

Commodities	NSE		Bitcoin	Everdon Bureau De Change		FMDQ Close		
Brent Oil \$74.45	Biggest Gainer Mobil N188 ▲ 4.21pc	Biggest Loser FO N40.85 ▼ -5.00pc	3,398,037.71 ▼ -0.33pc Powered by	BUY	SELL	FOREIGN EXCHANGE	TREASURY BILLS	
Cocoa US \$2,773.00	41,155.80			\$-N 360.00	363.00	Market	Spot \$/N	3M 6M
				£-N 493.00	503.00	I&E FX Window	360.64 ▲ 0.81	▼ -0.59
				€-N 425.00	435.00	CBN Official Rate	305.75	11.52 12.60
							FGN BONDS	
							5 Years	10 Years 20 Years
							-0.10%	0.16% 0.00%
							13.15%	13.30% 13.02%

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Oil volatility seen as Trump withdraws US from Iran nuclear deal

DIPO OLADEHINDE, with agency reports



In what marked the most significant foreign policy move of his presidency, US President Donald Trump has announced the pulling out of the Iran nuclear deal saying he will reinstate economic sanctions on the Islamic Republic.

"If I allowed this deal to stand,

Continues on page 38

Retraction

Yesterday, we carried a lead story titled 'Solvency ratio of 5 insurers below regulatory threshold. The solvency ratio is a measure of the risk an insurer faces of claims that it

Continues on page 38

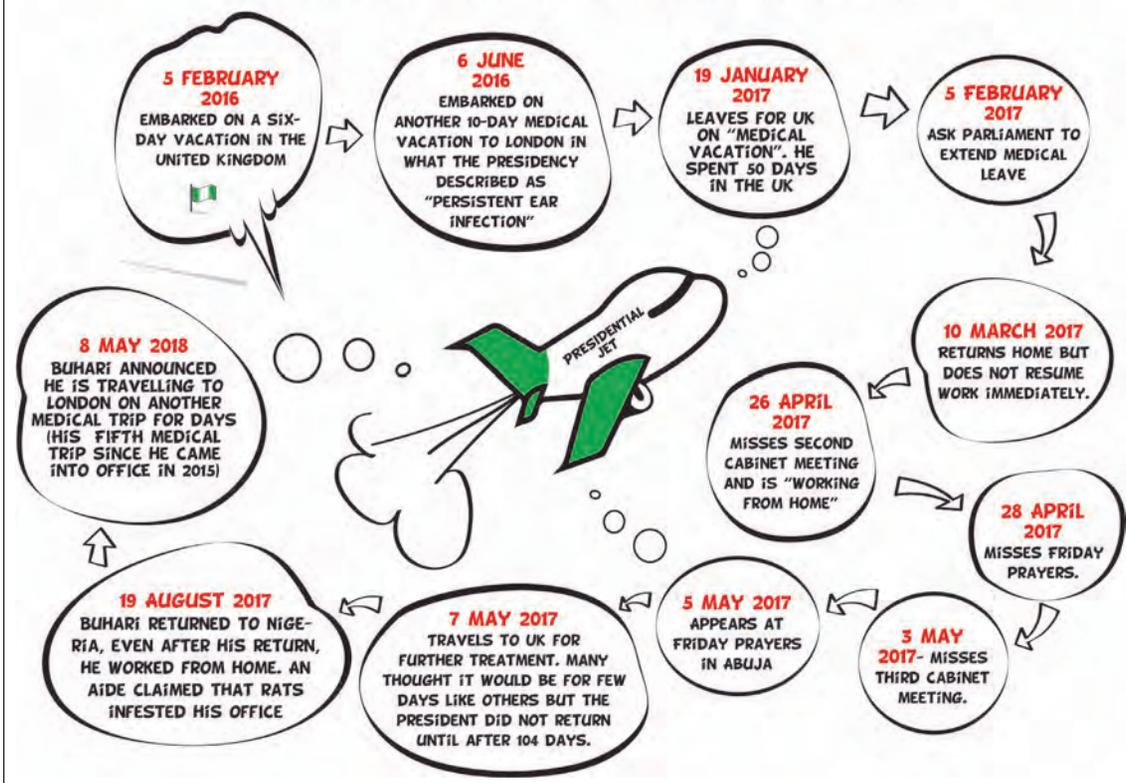
Noah's Ark emerges Africa's Ad Agency of the Year

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Ambode calls for restructuring to rescue Nigeria

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TIMELINE OF BUHARI'S HEALTH TRAVELS



FG codeine ban, Emzor Pharma closure a knee jerk response – experts

... Open season for smuggling and black-market operations

ANTHONIA OBOKOH

The recent ban on codeine-containing cough syrup by the Federal Government, shutting down Emzor Pharmaceuticals Ind. Ltd., Peace Standard Pharmaceutical Limited and Bioraj Pharmaceutical Limited is a knee jerk response to the drug abuse problem experts have said.

The ban is echoing in the public space over the drastic measure. Experts want a more logical and comprehensive policy to

Continues on page 38

Frequent health travels raise questions over Buhari fitness for office

Political risk, economic uncertainty heighten

CHRIS AKOR & INIOBONG IWOK

President Buhari's frequent trips to the United Kingdom for medical treatment is raising the country's political risk and economic uncertainty as economic agents

are now questioning his fitness to remain in office, his decision to stand for re-election in 2019, and the wider implication for effective governance in a challenging economy.

"No one is sure of what illness the president is suffering from. No one is sure how bad things

really are. The cloud of uncertainty over the president's health puts a cost on both political and business decisions. We are all in dark and that comes at a significant cost to the economy," said a banker who did not want his name mentioned.

Since coming to power in

2015, President Buhari medical trips to the United Kingdom has become routine.

On June 6, 2016, Buhari took ten days leave to go to treat an ear infection in London, the United Kingdom. In January 2017, he

Continues on page 4

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NIGERIAN INVESTMENT PROMOTION COMMISSION

CALL FOR PROFILES OF INVESTMENT OPPORTUNITIES/ PROJECTS IN NIGERIA

NIPC was established to encourage, promote and coordinate investments in Nigeria. The NIPC Act mandates the Commission to "collect, collate, analyse and disseminate information about investment opportunities and sources of investment capital".

Accordingly, NIPC now seeks to update its database of investment opportunities in Nigeria, starting with the following sectors: agriculture and agro-processing, manufacturing, gas, solid minerals, power, ICT, and transport.

NIPC, in collaboration with the United Nations Industrial Development Organization (UNIDO) and other Approved Partners (Asoko Insight Ltd, Greenwich Trust Ltd and NASD OTC Securities Exchange) has developed a template for profiling investment opportunities in Nigeria. This template will enable NIPC modernize and standardize the database of Nigerian investment opportunities that it presents to potential investors at NIPC's domestic and international promotional and matchmaking events and in any of its advertisements or printed materials. NIPC may also promote the opportunities through any of its domestic, regional or international partners.

A selection of profiles with the strongest business/investment case will be showcased at the Direct Investors' Summit. The event will enable investment opportunities in Nigeria to be matched with domestic and foreign investors.

NIPC hereby invites interested parties with investment opportunities to submit these investment opportunities by completing the online form. Interested parties should note that by completing and submitting a profile, they grant NIPC permission to share their investment opportunity, in its full or abridged format, in any of its investment promotion and matchmaking endeavours.

The form is available at www.nipc.gov.ng, the websites of participating State Investment Promotion Agencies or any of the Approved Partners' websites:

Asoko Insight Ltd: www.asokoinsight.com
Greenwich Trust Ltd: www.gtlgroup.com
NASD OTC Securities Exchange: www.nasdng.com

While submission of profiles has no deadline, only the profiles submitted by 14 May 2018 will be considered for presentation at the Direct Investors' Summit.

For further details, please contact any of the following:

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NEWS

Azura will only add to Nigeria's stranded power challenge – Fashola

OLUSOLA BELLO

The expected addition of 459MW of electricity to the national grid from the Azura Power Project will only complicate the country's current challenge with stranded power, according to Nigeria's Minister of Power Works and Housing Babatunde Fashola.

Stranded power is generated power that cannot be distributed. "Azura would start commercial operations sometime in June, that is 459MW that would be added to the 2000MW of the already stranded power in the system. In addition to this, Afam is coming with 240MW," Fashola told the media while on a visit to Ikorodu yesterday to commission a transmission substation.

He disclosed that despite the fact the country currently has a capacity to transmit 7000MW, the distribution companies can only absorb 5,000MW leaving a balance of 2000MW of electricity that is lost.

"Unfortunately you can't store power, what is generated is lost down the line," he said.

What the country needs, he said, is more capacity in the immediate term in the distribution and transmission sides of the power value chain.

"So in my view, where investment should go now is into distribution and transmission.

We need more capital invested on the distribution and transmission side of the business, so that we can make the whole business venture worth the while. If people are producing what people cannot sell, then the business will struggle."

Despite the success achieved in delivering the 459MW Azura power project ahead of schedule, the prospect of replicating the model to expand Nigeria's power generation capacity significantly is slim.

Fashola said that the country would have to wait a while in order to experience another large power project like Azura. This is because of the challenges that the country is facing in expanding its transmission and distribution capacity, which is needed to evacuate generated power.

The early completion of Azura had raised hopes that the model could be replicated to expand the country power's generation capacity which is stuck at 12,000MW nameplate capacity even though just about one fourth of that gets to homes and businesses. Self-generated power remains the biggest cost item on the books of many businesses in the country, and acts as one of the biggest hindrances to innovation.

Fashola stated that transmission and distribution remain the biggest inhibitor for investors in developing large projects like Azura despite the fact that there

is an already existing template that they could work with.

Fashola said the government is doing everything possible to remove transmission bottlenecks that the country is facing just as it is also working to see the problems of distribution is resolved.

But industry experts have suggested that what the country needs is sweeping market reforms in the power sector to give the electricity industry a much-needed face lift.

They said efforts should be made to fix the fundamentals of the electricity market so that every megawatt that is generated has value by fixing a market-determined tariff, enough to pay for power and gas.

They note that without the needed market reforms, Africa's largest economy will continue to build idle power plants.

Edu Okeke, deputy managing director of Azura Power, who spoke to BusinessDay for an earlier story had noted that one of the ways Nigeria can build more viable projects like Azura, is that it should be private sector-driven.

If government insists on driving the electricity market, it must fully take the responsibility of financing the projects, he said.

"What Azura project has done is to create a template that both local and international lenders can look at and say it is good enough for them to key into."

Noah's Ark emerges Africa's Ad Agency of the Year

DANIEL OBI

Nigerian creative agencies are stepping up their game in the global advertising market dominated by Western countries as foremost creative advertising agency, Noah's Ark Communications Limited, has once again proved its mettle in the industry by emerging Africa's Agency of the Year at the 2018 African Cristal Awards held in Marrakesh, Morocco.

Noah's Ark edged other Advertising power houses across Africa to win the most coveted accolade Agency of The Year ranking.

To lead the ranking as the Agency of the Year at the 2018 edition of the prestigious award, Noah's Ark won a total of 10 medals including the Festival Grand Prix (The Grand Cristal) for 'Prayer Warrior' TVC Ad for Airtel, another Grand Prix in the African Culture category, 3 Gold, 2 Silver and 3 bronze medals.

Other campaigns that won laurels for the agency include; Ruth, a short film, Monitoring spirit (Whatchu doing??) for Airtel, Pure Love Challenge for Hypo, Peak Unstoppables for Friesland Campina WAMCO, Whatever Works Out-Fitness Challenge for Three Crowns Milk.

Speaking on the award, the Managing Director/Chief Creative Officer, Noah's Ark Communications Limited, Lanre Adisa described the feat as a very bold step forward for the Agency towards the actualization of its dream to put Nigeria on the global map of Advertising.

Adisa attributed the achievement to the immense support of the Clients and the strong com-

mitment of the Agency's team to the 5C's core values of the Agency -Curiosity, Courage, Candour, Camaraderie and Compassion.

"Indeed, this is a very big accolade for us as an Agency especially winning against some of the biggest Agencies out of Africa including South Africa, Morocco and Kenya. This is also like an icing on the cake coming after a back to back Grand Prix win at the LAIF Award," he said.

Also speaking on the feat achieved by the Agency, the Executive Creative Director, Noah's Ark Communications Limited, Abolaji Alausa noted that Noah's Ark is the first black African Agency to be named Agency of the year in the history of the African Cristal Festival.

Alausa said "To be declared African Cristal Festival Agency of the Year is no small feat considering the fact that at that level you compete against the best of Agencies across the continent, the achievement is not for Noah's Ark alone, it is indeed for the Nigerian Advertising industry"

The African Cristal Festival is an award designed to reward the best advertising campaigns created and broadcasted over the African continent on any media.

The objective of the festival is to promote the African advertising creativity and showcase a variety of international and regional work from the industry through the meeting of agencies and advertisers in a mixed jury.

The event afforded participants the opportunity of meeting decision-makers who gave them valuable insights on the African creativity market.

Frequent health travels raise questions over...

Continued from page 1

spent another 50 days in London undergoing what his handlers described as "routine medical check-ups," but which the president, on his return, confessed to be full blown treatment and that he had never been so sick all his life.

He remained in the country for three months, during which time he hardly stepped out, postponed and missed several weekly Federal Executive Council meetings, and his handlers declared that following the doctor's prescription, Buhari will work from home, triggering speculation about the severity of his condition.

He eventually returned to the UK on May 7 and spent another 104 days still tending to his health.

Although, he returned to the country last year August in much improved health, there has been speculation that he often punctuates his foreign travels with secret visits to see his doctors in the UK since then.

Last month, the President travelled a week earlier for the 25th Commonwealth Heads of Government Meetings. Also, on his way back from his trip to the United States where he held talks with President Donald Trump, Buhari, according to his media handlers, made a technical stopover in London to "refuel and carry out routine checks."

But the presidency later acknowledged, for the first time, that Buhari actually met his doctor who asked him to return to London for further treatment.

As Garba Shehu, the President's spokesman, explained: "In the

course of the technical stop-over for aircraft maintenance in London on his way back from Washington last week, the President had a meeting with his doctor [and] the doctor requested the President to return for a meeting which he agreed to do. The president has since embarked on the four-day medical trip to the United Kingdom.

"It really is a reproach on Nigeria that our president is perennially in and out of hospital in a foreign country, and none of us (Nigerians) know what illness or illnesses afflicts him," Opeyemi Agbaje, political economist and CEO of RTC Advisory Services Ltd, said via phone.

"It questions our status as a democracy in which leaders are accountable to the people. And of course, it has political and economic costs as it increases uncertainty and perceptions of risks."

Clement Nwankwo, executive director of the Policy and Legal Advocacy Centre, says the president "really needs to take a break and attend to his health. For a lot of people who are asking the question whether he is healthy enough to run for re-election, this trip further reinforces those concerns."

President Buhari has come under intense criticism lately for his lethargic style of leadership and inability to revamp the economy and prevent or adequately respond to the several security crises in the country including the killings by alleged Fulani herdsmen and bandits over most parts of the north-central and north-western states of the country.



Akinwunmi Ambode (m), governor, Lagos State, with Oluwatoyin Ogundipe (r), vice chancellor, University of Lagos (UNILAG), and Taiwo Folasade Ipaye, registrar, during the UNILAG 2017 convocation lecture and investiture of the 12th vice chancellor at J.F Ade Ajayi Auditorium, Akoka, Lagos, yesterday.

In January, former president Obasanjo, in a strongly-worded letter, urged Buhari to honourably "dismount the horse" and go tend to his failing health in peace. Ex-military president, Ibrahim Babangida agreed with Obasanjo, saying Nigeria needs a new breed of leaders that are quick and smart and can better handle the complex challenges facing the country.

Olusegun Sotola, Senior researcher at the Lagos-based Initiative for Public Policy, says: "The president's health woes will ultimately affect his ability to campaign."

Much more important however

to Sotola is the public perception that "governance is suffering".

Tolani Animasheun, a member of the main opposition Peoples Democratic Party (PDP) berated the president for his constant medical trips abroad even at a time when medical workers were on strike in the country.

"The president embarked on medical trip when medical workers are on strike [for more than a month] in the country. Is this how a president is supposed to leave the country when his people cannot access medical treatment?"

Also speaking, a social commentator and critic, Femi Abori-

shade, said it was obvious that the All Progressive Congress, (APC) Buhari-led administration has failed Nigerians, noting that the frequent medical trips abroad by the president did not make any sense in the prevailing circumstances.

"I think there is a general concern about the performance of the Buhari administration."

He says the impression is being created that President is not in control of his government, considering his frequent trips to take care of his health.

Buhari is expected back in the country on May 12 and then proceed on an official two-day visit to Jigawa state.



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Seun Adu

If you want to improve tax compliance, it is a bad idea to keep telling taxpayers that tax compliance is low

When messages such as “only 13% of taxpayers are compliant” go out to the public consistently, taxpayers interpret this to mean “nobody is paying taxes”, I had better not pay taxes too. This behaviour has been proven based on empirical studies about the power of social proof.

Paul is serious about changing jobs. He has interviewed with 7 potential employers in the last 5 months. None of them has called him back. Today, he is sitting across the table from Anne; potential employer number 8. Paul spends about 5 minutes of his 25 minute interview slot telling Anne how 6 out of his previous 7 interviewers did not call him back. You are Anne. How likely are you to recommend Paul for the job?

