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BIG STORY

Nigeria's food system under growing strain

Cynthia Egboboh, Abuja

NIGERIA'S food system has come under tremendous pressure since 2020 when the pandemic disrupted the supply chain, leading to a production shortfall and sending prices of staples to record levels.

COVID-19 pandemic, the Russia-Ukraine war, and the impact of climate change, among others, have put pres-

sure on Nigeria's food system and worsened the country's food insecurity position, which is already a critical issue.

Worsening insecurity in the

Continues on page 2

Here's why a hobbled farming sector is a risk for Tinubu – Page 2

How inconsistent policy hampers agric productivity – Page 2



L-R: Ajay Banga, president, World Bank Group; President Bola Tinubu; and Akinwumi Adesina, president, African Development Bank Group, at the G20 Compact with Africa in Berlin.

BUSINESS DAY

News you can trust *Thursday 23 November 2023 Vol. 21, No 1,555 **N400** www.businessday.ng facebook/businessdayonline @businessdayng @businessDayNG

INVESTMENT ONE			
	OPEN	CLOSE	%CHANGE
NGX ASI	71,066.55	71,003.98	-0.09%
1YR NTB	17.61%		
FGN BOND 10YR	15.71%		
EURO BOND 10YR	11.00%		

Alpha Morgan Capital	
Foreign Reserve	\$33.30bn
Cross Rates	GBP-:1.25 YUAN -114.04
Commodities (\$)	
Cocoa	Gold Crude Oil
\$4,100.00	\$2,002.07 \$78.90

FMDQ Close		
Foreign Exchange		
Market	Spot (\$/N)	NTB
NAFEM	840.53	23-May-24
		0.00
		12.69
Exchange-Traded FX		
	3M	6M
Futures Rates (\$/N)		
	31-Jan-24	24-Apr-24
	840.18	866.31

AFEX					
Commodities	Cash Settled Price(NGN-1kg)	D-o-D (%)	Benchmark	Value	D-o-D %
Maize	382.80	2.86%	ACI-Points	548.7	0.01%
Sorghum	418.05	0.00%	AEI-Points	229.25	0.00%
Soybean	636.46	0.00%	Turnover-NGN' mn	227,471,076	0.40%
Ginger	990.00	0.00%	Contracts Traded	531,772	1.50%
Cocoa	4,013.00	1.03%			

Better traffic behaviour can save Lagos N4trn yearly – Report

By Amaka Anagor-Ewuzie

ACHIEVING better traffic behaviour in Lagos State, Nigeria's commercial hub centre, where a commuter spends an average of two hours to get to work each day, will save the state an estimated sum of N4 trillion being lost to traffic con-

Continues on page 2

Money market rates spike since Cardoso took over CBN

>> Turn to page 31

Mentoring, a catalyst for SME development in Nigeria

– Peter Bamkole

>> Turn to page 30

NLNG dividend to NNPC hits eight-year high

•Output decline threatens record revenue



L-R: Chris Lu, MD, Huawei Nigeria; Jim Ovia, founder and chairman, Zenith Bank plc; Bosun Tijani, minister of communication, innovation and digital economy; and Ebenezer Onyeagwu, group managing director/CEO, Zenith Bank plc, at the Zenith Tech Fair 3.0 held, Lagos, yesterday.

By 'Femi Asu

THE dividend paid by the Nigerian LNG Limited (NLNG), the biggest gas exporter in the country, to the Nigerian National Petroleum Company Limited (NNPC) has risen to the highest in eight years, official data show.

The NLNG, owned by the federal government of Nigeria (FGN) and three international oil companies, saw its revenue increase by more than a third in 2022 to \$7.59 billion, the highest since 2014.

The dividend paid to the state-owned NNPC jumped by 52 percent to \$1.10 billion from \$722.44 million in 2021, according to the NLNG's latest Facts

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BIG STORY



L-R: Bola Atta, MD/CEO, United Bank for Africa (UBA) Foundation; Veronica Anaro, mother of winner, 2023 National Essay Competition; Aadaeze Onaro, grand prize winner and student of Fountain Heights Secondary School; and Oliver Alawuba, group managing director/CEO, UBA plc, during the grand finale of the 2023 UBA National Essay Competition among senior school students in Nigeria at UBA House, Lagos.

Here's why a hobbled farming sector is a risk for Tinubu

By Cynthia Egboboh, Abuja

THE Nigerian government has yet to maximise the potential of the agricultural sector, which provides employment for 70 percent of the country's population and contributes significantly to the GDP.

Despite the enormous potential in the sector, Nigeria is yet to leverage its opportunities to drive sustainable growth and development.

With only 44 percent of the total 79 million hectares of agricultural land being cultivated, the country is currently faced with inadequate food production, which led to the importation of N1.9 trillion worth of food in 2022.

A weak farming sector is a threat to the government's food security agenda, as the country struggles to meet the nutritional needs of its growing population, experts say.

"A weak farming sector is a threat to the nation's economic growth as agriculture's decline contributes to unemployment and a decrease in rural incomes. This, in turn, can lead to social unrest and political

instability," Uchenna Daniel of Green Grain Nigeria Company told BusinessDay.

He said a weak agricultural sector will impact the government's ability to generate the much-needed foreign exchange in the country.

"As we have seen in recent times, Nigerian foods were rejected in foreign countries. This is because our farming system is weak, and our farmers do not follow the right procedures for producing food. No one is teaching them what to do and what not to do," he said.

"But if we can produce quality foods that are healthy for consumption as well as exports, with the government establishing trade agreements to facilitate the export of agricultural products to other countries, the country will have more foreign exchange," he added.

He noted that the weak farming system may further worsen the poverty levels of Nigerians as many rural communities depend on agriculture for their livelihoods.

Daniel said: "A decline in the agriculture sector can lead to increased poverty and mi-

gration from rural to urban areas, putting pressure on urban infrastructure and services.

"Agriculture is also very important to some industries, such as agribusiness, food processing, and transportation. A weak agriculture sector can affect these related industries, which will eventually impact the overall economic stability."

Since the COVID-19 pandemic, Nigeria, which depends largely on crude oil proceeds, has been riddled with weak foreign inflows, resulting in a liquidity challenge in the country's FX market.

The recent reforms by President Bola Tinubu's administration have worsened the country's FX challenges. As of November 22, the naira-dollar exchange rate closed at N1,145/\$1 on Tuesday at the parallel market.

Africa's biggest economy depends heavily on imports for almost everything, and this has continued to put pressure on the country's exchange rate as importers would need dollars to import.

The Tinubu-led government needs to boost the coun-

try's agricultural exports to earn the much-needed FX amid an acute shortfall to diversify the economy.

The country's agricultural position and potential put it in a strong competitive advantage that can be tapped for astounding economic impact and revenue diversification, especially through value addition.

Ensuring food security in Nigeria would require a deliberate effort because many factors have affected the agriculture sector, especially food production in recent years, experts say.

"The Tinubu-led government cannot afford to have a failing agricultural sector. We can't rely on oil for our FX revenue anymore; so we must make our agriculture work," AfricanFarmer Mogaji, CEO of X-ray Consulting, said in a response to questions.

"Agriculture has the potential to be the country's major FX earners as it was in the 60's and 70's. All the government needs to do is to address issues limiting productivity and value addition, while providing the enabling environment for agribusinesses to thrive," he said.

ers Association of Nigeria, stressed the need for the government to ensure the continued engagement of farmers. For him, most policies in the past failed because the farmers' associations were neglected.

He said: "The government should ensure to carry the farmer association along in developing and implementing relevant agricultural policies. Developing policies without stakeholder engagement will not be successful. Farmers are the ones that produce food; hence they must be carried along through the established associations.

"We also need policies that will ensure that we export only value-added foods. Exporting raw foods reduces the value we get in return. Also, insecurity is a major issue that must be checked. Without security, no farmer can go to the farm. Ensuring food security in Nigeria would require a deliberate effort because many factors have affected the agriculture sector, especially food production in recent years."

Nigeria's food system under growing...

Continued from page 1

country, especially in the northern region where the bulk of the food is grown, means that a significant proportion of farming is disrupted, thus leading to shortages.

The incessant attacks against farmers across the country have led to increased cases of market disruptions and loss of livelihoods.

According to a report by Save the Children International, armed groups killed more than 128 farmers and kidnapped 37 others across Nigeria between January and June 2023.

"All these challenges are a clear threat to our food production and that's why we are grappling with insufficiency, and the attainment of food security has become a mirage," Ibrahim Kabiru, national president of the All Farmers Association of Nigeria, said.

Kabiru, however, stressed the need for governments at all levels to address the issues of insecurity while promoting mechanised farming, technology, and innovation as well as deploying climate-smart agriculture.

"The current move by Mr. President on the attainment of food security by declaring a state of emergency if taken through the whole hog by stemming, insecurity, improving mechanisation, and embracing STI (science, technology and innovation), and creating centres of excellence in all the six geopolitical zones to ensure proper optimisation of attaining staple foods in all the regions, will ensure the attainment of sustainable food security in Nigeria," he added.

The pressure of rising inputs and energy costs has

further heightened food shortages in the country amid worsening insecurity. Inflation in Africa's biggest economy hit 27.33 percent in October, the highest in 18 years, and food inflation rose by 31.52 percent in the same period.

Availability of fertiliser and other key inputs became an uphill task, with prices more than tripled across the country.

Philip Ugochukwu, a farmer and member of the Ginger Growers, Processor and Marketers Association of Nigeria, said that farmers' access to improved seeds has remained a major challenge of food production in Nigeria.

According to him, many smallholder farmers who are the major food producers in the country record low quality yields due to poor seeds used for farming.

"Many of these farmers use the same seeds for several farming seasons, and most times these seeds are not treated before they are used. This is because they do not have access to improved seeds. This is a major issue that we must address," he said.

According to him, another issue is that most farmers produce foods of low quality as they do not adhere to good agricultural practices.

"They do not even have access to extension services to guide them through farm practices, and this is also affecting our food exports," he added. "We see our agricultural produce being rejected by foreign countries due to improper use of fertilisers and pesticides, which renders these foods unhealthy for consumption. There are other issues of poor storage facilities, transportation and finance."

Better traffic behaviour can save Lagos...

Continued from page 1

gestion yearly.

A report, tagged 'Behavioural Causes of Traffic Congestion in Lagos', by the Danne Institute for Research, revealed that having a good traffic situation in the state will save time and energy, which in turn would boost employees' productivity.

Speaking in Lagos on Wednesday at the presentation of the report, which was funded by the Bank of Industry and Africa Finance Corporation, Franca Ovadje, executive director of Danne Institute for Research, said connectivity is very important for productivity because spending less time on traffic would create time for work and also reduce stress as well as health risk.

Ovadje said despite having a population of 21 million, Lagos is not seeing corresponding productivity due to poor connectivity that kills man-hours of traffic jams experienced by residents in the state.

According to her, Lagos should be getting high productivity because a report states that if the population doubles in developing countries, productivity should grow by 5 to 6 percent.

She said: "Interestingly, 35 percent of our respondents said their number one challenge in living and working in Lagos is the traffic congestion. We also found that the top three main causes of traffic congestion in Lagos are behavioural. These include bad road infrastruc-

ture, disregard for traffic laws, activities of agberos at the bus stops, and buses picking passengers.

"We also asked the respondents the three things they would do if they were Governor of Lagos State to solve the traffic problem, they said they would construct, repair and maintain roads; ban agberos from the road and enforce traffic laws."

While calling on the state governor, commissioners of transport, and physical and urban planning to look at the views and recommendations of the respondents in the report, she said Lagos will make a lot of internally generated revenue from enforcing traffic laws in the state.

She said finding solutions to the traffic situation in Lagos should be on the front burner to enable the residents to tap from the opportunities in the state and attract investments.

"Lagos is losing a lot of talents to japa syndrome and is due to traffic frustration in the state; if this continues, there would be nobody left to turn the state's economy around," she said.

Earlier, Fola Fagbule, head of financial advisory at Africa Finance Corporation, said the corporation was happy to support the tremendous work done in the report, and hopes it serves as a guide to policy-making for the good of the state.

On his part, Ayodele Ositimehim, director of traffic

How inconsistent policy hampers agric productivity

Cynthia Egboboh, Abuja

POLICY flip-flop in the agricultural sector has continued to hamper food production in Africa's most populous country.

Experts who spoke with BusinessDay said that even though policies formulated by the government were targeted at the development of the sector, not so much was achieved in terms of ensuring the implementation.

"This is what we continue to see in government, and it is unhealthy for the growth of any sector of the economy," Chinedu Ojukwu, a palm oil farmer, said. "Every government comes with its own policy instead of trying to see how to work with policies of the previous administration."

He added: "We just finished training our farmers on a programme, and before you know it, the programme is changed by the government. So we have to study and understand the new programme and start training the farmers over again.

"These quick changes in policies are not helping our farmers, especially the subsistence farmers. It does not give them enough space to learn, practise, and profit from government policies."

Ojukwu said this has led to many farmers neglecting the policies and programmes of the government. "The issue with that is that many of their products do not meet required standards. But if we continue waiting for the government

policies, we might not farm."

Celestine Ikuenobe, a former executive director of the Nigerian Institute for Oil Palm Research, said consistent policies are a vital tool needed to incentivise and stimulate production.

He however said that with the increasing demand for food in the country, many farmers are carrying on with their activities, paying little or no attention to what the government has to offer.

"Whether there is government policy or not, people must produce food, because we already have a high demand for food. But we cannot override the importance of policies in any sector of the economy," he said.

Daniel Okafor, national president of the Potato Farm-

Continues on page 31

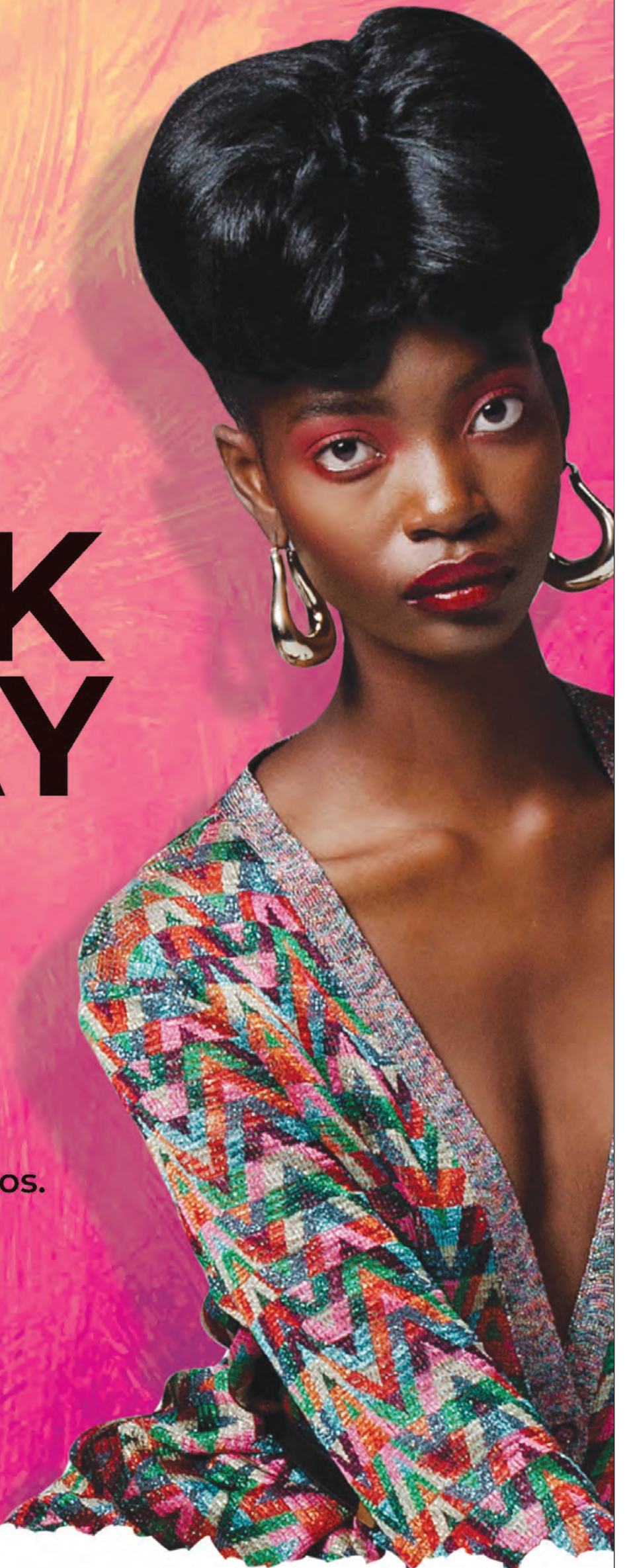
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HOST
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NEWS

OIL

Oil prices decline 4% as OPEC+ postpones meeting

By Abubakar Ibrahim

CRUDE oil prices dropped by four percent in the global market on Wednesday after the Organisation of Petroleum Exporting Countries and Allies (OPEC+) confirmed that its meeting scheduled for this weekend would be postponed to November 30.

Brent Crude, the international benchmark, dived below the \$80 a barrel threshold, at \$79.12, down by 4.26 percent, while the US benchmark, WTI Crude, crumbled by 4.37 percent to below \$75 a barrel, to \$74.55 on the day.

This plunge in oil prices stemmed from a brief statement issued by OPEC, announcing that the OPEC+ meetings, originally slated for November 25 and 26, 2023, have been rescheduled to Thursday, November 30,

2023.

Earlier in the day, prices had begun to slide after a Bloomberg report suggested that the OPEC+ group's meeting this weekend could be delayed. According to anonymous delegates quoted by Bloomberg, the November 26 meeting of OPEC+ ministers could be postponed due to Saudi Arabia's dissatisfaction with the production levels of other members.

The delegates revealed that the Saudis have been engaging in discussions with other oil producers regarding their output, hinting at a potential delay in the meeting.

Following OPEC's confirmation of the report, market anxiety heightened over the possibility of a renewed disagreement among OPEC+ members regarding production cuts and the willingness of other members to align

with Saudi Arabia's production reductions.

Prior to the announcement of the delay, analysts widely anticipated that Saudi Arabia, OPEC's top producer, would extend its voluntary cut of 1 million barrels per day (bpd) into 2024. This expectation was fueled by the recent decline in oil prices to \$80 and the typically weak demand for oil during the first quarter of each year.

Market speculation also intensified regarding the possibility of a deeper cut being announced by OPEC+ at their meeting scheduled for November 25-26.

According to multiple reports, the postponement of the meeting has cast doubt on whether other OPEC+ producers will be willing to share the burden of Saudi Arabia's efforts to boost oil prices.

JUDICIARY

Court grants Emeziele bail, trial begins November 28

By Godsgift Onyedinefu, Abuja

GODWIN Emeziele, former Governor of the Central Bank of Nigeria (CBN), was on Wednesday granted bail by the Federal Capital Territory (FCT) High Court in Maitama, Abuja.

He was granted bail on the sum of N300 million after being arraigned on a six-count charge bordering on procurement fraud of

N1.2 billion.

Emezele had pleaded not guilty and applied for bail from the custody of the Economic and Financial Crimes Commission. The court noted his application and adjourned to November 22 for ruling while ordering his remand with the Nigerian Correctional Service.

In his ruling, Justice Hamza Muazu stated that

the charges in the case were bailable offences. He directed that Emeziele must produce two sureties who have landed property in Maitama District of the FCT, as a condition for his bail perfection.

Emezele was expected to remain in the Kuje Correctional Centre until his bail conditions were met. The trial will begin on November 28.

FINANCE

CIBN, NGX partner to boost financial market

By Hope Moses-Ashike

THE Chartered Institute of Bankers of Nigeria (CIBN) says it is deepening its partnership with the Nigerian Exchange Limited (NGX) to further enhance the growth and development of the Nigerian financial market.

Ken Opara, president/chairman, Council of CIBN, said this when he sounded the closing gong as part of activities to commemorate the 60th anniversary of the institute, at the Nigerian Exchange Limited trading floor, on Monday in Lagos.

Opara also expressed the institute's desire to collaborate with the NGX to promote ethical business practices in the Nigerian capital market.

He said, "So it is very important that collaboration with this very important institution will con-

tinue as much as possible to drive that.

"We will continue to foster relationships with the NGX group because collaboration is at the heart of what we do.

"We have done that with Fintech, we have partnered with the Lagos Business School for dual qualification (ACIB/SMP OR ACIB/AMP OR ACIB/MBA).

"We have just signed a trade certification with the African Export-Import Bank to run a joint specialised Certification programme and capacity building in the area of Trade for the players and operators in the ecosystem."

Speaking on the institute's notable achievements, Opara said the institute had consistently built competent and ethical banking professionals globally, in line with its

vision of becoming a global reference point for skills and conduct in the banking and finance industry.

In this regard, he said that the Institute's banking professional examinations were being written in six countries in Africa including Sierra Leone, The Gambia, Liberia, Ghana, Rwanda and Zambia.

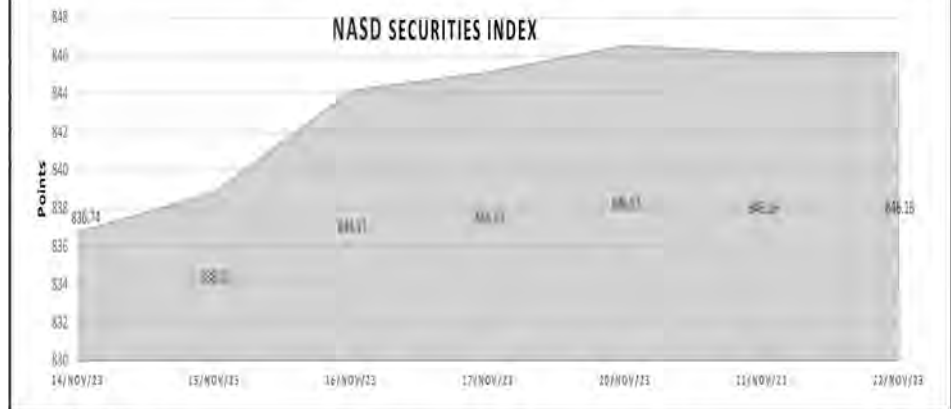
Oscar Onyema, CEO at NGX, who welcomed the CIBN team, acknowledged the CIBN's contribution to the overall ecosystem of the Nigerian capital market.

Speaking on the demutualisation of the NGX, Onyema said that before the demutualisation, the exchange was a semi-government owned entity. He said post demutualisation, the exchange has now transformed into a non-operating holding company with three subsidiaries.



DAILY MARKET SUMMARY

Wednesday, 22 Nov, 2023



MARKET SNAPSHOT	22-Nov-23	21-Nov-23	Change	% Change
NASDAQ SECURITIES INDEX	846.16	846.16	-	-
NASDAQ PENSION INDEX	148.49	148.49	-	-
MARKET CAPITALISATION (₦ Trn)	1.15	1.15	-	-
TOTAL VOLUME TRADED	2,000	3,502,222	(3,500,222.0)	↓ (99.94)
TOTAL VALUE TRADED	24,000.00	12,184,355.14	(12,160,355)	↓ (99.80)
NUMBER OF DEALS	5	11	(6)	↓ (54.55)
NUMBER OF TRADED STOCKS	1	7	(6)	↓ (85.71)

ADVANCER(S)

SECURITY	CLOSE (₦)	OPEN (₦)	CHANGE (₦)	%CHANGE
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DECLINER(S)

SECURITY	CLOSE (₦)	OPEN (₦)	CHANGE (₦)	%CHANGE
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TRADES EXECUTED

SECURITY NAME	TRADES	VOLUME	VALUE (₦)
SONASDPLC	5	2,000	24,000.00

CLOSING PRICES, OUTSTANDING BIDS & OFFERS

SECURITY	CLOSE PRICE (₦)	Outstanding Bids		Outstanding Offers	
		Volume	Highest Bid price (₦)	Volume	Av. Offer Price (₦)
11 PLC	133.00	30,930	146.30	8,971	195.00
ACCESS BANK PLC	9.68	50	9.68	-	-
ACORN PETROLEUM PLC	0.57	-	-	1,049,998	0.57
AFRILAND PROPERTIES PLC	3.42	8,186,300	3.45	-	-
AG MORTGAGE BANK PLC	0.52	2,500	0.52	-	-
AIR LIQUIDE PLC	5.50	50,000	4.80	34,808	6.05
ARADEL HOLDINGS PLC	792.00	849,143	871.20	-	-
CAPITAL BANCORP PLC	2.20	2,000	2.20	-	-
CENTRAL SECURITIES CLEARING SYSTEM PLC	20.10	780,000	18.25	1,258,980	21.58
CITITRUST HOLDINGS PLC	13.50	-	-	-	-
COSTAIN (WEST AFRICA) PLC	0.50	50	0.50	-	-
CR SERVICES (CREDIT BUREAU) PLC	1.90	50	1.90	-	-
CR SERVICES (CREDIT BUREAU) PLC CLASS A	1.00	-	-	-	-
CR SERVICES (CREDIT BUREAU) PLC CLASS B	1.00	-	-	-	-
DUFIL PRIMA FOOD PLC	9.00	3,100	9.90	-	-
FAMAD NIGERIA PLC	1.25	-	-	-	-
FAN MILK PLC	20.00	3,150	22.00	-	-
FIRSTTRUST MORTGAGE BANK PLC	0.43	-	-	2,384,415	0.44
FOOD CONCEPTS PLC	1.50	50,050	0.84	187,881	1.64
FREE RANGE FARMS PLC	1.00	1,050	1.00	-	-
FRIESLAND CAMPINA WAMCO NIGERIA PLC	71.00	24,297	65.00	499,822	76.04
FUMMAN AGRICULTURAL PRODUCT IND. PLC	1.58	750	1.59	-	-
GEO-FLUIDS PLC	2.70	-	-	5,447,733	3.01
GOLDEN CAPITAL PLC	1.00	-	-	96,350	1.00
GREAT NIGERIA INSURANCE PLC	0.50	4,950	0.55	-	-
INDUSTRIAL AND GENERAL INSURANCE PLC	0.25	2,000,050	0.15	1,135,200	0.30
IPWA PLC	0.50	2,501,000	0.50	-	-
INTERNATIONAL PACKAGING IND. OF NIG PLC	0.30	500,050	0.50	-	-
LAGOS BUILDING INVESTMENT COMPANY PLC	2.40	21,200	2.60	-	-
LIGHTHOUSE FINANCIAL SERVICES PLC	0.50	50	0.50	-	-
MASS TELECOM INNOVATION PLC	0.45	-	-	159,850	0.45
MIXTA REAL ESTATE PLC	1.49	6,000	1.49	350	1.60
NASD PLC	13.30	187,245	11.05	23,900	13.31
NEWREST ASL NIGERIA PLC	14.64	580,909	16.11	-	-
NIGERIA MORTGAGE REFINANCE COMPANY PLC	5.50	150	5.65	-	-
NIPCO PLC	5.20	14,550	80.00	-	-
PURPLE REAL ESTATE INCOME PLC	80.00	20,050	80.00	4,980,528	5.20
RESOURCERY PLC	0.41	-	-	5,743,609	0.41
RIGGS VENTURES WEST AFRICA PLC	0.95	100	0.95	-	-
THE INFRASTRUCTURE BANK PLC	0.52	1,050	0.52	-	-
UBN PROPERTY COMPANY PLC	1.50	15,000,000	1.48	-	-
VITAL PRODUCTS PLC	2.10	101,000	2.30	-	-

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NEWS

INSECURITY

Senate demands probe into \$500m spent on CCTV cameras for FCT

By Godsgift Onyedinefu, Abuja

THE Nigerian Senate has asked Nyesom Wike, the minister of the Federal Capital Territory (FCT) to investigate the implementation of the \$500 million contract for the installation of Closed-Circuit Television (CCTV) cameras in the FCT.

