shown by its actions.

Meanwhile, the House has also mandated the Niger Delta Development Commission to "put on hold" the release of N15bn counterpart funding requested by the Federal Government, pending the approval of the Commission's budget by the House, as it is part of the loot recovered by the Economic and Financial Crimes Commission on behalf of the Commission.

Furthermore, the House mandated its Committee on Niger Delta Development Commission to "scrutinise such requests made by the Federal Government and report back to the House within two weeks."

The resolutions followed the unanimous adoption of a motion of urgent public importance moved by a member of the House, Unyime Idem, who is also a member of the Peoples Democratic Party from Akwa Ibom State, one of the states in the Niger Delta.

The motion was titled 'An Urgent Call to the Niger Delta Development Commission to Put on Hold the Release of N15 Billion Requested as Counterpart Funding of Humanitarian Intervention by the Federal Government.'

DISCOS' ILLIQUIDITY, OTHERS MAY CONSTRAIN IMPLEMENTATION OF NERC-ORDERED BILATERAL CONTRACTS WITH GENCOS

The non-buoyancy of many of the Distribution Companies (Discos) and the perceived opacity of the project details may pose serious challenge in the implementation of the bilateral power contracts, which the Nigerian Electricity Regulatory Commission (NERC) has instructed some Discos to activate with Generation Companies (Gencos).

NERC had in a letter sent to three Discos namely: Eko, Ikeja, and Abuja, instructed them to commence implementation of the bilateral power contracts with Gencos with effect from March 31, 2023.

Eko and Abuja Discos have confirmed the NERC's instruction, saying they were working towards commencing full implementation this year as instructed by the regulator.

Managing Director of Eko Disco, Dr Tinuade Sanda, was the first to reveal the proposed bilateral contracts.

"I know that the regulator has been talking about Eko, Ikeja, Abuja Discos being the excellent Discos to start full bilateral. What it means is that we are looking to implement bilateral before the end of this year. When this commences, we will be dealing directly with the Gencos and that is when the real change will start in the power sector.

"So, I will buy the energy that I want, I pay for the energy I want, there is gas commitment for the energy that I want to buy. And at the same time, I know that the regulator is trying to be careful in ensuring that they are able to balance the grid, they are able to balance every other interest because everybody in Nigeria is also important, they are all entitled to receive power," Sanda disclosed.

Also confirming the instruction by the regulator to commence the bilateral contract with Gencos, Chief Marketing Officer, Abuja Disco, Mr. Donald Etim, said: "Regarding your inquiry yesterday, I can confirm that our utility company Abuja Electricity Distribution Plc (AEDC) is one of the distribution companies instructed by the industry regulator, NERC, to commence processes to enter into bilateral contracts with generating companies. Consequently, we as a responsible organisation have been engaging with the regulator with a view to complying with this directive."

This bilateral power contract is coming after the failure of the Partial Activation exercise superintended by NERC and the Nigerian Bulk Electricity Trading Plc (NBET), with the target that at least 5000 megawatts (mw) of power was generated, paid for 100 per cent and successfully delivered to consumers on a daily basis with effect from July 1, 2022.

But Gencos attributed the collapse of the partial activation to the imposition of the contract and its terms on them, as well as the lack of key contractual details in the agreement document handed to them by the regulator.

While bilateral contracts may be a boost for the market, however, the indebtedness and poor financial positions of most of the Discos in Nigeria, coupled with alleged lack of detailed plan that shows how Discos will pay for energy bought, agreed sanctions for default by a party amongst other necessary factors have been identified as major concerns that may affect the success of the bilateral regime being promoted by NERC.

Of the 11 Discos that emerged during the privatisation exercise that took place in 2013, nine had been declared almost bankrupt by the Minister of Power, Mr. Abubakar Aliyu, with the exception of Eko, Ikeja, and Enugu Discos, which he said were making profits, while others were losing.

Aliyu raised the alarm mid December 2022 while speaking at the 11th edition of the President Muhammadu Buhari Administration Scorecard Series (2015-2023) in Abuja.

He revealed that the situation had forced the federal government to mandate banks to find serious investors interested in buying its 60 per cent equity in the Abuja, Kano, Kaduna, Benin, Ibadan and Port Harcourt Discos.

An official of one of the Gencos, who didn't want his name in print, confirmed in a chat, that the bankruptcy of the Discos and the failure of NERC to provide a detailed implementation plan, which should have emerged from a stakeholder consultation, would pose a major challenge in the implementation of the bilateral contracting process.

He also faulted the lack of clarity in the mechanism for the actualisation of the process, attributing it to the absence of stakeholder consultation on a major step as the bilateral exercise that would involve Discos and Gencos.

"You need to find out from NERC what this entails. We need to know the processes. The truth is, as a regulator, you don't just issue a directive without taking a 360 degrees view no matter how good intentioned that plan is.

"Now, what you can see is the fact that there is no stakeholder consultation on a major step such as this. How do we transition to bilateral with 11 bankrupt Discos? Has their situation changed? What changed them?. Please ask NERC for the steps," the source said.

Efforts to get further clarifications on the exercise from NERC proved abortive as the regulator's spokesman, Dr Usman Arabi refused to respond to messages sent to his phone as of the time of filing this report.

However, the Market Operator, Transmission Company of Nigeria (TCN), Mr. Edmund Eje, explained in a chat stated that implementing the bilateral contract was simple and that it had already started, adding that Eko Disco was taking the lead.

He explained that the process was such that when the Discos take energy from the grid or from any generator on bilateral basis, the Market Operator would compute all the energy taken and give them settlement statements accordingly.

"Yes, it's a simple thing, It has started already. Eko has taken the lead, Eko is taking energy from the pool and of course entered into bilateral with another Genco. So, it's working already.

"All that is involved there, is that whatever they have taken from the grid, whatever they have taken from any generator on bilateral basis, the Market Operator counts all the energies and gives them settlement statements accordingly. That's the way it goes," Eje said.

He noted that it was the belief of the nation's power industry that bilateral understanding in electricity market was the way to go.

He recalled that in February 2015, Transitional Electricity Market (TEM) was declared with the principle that it will be a market stage where transactions were consummated by bilateral understandings.

Eje pointed out that there had been vesting contracts in tandem with bilateral agreements, saying what is obtained now is a kind of a hybrid market.

"We have not actually had pure bilateral market. As it is going now, probably, the vesting contacts might fizzle away and everything would be consummated by bilateral market. So, that's the issue. The market is not that simple.

"There are some complexities somewhere, which will be handled by the regulator. The regulator is doing its best to make sure that this stage of the market takes off with immediate effect and then smoothly, "added.

In his intervention, a former Commissioner at NERC, Mr. Eyo Ekpo, told THISDAY that it was always expected by all stakeholders that at some point in the evolution of the power sector, the proper features of a market would evolve.

Ekpo said one of such features was bilateral contracting between Gencos or Independent Power Plants (IPPs) and their various buyers -Discos and Eligible Customers.

He maintained: "If NERC has assessed that the time has come for that evolution to happen, I expect that this would be the subject of a consultation process that would involve the various market participants.

"It is a process to arrive at bilateral contracts. Not a one-day or an instant event. There are various moving parts that need to align properly and I believe NERC will work with market participants to ensure this alignment happens so that at some point in the near future NBET's existence (which we all knew would be temporary) sunsets or falls away and it transfers its contracts to Gencos (sellers) and Discos/ Eligible Customers (buyers) who would then contract market-driven commercial relationships amongst themselves."

SEPLAT ENERGY STRONGLY COMMITTED TO SUSTAINABILITY, ENERGY TRANSITION – COO

By Yunus Yusuf

Seplat Energy Plc, a leading Nigerian energy company listed on the Nigerian Exchange and the London Stock Exchange, has reaffirmed its aggressive and unwavering commitment to sustainability and energy transition.

The company explained that its ability to maintain the lead in the Nigerian gas sector is hinged on a strong ESG (Environment, Social and Governance) framework, which has provided the strong foundation for Seplat Energy's gas business and its decarbonisation projects.

Mr. Samson Ezugworie, Chief Operations Officer, Seplat Energy, said this at the Society of Petroleum Engineers (SPE) Oloibiri Lecture Series and Energy Forum 2023, held at the PTDF Tower Abuja, themed: Effective Gas Resources Utilisation: A Lever for Enhanced Energy Security and Achieving Net-Zero Emission Goals in Nigeria.

Speaking during the Energy Forum Discussion Session, Mr. Ezugworie, who represented Mr. Roger Brown, Chief Executive Officer, Seplat Energy, noted that Seplat Energy has been leading in domestic gas supply in the country, with about 300scf/d, translating to about 30 per cent of Nigeria's gas-to-power supply.

He reiterated the company's commitment to energy transition, energy security and sustainability, noting that Seplat Energy's CSR programmes had grown over the years with immeasurable impacts on the people.

He also confirmed that at Seplat Energy, "we have a very aggressive programme to eliminate flares by 2024, through a combination of solutions. We have created a New Energy Directorate, with a mandate to look into power and the entire energy transition value chain."

He said the company's primary commitment is to reduce its GHG emissions resulting from direct operations, adding that Seplat Energy have established a broad set of investment activities designed to reduce emissions from its operated facilities and offset residual emissions.

Seplat Energy's Flares Out project, which forms part of our commitment to achieving Net Zero by 2050, is on schedule to reach the target of ending routine flares by the end of 2024. In 2022, improvements in performance of the AG compressor in Oben and Amukpe, alongside regular asset integrity checks and other facility improvement activities, were effective and AG flare volume was reduced by 18.2% at Oben (5.7 MMscfd against 6.97 MMscfd in 2021) and by 39.9% at Amukpe (1.1 MMscfd against 1.83 MMscfd in 2021).

The Seplat boss added: "Our diesel replacement programme seeks to increase the use of gas, a less carbon intensive fuel for power generation and where feasible, solar power is also being considered. We are piloting solar at our Amukpe warehouse to power equipment on site and plan to power the security outposts located around our operations using solar energy in 2023."

The company has committed $11.5 million in 2023 towards projects that will end routine flares in our operations, including $10.8million towards installing gas compression facilities at the flow stations in Amukpe, Oben and Sapele, and $0.7 million towards incineration at the Amukpe flow station.

Upon completion of these projects, Seplat Energy expect to improve its gas handling capacity and reduce flares by approximately 30 MMscfd in 2023 and 20 MMscfd in 2024, which will in turn monetise flare gas in line with its corporate strategy and the national flare gas commercialisation initiative.

In addition, Seplat Energy has committed $1 million towards planting trees across Nigeria as part of afforestation efforts that will capture residual emissions. Its focus in 2023 will be on mobilising community stakeholders and completing land acquisition to enable the commencement of tree planting in Imo, Edo and Abuja.

Attendees to the event include Mr. Mele Kyari, Group Chief Executive, NNPC Limited as well as representatives from the Nigeria Upstream Petroleum Regulatory Commission (NUPRC), Nigeria Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), oil companies, oil servicing firms, and a host of other Nigerian energy industry players.

ROUTINE GAS FLARING IN NIGERIA ENDS 2023 –TOTALENERGIES

TotalEnergies Nigeria said it would end routine gas flaring in Nigeria this year.

Mr Mike Sangster, the Managing Director, TotalEnergies EP Nigeria Ltd., said this at the International Oil Companies (IOC) panel session during the Sub Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) in Lagos on Wednesday.

Sangster, represented by Mr Victor Bandele, Deputy Managing Director, TotalEnergies EP Nigeria, said that the company had come to stay in Nigeria in terms of gas exploration and production.

The Sub Saharan Africa International Petroleum Exhibition and Conference (SAIPEC) was organised by the Petroleum Technology Association of Nigeria (PETAN).

Sangster, also in-charge of the Deepwater Assets of Total Upstream Companies of Nigeria, said that TotalEnergies plays active and important role in Gas exploration in Nigeria.

He, however, called on government to create the enabling environment for gas exploration across Africa.

Sangster said that Total changed its name to TotalEnergies to incorporate the entities of the future, adding that it had diversified to Solar Energy Business in Nigeria and Africa.

"We are identifying new opportunities in Nigeria. TotalEnergies is also playing active role in marketing and production as it has 550 filling stations in Nigeria," he said.

Africa, according to him, is a part of the world that needs energy the most.

"Our company is always committed to working with the government and other stakeholders to actualise the Nigerian government's goal of net zero emission by 2060.

"TotalEnergies' own target for net zero is 2050.

"Our path to net zero will involve investment in renewable energies.

"Investments in gas developments as it will serve as transition energy," he said.

He said that company targeted producing low emission oil as it eliminated routine gas flaring in its operations.

"Our plastic recycling plant in Port Harcourt eliminates about 750, 000 cubits of C02 annually, which is equivalent to planning 4,500 trees.

"We have made important investments locally in these areas and implemented several initiatives that are already impacting the Nigerian energy landscape positively.

"In recent years, our projects in Nigeria have been sanctioned with the objective of driving down our green-house gas emissions; and pursuing a zero-flare principle on all our new projects as is evident with OML58 upgrade, Ofon phase 2, Egina, and Ikike.

"Our investment in the NLNG from the beginning till now is partly derived from our commitment to the production of cleaner and better energy.

"Out of our over 530 service stations across the country, more than 112 have been solarized.

"It's an ongoing programme and our target is to ensure that our stations become fully solarized.

"We have also deployed over 150 residential solar solutions across the country," Sangster added.

He said that over 1.5 million people in Nigeria had been impacted from sale of 400,000 TotalEnergies solar lamps since 2013, according to Global Lighting Off-grid Association estimates.

Sangster added that worldwide, 10 million people had been impacted

SHELL RESUMES OIL EXPORT FROM BONNY OIL EXPORT TERMINAL

The Shell Petroleum Development Company of Nigeria Limited (SPDC) said it has resumed oil exports from the Bonny Crude Oil Export Terminal.

The resumption from the facility follows the lifting of 'Force Majeure' on oil exports due to a blast on a pipeline feeding the terminal on March 3, 2022.

Force Majeure is a legal clause inserted in contracts to shield companies from liabilities in meeting contractual obligations due to circumstances beyond their control.

An explosion near the Trans Niger Pipeline, which evacuates crude from oilfields in parts of Rivers and Bayelsa, on March 3 killed 12 suspected oil thieves.

SPDC announced the lifting of the Force Majeure on its oil cargo from the 1.25 million barrels per day terminal in a statement issued by its Media Relations Manager, Mrs Bola Essien-Nelson.

"The Shell Petroleum Development Company of Nigeria Limited (SPDC), operator of the SPDC joint venture, has lifted the force majeure on Bonny export programme with effect from Wednesday, March 15, 2023.

NEW OIL, GAS DISCOVERIES INDICATE HUGE GAS RESERVES IN NIGERIA – EXPERT

An Oil and Gas Expert, Assoc. Prof. Olanrewaju Aladeitan, has lauded the new oil and gas discoveries in Nigeria, which indicate that the country has huge gas reserves.

The expert said Nigeria could be more described as a gas country than a crude oil country because it had trillions cubic feet of gas reserves.

Aladeitan, associate professor of Energy and Natural Resources, University of Abuja, made this known in Abuja.

President Muhammadu Buhari had in November 2022 inaugurated the Kolmani Integrated Development Project at Kolmani River II oil field located at a border community between Bauchi and Gombe States.

The Nigerian National Petroleum Company Ltd. (NNPCL) in 2019 had announced the discovery of crude oil, gas and condensate in the Kolmani Oil Field with over one billion oil barrels reserves and 500 billion cubic feet of gas.

The NNPCL is also set to develop the first oil well in Nasarawa State in March 2023 in view of its confirmation of presence of substantial hydro carbon resources in the state.

Aladeitan said information from an insider revealed that data emerging from the Bauchi-Gombe axis showed that there was oil in commercial quantity, but with a caveat that gas could be more.

He said some of the new frontiers that were also being discovered in the country even had more gas reserves than crude oil reserves.

"Which means Nigeria's reserve of gas is very huge.

"Somewhere around Igbariam in Anambra we have a huge gas reserve there.

