ENERGY TRANSITION: AFRICA HAS ENOUGH MARKET FOR HER HYDROCARBON RESOURCES, SAYS NIGERIA'S OIL MINISTER

NLNG PLANS TO TRANSITION ALL SHIPS TO MODERN VESSELS IN 10 YEARS – ANOWI

NCDMB, JULIUS BERGER SEAL CONTRACT FOR CONSTRUCTION OF OLOIBIRI MUSEUM

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UTM FLNG FEEDSTOCK SUPPLY GUARANTEED BY NNPC LTD AND SEPLAT – RONE

SEPLAT ENERGY HAS CAPACITY TO OPERATE AT IOC LEVEL, ANYWHERE IN THE WORLD – AVURU

Editor's Note

DR. NJIDEKA KELLEY

Nigerians and indeed Africans are developing capacities in managing the continent's hydrocarbon resources. Current conversations in most forums are shifting from the narratives of hasty decarbonisation timelines to giving African nations the opportunity to move at their pace in achieving net zero emission in order to utilize their huge hydrocarbon resources.

Nigeria's Minister of State for Petroleum Resources (Oil), Dr Heineken Lokpobiri, at the 2024 African Energy Week held in Cape Town, South Africa last month, doused concerns about what happens to Nigeria's abundant hydrocarbon resources in view of the challenges inherent in the ongoing global energy transition. To him, Nigeria and other countries in Africa with hydrocarbon deposits have been concerned about what to do with their resources following carbon neutrality (decarbonisation) policies and deadlines set by the western world especially Europe.

However, he dismissed this concern, saying that Nigeria and other African countries blessed with hydrocarbon deposits will not abandon their resources because of energy transition and net zero-emission deadlines set by the western countries.

Even if the Western countries stop buying hydrocarbon resources produced in Africa, the continent has enough market to take all of her production. He stated that what Africa has been doing is exporting her crude but there would be a departure from that as the continent would produce, refine and consume her products, he noted.

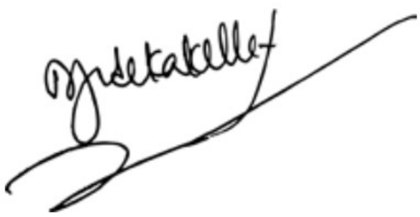
"We have enough market in Africa. Africa has enough market for her entire crude production. African market alone is enough to take all that we produce in Africa. All we do now in Africa is we produce crude, we ship it to Europe, India and Singapore, they refine, they ship it back to us. We don't need that. When we have the refining capacity, we have enough market to take all the products," Lokpobiri said.

Currently, Nigerian Independents are doing amazingly well across the hydrocarbon value chain, from the Upstream through the midstream to downstream and service industries. These significant milestones imply that Nigerians can skillfully manage its oil and gas resources from seismic data gathering to exploration and down to products distribution. This feat has been aptly demonstrated in some of the assets divested to the Independents by the IOCs.

Nigeria has set 2060 as the time it is eyeing to become carbon neutral by ensuring usage of more sustainable and cleaner energy sources with net emission. Although achieving net carbon emission will create huge transformation by providing enormous investment opportunities in areas such as solar energy, hydrogen, and electric vehicles but requires huge capital investment by the government and review of existing energy system governance structures.

At the 21st United Nations (UN) Climate Change Conference of Parties (COP21) in Paris, an international agreement was reached to keep global warming by the end of this century below 2°C compared to pre-industrial levels, preferably lowering it to 1.5°C. At COP26 held in Glasgow, Nigeria pledged to achieve net-zero emissions by 2060.

Following the Paris Agreement, Nigeria submitted its first Nationally Determined Contribution (NDC) in 2015 and a revised version in 2021. An NDC is a country's target to help reduce emissions and adapt to climate change. Each country is required to submit its NDC and update it every five years. The World Economic Forum said Nigeria ranks 108th out of 120 nations on the Energy Transition Index (ETI). The ETI is a tool for the global energy community to monitor the performance of energy systems at the national level. Over the last decade, Nigeria's overall ETI score has increased by three percent, but system performance scores have decreased by one percent.



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COVER

DECEMBER 2024

UTM FLNG FEEDSTOCK SUPPLY GUARANTEED BY NNPC LTD AND SEPLAT – RONE

●PROJECT TO SUPPLY 500,000 TONNES OF LPG TO DOMESTIC MARKET

Dr. Julius Rone *is the Group Chief Executive Officer of UTM Offshore Limited, the promoters of UTM Floating Liquefied Natural Gas (UTM FLNG). In this interview with* ***EMEKA UGWUANYI*** *on the sideline of the African Energy Week last month in Cape Town, he highlighted what the UTM FLNG is all about, why it was conceived and benefits to Nigeria and the environment.*

FLNG in an environment where mini LNG and land LNG are appreciating rapidly

A FLNG is a technology that has been proven and floating LNG is to complement the land LNG. The land LNG gets their gas within proximity and the floating LNG is to pick the gas that is stranded offshore, that is the essence because you cannot bring that gas from that location to shore because of the distance and the number of pipelines that need to be constructed to bring the gas to the location, that is why we have floating LNG. The floating LNG is to pick the stranded gas that cannot be developed by using the land LNG or a mini LNG. FLNG is primarily meant for offshore gas that is stranded. It is not for gas that is at the shore.

Therefore, gas that is in there that has not been used because there is no technology to bring it out, we now have a technology that is proven that we can now use it to monetize the gas, and export what you want to take out, bring in what you need to bring into the Nigerian domestic market and create revenue for government and above all create employment for the teeming youths of Nigeria.

Feedstock guarantee when you intend to commence operation especially as most of these assets are being divested by the IOCs

The UTM FLNG project is being developed by UTM Offshore, NNPC Ltd and Delta State Government. These are the shareholders of the business. This is a midstream project. The upstream of the project, which is where we will get the gas from is owned between NNPC Limited 60% and Seplat Energy Plc 40%. Therefore, NNPC that is operating in the upstream is also operating in the midstream. That gas we are looking at for this project will be from OML 104. The gas from this asset is currently being flared or reinjected. That is why NNPC Ltd said this is a solution that works, this is a solution that will save the environment, this is a solution that will ensure energy security, this a solution that will create employment for Nigerian youths and this is a solution that will create revenue for government. That is why it took 20 per cent equity in this project and Delta State Government took 8 per cent in this project and UTM Offshore took 72% equity on this project, therefore, we are the promoters. What NNPC Ltd has done by joining this project is making this project be an integrated project it is, the owner of the gas is NNPC Ltd and it is also part of the midstream which is the UTM FLNG.

Nigeria imports LPG. From the UTM FLNG alone, we shall get 500,000 tonnes of LPG and that in itself will substantially reduce demand for LPG importation and will save Nigeria the dollars and naira because you don't need to get the naira and convert it to dollar to be able to import LPG

Therefore, the gas we will use for this project, NNPC will generate revenue for payment of the feedstock when we pay for the gas. NNPC Ltd will generate revenue from the midstream when we sell the LNG and LPG. So, the issue of divestments by the IOCs to other companies doesn't affect this project at all because the major owner of the gas is NNPC and NNPC is with us in the project. Also, Seplat Energy who has taken over from ExxonMobil has expressed interest to play in the midstream to join in the project. So, what we have now is a fully integrated project where those who own the gas upstream, are part of those participating in the midstream and downstream.

People are happy you are coming up with this project because they see the possibility and potential for its scalability. At what point do you think the project will begin to grow and if it begins to grow, which other areas of third party operation are you going to confer commercial viability on.

The way it works is first, before you develop, you design. When you design, you understand where you get your gas, the condition of the field and what volume of gas does it have that you are designing for. Presently we have passed that stage. We have finished the engineering design, the front end engineering design has been completed and now we are progressing into the engineering, procurement and construction (EPC) stage. With the EPC stage, we have known the required gas that we needed for this project and that volume of gas that is the OML 104, which is 2.2 Tcf is what we are targeting for this project. We have enough gas that will take this project for 25 years. So we are not looking for gas because that is settled. Once we sign the EPC contract and start the construction, we intend to replicate what the Mozambique did. Mozambique finished their first FLNG and they replicated the second one using the same engineering design and specification. We intend to do the same with NNPC Limited and their partners to start the first one before we talk about the second project but the concentration now is to get this first one into construction phase. Once it goes into construction, we concentrate on the next one. The first UTM FLNG will be completed and delivered in 2028 and operation is expected to be in the first quarter of 2029.

Solutions the UTM FLNG will bring into the Nigerian gas market

We have agreed with NNPC Ltd that LPG from the project is not going for export because Nigeria requires about 2 million tonnes per annum of LPG and Nigeria cannot produce that volume in-country. So, currently Nigeria imports LPG. From the UTM FLNG alone, we shall get 500,000 tonnes of LPG and that in itself will substantially reduce demand for LPG importation and will save Nigeria the dollars and naira because you don't need to get the naira and convert it to dollar to be able to import LPG. It will also bring down the price of LPG because when you take the naira to buy dollar to import LPG, you need to hedge and sell to cover the cost for exchange rate fluctuations. We shall also sell the LPG in naira, so there will be no issue of exchange rate associated with that volume that will come into the Nigerian market. We shall produce and sell in naira, that is part of the sacrifice of doing this project and that is why the Nigerian government is supporting this project. The volume of 500,000 tonnes coming into the Nigerian market will help the economy to grow drastically. But the LNG from the project will be for export.

You are called Gas King, so you understand everything about gas, what are those policies issues and incentives that prevent attracting investors into the Nigerian gas space

We must thank the current administration of President Bola Ahmed Tinubu who has deliberately put focus on gas in Nigeria. He appointed a Minister that is responsible for gas development that in itself shows the focus of the government. Look at his office alone, he has a Special Adviser to the President on energy, he has a Minister of State for Petroleum (Oil), he has a Minister of State for Petroleum (Gas) and that tells you the government is deliberate in its focus on development of our gas resources. Also, the government just signed an executive order that gave incentive for deep offshore gas development, which is strictly to encourage upstream operators to spend money to discover and develop our gas that is located offshore. Before now, operators refuse to spend money to develop gas stranded offshore because they don't have incentives. Government has looked into that and has given them incentives in ways of tax and other incentives to encourage them to make those investments. Now you can start to see investments in offshore gas that will monetize the gas through floating LNG technology and at the end of the day you see Nigeria as floating LNG hub that will have over 10 floating LNGs like we have FPSOs in the country.

To answer your question on offtake agreement, we have already negotiated the gas sales and purchase agreement with Vitol. Vitol is a known energy trading company in the world. They are one of the major companies that are importing LPG into Nigeria. They are going to offtake both LNG and LPG but we have all agreed that the LPG is for domestic market. So that money will come into the Nigerian market.

Nigeria still flares a lot of gas and now that UTM has come on board, at what level do we see UTM cutting this flared gas? Also, you are called Gas King, what can Gas King do in the sector in the next five to 10 years

The gas we are going to use for this project is currently being flared and reinjected. Once the UTM FLNG gets there, it will become zero flare. We shall have zero flare in that field, that is OML 104, they will not flare or reinject the gas, they will use if for UTM FLNG project. That will save the environment and reduce the emission currently being emitted from associated gas in oil exploration activities in Nigeria. We can't completely have zero flare

overnight. As more projects are coming and government is deliberate on the issue of flare gas, and with the government's gas commercialization programme, other little fields that flare their gas, companies that have won those bids in the gas commercialization programme can build mini LNG and other LNG plants in such areas with little fields to monetize those gas and reduce our flare position, that is going on..

On our plan for five years, we believe that this is a mother project – the UTM FLNG project, there will be a daughter project – the LPG plants that we will build as spin off from the mother project to serve the domestic market gas market. It will help to drive LPG penetration into Nigeria to reduce the level of deforestation many of our women folks engage in by fetching firewood as their means of energy. UTM will be a household name in Nigeria including your home.

Who is Dr Rone

Dr. Rone is a seasoned administrator with vast experience spanning over a decade in the public sector and is a member of several professional bodies and philanthropic organizations. He has successfully run businesses and great initiatives in Nigeria and other parts of Africa particularly in the oil and gas space which earned him the name – "Gas King.".

UTM Offshore Group's subsidiaries include: UTM Offshore Limited; UTM FLNG Limited; UTM Energy Limited; UTM Dredging Limited; UTM Engineering and Construction Limited: UTM Properties Limited; UTM Logistics and Marine Services Limited; MWS Allied Services Limited; Water Petroleum Limited; SBM Limited; UTM Ghana Limited; UTM-CTK Ghana Limited.

Dr. Rone also promotes the Julius and Yutee Rone Foundation through which he gives back to the society, among other philanthropic activities. He is an alumnus of the Obafemi Awolowo University, and the University of Calabar.

He is a member of professional bodies such as the Institute of Directors (IoD); American Society of Administrative Professionals (ASAP); American Management Association (AMA); International Association of Administrative Professionals (IAAP) USA; Association of Associate Executives (AAE). Mr. He is married with children.

Nigeria's leading energy company listed on both the Nigerian Exchange Limited and the London Stock Exchange

SEPLAT ENERGY HAS CAPACITY TO OPERATE AT IOC LEVEL, ANYWHERE IN THE WORLD -AVURU

Seplat Energy Plc has been described as Nigeria's leading Independent that has the capacity to operate at the level of an International Oil Company (IOC) and in any part of the world proficiently.

The Founder and Executive Chairman of AA Holdings, Mr. Austin Avuru disclosed this in chat with our reporter on the sideline of the African Energy Week in Cape Town, South Africa last month.

When asked if he foresees a global player emerging from the Nigerian independents in the near future, he said although every company including the Independents has to decide the most appropriate geography to operate in, otherwise he would have said that Seplat Energy has the capacity to attain that level.

Avuru who is also the pioneer Managing Director of Seplat Energy said: "Independents have to decide the most appropriate geography to operate in, otherwise, I can tell you in the next five years a company like Seplat can operate anywhere in the world and can operate at the level of an IOC.

"As a matter of fact, once they integrate the ExxonMobil assets into their current operations, they can do that. Let's define the scale, once Seplat integrates the ExxonMobil assets, its operated production will be in excess of 200,000 barrels per day.

"As an IOC what was Texaco and ENI producing? Seplat's operated gas processing capacity will be about one billion cubic feet (Bcf) per day. They currently have 465 MMscf per day and they are developing 300 MMscf in ANOH. They just started first gas in their Sapele gas plant. If you add all of that up, it will be close to I Bscf per day.

"A company that is capable of delivering I Bscf per day and over 200,000 barrels of oil per day, they are more than two IOCs in our history that had that capacity. We are really deepening Independents in Nigeria and we should be very proud of that, Independents in Nigeria are capable of doing what the IOCs were doing."

On what the ongoing reforms portend for the upstream, midstream and the downstream, Avuru said: "The regulatory framework as you see today across the value chain from the upstream down to product distribution emphasizes domestic energy security. We are seeing the regulatory direction that is moving us away from just utilizing upstream revenue of oil and gas activities to utilizing oil and gas activities to achieve energy security to cure our energy poverty.

"First, from the upstream point of

view, we are seeing regulatory push that now recognizes that there are some homegrown Independents who are likely to be operating mainly in Delta onshore and shallow water while the OICs move into the offshore. And that this shared responsibility among the Independents and IOCs will complement the Nigerian economy and what you see is that collaboration and shared responsibilities we need to reinvigorate the industry.

"With that, you see optimum production coming from both mature fields in the onshore, fields in the deep offshore and additional exploration efforts across all the phases. That should lead in the medium term to optimum production.

"In the midstream, we are seeing a lot of gas processing and development going on particularly with the IOCs intending to supply between 3bcf and 4bcf of gas daily that the domestic economy requires for power generation, heavy industries and fertilizer production, among others. That is beneficiation, and that is enabling the oil and gas business particularly the gas business which is a major contributor to our GDP. Further in the midstream, we are now seeing the country becoming a refining hub. We are going to a point that in the next three years we will probably have a refining capacity in excess of 1.2 million barrels per day."

It would be recalled that Seplat Energy Plc in December 2024 announced that it has completed its acquisition of Mobil Producing Nigeria Unlimited (MPNU) from ExxonMobil.

The transaction it said, was transformative for Seplat Energy, more than doubling production and positioning the Company to drive growth and profitability, whilst contributing significantly to Nigeria's future prosperity.

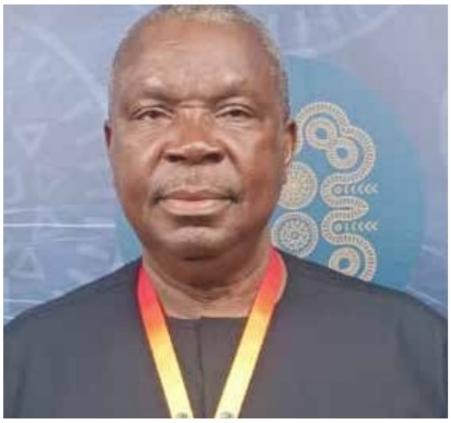
The completion of this acquisition has created Nigeria's leading independent energy company, with the enlarged company having equity in 11 blocks (onshore and shallow water Nigeria); 48 producing oil and gas fields; 5 gas processing facilities; and 3 export terminals, Seplat said.

It further noted that the acquisition of the entire issued share capital of MPNU adds the following assets to the Seplat Group: 40% operated interest in OML 67, 68, 70 and 104; 40% operated interest in the Qua Iboe export terminal and the Yoho FSO; 51% operated interest in the Bonny River Terminal ('BRT') NGL recovery plant; 9.6% participating interest in the Aneman-Kpono field; and approximately 1,000 staff and 500 contractors will transition to the Seplat Group.

"MPNU adds substantial reserves and production to Seplat Energy; 409 MMboe 2P reserves and 670 MMboe 2P + 2C reserves and resources as at 30 June 2024 and 6M 2024 average daily production of 71.4 kboepd.

"As operator, Seplat's immediate tasks are to ensure smooth transition of MPNU staff into Seplat, and on the operations, to swiftly target numerous opportunities that exist to organically grow production and further enhance the value of the assets for all stakeholders," Seplat said.

Faces at the 2024 African Energy Week, Cape Town, South Africa



PH REFINERY: LOW-KEY OPERATION BEGINS, MARKETERS OPPOSE N1,030/LITRE

The Port Harcourt Refining Company has clarified that its operations were not completely halted but scaled down to facilitate improvements at the facility.

It disclosed this on Sunday as the Independent Petroleum Marketers Association of Nigeria insisted that it would not buy from the Port Harcourt refinery if the Nigerian National Petroleum Company Limited sells fuel from the plant at an expensive rate.

Oil retailers had claimed that NNPCL was dispensing petrol from the plant at N1,030/litre. This is about N60 higher than the price of petrol produced by the Dangote Petroleum Refinery.

Although NNPCL denied the claim, it failed to state the price of petrol produced from the newly rehabilitated Port Harcourt refinery.

Speaking during a guided tour of the Port Harcourt refinery led by the Managing Director, Ibrahim Onoja, the Executive Director of Operations, Nigerian Pipeline and Storage Company Limited, Moyi Maidunama, said the plant was working.

Maidunama told journalists that there was a temporary hitch in operations, but explained that the reduction in operations was necessary to address technical issues and enhance capacity.

He said, “So, the operations were not halted. It was obviously reduced due to some improvements that we needed to make. We are managing the process with the number of trucks available today, using a few loading arms for evacuation. This should be resolved soon.”

He assured all that product distribution was ongoing, with several trucks loading refined products, and added that the process would continue uninterrupted.

The Terminal Manager, Port Harcourt Depot, Worlu Joel, confirmed that the facility had commenced the distribution of products, including Premium Motor Spirit, kerosene, and diesel.

He, however, expressed concerns over the low turnout of tanker drivers.

He said, "We have surplus products available and operational loading arms, but we've had to beg tanker drivers to come and evacuate products. We've loaded more than ten trucks already and expect to dispatch at least 15 before the day ends."

Joel noted that the depot operates with 11 functional loading bays, but only three are currently in use due to their high efficiency. Each bay, he explained, can load three trucks in just 15 minutes.

"If you give us 100 trucks today, we can evacuate them in less than five hours," he assured.

Highlighting the strides made at the refinery, the Managing Director, Ibrahim Onoja, said the plant had undergone extensive upgrades to improve efficiency and reliability.

"The plant is running, and we are trucking out our products. We've carried out a massive revamp, replacing most of the equipment, including pumps, instrumentation, and cables. What we've done here is a significant upgrade of the facility," Onoja stated.

The PHRC team reiterated its commitment to maintaining consistent product distribution while ensuring that ongoing improvements enhance the refinery's overall operations.

IPMAN reacts

The Independent Petroleum Marketers Association of Nigeria said it would not buy from the Port Harcourt refinery if NNPCL sells the fuel at an expensive rate.

IPMAN said it was not expecting the Port Harcourt refinery's petrol to be more expensive than that of the Dangote refinery or to be at par with the imported one.

The spokesperson of the association, Chinedu Ukadike, while speaking in an interview with our correspondent on Saturday, said fuel from the Port Harcourt refinery should be more affordable.

Ukadike was reacting to claims by the Petroleum Products Retail Outlet Owners Association of Nigeria that the NNPC would sell its PMS at N1,030 per litre.

He said the price was not acceptable to independent marketers so they would have to stay with another petrol source.

"If the Port Harcourt refinery's PMs price is truly N1,030, it is unacceptable to us independent marketers. We will not buy from them. We will buy where it is cheap," he said.