The resolution was sequel to a motion sponsored by Ned Nwoko (PDP, Delta North) at the plenary on Wednesday on the spate of kidnappings in the capital city.

The installation of CCTV cameras was a project conceived by the administration of late President Umaru Yar'Adua in 2008 during a visit to China.

The project was awarded to a Chinese firm, ZTE Communications in 2010. The contract provided for the installation of five components, including the video

surveillance system and comprehensive, reliable, modern and robust public security communication technology. This meant that the project was to provide audio, video and data information for use by the Nigeria Police Force and other security agencies to boost security in the FCT.

The CCTV camera project was to be funded with a \$600m financing portfolio, which was secured as a soft loan, with three percent interest repayable in ten years, after an initial ten years of grace.

In 2019, the House of Representatives committee on finance demanded an explanation of the CCTV camera project from Zainab Ahmed, the then minister of finance. Ahmed had said Nigeria was servicing the loan but she could not provide explanations on the status of the project.

"We are servicing the

loan but, on the project, we will have to ask the FCT authority because the project was deployed in the FCT, I have no information on the status of the CCTV", she told the lawmakers.

Residents of the FCT and several security experts have called for the installation of CCTV as obtained in other climes to boost surveillance, as security deteriorated.

Nwoko, while presenting his motion at the Senate stressed that despite a series of security measures already in existence, kidnapping and other insecurity challenges persist within the nation's capital.

The lawmaker said his senior legislative aide and 18 other persons were abducted two weeks ago from their residence around the Galadimawa area of Abuja.

He noted that security sources on the abduction indicated that 12 out of the

victims had been killed by their abductors, while efforts to rescue the remaining seven were still ongoing.

Nwoko called for a joint security operation involving the Nigerian Army, Nigeria Police Force and State Security Services for a rescue operation of the victims, and installation of CCTV cameras in the FCT and environs.

Adamu Aliero (PDP, Kebbi Central) while contributing to the debate, revealed that over \$500 million was awarded to a contractor for the installation of CCTV cameras in the Abuja metropolis, during his tenure as minister of FCT between 2018 and 2010.

They decried that the installation of the CCTV cameras in the Abuja metropolis was abandoned, even though the money was disbursed. He therefore called for a probe on the contract.

ECONOMY

NECA to reward resilience in 2022 Employers' Excellence Awards

By Joshua Bassey

THE Nigeria Employers' Consultative Association (NECA) says its 2022 Annual Employers' Excellence Award (third in the series) is to reward organisations that have endured Nigeria's harsh business environment and continue to thrust on amid myriads of challenges in the economy.

The annual award was instituted in 2020 to celebrate employer organisations that have implemented policies, systems, and processes that create and sustain enterprise competitiveness, productivity, industrial peace, and harmony.

According to Adewale Oyerinde, the director-general of NECA, the tough business environment in Africa's largest economy is evident in the continuing exit and closure of several companies, many of which were once thriving businesses with thousands of employees contributing to national growth, a development he described as a 'setback' for the economy.

"Several businesses have closed shop; some are planning to close or even exit the country. Capacity utilisation is now about 51 percent, while inflation is about 27 percent. Some of our member organisations are complaining that they can't even increase

the prices of their goods and services anymore because consumers are no longer able to buy due to tumbling purchasing power. Take these myriads of challenges into consideration with businesses still able to keep heads above the waters and retain workers; that is what we're celebrating in the 2023 annual NECA Employers' Excellence Awards," said Oyerinde during a session with the media on Tuesday.

Speaking further on the regulatory environment, the NECA boss condemned what he termed 'flagrant disregard' to the ruling of the court by members of the National Assembly who continue to summon the organised private sector under the guise of oversight functions. Oyerinde described this as disruptive to businesses.

Speaking on the 2023 Employers' Awards slated for November 29, at the Eko Hotels & Suites, Lagos, Stephen Olayinka, chairman of the planning committee, said it would not only reward organisations that have done well but also those that contributed to the national economy.

Olayinka said there would be awards for companies playing different sectors of the economy, including banking, food, alcoholic and non-alcoholic beverages, and manufacturing, among others.

MANUFACTURING

Future of manufacturing in Nigeria relies on tech, innovation – Uzoka-Anite

By Bunmi Bailey

DORIS Uzoka-Anite, Nigeria's minister of industry, trade and investment, has revealed that the future of manufacturing relies on the country's ability to embrace technological advancements and innovation.

Speaking at the 2023 annual Nigeria Manufacturing and Equipment Expo co-located with the Nigerian Raw Materials Exposition on Tuesday, Uzoka-Anite said people must leverage emerging trends such as artificial intelligence, automation, robotics and the Internet of Things to enhance their manufacturing processes, improve efficiency, and drive productivity.

"By adopting these cutting-edge technologies, we can boost the competitiveness of our local manufacturers and position Nigeria as a global manufacturing hub. Furthermore, the future of manufacturing also lies in harnessing the potential of renewable energy sources," she said.

She added that as the country transitions to a greener economy, people must promote the use of

clean and sustainable energy in our manufacturing processes.

"This will not only help reduce our carbon footprint but also create new job and investment opportunities in the renewable energy sector."

According to the minister, the country must prioritise the development of its raw materials sector to support the manufacturing industry.

"By focusing on value addition and local sourcing, we can reduce our reliance on imported raw materials and improve the overall competitiveness of our products. This will also contribute to the growth of small and medium-sized enterprises and empower local entrepreneurs to participate actively in the manufacturing value chain," she said.

The expo 'Future Manufacturing: Building a Sustainable Roadmap to the Industrialisation of Nigeria' created a platform for stakeholders in the raw materials supply chain to synergise, display and trade in available resources and raw materials with the users of these products.



L-R: Ben Wessel Boers, finance director, Nigerian Breweries plc; Federico Agressi, supply chain director, NB plc; Jasper Hardenberg, CEO, Daystar Power Energy Solutions; and Victor Ezenwoko, country head, Nigeria, Daystar Power Energy Solutions, during the contract signing ceremony for a 15-year solar power purchase agreement between NB plc and Daystar Power Energy Solutions, in Lagos, yesterday.

REVENUE

Reps to probe CBN, NIBBS, others over revenue leakages

By Joy Odor

THE House of Representatives has mandated the committee on public accounts to investigate revenue leakages through the remote platform, non-compliance by revenue-generating agencies of government on standard operating procedures and other allied service level agreements signed among deposit money banks, office of the auditor-general of the federation, SystemSpec, Nigeria Interbank Settlement System (NIBSS) and the Central Bank of Nigeria (CBN).

The resolution followed

the adoption of a motion titled, "Call to investigate revenue leakages and non-remittance of revenues generated through the Remita Platform", sponsored by Jeremiah Umaru (APC-Nassarawa) and Jafaru Gambo (APC-Bauchi).

Leading the debate, Umaru noted that Nigeria was not experiencing an expenditure issue but a revenue issue, saying remita was a software cum financial service platform owned by System-Specs which is a private company in charge of managing government revenues. He said has served as a gateway for the Treasury Single

Account (TSA) of the Federal Government since 2012 though fully adopted in 2015 and used in the collection of government revenues over the years.

He said over N8.7 trillion had been processed through the platform before the deployment of the software, the Nigerian government had over 15,000 bank accounts operated by ministries, departments and agencies (MDAs), the proliferation of accounts has moved from deposit money banks to the Central Bank of Nigeria allowing MDAs to create multiple sub-accounts thereby negating the TSA policy of the

Federal Government.

Umaru informed that the TSA system has created a cashless economy, transparency and effective tracking of cash assets with attendant accountability. It has not indeed fully blocked leakages and abuses by the proliferation of CBN sub-accounts.

The lawmaker noted that one percent of the funds collected was charged as commission for making use of the platform and shared among SystemSpecs (owner), deposit money banks (processor) and the central bank (license issuer) in the ratio of 50:40:10 respectively. This is alarming and unacceptable.



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T&C APPLY



NEWS



L-R: Kyari Abba Bukar, MD/CEO, Africa operations, Inlaks Computers Ltd; Yemisi Edun, MD/CEO, First City Monument Bank; Chibuzo Efobi, director, financial policy and regulation department, Central Bank of Nigeria (CBN); Chizor Malize, MD/CEO, Financial Institutions Training Centre (FITC); and Foluso Phillips, founder and chairman, Phillips Consulting Limited, at the 2023 edition of the CBN-FITC Continuous Education Programme, for directors of banks and other financial institutions in Lagos, recently.

HEALTH

Nigeria slides 7 points in 2023 tobacco interference ratings

By David Ijaseun

A new report on the state of tobacco industry interference ratings revealed Nigeria dropped by seven points in two years; from 53 in 2021 to 60 in 2023.

The report titled “Nigeria Tobacco Industry Interference Index 2023”, was produced by Corporate Accountability and Public Participation Africa (CAPPA) with support from Bloomberg Philanthropies. The document, launched recently in Lagos state, outlines the interference of the tobacco industry in Nigeria’s public health efforts.

Highlighting the key findings, the report shed light on the growing challenges faced by the Nigerian government in maintaining transparency mechanisms and disclosing interactions

with the tobacco industry, as mandated by the National Tobacco Control Act 2015 and the National Tobacco Control Regulations 2019.

Speaking at the launch, Zikora Ibeh, policy and research officer of CAPPA, emphasised the report’s focus on the exploitation of these breaches by the tobacco industry to manipulate public health policies and deliberations. Ibeh said, “The Nigerian government must work to ensure that public officials in relevant ministries, departments and agencies sign conflict-of-interest forms periodically to remind them of commitments or obligations that may compromise their office and operations.”

The report also raised concerns about the unhealthy interaction between the tobacco industry and

public officials, particularly in the agriculture sector, where top government officials have been observed participating in industry activities and openly praising them.

It further highlighted the tobacco industry’s strategic use of corporate social responsibility (CSR) activities in the media and on social platforms to bolster its image and create a perception of responsibility. “The endorsement of these initiatives by state authorities adds to the industry’s influence, as it collaborates with the government on socio-economic empowerment programs,” it read in part.

Addressing the weaknesses in enforcement measures, the report underscored ambiguities in the National Tobacco Control Act (NTCA) 2015 and its

Regulations of 2019, allowing the tobacco industry to operate without accountability in certain instances. “We urge the Nigerian government to implement the National Tobacco Control Regulations 2019 fully and review legal ambiguities to prevent industry interference,” Ibeh said.

Also at the launch, Akinbode Oluwafemi, CAPPA’s executive director, expressed concern about the industry’s continued participation in policy development, stating, “While Nigeria’s National Tobacco Control Act and its Regulations have largely checked the activities of tobacco corporations and entities, the industry has exploited some weaknesses in these laws and gaps in the system to interfere in tobacco control.”

INFRASTRUCTURE

NSIA partners Z Capital Group on infrastructural investment fund

By Cynthia Egboboh, Abuja

THE Nigerian Sovereign Investment Authority (NSIA) has announced partnership with Z Capital Group (ZCG), with the aim to establish a fund focused on infrastructure investments in Africa.

In a statement on Wednesday, the NSIA said that the collaboration offers both parties the opportunity to leverage the unique economic and financial opportunities that are currently burgeoning within the African continent.

Commenting on the deal, Aminu Umar-Sadiq, managing director of NSIA said that in collaboration with ZCG, the Authority aims to deepen its existing investments to further support Africans and play a leading role in propelling sustained socio-economic development across Africa.

He said, “ZCG shares our vision of fostering continued economic growth and innovation across Africa, ZCG also shares our focus on investments in climate adaptive infrastructure to meet the needs of current and future generations of Africans.

“NSIA is pleased to partner with ZCG on this joint venture that will enable us to pursue compelling investment opportunities in Africa.”

According to the statement, the partnership is poised to tap into the continent’s promising investment landscape, against the backdrop of Africa’s rapid economic evolution and growth, coupled with an escalating population and increasing global influences.

“The ZCG-NSIA partnership signifies a significant

step toward sustainable and impactful infrastructure investments in Africa, reflecting a shared commitment to economic development, innovation, and climate resilience in the region. This collaboration marks a pivotal moment showcasing NSIA as a partner of choice in leveraging opportunities that align with the African continent’s momentum and upward trajectory in the global economic arena.

“NSIA brings in-depth experience across key sectors, with a proven track record for executing large-scale infrastructure projects in Africa enabled through stakeholder relationships, relevant market insights, and strong pipelines for sourcing investment opportunities.”

“ZCG offers complementary vital capabilities to support the success of

this strategic partnership through its strong expertise in asset management and its ability to implement a three-pronged investment approach across private equity expertise and M&A, ZCG’s in-house consulting partners, and its innovative proprietary technology solutions,” it stated.

Key highlights of the MOU include the strategic partnership, shared vision, expertise integration, and investment commitment in identifying, developing, and implementing infrastructure projects in Africa.

Also commenting on the deal, James Zenni, Founder, and President of ZCG said that Africa with an expanding population, has several appealing infrastructural investment opportunities, which the company intends to tap into.

FINANCE

Wema Bank targets more funding for agric, women after \$50m credit deal with EBID

By Joshua Bassey

WEMA Bank is to commit more funds into promoting agriculture and businesses owned and run by female entrepreneurs following the \$50 million credit facility it signed with the ECOWAS Bank for Investment and Development (EBID) this week.

The deal was sealed in Lome, Togo on Monday, November 20.

The \$50 million credit facility assigned to Wema Bank aligns with EBID’s strategy of impacting SMEs across the sub-region via partnerships with banks and reputable financial institutions that have a significant reach within the subregion.

The Nigerian lender says with this facility, it will now further extend its loan disbursement capacity to impact more Nigerians and business owners across the country, driving the shared vision of empowerment.

Moruf Oseni, Wema Bank’s managing director/CEO, said the bank’s quest to drive impact and its mission of empowering lives through innovation, were what motivated the partnership with EBID.

“This credit facility is targeted for impact across two major areas—women and agriculture. Beyond

creating women-specific solutions, we are critically acclaimed for supporting women and female businesses nationwide and now, we can take our impact to greater heights,” said Oseni.

According to him, “Banking without impact or value is nothing, which is why we continue to find new ways to positively impact the lives of our customers and our society. Our mission is clear—to empower lives through innovation—and over the years, we have developed innovative ways to achieve it. With each solution, partnership, and initiative, we have evolved into a multifarious support system and enabler across different areas of the national ecosystem and through this partnership, more lives and businesses will be impacted nationwide.”

George Agyemkum Donkor, president/chairman, board of directors at ECOWAS, described the partnership as long-expected.

Donkor emphasised the importance of women empowerment and the need to continue providing actors in the agricultural sector with resources to enhance produce, add value to the ecosystem and increase trade returns for socio-economic growth and development.

EDUCATION

EU opens 2024 scholarship application for Nigerians

By Godsgift Onyedinefu

THE European Union delegation to Nigeria and the Economic Community of West African States has announced the commencement of the application phase for the Erasmus+ Postgraduate Scholarship Programme for the year 2024.

This programme offers Nigerians the opportunity to pursue Master’s and Ph.D. degrees in European countries, fully paid by the EU. The Erasmus+ Scholarship programme aims to promote academic excellence and international collaboration.

Samuela Isopi, European Union ambassador to Nigeria and ECOWAS, underscored the significance of the initiative, explaining that the Erasmus+ Scholarship Programme offers a beacon of opportunity for Nigerians seeking to advance their academic pursuits in Europe.

“It is not only about expanding educational horizons but also about building bridges of knowledge and fostering cultur-

al exchange. Erasmus+ scholarships offer Nigerian students a gateway to experience world-class education, engage with diverse cultures, and broaden their academic horizons”, she stated.

This year, the programme extends its scope to include teaching and non-teaching staff of higher education institutions, promoting knowledge-sharing and professional growth.

Eligible Nigerians, including higher education institutions staff, have been encouraged to visit the official Erasmus+ Scholarship website for comprehensive details on application procedures, eligibility criteria, available fields of study, and invaluable opportunities for career advancement.

Isopi reaffirmed the EU’s commitment to skills development in its partnership with Nigeria, emphasising that “Erasmus+ nurtures not only individual development but also strengthens the bonds between Nigeria and the European Union through the power of education.”

OPINION



By Dotun Adeoye

Artificial Intelligence (AI) is the current elephant in the boardroom

AS businesses across the globe grapple with the implications and opportunities of this transformative technology, Nigeria, with its burgeoning tech scene and entrepreneurial spirit, stands at a pivotal juncture. The nation has the potential to harness AI to address its unique challenges and leapfrog traditional developmental hurdles.

Today, AI is not just a buzzword but a tangible force driving change in various sectors. From Lagos to Abuja, Nigerian businesses are beginning to recognise the transformative power of AI. With advancements in machine learning, neural networks, and deep learning, AI systems can process vast amounts of data, recognise patterns, and make decisions with minimal human intervention.

The concept of AI dates back to ancient history, with myths of automatons and artificial beings. However, the modern journey of AI began in the mid-20th century. In 1956, the Dartmouth Workshop marked the birth of AI as an academic discipline. Over the decades, AI saw periods of

optimism, followed by “AI winters” of scepticism. The 21st century, with its explosion of data and computational power, reignited the AI flame, leading to the current boom.

AI in action: Opportunities across sectors

Services sector - Customer service automation: Utilizing AI chatbots and virtual assistants to handle customer inquiries, complaints, and FAQs, reducing response times and improving customer satisfaction.

Predictive maintenance: Implementing AI algorithms to predict when equipment or systems are likely to fail, allowing for proactive maintenance in industries like HVAC, elevators, or automotive services, and thereby reducing downtime and costs.

Personalised service recommendations: Using AI to analyse customer data and behaviour to offer personalised services, such as tailored travel recommendations in the hospitality industry or customised workout plans in fitness services.

E-Commerce sector - Personalised Shopping Experiences: AI algorithms analyse customer behaviour, past purchases, and preferences to recommend products, improving customer engagement and increasing sales.

Inventory management and demand forecasting: AI tools predict future product demand, optimising inventory levels and reducing overstock or stockouts, thereby saving costs and improving ef-

iciency.

Fraud detection and prevention: Implementing AI to analyse transaction data in real-time to identify and prevent fraudulent activities, enhancing security for the business and its customers.

Before diving into the AI pool, Nigerian organisations need to assess their readiness. This involves evaluating data infrastructure, understanding the workforce’s skill set, and aligning AI goals with business objectives

Education Sector - Adaptive learning platforms: AI-driven platforms that adapt to individual students’ learning styles and paces, providing personalised educational experiences and improving learning outcomes.

Automated grading and feedback: Using AI to grade assignments and provide feedback, saving educators time and providing students with prompt responses.

Exam malpractice prevention: AI can significantly reduce exam malpractice by using real-time video and audio analysis monitoring. These AI-powered proctoring systems employ facial recognition and analyse response patterns to detect cheating. This technology ensures exam integrity, especially in large-scale or remote exams, maintaining academic fairness efficiently.

Creative Sector - AI in music and art composi-

tion: AI algorithms that can create music, art, or literary works, providing tools for artists to explore new creative processes or generate creative content for specific purposes.

Content personalisation in media and enter-

tainment: AI-driven recommendation engines for streaming services that suggest movies, TV shows, and music based on individual user preferences.

Automated video editing and production: AI tools that assist in video editing, from colour correction to selecting the best clips to use, streamlining the production process.

Public sector - Smart city technologies: AI applications in traffic management, public safety, and utility services, leading to more efficient city operations and improved quality of life for residents.

Predictive policing and crime analysis: Using AI to analyse data for predicting potential crime hotspots, helping law enforcement agencies to allocate resources more effectively.

Public health monitoring and response: AI systems that track public health data to identify potential outbreaks of dis-

eases, improving response times and resource allocation for public health crises.

These examples illustrate AI’s diverse and transformative impact across various sectors, driving efficiency, personalisation, and innovation.

The power of generative AI

Generative AI, a subset of AI, can create content, be it text, images, or music. This has profound implications for industries like entertainment, advertising, and design in Nigeria. Imagine Nollywood movies using AI-generated soundtracks or Lagos-based fashion designers employing AI for bespoke designs.

Solving business challenges with AI

Customer services: AI chatbots, already in use by several Nigerian businesses, can handle a vast majority of customer queries, ensuring 24/7 support. They can also predict customer needs, leading to proactive solutions and enhanced satisfaction.

Adeoye is the Chief Executive Officer of 235 Services (UK) Limited and Co-Convenor of AI in Nigeria. He can be reached via dotun@235services.com or +44 7709 014823.

Business development: AI can analyse market trends specific to Nigeria, consumer behaviour, and competitor strategies, providing insights for business expansion and product development.

Operations management: AI-driven analytics can optimise supply chains, enhance resource allocation, and streamline operations, ensuring efficiency and cost-effectiveness.

AI readiness assessment: The starting point

Before diving into the AI pool, Nigerian organisations need to assess their readiness. This involves evaluating data infrastructure, understanding the workforce’s skill set, and aligning AI goals with business objectives. An AI readiness assessment ensures the organisation can harness AI’s potential while mitigating risks.

Bottom line

With its rich diversity and untapped potential, Nigeria is poised to be a significant player in the AI arena. But this requires proactive steps from businesses, governments, and individuals. As I often emphasise, the future belongs to those who innovate. So, whether you’re a startup in Lagos, a manufacturer in Kano, or a service provider in Port Harcourt, now is the time to explore the possibilities with AI.

Reach out, understand where AI can fit into your growth story, and be a part of the AI-driven future. The elephant in the boardroom is not just a challenge; it’s an opportunity waiting to be seized.

Data privacy and the Nigerian data protection act (2023)

By Eluyera Oladipupo Mutiu

IN a significant stride towards safeguarding individual privacy in the digital age, Nigeria has taken a resolute step by enacting the Nigerian Data Protection Act (2023), which was signed into law by President Bola Tinubu on 12th June, 2023. This legislation builds upon the foundation laid by the Nigerian Data Protection Regulation of 2019 (“NDPR”), addressing shortcomings and bringing the nation more in line with international data protection standards, including the General Data Protection Regulation (GDPR).

The Act was born out of a series of concerns arising from the limitations of the preceding regulation. While the NDPR aimed to create a data protection framework, it fell short in addressing evolving digital challenges. The absence of comprehensive provisions on processing of children’s personal data, in-

adequate guidelines on cross-border data transfers, and the omission of the legitimate interest as a lawful basis for data processing were among the primary concerns.

One of the pivotal differences between the NDPR and the GDPR was the lack of alignment with international standards. The GDPR, which serves as a global benchmark for data privacy, emphasizes consent and stringent data protection measures. The Act aims to bridge this gap by incorporating vital GDPR principles into its framework.

The Act establishes a comprehensive framework for processing children’s personal data, acknowledging the unique vulnerabilities of this demographic in the digital realm. Under the Act, children and persons lacking the legal capacity to consent, such as a lunatic, cannot grant consent for the processing of their personal data. In these cases, the Act directs the Data Controller to obtain consent from their parents or guardians instead. The

Act also mandates the Data Controller to utilize available technology to verify the consent and age of the Data Subject, which includes the presentation of any government-approved identification documents.

The Act’s stance on cross-border data transfers is another significant advancement. It outlines guidelines to ensure that personal data leaving Nigeria is protected in foreign jurisdictions. Prior to the enactment of the Act, the NDPR permitted such transfer subject to the supervision of the Attorney General of the Federation. Under the Act, cross-border transfers of Personal Data may be permissible if the recipient of the Personal Data is subject to a law, binding corporate rules, contractual clauses or code of conduct that affords an adequate level of protection with respect to the Personal Data.

One of the core components of the Act is that it prioritizes data security by setting out guidelines for

data protection and security measures. It mandates data controllers and processors to implement necessary organizational safeguards to prevent unauthorized access, loss, or damage to personal data. Furthermore, the Act establishes stringent requirements for reporting and managing data breaches. It further went ahead to provide that in the event of a breach, the data processor is to notify the data controller, who shall in turn notify the Commission within 72 hours.

The Act is however without shortcomings, as it fails to recognize the legitimate interests (“LI”) of the data controller as a lawful basis for processing personal data. The Act has now rectified this by recognizing LI as a lawful basis. Under the Act, for a data controller to rely on LI as its lawful basis, it must show that: (i) The interest does not override the fundamental rights, freedoms, and interests of data subjects; (ii) The interest is not incompatible with other lawful bases

of processing under the Act; (iii) The data subject has a reasonable expectation that personal data would be processed in the manner envisaged.

Perhaps, the pivotal feature of the Act, which is the establishment of the Nigerian Data Protection Commission which replaces the Nigerian Data Protection Bureau as the primary regulator for data protection in Nigeria, will cure the shortcomings through policy interventions, pending further amendments of the Act. This institution is tasked with enforcing compliance, conducting investigations, overseeing the accreditation, and licensing

of entities to provide data protection compliance services, and imposing penalties for violations. This regulatory reinforcement underscores Nigeria’s commitment to effective data governance.