"Luckily, there are new frontiers coming up, we have the Bauchi-Gombe new oil and gas discovery that is fast coming on and recently in Nasarawa and also Niger.

Prof. Olanrewaju Aladeitan

"By the time the efforts are taken to the Sokoto Trough, we may also find some reserves there as well," he said.

Speaking on the perception of some people whether oil was truly found in the new locations, he said initially all the troughs had shown evidence of crude oil and gas in the past.

But he said unfortunately the technology available then may not have made it possible to follow up the discoveries.

He said though some people were skeptical about the discovery of oil in those environments, but it was not as if those areas never showed evidence of crude oil as there were traces.

According to him, the kind of technology that existed in the past could not make them explore further, but now there is advanced technology that has made it possible.

The expert further said then Shell was exploring oil and given the entire country, but realised that the Niger Delta had more concentration of oil.

This, he said made Shell to concentrate in that region, not that there had not been traces of oil in other places.

"But we are not sure that if the exploration continues, whether or not it will show that it is in commercial quantity or not.

"But I can assure you from an insider view that the data emerging from the Bauchi-Gombe axis shows that there is oil in commercial quantity, but with a caveat that what they may get more might be gas.

"So, even in the Chad Basin, there are traces of it. There are evidences. It is just like what happened with shale gas; you know that there are some unconventional sources of gas and oil that is what the shale gas is all about.

"So, in some of those unconventional sources, you use new technology and you will definitely discover.

"What I am saying in essence is that with improved technology and improved knowledge now, we can get clearer pictures of those things we could not assess or have information about in the past.

"Some people ridiculously argued that they connected oil pipelines all the way from the Niger Delta region to Benue, which is a ridiculous thing to say," he said.

He, however, emphasised the need to cut down gas flare and take advantage of the economic potential of gas reserves in the country.

SEPLAT ENERGY GROWS PRE-TAX PROFIT BY 15.3% TO N86.7B

Seplat Energy Plc maintained appreciable growths in the top-line and profitability in the 2022 business year, with pre-tax profit rising by 15.3 per cent to N86.7 billion.

Key extracts of the audited report and accounts of the oil and energy group for the year ended December 31, 2022 released at the Nigerian Exchange (NGX) indicated that cash generated from operations grew by 51.6 per cent to N242.4 billion in 2022 as against N150.9 billion in 2021. Total revenue had risen by 29.8 per cent to N403.9 billion compared with N293.6 billion. Gross profit jumped by 63 per cent from N114.2 billion to N197.2 billion.

The board of directors of the company has recommended a total dividend per share of US7.5 cent final dividend, despite the significantly disrupted production experienced in the second half of the year. This amounted to a full-year dividend of US15 cents, representing a dividend yield of around 11 per cent at the current price on London Stock Exchange (LSE) share price.

The board had recommended a special dividend of US5.0 cents per share and a final dividend of US2.5 cents per share.

Operation review showed that Seplat Energy's working interest production averaged 44 kboepd, impacted by outages of key infrastructure predominantly in third quarter 2022. Use of Amukpe-Escravos Pipeline (AEP) enabled high uptime last December, exit rate of 53 kboepd.

According to the management of the company, it completed 13 wells, including two wells for the ANOH gas processing plant. ANOH Gas Processing Plant is 95 per cent mechanically complete, awaiting third-party infrastructure completion.

This year, the company projected full year production guidance of 45-55 kboepd, excluding ANOH, with capital expenditure expected to be $160 million. It projected that increased use of AEP will improve revenue assurance while its Sibiri appraisal wells indicating results on high side of initial oil in-place estimates, FID targeted by the end of the year.

ANOH first gas guidance has, however, been moved to fourth quarter 2023 owing to delays in third-party infrastructure.

The management of the group said it has continued to pursue a reaffirmation of the Ministerial approval received on August 8,

2022 to acquire the Nigerian assets of Mobil Oil Producing Nigeria.

Chief Executive Officer, Seplat Energy Plc, Mr. Roger Brown said the company's strong financial performance will enable the payment of a US7.5 cent final dividend, despite the significantly disrupted production it experienced in the second half of the year.

"As we enter 2023, the business is in a very healthy state, with new wells coming onstream, encouraging appraisal drilling underway at Sibiri, and alternative export routes ensuring good export performance in January and February, this year. Our gas business continues to develop, with first gas expected from ANOH in Q4 this year, and we are now in the process of separating our Midstream Gas business from the Upstream unit to unlock new value for shareholders.

"We are continuing to pursue the Presidential approval received on the 8 August 2022 for the MPNU acquisition and we remain focused on concluding the transaction within the remaining term of President Buhari before a new president is sworn into office at the end of May 2023.

"We are implementing our roadmap to net zero and have made encouraging progress with a 35 per cent reduction in emission intensity last year. The major reduction in carbon emissions is routine flaring which we are on target to eliminate by the end of 2024. Alongside these efforts, and as part of our stated strategy to become Nigeria's energy champion across the entire value chain, we are planning to invest in gas-to-power and solar power projects with FID targeted for later this year if the projected returns meet our internal hurdle rates.

"We are confident in our outlook for 2023, with the new Amukpe-Escravos Pipeline working well, our drilling cost reductions and efficiencies being delivered, and ANOH's first gas expected in Q4 once 3rd party infrastructure is completed, our business is on a firm footing to facilitate significant growth and higher returns for stakeholders," Brown said.

Meanwhile, the board of the company has appointed Ms. Koosum Kalyan as an independent non-executive director with effect from February 28.

Chairman, Seplat Energy Plc, Mr. Basil Omiyi, said Kalyan has a proven track record of operating across the African continent and her experience spans over decades and cuts across the oil and gas industry as well as the wider energy industry.

"Seplat Energy eagerly looks forward to the enormous contribution she will make towards the company's growth plans achieving global success," Omiyi said.

Kalyan is a South African businesswoman and economist whose career began in the Electricity Commission in Melbourne Australia as an economist. She subsequently joined Shell South Africa as an economist and became a member of the Shell Global Scenario Planning Team after which she embarked on her expatriate posting to Shell International London for nine years. The scope of her work included projects in Nigeria, Gabon, Mozambique and Tanzania, among others. Kalyan assisted governments in transforming its energy policies and in joining the Extractive Industries Transparency Initiative during her tenure at Shell and also assisted in digitising government institutions.

She has served on the Boards of several companies where she contributed her wealth of knowledge to the progress of these companies and was recently appointed the Chairperson of Control Risk for Southern Africa.

Kalyan has a degree in B. Com Law and a degree in Economics from the University of Durban Westville. She has also completed the Senior Executive Management Program at London Business School and a Leadership Management Program at Shell Leadership Institute.

NLNG'S INTERVENTION IN BRIDGING LPG SUPPLY GAP

Energy crisis remains a notable feature of many economies in the last one year with many seeking alternatives that will aid accessibility, reliability and cost efficiency. To achieve this, access to gas has become non-negotiable, even if it requires government adjusting policies. Leveraging the intervention of the NLNG, the Federal Government hopes to improve access to cooking gas and reduce net emission from other cooking fuels.

Globally, gas remains at the epicentre of energy crisis and rising inflation, with all eyes on gas producing countries for increased supply and long-term contracts to ensure not just accessibility but reliability.

For gas producing nations like Nigeria, this is an opportunity to expand market access and maximise opportunities in upstream industry for gas production.

With a domestic policy that encourages Liquefied Petroleum Gas (LPG) consumption, many Nigerians have in recent times embraced the use of LPG, known as cooking gas, encouraged by its speed in cooking and low health risk.

However, a persistent increase in the cost of cooking gas is now threatening to force average Nigerians to return to charcoal and firewood, with all their well-known health hazards.

Indeed, since the beginning of 2022, the price of gas has soared beyond the reach of the common man.

To address the challenge of cost, NLNG, last year, committed to supplying 100 per cent of all its LPG production (butane and propane) to the domestic market despite feed gas and market challenges.

NLNG's Managing Director/Chief Executive Officer, Dr. Philip Mshelbila, at a recent forum, listed the challenges which have slowed the utilisation of LPG in the country including the inability of the market to completely absorb NLNG's propane production, leading to its sparse export of propane to avoid tank-top situations at its plant.

He said: "When we made that commitment last year, the intention was that every molecule of butane and propane that we produce in our facility will come into the domestic market and since then we have made every effort to keep to that since January 2022. We have been successful in achieving supply of 100 per cent of our butane production.

Phillip

"We have not been able to reach 100 per cent with propane, not because we don't want to but because the market capacity to absorb the propane is just not there. We intend that all the butane and all the propane that we produce goes into the domestic market whether propane is being used to blend with butane as cooking gas, used as autogas, or used in industry to generate power".

Indeed, the Minister of State for Petroleum Resources, Timipre Sylva, has continued to reiterate Nigeria's readiness and positioning to become a major gas supplier to Europe following the global energy crisis caused by the ongoing conflict between Russia and Ukraine.

Indeed, the NLNG said it has cumulatively supplied over 2.4 million tonnes of liquified petroleum gas (LPG), popularly known as cooking gas, into the domestic market, in the last 15 years.

The company said the continued supply of LPG under the NLNG Domestic LPG (DLPG) Scheme, spurred a steady rise in yearly domestic market consumption in a market that was below 50,000 tonnes per annum in 2007 to over one million tonnes per annum in 2021 and still growing.

NLNG said it currently supplies about 80 per cent of the local domestic cooking gas currently and is looking forward to committing 100 per cent of its LPG supply for domestic use, which will be a major milestone in the journey of domestic gas supply.

Established on May 17, 1989 as a Limited Liability Company, the NLNG was set up to harness Nigeria's vast natural gas resources and produce Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs) for export.

Liquefied Petroleum Gas (LPG) popularly known as cooking gas is a very clean versatile and environmentally friendly fuel, an essential commodity for life and living, convenient, portable energy source that is easy to transport and store. It's produced from petroleum refining of crude oil and extraction from natural gas with varying uses ranging from heating purposes, production of aerosol propellant, input to petrochemical industry and as a refrigerant.

The policies of the Federal Government initiated in 2005 leading to the 2007 intervention, has aided supply sustainability in the industry today, having opened up and broadened the LPG domestic market that witnessed transformation from 2004 till date.

Producers (notably NLNG) dedicated a certain quantity of LPG for the domestic market. 15 years after the NLNG's intervention in the supply of LPG to the domestic market under DLPG Scheme, the programme has generated over 250,000 jobs in the sector and created the much-needed foundation for what has grown over 1000 per cent.

Not only has it helped reduce the use of dirty fuel sources for cooking, it has also stimulated growth in the industry by guaranteeing LPG supply, availability, affordability and enabling the development of a value network for a sustainable ecosystem towards a better Nigeria.

Giving an overview of its achievements in the last 15 years, the company said that in 2003, Nigeria was producing large quantities of LPG but this quantity was exported, while domestic consumption came mostly from import. Export production of LPG was substantial but nothing was reserved for the domestic market due to inability to accommodate small vessels at loading terminals at NLNG and other export points.

WHY GOVT SHOULD MAKE POLICIES TO DISCOURAGE POPULATION EXPLOSION – BALOGUN

Engineer Kolawole Balogun is the Chairman/Chief Executive Officer of Momas Electricity Meters Manufacturing Company Limited (MOMAS). He has a chat with the Business Intelligence (TBI Africa) team about his business, life and other issues.

What informed your decision to venture into the manufacturing of prepaid meters?

The company is the first indigenous prepaid energy meter manufacturing company. If one does not find out what caused the failure of yesterday, one cannot sustain the tomorrow one wants to build. During the old days of the power sector, it was a post-paid system that was in place. It was meant to create responsibility in the sense that when one uses power, one will have to pay after the billing circle. But, because the system was not functioning properly as there were no responsibilities on the part of the state to the citizens, it made the citizens to have apathy towards paying for services, especially when it concerned the government. The refusal by the people to pay for electricity led to loss of revenue in the operations of the then National Electricity Power Authority, as they were not collecting revenue sufficiently. Therefore, cost recovery was not guaranteed for investment in the upstream sector, which were the generation and transmission companies. Also, the services then were not enhanced in a way that would give comfort to the consumers to pay. It was a situation where officials would go into people's houses, give them estimated billings, and compel them to pay; or a situation where power officials would refuse to connect consumers until they paid reconnection fees. All these challenges were the reasons that made the prepayment system inevitable to save the sector from imminent collapse. I am proud to say that I brought this prepayment solution to the downstream of the power sector out of genuine concern and commitment to contribute to the development of the power sector. This system has really helped in giving confidence to the consumers, as well as improve the revenue of the distribution companies.

What were the early days of the company like?

We started this business of prepaid metering around 1995. Back then, we were importing the prepaid energy meters from South Africa. They were happy with us because orders were coming, and we were opening so many letters of credit. I was also making good profit, but I was not fulfilled because it had always been my desire to add value to my area of specialization, which is electrical electronics. I then asked myself an important question, which was, 'How do we continue to import meters for a population that is growing astronomically'? Then, I thought that there was a need for the energy meters to be made locally, and I took a shot at it. However, it was not an easy decision because as of that time, there was no incentive in place to encourage the manufacturing of energy meters locally. Also, the company we were buying meters from in South Africa was faced with major hindrances, such as a lack of stability on the policy line. So, we decided to take the bull by the horns and take the risk of establishing the manufacturing facility here in Nigeria.

Designing a meter is not a classroom exercise, so we needed to go outside the scope of the normalcy of engineering to learn how a meter is designed, which led to us into a customised school of learning, manufacturing facility, tests, and standards involved in meter manufacturing. We needed to first bridge the knowledge gap because the people who had the technology were not even ready to share it with us. We had to prove to them that we could acquire it, even if we were not given. That was how we started the manufacturing journey.

To what extent has the privatisation in the power sector met the expectations of meter manufacturers?

Privatisation, as an ideology, is what is good for the country. Whether it is done rightly or wrongly is what we need to discuss. If one looks down the line, one will discover that privatisation has not solved all the challenges we had been facing in the sector, such as the lack of sufficient investment in the deployment of metering, insufficient infrastructure such as transformers, feeder pillars, and undersized conductors. Also, there is no enhancement in the face of dilapidated infrastructure in the downstream sector to enhance the delivery of power to the consumer. These and many more were the factors affecting the sector, and we expected privatisation to address them. But sadly, we are still where we were before the privatization; other than the fact that we have some documents that are limiting our functionality. The answer in a short form is that it has not met expectations.

How do you source materials for producing prepaid meters?

In the sector today, there are different categories of manufacturers— original equipment manufacturers, complete knock-down manufacturers, and semi-knockdown manufacturers.

However, we are the only original equipment manufacturer in the downstream of the power sector; others are CKD and SKD assemblers. The difference between us and others is that we design from scratch to finish. What we procure essentially are components such as transistors, resistors, integrated circuits, and diodes. These are smaller components that we buy in line with our design. We often get them from China or Japan, because there are certain parameters that supervise components, in terms of integrity, tolerance level, and what they are to be used for. That gives us authority over meters that we design, because we can choose to do it in any way, since we are the owners of the intellectual property.

What are some of the challenges you face in the course of sourcing your materials?

There is a big difference between the policy frameworks in understanding what OEM, CKD and SKD structures are. OEM is a major component of development for any nation because of the knowledge capability which can be extended to so many other areas of the economy. Today, the only available government incentive in place for us, as an OEM, is the import duty exemption certificate, which entitles us to zero per cent

duty; though value added tax and other port charges are payable on each of the component necessary to manufacture the meters. Meanwhile, these components are sourced from different manufacturers across the world. In recent times, the government reviewed the IDEC policy to mandate manufacturers to remit five per cent of the duty amount waived to the Federal Government. With this development, it means the duty is not completely waived.

The implication of this is that the government has chosen to encourage assemblers more than OEM manufacturers because when one considers what is payable on each of the components by the manufacturer as against the one-off payment on already assembled meters by the assemblers, one will realise that OEM manufacturers have been put at a disadvantaged position. Because of that, we cannot compete favourably in the sector, especially because the price of electricity meters is fixed by the government; hence, we are practically running the business at a loss, and our growth is stalled.