Even if his resume and experience are impressive, you will have your doubts. You will keep thinking: the previous interviewers did not think Paul was good enough could be enough reason for you to reject him.

When public officials are trying to get taxpayers to pay their taxes, they often make exactly the same mistake as Paul. They focus on low compliance rates and the fact that majority of the people are not paying taxes. This inadvertently leaves the potential taxpayers thinking: if no one is paying, should I really be the fool that decides to pay? Many times, this feeling is enough to prevent voluntary compliance.

When people are not sure, they do what everybody else is doing

If Anne rejects Paul because of his track record with other interviewers, she has just made a call based on what social scientists call social proof. Social proof is our tendency to see an action as more appropriate when others are doing it. Social proof is observed frequently under conditions of uncertainty. When people are not sure of what to do, they will look to what other people are doing and copy it.

Take a common example. You are driving to work in the morning. You observe traffic building up ahead of you and make up your mind to join in as you usually do. As you approach, many of the cars in front of you start to make a u-turn. What do you do? Do you forge ahead, determined to figure out what has informed this strange behaviour before deciding on the appropriate course of action? Or do you simply turn around like everyone else convinced that all those people must have seen something.

Even when people are very sure, they can still succumb to social proof

In his now famous conformity experiments, Solomon Asch set out to show that social proof would only happen under conditions of uncertainty. He ended up proving the opposite.

In the experiments, subjects were shown several sets of two cards. For each set, the first card had a single straight line and the second card had 3 straight lines. One of the lines on the second card was the same length as the line on the first card but each one of the other two

lines was either longer or shorter. Each person was asked to judge which of the 3 lines on the second card was the same length as the line on the first card. In order to see what would happen without social proof, the cards were shown to a control group of subjects individually. All the subjects chose the right match nearly 100% of the time. The same cards were then shown to the test group. For this group however, there were six other people in the room (who were actually actors) in addition to the subject. Each person was asked to state his assessment out aloud with the only genuine subject of the experiment speaking last. The six actors had been primed to give an incorrect answer every now and again. Solomon Asch wanted to know if the subjects would also follow the crowd against their better judgement.

Under this condition, 75% of the participants went with the crowd on at least one occasion. When they were interviewed after the experiment, many of them confessed to following the crowd in spite of knowing the right answer.

What would you have done if you were one of the subjects? Are you sure? How many times have you listened to a recommendation during a meeting, concluded that the sensible thing to do would be to object to it only to keep quiet and go along with everyone else after the first four people that spoke before you spoke in favour of the proposal?

Even when people are sure about what to do, the behaviour of others can still get them moving in a different direction.

Some countries are using this knowledge to improve tax compliance

In a study performed by the UK's Behavioural Insights Team (BIT), different types of letters were sent to about 100,000 individual taxpayers who were yet to pay their taxes. The purpose was to determine which type of message would have the best impact on tax compliance. Compared to the standard letter, the letters which indicated that majority (90%) of taxpayers in the recipient's category had already paid their taxes and that the recipient was in the minority led to an increase of about 16% in tax compliance. These letters also outperformed “public goods messages” which emphasised the gains from paying taxes such as roads, schools etc.

A similar study carried out in Guatemala by Kettle et al (2016) also reported consistent findings. Tax payments resulting from messages that are based on social proof increased tax payments significantly compared to the control message.

These studies provide scientific evidence of something many taxpayers already know. Whenever taxpayers have to make a decision on an issue (this includes both issues where the law is clear as well as issues where the law is vague), many of them never do so until they have asked the question: “what are other people doing?” A lot of times,

you can predict the final decision based on the answer to this question.

The evidence suggests that focusing on how the majority are non-compliant will likely increase non compliance

Messaging about what everyone else is doing can either increase or reduce tax compliance. When messages such as “only 13% of taxpayers are compliant” go out to the public consistently, taxpayers interpret this to mean “nobody is paying taxes”, I had better not pay taxes too. These messages use the power of social proof against their senders.

So what should tax administrators do? If non-compliance is high, are they to lie about it?

The answer is no. Robert Cialdini et al have a useful suggestion based on several studies they conducted. When the way most people behave is contrary to the behaviour that you want to encourage, then you are better off not drawing the attention of your audience to this fact. Instead, you should focus your audience on what the appropriate behaviours are. Instead of emphasising the fact that most of their constituents do not pay tax, tax administrators should be telling their constituents the behaviours they should resist from without drawing their focus to size of the defaulters.

It could also be better to ignore social proof all together and focus the message on other behavioural attributes that can drive compliance given the circumstances. For example deterrent messages which frame non-declaration as an intentional and deliberate act have proved to be quite effective.

Is this all that is needed to take tax compliance to the desired levels?

Of course not. There are lot of things that have to work together to get tax compliance to the desired levels. For example, Governments must become more accountable so that taxpayers can see concrete evidence of their tax money being put to use. Tax rules also need to be made clearer and compliance easier.

The point I make here is that the framing of messages can have a big impact on compliance and many government officials end up creating messages that work against them. Framing the message right can therefore move the tax authority closer to, rather than farther away from, its goals. It is also cheap.

Seun Adu is an Associate Director and Transfer Pricing Leader at PwC Nigeria. He is a regular writer and public speaker on tax and transfer pricing matters.

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Middle income trap, coordination failure and rising poverty in Nigeria

ject as our father scalling for unity along ethnic lines, rather than party and national lines. I expected APC leaders everywhere to call for unity of APC members against PDP and the other parties, and vice versa. To call Northerners or Southerners to unite for 2019 against the rest of the country was a shock to me.

Elections are fought along party lines while civil wars are fought along regional or tribal lines. Is the 2019 election a declaration of war between the regions of Nigeria? Granted that politics is about interests and conspiracies, I thought the interest is that of the members of one party against others. I find it improper for otherwise “respectable national leaders”, especially those who have had the privilege of ruling the country to preach sectional unity in a country that needs harmony and integration more than any other on earth.

Nigeria has 36 states that should work together for its development but what one sees is a concerted effort by those who ought to know better, calling for the unity of one section against the other as if the election is a contest between parts of the country. It is hypocrisy when we do this and turn round to tell politicians to put national unity above their personal interest. If we have political parties that cut across the country, how then can one call on one’s clan, region or zone, as if they all belong to one party, to unite against the rest of the country

Clearly, the call for regional or ethnic unity to win elections is evidence that the absence of party ideologies is part of our national problem. Otherwise, it would have

The subjugation of national institution to the whims of the strong men that run them guarantees the suboptimal performance of our institutions and the propagation of incompetence in the country

been senseless for anyone to call on an entire region or tribe or clan to drop their ideologies and unite along other lines for 2019. Tribe and clan will surely thrive where there is no ideology. I leave it to political science experts to dissect. We should show more love to Nigeria because that is where our future is.

Now to the things am comfortable to talk about – economics and development. It is common to hear many people say, with every vehemence, that economic theories proven to be efficacious everywhere else in the world, do not work in Nigeria. They say it with a sense of finality that chokes off any zeal for intellectual discovery and search for solutions to our many problems. That view is wide-spread, not just among the illiterate but even among the well-educated but not so knowledgeable vocal people that usually make the first “expert” comment on every economic issues. That wrong notion could pass, if it were presented from the point of view of Nigeria’s many inherent disabilities. Unfortunately, it is not. Those holding that view almost always present it as a weakness of economic theory itself. And that

seems to kill the zeal for research. Granted that Nigeria has many “home-grown” problems, patently designed for and peculiar to her, it should not preclude the use of other peoples’ experiences to resolve our domestic challenges.

So let me share some thought on one economic theory I think is at work in our national development failures. It relates to the performance of institutions and suggests that incompetence in one public institution tends to breed incompetence in others, and ultimately policy failure. It is premised on the notion that public institutions are often complementary to one another, in the sense that the action of one induces action, in the same direction and not the opposite, in other public institutions. What this says, in simple terms, is that incompetence or non-performance in one public institution, for whatever reason, has the tendency to induce non-performance in others. It proposes that the inability of economic agents to make optimal choices would invariably lead to a situation in which all economic agents gravitate to an equilibrium position that undermines their capacity – they underperform. This underperformance then manifests in the inability of government to meet societal needs.

Ultimately, government, as a result of the failures dished out from multiple channels of its administrative machinery, fails to coordinate its policies or account for the resources utilized. This is why incompetence should not be tolerated in any form by a country in a hurry to develop. Doing so is a recipe for underperformance of gov-

ernment and invitation to poverty and the progressively immiserating condition of the people witnessed in many developing countries, including Nigeria.

It is no wonder that the rate of poverty, though exacerbated by insurgency and warped reward system, has continued to rise despite several policy measures against it. Nigeria is one of the countries currently struggling in the quagmire called Middle Income Trap. Countries in the Middle Income category have Gross Domestic Income of between \$1005 and \$12235 per capita. Nigeria is not only in the lower category of this group (Lower Middle Income) it is also caught in the Middle Income Trap. This is a characterization for countries that grew rapidly, as Nigeria did in the 1980s, reached middle income but failed consistently to get past that level.

As the search for true national identity and leadership continues, Nigeria needs to return to the ideals of institution building. The subjugation of national institution to the whims of the strong men that run them guarantees the suboptimal performance of our institutions and the propagation of incompetence in the country. Economic theory predicts that the result will be mass poverty of the sort with which we currently grapple. Accordingly, policy design and application must anticipate and prevent the democratization of incompetence transmitted by weak institutions run by incompetent but very strong men.

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I do not write on politics because I do not have special skills in that field. However, I would like to give an opinion on an issue that I found deserving of a comment. Therefore, before I address the object of my column today, let me by way of an obiter dicta, comment on what I consider an undistinguished conduct of some Nigerian leaders that is sure to further the ethnic and regional divides in the country.

Nigeria is facing an election whose outcome at all levels is likely to be on a tinder box with a potential to hurt everyone if handled improperly. Clearly, it appears that whatever the results may be, even winners have to be very careful in picking up their victory. That may sound familiar. The stakes have become higher because the opportunity to steal from the treasury is near; and since nobody gets jailed in Nigeria for stealing public funds, the battle for political office is not only attracting more vicious contenders but becoming more epic. The signs are everywhere. Even mere party congresses are now battles. Such a time calls for caution if truly we dislike the travails into which our country has been plunged over the past several years. I was therefore shocked to see some of those we pro-



GODWIN ERUNDU

Erundu is a business coach and CEO of Wisdom Coach International

Can your emotions ruin your negotiation?

But in the recent years, several researchers have examined how specific emotions such as anger, sadness, disappointment, anxiety, envy, excitement, and regret can affect the behavior of negotiators. What happens when these emotions are felt by parties in negotiation? What happens when they are expressed? For instance, research shows that those prone to anxiety will have to take steps in dealing with this otherwise, they will continually experience suboptimal negotiation outcomes when brokering a deal.

Alison Wood Brooks, an assistant professor at Harvard Business School, conducted an experiment in one of her MBA classes. She paired her students, each to read a different account of a (fictitious) troubled relationship between a supplier and a client. The students were told that the two parties signed a detailed contract eight months earlier, but now they’re at odds over several of the terms (sales volume, pricing, product reliability, and energy efficiency specs).

Each student assumed the

role of either client or supplier and received confidential information about company’s finances and politics. Then, she tasked each pair with renegotiating. Of course, this is a process that could lead to an amended deal, termination of the contract, or expensive litigation.

The interesting thing about this simulation is that one side of each pair was given top-secret instructions before the exercise began: “Please start the negotiation with a display of anger. You must display anger for a minimum of 10 minutes at the beginning.” In fact, they were also given specific tips for showing anger like interrupt the other party, call her “unfair” or “unreasonable,” blame her personally for the disagreement, raise your voice.

The pairs were spread over the building in such a way that they can’t see other student’s behavior. After 30 minutes, she brought them back to the class. Guess the outcome of the simulation.

During the debriefing, the pairs were surveyed to see how angry they felt and how they fared in resolving the problem. It was discovered that the more anger the parties showed, the more likely it

was that the negotiation ended poorly - for example, in litigation or an impasse (no deal).

Control your anger when negotiating

Anger is a strong feeling of displeasure and usually of antagonism: the feeling that makes someone want to hurt other people, to shout etc. It is obviously a negative feeling. If one views negotiation from the perspective of competition and not collaboration they will probably believe that anger is a productive emotion. But successful and well experienced negotiators concentrate on expanding the pie through collaboration rather than quickly high-jacking the lion share.

Of course, anger could produce concession from the other party, but you will probably have damaged a long-term relationship. If one allows the proceedings to escalate because he is angry, one will end up bringing the negotiation to an impasse.

Anger will make it difficult for one to be mindful of his own interests during the negotiation

as well as judging properly other parties’ interests. More so, angry negotiators may seek to harm or revenge against their counterparts, even though a more cooperative approach might increase the value that both sides can claim from the negotiation.

Building rapport before, during, and after a negotiation can reduce the odds that the other party will become angry. Smart negotiators engender cooperation by helping their counterparts see that they are seeking a win-win solution rather than trying to get a bigger slice from the fixed pie.

In heated negotiations, hitting the pause button can be the smartest play. You may not close the deal in one day, so, deciding to take a break might be helpful in allowing the tension cool off. Moreover, when you feel pleased about an outcome, it may be wise to keep it to yourself. This will help reduce the odds of stirring up envy, anger, and tension during the negotiation.

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Several years ago, only a few researchers paid much attention to the role of emotions in negotiation. How feelings can influence the way people overcame conflicts, reached agreements, and created value when dealing with another party was virtually the least among the things they wanted to invest their time to research. Rather, they paid more attention, particularly, to the ways in which parties can identify and consider alternatives, use leverage, and execute the choreography of offers and counteroffers. In fact, negotiation was more understood from the perspective of how to get the most money or profit from the process.

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ZAINAB DERE

Dere is with the Lagos Business School

Transparency in recruitment processes and practices in the banking industry

The recruitment process of any organisation is crucial to its overall success. This is because employees help to actualize the vision and mission of the organisation. Hence, the need for a proper and transparent recruitment process devoid of unethical practices. The focus of discourse at the recently held Social Issues Cluster (SIC) meeting of the Christopher Kolade Centre for Research in Leadership and Ethics (CRLE) at Lagos Business School (LBS), titled "Transparency in recruitment in the banking industry" was to highlight the ethical issues and anomalies involved in the recruitment processes of banks in the country and proffer possible solutions.

The recruitment process in Nigerian banks has passed through different phases, from paid advertisements and referrals, to outsourcing with assessment centres, and other recent means. Previously, job vacancies were mostly advertised. However, most banks now recruit through referral

and/or poaching of prospects from other organizations giving excuses of highly rigorous recruitment process caused by high unemployment and unemployable graduates' rates. This has led to the unethical headhunting of talents from competitors and other firms, leaving out many prospective talents from the recruitment process.

Another unethical practice among recruiters in the banking industry is the inadequacy of the conceptualisation and design of jobs to be filled. It is not unlikely to find job adverts that are shallow in terms of description of duties and responsibilities, and specifications. Some job descriptions advertised are not in tandem with deliverables of the job and/or deliberately overrated with bogus tasks, duties and responsibilities in order to fascinate talents who prefer high and challenging job demands. Such individuals after being placed would find the jobs boring and unchallenging resulting in their exit within a short time.

Most recruitment activities which require rigorous and painstaking process to attract the right talents are being jettisoned by most banks. They prefer to headhunt and poach candidates who may likely end up not performing on the job. The banks lure most of these "stars" with huge, mouth-watering and irresistible offers which include profit sharing, allowances, incentives, and other benefits. Foreign recruits, who are poached from renowned international banks or

Most recruitment activities which require rigorous and painstaking process to attract the right talents are being jettisoned by most banks. They prefer to headhunt and poach candidates who may likely end up not performing on the job

investment firms, are also offered huge bonuses and relocation benefits besides the large salary they would receive. This amount to double standards and injustice to staff that are recruited locally. A number of banks fell on their faces using this strategy, when the margins started shrinking and the desired results were not achieved.

Another area that raises transparency issues in recruitment is the selection process. Once the screening process is done, some candidates recommended for employment by the HR officer might not get employed due to some form of interference from top management. In some banks, the final decision on employment could be in the hands of the Managing Director even after the rigorous recruitment process. Thus, the names of some qualified candidates would be substituted for "special ones".

This raises ethical concerns as regards the fairness of the whole process.

Following selection, most banks always fail to carry out a thorough and comprehensive background check on the selected applicants before placing them on the job. This raises a substantial ethical concern as it contradicts the underlying values banks should stand for. Background checks are necessary to investigate the personality, morals and integrity of prospective employees. There have been cases where people with fake certificates were employed by other banks few months after they were sacked from their previous jobs.

To address these issues, the Central Bank of Nigeria (CBN) came up with a 'Competency Framework Policy' in 2012 to ensure that only 'fit and proper persons' are approved for appointment to boards and top management positions. The CBN assigned the Chartered Institute of Bankers of Nigeria (CIBN) as the accreditation agency for the policy's implementation. The framework was created to define the minimum knowledge, skills and competencies required for operators and regulators to perform optimally on their various jobs. The framework was also meant to standardize capacity and develop competency to nurture knowledgeable, skilled and competent workforce for the Nigerian banking industry. A thorough and judicious alignment of the banks staffing policies with the framework can assist in

addressing most of the issues highlighted earlier.