The Act heralds a new era of data protection in Nigeria, rectifying past shortcomings and embracing global best practices. However, for successful implementation, collaboration between regulators, businesses, and citizens is essential. Stakeholders must engage in rigorous training, awareness campaigns, and continuous compliance efforts to ensure seamless integration of the Act’s provisions.

Generally, the Act signifies a significant step toward data privacy, showcasing Nigeria’s commitment to upholding individual rights in the digital age. As the Act takes effect, its impact will resonate across industries, society, and governance, fostering a culture of privacy, security, and respect for personal data.

Mutiu, legal analyst, AFEX commodities exchange limited, writes from Abuja, via oladipupoeluyera96@gmail.com

OPINION

We are the leaders of tomorrow: Call for a generational shift

By Augustina Alegbe

GROWING up in Nigeria, I remember vividly in my primary and secondary education saying these words, “We are the leaders of tomorrow”, alongside my classmates. Now years later, a new generation hears the same words, “You are the leader of tomorrow.” This raises the question, when is tomorrow? How long will we continue to anticipate a tomorrow that seems elusive? More importantly, will we be alive to see this tomorrow? The tomorrow that was and is being promised?

These words, “We are the leaders of tomorrow,” filled me with optimism and joy, believing that my generation would be the ones to transform the political landscape of Nigeria and to define our destiny. I believe this because I am a member of the Nigerian youth generation. Nevertheless, in the present day, our country is confronted with a harsh reality. Older people who have just refused to let go of their power and, one might add, are power drunk dominate the Nigerian administration. From holding the position of senator, to holding the position of governor, and then returning to holding the position of senator, without having made any discernible progress. It is a never-ending loop that is being kept going by the same group of elderly people, a cycle that hinders progress.

We continue to see that the youths are not prioritized. The dreams and aspirations of young Nigerians continually being crushed by the weight of the reality we are in, a period of being unheard and unrepresented causing frustration and disillusionment. This generation embodies potential, ambition and talent. Alas, the system holds us back because it fails to embrace us. The facts speak for themselves. Despite the fact that the Not Too Young to Run Act was passed in 2018, the number of young candidates vying

for political positions in the elections held in 2023, was significantly lower at 28.6% than in 2019, when it reached 34%. There are only a few young people working in various government positions.

Keep in mind what the older generation constantly says, “you must start from the grassroots”, yet what support have they provided to help develop the grassroots? These same grassroots were neglected by politicians who had the opportunity to assist their constituents but chose not to do so because they are more interested in amassing wealth for themselves and their off-

Let us encourage and embrace the promise of tomorrow by empowering the youth, engaging and supporting policies that foster inclusivity and advancement

spring. The grassroots they speak of have not undergone any discernible shifts since they first embarked on their own journey in politics. There is a need for change on every front. Change can start at any level. It can start from the bottom, at the top or the middle. The most essential thing is that we make the decision to act and to change.

We need to ask ourselves if the Nigeria that exists now is an accurate representation of the Nigeria that we want. Because there has been no generational shift in the leadership of Nigeria, there is a clear mismatch between those in power and the goals and aspirations of the country's young people. We are aware that it does not matter how loudly a politician proclaims that they are here to represent the interests of young people. Their body of work stands before them. We continue

to observe a lack of innovation and improvement; policies that are no longer relevant, and challenges that are not being adequately addressed. A total lack of accountability. Why are Nigerians thriving outside their country? Why are the number of graduates more than the available jobs? Why do we have children studying in dilapidated government owned schools?

Never has it been more evident that it is definitely time for a generational shift in leadership. A Nigeria where young people are actively involved in politics and where mentorship programs abound

to help bridge the gap between generations. A Nigeria where we have more youths vying for political positions. A Nigeria where the electoral reforms and processes ensure a level playing field for all. Where fairness, inclusivity and progress are obvious. A Nigeria where the older generation by aiding this transition leave behind a legacy of prosperity, unity and a harmonious existence of both old and young. Our nation deserves the very best. Our nation deserves leaders who embody these values, leaders who will inspire future generations.

I urge us as a people to continue to call for change. Let these words “You are the leader of tomorrow”, not just remain mere words, but also let us see them become a reality. Together, let us champion a generational shift. Let us encourage and embrace the promise of tomorrow by empowering the youth, engaging and supporting policies that foster inclusivity and advancement. Let us remember that every decision we make today has a bearing for tomorrow. Let us unite to build a Nigeria that generations to come will be proud of. A Nigeria where strength and dignity prevails, where peace and justice reigns. A Nigeria where the promise of tomorrow becomes the reality of today.

Alegbe is a student of Political Science and International Relations, Nazarbayev University.

By Obiotika Wilfred Toochukwu

IF Nigerians waded through the torment, torture and turmoil of President Muhammadu Buhari administration and still stood their ground, they can virtually survive anything. That administration is an offshoot or the brainchild of the present government which has made citizens on horseshoes to feel a piercing pinch.

We are not comparing the two administrations yet, as the latter is just evolving but it appears slightly difficult to believe that the entity called ‘Nigeria’ would continue to exist or develop after several years of Tinubu. It is not a prophecy nor a sadistic impulse but the signs portray vividly that a collapse is imminent. We had the worst insecurity, worst economy during the Buhari era but what do we call what is taking place in present-day Nigeria. Every seminar, workshop or training teaches nothing but how to survive the conundrum, uncertainties, hardship and eventualities in Nigeria yet nobody considers the country or the nation whose citizens are seeking for survival and an escape route.

Interestingly, the backdrops of the previous administration are made pre-eminent by Tinubu. Social evils which the Buhari government forced down the throat of Nigerians are now on rampage and flying everywhere. Despite all the socio-economic woes and negligence, we know that tough times do not last but tough people do. Therefore, without the slightest hesitation, we weep, cry and moan the condition of Nigeria which the visionless leadership had brought her to. A High-life musician from the South east in early 2000s derided Nigerian leaders says; “You postulated (said) that war has ended?” Do we now say that Nigeria is at peace with herself, citizens and foreign threats?

We must not fail to point out that the present government increased and widened the tribal partition, divides and hatred. Few Nigerians could boast of inner peace but social peace and security have eluded the majority of the citizens. Just like the Reggae star sang; people are dying like flies every day, making nonsense of life, living and existence which should have otherwise motivated, inspired and pushed citizens to invent, recreate and adopt best modalities of doing things. Making Nigeria one was a task some of our military heads of state claimed to be committed to not minding that their actions put Nigerians away and apart on tribal lines. 98% of Nigeria's revenue is used in servicing debt and

Can Nigeria survive Tinubu?

there is neither foreign nor domestic investment taking place in the country but the country spent over ₦5 billion on SUVs for legislators. The continuous criminal borrowing showed that something sinister takes place between the lenders and borrowers. It makes a lot of sense to inquire whether Nigeria would survive with the life and blood of her citizens.

Sadly, the almost 28% inflation rate in Nigeria has made education, housing, water, electricity, health, gas, fuel etc. exorbitant, costly and out of reach for the low-income Nigerians. Rise in prices of food has made many angry, hungry and frustrated. Teenagers are now being kidnapped by unscrupulous individuals for a ransom of ₦100,000. Services in restaurants, hotels, communication giants have added charge without any additional value. The survival of Nigerians depends largely on the longevity, strength of the nation Nigeria. If Nigeria falls apart today, the citizens will serve strange masters and become perpetual slaves.

Dutifully, we must seek ways to ensure that Nigeria does not go into oblivion. Everyone in Nigeria complains, chatters and bickers because the pride of nationhood is turned to shame. Businesses are failing, dollar exchanges for over a thousand naira, no forex for import and export, sales have drastically dropped and transportation is amongst the costliest ventures in Nigeria. It's foolhardy to posit or think that one would always find a way, an escape route even when the nation is on the brink of collapse. Do we see any sign that Nigeria will take the lead as an African giant again in the next five years? A rich and naturally-endowed country like Nigeria has 60% of her citizens in a multidimensional poverty situation. If Nigerians are starving, impoverished, begging and immigrating to other countries of the world; do we still consider Nigeria blessed and filled with abundance?

Moreover, ‘Why Nations Fail’ is a book of discovery by Daron Acemoglu and James A. Robinson which discusses rich and poor nations, pointing out that economic and political institutions are crucial for the survival and prosperity of nations. The recent off-type elections in Bayelsa, Imo and Kogi states reveal that the state of the nation is marooned and lampooned. Most federal roads throughout the federation are overgrown by grasses and shrubs signifying that the political institutions are mimicked, non-functional. Neglect, corruption, and incompetence make a country collapse. If the government avoids necessary choice, practices only defensive politics, and represses the protests with tyranny, Nigeria is likely to

implode.

Eventually, the Nigeria Labour Congress (NLC) embarked on strike from Monday 13th November not minding the court orders and government entreaties. The removal of fuel subsidy and hike in the price of petrol brought about several economic woes which the government does not want to address. And just like every other thing in today's Nigeria, the Labour Unions foreshadow smokescreen on the ordinary and struggling Nigerians who could have hoped that relief could be gotten through ‘Aluta Continua’. It's obvious that managerial incapacity, failing to meet popular needs, causes dissatisfaction even though the present government is not people-oriented. Nigeria is not just weak, she is ailing, sick and dead. Who can resurrect Nigeria? Would Nigeria ever stand on her feet again?

Bizarrely, when citizens in a country cannot save, invest and innovate; do we think that the country still stands? The collapse of the Soviet Union and the fall of communism has a big lesson for great leaders and why democracy is failing in Africa is another matter of serious concern. From all indications, natural disasters – drought, flooding, earthquake, hurricane, epidemics have never made any country poor but mismanagement and political instability can make a strong nation weak. A nation can survive failure by learning from mistakes, fostering resilience, and implementing adaptive strategies.

In conclusion, Nigeria can still survive if the leaders and followers are willing and ready to pay a price. She can grow and advance economically if the leaders are willing to make sacrifices. A country where no meaningful venture or enterprise pays except politics is on the brink of collapse. And some of us have paid with their blood as many are killed, kidnapped and mesmerized by the acrimony, bitterness and vested interests amongst different political parties. We learned from history that abuse, corruption, immorality, impunity, neglect, oppression, and tyranny led to the downfall of the great Roman Empire. Nothing goes for nothing and our political leaders must take a bold step and make a decision to rescue Nigeria. Seeking cheap popularity and dancing to the tune of naysayers, world powers will not help Nigeria. Nigeria should focus on diversifying its economy beyond oil, investing in infrastructure, promoting education, addressing corruption, and fostering inclusive governance. Long-term stability and growth will awaken Nigeria's weak, dead institutions for optimal output and production.

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EDITOR

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DEPUTY EDITORS

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Fossil fuels and Africa's predicament

MANY countries and international oil companies have introduced targets to achieve net-zero emissions by 2050 but, increasingly, attention is turning to what this would mean for Africa's oil and gas producing countries like Nigeria.

The European Union is striving to be climate-neutral by 2050 – an economy with net-zero greenhouse gas emissions. This objective is at the heart of the European Green Deal and in line with the EU's commitment to global climate action under the Paris Agreement.

This means energy transition is gaining speed and Africa's oil and gas producers require clarity as they join the global race to a net-zero emission future. The energy transition is the departure from fossil fuels to renewables and this has led countries in Asia, Europe and America to set dates for banning internal combustion engine vehicles.

Nevertheless, this meets with the economic benefits of Africa strategically managing its oil and gas industry.

With a population of 1.2 billion, the continent is energy-thirsty because it is home to developing and emerging economies. Africa can embrace clean energy without missing out on a

critical means of giving more African households and businesses access to electricity through the use of its vast natural gas reserves. This has also been echoed in a report by the African Energy Chamber.

Nigeria, Algeria, Egypt, Tanzania and Libya are among the top 10 producers of natural gas on the continent. Others are Angola, Ghana, Cameroon, Mozambique and the Republic of Congo.

On a continent where millions of families are using traditional, hazardous biomass for cooking, where 600 million people lack access to reliable electricity, we see the idea of leaving valuable oil and, especially, natural gas, in the ground as impractical, unpalatable, and inappropriate.

According to the International Energy Agency (IEA), demand in Africa today is 700 terawatt-hours (TWh) of electricity, with the vast majority, more than 70 percent of the total, derived from North Africa and South African economies. But the IEA predicted that, by 2040, the fastest demand growth will come from sub-Saharan nations.

In our view, to meet this demand, African countries require a diversified energy

Doing what is best for Africa and what is right for the environment are not necessarily mutually exclusive. Some form of balance is always possible

mix from fossil fuels such as natural gas to cleaner energy developments across the continent. This is because, while solar power and wind can help provide electricity to fill the current and impending power void, neither of them can furnish feedstock for industry, petrol for transportation, or process heat for manufacturing.

The African Energy Chamber's 'African Energy Outlook 2021' says, beyond the calamity created by COVID-19, in the short-term, the drive to curb carbon emissions is one of the conventional oil and gas industry's biggest challenges, and one of Africa's, too. We can't agree more.

We, however, identify two paths that open up for oil producers on the African continent. One is for the continent to expand exploration and production of

its vast natural gas and oil reserves to bring electricity, fuel, and financial power to hundreds of millions.

The other path is for the continent to yield to pressure to help achieve climate targets, including outright bans on fossil fuels that would eliminate funding for natural gas projects.

It is our belief that doing what is best for Africa and what is right for the environment are not necessarily mutually exclusive. Some form of balance is always possible.

Africa consumes so little energy now and so, the continent's emissions from oil and natural gas are minimal. In fact, the World Economic Forum estimates that if all of sub-Saharan Africa tripled its electricity consumption overnight using only natural gas, the additional carbon dioxide (CO₂) would be equivalent to just 1 percent of global emissions.

We reason with NJ Ayuk, executive chairman of South Africa based African Energy Chamber, who noted that the road to energy transition might be bumpy for everyone, but the idea of banning all fossil fuels makes it exceptionally treacherous, if not impassable, for Africa.

Curbing emissions is a

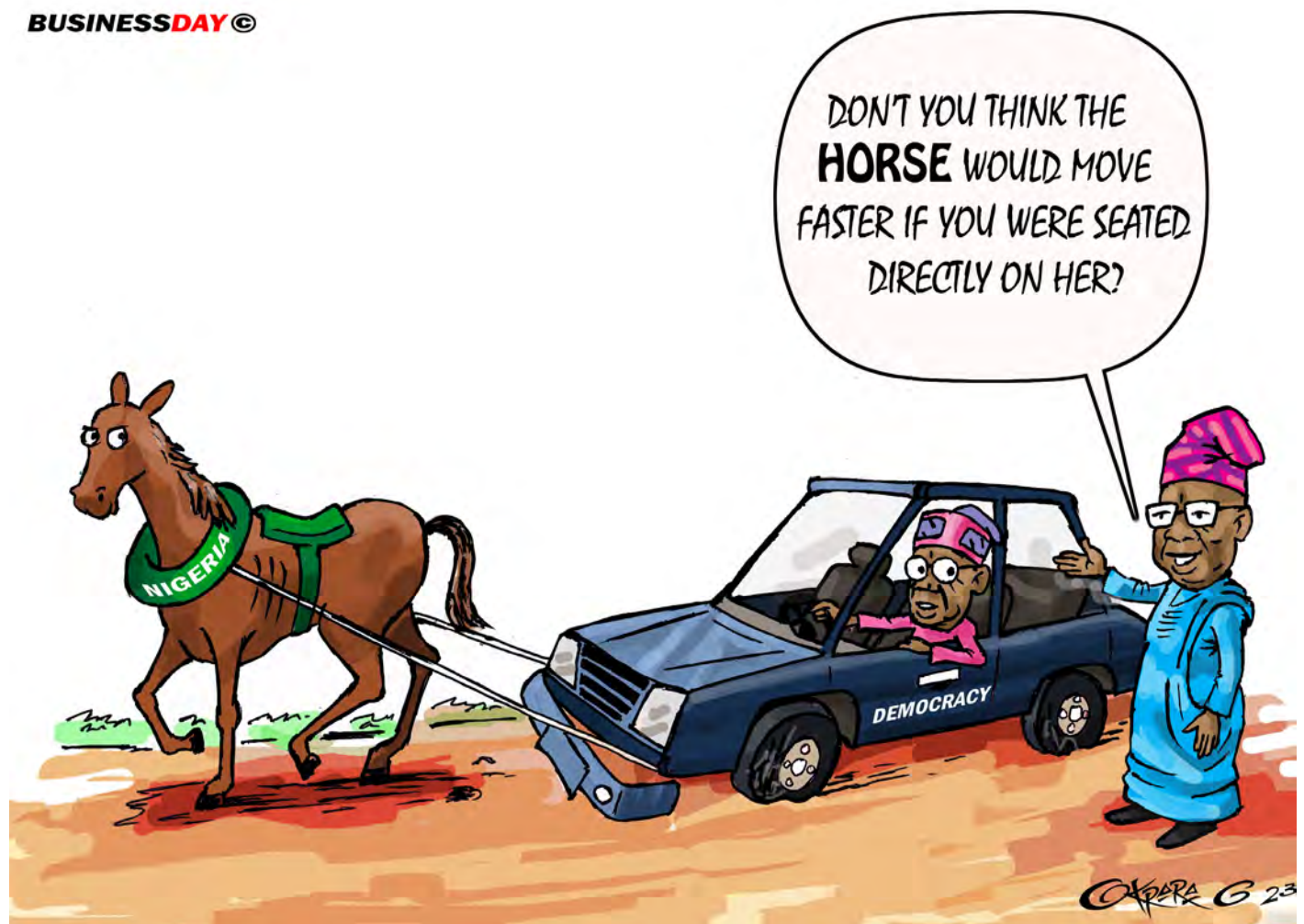
noble and essential goal. The problems associated with climate change are not something that can be ignored. After all, Africa is considered more vulnerable to the effects of climate change than many other areas, especially since so much of the population depends on regular rainfall to grow food crops.

Fossil fuels are not going away soon. It would be around for at least two or more decades. Nevertheless, we advise that, within this period, Nigeria and other African countries with oil and gas reserves have to quickly create an enabling business environment to fuel their economic and industrial development.

Certainly, rising income and population growth will propel energy demand in Africa. The continent has the fastest growing population in the world and the youngest. Greenhouse gas emissions are likely to increase as well.

However, adhering to an intelligent, modern energy plan that incorporates renewables along with natural gas offers some escape route from sustained greenhouse increase and opens the path to a lower carbon emissions future for Africa.

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briu@businessday.ng 08184214639

Encouraging the next generation for a digital future through education technology

By Yusuf Quadri

EDUCATION technology is not just a trend but a transformative tool that holds the potential to empower the next generation for a digital future.

The effective application of technology in educational institutions is not a relatively new development. We have seen the gradual move in the last few decades from conventional teaching techniques to a more technologically advanced approach. At first, the use of technology in education was restricted to simple computer tasks. But with the development of the internet and increasing adoption of digital gadgets, the nature of education has changed significantly.

The growth of online learning platforms is one of Education technology's most important contributions. These platforms provide students worldwide with access to a wide variety of courses, ranging from academic disciplines to skill-based training. A more flexible and individualized learning environment is fostered by allowing learners to interact with the content at their own speed. Students who might have financial or geographic barriers to traditional schooling may especially have advantages over this.

Many interactive technologies that engage students in ways that traditional approaches cannot have been launched by Education technology. The utilization of virtual simulations, augmented reality programs, and interactive whiteboards enhances the immersion and enjoyment of learning by bringing subjects to life. With the help of these resources, students with a range of interests and talents can succeed even when they have diverse learning styles.

The internet has become a vast repository of educational



content, ranging from e-books and online articles to video lectures and interactive quizzes. Open educational resources (OER) have democratized access to quality learning materials, breaking down barriers and providing affordable alternatives to traditional textbooks. This accessibility is crucial in fostering inclusivity and equal opportunities in education.

Learning may be made more dynamic and engaging with the use of Education technology, which improves comprehension and retention. To ensure that students fully understand subjects, interactive components, multimedia information, and adaptive learning algorithms cater to individual learning styles.

Students can communicate with classmates and teachers worldwide via internet platforms. Their views are expanded by this worldwide connectedness, which also encourages teamwork and intercultural understanding—two qualities that are crucial in the

linked world of today.

Education technology focuses on building abilities that are essential for success in the twenty-first century, going beyond academic knowledge. Many Education technology tools incorporate collaboration, digital literacy, critical thinking, and problem-solving skills to help students get ready for the demands of a workforce that is becoming more and more digital and innovation-driven.

Technology has the potential to break down traditional barriers to education. Students in remote or underserved areas can access quality learning resources, and those with disabilities can benefit from assistive technologies that cater to their unique needs. Education technology promotes a more inclusive and equitable education system.

Different socioeconomic groups have varying degrees of access to technology and the internet, creating a huge barrier known as the digital divide. It is imperative that

this gap be closed so that every student has an equal chance to reap the benefits of Education technology.

Data security and privacy concerns have grown in importance as digital platforms are used more frequently. Protecting sensitive student data must be a top priority for educational institutions, and they must follow stringent data protection guidelines.

Teachers with the requisite training and expertise are essential for the effective integration of Education technology. In-depth training courses and continuous assistance are necessary to enable educators to successfully integrate technology into the classroom.

One of the most frequent obstacles to Education technology adoption is resistance to change. There may be some policymakers, parents, and educators who are dubious about the advantages or worry about possible negative effects. Overcoming this reluctance requires evidence-based advocacy and effective communica-

tion.

The future of Education technology

There are a lot of interesting things in store for Education technology as technology develops. New developments in virtual reality, gamification, and artificial intelligence have the potential to completely transform education. The following are some crucial areas where Education technology is expected to have a big impact in the future:

Adaptive learning systems driven by artificial intelligence personalize curriculum to each student's unique needs and stage of development. These systems make sure that students receive individualized training by continuously evaluating performance and modifying the learning path.

Technologies such as virtual and augmented reality have the ability to build immersive learning environments. These technologies improve hands-on learning by bringing abstract concepts closer to reality, whether it is through virtual science experiments or historical landmark exploration.

Technology in education is more than simply a tool; it is a revolutionary force that could completely change the way that education is delivered in the future. Through individualized instruction, worldwide communication, and the development of digital-age skills, Education technology is equipping the next generation to deal with the challenges of a constantly shifting global environment. Prioritizing diversity, data security, and continuing teacher support is critical as we negotiate the benefits and difficulties presented by the incorporation of technology into education. Education technology has the potential to genuinely empower the next generation for a digital future, if it is implemented thoughtfully and there is a dedication to correcting current inconsistencies.

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COMPANIES & MARKETS

Soaring input cost dents Africa Prudential's earnings

By Folake Balogun

AFRICA Prudential, an investment service provider in Nigeria, has seen its input cost rise by 383 per cent in the first nine months of 2023.

This development can be hinged on IT infrastructure, IT outsourcing, and software which cost N653.23 million, N186.45 million, and N9.16 million respectively in 9M'2023.

Africa Prudential's input cost surged to N848.84 million in 9M'2023 from N175.9 million in the same period of 2022.

The firm's revenue from contracts with customers, however, grew marginally to N1.56 billion from N1.15 billion during the period.

Gross profit inched down to N706.53 million in 9M'2023 from N974.45 million in the same period of 2022.

Credit loss expense

Africa Prudential's financials snapshot (N'million)

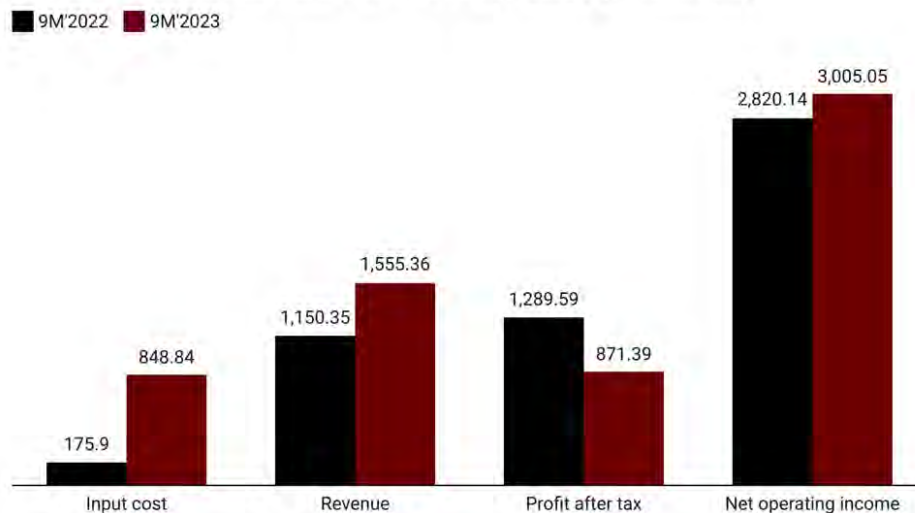


Chart: BusinessDay Media • Source: NGX • Created with Datawrapper

increased to N15.28 million in 9M'2023 from N1.43 million in the similar period of 2022.

The firm's net operating income surged to N3.01 billion in 9M'2023 from N2.82 billion in the same period of 2022.

Net operating income is driven by interest income which

amounted to N2.28 billion and other income which amounted to N23.52 million.

Africa Prudential's personnel expenses surged to N727.9 million in 9M'2023 from N538.37 million in the same period of 2022.

Profit after tax dipped to N871.39 mil-

lion in 9M'2023 from N1.29 billion in the similar period of 2022.

Earlier this year, Africa Prudential bagged ISO 9001: 2015 (Quality Management System) and ISO 23001:2019 (Business Continuity Management System) certifications.

These certifications

are in addition to the already existing ISO 27001:2013 (Information Security Management System), which the company received in 2020.

The certifications followed a comprehensive audit and evaluation exercise conducted by MSEC – an internationally recognised certification body.

“The implementation of the ISO 27001:2013, ISO 9001:2015, and ISO 23001:2019 standards assure companies and individuals doing business with Africa Prudential that the company is resilient and able to consistently provide products and services that meet customer and applicable statutory and regulatory requirements.”