It is sad that despite the huge investments we have put in place in terms of technology transfer, plants and machinery, human capital development through training and retraining, and research and development as an OEM manufacturer, there are no enabling policies in place to further enhance our development and growth. Meanwhile, all these investments are for local capacity building, which should be seen as part of nation building; to not only develop the power sector but to bring about technological advancement in the country.

It is because of the above that no assembler would desire to be an OEM. They would prefer to remain importers, and we cannot develop the sector that way let alone the country's economy.

In what ways can the government intervene to help the industry surmount these problems?

It is important for the tariff committee to invite (stakeholders) and listen without biases and sentiments. They must appoint a knowledge-based team to oversee the people who are creating the tariff structure in the Federal Ministry of Finance, so that they will be able to put the right framework to encourage OEMs.

In terms of government policies, there is a lot of non-alignment in understanding what OEM, CKD and SKDs are. There is a need to know the difference between component designers and people who bring in semi-designed devices into the country. The knowledge gap needs to be bridged, so that we can have a functional, efficient and vibrant power sector. If the knowledge base is extended widely enough, the person who designed energy meters can design other devices such as computers, and cable TV decoders.

Another problem with the sector is the different types of energy meters in the country, and that is seriously affecting manufacturing. The only way by which development can be achieved in the sector is for the Federal Government to enforce the adoption of a single specification of electricity meter in the country. If that is done, it will help with backward integration in a way that the different players in the sector will be able to choose the convenient areas of specialisation on any of the components. In the long run, some of the components that are produced in the sector will also be useful in other sectors of the economy, and that will ultimately lead to the creation of more jobs.

Lastly, there is a need for the government to liberalise meter supply by removing the statutory control of the government on meter supply and prices, with a view to opening up the sector for easier accessibility. It will also enable the forces of demand and supply to determine the prices of meters. This will help manufacturers to have freedom to sell their products at competitive prices. It will also create a lot of jobs for Nigerians through dealerships and retailing of electricity meters; as well as guarantee cost recovery in the sector, as more Nigerians will have energy meters, and the distribution companies will have more revenue to sustain the entire value chain in the power sector.

How can the challenge of incessantly faulty meters and delay in the distribution of meters be surmounted?

Generally, when one is developing, there has to be funding support for those who are doing research and manufacturing. That way, they will be able to provide continuous enhancement of knowledge to ensure that faulty meters are repaired adequately. Some other developed countries have made Africa a dumping ground for their substandard products, and when these products are defective, it is usually impossible to return them to the suppliers. It is quite normal for us to pass through this phase, but the government must be consistent in ensuring that they give adequate support, so that whatever needs to be repaired will be fixed.

The Nigerian Electricity Regulatory Commission said in March 2022 that it would take one to two years to close the about 8.1 million metering gap in the electricity sector. How would you assess them, judging by their promises?

The 8.1 million metering gap cannot be done with small financing. The financing must be adequate and consistent enough, but those funds are not readily available. We have not been able to close the metering gap, but the commission seems committed to it and is trying to raise more funds to continue the deployment of meters in the country. The initial intention serves the purpose it is meant for, but the funding is not adequate as there is still a huge gap, bearing in mind that as the population increases, there will be an increase in the metering gap.

That is why I am advocating for a license structure that will protect manufacturers. I suggest that the government should select two or four manufacturers who have the resources, knowledge and infrastructure to provide metering on a constant basis and give them licenses, so that consumers on their own volition will buy and take it to the distribution companies. If meter manufacturers are licensed and are always available, there will be competition which will bring about the production of even better meters.

What are the challenges in the power sector affecting effective metering in the country?

The major one is funding and lack of capacity on the part of the people driving the sector.

Some critics believe that most discos prefer estimated billing, particularly in rural areas, which is why prepaid meters have not gone round. What do you have to say to this?

In rural areas, there are insufficient communication facilities for them to be able to have vending infrastructure. Most vending systems are remote, so they need very strong network to be able to recharge their meters, since we are advocating for smart meters. To have strong network, there will be a need for telecommunications companies to expand their base stations in remote areas; and, there must be enough population to justify that investment.

Also, insecurity is another factor affecting the deployment of energy meters to some rural areas, hence there is need for a better security architecture. However, there are synergies we can build. That is why I still appreciate some of the efforts made during the tenure of Babatunde Fashola as the Lagos State Governor, when he used to hold meetings with stakeholders to discuss the way forward on a monthly basis.

In what ways has your metering school been able to solve the deficit in meter installations?

What necessitated the metering school was the porosity in the quality of meter installations. If one installs an energy meter wrongly in a consumer's premises, it is as good as there being no meter in the premises. In that case, the consumers and the distribution companies will not value the installed meters which is tantamount to money being wasted. The idea of the metering school is to first reduce the inefficiency in meter installation techniques, so that we can train enough Nigerians to be able to meet the standard of installation.

Secondly, we have a tremendous number of unemployed youths that can be trained and engaged immediately. They will be kitted, given the right certification, and monitored. In line with the doctrine of the school, we also give moral education against energy theft, because it is when there is sufficient revenue from the power sector that one can sustain the delivery of power to consumers.

What are your views on the local content policy, and its impact on indigenous firms in Nigeria?

As far as I am concerned, the local content policy is still on paper. The deployment, enforcement and engagement of it in the real sense of it are still not there.

Aside from the manufacturing of meters, you also produce safety and security products. What informed your decision to venture into that line of business?

We wanted to enhance our capability, and optimise the knowledge, equipment, and infrastructure we had.

What can the government do to reduce the rising spate of insecurity in the country?

The government must have the willingness and boldness to tackle the issue. One cannot have one's cake and eat it. One cannot keep pampering miscreants. If people are not held accountable for their misdeeds, these things won't stop. We are pampering inadequacies. We need to be firm in addressing certain issues, to save the country from becoming extinct.

If a person commits a crime and they are not punished, but are rehabilitated back into society, it will be difficult for people to stop committing crimes. The government is not bold enough. If one wants to effect change, one must be bold enough to do that.

The government has often accused western countries of not selling ammunition to them in the fight against insecurity. What advice do you have for the government as regards overcoming that challenge?

The way out of that is to develop local capabilities. No serious nation will allow their weapons to go into another country without monitoring them. It is left for one to develop one's capability if one has an issue with one's internal security. One must invest in local weapons and develop one's defense structure. If we compare our defense structures with that of others that were set up at the same time, we would see that other countries have gone far ahead of us in terms of development. We have to produce what we will use to protect ourselves.

What are some of the challenges your company faces in trying to manufacture safety and security products?

The major challenge is that we do not have access to procure foreign exchange through the regulated market for some of our raw materials which we get from outside the country. Foreign exchange scarcity is at an alarming rate, and manufacturers are not given any priority, though we are key to the development of any economy. If we are given priority, we can begin to locally manufacture those things we import. There must be a department, other than trade, to midwife the development of both raw materials and equipment.

Most nations of the world place importance on science, technology, engineering and mathematics in school curricula. Is Nigeria doing enough in that regard?

That is part of the dilemma in our education system. We need to review the entire curriculum.

What is your take on using local languages to teach in schools?

That is what is happening in many other parts of the world. But, we cannot start that immediately because time is against us. To start drafting the curricula in our local languages will take time. We should continue using English to teach, but we should also find a way to embrace local languages.

What's your advice to youths who want to travel out of the country in search of greener pastures?

In my opinion, they are mortgaging their future because no matter how long one stays abroad, one will always be a secondary citizen and cannot be treated as a child of the soil. Mentally, one would know that one does not belong there.

We (Nigerians) all have to come together, look inward and believe in our country. The 'japa' syndrome should be for one to travel overseas; learn and come back home to put the experience and knowledge to use in developing one's country. However, the government also needs to live up to its responsibilities to create an enabling environment for people to live comfortably. I wonder why it is so difficult for the government to address the issue? We need to put our house in order, and allow true federalism to work.

Unemployment is another problem. How can the government create more jobs?

First, there must be population control. I am a Muslim, but we are not being fair to the religion. The rate at which our population is growing is alarming because we don't plan for it. Whatever we can do to control the population at any point should be done, while we contain those already available. There are jobs that can be created, but we cannot continue growing at this rate. If there must be policies that will discourage population growth, we should enforce it.

Our population is growing no doubt, but not up to that of China, and that country is doing reasonably well. Is there anything they are doing that we are not getting right?

They are planning. There was a time that the Chinese government had a birth control

policy of one child per family.

What are the key qualities that have brought you this far?

They include doggedness, passion, and belief in myself. Also, when I see a problem; I confront it, rather than running away from it.

As a child, did you envisage that you will get to this level?

No; I was born into a state of hopelessness. My father was an Islamic cleric who did not have money, and he did not believe in western education. So, he did not enroll me in school, as his desire was for me to become a mechanic. There was a day I read the Quran for him from a computer, and he was surprised. He asked me where I learnt it, and I told him it was knowledge through education. That way, I was able to make him see the importance of education before he passed on.

What are your educational qualifications?

I attended Mushin Modern School in Lagos. I also went to Olalomi Comprehensive School, in Offa, Kwara State. I later got admission into the University of Ilorin but I did not have money to pay the fees, and I wanted to work too. So, I decided to attend the Kwara College of Technology where I studied Electrical Electronics; and I was able to work too because I had to sponsor myself through school. I later attended the University of Florida, United States of America, for more courses on meter design and regulatory framework on electricity.

How do you unwind?

I hardly unwind because when I look around me and see a lot of inadequacies; I don't feel excited. There are a lot of people depending on me. In the quest to keep progressing, there are risks that require wisdom to manage. There is no way one will be surmount every challenge and still unwind.

Other than the fact that as a human being, one needs to slow down and rest for the sake of one's health, I hardly unwind.

Who are your role models?

The late Nelson Mandela, Wole Soyinka and Barack Obama are some of the people I look up to.

Are there still feats you wish to achieve that you haven't?

I don't want my name to die. I want the school I'm building to endure. The school is not a physical school, but an ideological one of doing things right. It is about being fair and kind to all; and creating hope out of hopelessness.

NIGERIA'S PUBLIC DEBT RISES BY 17% LAST YEAR, HITS N46.25 TRILLION

Federal and state government debt stock climbed by 17 per cent or N6.69 trillion last year to reach N46.25 trillion, setting a new all-time high.

The new figure is N2.19 trillion (or five per cent) higher than what was on record as at the end of September 2022 when the debt profile was N44.06 trillion.

The amount discounts the net debt accumulation of most of the states, whose records were last updated on June 30, September 30, 2022, or as far back as 2021.

According to an update by the Debt Management Office (DMO), records of Rivers State Government's domestic borrowings had not been updated since September 30, 2021 while 16 others were last updated at the close of the first half of last year.

Also, information on domestic debts incurred by 31 states, the debt office said, in the last quarter of 2022, had not been captured.

The incomplete disclosure from states suggests that the actual amount could be higher than what is declared publicly.

DMO also revealed that the external debt component, which was estimated at N18.7 trillion or 40.4 per cent of the composite figure, was converted at N432.37/$, which is close to N30 markdown of the current N460 a dollar trades at the Investors' and Exporters' (I&E) window.

Also, the figure does not capture the Central Bank of Nigeria's (CBN) accumulated budget support to the Federal Government through the ways and means (W&Ms) window that was last estimated at N22.7 trillion.

If the government draws the recent fresh request of N1 trillion that was approved by the lawmakers shortly before they proceeded on an election recess, the controversial CBN overdraft would be close to N24 trillion.

The executive had written to both chambers of the National Assembly to approve its plan to restructure the debt into a 40-year bond, a request that has been consistently turned down.

With the monetary policy rate (MPR) now 18 per cent, the government could spend as much as 4.8 trillion servicing the debt held by the state's banker (CBN).

President Muhammadu Buhari had disclosed that FG agreed to pay MPR plus 300 basis points as interest on the amount and that the government would spend an additional N1.8 trillion as the cost of servicing it, this year, except the restructuring plan scaled the legislative hurdle.

As at the end of last year, the country's debt to gross domestic (GDP) ratio was 23.2 per cent as against the government's self-imposed 40 per cent threshold and World Bank's recommended 55 per cent.

But with the country's inability to convert its huge potential to public revenue, there are concerns about the rising debt service-to-revenue ratio, which exceeded 80 per cent for the first time last year.

Last quarter, the government incurred a total of N4.97 trillion as the cost of servicing both external and domestic debt, data obtained from the DMO showed.

The document also confirmed the government is currently struggling to meet its debt obligations. For instance, the DMO said bonds and Nigerian treasury bills (NTBs) that matured last quarter were refinanced as supposed to liquidating it.

EXAMINING OPTIONS FOR WEANING NIGERIA FROM DEBT RISK

The violation of section 38 of the Central Bank of Nigeria (CBN) Act, which restricts the amount the bank can lend to the Federal Government to five per cent cap of real revenues of the previous accounting year may trigger exchange rate-induced inflation. If this happens, Nigeria may experience the Lebanon Liquidity Crisis of 2020, which then led to the sporadic devaluation and depreciation of the Lebanese Pounds, triggering exchange rate-induced inflation while worsening the purchasing power crisis, experts have warned.

The Executive Officer of Dairy Hills Limited, Kelvin Emmanuel, warned that the Senate must amend the CBN Act as a precondition for securitisation of the advances, which will now attract 21 per cent interest rate (that is MPR plus 300 basis points) or the country would face a more serious crisis.

His argument: "It requires a constitutional amendment of the CBN ACT. As Quid Pro Quo for the Senate ignoring the constitutional illegality asking the CBN that's being owed to act as guarantor or underwrite the debt for which it's being owed, the CBN for all future advances above the five per cent cap, it must get a vote of 2/3 majority of the Senate for such waiver to be granted.

"It requires that the Central Bank and fiscal authority provide an audited statement of accounts on how 74 per cent of development finance loans were spent. Considering that the Anchor Borrowers' Programme took N1.4 trillion or 5.7 per cent of the total pool, there is a loan impairment of 75.6 per cent. Anti-corruption agencies should pursue recoveries."

Indeed, experts have insisted that the next administration must amend the 2023 Appropriation Act to raise the revenue targets of the MDAs and reduce the deficit financing to avoid the trap of raising $20 billion in non-recurrent debt in an environment of junk credit rating.

Interestingly, the Chinese Government through the China EXIM Bank recently rejected the rolling debt request of $22.8 billion from the Federal Government. There is also the question of reducing the debt-to-GDP ratio to 18-20 per cent band to avoid negative consequences of expanding an already-fractured fiscal position.

The next administration is expected to consider avoiding a medium-term expenditure framework in its fiscal strategy that relies primarily on debt as a means of funding budget deficits.

Experts have equally blamed Nigeria's over-dependence on oil revenue and fiscal irresponsibility on the part of the government as major reasons for the rising public debt.

Nigeria over the years depended heavily on oil revenue to run the economy resulting in the neglect of other sectors such as agriculture and manufacturing.

But with dwindling oil revenues, Nigeria has struggled with budget deficits in the last eight years resulting in heavy borrowings which have now put the country's public debt at N46.25 trillion as at December 31, 2022.

Minister of Finance, Budget and National Planning, Zainab Ahmed, while seeking approval from the National Assembly for a loan to finance a ₦4.97 trillion deficit in the 2020 budget acknowledged that Nigeria had a revenue problem.

The government has consistently maintained that Nigeria does not have a debt problem, noting that the debt-to-GDP ratio of 23.2 per cent as at December 31, 2022, is within the 40 per cent limit self-imposed by Nigeria and the 55 per cent limit recommended by the World Bank/ International Monetary Fund (IMF) as well as the 70 per cent ceiling recommended by the Economic Community of West African States (ECOWAS).

Some experts have argued that the minister's statement was a denial of the huge debt problem the government is grappling with and that it was only meant to play down the unhealthy loan habits and wasteful spending of the government while others identify with the minister's position.