Banks need to take background checks beyond just character reference and qualification checks. Other checks like integrity tests, criminal record check, and even a credit history check would be necessary to most likely reduce the risk of frauds and safeguard customers' deposits. There is a need for HR professionals to collaborate and share information on erstwhile staff beyond just the formal reference checks done. It is the moral duty of HR practitioners in the banking industry to speak up against unethical practices in the recruitment process and also ensure that ethical and transparent recruitment practices are followed through to select the right candidates.

• This article written by Zainab Dere is an excerpt of the Social Issues Cluster Meeting of the Christopher Kolade Centre for Research in Leadership and Ethics (CRLE) at Lagos Business School (LBS), titled "Transparency in recruitment in the banking Industry." Social Issue Clusters (SIC) is a think-tank style event held to brainstorm social issues in leadership and ethics in the country and proffer solutions to them. CRLE's vision is creating and sharing knowledge that improves the way managers lead and live in Africa and the World. You can contact CRLE at crle@lbs.edu.ng.

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AKEEM OGUNLADE

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Banks, judges, Indians and questionable rulings

It was the lead story on the front page of Thisday newspaper on Wednesday April 18, 2018. The report, titled, UBN Drags Judge Before NJC, EFCC over Alleged Collusion with Churchgate Owner, triggered a curiosity that took me down memory lane. Citing a 44-page petition, the report stated that Union Bank of Nigeria (UBN) Plc had dragged Justice Ibrahim Buba of the Federal High Court before the National Judicial Council (NJC), the Economic and Financial Crimes Commission (EFCC) and the Department of State Services (DSS) for alleged professional misconduct.

Buba, the bank claimed, "colluded with one of its huge debtors, Mr. Bhagwan Mahtani, a naturalized Nigerian businessman of Indian origin and chairman of the Churchgate Group, to defraud the bank and pervert the course of justice." The judge, it added, "used his intellectual prowess to bend the rules and use his position to the advantage of the debtor by allegedly turning the law upside down in favour of the debtor - Mahtani, the alter ego of First Continental Properties Limited, a subsidiary of the Churchgate Group. The petition alleged that Justice Buba deliberately destroyed the legal mortgages that were entered into to guarantee repayment of a \$68 million loan originally granted Mahtani and First Continental Properties in 2011."

Union Bank described Justice Buba's judgment as "most unreasonable and difficult to understand, thereby conferring benefit to the unrighteous at the expense of the righteous in an

alleged bid to make financial gains." The bank therefore asked EFCC and NJC to intervene and investigate the judge, as losing the amount involved could affect its fortunes as it is part of depositors' and shareholders' funds.

The Churchgate Group reportedly denied the allegations in the petition, according to Thisday, claiming instead that Union Bank actually got favourable judgment delivered on February 28, 2018 "but was dissatisfied with the judgment and had gone on appeal."

The mention of Mr. Bhagwan Mahtani brought back memories of curious coincidences and another protracted litigation that almost crippled another major bank some years back. The incident also appears consistent with the sullied reputation of some notorious Indian businessmen who exploit gaps in Nigeria's legal and policy frameworks to engage in unethical conduct, sometimes bordering on outright fraud and duplicity. A few years back, EFCC filed a three-count criminal charge against Sandeep Gogia, a Lagos-based Indian businessman, and his company, Eastern Metal Limited for allegedly swindling a Nigeria company, Boars Communications Limited. Sandeep Gogia and another accomplice, Arun Goswami allegedly obtained \$250,000 from Boars Communications Limited under the pretext that he will provide the naira equivalent. It was a ruse. The exploits of the Vaswani brothers, Sunil, Haresh, and Mahesh, owners of the Stallion Group, are well-documented. Their alleged fraudulent business activities became so unbearable for Nigeria that they were deported during the administration of President Olusegun Obasanjo. Even the Umaru Yar'Adua administration, which readmitted

them, later expelled them again. Their alleged offences ranged from criminal conspiracy, tax evasion, and economic sabotage to money laundering.

Back to Bhagwan Mahtani of Churchgate Group again. A group of minority shareholders of Stanbic IBTC Holdings Plc, under the aegis of Trusted Shareholders Association (TSA), had called on the regulators of the financial services industry to suspend a proposed rights issue. They alleged that billions of Naira were deducted from the gross revenue of the organization and warehoused in a suspense account to be transferred to its offshore holding company as payment for franchise/ fees, which was not approved by Nigeria's National Office for Technology Acquisition and Promotion (NOTAP).

As the matter unraveled, it came to light that TSA was actually a front used by the Mahtani brothers, Bhagwan and Ratan, to truncate the fund raising. Into the fray came the Financial Reporting Council of Nigeria (FRCN), acting more like a hatchet man, rather than an unbiased regulator. The matter went to court to determine if FRCN and NOTAP had powers to impose the sanctions. Curiously, the matter was brought before Justice Buba who dismissed the proceedings sought by the bank. He described the questions raised by the organization as hypothetical and academic. The matter went on appeal and was eventually amicably resolved by the feuding parties.

The above details are designed to illustrate to what extent these unscrupulous elements are willing to go to undermine legitimate institutions and processes. Interestingly, observers in our political space would recall the perpetual injunction granted by Justice Buba barring security agencies from investigating former governor of Rivers

State, Peter Odili, for corruption. Justice Buba, in another curious ruling, granted a perpetual injunction retaining Mahtani on the board of Stanbic IBTC. Also Justice Okon Abang was once berated by the Court of Appeal for miscarriage of justice after he sacked Governor Okezie Ikpeazu of Abia State when he ruled that Ikpeazu submitted false tax clearance papers in a pre-election contest.

Without even being a lawyer, these doubtful rulings call to question not just the integrity of the judges but more importantly the role of the judiciary in compounding the difficulties of doing business in Nigeria. For a country that desperately seeks foreign investment, taking actions, whether by the executive, judiciary or parliament that provoke unnecessary investor apprehension, capital flight or disincentive to FDI inflow is condemnable. A recurrent party in these questionable actions, the Churchgate Group has unfortunately developed a reputation for controversy and noxious activities, not just in Nigeria, but across Africa. An online platform, National Waves, in recounting another scandal claimed that way back in 1986, the Mathanis were "charged to court by the federal government for alleged economic sabotage and exchange control malpractice and were found guilty, expelled and ordered to be deported to India from Nigeria." Known then as the Manshaudani family, they reportedly changed names and international passports and returned to Nigeria in 2002 to continue 'business as usual', the medium stated. The Mathanis later refuted the alleged change of names and deportation from Nigeria.

Nigeria's National Bureau of Statistics (NBS), in a survey covering

June 2015 to May 2016, indicted "law enforcement agents such as the police and judiciary workers such as judges and magistrates" as the highest takers of bribe in Nigeria. It said 32.3 percent of Nigerians had to pay some form of bribe to public officials between June 2015 and May 2016. A whopping N400 billion was received in bribes by public officials within the period in review, NBS stated.

December 2015 in neighbouring Ghana, following a diligently executed sting operation and expose by Ghanaian investigative journalist, Anas Aremeyaw Anas, 21 judges were sacked by the country's Chief Justice, Georgina Wood for taking bribes, attempting to subvert justice and violating the constitution.

Recently, Justice Raliat Adebisi of the Lagos State High Court, Ikeja sentenced Dr Joseph Nwobike, a Senior Advocate of Nigeria, to 30 days in prison for offering gratification to judges and court officials as well as perverting the course of justice. Daniel Danladi, a detective with the Economic and Financial Crimes Commission (EFCC) had named four judges allegedly involved in the gratification scam.

If insinuations of judges being in the payroll of dubious businessmen are proven, believing that NJC and EFCC would investigate Union Bank's allegations, it simply reinforces the scathing stance of President Muhammadu Buhari that Nigeria's judiciary is home to corrupt judges who place pecuniary gain above professional ethics and national good. The world is patiently watching to see how EFCC, DSS and NJC would respond to UBN's allegations.

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LEGAL ADVISERS

The Law Union

When killers kill without consequence, they kill more

At 2.30 pm on Saturday, May 5, in Gwaska village in Birnin Gwari Local Government Area, when most men were still in their farms, a group of 'bandits' rode into town on motorcycles and went on a killing spree. By the time they were done with their evil agenda, over 45 people, including men and women were dead, killed in cold blood on a hot Saturday afternoon. They were not only killed but their houses were also burnt. It looked like the agenda was to wipe out the community.

Austin Awar, the Police Commissioner in Kaduna state has since confirmed the incident and the number of casualties. He claims that the police have since deployed about 150 policemen to protect the village from further attacks with a plan to further deploy 200 more officers at a later date. As they say in local parlance, the police are 'offering medicine after death.'

The question is where was the police when these villagers were being killed on a hot Saturday afternoon? Bandits riding on a motorcycle must have come from a location.

How come these so called bandits can drive so freely with arms and ammunition and kill with such impunity without any counter action from the security agencies?

These questions become even more relevant because this is not the first time that Birnin Gwari has been attacked. The community has experienced several attacks in the last few months, yet apparently the police did not deem it fit to have policemen stationed in the community to deter future attacks. This is an obvious failure in the security apparatus in the state.

Sadly, this apparent failure in the security apparatus in Kaduna state has become the norm across the country resulting in unnecessary and random killings of Nigerians almost on a daily basis. Between January to date, it is 'estimated' that about one thousand (1000) Nigerians have been killed in random attacks across the country. We are using 'estimate' here because there is no official agency taking record of Nigerians being killed daily by these so called 'bandits.' There is an apparent massive failure in the security architecture in the country.

Just last week, a suicide bomber walked into a mosque in Mubi, Adamawa state and detonated

his deadly cargo killing over 26 people instantly. As people fled from the first bomb blast, another suicide bomber detonated his explosives. At the end of both attacks, more than 86 people were dead. We do not want to talk of the almost daily killings taking place Taraba, Zamfara, Benue, Plateau and other states across the country. Nigeria, sadly has become a killing field, where people wake up to the news of mass killings and they hardly flinch because it happened yesterday too.

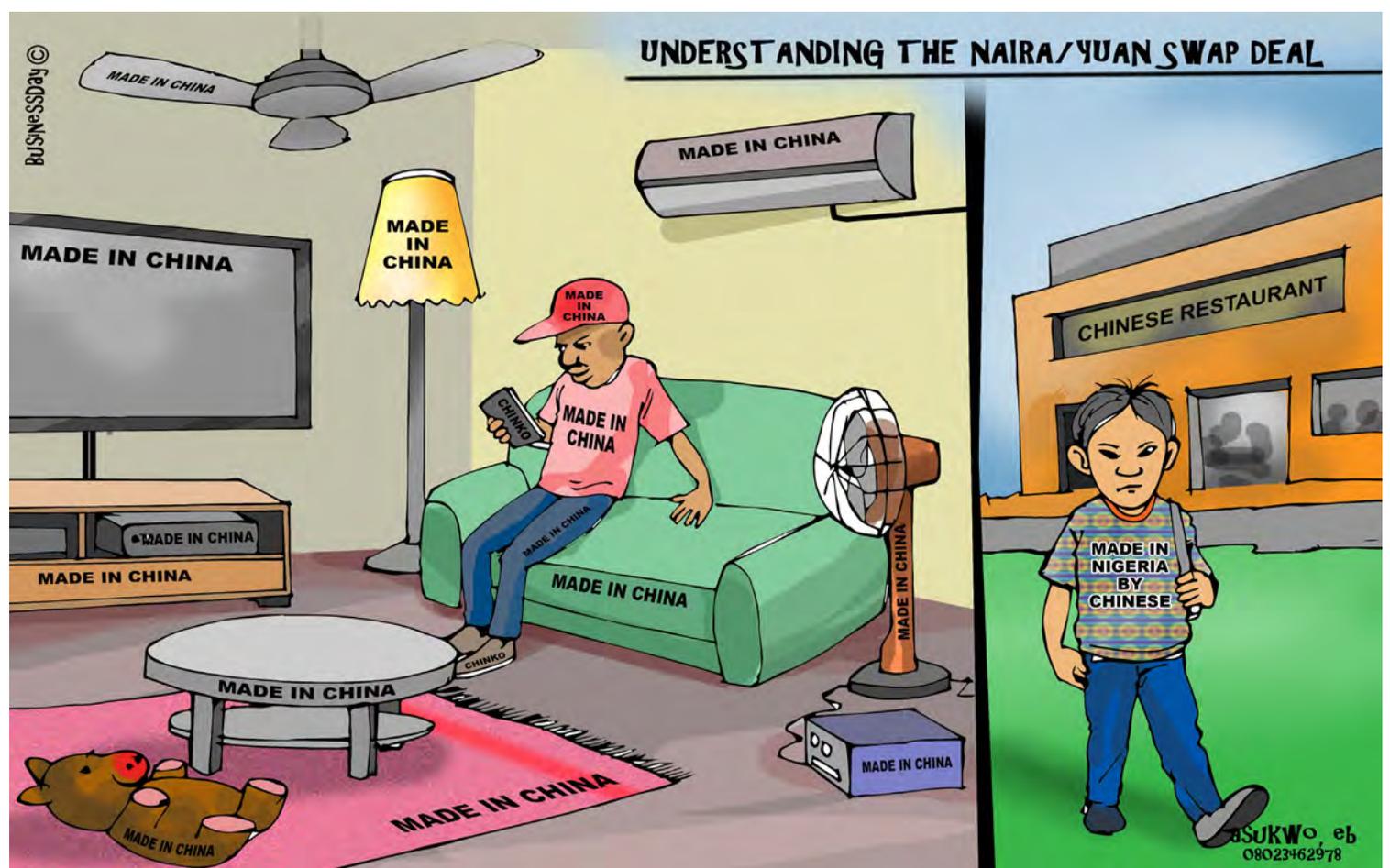
While mass killings have become common, arrests are scarce. The killers are killing more and more people because there is no consequence for their action. Nigerians had high hopes when President Buhari was elected in 2015, that the then deteriorating security situation in the country would come to an end considering his military background. Sadly, the security situation has actually gotten worse. Even more worrisome is the fact that the president has not offered any clear strategy to put an end to the killings other than the usual platitudes that come with these killings.

President Buhari has kept the heads of his security agencies despite the rapid deterioration in security across the country. Unless

the president knows something that we do not know, there is no better rating of the performance of the heads of security agencies than their ability to protect lives and properties of citizens. Going by the ongoing killings across the country, the president and the heads of security agencies have failed. What is the purpose of a government if it cannot protect its own people from unlawful killings?

The killings have continued because there have been no consequences. The perpetrators of the killings have continued because no one is arresting them. Those who should arrest them have not done so because no one is holding them to account for not doing their jobs. The bulk stops at President Buhari's desk.

"How can a responsible government allow his people to be killed in this way" said President Buhari back in 2013 while criticising former president Goodluck Jonathan over attacks by Boko Haram. He had even suggested that the then president Jonathan should resign for a more competent leader to handle the security situation if he cannot handle the situation. Five years after, perhaps it is time President Buhari take a look into the mirror and heed his own advice.



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COMPANIES & MARKETS

COMPANY NEWS ANALYSIS AND INSIGHT

DMO opens May savings bonds offer

Pg. 14

Nigeria attracts \$30bn foreign investment

The Central Bank of Nigeria has injected 210 million dollars into the Inter-Bank Foreign Exchange Market in continuation of its efforts to sustain liquidity in the market.

The bank said it had offered 100 million dollars to authorised dealers in the wholesale segment of the market while Small and Medium Scale Enterprises Segment received 55 million dollars. Meanwhile,

The bank captured no fewer than 31 million customer accounts in its Bank Verification Number Project aimed at ensuring unique identifier in the Nigerian banking industry.

It also linked a total of 43,959,282 (forty three million, nine hundred and fifty nine thousand, two hundred and eighty two) bank accounts in the BVN project launched in 2014.

The Association of Bureaux De Change Operators of Nigeria (ABCON) says it has attracted over 30 billion dollars to the economy from foreign investors.

ABCON President, Alhaji Aminu Gwadabe, said the

feat was achieved through to the provision of accurate market data and information about the foreign exchange market.

The president said the goal of the association, as a strategic partner with the CBN, was to make the Naira strong, reliable, and the only acceptable currency for trading in West Africa.

The Head of European Union Delegation to Nigeria and ECOWAS, Amb. Ketil Karlsen, says the trade volume between Nigeria and EU reached 25.3 billion euros in 2017.

Karlsen said the figure was an increase of 27 per cent over that of 2016 which was 19.9 billion euros, and about 50 per cent of the 2017 trade value was in favour of Nigeria.

African Development Bank in partnership with UNIDO has pledged to support Senegal, Ethiopia, Morocco, Algeria and Nigeria with industrial policies to help boost economic development and increase foreign direct investment.