Revenue from digital technology services amounted to N958.58 million, fees from corporate actions amounted to N322.45 million and registrar main-

tenance amounted to N274.34 million in the nine months of 2023.

IT expenses dipped to N94.4 million in 9M'2023 from N135.81 million in the similar period of 2022.

Interest on short-term deposits increased to N1.75 billion in 9M'2023 from N4.55 million in the same period of 2022.

Interest on bonds dropped to N104.29 million in 9M'2023 from N117.92 million in the same period of 2022.

Interest on loans and advances to N417.78 million in 9M'2023 from N1.7 billion in the same period of 2022.

Dividend income dipped to N21.67 million in 9M'2023 from N23.98 million in the same period of 2022.

The final dividend paid stood at N0.50 equity dividends on ordinary shares in 9M'2023 from N0.50 in the same period of 2022.

Lagos accountant-general urges ACCA to broaden finance education

By Abubakar Ibrahim

ABIODUN Muritala, the Accountant-General of Lagos State, has called upon the Association of Chartered Certified Accountants (ACCA) to incorporate public secondary schools in its upcoming finance competition targeted at nurturing young finance talent.

The initiative also aims to foster financial education and literacy among students, serving as a pathway to professional and career success.

He made this known to BusinessDay at the just concluded nationwide finale of the ACCA Secondary School Finance Competition (SSFC) 2023 in Lagos involving Loyola Jesuit College from the north, Trinitate International School (south), and Rainbow College (west).

“Coming up next year, the only aspect that I need ACCA to look into will be the area of public school. I attended a public school

and today, I'm the accountant general of Lagos.

“It shows that there are great pupils in the public school, please bring them on board, I'm sure they will be able to compete with these fantastic students,” he urged the organisers.

In addition, the accountant-general lauded ACCA for organising the competition across the country. “This is the right investment and I'm sure you're going to reap it.”

The competition occurred between November 4 and 18, 2023, in Lagos, Abuja, and Port Harcourt, with 10 schools representing each zone. The national winner received N2 million in addition to a capacity-building session for the school's staff, while the first and second runners-up received N1 million and N500,000 respectively, which was given to students and teachers.

Loyola Jesuit College, representing the north won the compe-

tion while Trinitate International School (south), and Rainbow College (west) were first and second runners-up respectively.

“Winners of today's national competition will not only receive cash prizes and a plaque for each member of the team but also a one-month internship opportunity with an ACCA-approved employer,” said Olubukola Adewuyi, chair of the Secondary School Finance Competition Advisory Committee.

According to her, accountancy is an excellent choice for people of talent, industry, and ambition, who want to make a positive contribution to society and to make a good life for themselves and their families.

ACCA is a leading global accountancy profession with a diverse community of over 247,000 members and 526,000 future members in 181 countries, united by common values of integrity, inclusion and innovation.

84 Nile varsity graduates' bag first class

By Cynthia Egboboh, Abuja.

No fewer than 84 out of the 1,251 graduating students of the Nile University of Nigeria, Abuja bagged first-class degrees, Dilli Dogo, the Vice Chancellor of the institution made this known ahead of the 11th convocation in Abuja.

Dogo noted that 632 post-graduate students will also be graduating out of which 45 would be awarded Doctor of Philosophy.

According to him, the institution which was opened for admission in 2009 has achieved critical development both physically, and in terms of the infrastructure required for a conducive learning environment.

“Nile University though as young as it is, has graduated the first set of doctors doing well in their job across the country. In the same vein, the Medical and Dental Council and National Universities Commission have increased our enrolment quota from 50 to 100. This is a rare feat.

“Of the total 1,251

students graduating, 619 are undergraduate, 84 are graduating with first class, 253 are graduating with second class upper, 229 with second class lower and 10 are graduating with third class upper.

“Of 632 postgraduate students will be graduating and 45 of them will be awarded PhD degrees of the university while two illustrious Nigeria will be awarded honorary doctorate degrees of the institution,” he said.

Speaking further, Dogo said that the institution had recently signed a Memorandum of Understanding with the government for the takeoff of the first African aerospace and aviation University as part of the aviation roadmap of the country.

He also said that to bridge the gap of the continued exodus of medical personnel from the country, the federal ministry of health has approved Nile University to increase enrollment of medical students given the huge infrastructure and quality of research

work by the institution.

“Our graduates are employable anywhere around the world. The employability of our graduates currently stands a 76 percent. Both industries and government have found out that our graduates are skillful productive, and responsible to the needs of industries.

“We are going to ensure that graduates from this institute continue to respond to the needs of the industry,” he said.

In his remarks, John Vermaaten, Pro-Chancellor of the University said that the University was committed to the academic achievements of the students and their outcomes as they grow as an individual. “We've worked hard over the last couple of years to expand the facilities and buildings.

“We desire to give the students a university and the best education possible. We continue to grow and will continue to invest in our students and facilities. We will continue to expand our

COMPANIES & MARKETS

IPPG-OPTS engages National Assembly on Nigeria's oil production crisis

By Amaka Anagor-Ewuzie

THE Independent Petroleum Producers Group (IPPG) and Oil Producers Trade Section (OPTS) have engaged with the National Assembly in a bid to stabilise the nation's fluctuating oil production volume.

This initiative came to the fore at the capacity building workshop organised by the two groups for members of the National Assembly in a renewed effort to combat crude oil theft, enhance security in the Niger Delta region, and tackle other challenges plaguing the country's oil and gas sector.

During the engagement held in Abuja recently, Godswill Akpabio, senate president, expressed lawmakers' commitment to addressing sector challenges while lamenting the lack of judicious use of oil

sector windfalls.

Represented by Etang Williams, chairman of the Senate Committee on Upstream Petroleum, Akpabio said there is a need to increase the nation's daily oil production to 1.8 million barrels.

Rick Kennedy, chairman of the OPTS said there is the need for knowledge sharing to facilitate decision-making and foster collaboration with the National Assembly.

"Our goal is to make Nigeria the destination of choice once again for investors in the oil and gas sector. The OPTS and IPPG are willing to work with the National Assembly to realise this dream", Kennedy said.

Abdulrazaq Isa, chairman of IPPG, listed investor uncertainty, global energy transition, and insecurity

in the Niger Delta as challenges faced by the sector.

He said there is an urgent need to ramp up oil and gas production to bolster the nation's revenue and achieve macroeconomic stability.

Isa however outlined areas of priorities to include amending critical aspects of the PIA to establish a robust regulatory framework, enhancing industry competitiveness to attract funding, improving security in the Niger Delta, and developing a value-creating midstream and downstream sector to boost GDP and job creation.

Also, petroleum producers urged the Federal Government to settle the \$1.3 billion debt owed to gas producers, adding that this payment would stimulate growth, create new opportunities, and enhance the nation's GDP and power generation capacity.

RMB Nigeria wins FMDQ compliance, secondary market awards

By Anthony Nlebem

RAND Merchant Bank Nigeria has bagged the FMDQ Member Compliance, Secondary Market Awards for its remarkable achievements in the Nigerian financial market from October 2022 to August 2023 at the recent FMDQ GOLD Awards.

This prestigious award is presented by FMDQ, a leading Nigerian financial market infrastructure group.

The FMDQ GOLD Awards are designed to honour and acknowledge the resilience and agility of key players within the Nigerian financial market. These awards are underscored by FMDQ's GOLD principles, which stand for "Global Com-

petitiveness, Operational Excellence, Liquidity, and Diversity." The GOLD Agenda encompasses various facets of the financial market, ranging from securities exchange, central counterparty services, and depository services, to private markets.

The award specifically recognises RMB Nigeria as the Exchange Dealing Member with the least number of infractions - a clear testament to consistent adherence to market rules and guidelines.

Dalu Ajene, CEO of RMB Nigeria, expressed the institution's pride and gratitude for this remarkable accomplishment: "This accomplishment is a testament to RMB Nigeria's dedication and unwavering commitment to

the Nigerian economy and maintaining the highest standards of compliance and performance. RMB Nigeria's contributions have been instrumental in promoting stability and growth within the Nigerian financial market and, by extension, the broader economy."

The significance of RMB Nigeria's achievement is particularly relevant in a market where heightened regulatory engagement is evident. Coupled with a challenging environment masked by global geopolitical shocks and record-high levels of inflation, it becomes imperative to recognise the pivotal role played by financial market participants such as RMB Nigeria.

Fintech firm unveils solutions to bridge transaction irregularities

By Seyi John Salau

IN a strategic move to cater to the evolving needs of businesses, Cardify Africa has introduced Cardify Business, a dedicated offshoot aimed at harnessing the startup's innovative solutions for enterprises.

The focal point of this new venture is the Cardify digital business card, a tool designed to streamline and enhance professionals' ability to share their information effortlessly.

At the recent launch event, the spotlight was firmly on the Cardify digital business card, which promises to usher in a paradigm shift in the way Nigerian

professionals approach networking.

"This innovative digital card allows individuals to share their contact details with a simple tap or scan, eliminating the need for traditional business cards," said Taiwo Idris, chief marketing officer at Cardify, underscoring the significance of this digital business card in simplifying and modernising the networking experience for professionals across various industries.

According to Idris, the Cardify business represents a strategic expansion for Cardify Africa, leveraging its proven expertise in digital solutions to meet the

specific demands of the business landscape.

"With the introduction of the Cardify digital business card, the startup aims to empower professionals, fostering more efficient and seamless connections in the ever-evolving world of business networking.

Idris spoke at the Moonshot by TechCabal event held recently in Lagos. Moonshot, an exceptional tech conference, served as a unifying platform for Africa's tech ecosystem, investors, and tech enthusiasts, offering two days of networking, collaboration, knowledge exchange, and a celebration of innovation across the African continent.

BUSINESS EVENT



L-R: Deputy General Manager, FIRST E&P, Gboyega Akintobi; Managing Director, Dorman Long Engineering Limited, Chris Ijeli; Gas Contract & Procurement Lead, FIRST E&P, Ivy Aiseuni; Legal Counsel, Palero, Biodun Folorunsho and Contract & Procurement/ Nigeria Content Management Lead, FIRST E&P, Omorinsola Aweda during the Vendors' Day 2023 engagement session with FIRST E&P in Lagos on Thursday.



L-R: Ade Buraimo, group managing director of Alpha Morgan Capital; Yetunde Zaid, university librarian at University of Lagos, and Folasade Ogunsola, vice chancellor of University of Lagos, at the handover of the cheque for the remodelling and upgrading of the University of Lagos Library by Alpha Morgan Capital in Lagos, recently.



L-R: Taiwo Gabriel, chief risk officer; Nadia Zakari, head, markets; Bayo Ajayi, chief financial officer; and Yetunde Ogunrem, executive director, head balance sheet management and treasurer, all of Rand Merchant Bank Nigeria, as they won the FMDQ Member Compliance, Secondary Market Awards category, at the FMDQ GOLD Awards held recently.



Charlie Lee (l), managing director, Samsung Nigeria; and Nike Okundaye, Busan Goodwill ambassador, during the occasion of the 56th anniversary of the Nike Art Gallery in Lagos... recently. Photo: Samsung Nigeria

INTERVIEW

‘France has designated Nigeria priority country for digital and creative sectors’

OLIVIER BECHT, minister for Foreign Trade and Attractiveness in France is the third French minister to visit Nigeria this year and one can't help but be curious as to what is driving the attention. In this interview with CALEB OJEWALE, he highlights opportunities to deepen trade and investments in Nigeria across certain priority sectors. He also discusses anti-French sentiments in its former colonies and what is being done about it. “France and its former colonies have to heal historical wounds,” he said. Excerpts:

TWO years ago when your predecessor (Franck Riester) visited Nigeria, I had an interview with him and one of the things he said was that French companies see opportunities in Nigeria, but security and taxation issues remain a challenge. Between that time and now, what has changed; for good or worse? What foreign investors consider a good investment climate is well known. To thrive, a company – whether foreign or Nigerian – needs to be able to count on a reliable and stable tax and legal environment, functional infrastructure, and a justice system as efficient and independent as possible. Access to foreign exchange is also key: in order to conduct and grow its business, a foreign investor constantly needs to make transactions and transfers in foreign currencies. Our understanding is that an easier access to foreign exchange will lead to a significant increase in foreign investments to Nigeria.

We welcome the Nigerian government's efforts towards a well-functioning foreign exchange market. It is not my place however to comment on the domestic policies of a friendly country such as Nigeria. All I can say is that I am impressed by the bold reform plan President Tinubu and his cabinet have put forward. We hope they will keep improving the business environment in Nigeria, and they have already raised high expectations among French companies and investors.

You can count on France to encourage international financial institutions in their support to Nigeria, helping establish a more attractive business environment, and fostering inclusive growth for the Nigerian people. We will support this agenda through the European Union as well, and of course through the French Agency for Development, which is already one of the top bilateral partners of the Nigerian Government.

And now to your own visit. You are about the third French minister coming to Nigeria this year, what is the attraction?

Nigeria is the largest economy in Africa and the most populous country: strengthening our partnership with Nigeria is an obvious choice for us. To help you understand why Nigeria attracts so many high-level visits, let me give you a few examples of what our partnership involves for our private sector, our development agency and our academic partnerships.

Nigeria is already our largest trading partner in Sub-Saharan Africa, with more than N5.4 billion in 2022. So far, our stock of direct investments has reached around 10 billion euros. There are a hundred French companies present throughout the country employing more than 10,000 people, most of them Nigerians, in oil & gas, food, logistics, communica-

tion, pharmaceutical industry, insurance. We look forward to further diversifying our economic presence in Nigeria and attracting more French companies. We focus on promising sectors, such as agri-food, technology and the digital economy, cultural and creative industries.

The French Development Agency (AFD) has committed more than 3 billion euros since 2010, contributing significantly to the development of Nigeria. AFD began its activities in Nigeria with infrastructure projects such as transport and water treatment, but is now working in cultural and digital industries, higher education or vocational training, especially in the field of agriculture. Today, creating jobs for young people and strengthening the employability of young people are our main objectives. Human resources are Nigeria's greatest asset, and the best investments we can make are those that empower them and help this country's extraordinary talent thrive.

We want to develop academic partnerships. The number of Nigerian students travelling to France for academic exchanges is steadily increasing, but there is still considerable potential for progress. Recently, a high-level delegation led by TETFund, the National University Commission, the Petroleum Technology Development Fund and several vice-chancellors of leading Nigerian universities came to Paris in order to explore opportunities with France. I am confident that this will lead to more partnerships between French and Nigerian academic institutions, and growing student-academic exchanges from and to Nigeria.

What does your visit intend to achieve in terms of deepening trade and investments between France and Nigeria?

My visit was scheduled to coincide with the French Week in Lagos. The highlight of the French Week will be the Economic Summit, which will take place on Thursday

(today). I am happy to note that the agenda of the Summit will include panel discussions on key topics of our relationship, such as renewable energy, agriculture & tech, industries which we see as having tremendous potential for trade and investments between France and Nigeria.

During the Economic Summit, several deals will be made public, especially in the field of agribusiness. Raedial Holdings and Compagnie Fruitière will sign an MoU announcing their project to grow bananas in Cross River State. Semmaris and the Lagos State government will announce their intention to build a wholesale food market in Epe, while FanMilk (a brand of Danone) will sign with Koolboks, a start-up founded in France by a Nigerian entrepreneur, in order to use innovative fridges for their delivery operations. Other deals will be signed in the field of renewable energy, including Echosys and TotalEnergies.

I will attend a Tech event, organised by the Lagos French Tech community. Tech is indeed a very promising area for partnerships between France and Nigeria. French entrepreneurs are already here, as evidenced by the entrepreneurs of the French Tech Lagos (Betastore, Kwik, Koolboks). French Venture Capital funds such as Partech and Breega are already investing in Nigeria. Jumia, which is headquartered in Lagos and now considered a landmark in Nigeria and Africa, was founded in 2012 by two French entrepreneurs.

We hope to position France as a top destination for Nigerian start-ups and investors who want to target international markets. French Tech Lagos is also helping Nigerian entrepreneurs to familiarize themselves with our tech ecosystem and perhaps set up in France, following the example of the Nigerian start-up Gas360, whose R&D department is based in Toulouse. I would like to underline this little-known fact that France is a powerhouse in entrepreneurship and innovation. According to recently published figures, France is the European country that is most attractive for start-ups founders, ahead of the UK. For the fourth year running, France is the number one investment destination in Europe, especially for R&D centres.

Finance is another area where we expect enhanced bilateral investments in the future. Paris has cemented its place as the EU's leading financial centre and has succeeded in attracting several major financial players. This is due both to structural strengths – Paris is home to a highly qualified labour market for financial services, and boasts a unique cluster of skills and support services, as well as a robust regulatory and supervisory framework – and to measures taken over the past years to enhance France's attractiveness, including tax cuts and labour law reforms.



As a result, Paris has attracted more post-Brexit job relocations than any other city in the EU. After UBA, Access Bank has recently opened an office in Paris, and we hope that others will follow.

Lagosians might notice banners with quotes like “Make It Iconic” and “Choose France” on a few landmarks. This is part of our “Marque France” strategy to try and update the way people in Nigeria and everywhere in the world see us: to highlight France for what it is: thanks to our audacity, our country is a powerhouse for creativity and innovation, with values such as universalism and inclusion.

To what extent is the interest in Nigeria and possibly Anglophone Africa a form of response to the increasing anti-French sentiments in Francophone Africa?

It is true that in some African former colonies, a few people on

social media have developed an anti-French narrative, supported by putschists in countries where coup d'Etat happened. I would like first to underline that social media do not necessarily represent the opinion of the majority. A lot of fake news is being spread by people who have an interest in undermining France in Africa. That being said, it is also true that France and its former colonies have to heal historical wounds.

Many people in Africa feel frustrated by economic, social and security problems. Sometimes, France is blamed for not doing enough to stem these problems. But at the same time, France stands accused – sometimes by the same people – of interfering in the internal affairs of African countries facing these difficulties. Our partnerships are based on consensus. For example, the presence of our armed forces is only possible at the explicit request of our African partners – as was the case in Mali, Burkina Faso and Niger before unconstitutional changes of regime which led to a different approach.

In line with the commitment made by our President in the speech he gave in

stage for returns on a wider scale.

More pointedly, is there a broader strategy to engage Francophone Africa from an investment and trade point of view that could perhaps douse some of the anti-French sentiments? Investments in Francophone Africa are already substantial – close to half of the French direct investments in West Africa are made in French-speaking countries (the rest being in Nigeria and, to a lesser extent, Ghana). The same can be said about the grants, loans and investments from the French Development Agency, that are already benefiting the populations in those countries. Nowadays, a country's economic presence is a lever of soft power and influence. My message to French companies is to keep investing in African countries, both French and English speaking ones.

Trade and investments do impact the life of people in West Africa, in a way that reduces some of the social and economic frustrations that are part of the root causes of anti-French sentiments. For sure, I am also hopeful that the very dynamic African diaspora in France will play a key role in strengthening partnerships between France and African countries, and maybe help clear the gap of mutual miscomprehension when needed.

How much of this would form part of your discussions with Nigerian leaders, especially with Niger, one of our neighbours being the latest to catch the coup-bug and all the drama that has followed?

We continue to work closely with the Nigerian authorities on diplomatic and security challenges. Nigeria is one of the major players in Africa. Its voice must be heard on regional issues, as well as on global challenges, such as climate change, energy transition, sustainable growth, the fight against inequalities and of course peace and security on the continent.

On Niger, we support the

“The number of Nigerian students travelling to France for academic exchanges is steadily increasing, but there is still considerable potential for progress”

“

course of action taken by ECOWAS under the current Chairman, President Tinubu, who has been very clear, even before the July 26 coup in Niger, that unconstitutional changes of regime were not welcome in the region. We share his vision. Indeed, unconstitutional changes of regime lead to a deterioration in the response to terrorist threats, and therefore in the security situation. They slow down development. They affect first and foremost the population.

Now, to the Russia-Ukraine war, a lot has been said about Europe looking towards countries like Nigeria for gas supplies. When would these move from comments into actual shipments and trade? What impediments exist, for instance, for France to buy gas from Nigeria?

Since Russia started its war of aggression against Ukraine in 2022, many European countries, including France, have started to diversify their supply of oil and gas. On average, France imports 5 to 10 percent of its gas supply from Nigeria, making it a strategic partner for our country. As Europe is looking for new suppliers, the main constraint, to speak frankly, is Nigeria's ability to produce more to satisfy this demand.

In what sector is the French most active in Nigeria today, and which sector holds a lot of promise but you're not playing there (either at all or not enough)?

French businesses are already active in a vast array of sectors. As stated earlier, agribusiness, energy, cultural and creative industries and tech are, in our eyes, full of promises for French-Nigerian business relations. I have already mentioned the deals that will be made public in agribusiness during the French Week.

This sector is a core priority for us. Our Embassy and the French Development Agency support vocational training for women farmers. The “Food for Nations” digital trade platform will help develop bilateral relations in the agricultural and agribusiness sectors. Another step forward will be the presence of Nigeria at the upcoming Paris International Agriculture Show, one of the major global agriculture shows, in February-March 2024.

What motivated the French government to commit \$116 million to support startups in Nigeria through the Investment in Digital and Creative Enterprises (I-DICE) Program? What are your objectives?

I-DICE itself is a Federal Government initiative aiming at significantly impacting the youth. Its main objective is to contribute to job creation and to reinforce youth employability thereby assisting the Federal Government

to achieve its National Development Plan objective of creating 21 million jobs by 2025. This program aims at creating 150,000 jobs and 65,000 start-ups.

Our interest to support this program was therefore driven by the tremendous potential we foresee in Nigeria – and globally in Africa – regarding the opportunities in the digital, cultural and creative sectors. One of the key components of I-DICE is to support the creation of innovative businesses and start-ups. However, the program goes beyond that. France's contribution will also directly support the strengthening and development of key skills in the creative industries and the ICT sector by enhancing capacities of identified training centers, in order to sustain this industry on a long run.

In empirical terms, what benefits do you foresee for Nigerian start-ups and entrepreneurs as a result of this?

France has designated Nigeria as a priority country for digital and creative sectors. Over the last four years, we have developed many projects and partnerships with professionals from the local technology, film, animation, video-game industries, as well as esports, fashion and design. The I-DICE program will be the opportunity to have French expertise coming onboard and sharing knowledge with the graduates and young professional trainees as well as the digital enterprises and start-ups. The main areas where we see this happening are in animation, robotics and artificial intelligence.

Last but not least, the program plans to have at least 40 percent of women as trainees. Therefore, it will strongly contribute to the women empowerment agenda of the Nigeria Government. Moreover, I would be happy to see a new “Communauté Afrique France Entrepreneurs” be launched here, in Lagos, after having launched one in Abidjan and in Nairobi in the past year.

There have been a number of programs and interventions by AFD, how many businesses have been reached till date and how much impact has been made?

Indeed, AFD Group has invested around 3 billion USD over the last decade. AFD is a public development finance institution, which provides Official Development Assistance (ODA) to Nigeria through the financing of development programmes. It does not invest directly into businesses, but its interventions in infrastructure projects (for instance in energy, water supply, rural roads) are meant to create an enabling environment for Nigerian enterprises to thrive. However, some flagship programmes, such as I-DICE, have been designed to support entrepre-



neurship more directly.

PROPARCO, the AFD subsidiary dedicated to the private sector, has invested 1 billion USD over a 15-year period on partnership with local and pan-African financial institutions (banks, insurers and microfinance institutions), investment funds (private equity and venture capital funds), growth stage companies as well as start-ups within the renewable energy, agribusiness and tech space.

Are there any other specific initiatives or programs aimed at strengthening economic and cultural ties between France and Nigeria that you would like to highlight?

France puts cultural and creative industries at the centre of its partnership with Nigeria. Over the last years, we have strongly increased our cooperation and funding in order to build sustainable partnerships and to support young artists and cultural entrepreneurs.

We have organised many professional training sessions in sectors such as animation, film industry, video games or esports. We have worked on the digitization of cultural archives. We facilitated the participation of Nigerian creators and professionals to the Paris Games Week, the Ancestry festival and other big events such as the MIPCOM/MIPJUNIOR in Cannes.

All these actions are currently continuing, and contribute to structuring fruitful relations between Nigeria and France. Considering their success, we decided this year to extend our partnerships to design and fashion with the launch of the Accelerator “Lagos x Paris”, and also performing arts; dance in particular.

Finally, what major French investments should we be expecting in the near future?

All I can tell you for the moment is that the representatives of about 10 French companies, from all industries, have made the trip to Nigeria with me. This reflects the importance of Nigeria for French business. Stay tuned for the investment announcements that will follow in the near future.

BUSINESS TRAVEL

Africa lacks trained aviation expertise to drain from – Asky CEO

With various sectors in Nigeria facing brain drain as a result of the 'Japa' wave, Esayas WoldeMariam Hailu says when it comes to aviation, Africa does not have the trained aviation expertise to drain. In this interview, Hailu hints that Africa needs to train a lot of aviation experts to boost aviation in Africa. He also takes us through his journey in the aviation sector.

How do you describe the Nigerian aviation environment in your own view as an observer?

It is a very big aviation market by the share, by the mobility, the people are travellers in Nigeria. In Nigeria it is good to have well-functioning domestic and international Nigerian companies. But the aviation ecosystem in Nigeria, the way I look at it, is a little bit formidable and difficult for the Nigerian authorities. So, my advice and my appeal for the Nigerian lawmakers is that they need to enable the operators in Nigeria to be able to thrive. The market is so big for the international and domestic operators. There is no shortage of market but the government should enable the Nigerian operators by way of good regulation that would create the enabling environment, by way of making them thrive. Making the law, so that they can help them develop the aviation infrastructure, making the law to be very conducive for the local operators, so that they can grow up to the task and cover the region and the continent. So this

is my appeal. Otherwise, there are a lot of people who are really interested in making aviation work in Nigeria. And also the market is so in demand and saturated and there are a lot of operators in the sector. So my appeal to the Nigerian government is to enable them and push them to grow. That is my simple advice. Of course, the whole aviation ecosystem needs to be built to be an enabling environment for aviation.

What is your high point as CEO of Asky?