Ukadike, however, expressed hope that NNPC would review the price.

They promised to review the price. We will wait till then, but now we will buy from where it is cheaper," he stated.

Recall that the NNPC has said it has not started selling PMS from the Port Harcourt refinery to outsiders, its products are exclusively for its retail stores at this stage.

NNPC spokesperson, Olufemi Soneye, said the price would be reviewed based on operational realities.

"Our pricing is reviewed and adjusted periodically as necessary to reflect operational realities," he stated.

CORAN comments

The Crude Oil Refineries Owners Association of Nigeria said the blended PMS from the refinery should be cheaper than the one produced directly.

CORAN National Publicity Secretary, Eche Idoko, said "It should be very cheap."

Giving insights into the blending of petroleum products, Idoko explained that naphtha is a flammable liquid hydrocarbon mixture used as a feedstock for producing petrol, diesel, and other petroleum products. In contrast, Cracked C5 is used to break down heavier hydro-

carbons into lighter ones.

He said the NNPC's decision to blend naphtha with cracked C5 to produce petrol is likely aimed at increasing petrol production, improving petrol quality or reducing production costs.

"Blending naphtha with cracked C5 might be more cost-effective than using other feedstocks or production methods," he stated.

However, he said some concerns have been raised about blending, including environmental impact due to the blending process releasing harmful emissions or pollutants

He also added that the blended petrol might not meet international standards, potentially affecting vehicle performance, emissions, and safety.

He warned that if the naphtha as well as other feedstocks needed for the blending is imported, the exercise might not be sustainable in the long term.

"It's essential to note that the NNPC's decision to blend naphtha with cracked C5 is likely driven by various factors, including economic, logistical, and technical considerations," Idoko explained.

N860 per litre

An Energy Consultant, Henry Adigun, said the PMS from the Port Harcourt refinery should be around N860 to N870 because it was blended.

Adigun said the Port Harcourt refinery is not a blending plant, but the facility is yet to attain the level where it would produce petrol directly without any need to blend.

According to him, straight-run gasoline has higher sulphur content and it must be blended to get the required standard.

"The straight-run gasoline only means gasoline with higher sulphur content. It is not illegal to blend. They blend everywhere in the world, just ensure everything is normal," Adigun said.

Asked if the facility is more or less a blending plant rather than a refinery, he replied in the negative.

"It is not a blending plant. It's a refinery. A refinery can also be a blending plant," he said.

Speaking on why the refinery could not produce standard petrol that would not require any blending component, the expert explained, "They have not got to that point. Where they are now is not the stage where they can produce petrol directly. There are different refinery stages. That is the stage they are now.

"The blended product will be (more) cheaper. It should be between N860 and N870," Adigun disclosed.

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

ENERGY TRANSITION: AFRICA HAS ENOUGH MARKET FOR HER HYDROCARBON RESOURCES, SAYS NIGERIA'S OIL MINISTER

By Emeka Ugwuanyi

Nigeria's Minister of State for Petroleum Resources (Oil), Dr Heineken Lokpobiri, has doused concerns about what happens to Nigeria's abundant hydrocarbon resources in view of the challenges inherent in the ongoing global energy transition.

Nigeria and other countries in Africa with hydrocarbon deposits have been concerned about what to do with their resources following carbon neutrality (decarbonisation) policies and deadlines set by the western world especially Europe.

However, Dr. Lokpobiri dismissed this concern when he spoke to journalists on the sidelines of the African Energy Week (AEW) just held in Cape Town, South Africa. Lokpobiri stated that Nigeria and other African countries blessed with hydrocarbon deposits will not abandon their resources because of energy transition and net zero-emission deadlines set by the western countries.

According to him, even if the Western countries stop buying hydrocarbon resources produced in Africa, the continent has enough market to take all of her production. He stated that what Africa has been doing is exporting her crude but there would be a departure from that as the continent would produce, refine and consume her products.

Lokpobiri said: "We have enough market in Africa. Africa has enough market for her entire crude production. African market alone is enough to take all that we produce in Africa. All we do now in Africa is we produce crude, we ship it to Europe, India and Singapore, they refine, they ship it back to us. We don't need that. When we have the refining capacity, we have enough market to take all the products."

Nigeria has set 2060 as the time it is eyeing to become carbon neutral by ensuring usage of more sustainable and cleaner energy sources with net emission. Although achieving net carbon emission will create huge transformation by providing enormous investment opportunities in areas such as solar energy, hydrogen, and electric vehicles but requires huge capital investment by the government and review of existing energy system governance structures.

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According to EMRC Group, following the Paris Agreement, Nigeria submitted its first Nationally Determined Contribution (NDC) in 2015 and a revised version in 2021. An NDC is a country's target to help reduce emissions and adapt to climate change. Each country is required to submit its NDC and update it every five years. The World Economic Forum said Nigeria ranks 108th out of 120 nations on the Energy Transition Index (ETI). The ETI is a tool for the global energy community to monitor the performance of energy systems at the national level. Over the last decade, Nigeria's overall ETI score has increased by three percent, but system performance scores have decreased by one percent.

In August 2022, the Federal Government released its Energy Transition Plan (ETP) based on the Paris Agreement. The plan aims to address both energy poverty and climate change problems. The ETP outlines the energy transition pathways in major sectors of the country's economy, which account for 65 percent of total emissions. The ETP is primarily placed on the following key objectives:

To eradicate poverty for over 100 million people through an increase in the standard of living.

To drive sustainable economic growth in key domestic commercial sectors.

To provide universal electricity access to the entire population.

To mobilize investments and private sector participation by creating significant market opportunities in the energy transition process.

Worldometer report says carbon emissions from Nigeria's power sector were estimated to be 82.6 million metric tons of CO_2 equivalent in 2016. According to a 2023 report from Statista, the country's biggest volume of emissions from power generation occurred in 2014 when over 12.8 million metric tons of CO_2 was measured. Nigeria's ETP intends to make major industries, including transportation, manufacturing, power, cooking, and oil and gas, carbon neutral by 2060.

Breakdown of Nigeria's sectoral emissions are as follows:

Power – represents around 27 per cent of in-scope emissions and includes power generation, both on and off-grid

Oil and Gas – represents about 11 per cent of in-scope emissions

Industry – represents about 16 per cent of in-scope emissions.

Transport – represent about 24 per cent% of in-scope emissions.

Cooking – represents about 22% of in-scope emissions.

HIGH PERFORMANCE COMPUTING INFRASTRUCTURE – TECHNOLOGY ENABLER TO UNLOCK NIGERIA'S OIL AND GAS POTENTIAL

The Oil and Gas industry has witnessed significant growth over the decades with many countries around the world possessing substantial and proven oil reserves. Nigeria is the sixteenth largest oil producer worldwide with several major and indigenous oil corporations operating in the industry with an average production between 1.2 to 1.5mbpd in 2024 (S&P Global).

The first discovery oil field discovery was in 1956 by Shell-BP in the Niger Delta, and more discoveries have since been made, the most recent being the shallow offshore discovery in Western Niger Delta by Chevron Nigeria and NNPC Limited in October 2024 (NNPCL).

Historically, technology has consistently played a pivotal role in advancing the exploration and production of oil and gas. In the early days of hydrocarbon exploration, the main technique Geologists used to find deposits was by manually searching for surface evidence of subsurface formations. The industry has since developed with more advanced Geophysical techniques often used for discovering oil and gas deposits under the earth's surface. One of such techniques is Subsurface seismic imaging and interpretation which involves transmitting acoustic waves deep into the Earth's crust, then recording and analysing the signals that reflect back.

The interaction of the seismic signals with a reservoir of oil and gas helps to accurately identify the reservoir's location in the earth's crust. After the reservoir is identified, the reservoir modelling and simulation process is applied to estimate the size of the reservoir to establish if it has hydrocarbon deposits in commercial quantities and to enable informed decision-making regarding field development.

With continuous advancements in the discovery and exploration of more oil fields, Technology remains a key enabler of the geophysical techniques used in hydrocarbon extraction and production, driving efficiency, and contributing to reduction in the unit cost of production. Whilst reservoir simulations in itself are not new, the development of modern digital computers have enabled engineers to perform advanced computing required for the analysis of complex mathematical models in seismic processing of modern digital computers have enabled engineers to perform advanced computing required for the analysis of complex mathematical models in seismic processing.

Engineers now aggregate computing resources using supercomputers and compute clusters to solve advanced computation problems and simulate complex scenarios. This practice is known as high performance computing (HPC).

Current reservoir management practices in the oil and gas industry are often hampered by the slow speed of reservoir simulation and therefore the widespread adoption of HPC into workflows has the potential to significantly improve reservoir simulations and seismic interpretations. Several international oil companies have in the past announced major breakthroughs using proprietary software combined with high performance compute to improve exploration and production output across their global operations.

Some of the benefits HPC offers the Energy industry include:

Acceleration of the processing and simulation of vast seismic datasets, enabling faster identification of potential reserves. The more detailed the seismic data, as well as its processing and interpretation, the more likely the project is to succeed.

Complex reservoir models which are often quite difficult to understand due to complex mathematical expressions, can be run more accurately to predict fluid

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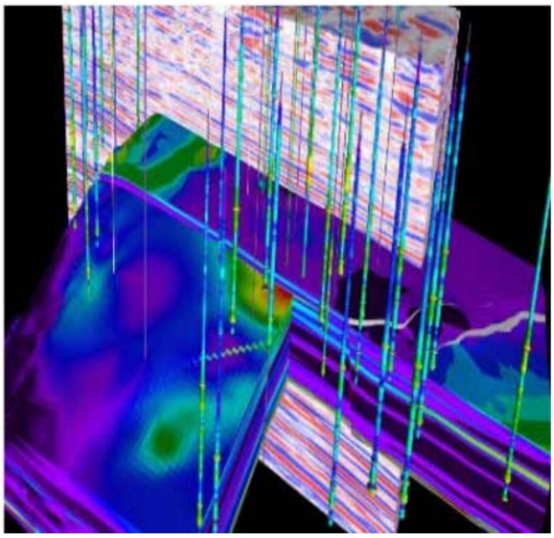


flow, optimize production, and estimate reserves.

Multiple scenario modelling and ability to run advanced algorithms for imaging subsurface structures to improve drilling accuracy and reduce risks thereby reducing the likelihood of dry wells. A single offshore well can cost over 100 million dollars and therefore a major investment that must avoid costly errors.

Real time analysis monitoring and analysis of field operations which provide actionable insights to improve production performance. There is no doubt that HPC, with its capacity to perform complex simulations at increasingly remarkable speeds is at the forefront of technological innovation, however its large-scale implementation in Nigeria faces several challenges. In 2007, South Africa established The Centre for High Performance Computing (CHPC), and in 2016 unveiled the fastest computer on the continent at the time.

Morocco followed suit in 2021, launching Africa's most powerful supercomputer centre, with the aim of supporting Moroccan and African academic and industry research and helping to create the next generation of computational scientists and digital entrepreneurs (hpc wire). A few other countries in Africa have followed suit but with low uptake of the technology.

Currently in Nigeria, only a few oil companies utilize HPC on a small to medium scale which could be primarily due to the maturity of the technology market in the region.

In recent times, government and private entities are increasingly emphasizing the importance of digital transformation and technological advancements to drive efficiency in the oil and gas sector even as NNPCL recently announced plans to increase national oil production to 2mbpd by the end of 2024. However, these advancements are largely hampered by slow infrastructure development, high cost of implementation, environmental challenges and in some cases, lack of local and or regional collaboration.

A further look at some of the challenges reveal that though there has been growth in the number of Datacentres in Nigeria, there is a gap in the availability of advanced datacentres to host HPC systems. Traditionally, HPC infrastructure has been hosted on-premises in local data centers due to the significant demand it places on compute resources coupled with the substantial energy and cooling requirements necessary to maintain optimal performance which drive up the cost of building the necessary infrastructure.

However, the global HPC market is rapidly evolving, with cloud based emerging as a competitive alternative. Additionally, there is little or no policy framework to support the research and development of HPC coupled with inadequate government investment which may be due to low awareness on the part of stakeholders, including policy makers and industries on the potential benefits.

Another challenge lies in the fragmentation of efforts across local and regional stakeholders leading to duplication of efforts, low scale implementations and missed opportunities for collaboration. While major players like Amazon Web Services (AWS) and Microsoft Azure can offer scalable and reliable hosting services, their presence is challenged by high network latency due to a lack of local datacentres and regulations that prioritize data sovereignty. On the other hand, the local cloud hosting landscape is developing but faces limitations in meeting the resource-intensive needs of high-performance computing.

The impact of some of these challenges can be addressed by scaling up investments to develop robust datacentres that utilize more renewable energy sources and innovative cooling solutions to reduce energy demands and improve sustainability of the HPC infrastructure. This can be achieved through policy development and funding mechanisms that support HPC development and attract local and international funding.

In addition, strengthening public-private sector partnerships through collaboration between government, industry and academia, will enable a combination of resources and expertise to overcome infrastructure limitations. We see this evidenced by South Africa and Morocco who successful launched product offerings through such collaborations and partnerships. Collaboration between local and international stakeholders can facilitate a hybrid approach that combines both on-premise hosting in local datacentres and cloud hosting to minimize latency and offer scalability, allowing for more efficient resource management.

Furthermore, the skilled workforce shortage must be addressed through concerted efforts to encourage and fund STEM education at all levels, equipping future professional with the necessary skills to drive technological advancements.

HPC drives innovation and operational excellence in the energy industry and leveraging its capabilities necessitates urgent improvements in the scale and flexibility of our high-performance computing infrastructure. By optimizing the use of advanced technologies such HPC, the oil and gas industry in Nigeria can unlock the full potential of its energy sector and remain competitive long-term in a rapidly evolving energy landscape.

Aderonke Hunponu-Wusu is a seasoned Informational Technology professional specializing in deployment of cutting edge technologies infrastructure in the Oil and Gas industry.

FG AUDITORS PROBE NNPCL'S N2.7TN SUBSIDY REFUND CLAIM

The Office of the Auditor-General of the Federation has received the necessary and complete documents required to verify the N2.7 trillion fuel subsidy claim by the Nigerian National Petroleum Company Limited against the government, The PUNCH reports.

This is as the procurement department of the finance ministry obtained the terms of reference and the scope of work to guide the process of hiring the external firm to support the OAuGF.

Recall that in April 2024, the Federal Government commenced a fresh audit of the N2.8tn fuel subsidy claim by the NNPCL.

An audit firm, KPMG, had conducted an initial audit, reducing the claims from N6tn to N2.7tn.

The PUNCH had reported that the audit would span from 2015 to 2021.

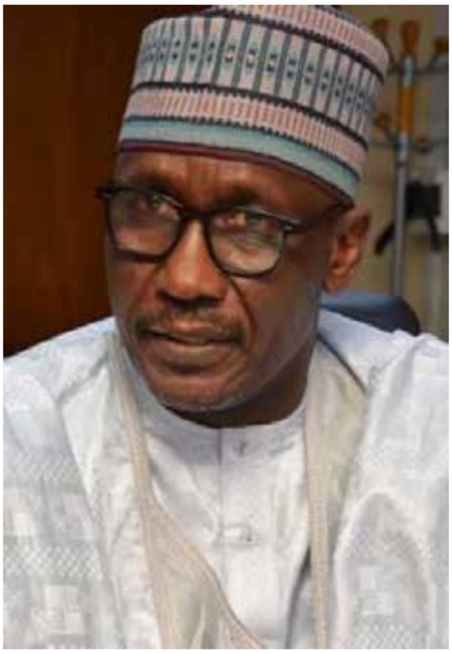
On May 30, 2023, a few hours after the "subsidy is gone" declaration by President Bola Tinubu, NNPCL's Group Chief Executive Officer, Mele Kyari, told State House correspondents that the Federal Government still owed the firm the sum of N2.8tn spent on petrol subsidy.While saying the NNPC footed petrol subsidy bills from its cash flow, Kyari said the government had so far been unable to pay back the N2.8tn.

He said, "Since the provision of the N6tn in 2022 and N3.7tn in 2023, we have not received any payment from the Federation.

"That means they (the Federal Government) are unable to pay and we've continued to support this subsidy from the cash flow of the NNPC. We are waiting for them to settle up to N2.8tn of NNPC's cash flow from the subsidy regime and we can't continue to build this."

Providing an update in the minutes of the Federal Allocation Accounts Committee meeting for September 2024, the Director of Home Finance, Ali Mohammed, said the exercise would be judiciously carried out.

A section of the minutes with the heading 'Update on the Forensic Audit Covering the Period 2015 to 2022 to Authenticate NNPC/ Federation Claims in Respect of N2.7tn withheld by NNPC Limited', stated that documents had been provided to conduct the task.



The minutes read, "The Director, Home Finance reported that the Office of the Auditor-General for the Federation was provided with the documents requested for conducting the assignment.

"He also reported that the Procurement Department of the Ministry had been given the Terms of Reference and the Scope of work to guide the process of hiring the External Firm that would support OAuGF in conducting the assignment.

"Contributing, the Chairman disclosed that he had engaged with the Auditor-General for the Federation on the matter, and there was a commitment by the OAuGF to diligently conduct the assignment with the support of the External Audit Firm as proposed. He assured that the Ministry will continue to follow up with OAuGF to ensure the successful conduct of the assignment."

The director further asked that the topic be expunged from its discussions pending any future update.

"Based on that, he suggested and the meeting agreed that the matter be temporarily removed from the Matters Arising pending any future update," he stated.

Experts monitoring the situation had expressed concerns about the probe following the exit of the former NNPCL CFO, Ajiya Umar, but the NNPCL spokesperson, Femi Soneye, dismissed the notion, stressing that the process is ongoing.

Soneye in a chat with our correspondent on Monday, said, "I can confirm that reconciliation is currently ongoing with the relevant government agencies and auditors. Once the process is completed, the public will be informed appropriately."

Meanwhile, revenue-generating agencies have refunded a total sum of N1.19tn as arrears reconciled to the federation account in the first seven months of 2024.

This followed the reconciliation of unresolved revenue disbursement into the federation account.

The FAAC, in its meeting minutes, said, "The cumulative outstanding arrears reconciled and paid to the Federation Account from January to July 2024 stood at N1,190,686,027,547.39.

For July, the committee reported that $214.32m, equivalent to N289.01bn, was repaid to the CBN-designated account.

"For the Month of July 2024 Federation Account, the PMSC would like to inform the Plenary that as a result of reconciliation with Revenue Generating Agencies, a total sum of $214,322,512 equivalent to N289.01bn was reconciled and confirmed paid to the CBN designated accounts," It noted.

The document further stated that "The total unresolved amount due to the Federation Account from the reconciliation meeting held with the Revenue Generating Agencies in September 2024 was $273,701,370.86 N3.65tn.

The agencies are NNPCL, the Nigerian Upstream Petroleum Regulatory Commission, and the Federal Inland Revenue Service.

"Members should note that these outstanding amounts are still being reconciled at the monthly reconciliation meetings between the Agencies and the Sub-Committee. Furthermore, the sum of $180,230,895 and N2.54tn outstanding payments from the Revenue Generating Agencies before June 2023 was referred to the Stakeholders Alignment Committee, and the Sub-Committee awaits the outcome of the reconciliation soonest.

"The Sub-Committee is working with the Revenue Generating Agencies to ensure that the above outstanding amounts are paid to the Federation Account as soon as possible."

FG BEGINS FREE CNG BUS SERVICE IN ABUJA

The Federal Government has commenced a free Compressed Natural Gas bus service in Abuja to ease transportation costs for Nigerians in the capital city.

The CNG buses began operations on December 2, 2024, as shown in a video shared by the Presidential CNG Initiative on its X (formerly Twitter) page.

The buses, according to reports, will run along popular routes from suburbs in Abuja such as Mararaba to Eagle Square and Berger bus stop.

The government had said that the buses would convey passengers free of charge for the next 40 days.

The free bus ride will end on January 6, 2025.

Last week, the government, through the Ministry of Transportation, handed over 15 Compressed Natural Gas-powered buses to three transport unions to ease the high cost of transportation in the capital city.

The transport unions that benefitted from the gesture include the National Road Transport Workers Union, the Nigerian Association of Road Transport Owners, and the Road Transport Employers Association of Nigeria.

In a video obtained by our correspondent on Monday, commuters who benefitted from the program commended the government initiative to reduce the costs of transportation.

One of the respondents, Fatima, said, "I just boarded a CNG bus going to Mararaba, and we were asked not to pay, and I didn't pay. I hope it will continue for long.

"I like it very much; I know this is the beginning of good things that will happen to Nigerian people."

Another respondent, Blessing, said, "If they're doing like this, we'll be happy. After this one now, let them bring down the price. That's why I said after this one they should."

PNC FORUM 2024: SHELL COMMITS TO SUPPORT NIGERIAN COMPANIES

Shell companies in Nigeria have restated their commitment to supporting Nigerian companies grow their expertise, capacity and capability.

Shell companies in Nigeria made the commitment at the ongoing 2024 and 13th edition of Practical Nigerian Content Forum holding in Yenagoa, Bayelsa State.

Shell companies are among more than 700 oil and gas entities taking part at the conference where they affirmed their commitment to the development of Nigerian companies through contract awards and scaling up of expertise.

The four-day conference, with the theme "Deepening the Next Frontier for Nigerian Content Implementation," began on Monday and will see the hosts, Nigerian Content Development and Monitoring Board (NCDMB) and participating companies review progress on the development of Nigerian content pertaining to the implementation of the Nigerian Oil and Gas Industry Development (NOGICD) Act since it was enacted in 2010.