While the government consistently speaks of reforms to halt the country's over-dependence on oil revenue, the budgets show the government has its eyes fixated still on oil revenue for survival. The federal government indicated in its budgets from 2010 to 2014 that it expects over 60 per cent of the revenue that will fund its spending to come from oil sales. While it budgeted lower in 2015 and 2016, it has since resumed an increasing reliance on oil to fund its budgets, from 51 per cent in 2017 to 66 per cent in 2019.

Nigeria's budget records over the year show that the federal government has been running all its budgets on deficits. However, in recent times, due to decreasing revenue from NNPC's inefficient management of oil proceeds, and shortfalls from other non-oil revenue sources, the government has been experiencing a deficit more than they planned in the budget, and the government was borrowing much more than they planned.

Fiscal Policy Partner and Africa Tax Leader at PwC Nigeria, Taiwo Oyedele, said Nigeria's rising debt is due to several factors including but not limited to low revenue generation.

ENAIRA ADVOCACY: TOUCHING BASE WITH THE GRASSROOTS

When the eNaira was launched in October 2021, President Muhammadu Buhari and Central Bank of Nigeria (CBN) Governor, Godwin Emefiele did not mince words in informing Nigerians that the digital currency would, among other goals, advance the cause of financial inclusion for the downtrodden.

The launch took place a few years after the World Poverty Clock turned and Nigeria overtook India as the Poverty capital. So, any idea that would reduce poverty, address rural penury and drive even the poor into the financial ecosystem was welcome.

Emefiele noted that the eNaira was coming as a digital replacement for the physical naira. He described the eNaira as a legal tender, a proper store of value and a medium of exchange that is useful in transactions, better than the physical naira and online transfer.

Already, the federal government has expanded its social intervention schemes and now distributes cash to payees through eNaira. The Ministry of Humanitarian Affairs, Disaster Management and Social Development is working with the CBN to onboard millions of its beneficiaries for the purpose.

To consolidate the efforts of the CBN and other Ministries, Departments and Agencies, MDAs, Gogetit Investment Ltd, a firm engaged by the apex bank has been going round the country, holding workshops, seminars and training, in a bid to onboard people and recruit agents.

With emphasis on the grassroots, the company recently organised a sensitisation programme for residents of Bwari in the Federal Capital Territory, Abuja, including market women, youth groups, artisans, members of tribal and religious associations who gathered at the palace of the Etsu of Bwari.

The MD/CEO, Mr Kenneth Hembe explained that the team's presence was to reel out the benefits of enrolling on the eNaira platform which he said were not just about saving money like conventional accounts in commercial banks.

Noting that eNaira eradicates the chances of losing money to petty stealing, armed robbery and kidnapping as it has an e-wallet no one can steal or tamper with, he said the platform is not limited to those with smartphones and bank accounts as there is a USSD code.

To ensure financial inclusion for all, the eNaira is available to persons without bank accounts and BVN. Furthermore, the limitations in conventional banking, such as the stressful process of opening accounts, are non-existent, just as any child below 18 can have a wallet as long as he or she has a phone.

"If you want to open an account in a commercial bank now, they will say bring your passport, utility bills and all that; it will take days. But with eNaira, it is a seamless process that will be done immediately without conditions.

"Whatever you want to buy or sell in the market, you pay with or receive money with the eNaira wallet on your phone," he said, adding that there are no network problems and no charges associated with physical banks.

POS OPERATORS STILL CHARGING ARBITRARILY

Some Point of Sale (PoS) operators are still charging above the usual service charge despite the Central Bank of Nigeria (CBN's) directive.

Our correspondent who monitored some PoS merchants in the Federal Capital Territory (FCT) satellite towns, reports that they charged between N200 and N300 for N5,000 withdrawals.

Mr Romanus Chukwu, a customer seen at one of the points in Nyanya, said the charge was still much when compared to what it was before the cash crunch.

Chukwu appealed to the operators to return to the usual charge of N100 for every N5,000 and N10,000 withdrawn.

Another customer, Mrs Agnes Ike, appealed to the CBN to look into the situation to curtail extortion by operators.

Meanwhile, a PoS operator in Nyanya, who pleaded anonymity, said the high cost was still as a result of insufficient fund given to them in the banks.

"Some banks will give you only N20,000 while some will give N40,000.

"Sometimes, I go to three banks to be able to get the money that I will use for my business, so, I include all my expenses in the charges," she said.

CBN had said it would withdraw the licences of PoS agents found culpable of inflating charges on customers who withdraw money from them.

'No country practises 100% cashless policy'

There is no country that practises total use of digital payment in settling its transactions, without a measure of cash deployment, the Managing Director, SystemSpecs Technology Services Limited, Demola Igbalajobi, has said.

Speaking at the maiden SystemSpecs Tech Innovation Series webinar in Lagos, Igbalajobi and other stakeholders at the event made case for seamless e-payment system and how banks, telcos and switches could contribute to make it a reality.

Other panelists who spoke on the theme: 'Cashless Policy: Sustaining Digital Payments Beyond the Currency Redesign' include Managing Director, Remita, 'Deremi Atanda and Founder/CEO Bankly, Tomilola Majekodinmu.

The stakeholders said aside switches, telcos and banks also have roles to play in seamless payment system, and believed that poor connectivity is a major challenge, which stakeholders needed to tackle.

Speaking on e-Naira, Igbalajobi said the payment platform needs to be made more accessible to the people for it to achieve its objectives.

He said: "People need to understand how to use the e-Naira. The channel for accessing e-Naira should be easy and seamless. There is need to let the people know the value they can benefit. We are looking to solve new problems and such solution should work for people in their daily lives."

Majekodinmu called for extension of e-payment to the grassroots because the cost of printing cash is extremely high.

She explained that access to financial services is not just about opening bank accounts, it is about services that move the people from just opening an account to adoption of financial services.

Atanda said currency redesign policy of the Central Bank of Nigeria (CBN) would accelerate digital payment journey for the country and help stimulate cash-less adoption.

The CBN's Naira Redesign policy was initiated to ensure that monetary policy decisions produce the right results of reducing inflation rate and achieving exchange rate stability.

It is expected that ensuing deflationary pressure could elicit interest rate cuts that would in the short- to medium-term boost economic activities, spur aggregate demand, and enhance output growth.

The policy is also meant to support the efforts of security agencies in combating banditry and ransom-taking and curbing the counterfeiting N200, N500 and N1,000.

The policy saw the redesigning of the N200, N500 and N1,000 notes and setting a December 31, 2023 final deadline for people to deposit old notes in their accounts.

However, several hurdles are making the policy difficult for the CBN's implementation. The biggest challenge has been the difficulty in getting the new notes.

CBN Governor, Godwin Emefiele recently blamed some bankers for sabotaging the apex bank's efforts.

Atanda called for quality infrastructure to support the growth of digital payments in Nigeria.

He stressed the importance of adequate infrastructure development to enable a sustainable digital payment system.

At the webinar, Atanda emphasised the importance of the cashless policy in promoting financial inclusion, reducing the cost of currency management, and enhancing the efficiency of the payment system. However, he also warned that the policy cannot succeed without a significant upgrade of Nigeria's infrastructure.

The SystemSpecs Technology Innovation Webinar Series serves as an ingenious platform to proffer innovative solutions to a range of economic, financial, and other national challenges.

"Provide infrastructure to the last mile, ensure there is awareness, and that is where we talk about the four A paradigm. The first one is Awareness, people must know what there is; the second is Adoption; the third is Acceptance and the fourth is Acculturation making it a way of life where you keep reinventing the first three 'As'," he added.

Acknowledging the challenges hindering the widespread adoption of digital payments including poor network connectivity, low levels of literacy, and inadequate infrastructure, 'Deremi accentuated the need for a collaborative effort among fintech companies, the government, and traditional financial institutions to effectively tackle these daunting challenges.

"Fintech companies have a vital role to play in promoting financial inclusion and driving digital payments. We need to collaborate with other stakeholders, including the government and traditional financial institutions, to achieve our objectives." he stated.

Atanda is responsible for driving the company's growth and expansion strategy, building strategic partnerships, and overseeing the development of innovative digital payment solutions. Under his leadership, Remita has become a major player in Nigeria's fintech industry.

NIGERIA'S CURRENCY REDESIGN 2023: A CASE STUDY APPROACH

We travel out to many prestigious universities around the world and are bombarded by copious amounts of case studies pertaining to their companies, governments and projects, which offer great insights for learning, and to which we add our intellect to making those cases and indeed the entire systems within which they operate, get better.

I argue that we should write more case studies about ourselves – even of our small companies and entities. Here, we have several constraints. Perhaps the academia wants to mind its business and not 'pokenose' into other people's businesses.

Perhaps, we believe that case studies should be written about massive conglomerates only. And as it pertains to government, the private sector and academia, in trying to protect their bread and butter, completely steer clear.

Even those organisations of which case studies should be written are not willing to divulge information and egos get in the way; if you write about them and there's any negativity, those who run the system may take offence.

Also, the few analyses and case studies that we have had have been parked in one corner, gathering dust, forgotten to history. However, I daresay that until we institute a constant culture of learning, our problems will not only abide but metastasize.

I have therefore chosen today to write a sort of case study about the ongoing Naira redesign, with a view to expatiating on the many learning points.

On the 26th of October 2022, the Governor of the Central Bank of Nigeria announced that the bank will be pulling out the old design of the N200, N500 and N1000 notes starting from the 15th of December of the same year.

This process, he said, will culminate on the 31st of January, 2023, when the old currency will no longer be legal tender. He said: "Evidently, currency in circulation has more than doubled since 2015; rising from N1.46 trillion in December 2015 to N3.23 trillion in September 2022. This is a worrisome trend that cannot be allowed to continue… In recent years, the CBN has recorded significantly higher rates of counterfeiting especially at the higher denominations of N500 and N1,000 banknotes… Although global best practice is for central banks to redesign, produce and circulate new local legal tender every five to eight years, the naira has not been redesigned in the last 20 years. On the basis of these trends, problems, and facts, and in line with provisions of sections 2 (b), section 18 (a), and sections 19, subsections (a) and (b) of the CBN Act 2007, the management of the CBN sought and obtained the approval of President Muhammadu Buhari to redesign, produce, and circulate new series of banknotes at N200, N500, and N1,000 levels. In line with this approval, we have finalized arrangements for the new currency to begin circulation from December 15, 2022. The new and existing currencies shall remain legal tender and circulate together."

The Governor went ahead to list the worsening shortage of clean and fit banknotes, the increasing ease and risk of counterfeiting evidenced by several security reports and recent developments in photographic technology and advancements in printing devices have made counterfeiting relatively easier, as part of the reasons for the move. On the sidelines were other reasons – a need for the Central Bank to have a better handle on money in circulation, reduce inflation by reducing money hanging around everywhere where the banking sector cannot account for them, reduce speculation against the Naira, and also target criminals whose stock in trade is raw cash by promoting a less cash-heavy economy.

People waited with bated breath for 15 December, 2022, and what that date arrived, the rate of replacement of the old currency has been slow. The Central Bank had to send some of its senior staff to remote areas to gauge the level of awareness and compliance. The experience in the field as I have been told, was that many people were not aware in the rural areas, and many banks had closed shop in those places due to crime and for business reasons. As the initial deadline loomed, it was clear that there was crisis on ground. Many would have lost their livelihoods, and there would have been mass protest if this happened. The rate of production of the new currency seemed a lot slower than the rate of demand, and so some Nigerians started taking advantage, exchanging old notes for new one for huge premium. In all the scarcity, some Nigerians still got their hands on the money for the weekend-ly 'spraying' at our ubiquitous owambes. This further fueled anger among the people. Whodunnit? Was it the bankers who hoarded the new currency for their personal benefits? The CBN further directed that banks only pay the new currency through automated teller machines (ATMs). I understand that each of these ATMs could take up to N8 million. But most of them are descended on so fast and empty out in an hour or less. The CBN, in collaboration with other security agencies have also found out several sharp practices being perpetrated by sundry bankers. In fact, the CBN alleges that the initial new currencies rolled out simply disappeared as they suspect politicians cornered them through the banks.

On the 30th of January, a day before the initial deadline, the Governor of the Central Bank of Nigeria announced that on the order of the President, the deadline will be shifted be exactly ten days. But the situation became even tighter and messier afterwards. Somehow cash got tighter to come by and there have been riots on the streets, with many banks destroyed, especially in the Ibadan area.

The CBN instructed banks to go back to

paying the new currency across the counter on Thursday February 2, 2023. Governors of APC states also met the president to complain about how the policy is going and the president promised to have a rethink only after the expiration of the new ten days moratorium. I believe the cash scarcity will ease out in a few days. But that is if the already scarcity-crazed people will allow the banking sector to get its act together.

The issue here is; 'what really happened?' what did someone miss out? We must have a mindset to learn from our mistakes. For me, it is not about noise and finding who to lynch. Inside the lessons of the moment lie the wealth that we need to preserve for public policy and for our children unborn.

Case Is Different From India: Nigeria's case is different from India's oft-quoted scenario. India CANCELED some denominations outrightly and gave a very short period for compliance, leading to the melee. Nigeria did not cancel any denomination and gave 90 days for compliance. However, problems started when it looked like new cash released were not passed on to regular customers and an acute scarcity occurred. Also, there seemed to be an underestimation of the cash need of customers in general, as well as the predilection of Nigerians to criminal manipulation and exploitation of any undue advantage. Somehow, the CBN missed the fact that we now have fewer bank branches in rural areas in 2023 than we did in 1984!

Polymer Vs. Colour Change: Whereas many countries around the world are transiting to polymers for their cash, Nigeria did not get that luxury this time. Perhaps this is because we don't have local capacity (though that may be acquired). Polymer notes are more difficult to handle in bulk and that provides its own disincentive. It is also more difficult to forge/counterfeit. As currency management is meant to be a regular affair, future central bank leaders should consider polymer for the next upgrade.

Unanticipated/Mismanaged: Some psychologies were mismanaged or unanticipated until they caused crises. First is the issue of 'spraying'. Even as Nigerians struggled to get some cash for daily need, connected partygoers got their hands on large amounts of new notes which they went and displayed and danced upon. Luckily a couple of people have been arrested. There is also a certain curiosity about obtaining the new cash given that a change such as this had not occurred since basically 1984 (39 years ago under the same leader). Some Nigerians hoped the policy will be reversed and so did not move until the last moment. And most people who obtained some, were slow in spending. The new currency was treated as prized possession rather than means of exchange. By the time a scarcity developed, panic set in. Also, the greed of bank operatives who hoarded the cash was underestimated until the CBN and anti-corruption agencies started making the rounds. Politicians who were targeted with the policy also outsmarted the system by reaching mutually-lucrative deals with bank managers.

Low Production Capability: It seemed obvious that the local capacity to produce new currency was low for an economy like Nigeria. Or rather, it could be that the CBN underestimated M1. It is acceptable, however, that in policymaking, new lessons are quickly learnt and adjustments made. Policy success will depend on the speed and accuracy of the learning and response.

Politics: The political twist added complication to the policy. The President, in trying to leave a legacy of free and fair elections, stated that he hoped to deprive politicians of cash for the upcoming election. This amounts to using the CBN as a political tool and further complicates the fate of the CBN Governor who had himself tried to contest for a presidential ticket in the ruling party. A lot of flak was directed in the way of Emefiele. However, Politicians got the better of the system all the same. They struck deals and cleared the first few disbursements, allegedly without passing their stashes through any accounts in the banks.

Demographic and Sociological Changes Since 1984: From the immediate outcomes of the policy, we could see how Nigeria had changed demographically and sociologically since the last time such an exercise was performed. From Point of Sale (PoS) operators taking advantage of fellow Nigerians, to the blowing out of proportion of issues which then resulted in panics and riots, to the fact that Nigerians are now much less patriotic and more impatient, these are changes to note. Also, Nigerians have become more fearless and more disdainful of authority hence more difficult to control.