Well, the singular high point I have in mind is that Africa needs aviation proficiency. People talk about brain drain from Africa to the developed world, but when it comes to aviation, Africa does not have the trained aviation expertise to drain. So, Africa needs to train a lot of aviation experts. This is a highly skilled intensive industry which requires license, modulated license and other things. So, the high point is Asky should be bent on developing aviation in the region by way of training aviation professionals. This needs to be done in every country



Esayas WoldeMariam Hailu

in Africa to train aviation professionals. The more aviation professionals we have, we can help aviation to grow in the continent.

You were formerly a manager for Ethiopian Airlines in Nigeria. You went back and rose all the way to M.D. International Services for Ethiopian Airlines. How do we

describe your aviation experience?

Aviation is a very interesting industry. As far as I am concerned, right from the young age, graduating from the university 33 years ago, I joined European Airlines. And my career has been in Ethiopian Airlines, working in different places, both at

home base and overseas. My 33 years of aviation experience has made me really specialise in one industry. So, this is quite a rewarding experience to see African aviation grow from the humble beginning to where it is now and African airline operators coming to the global arena. Look at Ethiopian airlines. So it is a fulfilling experience. It's a rewarding experience that I had in aviation.

What is your vision for Asky?

Asky has a very big potential as a pan-African airline. It is already connecting many African places, but it wants to widen and deepen in Africa and to link Africa to the rest of the world, especially to Europe and across the Atlantic, to Latin America and North America as well, and also diversifying to the Middle East and even to Asia. So Asky has a promising potential to do all this. So the vision for Asky is to grow from an airline into a complete aviator, having its own maintenance facilities, training facilities, and all other things in the aviation value chain. So, Asky needs to diversify into being a complete aviator.

That is my vision for Asky.

Do you see Asky overtaking Ethiopian Airlines as the biggest airline in Africa?

Well, Ethiopian Airlines has been a mentor. Ethiopian has set out on a vision to help African airlines to come up to the task, up to the role, so that the majority of Africa's traffic is being uplifted by non-African airlines, to belong to the African airlines. Ethiopian Airlines is a big mentor. So, if Asky overtakes Ethiopian Airlines, it will be a big CV for Ethiopian Airlines as a good mentor to have brought African Airlines up to that level. So whatever time is going to be, time will tell us. So we just have to wait and see what time is going to reveal.

In one sentence, how do you describe the future of Asky?

Well, Asky as a Pan-African airline is a jewel in African aviation. It has a very, very big potential, so we are very much sure that Asky is definitely going to dominate the African skies to carpet the whole continent with its wings. So that is how I would describe the future of Asky.

OAS acquires new helicopter to boost offshore operations

OFFSHORE and allied aviation services company, OAS Helicopters, has announced acquisition of new equipment, 2023 model Leonardo AW-139.

The AgustaWestland AW139, now known as the Leonardo AW139, is a 15-seat medium-sized twin-engine helicopter developed and produced by the Anglo-Italian helicopter manufacturer, AgustaWestland (now part of Leonardo).

It is marketed at several different roles, including VIP/corporate transport, military use, offshore transport, fire fighting, law enforcement, search and rescue, emergency medical service, disaster relief, and maritime patrol.

OAS Helicopters in a statement said that the he-



licopter is already in the country and that it will be deployed for offshore services and dedicated to one of the major E and P companies in Nigeria.

"It is also necessary to share with you the short story behind its acquisition and timely delivery to Nigeria. At agreement,

OAS consented to provide the aircraft within six months of contract signing. But due to financial and technical capacity we and our technical partners have mustered and deployed in the industry over the years, this aircraft through the manufacturers, Leonardo, was procured and

delivered in Nigeria within three months (90 days). A feat not common nowadays with Saudi Arabia multiple aircraft back-orders running in upper tens.

"We are aware of the oil and gas industry scope and desire to expand their operations in Nigeria at this critical business moment in our country, and we think it might be necessary to inform you that we have the capacity to provide you, on short notice, this type of oil and gas worldwide most reliable workhorse, straight 7-ton, helicopter – AW-139," the company said.

OAS Helicopter is one of the leading indigenous helicopter companies with many years of experience, known for efficiency, safety and a multi-services provider in the sub-sector.

Ethiopian Airlines commits to 11 A350-900s at Dubai Airshow

ETHIOPIAN Airlines Group, Africa's largest A350 customer, solidified its commitment to Airbus with the signing of a memorandum of understanding (MoU) for 11 additional A350-900s and six purchase rights at the Dubai Airshow.

With a current fleet of 20 A350-900s, this move brings the airline's total order book for the A350 to 33, including four A350-1000s.

Mesfin Tasew, the CEO, expressed excitement about expanding the fleet, highlighting the A350's passenger-friendly features.

Christian Scherer, Airbus' Chief Commercial Officer, praised Ethiopian Airlines' strategic use of the A350 for long-haul travel and celebrated the strengthened partnership with the addition of these advanced aircraft, known for their modern design, efficiency, and environmental advantages.

Following the conclu-

sion of the Dubai Airshow, one question remains a topic of discussion, Airbus or Boeing?

While Boeing managed to secure almost three times as many orders as Airbus, with 295 compared to 86, respectively, the answer may not be as straightforward as it seems.

The semiannual periodic event seems to have been a turning point for American aircraft manufacturer Boeing. With the grounding of its 737 MAX program, production issues with its 787 Dreamliner, and supply-chain problems, airlines appeared to lose confidence in Boeing for a brief period.

Meanwhile, Europe's Airbus also faced its own set of challenges. Although its A320neo and A220 family aircraft have proven popular, supply-chain issues and production delays have limited delivery slots for the A320neo until 2029.

GARDEN CITY DIGEST

How maritime sector investor, mega entrepreneur, emerged 'celebrity doctor'

By Ignatius Chukwu

UPCOMING medical practitioners, entrepreneurs, and investors have been told to study the methods of a Kalabari chief and medical doctor who has emerged as a 'Celebrity Doctor.'

The younger generation of Niger Delta people have been advised to study the concept and book titled: 'Push Through The Wall' to achieve success.

The call was made by the Deputy Governor of Rivers State (a professor), Ngozi Ordu, who worked under the Unilag-trained medical doctor and Commissioner of Health (1999-2003), Emi Membere-Otaji, as permanent secretary of the Ministry. She said the medical doctor-now turned entrepreneur and maritime investor is a man who never accepted defeat and who insisted that people should push through the wall in the face of any obstacle.

This was confirmed by the Rivers State Chairman of the Association of Nigerian Private Medical Practitioners (ANPMP), Joseph Oluwayi, who explained why the association crowned Membere-Otaji as the new 'Celebrity Doctor' for the 2023-2025 biennium.

He said that Membere-Otaji, with many other distinguished awards, was most deserving of the award.

"Biennially, every two years, we honour our own; those that have reached the zenith of their career in private practice. These are recipients that have demonstrated exemplary commitment and are top-notch model of excellence in private practice. They need to be placed on a pedestal



Book Publisher, Emi Membere-Otaji (middle in red tie)

worthy of emulation by peers and colleagues," Oluwayi said.

The state chairman went on to say that private sector healthcare sector is where 70 per cent of the populace go. This he said is because of number of hospitals/clinics and companies with medical facilities. "Both generalists and specialists belong to us whether you own or work in a private facility."

He also used the opportunity to make some sensitive recommendations to the FG such as need to set up a Health Bank to fund special projects, and the need to regulate the health insurance scheme better.

He urged Nigerians to be more patriotic and expect a better economy saying before the next few years, the Gross Domestic Product (GDP) would hit one trillion Dollars.

Oluwayi went on to testify that the highest award any practitioner can get is the one given to him/her by your peers and colleagues. This makes you undisputable primus inter pares (first among equals).

"Dr. Emi Membere-Otaji no doubt has carved a niche

in the medical and the business worlds through conscientious diversification, empirically holistic healthcare, oil and gas, shipping, management, industries, etc. No wonder the National Productivity Order of Merit (NPOM) Award was conferred on him.

"In the same vein, I also congratulate you on the unveiling of your book, tonight, titled: 'Push Through the Wall.'"

Deputy Governor testifies

The Deputy Governor, Ngozi Nma Ordu, said: "I knew Dr. Emi Membere-Otaji before 1999 when we worked together in the Ministry of Health because we had worked together on some healthcare projects. I must say it is not easy to work with him.

"He however, has listening ears, which is the hallmark of leadership. If he finds that your idea is better than his, he would drop his own and take yours.

"Pass Through The Wall became the slogan of the Ministry in our time together. He always said so when there seemed to be definite obstacle many felt could

not be overcome. He would insist that you push through the wall to get result. Soon, both the leadership and followership accepted this philosophy and began to apply it, and it worked. This kept everybody on their toes. To us then, the boat had to sail but everybody must not be on board."

She said the team went nationwide with exploits and solutions. "I am proud to call him 'My Boss'. You made us to work to be perfect, though you may not be perfect. To us, any task must be done. You never feared that I would outshine you. You were jack of all trade and master of all."



L-R: Emi Membere-Otaji, Adokiye Tombomiyeye, deputy governor Ngozi Ordu

She said his charge was that in whatever one does, one should put one's signature on it.

"His footprint cuts across the industries. He believes that is what we owe the society. It is true because hard work does not kill, it rather pays.

"Your word was that we should keep the flag flying. I hand that charge back to you, keep the flag flying."

The 'Celebrity Doctor' raises the bar

Membere-Otaji, who is also a top Kalabari chief, said the deputy governor knew much about what led to the title of the book that was about being unveiled; 'Push Through The Wall.'

He went on: "In the Ministry of Health, we had only one rickety pick up van to serve all the health units and outreach services such as immunization, but I insisted that the task must be done, so you must Push Through The Wall.

"We accomplished a lot to the pride of the state government and commendations of the national and international health community."

He said the book would also be unveiled in Lagos and Abuja.

"I have two national honours and had handshake with then president, Muhammadu Buhari, twice, for someone that was not in government and was not in the ruling party. The Rivers State Government equally gave me an award, the highest available in the state (DSSRS). There are many others."

He is now the second deputy president of the National Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA). It is the only election a president would face; others are natural progression till inauguration. It means by the next few years, the Kalabari son would be enthroned as the national president of NACCIMA to speak for the Organised Private Sector (OPS) in Nigeria.

He however seemed to play these feats down and urged the elite audience to relax to good music and good food and wine. "Its not a book launch but a celebration of the book effort. Review is not by one person, but a collection of opinions by several distinguished personalities that got the opportunity and privilege to read it ahead of today."

He enjoined young people to study the principles of wealth creation and how money works to enable them play big in the industrial and financial sectors.

Some of the very important personalities that graced the book presentation include the immediate past president of NACCIMA, Ide John Udeagbala; Adokiye Tombomiyeye, John Mbata, Tony Eze, and Nabil Saleh.

Others were Soji Oni, David Adewuyi, and the monarch Joe Alagoa.

PORT HARCOURT BY BOAT



By Ignatius Chukwu

Rivers crisis: Posing for peace, warming for war

that ceasefire in any fight is not that war is over but a chance to work for resolution of the crisis, not to go to rest as it seems in the state.

For anybody who does not understand what we are saying, Rivers State woke up few weeks ago to hear explosions of political crisis starting with burning the Chamber of the Rivers State House of Assembly (RSHA) on a Sunday and impeachment notice by a group of lawmakers to the Governor, Sim Fubara by 25 lawmakers said to be loyal to former governor, Nyesom Wike. The gover-

nor moved to crush this and another lawmaker emerged as Speaker, leading eight others. Protests began on the streets and the governor said bullets were aimed at him. Some four persons were reportedly killed.

As more forces were getting ready the next day, President Bola Ahmed Tinubu, an APC leader, moved swiftly to intervene in a PDP state. He asked both camps to return to status quo. This was obeyed.

Many observers however expected the peacemakers and elders to begin serious reconciliation

work with the silence that emerged, but rather the 'Elders' of the state who happened to be PDP men loyal to Wike, met and blamed Fubara and asked him to reimburse. While Fubara seemed to do that, Wike was on the loose, saying things that seemed to scare the feeble and issuing threats.

Now, the two lawmaker-camps seem to be back. The fracas started at the RSHA and there it has returned.

Now, Rivers lawmakers have held parallel sittings, and the police has taken over the Assembly complex. This may be to

avert breakdown of law and order.

It was learnt that 25 lawmakers loyal to Martin Amaehwule-led speaker-ship of the House of Assembly sat at the Assembly complex in the morning. Journalists were not allowed in.

The lawmakers also urged the Police to prosecute those behind the burning of the chamber.

Meanwhile, lawmakers loyal to the leader of the House who also claimed to be speaker, Edison Ehie, has passed a vote of confidence on the Governor of the State, Fubara.

It was learnt that the vote of confidence was made at a sitting presided over by Ehie.

During the sitting, the lawmakers commended the governor and resolved to continuously support him to accomplish his consolidation and continuity agenda to the benefit of the State.

They further condemned the attack on the Speaker's residence and the burning of the hallowed chamber of the State House of Assembly and appealed to the governor to commence the rehabilitation works as soon as possible.

IT is clear now that the silence in Rivers State political firmament is the silence of the graveyard. It is also important to know

PHOTO SPLASH

BusinessDay Technological Disruptions in Logistics Conference, in Lagos



L-R: Temi Bamgbose, online news editor, BusinessDay Media; Morolayo Igeleke, country marketing manager, United Parcel Service; Obinna Anyaegbu, executive director, Chisco Group; Olusola Obabori, group executive director, international business and corporate services, Nigerian Aviation Handling Company plc; Ijeoma Ude, chief marketing and sales manager, BusinessDay; Mbanefo Obiora, founder and CEO, Yoris Africa Limited; and Tayo Fagbule, editor, BusinessDay.



L-R: Omosebi Joseph, operations manager, fleet, Bolt; Charles Eke, area sales manager, DHL Express Nigeria; Olamide Ologunagbe, reporter, BusinessDay; Tope Akinwumu, country manager, Uber; and Ope Onaboye, CEO/co-founder, Renda Africa.



L-R: Toyin Adepegba, head, marketing and communications; Doris Adenuga, logistics manager; and Modupe Adegunsoye, fleet manager, all of Renda Africa



L-R: Olalekan Olakanmi, country manager; and Taivo Saks, CEO, both of ShopNest Africa.



L-R: Azzan Oluwatoyin, CEO, Tinted Collections; and Toriola Tosin, CEO, Fastlink Cargo Enterprises.



L-R: Sola Adigun, MD; and Joseph Omokhapue, sales director, both of Carloha.



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L-R: Ayo Ositimehin, comptroller, Lagos State Traffic Management Authority; and Yusuf Lawal Othman, national president, Nigerian Association of Road Transport Owners.



L-R: Tosin Atolagbe; and Genevieve Omoniyi, both funding associates, Zittra Investment.



L-R: Innocent Nwajoh; and Rita-Pat Ijemoh, both of Nigerian Aviation Handling Company plc.

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LEGAL BUSINESS

Business Law / Industry Report / Practice / Intelligence / Partnerships

Unlocking prosperity - the case for trust structures in preserving intergenerational wealth

By Ugochukwu Obi, Juliet Okolo, and Ubong Ene

IN an era marked by unprecedented global change and the compounding complexity of wealth management, the traditional approach to estate planning through Wills is undergoing a remarkable transformation. As individuals seek to safeguard assets, promote financial flexibility, and nurture family harmony, a pronounced paradigm shift is taking place – one that is steering the course towards the widespread adoption of Trust structures as a compelling alternative to wills.

The traditional Will has long served as a cornerstone of estate planning, offering a framework for the distribution of assets upon an individual's demise. However, as global economies grow increasingly intricate and family dynamics become more complex, the limitations of Wills have become more apparent. This has led to a heightened appreciation for the versatility and efficacy of Trust structures in meeting the needs and aspirations of today's wealth managers. This article, therefore, explores the persuasive reasons behind the paradigm shift and why families are increasingly turning to Trusts as the linchpin for preserving intergenerational wealth.

The Limitations of Wills in a Dynamic World

Wills, once the stalwart of wealth transfer, are encountering limitations in the face of evolving legal complexities and bureaucratic hurdles. The probate process, often laden with delays and potential asset devaluation, poses a significant threat to the seamless transition of assets. In an era defined by speed and efficiency, families are seeking alternatives that ensure their wealth remains intact and swiftly passes to the next generation.

The limitations of Wills are further compounded by their susceptibility to legal contests and challenges, which can trigger protracted and costly litigation. The adversarial nature of probate proceedings, coupled with the potential for disgruntled family members or external parties to contest the validity of a Will, engenders significant uncertainty and risk. This not only detracts from the intended realization of an individual's wishes but also entails substan-



tial financial and emotional tolls on the beneficiaries.

Moreover, the efficacy of Wills as vehicles for intergenerational wealth transfer is called into question by their inherent lack of privacy. Wills are subject to public scrutiny through the probate process, thereby exposing sensitive family and financial matters to undue public visibility. This compromises the desired confidentiality and discretion that individuals typically seek in protecting their estate plans and can impede the smooth transition of wealth between generations.

Furthermore, Wills often prove insufficient in addressing the complexities of modern family dynamics, particularly in the context of blended families, estranged relationships, or the care of dependents with special needs. Their rigidity can impede the nuanced allocation of assets and fail to adequately provide for the diverse circumstances and exigencies that typify contemporary family structures.

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High-net-worth individuals and families are increasingly adopting trust structures for wealth management
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How Trust Structures Work: A Trust is created through a legal document known as a trust deed or agreement. The person who establishes the trust is called the “settlor” or “grantor.” The settlor transfers assets into the trust, relinquishing legal ownership.

Trustees are individuals or entities (usually trust companies) responsible for managing the trust per the terms set out in the trust deed. They are appointed by the Settlor. The trustees have a fiduciary duty to act in the best interests of the beneficiaries named in the trust.

Beneficiaries are individuals or groups who stand to benefit from the assets held in the trust. They can include family members, charities, or any entities specified by the settlor. The trust deed outlines the conditions under which beneficiaries receive distributions from the trust.

There are various types of trust structures, including revocable and irrevocable trusts, discretionary trusts, and charitable trusts. Each type serves different purposes in family wealth management.

Revocable trusts allow the settlor to modify or revoke the trust during their lifetime, while irrevocable trusts typically cannot be changed once established. Irrevocable trusts provide a higher level of asset protection since the settlor surrenders control and ownership of the assets. While discretionary trusts grant the trustees the authority to decide when and how to distribute assets based on the beneficiaries' needs and circumstances.

Trust Structures: A Strategic Paradigm Shift

Given the limitations of Wills, high-net-worth individuals and families are increasingly transitioning towards the adoption of trust structures as a more flexible and adaptive means of wealth management. Trust structures, with their intricate provisions and versatile applications, offer a compelling proposition for individuals seeking to navigate the intricacies of modern life and establish enduring legacies of prosperity and family harmony.

The trust structures provide contemporary answers to the challenges posed by traditional wills. Unlike wills, trusts provide a dynamic and flexible framework for managing and distributing assets. By relinquishing legal ownership of assets to a trust, individuals ensure a smoother transition, free from the entanglements of probate and government bureaucracies. Trust structures afford individuals the capacity to integrate comprehensive and multifaceted wealth management strategies that can adeptly accommodate the evolving needs, aspirations, and challenges of the beneficiaries. Additionally, assets placed in a trust are legally separated from the settlor's personal assets. This separation helps protect the trust assets from the settlor's creditors or legal liabilities.

One of the compelling aspects of trust structures is the enhanced level of control and privacy they afford. Unlike Wills which become public documents subject to scrutiny, trusts operate with a higher degree of confidentiality. Families can discreetly dictate how their assets are managed and distributed without the prying eyes often associated with the probate process. This capacity for meticulous customization not only shields wealth from potential legal challenges and extraneous interference but also ensures judicious and equitable allocation of resources in accordance with the evolving priorities and circumstances of beneficiaries.

Wills, often, become grounds for family disputes. Trust structures, on the other hand, establish clear guidelines, minimizing the potential for conflicts. The fiduciary relationship inherent in trusts ensures that

assets are managed according to the settlor's intentions, providing a structured and less contentious path for wealth transition.

It is important to emphasize that in the realm of intergenerational wealth, tax implications play a pivotal role. Trust structures offer a more tax-efficient solution compared to wills. The strategic allocation of assets within a trust can mitigate tax burdens, allowing families to preserve a larger portion of their wealth for successive generations. In many tax havens, trusts may enjoy preferential tax treatment, such as low or zero tax rates on trust income. This can be advantageous for preserving wealth and maximizing returns within the trust structure.

In today's dynamic world, high-net-worth families lead increasingly globalized and diverse lifestyles. Trust structures, designed to accommodate these complexities, enable seamless management of assets across borders. They provide the flexibility required to navigate the intricacies of international laws and diverse portfolios, ensuring the preservation of wealth irrespective of geographical boundaries.

Conclusion: The Imperative of Adaptation

As we navigate the intricacies of preserving intergenerational wealth in today's world, the shift from wills to trust structures emerges as a strategic imperative. It is a response to the demands of a fast-paced and interconnected global landscape, where families seek not only to protect their wealth but also to ensure its growth and longevity. Trust structures offer the adaptability and efficiency required to meet these contemporary challenges, making them the cornerstone of a prosperous and enduring financial legacy.

With thoughtful guidance from skilled financial and legal professionals, the adoption of trust structures heralds a new era of wealth management, one characterized by resilience, adaptability, and the unwavering commitment to safeguarding the prosperity and well-being of future generations.

Ugochukwu Obi is a Partner at Perchstone & Graeys LP. Juliet Okolo is a Senior Associate and Ubong Ene is an Associate of the firm.

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LEGAL BUSINESS

THE TRUSTED ADVISORS LEGAL DIGEST

Transitioning AMCON - the choice between winding down and privatization

By Teye Awofiranye and
Ajibola Olaosebikan

DUE to the global financial crisis and domestic events, the federal government of Nigeria, through the Central Bank of Nigeria, conceptualized the idea for the establishment of a body to prevent a looming financial crisis. Hence, the birth of the Asset Management Corporation of Nigeria (AMCON), was established by the Act of the National Assembly of Nigeria in July 2010, with an intended 10-year lifespan. The objective was to detoxify the banking system through the purchase of bad assets, non-performing loans, and liquidity injection into troubled banks.

Its mandate includes: (i) assisting Eligible Financial Institutions (EFIs) in efficiently disposing of Eligible Bank Assets (EBAs); (ii) efficiently managing and disposing of EBAs or other acquired assets; and (iii) obtaining the best achievable financial returns on EBAs. To achieve these mandates, AMCON is empowered with a wide range of functions, including issuing bonds and other debt instruments, maintaining a portfolio of diverse assets, providing equity capital, borrowing money in domestic or foreign currencies, and entering into financial derivative contracts.

Current status and challenges

Some argue that AMCON was not designed to last 10 years, but the funding model was projected to last 10 years depending on the economic situation. Unfortunately, AMCON has reached a stage in its operations where its future successes and achievements depend on the strategy of the law and its application. It is disheartening that, besides the efforts of AMCON officials, progress depends substantially on third parties like the judiciary and other government agencies. On that basis, AMCON sought an amendment to its Act, hoping that the amendments would curtail frivolous tactics employed by recalcitrant obligors under our judicial system and improve debt recovery efforts.

Rationale for transition

AMCON was established amidst a dire economic situation in Nigeria marked by foreign portfolio withdrawals, a collapsed stock market, and a deepening banking industry crisis. Initially mandated to purchase Non-Performing Loans (NPLs) and provide liquidity to commercial banks, AMCON successfully achieved this objective by acquiring over 12,000 NPLs worth N3.7 trillion and injecting N2.2 trillion as financial accommodation to prevent systemic failure. Despite notable successes in supporting businesses, particularly in the aviation and manufacturing sectors, challenges have arisen, including underperformance within the stipulated timeframe, legal obstacles during debt recovery, and political interference. The International Monetary Fund recommended discontinuing AMCON's operations three years into its existence, citing concerns about future financial challenges, and the organization has faced criticism for lack of transparency in the sale of acquired banks.

In light of these issues, the debate over AMCON's future has



intensified, with calls for its sunset. Two major options are being considered to address the challenges: one involves restructuring and addressing the identified issues to enhance effectiveness, while the other proposes discontinuing AMCON altogether. These options emerge as critical considerations in navigating the complexities surrounding AMCON's mandate and performance.

Winding down AMCON

Winding down AMCON involves a gradual process of liquidating its assets and closing its operations. It typically involves selling off the assets, liquidating holdings, and eventually dissolving the corporation. This option may be considered the natural conclusion of AMCON's mission, as it signifies the resolution of the non-performing loans that initially prompted its establishment.

Advantages of Winding Down:

1. Cost Reduction: Operational costs constitute a substantial portion of running a corporation of AMCON's magnitude. The proposition to wind down AMCON stands as a prudent financial strategy to alleviate the strain on public resources. By eliminating ongoing expenses tied to its operations, funds can be redirected towards more pressing national priorities. This strategic reallocation of resources ensures a leaner financial structure, thereby fostering fiscal responsibility and efficiency.

2. Focus on Core Functions: Closing AMCON heralds a shift towards a more streamlined governmental agenda. Freed from the intricate management responsibilities of a financial institution, the government can redirect its attention and resources towards core functions. Emphasizing economic development, infrastructure, and

social services becomes more feasible without the intricate burden of overseeing a financial entity. This refocusing aligns with the government's commitment to delivering tangible and impactful outcomes for its citizens.

3. Market Discipline: Opting for the winding-down route introduces a pivotal element of market discipline. Financial institutions, operating in an environment where the consequences of their lending decisions are realized, are prompted towards more judicious and responsible practices. This dynamic contributes to the cultivation of a robust and healthier banking sector. By allowing market forces to play a decisive role, the government encourages financial institutions to make prudent decisions, fostering a more resilient and sustainable economic landscape.

Disadvantages

1. Legal Complexities: Winding down a business involves navigating a complex legal landscape. From fulfilling contractual obligations to settling outstanding debts and addressing potential lawsuits, not forgetting that AMCON has about 5000 cases in court, the legal complexities associated with closing a business can be daunting. Failure to adhere to legal requirements can result in legal disputes, financial penalties, and damage to the business owner's reputation. This proactive approach can help mitigate the risk of legal challenges and streamline the winding-down process.