Shell companies in Nigeria are participating at the forum with a strong message of support for Nigerian companies, having awarded contracts worth $1.98 billion to the businesses in 2023 in continuing effort to develop Nigerian content in the oil and gas industry. The contracts, awarded by the Shell Petroleum Development Company of Nigeria Limited (SPDC), Shell Nigeria Exploration and Production Company Limited (SNEPCo), and Shell Nigeria Gas (SNG) present a three percent increase from the 2022 performance of $1.92 billion.

Business Opportunity Manager for SNEPCo's Bonga South-West Aparo Project Olaposi Fadahunsi, representing SNEPCo Managing Director, Ron Adams, told participants at the opening of the forum that several benefitting companies had taken advantage of the patronage to expand their operations and improve their expertise and financial strength.

"Shell companies execute a large proportion of their activities through contracts with third parties, and Nigeria-registered companies have been key beneficiaries of this policy aimed at powering Nigeria's progress," Fadahunsi said. He commended the Nigeria Content Development and Monitoring Board (NCDMB) for ensuring compliance with the Nigerian Content Act.

In addition to contract awards, Shell companies have implemented projects under the Human Capital Development Fund, including the Niger Delta University learning centre and digital library project and the Federal University of Technology Information Technology Hub. Both projects were inaugurated this year, in collaboration with SPDC Joint Venture partners – Nigeria National Petroleum Company Limited (NNPC), TotalEnergies and Nigeria Agip Oil Company Limited (NAOC).

Other projects include the University of Lagos Geosciences Centre of Excellence, Nigeria Diving School and funding of ongoing research at the University of Ibadan to develop a synthetic-based drilling fluid.

Shell Companies in Nigeria also continue to develop indigenous manpower through scholarship programmes with over 3,772 undergraduate and 109 Niger Delta post graduate scholarships since 2016.

NIGERIAN CONTENT HITS 56%, MINISTERS AND STAKEHOLDERS HAIL BOARD

By Emeka Ugwuanyi

The Nigerian Content performance level in the oil and gas industry has hit 56 per cent in 2024, the Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB), Engr. Felix Omatsola Ogbe announced on Tuesday.

He spoke at the 13th Practical Nigerian Content (PNC) Conference and Exhibition holding at the NCDMB Conference Centre, Yenagoa, Bayelsa State, attended by top government officials including the Deputy Governor of Bayelsa State, Senator Lawrence Ewhrudjakpo, Minister of State for Petroleum Resources (Oil), Senator Heineken Lokpobiri and the Minister of State for Petroleum Resources (Gas), Rt. Hon. Ekperikpe Ekpo.

Other industry leaders in attendance included the Chairperson, Senate Committee on Local Content, Senator Natasha Akpoti-Uduaghan, chairperson, House of Representatives Committee on Nigerian Content Development and Monitoring, Hon. Boma Goodhead, the Secretary General of the African Petroleum Producers Organisation (APPO), Dr. Umar Farouk Ibrahim and chief executives of international and indigenous oil and gas companies and operating and regulatory agencies in the petroleum sector.

The Nigerian Content performance level is calculated on year-on-year basis by the Monitoring and Evaluation Directorate of the NCDMB and is anchored on the ongoing projects in the upstream, midstream and downstream segments of the oil and gas industry.

Data is aggregated from total amounts expended on projects and the Nigerian Content component of the annual spend. The data is mined from statutory reports submitted by companies and the integrity those data is verified during Nigerian Content performance reviews and workshops and they must sync with the Nigerian Content Compliance Certificates (NCCC) on projects approved by the Board.

The Nigerian Content level stood at 54 percent as at December 2022 and 2023, increasing significantly from 26 percent in 2016 before the introduction of the Nigerian Content 10-year strategic roadmap. The latest increase marks a significant milestone in the Board's march toward 70 percent Nigerian Content by 2027 as set out in its 10-Year Strategic Road Map (2017-2027).

The Executive Secretary, NCDMB, Engr. Felix Omatsola Ogbe in a group photograph with Honourable Minister of State for Petroleum Resources (Oil), Senator Heineken Lokpobiri, Honourable Minister of State for Petroleum Resources (Gas), Rt. Hon. Ekperipe Ekpo, Chairman, Senate Committee on Local Content, Senator Natasha Akpoti-Uduaghan and other dignitaries at the NCDMB exhibition booth at the ongoing 13th Practical Nigerian Content Forum holding in Yenagoa, Bayelsa State.

The NCDMB boss also revealed that 312 Nigerian Content Plans have thus far been approved by the Board and that 402 Nigerian Content Compliance Certificates (NCCCs) were issued. Also, that the new Project Certification and Authorisation Directorate (PCAD) guidelines has reduced the Board's touchpoints from nine to five, and the contracting cycle cut to six months, he confirmed.

Engr. Ogbe and a representative of the Bank of Industry (BoI) used the PNC Forum to sign an agreement on the Revised Nigerian Content Community Contractors Financing Scheme. The Fund addresses a critical challenge faced by local contractors in accessing much-needed funds for contracts awarded by oil and gas companies.

Under the new product paper for the fund, N15 billion has been earmarked for the fund and "the single obligor limit has been increased from N20 million to N100 million," Ogbe hinted.

On the Nigerian Content Academy recently established by the Board for training to prepare Nigerians through a range of courses that cover every aspect of the oil and gas industry, from upstream exploration to downstream processing, he said new career paths and economic opportunities are being opened for local communities. The Academy was unveiled by the Ministers as part of activities marking the Forum.

The Executive Secretary gave insight into the Back-to-the-Creeks Initiative which focuses on taking Nigerian Content benefits to local communities, especially developing basic educational facilities in communities and equipping youths in host communities with the skills needed to meet industry demands, and thus directly supporting the local content drive.

In his address, the Minister of State for Petroleum Resources (Gas), Rt. Hon. Ekperikpe Ekpo, commended NCDMB for systematically aligning its local content policy initiatives with Federal Government's gas development agenda.

The Minister listed the NCDMB's support for compressed natural gas (CNG) projects, modular gas processing plants, manufacturing plants for liquefied petroleum gas (LPG) cylinders, LPG depots, LPG terminals, LPG storage and bottling plants, gas gathering facilities, smart gas and detector alarm

services, as critically important areas where the Board's strategic intervention has made huge gains for the country.

He disclosed that "in the last 12 months, two critical gas projects were completed," namely, SEPLAT Assa North and Shell Petroleum Development Company (SPDC) Ohaji South, with a combined capacity of 600 million standard cubic feet/day. Also, the 300 MMscfd Kwale Gas Gathering (KGG) Hub and Injection Facility, jointly executed by Xenergy Limited and the NCDMB, were commissioned within the same period.

While reiterating that "gas will be the mainstay of Nigeria's energy shift" as the world transits to renewables, he stated that Government is "giving local businesses a chance to engage in gas distribution, processing, and power generation."

With specific reference to the PNC Forum, he said the theme "Defining the Next Frontier for Nigerian Content Implementation" is "a call to action and a reaffirmation of Nigeria's commitment to leveraging our local capabilities to drive energy security, economic growth, and environment sustainability."

He charged the organisers of the Forum, namely, NCDMB and DMG Events Limited, to ensure that the event functions as "a spur for practical ideas that move our country closer to a promising and sustainable energy future."

Also speaking at the event, Minister of State for Petroleum Resources (Oil), Senator Heineken Lokpobiri, commended the NCDMB for organising the Forum and for significant milestones recorded thus far since its establishment in 2010. He revealed that wherever he has been across Africa for oil and gas-related events, other countries want to come to Nigeria to learn from its local content success story.

On divestments by international oil and gas companies (IOCs) in the country, he said there is no reason to be alarmed as indigenous operating companies have adequately filled the gaps and thus significantly increased the country's stake in the industry. He said the affected IOCs have not left the country but simply moved their investments and operations from onshore to deep offshore.

The Minister urged industry players to be strategic in their thinking, noting that "quality, standards and capacity developed have to be sustained" if the country is to be able to sustain the gains made so far.

With regard to strategies to deal with the decline in funding of oil and gas projects in Africa, in the wake of the global de-emphasis of fossil fuels, the Secretary General of the African Petroleum Producers Organisation (APPO), Dr. Umar Farouk Ibrahim, said the Africa Energy Bank (AEB) would be taking off in the second quarter of 2025, with the signing and ratification of the Establishment Agreement by the required number of countries. Its headquarters is to be located in Abuja.

In his remarks, the Bayelsa State Deputy Governor, Senator Lawrence Ewhrudjakpo, commended the NCDMB and industry stakeholders for putting together the event, and for the collaboration that has yielded remarkable developments in the petroleum industry.

He, however, reminded the industry captains that Bayelsa State accounts for about 60 per cent of the gas feedstock for the Nigeria Liquefied Natural Gas (NLNG) Project, Bonny, which has now progressed to Train 7, and thus deserves to have a train built within its territory.

In the Organiser's Welcome Address, Mrs Wemimo Oyelana, Country Director (Nigeria) and Portfolio Director (Africa), DMG Nigeria Limited, said the theme of the Forum was "designed to spark forward-looking and transformative discussions," and that "As the Nigerian energy sector continues to evolve, it is critical to address the next steps in advancing Nigerian Content."

Other speakers included the Chairperson, Senate Committee on Local Content, Senator Natasha Akpoti-Uduaghan, her counterpart in the House of Representatives, Hon. Boma Goodhead, the Minister of Power, Mr Adebayo Adelabu, the Group Chief Executive Officer of Nigerian National Petroleum Company Limited (NNPCL), Mallam Mele Kyari, Chief Executive Officer of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Engr. Gbenga Komolafe, and his Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), Engr Farouk Ahmed.

The PNC continues on Wednesday at the Nigerian Content Tower, Yenagoa and ends on Thursday with a visit to First Marine and Engineering Services Limited base in Swali, Yenagoa.

COOKING GAS DEALERS URGE CUSTOMERS TO MONITOR REFILLS

The Liquefied Petroleum Gas Retailers Association of Nigeria has called on consumers to actively monitor their gas refills and described allegations of underfilling as unfounded.

The association was responding to a report published in November which alleged widespread underfilling by LPG retailers.

In a statement signed by the NUPENG Branch Chairman of the association, Ayobami Olarinoye, LPGAR acknowledged isolated cases of malpractice but stressed that these are not reflective of the industry as a whole.

The association attributed perceptions of underfilling to various factors unrelated to retailers' practices.

"The size of the family is critical in determining the volume of consumption. Frequency of use is also important in determining how long cooking gas lasts after refilling," Olarinoye said.

He added that many users focus on the number of days their gas lasts rather than the actual volume consumed.

LPGAR also highlighted other factors, including unauthorized use by children, domestic workers, or neighbors, especially in shared housing arrangements.

"Unauthorized usage often goes unnoticed by gas owners and contributes to faster depletion," Olarinoye explained.

Leakages from damaged cylinders, faulty hoses, or expired regulators were also cited as major causes of gas wastage.

Olarinoye pointed out that many users fail to conduct regular inspections of their equipment, leading to avoidable losses.

"Carelessness, such as forgetting to turn off burners after cooking, is one of the greatest causes of gas wastage," he added.

Additionally, the association noted that forgetfulness about the last refill date often leads to misplaced blame on retailers.

Olarinoye advised users to weigh their cylinders before and after refilling to confirm the accuracy of the quantity purchased.

"We encourage those who can afford it to acquire digital scales to verify what they refill," he said.

The composition of cooking gas was also discussed, with LPGAR explaining that gas with a higher propane content burns faster than gas with more butane, which could further fuel misconceptions.

LPGAR reiterated its commitment to ensuring ethical practices among its members and urged customers to seek clarification from the association if they encounter any issues.

It encouraged consumers to patronize outlets displaying LPGAR-NUPENG Safety Plates for added assurance.

NCDMB EARMARKS N15BN FOR LOCAL CONTRACTORS

The Executive Secretary of the Nigerian Content Development and Monitoring Board, Felix Ogbe, has disclosed that N15bn had been earmarked for the revised Community Contractors Financing Scheme.

It was learnt that this initiative will address a critical challenge faced by local contractors: their limited access to funding for contracts awarded by oil and gas companies.

Ogbe, while delivering his keynote address at the opening of the 13th edition of the Practical Nigerian Content Forum in Yenagoa, Bayelsa State, also said the board had raised the single obligor limit from N20m to N100m.

"N15bn have been earmarked for this purpose. Also, the single obligor limit has been increased from N20m to N100m," he stated.

The NCDMB boss also announced the launch of 'Back to the Creek', an initiative that focused on equipping youths in host communities with the skills needed to meet industry demands and directly supporting the local content drive.

"This initiative aligns closely with the mandate of President Bola Tinubu to create an enabling environment for businesses to thrive. This initiative will be implemented in three phases: First, the improvement of primary education infrastructure; next, the enhancement of secondary education; and finally, providing scholarships and facilitating employment opportunities for top-performing students from oil-producing communities," he explained.

Speaking on the theme of the PNC forum, 'Defining the New Frontier of Nigerian Content Implementation', the executive secretary explained that the Nigeria Oil and Gas Industry Content Development Act, 2010, charged the board with a clear mandate to build the capacity of Nigerian companies and individuals to actively participate in the oil and gas industry.

He recalled that in 2017, the board launched a 10-year strategic roadmap built on five strategic pillars and supported by four enablers, saying achievements have been recorded.

FUEL IMPORTS HIT 2.3BN LITRES DESPITE LOCAL PRODUCTION

Despite the commencement of petrol production by two major refineries in Nigeria in the last three months, oil marketers have continued to import and distribute the product nationwide.

The PUNCH gathered on Wednesday that marketers imported 2.3 billion litres of petrol between September 11 and December 5, 2024.

The continued importation of petrol is contrary to a public announcement by some group of marketers who earlier stated their intention to halt petrol imports and focus on domestic supply.

The local refineries are the 650,000 barrel per day capacity Dangote Petroleum Refinery located in Lagos and the 210,000bpd capacity Port Harcourt Refining Company in Rivers State. PHRC currently produces from its old plant with a capacity of 60,000bpd.

The Dangote refinery began selling petrol in September, while the Area 5 facility of the Port Harcourt refinery started operations last Tuesday.

Despite this, recent findings by The PUNCH revealed that in the past three days alone, a total of 52,000 metric tonnes of petrol were brought into the country.

About 1322.76 litres of petrol weighs one metric tonne. This implies that 68.74 million litres of imported fuel was brought in by dealers in three days.

For decades, Nigeria depended on the import of petroleum products to meet local demands. The situation remained even after the commencement of production by the Dangote refinery in September because of its price and insufficient output. During this period, the Nigerian National Petroleum Company Limited was the sole off-taker from the refinery.

But after intense discussions, the Federal Government, in a statement from the finance ministry on October 11, 2024, announced that oil marketers were now free to negotiate the purchase of petrol directly from the Dangote refinery without recourse to NNPC.

This allowed for direct negotiations. Already the Independent Petroleum Marketers Association of Nigeria has signed an agreement with the refinery for product offtake, with negotiations ongoing with the Petroleum Products Retails Outlets Owners Association of Nigeria.

Amid these, oil marketers promised to stop fuel import and focus solely on domestic supply.

Last week, the PETROAN National President, Billy Gillis-Harry, told our correspondent that its members would temporarily suspend the importation of petrol for the next 180 days due to the coming onstream of the Dangote and Port Harcourt refinery and production ramp-up plans by the refineries.

Similarly, major petroleum marketers announced a suspension of petrol imports following a significant boost in local supply from the Dangote Refinery, which has ramped up its operations.

The association, at a webinar last week, said its members have sourced a total of 148 million litres of petrol from the Dangote refinery over the past 10 weeks, contributing to a major shift in the country's fuel supply dynamics.

IPMAN is yet to secure an import licence

But fresh findings, utilising documents obtained from the Nigerian Port Authority, on Wednesday, showed that marketers have continued fuel imports.

The products were conveyed in three vessels and berthed at the Apapa Port in Lagos State, Tin Can Port in Lagos State and the Calabar Port in Cross Rivers.

An analysis of the document showed that on Tuesday, December 3, 2024, a ship named Binta Saleh carrying 12,000MT (15.864 million litres) of petrol berthed at the Apapa port at 8:12 am. The vessel had Blue Seas Maritime as its agent and was handled at the Bulk Oil Plant terminal.

On Wednesday, December 4, 2024, another vessel named Shamal brought in 20,000mt (26.44 million litres) of petrol through the Tincan port at midnight. The ship was handled by the Peak Shipping Agency at Terminal KLT Phase 3a.

Similarly, another vessel named Watson will bring in 20,000MT (26.44 million) of refined fuel today (Thursday) by 4:52 pm at the Calabar port. The agent, Kach Maritime, will handle the vessel at the Ecomarine Terminal.

This development indicates that the recent conversation organised by the NNPCL Group Chief Executive Officer, Mele Kyari, and the Nigerian Midstream and Downstream Petroleum Regulatory Authority to eliminate the importation of petrol into the country may have ended in limbo.

The meeting attended by representatives of the Major Oil Marketers Association of Nigeria, Depot and Petroleum Products Marketers Association of Nigeria, and key stakeholders from companies such as 11 Plc, Matrix, and AA Rano, was in growing confidence of Dangote Refinery's ability to meet the nation's domestic fuel demand and the need to cut fuel imports.

SHELL AND EQUINOR TO CREATE THE UK'S LARGEST INDEPENDENT OIL AND GAS COMPANY

Equinor UK Ltd, a subsidiary of Equinor ASA (OSE: EQNR, NYSE: EQNR, "Equinor") and Shell U.K. Limited, a subsidiary of Shell plc (LSE: SHEL, NYSE: ADR SHEL, AMS EURONEXT: SHELL, "Shell") are to combine their UK offshore oil and gas assets and expertise to form a new company which will be the UK North Sea's biggest independent producer. The incorporated joint venture (IJV) will be set up to sustain domestic oil and gas production and security of energy supply in the UK.

On deal completion, the new independent producer will be jointly owned by Equinor (50%) and Shell (50%), two leading global energy companies with decades of experience operating in the UK North Sea. With the once prolific basin now maturing and production naturally declining, the combination of portfolios and expertise will allow continued economic recovery of this vital UK resource. The new company will be more agile, focused, cost-competitive, and strategically well positioned to maximise the value of its combined portfolios on the UK Continental Shelf.

The new company will invest to provide a long-term sustainable future for individual oil and gas fields and platforms, helping extend the life of this crucial sector for the benefit of the UK. Based in Aberdeen, the heart of the nation's energy sector, the joint venture will include Equinor's equity interests in Mariner, Rosebank and Buzzard; and Shell's equity interests in Shearwater, Penguins, Gannet, Nelson, Pierce, Jackdaw, Victory, Clair and Schiehallion. A range of exploration licences will also be part of the transaction.

Both Shell and Equinor are proud to continue the development of the North Sea as investing partners rather than individual operators, opening a new chapter in which they will remain significant players in the UK energy sector.

Equinor's Executive Vice President for Exploration and Production International, Philippe Mathieu, said: "Equinor has been a reliable energy partner to the UK for over 40 years, providing oil and gas, developing the offshore wind industry, and advancing decarbonisation. This transaction strengthens Equinor's near-term cash flow, and by combining Equinor's and Shell's long-standing expertise and competitive assets, this new entity will play a crucial role in securing the UK's energy supply."

Shell plc's Integrated Gas and Upstream Director, Zoë Yujnovich, commented: "Domestically produced oil and gas is expected to have a significant role to play in the future of the UK's energy system. To achieve this in an already mature basin, we are combining forces with Equinor, a partner of many years. The new venture will help play a critical role in a balanced energy transition providing the heat for millions of UK homes, the power for industry and the secure supply of fuels people rely on."

Completion of the transaction remains subject to approvals and is expected by the end of 2025.

In the UK, Equinor currently produces approx. 38,000 barrels of oil equivalent per day; Shell UK produces over 100,000 barrels of oil equivalent per day. The new IJV is expected to produce over 140,000 barrels of oil equivalent per day in 2025.

Equinor will retain ownership of its cross-border assets, Utgard, Barnacle and Statfjord and offshore wind portfolio including Sheringham Shoal, Dudgeon, Hywind Scotland and Dogger Bank. It will also retain the hydrogen, carbon capture and storage, power generation, battery storage and gas storage assets.

Shell UK will retain ownership of its interests in the Fife NGL plant, St Fergus Gas Terminal and floating wind projects under development – MarramWind and CampionWind. Shell UK will also remain Technical Developer of Acorn, Scotland's largest carbon capture and storage project.

Equinor employs around 300 people in oil and gas roles in the UK, while Shell employs approximately 1,000 in similar oil and gas positions across the country.

CHEVRON CEO HIGHLIGHTS NIGERIAN CONTENT DEVELOPMENT COMMITMENT AT PNC FORUM

Nigerian content development is critical for the growth and development of the nation as it progresses in its quest to acquire oil and gas technology and build indigenous capacity in the oil and gas industry.

Chairman and Managing Director of Chevron Nigeria and Mid-Africa Business Unit, Jim Swartz, made this remark at a Panel session on The Next Frontier for Nigerian Content: Divestments & Offshore Opportunities, during the 2024 edition of the Practical Nigeria Content Forum organized by the Nigerian Content Development and Monitoring Board (NCDMB) in Yenagoa, Bayelsa State from December 2 to 5, 2024.