The bank said the policies would support capital markets, boost market liquidity and encourage



L-R: Moruf Oseni, executive director retail, Wema Bank Plc.; Wole Ajimisinmi, legal adviser/company secretary, Wema Bank Plc.; Segun Oloketuyi, MD/CEO, Wema Bank Plc.; Folake Sanu, executive director, Lagos, Wema Bank Plc., and Wole Akinleye, executive director South Bank, Wema Bank Plc. cutting the anniversary cake as they celebrated ALAT's one-year anniversary in Lagos recently.

industrial clusters of small businesses.

Kenya has ratified the African Continental Free

Trade Area Agreement and is making arrangements to submit the signed document to the Africa Union

Commission.

The country expressed optimism that the continental trade pact would

create accelerated growth and integration through the free movement of goods and services.

Nigeria-China Currency-Swap deal: Experts express divergent views

Financial experts in Lagos on Monday expressed divergent views on the Nigeria-China currency swap deal announced last week.

They argued that the deal

could address shortage of dollars for import purposes, but are worried that if the volume of exports by Nigeria does not increase, the deal would favour only China.

They said this could lead

to the near destruction of Nigeria's budding industries.

The experts told the News Agency of Nigeria (NAN) that a substantial increase in the nation's productive sector was required to reduce the

imbalance in the volume of imports/exports between the two countries.

Prof. Evans Osabouhien, a Senior Economist at Covenant University, Ota, Ogun State, said the currency swap between Nigeria and China was a good development, but would have very serious challenges in the long run.

Osabouhien said the deal would ease trade between the two countries by minimising currency losses emanating from the prior conversion of Naira to dollars and back to the Yuan, the Chinese currency.

"The challenge, however, is that there is a huge imbalance in the volume of trade between the two countries.

"The only solution is that there must be deliberate policies put in place to increase our exports to China," Osabouhien said.

The economist noted that the imbalance in the trade volume would lead

to the flooding of imported goods from China to Nigeria, thereby killing the few companies struggling to produce.

"If we don't produce, what then can we export?" Osabouhien asked.

But Alhaji Aminu Gwadabe, president, Association of Bureaux De Change Operators of Nigeria (ABCON), said the deal was an excellent development in the foreign exchange market.

Gwadabe argued that the currency swap deal would also deepen the confidence of foreign investors in the Nigerian economy.

The ABCON chief said the deal would reduce pressure in the demand for dollars in the market and provide currency options for imports.

Another benefit of the deal, according to Gwadabe, is the diversification of Nigeria's foreign reserves, which he said would make it the clearing house in Africa for Yuan transactions.

"It is a prelude to make the Naira sovereign in the West African economies," Gwadabe said.

He urged the CBN to mandate money deposit banks to open Yuan domiciliary accounts to deepen the agreement.

Gwadabe explained that the volume of Nigeria's import from China in 2015 was 2.5 billion dollars, graduated to 12 billion dollars in 2017 and now hovers around 18 billion dollars.

"This excludes the 6 billion dollars China's investment in our infrastructure and 2 billion dollars Dangote Industries expansion loan," Gwadabe said.

NAN reports that Nigeria and China sealed a currency-swap deal worth 2.4 billion dollars on May 4 in China.

According to the CBN, the deal would provide local currency liquidity between Nigerian businessmen and Chinese businessmen.



COMPANIES & MARKETS

DMO opens May savings bonds offer

The Federal Government on Monday opened its May savings bonds' offer, the Debt Management Office (DMO) said.

According to the offer circular obtained from DMO's website by the News Agency of Nigeria (NAN), it offered the two-year bonds at 9.48 per cent and the three-year bonds at 10.48 per cent.

The two-year bonds would be due in May 2020, while the three-year bonds would mature in May 2021.

The Debt office, however, did not state how much was offered, but the maximum subscription was N50 million at N1, 000 per unit, subject to minimum subscription of N5, 000 in multiples of N1, 000.

According to the DMO, the bonds are backed by the

full faith and credit of the Federal Government, with quarterly coupon payments to bondholders.

NAN reports that savings bonds are issued to help finance the nation's budget deficit. They are targeted at encouraging low-income earners to save and earn more interests than the regular bank savings.

The offer closes on Friday.



L-R: Badru Shittu, assistant general manager (Procurement), LSDPC; Muni Shonibare, managing director, IO Furniture; Jelili Akinpelu, deputy general manager (Premises and Equipment), LSDPC; Aminat Oyagbola, chairman, board of directors, IO Furniture, and Kitoyi Ibare-Akinsan, ex-president, Association of Consulting Architects of Nigeria, during the IO Furniture Labour Day Exhibition held in Lagos.

Crunchies innovates fast food industry, introduces 'Roots Restaurant'

GODFREY OFURUM, Aba

Crunchies Fried Chicken Limited, a fast food chain in the South-East/South-South regions of Nigeria, has established a new outfit called 'Roots Restaurant' with two outlets in Umuahia and Enugu.

Roots Restaurant, a high-end restaurant, brings nature back to the fast food industry, Jude Nwosu, managing director, Crunchies Fried Chicken Limited, says.

Nwosu in an interview with BusinessDay, at his installation as the 64th president of Aba Sports Club 1926, said, "Roots is a different kind of restaurant that serves local dishes in their true nature without additives.

"We often hear about diabetes and other heart related diseases. Consequently, what we are trying to do in Roots is to feed people with the right food and reduce the prevalence of heart related diseases.

"So, Roots Restaurant was actually envisioned to provide excellent healthy food to our teaming customers. "Apart from providing good food, which Crunchies is known for, the new facility would also provide ambiance for family recreation."

According to Nwosu, it is our policy to continue to expand, because for every outlet that we open, we reduce unemployment and we are happy doing this, even against all odds.

"Our philosophy in Crunchies is not only to provide

good food for people, but also to provide employment and inspire others to learn from us and make Nigeria a better place"

He continued, "We decided to do something different, to expand our scope in different States, as it is usual with us.

"It is to show our confidence in the economy of those cities and also to show how grateful we are to our customers, who in the past years have supported our businesses in those areas, to say thank you and thereby bring our outlets closer to their doorsteps, to provide better service and quality products to our numerous customers.

The intent of our expansion programme is to show our confidence in the economies of these areas, to remove from unemployment line, the young

ones, who have just graduated from college and while we are doing that, also we mentor other businesses that they can invest in.

As a fast food chain of great repute, Nwosu explained that Crunchies, would continue to provide excellent service and quality products to their numerous customers.

In his words, "If you look at our slogan, it says "Taste the Difference" and with the introduction of "Crunchies Plus", we have created a new slogan that says "Step it up.

"What we have done is to provide excellent service and better quality products and wider range of products to our numerous customers.

"Before now, we were doing the normal fast food busi-

ness of rice and chicken and all that, but right now we have added the Chinese variation, because we have found out that in most areas where we play that customers always asked for simple things as Spring Roll, Chinese Rice and so on. So, we decided to bring it under one umbrella and make sure that our customers get this service in good time.

"I can say thus far that we have been able to establish our brand, establish ourselves and I believe that customers in these regions have accepted our services and the confidence that they have built around us, is the reason, why we have been able to expand in such a fast manner," he stated.

Crunchies Fried Chicken Limited, was established in

2002 in Aba, the commercial hub of Abia State, but opened its doors to customers in September 2003, while Crunchies Plus, was inaugurated in December 2014, with four outlets located in Asaba, Delta State, Uyo, the capital of Akwa Ibom State, Calabar in Cross Rivers State and Onitsha, the commercial hub of Anambra State.

The fifth outlet located in Umuahia, the capital of Abia State, was inaugurated in 2015. The facilities provide a range of dishes, including Chinese cuisine.

The firm currently has 16 outlets in the South-South and South-East regions of the country, with Asaba, Calabar, Uyo and now Aba, topping with two outlets, each.



L-R: Akinolu Phillips, executive director Young Educators Foundation; Temitope Ashiwaju, group public relations and Events manager, Dufil prima foods Plc; Chigozirim Ude-Ibe, winner of Indomie Spelling Bee competition; Anwulika Ngene, country manager, Young Educators Foundation, and Aramide Folorunsho, media relations Indomie noodles, at the national final of Indomie Spelling Bee Competition held in Lagos.

EY eyes digitalization strategy in boosting operational efficiency

...Holds Breakfast session on digitalization for CP&R

Players in the Consumer Products and Retail (CP&R) industry may be getting some face lift as Ernst & Young Nigeria takes a deep-dive into the world of digital disruption to take opportunities the benefits as they navigate through the challenges that comes with it.

As part of its plan to drive optimum efficiency in the CP&R space, the firm is putting in place preparations to host its 2018 breakfast session in other to brainstorm on avenues in which these goals can be achieved.

The Breakfast session with an agenda 'Leveraging digitalisation in today's cost optimization and operational efficiency',

will hold at EY Nigeria office at 10th Floor, UBA House, Marina.

Speaking about the event and the rationale behind it, the Bunmi Akinde EY Consumer Product & Retail lead for West Africa says, "The traditional business model is under increasing pressure to deliver top line growth and increase operating margin.

Traditional approaches to operational excellence have only been partially successful in delivering the breakthrough in performance companies need to compete in the future.

The new wave of digital disruptive technologies provides the greatest opportunity to fundamentally reinvent operations and deliver this breakthrough

in performance.

The event seek to improve understanding the key challenges and what need to be done to ensure the Consumer Product and Retail Industry in Nigeria keep pace with digital technology

Continuing, Akinde says the organisations within the Consumer Sector like other sectors are operating in an uncertain world, in which they need to continuously adapt to business disruption taking into consideration the peculiarities of the industry.

Digitisation is forcing changes to every aspect of our lives; it is constantly challenging the way we do things and offering exciting alternatives.

COMPANIES & MARKETS

Business Event



L-R: Adeyeye Enitan Ogunwusi, The Ooni of Ife; Cecilia Ibru, co-founder/president, Michael and Cecilia Ibru University; Richard Oghenewogaga Ebelle, Ovie of Agbarha Kingdom, and Idowu Adediwura, Obalufe of Irewo, during the visit of Ooni to the Michael and Cecilia Ibru University (MCIU), at Agbaha-Otor in Delta State.



L-R: Mabel Ndagi (Bank of Industry); Moses Umoru (CCI France-Nigeria), Chief Taiwo Taiwo (Aart of Life Foundation – Representative of the Nigerian Ambassador to France – Mrs Modupe Irele); Carol Bossier (Representative, French Community); Dr Stella Okoli (CEO, Emzor Pharmaceutical Ltd) during the press announcement of The Nigerian Creative Arts Exchange in Paris.



L-R: Segun Senbanjo, regional director (Africa and Middle East) Seymour Energy Consulting; Chef Raphael Duntoye; Segun Agbaje, CEO Guaranty Trust Bank Plc; Femi Otedola, chairman, Forte Oil, and his daughter, DJ Cuppy, during the GTBank Food and Drink Fair held at Water Corporation Road, Oniru Victoria Island, Lagos.



L-R: Babatunde Majiyagbe, executive director, Stanbic IBTC Nominees Ltd; Abisoye Balogun, Baale of Agbagbo; Otto Orondaam, executive director, Slum2School Africa; Olatunji Maxwell, Baale of Takwa Bay with pupils of Epiphany Anglican Primary School and Peculiar Kids Academy, Takwa Bay; during commemoration of the World Malaria Day in Lagos.

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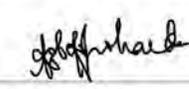
UNAUDITED RESULT FOR THE 1ST QUARTER ENDED 31ST MARCH, 2018

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH, 2018

	Group		Company	
	March 2018 N	31 December 2017 N	March 2018 N	31 December 2017 N
Assets				
Cash and cash equivalents	3,631,077,916	1,921,271,578	3,029,099,157	1,850,386,963
Financial assets:				
- At fair value through profit or loss	210,684,489	170,256,830	199,231,174	161,850,795
- Loans and receivables	427,630,747	408,385,061	230,563,383	248,623,854
- Available for sale	60,950,000	60,950,000	60,950,000	60,950,000
- Held to maturity assets	801,796,194	2,260,597,511	801,796,194	2,260,597,511
Deposit for shares	-	-	-	-
Finance lease receivables	241,561,049	229,440,306	-	-
Trade receivables	446,629,248	150,356,282	446,629,248	150,356,282
Reinsurance assets	1,570,900,027	1,655,890,085	1,570,900,027	1,655,890,085
Deferred acquisition cost	257,664,385	257,664,385	257,664,385	257,664,385
Other receivables and prepayments	230,313,669	174,488,859	235,380,637	166,066,755
Investment in subsidiaries	-	-	1,030,000,000	530,000,000
Inventories	-	-	-	-
Intangible assets	25,847,702	24,621,130	17,312,744	18,458,195
Investment properties	898,061,000	899,661,000	804,400,000	806,000,000
Property and equipment	989,596,309	976,591,367	935,853,355	926,483,015
Statutory deposits	300,000,000	300,000,000	300,000,000	300,000,000
Total assets	10,092,712,735	9,490,174,394	9,919,780,304	9,393,327,839
Liabilities				
Insurance contract liabilities	3,792,884,752	3,532,407,618	3,792,884,752	3,532,407,618
Trade payables	64,401,509	26,482,944	64,401,509	26,482,944
Other payables and provision	225,507,463	207,368,924	224,184,371	244,704,571
Retirement benefit obligations	6,233,349	5,574,664	5,953,761	5,169,022
Deposit for share	-	500,456,779	-	500,456,779
Income tax liabilities	373,362,588	297,205,965	316,874,704	252,351,030
Deferred tax liabilities	231,671,385	231,671,385	230,003,867	230,003,867
Total liabilities	4,694,061,046	4,801,168,279	4,634,302,964	4,791,575,831
Equity				
Issued and paid share capital	3,500,000,000	3,000,000,000	3,500,000,000	3,000,000,000
Contingency reserve	1,464,373,818	1,400,446,908	1,464,373,818	1,400,446,908
Statutory reserve	19,657,526	16,304,970	-	-
Retained earnings	414,620,345	272,254,237	321,103,522	201,305,100
Total equity	5,398,651,689	4,689,006,115	5,285,477,340	4,601,752,008
Total liabilities and equity	10,092,712,735	9,490,174,394	9,919,780,304	9,393,327,839

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AS AT 31ST MARCH, 2018

	Group		Company	
	March 2018 N	March 2017 N	March 2018 N	March 2017 N
Gross premium written	2,130,896,996	1,851,825,301	2,130,896,996	1,851,825,301
Gross premium income	1,947,844,957	1,676,825,301	1,947,844,957	1,676,825,301
Reinsurance premium expenses	(499,040,671)	(442,102,823)	(499,040,671)	(442,102,823)
Net premium income	1,448,804,286	1,234,722,478	1,448,804,286	1,234,722,478
Fee and commission income	79,708,889	72,955,164	79,708,889	72,955,164
Net underwriting income	1,528,513,175	1,307,677,642	1,528,513,175	1,307,677,642
Claims expenses	(770,921,345)	(623,395,142)	(770,921,345)	(623,395,142)
Claims recoveries from reinsurers	155,797,658	338,336,500	155,797,658	338,336,500
Claims incurred	(615,123,687)	(285,058,642)	(615,123,687)	(285,058,642)
Underwriting expenses	(462,195,625)	(435,988,090)	(465,377,748)	(435,988,091)
Underwriting profit	451,193,862	586,630,910	448,011,739	586,630,910
Investment income	255,782,738	157,529,869	185,961,095	157,529,869
Other operating income	966,416	43,485,803	4,019,993	2,032,359
Impairment charge	475,427	-	-	-
Net fair value (loss)/gains recognised in the quarter	7,630,832	8,730,580	7,630,832	8,730,580
Management expenses	(430,247,079)	(391,484,220)	(397,374,653)	(377,003,764)
Profit/(loss) before taxation	285,802,196	404,892,942	248,249,006	377,919,954
Income tax expenses	(76,156,622)	(100,992,217)	(64,523,674)	(92,039,255)
Profit/(loss) after taxation	209,645,574	303,900,725	183,725,332	285,880,699
Other comprehensive income net of tax				
Total comprehensive income/(loss) for the quarter	209,645,574	303,900,725	183,725,332	285,880,699
Profit/(loss) attributable to:				
Equity holders of the parent	209,645,574	303,900,725	183,725,332	285,880,699
Non-controlling interest	-	-	-	-
	209,645,574	303,900,725	183,725,332	285,880,699
Basic & Diluted earnings per share (kobo)	2.99	5.07	2.62	4.76

 **Obinna Ekezie**
Chairman
FRC/2017/IODN/00000017485
  **Eddie Efekoha**
Managing Director
FRC/2013/CIIN/00000002189
  **Babatunde Daramola**
Chief Financial Officer
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2019: How NCP will transform Nigeria - Presidential aspirant

INNOCENT ODOH, Abuja

The presidential aspirant of the National Conscience Party (NCP) Tanko Yunusa, has reeled out plans and strategies on how he intends to marshal the party's principles and values to bring good fortunes to Nigeria in 2019, if elected into office.

Yunusa, made this known in his declaration statement under the party's platform recently in Lagos. His policies are encapsulated in the party's 10- point agenda even as he condemned the failures of the President Muhammadu Buhari -led All Progressives Congress (APC), which has allegedly unleashed intense hardship on country.

