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HOW PREPARED IS NIGERIA FOR CNG VEHICLES?

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NIGERIA LNG: 35 YEARS OF SUSTAINABLE VALUE ADDITION TO NIGERIA'S ECONOMY

Philip Mshelbila
Managing Director/
Chief Executive Officer

Editor's Note

DR. NJIDEKA KELLEY

The Federal Government is pushing the penetration of consumption of gas as auto-fuel and usage in other activities that require power. It announced that it would soon choose more beneficiaries for its initiative to invest in indigenous companies focused on energy security and gas infrastructure development, adding that the plan would represent a significant milestone in Nigeria's pursuit of energy security and gas infrastructure development.

The Minister of State Petroleum Resources (Gas), Ekperikpe Ekpo,who made the announcement at an event where the government approved the disbursement of N122bn to six Indigenous companies.

The fund was made available through the Midstream and Downstream Gas Infrastructure Fund and would be used to support the midstream and downstream gas infrastructure development in alignment with the aspirations of President Bola Tinubu-led administration.

The initiative was expected to help bridge the huge infrastructure deficit, which has been a major hindrance towards gas distribution and utilisation in the country, especially in the wake of the 'Decade of Gas' and energy transition policies of the nation.

The Minister said efforts are being made to foster business relationships and collaboration to achieve Nigeria's energy security objectives. He described it as a breakthrough in Nigeria's gas revolution and "a testament to the government's commitment to harnessing the country's gas resources for socio-economic growth."

Also, through the Presidential Compressed Natural Gas Initiative, it has approved the distribution of 2000 CNG-powered tricycles to empower Nigerian youths.

The distribution flag-off ceremony took place at Abuja Old Parade Ground on Tuesday as part of activities to commemorate the 64th anniversary of Nigeria's Independence.

The Project Director of the Presidential Initiative on CNG, Michael Oluwagbemi, said the distribution of the tricycles marked the fulfillment of promises made by President Bola Tinubu to reduce the cost of transportation, enhance economic well-being, enhance the environment through the utilisation of clean fuel, and create jobs for the youth population, through the introduction of CNG.

He said the CNG tricycles were assembled in Shagamu, adding that it was expected that the delivery of the tricycles would create employment both in operations, maintenance, and deployments of the tricycles across Nigeria.

"I'm pleased to announce to you that we are here to deliver on Mr President's promise and to hand over 2,000 CNG-powered tricycles that will begin to form the bedrock of this revolution.

"These tricycles you see here are not just here to be used in Nigeria. They are also wholly assembled in Nigeria in a factory in Shagamu. Over 50 young people were trained in the last three weeks and are putting together these CNG tricycles, and many more of them are coming.

"Beyond the tricycle assembly, we expect that with this delivery thousands of youths across our country will be employed not just in the operations of these tricycles, but also in the maintenance and efficient deployment of these tricycles across Nigeria.

"It represents a very small step towards delivering the future that is powered by gas that ensures Nigeria's development that transforms a resource that we are abundantly blessed with, that yet we waste today into something that creates wealth and jobs for all Nigerians," he said.

To the Minister of Youth Development, Dr Jamila Bio-Ibrahim, the tricycles would ease transportation challenges faced by transporters and citizens, commending the Tinubu-led administration's commitment to improving the quality of life of the youth.

"These tricycles will go a long way in easing the transportation challenges faced by our transporters and citizens across the country. In this crucial time of economic reforms, this intervention will serve as a great relief to our people, demonstrating the administration's dedication to the quality of life for young people", she said.

She also highlighted how the National Youth Investment Fund would serve as a "financial backbone" for young investors to thrive in the transportation sector, even as the Ministry hoped to collaborate with the P-CNGi to reach its 2 million tricycles target.

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CONTENTS

AUGUST 2024

'Our diesel meets international standard' – Dangote

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NIGERIA LNG: 35 YEARS OF SUSTAINABLE VALUE ADDITION TO NIGERIA'S ECONOMY

The Nigeria Liquefied Natural Gas Limited (Nigeria LNG) in its 35 years of existence has proven to be a good product and investment. Like the Japanese proverb – Yo shinai, Yo kangai – which is translated as "Good thinking, good product," Nigeria LNG is a product of good thinking and has not only been successful but outstanding and resilient. In this piece, ***EMEKA UGWUANYI*** *takes a look at the 35 years journey of a company that has refused to be influenced by the shenanigans and underhand dealings of the society it operates in. Nigeria LNG is a company founded on highest standards and has demonstrated that in its 35 years of existence. These standards underscore its ability in weathering the national and global economic lows and woes including the COVID-19 pandemic that sank many organisations and left many skeletally alive. On the contrary, it retained its entire workforce and strongly maintained its place in the league of global gas companies in the face of these challenges. In the past 25 years, it has generated revenues of over $44 billion for its shareholders out of which the Federal Government got about $21.56 billion.*

There is no doubt that the Nigeria LNG Limited is one of Nigeria's best in terms of organisational proficiency. In July 2015, NLNG offered an economic bail out to the Federal Government through payment of dividend of $2.1 billion as dividend, a part the Federal Government used as an intervention package to help bankrupt states pay their workers' salaries.

According to reports, NLNG's dividends had been used by the Federal Government for fuel subsidy and more recently the current government planned to securitise the dividends to borrow money from international lenders, among others.

In an interview with our reporter some year ago on how the gas company navigates its challenges to remain strong even in the face of debilitating economic woes, the former Managing Director of the company, Mr. Babs Omotowa, highlighting the secret behind the success and resilience of the company, said the NLNG is a prudent company that is also proactive. According him, the company saves for the rainy day. When there is a windfall, it saves and invests as much as possible and during economic downturns, these savings and investments come in handy to salvage the situation.

However, to a top industry stakeholder, NLNG's success is primarily due to the fact that Shell is at the centre of its management. Shell worldwide is known for not compromising standards, due processes and best global practices in its operations. Therefore, nobody could have expected less from the Nigeria LNG Limited, he said. He further noted that from any side of the prism one sees NLNG, the company deserves its flowers. Remember that NLNG is owned by leading and best companies in the world. Take a look at its ownership and management and the performance of the individual shareholding companies and tell me any of them that isn't doing well at their home countries and overseas, he asked. The shareholdings of the shareholders are as follows: Federal Government of Nigeria, represented by Nigerian National Petroleum Company Limited (49%), Shell (25.6%), TotalEnergies Gaz and Electricite Holdings France (15%) and Eni (10.4%).

According to the industry operator, Nigeria LNG has established a strong footprint in its business accounting for about 7% of the world's total LNG supply. In the home front, it has immensely contributed to different sectors of the economy but most of all, it has accomplished two outstanding feats - drastically reducing gas flaring and taking Nigeria off the radar as the world's leading gas flaring nation turning its undeveloped host community to a mini first world community.

From 1999 to 2023, the NLNG has gathered, converted and monetized 237.7 billion standard cubic meters or 8.39 trillion cubic feet of associated gas, which was exported as LNG and Natural Gas Liquids, which on the other hand raked in significant revenue into the Nigeria's treasury. This achievement led to reduction of flared gas in Nigeria from over 65 per cent in 2021 to less than 20 per cent presently.

The reduction of gas flaring has had positive impact on health and environment of oil producing states.

"This reduction has helped to protect the environment from the effects of gas flaring and has also enhanced government's earning by the monetisation of this gas. The environment is further protected by the significant reduction in felling of trees for use as fuels for domestic cooking and heating.

Nigeria LNG also transformed its host community – Bonny Island, to an enviable state – with 24-hour electricity supply at a time most parts of the country couldn't get six hours power supply daily, linked its host community by road which hitherto could connect to other communities in River State only through boats with the attendant hazards.

According to records, Nigeria is blessed with abundant natural gas and ranks seventh in terms of natural gas proven reserves in the world. The natural gas reserves are estimated to be sufficient to sustain current production rates for up to 60 years. Geologists believe that there is a lot more gas to be found in Nigeria (potentially up to 600 trillion cubic feet, Tcf), if companies deliberately explore for gas, as opposed to finding it while in search of oil. The Nigerian government aims to eliminate all flaring of gas associated with the production of oil, and NLNG continues to play a significant part in this.

NLNG said it is poised to help in further reducing upstream gas flaring with the anticipated improvements in the collection and processing of associated gas by gas suppliers and the oncoming seventh train, which has reached 65 per cent completion.

The processed gas is needed for power generation, domestic utilities, fertilizer, and petrochemical industries, as well as export for NGL, in addition to other gas projects such as those embarked upon by the West African Gas Pipeline

Company Limited (WAGPCo) and future LNG projects. The NLNG six-train complex is the biggest gas consumer and exporter in Nigeria with its current daily consumption of about 3.5 billion cubic feet per day (bcf/d) of gas, almost equivalent to the total daily consumption of industrialized countries like the Netherlands and Brazil.

The making of Nigeria LNG Limited

The Nigeria LNG Limited (NLNG) was incorporated as a limited liability company on May 17, 1989 to harness Nigeria's vast natural gas resources and produce Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs) for export. It is located on 2.27 sq.km of largely reclaimed land in Finima, Bonny Island, Rivers State.

In November 1995, the shareholders of the NLNG took a Final Investment Decision (FID) to build a Liquefied Natural Gas (LNG) plant in Finima, Bonny Island in Rivers State.

In December, a turnkey Engineering, Procurement, and Construction (EPC) contract was awarded to a consortium of Engineering firms comprised of Technip, Snamprogetti, M.W. Kellogg, and Japan Gas Corporation (TSKJ) for the plant (consisting of two trains: Trains 1 and 2, called the Base Project), the Gas Transmission System (GTS) and the Residential Area (RA).

The construction of the Plant site commenced in February 1996 and on August 12, 1999, Train 2 was ready for start-up. Production of LNG commenced on September 15. Train 1 subsequently came on stream on February 27, 2000.

The NLNG plant has six trains that process natural gas. The six LNG processing trains have a total nameplate processing capacity of 22 million tonnes per annum (mtpa) which will increase to 30mtpa when Train 7 comes on stream and process up to 5 million tonnes of natural gas liquids (LPG and condensate).

The main elements of the facilities already in operation are: Diversified gas supply (Associated Gas and Non-Associated Gas) and six main dedicated gas transmission pipelines with four of them located onshore.

Four LPG refrigerated storage tanks, each with a capacity of 70,847 m3 (nominal), 65,000 m3 (working) - two each for propane and butane.

It has five common Condensate stabilization plants, 23 LNG ships dedicated to the service of NLNG. A Residential Area covering an area of more than two sq. km, three condensate storage tanks, each with a capacity of 46,087 m3 (nominal), 36,000 m3 (working), 10 gas turbine generators with a combined capacity of more than 320 megawatts (MW) anda materials' off-loading jetty.

Others are: four LNG storage tanks, each with a capacity of 84,200 m3 (nominal), 75,300 m3 (working), a common fractionation plant to process LPG, two export jetties: one exports LNG and LPG while the other exports LNG and Condensate and a passenger jetty/terminal.

The Base Project (Trains 1 & 2), which

cost USD3. 6 billion was financed by NLNG's shareholders. NLNG's Third Train (Expansion Project), including additional tankage, cost USD1.8 billion.

.Train 3 (Expansion Project): NLNG's Third Train (Expansion Project), including additional tankage, cost USD1.8 billion. The financing plan was similar to that of the Base Project. Besides new equity injection by the shareholders, revenue and surpluses from the Base Project were reinvested in the Expansion Project. Much of the cost of the new LNG tankers was borne by third-party financiers.

Trains 4 & 5 (NLNGPlus Project): Excluding ship acquisition, the cost for the NLNGPlus project (Trains 4 & 5) was USD2.2 billion. This was funded with a combination of internally generated revenue and third party loans amounting to USD1.06 billion.

The third party loans comprised of four Export Credit Agency (ECA) guaranteed international commercial bank loans totalling USD620 million, an uncovered international bank loan of USD180 million, an uncovered Nigerian commercial bank loan of USD160 million and an African Development Bank facility of USD100 million. The ECAs, namely US EXIM, ECGD, SACE and Gerling NCM, provided guarantees to a group of 19 international banks led by BNP Paribas, Citigroup, Credit Lyonnais, MCC and West LB. The ECA-backed facilities, as well as the African Development Bank facility, had an eight-year tenure. The facilities were fully repaid as at 15th December 2010, with a USD72 million short-term 'place holder' financing remaining in place.

The financial discipline and character demonstrated by NLNG in abiding by the loan covenants, terms and conditions throughout the tenure has significantly increased the appetite of international lenders for financing opportunities involving the company.

Train 6: Final Investment Decision (FID) for NLNGSix was taken in July 2004 for the sum of USD1.75 billion. Train 6 was principally financed from internally generated funds. The Train's startup was on December 14, 2007 and production commenced on 23rd December 2007.

Train 7: The project will be financed partly from NLNG Balance Sheet. It will also be partly financed through third party corporate loans. The project is about 65 per cent completed

Meanwhile in December 2017, the milestone loan repayment was made. It marked the full and final repayment of NLNG's shareholder loan facility which spanned over two decades and summed up to USD5.45 billion. All principal and interest repayments were made without a single default.

The consolidated loan had contributed towards funding the Base Project, Expansion Project, NLNG Plus Project and Train 6. A ceremony was subsequently held to commemorate this milestone achievement in July 2018 which also served as a platform for market sounding for Train 7 financing.

The company has two subsidiaries: Bonny Gas Transport (BGT) Limited and NLNG Ship Management Limited (NSML).

Bonny Gas Transport Limited

.Bonny Gas Transport Limited, initially

named Enellengee Limited, was incorporated in 1989 to provide shipping capacity for NLNG. BGT owns and operates LNG tankers that transport NLNG's products to its buyers. The Company is owned by NLNG and its shareholders.

NLNG Shipping and Marine Services Limited

NLNG Shipping and Marine Services Limited (NSML) is a private limited liability company which provides shipping services including training, manning, fleet management and consultancy services to NLNG, Bonny Gas Transport (BGT) and the sub-Saharan Africa maritime sector. The company was established in response to rapid changes and challenges in the maritime business and the scarcity of competent ship board personnel worldwide.

It was incorporated on October 9, 2008, as a manning company but commenced full operations in August 2010 as NLNG Ship Manning Limited. In October 2014, the company was renamed NLNG Ship Management Limited and repurposed as a full-fledged ship management company, following the integration of NLNG's vessel management activities. In 2017, its scope of services expanded to include the Maritime Centre of Excellence (MCOE) and terminal management services. NSML changed its registered name in 2023 to NLNG Shipping and Marine Services Limited.

Nigeria LNG contributions to Nigeria's economy

As a good corporate citizen, NLNG lives up to its responsibilities by paying its taxes and levies as at when due to federal and state governments where it operates. This doesn't make it evade its corporate social responsibilities in various sectors of the economy. It contributes to the economic wellbeing of the country and states in which it operates by paying all applicable taxes and levies. In 2023, the company's corporate income tax, including tertiary education tax, paid to the Federal Government of Nigeria amounted to about $1.2 billion.

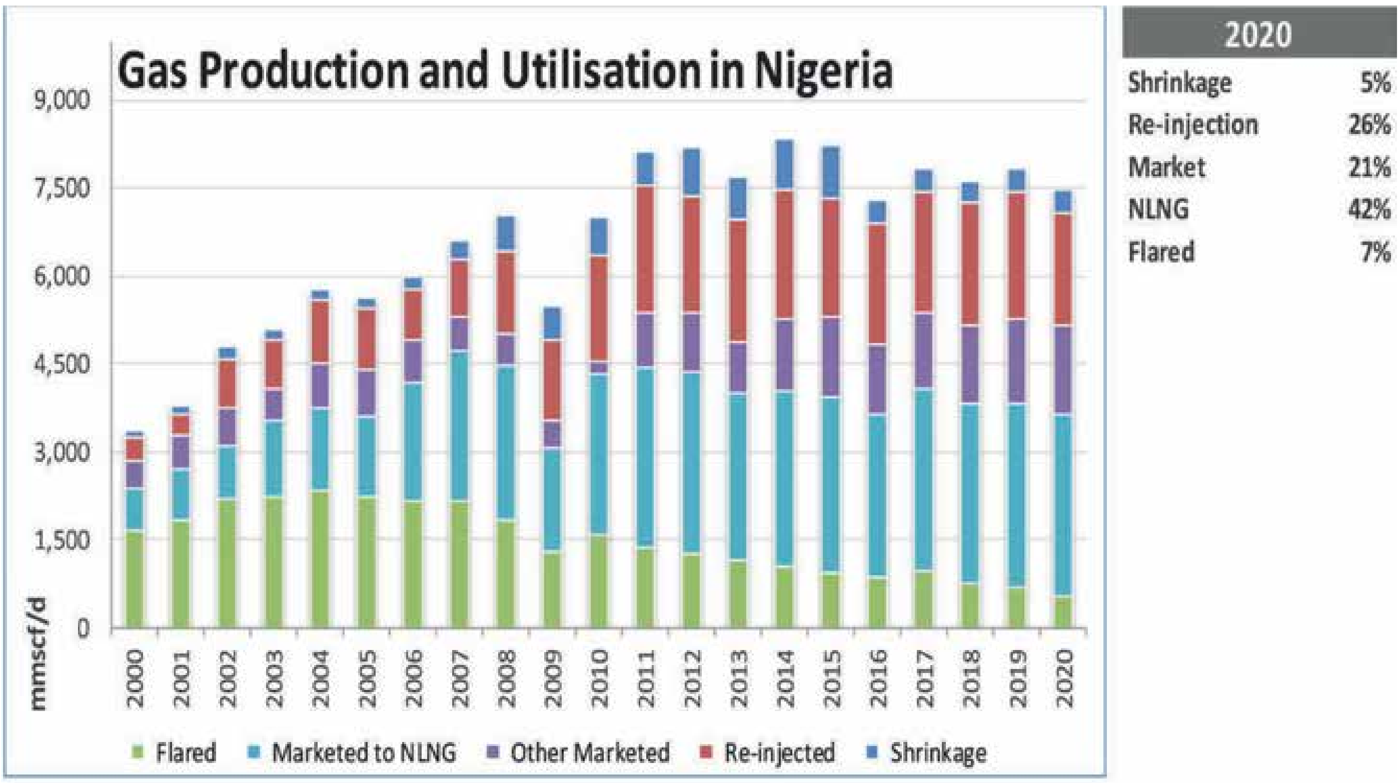
According to its 2024 'Facts & Figures', the company has paid dividends of about $44 billion to its shareholders in 25 years. Out of the $44 billion, the Federal Government of Nigeria was paid about $21.56 billion. The $21.56 billion represents the 49 per cent shareholding of the Federal Government of Nigeria in the company where the Nigerian National Petroleum Company Limited (NNPC Limited) represents its interest.

In terms of feedgas payment, the gas company noted that Joint Venture (JV) feedgas suppliers from inception to 2024 amounts to about $36 billion, with 55-60 per cent of such payments going to the federal government for its shareholding through the NNPCL.

According to the Facts and Figures, NLNG generated considerable Foreign Direct Investment (FDI) for the country, with its assets, including property, plant, and equipment worth about $20 billion with 51 per cent stake owned by international oil companies and 49 per cent belonging to the federal government.

In addition, since 2008, the company stated that it contributed about 4 per cent of Nigeria's annual Gross Domestic Product (GDP), noting that with the rebasing of the GDP in 2024, NLNG's contribution to the GDP was put at about one per cent.

With the conversion of 237.7 billion standard cubic meters or 8.39 trillion cubic feet of associated gas, to export as LNG and Natural Gas Liquids, NLNG significantly reduced gas flaring in Nigeria, helped protect



Sources: NLNG, OPEC and NNPC Annual Statistics Bulletin

the environment from impacts of gas flaring, enhanced government's income, reduced felling of trees through the use of gas for cooking and heating and enhanced a healthier populace.

NLNG and its shareholders agreed on a 'Nigerianisation' scheme on September 1, 1997, which was revisited and updated in 2004. The objective of the scheme, which was to 'Nigerianise' the company's workforce was achieved in 2012.

"The company is now run by a 100 per cent Nigerian management team and 95 per cent Nigerian staff. NLNG, therefore, contributes to the reduction of unemployment figures in Nigeria and the development of skills and competencies critical to drive Nigeria towards a vibrant economy," it stated.

According to reports, one of its subsidiaries, NLNG Shipping & Marine Services Limited (NSML), is the biggest single employer of Nigerian seafarers, training hundreds of sea-going officers, some to the level of captains and chief engineers.

For over 10 years, NLNG's intervention in the supply of liquefied petroleum gas (LPG) also called cooking gas to the domestic market via the NLNG Domestic LPG (DLPG) Scheme has supported LPG supply, availability, and affordability and deepened consumption, and has also stimulated the development of different parts of the DLPG value chain in Nigeria.

NLNG supplies about 40 per cent of Nigeria's domestic LPG demand and, is currently the highest single supplier of LPG into the domestic market. It currently dedicates and delivers about 400,000 tonnes of LPG, which is 100 per cent LPG production from the company to the domestic market. When Train 7 comes on stream, the supply will increase considerably.

The Company's first domestic Propane cargo was also delivered in 2021.

Furthermore, and in support of the Federal Government's Decade of Gas Initiative, NLNG has also commenced plans for the supply of LNG within the Nigerian domestic market. This initiative is expected to stimulate industrial growth in the sector, with conditional supply and purchase agreements (SPAs) already executed with Nigerian companies as counterparts in the domestic LNG scheme.

Job creation

NLNG has created over 12,000 jobs at the peak of construction of Trains 3, 4 and 5 respectively. The major sub-contractors employed over 18,000 Nigerians in technical jobs in the Base Project (Trains 1 and 2 it added.

According to the former Executive Secretary of the Nigerian Content Development and Monitoring Board (NCDMB), Engr. Simbi Wabote, the Train 7 project will create over 40,000 direct and indirect jobs

Wabote stated that during the signing

12,324 red mangroves, 10,000 fruit trees and 900 coconut trees were planted under The Green Recovery Initiative

Participants during the Beach Clean-up Exercise

of the Letter of Intent (LoI) for the Train-7 Engineering, Procurement and Construction (EPC) Contract between NLNG and the preferred consortium-SCD, which is constituted by three entities – Saipem, Chiyoda and Daewoo in Abuja.

Wabote said: "The NLNG Train-7 will deliver 100 per cent engineering of all non-cryogenic areas in-country. The total in-country engineering man-hours will be set at 55 per cent which exceeds the minimum level stipulated in the NOGICD Act, in line with our resolve to push beyond the boundary of limitations."

The schedule of the NOGICD Act set the minimum engineering man-hours for Front End Engineering and Design (FEED) and Detailed Engineering on LNG Facility at 50 per cent.