Jim noted that as an industry that thrives on partnership with key stakeholders, the Nigerian oil and gas industry is expected to continue to play an active role in prioritizing Nigeria content development and building local capacity in the industry.

He explained that Chevron believes that its business success in providing affordable, reliable, ever-cleaner energy is directly tied to the progress and prosperity of the people it works with and the communities where it operates. "Our strategy is to leverage our strengths to safely deliver lower carbon

Jim-Swartz

energy to a growing world. Our primary objective is to deliver higher returns, lower carbon, and superior stakeholder value in any business environment," he stated.

According to Jim, "having made significant investments in Nigeria for over 60 years, Chevron believes that the broad and varied opportunities in the oil and gas industry, can be harnessed to engender economic development, with the appropriate government legislation, policies, and regulations.

"Chevron's Nigerian Content policy is driven by the vision to be recognized as the petroleum company that works best to foster competence and competitiveness among Nigerian indigenous contractors and suppliers, by adopting the participatory-partnership model," he remarked

The Chairman and Managing Director noted that Chevron companies in Nigeria had developed and implemented the Local/Nigerian Content development philosophy as far back as 1999, well before the April 2010 enactment of the Nigerian Oil and Gas Industry Content Development Act ("NOGICD Act").

He stated, "At Chevron, we demonstrate our commitment to the socio-economic development of Nigeria by building mutually beneficial partnerships and supporting the policies of government on Nigerian Content Development. In addition to skills acquisition trainings for Nigerians, Chevron provides contract and procurement opportunities, support for asset acquisition, technical support, and facilitates collaboration on research and development for local community contractors."

"For the last 10 years, CNL has spent an estimated annual average of $1 billion on Nigerian suppliers and service providers. We do all this, not because we are compelled to, but because it is the right thing to do," he remarked.

EKEDC WARNS AGAINST VANDALISM AND THEFT AS COURT JAILS TWO, OTHERS DOCKED

Eko Electricity Distribution Company (EKEDC) has called on the public to desist from the unlawful activities of vandalizing and stealing electricity cables and other critical infrastructure. These acts disrupt power supply to homes, businesses, and industries, causing widespread power outages and financial losses to the brand and its valued customers.

This information was disclosed in a statement by the General Manager, Corporate Communications of EKEDC, Babatunde Lasaki, following the detention, arraignment, and the sentence of three individuals now cooling off at various facilities of the Nigerian Correctional Service (NCS) for vandalism and theft of the Company's equipment.

Lasaki said "We commend our communities, law enforcement agencies and residential associations for coming together on this journey of safeguarding public equipment and electricity infrastructure around them. Justice would not have prevailed if not for the intervention of these partners and critical stakeholders in apprehending these people going around to deny our customers their rights to power supply for their self-gain. We will continue to collaborate with our partners and community groups to ensure this menace comes to a halt."

The three vandals, Fawas Eletu, Sunday Joseph and Isah Haruna were sentenced to six months, two years and three months jail terms respectively for vandalism and theft of EKEDC cables. Eletu was apprehended in an attempt to cart away three meters of 500mm cable in the Awoyaya area of Ibeju, Joseph was arrested in Onikan, Lagos Island while Haruna was apprehended in Lekki, Lagos.

"Vandalism sets our organization back in our efforts towards providing a safe, reliable and uninterrupted power supply to our customers. Instead of investing in new equipment to expand our services, we are compelled to replace pilfered ones. It also makes our customers face unnecessary outages and we need to end that with the support of our customers. I also hope that this will deter other intending vandals as we will ensure that they face the full extent of the law." Lasaki noted.

Lasaki also added that attempts to vandalize or steal electrical infrastructure are hazardous and can lead to electrocution or death. He further stated that customers can report suspected vandalism activities to the company through its whistleblowing line 08000033333, email whistleblower@ekedp.comor through its social media platforms (Facebook: Eko electricity, X: @ekedp, Instagram: @ ekedpng and LinkedIn: Eko Electricity Distribution Plc).

NCDMB ENDS 2024 PNC, PLEDGES TO FURTHER DEEPEN COMMUNITY AND INDUSTRY ENGAGEMENTS

By Emeka Ugwuanyi

The Executive Secretary, Nigerian Content Development and Monitoring Board (NCDMB), Engr. Felix Omatsola Ogbe, on Wednesday in Yenagoa expressed profound gratitude to industry stakeholders, top-ranking vendors and staff of the Board for their contributions to the success of the Practical Nigerian Content (PNC) Forum 2024.

Speaking at the official closing ceremony of the four-day event at the Conference Centre of the Nigerian Content Tower (NCT), he said their active participation enriched discussions as the Board charts a pathway to the next frontier for Nigerian Content implementation.

Engr. Ogbe reiterated the Board's determination to deepen engagements with local communities and oil and gas industry players through sundry schemes newly introduced, such as the Back-to-the-Creeks Initiative, the Revised Nigerian Content Community Contractors Financing Scheme, Nigerian Content Academy, and creation of more conducive and befitting zonal offices to enhance service delivery by the Board.

According to him, the Back-to-the-Creeks policy is "designed to equip youths in our communities with the skills to meet industry demands" through improvement of basic educational facilities and motivation of teachers. In regard to the Contractors Financing Scheme, he explained that the Board has increased the single obligor limit from N20 million to N100 million.

"What that does," he noted, "is that it gives more opportunities for local contractors to be able to access higher figures" to enable them to secure and execute meaningful contracts in the oil and gas industry. In that way, the Scheme would serve as a mechanism "to bring the benefits of local content to communities."

The Executive Secretary, who was represented by the General Manager, Corporate Communications and Zonal Coordination, Barr. Esueme Dan Kikile, expressed joy that the Board's partnership with the Bank of Industry (BOI) is working well, that "performance is at optimal level," and that the new funding scheme would be hugely beneficial to local contractors.

On the Nigerian Content Academy, he said NCDMB has the experience, the capacity in-house, and "the understanding of what it means to practise Nigerian Content," having done that for 14 years, and that he believed the industry would take advantage of what the training facility has to offer.

Acknowledging the invaluable input of experts of diverse backgrounds in various panel discussions that held on Tuesday and Wednesday (3rd and 4th December), Engr. Ogbe requested the NCDMB partner, dmg events Limited, "to develop key actionable points" from the PNC Forum "that will guide the industry" as it moves to the next frontier of Nigerian Content implementation.

He assured all industry stakeholders that the Board would continue to collaborate with them to fulfil its mandate as set out in its enabling statute, the Nigerian Oil and Gas Industry Content Development (NOGICD) Act, 2010.

Earlier in the day, resource persons made presentations on the African Continental Free Trade Agreement (AfCFTA) and Marine Accelerator Programme (an initiative of the Oil Producers Trade Section, comprising the international oil companies), as well as a Spotlight on 'Youth Empowerment Pathways.'

The Senior Trade Policy and Law Expert at the Nigeria AfCFTA Coordination Office, Abuja, Mr. Olusegun Olutayo, who spoke on the topic "AfCFTA: A Panacea for Africa's Economic Rebirth," explained the potential benefits of the Agreement by throwing light on its eight Protocols, namely, Trade in Goods, Trade in Services, Rules and Procedures on the Settlement of Disputes, Intellectual Property Rights (IPRs), Investment, Competition Policy, Digital Trade, and Women and Youth in Trade.

According to him, "It is within these Eight Protocols that that prosperity, that integration, that economic revolution, that industrialisation, actually comes," arguing that "AfCFTA is the way to go." AfCFTA came into force in 2018 after ratification in Rwanda in July 2028, with the aim of facilitating economic integration, trade and investment among African countries.

On the Marine Accelerator Programme (MAP), sponsored by the OPTS in conjunction with the NLNG Shipping and Marine Services Limited (NSML) and based in Bonny, Rivers State, the issue, according to the presenter, was: "A Quality Reassessment shows that the challenges in the marine services industry four years ago still persist." Definite measures were required to make offshore operations in the industry safer through MAP.

The pilot programme, consisting of seven modules, was launched in May 2025 and focused on priority vessels. With the remarkable success of the pilot phase, the OPTS is set to launch the next wave of the marine accelerator training in the first quarter of 2025.

The Spotlight on Youth Empowerment Pathway focused on "The YEP Model: A Unique Approach to Employment," and was presented by Mr. Tunji Idowu, Executive Director and Managing Trustee, PIND.

It dwelt on Workforce Development, which highlighted the imperative and strategies for bridging skills gaps, among other things, ecosystem strengthening, government engagement and partnerships, as well as YEP's future vision-scaling for sustainability.

NCDMB COMMITTED TO ANTI-CORRUPTION INITIATIVES, REWARDS WINNERS OF DEBATE CONTEST

By Emeka Ugwuanyi

The Nigerian Content Development and Monitoring Board (NCDMB) has reaffirmed its commitment to preventive mechanism against corrupt practices in its internal operations and interface with stakeholders as well as transparency in local content implementation processes.

The Executive Secretary of the NCDMB, Engr. Felix Omatsola Ogbe made the commitment on Thursday at the Nigerian Content Yenagoa, Bayelsa State, at an event organised by the Board to mark the international anti-corruption day.

He disclosed that the NCDMB is deliberate in its efforts to curb instances of corruption and has signaled its firm resolve through adequate support to the Board's Anti-Corruption Unit (ACTU-NCDMB) by providing it with a functional office and giving it a free hand to discharge its functions.

Among crucial steps taken by the Management of the Board is a partnership with the Anti-corruption Academy of Nigeria, an arm of the Independent Corrupt Practices and Related Offences Commission (ICPC), where staff of the Board undertook capacity building trainings in corruption prevention techniques, strategies for effective workplace anti-corruption campaign, bribery and corruption risk assessment, among others.

Ogbe stated further that the Board "has instituted corruption risk assessment covering major functions" of the organisation including "human resources, procurement, monitoring and evaluation, planning, research and statistics…in a bid to mitigate vulnerabilities to corruption across the board."

He enjoined staff to be diligent in their work and to avoid corrupt or fraudulent practices, while reiterating his resolve to protect the institution from all forms of corrupt tendencies through preventive strategies.

Engr. Ogbe said in marking and celebrating International Anti-corruption Day (IACD), the focus is on raising the consciousness of our youths on the ills of corruption and "to send a strong message for extra vigilance by all of us in combating the menace of corruption from all fronts."

Executive Secretary, NCDMB, Engr. Felix Omatsola Ogbe.

In a welcome address, the Chairman, ACTU-NCDMB, Alhaji Abdulmalik Halilu, thanked the Executive Secretary for the support he provides to the ACTU Unit, which ensures that it discharges its functions in line with established the protocols.

He said ACTU-NCDMB was impressed with far-reaching measures put in place internally to eliminate fraudulent practices, including the creation of the Projects Inspectorate Directorate "to ensure that our processes were established to drive execution of the Board's projects and also interface with industry." He also applauded the approval for the automation of Board processes.

He explained why the Board marked the international anti-corruption day by organizing a debate competition among select federal government colleges in the country, with each the six geopolitical zones of the country represented by one school.

According to him "we are celebrating this International Anti-corruption Day by exploring the latent potentials of the next generation of leaders as agents of change in the fight against corruption in all facets of our lives."

He added that "enhancing effective citizen engagement depends on the pervasive participatory culture among citizens," pointing out that schools as effective agents of socialisation were a proper ground for campaigns on ethical reorientation and inculcation of cherished values.

At the end of the keenly contested debate competition, Federal Government College, Warri, Delta State emerged winners. The school, represented by Miss Osanoritse Blessing Kowe and Miss Eyituoyo Anne-Marie Awala, scored 76.4% to defeat Federal Government Girls College, Kazaure, Jigawa State, represented by Miss Sabiu Rabiatu Ibrahim and Miss Khadiya Shamsuddin, who obtained 74.4%.

To qualify for the grand finale of the debate competition, Team FGC Warri had defeated Team FGC Maiduguri, while Team FGGC Kazaure had edged out Team FGC Abuja.

Each of the four students that reached the finals of the debate, titled "Impact of Integrity on the Expansion of Public Trust and Confidence in Governance," received a top-of-the-range HP laptop, in addition to a plaque for the team, among other prizes.

Other activities marking the day included the presentation by the Anti-corruption Commissioner for Rivers and Bayelsa States, Mrs. Ekere Usiere. She commended the Management of the NCDMB for its unstinting support to ACTU-NCDMB and the campaigns of the ICPC.

Her paper entitled "From Fear to Courage: Overcoming Barriers to Whistleblowing in Nigeria" addressed issues such as the Nigerian Whistleblowing Policy, Objectives of the Policy, Guidelines for Whistleblowing, Important Milestones Recorded by the Policy, Institutional Recipients of Whistleblowing, Overcoming Psycho-cultural and Systemic Challenges to Whistleblowing in Nigeria, and Leveraging on Information and Technology to Advance.

The Anti-corruption Commissioner was emphatic that "Citizens need to overcome cultural, psychological and systemic challenges to blow the whistle against corruption and other ills bedeviling our country Nigeria."

OIL WORKERS EXPRESS CONCERNS OVER TAX REFORMS BILLS, SAY SOME PROVISIONS INIMICAL TO INDUSTRY

By Emeka Ugwuanyi

Members of the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) have frowned at some provisions of the Tax Reform Bills before the National Assembly, saying such provisions will negatively impact the growth of the oil and gas industry if passed unchanged or removed.

The Association during its National Executive Council (NEC) meeting held in Abuja, expressed some concerns over some aspects of the Tax Reform Bills, saying some provisions in the bill have the likelihood of negatively impacting the Nigeria Upstream Regulatory Commission (NUPRC) and the Nigeria Mid and Downstream Petroleum Regulatory Authority (NMDPRA).

Speaking at the National Executive Council meeting in Abuja, PENGASSAN President, Comrade Festus Osifo, reaffirmed that the Port Harcourt refinery is working.

He said: "The Association noted the ongoing tax reforms and wishes to demand that the tax relief exemptions given to those earning minimum wage and business should be expanded to accommodate more people and companies in that category. With the minimum wage going up to N70,000 minimum, many low earners will see their pay increase to about N120,000 and N150,000; therefore, these workers need tax rebates. The N800,000 threshold is too small. The tax committee needs to re-examine this again."

During the NEC session, the President said: "We shall participate actively in the public hearing where our position will be well articulated. We hereby call on the National Assembly to conduct a proper public hearing session where different views will be collated to amend the provisions in the bill and not just to tick the box."

The Association advised the Federal Government to expand the scope of tax relief exemptions, especially for workers in the oil and gas sector.

While the bill has been debated severally in the National Assembly, the Association has cautioned the legislature against hurriedly passing the tax bill without recourse to proper public hearing or effecting amendments where necessary.

OANDO GROWS OIL PRODUCTION BY 50%

Oando Plc says it has increased its crude oil production output by almost 50 per cent in three months.

It said the achievement followed the acquisition of Nigerian Agip Oil Company from Eni, earlier this year.

The Managing Director of Oando Energy Resources Nigeria Limited, Dr. Ainojie Irune, disclosed this during a recent meeting with its Joint Venture partners, Nigerian National Petroleum Corporation Limited in Abuja, according to a statement issued by the company on Sunday.

This high-level meeting was led by the Group Chief Executive Officer, NNPC Limited, Mele Kyari, including executives such as Chief Financial Officer, Adedapo Segun; Executive Vice President, Business Services Danladi Inuwa, and Executive Vice President, Upstream, Udobong Ntia.

In August, the company announced a 100 per cent stake in the Nigerian Agip Oil Company from Italian energy firm Eni in a deal valued at $783m.

Speaking at the meeting, the Oando managing director expressed his gratitude for NNPCL's support and used the opportunity to provide critical updates on the developments since Oando's acquisition in August 2024.

He said, "Just by way of an update, in less than 100 days, since acquisition, we have been able to increase our production outputs by almost 50 per cent. This could not have been achieved without your support. We've been able to improve the integration of both legacy companies, again led by not just Oando, but NNPC, bringing the JV that used to exist in three parts into two, seamlessly."

He emphasised the company's commitment to increasing production and improving operational efficiency.

"We are excited about the future of this partnership. With the support of NNPC, we aim to increase production to over 100,000 barrels of oil per day and 1.3-1.4 billion cubic feet of gas per day within the next three years," Irune added.

Responding, the NNPCL GCEO congratulated Oando on its recent acquisition of Nigerian Agip Oil Company from Eni.

"We believe that taking over the interests from Eni in this joint venture is a positive development for our industry and country. It signifies Indigenous companies' ability to play a bigger role in big assets and align with the national aspiration in the energy industry.

"We see this development as a massive step on the path to realising that national goal. We will work with Oando intently to ensure that we do two things, as you have highlighted: increase oil production and also increase gas production," Kyari remarked.

He also echoed Irune's sentiments, emphasising the importance of the partnership and the potenial for further growth.

EQUINOR RAKES $2BN FROM ASSETS DIVESTMENT IN NIGERIA AND AZERBAIJAN

Equinor has exited the upstream business in Nigeria and Azerbaijan after completing oil and gas asset sales of $2 billion, the Norwegian energy major said on Monday.

Equinor will receive $745 million for its portfolio in Azerbaijan and up to $1.2 billion for the sale of its Nigerian assets, said the company, which announced the deals last year and said they were part of its strategy to streamline its upstream business.

In Nigeria, Equinor sold its assets to Chappal Energies. These included a 53.85% ownership in oil and gas lease OML 128, including the unitized 20.21% stake in the Agbami oil field, operated by Chevron.

In Azerbaijan, the Norwegian firm sold its shares of 7.27% in Azeri Chirag Gunashli (ACG) with 6.655% to SOCAR (State Oil Company of Azerbaijan) and 0.615% to India's ONGC. Equinor also sold it total shares of 8.71% in Baku-Tbilisi-Ceyhan (BTC) pipeline, with 7.96% to SOCAR and 0.75% to ONGC.

"With these exits we realise value and execute on our strategy to focus the international portfolio, and in combination with recent acquisitions and investments in our competitive projects, we seek to sustain long-term production and profitability," said Philippe Mathieu, executive vice president for international exploration and production in Equinor.

These divestments and exits "enable investments to deepen further in countries where Equinor can add the most value and build a more focused and robust international portfolio," the Norwegian company said.

Just last week, Equinor and Shell announced they would merge their UK oil and gas assets in a 50/50 joint venture which will be the largest independent oil and gas producer in the UK North Sea.

Shell and Equinor are currently defending in court their plans to develop the planned Jackdaw and Rosebank oil and gas projects in the UK North Sea, respectively, after environmentalists won landmark court battles earlier this year and the Labour government dropped its right to challenge judicial reviews brought against the development consents for the fields.

CHEVRON NIGERIA AWARDED ENERGY COMPANY OF THE YEAR FOR ENVIRONMENTAL SUSTAINABILITY AND CSR

Chevron Nigeria Limited (CNL), on Friday December 6, 2024, received an award as "Energy company of the year (2024)" for its Environmental Sustainability and Corporate Responsibility accomplishments.

The award presented by the Nigerian News Direct newspaper, was received by Mr. Victor Anyaegbudike, Manager Communications, Chevron Nigeria and Mid-Africa Business Unit at a colourful event held at the Grand Ballroom of the Oriental Hotel, Lagos and graced by several dignitaries including government representatives, industry and private sector stakeholders.

The organizers of the award noted that Chevron has implemented the "Protecting People and the Environment" policy, which aims at preventing injuries, illnesses, and environmental incidents. They also referenced that the company has achieved 97% gas flaring reduction in its operations in Nigeria, while implementing waste management and environmental conservation programs.

According to the media organization, Chevron Nigeria has also invested millions of dollars in community development programs, supporting education, health and economic development initiatives that have benefited thousands of people, while ensuring diversity, inclusion, and employee engagement in its business operations.

NCDMB TELLS MEDIA TO EXAMINE AND SUPPORT NIGERIAN CONTENT PERFORMANCE

By Emeka Ugwuanyi

The Nigerian Content Development and Monitoring Board (NCDMB) on Monday in Port Harcourt challenged practising journalists and other media stakeholders to deploy their skills in interrogation of reports on Nigerian Content performance in the oil and gas industry, so as to make the facts behind the resounding success in in-country value addition known to citizens.

Speaking at a one-day workshop themed "The Role of the Media in Maintaining the Tempo of Nigerian Content Implementation," the Executive Secretary of the NCDMB, Engr. Felix Omatsola Ogbe, said the Board profoundly appreciates the capacity of the mass media to inform and educate the populace and has chosen forums such as the workshop to bring practitioners up to speed with its activities.

According to him, "In 2025 NCDMB will be 15 years; looking at what we have been doing, the impact we have made in the oil and gas industry, moving Nigerian Content from less than five per cent in 2010 when we started to now 56 per cent…we have made significant progress."

Putting the growth in local content in context, he said, "For every N100 spent in the industry by operators and service companies, N56 is now retained in-country in terms of value addition [local assets, goods, expertise, etc. utilised]." Continuing, he added, "Our target is to be at 70 per cent by 2027."

"You need to interrogate us more," he reasoned, noting, "How did we get there? What are the metrics used [in computation]? That's what will make your reporting adequately informative." He assured the journalists that the Board would be supportive whenever they seek such clarification.

The Executive Secretary, who was represented by the General Manager, Corporate Communications and Zonal Coordination, Barr. Esueme Dan Kikile, said the Board has identified the integration of host communities into the oil and gas supply chain as one of the critical enablers of the strategic goal of 70 per cent by 2027, and has decided on appropriate measures.