Yunusa, who lamented the increasing hopelessness in the country, noted that he and party will strive hard to reduce the tension in the land following the division along ethnic, religious lines largely blamed on the alleged nepotism of President Buhari. He added that the insecurity in the country caused by the Boko Haram insurgents, the ethnic irredentist movements such as the Niger Delta militant groups, the Indigenous People of Biafra (IPOB) the Oodua People's Congress (OPC) among others are symptoms of fundamental crisis of imbalances in the country which his party has developed the magic wand to address.

"We shall listen to the people



Yunusa

and correct all imbalances through engagement with the Nigerian masses as already discussed and enshrined in our Constitution. In order words, with the people first and agreed engagement, we shall kick start not just a new Nigeria but a more robust united Nigeria, meant for greatness and that will be our starting point.

"This has become the social contract and dues this party, the National Conscience Party

through its gadfly- friend of the poor, Gani Fawehinmi paid for with his life, necessitating what we have today as the only, true ideology to take Nigeria out of the woods- talking about the Almighty NCP-10 Care Programme.

"I am more than convinced that these Ten (10) care programme of the National Conscience Party (NCP) will not only add value to our egalitarianism but also emphasize the missing human capi-

tal development that have long eroded us as a people," he said.

The 10-point agenda include; Employment Care, Food Care, Health Care, Housing Care and Education Care. Others are; Water Care, Electricity Care, Transportation Care, Telecommunications Care and Security Care.

He added that in outlining this 10-Care Programme, his party shall not lose sight of other responsibilities of governance, stressing that the programme flows from assessment of the priority areas dealing with development of infrastructure and enhancement of the quality of life.

"On Employment Care we shall be committed to people's needs-driven economy. The alarming rate of unemployment is disturbing. We intend to build cottage industry in all 774 local government areas. The government will not only create jobs, a living minimum wage will be introduced and it will rise periodically as inflation rises," he said.

On Food Care he said that massive investments will be injected into food crop and livestock productions pointing out that farmers' cooperative will be encouraged. He also noted that agricultural subsidies in terms of seeds and other agricultural inputs will be put in place.

On Health care he averred that his party will make provision of cost- free medical services as a fundamental right of all Nigerians stressing that any person(s) who requires medical treatment will

receive it free at state expense. "We reject the argument that the nation cannot afford free medical services for all Nigerians whereas our preventive and curative health services and facilities will be constantly upgraded."

On Housing Care, he said "Housing is one of the basic inalienable rights of every human being. But the reality is that many Nigerians are homeless. Many able-bodied but unemployed Nigerians live day and night, under bridges and on the streets. "We shall provide homes for our people especially the less privileged," he said.

On Education care, he be-moaned that in spite of the centrality of education to National transformation, the nation's educational system has virtually collapsed with less than 10% annually budgeted for in the country as against the 26% UNESCO benchmark.

Only about forty three percent of school age children are in schools at all levels. The National literacy rate of 57% lags behind the average for underdeveloped industrial country like ours.

On Water Care Yunusa said that majority of Nigerians have no access to clean pipe -borne water in spite of official claims of enormous resources that had been committed to it. He pledged to commit adequate resources to implement an efficient and effective pipe-borne water programme to encompass the entire nation among other policies.

Saraki to sponsor Kwara pilgrims to Mecca, Jerusalem

SIKIRAT SHEHU, Ilorin

President of the Senate Abubakar Bukola Saraki, on Monday inaugurated a 10- man committee on Muslim and Christian pilgrimages.

The committee, headed by a former Grand Kadi of Kwara State, Justice Idris Haroon is to coordinate pilgrimages' sponsorship by Saraki.

Among other duties, the committee will select and screen those to be sponsored for Hajj, Umrah and Jerusalem pilgrimages by the President of the Senate.

Speaking during the inauguration of the committee which also has the secretary of the state's chapter of the Christians Association of Nigeria (CAN), Cornelius Fawenu as a member, Saraki explained that he decided to take over the responsibility of sponsoring Muslim and Christian faithful on pilgrimages because the government could no longer do it due to economic challenges.

Reflecting on the rationale behind his decision, the Saraki said "any good leader must at all times listen to the yearnings of his people.

"We have our Muslim and Christian brothers desirous of observing the pilgrimages, but could not afford the cost. We will help such people with a forum through which they can realise their dreams. We may not be able to do like the govern-



Saraki

ment which used to sponsor about 400 when I was governor of Kwara state, we will start with 100. The coming Umrah(lesser Hajj) shall be the starting point."

Responding, the chairman of the committee, Justice Haroon thanked Allah for preserving Saraki's life and for what he has been able to achieve, not only in the state but the entire country.

He praised the lawmaker for his initiative, saying, "this which you have initiated as a true Muslim, is the first of its kind in this state and Nigeria."

Haroon, assured that the committee members will work assiduously to meet the aspirations of the people. "We will do our job with fear of God and shall ensure that only pious people are selected for the exercise," he said.

Cornelius Fawenu, the CAN secretary, described the inauguration of the committee as "a day that has gone into Guinness book of record as unprecedented."

Ward Congress: Gov Ahmed cautions APC members against anti-party activities, hails peaceful conduct in Kwara

SIKIRAT SHEHU, Ilorin

The Kwara State Governor, Abdulfatah Ahmed has cautioned members of the All Progressives Congress (APC) in the state against anti-party activities and not to allow themselves to be deceived by the campaign of hatred and calumny by nocturnal politicians who are hell-bent in causing confusion in the state.

He, however, commended members of the party for the peaceful process in which they conducted themselves during the weekend's ward congress across the 193 wards in the state.

Governor Ahmed, in a statement by his Chief Press Secretary, Abdulwahab Oba, said he was pleased with the conduct of all members throughout the exercise and praised them for their loyalty

to the party during the election.

He also congratulated the leadership of the party for the well organised Congress and noted with delight the large turnout, peaceful and hitch-free conduct of the congress.

"I wish to congratulate the newly elected party leaders at the various wards and advised them to brace up for the task ahead by being focused and committed to the party," the governor said.

Ahmed noted that the outcome of the exercise had further shown the will of the existing political structure in providing quality, acceptable and all inclusive leadership in the state.

The governor promised to deliver on the party's electioneering campaign promises, saying that his government will continue to remain focused for an enduring development across the state.

Politics & Policy

2019: Melaye returning to PDP?

OWEDE AGBAJILEKE, Abuja

One of the obvious signs of a general election in this part of the world is the alignment and realignment of political forces.

The 2019 general election in Nigeria billed for February 16 and March 2 respectively is not an exception. Friends become foes, allies turn to sworn enemies, brothers betray brothers and like a dog that goes back to its vomit, some Nigerian politicians are seeking return to their former political parties.

Speaking to journalists at the inauguration of the People's Democratic Party (PDP) Contact and Mobilisation Committee in Abuja, National Chairman of the party, Uche Secondus, disclosed that the party is ready to receive the embattled Chairman, Senate Committee on Federal Capital Territory (FCT), Dino Melaye, back into its fold.

Melaye, who represents Kogi West Senatorial District had in the past described the People's Democratic Party (PDP) as a 'satanic party'. The controversial lawmaker made the comments via Twitter on July 6, 2015.

It would be recalled that Melaye dumped the PDP for the All Nigeria Peoples Party (ANPP) in 2011 before joining the All Progressives Congress (APC) in 2014.

The serving senator, who recently escaped from being recalled by his constituents, is currently facing trial on charges bordering on alleged gun running, attempted suicide, criminal conspiracy, causing damage to government property and escape from lawful custody.

Reacting to the development,



Dino

Secondus described the trials as politically-motivated, adding that the main opposition party is ready to receive Melaye back to its fold.

Accusing the Muhammadu Buhari-led All Progressives Congress (APC) government of dictatorship, he condemned what he called 'persecution' of critics of the administration, citing the murder case preferred against Shehu Sani, another APC lawmaker.

Answering a question from this reporter after he inaugurated the committee, Secondus said: "All Nigerians, not only Dino, are free to come (to PDP)".

He also decried the alleged harassment of the legislator, pointing out that the failed recall of Melaye was a vote of no confidence against the proponents of the exercise.

He said: "the fear of everybody around the globe is that Nigeria has turned to be a police state by the APC government of Muhammadu Buhari. And he has introduced some elements when he was Head of State: arresting, coercing, intimidating people. You don't do that in democracy. You allow the rule of law to reign. We are not in the military era.

"Look at how Dino Melaye, a senator of the Federal Republic of Nigeria, was treated. He should be treated with all amount of civility. And we believe that if there is anything; let him be taken to court in a good manner not as if he is a common criminal.

"So, more of these things will come even to the opposition. They are treating their own person like this. You remember when we

raised the alarm about conspiracy theory of APC. You know what is happening to Shehu Sani; he is being framed up. They just give figures and label. It is not going to resolve the problem. Don't turn Nigeria to be a police state. Everybody is living in fear as if we are in Abacha regime.

"This government is intimidating our people. But we will resist it. We will not be afraid. Nothing can intimidate us because our leaders and founding fathers wrestled power from the military and brought this democracy. So, we will maintain it despite all the harassment, media trial and all sorts of things that they have deployed at their disposal. And of course, they have the instrument of federal might. So they can coerce, intimidate but that will eventually be counter-productive in a democratic system.

"You know what happened when they came up after Dino had been detained? They came up with the recall process. And that is a referendum and a verdict on those who are behind it. The people rejected it because Dino was maltreated. All of these things are happening in the country and leaders are not speaking out. People should speak out. We are in democracy. Anyone that has opposing view should speak freely. They should not intimidate them. For 16 years we never intimidated anybody. The unity of this country is very important to us. As we can see, the country is so divided and people are really worried".

Chaired by the former Cross Rivers State Governor, Liyel Imoke, the committee is saddled with the responsibility of initiating talks with other political parties willing to align forces with it to oust the governing All Progressives

Congress (APC) in the forthcoming polls.

Other members of the committee include former governors Babangida Aliyu (Niger), Sule Lamido (Jigawa), and Gabriel Suswam (Benue). Others are former Aviation Minister Kema Chikwe, her counterpart in Defence Haliru Bello, former Director General, National Agency for Food and Drug Administration and Control (NAFDAC), Paul Orhii amongst others.

The PDP also stood behind Melaye in the failed recall exercise, which the Independent National Electoral Commission (INEC), revealed, cost it N100 million. A day to the exercise, the party's National Publicity Secretary, Kola Ologbondiyan, who coincidentally hails from Kogi West, made a passionate appeal to his constituents to save the APC lawmaker.

Also at the weekend, the Dino Melaye Campaign Organisation asked its supporters to boycott the just-concluded APC Congress in the state.

In a statement, the campaign organisation accused the Kogi State Governor, Yahaya Bello of hijacking the process.

Although the embattled senator is yet to officially move to his estranged party, political analysts are certain that it is no longer a matter of if but when he will dump the governing party for PDP or any other political party to seek reelection.

According to the timetable and schedule of activities released by the Independent National Electoral Commission (INEC), conduct of party primaries including resolution of disputes arising from the primaries would take place between August 18 and October 7, 2018.

APC congresses of chaos: A foreboding sign of bleak 2019

INNOCENT ODOH, Abuja

Ahead of the 2019 general elections there are facts that the average Nigerian politician has from time immemorial been the problem with the country irrespective of party inclination. It was the desperation of the politicians of the First Republic (1960-1966) to grab power at all cost that rendered the electoral process nugatory and led to the first military coup that toppled the government and ended that republic.

After much delays and uncertainties, the ruling All Progressives Congress (APC), organized state party wards congresses on Saturday, May 5, to elect new leaders preparatory to the National Convention of the party later in the year. However, news across the states about the process and the outcome has not been cheering as few instances of peaceful conduct were overshadowed by deaths, pro-

tests, boycotts and disruptions of the exercise especially in Oyo, Imo, Rivers, Delta, Anambra, Bauchi Ebonyi among others.

One APC chairmanship aspirant in Delta State, Jeremiah Oghoveta, at Ward 10, Otu-Jeremi, Ughelli South local government area of the state was reportedly killed by unknown gunmen during the ward congress.

Although the ruling APC through its national Publicity Secretary Bolaji Abdullahi has hailed the exercise as "successful", and called on aggrieved members to seek redress with appeal panels, the main opposition party, the People's Democratic Party (PDP) condemned in totality, the violence and bloodletting that characterized last Saturday's APC ward congress in various parts of the country.

PDP through its National Publicity Secretary Kola Ologbondiyan on Saturday expressed worries that Nigeria's electoral processes are still very much smudged by

unnecessary resort to violence by contenders, even when there are available channels for the resolution of disagreements at various levels of engagement.

"The PDP regrets the violence and called on Nigerians, particularly political stakeholders, to concert efforts to make the political and electioneering processes across board free of violence especially, towards the 2019 general elections.

"Our party values the life of every single Nigerian and we implore all contenders, including political parties, to eschew desperation for power, especially in the face of loss of popularity and public support due to performance issues.

"Nigeria belongs to all of us and we seek a peaceful environment where the citizens are free to vote for candidates of their choice at all levels, particularly the Presidency," the statement said.

From introspection the dominant parties of the First Republic and their coalitions caused enormous

crisis as boycotts, disruptions, threats, and intimidation marred the 1964 federal elections as results were declared in some places even where elections were not concluded. The camel that broke the camel's back came in the Western region election in 1965 and massive bloodletting, arson and social destabilization characterized the exercise in what was famously dubbed "Operation Wetie."

Then on Saturday January 15, 1966, following unrestrained violence in the region, some middle ranking military officers led by the charismatic Major Chukwuma Kaduna Nzeogwu, led a coup against the government of then Prime Minister Tafawa Balewa, killing the Prime Minister and some other highly placed political and military leaders of that time. The streak of events later led to a second coup in July 1966 and subsequently to a bloody 30 months civil war.

Nigeria later returned to democratic rule in 1979 in the Second

Republic but the politicians remained largely the same with their obnoxious aversion to rules and constitutional order such that by 1983 the rigging, corruption and indiscipline of the politicians again led to another coup that toppled the Government of Shehu Shagari by then General Muhammadu Buhari, who is the current President.

Nigeria's second return to democracy in 1999 was a hard fought battle which has lasted for almost 20 years now. However anxiety is once again in the air following last Saturday's APC congresses, which again brought the negative political trait of the average Nigerian politician in their desperation either to capture power or to cling on it in the most vicious manner.

These developments have ominous signs that the 2019 elections may be marred by disruptions, violence, rigging, intimidation which could bear unimaginable consequences for Nigeria's young democracy.

2019: Nigerians are eager to vote President Buhari out- ADP Chair

National Chairman of the Action Democratic Party (ADP), Yabagi Sani, declares that Nigerians are waiting anxiously to throw President Muhammadu Buhari and his All Progressives Congress (APC) out of office in 2019 over his multiple failures and the unprecedented hardship unleashed on them. In this interview with INNOCENT ODOH, Sani says that his party is positioned as a viable alternative to provide purposeful and pragmatic leadership to the country. Excerpts:

The issue of insecurity has continued despite the promises that the President Muhammadu Buhari made to address it. As a political party preparing for the election, how does this issue shape your party as an alternative vision for Nigeria?

I believe that what is happening in Nigeria is an indication that the government we have in place has failed on all scores. The indices are negative everywhere and I believe that Nigerians were taken for a ride by Buhari and the APC. Nigerians were sold a dummy that they have the panacea to all our problems in the person of President Buhari, which is not the case.

And why we are having wanton killings, restiveness in the land is because the APC that is supposed to superintend over the institutions of government is in total disconnect with the people and this happens because you have a government that has assumed a messianic posture. They believe they are God- sent that is why they don't listen to how Nigerians feel. They believe that whatever they do is the right thing.

That is why they are not bothered whether corruption is going up just like the Transparency International has said that Nigeria has moved up the ladder as one of the most corrupt countries. The US Department of State also released a damning report that impunity, human right abuses have worsened in Nigeria. Court orders are not respected; people are just kept in detention without any regard for their human right. High level of corruption is taking place under this government and people are not brought to book. There is double standard in the application and prosecution of the war against corruption. If you are in APC you are clean even if you have stolen the entire money belonging to the state no body touches you. These are signs of failed government.

And since the government has failed of course you will have insecurity become pervasive, poverty become endemic and you also find a situation where the country slides at such a dangerous rate that laws are not respected and the President does whatever he likes and he does not care what the constitution or the National Assembly is saying.

Look at the issue of the heli-



Yabagi

copters that they stole our money to buy. It is stealing because if the National Assembly did not give the approval, that is stealing. So it is a case of failed government that we are faced with in this country. So the need for a credible alternative cannot be overemphasized. That is why ADP is here to provide Nigerians with pragmatic leadership that will unite this country and give purposeful leadership that will transform Nigeria's natural endowment s for the benefit of the people. So what I believe is that we need to have an alternative to this government and that is why we are here.

You talk about the ADP as the alternative; do you have all it takes to unseat the current government of President Buhari?

How did the government come to power in the first place? It was because Nigerians believed that they have the solution to bring positive change to Nigeria but they deceived Nigerians. So what I am talking about is that Nigerians hate corruption that is why they voted Buhari but Buhari and his people have now come to compound the corruption. So Nigerians are waiting to vote them out. It was not the question of how much money that they have. Nigerians brought them in through the ballot box and will vote them out through same way.