Our Banking Superstructure and Modernity: A keen observer will conclude that Nigeria has fewer banks in the rural areas today than we had in 1984, 39 years ago, and that is a tragedy. The currency redesign exercise again exposed this, and this is good information for the Central Bank of Nigeria. Banks were consolidated in 2005/6, because we wanted them to do bugger transactions and be stronger. But we ended up creating too-big-to-fail banks which had to be rescued with taxpayers' monies after overtrading in 2011. Subsequently, there seems some calm on that front, but these big banks had rolled back their branches in rural areas due largely to insecurity. Many branches deemed unprofitable had also been closed. The currency swap exercise also revealed that the alternatives to normal banking have not yet taken root as they could not back up quickly. Many local governments in Nigeria have no bank presence at all. This is cause for concern for the federal government. There has to be some alternatives going forward. Our microfinance or community bank models may be revisited as most collapsed due to bad business models and greed.

Widening Income Divide and the Wages of Illiteracy/Poverty: One other lesson from the currency swap exercise is the fact that the income divide seems to have widened into a gorge. People queued (or rather mobbed) up en masse at ATMs across the country – where they are available, to withdraw very negligible amounts. The poverty problem was further laid open as those who were more comfortable have no cash to tip those who had little. Even when they had, they were naturally slower in spending. The exercise laid bare the fact that little had been done on the issues of illiteracy and poverty as well. Many of those who destroyed bank branches probably had no money in their accounts – that is if they had accounts.

MAN JUBILATES AS FG RELAXES TAX

By Charles Okonji

The Manufacturers Association of Nigeria (MAN) has breathed a sigh of relief as the Federal Government suspends implementation of N10 per litre on all non-alcoholic, carbonated and sweetened beverages alongside others.

According to Mr Segun Ajayi-Kadir, the Director General of MAN, it was a major setback to the manufacturering sector in 2022.

He noted that the charge was part of a new policy introduced in the Finance Act, which was signed into law by President Muhammadu Buhari on December 31, 2021, alongside the 2022 Appropriation Bill.

He said, "According to the Minister of Finance, Budget and National Planning, Hajiya Zainab Ahmed, the new sugar tax was introduced to raise excise duties and revenues for health-related and other critical expenditures in line with the 2022 budget priorities.

Although the projected revenue was projected at N81bn from 2021-2025, the potential loss to government in other forms of taxes and revenue cut leaves much to be desired."

The DG pointed out that MAN through series of advocacy channels warned that a new tax imposed on carbonated drinks and others would be counter-productive, stressing that government should devise other means of generating revenue rather than inadvertently stifling the productive

Mr Segun Ajayi-Kadir

sector which is already struggling.

"Still grappling with a recent increase in line with a three-year roadmap, the proposed increase in Excise on Beer, Wines and Spirits, Tobacco and Non-Alcoholic Beverages in 2023 became another nightmare to a sector gasping for survival amidst evident setbacks occasioned by Naira scarcity, forex crunch, infrastructure deficit but to mention a few.

"The Association is gladdened by the assurances of the Honourable Minister, Hajiya Zainab Ahmed that the 2023 Fiscal Policy Guidelines and the reconsideration of the Finance Act 2023 have been concluded and would be released immediately.

"In specific terms, she assured that the guidelines would not include the proposed increase in Excise duty on Beer, Wines and Spirits, Tobacco and Non-Alcoholic Beverage in 2023, but rather allow the Excise regime to run its full course from 2022 to 2024 as programmed in the Road Map by the Federal Government in 2022.

"This comes as a huge relief to our members across the Federation and will signpost the administration's support for the sustenance of manufacturing in Nigeria on this score.

"Furthermore, MAN received the understanding of Government on the introduction of 0.5% Import surcharge, which is meant to fulfill Nigeria's obligations to the continental agreement in the implementation of Africa Continental Free Trade Area (AfCFTA) agreement, as well as the promised intervention on resolving the logjams in the interpretation of the Tin Plate, HS Code 7210. 12.00.00 with the Nigeria Customs Service.

"From the foregoing, the Association views the Federal Government's move as one that will encourage our members who are currently struggling with unprecedented low sales, forex squeeze, inadequate electricity supply and multiple taxes and levies from the three tiers of government. This move will reassure members of the administration's respect for stakeholder's engagement and the usefulness of public-private sector dialogue."

AFCFTA: SON COMMENCES REGULATION OF MSC

By Charles Okonji

In its concerted efforts in repositioning Nigeria in the biggest Continental Market, which is the African Continental Free Trade Agreement (AfCFTA), the Standards Organisation of Nigeria (SON) has commenced regulation of Management System Certification (MSC) services in the country.

Speaking to the media at a one day stakeholders' engagement for the National Register for Conformity Assessment Practitioners (NRCAP) in Lagos, the Director General, SON, Mallam Farouk Salim, noted that bringing sanity into management system practice would go a long way in eradicating quackery in management system practice, adding that it will also give Nigeria the competitive and comparative advantage to compete in the trade pact.

Enumerating the gains of MSC to trade, the DG stated that MSC helps to improve productivity and efficiency, reduce cost for businesses, increase market share and gain access to new markets.

He stressed that the move was to put an end to uncertified and incompetent certification bodies who shortchange the unsuspecting Nigerian consumers.

According to him, "Stakeholders' engagement forum is important to reiterate that conformity assessment practice is very central to the sustenance of commercial success and continuity in all sectors. The role of management systems practitioners is vital to ensuring that practices carried out by the industries are in alignment with international best practice in terms of the expectations of existing conformity assessment standards.

"In view of the importance of the authenticity and traceability of products and services, adjudged to have met the requirements of relevant Nigerian Industrial Standards and other approved specifications, SON seeks to pursue the implementation of, Part II, Section 4(d) and Part III, Section 5 of the SON Act No.14 of 2015, via the operation of the NRCAP scheme, in order to establish a directory of verified and registered Conformity Assessment Practitioners in Nigeria for all laboratories, Management system Consultants, Training Service Providers, Certification bodies, inspection bodies, inspectors, auditors and assessors."

The DG pointed out that lack of regulations of the activities of practitioners over the years has negatively impacted the industry and the country significantly.

He noted that poor protection of genuine practitioners from the negative impacts of unhealthy competition by quacks, poor visibility and recognition of genuine and competent practitioners capable of attracting patronage and partnerships for enhanced trade relationship and poor value for money for unsuspecting customers patronising quacks who deliver poor services was a major problem.

Salim stressed that the unavailability of an official register of competent practitioners to aid national planning and coordination of economic activities that border on standardisation and quality assurance is also a challenge hindering professional management system practice in the nation.

"This engagement is guided by the strategic collaboration/partnership that SON shares with your various organizations over time especially with the SON Management Systems Certification and Training Services departments with which you interface through your customers, of which you are expected to bring to bear, your wealth of experience to this national call," he said.

He stated that the registration processes including approved guidelines, expectations of benchmarking Conformity Assessment standards and interests while developing the documents were taken into considerations to ensure that the impartiality of the process is assured.

He maintained that the impartiality committee members to drive the process were drawn from critical sectors of the economy like the Manufacturers Association of Nigeria (MAN), Federal Competition & Consumer Protection Commission (FCCPC), NACCIMA amongst others and adequately trained for the onerous task.

"All these were carried out to safeguard the integrity of the process of registration," he assured.

The SON DG explained that the registration process will no doubt strengthen the mutual responsibility that SON and critical stakeholders share as partners in the task of nation building and position businesses for better visibility and recognition.

In his remarks, the first president of the Society for Management System Practitioners of Nigeria, Engr. Bode Oke, said the group would join hands with SON to prune quacks in the system in its bid to ensure that consumers get value for money spent.

"We are here to share our knowledge and to join SON in the registration of all management system practitioners. We are going to partner with SON to ensure that the exercise is successful, because we have a lot of companies practicing management systems that are not trained and competent," he warned.

"We are working together with SON to ensure that we remove all those incompetent people from the system so that whenever a client approaches practitioners for registration, the client will know that he will not be shortchanged and get value for the money spent," he stated.

He said the roles of system practitioners are vital in business growth and development, maintaining that system practitioners are responsible for taking companies through quality management systems certification, environmental management system certification, occupational health and safety certification and food management system certification.

GOVT CALLS FOR SUSTAINABLE COLD CHAIN INFRASTRUCTURE THROUGH PPP

By Charles Okonji

As part of efforts geared towards proffering solutions to annual colossal food rot, the Federal Government has called for Public Private Partnership, to drive to cold chain an surmount challenges in Nigeria and African trade.

In his remarks, the Minister of Industry Trade and Investment, Otunba Niyi Adebayo, stated this in Lagos recently at the 5th West African Cold Chain Summit and Exhibition (WACCSE 2023).

The event was organized by the Organization for Technology Advancement of Cold Chain in West Africa (OTACCWA) and partners, on the side lines of Nigeria's 8th International Trade Exhibition on Agrofood, Plastics, Printing and Packaging.

Commeding the organisers of the exhibition, Adebayo said any improvement in the agricultural commodity value chains, including addressing the reduction of post-harvest loss (PHL) of perishables, is fundamental and would have a positive impact on Nigeria and the larger African economy.

The minister pointed out that with the global economic disparities, high market requirements in terms of quality standards, increasing competition, constantly changing customer demand, it is paramount for Nigeria to have a robust and innovative strategy for addressing cold chain bottlenecks and to remain globally competitive.

He urged stakeholders to invest in the cold chain sector, which can be highly profitable and reap from the economic benefits which abound.

"We are optimistic that if the public and the private sectors work together to uplift the cold chain industries to international standards, it would assist in the diversification of the Nigeria economy, improve job and wealth creation, enhance infrastructural development and technological innovations in the overall interest of the Nigerian and African economy.

"You will agree with me that output from this cold chain submit and exhibition is auspicious for the wellbeing of Nigeria and Africa; with its goal of finding solution to post harvest losses (PHL) in Nigeria and across sub-Saharan Africa, identified as one of the major problems facing our agricultural sector."

He noted that PHL can be resolved by instituting an efficient and sustainable cold chain infrastructure, coupled with an efficient supply chain network, of which the

private and public sector both have their roles to play in this regard.

In his speech, Paul Maerz, Managing Director of the organisers of the fairtrade Messe, noted that global technology leaders from 17 countries were on ground to showcase adapted technologies and solutions for the Nigerian and West African market in the fields of agriculture, food + beverage processing, ingredients, plastics, printing and packaging.

According to Maerz, "The exhibitors are from Austria, Bulgaria, China, Côte d'Ivoire, Germany, France, India, Italy, Lebanon, the Netherlands, Nigeria, South Africa, South Korea, Spain, Türkiye, Taiwan, United Kingdom and the USA.

"Germany is again participating with an official German Pavilion, presented by the German Federal Ministry for Economic Affairs in cooperation with the Association of the German Trade Fair Industry (AUMA) and supported by VDMA Food Processing & Packaging Machinery.

"The Netherlands is participating with official Netherlands pavilion presented by the Government of the Kingdom of the Netherlands and organised by NABC together with East-West Trade Consulting.

According to Maerz, the exhibition is supplemented by a 3-day program full of presentations and panel discussions, where Nigerian and European experts discuss current topics of concern to professionals."

He noted that the enormous population growth from 206 million in 2022 to 411 million in 2050 demands high sustainable investments in Nigeria's agrofood & plastprintpack industry.

"The figures underline the importance of the Nigeria agrofood & plastprintpack market." Maerz stressed

He said this year, for the first time, Micronutrient Fortification Index (MFI) Awards was hosted alongside agrofood & plastprintpack and WACCSE 2023. The MFI Awards ceremony is co-sponsored by the MFI and powered by TechnoServe via a Bill & Melinda Gates Foundation sponsored initiative, the Technical Assistance Accelerator Program.

"To highlight the importance of the Nigerian market I would like to mention some figures:

With €346m in 2021, Nigeria is the largest investor in food & packaging technology in Africa, ahead of Egypt, South Africa, Algeria, Morocco and all other African countries.

"With €165m in 2021, Nigeria is the second largest importer of plastics technology in Sub-Sahara Africa, just behind Egpyt (€202m) and well ahead of South Africa. Nigeria's plastics technology imports increased by an average of 25% per year between 2016 and 2020.

"At €50m in 2020, Nigeria ranks second in sub-Saharan Africa for imports of printing and paper technology, behind Egypt, but well ahead of other African countries.

"With €151 million in 2021, Nigeria is among the three largest investors in packaging technology in Africa, in line with South Africa and behind Egypt, ahead of Algeria, Morocco, Tanzania, Tunisia, Ethiopia, Ghana and Kenya."

On his part, the President of OTACCWA, Alexander Isong, pointed out that cold chain would bring a lot of economic development and earnings to Nigeria, adding that if Nigeria grows it's cold chain industry,, the country will be able to meet all major certification standard and GAP needs desired to export its produce to other countries.

"This means Nigeria will begin to eat foreign exchange by exporting and selling produce that would have gone to waste."

DANGOTE LISTS N300B SERIES 1 AND 2 LARGEST BOND ON NGX FMDQ

By Charles Okonji

In line with with the expansion program, Dangote Industries Limited (DIL) has formally listed its N300 billion Series 1 and 2 bonds issued under the Dangote Industries Funding Plc during a grand listing ceremony at both the FMDQ and the Nigeria Exchange Limited (NGX) in Lagos.

According to Olakunle Alake, Group Managing Director of Dangote Industries Limited who told investors during the listing ceremony that the bonds were primarily for part-financing the Group's 650,000 bpd refinery project.

He pointed out that the decision of the Company to issue bonds to raise the required capital for part-financing the refinery project was to encourage the participation of Nigerians in the financing of the project, adding that the bonds remains the largest aggregate local currency bond issuance within a calendar year by any corporate organization in the history of the capital markets.

Alake explained that following very rigorous internal assessment, the management concluded that tapping the local capital markets was inevitable, considering the sheer scale of the project being developed, as well as the existing market volatility.

He stated that while the Dangote Group is not new at raising funds in the local capital markets, being a first-time issuer at the holding company level presented a fresh challenge for the Company, stressing that the challenge was one the management was willing to embrace to ensure the desired outcome was achieved.

In his words, "Today, we are delighted to have successfully completed the largest aggregate local currency bond issuance by a corporate in the Nigerian capital markets within a calendar year. The proceeds from the Series 1 and 2 bond issuances were dedicated to part-financing the Dangote Petroleum Refinery Project which is the initiative by the Group to establish an Integrated Petrochemical Complex, and the largest Single Train Petroleum Refinery in the World.

"Recalled that the DIL recorded another first through the N187 billion series 1 bonds (under the N300 billion programme), being the largest corporate bond ever issued in the history of the Nigerian capital markets and the management was pleased to have set the remarkable milestones, showcasing the depth, resilience and liquidity of the domestic capital markets, whilst reflecting the

strong credit quality of the issuer, despite the current global market volatility.

"The bonds issuances were well received by the market and recorded participation from a wide range of investors including domestic pension funds, asset managers, insurance companies, and high net-worth investors.

"Indeed, the reception of the market was buoyed by the strategic importance of the project and its expected impact on the Nigerian economy. Overall, we strongly believe the success of the Series 1 and 2 bond issuances further demonstrates investor confidence in our credit story and the appreciation of the work done by the Group across several key sectors that are crucial to the development of Nigeria and the continent at large."

Alake emphasized that his Company was not new in the business of listing securities on NGX.

"We are therefore conversant with all the listing requirements and promise to be prompt and up to date in that regard. We count on the cooperation and support of NGX and the stockbrokers to meet this important investors' objective," he stressed.

The DIL Group Managing Director assured that the company would remain resolute in the Nigerian and African story and continue to demonstrate commitment, as one of the foremost pan-African conglomerates, through investments in projects and initiatives that directly improve the quality of lives of Nigerians.

"These are very exciting times for us as a business, and so we would continue to welcome opportunities to work with stakeholders in the domestic capital markets towards accelerating the economic activities across Africa, whilst maximizing stakeholder returns," he said.

Speaking at the event, the lead Issuing House for series 1 of the bonds and the Chief Executive Officer, of Standard Chartered Capital & Advisory Nigeria Limited, Mrs. Yemisi Deji-Bejide, expressed appreciation of her organization to the management of the DIL for reposing so much confidence in Standard Chartered by entrusting it with the responsibility.