He reaffirmed that the Board would implement the Back-to-the-Creeks Initiative designed to deepen the contributions of the oil and gas industry to the local communities through support of basic education, making affordable finance accessible to community contractors, equipping youths with relevant industry skills among other support that would benefit the local economy.

He emphasized that the Board has reviewed upwards its Community Contracting Financing Scheme to enable contractors in host communities to secure and execute reasonable contracts in the oil and gas industry. The single obligor has now been raised from N20 million to N100 million which, as the Board explained, "gives local contractors more opportunities to access higher figures."

These measures, among others, are intended to minimise or completely eliminate conflicts, and thus create a peaceful and harmonious operating environment for oil and gas companies.

He identified the role journalists to the sustenance of the local content programme. According to Engr. Ogbe, "We expect the media to interrogate these [policy initiatives and planned interventions] and also follow up and ensure that NCDMB is able to accomplish these, because it will help our communities; it will help our young people."

The workshop also had three paper presentations and two sessions of panel discussion. In the first presentation entitled "Implementing Nigerian Content New Contracting Guidelines," Engr. Bashir Ahmed, a Supervisor of the Project Certification and Authorisation Directorate (PCAD), NCDMB, threw light on foundational facts regarding the NCDMB and its operations, such as Mandate and Mission Statement, Necessity for a Local Content Framework, a Regulatory Framework, Ministerial Regulations, Presidential Directives, and Guidelines.

He dwelt at length on the Presidential Directives issued by President Ahmed Tinubu in March 2024, in a deliberate effort to reverse the decline in foreign investments in the oil and gas industry.

The Directives were three, namely, "Presidential Directive on Local Content Compliance Requirement," "Presidential Directive on Reduction of Petroleum Sector Contracting Cost and Timeline," and "Presidential Directive on Oil and Gas Companies (Tax Incentives, Exemptions, Remission, etc.). Only the first two impact the operations of the NCDMB significantly.

Goals of the Presidential Directives, according to Government, include reducing the time it takes to conclude oil and gas contracts, eliminating intermediaries, and developing processes to verify and document in-country capabilities.

In his explanation Engr. Ahmed said the Directive on Reduction of Petroleum Sector Contracting Cost and Timeline "aims to hold the NCDMB and operators to strict reviews and approval timelines," among other things.

He pointed out that "Timelines were never alien to NCDMB," as the Board had introduced and put into use service-level agreements (SLAs) years ago. According to him, "SLA-compliance has driven our PEBEC (Presidential Enabling Business Environment Council) rankings." (PEBEC ranked NCDMB as the Best Performing Agency for efficiency and transparency among ministries, departments and agencies in 2022, 2023 and 2024.)

Generally, the Directives were aimed at protecting companies with investments in-country and eliminating briefcase agents. Capacity audit of key segments of the industry have to be carried out to eliminate intermediaries.

On the gains of Federal Government's initiative, he said, "The PDs have given new life to prospects of new final investment decisions (FIDs) for major projects. Projects that had been dormant are now being revived as the affected investors are returning to Nigeria for fresh negotiations.

NLNG PLANS TO TRANSITION ALL SHIPS TO MODERN VESSELS IN 10 YEARS – ANOWI

By Yunus Yusuf reporting from Berlin in Germany

Mr Nnamdi Anowi, the General Manager of Production at NLNG says that the company's ambitious plan to replace all its vessels with modern ships within the next decade.

Anowi shared this vision during the World Leaders' Panel session on Tuesday in Berlin, Germany as part of the 2024 World LNG Summit and Awards

The Business Intelligence (TBI Africa) reports that 2024 summit is themed "Achieving the Balance Between Energy Security and Decarbonisation."

He stated, "We are making significant strides in our shipping operations. Over the next 10 years, we aim to transition from our current steam-powered vessels to modern ships.

"Earlier this year, we took a major step by entering into a long term chapter of our first modern ship Aktoras, and we are already planning to acquire a second ship next year, " he said.

On the critical issue of net zero (NZE) emissions, Anowi emphasised NLNG's aspiration to achieve net zero emissions by 2040, highlighting that this goal is attainable through the implementation of a combination of solutions that include operational efficiency, natural sinks/offset projects, CCS, net zero expansion, digital solutions and shipping efficiency.

"Our pathway to net zero aligns with Nigeria's target of reaching net zero by 2060, while many major players in the industry are aiming for 2050.

"We are actively expanding our initiatives in this area, including several low-carbon projects," he explained.

Regarding Liquefied Petroleum Gas (LPG), Anowi remarked that the company has committed 100% of its LPG production (propane and butane) to the Nigerian market.

He pointed out the urgent need for cleaner energy, citing a report that revealed approximately 100,000 Nigerians died yearly from smoke inhalation caused by cooking with firewood, predominantly affecting women and children.

"This underscores our commitment to sustainability," he said.

Anowi added, "It's important to recognize that about 80% of Africans lack access to cleaner energy.

"When discussing sustainability, we cannot overlook the necessity of providing energy to these communities."

He further elaborated on NLNG's strategy, stating, "Our objective at Nigeria LNG is to maintain safety, enhance capacity, foster growth, and future-proof our business.

"The recent transformation program includes a rebranding initiative, evidenced by the unveiling of a new logo and the company's renewed purpose: "Providing energy for lifes sustainability."

Anowi noted that NLNG is working diligently to improve its production capacity from 23 million tons to 30 million tons through its Train 7 project.

"We are actively engaging with stakeholders and the government to ensure our LNG trains are filled by the end of next year," he said.

On sustainability, Anowi explained that 75% of NLNG's emissions result from its operations, with the remaining 25% coming from its shipping activities.

He emphasised the importance of measurement, reduction, avoidance, and mitigation strategies in their sustainability efforts.

He said that the company is also exploring carbon capture and storage (CCS) opportunities through partnerships with the government and other international oil companies.

"We are in the early stages of CCS implementation, assessing potential reservoirs for this purpose," he added.

In terms of renewable energy, Anowi shared that NLNG is investigating in solar power projects at its offices in Abuja and Port Harcourt as part of its broader sustainability initiatives.

"We are committed to abatement efforts and are collaborating with experienced private companies to explore carbon credit opportunities," he said.

Anowi concluded, "We must balance sustainability with affordability and reliability in energy supply.

"The African region must progress at its own pace, prioritising immediate energy needs before addressing long-term sustainability goals,." he emphasised.

AFRICA NEEDS OVER $200 BN ANNUALLY TO MEET ENERGY , CLIMATE GOALS, SAYS NLNG

Yunus Yusuf reporting from Berlin in Germany

The Nigeria Liquefied Natural Gas Ltd. (NLNG) has emphasised that Africa is at a pivotal point in its energy journey, noting that achieving energy and climate objectives will demand annual investments exceeding $200 billion.

Mr Philip Mshelbila, Managing Director of NLNG, disclosed this during a networking reception hosted by Nigeria LNG Ltd., held in Berlin, Germany, as part of the 2024 World LNG Summit and Awards.

TThe Business Intelligence (TBI Africa) reports that the 2024 World LNG Summit and Awards with the theme "Achieving the Balance Between Energy Security and Decarbonisation".

Mshelbila was represented by Mr Nnamdi Anowi, General Manager of Production at NLNG, said this level of investment is critical to meet the growing energy demands of Africa's youthful population, which has a median age of just 20 years.

He noted that "in a continent where the average GDP per capita is only a quarter of the global average, the stakes have never been higher."

"The global energy investment landscape requires a delicate balancing act: ensuring immediate energy access through fossil fuels while urgently transitioning to sustainable energy sources," he stated.

At NLNG, Mshelbila highlighted the company's commitment to producing Liquefied Natural Gas (LNG) sustainably, viewing natural gas as both a crucial bridge in the energy transition and a vital component of the broader energy mix that complements renewable sources like solar and wind.

"However, investment alone is not enough. To truly tap into Africa's energy potential, we must cultivate a collaborative environment,"

"Policymakers, private sector players, and investors need to work together to create frameworks that attract capital," he added.

He stressed the importance of enhancing transparency, improving infrastructure, and developing human capital to drive innovation and implement energy projects effectively.

"The responsibility lies with all of us. It is imperative that we align our goals, not just for economic growth but for the welfare of our communities and the sustainability of our environment."

"The time for action is now. Let us invest in Africa's energy future with a shared vision for prosperity and sustainability," he urged.

Highlighting NLNG's commitment to sustainability, Mshelbila mentioned the company's recent rebranding, which includes a new logo and tagline that reflect their dedication to a sustainable future.

"Our new logo symbolizes our commitment to innovation, excellence, and evolving with the times while remaining true to our core values," he remarked.

He concluded by reaffirming NLNG's mission to provide energy that improves lives sustainably, emphasising the strategic importance of the natural gas industry in fostering environmental stewardship and economic prosperity.

In her remarks, Parul Patel, Operations Manager at DMG Events, commended Nigeria LNG Ltd. for its significant investment in LNG and its support for stakeholders.

She noted that NLNG's efforts not only enhance Nigeria's standing in the global LNG market but also positively impact the local economy.

Patel praised NLNG for hosting a welcome reception for stakeholders, providing a vital platform for networking and discussing the future of LNG in Nigeria.

"NLNG's support is crucial for fostering growth and innovation, paving the way for a sustainable energy future," she added

TBI Africa also reports that the 24th World LNG Summit and Awards, organised by DMG Events, attracted 750 attendees and featured 200 speakers from 500 companies across the energy value chain.

NATIONAL GRID COLLAPSES 12TH TIME IN 2024

Nigerians were on Wednesday plunged into darkness following another collapse of the national power grid.

According to The PUNCH findings, from January 2024 till November, the grid has collapsed 11 times.

Within one week in October, the grid collapsed three times with its attendant blackouts, sparking reactions from Nigerians.

A tweet via the official handle of Nigeria's National Grid confirmed that the grid collapsed at about 2:09 pm on Wednesday.

This collapse makes it a historic 12 times in a year that the grid has collapsed.

"The major grid setback has occurred and the restoration is to commence," the handler wrote.

NCDMB, JULIUS BERGER SEAL CONTRACT FOR CONSTRUCTION OF OLOIBIRI MUSEUM

By Emeka Ugwuanyi

The Nigerian Content Development and Monitoring Board (NCDMB) on Thursday executed the engineering, procurement, and construction contract with Julius Berger PLC for the development of Oloibiri Museum and Research Centre (OMRC), to be located at Otuabagi, Ogbia Local Government Area of Bayelsa State.

The Executive Secretary NCDMB, Engr. Felix Omatsola Ogbe, executed the contract at the Board's liaison office in Abuja, with the project construction to be delivered within 30 months.

The Oloibiri Museum and Research Centre (OMRC) is being financed by the Petroleum Development Technology Fund (PTDF), NCDMB, Shell Petroleum Development Company/Nigerian National Petroleum Company Ltd and the Bayelsa State Government, in the ratio of 40:30:20 and 10 respectively.

The project is registered by guarantee, with the four organisations serving as partners. The contract agreement has been approved by the partners and signed by Julius Berger PLC.

The Executive Secretary of NCDMB serves as the chairman of the registered company, hence he signed the contract on behalf of the partners, with the Director Legal Services, NCDMB, Mr. Naboth Onyesoh, Esq serving as the Secretary of the company.

The President Muhammadu Buhari administration had in February 2023 awarded the contract for the Engineering, Procurement and Construction scope of the OMRC to Julius Berger at the sum of N117billion.

The groundbreaking of the OMRC was performed in February 2023, a colorful ceremony attended by leading government officials, oil and gas stakeholders and community members.

Engr. Felix Omatsola Ogbe expressed delight on the execution of the contract, which marked the commencement of construction activities. He noted that the project will catalyze immense economic benefits for the Bayelsa and the national economy during the construction and operation stages.

He thanked the partners of the project and other stakeholders who contributed to the success of the project to date.

He indicated that the project was conceived to pay homage to the birthplace of Nigeria's hydrocarbon commercial production journey which commenced in 1958.

He added that President Bola Tinubu believes that the project is long overdue hence the multi-level government and private sector collaboration was engineered to actualize the establishment of the project.

The OMRC project is expected to deliver a world-class oil and gas museum, showcasing the history of crude oil production in Nigeria and display of geological formations, early equipment, tools, and platforms used in the evolution of oil and gas activities.

In addition, the research testing center that will provide a facility where field trials of prototypes of oil and gas related indigenous research will be conducted, grant access to university students in oil and gas related disciplines to potentially better understand indigenous oil and gas technology advancements.

The OMRC project will also facilitate the commercialization of research through the creation of a suitable ecosystem for the development of home-grown technology for oil and gas operations and create a new commercial value chain from Museum and Research operations that will generate employment for Nigerians.

DEBT SERVICING, SALARIES TAKE N24.8TN IN 2025 BUDGET

The Federal Government plans to spend N8.52tn (inclusive of government enterprises) on personnel and pension costs for federal workers next year, an analysis of the 2025 Appropriation Bill has shown.

This amount is an increase of N3.17tn or 59.16 per cent from the 2024 provision of N5.35tn.

The document also showed that government expenses on the payment of salaries alone will reach N7.54tn, marking an increase of N2.75tn from N4.79tn paid to federal workers in 2024.

The personnel and pension costs of N8.52tn and the debt service cost of N16.33tn make up a total sum of N24.85tn, gulping 53.98 per cent out of the total N46.02tn 2025 budget.

It was also observed that the government would spend more on debt servicing than it would spend on paying the salaries and pensions of its workers.

The President Bola Tinubu presented the budget titled "Budget of Restoration: Securing Peace, Rebuilding Prosperity" to a joint session of the National Assembly outlining an ambitious N49.70tn spending plan.

The budget prioritises defence, infrastructure, and human capital development, with a projected deficit of N13.39tn to be financed through borrowing.

Speaking at the National Assembly, Tinubu stressed his administration's commitment to strengthening security and revamping the nation's infrastructure.

In the appropriation bill document obtained by our correspondent, the government earmarked a total sum of N7.54tn for salaries, N984.91bn for pension and gratuities and N16.33tn for debt servicing.

It also proposed spending of N2.58tn on the service-wide votes, N3.18tn on capital supplementation and N4.44 for statutory transfers.

Further checks showed that the State House earmarked N15.09bn for the purchase of tyres for bulletproof vehicles, Sport Utility Vehicles, operational vehicles, plain cars and the construction of an office complex for Special Advisers and Senior Special Assistants.

It also proposed a total sum of N5.49bn as a provision for the annual maintenance of the Presidential Villa.

N164m will be spent on the purchase of tyres for bulletproof vehicles, plain cars, jeeps, platform trucks and other utility and operational vehicles.

Out of the sum, N1.1bn was earmarked for the replacement of SUV vehicles, and N3.66bn for the purchase of State House operational vehicles.

It stated that N127.86m will be spent on the procurement of SUVs for Mr President and the Vice President. This cost will be covered by the office of the president.

Similarly, N285m will be spent for the purchase of motor vehicles under the office of the Chief of staff to the president, while the Chief security officer to the President got an allocation of N179.63m for the purchase of security and operational vehicles.

Further checks showed that N2.12bn was allocated for honorarium and sitting allowances and proposed spending of N1.83bn for the construction of an office complex for Special Advisers and Senior Special advisers.

The Federal Government earmarked N21.04bn for the Medical and Dental Council of Nigeria, the Nursing and Midwifery Council of Nigeria, and the Pharmacy Council of Nigeria in the 2025 appropriation bill.

This was according to allocations under the Federal Ministry of Health and Social Welfare for next year.

The MDCN regulates the practice of Medicine, Dentistry, and Alternative Medicine in the country.

The NMCN is the sole governing body that regulates all cadres of nurses and midwives in Nigeria.

The PCN regulates all aspects of pharmacy education, training, and practice, including Pharmacy Technicians and Patent and Proprietary Medicine Vendors.

A breakdown of the details showed that the MDCN got the largest share of the allocations among the councils. It got N18.11bn.

A total of N1.92bn was allocated to the PCN, and a total of N1.01bn was allocated to the NMCN.

Meanwhile, the government had said in 2023 that it would discontinue budgetary allocations to professional bodies and councils.

In a memo to one of the affected councils, which was signed by the signed by the former Director-General of the Budget Office of the Federation, Ben Akabueze, and dated June 26, 2023, the Budget Office of the Federation said the move was in line with the decision of the Presidential Committee on Salaries.

The memo stated that funding would be stopped for at least 30 of the professional bodies, and councils by December 2024 whilst budgetary allocations would be stopped for other bodies by December 2026.

The memo sent to one of the professional bodies read, "I wish to inform you that, the Presidential Committee on Salaries, at its 13th meeting, approved the discontinuation of budgetary allocation to Professional Bodies/Councils effective December 31, 2026.

"The purpose of this letter, therefore, is to inform you that, in compliance with PCS's directive, this Office will no longer make: budgetary provisions to your Institution with effect from the above-stated date, and you will be regarded as a self-funded organisation.

"For the avoidance of doubt, you will be required, effective December 31, 2026, to be fully responsible for your personnel, overhead, and capital expenditures."

Findings revealed that several professional bodies within the Ministry of Health and Social Welfare are scheduled not to receive budgetary allocations for 2024.

These include the NMCN, PCN, MDCN, Medical Laboratory Science Council of Nigeria, Community Health Practitioners Registration Board, Medical Rehabilitation Therapy Board, Dental Technologists Registration Board, and Environmental Health Registration Council of Nigeria, among others.

Further checks showed that the Federal Ministry of Agriculture and Food Security has proposed spending N54.38bn from its N636bn allocation in the 2025 proposed budget on Federal Universities of Agriculture.

The proposed expenditure on the universities represents 8.4 per cent of the ministry's total allocation.

Allocations to the universities include N13.77bn for the Federal University of Agriculture, Abeokuta, Ogun State; N14.17bn for the Federal University of Agriculture, Makurdi, Benue State; N3.98bn for the Federal University of Agriculture, Zuru, Kebbi State; N2.96bn for the Federal University of Agriculture, Bassam-Biri, Bayelsa State; and N3.58bn for the Federal University of Agriculture, Mubi, Adamawa State.

While the ministry's budget prioritizes education and research, the overall federal budget emphasises infrastructure and human capital development.

However, the budget also includes a projected deficit of N13.39tn, to be financed through borrowing.

A lecturer at the Joseph Sarwuan Tarka University, Makurdi (formerly University of Agriculture, Makurdi),

Dr Moses Ogah described the N54bn allocation as a positive development but emphasized the need for strategic implementation to ensure meaningful outcomes.

"Yes, it is a step in the right direction. We cannot say it is enough, but I think it has never been like this before. So, if someone is coming out with a proposal like that, it's good," he said.

Ogah highlighted the potential of these universities to address food security challenges, reduce food costs, and contribute to national development.

He noted, "The essence of establishing the University of Agriculture is to engage in food production so that food can be sold to the populace at subsidized rates. Unfortunately, we are not living up to the expectations and mission of these institutions. Food remains very expensive."

He also stressed the importance of utilizing the universities' vast resources.

"They have vast land. If the government implements this allocation effectively, it will be beneficial," he said.

Linking the funding to the country's food inflation challenges, which stood at 37.7 per cent as of November according to the National Bureau of Statistics, Ogah urged the government to support critical infrastructure like processing industries, bakeries, and livestock facilities.

"The whole of Benue State doesn't even have a hatchery. Livestock comes from Plateau or Ibadan under stressful conditions and some die before arrival. If a university like ours can have such facilities, it would be a relief," he explained.

Despite past challenges, Ogah expressed optimism, citing the availability of skilled manpower in these institutions.

"We have specialists in different areas. If these universities focus on food production, it will significantly benefit the country," he added.

Reflecting on the original purpose of these institutions, he recalled their establishment during the Babangida administration, inspired by the Indian model.

However, he lamented that some of the core mandates, such as the development of grasslands and animal husbandry, remain unmet.

Speaking at the National Assembly, President Tinubu reiterated his administration's commitment to strengthening security and revamping infrastructure.

FINANCE EXPERTS PREDICT 0.76% INCREASE IN NOVEMBER INFLATION TO 34.64%

As Nigeria's economic landscape continues to grapple with the challenges of rising prices and inflationary pressures, a consensus forecast by financial experts suggests that the country's inflation rate is poised to experience a further uptick in November, with a predicted increase of 0.76 percent to 34.64 percent, thereby sustaining the upward trend that has characterized the nation's inflation profile in recent months.

The National Bureau of Statistics (NBS) released its November inflation report on Monday, December 16.

Finance and economic experts from Financial Derivatives Company (FDC) Limited observed that based on its Lagos market survey and regression model, Nigeria's headline inflation is projected to increase by 0.76 percent to 34.64 percent.

This increase is driven by seasonal factors and cost pressures, resulting in higher prices compared to the corresponding period in 2023.

The EIU forecasts inflation will peak at 35 percent in December 2024 and average 27.7 percent in 2025.

According to the EIU, a disinflationary trend is expected in the long term, supported by forex stability, trade policy, and base effects.

Similarly, the food and core sub-indices are expected to move in tandem with headline inflation, rising to 40.02 percent and 29.38 percent, respectively, especially eggs, rice, vegetable oil, and sardines.

According to FDC, monthly inflation, which is a more accurate measure of current inflation than annual inflation, is also projected to increase to 2.67 percent (annualized at 37.25%) from 2.64 percent.