Look at the administration, it took them six months to form a

cabinet and since the formation of the cabinet nothing has been changed. You don t run a government like that. There is a ministry that locked down one department very important to the economy of this country. Nigerians should ask Buhari why it took him three years to form statutory institutions to deliver dividend of democracy to Nigerians. Can you imagine an economy like Nigeria the CBN board was just inaugurated after three years?

Buhari is not there at all and to worsen the matter you also have a party that is not there and does not worth the name of a political

.....
Nigerians are so fed up and they are waiting for that moment to vote against this government
.....

party because they just came together to steal from the country. That is why the only thing you hear about is stealing from the President's office to the lowest person, everybody is just stealing. Now if you even want a job you have to pay. We are talking about insecurity, why will there not be insecurity when the recruitment of the security personnel is based on money. If you don't pay 300,000 or 500,000 you might not get a job that is why insecurity is pervasive because the process of recruiting the leadership is also corrupt.

Buhari came from a corrupt system. Billions were spent in Lagos before he was voted as the APC candidate. You think people will contribute those billions and Buhari can look straight into their faces and say don't do this? That is why he cannot sack anybody. So what is the fuss about corruption fight?

We in ADP have come with a system that will respond to the yearnings of Nigerians, and we have no delegate system in our party because it's a corrupt system. That is why we have direct primaries for our candidates. Until we reform our leadership recruitment process, the security outfit and even civil service and stop collecting money from graduates for jobs, then there is no way out.

The Nigerian Senate was recently invaded and the perpetrators are yet to be uncovered. The lawmakers are also grappling with the issue of the \$496 million dollars Buhari spent buying fighter jets without appropriation. What is your take on this?

Buhari's government has failed there is no doubt about that. If a government cannot respect the constitution and ensure security then what is it doing? So what is government if hoodlums can invade the National Assembly and move the mace out? It is a different thing if the members of the National Assembly did that themselves but not somebody from outside and the security personnel are not aware. That tells you the level of decay in the system.

Another thing that borders Nigerians is that the government seems poised to foist itself on Nigerians despite it alleged failures. Buhari declared interest

to re-contest in 2019 and is allegedly preparing to realize his aim at all costs. Do you think the elections will be free and fair?

Nigerians are wiser now. Today is not like those days when you can rig the process because people are connected now. And the moment they rig, they cannot get away with it. That was why it was difficult for former President Goodluck Jonathan to rig and he lost. So it would be unfortunate for Buhari and his team if they rig the election because they will face the music. The international community is watching, they are already sending signals to Buhari that they no longer have confidence in him and the APC anymore. The report from the US Department of State is to tell you that they have lost confidence in Nigeria and are not ready to do business with this government.

Your party has been making a lot of waves recently, are you working with other parties to form a coalition or you will go it all alone in the 2019 election?

Look at the feeling of Nigerians and look at how angry Nigerians are against this government. Naturally human beings are more excited when they are voting against something. Nigerians are so fed up and they are waiting for that moment to vote against this government. So it is not so much what resources we have, what you should look at is what the mood of Nigerians is. Nigerians are just tolerating this government because they constitution says that they must serve four years otherwise they would have been out long ago.

Nigerians have what is needed to chase out Buhari. Nigerians themselves are the opposition party; they are against this government with passion. So, all that is required of us is to bring out a credible platform and a credible individual to give Nigerians what they deserve, which is unity and good governance that will give everybody a sense of belonging. This government does not care about Nigerians, so nobody wants this kind of government to continue for one day.

This government has reduced Nigeria to nothing before the international community with horrendous and unnecessary torture. People have started having nostalgia about the Jonathan's government because this present government is the worst case scenario.

Ajimobi expresses satisfaction with peaceful ward congress in Oyo

...As party preaches sustained peace

AKINREMI FEYISIPO, Ibadan

Oyo State Governor, Abiola Ajimobi, has expressed satisfaction with the peaceful conduct of the rescheduled ward congress of the All Progressives Congress (APC) held across the state, on Sunday.

A statement by the Special Adviser, Communication and Strategy to the Governor, Bolaji Tunji, quoted the governor as saying that feelers from the five zones of the state suggested that the exercise went without hitches.

Ajimobi described Saturday's disturbances at the APC state secretariat, which forced the postponement of the congress till Sunday, as one of those things expected in a political gathering of highly placed political leaders with vested interests.

According to him, followers and supporters of such leaders have been known to instigate crisis in their bid to outdo one another and to impress their principals, who often time were never in support



Abiola Ajimobi

of such violent conducts.

The governor said, "The reports I have heard so far across the state indicate that the congress went peacefully without any form of acrimony or rancour. That is what we have been preaching and I'm happy that the players have embraced peace.

"As the leader of the APC in the state, I'm also father to all and that informed my conciliatory moves. No good father will stand aloof while his children are at loggerheads. Thank God all have been settled now and we have had a peaceful outing today (Sunday).

"As the leader and father

to all, I was able to douse the tension that enveloped the party secretariat on Saturday when our supporters were trying to outdo one another. All the APC leaders that came for the stakeholders' meeting were well protected.

"I even shielded one of our honourable members

from the House of Representatives from reprisal attack from those who attempted to assault him. APC is one large family. There may be diverse interests, but we are one.

"I will continue to sue for peace among our leaders and followers, because that is the cardinal programme and achievement of our administration. Our party and administration are known for peace and that must be sustained."

The governor debunked some report, which claimed that the incident at the APC secretariat was a 'bloody violence,' describing it as exaggeration.

Ajimobi said that none of the security agencies reported any case of bloody violence, advising political leaders to refrain from heating up the polity with their utterances.

Meanwhile, the APC in the state has commended the Ward Congress Committee led by Musa Halilu Ahmed for the professional way it conducted its task.

In a statement issued by Mojeed Olaoya, the party secretary, members across the 351 Wards of the state were also commended for their orderliness in the

discharge of their onerous responsibility to elect new executives that would pilot the affairs of the Party for the next four years.

"It gladdens our heart that the congress went smoothly and was very successful across all the 351 Wards without any skirmishes or violence against the wish of the so called Unity forum," Olaoya said.

Olaoya said all the 351 Wards Congresses were monitored by INEC officials and all the Security agents to authenticate the exercise.

The Party Secretary advised members of the Unity Forum to always embark on moves that would promote the unity of the party instead of being divisive.

"It is surprising that they could be passing on lies that some aspirants did not pay for nomination and that there were fake nomination forms in circulation.

"The claim is spurious and unfounded. They are calling the integrity of top APC members deployed in Oyo for the exercise to question. This is not good for the image of our party in Oyo State," he said.

Fasehun, OPC warns FG over Melaye

...Demands his immediate release

INIOMBONG IWOK

Founder of Oodua People's Congress (OPC), Frederick Fasehun, has kicked against police arraigning Senator Dino Melaye on a hospital stretcher, saying it represents a gross violation of his human rights by the administration of President Muhammadu Buhari.

Fasehun accused the Inspector-General of Police, Ibrahim Idris, over the incident, adding that it was contributing to the administration's poor human rights record while advocating for the immediate release of the Kogi Senator.

Speaking in a statement in Lagos, Fasehun noted that it was clear that the police were mishandling and maltreating the Senator as part of an on-going script

designed to silence the opposition, stressing that the country was retrogressing to the era of the military rule.

"Transporting Senator Melaye on a stretcher from Abuja for arraignment in Lokoja, Kogi State, IGP is behaving like a Gestapo police chief in Adolf Hitler's Germany. That action is unacceptable. It is man's inhumanity against man. The Distinguished Senator's arraignment in a stretcher is degrading, dehumanising and draconian, and it deserves universal condemnation by all right-thinking persons."

"The Senator reportedly suffered back injuries as he tried to escape tear-gas fumes in a police vehicle transporting him to Lokoja, following which he was admitted in an Abuja hospital, from where police brought him to court on a stretcher in the Federal capital and

subsequently to Lokoja, Kogi State. Senator Dino Melaye must not die!"

According to him, "Whoever is maltreating him can only hide under the cover of this regime, but that person will surely account for this gross misdeed not only to Nigerians but the international community."

"They just want to cow everyone into silence. This is one more attempt to stifle the patriotic voices that have tried to hold the PMB regime accountable in the National Assembly, in the Judiciary, in the social and traditional media, in civil society and in opposition political parties," the OPC founder said. "It is a throwback to the era of Decree 4 of 1984, when as maximum dictator, General Muhammadu Buhari made it dangerous to exercise your Freedom of Speech," Fasehun warned.

Violence in Ekiti APC primaries: What implications for 2019?

INIOMBONG IWOK

The manner in which touts invaded the venue and disrupted last Saturday's All Progressives Congress, (APC) Governorship primaries in Ekiti state came as a rude shock to Nigerians and political observers at large.

The congress which held at the Oluyemi Kayode Stadium, was disrupted by thugs who disrupted voting, threatening to beat up the party officials, in spite of the presence of securitymen.

They thugs that challenged the primaries organising committee had allegedly colluded with some top APC stalwarts to rig the exercise.

The Ekiti Governorship APC primaries, which had about 30 aspirants, notably a former governor and chieftain of the APC, Segun Oni; former Speaker, Femi Bamisile; Presidential Adviser on Political Matters, Babafemi Ojodu; former senators Ayo Arise and Gbenga Aluko; Mojisola Yaya-Kolade, Bimbo Daramola, had been fiercely

contested with none of the aspirants agreeing to step down from the race in spite of appeals by the national leader of the party, Asiwaju Bola Ahmed Tinubu.

However, the outcome of the primaries did not come as a surprise, the Ekiti state chapter of the APC had been engulfed in internal crisis for several months, with party chieftains being accused of working to favour of some candidates in the governorship race.

It is also instructive to note the Oyejun led national leadership of the party had failed to resolve several crises in several states across the country, until recently, when President Buhari, mandated the leader of the party, Bola Ahmed Tinubu, to head the reconciliation effort.

Perhaps, the outcome of the Ekiti primaries was a reflection of the failure in the leadership of the party to manage its internal crisis amicably.

Until now, the party had been engulfed in internal crisis in several states, namely Kaduna, Imo, Lagos and Sokoto, just to mention a few; which if not urgently checked, could adversely affect its chances

of retaining them beyond the 2019 general elections.

Observers however, believed that the fracas that emanate from the primaries would have been avoided if the APC had been able to prune down the number of the governorship aspirants in the primaries.

However, the manner the governorship primaries were disrupted by touts, not only shows the desperation of our politicians and the cracks in the APC, it also portends danger towards a peaceful conduct of the 2019 general elections in the country.

What happens in Ekiti could be a signs of what to expect in coming elections. However, what is worrying is the poor history of punishment of electoral offenders in the country.

As the 2019 general election approaches, it is however, instructive to note that similar occurrences could only be avoided if the Independent National Electoral Commission (INEC) brings electoral offenders in the country to book, while security agencies live up to their responsibilities.

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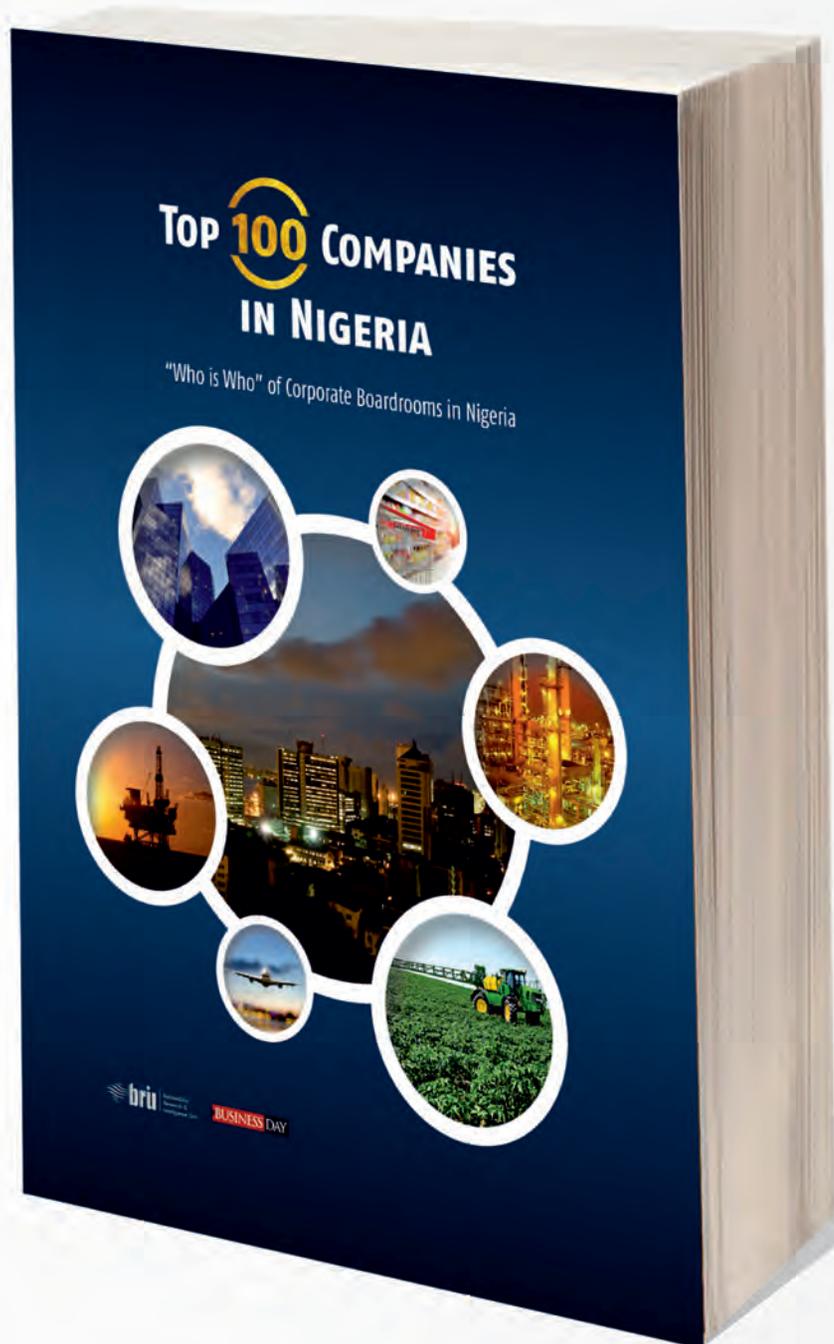
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Nigeria needs to de-risk farmers, improve infrastructure for price stability

Stories by JOSEPHINE OKOJIE

Experts in the country's agricultural sector have called on the Federal Government to de-risk farmers, improve on critical infrastructure and adopt technology if it hopes to stabilise food prices, achieve food security for its large population and build a virile agric sector.

Hans-Willem Van Der Waal, managing director, Agrofair Europe BV in his keynote address during BusinessDay agribusiness summit said that Nigeria can only stabilise its food prices when farmers' risks are stabilised and reduced.

"In Nigeria it is easy to talk about the value chain but it is not easy to identify them because the value chains are fragmented," Van Der Waal said.

"A fragmented supply chain increases risk for farmers and with effective supply chain such risks would be de-risked," he added.

He said that risks in the sector can be reduced through investment in infrastructure to aid reduction of wastages in perishable commodities and make agriculture interesting and more rewarding.

Indubitably, one of the greatest problems confronting rural farmers



and communities in Nigeria is the absence of critical infrastructure such as 'motorable' roads, storage facilities and effective rail system among others.

Farmers continue to suffer low levels of agricultural productivity due to infrastructural deficit across the country, which reduces their profit and impact negatively on their

capacity to expand.

Abiodun Olorundenro, operation manager, Aquashoots, said, "A big challenge to agricultural productivity and food security in Nigeria is lack of adequate infrastructure to support food production and distribution."

"The government must provide critical infrastructure and create enabling environment that will

encourage investments in agric value chain. We need proper linkages of our roads from the farms to the market.

"This will help address the issue of pricing as farmers production costs will be reduced when critical infrastructure that aid agribusiness are provided," Olorundenro said.

Olorundenro recommended the

development of linkages between farmers and the market, stating that youths can only find agric attractive when such linkages are available.

Apart from de-risking farmers and improving infrastructure, experts also task the Federal Government to adopt innovation to grow the sector.

Akin Alabi, co-partner, CFI, told BusinessDay that since the country's agriculture is becoming more vibrant, technology and digitalisation are inevitable.

"Farmers need mechanisation and innovation to boost productivity if we are to feed ourselves as a nation," Alabi said.

Lack of technology has continued to limit the capacity of farmers to expand their cultivation areas, perform timely farming operations and achieve economies of scale in food production, stakeholders say.

Nigeria has an estimated population of 190 million who must be fed with staple foods ranging from yams, rice, cassava to beans, bananas and tomatoes. But there is still much demand-supply gap in these staple foods, even as the population growth rate stands at 2.6 percent per annum.

The experts say that for Nigeria to attain higher levels of food sufficiency and reduce dependency on food imports, it has to adopt technology and innovation in its food production.

Ogbeh did not shun US/Nigeria investment summit, says FMARD

The Federal Ministry of Agriculture and Rural Development (FMARD) has refuted claims widely reported in the media that Audu Ogbeh, Minister of Agriculture & Rural Development failed to attend the recently held Nigeria-US Investment summit in Washington

DC.