She said: "Every time we gather at FMDQ for the listing ceremony of an issuance by the Dangote Group, it is always a record milestone. Early in 2022, we issued a bond for Dangote Cement which was the largest corporate bond issuance at the time, and little did we know that a few months down the line, the Group will comfortably break that record.

Mrs. Deji-Bejide described the success of the transaction as a strong testament to the fact that Investors strongly believe in Dangote Group's credit story and are willing to continue to support the growth of the business. Also, she said it demonstrated the depth of the Nigerian capital markets and resilience, despite all the volatility in the global markets and the macro headwinds.

"Lastly and most importantly, investors are keen to support impactful infrastructure projects in Nigeria, as the proceeds of the bond are being used to fund the largest single train refinery in the world", Mrs. Deji-Bejide added.

Meanwhile, at the Nigeria Exchange Limited where the symbolic gong ceremony was held to commemorate the listing, the Group Managing Director for DIL, Mr. Alake, who was represented by the DIL Group Chief Finance Officer, Mallam Mustapha Ibrahim commended the investor community for their support for the transaction as well as our various advisors and stakeholders.

He also applauded the Nigeria Exchange Limited (NGX) for its unwavering support throughout this entire process of issuing and listing the bonds as well as their continued commitment towards deepening the Nigerian capital markets.

NIGERIA RANKS 9TH LARGEST NATURAL GAS RESERVE IN THE WORLD - FG

By Charles Okonji

The Federal Government has disclosed that Nigeria is the 9th country of the world with largest natural gas deposit with approximately 200 trillion cubic feet.

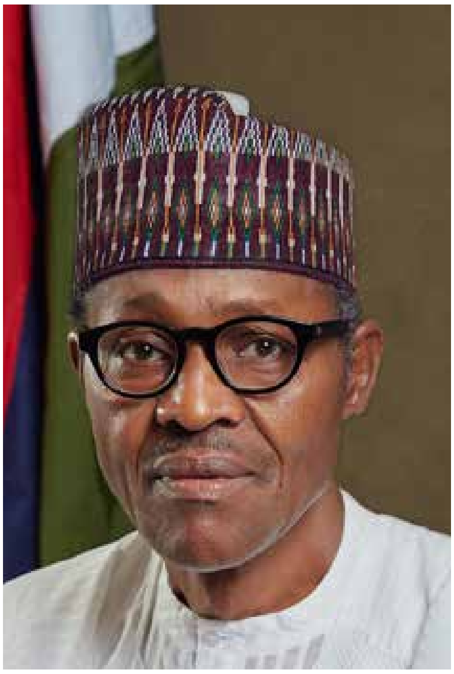
Irrespective of the country being the largest in Africa, only 25 percent of those reserves are currently being developed.

This hint was dropped by the Permanent Secretary of the Federal Ministry of Science, Technology and Innovation, Mrs Monilola Udoh, at the training workshop on the Implementation of the National Policy on Methanol Fuel Production Technology Strategy Using Dassaults Systems Solid Work Technology on recently in Abuja.

According to Udoh, "Nigeria has the 9th largest proven natural gas reserves in the world with approximately 200 trillion cubic feet, and despite the largest in Africa, only 25 percent of those reserves are currently being developed."

She noted that oil and gas industry is the backbone of the Nigerian economy, saying that with shift towards renewable and clean energy resources, the country's economy can be diversified.

She pointed out methanol she is a



clean-burning fuel that is gaining traction globally as a viable alternative to fossil fuels in the country.

The Permanent Secretary stated that the nation needs to explore alternative energy resources and methanol fuel production will be an excellent option.

In her own words, "FMSTI is collaborating with Messers Coscharis Technologies Limited in training the Staff on the use of Advanced Manufacturing Technologies Software and solid works solution to drive projects and programs in the Ministry.

"Solid work is Computer Aided Design (CAD) software that enables engineers to create 3D models of products, parts and coupling of machines which is widely used in the manufacturing industries to design and develop new products across sectors."

She maintained that one of the mandates of the FMSTI is to necessitate the need for the training of staff for effective implementation of projects and programmes.

Earlier, the Director Environmental Sciences and Technology Department, Dr. Peter Ekweozor said that the Methanol Fuel Policy is one of the key mandates of the ministry to drive socio-economic development of Nigeria.

Ekweozor noted that the efforts of the ministry is to ensure that the policy add value to our natural materials, which will facilitate the advancement of technologies, necessary for job creation, serve as source of raw materials for our manufacturing industries, generate cleaner electricity and cut down global warming.

REAL SECTOR TAKES BACK SEAT AS ECONOMY POSTS 3.1% GROWTH

Led by the services sector, Nigeria's output expanded by 3.1 per cent last year, which aligns with the expectations of the market.

On its face value, the growth figure, which is about 0.5 percentage point higher than the population growth, suggests economic development is looking up.

But such an argument could be deflated by the sluggish growth recorded by the agriculture sector – a sector with 25.6 percent share of the gross domestic product (GDP).

Whereas the agriculture sector output rose by 1.88 per cent, financial services posted a yearly growth rate of 16.36 per cent.

Other sectors in the service economy such as transportation and information/communication similarly trumped the average growth. Transportation/storage and information/communication leapt by 15.2 per cent and 9.76 per cent respectively – which are way above the average growth.

Manufacturing, another critical sector in determining the inclusiveness of an economy, also posted a somewhat sluggish growth. Its 2.45 per cent increase is about 0.5 percentage points behind the economic growth.

Agriculture and manufacturing – the highest employers of labour – recorded slower-than-2021 growth when both posted over three per cent.

"Although the agriculture sector grew by 2.05 per cent in the reference period (Q4), its performance was significantly hampered by severe incidences of flood experienced across the country, accounting for lesser growth relative to the fourth quarter of 2021 which was 3.58 per cent," the National Bureau of Statistics (NBS) said its GDP data released yesterday.

It also noted that the industry sector was yet challenged, recording -0.94 per cent growth and contributing less to the aggregate GDP relative to the third quarter of 2022 and the fourth quarter of 2021.

Last year's output growth was 0.3 percentage points slower than that of 2021, which was 3.4 per cent. But reckoning with the negative base effect of 2020 compared with the strong position the economy bounced from in 2022, 2023 could pass as a modest performance.

With Q1'23 underway, economists have identified the downside of the naira redesign as a major risk that could weigh heavily on the economy this year. The crisis is expected to leave a huge gap in the quarter one growth data.

Commenting on last year's data, an economist, Dominic Ipaiye, said the figures show that the effects of the flooding that took place last year are beginning to take a toll on the economy in real terms.

"The government failed to take steps to curb the floods last year. This has not been rectified as we go into another rainy season. What has the government done to mitigate flooding this year if it happens again? I think what we are doing as a people is to pray and sit down doing nothing. I do not think we can continue like this in this country," he stated.

CAN, C&S LEADERS CELEBRATES REV ESTHER AJAYI AT 60 YEARS DIAMOND JUBILEE

Chairman of the Christian Association of Nigeria (CAN), Lagos State Chapter, Bishop Stephen Adegbite showered encomium on Founder of the Love of Christ Generation Church, Cherubim and Seraphim, Lagos, Reverend Mother Esther Abimbola Ajayi on her 60th birthday on Sunday, 2nd April 2023. Amidst pomp and prayers, the celebrant fondly called Iya Adura, was hailed for her faith in and love for God and decades of faithful service which had positively impacted lives around the world. "You are a blessing not only to our generation but to coming generations," Bishop Adegbite said. "Diamond is forever, and Gold is for life. The community of believers in Lagos and Nigeria are proud of you as one of our patroness and grand patrons. May God continue to make your faith stronger, and may He grant all your heart desires as you continue to grow in mind and spirit."

L-R: Chairman of the Christian Association of Nigeria (CAN), Lagos State Chapter, Bishop Stephen Adegbite; The husband of the celebrant, Rev. (Dr) Ademuyiwa Ajayi; the celebrant, Founder of the Love of Christ Generation Church, Cherubim and Seraphim, Reverend Mother Esther Abimbola Ajayi and The Supreme Head (Olori) Cherubim & Seraphim Unification Church of Nigeria, His Most Eminence Prophet (Dr) Solomon Alao… Sunday, 2nd April

The Supreme Head (Olori) Cherubim & Seraphim Unification Church of Nigeria, His Most Eminence Prophet (Dr) Solomon Alao described Rev Ajayi as "the Esther of our time," a mother, an astute teacher, an excellent coach and exceptional role model. The husband of the celebrant, Rev. (Dr) Ademuyiwa Ajayi descried her as "a humble and devoted wife and a dedicated mother." Ola Ajayi, daughter of the celebrant also led her siblings to present a gift to their mother.

Departments of the church including Welfare, Ushers, Bus coordinator, Medical, Media, Choir, Youths, Good Women, Able Men all celebrated her including Army of Salvation who held a special parade for her as the children department had a recital and poetry presentation by Mofifunoluwa Atilola. In her words, "Iya Adura is mother like no other, a virtuous woman, a walking Bible, a woman of valour causing a change through the power of the Holy Ghost, effortlessly leading hundreds of thousands of souls to Christ and constantly feeding them with the Bread of Life." Mofifunoluwa Atilola rounded her poetry by wishing her a very Happy 60th Birthday to Our Swaggerlicious Reverend Mother Abimbola Esther Ajayi". Before the special rendition by the Amazing, Angelic choir of the church, Sis Bukola Kolawole went on her knees to thank Iya Adura for being a wonderful mother to all and prayed she would live to be 150 years old.

Love of Christ Generation Church members from London and Igbaye were also present at the celebration. The Igbaye church was led by Onigbaye of Igbayeland, Oba Okunlola- Oni and his wife. The 60th birthday event which coincided with the Esther celebration of the church and was also attended by the wife of the former Governor of Imo State, Mrs. Nkechi Okorocha, eminent church leaders such as His Eminence Dr Prophet. M. I. Ebahor of the Eternal Sacred Order of Cherubim and Seraphim Church and several traditional rulers, as well as some notable gospel artistes who trilled worshippers during and after the service.

Responding, Iya Adura prayed for the wellbeing of the believers. "May the Lord bless you and keep you; the Lord make His face shine upon you and be gracious to you; the Lord lift up His countenance upon you and give you peace. She ended by saying to the congregation, "I am still in love with you."

After the service, worshipers were seated outside the church auditorium for the lavish entertainment that was provided for them by the church, while some artistes also entertained them, while they ate and drank to satisfaction.

NEIGHBOURING COUNTRIES CONSIDER LEKKI DEEP SEAPORT FOR TRANSIT CARGOES

With the commissioning of the Lekki Deep Seaport, neighbouring countries have indicated interest to transit their cargoes via the port, allowing Nigeria to regain 60 per cent of its lost cargoes and revenue.

With the commissioning of the $1.5 billion Lekki Deep Seaport and commercial operations expected to begin fully by the end of the first quarter of 2023, countries in West and Central Africa have begun talks to transit their cargoes through the port.

The Director-General, Ministry of Transportation, Niger Republic, Mme Tchima Moustapha, indicated the country's interest to transit cargoes through the Lekki port via the Dala Inland Dry Port, stating that with the modern facilities available at the deep seaport, Niger Republic is ready to stop patronage of Cotonou and Lome ports.

The Managing Director of Nigerian Ports Authority (NPA), Mohammed Bello-Koko, confirmed that some neighbouring countries are already indicating interest in moving their cargoes from Lekki port to Kano State and to other African countries, as they have seen the opportunity of smooth operations and efficiency of the port.

With this development, Nigeria will regain 60 per cent of its cargoes that are diverted to ports in Ghana, Togo, Benin Republic and Cote D'Ivoire, which caused a yearly revenue loss of about N136 billion.

Already, 80 per cent of containers shipped to West and Central Africa destined for Nigerian markets and close landlocked countries are diverted to other neighbouring ports.

The loss, according to findings, is a result of Nigeria's inability to receive mega-sized ships due to shallow ports and persistent human-to-human contact owing to lack of automated processes, which breeds corruption at the existing seaports and increased cost of doing business.

A 2021 report by Netherlands' leading

consulting firm, Dynamar, revealed how the three busy ports in Nigeria – Apapa with a shallow draft of about 10.5 metres, Tin-Can port with about 13 metres and Onne with a depth of 13 metres, had fallen behind in terms of vessel calls in the West African sub-region.

The depth of the ports is a far cry from what is obtainable in Lome, which has 16 metres depth and made Nigeria lose out on receiving mega-ships, as leading shipping companies in global trade deploy ultra-mega-sized ships to reduce cost of operation for the shipping liners.

Adjudged the deepest seaport in West Africa, Lekki Port, with a depth of 16.5 metres is positioned to offer critical support to burgeoning commercial operations in Lagos State, as well as service the gateway for Nigeria and the surrounding West African region.

Equipped with the latest super- post panamax, ship-to-shore cranes and rubber-tyred-gantry cranes, Lekki Port will operate automated processes in line with global standards and world-class facilities.

The Lagos State Governor, Babajide Sanwo-Olu, described the project as the biggest infrastructure in the whole of West Africa, which will handle four times the capacity of cargoes Apapa and Tincan ports currently handles.

The NPA helmsman also affirmed that the port will attract bigger vessels and more cargoes, as well as reduce the cost of doing business in the country compared to other countries.

Meanwhile, phase one of the multipurpose port covers an area of 50 hectares, with two container berths and a total capacity of 1.2 million TEUs yearly.

It has an approach channel of about 11km long and 16.5 metres deep, while the main breakwater is 1.9 kilometres long and will accommodate a corridor for liquid transport to and from the liquid berths.

Upon completion of the final phase, the port will have three container berths, one dry bulk berth and three liquid berths, which will service ships up to 160,000 DWT.

The turning circle, which will have a diameter of approximately 600 metre will handle 18,000 TEU vessels, while tug boats will assist in the moving of various vessels.

According to Moustapha, "Lekki deep seaport will be a good relationship between Niger Republic and Nigeria. I am happy with what I am seeing and will ensure that Niger Republic brings its cargoes through Nigeria from now on. You know our major port is Cotonou, so we are trying to divert our cargo shipment to Nigeria because of this port.

"Nigeria to Niger is about 1,000 kilometres, but since I know there will be a response on time, we are going to be using Lekki port more, so the cost and guarantee will be valid."

At the commissioning of the deep seaport by President Muhammadu Buhari last week to commence commercial operations, stakeholders expressed optimism that Nigeria would regain its position as the maritime hub in Africa.

At the ceremony, Buhari led the Lagos State Governor, Minister of Transportation Muazu Sambo, Chinese Ambassador to Nigeria, Ciu Jianchun, top government officials and traditional rulers to witness the offloading of containers from the freighter – CMA CGM MOZART – that berthed at the port a day before the commission, which sailed under the flag of Malta.

Buhari stated that the project is in line with his Economic Recovery Growth Plan (ERGP) emphasis on supporting game-changing infrastructure projects directed at making an impact on trade and commerce.

Sambo noted that the commissioning of the project was made possible by the expedited manner the President handled all requests made by the Federal Ministry of Transportation concerning deep seaport.

"With seaports being under the exclusive legislative list, the Nigerian Ports Authority's provision of a sinking fund for Lekki deep seaport, Federal Government's equity contribution gave this project the necessary statutory cover and financial guarantee in line with the law.

"Completing a project of this magnitude and impact in a record time of 45 months shows the effectiveness of tenacious ministerial supervision, strict regulatory oversight and strong presidential backing," he said.

The Chinese Ambassador to Nigeria, said the landmark gateway project, jointly built by five parties from different countries is a fitting example of a good business model.

The Lekki port project is a joint venture between the Federal Government, through the Nigerian Ports Authority (NPA), Lagos State Government, Lekki Port LFTZ Enterprise Limited, Tolaram Group and China Harbour Engineering Company.

"This project is a joint venture between China, Nigeria and Singapore, and is run by a French company. The model of five parties from four countries is a way of taking advantage of the wisdom and strength of all parties," he said.

He pledged that China would promote this business model to pursue a win-win outcome, particularly to the growth, development and progress of Nigeria, adding that the project is the engine of the economy, equity of investment and example of a model business.