He added that the benefits of the Train 7 project will extend to site civil works on roads, piling, and jetties, 100 per cent local procurement of all LV and HV cables, non-cryogenic valves, protective paints and coatings, sacrificial anodes and other direct procurements from our local manufacturing plants.

The target is to assemble over 70 per cent of all non-cryogenic pumps and control valves in-country, while other spin-off opportunities include logistics, equipment leasing, insurance, hotels, office supplies, aviation, haulage and many more, Wabote said.

The former Managing Director of NLNG, Engr. Tony Attah "that Train-7 will move from FEED to detailed design, construction, commission and delivery and this phase will attract almost $7billion with an addition of the upstream scope of $10bn which will boost the foreign direct investment profile of Nigeria."

He pledged the company's commitment to achieve the project completion within record time.

Through each Nigerian Content plan for its contracts, NLNG said it has promoted the development and employment of Nigerian manpower.

NLNG, therefore, contributes to the reduction of unemployment figures in Nigeria and the development of skills and competencies critical to drive Nigeria towards a modern-day economy.

Commemorating the repayment of the $5.45 billion shareholder loan for its existing trains in London, United Kingdom, former NLNG's Managing Director & Chief Executive Officer Tony Attah revealed that the funds being sought will cover the company's expansion programme (construction of Train 7) and investment in the upstream gas sector in Nigeria.

Attah said: "Let's get this very clear. NLNG is a mid-stream company that has monetised over 5.96 trillion cubic feet (Tcf) of associated gas (AG) which would have otherwise been flared thus helping to build a better Nigeria. However, what we are doing is not just looking to fund the expansion of the plant but also to ensure sustainability of gas supply to the plant, for the continued success of NLNG.

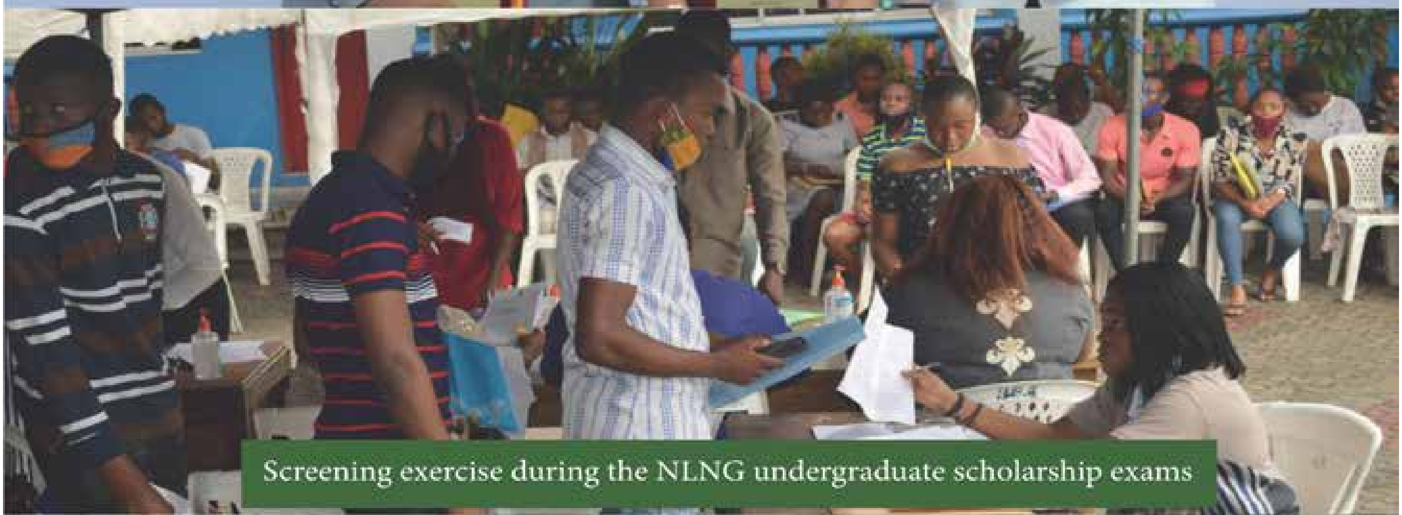
"All of these align with our belief that gas is a catalyst for industrial and economic transformation which will position Nigeria to become a leading gas producing country.

.President Muhammadu Buhari and Minister of State for Petroleum Resources, Dr. Ibe Kachikwu, lauded the loan repayment and the signing of the MoU between the B7 JV Consortium and SCD JV Consortium.

Contributions to Nigerian content development

General Electric Contract Services

Some beneficiaries of NLNG overseas scholarship programme



Screening exercise during the NLNG undergraduate scholarship exams

NLNG donates some workshop equipment to Bonny Vocational Centre, Bonny

Agreement (GE-CSA) and Nigerianisation: General Electric has a long term service agreement with the gas turbine manufacturer, GE, for services and the supply of parts necessary to perform planned turnaround maintenance works on NLNG's gas turbines which play a major role in the company's business operations.

NLNG has about 22 gas turbines in its facility. Over the years, the

Group photograph of top dignitaries during the Bonny Consulate Building commissioning ceremony in Bonny

contractor has been able to achieve Nigerianisation for 10 out of the 11 positions in NLNG GE-CSA team. The contractor has also been able to achieve 95 to 98% Nigerianisation for the manpower used in outages in 2017, and 98% Nigerianisation for the manpower used in the Inlet Guide Vane (IGV) relocation and Parts Improvement Programme (PIP) installation/upgrade.

Furthermore, GE has been able to train the first Nigerian Bucket technicians and Shim Pinning engineers for maintenance of turbines in this specialty field.

Invensys's Computer-Based Testing Centre: A computer-based testing centre was delivered in Bonny by Invensys, a Nigerian company, as part of the Nigerian Content deliverables in its contract.

The centre ensures that youth from Bonny Island who had hitherto faced difficulties in commuting to Port Harcourt and other locations through local boats to write JAMB exams – journeys that have sometimes resulted in fatalities through boat mishaps – will be spared the stress henceforth.

Coleman Wires and Cables Limited: A Nigerian Company supporting the power sector and partnering with NLNG in the manufacture and supply of low and medium voltage electrical cables for our power robustness projects in the plant and in our residential area power improvement projects.

Cables from Coleman have also been utilized and applied in other projects requiring change out of electrical cables and replacements.

I.O. Furniture and Vino Furniture: Two Nigerian furniture makers who were identified during NLNG's country wide survey for credible furniture makers whose products meet Class Certification requirements for application and utilisation in sea going vessels like the LNG Tankers. Never before has moveable furniture manufactured in Nigeria been shipped to another country to be fitted in LNG carriers.

For the ship building project, the partnership between NLNG and I.O Furniture and Vina Furniture respectively, made it possible for several units of moveable furniture of all types that were produced in Nigeria and exported to South Korea to be installed in LNG vessels being built by Hyundai Heavy Industries and Samsung Heavy Industries.

In its host community, through the initiative to empower local contractors, it said the indigenous contractors have made human and capital investments in their companies thereby expanding their operating capacity.

The capabilities of local vendors, it said, have also been developed through mentoring and partnerships between more established Nigerian vendors and community vendors as 55 per cent of engineering activities and procurement are being carried out in Nigeria, by Nigerian vendors in Train 7.

NLNG said it supports the development of community and Nigerian contractors to enable them to achieve standards of excellence, plus enhance their capacities and capabilities. In our host community, through the initiative to empower local contractors, indigenous contractors have made human and capital investments in their companies thereby expanding their operating capacity.

The capabilities of local vendors have also been developed through mentoring and partnerships between more established Nigerian vendors and community vendors.

Nigerian Content commitment in the acquisition of six new technology DFDE ships by NLNG's BGT led to major achievements such as a feasibility study

for the establishment of a drydocking and ship-repair yard in Nigeria and the training and development of Nigerians (both in Nigeria and Korea) in various aspects of ship design and construction and export of Nigerian goods for use in the construction of BGT ships in South Korea. For Train 7, 55% of both engineering activities and procurement will be carried out in Nigeria, by Nigerian vendors.

NLNG recognises the fact that funding is the bane of the Nigerian manufacturing industry. This led, in 2013, to the introduction of the USD1 billion NLNG Local Vendors Finance Scheme (NLVFS) which was increased to USD1.2 billion in June 2017 with the introduction of an additional participating bank to the scheme making a total of six participating banks. The scheme facilitates access to funds from participating banks to NLNG registered vendors (suppliers of goods or contractors of services).

Under the scheme, vendors are able to get speedy access to finance and fairer financing terms. The fairer financing terms were secured using the leverage of NLNG's relationships with the banks

NLNG Ship Management Limited (NSML), an NLNG subsidiary, is the biggest employer of Nigerian seafarers on board the 13 BGT owned ships. NLNG has trained hundreds of sea-going officers, some to the level of captains and chief engineers.

NLNG also continues to support the Maritime Academy of Nigeria, Oron, to train manpower for the industry. To this end, NLNG engaged Warsash Maritime Academy, Southampton to review the Nigerian academy's STCW 95 courses.

Warsash Maritime Academy was also required to help facilitate the accreditation process of Maritime Academy of Nigeria, Oron, to enable them to issue MCAapproved certificates. The cost for these projects which includes purchase, installation, and test-running equipment for the Academy is fully borne by Nigeria LNG limited. NLNG has spent over US $100,000 on equipment, besides sponsorship of four lecturers and a Life Craft Technician to the United Kingdom for training. In 2010,

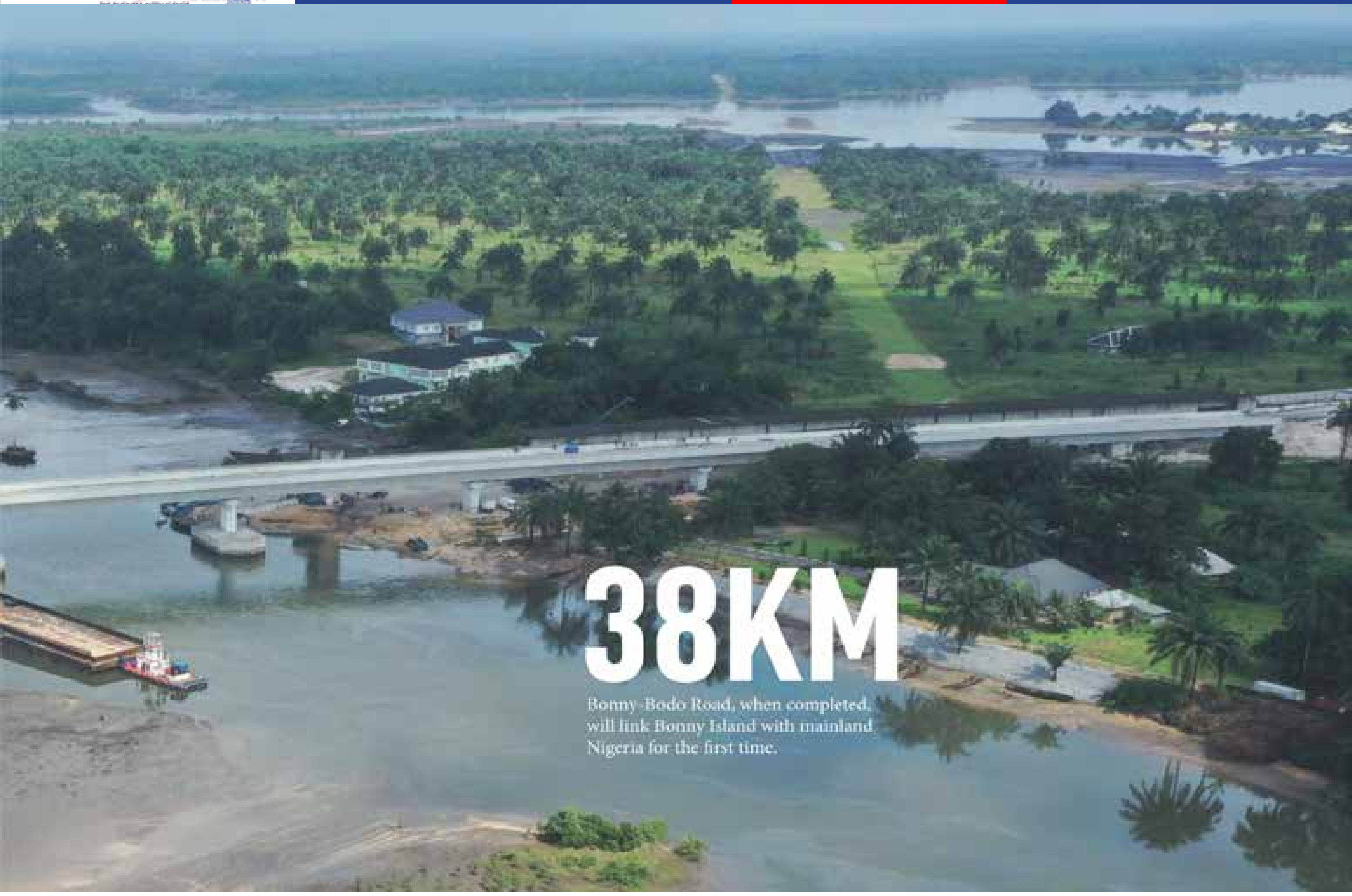
NLNG made a donation worth N40 million to the academy to facilitate training of officers in Proficiency in Survival Craft and Rescue Boat (PSCRB).

Through The Nigeria Prize for Science, The Nigeria Prize for Literature, and The Nigeria Prize for Literary Criticism, NLNG has encouraged excellence in scientific research and innovation, creative and critical writing with visible results. This has also had salubrious effects in publishing in the country.

Also, through its "The NLNG Change Your Story" workshops, the Nigeria NLNG has trained hundreds of journalists and media practitioners on how to use digital tools to do their job.

The NLNG Change Your Story workshop is facilitated by the Journalism Clinic and journalists are taught the use of new digital tools in mobile and visual storytelling that drives positive change in society. The programme is designed to build skills and bridge the knowledge gap between traditional and digital journalism practice.

On Research and Development, through its University Support



Programme (USP), Nigeria LNG Limited spent about $12 million on six universities ($2million apiece) to build modern engineering laboratories and procure cutting edge engineering equipment for them.

Conclusion

The Nigeria LNG rapidly, according to the company and successfully made the transition from a construction project to a stable production operation with a robust framework of People, Processes, Systems, and Organisation, as well as relentless focus on operational excellence and continuous improvement. In addition to regular maintenance of the assets to assure integrity, process safety, and reliability, opportunities are continuously sought to improve the Plant, incorporating proven techniques and processes to maximise production, and manage human interferences and impacts. All these activities are underpinned by Health, Safety, Security and Environment (HSSE) culture that continually seeks improvements in the safe and sustainable utilisation of our assets.

The Plant continues to rank amongst top performers worldwide; its performance is regularly benchmarked with other LNG plants around the world. NLNG has, within a short span of time, grown in status to become a very reliable supplier of LNG in the Atlantic Basin, serving the European, South American, Middle East, and the Far East markets.

NLNG currently has capacity to produce 5 million tonnes of NGL per annum, which is expected to increase to about 7million tonnes per annum when Train 7 comes into operation. The actual quantity of NGLs produced is, however, dependent on the richness of the feedgas supplied by our gas suppliers. While Condensate is currently exported on a Free on Board (FOB) basis to pre-qualified counterparties, LPG (propane and butane) is prioritized for domestic supply under NLNG's Domestic LPG initiative aimed at boosting product availability in-country and supporting the adoption of cleaner energy sources.

Following the Domestic LPG Industry Study commissioned by NLNG in 2016 which projected growth of up to 3 million tonnes per annum by 2026, subject to the implementation of various intervention programmes across the value chain, NLNG intensified its advocacy drive with the government aimed at facilitating the implementation of specific industry and policy initiatives necessary for the attainment of this projected market growth and development. Part of this advocacy included collaborating with the Programme Management Office (PMO) driving the National LPG Expansion Initiative.

NLNG has also maintained its leadership role in the industry, as a member of the Governing Council of Nigeria LPG Association. NLNG also became a member of the World LPG Association in 2017.

The Company's DLPG market deepening strategy yielded further dividends with the commencement of deliveries to Stockgap Terminal in Port Harcourt in 2019 as part of deliberate moves to encourage the growth of the sector beyond Lagos and reduce the impact of congestion of the Lagos ports on deliveries into the market.

To ensure steady supply of products, deliveries are made in Lagos and Port Harcourt through NLNG's dedicated vessel chartered for the DLPG Scheme with deliveries to Port Harcourt playing a significant role in deepening LPG supply in the southern and eastern corridors of the country. Also, in continuous demonstration of its commitment "…helping to build a better Nigeria", NLNG has now committed to delivering 100% of its annual LPG production into the domestic market.

The deliveries are made through Nigerian companies (off-takers) with whom NLNG has signed Sales and Purchase Agreements (SPAs). The number of these off-takers has increased from only six at the inception of the DLPG Scheme in 2007 to 42 presently.

The Company supplied its first Propane cargo into the domestic market in 2021 and has developed a scheme to sustainably supply Propane for usage in cooking gas blending as well as in agro-allied, autogas, power, and petrochemical sectors of the Nigerian economy to further deepen gas utilisation in Nigeria. These initiatives are designed to increase LPG availability in Nigeria, diversifying its uses and to support the Federal Government's Decade of Gas initiative.

Newly built water project at Elok & Iighom communities in Rivers State

Central Primary School, Bonny (left) and Community Secondary School, Rumuji (right) are among beneficiaries of the first phase of NLNG's schools' renovation and upgrade project

ADVERT RATES

HARD COPY

RATE	N=	K
Inside Front Cover	780,000	00
Back Cover	890,500	00
Inside Back Cover	735, 500	70
Opposite Inside back cover	700,000	00
Page three	780,000	00
Half Page Front Cover	320,175	50
Half Page Back Cover	300,750	00
Quarter Page Front Cover	175,950	85
Quarter Page Back Cover	160,800	65
Full Page	750,000	50
Half Page	410,000	00
Quarter Page	240,080	00
Centre Spread	2, 100, 000	00
WRAP AROUND Full Wrap Full Front Page Half Page Front	 10,000,000 6,000,000 4,500,000	 00 00 00

ONLINE

ADVERT BANNER SIZE/LOCATION	1 Month	3 Months	6 Months
Leader board: Top.Header Banner - (728x90px)	N650,000	N950,000	N1,500,000
Bottom Banner - (728x90px) (Home page)	N600,000	N850,000	N1,000,000
Sidebar Ad - (500x250px)	N800,000	N900,000	N1,700,000
Article Top Ad - (468x60px) Ads on every article)	N150,000	N450,000	N500,000
Article Inline Ad - Banner - (468x60px)	N150,000	N350,000	N400,000
Article Bottom Banner - (468x60px) (Ads on every article)	N150,000	N350,000	N450,000

SAHARA GROUP FOUNDATION, NIGERIA PHILANTHROPY OFFICE PARTNER TO GROW MSMES

Sahara Group Foundation, the social impact vehicle of energy conglomerate, Sahara Group, has signed a Memorandum of Understanding (MoU) with the Nigeria Philanthropy Office (NPO) to facilitate impactful philanthropic and investment support for Micro Small and Medium Enterprises (MSMEs) in targeted sectors of the economy.

The MoU represents another milestone for Sahara Group Foundation in furtherance of its commitment to promoting access to energy and sustainable societies.

Ejiro Gray, Director, Governance and Sustainability Sahara Group, said the partnership with the Nigeria Philanthropy Office will reinforce the critical role of entrepreneurship in the quest for sustainable development in Nigeria and become a template for "giving wings to the entrepreneurial spirit of the African Youth."

Ms Thelma Ekiyor, the Chairperson of the Nigeria Philanthropic Office under the VP's office, said the MOU and subsequent implementation of strategic projects would serve as a catalyst for significant job creation opportunities within the sectors to be supported.

"This partnership aims to orchestrate high-level catalytic philanthropic and impact investing support for MSMEs operating in targeted sectors including Fashion, Furniture Manufacturing, Agro- Processing, and Renewal Energy with significant potential for job creation," she said.

According to a report by the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN), MSMEs form a significant part of Nigeria's economy by contributing about 48% of the national GDP, yet simultaneously face major challenges such as low access to finance, inability to secure loans from banks due to stringent collateral requirements and high interest rates. MSMEs in Nigeria also suffer from inadequate infrastructure, inconsistent power supply and high operating costs.

Chidilim Menakaya, Head, Programs, Sahara Group Foundation said the partnership seeks to provide prospects for "repositioning and transforming MSMEs" through activities such as training, mentoring, and networking opportunities for entrepreneurs.

Menakaya further emphasised that Sahara Group Foundation through various programs provided platforms for fostering sustainable growth for MSMEs, particularly in the aspect of seed funding, finance, strategy, branding and scaling advisory and opportunities for many startups.

She said: "Through our extrapreneurship strategy, pan-African initiatives such as the Sahara MAD Challenge (formerly named Sahara Impact Fund) and the Making a Difference Around Africa initiative, we are creating essential platforms for driving sustainable MSME growth across the value chain to enable young entrepreneurs and startups thrive and contribute meaningfully to socio-economic development."

from left: Senior Special Assistant to the President on Job Creation and MSMEs, Mr Temitola Adekunle Johnson, MFR, Chairperson, Nigeria Philanthropic Office, Mrs Thelma Ekiyor-Solanke, and Head, Programs, Sahara Group Foundation, Chidilim Menakaya at the signing of the Memorandum of Understanding geared towards promoting MSMEs in Nigeria

INFERIOR FUEL: FG DEMANDS DANGOTE REFINERY'S DIESEL REPORT, ORDERS NEW TEST

The Federal Government, through the Nigerian Midstream and Downstream Petroleum Regulatory Authority, is expecting fresh reports to confirm the real sulphur content of the diesel produced by the Dangote refinery as the company debunked claims of inferior fuel production.

The NMDPRA spokesman, George Ene-Ita, in an interview with The PUNCH on Sunday, said the agency had done its job and would not engage in a media fight with anybody over the claims made by the NMDPRA Chief Executive, Farouk Ahmed, that Dangote's diesel has more sulphur content than imported one.

According to Ene-Ita, the authority has about 15 engineers and scientists embedded in the Dangote refinery, whose fresh report about the refinery's sulphur content will be out on Monday (today).

The PUNCH reported Ahmed as alleging that the diesel from the Dangote refinery contains high sulphur content.

Reacting to Dangote's allegations that the NMDPRA was giving licences to some traders to import dirty fuel into Nigeria last week, Ahmed argued that it was the Dangote fuel that had a larger content of sulphur.

He also said the refinery, which has been selling diesel and aviation fuel in Nigeria for months, had yet to be licensed, stating that it was still at the pre-commissioning stage.