2. Market Implications: The decision to wind down a business can have far-reaching implications for the market and industry in which the business operates. The sudden exit of a significant player such as AMCON can disrupt supply chains, create market uncertainties, and impact the confidence of investors and stakeholders. Additionally, the void left by the departing organization may create opportunities for competitors, leading to shifts in market dynamics. Potential market implications should be carefully assessed before a decision to wind down and consideration of the broader industry impact.

Privatization of AMCON:

On the other hand, privatization involves the sale of AMCON's assets and operations to private investors. This approach shifts the responsibility of managing distressed assets to the private sector, involving transferring ownership and control of the corporation to private investors or entities. This can either be to a private entity or a government-private entity.

Advantages of Privatization

1. Efficiency and Innovation: One of the compelling arguments for privatization lies in the potential infusion of more efficient and innovative management practices. Private entities, inherently driven by profit motives, often exhibit remarkable agility in responding to the dynamic nature of the market. This agility can translate into streamlined operations, improved decision-making processes, and the implementation of cutting-edge strategies. By harnessing the profit-driven mindset of private entities, AMCON's privatization could pave the way for a more responsive and forward-thinking approach to distressed asset resolution.

2. Market Competition: Privatizing AMCON introduces healthy competition into the distressed asset resolution market. The injection of multiple private players can foster an environment where entities vie for supremacy through superior strategies and innovative solutions. This competition has the potential to yield not only better outcomes for investors but also stimulate economic growth at a broader level. The heightened competition can drive efficiency improvements, encourage the adoption of best practices, and ultimately contribute to a more robust and resilient financial ecosystem.

Disadvantages:

1. Asset Sales at a Discount: One of the primary concerns associated with privatization is the possibility of government assets being sold at a discounted rate. Critics argue that this could lead to a loss of public funds and assets being undervalued, benefiting private entities at the expense of taxpayers. The process of valuing and selling public assets can be complex, and if not conducted transparently and competitively, it may result in financial losses for the government. Governments often face pressure to complete privatization quickly, potentially leading to rushed decisions and inadequate valuation processes. Additionally, political considerations may influence the pricing of assets, favouring private buyers over fair market value.

2. Potential for Job Cuts: Another significant drawback of privatization is the potential for job cuts within the transferred entities. Private companies, driven by profit motives, may seek to streamline operations and reduce costs, often resulting in workforce reductions. Job cuts can lead to increased unemployment rates, negatively impacting affected individuals and the broader economy. While privatization advocates argue that increased efficiency and innovation can create new job opportunities, the transition period can be challenging for workers, especially if the private sector is unable to absorb the displaced workforce.

3. Regulatory Challenges: The shift from public to private ownership introduces regulatory challenges that can have wide-ranging consequences. Governments must establish and enforce regulations to ensure that private entities operate in the public interest, maintain safety standards, and prevent mo-

nopolistic behaviour. In the absence of robust regulatory frameworks, privatization may result in market distortions, reduced consumer protection, and compromised public welfare.

Considerations for decision-making

The primary government objective is to enable AMCON to recover loans without relying on taxpayers' money, given the current debt exceeds N5 trillion. Passing this burden to an overstretched government, already funding critical national development areas, is deemed unfavourable. If AMCON fails to recover the debt, it transforms into a federal government obligation, requiring taxpayers' money for settlement. This scenario would compel the public to bear the consequences of a few individuals exploiting legal loopholes to evade their debt obligations. The decision to wind down or privatize AMCON should stem from a comprehensive analysis of its status, market conditions, and government goals. A balanced approach, involving multiple strategies, and engagement with stakeholders, is crucial for maximizing value recovery while mitigating risks. Some of the areas for consideration are further expatiated below:

1. Economic and Financial Stability: The primary concern should be ensuring the stability of the financial sector and the broader economy. The chosen option should contribute to long-term economic health.

2. Social Impact: The transition should consider the potential social impact, including the welfare of employees and the communities where AMCON operates.

3. Investor Confidence: The chosen path should inspire confidence in domestic and international investors, assuring them of the government's commitment to a stable and transparent financial system.

4. Political, economic, and legal factors will play a significant role in determining the feasibility of privatization. Regulatory changes may be required to facilitate the sale of assets and ensure transparency in the process.

Conclusion

The decision between winding down and privatization should be made with a careful assessment of the current financial health and performance of AMCON. It's essential to evaluate whether AMCON's original objectives have been met and whether it still serves a necessary purpose.

The decision-makers need to think about what's best for our money and people. The final call on AMCON's future needs to be smart, getting back as much money as possible with lesser risk exposure.

Teye Awofiranye is a Managing Partner at the Trusted Advisors and heads the Fiscal and Finance Practice Group

Ajibola Olaosebikan is a Senior Associate in the Conflict and Dispute Management Practice Group at the Trusted Advisors

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The proposition to wind down AMCON stands as a prudent financial strategy to alleviate the strain on public resources
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LEGAL BUSINESS

AELEX NOTES

Electricity Act 2023 and the Nigerian Electricity Supply Industry (NESI)

By Raymond Ofagbor and Ndentuokid Essang

THE Electricity Act, 2023, (“the Act”) was signed into law by His Excellency, President Bola Ahmed Tinubu, GCFR, on 6 June 2023. The Act was passed in light of the Federal Government’s initiatives to accelerate Nigeria’s energy transition process as well as consolidate the regulation of the Nigerian Electricity Supply Industry (NESI) for optimum functionality and effective service delivery.

Essentially, the Act, repeals the Electric Power Sector Reform Act, 2005, consolidates the laws relating to the NESI, and provides a comprehensive and institutional framework for the power sector in Nigeria. Areas covered by the Act include electricity generation, transmission, distribution, supply, trading, system operations, electricity offences and the enforcement of consumer rights and obligations. It also makes provision for a holistic integrated resource plan and policy that recognises all the sources for the generation, transmission and distribution of electricity, including the integration of renewable energy into Nigeria’s energy mix.

The enactment of the Act marks the second of a three-stage reform process that started with the Constitutional Amendment to remove the constitutional restrictions on the States’ right to legislate for power generation, transmission and distribution and which will culminate in the enactment of electricity laws by the various houses of assembly for each State.

This article, therefore, is an overview of the provisions of the Act, in light of the reform proposals therein, factoring in the current state of play to ascertain the implications of its provisions on the structure, organisation and administration of the NESI.

Overview of the Electricity Act

The main objective of the Act is to attract private sector investment into the value chain of the NESI by providing a comprehensive framework for the operation of “a privatised, contract and rule-based competitive electricity market in Nigeria through transformative policy and regulatory measures”.

The Act comprises of provisions relating to licensing for electricity generation, distribution and transmission as well as tariffs and subsidies, acquisition of land, renewable energy and rural electrification, consumer protection, offences and penalties.

In alignment with the constitutional amendment, the provisions of the Electricity Act apply throughout the Federal Republic of Nigeria with respect to all aspects of the power sector with the caveat that nothing in the Act will invalidate any law passed by the House of Assembly of a State or a collaboration between the State, the Local Government, and the Federal Government in relation to any aspects of the electricity market.

Notable reforms in the Electricity Act

The Electricity Act proposes consequential reforms in the power sector. These reforms are aimed at facilitating the effective progression of the electricity market into a more commercially driven phase. The key reforms are examined below, albeit, cursorily:



1. The National Integrated Electricity Policy and Strategic Implementation Plan

By Section 3 of the Electricity Act, the Federal Government is mandated to publish, through the Ministry of Power, a National Integrated Electricity Policy and Strategic Implementation Plan (NIEPSIP) in the Federal Government Gazette within one year from the commencement of the Act to guide the overall development of the electric power sector in Nigeria. Upon issuance, all project development in the electricity sector will be expected to conform with NIEPSIP as the applicable policy and implementation plan document for electricity in Nigeria. Some level of stakeholder input is also contemplated in the formulation of the NIEPSIP which shall be approved by the Federal Executive Council and reviewed after successive five-year periods.

Specifically, the NIEPSIP is to encompass aspects relevant to the development of the electric power sector in Nigeria such as; the utilisation of relevant resources (both renewable and non-renewable) for power generation, transmission, distribution and supply, electricity infrastructure, rural electrification, public private partnerships, waivers and subsidies and the overall development of the electricity value chain.

2. Development of a Competitive National Electricity Market

While recognising the legal validity of the evolution and reform of the electricity market from the vertically integrated structure, to the privatized structure - under the repealed Electric Power Sector Reform Act, 2005 (the repealed EPSR Act), and other subsequent institutional and legislative innovations, the Electricity Act sets the framework for the transition of the electricity market to the medium term and long-term electricity market stage under the oversight

and supervision of the National Electricity Regulatory Commission (“the Commission”).

In addition, the Electricity Act provides that the sale and purchase of electricity and ancillary services during the medium-term stage shall be in accordance with the Market Rules and the Grid Code, and the Commission shall have the power to approve such amendments to the Market Rules to prescribe the preconditions for the declaration of the long-term market stage.

Specifically, the Act recognises the System Operator as the issuing and amending authority of the Market Rules and the Grid Code although subject to the approval of the Commission. Also, the Commission is imbued with the powers to issue directives specifying the class(es) of end-use customers to be designated as eligible customers at every market stage as well as issue directives to specify competition transition charges in circumstances where the designation of eligible customers would adversely affect trading or distribution licenses in terms of the reduction in electricity prices.

3. Incorporation and licensing of the Independent System Operator (ISO)

The Electricity Act mandates the Transmission Company of Nigeria Plc (“the TCN”), to take steps to incorporate an entity under an ownership and governance structure as the Commission may specify and such entity shall apply to the Commission to be licensed as an ISO to perform the market and system operation functions stipulated by the Act.

Further to the above, the Electricity Act requires that upon incorporation and licensing of the ISO, the TCN is to transfer all assets and liabilities pertaining to its market and system operation functions to the ISO. This implies that the regulation of existing transmission licenses will transfer to the ISO. Specifically, the functions of the ISO include the generation, and transmission scheduling, generation outage co-ordination and transmission congestion management, international transmission co-ordination, procurement and scheduling of ancillary services, system planning, administration of wholesale electricity market and such other activities as may be required for reliable and efficient system operation.

4. Establishment of relevant institutions of the electricity sector under the Electricity Act

The Electricity Act makes elaborate provisions for the establishment, administration, organisation, functions, and powers of relevant power sector agencies. Accordingly,

the agencies established under the Electricity Act include the National Electricity Regulatory Commission (NERC), the National Hydroelectric Power Producing Areas Development Commission (N-HYPPADEC), the Rural Electrification Agency (REA), Nigerian Electricity Management Services Agency (NEMSA), National Power Training Institute of Nigeria (NAPTIN).

While these agencies are not all new, the Act makes specific provisions to ensure that all essential electricity-related agencies are brought under the umbrella of a single legislation.

5. Licensing Requirements

The Electricity Act reviews the licensing requirement for engaging in the business of electricity generation, transmission, distribution, supply, trading or system operation to accommodate the rights of States of the Federation to make laws and establish markets for generation, transmission, system operation, distribution and supply of electricity within their respective territories.

Specifically, the Electricity Act recognises the power of States to enact laws that allow a person to be licensed to construct own, and/or operate an undertaking for the generation, transmission, distribution, supply and sale of electricity, including the construction and operation of mini grid, independent electricity distribution network/independent electricity distribution operator (IEDN/IEDNOs) or its independent electricity transmission network operators (IETN/IETNOs) within the State. Accordingly, the Act stipulates that the State Electricity Board shall have the responsibility to grant licences for mini-grids, IEDN/IEDNOs and IETN/IETNOs and provide framework for the operation of such licensees within the State. This implies that state authorities will now be responsible for the licensing of mini-grid projects within their area of jurisdiction. In respect of already existing mini-grid projects deriving their licenses from the NERC, the regulation of such existing mini-grids will transfer to the State Electricity Board where the mini-grid is located.

Concerning electricity generation, the Electricity Act makes it the responsibility of the Commission to promote the generation of electricity from renewable energy sources and stipulates that in granting generation licences, the Commission shall promote embedded generation, hybridised generation, co-generation and the generation of electricity from renewable energy sources. Essentially, the NERC retains the overarching generation licensor for power generation in respect of the national grid, while the State Electricity Boards will become the licensor for power generation within their respective states.

As regards electricity transmission, the Electricity Act empowers the Commission to issue IETN licence where there is no existing transmission facility or existing facilities require reinforcement to increase electricity access or connect new power generating facilities. In addition, the Electricity Act now expressly approves private sector investment in electricity transmission, the grant of concession (or other commercial arrangements) to a non-licensee for the

finance, construction, ownership and maintenance of a transmission network, as well as public private partnerships to facilitate the transmission of electricity

In respect of electricity distribution, the Electricity Act provides for a phase where distribution will be disaggregated into distribution and supply and each activity will be subject to the grant of a separate licence. This is a novelle creation in the Act that will eventually see a separation of roles currently performed by electricity distribution companies into either distribution or supply licensee roles. The Act further distribution or supply franchising arrangement between distribution or supply licensees and third parties within their respective coverage areas subject to the approval and regulatory oversight of the Commission. In addition, the Act provides for the grant of IEDN and IEDNO licence within an area with no existing distribution system or where the existing distribution infrastructure is unable to meet the demands of such customers.

With respect to Electricity trading, the Act, while recognising the establishment of the institutional trading licensee – Nigeria Bulk Electricity Trading Company (NBET), which holds a bulk purchase and resale license for bulk procurement and bulk sale of electricity and ancillary services, provides that the Commission may direct the NBET to cease to enter into contracts for the purchase and resale of electricity and ancillary services and novate its existing contractual rights and obligations to other licensees within such period as the Commission may specify.

Furthermore, the Act empowers the Commission to issue such number of trading licences as it considers appropriate which shall authorise the trading licensee to enter novation agreements with the institutional trade licensee – NBET, for the novation of the contractual rights and obligations for purchase and resale of electricity and ancillary services as well as enter contracts with generation companies for the purchase and resale of electricity and ancillary services.

The Electricity Act further provides that any person who contravenes the provisions of the Act in respect of any of these licensing requirements, shall be liable on conviction to a fine of at least 10 (ten) times the application and license fees for the relevant licence contravened; imprisonment for a term not exceeding five years; or both such fine and imprisonment as well as an order for permanent forfeiture of the undertaking to the Commission.

In the second part of this article, we will review the implications of the reforms on the Nigerian Electricity Supply Industry.

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AELEX Notes is a dedicated column, managed by AELEX Legal Practitioners and Arbitrators, featuring legal developments and insights.

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The Electricity Act makes it the responsibility of the Commission to promote the generation of electricity from renewable energy sources
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LEGAL BUSINESS

THE BUSINESS COUNSEL

The law on arresting ships in Nigeria - Part II

By Joseph Siyaidon and Stanley Umezuruike

IN the first segment of this article, we delved into the introductory part of the arrest of ships in Nigeria. We examined the existing legal framework for arresting ships in Nigeria, as well as the conditions a party has to fulfil to make a valid application to arrest a ship.

In this second part of the article, we explore deeper into the procedural intricacies of ship arrest in Nigeria. Exploring key steps, from invoking the Court's jurisdiction to the potential vacation of arrest warrants, we also address the arrest of sister ships, judicial sale provisions, ships exempted from arrest, and remedies for wrongful arrest. This comprehensive analysis aims to enhance the understanding and efficiency in navigating maritime claims within the evolving landscape of Nigeria's admiralty law.

Procedure for arresting a ship

As noted in the initial article, the Admiralty Jurisdiction Procedure Rule 2011 as well as the Federal High Court Civil Procedure Rule 2019 are the primary procedural laws regulating the arrest of a ship in Nigeria. The following procedure is imperative in the arrest of a ship:

1. Invoking the in-rem Jurisdiction of the Court: As observed earlier, a Plaintiff or Claimant must first be satisfied that he has a maritime claim before the admiralty jurisdiction can be invoked.

2. Conducting Search in the Caveat Register: Due diligence in ship arrest proceedings is very important, as such, before the filing of an application for the arrest of a ship or institution of an action in rem, the plaintiff is mandated to search the caveat register and file a consequential affidavit deposing to facts that a search was conducted and attaching the necessary evidence. The plaintiff's failure to search the caveat register before arresting the ship may result in a claim for unlawful arrest by the relevant person or the defendant due to bad faith or gross negligence. When a plaintiff searches the caveat register and finds a caveat against arrest, they must disclose it in their affidavit and present arguments to convince the court to order an arrest of the ship despite the caveat.

3. Filing the necessary Originating Processes in Court: The Claimant is required to file a motion ex parte for a warrant of arrest in respect of the ship or other property against which the



proceeding was commenced, provided that during the time of the application, the ship or other property is within Nigerian territorial waters or is expected to arrive within Nigerian territorial waters within three days from the time of filing the application. The application should be accompanied by a writ of summons as in the prescribed Form 1, a Statement of Claim, and a copy of all documents to be used at the trial, as well as written statements on oath of the witnesses that will be relied upon at trial. The Plaintiff is also required to file an Affidavit of Urgency, an Indemnity in favour of the Admiralty Marshall for expenses incurred in effecting the arrest order, and an undertaking as to damages in favour of the Defendants, in case the arrest warrant turns out to be frivolous and unwarranted.

4. Issuance of Arrest Warrant: The Court upon satisfaction that the claim was properly instituted, and that all requirements of the law were observed, will issue the warrant of arrest as in Form 7. The warrant will be valid for a period of 6 months from the date it was issued and may be renewed for another period of 6 months. It is important to note that a change in ownership may prevent the arrest of a ship, therefore a warrant of arrest of a ship may not be issued where the beneficial ownership of the ship has,

since the issuance of the writ of summons, changed as a result of a sale or disposal by any court exercising admiralty jurisdiction. It is, however, the duty of the new owner to inform the Federal High Court of his ownership of the ship to prevent the arrest of his ship.

5. Execution of the Arrest Warrant: The Admiralty Marshall or his substitute is saddled with the responsibility of execution of the arrest warrant. Under custody and sale of the ship, an Admiralty Marshall may accept an amount of money not less than N100,000.00 and not more than N500,000.00 as a deposit towards discharging the liability, and make more demands fortnightly for payment on account of those expenses.

6. Vacation of Arrest Warrant: An order of arrest of a ship or other property is not a final decision of the Court in the in-rem action and as such, when either of the prescribed conditions through a written application by the defendant is met, the arrest will be vacated, provided that:

a. an amount equal to (i) the amount claimed; or the value of the ship or property, whichever is the less (ii), has been paid into court; or

b. a bail bond for an amount equal to (i) the amount claimed; or the value of the ship or property, whichever is the less (ii), has been filed in the proceedings.

Arrest of sister ships

A sister ship is simply a ship owned by the same owner or the same set of owners against whom the maritime claim exists. The doctrine of the arrest of the sister ship requires that in circumstances where the offending ship does not lie within the Court's jurisdiction, any other ship belonging to the offending ship owner that may appear within the jurisdiction of the Court can be legally arrested as the offending ship, provided that the other ship is in the same beneficial ownership as the offending ship. This implies that

the sister ship must be owned by the same relevant person or defendant who owns the offending ship for the arrest of the sister ship to be effective.

Sale of ship by judicial order

The Judicial Sale of a ship is another important provision in the AJPR. The AJPR empowers the Court, upon the application of the arrestor or other interested party to order the Sale of a ship if bail or sufficient security has not been provided 6 months after the date of arrest. The ship is to be sold by the Admiralty Marshall and the proceeds of Sale paid into an interest-yielding fixed deposit account in the name of the Admiralty Marshall, pending further orders of the Court.

Ships exempted from arrest and damages for wrongful arrest

Certain ships, such as those used by the Nigerian Navy or belonging to the state or Federal Government, cannot be subject to maritime proceedings or arrested under relevant Maritime Laws. If they commit any wrong, they are exempt from detention, arrest, and judicial sale. Therefore, an action in rem cannot be proceeded against such ships.

The law also recognizes situations where a Plaintiff may make a frivolous and baseless maritime claim for the arrest of a ship. In such cases, the law provides remedies to the aggrieved defendant for wrongful arrest. Accordingly, where an arrest order has been made, the Court may award compensation to the defendant and damages against the Plaintiff if it later appears that the arrest was applied for on insufficient grounds or if the suit is dismissed and there was no probable cause for instituting it. The compensation is intended to cover any loss or injury suffered by the defendant as a result of the arrest, attachment, order of sale, or injunction and is awarded at the Court's discretion upon application by the defendant within 3 months of the termi-

nation of the suit. However, it is crucial to note that only a demise charterer or the owner of an arrested vessel possesses the requisite legal capacity to maintain an action for wrongful arrest. Moreover, for an action for wrongful arrest to succeed, the alleged damage suffered as a result of the wrongful arrest must be proved by credible evidence.

Conclusion and recommendations

The admiralty industry and jurisprudence have experienced significant growth over the years, thanks to new rules and the proactive attitude of courts towards maritime claims, particularly on the practice of ship arrest. Over time and even currently, courts have expounded on the law and practice of arresting ships, however, there is a need for a more efficient and seamless system for the institution of maritime claims.

It is imperative to provide continuous legal education and training to all personnel and stakeholders involved in admiralty proceedings to ensure efficient practice in Nigeria. This could be achieved by the joint effort of the relevant bodies such as the Judiciary, the Nigerian Maritime Administration and Safety Agency (NIMASA), the Nigerian Shippers Council (NSC) and the Nigeria Bar Association (NBA). Furthermore, establishing a separate Admiralty Registry in Nigeria, which is accessible to all the Federal High Court divisions situated near seaports, is an urgent necessity.

This will guarantee the smooth discharge of duties by the Admiralty Marshall, who bears immense responsibilities of enforcing judgments and orders of the Court in maritime and admiralty cases.

Joseph Siyaidon is the Team Lead of the Arbitration, Maritime Construction and Energy Disputes Practice Group at Stren & Blan Partners while Stanley Umezuruike is an Associate in the firm's Arbitration, Maritime Construction and Energy Disputes Practice Group.

Stren & Blan Partners is a full-service commercial Law Firm that provides legal services to diverse local and international Clientele. The Business Counsel is a weekly column by Stren & Blan Partners dedicated to providing thought leadership insight on business and legal matters.

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A separate Admiralty Registry accessible to all the Federal High Court divisions is an urgent necessity



Eko Hotels Unveils Spectacular Packages for Tropical Christmas Wonderland with Zenith Bank and Optiva Capital Partners as Platinum Sponsors



Eko Hotels & Suites has officially unveiled the much-anticipated packages for the Tropical Christmas Wonderland. This event, which has undergone four exciting editions, began with the Tropical Wonderland, followed by the Carnival edition and then the Candyland edition. Last year, it took on the theme of Prideland, and this December, it will showcase the Prideland: The Bamboo Chronicles edition. The announcement was accompanied by the revelation of Zenith Bank and Optiva Capital Partners as the newest platinum sponsors, marking a pivotal moment in the hotel's journey to position Nigeria as a global holiday destination.

The General Manager of Eko Hotels, Mr. Danny, provided insight into the genesis of the Tropical Christmas Wonderland, saying, "Every year we noticed that our hotel patronage would dry up by the 18th of December, and so five years ago, we came up with this idea for the Tropical Christmas Wonderland, and it's grown bigger since then. In the beginning, we used to cajole families to come, but now we are selling out tickets a month to the event."

On her part, Mrs. Iyadunni Gbadebo, the Director of Sales and Marketing for Eko Hotels, reflected on the hotel's journey, saying, "Our dream five years ago was to put Nigeria on the global map as a refreshing holiday destination. We started by hosting 900 people, and now we host about 10,000 people in four zones called the Tropical Christmas Wonderland. I don't know that there is any family holiday event that is bigger, as exciting, as action-packed, and entertaining as the Tropical Christmas Wonderland."

Speaking about the quality of Zenith Bank's partnership, Mrs Gbadebo stressed the point that "You can't speak about Light Up Lagos and ignore the innovative prowess that Zenith banks bring to Lagos. They've been an important partner of Eko Hotels and the Tropical Christmas Wonderland and have promised to bring magic to this Christmas event."

In a significant moment during the announcement, Mrs. Gbadebo introduced Optiva Capital Partners as the newest platinum sponsor. The CEO of Optiva



From left to right: Mr. Anthony Mbawuike - Head of Business Development for Atlantis Pediatric Hospital, Sales & Marketing Director for Eko Hotels & Suites- Mrs. Iyadunni Gbadebo, Executive Director Optiva Capital Partners - Mrs. Amaka Okeke Lawal, CEO Optiva Capital Partners - Mrs. Jane Kimemia Nechi, General Manager - Eko Hotels & Suites Mr. Danny Kioupourglou and the Brand Manager for Maltina Mrs. Clementina Kayode

Capital, Mrs Jane Kimemia Nechi expressed admiration for Eko Hotels' creativity, stating, "I love the creativity that Eko Hotels has put into the Tropical Christmas Wonderland to give Nigerians a memorable holiday. And so Optiva Capital Partners, a wealth management company that specializes in investment immigration to help clients get citizenship or residency, is proud to be partnering with Eko Hotels on this amazing adventure."

The Executive Director of Optiva Capital, Mrs Amaka Okeke Lawal, who was also at the press briefing, emphasized the strategic alignment between the two entities, saying, "Optiva Capital is the largest provider of investment immigration and investment advisory services, and Eko Hotel is the largest hotel in Nigeria, so what better partnership should there be. We recognize what the hotel stands for and their values, and that inspired the partnership. We are looking to do great things together. Partnering with Eko Hotels on this coming event is a thing of pride for us."

The Brand Manager of Maltina, Mrs Clementina Kayode, a long-time partner of Eko Hotels, expressed delight in the ongoing collaboration, stating, "It's been four years working together, and we are delighted to be collaborating with you again this year. The concept and idea behind this project really tie to the essence of the brand. When you think

about Christmas, what comes to mind first is family and happy moments, and Maltina as a brand brings about happiness and sharing great connection. It's a big deal for us to be partnering with Eko Hotels, and we are excited about it."

To ensure the safety of attendees, the Head of Business Development, Atlantis Paediatric Hospital, Mr. Tony Jose noted, "We want people to feel safe while having fun. For us, every child matters, and we take pride in this collaboration. We want people who are coming from all over the world for this holiday experience to feel safe and have nothing to worry about."