"The Nigerian government does not need to worry about the existence of guarantees or debt risks. It also shows that the investment climate in Nigeria can be trusted. We have every reason to be confident in Nigeria's future development," he said.

The Managing Director, Lekki Port LFTZ Enterprise Limited, Mr. Du Ruogang, noted that the port would redefine maritime activities in Nigeria and the entire West African sub-region, as well as drive the country's economy upon commencement of operations by the end of the first quarter, 2023.

He said with the port, Nigeria will witness growth in maritime traffic and global trade, as well as strengthen connectivity and capability to provide efficient and reliable services.

Ruogang expressed confidence that the port would help to reinforce Nigeria's status as a regional maritime hub and enable many related industries to flourish.

Benefit to economy

Bello-Koko

Stakeholders have described Lekki port as a game changer that will boost the growth of the country's economy, create about 170,000 direct and indirect jobs and generate over $201 billion in revenue for both Lagos state and the Federal Government.

The Director General of the Nigerian Maritime Administration and Safety Agency (NIMASA), Dr. Bashir Jamoh, said the maritime industry remains the surest path to rapid growth and economic development.

Jamoh said the port would inject nothing less than $361 billion into the economy during the 45 years concession period, while creating over 190,000 job opportunities for the country's youth.

The Chief Executive Officer of the Lagos Free Zone (LFZ), Dinesh Rathi, said the port will boost Nigeria's economy by increasing the volume of trade and attracting more foreign direct investment (FDI) into the country through the Zone.

He said the integration of the port and the Lagos Free Zone is the most ideal investment destination, given the quality of infrastructure available within the Zone.

Rathi noted that the port would give unparalleled competitive advantages to investors at LFZ in terms of ease of doing business and trade efficiency.

He expressed confidence that the combination of the port and the Lagos Free Zone would play a major role in boosting Nigeria's Gross Domestic Product (GDP) and creating employment opportunities for the people.

Rathi said the project will greatly impact economic growth and development, adding that Lekki port and LFZ will evolve together by creating an ecosystem that is the first of its kind in Nigeria.

The Chairman, China Harbour Engineering Company (CHEC), Mr. Tang Qiaoliang, said the port is a major trade hub in West Africa, which will improve the country's port industry, ease the burden of cargo shipment flow, create employment, and ultimately promote international trade in the nation.

He said the company sees opportunity in Nigeria and believes in its potential, which is why it committed adequate financial investments and essential technology in the construction and operation of the port.

Qiaoliang said under the framework of the China Africa Forum and the Belt and Road Initiative, the company looks forward to establishing long-term strategic partnerships in the infrastructure sector with the Federal Government.

He said this will ultimately deepen the relations and cooperation between Nigeria and China to better serve the Nigerian people and its economy.

The Chairman of Tolaram Group, Mohan Vaswani, said the completion and commissioning of the world-class port is an important milestone that will increase the economic well-being of Nigeria and its people.

===== The Guardian ======

GOVT MOVES TO REACTIVATE INLAND WATERWAYS TRANSPORTATION

The Federal Government has reinvigorated its efforts at reactivating the nation's inland waterways transportation to aid trading activities and boost the economy.

The Secretary to the Government of the Federation (SGF), Mr. Boss Mustapha, disclosed this at the unveiling of the Navigational Charts of the River Niger in Abuja, saying that there was the need to really get back the mode of transportation on the inland waterways, so as to rekindle the trading activities that used to exist along the rivers Niger and Benue.

He commended the Nigerian Navy for providing the resources, persons and platforms for the conduct of the chatting of the River Niger.

He also commended the Ministry of Transportation through National Inland Waterways Authority (NIWA) and other stakeholders for the professionalism they had exhibited.

He said that the successful execution of the project locally had saved the country huge foreign exchange, adding that foreign firms did all the charts in the past.

"It is important that we realise that whichever government takes over from President Muhammedu Buhari, it must continue the trajectory of creating an intermodal transport system for this country.

The Minister of Transformation, Mr. Mu'azu Sambo, said the navigational chart was a project that could potentially change the very dynamics of prosperity for the country.

Sambo said that the project was in tandem

Sambo

with the statutory responsibilities and objectives of the Ministry of Transportation to boost the efforts of Buhari's government.

He said that well-developed and efficient inland water transportation was necessary for an integrated and functional multimodal transportation system which its major pillar was dependent upon accurate and timely hydrographic studies and charts.

According to him, the objective of the project was to provide direct maritime linkages within Nigeria and between African countries.

The minister said that Nigeria was blessed with an 800 kilometer coastline and over 10,000 kilometers of inland waterways that potentially confirms it with such maritime power.

The Managing Director of NIWA, Dr George Moghalu, said that the chart covered a total distance of 594km (321 Nautical Miles) with a total survey area of 1719.8 Square Kilometres.

ZHONG, ODIBE TAKE ON NEW ROLES AT LEKKI PORT

The board of Lekki Port LFTZ Enterprise Limited (LPLEL), promoters of Lekki Deep Seaport, has approved the promotions of Weiliang Willian Zhong and Daniel Odibe as the new Chief Technical Officer and Deputy Chief Operating Officer of the company respectively.

Zhong, who was until his promotion, a deputy chief operations officer, will, as new Chief Technical Officer, organise and monitor all technical activities, ensure compliance with all objectives, prepare appropriate budgets, coordinate multiple staff and monitor all equipment and civil assets.

Zhong, with over 12-year experience in the maritime industry, is an expert in coastal and port engineering, design management, interface management and project management.

He holds a master's degree in port engineering from China Hohai University.

Meanwhile, Odibe, who is now the Deputy Chief Operating Officer, will be responsible for managing daily port operation activities concerning health, security, safety and environment.

He will also spearhead the development, communication and implementation of effective growth strategies around port operations.

Odibe will also align the port operating processes across port users and relevant stakeholders to ensure maximum performance at Lekki port and create effective measurement tools to gauge the efficiency and effectiveness of internal and external processes. Before his promotion, Odibe was the Head of Procurement and Government Relations at Lekki Port. He holds a master's degree in business administration (port management) from Lloyds University, United Kingdom and has worked in the maritime industry for over 17 years.

QUESTIONS OVER N12 BILLION AIRPORT FIRE TRUCKS

The Federal Government's investment of a whopping N12 billion in 10 airport fire trucks has caused eyes to narrow, with some stakeholders critical of the symbolic purchase.

While the Minister of Aviation, Hadi Sirika, reckoned that no investment is too much for safety-critical infrastructure in local air travel, the unit cost of the purchase will continue to ask questions and demand answers from the authorities.

Sirika and the management of the Federal Airports Authority of Nigeria (FAAN), in Lagos, inaugurated 10 brand new, high-capacity firefighting vehicles to improve the safety of flight operations at the nation's airports.

The Lion Volkan 6×6 Brand of aerodrome rescue and fire fighting vehicles, carries 14,000 litres of water, 1,700 litres of foam, 250kg powder capacity each, and monitors the discharge rate of between 6,000 litres to 10,000 litres per minute.

The negotiation and purchase order dated back to 2022, during which the first two of the 10 trucks arrived Lagos. The balance of eight arrived recently. According to the official estimate, the landing cost of each vehicle is N1.2 billion or $2.6 million (at N460/$1 current exchange rate).

Findings, however, suggest that such fire trucks are some of the most expensive in the world. Marketers hinted that there are sophisticated trucks that range between half a million dollars and almost $2 million. However, "the final cost all depends on the negotiation and options that the buy


Sirika

wants."

A notable assembling plant in the country, Innoson Motors, quoted a similar range of capacity fire trucks for about N200 million.

Aviation consultant, Sunday Olumegbon, said the investment is a positive development for Nigerian aviation, though raised questions on the choice of Lion Volkan 6×6 brand.

"We are talking of one of the most sophisticated fire engines in the world. I don't know how much it costs but I doubt we need such sophisticated trucks that cost so much at the airport. What is the maintenance plan and who are those that will use them? There are far cheaper options that will give the same efficient services and are a lot easier to maintain," Olumegbon said.

Secretary General of the Aviation Safety Round Table Initiative (ASTRI), Group Capt. John Ojikutu (rtd), queried the timing of the investment.

"Why are we buying those trucks now? Why not many years ago? Many died in the Sosoliso crash because of a lack of water in the reservoirs, and the hydrants. It means these have not been corrected across our airports if we are just buying fire trucks now.

"I didn't doubt that the fire trucks are necessary, but do we have adequate skilled manpower to operate them? Have we repaired the airports' hydrants through which they can get water for operations, knowing that 14,000 litres of water can only last for two minutes? The hydrants, like the runways, have not got periodic maintenance in the last 20 years," Ojikutu said.

Sirika earlier said the trucks were additional evidence of President Muhammadu Buhari's commitment to the transformation of the sector, for a safe, secure, and efficient industry. He said while all airports nationwide had been touched in the last eight years, the fire personnel had also been trained to use the equipment effectively.

For over 15 years, Sirika said, no single fire vehicle had been purchased to fight fire in the event of an occurrence, and "the reason scores of children died in the Sosoliso plane crash of 2005". He noted that what was obtained in the past were engineers cannibalising one or two fire trucks to fix another – majority of which were obsolete and outdated.

"We all remember our children that left Abuja for Port Harcourt in the Sosoliso crash. We couldn't save those children because we didn't have adequate fire cover to save those lives, and parents were seeing their children burning alive," Sirika said.

NIMASA TO DISBURSE $720 MILLION TO SHIPOWNERS

The Director General of, the Nigerian Maritime Administration and Safety Agency (NIMASA), Dr. Bashir Jamoh, has said the agency is driving the $2.5 trillion blue economy market with the disbursement of $720 million Cabotage Vessel Financing Fund (CVFF).

He said this is just as the agency is set to give a maximum of $25 million each to shipowners to purchase ships to provide the 350 million jobs that abound in the blue economy.

This is part of stakeholders' call for more investment in the blue economy to navigate the economic threat posed by the global phasing out of crude oil during the University of Lagos (UNILAG) Institute of Maritime Studies' maiden yearly lecture held in Lagos.

The theme was, 'From Crude to Blue – Nigeria's Blue Economy: The Imperative of Maritime Domain Awareness and Good Governance'.

Jamoh said the world is working hard to phase out the fossil fuel industry due to the environmental and health impact, thereby putting Nigeria's crude under a very serious economic threat.

Jamoh said currently, Nigerian National Petroleum Companies (NNPC) has expressed interest in taking part in the funding of ships that would be acquired by indigenous shipowners using the soon-to-be disbursed CVFF.

He said to achieve this, NNPC offered to provide nine per cent out of the 15 per cent funding to be provided by shipowners as specified in the guidelines for the disbursement of the fund, to enable them to buy new ships.

Jamoh further listed some of the assets the country had that would ensure the utilisation of the blue economy including 853 km coastal line, 8573 km inland waterways, six-port complexes, 21 oil terminals, over 10 jetties, 200 nautical miles of exclusive zones, 200 million population, all consumers and others.

The NIMASA boss said the blue economy provides an economic growth of $2.5 trillion per year, which encompasses all economic activities associated with the oceans, seas, harbours, coastal zones, inland water, rivers and lakes among others.

AGRIC STAKEHOLDERS, FARMERS' AGENDA FOR NEW ADMINISTRATION

Very soon, a new administration would take charge of Nigeria's economy. Agric stakeholders, in this article have unveiled a set of targets for the incoming president to latch on in order to bring about significant growth in Nigeria's food sector.

"To whom much is given, much is expected." But so much resources invested in Nigeria's agricultural sector over the years, have been yielding poor results. Moreover, the sector's growth under the present administration remains the weakest since 1999.

According to data released by StatiSense, the sector grew at an average of 15 per cent in the past five years of the Buhari-led government. The growth rate compared to previous administrations in the past showed that not much progress has been made since President Buhari took charge eight years ago.

Under former President Olusegun Obasanjo's eight year reign from 1999 to 2007, the sector grew by 133 per cent; it also recorded 19.1 per cent under President Musa Yar Adua's short cameo and 22.2 per cent under President Goodluck Jonathan.

Farmers and key stakeholders across the food value chain have expressed optimism that the incoming administration would usher fresh hope and direction for the agricultural sector.

It grew on a quarter-on-quarter basis at -28.90 per cent. The sector grew by 13.83 per cent year-on-year in real terms for the second quarter of 2022, a decrease of 1.96 percentage points from the preceding quarter which recorded a growth rate of 3.16 per cent and also a decrease of 0.10 percentage points from the corresponding period of 2021.

Agric policy implementation

Agric stakeholders had in recent times said that the sector is not void of laudable policies critical to take the sector out of doldrums, but these policies lacked effective monitoring and implementation mechanisms to make the policies work. There have been different agric policies formulated over the years where majority of these policies do not live long to see the light of day as a result no political will to push these policies to achieve their set goals and objectives, but for some key actors in the industry, the sector is still plagued by the inability to get the right personnel to deliver these policies to attain food security in the country.

The stakeholders have continued to task the federal government to set up an effective and efficient Joint Task Force (JTF) that would comprise of key agric stakeholders and government officials to monitor the implementation of policies in order to get the sector up and running again as it was once known for in the 60s.

More emphasis has to be placed on policy formulation with inputs from real actors in the sector such as pastoralists, farmers, processors, aggregators and the likes to chart a new course for the all-important agricultural sector.

Improved security architecture

No place is safe until everywhere is safe. The story of farmers being kidnapped and killed on their farms has raised concerns from countries across the globe leaving them to ponder if Nigeria can ever tackle its insecurity challenges, particularly in the North East and the middle belt region where majority of its food supplies are sourced. The insecurity situation has continued to discourage both local and foreign investors to invest in the sector.

Evidently, insecurity has made foreign investments in Nigeria's agricultural sector decline to $59.17 million in the first six months of 2022, representing the lowest in five years, as insecurity remains a top concern for both local players and foreigners looking into the country.

Again, priority has to be placed on beefing up the security apparatus in these regions. Nigerian farmers and agronomists have expressed concern that widespread insecurity and higher prices of farm inputs in the country are shrinking the number of hectares put to food cultivation, warning that these might affect the productivity of farmers in the 2022/2023 wet season.

According to Food and Agriculture Organisation (FAO) more than 19 countries are currently affected by protracted crises, conflicts and violence, pointing out that conflicts can devastate agriculture and rural livelihoods, causing significant economic loss, food insecurity and damage on all scales.

"Agricultural sector recovery depends on successful demobilisation of soldiers, land de-mining and the reconstruction of rural infrastructure, in particular roads and irrigation," FAO added. The United Nation (UN) food body added that food production is usually reduced during conflicts and in some cases collapses, leading to hunger and starvation and forcing large numbers of people to migrate, saying that food aid buffers food-intake levels to some extent but calorie availability per-capita-per-day does fall by an average of about 7.0 per cent as a result of conflict.

Preferring solutions to the hydra-headed challenges of insecurity in the agricultural sector, a research institution, Proshare said there exists a multi-dimensional relationship between human security, national insecurity, and food insecurity, as unemployment is both a contributing factor to and an effect of insecurity, adding that the low level of agricultural production, due to attacks from Boko Haram or the herdsmen, coupled with a rising population growth rate in Nigeria, is likely to lead to a food crisis and a higher unemployment level.

"The unemployed population becomes prime targets for recruitment into these insurgency groups whose actions further dampen food insecurity. Therefore, tackling unemployment is a prerequisite to curbing insecurity in the agricultural sector," Proshare added.

Funding research institutions

Nigeria is reputed to have the highest agricultural research system in Africa though, but Nigeria is still beset with lack of adequate public investment in agriculture, lack of well-trained researchers, inadequate research infrastructures and poor management of the agricultural research. The development systems are some of the constraints to utilisation of agricultural research results. There are over 16 agricultural research institutions spread across the length and breadth of Nigeria operating at their lowest capacity as a result of lack of funding.

These institutions have critical roles to play in encouraging and implementing technologies to increase the nutrient density of commercial and staple crops through agronomic practices, conventional plant breeding, or modern biotechnology. There is an urgent need to bring Nigeria's agricultural research institutions up to speed to provide transfer of research-induced technology to farmers which is the only way to measure research benefits to society.