"The claim by some media houses that there were steps to scuttle the Dangote refinery is not so. The Dangote refinery is still in the pre-commissioning stage. It has not been licensed yet; we haven't licensed them yet. They are still in the pre-commissioning. I think they have about 45 per cent completion," Ahmed declared.

The NMDPRA boss warned that Nigeria could not rely heavily on the Dangote refinery for its fuel supply.

According to him, the refinery had requested the regulator to stop giving import licences to other marketers so as to be the only fuel supplier in Nigeria.

"We cannot rely heavily on one refinery to feed the nation, because Dangote is requesting that we should suspend or stop importation of all petroleum products, especially AGO and direct all marketers to the refinery, that is not good for the nation in terms of energy security. And that is not good for the market, because of monopoly," he stressed.

Speaking about quality, he said, "So, in terms of quality, currently the AGO quality in terms of sulphur is the lowest as far as the West African requirement of 50 ppm is concerned.

"Dangote refinery and some modular refineries, like Waltersmith refinery and Aradel refinery, they are producing between 650 to 1,200ppm. So, in terms of quality, their product is much more inferior to the imported quality," he alleged.

Reacting during a tour of the refinery by members of the House of Representatives led by the Speaker, Hon. Tajudeen Abbas, over the weekend, Dangote asserted that products refined at the world's largest single train refinery are of superior quality compared to the imported fuel.

The speaker and other members had observed the testing of Automotive Gas Oil from two petrol stations alongside the same taken from the Dangote refinery.

The diesel samples were procured from two well-known filling stations near Eleko junction along the Lekki-Epe Expressway, Lagos, by the lawmakers.

The Chairman of the House Committee on Downstream, Ikeagwunon Ugochinyere, and Chairman of the House Committee on Midstream, Okojie Odianosen, oversaw the collection of samples from the Mild Hydro Cracking unit of the Dangote refinery for testing of all the samples.

The Dangote laboratory tests were said to have revealed that Dangote's diesel had a sulphur content of 87.6 ppm while the other two samples showed sulphur levels exceeding 1,800 ppm and 2,000 ppm respectively.

Dangote faults NMDPRA

Speaking, Dangote emphasised that the findings had debunked claims made by Ahmed that imported diesel surpasses domestically refined products.

The Africa's richest man openly challenged the regulator to compare the quality of refined products from his refinery with those imported, advocating for an impartial assessment to determine what best serves the interests of Nigerians.

"We produce the best diesel in Nigeria. It is disheartening that instead of safeguarding the market, the regulator is undermining it. Our doors are open for the regulator to conduct tests on our products anytime; transparency is paramount to us. It would be beneficial for the regulator to showcase its laboratory to the world so Nigerians can compare. Our interest is Nigeria first because if Nigeria doesn't grow, we have limited capacity for growth.

From left: Member, Corporate Affairs Committee, Manufacturers Association of Nigeria (MAN), Sunday Aboriomoh; Managing Director, Shell Nigeria Gas, Ralph Gbobo; Commissioner for Energy and Mineral Resources, Oyo State, Temilolu Ashamu; General Manager, Shell Energy Nigeria, Markus Hector; Coordinator, Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), Niyi Olowookere, at an SNG stakeholders' forum on Wednesday in Ibadan…… on Wednesday July 10, 2024.

Dangote argued that the imported products being encouraged by Ahmed have failed in tests, saying most of the importers have fake certificates because the owners of the laboratories have been told what to write.

On the allegation of monopoly, Dangote said, "If you are saying how can Dangote alone supply the market, are you saying the N4bn that the NNPC spent now on the activation of their refineries in Kaduna, Warri and Port Harcourt is down the drain? Are the refineries not going to work? They have announced a date. If they are there, we cannot be a monopoly because we are not the only one; actually, they are more powerful than us. So, there is no way we can be a monopoly, it is not done."

Speaking about the sulphur content, he added, "I am surprised for somebody to come and mention that we have a bad quality; we and other modular refineries. I can't talk of the quality of the modular refineries, but our own today is 87ppm and by Monday, we will be at 50ppm, by the beginning of August, we will be at 10ppm.

"All the test certificates people are busy flaunting around today are fake. Where are the laboratories? We have the laboratory. "The demarketing of a company by a regulator that he is supposed to protect is very very unfortunate. We produce the best diesel in Nigeria and if the regulator wants, he can come any time to conduct a test. I would like the media to show our lab and I would like the regulator himself to show us which lab is he using. As a regulator, he is supposed to have a lab. If the regulator doesn't have a lab, then we have an issue because he cannot rely on somebody. He is supposed to check us."

However, while commenting on the claim that the Dangote's diesel has 87ppm sulphur content, the NMDPRA spokesman posited that a lot might have changed within a space of five days.

"We are not fighting anybody. Dangote refinery is the same as an indigenous local refinery. We are regulators, we don't fight in the media. We have done our job, and that is it.

"You know we are dealing with engineering and time, and when we deal with engineering and time, it means that whatever claims put forward can be put to test and verified or debunked. If you recall, the ACE made that pronouncement on the sideline of an interaction on Wednesday or so. Between that time and now, it's been like five days, a lot can change. So, 650ppm or 500 can come down to whatever.

"What I am saying is that I can't give you any verifiable result for now, being a Sunday evening, until perhaps tomorrow when we will be in a position to review our technical report that must have been submitted by our engineers who are embedded in that plant. What normally comes to us are weekly reports. These particular tasks are done across the week from Monday to Sunday; even now, operations are going on and our engineers are there. So, I can't speak to the claims made by that refinery now," Ene-Ita explained.

On the insinuation that ACE may be relying on a report from other laboratories to describe his fuel as inferior, he replied, "Of course we have laboratories all over the country. Does Dangote work in NMDPRA? He doesn't work in NMDPRA."

The NMDPRA official fumed over the allegation that the regulator was demarketing a company it should protect, wondering if Dangote wants the agency to bend the rules in his favour.

"Why should we protect any company? We are regulators, operations are going don't protect anybody; we regulate operators. If he says protect, it means we are shielding. It means that we should bend the rules. We don't do that, we regulate every company.

"And we don't demarket, what does he mean? You only demarket your competitors to gain an advantage. We are not competing with an operator. The word, 'demarketing', is only used when two competing brands are fighting. We are not an operator; we are a regulator. How can we demarket? Please, I take exception to that, on behalf of my organisation. We are not demarketing anybody. We are regulating every local refinery, including NNPC," he clarified.

When told perhaps the business mogul means the regulator should be boosting local refining capacity, he retorted, "That's what we are doing. As we speak, there are over 15 engineers and scientists of the NMDPRA working with them for the last how many months. That's how we get our reports. We have engineers and scientists there, who go there. That's how we get them. That is why I keep on saying we don't want to personalise this matter. We are working to see that the local refining capacity is booted to a point where we are self-sufficient in producing our fuel here."

Dangote imports crude

Meanwhile, the Dangote refinery is in talks with Libya to secure crude for the 650,000 barrels per day plant and will also seek Angolan oil, a senior executive, Devakumar Edwin, told Reuters, as the refinery seeks to overcome problems with domestic crude supplies.

Since Dangote began operations in January, it has been unable to get adequate crude supplies in Nigeria, which, although Africa's biggest oil producer, is struggling with theft, pipeline vandalism and low investment.

Dangote has resorted to importing crude from as far as Brazil and the United States.

"We are talking to Libya about importing crude," Edwin told Reuters late on Saturday. "We will talk to Angola as well and some other countries in Africa."

He declined to give details about the talks but said international traders and oil companies were among the biggest buyers of Dangote's gasoil, much of which was being exported.

"The biggest off-takers are the two big traders Trafigura and Vitol and BP and, to some extent, even TotalEnergies. But all of them are saying they are taking it to

offshore," Edwin said.

Traders and shipping data have shown that Dangote is increasing gasoil exports to West Africa, taking market share from European refiners.

Dangote has said the refinery will begin the sale of Premium Motor Spirit in August, with a plan to stop the importation of refined fuel into Nigeria.

Marketers worried

However, Nigerians and marketers have been expressing concern over the ongoing controversies, especially after the regulator said the country would continue to import refined petroleum products into Nigeria.

The PUNCH recalls that while accusing the IOCs of plans to frustrate the refinery, the Vice President of Oil and Gas at Dangote Industries Limited, Edwin also accused the NMDPRA of granting licences indiscriminately to marketers to import dirty refined products into the country.

According to Edwin, the Federal Government issued 25 licences for the construction of refineries in Nigeria, but only the Dangote Group delivered on its promise.

The vice president noted that more than 3.5 billion litres of diesel and aviation fuel had been exported to Europe by the refinery in the past few months. The exported fuel, it was said, represented about 90 per cent of its production.

"The Federal Government issued 25 licences to build refineries and we are the only one that delivered on our promise. In effect, we deserve every support from the government. It is good to note that from the start of production, more than 3.5 billion litres, which represents 90 per cent of our production, have been exported. We are calling on the Federal Government and regulators to give us the necessary support to create jobs and prosperity for the nation," Edwin stated.

It was alleged that even though Dangote was producing and bringing diesel into the market, complying with the regulations of the Economic Community of West African States, "licences are being issued, in large quantities, to traders who are buying the extremely high sulphur diesel from Russia and dumping it in the Nigerian market."

Edwin lamented, "The decision of the Nigerian Midstream and Downstream Petroleum Regulatory Authority in granting licenses indiscriminately for the importation of dirty diesel and aviation fuel has made the Dangote refinery expand into foreign markets. The refinery has recently exported diesel and aviation fuel to Europe and other parts of the world. The same industry players fought us for crashing the price of diesel and aviation fuel, but our aim, as I have said earlier, is to grow our economy."

He noted that because the refinery meets the international standard as well as complies with stringent guidelines and regulations to protect the local environment, it has been able to export its products to Europe and other parts of the world.

"It is regrettable that in Nigeria, import licences are granted despite knowing that we can produce nearly double the amount of products needed in Nigeria and even export the surplus. Since January 2021, ECOWAS regulations have prohibited the import of highly contaminated diesel into the region," Edwin stated.

Meanwhile, some Nigerians online have called on President Bola Tinubu to relieve the NMDPRA chief executive of his job for saying the fuels produced by local refineries are inferior to imported ones.

Also, the House of Representatives said the allegations would be investigated.

====== PUNCH =====

NIGERIA PRODUCED 236M BARRELS OF CRUDE IN SIX MONTHS – NUPRC

Nigeria produced a total of 236,229,281 barrels of crude oil in the first half of 2024, The PUNCH has learned.

Data obtained by our correspondent from the Nigerian Upstream Petroleum Regulatory Commission confirmed that 44.2 million barrels of crude were produced in January while the country pumped 38.3 million barrels of oil in February.

Similarly, 38.1 million barrels were produced in March, and the monthly production for April was 38.4 million.

In May, 38.8 million barrels were pumped and 38.3 million barrels were achieved in June.

In the same period in 2023, the country's total oil output from January to June was 219.5 million barrels, 16.73 million lower than what was recorded in 2024.

However, during the first six months of 2020, the country produced 302.42 million barrels of crude oil, representing 66 million barrels more than what was obtained within the same period this year.

This is an indication that the nation's oil production has been fluctuating, declining more than appreciating over the years.

Data from NUPRC showed that the country produced an average of 1.43 million barrels of crude oil per day in the first month of the year, being the highest average daily crude production within the six months.

In February, the daily oil production dropped to 1.32mbpd and dropped further to 1.23mbpd in March.

Efforts by the government to stop the figures from dipping further may have yielded results as the daily production appreciated marginally to 1.28mbpd in April.

However, the figure fell again to 1.25mbpd in May, at a time the Group Chief Executive Officer of the Nigerian National Petroleum Company Limited, Mele Kyari, said the country's daily oil production was nearing 1.7 million barrels.

The month of June saw the production increasing marginally to 1.28mbpd, giving hope of recovery to the Nigerian government, whose economy depends heavily on crude oil.

Recently, Kyari lamented the negative impacts of oil theft and vandalism on the nation's economy, saying the act discouraged investments in the oil and gas sector.

"How do you increase oil production? Remove the security challenge we have in our onshore assets. As we all know, the security challenge is real. It is not just about theft; it is about the availability of the infrastructure to deliver the volume to the market.

"No one will put money into oil production when he knows the production will not get to the market. In the last two years, we removed over 5,800 illegal connections from our pipelines. We took down over 6,000 illegal refineries—cooking pots or whatever they were. You simply cannot get people to put money until you solve that problem," Kyari stated.

During a meeting of economic stakeholders with the Senate Committee on Finance on Monday, Kyari said Nigeria would soon begin the production of 2mbpd crude oil.

"Mr Chairman and members of the joint committee, let me just confirm that NNPC and the oil and gas industry are very critical in bringing a turnaround in our current economic situation, and we understand the importance of this. We are taking every step that is practical for us to achieve this."

"We have already seen growth in our oil and gas production because of certain actions that Mr President personally took, and also, the very mere truth that we have also declared war on production activities, and this is yielding the required results.

"The combination of these two has now seen us restoring production in our country, and we believe that, as the minister has said, we will soon hit the target of two million barrels of oil production per day," Kyari assured.

The NNPC GCEO did not disclose when the average daily crude production would skyrocket from the current 1.2 million barrels to two million barrels.

OUR DIESEL IS THE BEST IN NIGERIA, MEETS INTERNATIONAL STANDARD – DANGOTE

By Yunus Yusuf

President of Dangote Group, Aliko Dangote, has asserted that products refined at the Dangote Petroleum Refinery & Petrochemicals, the world's largest single train refinery, are of superior quality compared to imported equivalents and meet international standards. He expressed his confidence, after the House leadership insisted on testing other diesel products, alongside Dangote's diesel at its state-of-the-art laboratory.

During a tour of both Dangote Petroleum Refinery and the Dangote Fertiliser Limited complex by members of the House of Representatives, the Speaker of the House of Representatives, Rt Hon. Tajudeen Abbas and other members who observed the testing of Automotive Gas Oil (diesel) from two petrol stations alongside Dangote Petroleum Refinery, praised the company for its significant investments and contributions to Nigeria's development.

The diesel samples were procured from two well-known filling stations near Eleko junction along the Lekki Epe Expressway, by the honourable members. Chairman of the House Committee on Downstream, Hon. Ikeagwunon Ugochinyere, and Chairman of the House Committee on Midstream, Hon. Okojie Odianosen, oversaw the collection of samples from the Mild Hydro Cracking (MHC) unit of Dangote refinery for testing of all the samples.

Lab tests revealed that Dangote's diesel had a sulphur content of 87.6 ppm (parts per million), whereas the other two samples showed sulphur levels exceeding 1800 ppm and 2000 ppm respectively.

Dangote emphasised that these findings debunked claims made by Farouk Ahmed, CEO of the Nigerian Midstream and Downstream Petroleum Authority, who recently asserted that imported diesel surpasses domestically refined products. Ahmed had alleged that Dangote refinery and other modular refineries like Waltersmith and Aradel produced diesel with sulphur content ranging from 650 to 1200 ppm—a statement criticised by many Nigerians as a tactic to favour imported products over local ones.

Dangote openly challenged the regulator to compare the quality of refined products from his refinery with those imported, advocating for an impartial assessment to determine what best serves the interests of Nigerians.

"We produce the best diesel in Nigeria. It's disheartening that instead of safeguarding the market, the regulator is undermining it. Our doors are open for the regulator to conduct tests on our products anytime; transparency is paramount to us. It would be beneficial for the regulator to showcase its laboratory to the world so Nigerians can compare. Our interest is Nigeria first because if Nigeria doesn't grow, we have limited capacity for growth.

"Right Honourable Speaker and esteemed members, you've witnessed the results of the credibility test. I appreciate your wise counsel in procuring samples from the filling stations alongside our refinery's product. Ours shows a sulphur content of 87.6 ppm, approximately 88, whereas the others exceeded 1,800 ppm. Although the NMDPRA permits local refiners to produce diesel with sulphur content up to 650 ppm until January 2025, as approved by ECOWAS, ours is significantly lower. Next week, we aim to achieve 10 ppm, aligning with the Euro V standard. Imported diesel is capped at 50 ppm, but as you've seen, those from the stations, imported by major marketers, fall well outside this standard."

Dangote pointed out that high-sulphur content diesel regularly imported into the country often comes with dubious certifications. He emphasised that the most effective method to verify the quality is to purchase the product directly from filling stations and conduct credibility tests. According to him, this issue has resulted in both health risks and financial losses for Nigerians.

"Dubious certifications often accompany the importation of high-sulphur diesel into Nigeria, causing both health risks and financial losses for Nigerians," noted Dangote. "The best method to verify this is to purchase the product directly from filling stations where end-users obtain it. I believe Farouk Ahmed speaks without sufficient knowledge of our refinery. We have successfully exported diesel and jet fuel to Europe and Asia without any complaints; in fact, we have received repeated orders, indicating satisfaction with our products."

Supporting Dangote's assertion, VP of Gas and Oil at Dangote Industries Limited, Devakumar Edwin, highlighted recent actions by European countries like Belgium and the Netherlands. "These countries have expressed concerns about the carcinogenic effects of high-sulphur diesel being dumped into the Nigerian market, prompting them to impose bans on such fuel exports to West Africa."

Edwin informed the federal lawmakers that the Dangote Petroleum Refinery, designed to process a wide range of crudes including various African and Middle Eastern crudes, as well as US Light Tight Oil, conforms to Euro V specifications. In addition, he said, it is designed to comply with US EPA, European emission norms, Department of Petroleum Resources (DPR) emission/effluent norms, and African Refiners and Distribution Association (ARDA) standards.

Noting that products from the $20 billion facility are of high quality and meet international standards, Edwin said it has the capacity to meet 100% of Nigeria's demand for petrol, diesel, kerosene, and aviation Jet, with surpluses available for export.

The Group's VP, Olakunle Alake, expressed disappointment over accusations of monopoly against the Dangote Group. He stressed that there are multiple players in the industry, including the Nigerian National Petroleum Corporation (NNPC), which operates four refineries.

Expressing concern over the controversy surrounding the quality of imported refined products into Nigeria, Speaker Rt. Hon. Abass stated that the Green Chamber would establish a committee to investigate the matter thoroughly. He emphasised that sampled products from various sources would undergo testing as part of this initiative.

The Speaker also expressed admiration for the infrastructure at the Dangote Oil Refinery, describing it as a significant asset in Nigeria's quest for self-sufficiency in petroleum products. He noted that the refinery has positioned itself as a pivotal player, especially at a time when global concerns over energy security and sustainability are paramount.

"Today's visit to the magnificent facilities of Dangote Industries Oil Refinery section has been nothing short of enlightening. It has afforded us a rare opportunity to witness first-hand the monumental strides that your organisation has made in transforming the landscape of petroleum production in Nigeria. The sheer scale and sophistication of this facility are awe-inspiring; it stands as a beacon of hope for our country as we navigate through the turbulent waters of energy supply challenges," he said.

Commending the state-of-the-art technology implemented at the petroleum refinery, Abbas praised it as revolutionary and a shining example of engineering and innovation excellence.

"Each corner of this facility resonates with the echoes of hard work, dedication, and an unyielding pursuit of quality. It is evident that every drop produced here carries not just oil but also the hopes and dreams of millions who yearn for a brighter future. We are deeply impressed by what we have seen during this visit which confirms the rating of this industry as the single largest oil refinery in Africa. This remarkable achievement does not merely reflect corporate success; it symbolises national pride, a tribute to what can be accompanied when visionary leadership meets relentless determination," he said.

Acknowledging the numerous challenges likely encountered during the construction of the refinery, the Speaker lauded Dangote for his steadfast commitment to achieving excellence.

"I would like to take this opportunity to acknowledge the myriad challenges that have beset this remarkable facility. The regulatory hurdles that often loom like dark clouds over progress, the complexities surrounding crude oil supplies that can stifle even the most ambitious endeavours, and the daunting economic landscape we navigate especially in these times when our economy grapples with foreign exchange constraints are all formidable adversaries. Yet, despite these tribulations, your unwavering commitment to excellence shines through," he attested.

JTF INTERCEPTS 14 BOATS WITH STOLEN CRUDE

The Niger Delta Joint Task Force, Operation Delta Safe, says it has destroyed several illegal refining sites located within Abia State.

The JTF Commander, Rear Admiral John Okeke, made the disclosure in a statement released to newsmen in Yenagoa on Sunday.

Okeke said that the task force also intercepted 14 boats loaded with crude oil in Obuzor, Okoloma and Komkom River in Abia.

He said that the operation was carried out by the air component of the task force following reliable intelligence from members of the public.

The commander said that the mission was planned and executed to combat illegal activities along the Obuzor, Okoloma River and Komkom River regions.

"The task force visited some communities in the region to caution them to desist from all illegal crude oil activities capable of destroying the nation's economy.

"This move is in line with the anti-crude oil theft and illegal oil bunkering posture of the Chief of Defence Staff, Gen. Christopher Musa," he said.

He said the operation was to send a clear message that oil theft and economic sabotage within the Niger Delta Region would not be tolerated.

"We are ready, capable and determined in the task of combating illegal oil activities, and preserving the nation's critical assets," he said.

Okeke urged the public to always provide the task force with reliable information to track down oil thieves and vandals.

SEPLAT ENERGY, CHANNELS ACADEMY TRAIN ADDITIONAL 45 EDITORS/CORRESPONDENTS IN NIGERIA

Seplat Energy Plc, leading Nigerian indigenous energy company, has concluded the second phase of its media training programme for journalists and media practitioners in Nigeria. The second phase of the programme covers forty-five (45) Capital Market Editors/Correspondents as well as some Judiciary and Business writers.

The media training programme, which was organised in partnership with Channels Academy, is aligned with Seplat Energy's corporate goal of creating value for its media stakeholders and ensuring best practices in Nigeria's media industry.

Core capital market issues and case studies were brought to the fore alongside general business practices and overriding regulatory and legal frameworks.

The modules for the 2-day training programme, included: The Intersection of Law, Capital Markets and Business; Reporting Skills and Best Practices; Data Analysis and Interpretation; as well as Ethical Dilemmas and Professional Standards. Insights were also shared on Regulatory Frameworks and Compliance, Market and Legal Risk Management, Investigative Reporting Techniques and Leveraging Technology in Journalism. In attendance at the training were media professionals from print, electronic and online platforms.

Seplat Training 1: A cross section of Seplat Energy management led by the General Manager, Partner Relations, Grace Amadi and Manager Corporate Communications, Stanley Opara; Channels Academy management led by Chairman, John Momoh and General Manager, Kingsley Uranta; with resource persons and media practitioners, during the Second Phase of the Seplat Energy Media Training Programme held in Lagos recently.

Addressing attendees at the training, the General Manager, Partner Relations at Seplat Energy, Mrs. Grace Amadi, who represented Chioma Afe, Director External Affairs & Social Performance, noted that the training is a demonstration of Seplat Energy's commitment to the continuous empowerment of journalists and the media as a whole, as partners in progress.