As the countdown to the Tropical Christmas Wonderland begins, Eko Hotels, along with its esteemed partners and sponsors, promises to deliver an unparalleled holiday experience that transcends borders, epitomizing the spirit of Christmas - sharing joy, happiness, and unity. The diverse activities include Santa Illie and the Bamboo Queen's carnival procession, Jumptopia, a night filled with laughter featuring Larry J, two captivating theater stage performances, a Christmas family brunch, Bamboorrific - kiddies story time with Maureen, an adults game night, Santa's Christmas Grotto, Family games, Ali Baba's January 1st Comedy show, a magic show, Santa Illie's Elf Express, Pitch Perfect Children's choir competition, and many more exciting offerings.

LEGAL BUSINESS

INDUSTRY FILE

Olumide Akpata enumerates three-pronged strategy to decimate Nigerian Judiciary

OLUMIDE Akpata speaking at the International Bar Association in Paris, France stated that there is a very intentional plan by the Nigerian political class to derail the Nigerian judiciary.

“While I was President what I found out is that there is a ploy on the part of the political class in Nigeria to capture the judiciary. It is deliberate, intentional and it is achieving results for them.”

The Immediate Past President went on to outline the three-pronged strategy which he noticed during his tenure: the appointment process which he described as “bizarre”; the deliberate impoverishment of judges and the total absence of financial autonomy.

“Firstly, as President of the Bar, I sat on the interview committee for judges and what I saw was bizarre... that a good judge will emerge out of that process in Nigeria is by fluke only, sheer luck, luck of the draw as it were.



We are playing Russian Roulette with judicial appointments in Nigeria.”

“Two, the impoverishing of judges in Nigeria. I mean I don’t even want to tell you what a judge earns in Nigeria. Meanwhile, they are still at the upper echelon of society, they are still considered elite. Their kids want to go to Cambridge, Yale and Harvard, but they definitely can’t afford it. But

I assure you that their kids are in Cambridge, Yale and Harvard. So, your guess is as good as mine as to how those kids get there.”

“And when we talk about calling them out because they are corrupt, we can call them out just by looking at their judgments. When a man who you know knows the law- and it’s not always the case that they know- and his judgment flies against

the face of what the law should be, you know there is something else motivating him or her.”

“[Thirdly], the total absence of financial autonomy, so a judge needs cars or houses for his judges, he has to go to the governor. He has to go to the governor and some of them actually kneel before the governor, and then the governor will say, “I have just given cars to my judges”, your judges? They are not your judges.”

Earlier, in his statement, Akpata had said that “Judicial Capture” has invidious consequences for the rule of law in Nigeria, adding that at present what we have is, “an almost total erosion of confidence in the Judiciary.”

“In 2020, we had the End Sars which was an uprising from the people, and in Lagos. [the people] went to several public organisations, including the High Court, and they burnt down the entire court building. One picture that remains clear

in my mind is the guy who had on the gown of the judge and put on the wig, he held books [in his left hand] and had a machete [in his right]. The people were sending a message to us that they don’t get justice in these courts because the kind of people who show up have no business, no business, being there.”

In conclusion, he invited the International Bar Association to lend its voice to altering the course of the Nigerian judiciary.

“Nigeria is the largest black nation on the Earth, and what happens in Nigeria has major implications the world over. We’re hoping that the IBA [being the global voice of the profession] should ascertain that what I say is correct and then lend its voice to the process of appointment.”

In response, the IBA committed to deciding on “whether a statement on the situation should come from the IBA or certainly from parts of it.”

BUSINESS OF LAW

Only 18.3% of all lawtech ventures have at least one female founder: we need to do better

FIRST and foremost, securing funding to grow and scale a venture is one of the most significant roadblocks for women founders. According to the British Business Bank, for every J1 of equity investment in the UK in 2021, all-female founder teams received 2p. This is similar to equity investment in ventures founded by entrepreneurs from ethnic minority backgrounds.

A study commissioned by the SRA found that only 8% of lawtech venture funding went to female funders (from a sample of 90 lawtech ventures in the UK). The study also pointed out that female founders clustered mainly in ‘PeopleLaw’, referring to the individual and small business client segment of the lawtech market. When compared to ventures that focused on the ‘BigLaw’ corporate-client facing segment, PeopleLaw ventures tended to be less appealing to investors.

A female lawtech founder interviewed for the above SRA study said they intentionally opted for debt financing from a bank that uses ‘an algorithm rather than a human to make funding decisions’. Her reason for this choice? Based on this

process, ‘they (the bank) fund way more women than anybody else, just based on the numbers’.

Sub- or unconscious gender bias can often be found in the funding process. When I raised capital for a startup I co-founded with another female entrepreneur from Oxford, I learned about the different types of investor questions to male and female founders when pitching. Men were constantly asked ‘promotion’ questions surrounding potential gains and growth. Mean-

while, women were asked more ‘prevention’ questions regarding potential losses. And the ‘so what?’ Founders who were asked more promotion questions are more likely to raise more money.

There are other challenges. The demanding nature of startups, combined with societal expectations and responsibilities, can sometimes deter women from taking the entrepreneurial plunge. At the same time, the rigidity of a traditional legal career can

also encourage some women to go into entrepreneurship. The reality is that there is still a long way to go in addressing the gender underrepresentation gap in lawtech. A lack of female mentors and role models in the sector as well as limited business support networks can further discourage women from entering and thriving in this space.

The future of lawtech is not just about the technology. It is about the people who drive the technology, and the people that the technology will benefit.

Addressing the gender disparity in lawtech entrepreneurship is not just a matter of equity, inclusion, and fairness; it’s a matter of harnessing diverse talent to foster innovation and growth. Studies have shown that, on average, startups (co)founded by women delivered better returns for investors.

How can we foster an environment where women-founded and women-led law tech ventures, whether in ‘PeopleLaw’ or ‘BigLaw’, can thrive?

• Understanding barriers: Everyone involved in the sector must gain a deeper understanding of the specific

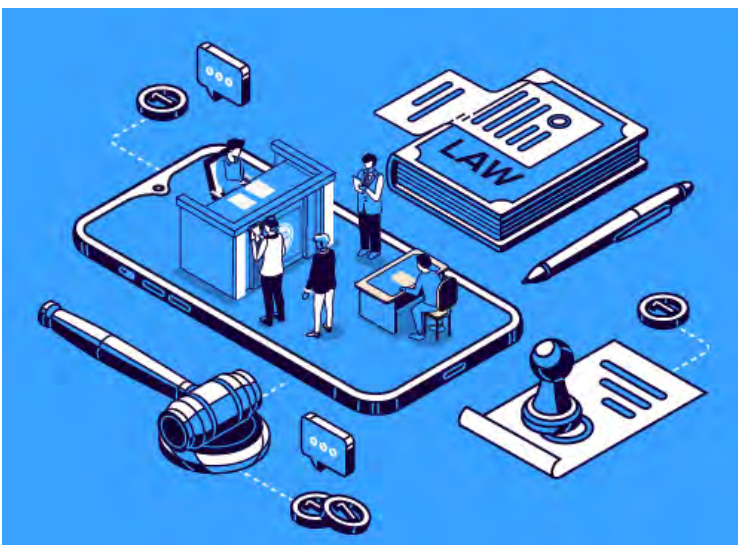
challenges that hinder women entrepreneurs from accessing equal funding, mentorship, and resources.

• Setting goals for the sector: While there are growing programs and initiatives to support women entrepreneurs (largely around mentoring and networking), there has been little impetus within the sector to set and actively pursue goals and metrics to measure progress.

• Addressing bias in funding: Greater awareness and education about unconscious bias in the funding process could lead to good practices that focus on objective criteria. Some VCs and funders have even moved towards ‘pitch-less’ investment processes and having gender diversity in leadership teams as a factor in investment decisions.

For the UK lawtech sector to reach its full potential, the gender disparity in lawtech entrepreneurship must be addressed head-on. As the sector rapidly evolves, it is not enough for women to merely be participants; they must be catalysts, driving innovation and shaping its very future.

Sourced from Law Society Gazette



INVESTOR

	NSE All Share Index	Market capitalisation	NSE Premium	The NSE-Main Board	NSE ASeM Index	NSE 30 Index	NSE Banking Index	NSE Insurance	NSE Consumer Goods	NSE Oil/Gas	NSE Lotus II	NSE Ind. Goods Index	NSE Pension Index
Week open 20 10-23)	66,915.41	N36.764 trillion	6,477.84	3,091.84	659.42	2,461.06	694.09	274.08	1,144.81	916.85	917.06	2,756.33	1,172.64
Week close 27 10-23)	67,136.58	N36.885 trillion	6,476.87	3,109.38	659.42	2,469.29	701.33	271.01	1,144.34	935.81	4,286.51	2,752.17	1,171.93
Percentage change (WoW)	-1.10 ↓		-0.01 ↑	0.57 ↑	0.00	0.33 ↑	1.04 ↑	-1.12 ↓	-0.04 ↓	2.07 ↑	0.01 ↑	-0.15 ↓	-0.06 ↓
Percentage change (YTD)	31.50 ↑		37.35 ↑	33.54 ↑	-1.74 ↓	34.02 ↑	67.98 ↑	55.43 ↑	94.31 ↑	102.35 ↑	32.27 ↑	14.52 ↑	0.00

United Capital Research:

Nestle: We target price of N115.50/share

... Investors may hold the shares for dividend, growth potentials

NESTLE Nigeria Plc recorded a modest growth in its topline for nine months (9M) 2023, posting a 19 percent year-on-year (y/y) increase in total turnover (revenue), from N333.5billion in 9M-2022 to N396.6billion.

The company's turnover rate (19percent) for the period under review had more pace compared to the 9.4percent y/y climb in total Cost of Sales (CoS) for the period under review.

The company recorded a significant 41.2percent y/y climb in its operating profit in 9M-2023, from N64.9billion to N91.6billion. Conversely, Nestle Nigeria Plc recorded a whopping 1,625.8percent y/y climb in finance cost, ultimately posting a loss for the period, 9M-2023. Thus, the company's bottom line printed a loss of (N43.1billion), down by -207.3percent y/y from a profit position of N40.2billion.

Strategic cost optimi-

sation: Bolstering operating profits through efficient resource management and financial agility

When the exchange rate of a country's currency is high, its exports become more expensive, which can reduce demand for its products in the global market. This was quite evident in the 83.1percent y/y decline in the value of Nestle's exports (from N2.9billion to N488million) in 9M-2023. Nestle Nigeria Plc's top line expanded at a decent pace (+19percent y/y) in 9M-2023, with revenue from Nigeria accounting for 99.9percent of the company's total revenue (N396.6billion) for the period.

"Strong brand name and preference played a key role in the company's recorded turnover rate. Consumers remained willing to pay a premium for the company's products." The company tilted more toward a cost optimisa-

RSA FUND II PRICE OF PFAS AS AT NOVEMBER 17, 2023

S/N	PFAS	CURRENT PRICE
1	CrusaderSterling Pensions	7.8722
2	Premium Pensions	7.2557
3	ARM Pension Mgrs.	6.8471
4	Stanbic-IBTC Pensions	6.6037
5	PAL Pensions	6.5722
6	FCMB Pension	6.5398
7	NLPC Pension	6.2284
8	Access Pension	6.0967
9	Trustfund Pensions	6.0820
10	Tangerine APT Pension	5.7535
11	Leadway Pension	5.7117
12	Veritas Glanvills Pension	4.9506
13	Fidelity Pensions	4.8569
14	Guaranty Trust Pension	4.4978
15	OAK Pension	4.4507
16	Norrenberger Pension	4.1032
17	NPF Pension	2.8858

tion strategy, ramping up its local sourcing for raw materials. In June, the food and beverages manufacturer disclosed that its businesses in Nigeria and other African countries have as a priority, increased local sourcing for starch and turmeric, which are key raw materials. To that effect, Nestle disclosed

the replacement of imported corn starch with cassava starch (which will be locally sourced). It further disclosed it has invested in the growth and expansion of seven (7) local suppliers, in terms of capacity expansion, to meet its supply needs and backward integration objective. That said, the company

recorded a significant 36.6percent y/y increase in its gross profit for 9M-2023 (which printed at N160.2billion from N117.3billion in 9M-2022), supported by a very reasonable 9.4percent y/y climb in its CoS. Nestli recorded a significant 41.2percent y/y improvement in its operating profit (from N64.9bn in 9M-2022 to N91.6bn) for the period, despite posting a 30.9percent y/y increase in operating expenses (OPEX).

Outlook and investment recommendation (HOLD: Target Price N115.50/share)

Looking ahead, we expect the Brewer's revenue to continue to improve, growing by a Compound Annual Growth Rate (CAGR) of 26.7percent in the next five years, underpinned by the company's product superiority.

As a result of the enormous foreign currency revaluation loss incurred by the company in 9M-2023, the com-

pany's bottom line for FY-2023 is expected to be negative.

The elevated interest rate environment is also expected to place further strain on the company's net finance income, underpinned by the company's capital structure, as a highly levered manufacturer.

Given the company's cost optimisation strategy, by ramping up its local sourcing for raw materials, we expect continuous improvement in its operating profit in FY-2024.

Also, FG and CBN's moves to douse the pressure on the Naira via improving local supply of the Dollar, will continue to stand as an upside for manufacturers in the consumer goods sector.

That said, based on earnings forecasts and valuation multiples, we project a target price of N115.50/share. Investors may opt to HOLD the company's shares for dividend and growth potentials.

CSR-in-Action hosts industry leaders at 12th SITEI conference

CSR-in-Action Group, an international sustainability advocacy and consulting firm, recently successfully concluded the 12th Sustainability in the Extractive Industries (SITEI) Conference in Lagos. It was sponsored by global philanthropy giant, Ford Foundation, and supported by Nigerian multinational commercial bank, Access Bank.

Themed 'The SDGs and the Extractive Sector: Aligning Governance, Policies, and Practices,' the Conference sought to harmonise the present condition of Nigeria's extractive sector with global development goals through an evaluation of governance, policies, and their execution.

According to Bekeme Masade-Olowola, Chief

Executive, CSR-in-Action, and Convener of SITEI, "CSR-in-Action's mission is to facilitate collaboration, ensuring that governmental policies and mediating organisations play a pivotal role in enforcement. The transition to clean and renewable energy is driven not only by a commitment to public health but also by its potential to generate jobs and stimulate economic growth, creating a cleaner, more sustainable environment."

Prominent and expert figures in attendance included Beatrice Eyong, Country Representative (Nigeria), UN Women and ECOWAS; Dayo Okusami, Co-Head, Energy and Resource Practice at Templars; Omobolanle Victor-Laniyan, Group Head, Sustainability, Access Holdings Plc;

Osayi Alile, CEO, Aspire Coronation Trust (ACT) Foundation; Uwem Ite, Head, Community and Government Relations at Oriental Energy Resources Limited; Dayo Omolade, CEO, Hybrid Group.

Also present were distinguished luminaries such as Tengge George-Ikoli, Senior Officer, Natural Resource Governance Institute (NRGI); Adamu Garba, COO, Nigerian Climate Innovation Center (NCIC); Gamawa Murjanatu, Head, Business Ethics, NNPC; Oluwakemi Ajakaiye, Executive Director, AMPAK; Daniel Oladoja, Strategic Communications Lead, Global Strategic Communications; Mina Ogbanga, Country Director/CEO, Centre for Development Support Initiative (CEDSI) and CSO Lead, NEITI;

Adewole Lawal, Senior Manager, Sustainability at Mazars; and Orji Ogbonnaya Orji, Executive Secretary, Nigeria Extractive Industries Transparency Initiative (NEITI), who gave the keynote address virtually.

In the current global landscape, the imperative for environmental responsibility and a transition to cleaner energy sources is more evident than ever. As nations commit to international agreements like the Paris Agreement, the need for concrete actions becomes apparent.

While contributing to the first plenary session, which focused on the importance of energy transition for a cleaner and more sustainable world, Murjanatu Gamawa, Head of Business Ethics at the

Nigeria National Petroleum Corporation (NNPC), reminded the audience that "Nigeria is a signatory to the Paris Agreement, and we must embrace this transition. NNPC [she said] is dedicated to prioritising natural gas as a transitional energy source and investing in renewable and cleaner energy alternatives, despite the current cost barriers."

Dayo Okusami, also emphasised the practical significance of economic viability in policy implementation, particularly in the context of environmental policies and the energy transition. He stated that "Effective policy implementation pivots on economic viability that caters to both consumers and suppliers. Our dedication to this transition must exhibit

a steadfast and enduring nature."

The event is annually organised in partnership with the Ministry of Petroleum Resources, the Nigeria Extractive Industries Transparency Initiative, Ford Foundation, and Zenera Consulting, amongst other key institutions. It continues to extend its tradition of providing a pivotal platform for fostering high-level discussions to propel positive transformations and nurture an environmentally conscious extractive sector, even as it is now a year short of being a teenager.

The plenary sessions ended as the panelists proffered recommendations aimed at establishing robust institutions conducive to fostering economic growth.

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Top Gainers/Losers as at Wednesday 22 November 2023

GAINERS

Company	Opening	Closing	Change
RTBRISCOE	0.6	0.61	0.66
DAARCOMM	0.3	0.33	0.33
UNITYBNK	1.4	1.51	1.54
MECURE	6.93	7.62	7.62
MULTIVERSE	4.38	4.81	4.81
NSLITECH	0.42	0.46	0.46

LOSERS

Company	Opening	Closing	Change
NEIMETH	1.69	1.7	1.85
SOVRENINS	0.33	0.34	0.36
DEAPCAP [DWL]	0.56	0.61	0.61
VERITASKAP	0.34	0.34	0.37
ROYALEX	0.57	0.58	0.62

Market Statistics as at Wednesday 22 November 2023

ASI (Points)	71,003.98
DEALS (Numbers)	6,677
VOLUME (Numbers)	428,443,260
VALUE (N billion)	7.373
MARKET CAP (NTrn)	39.047

Market turns south on concerns around inconsistency of MPC meeting

By Iheanyi Nwachukwu

NIGERIA'S equities market failed to stay on the positive path on Wednesday as investors routed to take profit across tickers that have risen significantly this year.

This negative was further fuelled by investors' concerns around irregularities of Monetary Policy Committee (MPC) meetings as the

one earlier scheduled this week was further postponed.

In the absence of major advancers on Wednesday by mid-to-large cap stocks, the market decreased by 0.09 percent or N35 billion, thereby confirming most analysts earlier expectation that the market will this week trade on a mixed note with a prevailing bearish sentiment.

This week, the market has recorded two days of negative closes as against a day of positive close.

"We expect a couple of factors to impact investors' sentiment. Specifically, we anticipate a downturn in market momentum, driven by concerns around the inconsistency of the Monetary Policy Committee (MPC)," Meristem research analysts said on

November 20.

The Nigerian Exchange Limited (NGX) All-Share Index (ASI) and its market capitalisation decreased from preceding day's highs of 71,066.64 points and N39.082trillion respectively to 71,003.98 points and N39.047trillion. This year's return decreased to 38.54 percent. In 6,677 deals, investors exchanged 428,443,260 shares valued at N7.373billion.

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C & I Leasing eyes 2024 for dividend to shareholders

C & I Leasing Plc said it will continue to leverage technology to improve operational efficiency and business acquisition for enhanced growth and development.

Samuel Onyishi, chairman, C & I Leasing noted this on Monday while addressing shareholders at the company's 32nd Annual General Meeting (AGM) in Lagos for the financial year ended December 31, 2022.

Onyishi said the company would embrace data & analytics, automation, optimised infrastructure, legacy modernisation and cyber-security.

He said the company would continually consolidate past achievements

and seek opportunities to expand its operations and market frontiers.

Onyishi noted that the board has laid down solid foundation for growth, expansion, and diversification, which is already yielding results.

"In 2023, our organisation is focused on achieving all round improvement in the business and delivering a sterling and sustainable performance that enhances optimal returns to shareholders.

"Despite the challenges faced in 2022, our company has emerged stronger and more resilient, thanks to the collective efforts of all staff, management, audit committee and the board," Onyishi said.

NGX, IsDBI eye increased issuances of Islamic finance instruments

NIGERIAN Exchange Limited (NGX) and Islamic Development Bank Institute (IsDBI) recently held a capacity building workshop for issuers and investors with the aim of deepening the capital market in Nigeria through the issuance of Islamic Finance instruments.

At the workshop themed "Economic Growth and Business Development Opportunities Through the Islamic Capital Markets," participants gained more knowledge of how Islamic finance can drive inclu-

sive growth and sustainable business practices in Nigeria.

Jude Chiemeka, Executive Director, Capital Markets, NGX, while delivering the opening remarks underpinned the potential of Islamic Finance in Nigeria.

"According to Fitch Ratings, the size of the Nigerian Islamic finance industry is estimated at \$2.9 billion at end-2022, with outstanding sukuk being the largest segment at 57percent, followed by Islamic banks at 42percent (total assets), and the remaining 1percent be-

tween Islamic funds (total assets) and takaful (total contributions)," he said.

Chiemeka added, "With Nigeria having a significant Muslim population of about 53percent of the country's over 200 million population, the long-term potential of Islamic finance in Nigeria is indeed significant. It has increased access to banking services for underserved Muslim populations, promoted access to finance for small- and medium-sized enterprises (SMEs) through its risk-sharing characteristics, and provided suit-

able financing options for infrastructure projects through Sukuk, which can spur economic development and attract private sector investment."

The workshop, held at the Exchange Group House in Lagos on Tuesday November 21 aimed to educate stakeholders on contemporary issues and practices of Islamic finance in different jurisdictions and furnish them with case studies and success stories.

Delivering a presentation on applying Islamic Finance to Nigeria's economy, Syed Faiq Na-

SEC Nigeria commemorates seventh World Investor Week

NIGERIA'S Securities and Exchange Commission (SEC) in collaboration with the Financial Literacy Technical Committee (FLTC) joined the rest of the world from Monday November 20 to Friday November 24 to celebrate the 7th edition of the World Investor Week (WIW) promoted by the International Organisation of Securities Commissions (IOSCO).

World Investor Week is a global initiative of the International Organisation of Securities Commissions (IOSCO) established to raise financial literacy among the general public.

The week-long campaign for this year focuses

on the theme, investor Resilience, Crypto Assets, and Sustainable Finance which the IOSCO Board has given top priority, considering the prevailing global market conditions.

Among the activities lined up to commemorate the Week is a webinar titled "Crypto Assets in the Context of Investor Education and Protection" which will be hosted by the Commission, in collaboration with some stakeholders. The webinar will feature experts sharing insights on crypto assets, investor protection, and public policy implications while examining the potential pitfalls for Nigeria.

NEWS

REVENUE

Govt's gross revenue dips 34% to N660bn in October

By Cynthia Egboboh, Abuja

TOTAL gross statutory revenue received into the federation account, dropped to N660.090 billion in October 2023, a 34.9 percent decline from N1.01 trillion recorded in September.

The reason for the decline was not given in the communique issued at the end of the monthly Federation Account Allocation Committee (FAAC) meeting.

Meanwhile, the total revenue for the month of October 2023, stood at N1.346 trillion, from which N906.955 billion was shared among the federal government, states and local government councils.

BusinessDay's findings showed that the total amount shared was a slight increase from N903 billion shared to the three tiers of government in the month of September.

According to a communique the N906.955 billion total distributable revenue comprised distributable statutory revenue of N305.070 billion, distributable value-added tax (VAT) revenue of

N323.446 billion, electronic money transfer levy (EMTL) revenue of N15.552 billion, exchange difference revenue of N 202.887 billion and augmentation of N60.000 billion.

It also showed that total deductions for the cost of collection was N53.483 billion; total transfers, interventions and refunds were N386.081 billion in the period.

Of the N906.955 billion total distributable revenue, the federal government received a total of N323.355 billion, the state governments received N307.717 billion and the local government councils received N225.209 billion.

"The gross revenue available from VAT was N347.343 billion. This was higher than the N303.550 billion available in September 2023 by N43.793 billion. A total sum of N50.674 billion (13% of mineral revenue) was shared with the relevant states as derivation revenue.

"From the N305.070 billion distributable statutory revenue, the Federal Government received N147.574 billion, states received N74.852 billion and local governments received

N57.707 billion. The sum of N24.937 billion (13% of mineral revenue) was shared with the relevant states as derivation revenue.

"The Federal Government received N48.517 billion, states received N161.723 billion and the local councils got N113.206 billion from the N323.446 billion distributable VAT revenue," it stated.

Of the total N15.552 billion generated as electronic money transfer levy (EMTL), the federal government received N2.333 billion, states got N7.776 billion and councils received N5.443 billion.

Also, of the N202.887 billion exchange difference revenue, the federal government received N93.323 billion, state governments received N47.334 billion, and the local government councils received N36.493 billion. While the sum of N25.737 billion (13 percent of mineral revenue) went to the relevant states as derivation revenue.

Of the N60 billion augmentation fee, the federal received N31.608, states received N16.032 billion and councils got N12.360 billion.

LABOUR

Osun judiciary workers declare indefinite strike

By Olubunmi Oladejo, Osogbo

OSUN State judiciary workers have declared an indefinite strike in the state.

Policemen on Wednesday dispatched protesting workers, who gathered in front of the Osun State High Court, Osogbo, and journalists with teargas.

It would be recalled that the Judiciary Staff Union of Nigeria (JUSUN) had on Monday locked the entrance of the court and picketed the office of the chief judge in protest against Justice Oyebola Adepele-Ojo and the management on the activities of the judiciary in the state.

However, on Wednes-

day, Adepele-Ojo drove into the court with security personnel and went straight to her office, a situation, which was said to have caused chaos.

The workers on sighting the chief judge, it was gathered, got infuriated and insisted on gaining access to the court premises.

ECONOMY

Increased Japanese presence in Lagos Fair signals trust in Nigeria - JETRO

By Daniel Obi

THE participation of 33 Japanese companies in the 2023 Lagos International Trade Fair against 19 in 2022 is an indication of Japanese investors' confidence in Nigeria's economy, Tokashi Oku, managing director and trade commissioner of Japan External Trade Organisation, JETRO has said.

He told BusinessDay at the just concluded fair that the Japanese Pavilion recorded over 50,000 visitors during the 10-day trade fair. "It was a good idea to introduce the companies' products and brands to the visitors".