This was stated in a statement made available to BusinessDay by the Ministry of Agriculture and Rural Development.

The media report was attributed to Alhaji Lamido Sanusi, Emir of Kano who reportedly berated some ministers for not attending the

Nigeria/US summit, which the Emir described as a negative pointer to potential investors.

The statement indicated that Ogbeh was not invited to the summit by the organisers, which did not necessitate the minister to be in attendance and seeking clearance from the presidency to attend.

"It is worth reiterating that Ogbeh was in Nigeria attending to his official duties and did not travel to Washington DC with the Federal Government delegation, as he is not one of the government officials that statutorily attend International Monetary Fund IMF meetings," the statement signed by Tolu Makinde, director of information, FMARD states.

"This explanation is necessary to reiterate the determination of the Ministry to attract foreign investment into the Nigerian agricultural sector in order to attain our national agricultural objectives, as well as correct any wrong perception of tardiness, lack of seriousness or dereliction of duty that the said story is capable of creating in the minds of the public," Makinde added.



FUNAAB reinstates commitment to Nigeria's food security

The Federal University of Agriculture, Abeokuta (FUNAAB) has reinstated its commitment to facilitate solutions to agricultural development and growth in Nigeria.

Lateef Sanni, deputy vice-chancellor-development, said in a statement made available to BusinessDay that the higher institution of learning is committed to offering the best practical training and farming solutions for the sector.

Represented by Dorcas Adegbite, director, Agricultural Media Resources and Extension Centre (AMREC), Sanni disclosed that the intention of the University in assisting the Community Based-Farming Scheme (COBFAS), is to serve as a voice to the youths, especially graduates on the need to get involved in agriculture, to aid food security while creating employment.

The deputy Vice chancellor added that farm practical year for students is meant to expose them to real life situations and experiences in farming communities; to complement the various classroom teachings and trainings as well as, expose students

to rural integration.

In his presentation, Emmanuel Fakoya, director, COBFAS, said students' groups are divided into four different divisions representing the four geo-political zones in Ogun State namely Isaga-Orile, Iwoye Ketu, Ode-Lemo and Odogbolu.

He added that the centre trains graduates of agriculture in 13 departments from the College of Agricultural Management and Rural Development (COLAMRUD); College of Animal Science and Livestock Production (COLANIM) and College of Plant Science and Crop Production (COLPLANT).

Fakoya disclosed that in order to ensure that Farm Practical Year Students are exposed to agricultural enterprises; the programme has been divided into two components of Community-Based and Campus-Based.

He listed the community-based activities to include horticulture, cassava production and Agricultural Extension Services while the campus-based activities are livestock, plantain production, maize production, as well as agrometeorology and climatology

Agribusiness

ag@businessdayonline.com

Edo partners Leventis Foundation on development of Weppa Agricultural Management Institute

ISAAC ANYAOGU

In a move that will ramp up job opportunities and commercial farming in Nigeria, the board of directors of the Leventis Foundation Nigeria, a subsidiary of the Leventis Foundation GTE has partnered with the Edo State government to develop an agricultural institute to ramp up mechanised farming.

The formal ground breaking ceremony was performed on May 3 in Agenebode area of Auchi Local Government Edo state, for the official commencement of operations at the Leventis Foundation Agricultural Management Institute, Weppa farm, Agenebode - Edo State.

The Weppa farm which currently employs 635 workers and 35 students on industrial training is a project the Leventis Foundation Nigeria which commenced in 2006, to give students the opportunity to gain full exposure to modern mixed commercial farming.

Ahmed Mantey, chairman of the Leventis Foundation Nigeria, in his key note address, said the continued development of the



Goodwin Obaseki, Governor of Edo state laying the foundation for the Weppa Agricultural Management Institute in Auchi, Edo state recently.

Weppa farm and the establishment of the Institute will provide job opportunities for the students who benefit from the standard training programs offered as well as not only assist in the development of commercial farming sector in Edo state but in the entire country.

Mantey expressed the Foundation's gratitude to Godwin Obaseki, the governor of Edo State, for his cooperation with private sector enterprises, "which coupled with the Federal Government's present proactive policies has enabled the Foundation to committedly pursue the development of the Weppa Agricultural Management Institute as well as secure investments and needed partnership from relevant stakeholders," Mantey said.

Obaseki laid the first stone on the Weppa Institute foundation, dug and planted the first tree to mark a formal expansion of the institute. He commended the efforts of the Leventis Foundation Nigeria citing its extraordinary plan to further agricultural development, rural employment and national food security through the local processing of raw materials in Edo state and Nigeria at large.

Obaseki further assured the chairman and members of the

Leventis Foundation of the state government's commitment towards moving the project forward.

Present at the event were board members of the Leventis Foundation Nigeria led by the chairman Ahmed Mantey, Oladele Fatayi-Williams, the executive director, Hope Usieta, Phil Hall, Russell Boddy and the farm director Simeon Kayode, who were all on hand to receive the governor and show him around the existing and proposed facility.

Also in attendance along with the governor was the chief of staff Taiwo Akerele, the Edo state commissioner for agriculture and community chiefs led by Moses Etsu, who delivered a thank you address on behalf of the Agenebode community and its neighbouring towns.

According to the Leventis Foundation Nigeria, this project will add to a list of laudable projects in the country including already existing training institutes in cities like Kano, Ilesha, Abuja, Gombe and Kaduna. The group also has a training institute in Ghana. It further said that it will continue to fast track the development of young agricultural specialists to become the commercial farm managers of tomorrow.

Trump eyes Nigerian market for US agric produce

BUNMI BAILEY

Donald Trump, President of United States of America has said that the United States is making plans with the Nigerian government to bring in US agricultural produce into the country.

"Our agricultural products are going into Nigeria but we have certain barriers that are not allowing that to happen. So, for the good of US farmers, and for the good of Nigeria, and all Africa, it is very important that we are able to sell our agricultural products into Nigeria and this will happen as we are already working on it," President Trump said during a press conference held in the white house on 30th of April 2018.

Experts in Nigeria's agricultural sector, say this is a huge gain for the American farmers as their agric produce will find more market but for farmers in the country, it could result in a loss as their produce will have to compete with cheaper commodity coming from the US.

"It is going to be a good advantage for US than Nigeria. Some of the agricultural goods they bring into the country such as maize is going to be a disadvantage to an average farmer here because it is cheaper to produce in the US than in Nigeria and this will drive down the prices of the commodities," Aboidun Olorundenro, operations manager, Aquashoots Nigeria said in a phone

interview.

"We are an agricultural economy, we should be the one exporting to these countries not the US exporting to us except they want to bring in agricultural machineries that we can use to boost production then no problem. But for them to bring in food produce does not make any sense," Olorundenro said.

The Federal Government says it is focused on diversifying the economy from oil to non-oil which is primarily agriculture. But their target may not be achieved as the new deal with America may affect local production.

Ayodeji Ebo, managing director at Afrinvest, a Lagos-based financial advisory, said, "I will need to know what kind of agricultural product because it will be counterproductive if it is contrary to government objective of trying to encourage local production. So if you are going to open up your economy to importation of agricultural products that may not be line with your objective of trying to encourage local production and a lot of agricultural investments may go bad."

Africanfarmer Mogaji, CEO, X-Ray Farms, said "Nigeria should not be a dumping ground for US products. America exchanges agricultural products with other countries. What the government should be embracing is an exchange not a dumping ground. If they dump seeds here there is no problem because we have a huge seed gap. The US should assist us in areas of weakness that will take time to develop."

How to establish a plantain, banana plantation

OLUMAKINDE ONI

The food crisis in Africa and Nigeria in particular is not unconnected with our inability to tap the abundantly available resources at our disposal to solve our food problems.

Plantain and bananas are another set of food crops, which can be easily grown profitably in the country. The botany of plantains and Bananas do not differ except that storage of carbohydrate in the fruit of plantains is in form of starch while it is sugar in bananas.

It has been identified that establishment of plantain and banana plantation is another means of livelihood for Nigerians, hence the need for this write up.

Project justification and marketing potential

The establishment of such project will increase food production in the country. This will help in combating hunger and malnutrition in the country. It will also help in improving the livelihoods of rural dwellers through the creation of job opportunities.

The crops have huge consumption rates and also serve as raw materials to the food and beverage industry and the poultry industry. This shows that the market is very large both locally and internationally for the crops.

Establishment of the project will on the aggregate improve Nigeria's economy. It will have multiplier effect

on the economy by providing job opportunities for labourers, the market women, the industrial users and help in improving the economic well being of the promoters.

Production technology

To embark on this project, there is the need for a suitable land that has the following characteristics: humid low land, deep and well drained fertile soils, optimum temperature of 27oc and well-distributed rainfall of about 2,000mm per annum.

It must be noted that site for the project should be visited by experts to ascertain their suitability or otherwise.

After land procurement, we do the land preparation either mechanically or by slashing. This is followed by purchase of suckers (the planting materials). Planting is done by digging holes of about 45cm wide and deep after which the suckers are placed in the holes. The spacing between crops should be about 3m.

After planting, herbicide can be applied to control weed growth. Cultural practices involve fertilizer application at six months interval, pruning and regular weeding. Pruning involves removal of unwanted suckers to allow the selected ones to develop well and produce desirable bunches. It takes about 18 months for the crops to mature.

Financial requirements

To establish the plantation 10 Acre land can be used for a start. All projections

therefore, are based on 10 Acres.

	N
Pre-Investments	100,000
Land Acquisition and preparation	2,000,000
Suckers (10,000) at N200 each	2,000,000
Planting	250,000
Herbicides and other inputs	250,000
Employment of farm hands	240,000
Miscellaneous Expenses and other	250,000
Cultural practices	—
TOTAL	N5, 090,000

Revenue projection

Under good management, one sucker planted initially will produce one bunch of plantain and banana per annum. This gives a total of 10,000 bunches per annum. A bunch of plantain will sell for a minimum of N1,000.

This gives us total revenue of N10 million per annum starting from the 18th month after planting. Cost of maintenance per annum is estimated at N1,000,000.

Promoters will no doubt have over N8 million as profit every year. Plantain plantations can last for a very long time if it is well maintained.

This is surely a good means of livelihood for Nigerians. The project is recommended without any reservation. Serious minded investors can be guided to successfully establish the project. The author can be contacted through, e-mail: olumakindeoni2@yahoo.com.

BANKING ₦

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ATM dominates transaction volume in banking sector

Stories by HOPE MOSES-ASHIKE

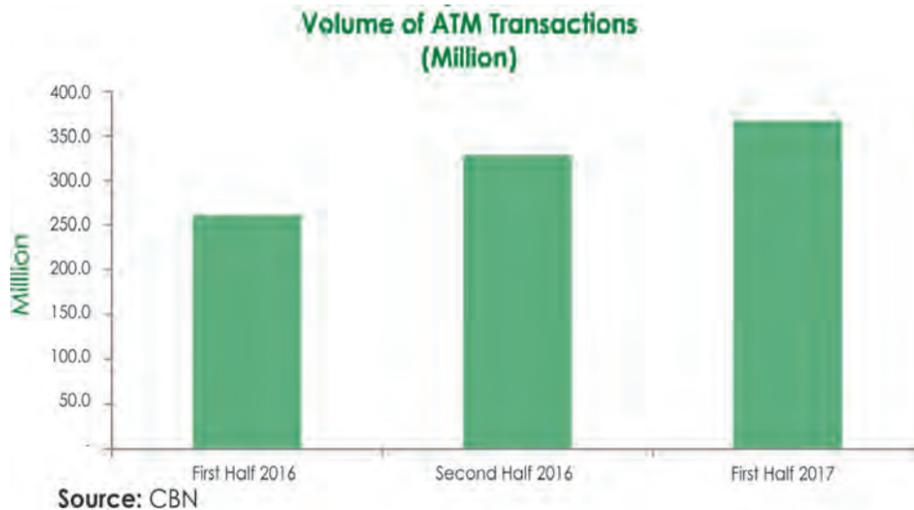
The National Bureau of Statistics (NBS) during the week-end released its first quarter 2018 report, which indicated that Automated Teller Machine (ATM) transactions dominated the volume of transactions in the banking sector.

The report showed that 212,370,853 volume of ATM transactions valued at N1,568 billion were recorded in the first quarter of 2018.

A total volume of 457,226,406 transactions valued at N32.48 trillion were recorded in Q1 2018 as data on Electronic Payment Channels in the Nigeria Banking Sector revealed.

"It means that the economy is driven by use of debit cards," said Ayodeji Ebo, managing director, Afrinvest Securities limited.

Ebo said there need for the banking sector to do a lot more enlightenment programmes



to encourage customers to use other electronic channels like PoS.

He noted that business owners are discouraged by high charges on PoS and therefore prefer to collect cash from customers. There is need to review charges on PoS for business owners and to en-

courage the use of other cashless electronic transaction channels, Ebo said.

The 2017 first half economic report of the Central Bank of Nigeria (CBN) revealed that the volume and value of electronic payments (comprising ATM, PoS, Mobile payments and internet) increased by

5.8 and 14.1 per cent to 461.8 million and N4,295.9 billion respectively, in the first half of 2017 above 436.5 million and N3,764.9 billion in the second half of 2016.

A breakdown of e-payment channels for the review period indicated that the ATM remained the most patronised,

accounting for 79.4 per cent, followed by PoS terminal and mobile payments, with 12.9 and 5.2 per cent, respectively. The web (internet) was the least patronised, accounting for 2.5 per cent of the total. In terms of value, the ATM accounted for 70.9 per cent; PoS, 14.2 per cent; mobile payments, 12.9 per cent and the web (internet), 2.0 per cent.

The number of ATMs stood at 17,712 at end-June 2017 from 17,083 in the corresponding period of 2016, representing a slight increase of 3.7 per cent. ATM transactions increased in both volume and value by 40.4 and 38.2 per cent to 366.8 million and N3,046.3 billion respectively, in the first half of 2017, above 261.2 million and N2,204.5 billion in the corresponding period of 2016, respectively.

The volume and value of internet transactions increased by 113.0 and 44.3 per cent, to 11.5 million and N83.7 billion, respectively, in the first half of 2017 above 5.4 million and N58.0 billion in

the corresponding period of 2016. The rise was due largely to increased awareness and acceptance of internet payment.

The number of PoS terminals in operation increased by 3.4 per cent to 125,608 at end of June 2017 above 121,488 in the corresponding period of 2016. The PoS transactions increased significantly both in volume and value by 134.8 and 97.8 per cent to 59.4 million and N610.1 billion respectively, above 25.3 million and N308.5 billion in the corresponding period of 2016. The rise in PoS transactions in both volume and value was due to increased public confidence and acceptance of the terminal.

The volume and value of mobile payments increased by 6.6 and 83.1 per cent to 24.2 million and N555.8 billion, respectively, in the first half of 2017 above 22.7 million and N303.5 billion, in the corresponding period of 2016. The rise was due to continued acceptance of mobile payments as an alternative and convenient mode of payment.

Keystone Bank empowers 12-yr-old ICT whiz kid with \$4,000

Keystone Bank Limited is fast carving a niche for itself in the financial sector as a bank with the best Corporate Social Responsibility-responsive mechanism.

The bank which is loaded with innovative strategies has again demonstrated its commitment to strengthen educational development and empowerment of Nigerian youths as it promptly responded to an appeal by a 12-year-old emerging Nigerian ICT whiz-kid, Oluwatomisin Jasmin Ogunnubi, to boost her educational pursuit.

Tomisin, a student of Vivian Fowler Memorial College for Girls in Lagos, was recently accepted by Yale University in New Haven, Connecticut, USA, to attend the Young Global Scholars summer program organized for outstanding high school students. She is the young girl who not only developed an app for tracking

kids but has won numerous awards in Canada, US and UK. She was in Oxford in 2017.

Determined not to be left out of the Yale Young Global Scholars programme, Tomisin had in April 2018 written to the lender to partner with her in her quest and in swift response, Keystone Bank presented her with the sum of \$4000 (Four Thousand Dollars) to attend the program slated for July.

Brilliant Tomisin, came into the limelight in 2016 when she developed a location tracking App called 'My Locator' at the age of 12.

Commenting on the development, the Group Managing Director/ Chief Executive Officer of Keystone Bank Limited, Obeahon Ohiwerei, represented by the Chief Risk Officer, Tijjani Aliyu said: "At Keystone Bank, our commitment to exceptional services extends beyond providing banking services. It includes giving back to the commu-

nities in which we operate to make a lasting difference through our main pillars: health, education, women & youth empowerment and employee volunteer scheme."

"As a financial institution, we make conscious efforts to empower the youths as it is our belief that they hold the future," Ohiwerei said.

Presenting the cheque to the young girl, Tijjani Aliyu, Chief Risk Officer, Keystone Bank stressed that beyond giving back to the communities for their support of the bank's activities over the years, Keystone Bank is embarking on a deliberate effort to develop Nigerian youths and empower women through its sustainability activities.

Yale Young Global Scholars is a highly selective academic leadership programme for high school sophomores and juniors from around the world aged between 15 and 17.