The Founder/Chairman of Channels TV, who is also the Chairman of the Channels Academy, John Momoh, expressed delight at the collaboration between Seplat Energy and the Channels Academy and called for more of such synergy towards the upliftment and empowerment of the media.

The Deputy General Counsel at Seplat Energy, Mr. Joan Aga, who also graced the event, reiterated that as the Fourth Estate of the realm, duly recognized and empowered by the Constitution, the media is in the right position to shape public opinion through balanced stories.

SEPLAT ENERGY CANVASSES PRUDENT MANAGEMENT OF OIL, GAS ASSETS TO DRIVE GROWTH

Chief Executive Officer, Seplat Energy, Mr. Roger Brown

Seplat Energy PLC, leading Nigerian independent energy company listed on both the Nigerian Exchange and the London Stock Exchange, has called for prudent management of oil and gas assets in Nigeria in the country's quest to drive growth in the energy sector and encourage expansion.

The Chief Executive Officer, Seplat Energy, Mr. Roger Brown, gave this insight at the Centre for Petroleum Information (CPI) Petroleum Policy Roundtable (PPR XXIV) held in Lagos on Friday, where he delivered a Keynote titled: 'Managing inherited Assets: Rising to the Challenge'.

The general theme for the Roundtable was: 'Sustainably Powering forward the Nigerian Petroleum Industry – As IOCs back pedal'. The hybrid event had in attendance oil and gas operators, service providers, government officials, industry watches and advisers, amongst others.

Brown said in managing inherited oil/gas assets, cash generation should be ensured whilst the operators drive growth and development of the assets.

Referencing the Seplat Energy case, he said from the company's 14-year experience in managing inherited assets, production has been increased across its portfolio of acquired assets; of which acquiring and managing assets has driven the company's journey to becoming Nigeria's leading independent energy supplier.

Brown said: "At Seplat Energy, 2P reserves rose 9 per cent Year-on-Year to 478 MMboe with a 47 per cent:53 per cent split between liquids and gas. The increase in reserves was due to discovery of new reservoirs in OML 40, booking of volumes from the Abiala marginal field, and conversion of 2C resources to 2P in OML 53 2P + 2C reserves and resources 540 Mmboe at end 2023.

"Post-IPO (Initial Public Offer) , our investment in gas infrastructure has yielded fruits with oil and gas production mix now at 59 per cent and 41 per cent respectively (at the end of Full-Year 2023) from 83 per cent and 17 per cent pre-IPO. Investments in alternative evacuation routes have helped to stabilise production at >44.0 kboepd. Aggregate production has grown at a CAGR (Compound Annual Growth rate) of 5.4 per cent post-IPO".

The Seplat Energy CEO added: "Tax contribution to Nigeria stands at $2bn (Royalties, PPT, PAYE, NCD. $2.8bn total since company incorporation); $1.6bn capex invested in Nigeria ($2bn total since company incorporation); $535m total IPO raised (all at IPO); $575m total dividends paid (total of $616m including $41m pre-IPO dividends). Clearly, strong cash generation from prudent management of our assets has supported growth and expansion".

Seplat Energy business has continued to generate strong cashflows reflected in its strong FCF (Free Cash Flow) and NCFO (Net Cash from Operations) generation. Post-IPO, the company generated $1.7bn in FCF. Excluding 2014 and 2015 where it made significant capex investments post-IPO, the company has generated an average annual FCF of $264m.

Brown also stressed the need for inheritors of oil/gas assets to maintain good reputation with creditors, noting that: "Seplat Energy continues to maintain a strong reputation in the debt market. The confidence investors have in our ability to pay back debt is reflected in the $2.6bn debt repayment we have made since 2014, excluding interest payments."

The Seplat Energy CEO further called for strong collaboration between operators and their communities, stressing that working closely with host communities is essential to future success of acquired assets. "As a matter of importance, the communities where you operate should grow as the company grows; as well as the nation at large," he added.

COMMUNIQUÉ FROM THE MEETING OF FORMER NNPC GMDS AT THE CEO FORUM IN ABUJA

We, the former Group Managing Directors (GMDs) of NNPC, express our unwavering support for the current leadership and their commendable efforts in advancing the company's strategic objectives across key sectors.

Today, 20th July, 2024, NNPC hosted a CEO Forum attended by the underlisted with the senior management staff. The forum provided insights on NNPC's transition post PIA, the challenges and opportunities therefrom.

We obtained insights into NNPC's business activities in the context of global energy industry dynamics, strategic aspirations and operational updates. In particular, oil and gas production growth plan, gas infrastructure project delivery plan, progress on refinery rehabilitation and issues related to petroleum product supply and energy security were discussed.

We commend Mele Kyari as the first Group CEO to implement the PIA, and noted with satisfaction the progress made with hope that its limitations will be addressed over time.

We also acknowledge with satisfaction the significant progress made in:

*Increasing crude oil and gas production

*Funding of upstream operations and investments

*Gas supply and infrastructure development for domestic and export including CNG and LPG delivery

*Refineries rehabilitation progress

*Reduction in carbon emissions and commercialisation of Nigeria's vast gas resources

We expressed our satisfaction in the achievements recorded and encouraged the management team to continue advancing strategies to improve operations, grow portfolio, and manage talent.

We note with satisfaction the continuation of the policy on recruitment which takes into consideration the principles of diversity and inclusion as well as performance based career progression via a transparent process.

We also noted that limited information is in the public domain on NNPC's operations since transition to a private commercial entity. This has led to misleading commentary which we believe is not in tandem with the strides achieved by the company.

We empathise with the management team over the state of onshore operations with over seven thousand illegal refineries destroyed and over five thousand illegal connections removed.

We reiterate that any attack on crude oil and gas facilities as well as illegal refining are acts of criminality and economic sabotage. Therefore, all activities hindering oil and gas exploration and production in Nigeria must be sanctioned.

We appreciate that the PIA has made provisions for the Host communities' development and also provided for sustainable funding. We trust that Government Security Agencies will do the needful and ensure that crude oil theft, illegal refining and activities of pipeline vandals are stopped to allow for investment and growth of Nigeria's oil and gas sector.

We appreciate the support that all tiers of Government and the Nigerian citizens continue to give NNPC and trust that this will be sustained by the present administration of H.E. President Bola Ahmed Tinubu.

In attendance were:

Dr Jackson Gaius Obaseki

Chief Chamberlain Oyibo

Dr Jackson Gaius – Obaseki

Engr Funsho Kupolokun

Engr Abubakar Lawal Yar'adua

Engr Austen Oniwon

Engr Andrew Yakubu

Engr Abiye Membere (Fmr GED E&P – Resource Person)

IKEJA ELECTRIC TALKS TOUGH ON ENERGY THEFT, REAFFIRMS PENALTIES FOR OFFENDERS

Nigeria's leading Electricity Distribution Company, Ikeja Electric Plc (IE), reiterates that offenders caught in the act of energy theft will be immediately charged to court. The company emphasized that the era of merely imposing loss of revenue (LOR) penalty alone on offenders is over, as it will now enforce the full weight of the law against offenders.

The Company made this announcement at its July Stakeholders Forum, a monthly enlightenment meeting aimed at educating its customers about the company's activities and laudable initiatives to foster improved service delivery.

Mr. Kingsley Okotie, Ikeja Electric's Head of Corporate Communication, lamented the increase in energy theft, especially over the last three months following implementation of the reviewed tariff on Band A feeders. He noted that the company and the entire electricity value chain cannot survive if theft goes unchecked.

"The theft is massive and the company cannot guarantee meeting customer expectations if this ugly trend continues. Ironically, some perpetrators believe that if they haven't been caught, there are no consequences. This is false, and we must change the narrative," he said.

Okotie stated that for the Nigerian Electricity Supply Industry (NESI) to survive, all stakeholders must fight in unison against theft, as pilfering of electricity hinders the stability of the sector. He emphasized that whatever happens to the Distribution Companies (Discos) affects the entire NESI.

Speaking on strategies to curb theft, the company's spokesman mentioned that the whistleblowing platform is a very effective way for customers and well-meaning Nigerians to report incidents anonymously. He added that the platform is managed independently of the business, ensuring customers identity remain anonymous and highly confidential.

To reinforce the company's commitment, IE is incentivizing whistleblowing by rewarding those who report any illegality and theft of electricity. Persons who submit verified reports on Non-Maximum Demand (Residential & SMEs) offenders will get up to 10% of the reconnection fee paid by the offender while for Maximum Demand (Commercial & Industrial) offenders, whistle-blowers will get up to 5% of the reconnection fees paid by the offender.

He further explained that energy theft is a criminal offence under the Electricity Act, attracting a sentence between 6 months to 3 years imprisonment. Interfering with meters or the works of licensees carries a sentence of 3 years imprisonment. Ikeja Electric can, under the law, prosecute people and companies for the criminal offence of energy theft.

In line with regulations stipulated by the Nigerian Electricity Regulatory Commission (NERC), the NERC Order on unauthorized access, meter tampering, and bypass allows Discos to disconnect customers illegally connected to their network. Reconnection is only possible after offenders have paid for the loss of revenue by paying back-bills established by the Disco, along with reconnection costs and administrative charges.

The IE spokesperson urged customers to take advantage of the new whistleblowing platform to report energy theft. The whistleblowing channels include:

* Toll-free Hotlines: 0800-TIP-OFFS (0800 847 6337)

* Web Portal: www.ikejaelectric.com/whistleblowing<http://www.ikejaelectric.com/whistleblowing>

* Email: expressyourself@ikejaelectric.com

* Mobile App: Download the Deloitte Tip-offs Anonymous App on Android or iOS devices

For customer complaints, use the official complaints resolution channels via phone at 0201-7000-250, 0201-227-2940, or send an email to customercare@ikejaelectric.com.

OIL MINISTER, NMDPRA, NUPRC, NNPC LEADERSHIP MEET WITH DANGOTE

from left: Komolafe; Lokpobiri; Dangote; Kyari; Ahmed.

The Minister of State Petroleum Resources (Oil), Heineken Lokpobiri, and other key stakeholders in Nigeria's oil and gas industry have held a meeting with the Chairman and CEO of Dangote Group, Aliko Dangote, over issues surrounding the Dangote Refinery.

Dangote and Nigeria's regulatory authorities have been in dispute in recent weeks over the refinery located in the Ibeju-Lekki area of Lagos State.

It reached a new high when the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) said the government was yet to license the refinery for the commencement of operations.

But as part of moves to resolve the issues, Lokpobiri and other players in the oil and gas sector met with Dangote on Monday.

In a statement by the Special Adviser Media and Communication to the minister Nneamaka Okafor, those who attended the meeting included the Authority Chief Executive of the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) Farouk Ahmed; the Chief Executive Officer of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) Gbenga Komolafe and the Group Chief Executive Officer of the Nigerian National Petroleum Corporation Limited (NNPCL) Mele Kyari.

They all thanked the minister for his leadership and intervention in a bid to resolve the issues.

"The meeting focused on finding a sustainable and lasting solution to the current impasse affecting the Dangote Refinery, with all parties demonstrating a commitment to collaborative and proactive problem-solving," the statement read.

Lokpobiri at the meeting restated the importance of cooperation among stakeholders to ensure the success of the oil and gas sector which he said is critical to Nigeria's economic growth and energy security.

"This meeting marks a significant step towards resolving the challenges and underscores the Minister's dedication to fostering a conducive environment for Nigeria's oil and gas sector," the minister's aide said.

===== Channels ======

NIGERIA IMPORTED $2.08 BILLION FUEL FROM MALTA ALONE IN 2023

By Emeka Ugwuanyi

Facts have begun to emerge on alleged ownership of blending plants in Malta by some Nigerians as report has shown that Africa's biggest oil producer suddenly started massive importation of fuel from Malta, a small European country which according to World Bank, has a population of 531,113 as at 2022. The report showed that only last year Nigeria imported fuel worth a princely sum of $2.08 billion from Malta.

The report is coming a few days after the owner of the Dangote Refinery and Petrochemical, Alhaji Aliko Dangote, alleged that some officials of the Nigerian National Petroleum Company Limited (NNPCLtd) have blending plants in Malta.

According to the report contained on Trade Map, Nigeria imported petroleum oils obtained from bituminous minerals worth $2.08billion in 2023, jumping by a 342 per cent increase from $47.5m in 2013.

Nigeria imported fuel worth $59.98m in 2014; $117.01m in 2015 and $13.32m in 2016.

It was observed that from 2017 to 2022, there was no fuel importation into Nigeria from Malta.

However, there was a geometric leap in 2023 when the country imported fuel worth $2.08bn.

Some Nigerians believe Dangote might be right when he said some NNPC personnel own blending plants in Malta.

Amid the crisis surrounding his $20bn refinery, Dangote had said, "Some of the terminals, some of the NNPC people, and some traders have opened blending plants somewhere off Malta. We all know these areas. We know what they are doing."

But according to PUNCH report, the Group Chief Executive Officer of the NNPC, Mele Kyari, denied owning a blending plant outside Nigeria.

Kyari, the report further noted, said he had been inundated with calls from family members and friends, asking if he truly owned a blending plant in Malta.

The NNPC helmsman said he does not own or operate any business directly or by proxy anywhere in the world, except for a local mini-agric venture.

He also said he is not aware of any employee of the NNPC that owns or operates a blending plant in Malta or anywhere else in the world.

"I am inundated by enquiries from family members, friends, and associates on the public declaration by the President of Dangote Group that some NNPC workers have established a blending plant in Malta, thereby impeding procurements from local production of petroleum products.

NCDMB HOLDS RETREAT WITH SENATE COMMITTEE ON LOCAL CONTENT, SEEKS CLOSE COLLABORATION

From left: Senator Onyesoh Allwell Heacho; Chairman of the Senate Committee on Local Content, Senator Natasha Akpoti-Uduaghan and Executive Secretary NCDMB, Engr. Felix Omatsola Ogbe at the 3-day Local Content retreat at Abuja

By Emeka Ugwuanyi

The Nigerian Content Development and Monitoring Board (NCDMB) and the Senate Committee on Local Content on Sunday began a 3-day retreat at Abuja, aimed at forging closer collaboration between the two entities, to achieve improved implementation of the Nigerian Oil and Gas Industry Content Development (NOGICD) Act.

The theme of the retreat is creating synergy for sustainable local content development and was attended by members of the committee and some senior management of the NCDMB.

Speaking at the opening ceremony on Monday, the Executive Secretary NCDMB, Engr. Felix Omatsola Ogbe underscored the importance of collaboration with relevant stakeholders in managing and growing Nigerian Content in the oil and gas industry. He stated that the retreat is a key platform for actualising the needed collaboration, describing the National Assembly as one of the most important stakeholders to collaborate with.

He reiterated that the Board is focused on fulfilling the mandate set out by the NOGICD Act, which is basically to build the capacity of Nigerian companies and people to participate in the oil and gas industry and to monitor the compliance of oil and gas companies. He stressed that the mandate has not changed with the change of leadership in the Board.

Speaking further, Ogbe maintained that his major objective in the current role is how to sustain the growth of Nigerian Content in the oil and gas industry.

Commenting on the performance of the Board, the Executive Secretary indicated that NCDMB operates as a business enabler and supports the value chain efficiency and project delivery. He added that "consistent with the recent Presidential Directives on Local Content and in line with our Service Level Agreement (SLA) with the oil and gas industry, we are simplifying our processes and accelerating our approval timeline to enable business delivery." He also announced that the Board was coming up with a programme where it would upgrade the quality of some primary and secondary schools in the hinterlands, as a strategy to develop competent manpower for the oil and gas industry in years to come.

In her remarks, the Chairman of the Senate Committee on Local Content, Senator Natasha Akpoti-Uduaghan lauded the successes that have been recorded with the implementation of the NOGICD Act, especially in the development of critical assets and the emergence of Nigerians with the requisite skills to deliver complex projects and lead operations of the oil and gas industry.

She however identified huge gaps for improvements, noting that the retreat provided the opportunity to create the needed interface with key stakeholders. She emphasized that close collaborations lead to higher productivity and impact, which would benefit members of the public.

She also canvassed that trainees of the Board's on-the-job training and direct training programmes should be engaged by the oil and gas industry, otherwise, the resources committed to their training would have been wasted.

The retreat featured presentations from key directorates of the Board, including the Director, Monitoring and Evaluation, Mr. Abdulmalik Halilu, who discussed how monitoring activities are carried out by the Board, to ensure that operating and service companies comply with the provisions of the NOGICD Act. He explained that the Nigerian Content Compliance Certificate (NCCC) which is the outcome of the Board's Projects Certification and Authorization process is converted into the monitoring template and used to monitor the operations of oil and gas firms.

Also speaking, the Director, Projects Certification and Authorization Division (PCAD), Engr. Abayomi Bamidele suggested that players of the Nigerian oil and gas industry must ensure that at least one final investment decision (FID) is taken every year, to keep oil and gas service facilities, investments and employees engaged.

NCDMB, UBEC EXPLORE OPPORTUNITIES FOR CAPACITY BUILDING, SUPPORT FOR BASIC EDUCATION

By Emeka Ugwuanyi

Executive Secretary, Universal Basic Education Commission (UBEC), Dr Hamid Bobboyi and the Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB), Engr. Felix Omatsola Ogbe with top management staff of both agencies after the meeting between the chief executives at NCDMB's Abuja liaison office on Tuesday.

The Nigerian Content Development and Monitoring Board (NCDMB) and the Universal Basic Education Commission (UBEC) have agreed to collaborate towards upgrading basic education in the country and building capacities of young Nigerians towards meeting the needs of the ever-changing oil and gas industry and the linkages sectors.

The partnership opportunities were explored on Tuesday when the Executive Secretary NCDMB, Engr. Felix Omatsola Ogbe hosted his counterpart from UBEC, Dr Hamid Bobboyi at the Board's Abuja liaison office. The leaders agreed to set up a joint committee that would finalize details of their agencies' collaboration, with the overall goal of contributing meaningfully to the future of the Nigerian economy.

The kernel of the meeting attended by the top management of both organisations centred on how NCDMB could partner UBEC to upgrade some dilapidated primary and junior secondary schools dotted across the country, train teachers and upgrade critical facilities to meet the demands of the present age. Conversations also hovered around making basic education work sustainably, developing digital resource centres and smart school systems as well as synergising efforts of stakeholders in the education sector for maximum impact.

Before this engagement, NCDMB had developed over 150 ICT centres in secondary schools across the country and upgraded select technical colleges as well as intervened in some universities as part of its institutional strengthening programme, supported by international and indigenous oil producing companies.

In his remarks, the Executive Secretary of NCDMB announced the introduction of a bespoke capacity-building project tagged "Back to the Creeks/Villages." The initiative would seek to revamp dilapidated primary schools, especially in the creeks of the Niger Delta and other parts of the country, develop their infrastructure, teaching personnel and curriculum to world-class standards and make the interventions sustainable.

Ogbe revealed his passion for contributing to the development of remote parts of Nigeria and mentioned that he had started engaging some international oil producing companies. He hopes the oil companies will embrace the initiative and channel their human capacity development (HCD) budgets to the new programme for symbiotic benefits.

He underscored the strategic need to begin at the basic education level to develop capacities of young Nigerians, rather than intervening at the senior secondary or tertiary levels..

The Executive Secretary said the detailed strategy for the "Back to the Creeks/Villages" was still being fine-tuned and would soon be unveiled to industry stakeholders.

He assured the UBEC boss that NCDMB would partner with the agency, beginning with the training of teachers, harping that the success of the collaboration would attract other entities to partner with UBEC.

He emphasised the need to develop complete project scopes and to make every intervention sustainable. This can be achieved he explained, by deliberately getting the benefitting communities to take ownership of the projects.

Earlier in his remarks, the Executive Secretary of UBEC suggested that NCDMB should partner with the agency to develop, equip and operate Digital Resources Centres and Smart School Solutions in states of the federation.

The UBEC boss bemoaned the embarrassing state of basic educational institutions across the country and remarked that a nation that neglected the first level education had invariably embraced a bleak economic future and dysfunctional society.

He rued several challenges that impact the development of basic education in the country, such as insufficient budget, and lack of interest by some state governors. among other issues. He highlighted the need for collaboration with stakeholders, to leverage extra resources for the sub-sector..

In their contributions, the Director Corporate Services NCDMB, Dr. Ama Ikuru commented that NCDMB's interventions in schools and other centres of learning in the past 14 years were in furtherance of its mandate of building requisite capacities for the Nigerian oil and gas industry and linkage sectors.

Likewise, the Director, Monitoring and Evaluation, Mr. Abdulmalik Halilu advised that the Board's collaboration with UBEC must be guided by four pillars, notably needs assessment, sustainability plans, enablers for execution and identification of funding sources.

SENATE VOWS TO EXPOSE SABOTEURS IN OIL SECTOR

The Senate has committed itself to uncovering and holding accountable any individuals or organisations involved in economic sabotage within the Nigerian petroleum industry.

Led by Opeyemi Bamidele, the Senate Leader and Chairman of the Senate Ad-Hoc Committee investigating this matter, the Senate aims to address serious issues that threaten the country's economic prosperity, fiscal stability, and public health.

In the pursuit of its mandate, the committee will thoroughly investigate the roots of economic sabotage in the petroleum industry and make recommendations to promote global best practices and attract more investments, particularly in the midstream and downstream sectors. This national assignment will be carried out with impartiality and a focus on protecting the strategic national interests of Nigeria.

The committee's investigation will encompass various aspects, including the examination of pre-shipment and pre-discharge test parameters employed by the Nigerian Midstream and Downstream Regulatory Authority. The goal is to identify any loopholes that may be exploited to import toxic petroleum products into the country. Additionally, the committee will assess the compliance of the Nigerian National Petroleum Corporation Limited's direct sale and direct purchase arrangements with the provisions of the Petroleum Industry Act (PIA).

The activities of the Nigerian Midstream and Downstream Petroleum Regulatory Authority will also be scrutinised, with a particular focus on payments made to transporters over the past decade. The committee will inquire about the status of the 22 depots built by the defunct NNPC to eliminate the road distribution of petroleum products. Furthermore, stakeholders within the oil and gas industry will be engaged to identify areas for improvement in the regulation and strengthening of surveillance and monitoring structures to detect violations of best practice standards in product importation.

The committee will engage with the NNPC to understand the progress and timelines for the operation of government-funded oil refineries. It will investigate the failures of institutions involved in the importation and distribution chain, such as the lack of quality sampling and auditing of shipped products.

It is important to note that the Senate has formed this committee not to intimidate or witch-hunt any party but to ensure social and economic justice in light of the challenges faced by the nation. The committee will conduct its investigation diligently and with integrity, dedicated to safeguarding the interests of all Nigerians and restoring confidence in the energy sector.