The Chief Executive Officer, Centre for the Promotion of Private Enterprises (CPPE), Dr. Muda Yusuf, in a telephone interview with THISDAY lamented the neglect of research institutions all over the country, saying that they are poorly funded and cannot fulfill the purposes of their existence.

The National President, All Farmers Association of Nigeria (AFAN), Mr. Kabir Ibrahim, said particular attention should be given to the research systems by ensuring that they are funded through the Agriculture Research Council of Nigeria (ARCN) and ensuring that all their findings are readily utilised.

He explained that the bane of research in Nigeria is not necessarily its funding but the incentive given to the researchers and utilising their findings.

Funding actors of agriculture

According to the Agricultural Produce Sellers Association of Nigeria (APSAN), most of the funds dedicated for agriculture

development fall into the hands of those that have nothing to do with agricultural development.

The National President of APSAN, Mr. Aloy Akortsaha, said that poor channeling of the several agricultural funds for agriculture development is the major reason why the sector is lagging behind when compared to its counterparts across the globe.

Just as scholars have continued to emphasise the need for increased participation of key stakeholders in policy formulation, it is also important that funds should get into the hands of the real actors in the sector as unscrupulous individuals take advantage of the unmonitored agric funding programmes to divert these funds into other means.

"Every day, we hear that the federal government has set up agric funds for farmers, but these farmers do not have access to these funds. The funds are always falling into the hands of wrong people who divert the funds for their personal use," the Akortsaha lamented.

Investment in mechanised farming

It is disheartening to see that over 80 per cent of Nigerian farmers still depending on hoes and cutlasses to meet the nation's food demands. The urgent need to prioritise investment in mechanised farming cannot be overemphasised. Prioritising investment decisions on sustainable agricultural mechanisation is capable of contributing significantly to the development of value chains and food systems as it has the potential to render postharvest, processing and marketing activities and functions more efficient, effective and environmentally friendly.

With mechanised farming in developed economies, land reclamation has been improved, soil erosion has been reduced and irrigation systems are more efficient because of agricultural mechanisation practices.

Although, the federal government's tractorisation programme is expected to give a new life to the way farming is being done in the country, the tractors may not get to the real farmers. Under the Federal Ministry of Agriculture and Rural Development has noted that farmers would make 40 per cent down payment while the balance of 60 per cent would be spread over a period of three years. With this move, many farmers might be deprived from getting access to these tractors. Going forward, the ministry must engage key stakeholders in the agricultural space to identify farmers under associations or cooperatives to get these tractors not only to the real farmers, but to genuine farmers that have the capacity and credibility to pay back.

===== ThisdayLive =====

NAIRA SCARCITY: CATFISH FARMERS CRY OUT OVER LOW PATRONAGE

Due to the cash crunch across the country occasioned by the cashless policy and naira redesign of the Central Bank of Nigeria (CBN), catfish farmers have lamented low patronage and its effects on them.

Speaking with catfish farmers in an interview with newsmen over in Lagos, the Chief Executive Officer of Simple Aquaculture and Standard Resource Farms, Mr. Anthony Hammed, lamented the low demand for catfish despite the acceptance of the cashless policy.

"The issue of low demand for catfish in recent times is of real concern to us. The people are no longer buying catfish; fishes are just in the water consuming feeds and increasing our cost of operation. "Although we accept mobile transfers, we noticed that sales just dropped suddenly since the Naira scarcity. Even now, we are slashing our prices just to sell our products even though the cost of ingredients and fish feed is skyrocketing daily," Hammed said.

He noted that despite the high cost of feed materials, they had to slash prices to stay in business. "Groundnut paste (GNC) soya fish meal is getting very expensive now, and people are not buying. "Just to sell, we have to drop the price, we do not break even, but we still have a little margin of profit with which we keep body and soul together and to be in business," he said.

Another farmer, Mrs Kemi Egbucha, said many farmers had closed their farms due to low patronage. "In fish farming presently, many farmers opt out of the trade due to increased fish feed. Most times when fish farmers order feed from companies, they have their supplies delayed for up to a month, resulting in losses. We used to buy a bag of fish feed for N11,000 before but now it goes for as high as N20,600 per bag. Even at that, we still experience low demand," Egbucha said.

On its part, the Poultry Association of Nigeria said its members lost more than N30 billion worth of over 15 million crates of eggs due to the effect of naira scarcity in the country. The National President of PAN, Mr. Sunday Onallo-Akpa, made this known in a statement issued in Abuja. "The poultry farmers in the country have lost over 15 million crates of eggs being unsold and are damaged; the average loss to the poultry industry as of this press release is more than over N30 billion," he said. Onallo-Akpa described the poultry industry in Nigeria as one of the most consolidated subsectors of Nigeria's agriculture, contributing about 25 per cent of the Agricultural Gross Domestic Product (AGDP) and employing over 25 million Nigerians direct and indirect.

He said the poultry industry had been a major employer of labour and a great source of financial empowerment and livelihood for many families, especially women, and youths. "The industry is completely private sector driven, worth over N3 trillion," he said, adding that it has contributed to the local domestication of investments in the country. However, he warned that the poultry industry was on the verge of total collapse and extermination because of the negative and devastating consequences of the new currency policy on the industry.

CBN HAS SPENT N12.65BN ON AGRICULTURE INTERVENTION SINCE JANUARY — EMEFIELE

Governor of the Central Bank of Nigeria (CBN), Godwin Emefiele, has hinted that the apex bank has disbursed N12.65billion on the Anchor Borrowers Programme, an agricultural intervention of the Federal Government since January 2023.

The entire amount spent under the ABP since its beginning in 2015, according to Emefiele, is N1.09 trillion."Between January and February 2023, the bank disbursed N12.65 billion to three agricultural projects under the ABP.

"It brings the cumulative disbursement under the programme to N1.09 trillion to more than 4.6 million smallholder farmers cultivating or rearing 21 agricultural commodities on an approved 6.02 million hectares of farmland," Emefiele said.

He said the CBN had also disbursed huge sums as interventions in various other sectors of the economy."The CBN also released the sum of N23.70 billion under the N1.0 trillion Real Sector Facility to eight new real sector projects in agriculture, manufacturing and services.

"Cumulative disbursements under the Real Sector Facility currently stand at N2.43 trillion disbursed to 462 projects across the country, comprising 257 manufacturing, 95 agriculture, 97 services, and 13 mining sector projects," he said.

He stated that the apex financial institution additionally launched N3.01 billion below the Nigerian Electricity Market Stabilisation Facility (NEMSF-2) for capital and operational expenditure of power distribution companies.

FAO, ECOWAS, EU, PARTNERS STRENGTHEN SCIENCE-BASED FISHERIES MANAGEMENT ACROSS WEST AFRICA

The Economic Community of West African States (ECOWAS) has convened more than 100 experts to discuss and draw a road map for the utilisation of the results in the view of adopting a sustainable management of the fisheries resources of the ECOWAS maritime domain.

The meeting tagged 'Improved Regional Fisheries Governance in Western Africa (PESCAO)' is funded by the European Union (EU), while FAO provides technical support.

These experts are representatives of the Directors of Fisheries and aquaculture, research institute, development partners, non-state actors, European Union, African Union, USAID, and FAO.

FAO, Institut Agro, and the University of Portsmouth respectively are leading the projects that make up Component 3 of PESCAO.

Throughout their assignment under PESCAO they have improved collaboration between fisheries research and fisheries actors, boosting knowledge of fisheries, its data systems and its management across West Africa.

In his remarks, the FAO Representative in Nigeria and ECOWAS, Fred Kafeero said workshop is aimed at sharing the outcomes of Component 3 and ensuring deserved level of visibility of the PESCAO programme.

He said the role and importance that ECOWAS attaches to fisheries development, fisheries management and the promotion of regional cooperation demonstrates how countries must take a leading role and set narratives in sustainable fisheries governance in West Africa and beyond.

He commended the European Union (EU) and the European Commission for the support in promoting sustainable fisheries development in West Africa and their commitment to the region's fishery capacity development and fishing communities.

"Since 2018, the three complementary components of PESCAO Programme have offered benefits to the region with enhanced contributions of fisheries resources to sustainable development, food security, and poverty alleviation across West Africa.

"The Demersal Ecosystem project (DEMERSTEM), through the Institute Agro is a collaboration between ten research institutions that aims to support and improve the production of scientific advice on the status of important demersal species stocks.

"The Fisheries Management and Resilience of Small Pelagics in West Africa project (GREPPAO), under the University of Portsmouth focuses on economic and social issues associated with critical small pelagic fisheries and communities in West Africa.

"The Fishery Committee for the Eastern Central Atlantic, CECAF-PESCAO project, under FAO framework supports West African countries in improving fisheries management advice, knowledge exchange and advancing knowledge on the small-scale fisheries sector", he said.

Kafeero who was represented by the Head of FAO Nigeria, Northeast Office, Mr Al Hassan Cisse, said the state of fisheries in the ECOWAS region is complex and varies depending on the country and the sub-region.

He said yet, fish which a source of income for millions of people faces enormous pressure and threats of overexploitation; illegal, unreported and unregulated (IUU) fishing; poor management practices that cripples our progress towards sustainable fisheries; especially the Small-scale fisheries sector, the back-bone of our fishing communities, we must do more.

He however, reaffirmed FAO's commitment, and that of its partners of L'Institute Agro and the University of Plymouth to continue technical support towards sustainable fisheries in the region.

AFRICA GETS OVER $50BN INTERNATIONAL SUPPORT TO TRANSFORM AGRICULTURE – AFDB

Adesina

Africa's drive to transform its agriculture and become a foodbasket continues to receive strong global support, with development partners agreeing to commit more than $50 billion to the plan, barely two months after its launch.

Development partners have agreed to commit more than 50 billion dollars to Africa's drive to transform its agricultural sector and become a breadbasket.

In a statement issued on African Development Bank's (AfDB) website, the global support came barely two months after the program's inauguration.

According to the statement, political leaders on the continent have resolved to work tirelessly with international partners on compacts that will transform agriculture across the continent.

It said the leaders resolved this at the recent Dakar 2 Food Summit, organised by the Senegalese Government and the African Development Bank.

It listed donors of the fund to include Germany, which plans to contribute 14.34 billion dollars, and the United States, which intends to provide five billion dollars.

"The AfDB aims to contribute 10 billion dollars over five years, while the Islamic Development Bank intends to provide seven billion dollars.

"The European Union, the European Investment Bank (EIB), the International Fund for Agricultural Development (IFAD), and the West African Development Bank are parts of the donors.

"Arab Bank for Economic Development in Africa; the French Development Agency, AFD; Ireland; the Netherlands; Switzerland and the United Kingdom also pledged their donations," it stated.

The statement noted that the leaders agreed to allocate at least 10 per cent of public expenditure to increase agriculture funding during the Dakar meeting.

It said they also resolved to deploy robust production packages to boost productivity and increase resilience to achieve food security and self-sufficiency.

African heads of state and government endorsed the outcomes of the just concluded African Union (AU) summit in Addis Ababa, Ethiopia.

"The leaders described the Dakar 2 Food Summit as important and timely to address rising food prices, disruption in the global food supply, and worsening of food insecurity in Africa.

"And they called for global support to implement the outcomes immediately."

EXPERTS EXPLORE 25 TOMATO, PEPPER SEED VARIETIES IN NIGERIA

Agriculture experts at Prime Agro Seed in collaboration with Netherland-based agro solutions firm, PROFYTA, have commenced trial of 25 tomato and pepper seed varieties as part of measures to boost production.

Speaking during a seed exhibition event held in Benin City, Edo State recently, they advised farmers in Nigeria to explore research for productivity, quality and quantity.

According to Chief Executive Officer, PROFYTA, Ewout Schurink, the outcome of tomato and pepper seed research is based on soil and climate, adding that the result varies from region to region.

Explaining further at the event held at Wells Hosa Green House Farm and attended by key stakeholders, Chief

Operating Officer of Prime Agro Seed, Meka Nwabuko, emphasised the need for farmers to have access to quality seed and ultimately quality production.

The Managing Director, Edo State Investment Promotion Office, Kelvin Uwaibi said the initiative is capable of boosting the activities of smallholder farmers in the state.

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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
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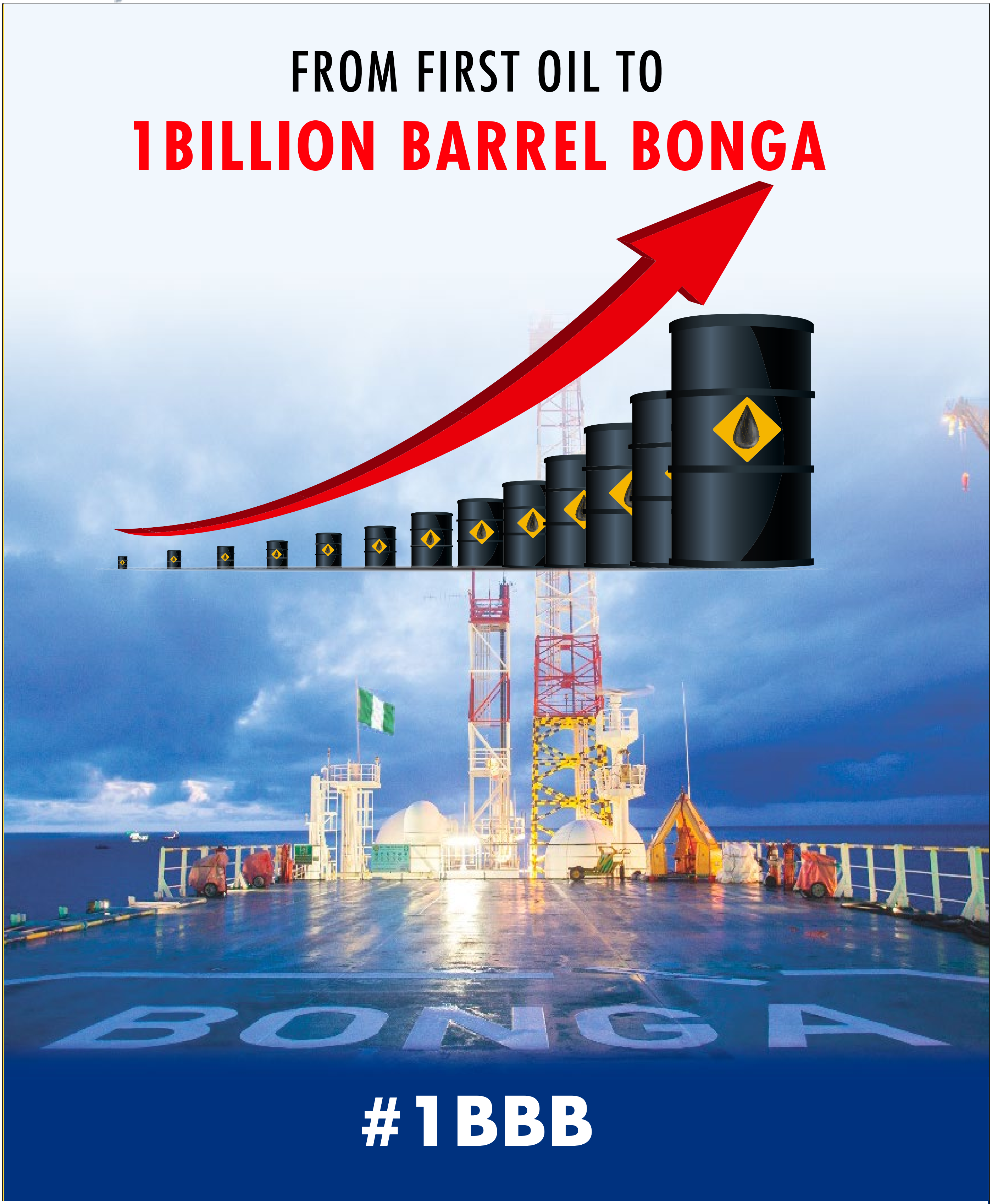

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