He said though Nigeria is experiencing economic chal-

lenges including a lack of forex, high inflation, naira's slow appreciation against the dollar, the increase of Japanese companies and exhibitors was a belief in Nigeria. The companies were in the automobile industry, machinery and food industries and lifestyle services.

He noted the low trade between Japan and Nigeria with oil accounting for 80 percent of Nigeria's exports, but Oku said the trade can be improved. "We can find more mutual collaboration between the two countries", he said.

Speaking at the opening of the fair trade, Matsunaga Kazuyoshi, Japanese ambassador to Nigeria said that the international business com-

munity is now paying close attention to the potential of Nigeria more than ever.

The ambassador reiterated the enormous potential in the economy, population, natural resources, growing human capital and rich culture.

He said it was because of the understanding of the immense potential of the Nigerian economy that Japan has long deepened its economic relationship with Nigeria. "More than 80 years have already passed since Japan's trade office, now the Japan External Trade Organization, JETRO, was opened in Lagos in 1939, preceding the establishment of diplomatic relations in 1960".

Retraction of wrong report about General Christopher Gwabin Musa OFR, the Chief of Defence Staff of Nigeria



Gen. Christopher Gwabin Musa



Gen. Mohammed Chris Alli

On November 21, BusinessDay reported online in error that the Chief of Defence Staff was dead. This mistake is sincerely regretted. The report is hereby fully retracted. We also apologise for the wrongful use of the photo of **Gen. I. S. Ali** on the report. We meant to write the obituary of **General Mohammed Chris Alli** who passed away on November 19, 2023.

We apologise for the error and any inconvenience it may

have caused. We value accuracy and transparency, and we are committed to correcting our mistakes.

We have full respect for the Chief of Defence Staff and for the Nigerian Army and we will never deliberately do anything to undermine their authority.

Tayo Fagbule - Editor
BusinessDay Newspaper

NEWS



L-R: Ayodele Ositimehin, director, traffic management and survey, Lagos State Traffic Management Authority (LASTMA), Headquarters Oshodi; Esther Akinnukawe, chief human resource officer, MTN Nigeria; Franca Ovadje, executive director, Danne Institute for Research; Akin-George Fashola, head of directorate, Vehicle Inspection Service; and Adeoye Oluyemi, commander, uniform, LASTMA Iponri, at the presentation of research report on 'The Behavioural Causes of Traffic Congestion in Lagos' yesterday. Pic by David Apara

NLNG dividend to NNPC hits eight-year...

Continued from page 1

and Figures report. The last time the national oil company was paid more than that amount was in 2014, when it received \$1.39 billion.

The NLNG currently has over 70 spot liquefied natural gas (LNG) master sale agreements with various counterparties across major LNG markets and emerging demand centres to "enable the prompt sale and optimisation of production volumes", it said.

"Given the constantly

evolving and volatile nature of the energy market, exemplified by the demand destruction during the Covid pandemic and then the spike in European LNG demand/global gas prices due to the ongoing Russia-Ukraine war, the ability to remain a consistent and reliable supplier to our buyers will continue to be a key success factor going forward," it said.

The company has seen its output decline owing to gas supply constraints, which triggered

a force majeure that has remained in place for over a year and threaten to drive down its revenue this year.

The NLNG had on October 17, 2022 declared a force majeure on product supplies from its production facilities on Bonny Island, following the declaration of force majeure by all its upstream gas suppliers. It said the notice by the gas suppliers was a result of high flood water levels in their operational areas, leading to a shut-in of gas production that caused a significant disruption of gas supply.

Ayodele Oni, an energy law expert and partner at Bloomfield Law Practice, pointed out that the declaration of a force majeure event by the NLNG implies that it would not be able to perform its gas delivery obligations (completely or partially) to the parties it has LNG sale and purchase agreements with.

He said this would mean the suspension of its performance obligations as well as financial benefits under such agreements.

"If the NLNG's financial benefits are suspend-

ed, it means the revenue (or a part of) that should ordinarily accrue for the period of time when the force majeure event subsists would not be received," he said in response to questions from BusinessDay. "This no doubt has a negative impact on NLNG's financial projections, and by implication, the NNPC/FGN's expected revenue (especially in the form of dividends) from the NLNG."

Oni said the declaration of force majeure for a long period of time could give the counterparties who are supposed to take gas from the NLNG the right to terminate the agreement with the company and even disincentivise such counterparties and other third parties from entering into similar gas delivery arrangements with it.

"During this peculiar time, when the FGN is pressed to make decisions that affect the Nigerian economy, this even makes the task more difficult for the FGN, as it means less foreign exchange and revenues, generally," he added.

Last year, Nigeria's LNG exports totalled some 14.7 million metric tonnes, according to data from S&P Global Commodity Insights, and so far this year have reached 12.5 million mt, according to a November 8 report by S&P Global Platts.

With six trains currently operational, the NLNG has a capacity to produce 22 million tonnes per annum (mtpa) of LNG, and 5 mtpa of natural gas liquids from an intake of 3.5 billion standard cubic feet of gas per day.

"The building of Train 7, which will lift the total production capacity to 30 mtpa of LNG, is currently progressing," the company said.

The final investment decision for Train 7 was taken in December 2019 after being delayed for over a decade, while the signing of engineering, procurement, and construction contracts with SCD (Saipem, Chiyoda, and Daewoo) JV Consortium was completed in May 2020. The ground-breaking for the project was done on June 15, 2021.

The Nigerian Content Development and Monitoring Board, in a statement on November 7 after an engagement session with the management of NLNG, said the ongoing construction of the \$5 billion Train-7 project had reached 52 percent.

Philip Mshelbila, managing director of NLNG, was quoted as saying that the output from the six-train plant had fallen below 50 percent of its nameplate capacity due to gas supply shortage.

According to him, feed-gas to the NLNG plants comes mainly from some its joint ventures (JV) partners, including Shell Petroleum Development Company Limited, TotalEnergies and Nigerian Agip Oil Company, but their supply pipelines suffer recurrent vandalism, coupled with facility failure and low production from aging wells, resulting in serious disruption of supplies.

The company said it was exploring several options to mitigate the challenge, including partnering with critical security agencies to curtail vandalism on the pipelines and working with their JV partners to increase their gas production.

Mshelbila said the company's board had also approved the procurement of gas from other international and indigenous gas producers in the country, with the goal of enhancing the performance of Trains 1-6.

Mentoring, a catalyst for SME development in Nigeria - Peter Bamkole

By Damilola Odifa

PETER Bamkole, chief operating officer at Pan-Atlantic University, Lagos, has said mentoring is a catalyst for boosting the growth and success of Small and Medium Enterprises (SMEs) in Nigeria.

Bamkole said this at his book launch on Wednesday in Lagos. The book, titled 'Built by Enterprise: Unlocking the Potentials of SMEs in Nigeria', uncovers the challenges faced by SMEs in the country, the strategies they deployed and celebrates their transformative role in shaping their economy.

It also highlights the keys to their success and explores the abundance of entrepreneurial wisdom.

Key industry figures, policymakers, and entrepreneurs echoed the sentiment that the book acts as a beacon of hope, providing practical frameworks for both mentors

and mentees to bridge gaps and foster sustainable growth within the SME ecosystem.

"The book underscored the pivotal aspect of mentoring as a cornerstone for SME progress. While it explores how these initiatives contribute to the overall transition of leadership within EDC, specifically, he highlights how these strategies played crucial roles in the appointment of his successor," Fabian Ajogwu, founding partner at Kenna Partners, said.

He emphasised the book's exploration of mentoring strategies and their transformative impact on nurturing entrepreneurial skills, enhancing business acumen, and fostering resilience among SME owners and aspiring entrepreneurs.

"The author touched on chapter 13, 'Succession planning' with the theme, 'You're not really successful until you've been suc-

ceeded'. He also elaborates on EDC's practice of implementing the mentoring programme and allowing staff to select their mentors," Ajogwu added.

Carlos Coutino, managing director at International Breweries, noted that the book is a significant contribution to the growth of SMEs in Nigeria and across the globe.

"Your book launch marks not only a personal milestone but also a significant contribution to the growth of SMEs in Nigeria and across the globe. Your insights and wisdom shared within its pages will undoubtedly inspire and benefit many entrepreneurs, businesses, researchers and industry experts," he said.

In Africa's biggest economy, the micro, small and medium enterprise sector contributes 50 percent of the GDP and has provided over 48 percent of all employment opportunities in the country,

according to the United Nations Industrial Development Organization.

However, many of the 39.6 million businesses have been struggling to survive in recent years owing to the fallout of the COVID-19 pandemic, the Russia-Ukraine war, petrol subsidy removal and the naira devaluation.

Small business operators have been grappling with a combination of issues, including poor power supply, rising borrowing costs, soaring inflation, restrictive economic policies, foreign exchange volatility and tax multiplicity.

According to the Small and Medium Scale Enterprises Development Agency of Nigeria, 80 percent of SMEs in Nigeria fail before their fifth anniversary due to harsh economic environments, lack of access to capital, and poor business practices, which have stunted the growth and transition of micro-businesses.

NEWS

Money market rates spike since Cardoso took over CBN

By Hope Moses-Ashike

OVERNIGHT interbank rates rose sharply between August and November following the tightening policy stance of the Central Bank of Nigeria (CBN).

They are short-term money market interest rates that banks charge each other for overnight lending.

The overnight rate increased to 23.88 percent as of November 20 from 2.60 percent on August 31, 2023, according to FSDH Research.

Analysts see this as another tool the CBN is using to control money supply and rein in inflation, instead of the regular monetary policy rate (MPR).

At the Nigerian Treasury bills secondary market on No-

vember 20, 2023, average yield across the curve rose to 12.84 percent from 6.72 percent on August 31.

Yield across the curve at the Open Market Operation (OMO) bills market has increased to 14.71 percent as of Monday, from 11.04 percent as of August 31, before Yemi Cardoso became the CBN governor.

On Wednesday, the CBN conducted a primary market auction to roll over NT-bills maturities worth N211.71 billion across 91-day (N9.96 billion), 182-day (N1.82 billion), and 364-day (N199.93 billion) tenors.

"Monetary policy was not effective under past governors, even though they were raising the MPR. The current

governor has stayed silent. But he is working behind the scenes to repair the transmission mechanism. The reason money market interest rates, within the control of monetary policy, have been rising since 25 October 2023," Kaliba Bilala, founder of Tanabit, a financial data analytics company, said.

He said rates will continue to go up without changing the MPR itself. "It's going to swing from deposits to borrowing."

Cardoso assumed duty as the acting governor of the CBN on September 22.

The apex bank postponed a rate-setting meeting, known as the Monetary Policy Committee (MPC), for a second time since Cardoso was nominated to the post in September. On September 21, the CBN

postponed the MPC meeting scheduled for September 25-26.

"Even if the MPC holds the meeting today, the CBN's hawkish stance has persisted, and the market has been anticipating a rate hike. We witnessed OMO auctions two weeks ago and a 364-day T-bills auction with yields as high as 16-17 percent (used as a liquidity mop-up mechanism), suggesting the possibility of an inverted yield curve, where short-term rates exceed long-term rates. This move aims to curtail inflation by reducing money supply through attractive returns on short-term instruments," Sesan Adeyeye, a portfolio manager at ARM HoldCo, said.

Meanwhile, the CBN governor would seize the moment

at the forthcoming Bankers' Night, a yearly event organised by the Chartered Institute of Bankers of Nigeria this weekend to make a bold statement and unveil key policy directions, Imran Muhammad, a member of the ruling All Progressives Congress, said on his X handle.

"My assumption would be that the CBN will reiterate the points he made in his Senate confirmation – Nigeria's monetary policy will normalise and focus on battling inflation and providing macro stability and that he will encourage banks to support Nigerian growth by lending to the private sector," Charlie Robertson, head of macro strategy, FIM Partners UK Ltd, said.

Ayodeji Ebo, managing

director/chief operating officer at Optimus by Afrinvest, said: "It is like the CBN is going to tell us some of the things they are planning to do."

"What most people are interested in is the dollars. When and how are they getting the dollars? That is where the conversation and questions may likely go. When is the \$10 billion coming and how do they intend to get it? I think that is the most fundamental thing that anybody wants to hear."

Tunde Abidoye, equity research analyst at FBN Capital, said: "I will expect the CBN governor to outline his vision for monetary policy, notably their plans to improve foreign exchange liquidity and realignment of the naira. I'll also expect him to talk about the MPC meetings."



L-R: Oluyemi Kalesanwo, permanent secretary, Ministry of Women Affairs and Poverty Alleviation (WAPA); Cecilia Dada, WAPA commissioner; Obafemi Hamzat, deputy governor, Lagos State; Babajide Sanwo-Olu, governor, presenting certificate to Eniola Oshinaike, graduand; and Anike Adekanye, tutor-general/permanent secretary, Education District II, during the Y2022 graduation ceremony of 4,593 students of 19 Skill Acquisition Centres, in Lagos, yesterday.

Better traffic behaviour can save Lagos...

Continued from page 2

management and survey for Lagos State Traffic Management Authority (LASTMA), said louts, popularly known as 'agberos', have no business being on the roads, but can go into parks to collect money.

He said stopping vehicles on the roads to collect money causes obstruction to vehicular movement.

Akin-George Fashola, head of the directorate at Vehicle Inspection Service, said the Lagos State Government is concluding works on the Lekki Coastal Road Construction, which would soon be completed to support the operations of Lekki Deep Seaport and Dangote Refinery.

Meanwhile, the report revealed that Lagosians spend an average of 2.21 hours on the road to get to work each day while 45 percent of the respondents spend more than two hours to get to work. The worst hit are people who live in the Ajah, Eti-Osa, and Apapa areas of Lagos compared to those who commute from Surulere and Yaba.

It however suggested that the state government needs to construct, repair, and maintain roads to prevent traffic jams. It said that road construction and repairs should be done at night and alternative roads created during the construction period.

It also enjoined the government to enforce traffic laws as the third most important solution, even as it said that enforcing traffic laws requires political will on the part of the government.

The report said: "There is a need for strict penalties and more LASTMA officials should be employed to manage traffic more effectively, more policemen deployed and even soldiers deployed to the roads."

"For Lagos to become a livable city of civilised people, restoring discipline and sanity to Lagos roads is imperative. A massive campaign should be initiated against the touts who harass commuters, and sellers on the roadside. It is also important to discipline the disciplinarian, especially the traffic wardens and policemen that collect bribes."

Number of Nigerians who got Canadian PR drops to 27-month low

...hits 3,575 in Q3

By Bunmi Bailey

THE number of Nigerians who became immigrants in Canada in the third quarter of this year dropped for the first time in 27 months, according to the Immigration, Refugees and Citizenship Canada (IRCC).

The latest data from IRCC shows that the number of Nigerians who have been granted Permanent Resident (PR) status in Canada fell by 19.3 percent to 3,575 in Q3 from 4,430 in the previous quarter. It also declined on a year-on-year basis by 49.1 percent from 7,020.

"Cost does not have anything to do with PR applications; there has been an increase in the number of the Canadian study and PR applications despite the continued devaluation of the naira. The decline in the numbers could be a result of the COVID-19 pandemic effect. To qualify for PR, you either need to have gone

through the Canadian study and work permit route, the express entry or other province specific program," said Steve Iduh, managing partner at A.D. & Partners, a global mobility consulting firm.

He said the assumption is that those qualifying for PR now through the study permit route got into the country in 2019 and 2020, which had a low application admittance rate.

"The pandemic affected the number of people who went into Canada between 2019 to 2020 which could have led to a decline in the number of PRs now. It is also anticipated that the number of PR applications and approval will likely witness a significant increase," he added.

The IRCC data also revealed that Africa's biggest economy ranked fourth in Canada's top five immigration sources list. The number of PRs for India reduced to 29,750 in Q3 from 38,410 in Q2, while that of the Philippines dropped to

6,180 from 6,390. But Afghanistan and France reported an increase.

"Nigeria's decline might be due to changes in international routes or a type of visa that has been closed, making the country not to be issuing PRs towards those routes," Toyiyb Adelodun, a UK-based immigration consultant, said.

"But I don't think the decline should be something that we should be worried about because Canada still has very inviting schemes for people to come and work in areas where they have shortages," he added.

A PR in Canada is a status granting someone who is not a Canadian citizen, the right to live and work in the country without any time limit on their stay. It is usually an immigration visa that allows someone to get most social and healthcare benefits that Canadian citizens are entitled to and also get protection under Canadian law.

There are many different ways for professionals and workers to qualify for a Canada immigration permanent resident visa, according to lawyers

at First Immigration Law Firm based in Canada.

"The most prominent option is through Express Entry, which is Canada's main pathway for economic class skilled workers. Your best bet to be eligible under the entry is to meet the requirements of either the Federal Skilled Worker Program or Canadian Experience Class," they said.

Canada's aging population and lower birth rate have been shrinking its labour force, forcing the country to intensify its efforts to attract large, young and vibrant immigrants by offering immigration-friendly policies.

Last year, the Canadian federal government announced an aggressive plan to take in 500,000 immigrants a year by 2025, with almost 1.5 million new immigrants coming to the country over the next three years. In 2022, the country landed 437,120 PRs, a nearly eight percent increase from the total number of PRs in 2021.

Canada in May announced new measures to make it easier for families of recent immigrants to relocate to the coun-

try just a few days after the UK said it was restricting foreign students from bringing their families into the country starting next year.

That same month, the country announced that its express entry was now implementing a category-based selection to help tackle labour shortages and boost the economy.

"They are looking for Africans not out of love but for the love of skills, especially the ones that can prepare them ahead of the future," Kemi Ogunkoya, a Lagos-based leadership development strategist, said.

She added that Nigeria, which has a large population, has a lot of educated people. "So, it is more about the prosperity of the country and economic benefit they will derive."

Africa's most populated nation has in recent years seen a mass exodus of talent, popularly called 'japa' (a Yoruba word for "run quickly"), which has led to the dearth of skilled workers in critical sectors.

High poverty, unemployment, poor human capital development, insecurity and poor education are some of the major reasons many Nigerians are leaving the country in search of greener pastures.

Data from the National Bureau of Statistics (NBS) shows that the country's inflation quickened to 18-year high at 27.33 percent in October.

Last year, the NBS put the

number of Nigerians living in multidimensional poverty at 133 million, compared to 82.9 million considered poor in 2019 by national standards.

According to James Christoff, Canadian High Commissioner to Nigeria, Nigerians are very successful in Canada, contributing "tremendously" to the country's economic, cultural and social life.

"Many Canadians are becoming more curious about Nigeria because their co-workers, neighbours and friends are Nigerians. Nigeria's greatest asset is its human talents particularly, its entrepreneurship spirit. And that is what I am impressed with," he said.

A recent report by Phillips Consulting Limited showed that more than half of Nigerian highly skilled employees planned to quit their jobs and relocate abroad next year.

The report, which surveyed 1,054 Nigerian adults aged 18 or older between August 24 and September 3, 2022, said 22 percent plan to migrate abroad within the next two-three years, while 26 percent are still determining their plans or have no intention of relocating abroad.

"The finance and insurance, professional services, and IT sectors are expected to be hit the hardest. The migration of skilled workers could significantly impact the performance of these sectors and the overall economy," it said.

BIG READ

Why migration is in such a mess once more

Violence and poverty are pushing the desperate towards jobs and safety

ILLEGAL immigration is taxing governments on both sides of the Atlantic. The maritime migration route between west Africa and the Canary Islands, a passage so dangerous it was avoided for years, is back in use: some 30,000 people have attempted the crossing so far in 2023. Countries like Germany, once friendly to asylum-seekers, are slashing benefits and hastening deportations. This year half a million people may traverse the Dariñn Gap, part of the isthmus that links Colombia to Panama, to reach the United States. That is more than four times as many as attempted the crossing throughout the 2010s.

This human drama exists alongside a quieter increase in authorised migration. A recent report from the oecd, a club mainly of rich countries, found that its 38 members accepted a record 6.1m immigrants permanently last year. The Economist's own calculations show immigration to rich countries increasing at its fastest pace in the 15-year period for which we have reliable data (see chart 1). Across the oecd, around 10% of people live in countries they were not born in.

The statistics derive from a range of factors pushing people to move, and to a host of enticements pulling them towards Western countries. When it comes to the pushes, conflict in parts of Europe, the Middle East and sub-Saharan Africa is driving millions elsewhere. (Some 4.7m Ukrainians have fled their country, at least temporarily, for Europe.) Grinding poverty also pushes people to move, as does crime and gang violence.

Now for the pulls. Most migration, of any sort, takes place within regions, rather than from the poor to rich world. But the relative safety of Western countries is one factor drawing migrants with the means to get to them. Tight labour markets in rich countries are another big attraction. Over 70% of migrants across the oecd's countries are in work, a number that continues to climb. Average wages in the eu are now over 12 times those in sub-Saharan Africa.

The numbers wishing to migrate will only grow in the coming years. Some worry that climate change could spark an exodus. A bigger concern, from the perspective of rich countries, concerns demography: as they grow older they will need more imported labour. For decades net migration in a cluster of rich countries has accounted for a greater share of the total population than do net births (see chart 2). Nearly 15m German residents, 18% of the population, are first-generation immigrants—a higher share than America at its peak in 1890.

Diverging definitions

Officials overseeing borders are struggling to navigate the situation—let alone the migrants trying



Migrants climb onto a goods train in the Chihuahuan desert in Mexico Source: getty images

to cross them. Part of the problem is that the complexity of people's migratory journeys is blurring a distinction that international law upholds rigidly. It is between refugees—those unable to return to their countries of origin owing to "a well-founded fear of being persecuted" who seek help through asylum systems—and other migrants. The numbers claiming asylum in oecd countries last year reached a record high of 2m people. Tension builds because anyone arriving in a signatory country to the un Refugee Convention of 1951 may lodge an asylum claim. That thwarts governments' efforts to keep newcomer numbers down.

What happens if someone fleeing misery also wants a job? Organised labour-migration schemes are far too small to manage either the supply of migrant labour or the demand for it. That can leave asylum systems as one of the only channels through which migrants may enter countries without risk of immediate deportation. Underfunded and

overwhelmed, many are buckling. Rich countries find themselves caught: how to balance the needs of economies beset by demography and tight labour markets with the delicate politics of immigration and asylum?

Of church and state

All these difficulties are on display in America. A record 2.4m migrants were apprehended at its southern border in the year to September. The country's asylum system is creaking. It sits on a backlog of 2m cases and takes an average of four years to process each one. "We haven't put money into immigration judges, asylum officers, the people who decide whether or not the people you catch can stay," says Theresa Brown, who served in the Department for Homeland Security in the Bush and Obama administrations.

Understanding how the composition of those arriving has changed illuminates the hardships pushing migrants towards the country.

Nowadays families who immediately surrender to border officials make up a far higher share of arrivals than in the past. Last month, for the first time, Venezuelans overtook Mexicans as the most-represented nationality among migrants arrested at the border. They are exiles from the autocratic regime of Nicolás Maduro.

One such is Josñ Castillo, who is staying at a church shelter in San Diego. When he and other migrants leave each day to search for work, they pile their belongings in rubbish bags beneath a tent in the garden. A statue of the Virgin Mary stands watch. Mr Castillo left his wife and two young daughters in Falcyn state and then waited for months in Monterrey, in north Mexico, to make an asylum appointment with America's Customs and Border Protection via the cbp One phone app.

The app tries to channel migrants into legal pathways, and reduce the numbers of would-be migrants crowding at America's southern border. But numbers are gumming up its administration. Another scheme launched last year, which offered a two-year stay to certain nationalities from Latin America and the Caribbean who had a private sponsor, initially cut border arrivals from those countries. But it, too, has proved inadequate to meet demand.

America's tight labour market—there are 9.6m job vacancies—is an obvious pull for migrants. Mr Castillo, a mechanic, explains that he can earn more in one day in California than he could make in months at home. Wayne Cornelius, a professor emeritus of the University of California at San Diego, reckons there has never been a better time for migrants to seek work in America. In September the Biden administration granted temporary permission to nearly half a million Venezuelan immigrants to stay and

work legally.

That was done in part to ease the burden on beleaguered city governments like New York's, which wanted to grant asylum-seekers the right to work so that they could afford housing. But Republicans and Democrats alike have also spotted a chance to plug labour gaps. America's formal employment-migration schemes are not remotely adequate to manage companies' need for workers, highly skilled or otherwise. The us Chamber of Commerce reckons that in 2024 just one person will receive an h-1b skilled work visa for every ten applicants. "The policy debate is being conducted almost entirely without regard to these labour-market realities," reckons Professor Cornelius.

Still, if you think America looks bad, try Europe. Politicians are once again at each other's throats over illegal immigration. Border checks have been reimposed throughout the supposedly passport-free Schengen area. Governments are reviving questionable ideas like offshore processing; this week Italy's right-wing government hailed a deal that would see Albania take in some of its asylum-seekers.

Europe's difficulties run deeper than America's because it is not a unitary authority. However reasonable it might seem to distribute asylum-seekers around member states, one or other government will always refuse. The eu's common asylum system does set common standards, but governments jealously guard their right to make asylum adjudications. Even the much-maligned "Dublin" system, under which asylum-seekers are supposed to be returned to the eu country in which they first registered, is honoured largely in the breach. Last year Germany was able to return to other eu countries only 6% of the asylum-seekers it considered eligible under the Dublin rules.

The difficulty is that Europe, too, is crying out for workers. Varun Kumar Jain's story is revealing. In 2017 he left his native Bihar, a state in eastern India, for Warsaw. Tired of Bihar's heat, he was also drawn by the Polish capital's dearth of competitors in his field: Indian cooking. He was quickly able to parlay his tourist visa into a work permit. After four years simmering and chopping in an Indian restaurant he has just opened his own spot. His children attend a Polish school and he attends the country's only Sikh temple. Despite strident anti-migrant rhetoric, Poland's labour-hungry government has presided over a huge growth in such immigration.

This article was culled from *The Economist* where it was first published

On the up

Selected countries*, foreign-born population, % change on a year earlier
12-month moving average



*Britain, Canada, European Union, Iceland, Norway, Switzerland and United States

Sources: Eurostat; FRED; ONS; Statistics Canada; *The Economist*