The cooperation of all relevant stakeholders is crucial, and the committee appeals for their full support. Together, we can prevent such incidents from recurring and maintain the integrity of the fuel supply chain. Public hearings will be held from September 10th to 12th, allowing concerned stakeholders to reveal those responsible for illegally importing hazardous and substandard petroleum products into Nigeria.

Bamidele acknowledges that Nigeria is suffering due to the actions of saboteurs but assures the nation that this committee will not follow the path of previous efforts.

The 9th Senate successfully passed the Petroleum Industry Act (PIA) after unsuccessful attempts by previous assemblies, and the 10th Senate is determined to put an end to sabotage in the petroleum industry through the work of this Ad-hoc committee.

TINUBU APPOINTS NEW MANAGEMENT FOR NDPHC

President Bola Tinubu has appointed a new management team for the Niger Delta Power Holding Company.

The Presidency announced the appointments on Monday in a statement signed by Tinubu's Special Adviser on Media and Publicity, Ajuri Ngelale, entitled, 'President Tinubu appoints new management team for the Niger Delta Power Holding Company'.

The new members of the management of the company are Jennifer Adighije as managing director/chief executive officer; Abdullahi Kassim as executive director (generation); Bello Bello as executive director (networks); and Emmanuel Umeoji as executive director (corporate services).

Others are Omololu Agoro as executive director (finance and accounts), Omoregie Ogbeide-Ihama as executive director (strategy and commercial), and Steven Andzenge as executive director (legal services).

The new NDPHC CEO holds a master's degree in Wireless Networks & Telecommunications from Queen Mary University of London, UK, and a bachelor's degree in Electrical/Electronics Engineering from the University of Lagos.

Ngelale said Tinubu expected the new members of the management of the company to deploy their expertise and experience to drive NDPHC's mandate of effectively managing the National Integrated Power Projects.

EXXONMOBIL REFUTES FRESH OIL SPILL CLAIM IN A'IBOM

Mobil Producing Nigeria Unlimited has disassociated itself from last Thursday's fresh oil spill, which occurred in the Ibeno Local Government Area of the State.

Over 27 coastal communities were said to have been badly affected in the fresh oil spill which the communities believed was spilled by ExxonMobil.

The village head of Mkpanah, Mobil host community, Denis Essenem, while receiving the Director General of the National Oil Spill Detection and Response Agency, Chukwuemeka Woke, attributed the spill to ExxonMobil. Woke was on an operational visit to the communities.

Essenem claimed that ExxonMobil is the only major oil company that operates on high sea while others are just marginal fields upland.

Essenem said, "We don't have any major oil companies than ExxonMobil, the other ones are marginal fields, the upland and if there are spillages the spill will go into the farm lands, but ExxonMobil that operates on high sea with very high current, the breezes will push the oil, the current will drive the oil, they will keep giving us flimsy excuses, lying to us that it's not their oil."

But ExxonMobil in a statement by its Regional Communications Manager – Africa, Ogechukwu Udeagha, in Uyo, said on Tuesday that the organisation has not suffered any disruption from any of its facilities.

It added that a preliminary report from the government agency did not identify any Mobil facility as a potential source.

"There has been no release of oil from any of our facilities. We are not the only operator in the area. A preliminary government agency inspection report on the alleged incident did not identify any of our facilities as a potential source. Protection of the environment and our communities remain key priorities in our operations," the statement said.

TINUBU PANEL, DANGOTE REFINERY AGREE ON SEPT PETROL ROLLOUT

The Federal Government's committee which was set up to ensure the implementation of crude oil sales to local refineries in naira has reached an agreement with the Dangote Petroleum Refinery for the rollout of Premium Motor Spirit, popularly called petrol, in September this year.

The Federal Government also disclosed that the sale of crude oil to Dangote Refinery and other local refineries will commence on October 1, 2024. The Minister of Finance and Coordinating Minister of the Economy, Wale Edun, announced this during a meeting with the Implementation Committee on Monday in Abuja. According to a post on the official X (formerly Twitter) page of the finance ministry, the meeting was to review progress on key initiatives. At the meeting, key roles were outlined for stakeholders, including the Nigerian Midstream and Downstream Petroleum Regulatory Authority, Central Bank of Nigeria, Nigerian Upstream Petroleum Regulatory Commission, and the African Export-Import Bank to ensure smooth implementation. The post read, "The Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun, today led the Implementation Committee meeting on the transition to crude oil sales in naira.

"The meeting reviewed progress on key initiatives, including the upcoming commencement of naira payments for crude oil sales to the Dangote Refinery starting October 1, 2024."

Also, the Executive Chairman of the Federal Inland Revenue Service, Dr Zacch Adedeji, and the Chairman of the Technical Sub-Committee reported that "The first PMS delivery from Dangote is expected next month under existing agreements."

SPDC'S SUPPORT NURTURING NEXT-GENERATION ENERGY EXPERTS, SAYS DON

from left: Director, NNPC/SPDC JV Centre of Excellence in Environmental Management and Green Energy, University of Nigeria, Professor Anene Moneke; Head, Corporate Relations Nigeria, and Director Shell Petroleum Development Company (SPDC), Igo Weli; and former Vice Chancellor, University of Nigeria, Professor Charles Igwe, during a visit to SPDC management in Port Harcourt, Rivers State… recently

By Emeka Ugwuanyi

A leading academic has identified the targeted investments in education by the Shell Petroleum Development Company (SPDC) Joint Venture as a catalyst for addressing Nigeria's energy challenges.

Professor Anene Moneke, Director of the NNPC/SPDC/TotalEnergies/NAOC Joint Venture Centre of Excellence in Environmental Management and Green Energy (CEMAGE) and holder of the NNPC/SPDC JV Professorial Chair in Environmental Management and Control at the University of Nigeria, made the observation during a visit to SPDC's headquarters in Port Harcourt on Thursday.

Accompanied by Professor Charles Igwe, the university's immediate past Vice-Chancellor, Professor Moneke emphasised the pivotal role of the Centre in developing sustainable energy solutions and commended SPDC's commitment to fostering academic excellence and environmental sustainability, highlighting the immediate and long-term benefits for the country.

The SPDC-operated joint venture established the Centre of Excellence of in Environmental Management and Control (CEMAC), and later the Professorial Chair in Environmental Management and Control now upgraded to the NNPC/SPDC JV Centre of Excellence in Environmental Management and Green Energy (CEMAGE) to equip the next generation of Nigerian leaders with the knowledge and skills needed to tackle the nation's energy crisis.

"The introduction of the Green Energy programme in the Centre, will further position it to play a pivotal role in proffering sustainable energy solutions," Professor Moneke said, adding that SPDC's commitment to fostering academic excellence and environmental sustainability will yield immediate and long-term benefits for the country.

The delegation expressed gratitude for SPDC's decision to upgrade the Professorial Chair to the Centre of Excellence, recognising the positive impact on the university and the wider community. The Centre, established with a $1 million SPDC-funded building in 2014, will now offer postgraduate programs in Environmental Management and Green Energy, thanks to increased funding from the joint venture.

Since its inception in 2021, CEMAGE has achieved significant milestones, including the production of 22 doctorates, 37 master's degrees, and 13 postgraduate diplomas. The Chairholder and research team have published five journal papers and conducted three critical habitat assessments for SPDC.

SPDC Director and Country Head of Corporate Relations, Igo Weli, who received the delegation emphasised the company's commitment to developing Nigerian leadership. "Nigeria urgently needs strong leadership, and we believe academia can play a vital role in this area," he said.

SPDC's support for education extends beyond CEMAGE, encompassing scholarships, infrastructure development, and industry experience opportunities for students and lecturers.

SPDC's broader support for education, including scholarships and infrastructure development, is seen as a catalyst for positive change.

OIL PRODUCERS KICK AGAINST FORCED SALE OF 460,000BPD CRUDE TO DANGOTE REFINERY, OTHERS

Oil producers, under the aegis of the Independent Petroleum Producers Group, have warned against being forced to sell crude oil to the Dangote Petroleum Refinery and other local ones in Nigeria.

The IPPG produces about 30 per cent of Nigeria's crude oil, according to the Nigerian Upstream Petroleum Regulatory Commission.

The latest crude oil production data from NUPRC showed that Nigeria's total production (both crude and condensates) was 1,533,698 barrels in July. When 30 per cent of this figure is calculated, the IPPG should be producing about 460,000bpd of crude.

The IPPG also called on the Nigerian National Petroleum Company Limited to re-direct its allocated crude oil volumes to Dangote refinery and other local refineries to mitigate the current crude supply shortage being experienced by the local refiners that is impacting local product availability in many parts of Nigeria.

The Chairman of IPPG, Abdulrazak Isa, in a letter dated August 16, 2024, and addressed to the Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission, Gbenga Komolafe, said NNPC should utilise its allocated 445,000 barrels per day intervention crude oil volume to salvage the current situation as it did in many instances in the past.

Isa said some IPPG members already owned and/or were supplying crude oil to local refineries.

He insisted that NNPC was in a good position to mitigate the current crude supply shortfall faced by local refiners by leveraging its statutory crude allocation to meet local domestic consumption.

"Historically, NNPC has always had an intervention crude oil volume (445,000bpd) meant to satisfy the nation's domestic consumption. This volume has always been used under various swap mechanisms to import refined products for domestic consumption.

"Since there is now domestic refining capacity to meet consumption, this dedicated volume should be reserved for all domestic refineries under a price hedge mechanism that can be provided by a suitable financial institution such as Afrexim Bank," he stated.

Isa, however, maintained that "Any national production above this allocated volume should be treated strictly as export volumes, adhering to the willing-buyer, willing-seller framework of the international market especially since the refiners will need to export excess products that surpass domestic demand, thus boosting FX (foreign exchange) earnings."

The group expressed concerns over certain recent developments, including the domestic crude oil refining requirements and crude oil production forecast for the second half of 2024, announced by NUPRC, as well as the request to all producing companies for their monthly quotations for crude oil supply to licensed refineries in Nigeria.

Specifically, IPPG said some of its members had received letters from the Dangote Refinery for crude supply nominations for October, and faulted the approach as bringing them under an obligation, saying it conflicted with the spirit of the willing-buyer, willing-seller framework prescribed by the Petroleum Industry Act 2021.

He asserted that the objective of enhancing the country's petroleum value chain should be done within the confines of the law and existing obligations.

He expressed confidence that an amicable solution could be reached by all stakeholders without jeopardising the existing commercial agreements, economic interests, and business models of each segment of the oil and gas sector.

"While we fully support and commend the efforts of Nigerian entrepreneurs to enhance domestic refining capacity, it is important that no private sector business is unduly pressured into arrangements that may effectively subsidise another within the oil and gas value chain under any guise whatsoever.

"Under this willing-buyer, willing-seller framework, it is essential for refiners to negotiate and execute long-term crude oil Sales and Purchase Agreements with producers and their marketing agents. These agreements should follow industry best practices, with typical tenures ranging from one to five years," the IPPG chairman said.

He added that some of them had also received allocation letters from NUPRC for the supply of specific volumes of crude oil to the domestic market for the second half of 2024, expressing concerns about its potential implications for the economy, especially the foreign exchange earnings through royalties and taxes.

The group noted, "We understand that the current allocation methodology appears to be based on a matrix of production forecasts by producers, issued technical allowable rates as well as crude oil requirements of domestic refineries, rather than actual local consumption needs. This raises significant concerns as it suggests that allocations are being determined based on the demands of refiners, which may exceed what is needed for domestic consumption.

"Such an approach could lead to inefficiencies and unfairly disadvantage producers. Therefore, refineries with excess capacity beyond local consumption mustn't exploit the Domestic Crude Oil Supply Obligations to the detriment of oil producers and other stakeholders, including the Government."

Isa called for transparency in how the allocations to oil producers were determined and requested NUPRC to provide clear details on the allocation criteria and methodology, while he sought an opportunity for IPPG to make input into the production forecast to ensure it accurately reflects operational realities.

The NUPRC did not respond to enquiries when contacted to react to the position of the indigenous crude oil producers.

The PUNCH recalls that Dangote and other local refineries have repeatedly accused international oil companies of not selling crude to them.

President Bola Tinubu later directed the NNPC to sell feedstock to the local refineries in naira

On Monday, the Federal Government

announced that the deal would commence in October.

The Publicity Secretary of the Crude Oil Refiners Association of Nigeria, Eche Idoko, told our correspondent last week that a meeting was held to that effect.

Modular refiner worry

Meanwhile, the crude supply crisis in Nigeria took a new twist on Tuesday as the owners of modular refineries warned the Federal Government against ignoring them while selling crude oil to the Dangote refinery.

This is coming following an announcement by the Minister of Finance and Coordinating Minister of the Economy, Wale Edun, on Monday that crude sales to the Dangote refinery would start in October.

Edun had presided over a crucial meeting of the Implementation Committee on Crude Oil Sales in Naira.

The Executive Chairman of the Federal Inland Revenue Service, Zacch Adedeji, who is also the Chairman of the Technical Sub-Committee, reported that the first PMS delivery from Dangote is expected in September under existing agreements.

However, the Publicity Secretary CORAN, Idoko, expressed concerns that the Federal Government had sidelined modular refineries in the arrangements.

Though he commended the Federal Government for the decision to sell crude to the 650,000 Dangote refinery in naira, he told The PUNCH in an interview that Dangote was not the only refinery in Nigeria.

"The decision of the Federal Government to start selling crude to Dangote in October is welcomed, but I worry that the government has exercised fear of Dangote becoming a monopoly, and now it has always created a scenario for the emergence of a monopoly.

"We have over time reiterated that we have more than just one refinery in Nigeria. Dangote is not the only refinery, albeit the biggest, largest, but then, there are other smaller refineries, and we thought that whatever good gesture is extended to Dangote should be extended to all.

"We have made this clear in most of our communications, but I think the Federal Government is still making the same mistake," Idoko stressed.

====== PUNCH ======

NMDPRA ISSUES OPERATIONAL LICENCE TO EDO REFINERY

CEO, NMDPRA, Farouk Ahmed

The management of the Nigerian Midstream and Downstream Petroleum Regulatory Authority has issued an operational licence to Edo Refinery and Petrochemical Company Limited, Ologbo, in the Ikpoba-Okha Local Government Area of Edo State.

The NMDPRA is the technical and commercial regulator of midstream and downstream operations in the petroleum industry.

Issuance of operational licence is the final stage of approval from the regulatory authority which implies that the plant can now fully operate as a refinery.

The authority's Chief Executive Officer, Ahmed Farouk, in a ceremony on Tuesday, handed the certificate to AIPCC, the parent company of Edo Refinery and Petrochemical Company Limited.

Farouk, who was accompanied by the Executive Director, NMDPRA, Hydrocarbon Processing Plant Installation and Transport Infrastructure, Francis Ogaree, handed over the operational licence to the Refinery Head, Technical Operations, Segun Okeni.

During the handover, Farouk commended the company for achieving the feat and enjoined the firm to do more.

On his part, Okeni assured the management of the refinery that the regulatory authority is a business enabler and would be ready to give AIPCC Energy/Edo Refinery all the necessary support in all its projects.

Responding on behalf of AIPCC Energy, the Head of Technical Operations of Edo Refinery and Petrochemical Company Limited, Okeni, said the company is out to make her contributions to the petroleum refinery and gas processing subsector.

He disclosed that AIPCC is already developing three other projects and one of such would be completed in the next year.

Okeni in a statement made available after the ceremony said that the operational licence is the final stage of approval from the regulatory authority, which he said, implies that the plant can now fully operate as a refinery.

He added, "It starts from License to Establish, Licence to Construct, Approval to introduce Hydrocarbon, pre-commissioning and commissioning, operate the refinery for some time to ensure it can do so and finally the Licence to Operate LTO."

Okeni revealed that the refinery is finalising arrangements with an indigenous oil company to access crude oil for optimal production capacity.

He added, "We are finalising a major crude supply agreement with an indigenous oil company. Although the Nigerian Upstream Petroleum Regulatory Commission and NMDPRA have been supportive, once we find a source of crude they will normally give us urgent approval.

"However with this licensing, NUPRC ought to consider existing local refineries in the bidding round for marginal fields."

PORT HARCOURT, WARRI DEPOTS RECEIVE PETROL, QUEUES STILL PERSIST

The Nigerian National Petroleum Company Limited has supplied Premium Motor Spirit, popularly called petrol, to the Port Harcourt and Warri depots as it strives to tackle lingering fuel queues witnessed nationwide.

Oil marketers confirmed that the national oil firm deployed daughter vessels that moved PMS to the depots in Rivers and Delta States to decongest the trucks that besiege the Apapa depot in Lagos daily for petrol.

The PUNCH exclusively reported on Tuesday that many tankers were currently at various depots in Lagos waiting to load petrol for onward delivery to states across the country as the scarcity of PMS worsens.

The report stated that though some of the trucks had started loading PMS, the supply of the product by NNPC was still not enough.

To ease the traffic in Apapa and speed up the distribution process, the national oil firm had to send some daughter vessels of petrol to its depots in Warri and Port Harcourt.

This was confirmed to one of our correspondents on Tuesday by the National Publicity Secretary of the Independent Petroleum Marketers Association of Nigeria, Chief Ukadike Chinedu. IPMAN controls about 80 per cent of the filling stations nationwide.

"NNPC is now receiving products based on information at our disposal. Some of these products have been sent to Port Harcourt and Warri depots. So any moment from now, or by the weekend they will release their batches and marketers will start loading in full.

"The issue of scarcity will be reduced and things will be normalised. However, they have to intensify supply, and the prices will crash when this is done. What is causing the high prices is that there is a limited supply, because demand is higher.

"So we use this opportunity to urge the NNPC to open its portal and allow marketers access to petrol for an easier loading system. They have to intensify the supply of products. But IPMAN is also using this privilege to advise Nigerians to avoid panic buying."

As the petrol scarcity persisted in Lagos on Tuesday, task force officials in the state clamped down on black marketers in the Falomo area of Lagos.

Our correspondent who visited the area observed that the black marketers resorted to hiding their products in underground compartments, including dug-out holes amid fuel scarcity.

It was also observed that the situation led to confrontations, as some task force officials were observed forcibly seizing fuel from the vendors.

A commercial driver identified as Seye expressed frustration with the task force officials, arguing that the black-market operators should be left alone.

"These people are selling fuel because they don't want to resort to crime. In this life, you have to adapt to the current economic situation," he said.

A motor boy, Sola Idowu, added that fuel attendants at filling stations in Arepo area of Ogun State were complicit in the situation, stating that "they sell fuel in jerry cans and then close the stations early, only to sell to motorists at higher prices." Also, a passenger identified as Bola narrated her ordeal while trying to purchase fuel, adding that, "I was asked to pay N1,000 to skip the long queue. Nigeria has turned into a place where people exploit each other, and the government needs to act quickly before the situation gets out of hand."

The ongoing fuel scarcity has caused widespread frustration, with many calling for stricter regulations and immediate government intervention to ease the crisis.

When contacted, the spokesperson for the Lagos Task Force, Raheem Gbadeyanka, said his team had intensified the crackdown on black marketers of PMS, focusing on hazardous areas such as Mile 2 and Ikoyi.

"During a recent operation at Mile 2, the task force impounded no fewer than 2,000 litres of fuel found being sold illegally on top of the Mile 2 bridge. The holiday is not a break for us but an opportunity to enhance safety measures and address the illegal fuel sales," Raheem said.

He said the fuel seized during these operations would be forfeited to the state, underscoring the task force's determination to curb the black market trade.

"Those arrested will face prosecution reinforcing the message that illegal activities will not be tolerated. The task force continues to address the fuel scarcity crisis with a firm stance against hazardous and unlawful practices," he said.

Motorists lament

This came as motorists in Kano State called on the Federal Government to take decisive actions against fuel marketers who had continued to exploit members of the public by selling their products at exorbitant prices.

The fuel price has skyrocketed to between N980 and N1,000 per litre at filling stations in the state. This is also the case in many other states.

Motorists lamented that marketers in Kano, especially members of the IPMAN, had continued to raise their prices daily by creating artificial scarcity to maximise profit.

CBN CLASSIFIES INACTIVE 10-YEAR ACCOUNTS AS DORMANT

The Central Bank of Nigeria has clarified that only accounts that have been inactive for over 10 years are eligible to be classified as dormant and will be used for investment purposes.

It also stated that a dedicated office would be created to manage dormant accounts and unclaimed balances.

The apex bank disclosed this in its recently issued document titled, "FAQs – Guidelines on Dormant Account and Unclaimed Balances – July 25, 2024," posted on its website.

The Guidelines on the Management of Dormant Accounts, Unclaimed Balances and Other Financial Assets in Banks and Other Financial Institutions in Nigeria is a policy issued by the CBN that seeks to operationalise Section 72 of the Banks and Other Financial Institutions Act, 2020 and standardise the management of dormant accounts and unclaimed balances.

The CBN had earlier disclosed that it might invest funds from dormant accounts, unclaimed balances in Nigerian Treasury Bills, and other government securities.

According to the apex bank, it will manage these funds in trust, refunding the principal and any accrued interest to beneficiaries within 10 working days of receiving a reclaim request from the financial institution.

It stated, "Dormant accounts are accounts that have been inactive for more than 10 years. Eligible accounts are dormant account balances that have remained with the FIs for 10 years or more.

"These eligible accounts include current, savings, term deposits in local currency, domiciliary accounts, deposits for shares and mutual investments, prepaid card accounts and wallets, government-owned accounts, and others as specified in the Guidelines by the CBN."

The CBN also noted that financial institutions were required to notify customers immediately and every quarter when their accounts become inactive or dormant.

The FAQ document read, "The CBN shall establish a dedicated office for this purpose. The office will be supervised by a management committee."

"The interest payable shall be at a rate to be determined by the CBN from time to time. For non-interest banks, the profit and loss on the unclaimed balances shall be determined by the CBN from time to time.

"The CBN will refund the principal and any interest on the invested funds to the beneficiaries within 10 working days of receiving a reclaim request from the FI."

According to the new guidelines, the CBN will create and manage a dedicated account called the "Unclaimed Balances Trust Fund Pool Account" to warehouse unclaimed balances.

The guidelines specify that eligible accounts for dormant status include current, savings, term deposits in local currency, domiciliary accounts, deposits for shares and mutual investments, prepaid card accounts and wallets, and government-owned accounts.

Reactivating a dormant account involves account owners completing a reactivation form at their respective financial institutions, providing evidence of ownership and valid identification.

However, some accounts are exempt from being considered dormant, such as accounts subject to litigation, judgment debts under active court cases, accounts under regulatory investigation, and encumbered accounts like collaterals and liens.