"If our projection is correct, it will be the fourth consecutive increase after inflation was reversed in August. The reasons behind the surge are not far-fetched – they stem from the lingering effects of flooding in agricultural regions, as well as volatility in forex markets.

"With the Christmas season approaching, we anticipate further upward pressure on prices for essential food commodities such as rice, eggs, vegetable oil, pepper, malt, tomatoes, bread, Irish potatoes, onions, palm oil, noodles, and Turkey. These factors combined suggest a challenging economic environment as consumers brace for higher costs during this festive period. Food and core inflation are expected to move in tandem with headline inflation to 40.02 percent and 29.38 percent respectively," Analysts from Afrinvest noted.

Consequently, the price resistance of consumers is increasing, and many are switching to affordable substitutes. In some cases, as is empirically endeared, we have noticed a drop in the quantity of goods demanded – as the Purchasing Manager's Index (PMI) has shown a continuous decline.

According to the analysts, since price inflation is not a Nigeria-specific phenomenon at this time, there are indications that the price spiral is not likely to be short-lived.

"Month-on-month inflation to increase marginally Monthly inflation is a more accurate measure of current inflation than annual inflation as it gives the current situation in the market more than historical inflation. We are projecting that month-on-month inflation will rise to 2.67 percent (annualized at 37.25%) from 2.64 percent in October as cost pressures persist. It implies that the pace of increase in the average price level surpassed the rate observed in October 2023," FDC analysts stated in their economic bulletin.

Food insecurity in Nigeria has reached alarming levels, exacerbated by insecurity, rising logistics and transportation costs, and seasonality. These factors have disrupted the food supply chain leading to widespread hunger and rising prices of food commodities.

2025 BUDGET: N13TRN DEFICIT TO BE FINANCED THROUGH BORROWING —EDUN

Minister of Finance and Coordinating Minister for the Economy, Mr Wale Edun, said the N13 trillion deficit in the N48 trillion 2025 budget would be financed through borrowing.

He said this while briefing State House Correspondents after the Federal Executive Council (FEC) meeting at the Presidential Villa, Abuja.

The total projected revenue for 2025 stands at N34,820,000,000,000 out of which the expenditure is projected at 47,960,000,000,000, which is an increase of 36.8 percent from the 2024 estimate.

The deficit for 2025 is projected at 13,140,000,000,000, representing 3.89 percent of GDP.

Edun said the budget was designed within the context of how far and how much progress had been made under the leadership of President Bola Tinubu over the last 18 months.

"And even looking at it from an international context, we, like governments around the world, are concerned about how to achieve fiscal sustainability, revenue to expenditure and borrowing that is balanced, to create an environment in which the economy can grow.

"Private sector-led economies such as ours and others, rely on investors to put down their money in various projects, increase productivity, create jobs, grow the economy and in the case of countries such as ours, bring the people out of poverty," said Edun.

He explained that the Tinubu administration had put in place policies that ensured market pricing of petroleum products, foreign exchange, and efforts had been made to improve the pricing of electricity.

Edun said: "Just recently Shell announced a $5 billion investment, Total announced a multi-billion dollar investment just before that, and there are so many others expressing interest in investing in this country.

"So, progress has been made. There is greater fiscal sustainability and as I said, even the European countries are struggling to achieve some of these critical macroeconomic reforms.

"This budget is based on government spending in critical areas, but also more importantly, encouraging and making room for private sector investment."

He further stated that the improvements in the economy were encouraging.

"For the first time in about 25 years we have domestic refinement of petrol, not just to produce petrol but also raw materials for industries across a whole range, from pharmaceuticals to building products to textiles," concluded Edun.

Meanwhile, the Federal Executive Council (FEC) on Monday approved the 2025 budget proposal following the earlier submission to the National Assembly of the Medium Term Expenditure Framework and Fiscal Strategy Paper (MTEF-FSP).

Minister of Budget and Economic Planning, Atiku Bagudu, disclosed this at the end of the council meeting presided over by President Bola Tinubu at the Presidential Villa in Abuja.

Giving details, he emphasised the alignment of the budget with the administration's Renewed Hope Agenda and the national development plan (2021–2025).

According to him, the 2025 budget proposal outlines the Federal Government's fiscal plan, aimed at consolidating the progress achieved in 2024 while addressing persistent economic challenges.

The budget is based on oil price benchmark of $75 per barrel with a production target of 2.06 million barrels per day.

It has an exchange rate of N1,400 to the US dollar. The projected revenue is N34.82 trillion while the projected expenditure is N47.96 trillion, reflecting a 36.8 percent increase from the 2024 estimate.

The minister added that the budget deficit N13.13 trillion, equivalent to 3.89 percent of GDP, which is a reduction from the 6.1 percent, inherited from the 2023 budget.

Bagudu noted that these parameters are consistent with the MTEF and FSP.

The budget also hopes to enhance critical infrastructure to boost productivity, invest in education, health and skill-building initiatives.

Similarly, it hopes to expand industrial activity to create jobs and diversify the economy; strengthen the National Agricultural Development Fund to support food security, and advance the gas and compressed natural gas (CNG) initiatives to reduce reliance on petrol.

Another area it focuses on is promoting affordable housing schemes to address the housing deficit.

Bagudu highlighted that these initiatives are designed to expand economic activity, create consumer credit opportunities, and ensure inclusive growth.

Following a presentation by the director of the Budget Office, President Tinubu directed amendments to the proposal, incorporating comments from FEC members.

These adjustments aim to ensure fiscal prudence and alignment with national priorities, Bagudu stated.

Meanwhile, the management team of National Assembly has announced a change in the initial date scheduled for the presentation of the 2025 budget estimates.

As earlier reported, President Bola Tinubu was scheduled to lay the 2025 budget estimates before the joint session of the National Assembly on Tuesday, December 17, 2024.

However, in the new memo released dated December 16, 2024 signed by Secretary, Human Resources and Staff Development, Dr Umar A. Alkali, Mr. President is to present the 2025 budget estimates on Wednesday, December 18, 2024.

FG VOTES N53BN FOR 103 FOREIGN MISSIONS RENOVATION

The Federal Government has proposed N53bn to renovate 103 foreign missions.

The funds will cover various needs, including renovations of chanceries, staff quarters, ambassadors' residences, purchase of office furniture, and official vehicles, among others.

Allocations include N554m for the foreign mission in Abidjan; N812m for Banjul; N555m for Brazzaville; N558m for Port of Spain; N576m for Caracas; N624m for Kingston; N567m for Libreville; N409m for Buenos Aires, N899m for Niamey, among others.

It was reported that despite the rising allocation to the missions, significant financial challenges remain, with sources estimating that almost $1bn was required to clear arrears and fully fund the nation's 109 missions worldwide.

On taking office, President Bola Tinubu reassessed Nigeria's foreign policy and initiated a recall of 83 ambassadors in September 2023.

However, the process of appointing new envoys has faced delays due to financial shortfalls.

The foreign affairs minister confirmed this, citing insufficient funding for essential embassy operations and ambassadorial support.

"There is no point sending out ambassadors if you do not have the funds for them to even travel to their designated country and to run the missions effectively, one needs funding.

"Mr President is working on it, and it will be done in due course," Tuggar said during a ministerial briefing in May 2023.

Senior Presidency and Foreign Service officials said the country needs around $1bn to clear backlogs of bills and adequately finance its 109 missions, 76 embassies, 22 high commissions and 11 consulates globally.

An official explained that resolving these issues requires substantial capital expenditure, adding that efforts are ongoing to address arrears and operational shortcomings.

He said, "You see, the major issue is money. Not money to pay them (ambassadors), because how much is their salary and benefits? The main money is CAPEX (capital expenditure). By the time they put the cost together to fix the issues; it is running to almost $1bn.

"Most of those embassies, almost 90 per cent, are rundown. The residence is not good, the embassy does not have a functional office, or their rent has expired. The embassies that are buoyant may not be up to 10 as we speak."

Another official, who spoke on condition of anonymity as he was not allowed to talk to the media, explained that the allowances of Foreign Service officers are pending.

The official said, "The money required now is for CAPEX to fix some of the residences and embassies, purchase vehicles and pay some of the arrears and overheads for some Foreign Service officers.

"Some of them are owed seven to eight months allowances. Some of them owe rent. The President is trying to iron that out before announcing the list."

A Foreign Service staff member in one of the missions noted that sending ambassadors into such conditions without resolving these issues would leave them unable to perform their duties effectively.

The official noted, "If you send an ambassador here now, the embassy staff may look up to the ambassador to solve their problems. And the ambassador will be helpless.

"It's even understandable now because the Head of Chancery and Chargé D'Affairs are civil servants like everyone here. So, we are all in the same boat. But once you send a political head like an ambassador, it's like sending a president."

Meanwhile, the House of Representatives Committee on Foreign Affairs has invited the Minister of Budget and National Planning, Atiku Bagudu, his Foreign Affairs counterpart, Yusuf Tuggar, the Director-General, Budget Office of the Federation, Tanimu Yakubu, over what it called the poor allocation to the foreign affairs ministry in the 2025 budget proposal.

The Permanent Secretary in the ministry, Dunoma Ahmed, is also expected to appear alongside the ministers before the committee on January 14, the Chairman, House Committee on Foreign Affairs, Oluwole Oke, disclosed to The PUNCH on Monday.

Oke, a member of the Peoples Democratic Party representing Oriade/Obokun Federal Constituency, Osun State, noted that the N287bn allocated for recurrent (non-debt) expenditures in the 2025 budget proposal was not enough to meet the ministry's needs, particularly the funding of the nation's foreign missions.

In the 2025 Appropriation Bill presented to the joint session of the National Assembly on December 18, 2024, by President Bola Tinubu; the Foreign Affairs Ministry was allocated N66.88bn for capital expenditure and N286.88bn for recurrent (non-debt) expenditure.

Tagged, 'The 2025 Budget of Restoration: Securing Peace, Rebuilding Prosperity,' the total estimate is N47.90tn, subject to the passage by the National Assembly.

Speaking with The PUNCH, Oke said, "The House Committee on Foreign Affairs has invited the Minister for Budget and National Planning, DG Budget Office, the Minister for Foreign Affairs and the Permanent Secretary, Ministry of Foreign Affairs over poor allocation in the 2025 budget proposal. They are to appear before us on Tuesday, January 14, 2025.

CBN TASKS TREASURERS TO PROTECT BANKS' FINANCIAL HEALTH

CBN Governor Olayemi Cardoso

The Central Bank of Nigeria (CBN) has tasked treasurers of financial institutions to take major steps that would safeguard the financial health of their organisations.

CBN Deputy Governor, Economic Policy Directorate, Muhammad Sani Abdullahi, disclosed this during the 8th annual Financial Markets Conference organized by Financial Markets Association of Nigeria (FMDA) in Lagos, with theme: "Global Economic and Domestic Outlook: Implications for Nigerian Treasurers"

Abdullahi, who was represented by CBN Director, Financial Markets Department, Omolara Duke, disclosed that in the face of global economic turnaround, treasurers should strategically position themselves to navigate the evolving trend and optimize the positive impact on the financial markets.

"So, our distinguished treasurers you bear the responsibility to relentlessly managing the ever evolving opportunities and challenges presented by global dynamics and safeguarding the financial health of your organisations. As treasurers and financial experts is crucial that you recognise the interconnectivity of the global and economic system," he said.

He said that FMDA has continued to show formidable strength, as exemplified in its doggedness at leading its members to embrace the adoption and implementation of the new policies.

"The ability to tactically position treasury activities to manage the evolving global trend will have significant implication on our domestic markets," he said.

Abdullahi said the deceleration in global inflation is projected to continue in 2025, particularly towards the long run inflation targets of the Central bank.

He said the role of monetary policy in managing inflation expectation also played a major role in moderating global inflation.

Other speakers at the event include Managing Director/CEO Optimus Bank Ltd, Dr. Ademola Odeyemi, MD/CEO Financial Derivatives Co. Ltd, Bismarck Rewane, who spoke on Navigating the Regulatory Landscape: The Treasurer's Role in Driving Economic Growth" and "Strategies for Managing Inflation and Interest Rate Risks in a Volatile Economy" and Ifeanyi Edward's who spoke on "Effective Risk Management and Hedging Strategies for Treasury in Uncertain Times". All the speakers highlighted the risks associated with the job of treasurers and how they should protect the health of their financial institutions.

Rewane, called for a balanced monetary policies to prevent inflation-induced asset bubbles and stabilize the stock market.

He explained that rising interest rates make fixed-income investments more attractive, potentially pulling capital out of equities.

Rewane, who spoke on strategies for managing inflation and interest rate in a volatile economy, said: "Investors may shift allocations to shorter-duration bonds to minimize duration risks. Also, interest-sensitive sectors (e.g., real estate, utilities) may underperform due to higher borrowing costs. Companies reliant on debt financing face higher interest expenses, which may erode profitability".

According to Rewane, higher interest rates often lead to reduced consumer spending and demand while higher interest rates increase yields, leading to more activity in bond markets even as demand for floating-rate instruments may increase.

He said although several measures are put in place to manage inflationary pressure but have proof abortive but aggressive shift in the rightward supply curve can bring inflation down.

He explained that inflation risk refers to the possibility that the purchasing power of money will decrease over time due to rising prices of goods and services. He said higher inflation primarily impact on investors, and borrowers who rely on fixed-income instruments, loans, or bonds.

Rewane said inflation impacts individuals, businesses and governments by reducing the real value of income, investments, and savings. He said inflation risks become significant when inflation rates are high or unpredictable.

He said: "Inflation leads to complete loss of purchasing power and collapse of financial institutions. It also devastates savings and disrupts economic activity. It reduces consumer confidence, increases inequality, and complicates policymaking".

The Financial Markets Dealers Association of Nigeria is a body of licensed Deposit Money Banks (DMBs) and other Financial Markets Institutions operating in Nigerian with emphasis on regulatory policy engagement, advocacy and professional ethics in the financial market.

ACCESS BANK SUPPORTS PRIMARY HEALTHCARE CENTRES IN ETI-OSA EAST LCDA WITH CSR PROJECT

By Emeka Ugwuanyi

In line with the institution's commitment to making positive impact in local communities through its Employee Volunteering Program, the Digital & Centralised Operations Group of Access Bank Plc, recently partnered five primary healthcare centres (PHCs) in the Eti-Osa East Local Council Development Area (LCDA) to improve access to quality healthcare for residents.

The initiative was launched after assessments and interactions with each of the five PHCs, where significant gaps in medical supplies and equipment essential for effective healthcare delivery were identified. To address these pressing needs, the employees provided essential medical equipment, conducted wellness symposiums, and delivered financial literacy education to medical personnel.

Commenting on the drive behind the initiative, the Group Head, Digital and Centralised Operations Group at Access Bank Plc, Oluseyi Adenmosun, who was represented by his deputy, Lynda Ifeanyi-Anyanwu, expressed the Bank's dedication to community welfare.

"At Access, we believe in building stronger communities through initiatives that go beyond the scope of the traditional banking activities we are widely known for. Leveraging the collective strength of our employees through mediums like the employee volunteering program, we can touch lives and directly impact critical areas like healthcare. By equipping these primary healthcare centres and educating the staff on financial management, we hope to not only improve immediate healthcare delivery but also empower these communities for the long term."

As part of the initiative, the wellness symposium aimed at enhancing healthcare practices in the community while providing valuable information on preventive care and holistic health approaches. Additionally, the financial literacy sessions empowered the healthcare workers with practical techniques to better manage resources.

Dr. Oyebanji Elegushi, the Medical Officer of Health Eti-Osa East LCDA, expressed gratitude on behalf of the community. "This partnership with Access Bank is a welcome relief for our healthcare facilities. The new medical equipment and the knowledge shared by Access Bank staff will make a lasting difference. We are now better equipped to treat more patients and promote healthier lifestyles within our communities.' Also present at the event were representatives of the Lagos State Government and the Health Commission in the persons of the Permanent Secretary District 3, Dr. Mosurat Adeleke; Director Medical Sciences District 3, Dr. Adenike Oguntuase; and the Executive Chairman Eti-Osa East LCDA, Hon. John Campus Ogindare.

Access Bank has continued to lead the way in sustainable practices in Africa, and this has earned the financial institution notable local and global accolades including "Best Bank for ESG" at the 2024 Euromoney Awards; "Most Sustainable Bank (Nigeria)" by the World Economic Magazine; "Sustainable Bank of the Year, Africa" at the 2024 Pan-Finance Awards; "Most Sustainable Bank of The Year" at the 2024 International Investors Awards; "Most Innovative SME Financing Program for Women Empowerment" by the International Finance Corporation, amongst others.

INTERVENTION FUND: BOI DISBURSES N22.89BN TO 29 MANUFACTURERS

The Bank of Industry (BOI) says it has disbursed N22.89 billion out of the N75 billion manufacturing sector intervention fund to 29 manufacturers.

Its Managing Director, Dr Olasupo Olusi, made this known at the first BOI interactive session with the Organised Private Sector in Abuja, which was monitored virtually.

Olusi said that out of the N75 billion manufacturing sector fund, other 20 projects valued at N6.3billion were at different stages of disbursement.

He said that the interactive session was a collaborative milestone, a reflection of shared vision to create a thriving industrial sector.

According to him, it is also a critical step in driving Small and Medium Enterprises (SME) development through strategic partnerships.

“Recently, we signed a Memorandum of Understanding (MOU) with your esteemed associations.

“This agreement underscores a simple truth that we cannot transform Nigeria’s industrial landscape alone.

“The journey to sustainable economic growth must be fueled by collaboration, innovation, and a shared resolve to address systemic challenges,” he said.

The BOI MD said that under the signed agreement, the bank had already begun making strides through joint efforts on the Federal Government’s loans programme.

He said that the event, with the theme, “Driving SME Development through Strategic Partnerships” challenged everyone to reimagine how we work together.

Olusi said in practice, this meant shared responsibility as the bank’s role was not only to provide financing but also to support an enabling environment for businesses to thrive.

“This includes addressing infrastructure gaps, regulatory bottlenecks, and access to markets.

“However, your expertise and insights are essential to inform these efforts.

“On collaborative innovation, we must work together to introduce technology, sustainability, and skills development as core pillars of SME growth.

“We are concerned about your most pressing challenges, your operations, how we can further align our programmes with your needs and the innovative solutions we can pursue together to accelerate growth,” he said.

Olusi urged the organised private sector to keep in mind the six thematic areas of impact that BOI was focused on in line with President Bola Ahmed Tinubu’s renewed Hope Agenda.

He listed them to include MSME development, digital transformation, youth and skills development, climate and sustainability, gender inclusion and sectoral growth.

NIGERIAN ECONOMY EXHIBITED RESILIENCE IN 2024 – CPPE

Dr Muda Yusuf

The Centre for the Promotion of Private Enterprises (CPPE) says the Nigerian economy, in spite of intense macroeconomic headwinds in 2024, exhibited resilience on account of Gross Domestic Product (GDP) performance.

Founder, CPPE, Dr Muda Yusuf, made the assertion in the centre's "Nigeria 2024 Economic Review and 2025 Outlook Report" in Lagos.

Yusuf noted that while the GDP grew at 2.98 per cent in the first quarter, 3.19 per cent in the second quarter and 3.46 per cent in the third quarter, it might close the year at about 3.6 per cent.

According to him, this is at par with forecasts for GDP growth for the sub-Sahara Africa and better than global GDP forecast of 3.2 per cent.

On sectoral performances in the year, Yusuf noted that while the service sector continued to dominate growth performance that of the real sector remained subdued.

He explained that the implication was that sectors with high job creation potential and prospects for economic inclusion struggled.

"This situation needs to be reversed to fix the current high unemployment and reduce poverty.

"The huge disparities in the growth of financial services and the rest of the economy showed a disconnect and exemplified the failure of financial intermediation role of the financial services sector in the Nigerian economy.

"There is a need for appropriate policy measures to correct the huge disparity in the profitability of the real economy and the financial economy," he said.

The CPPE boss, reviewing the oil and non-oil sectors' performances, said from a structural perspective, the non-oil sector continued to dominate the economic space, contributing 94.43 per cent to GDP in Q3.

He, however, noted that the economy was characterised by a paradox of the oil sector contributing an estimated 90 per cent of foreign exchange earnings while the non-oil sector accounted for about 10 per cent.

This, Yusuf said, was another dimension of a structural shortcoming in the economy that needed to be addressed.

"It is noteworthy that the non-oil sector contribution to revenue has improved markedly in recent times.

"This data reflects the enormous productivity and competitiveness challenges of the non-oil sector of the Nigerian economy.

"The policy implication is that more should be done to fix the challenges of productivity and competitiveness of the non-oil sector of the economy.

"Most of these challenges are the structural issues, infrastructural challenges, funding constraints, regulatory issues and the general macroeconomic headwinds," he said.

On foreign exchange, Yusuf noted that from July to December, the rate had largely stabilised, informed by the series of regulatory reforms and the periodic intervention by the Central Bank of Nigeria (CBN) in the market.

He said the outlook for the exchange rate in 2025 was on the upside based on sustained improvement in foreign reserves which is currently in excess of $40 billion dollars.

He added that the rate would be on the upside, hinged on improvement in accretion to reserves on the back of improved inflows from the IMTOs and diaspora remittances.

Yusuf said improved capacity of the CBN to moderate rate volatility through periodic intervention would improve the market alongside the positive impact of the $2 billion Euro Bond proceeds on reserves.