Justifying this policy, the CBN Governor, Yemi Cardoso, said dormant accounts in Nigeria are more susceptible to fraudsters and the reason for the apex bank's latest policy is for the safe keeping of the funds in dormant accounts.

FG RAISED OVER N4TN VIA BONDS IN SIX MONTHS – REPORT

The Federal Government has raised about N4.13tn from bonds in the first half of 2024.

This was revealed in the FMDQ Exchange Financial Markets Monthly Report for June 2024.

The value of new issuance of FBN bonds for June, which was N297.01bn, was the lowest in six months and the highest was N1.49tn in February.

In January, the value of FGN bonds issued was N418.20bn, N608.86bn in March, N628.81bn in April and rose to N682.07bn in May.

At the end of June 2024, the value of outstanding FGN bonds, which includes savings and green bonds, stood at N26.22tn, which is about 44.49 per cent higher than at the end of the same period in June 2023 (N18.15tn).

For the February bond issuance, the Debt Management Office said the relatively large amount offered was based on the FGN's financing need, the opportunity to attract foreign investors, as well as, the premise that some local investors may be able to access pools of funds.

The Federal Government offered a N1.25tn seven-year FGN bond maturing in 2031 and another N1.25tnn 10-year FGN bond maturing in 2034 in February.

It received total bids of N1.9tn, making it the highest it has received in any one FGN Securities Auction and allotted N873.53bn for the seven-year bond and N621.38bn 10-year bond, making a total allotment of N1.49tn.

In the second quarter, there were seven reopened bonds; two in April (FEB 2031 and FEB 2024), two in May (APR 2029 and FEB 2031) and all the bonds issued in June were re-openings (APR 2029, FEB 2031 and MAY 2033, which was issued a month earlier).

The interest rates on the bonds ranged from

18.50 per cent to 19.89 per cent.

As of May, the DMO has an outstanding N1.5tn to raise from the Federal Government's proposed N6tn bond having already raked in N4.5tn from previous issuances.

The Director General of the Debt Management Office, Patience Oniha, at an interactive session with primary dealer market makers in Lagos, noted that domestic securities remained a major source of Federal Government spending.

She said, "Last year, we raised N7tn as new domestic borrowing. It speaks to the size of the domestic market, its resilience, and its sophistication, unlike we have in many African markets.

"Out of the new domestic borrowing of N6tn we have raised N4.5tn. For the Ways and Means, out of N7tn approved for securitisation, we have raised N4.9tn."

Since the beginning of the year, investors have shown interest in the long-term FGN bond. The report on capital importation for Q1 2024 released by the National Bureau of Statistics, showed that it rose to the pre-pandemic high, hitting $3.38bn in the first quarter of 2024, on the back of interest rate hikes in Nigeria and rate cuts in advanced economies.

A closer look at the report showed that foreign portfolio investment contributed the bulk of the total capital imported into Nigeria in Q1-2024, accounting for 61.5 per cent higher than the 28.5 per cent contribution in Q4-2023.

Total FPI inflows stood at $2.1bn in Q1-2024, 570.1 per cent higher than $309.8m in Q4-2023 and 219.7 per cent higher than $649.3m in Q1-2023.

With the recent hike in the Monetary Policy Rate by the Central Bank of Nigeria, analysts were of the view that it would lead to an upward repricing of fixed-income instruments, especially short-term assets, ranging from treasury bills to commercial papers, which would naturally make these investments more attractive to investors compared to stocks.

"This trend is evident from the recent treasury bills auction, where the average stop rates across all instruments rose by 172bps to 20.0 per cent. Additionally, we anticipate an elevated yield in the bonds market, though at a moderate pace.

"Conversely, pressure on interest expense and profit margins could dull the outlook on corporate earnings, leading to subdued equities sentiment — other things equal. This might be a push factor to the fixed income space, while attractive yields pull investors in," analysts at Afrinvest said in their weekly market report.

Meanwhile, the Minister of Finance and Coordinating Minister of the Economy, Wale Edun, said that Nigeria planned to issue a diaspora bond of up to $500m as part of its strategy to stabilise and grow the economy.

TINUBU SIGNS NEW MINIMUM WAGE BILL INTO LAW

President Bola Tinubu has signed the new National Minimum Wage (Amendment) Bill 2024 into law.

LEADERSHIP reports that the new law is reviewable every three years.

President Tinubu signed the Bill midway into the Federal Executive Council (FEC) meeting on Monday.

Senate President Godswill Akpabio led National Assembly leaders to the Bill signing ceremony.

Recall that the federal government and the organized labour reached an agreement of ₦70,000 as the new national minimum wage.

Consequently, the president sent the Bill to the National Assembly, which was passed swiftly last week.

The Head of Service of the Federation, Dr. Yemi Folade-Esan, said the new law will undoubtedly reassure the workers that the president cares about their welfare.

President Tinubu thanked the National Assembly for accelerating the passage of the law.

FCMB UNIT CEO CALLS FOR INNOVATION AND RESILIENCE AMID ECONOMIC CHALLENGES

At the BusinessDay CEO Forum, Chukwuma Nwanze, MD/CEO of Credit Direct Finance Company Limited (Credit Direct), FCMB Group's consumer finance arm, emphasized the critical role of innovation and resilience for Nigerian businesses navigating the current economic challenges. Highlighting the transformative potential of technology and digital transformation, he stressed its importance in adapting to evolving consumer needs and ensuring sustained growth.

During a panel discussion on "Leadership and Partnership: Driving Value in a Challenging Economy," Nwanze emphasized the need for proactive strategies to address market volatility. He offered insights into how businesses can foster innovation and achieve sustainable reinvention.

Nwanze pointed to Credit Direct's success as Nigeria's leading FinTech and consumer finance company, attributing its growth to using AI-driven credit decisioning in its loan origination process and digital channels for nationwide expansion. "At Credit Direct, we are able to optimize and scale significantly by using automated credit decisioning in underwriting loans and leveraging digital channels to reach all parts of the country," he stated. "We consistently innovate to build products that solve our customers' problems."

He urged business leaders to embrace emerging technologies and understand evolving consumer behaviours to meet demands and remain competitive. "Leaders must extend their vision beyond traditional boundaries and continuously adapt to changes in the environment," Nwanze emphasized.

The panel session that featured the Credit Direct boss also had other distinguished business leaders, including Yomi Ademola, Chairman of West Africa Rendeavour and Managing Director, Alaro City; Khilian Khanoba, Senior Partner, Kreston Pedabo; and Dr. Ayotunde Coker, CEO, Open Access Data Centres Limited, who collectively shared profound insights on the subject of driving value in a challenging economy.

Dr Coker particularly stressed the need for broadband development to drive economic growth while also dwelling on the importance of data in making economic decisions. The panelists, including Nwanze, aligned on how these elements are requisite for economic development.

The conference also featured Central Bank of Nigeria Governor Olayemi Cardoso, who participated in a fireside chat titled "Leadership in Tough Economic Times." Cardoso said: "It is essential for businesses to build genuine credibility. Part of the current focus of the Central Bank of Nigeria is to develop a stronger and more resilient banking system."

The BusinessDay CEO Forum drew CEOs from Nigeria's leading companies, including the Deputy Lagos State Governor, Femi Hamzat, and former Governor of the Bank of Kenya, Patrick Ngugi Njoroge. The annual gathering, organized in collaboration with PricewaterhouseCoopers (PwC), is a platform for top executives and government officials to discuss critical economic issues and shape the nation's economic landscape.

TIER-1 BANKS REPORT 2024: ACCESS HOLDINGS LEADS IN PBSI RANKING

In recognition of its outstanding performance, Access Holdings PLC has been named the leading Tier-1 Bank in the 2024 Proshare Bank Strength Index (PBSI) report. The PBSI, which evaluates banks based on a comprehensive set of financial metrics derived from audited financial statements for the Financial Year 2023, underscores Access Holdings' significant strides in the banking sector.

Proshare's latest report places Access Holdings at the forefront, alongside other prominent institutions such as Zenith Bank, FBNH, Ecobank, UBA, and GTCO.

As the Nigerian banking sector evolves, Access Holdings stands out for its proactive approach to addressing macro and microeconomic risks. The report draws parallels to the challenges faced by United States banks, such as Silicon Valley, First Republic, and Signature Banks, in 2023 due to poor asset and liability management (ALM).

With the Central Bank of Nigeria's ongoing banking sector recapitalisation programme, the report highlights the importance of investment in financial technology, customer service scalability, and digital asset engineering between 2024 and 2026. The analysts emphasise that, "With higher capital levels, banks must use the larger amounts of cash available to improve shareholder returns and customer service experiences. Many banks will get cut at the knees by lacking a deliberate strategy to transition from cash flow to value creation."

Bolaji Agbede

The report further highlighted Nigeria's economic trajectory, noting, "Nigeria's GDP in 2005 was N38.78trillion and rose to 77.94trillion, roughly two times in 2023, suggesting an average annual growth rate of 3.55 per cent in the last two decades. However, between 2000 and 2005, bank equity sizes grew over ten times or by 1,150 per cent from N2billion to N25billion. In other words, for a decade and a half, banks have used ten times more equity in their businesses than before 2005, yet the country's GDP growth has been modest."

The report, however, clarifies that simply raising Nigerian banks' equity base is not a guarantee for economic growth and development. "Transforming bank equity into drivers of economic growth requires more than money; it requires a coordinated public and private sector plan, with what Proshare analysts have repeatedly called a whole-of-government approach to policies, programmes, and processes."

Reviewing bank performances in 2023, Proshare analysts observed that banks were pursuing increasingly aggressive approaches to acquiring digital market share while supporting lower operating costs (lower cost-to-income ratios (CIRs)).

Zedcrest acquires RMB Nigeria stockbrokers Ltd

By Charles Okonji

Zedcrest, one of Africa's leading financial solutions firms, on Wednesday, announces its full acquisition of RMB Nigeria Stockbrokers, which is a member of Rand Merchant Bank, the Corporate and Investment Banking arm of the FirstRand Group.

The acquisition aligns with Zedcrest's objective to enhance its service offerings and market footprint.

RMB Nigeria Stockbrokers brings a wealth of experience and a strong reputation in stockbroking, which complements Zedcrest's portfolio of financial products and services, promising significant benefits for clients and stakeholders.

According to the CEO, Zedcrest Group, Adedayo Amzat, "We are thrilled to welcome RMB Nigeria Stockbrokers Limited into the Zedcrest family.

"This acquisition underscores our commitment to growth and excellence in the financial sector. RMB Nigeria Stockbrokers' expertise in stockbroking, when combined with our comprehensive financial solutions, will enable us to deliver even greater value to our clients."

On his part, Layi Olaleru, CEO of RMB Nigeria Stockbrokers, expressed confidence about the future.

Olaleru noted, "We are excited about the opportunities this acquisition presents and look forward to a promising future. We assure our clients that this transition will be seamless and that their interests remain our top priority."

Photo caption from left: Adedayo Amzat, CFA, Group Managing Director, Zedcrest Group, Taiwo Gabriel, Non-Executive Director, RMB Nigeria Stockbrokers during acquisition ceremony in Lagos on Wednesday.

FG PAID $700M IN DEBT SERVICES, EDUN TELLS SENATE

The Senate on Wednesday urged the Federal Government to intensify efforts in funding the capital components of the three national budgets running concurrently in the country.

The Chairman, Senate Committee on Appropriation, Senator Solomon Adeola gave the task when the Minister of Finance and Coordinating Minister for the Economy, Wale Edun, and the Accountant-General of the Federation, Oluwatoyin Madein, appeared before the panel over the budgets' performances.

Adeola lamented the poor funding of the capital components of the budgets and urged Edun to improve on it.

Adeola said, "It is the capital component of the budgets that will showcase this government largely in terms of performances.

"The capital components tend to showcase various projects that will be executed by this government and people can say the government is doing this, it's doing that.

"That is why we are emphasising the performance of the 2024 capital component of the project."

Adeola added that "the N1.84 billion achieved so far out of a N9 trillion capital expenditure component is nothing to write

home about.

"I would want you to please look towards this direction. And I want you to do more engagement with the Ministries, Departments and Agencies of the government."

Adeola urged the Minister to engage more with the MDAs because most of them were not aware of the current arrangement regarding the funding of capital projects.

The Senate panel chairman also hinted at plans by the red chamber to organise a public hearing on the Nigerian National Petroleum Company Limited which stakeholders in the oil and gas sector would be invited including the Finance Minister.

Adeola nevertheless commended the Minister for achieving 100 per cent funding for the 2023 supplementary budgets.

He said, "We did the supplementary budget, which we have achieved 100% release, which is highly commendable.

"It will not be out of place for you to have a periodic report on the implementation level of these agencies so that at least you can be guided on why transiting to the new method of payment as you can be guided.

"As for the main 2023 budget, we are lagging by over 50 something per cent, I also strongly believe that we should work around the clock."

The Finance Minister told the senators that the FG had made progress in its ongoing forensic investigation into the N30tn Ways and Means.

He also said that the take-off of the electric and Compressed Natural Gas vehicles has been held up by a spike in freight costs.

Edun pledged that his ministry would intensify efforts in monitoring the revenue-generating agencies, adding that the debt service is up to date.

Edun said, "The procurement of electric and CNG buses and conversion kits, more importantly, has been held up by a spike in the freight costs.

PRIVATE DEBT EMERGES AS AN OPTION FOR NIGERIA'S MID-SIZED CORPORATIONS

Private debt funds are emerging as a potential lifeline for Nigeria's mid-sized companies. Experts say these funds, which focus on borrowers' repayment capacity, offer a more tailored approach. FCMB Asset Management's new Naira-denominated fund is a significant step in this direction. FCMB-TLG Private Debt Fund Series 1 Offer opened on Monday, June 24, 2024, as the Fund Manager seeks to raise Ten Billion Naira (N10 billion) under Series 1 of its One Hundred Billion Naira (N100 billion) Programme size.

FCMB Asset Management Limited (FCMBAM) established the FCMB-TLG Private Debt Fund as Nigeria's first Naira-denominated Private Debt Fund. The Fund, approved by the Securities and Exchange Commission (SEC) in May 2024, is sponsored and managed by FCMBAM as Fund Manager with technical support from TLG Capital Investments Limited (TLG Capital), United Kingdom.

Professor Uche Uwaleke, President of the Association of Capital Market Academics of Nigeria, noted the novelty of private debt funds in Nigeria compared to their well-established presence in the U.S. and Europe. Despite other alternative investment vehicles like private equity and infrastructure funds, local currency private debt funds have been largely unavailable for qualified institutional investors, high-net-worth individuals, and mid-sized companies.

James Ilori, the Chief Executive Officer of FCMBAM, said, "The FCMB-TLG Private Debt Fund opens a new avenue for professional investors to participate in the growth of key sectors of the Nigerian economy while providing essential capital to organizations driving sustainable economic growth and development in Nigeria."

According to an International Finance Corporation report, Private Debt Assets Under Management (AUM) marked an 8-fold increase, from US$ 271bn in 2009 to over US$ 2.1tn in 2023. Also, CSL Research, in its report titled "Private Credit: Emerging Asset Class in Nigeria and across Africa", stated that Private Debt/Credit is set to become the fastest-growing asset class over 2021-26, with AUM expected to reach US$2.69tn, growing at a CAGR of 17.4%. As a percentage of global Alternative AUM, Private Credit is expected to expand to 12% in 2026 from 9% in 2021.

The FCMB-TLG Private Debt Fund seeks to raise capital from Qualified Institutional Investors (QIIs) such as Pension Fund Administrators (PFAs), Insurance companies, Development Finance Institutions (DFIs), Family Offices, and Corporate Organizations, as well as HNIs and deploy such capital as corporate debt to companies with commercially viable but impact-oriented activities in sectors of the Nigerian economy aligned with the United Nations (UN) Sustainable Development Goals (SDGs). The Fund will invest in the debt components of the capital structure of organizations and Special Purpose Vehicles (SPVs) in sectors crucial to Nigeria's economic growth and development, including Agriculture, Healthcare, Education, Clean Energy, Transportation/Logistics, and IT/Technology.

Economy: Time for talking is over, it's time for action – Analysts tell Tinubu

After one year in the saddle, the time for talking and making promises about the economy is over for President Bola Tinubu. Now is the time to deliver on his avowal to strengthen and rebuild the economy through the private sector.

The Nigerian economy is battling stormy headwinds, glaring hyperinflation, acute electricity shortages, high energy costs, steep debt servicing, chronic unemployment, divestment of multinationals, shabby infrastructure, and low wages which were slightly increased recently.

Although Tinubu inherited most of them, he can revitalise the economy by significantly reducing the footprints of the government in business.

Hinting at an economic revamp by strengthening the organised private sector (OPS) at the third edition of the Nigeria Employers' Consultative Association summit in Abuja, the President reiterated that he has embarked on economic reforms since he assumed office.

In his Inaugural Speech, he cancelled petrol subsidies. His administration merged the naira exchange rates. In April, the government cancelled subsidies for Band A electricity consumers.

Coincidentally, the reforms have not instigated economic revival. As the naira depreciates to record levels, energy costs have spiralled out of control. At 40.66 per cent, food inflation is at a 30-year high. The exchange rate is over N1,600 to a $1 from N464/$1 in May 2023. Nigerians do not feel the touted reforms.

Surprisingly, Tinubu who comes from a private sector background, is falling back on the failed system of public control of the commanding heights of the economy. His predecessor, Muhammadu Buhari, was unrepentantly statist and ruined the economy. Tinubu should discard this archaic economics.

Between 1979 and 1990, British Prime Minister Margaret Thatcher changed contemporary economics by privatising major public assets. These included British Steel, Rolls Royce, British Airways, Britoil, British Energy (nuclear), British Telecomm, British Gas and British Airport Authority.

So, it is naïve that Tinubu has failed to consolidate his initial reforms by unleashing the productive power of the private sector to rebuild the tattered economy. The fuel subsidy crisis arose principally because the four public refineries with a combined nameplate of 445,000 barrels per day were under government control. Two of them have missed several deadlines to re-commence fuel production.

Consequently, Nigeria depends naïvely on fuel imports though it is a major crude exporter. Former President Olusegun Obasanjo privatised two of the refineries in 2007 before the dubious reversal by his successor, the late President Umaru Yar'Adua.

Indeed, government ownership of business has delivered only corruption, inefficiencies, and cronyism. Nigeria spends $28 billion annually on fuel imports, per Blackgold Energy Authorities. Therefore, Tinubu should embark on the transparent privatisation of the refineries. This strengthens the OPS.

All the 132 refineries in the US belong to private operators. In the UK, the six refineries are privately owned. It is a safe path for Nigeria. This will reignite Nigeria's flagging foreign direct investment. At minus $187 million, it entered negative territories in 2022, per UNCTAD.

Nigeria has struggled vainly to kick-start its manufacturing sector since 1978 when it commissioned the Ajaokuta Steel Company. Imprudently, every administration prefers government ownership. Nothing has worked. Nigeria is losing money ($4 billion in annual steel imports) and jobs heavily. By selling Ajaokuta, Tinubu will boost the economy via the private sector.

The Bureau of Public Enterprises said Nigeria realised N550 billion from the privatisation and commercialisation of 142 public assets as of 2018. In the 18 years to 2018, the government realised $7.8 billion in FDI by selling 53 public assets. So, another path to reinforce the OPS is privatising the seaports, the airports, rails, and the Transmission Company of Nigeria.

Tinubu can elevate the economy by delivering on his tax reform plan. There are more than 60 tax heads. The plan is to reduce this to nine. This should be done expeditiously.

The government should divert the savings from privatisation to infrastructure and concentrate on security.

==== Punch Editorial Board ====

HOW PREPARED IS NIGERIA FOR CNG VEHICLES?

By Charles Okonji

Petroleum subsidy may have gone for over one year, but the Nigerian masses are still groaning due to the ripple effect and unprecedented economic hardship coupled with cost pull inflation and massive devaluation of the Naira as it is no longer a store of value which was one of functions of money.

Owing to the high cost of Premium Motor Spirit (PMS), the federal government makes concerted efforts towards the adoption of Compressed Natural Gas (CNG) powered-vehicles, but to some persons are gripped with fears that the process may not be as seamless and smooth as the promoters have argued. Charles Okonji x-rays the issues.

Considering the existing information on the worldwide adoption of Compressed Natural Gas (CNG) powered-vehicles includes: Iran, Pakistan, Argentina, Brazil and China has the highest number at present.

Embraced by Nigeria with the adoption of CNG, Innoson Vehicle Manufacturing (IVM) developed a conversion department while recently, the conversion and installation of the first (CNG) vehicles in Ilorin, Kwara state capital put paid to the much hyped CNG initiative of the federal government as announced last year shortly after the inauguration of the President Bola Ahmed Tinubu administration.

During the launch, the Kwara State governor, AbdulRahman AbdulRazaq who described the event as first of its kind in the country, noted that CNG vehicles are safer and cheaper than other automobiles that run on petrol.

AbdulRazaq who stated this at the official launching of the Rolling Energy station – the vehicles conversion firm in Ilorin, pointed out that the state government has converted 20 of its petrol-engine vehicles to natural gas vehicles, adding that more would soon be added to the number.

"What we are witnessing today is the beginning of new future marking our new lifestyle. This is the direct benefit of oil subsidy removal by President Bola Tinubu," AbdulRazaq stated.

The governor explained that President Tinubu has between 2023 and now given his backing to natural gas over premium motor spirit, also known as petrol.

Corroborating this development, the Special Adviser to the President on Information and Strategy, Mr Bayo Onanuga, said the federal government commenced the rollout of CNG-powered buses and tricycles beginning from Ilorin, the Kwara State capital, just as it hinted of plans to deliver 100 conversion workshops and 60 refuelling sites spread across 18 states before the end of 2024.

"There was a launch in Ilorin Kwara State by Governor Abdulrahman Abdulrazak. The Ilorin launch was a refuelling and conversion centre. "CNG buses and tricycles were also unveiled. The CNG vehicle assemblers have begun the rollout, beginning from Ilorin. After months of detailed planning and background work, the committee driving the initiative is set to deliver on President Tinubu's vision and promise," Onanuga had stated.

Part of his announcement at the time was the creation of a new plant on the Lagos-Ibadan Expressway that would assemble the tricycles while Brilliant EV would assemble electric vehicles when it receives the semi-knocked components.

"The SKD parts manufactured by the Chinese company LUOJIA in partnership with its local partner to support the consortium of local suppliers of CNG tricycles are set for shipment to Nigeria and expected to arrive early in May. In collaboration with the private sector, the PCNGI is set to deliver 100 conversion workshops and 60 refuelling sites spread across 18 states before the end of this year." The Presidency stressed.

Onanuga noted that the four plants owned by JET, Mikano, Mojo, and Brilliant EV located in various parts of the country were involved in the assembly of the semi-knocked-down components of the CNG buses,

He said, "JET, which has received the SKD parts, is coupling the buses in Lagos and is working towards delivering 200 units before the first anniversary of the Tinubu administration. Brilliant EV will assemble electric vehicles. It is awaiting the SKD parts, which will arrive in due course. The electric vehicles it will produce are meant for states such as Kano and Borno, which do not have access to CNG for now. The deployment of CNG buses and tricycles and the vision to get at least one million natural gas-propelled vehicles on our roads by 2027 will mark a major energy transition in our country's transportation industry."

Implementation period of the CNG initiative

At this period, the federal government started campagning for the adoption of CNG after President Tinubu announced the end of subsidised on the PMS, on May 29, 2023, during the official inauguration of the administration, and since that pronouncement, the economy of once gaint of Africa has been struggling to overcome this very teething problem of fueling vehicles.

However, in October 2023, about five months after the removal of the petrol subsidy, President Tinubu launched the Presidential CNG Initiative (Pi-CNG) to deliver cheaper, safer and more climate-friendly energy, which is a component of the palliative intervention of the President Tinubu administration directed at providing succor to the masses occasioned by the transitive hardships of the fuel subsidy removal policy of the Federal Government of Nigeria.

On May 15, the federal government assured that a conversion incentive will be developed for Nigerians, especially road transport operators, to convert their existing vehicles to run on CNG, with a financing programme unveiled on May 29.

Cost benefit analysis of CNG-powered vehicles

There seems to be a groundswell of support for the CNG initiative, with promoters arguing matter-of-factly that the nation stands to save about $2.5 billion yearly from every one million vehicles powered by compressed natural gas (CNG).

Commenting on the issue, Michael Oluwagbemi, programme director and chief executive officer, the presidential CNG initiative (P-CNGi), who spoke at the south-south stakeholders' engagement meeting on the CNG initiative, held in Port Harcourt, Rivers state, recently said CNG adoption will reduce the pressure on foreign reserves and improve the value of

the naira.

"For every 1,000,000 vehicles that Nigeria moves from petrol to natural gas, the nation is not just saving between $2.5 billion to $3 billion every year, we are also reducing the pressure on our foreign reserves, increasing the value of our currency, enhancing our export, we are creating jobs, we are enabling technology and innovation for our petroleum and clean energy sectors."

He stressed that the investment in CNG will provide energy security and make Nigerian goods and services competitive as they are being driven by affordable fuel.

He said, "External shocks, such as war affecting oil prices will no longer affect Nigeria "because natural gas prices are controlled by the Nigerian government and not by what happens in the international market. Nigeria's economy will be less exposed to cruel shocks experienced with crude oil. Over close to six decades, Nigeria has been wasting oil and gas resources while suffering energy poverty. Over the last five to six decades, these resources continued to be wasted, with critical implications for our physical and health, as well as the fiscal well-being of Nigeria."

"Nigeria is not just the country with the highest reserves of gas in Africa, but we are also the second highest waster of gas in the world, ranking only after Russia. We are a country that exports crude oil and imports petroleum products. And then waste it and turn around to suffer severe energy poverty."

PCNGI, in collaboration with the private sector, plans to deliver 100 conversion workshops and 60 refuelling sites across 18 states before year-end.

Upholding the same view, Comrade Joe Ajaero, President of the Nigeria Labour Congress (NLC), had during a recent visit to the corporate headquarters of Vintage Press Limited, publishers of The Nation newspaper titles admitted that the CNG initiative was bound to reduce the cost of transportation and ease mobility for the masses.

Ajaero recalled that, "When this government came, we gave them a proposal on Compressed Natural Gas, CNG, where we have a conversion kit and convert our vehicles. Any vehicle that you are filling with about N30,000 now, it won't take you up to N10,000 to fill it if it is CNG. And the CNG is eco-friendly. The deposit in this country can last for the next 500 years. Those are alternatives we provided. If they do that and you touch the issue of transportation, you'll see that food stuff and everything will go down."

How Committed is SON to the CNG initiative

As part of efforts geared towards to driving the CNG initiative, the Standards Organisation of Nigeria (SON) has since set machinery in motion to ensure easy adoption across the broad spectrum of operations.

In his explanation on the CNG initiative, Dr. Ifeanyi Okeke is the Director-General/ Chief Executive of SON, while speaking to a packed audience during a two-day management retreat with the theme: Service Optimisation, Greater Effectiveness and Performance Enhancement for Renewed Future, at the Ibom Icon and Golf Resort in Uyo, the Akwa Ibom State capital, recently, said 86 standards have been developed for CNG operations which SON worked together with the Presidential Initiative for Compressed Natural Gas (PiCNG) in the development of these standards.

According to him, "SON was working with the Presidential Initiative for the CNG (Pi-CNG) in developing the standards. The

CNG standards are necessary to herald the implementation of the CNG operations which was a promise made by President Bola Ahmed Tinubu under the renewed hope agenda to provide an alternative fuel and cushion the effect of the fuel subsidy removal and full deregulation of the petroleum sector."

Evolution of CNG initiative in Nigeria

In their thesis titled, "Developing compressed natural gas as an automotive fuel in Nigeria: Lessons from international markets," the trio of Ohilebo Ogunlowo of Bayero University, Kano, Abigail L. Bristow University of Surrey, and Mu Sohail of Loughborough University, revealed that the Nigerian government proposed the use of compressed natural gas (CNG) as an automotive fuel in 1997 as part of the initiatives to harness natural gas (NG) resources but progress has been slow.

While noting that Nigeria is the 6th largest producer of crude oil, the 7th largest natural gas (NG) reservoir and the 4th leading exporter of liquefied natural gas (LNG), the researchers further observed that the country contributes between 10 and 15% of global flared volume and is consistently ranked second after Russia.

As a result of gas flaring, fugitive emissions constitute the largest source of energy related GHG emissions (31.34%) of which Methane is dominant (50.76%); unlike most countries where CO2 dominates, this presents long-term socio-economic and environmental risks as hydrocarbons have significantly higher impact on public health and a greater potential for global warming and climate change than CO2.

To abate flaring, the country initiated efforts to exploit the AG for NG export, domestic power generation and transportation, and as industrial feedstock. Major initiatives include the Nigeria Liquefied Natural Gas Limited (NLNG) that has exported over 3.7 tcf of LNG(NLNG, 2013), the Oso Condensate Natural Gas Liquefaction, the Brass River LNG –the first offshore LNG plant in the world, the Olokola LNG plant, the Escravos Gas Projects for LPG and the Escravos Gas-to-Liquids facility. These initiatives have contributed to the reduction in the percentage of gas flared from 77% in 1990 to 23% as at 2012.

Inside CNG plant in Lagos

Most Nigerians have expressed satisfaction over the cost-effectiveness of Compress Natural Gas (CNG) as the Nigerian National Petroleum Company Limited (NNPC Ltd) began sales in Lagos State a few days ago.

"Hello Lagos. Switch to Compress Natural Gas (CNG). It's affordable, safe and sustainable. Visit us at plot 22, Isolo Industrial Area, Ilasamaja to make the conversion today," NNPC said on its official X handle.

Recently, the federal government inaugurated a 5.2 million standard cubic feet per day CNG plant in Lagos in an attempt to lessen the impact of the removal of petrol subsidies on Nigerians. The CNG plant was built through a partnership between NNPC Gas Marketing Limited and Transit Gas Nigeria Limited, a subsidiary of Axxela.

The Minister of State for Petroleum Resources (Gas), Ekperikpe Ekpo, who commissioned the plant at the Isolo Industrial Area, Ilasamaja in Lagos, at the time, said the event represents a significant milestone in the nation's journey towards energy security, accessibility, and affordability for Nigerians and is in line with President Bola Tinubu's Renewed Hope Agenda. As the nation continues to take giant strides in the adoption of CNG as a sustainable alternative to PMS and AGO, we are resolute to bring the benefits of CNG adoption closer to the Nigerian people, and projects like this are major milestones in achieving this objective.

"CNG, as we know, is cheaper, cleaner, more eco-friendly, and safer than traditional liquid fuels and will enhance the nation's efforts to meet its nationally determined contributions (NDCs) obligations to the Paris climate change agreement," Mr Ekpo said at the time.

Considering Nigeria's gas reserve

Findings on has revealed that Nigeria holds 187 trillion cubic feet (Tcf) of proven gas reserves, ranking 9th in the world and accounting for about 3% of the world's total natural gas reserves of 6,923 Tcf.

Nigeria has also proven reserves equivalent to 306.3 times its annual consumption. This means it has about 306 years of gas left (at current consumption levels and excluding unproven reserves).

How economical is CNG?

The average retail price of a liter of CNG hovers between N100-N150, while the average retail price of a liter of LPG is N315-N350, in the country.

The common myth about CNG fuel is that it reduces engine life. But in reality, it doesn't. If the vehicle comes with a factory-fitted CNG kit, it does not reduce the engine life. Hence, a petrol and CNG car have similar engine life.

The Managing Director of D.V.C Ltd and former Chairman of ALCMAN, Dr. David Obi, expressed disappointment over the government's inconsistent policies in the auto sector.

He recounted the historical efforts of companies like PAN Nigeria, Kaduna; ANAMMCO, Enugu; Volkswagen, Lagos and Innoson Vehicle Manufacturing Company Ltd (IVM) in Nnewi, which previously engaged in CKD (complete knock-down) manufacturing, adding significant local value.

"Are we moving forward or going backward?" questioned Obi, who supplied chemicals and sealants to some of these companies, criticising the regression to SKD.

Obi also contested the planned production of 6,000 units this year and one million by 2027, based on SKD, highlighting the irony given NAIDP-2023's aim to transition from SKD to CKD manufacturing over the next decade.

The Managing Director of Transit Support Services Ltd (TSS), Frank Nneji, took a broader perspective, emphasising the benefits of assembling vehicles locally, whether through CKD or SKD, as advancing local production capabilities and fostering technical transfer.

The Head of Communications at Innoson Vehicles, Cornel Osigwe, called for clarity on the selection process, advocating equal bidding opportunities for all capable manufacturers.

He pointed out that Innoson has repeatedly demonstrated its capability to produce CNG-powered vehicles.

OXFAM, OTHERS PREACH SUSTAINABLE SEED SYSTEM TO TERM FOOD INFLATION

By Charles Okonji

Worried over continuous escalating prices of food stuff in the country, an international non-governmental organisation, Oxfam in has called for a shift from the continuous distribution of free seeds to a more sustainable approach that empowers communities to produce their own seeds.

Oxfam Nigeria was joined in the advocacy for a sustainable seed system by the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) and the International Maize and Wheat Improvement Center (CIMMYT).

These organisations made the call at a one-day roundtable dialogue with humanitarian actors and stakeholders to discuss strategies for improving local seed systems in fragile contexts in Abuja.

In his speech, the Country Director, Oxfam in Nigeria, John Makina noted that while free seed distribution was often carried out with the best intentions, it has inadvertently caused some market distortions, created dependency among farmers, and introduced unsuitable crop varieties.

Makina pointed out that farmers in Bauchi and Jigawa states, where a project on sustainable seed system was being implemented, now have access to five new diverse varieties of millet and sorghum.

He attributed the success to the rigorous testing of ten different varieties in 20 community farmer field school demonstration plots.

According him, "This project aims to rectify these issues by empowering local farmers and their organizations to produce, test, and disseminate diverse and adaptable seed varieties, fostering a sustainable and resilient agricultural system. In Bauchi and Jigawa states, where this project is being implemented, farmers now have access to five new diverse varieties of millet and sorghum. This success is due to the rigorous testing of ten different varieties in 20 community farmer field school demonstration plots.

"These achievements highlight the effectiveness of participatory variety selection and underscore the importance of involving farmers directly in the decision-making process. Our goal is to establish a resilient and self-sufficient seed system in the project regions. By doing so, we can ensure long-term food security and agricultural sustainability."

The Country Director said the support of partners, like the National Agricultural Seed Council of Nigeria, was crucial to this mission.

He said: "Together, we will raise awareness about the benefits of empowering farmers to collaborate with breeders and humanitarian actors. This collaborative effort is essential to strengthening local seed systems and enhancing agricultural resilience. Let us stay committed to our shared vision of sustainable development and resilience building."

On his part, the Nigeria Country Representative of ICRISAT, Agarawai Ignatius said, to mitigate climate risks, there was a need to have crop diversity on the farmland, coupled with improved seed quality, to enable farmers to avoid losses due to insects, dry land, or drought.

IFAD INAUGURATES REGIONAL OFFICE FOR WEST AND CENTRAL AFRICA IN ABIDJAN

The International Fund for Agricultural Development (IFAD) on Thursday inaugurated its regional office for West and Central Africa in Abidjan.

This important step underlines IFAD's commitment to decentralisation and improving its operational effectiveness.

Since 2018, IFAD has been reforming its business model to increase proximity to rural communities and facilitate more impactful investments in line with Sustainable Development Goals 1 and 2.

"We are deeply grateful to the Government of Côte d'Ivoire for its unconditional support and commitment to the establishment of this office. This is why we remain convinced that the creation of this regional office will bring IFAD closer to the countries it serves, strengthen the impact of funded programmes and catalyse increased collaboration and mutual engagement with governments and our partners," said Mr Guoqi Wu, Associate Vice-President in charge of IFAD's Corporate Services Department.

IFAD's regional office, set up in February 2022, works in close collaboration with governments to boost the growth and profitability of rural production. To this end, IFAD supports multiple projects and programmes, offering training, encouraging rural entrepreneurship, mainstreaming our work with young people and promoting adaptation to climate change. To date, IFAD has supported a total of 54 programmes in the region, benefiting 11 million people, for a total value of more than US$5.2 billion.

"Thanks to the regional office and its presence in Abidjan, IFAD will be able to expand existing cooperation with governments and catalyse strong collaboration between public and private investors to benefit rural communities, particularly youth and women," said Bernard Hien, IFAD Regional Director, West and Central Africa.

The regional office for West and Central Africa is one of two IFAD regional offices in sub-Saharan Africa and covers 24 countries: Benin, Burkina Faso, Cabo Verde, Cameroon, Central African Republic, Chad, Congo, Côte d'Ivoire, Democratic Republic of Congo, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Equatorial Guinea, Liberia, Mali, Mauritania, Niger, Nigeria, Sao Tome and Principe, Senegal, Sierra Leone and Togo.

Agriculture contributes nearly 50 per cent of GDP in West and Central Africa, and provides the main source of income for rural people. About 70 per cent of IFAD-supported projects take place in marginalised and ecologically fragile environments and targets the poorest population groups.

IFAD is an international financial institution and a United Nations specialized agency. Based in Rome – the United Nations food and agriculture hub – IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided more than US$24 billion in grants and low-interest loans to fund projects in developing countries.

FOODCO CELEBRATES STAFF EXCELLENCE WITH QUARTERLY RECOGNITION AWARDS

By Charles Okonji

FoodCo, a Top 5 retailer and operator of the largest supermarket chain brand in South-West Nigeria, outside Lagos, has announced the winners of its Staff Recognition Awards. Held quarterly, the awards are geared towards recognizing outstanding job performance and incentivizing employees to aspire towards exceptional service delivery.

Speaking on the initiative, Funmi Aiyepeku, Head of Innovation, Growth, and Business Transformation, FoodCo Nigeria, stressed that the awards aim to strengthen the company's GAME ON Core Values. GAME ON is an acronym for: Get It Done, Always Develop Others, Make It Better, Excite Our Customers, Operate Together, and Never Cut Corners.

She said: "At FoodCo, our employees are the driving force behind our success. We prioritize strategic and impactful engagement with them at all levels. Accordingly, the Staff Recognition Awards is one of the expressions of our commitment towards cultivating a workplace environment that engenders growth, empathy and impact for staff.

"Our ultimate desire is to create an ecosystem that enables our network of over 1000 staff to make the transition from mere employees to leaders in their various roles. Deliberate investment in developing self-led individuals will ultimately translate to having a team of quality staff and greater levels of success for our organization," she added.

The FoodCo Staff Recognition Awards evaluates employees across all the company outlets based on pre-determined matrixes including Growth Mindset, Innovation, Continuous Development, Result Drive, amongst others.

Stephen Olaogun, a staff from the Supply Chain division emerged as the overall winner for the first quarter of 2024. He, alongside five category winners, was presented with a cash prize, recognition certificate, and a commendation letter.

Established in 1982, FoodCo is a diversified consumer goods company with interests in retail, quick service restaurants, manufacturing and entertainment. With over 1000 staff spread across 21 outlets in Oyo, Lagos and Ogun States, the company is a major employer and contributes significantly to the economy of the South-west.

EXPERTS MULL PROTECTION OF INTELLECTUAL PROPERTY TO DRIVE BRAND EQUITY

One better way to boost brand equity is to ensure the protection of intellectual property of establishments at all times.

The foregoing was the conclusion reached by industry leaders who gathered at the National Institute of Marketing of Nigeria (NIMN) Annual Marketing Conference in Ibadan, Oyo State recently.

Speaking on the theme, 'Empowering Nigeria Brands: Intellectual Property as a Tool for Leveraging Local Content for Global Success', Prof. Bankole Shodipo, SAN, highlighted ways by which intellectual properties can be used to promote local content in Nigeria.

According to him, "brand communicates information about origin of the goods, ownership, and relationship with other product and with this, it must be distinctive and not descriptive to able to enjoy global relevance for a longer time."

He added that a lot of local stories like fashion, music, and even many places in Nigeria that people don't know exist can be used in promoting our brands.

"Our music today and our film is selling Nigeria and everybody is dancing to Nigerian music. They're watching Nigerian films. So our products and services can also ride on this. That's what we're talking about."

On the need to go global, Prof. Bankole added that our culture has to change towards the promotion of our brands in order to meet international best practices.

"In going global, you need to have your products that can meet international standards. You need to realise that if the products don't meet those standards, then they can be returned, and you must refund people. So it means you need to invite global best practices, and that means our culture may have to change to align with international culture."

He further stated that brands that communicate the stories of our products must be registered internationally in order to sell our products. "If you have a good brand name in Nigeria, and you want to sell it in other parts of the world, and those brands have been registered by other people there, that means you can't use those brands in those countries. So how do you go about it? How do you go about it internationally? There are systems of international registration which you can designate several countries in registering your trademark through the Madrid system."

He added that having intellectual property protection is a good way for brands to stay relevant, adding that companies have paid over 15 billion for infringement on intellectual properties in Nigeria, and people have been jailed.

He advised SMEs to look beyond the Nigerian market and think internationally. "As an SME, you should look beyond the Nigerian market, think internationally because one day, something can happen and your products or your services are required internationally and therefore, the culture of international business must also be invited."

Speaking at the panel session, Femi Odugbemi, writer and filmmaker, said storytelling is the currency of the moment and that Africa has a lot to teach the world. He added that Africa's story is unique and that the world needs to hear about their culture, family, and belief system. According to him, "Africa is the people that understand that there is physical and metaphysical because it is in their belief system even though the white may not believe and Africa cherishes family as they are also people with hope no matter the situation and these are stories we can export to the world."

On her part, Nkechi Obi, CEO, Sport Nigeria Ltd, said in going global, the first step is to understand what local content is and what we are exporting, making reference to the area of sports.

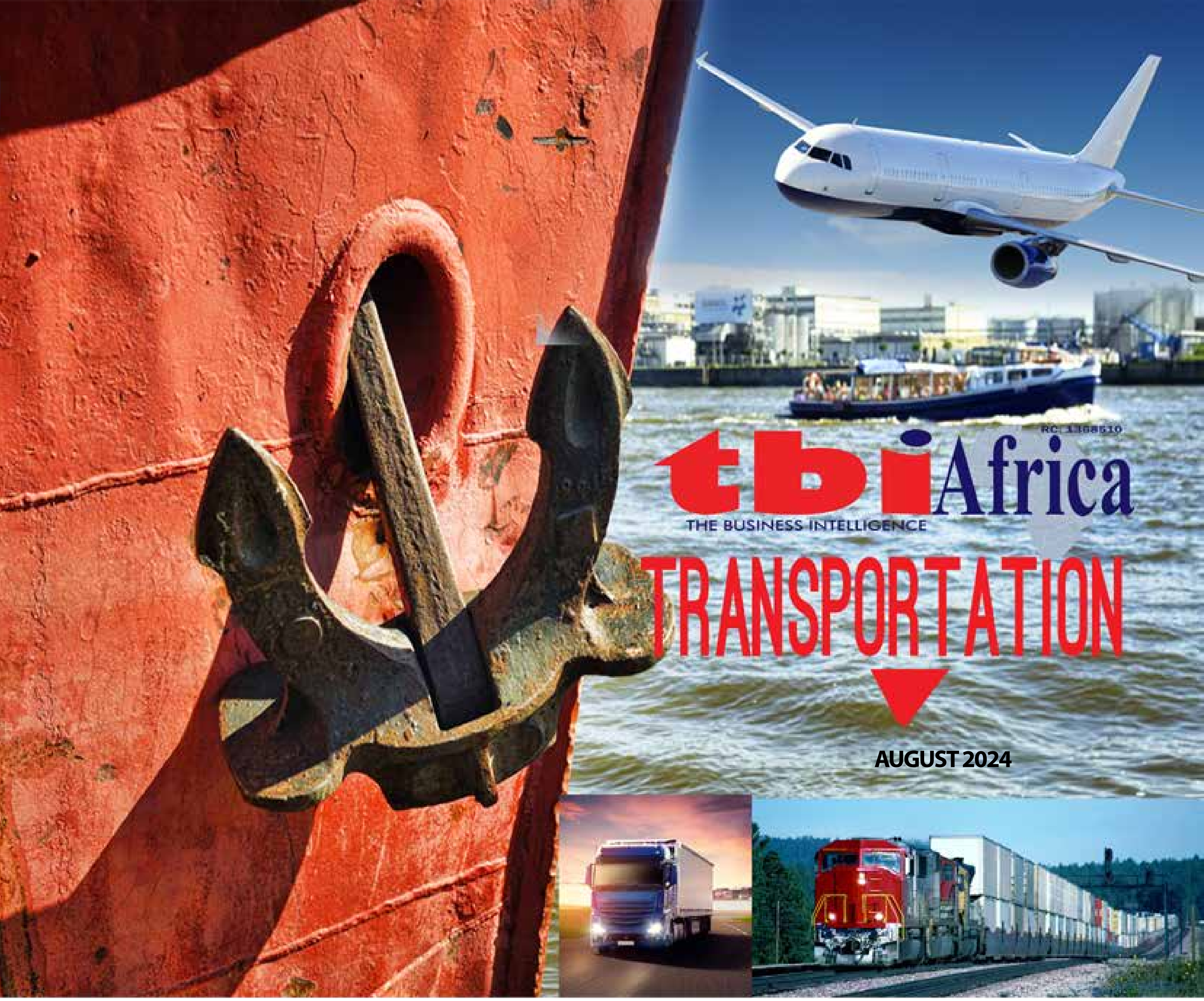
According to her, currently, no one makes footballs in Nigeria and like 50 million people use balls in the country, but none are produced here.