"Other dynamics to improve the country's foreign exchange rate in 2025 include the successful domestic dollar bond of $500 million, clearance of legacy obligations of about $7 billion by the CBN.

"Also, the import substitution effect of the Dangote and Port Harcourt refineries will consequently ease off demand pressure on the foreign market and the gradual recovery of non-oil export sector," he said.

INDUSTRY MINISTER TO ENGAGE CBN OVER $2.4BN FX FORWARD CONTRACTS

Senator Owan Enoh

The Minister of State for Industry, Senator Owan Enoh, has promised to engage the Governor of the Central Bank of Nigeria, Olayemi Cardoso, over the $2.4bn foreign exchange forward contracts.

Enoh said this at the first stakeholders' town hall meeting with representatives from the Manufacturing Association of Nigeria, Nigeria Association of Chambers of Commerce, Nigeria Employers' Consultative Association other members of the Organised Private Sector, in response to the real sector's stakeholders' lamentation on how the delay in settling at the FX forward contracts had impacted their operations.

The meeting was the minister's first engagement with the industry stakeholders since he came into office in October.

The meeting was aimed at fostering more collaboration, promoting inclusivity and initiating transformative conversations for Nigeria's industrial growth.

"There are the N2.4bn contracts due to the industry that the CBN is keeping, which is regarded as a breach of contract. As early as next week, I will begin to get in touch with the governor of the Central Bank to have discussions on this.

"I'm not a person who would come to a session like this and not take action. I'm going to see the CBN governor on this and I will share the outcome with MAN and OPS," the minister noted.

In response to an address from the President of the Manufacturers Association of Nigeria, Francis Meshioye and a presentation by the association's Director-General, Segun Ajayi-Kadir, which highlighted some of the challenges and recommendations on the way forward, the minister said, "We are going to articulate some of the things that have been shared via the Industrial Revolution Workgroup, which will have to be put in place. That is a multi-stakeholder group and will be co-chaired by me and the President of MAN with different stakeholders like NACCIMA and others."

According to Eno, the group will identify challenges as seen in the presentations and look at the solutions.

"This group will periodically meet and consult with others. In this way, this larger forum, for me would not meet once a year, we are in such a condition that we should inaugurate this to take place quarterly.

"I'm aware this is happening now in December, another one should take place in the next three months and it should benefit from the set-up of this workgroup, what little that they may have done, to be able to progress that has been made," he added.

Enoh added that the working group would be convened before the end of December with the membership of the work team cutting across various strategic partners in the industry.

The minister lamented, "I imagine that the textile industry is dead and it shouldn't be. If you look back, that industry employed a lot of Nigerians. We need to see what we can do to resuscitate that sector.

"I was reading some documents about moribund industries and the various attempts that had been made and to what extent we can consolidate on that. Are they working? Are there some matters of policies and is the Nigerian textile industry made to compete unequally? These are some of the things that we need to tackle. We need to return to where we were, not just in the textile industry."

He went on to express delight that MAN and OPS were supportive of the current tax bills before the National Assembly.

In his presentation, the DG of MAN highlighted the $2.4bn FX forward contracts as a major challenge impacting the real sector.

"There is a $2.4bn that the CBN is obliged to fulfil, a contract that it is obliged to redeem, and manufacturers are heavily impacted. By the continuing delay of CBN in honouring that contract, some of our members have been exposed to losses and we don't know when this will stop. When it doesn't stop, we are not going to have any remediation, and it is critically important that we put a stop to this bleeding," Ajayi-Kadir said.

He also urged the minister to ensure that colleagues, and MDAs all patronise made-in-Nigeria goods, saying, "We need to patronise made-in-Nigeria products; so we must make it a priority for ministries, departments, and agencies of government to do so.

"Minister, I'm sure this will be one of your major challenges, but you should not be at peace with your colleagues who refuse to buy made-in-Nigeria products and help our economy."

The MAN president noted that the OPS was open to working with the ministry in assessing existing policies and facilitating of possible redesign of some of the policies to achieve desired results.

Meanwhile, according to the Director General/Chief Executive Officer of the Raw Materials Research and Development Council, Professor Nnanyelugo Ike-Muonso, some raw materials that are available in Nigeria are being imported because the importers do not know that are available in the country, hence adding pressure to the naira exchange rate.

He noted that the council provided a document detailing the raw materials, their locations, and the security situation at those sites.

HOW FG CAN GROW FURNITURE INDUSTRY —SHINA PELLER, STAKEHOLDERS

In a dynamic discussion at the 4th International Furniture, Home Textile, and Household Exhibition tagged 'Nigeria DecorExpo 2024', a former member of the House of Representatives, Shina Peller along with key stakeholders, have shared pivotal insights on how the Federal Government can nurture the growth of Nigeria's furniture industry.

This event brought together key stakeholders from the furniture and textile sectors, each contributing to a larger conversation about innovation, policy, and collaboration in these vital industries.

Speaking on the first day of the three-day event holding at Landmark Centre, Victoria Island, Lagos, Peller emphasized that effective policy-making plays a crucial role in driving growth in the furniture and textile sectors. "Policies must be crafted to support local manufacturers, attract investments, and ensure fair competition," he stated.

His remarks reflect a growing consensus among industry leaders that the government needs to create an environment conducive to business.

Peller praised the previous administration's decision to restrict the importation of furniture and textile products as a positive move towards fostering local production. He added that the policy not only protected local manufacturers but also encouraged new entrants into the market, which he said is essential for stimulating economic growth.

Co-host of the event and founder of the Mindshift Empowerment and Employment Initiative (MEEI Programme), Dr. Daniel Deji Ayodele echoed Peller's sentiments by urging business owners to focus on sustainability and community empowerment. He highlighted Nigeria's vast potential, pointing out that the country is brimming with talent and resilience.

"I've always believed in the power of global partnerships," Ayodele noted, adding that by merging Nigerian innovation with Turkish craftsmanship, stakeholders can create unique products that resonate locally and internationally.

Ayodele's call for businesses to build bridges rather than just brands is pivotal for creating a thriving furniture industry that benefits all parties involved.

Also, the conversation around collaboration was further enriched by Martins Arebun, President of the MEEI Program. He pointed out the necessity for enhanced collaboration between Türkiye and Africa. As the exhibition serves as a platform for bilateral trade relationships, Arebun stressed the importance of innovation and cooperation in the furniture and textile sectors.

"Let's make this event not just an exhibition, but a movement that transforms the furniture industry," he asserted. This focus on partnership could lead to more comprehensive market strategies and improved supply chains, ultimately benefiting the economies of both nations.

The furniture and textile industries represent significant portions of Nigeria's economy, contributing substantially to GDP and providing countless jobs. By harnessing their potential, stakeholders have the opportunity to enhance exports and broaden their market reach.

Also speaking at the event, President of the Lagos Chamber of Commerce and Industry, Gabriel Idahosa emphasised that investing in these sectors will yield long-term benefits for the nation's economy.

The three-day event not only showcases the latest innovations but also underscores the economic significance of these industries and the collaborative efforts needed to propel them forward.

Also speaking, the Decor Expo Exhibition Director, Mohammed Ali Aras, noted that the insights shared during Nigeria DecorExpo 2024 serve as a blueprint for transformative action within the furniture industry.

As the event continues today and tomorrow, and as stakeholders continue to collaborate and innovate, the vision of a robust and sustainable furniture industry in Nigeria inches closer to reality.

FG DRIVING INITIATIVES TO REVIVE STEEL INDUSTRY – MINISTER

The Minister of Steel Development, Prince Shuaibu Audu, has said that the ministry is driving strong initiatives to revive the steel industry and ensure that the sector becomes operational and a great contributor to the economic diversification goals of the "Renewed Hope Agenda" of President Bola Ahmed Tinubu.

Prince Audu made this known whilst delivering his ministerial address at the opening of the 2024 Mining Week in Abuja with the theme "From Inside Out: Building the Mining Sector to be the Cornerstone of Nigeria's Economy."

The Minister said that in just fifteen months since the creation of the Ministry, it had made historic milestone achievements to actualise the vision of President Tinubu to make the steel sector a major contributor to a $1 trillion economy by the year 2030.

He added that the signing of the Memorandum of Understanding (MoU) between the Federal Government and the original builders of the Ajaokuta Steel Plant, TPE and its consortium, in September 2024 in Moscow, Russia, was a great feat in the revival efforts of the Ajaokuta plant, which has been comatose for over four decades.

"We have taken this mandate since assumption of office on August 21, 2023, with every sense of responsibility and the following milestones/activities were recorded;

"We recently signed an MoU with the original builders of the Plant, Messrs. TPE and their partners in Moscow, Russia. The procurement process for the selection of the technical audit firm has been completed, and the auditing of the entire plant will commence before the end of the year.

"We are having high level discussions with the Ministry of Defence and Defence Industry Corporation of Nigeria (DICON) to also sign an MOU for the production of major input materials for the manufacturing of military hardware using the Five (5) Engineering Workshops in ASCL.

Shuaibu Abubakar Audu

"On reviving the Aluminium Smelter Company of Nigeria (AlSCON), a high-level executive meeting with Mr. President was held in July 2024, and we were given a matching order to ensure that all issues encumbering the commencement of operation be resolved.

"We are collaborating with the National Assembly Committees on Steel Development for quick passage of the following bills: the National Metallurgical Training Institute, Onitsha Establishment Bill; Metallurgical Industry Bill; and amendment of National Steel Council Act.

"We have developed an in-house Ten (10) year sectoral Roadmap for the sustainable growth of the sector with a target production of 10 million tonnes of Crude Steel and other metallic products annually. The final Roadmap document would provide guidance to all industry players and prospective investors on the policy direction of the Federal Government of Nigeria," Audu said.

Declaring the event open, President Bola Ahmed Tinubu GCFR assured of the commitment of the Federal government to reposition the Solid Minerals, Mining, Steel and Metals Sectors within the shortest possible time.

President Tinubu, who was represented by the Minister of Innovation, Science, and Technology, Chief Uche Geoffrey Nnaji, commended the Minister of Solid Minerals Development, Dr. Dele Henry Alake for the remarkable strides in the sector under his leadership.

"I urge all stakeholders to harness this momentum and work together towards our common vision. Under the capable guidance of Minister Dele Alake, the Ministry of Solid Minerals Development has set a standard that promises prosperity for every Nigerian. Let us continue this journey with unity, ambition and the conviction that Nigeria's mineral wealth will transform our nation's future.

"Together, we will make Nigeria's mining sector a cornerstone of national pride and a pillar of sustainable development for generations to come. May our efforts be blessed, and may Nigeria's future be bright," President Tinubu stated.

Minister of Solid Minerals Development and lead host of the event, Dr. Dele Henry Alake, said that the Solid Minerals Sector has recorded significant transformation under the Renewed Hope Agenda of President Bola Ahmed Tinubu GCFR by putting new policies in place.

Also present at the event were the Minister of Budget and Economic Planning, Sen. Abubakar Atiku Bagudu CON, Minister of Defence, Mohammed Badaru CON, Minister of Information and National Orientation, Mohammed Idris, Chairman Senate Committee on Solid Minerals Development; Sen. Ekong Samson, Chairman House of Representatives Committee on Solid Minerals; Hon. Jonathan Gaza Gbefoi; Hajiya Hadiza Bala Usman, Special Adviser to the President on Policy Coordination, among others.

MITIGATING BIRD STRIKE: STRATEGY FOR NIGERIA AIRPORT WILDLIFE MANAGEMENT

Bird strike, an occasion when a bird hits an aircraft is also a collision between an aircraft and a bird or other wildlife, such as bats or small animals.

According to News Agency of Nigeria (NAN), it can pose a significant threat to aviation safety. Causes of bird strikes include birds attracted to airport surroundings by things such as food, waste and water; and habitat encroachment whereby airports built near wetlands.

Others are weather conditions which includes like storms, turbulence and aircraft flight path.

The effects of are huge and can be catastrophic. They include engine failure or damage, windshield damage, air frame damage, loss of control and emergency landings or crashes.

The consequences of bird strike consist of safety risks to passengers and crew, aircraft damage or loss, flight delays or cancellations.

There are also economic costs in terms of repairs, lost revenue; and environmental concerns like bird habitat disruption.

Aviation experts say Nigerian airports recorded over 93 bird strike incidents in the first half of 2022.

According to them, the Murtala Muhammed Airport (MMA) in Lagos is as a high-risk area for bird strikes with 54 incidents out of 93 bird strike incidents recorded.

According to a report from the Federal Airports Authority (FAAN), 134 bird strike incidents occurred in the country between 2015 and 2020.

Recently, Nigeria`s Air Peace airline confirmed that its early morning flight from Abuja to Lagos was forcefully aborted due to a bird strike incident.

A statement issued by the airline's Head of Corporate Communications, Dr Ejike

Ndiulo, informed that Abuja-Lagos flight experienced a bird strike before take-off, prompting a ramp return as a safety measure.

"All passengers disembarked normally. We have deployed a replacement aircraft for the affected flight to minimize disruptions and ensure that passengers continue their journeys promptly.

"We appeal for the understanding of our valued passengers impacted by this development, as well as those on other flights that may experience delays.

"At Air Peace, we are committed to providing safe, comfortable, and reliable air travel for all our passengers," he said.

Worried by the huge losses incurred by airlines as a result of bird strikes, FAAN said it would acquire " Phonic Bird Wailers" which would help in combating wildlife and bird strikes in the country.

Capt. Muktar Muye, former FAAN Director Airport Operation, said the equipment was already being shipped into the country.

Furthermore, FAAN took delivery of bird strike fighting equipment from Canada on October 4, 2024 to support airline operators.

FAAN Managing Director, Mrs Olubunmi Kuku, is confident that the equipment would drastically to promote safety at nation`s airports.

Kuku said that the achievement would ultimately increase Nigeria's rating in the International Civil Aviation Organisation (ICAO).

According to her, FAAN also received wildlife hazard control equipment from ICAO to enhance safety and mitigate wildlife hazards at various airports in the nation for effective utilisation.

The managing director said this demonstrated FAAN's commitment toward confronting bird strike incidents and ensuring airport safety.

Kuku, however, said that she regretted the menace of bird strike incidents on the operations of the airline operators in the country.

The delivery of bird strike fighting equipment from Canada was well lauded by the Airline Operators of Nigeria (AON) as a proactive measure to address infrastructure challenges at the nation`s airports.

Nevertheless, retired Group Capt. John Ojikutu, an Aviation Security Consultant, told the News Agency of Nigeria (NAN) recently that the nation would not make much progress in air safety unless the nation purged itself of issues that trigger air mishaps.

According to him, FAAN bought the appropriate equipment and recruited specialists from the universities with offices in the FAAN headquarters and at Abuja Airport.

"The sooner the ICAO Audits and the US FAA Audits were completed and Category One was bestowed on us, every ladder that took us up was destroyed including the human capital skills.

"The results are not only FAAN, so it is for the Airlines without skilled manpower such as pilot, engineers, in sufficient numbers.

"So it is with NAMA without sufficient Air Traffic Controllers and also in FAAN without sufficient skilled manpower in its various operations and support services.

"The general problems have to do with the oversight and enforcement Authority, NCAA which also lacks skilled manpower for the periodic inspections, checks, audits, survey, among others on all the Aviation Operators," he said.

According to him, a lot is wrong with the sector and those who performed wonders in 2006 to 2010 for the valued Category One are still very much around to tap from.

"Going out and signing various purchasing contract agreements is not the way to progress but begin with the training of skilled manpower in sufficient numbers.

"Nigerian College of Aviation Technology (NCAT), ZARIA has been brought down and we do not have sufficient funds for training abroad. There is work for us all to do," he said.

He listed aviation operators to include airlines, airports, ground handling services, regulated cargo agents, fuel marketers among others.

Also speaking with Mr Nuhrudeen Aliyu, the Assistant General Manager, Azman Airline Limited, said that acquiring equipment was different from putting them to use.

"The equipment may be active while the personnel that will work with it may be loose, that's my take," he said.

Aliyu said regulatory framework for airport wildlife management in Nigeria would reduce yearly loss airlines incur due to bird strike.

Stakeholders say that observing international best practices in bird strike prevention is also important.

YULETIDE: PASSENGERS STRANDED AS WATER HYACINTHS DISRUPT LAGOS WATERWAYS TRANSPORTATION

Many passengers travelling from Badore Jetty to Ikorodu area of Lagos State through the waterways were stranded on Xmas day due to water hyacinths disrupting passenger boat movements.

Speaking with Nigerian Tribune, some passengers expressed disappointment at the disruptions to waterways transportation on Lagos waters.

According to one of the passengers, Mr. Rufai Olatunji, the water hyacinth has forced many boat operators from running schedule boat services as at when due.

Olatunji explained that he arrived at the jetty early in the morning to catch a boat to Ijede in Ikorodu for a church fellowship but was disappointed when he discovered that boat operators were unable to work due to the invasive hyacinth.

"This is not encouraging at all. The government should find a lasting solution to these water hyacinth challenges that boat operators face yearly," he said.

Also speaking with the Nigerian Tribune, another passenger, Jamiu Omotunde, lamented the stress and frustration caused by the disruption.

"I wanted to avoid the usual Christmas traffic on the roads, but here I am, stranded.

"The government needs to invest in regular clearing of the waterways to prevent this from recurring," He said.

Also, Mr Deji Adeniyi, another passenger, expressed hope for quick and effective solutions to water hyacinth in Lagos waterways to avoid further disruptions, especially during festive periods, at the peak of transportation demands.

"Water hyacinth, an invasive aquatic plant, has long been a major issue on Lagos waterways, particularly during the dry season when it spreads rapidly.

"Government should call for more sustainable approaches, such as the use of biological control agents and community-based monitoring programmes to address the issue," he said.

When contacted, the Lagos Area Manager of the National Inland Waterways Authority (NIWA), Engineer Sarat Braimah explained that the agency will keep.clearimf water hyacinth.

In her words, "We have moved from Badore to Ikorodu and have kept clearing water hyacinth from our waterways.

"But you know there is Christmas holiday, so you should understand why there is no hyacinth clearance today.

"We will keep clearing water hyacinth. As we clear, it keeps coming. It's the season. We are ready for the challenge."

FG COMMENCES 50% DISCOUNT TRANSPORTATION PALLIATIVE FOR 144 ROUTES ACROSS NIGERIA

The Federal Government, through the Ministry of Transportation, will commence transportation palliative at a 50 per cent discount for 144 routes across Nigeria on Tuesday, 24th December 2024.

According to a statement by Olujimi Oyetomi, the Director, Press and Public Relations of the ministry, the "Minister of Transportation, Senator Said Alkali, kicks off 2024 Yuletide Road Transportation Palliative."

The statement said Alkali has directed the leadership of Road Transportation Unions – Road Transport Employers Association of Nigeria (RTEAN), National Union of Road Transport Workers (NURTW), God is Good Motors (GIGM), and Association of Luxury Bus Owners of Nigeria (ALBON) – to ensure that their palliative buses are moved to the designated loading points early on the 24th of December, 2024 to begin moving Nigerians who seek to take advantage of the road transport to join their loved ones across the country for Christmas (2024) and New Year Day (2025).

"Nigerians who intend to use this scheme from Abuja will take off from Eagle Square by 6.00 a.m., while those who are taking off from Lagos are to use Oshodi Terminal 3 for those going northern routes and Oshodi Terminal 2 for those going southern routes. Time for daily take-off is 6 a.m. However, some of the participating luxury buses are taking off by 6-7 p.m. daily from Oshodi, Lagos.

"Passengers intending to take advantage of the Yuletide Road Transportation Palliative should note that they will be required to pay 50% of the cost that they would otherwise pay."

The management of the Federal Ministry of Transportation has further advised that Nigerians should please avoid rushing in the face of the limited number of vehicles designated for the 2024 Yuletide Bus Palliative to avoid unpleasant experiences.

"144 routes from Abuja and Lagos to all state capitals except Anambra, which will be Onitsha, with 708 vehicles planned for the 2024 Yuletide Road Transport Palliative.

"Kicking off on Tuesday, 24th of December, 2024, and running till Sunday, 5th January 2025, means that the scheme will last for 13 days," the statement stated.

ART TASKS FG ON DWINDLING DOMESTIC AIR TRANSPORTATION

RECENTLY, an aviation pressure group, made up of different professionals from within and out of the country's aviation sector, under the aegis of Aviation Round Table (ART) raised the alarm over how the domestic air transport is speedily nosediving due to what the group ascribed to the high cost of air tickets and reduced purchasing power of Nigerian citizens.

Speaking with Nigerian Tribune on behalf of the group, at the 3rd quarterly business breakfast meeting organized by the non-governmental body in Lagos, the chairman, Air Commodore Ademola Onitiju (rtd), while recommending the urgent need for government to be deliberate its policy for rescuing the aviation sector from collapse, equally, urged the government to emplace policies that will create conducive environment for aviation to thrive, remove the shackles and make air travel affordable.

Onitiju used the opportunity to advocate discriminatory exchange rate for maintenance and related activities including the acquisition of aircraft spares and ground handling equipment to enhance safety and ease of operations.

According to the ART Chairman: "It is our belief that these and other benefits will reduce operational costs , enhance proficiency and competitiveness. Aviation is a catalyst for the growth of the tourism, hospitality and other sectors of the economy.

"We had suggested that there be a single digit lending rate for the aviation sector to enhance its growth and contribution to Nigeria's Gross Domestic Product . We believe that the establishment of an Aviation Finance Bank could help in actualising these. The ART equally emphasised the need for purposeful coordination between the aviation sector and other government agencies especially the Central Bank of Nigeria (CBN) and the Nigeria Civil Aviation Authority (NCAA) to arrest this existential threat."

All these salient issues raised by the ART were pointers to the fact that as much as the government was making efforts to win over foreign investors into the sector, there is an urgent need for the same energy to be applied locally.

Obviously, domestic airline business is presently encumbered with various challenges which is making the local operators to perform abysmally not that they lack the capacity but just because the challenges are weighing down on their operating cost.

This myriad of challenges was responsible for the stories of flight cancellations and delays and the subsequent loss of profitable ventures by the airlines on one hand, frustration and near apathy towards air travels by the few Nigerians still willing to patronize air travels on the other hand. It is therefore right to understand why the ART drew the attention of government to the dwindle in domestic passengers traffic as mostly caused by high cost of air tickets and reduced purchasing power of Nigerian citizens.

To describe these obvious challenges as a red flag may not be an exaggeration in view of the hardships being faced by travelers as they struggle to afford air fares, a situation which cannot be blamed on the operators who also have many financial induced crisis confronting them.

The need for government to urgently step in to rescue the sector becomes pertinent as the Yuletide draws closer when many Nigerians love to travel to their choice destinations.

Amongst the myriad of challenges making domestic air transport becoming unaffordable are: the embarrassing collapse of naira, expensive aviation fuel, which is taking over more than 45 percent of the airlines' cost of productions, multiple taxations, scarcity and the wide gap between the naira and the dollar or other foreign currencies.

The federal government through the minister of aviation and aerospace development, Festus Keyamo should therefore not trivialize the facts raised by the ART whose members are all experts in their various fields.

ART is known in the sector as a group that does not speak when it is not necessary in view of the caliber of those who made up the membership. Hence, any attempt to ignore their position as contained in their recent breakfast meeting may rub off on the frantic efforts so far made by the government to reposition the sector in the coming year.

FEW DAYS TO CHRISTMAS, TRANSPORTATION FARES HIT ROOFTOPS

With few days to Christmas, cost of transportation has continued to soar. A visit to some inter-state transport companies in and around Lagos revealed that transportation cost from Lagos to different parts of the country, have nearly doubled compared to last year.

At the time journalist made inquiries at Abia Voyage Limited, a transport company located at Okota Road, Lagos, on Wednesday, the company said charged passengers N50,000 from Lagos to Owerri, and N45,000 from Lagos to Onitsha.

According to the SUN, at KTL Nig. Ltd another transport company on Okota Road, passengers going from Lagos to Umuahia paid N55,000, Lagos to Owerri, N50,000, while Lagos to Awka and Nnewi paid N50,000 respectively.

Lagos to Bayelsa State and Port Harcourt was N58,500 by Divine Express International Transport. At Okeyson Motor on Okota Road, Lagos to Aba was N51,500, and Lagos to Owerri, N50,000.

A visit to Royal Mass Transit on Okota road, revealed that the company charged N42,000 from Lagos to Enugu on Wednesday.

Also, one of the leading transport companies in Nigeria, GUO Transport charged N57,000 from Lagos to Abakaliki, while Lagos to Enugu was N68,000 by Toyota Sienna.

It was also noted that some of the buses going to places like Ekwulobia in Anambra State, had been fully booked for Friday, Saturday and Sunday. Lagos to Abuja on Wednesday cost N62,100. Again, passengers going from Lagos to Anara, Imo State by Tuesday next week will be made to pay N56,100, and Owerri, N57,100.

Those who intend to go by night bus are expected to pay lower. Enugu by night bus with GUO transport is N48,000. At Eddyson Multi Dynamics, passengers going to Owerri paid N41,500, PH, N48,000 as at Wednesday 18th, 2024.

Onealpa Transport, as at the time of this inquiry on Wednesday, charged passengers going from Lagos to Onitsha and Owerri N32,500. One of the staff stated that the price would be N42,500 by the following day, and will continue to increase till next week.

Imo Transport Company (ITC) said they charged passengers going from Lagos to Onitsha, Owerri N40,000 on Wednesday.

Transportation fares to some of the South West States close to Lagos were usually less expensive before now. For instance, Ibadan, Ilorin, and Osogbo, which cost between

N1,500 and N4,500 last year, now goes for between N3,000 for Ibadan, and N7,500 for Osogbo and Ilorin, depending on the type of bus.

Many people have wondered why transportation costs are so exorbitant this season. But a transporter attributed it to the high cost of maintenance of the vehicles, as well as the high cost of petroleum and diesel products. He blamed the state of economy, noting that when the economy is bad, it affects everything.

A staff of the ITC who spoke anonymously stated that the price of transportation would increase by Tuesday December 24, but prayed that the price does not go up. "Usually it goes up. We are not happy when the cost goes up. It is not our fault as some people would always blame the Igbo transporters. It is not what they think. You should also consider the cost of vehicle maintenance. What if on the way the vehicle breaks down. What about fuel consumption. One third of the transport fare collected goes to the driver for fuelling," he said.

Explaining further, he said: "It is higher during this period because the vehicle that conveys passengers to the East usually comes back to Lagos empty. This is because it is difficult to have passengers coming to Lagos at that period. So the fees we charge while conveying passengers to the East are also meant to cover the cost of bringing the vehicle back to Lagos which is usually empty."

An Imo State indigene, Eugene Mmeka stated why it is compulsory for Igbos to travel during Christmas. He said, "During this period we usually have a lot of activities, including traditional weddings and burial ceremonies. However, the high cost of transportation is definitely going to stop some people from travelling this Christmas."

Comrade Anozie Emeka, a human rights activist, decried the state of the economy which he attributed to the high cost of transportation. However, he was optimistic that the situation could not stop him from travelling to the East for Christmas. According to him, the main problem working against the Igbos this Christmas is insecurity. He said: "Even when one managed to pay the transport fare, another problem is leaving on time but arriving very late with road blocks by security agents trying to check activities of criminals."

However, the Federal Government has put some measures in place to cushion the effect of cost of transportation this Christmas by slashing transport fares by 50 per cent and approving free rides for commuters on all train services during the Yuletide. The transportation subsidy takes effect from December 21, 2023 to January 4th, 2024.

Keyamo highlights Cape Town convention's role in advancing Nigeria's aviation industry

The Minister of Aviation and Aerospace Development, Mr. Festus Keyamo, has emphasised the significance of the Cape Town Convention in advancing Nigeria's aviation sector, the SUN reports.

Speaking at the 2024 Ministry of Aviation and Aerospace Conference on the Cape Town Convention and Aircraft Protocol implementation, Keyamo noted that the Convention provides a transformative legal framework that harmonises global legal systems, promoting predictability and stability for aviation stakeholders.

To him, the Convention has enhanced Nigeria's global standing, attracting increased investment and growth in aviation financing.

The minister commended recent initiatives, such as the Federal High Court Practice Directions and Advisory Circular, which demonstrate Nigeria's commitment to aligning with international best practices.

FOSTERING LIVESTOCK SECTOR WITH SMALL-SCALE FARMERS

A strategic vision for a prosperous pastoral farming sector is vital for Nigeria. This vision is intended to guide the food and agricultural sector towards a path of self-sufficiency, equity, and diversity. The deployment of the African Pastoral Markets Development (APMD) Platform by African Union Inter-African Bureau for Animal Resources (AU-IBAR) in Nigeria and other countries is expected to address increasing population and per-capita food demand, boost incomes for cattle farmers through modern marketing approaches, DANIEL ESSIET reports.

Over the past five years, Nigeria has experienced a significant increase in its reliance on food imports, raising concerns regarding macroeconomic stability and food security, thereby casting doubt on the future of the agricultural sector.

According to data from the National Bureau of Statistics (NBS), Nigeria's food import expenditure reached its highest level in five years during the first quarter of 2024. Specifically, the amount spent on food imports surged by 95.28 per cent, totaling N920.54 billion from January to March 2024, compared to N471.39 billion in the same period of 2023. The livestock sector is particularly impacted by this trend. President Bola Tinubu recently highlighted that Nigeria spends around $1.5 billion each year on the importation of milk and dairy products, emphasising the urgent need for reforms in the livestock sector. The president stated this during a two-day Consultative Workshop on Livestock Reforms in Abuja.

At this time, the sector of pastoral farming that supplies cattle is facing a variety of challenges, ranging from climate change and animal diseases to issues related to market access and environmental concerns. These challenges have had a considerable impact on food production systems throughout the country. Farmers find it challenging to access markets due to poor infrastructure, trade barriers, and inconsistent pricing, which complicates their ability to sell products at fair prices. Moreover, the variability in feed costs and competition from alternative protein sources can adversely affect profitability, making it increasingly difficult for small-scale farmers to sustain their businesses.

Tackling these challenges necessitates a comprehensive strategy that encompasses the adoption of sustainable agricultural practices, investment in infrastructure, enhancement of disease management, and improved access to markets.

To support the development and increase the productivity of the pastoral industry in the nation, the African Union Inter-African Bureau for Animal Resources (AU-IBAR), in partnership with the Federal Government, is facilitating the creation of the African Pastoral Markets Development (APMD) Platform. This initiative aims to promote market-driven transformations in pastoralism, which is a crucial source of livelihood for millions throughout the continent.

The APMD platform is anticipated to foster economic growth, particularly in rural regions, by creating livelihood opportunities for numerous cattle farmers in Nigeria, Benin, Chad, Niger, and Cameroon.

An APMD Technical Pillar Planning and Stakeholder Engagement Platform workshop which convened in Abuja, brought together experts and key stakeholders from Cameroon, Benin, Niger, and Chad to outline a transformative strategy for Africa's pastoral communities.

Earlier, the Minister of State, Federal Ministry of Agriculture and Food Security, Senator Aliyu Sabi Abdullahi, underscored the current initiatives that are poised to make a substantial impact on the livestock sector. The efforts, according to him, are expected to enhance health services, cultivate skilled professionals, and promote the production of quality meat, ultimately benefiting the agricultural community.

He pointed out that Nigeria possesses considerable potential for livestock development, owing to its abundant livestock population, conducive climate and vegetation, and a long-established culture of animal husbandry among its pastoralists.

His words: "Nigeria's livestock resources include about 21.2 million cattle, 76.3 million goats, 48.6 million sheep. These farm animals contribute to and facilitate the supply of animal protein, foreign exchange, raw materials for agro-allied industries which will ultimately assist to achieve Mr. President's Renewed Hope Agenda."

According to him, "Nigeria is a major hub of animal product consumption in West Africa and is the most important market for livestock in the sub- region. It is also one of the largest livestock-raising countries in the region. Meeting the ever-increasing domestic demand and access to these flourishing markets are major economic stakes for Nigeria and for the neighbouring Sahel countries that raise livestock.

He noted, however, that due to inadequate market information, most small holder farmer who constitute much of the farming populace are unable to take advantage of the prevailing high price for animal agricultural products, thereby allowing the greater part of the profit margin to go to the middlemen.

He continued: "The pastoralists should form cooperative societies so that they can pool their resources together. This will go a long way in ensuring that they procure inputs such as feed, vaccines drugs etc. together from genuine source hence better quality at a reduced cost. They could also source for loans from credit institutions under that umbrella."

He indicated that the government was resolute in its intention to collaborate closely with AU-IBAR and other organisations to effectively implement recommendations intended to address existing and emerging concerns across the industry.

The Director, AU-IBAR, Dr. Huyam Salih, represented by, the APMD Project Coordinator, Prof. Ahmed Elbeltagy underscored that the platform is intended to enhance the livestock sector and protect rural incomes associated with meat and livestock products.

She described the APMD Platform as a beacon of hope for millions of pastoralists, stating, "The launch of the APMD Platform takes place at a crucial time, allowing us to confront existing challenges. By fostering collaboration and innovation, we can generate sustainable growth opportunities. This workshop is a vital step toward developing strategies that empower pastoral communities and facilitate transformation."

She outlined three primary pillars guiding their initiatives: an enabling policy environment, a functional data ecosystem, and private-sector integration. She expressed gratitude to the Bill and Melinda Gates Foundation for their financial backing and strategic collaboration, noting that their ongoing investment in the pastoral livestock value chain is both visionary and impactful, helping to tackle significant challenges and foster sustainable economic growth for pastoral communities throughout the region.

She concluded : "As Nigeria serves as one of our leading countries, I am optimistic that the insights and success stories shared during this workshop will motivate other nations to join our efforts."

APMD Platform Technical Pillar Planning and Stakeholder Engagement workshop brought together experts and key stakeholders from Burkina Faso, Benin, Cameroon and Chad to chart a transformative path for Africa's pastoral communities.

According to her, Nigeria and Kenya have

been identified as a "Lighthouse Countries ," where the APMD Platform will initially translate strategies into action.

Six additional Strategic Outreach Countries (SOCs) , apart from the lighthouse countries ,she noted, would benefit from the lessons learned during this phase, in a bid to scale up success across the region.

"The goal is to foster collaboration among pastoral livestock stakeholders and ensure that pastoralists can access more profitable markets while ensuring food security across Africa," she added.

Throughout the workshop, a significant consensus resonates among policymakers, government officials, and the private sector regarding the need for modernisation in the industry, especially concerning the enhancement of cattle farming practices and the improvement of market access.

Acknowledging the vital role of the livestock sector in the economic stability and livelihood sustainability of the country, a former Director, AU-IBAR, Dr. Nick Nwankpa, posited that the failure to transform and develop the sector would have undesirable effects on the country.

He asserted that a that pastoral agriculture development strategy must prioritise enhanced governance, increased productivity, profitable commercialisation, and greater competitiveness.

This, according to him, should include supporting cattle farmers with knowledge generation, skill development and adopting appropriate technology.

He pointed out that the development of the sector requires the effective management of resources, the promotion of livestock-oriented industries, the enhancement of knowledge, skills, and efficiency, the establishment of quality control protocols, and the strengthening of marketing strategies.

A Professor of Animal Nutrition and Management and the Dean School of Postgraduate Studies, Nasarawa State University, Keffi, Nasarawa State, Maikano Ari, called for support to advance the animal husbandry sector.

He indicated that the implementation of the APMD Platform will encompass several key initiatives designed to improve the pastoral sector and provide extensive assistance to local farmers.

He expressed confidence that the intervention of the APMD platform will play a significant role in addressing challenges faced by the agricultural sector, particularly in pastoral farming, which is vital for the

socio-economic development of rural communities.

Head of Agriculture (North) Strategy, Partnership, and Solid Mineral at Sterling Bank Limited, Dr. Joshua Zira emphasised the urgent need to restructure and revitalize the pastoral farming sector to improve efficiency in addressing emerging challenges.

He stated, "The agricultural industry is a dynamic field with numerous activities. This sector directly and indirectly employs 70 percent of the population and is a significant contributor to our gross domestic product (GDP), yet it has often been overlooked. Recognising the sector's potential, we have been investing across its entire spectrum. We firmly believe in the sector's capabilities."

Zira further highlighted that since a substantial proportion of cattle producers come from underprivileged rural communities, it is crucial to direct more efforts towards enabling them to significantly contribute to livestock production.

He asserted that future growth hinges on enhancements in productivity, emphasising the necessity to revitalise animal markets to prevent the exploitation of farmers.

He believes that the APMD platform will facilitate the adoption of suitable technologies, boost productivity, and foster investment in livestock development and management.

He stated, "I am convinced that if we clearly define the objectives and expectations for the platform, we will create improved marketing opportunities for our farmers. In Nigeria, the focus is not solely on production; it is fundamentally about access to markets."

Among several issues discussed, stakeholders highlighted the importance of solid and accurate data in the livestock industry, urging policy makers to build robust data and statistical systems that support development.

Concerns were voiced regarding the existing livestock statistics, which play a crucial role in shaping plans and policies related to the sector.

According to stakeholders, the inadequacies and inaccuracies in the data have been further validated by significant inconsistencies in the information reported across the industry. There were suggestions for the adoption of technological measures to effectively track the movement of cattle from various parts of Africa into Nigeria.

For his part, The Programme Officer, National Association of Nigerian Traders NANTS, Solomon Obike,noted that the industry was facing huge development challenges that demanded innovative solutions, and modern production systems were key, in this regard.

The workshop further highlighted the legal complexities associated with the cross-border transit of animals.

The Cameroon Country Coordinator, United States Department of Agriculture Forest Service-International Programmes, Bertille Mayen, emphasised the necessity of reassessing all regulations governing animal transactions throughout West and Central Africa, given that livestock transportation is subject to national border restrictions.

She added that for the APMD to function seamlessly across the identified countries, a comprehensive review of laws and policies is essential to streamline the process of transporting regulated animals, such as livestock, birds, pets, and companion animals across borders.

According to her, livestock producers contend with barriers, and provisions in trade agreements, which can represent opportunities as well as threats to competitiveness and overall business performance.

The Nation

HIGH COSTS OF FOOD, PREVAILING HUNGER IN NIGERIA: A CALL FOR DEMOCRATIC CONTROL OF AGRICULTURE

Nigeria faces an alarming rise in chronic hunger and food insecurity. Millions of households, particularly among the working class and poor farmers, are grappling with the harsh reality of starvation as food prices soar. Even middle-class families find it increasingly difficult to afford three square meals a day, highlighting a deepening food crisis that threatens the very fabric of Nigerian society.

According to Daily Times, recent statements from Taofiq Braimoh, a representative of the Food and Agriculture Organization (FAO), reveal stark statistics: approximately 22 million Nigerians are expected to experience food insecurity in 2024, with projections suggesting that up to 82 million may be at risk by 2030. The 2024 Global Hunger Index places Nigeria at a dismal 110th out of 127 countries, indicating a serious hunger crisis fueled by a combination of historical neglect and the current administration's neo-liberal policies.

While the Tinubu government alone cannot bear full responsibility for this crisis, its aggressive implementation of International Monetary Fund (IMF) and World Bank-backed reforms has exacerbated food insecurity. Policies such as the removal of fuel subsidies, continuous fuel price hikes, and the devaluation of the naira have left poor farmers vulnerable, struggling without access to essential agricultural inputs like seeds, fertilizers, and affordable financing.

Nigeria possesses 70.8 million hectares of arable land, yet only 44% is cultivated. This is a stark contrast to countries like China, which achieves remarkable food production with only 10% of its arable land under cultivation. The fundamental issue lies not in the land itself but in the underinvestment in agriculture and the failure of successive governments to support smallholder farmers. As a result, Nigeria's cereal yields remain alarmingly low compared to global standards.

Rising Food Inflation

The National Bureau of Statistics recently reported that Nigeria's inflation rate surged to 32.7% in September, reversing a brief period of decline. The burden of food prices has never been heavier, with essential items becoming increasingly unaffordable. For instance, a tuber of yam now ranges between N2,000 and N2,500, and the cost of a 50kg bag of rice has skyrocketed to around N100,000. Staple foods like beans and garri have also seen dramatic price increases, further compounding the cost-of-living crisis.

This situation is exacerbated by price gouging and the monopolistic practices of multinational companies that dominate the agricultural sector. These entities prioritize profit over the welfare of farmers, leading to skyrocketing prices for both inputs and products. Farmers now face crippling costs for feed and other essentials, pushing many into poverty and unemployment.

Government Intervention and Accountability

Despite the government's acknowledgment of the food crisis, interventions have been inadequate and poorly executed. Promises of support for farmers have often turned into bureaucratic obstacles, with many rural producers receiving little to no assistance. Corruption and mismanagement have plagued initiatives intended to bolster agricultural productivity.

For example, the Ogun State Economic Transformation Program (OGSTEP) has been criticized for its counterproductive structure, wherein farmers are burdened with overwhelming financial obligations while government support remains elusive. This has left many farmers unable to sustain their livelihoods, trapped in a cycle of debt and despair.

The Need for a Planned Economy

To address the food crisis and eradicate hunger, Nigeria requires a fundamental shift in its agricultural policies. This involves substantial public investment in agriculture, emphasizing democratic control and management. A shift towards a planned economy, where key industries are nationalized and resources are allocated based on societal needs rather than corporate greed, is essential.

By prioritizing sustainable agricultural practices and empowering local farmers through access to modern technology and resources, Nigeria can begin to reclaim its agricultural potential. This transformation is crucial not just for food security but for the overall well-being of the population.

In conclusion, the ongoing hunger crisis in Nigeria is not merely a result of natural circumstances but a reflection of systemic failures exacerbated by neo-liberal policies. Working people and poor farmers must unite to resist these harmful practices and advocate for a system that prioritizes public welfare over private profit. Only through collective action and a commitment to a planned economy can Nigeria hope to solve its food crisis and secure a better future for all its citizens.

ADVERT RATES

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RATE	N=	K
Inside Front Cover	780,000	00
Back Cover	890,500	00
Inside Back Cover	780, 000	70
Opposite Inside back cover	700,000	00
Page three	780,000	00
Half Front page	4,000,000	50
Half Page Back Cover	550, 700	00
Half Page for Page 2	450,000	00
Half Page for Page 3	450,000	00
Half Page Inside Back Cover	450,000	00
Quarter Front page	2,500,000	85
Quarter Page Back Cover	310,400	65
Quarter Page for Page 2	295,100	00
Quarter Page for Page 3	295,100	00
Q/Page for Inside back cover	295,100	00
Quarter page for Inside page	250,000	00
Full Page	750,000	50
Half Page	415,100	00
Quarter Page	250,000	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


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$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