She added that we should look beyond athletes running on the field and start by building products.

Also speaking, Tosin Adefeko, CEO, AT3 Resources, said as Africans, we need to address our critical mindset in order to build a global brand.

On her own, Adeola Balogun, COO, Limlim Foods Production Company Ltd; said the government should make regulations that reduce difficulties in building Nigerian brands that can compete globally. She raised concern over how getting approval from the government can jeopardize many brands, which can have a negative effect on the country.

Earlier at the event President and Chairman of the NIMN Council, Mr. Idorenyen Enang, said the intent of the event is to unearth the hidden intellect of the country for global influence. He appreciated all members of the council who made the event possible.



NIMASA, BLUE ECONOMY MINISTRY, GET PRESIDENTIAL AWARD FOR QUALITY SERVICE DELIVERY

By Emeka Ugwuanyi

Special Adviser to Nigerian President on the Presidential Enabling Business Environment Council (PEBEC), Dr Jumoke Oduwole, has announced the Nigerian Maritime Administration and Safety Agency, (NIMASA) as the best Agency of Government in exemplary teamwork, quality service delivery and consistency.

He also announced the Federal Ministry of Marine and Blue Economy as the overall Best performing Ministry in the country.

Explaining the awards at the weekend, Oduwole stated that 33 operational activities of NIMASA were subjected to thorough scrutiny alongside those of 36 other Agencies of the Federal Government.

Oduwole said: "We want to commend NIMASA for emerging as the best Nigeria's Agency of Government in exemplary teamwork, quality service delivery and consistency. PEBEC also wishes to commend the Minister of Marine and Blue Economy, Adegboyega Oyetola, for his commitment to ensuring that all the Agencies under the Ministry improve their service delivery in a consistent manner."

Reacting to the award, the Director0General of NIMASA, Dr Dayo Mobereola, in a post on his official X handle @MobereolaD, dedicated the award to all members of staff of NIMASA and acknowledged the support of the Minister of Marine and Blue Economy in providing the right framework for the Agency to create an enabling environment for local and foreign investors in the Nigerian maritime space.

Mobereola said: "This award from PEBEC and by extension the presidency is a call to serve more. I appreciate our Honorable Minister, Adegboyega Oyetola, who not only convened a meeting between NIMASA and the PEBEC secretariat, but constantly kept us on our toes to ensure better service delivery to stakeholders. I also wish to commend members of team NIMASA and we know that this is simply a call to more service to our stakeholders."

The Presidential Enabling Business Environment Council (PEBEC) which is chaired by the Vice President, Kassim Shettima, was established to remove bureaucratic constraints to doing business in Nigeria, and make the country a progressively easier place to start and grow a business.

This is also in line with Business Facilitation Act 2023, a legislative intervention by the Presidential Enabling Business Environment Council, PEBEC, to codify an executive order on the promotion of Transparency and Efficiency in the Business environment.

from right: Executive Director, Maritime Labour and Cabotage Services, Nigerian Maritime Administration and Safety Agency (NIMASA), Jibril Abba; Chairman/CEO Nigerian Drug Law Enforcement Agency (NDLEA), Brig. Gen. Mohamed Buba Marwa (Rtd.) and others during the Presidential Enabling Business Environment Council (PEBEC) Townhall meeting in Abuja.

CUSTOMS SEIZES FIREARMS, 844 RIFLES, DRUGS WORTH N18BN IN RIVERS STATE

The Nigerian Customs Services has intercepted and seized arms and ammunition worth N18.23bn in a drastic step to curb the smuggling of illicit items into the country through its borders.

It said the 848 rifles and 112,500 rounds of live ammunition, as well as illicit drugs, were intercepted at the Onne Port in Rivers State in containers originating from Turkey.

The Comptroller General of Customs, Bashir Adeniyi, said this while displaying the seized items during a news briefing at the Nigeria Customs Service, Port Harcourt Area II Command, Onne on Monday.

The CGC said the illegal arms were concealed in other items inside a 1X40 foot container 'MAEU165396,' while the drugs found in different cartons were in nine containers.

One of our correspondents gathered that the rifles and ammunition were concealed using various items such as doors, furniture, plumbing fittings, and leather bags.

The displayed exhibits include nine containers: one holding seized arms and ammunition valued at N4.17bn, six containing seized drugs valued at N13.92bn, and two containing used clothes valued at N144m.

He added the service had also arrested three suspects connected with the arms importation, and they are currently in custody after securing a detention warrant from a court.

Adeniyi stated, "Today, we gather to inform you about the recent significant developments in our operations to secure our nation's borders and ensure public safety.

"You may recall that at a press briefing of this nature held recently at the Tin Can Island Port Lagos, I had disclosed attempts by criminal elements seeking to exploit our trade facilitation friendly posture to compromise our processes and procedures.

"With our robust Risk Management System, we have always remained a step ahead of their moves. When these attempts revolve around revenue generation, our automated audit systems at different levels enable us to trace, track and recover the revenue. However, when efforts are geared towards creating actions that will produce irreversible consequences on national security, our alert level is elevated to match the threats posed to us."

He said the arms were intercepted through credible intelligence monitoring the shipments from their point of departure in collaboration with the local, national and international intelligence communities.

"And so it was the case with this 1X40 foot container MAEU165396, which originated from Turkey, and based on several risk factors, became a subject of interest. We had followed its sail across the continents, as we benefitted immensely from credible information produced through our collaboration with the intelligence communities, both at the local, national and international levels.

"Working within our local structures, we followed diligently as the importer attempted to circumvent our procedure through the outlet of a private bonded terminal.

"Consequently, on Friday, 21 June 2024, the suspicious container was subjected to a thorough physical examination. The examination result revealed the following alarming contents: 844 units of rifles, and 112,500 pieces of live ammunition.

"The breakdown is as follows; 764 units of Tomahawk Jojef Magnum Black Pump Action Rifles, 10 units of VC Verney Carron Gunmakers Jojef Magnum silver pump-action rifles, 50 units of VC Verney Caron Gunmaker double-barrel rifles, 20 units of VC Verney Caron Gunmaker single-barrel rifles, exclusive series, Sterling High-Quality live ammunition 34g – 25 Plastic Shotgun Shells (70MM).

"The rifles and ammunition were concealed using various items such as doors, furniture, plumbing fittings, and leather bags. The duty-paid value of the container is N4.17bn.

"In connection with this, we have three suspects in our custody after securing a detention warrant from a competent court of justice. Furthermore, a thorough investigation is ongoing to ensure all those involved face the full wrath of the law," he added.

Reacting to this issue, the Nigeria Security and Civil Defence Corps condemned the proliferation and illegal possession of firearms across the nation.

Emphasising a firm stance against such activities, the NSCDC spokesperson, Babawale Afolabi, in an interview announced that the culprits apprehended would face prosecution by the law.

Afolabi said, "The NSCDC condemns all acts of proliferation and illegal possession of firearms. We also encourage that the borders be strengthened because of porosity. The Corps is always ready to synergise with sister security agencies to strengthen the security architecture of the nation."

FG REVOKES N870BN ROAD CONTRACTS, 2,270 PROJECTS SUFFER DELAY

The Federal Government on Monday revoked the N870bn highway contracts awarded to three construction companies: Dantata & Sawoe, MotherCat, and RCC, for non-performance.

The Minister of Works, Dave Umahi, ordered the termination of the contracts for sections II, III, and IV of the dualisation of Obajana-Benin Road as 2,270 road projects nationwide suffered delays.

Umahi axed the contracts 24 hours after issuing an ultimatum to the contractors handling the various road projects to sit up or lose their contracts.

Umahi upon assumption of office had stated that he inherited 2,600 uncompleted road projects but this figure has been reduced to 2,270 following the completion of 330 emergency projects after an appropriation of N300bn by the Federal Government.

The revoked contracts are put at the cost of N870bn at N2bn per kilometre after an initial review from N121bn.

The minister had on April 25 threatened to revoke poor-performing contracts.

Speaking on Sunday during the presentation of the routes of section 3A and the Trans-Africa Highway traversing Cross River through Ebonyi, Kogi, Nasarawa and Abuja, Umahi expressed dismay at the slow pace of work on the Akwa Ibom and Cross River – Calabar-Itu section awarded to three contractors.

Minister warns firm

While restating his earlier threat to axe non-performing construction firms, Umahi said, "If Julius Berger (Plc) fails to return to the site at the expiration of the seven-day ultimatum issued today (Sunday), we will terminate the contract. Sermatech Limited, an indigenous contractor, did a better job than Berger.

"Sustenance is based on the improvement of our roads. Contractors are playing tricks on our road construction; if we put one kobo in his hands he must give us an affidavit. The contractor must put his feet on the throttle. If you are climbing the hill, will you remove your leg from the throttle? No."

He warned contractors who think it is

still 'business as usual' when handling government projects that the old order had changed, insisting that no amount of lobby would save them if they failed to perform.

He reiterated the resolve of the Tinubu administration to complete all inherited road projects and the three legacy road projects under the Renewed Hope Agenda.

He added that other projects related to the three legacy projects would be assessed to know the extent of work and what needed to be done.

Announcing the termination of the N870bn highway contracts in a statement on Monday, the Special Adviser on Media to the Minister, Uchenna Orji, explained that the affected projects included the dualization of Obajana – Benin road, section II (Okene – Auchi) in Kogi/Edo State; the dualization of Obajana – Benin road, section III (Auchi – Ehor) in Edo State and the dualization of Obajana – Benin road, section IV (Ehor – Benin) in Edo State.

Orji said, "The termination of the said contracts became necessary given the inordinate delay by the affected companies in job performance and their failure, neglect and or refusal to fulfill their contractual obligations as required by the standard conditions of the contracts.

"This has affected the timely completion of the projects and thus resulted in the expiration of the contracts by effluxion of time.

"The projects, which were awarded on 3rd December 2012 were advertently abandoned by the contractors and no genuine commitment or good faith was shown towards executing the projects after accepting the considerations offered by the Federal Government and thereby exposing the road users to untold hardship due to the deplorable condition of the projects."

Continuing, he added, "The honourable minister has, therefore, directed the engineers in charge to take necessary steps to enter into both the sites and the works and take the same over from the affected companies.

"He further directs the engineers concerned to, upon doing the needful, arrange with the affected companies for a joint measurement of work so far done by the said companies, preparatory to taking over the sites from the said companies, and this directive is without prejudice to the exercise of other rights of the Federal Government under the contract."

Orji further recalled that the minister had earlier warned that the Federal Ministry of Works under his watch would not condone "Acts of unseriousness and sabotage by contractors whose plan is to become a clog in the wheel of progress of the Renewed Hope administration, which the minister said was determined to change the ugly narrative of Nigeria's road infrastructure.

"The minister further warns that going forward, the government will not hesitate to terminate all projects that are funded, but are non-performing."

NCS SEIZES ASSORTED ARMS, DRONES, MILITARY ACCOUTREMENTS WORTH N1.5BN AT LAGOS AIRPORT

In less than 48 hours after intercepting a container of arms at Onne Port, Rivers State, the Comptroller General of Customs (CGC), Nigeria Customs Service (NCS), Bashir Adewale Adeniyi, has announced another seizure at Murtala Muhammed Airport (MMA), Lagos.

This latest seizure involved 55 unassembled pieces of Jojef Magnum semi-automatic shotguns and a cache of ammunition, all imported from Turkey with a Duty Paid Value (DPV) of N270 million.

The consignment, discovered at the cargo section of MMA, was concealed within a shipment that included military hardware and accouterments.

Acting on credible intelligence, Customs officials conducted a thorough examination and found the illicit items hidden in packages disguised as shower faucets. One suspect has been apprehended and is aiding in the ongoing investigation.

The CGC highlighted recent successes in arms seizures across Nigeria, underscoring the proactive measures taken by Customs to combat illegal arms trafficking.

He emphasized that Nigerian collaborators in Turkey were identified as sourcing and exporting these illicit arms, utilizing new methods to evade detection.

In addition to the firearms, the Customs Command at MMA also seized military and paramilitary equipment valued at N1.29 billion.

This included drones, ballistic vests, helmets, walkie talkies, and various military insignia. These items were imported without the necessary end-user certificates, further complicating their legality under Nigerian law.

Adeniyi affirmed that all seized items would be transferred to the National Centre for the Control of Small Arms and Light Weapons for further investigation and prosecution.

RELIEF AS FOREIGN AIRLINES RESUME OPERATIONS OVER GLOBAL IT GLITCH PARTIAL RESTORATION

The widespread global information technology system outage that caused disruptions at airports worldwide, including Nigeria's Murtala Muhammed International Airport, has been partially restored leading to the resumption of international airlines.

On Friday, flights heading to the United States of America, Europe, and some other international destinations were grounded over the glitches.

Giant airlines in the aviation businesses including Delta Air and United Airlines among others resumed operations after the faulty software update issued by cybersecurity firm, CrowdStrike, affected Windows computers worldwide, leaving businesses, airports, banks, healthcare sector in limbo, leading to immediate suspension of activities.

Globally, at least 5,000 out of 110,000 scheduled commercial flights were cancelled on Friday.

Also, almost 300 flights were cancelled for both the in and out of the U.S. schedules, with nearly 7,000 delayed as a result of the glitches, according to data tracker FlightAware.

The disruptions extended to carriers in Europe, Middle Eastern, and African airlines operating in Nigeria. Air France and KLM experienced significant delays, with flights into Nigeria postponed, while outbound flights also faced delays.

However, delays and cancellations were expected to persist throughout Saturday and possibly on Sunday, as airlines try to fully recover from the impact of the outage that upended their flying schedules and affected thousands of passengers.

In Nigeria, The PUNCH learnt that United Airlines cancelled its Lagos-Washington flight on Friday, while passengers continued to cry foul.

A source at the Federal Airport Authority of Nigeria confirmed that many of the passengers lodged in a hotel on their bills while few of them returned to their homes.

Contacted for an update on the development, the Director of Public Affairs and Consumer Protection at the Nigeria Civil Aviation Authority, Michael Achimugu, sent our correspondent a schedule of flights which showed that flight arrivals and departures were disrupted due to the same glitches.

This arrival and departure document obtained by The PUNCH showed that Delta Airlines, Airfrance, Royal Dutch Airlines and Virgin Atlantic all arrived and departed the Nigerian's Murtala Muhammed International Airport although with varying delayed times on Friday and Saturday respectively.

For Friday, the document showed that Delta Airline departed the airport at 2:59 pm after a delay of 2:54minutes, Airfrance arrived at 00:57HRS against its expected time of arrival of 21:40HRS while it departed at 03:45HRS against its expected time of departure of 23:55HRS.

In the same vein, Royal Dutch Airlines arrived at 21:20HRS instead of 20:15HRS and departed at 23:28HRS against its ETD of 22:25HRS.

The Saturday schedule also showed that Delta Airlines arrived in Nigeria at 13:51HRS instead of its ETA of 10:00HRS and departed at 15:49HRS instead of 12:10HRS while Virgin Atlantic also departed at 10:36HRS instead of leaving at 09:00HRS.

But in a conversation with our correspondent, the President of the Association of Foreign Airlines and Representatives in Nigeria, Dr Kingsley Nwokeoma, begged the flying passengers to remain calm as the challenge wasn't peculiar to Nigeria alone.

He added that operations will soon return to Nigeria as disruption of aviation services begins to subside in some airlines' parent nations.

He said, "There can be IT glitches and you know that can happen anytime, and the airlines have procedures in tackling this kind of thing and this is not just happening in Nigeria alone, it is global. So what the airlines should be doing is to ensure that their passengers are well informed and comfortable as well as reschedule all the flights when necessary.

N23.1BN NOT ENOUGH FOR AIRPORT UPGRADE, SAYS FAAN MD

The Managing Director of the Federal Airports Authority of Nigeria, Olubunmi Kuku, has stated that the N23.1bn allocated for rehabilitating and repairing airport facilities nationwide is grossly insufficient.

Kuku revealed this during an interview on The Morning Brief, a Channels TV programme on Tuesday.

He said that the airports, terminal areas, landsides and air sides as some of those things that require urgent improvements and the amount appropriated may not suffice.

Kuku emphasised that the aviation sector, particularly airports, is critical and requires substantial capital investment.

"When you refer to N23.1 billion or N23 billion, it may not actually scratch the surface if you look at where we are in terms of infrastructure development and upgrades. Yes, we do have some money earmarked for capital-intensive projects this year, and maybe slightly more.

"What I do want to say is that the Federal Government through FAAN actually has 22 airports under our domain which we manage."

She explained that the authority is subsidising the remaining 19 airports and will extend this support to some of the new airports under development.

We also have about six or seven airports that are either owned by state governments or private individuals or entities which we also support with either aviation security or fire and rescue services.

FAAN MD, Olubunmi Kuku

"We have a number of states in the north as well as in the south-west that are coming up with new airports.

"I would say that based on the stats today, only three of the 22 airports are actually profitable and contribute largely to the sustenance of the airport companies that we run.

"I would also say that we are actually cross-subsidising the other 19 airports today and in most instances, we will substitute or cross-subsidise for some of the airports that are coming on board as well."

Kuku mentioned that FAAN allocates 50 per cent of its revenue to the federal coffers, which presents a significant challenge.

She noted that the authority is currently in talks with different branches of government to seek relief.

She explained that passenger traffic is influenced more by Gross Domestic Product growth and economic activities than by the construction of new airports.

Kuku emphasised the importance of focusing on key sectors like trade, manufacturing, and tourism to boost airport traffic.

"Rather than building new airports, we need to look at the bottom of the value chain to determine what activities can drive traffic into these airports," Kuku said.

She added that FAAN is working closely with international organizations, such as the International Air Transport Association and the Federal Ministry of Aviation, to expand domestic and international routes.

Kuku mentioned that there are initiatives aimed at transforming Nigeria and certain airports within the country into transit hubs.

"What that means is that we start to build a network of airports where we can push our feeders to some of the other states or to some of the other locations and start to utilise our airports," she said.

She highlighted that almost 4 million passengers travel internationally from Nigeria, stressing the importance of efficient infrastructure use for the upkeep and sustainability of these facilities.

NCAA TO SANCTION AIRLINES OVER FALSE FLIGHT SCHEDULE

The Nigeria Civil Aviation Authority has frowned at the prevalent cases of false departure time scheduling by local airlines.

The NCAA, therefore, warned the airlines to desist from such infractions or face dire regulatory actions.

The Acting Director General of the NCAA, Capt. Chris Najomo stated this on Tuesday at the authority's corporate headquarters in Abuja.

According to him, the NCAA now run a zero-tolerance approach to regulatory infractions.

When needed to refund passengers, the NCAA also said all refunds by airlines must be done devoid of undue delays, stressing that the process must be completed within 14 working days regardless of the mode of purchase of the tickets.

The NCAA Director, Public Affairs and Consumer Protection, Michael Achimugu, in a media interview, quoted Najomo as saying, "He made the ease of doing business the crux of his action plan for the NCAA. In line with that action plan, he has made processes for licensing easy for operators. The time to secure AOC is now shorter and less cumbersome than it used to be in the past. The NCAA therefore expects reciprocity from airlines. Chief of which is world-class services to passengers."

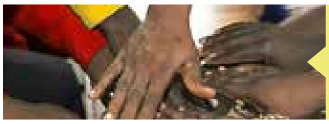
Achimugu noted that if the NCAA was making business easier for operators, it was important for airlines to satisfy their passengers with superior services.

"It has come to our notice that some airlines are being reported for advertising deceitful departure times. The NCAA regulation says no airline shall display deceitful passenger departure time at its counter, advert material, or on its website.

"We want to make it very clear that the DGCA has directed monitoring, and offenders will face serious regulatory actions," Achidume said.

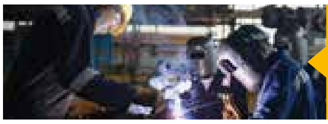
According to him, the authority believes in safety, discipline, and economic regulation, which is evidenced in the recent suspension of 10 PNCF holders for failing to comply with the recertification advisory issued in April 2024.

WE ARE SHELL



$1.09B.
In taxes and royalties paid to the Federal Government of Nigeria by Shell companies.

$3M.
Invested by Shell companies in education programs.



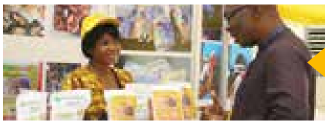
$1.98B.+
In contracts awarded to Nigerian companies.

SINCE 2016...
3,450 secondary school grants, **3,772** university grants, and **1,062** cradle-to-career scholarship grants awarded

$142.5M.
Paid by Shell companies to NDDC

109
Students supported by Shell scholarships in the UK.

$42M.
Funded by Shell to 27 out of 33 community trusts (by end of 2023).



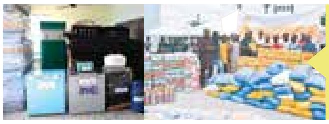
73
Businesses creating **97 jobs supported** by Shell's LiveWIRE programme.

2,500+
Nigerians directly employed by Shell companies.

150
Ogun State youths received business skills training from Shell.

$42.2M.
Spent by Shell companies on social investment programs.

$5M.
Digital learning centre donated to Niger Delta University by SNEPCo and partners.



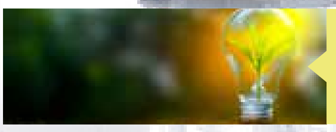
$4.1M.
Donated by Shell and partners to aid conflict victims.

50 MEGAWATTS+
Of solar power installed by Daystar Power.

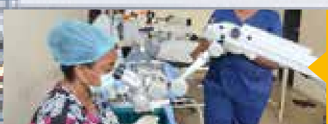
5,550
People in Yobe/Borno helped by Shell to start businesses.

$27.9M.
Invested by All On, connecting over **8,600 people** to clean energy in 2023.

1M+
People reached by Shell's mobile health programme.

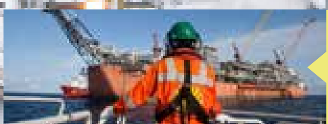


3,000+
Energy connections delivered by All On; **16.3 MWh** installed capacity through its investee companies.

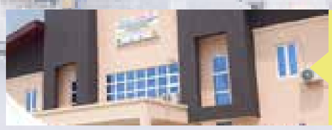


98,000+
People benefited from Shell's community health insurance.

$751M.
SPDC fully funded its share of the Ogoni Trust Fund.



1Billion
Barrels of oil export achieved in 2023 by The Bonga FPSO.



NEW ENGINEERING CENTRE COMPLETED...
By Shell at the University of Benin.

...Powering Lives in Nigeria