Ecobank financial inclusion initiatives attract Asian Banker awards

Ecobank Transnational Incorporated (ETI) and its two affiliate countries Nigeria and Ghana recently emerged winners in three strategic categories of The Asian Banker - West Africa Awards 2018.

The annual awards saw ETI emerging the Best Financial Inclusion Initiative, Application or Programme with its innovative Xpress Account, while Ecobank Nigeria carted away Best Transaction Bank in Nigeria, West Africa award and Ecobank Ghana also won Best Transaction Bank in Ghana, West Africa.

Speaking at the award ceremony in Lagos, the Chairman, The Asian Banker, Emmanuel Daniel said, "these awards are the most rigorous, prestigious and transparent awards programme for financial technology, retail banking and transaction banking in West Africa today. We recognize the deepening and increasing maturity and

sophistication of the industry in this region." He commended Ecobank for bagging three awards, saying specifically that the Best Transaction Award in Nigeria, West Africa won by Ecobank, is a pointer that that the bank has re-emerged as a strong player in the Nigeria market owing to its digital restructuring and improved economy.

"Ecobank's aggressive digital push produced a first innovative mobile payments solution. Masterpass QR with MasterCard to push financial inclusion in Nigeria through its new, smart, card-less, contactless and cashless payment solution. This bank also launched an integrated electronic banking platform that has on-boarded four million customers within a short space of time."

In his comment, Charles Kie, managing director, Ecobank Nigeria thanked the Asian Banker Award Team for painstakingly creating

an opportunity to celebrate hard work by members of the banking community. He described the awards as a worthy recognition of Ecobank's landmark initiatives targeted at financial inclusion on the African continent. He stated that the awards further affirm Ecobank's leading contributions to the use of technology innovations and digital platforms for expanding banking frontiers.

Represented by Korede Demola-Adeniyi, Group Head, Personal Banking, the bank managing director stated that Ecobank Mobile App is a game changer for African banking as "we using digital technology to combat many of the financial inclusion barriers faced by those on the continent. Our app not only removes the barriers that have financially excluded so many Africans but offers next generation functionality to help them send money, make withdrawals or pay for goods and services"

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Pension Today



New Multi-Fund structure to drive contributor's choice for PFAs

When the multi-fund structure, a new initiative of the National Pension Commission (PenCom), expected to bring flexibility in the investment of pension funds commences on 1st July 2018, contributors will have opportunity to make choice of which Pension Fund Administrator (PFA) to remain with. Though, this is subject to opening of the transfer window as also planned by the industry regulator.

The new Multi Fund will spark up application of expertise in investment of pension funds for effective returns on investment to contributors.

But the key issue is that PFAs would have to think outside the box, employ best strategies that ensure they create value in terms of returns on investment.

In other words, while the PFAs must work within the investment guidelines, they have to be strategic and become attractive in their returns on investment to retain their customers.

This will be the new direction of the industry, when the multi-fund structure becomes a reality in July, analysts have said.

PenCom said during a seminar for Insurance and finance journalist organised by the Commission held in Uyo, that effective July 1, 2018, all active contributors will default to Fund II (for 49 years and below) and Fund III (for 50 years and above) on this date.

While contributors that wish to move to a different Fund (within the allowable



Aisha Dahir-Umar, acting director general of PenCom

active choices) would be required to make a formal request by completing the necessary forms to be provided by the PFA.

PFAs on the other hand would be required to provide contributors with information on the benefits and risks of the various funds, prior to approving any change.

Besides, the Commission and PFAs would embark on public enlightenment / sensitization campaign prior to commencement date, even as PFAs are currently carrying out the necessary in-house system upgrades and processes to ensure a robust IT system for the

Multi-Fund.

The introduction of the Multi-Fund investment structure for RSA Funds would address the varying risk appetite of contributors, as the different funds are tailored to fit the ages and risk profiles of contributors.

It will also expand the scope of allowable investment instruments and fund classes available to contributors and would also improve returns on pension funds, as minimal limits have been set for variable income instruments which generally yielded higher returns over a given period.

limits are set for aggregate investments in variable income securities, for each Fund.

The multi-fund structure comprises four funds, which differ from one another based on overall exposure to variable income instruments, and the different Funds' portfolio mix are designed to fit the ages and risk profiles of contributors.

Fund types and the default mechanism for the allocation of contributors are as follows: Fund I: For young Contributors based on choice; Fund II: For young and middle-aged Contributors (Ages 49 years and below); Fund III: For Pre-Retirees (Ages 50 years and above) and Fund IV: For Retirees.

The Investment Regulation allow for contributors to make active choices. However, the following rules shall apply: A contributor in Fund II wishing to be assigned to Fund I shall make a formal request to the PFA; A contributor in Fund III

50 years and above shall not be allowed to choose Fund I.

Also, an active contributor may switch from one Fund type to another Fund type within a PFA once in 12 months, without paying any fees, while Any additional switches between Funds within a PFA would attract a fee, which would be determined by the Commission.

According to guideline, there is an investment limit which PFAs will have to follow in driving the multi-fund structure. For instance, not more than 10 percent of the total value of the RSA Funds shall be invested in securities issued by a corporate entity (equity, money market and debt).

Also, not more than 4.5 percent of any one Fund shall be invested in the ordinary shares of a quoted company, also while not more than 10 percent of the total value of the RSA Funds shall be invested in the issued share capital of a quoted company.

Besides, not more than

There is an investment limit which PFAs will have to follow in driving the multi-fund structure

wishing to be assigned to Fund II shall also make a formal request to the PFA; A retiree or active contributor

45 percent of pension assets managed by a PFA shall be invested in a sector of the Nigerian economy.



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This section is created to increase awareness and deepen knowledge about the contributory pension scheme. If you have enquiries or contributions, send to this e-mail: diamondpfcusday@yahoo.com

INSURANCE TODAY

E-mail: insurancetoday@businessdayonline.com



Mohammed Kari, commissioner for Insurance, Nigeria



Prisca Soares, executive secretary, AIO

African insurance industry set to benefit from economic recovery

Stories by
MODESTUS ANAESORONYE in Accra Ghana

According to the 3rd Africa Insurance Barometer, launched today at the 45th Conference & General Assembly of the African Insurance Organisation (AIO) in Accra, Ghana, the Continent' insurers are slightly more enthusiastic about the current state and outlook for their industry than in the preceding two editions.

The insurance executives polled for this year's survey expect that the gradual recovery of the continent's economy from its deep recession in 2015 and 2016 will positively impact on insurers' rates and earnings and ease the pressure from excess capacity and fierce competition.

"This year's Africa Insurance Barometer demonstrates that confidence is returning to Africa's insurance markets," says Prisca Soares, the secretary general of the African Insurance Organisation.

"According to the AIO members polled for this survey, policymakers and regulators pay greater attention to our sector while consumers have started to realise the benefits insurance offers in protecting their assets.

Our industry currently accounts for insurance premiums of US\$ 60.7 billion, which in US\$ terms represents a decline over the previous year. However, in local currency premium volume has not declined since 2011. In fact, with the advent of new technologies and the ambition of our industry to create and deliver tailored products to clients, our relevance as a key sector for the prosperity and progress of Africa's economies has greatly improved."

The underlying economic and societal fundamentals of Africa's insurance markets remained largely unchanged to last year's survey. Abundant natural resources, the young and growing societies, an expanding middle class and the advent of new technologies drive insurance demand. The recent economic recovery – though still fragile in some countries – adds further momentum to the continent's insurance outlook. As elsewhere, however, insurance markets suffer from excess capacity and cut-throat competition. As rates are low, regulators aim to protect domestic insurers from foreign competition with higher barriers of entry.

The continent's low insurance penetration is one of the market's largest opportunities. With the economic rebound,

insurers increased their efforts to broaden their product offering and widen distribution. Technology provides new avenues for innovation, both in commercial and personal lines, and helps to bridge geographical distances, increases scale and thus improves efficiency.

Africa's regulatory framework, though for the first time in this edition seen by a majority of interviewees as broadly adequate, features among market opportunities and threats as well.

The introduction or enactment of compulsory insurance schemes in some markets, as well as tighter capital and solvency requirements contribute to a consolidation and strengthening of the markets. However, insurers still wish that regulators would further promote insurance awareness and penetration. Inconsistencies in enforcement and in certain markets a tendency to overregulate and stall business initiatives count as weaknesses while the surge in protectionism seen in many markets remains a double edge sword to many insurers. Excessive competition has turned into another challenge uniform to Africa's insurance markets. Many executives regard current market conduct as unethical or irresponsible with too many players "chasing the

same cake".

Insurance rates and profitability seem to have bottomed out Africa's commercial insurance rates appear to have levelled-out. A growing number of executives expect rate increases in the next 12 months, driven by stronger economic growth and the assumption that the regulator will intervene to maintain market safety where rates have deteriorated beyond reason. As in past surveys, the profitability of commercial lines still benefits from historically better pricing. In addition, recent claims experience has been low in some markets.

Personal lines are considered to be more stable. Competitive pressure is less pronounced as brand loyalty is higher than among commercial clients. In motor there is some pricing pressure due to higher claims, but it is unlikely to move rates broadly. Profitability has improved slightly and is expected to benefit from economic growth and the potential interference of regulators.

Africa's insurance markets are expected to become more concentrated. With the introduction of tighter capital requirements, such as Risk Based Capital (RBC), larger players are better positioned than smaller players, which have less access

to capital and are expected to be acquired or exit the market over time. However, interviewees no longer assume that non-African insurers will outgrow their African counterparts. Protectionism makes it costlier for non-African insurers to grow their footprint in Africa. As a result of low rates and rising costs, Africa's insurance markets have become less attractive for foreign players. Several global insurers have reallocated their capacity elsewhere, while regional players have been eager to fill the gap.

To increase insurance penetration, African insurers invest heavily in marketing to build awareness and overcome a lack of product understanding or low consumer confidence. In addition, insurers are keen to strengthen their talent and skill base to take advantage of new product and distribution opportunities. They broaden their offering to tap demand that emerges with the increase of disposable income and the deeper integration of the African economy into the global production chain. As new technology becomes available, barriers to market entry have come down. Wider distribution channels provide access to remote client segments that previously had been too costly or inefficient to approach.

INSURANCE TODAY

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L-R: Kemi Oluwasina, executive director, Business Development & Strategy; Umar Sanda Mairami, managing director/CEO; Mosun Belo-Olosuga, Independent Director and Kabir Tijani, executive director Business Development and Investment during Premium Pension Investment Limited 13th Annual General Meeting (AGM) held at the Corporate headquarters of the company in Abuja



L-R: Remi Babalola, chairman of the Company; Jide Orimolade, managing director/CEO and Funmilola Ekundayo, director at the 49th Annual General Meeting of the Company held in Lagos

Insurance penetration gets a boost as Universal brings Nollywood Actors on board

Stories by
MODESTUS ANAESORONYE

The efforts to increase insurance penetration in Africa's most populated country has received a boost with signing of partnership agreement between Universal Insurance Plc and Actors Guild of Nigeria (AGN) for group personal accident policy for members of the group.

The Group Personal Accident Policy is designed to provide some level of benefits to the practitioners for death, permanent disability and medical expenses in the event of a loss occurring.

Nigeria's insurance industry is pushing to increase insurance penetration, from its less than 1 percent of the GDP, with a lot of initiatives including micro insurance, Takaful, agric insurance and bancassurance.

Industry regulator,

the National Insurance commission (NAICOM) is positive to increase penetration with a lot of market development initiatives, which if keyed in by operators given a conducive business environment will make the Nigerian market a major player in Africa.

The Nollywood Actors have about 150, 000 members spread across the country in its register and provides a good market for selling of insurance for a better penetration. The event, which attracted Who's Who in the Nollywood industry saw the actors jubilating on the unveiling of the special package, according to some of them who spoke to the media, the development was a dream come true for actors who are always exposed to varying degrees of occupational hazards without any form of compensation.

They believe that unveiling of the insurance cover for them symbolized unity of purpose and provided

sense of belonging and direction from the current team of excos to the members of the body.

Emeka Rollas Ejezie, president of the group vowed to uphold the tenet of the AGN in ensuring that members are safe and in an event of the unforeseen circumstances such a member has something to fall back on in terms of compensation by insurance service providers.

On whether he was satisfied with a one million naira death or permanent disability benefit per member, he said: "You know when you are starting something there are two risks that you are running, the company is running its risk and we are running a risk too. They are not dashing us money and we are not dashing them money as well. By the time we experiment it for one year and see what it looks like, then we are up it.

He said he was delighted and overwhelmed that this

has to happen in his time. Also asked in affirmative what he would do if his members fail to comply with the new rule, he assured that after one month of grace those who refused to have insurance for their protection on stage would be barred from appearance.

Explaining the policy contents, Ben Ujoatuonu, managing director/CEO Universal Insurance who packaged the policy stated that the policy has three features, which include the hospitalization, permanent disability, and death benefits if the unfortunate occurs to any member of the group.

I am delighted in the sense that we have been able to achieve this by working together with the new leadership of AGN to ensure that we get something that will add value to them and give them a reason to belong to their association, so it is encouraging. I am also happy that Universal Insurance was able to work this out for the group.

Babington-Ashaye reaffirms need for increased awareness to deepen penetration

The president and chairman of council of the Chartered Institute of Nigeria (CIIN), Funmi Babington-Ashaye has reaffirmed commitment of the Institute and the industry to create awareness on the importance of insurance for the protection and sustenance of wealth.

She said every effort put in place to create more awareness and make the public embrace insurance as part of their life and a major tool of financial planning was a worthwhile venture.

Babington-Ashaye made the remark during the 2018 Fitness Walk of the insurance industry organised by the CIIN.

She said the event was also an opportunity to make insurance practitioners appreciate the need for physical and mental fitness through exercise.

"It is an annual event, but we want our members to make a daily routine because it is good for the body and the heart. And given the sedentary nature of our job, where most a times we sit from morning to night, it was important that people do regular exercises for fitness of the body and also for mental alertness."

The Fitness Walk commenced from Sterling Assurance Limited office along Ikorodu Road,

through Maryland and terminated at NEM Insurance Plc office on the other side of the road.

She called on the public to transfer their risks to insurance companies, which are in business to help them preserve their lives and businesses.

Babington-Ashaye noted that the Institute places high premium on awareness and education, adding that, this was why it has continued to donate insurance textbooks to schools across the country, as well as partnered the National Youth Service Corps (NYSC) to educate Youth Corps Members on how they can build a career in insurance through taking the institute's examinations.

She appreciated organisations for supporting the fitness/road show and enjoined them to sustain the oneness observed during the exercise.

The Chairman of the event, Ajibola Ogunshola, who is the Chairman of Continental Reinsurance Plc, urged the operators to regularly observe fitness exercises and ensure they eat well.

Ogunshola, who is 75 years old, joined the operators in the walk which commenced from Sterling Assurance Limited office, through Maryland and terminated at NEM Insurance Plc.

Law Union and Rock grows profit by 66%, pays dividend

Underwriting firm, Law Union & Insurance Plc despite the tough business environment in 2017 grew profit by 66.8 percent and paid dividend to shareholders.

Remi Babalola, chairman of the Company said the company recorded good performance in 2017 with 8 percent growth in its top line, from gross premium of N3.94 billion in 2016 to N4.25 billion at the end of 2017.

The Profit before tax of

N1.099 billion was achieved compared to N659 million recorded in 2016 which indicates a steady performance improvement of our Company. Total assets grew by 16.9 percent to N10.03 billion from N8.58 billion posted in 2016 financial year with a 28.6 percent growth in shareholders' funds from N5.03 billion to N6.47 billion.

The company also recorded a giant feat in its general reserves with retained earnings of N704 million from accumulated loss of

N24 million recorded in 2016. In recognition of this performance, the Company declared a cash dividend of 4 Kobo per share for the financial year.

Babalola said the company is stronger, better, bigger and more than ever before; with one of the highest ratings in Claim Paying Ability (CPA) in the industry.

The Chairman also presented the new Executive Director, Technical/Operations Olasupo Sogelola and Kunle Aluko (non-executive director) to the shareholders. Both

appointment have been approved by the NAICOM.

The Managing Director of the Company, Jide Orimolade in his speech said that the Company will not relent in delivery of the best service to the customers. According to him, the loyalty of the customers were very instrumental to the consistent growth of the Company's topline in the past few years which has enable the company to eliminate its accumulated loss and able to cross to a positive retained earnings in 2017.

MARITIME BUSINESS

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Hapag-Lloyd grows market presence in Africa as it opens office in Ghana

...Port expansion in Tema leads to further growth in Ghana

Stories by
UZOAMAKA ANAGOR-EWUZIE

Hapag-Lloyd, a multinational German-based shipping company, has expanded its market presence in Africa as it recently celebrated the official opening of its new office in Tema, the most important port city in Ghana.

Beginning immediately, the management of Hapag-Lloyd said the company will manage most of its operational activities in West Africa from the new office in Ghana.

"We are very pleased that our enhanced presence in



West Africa is showing initial signs of success," Anthony Firmin, chief operating officer (COO) of Hapag-Lloyd, said.

According to him, Hapag-Lloyd's West Africa Express (WAX) service from and to West Africa has been operat-

ing with extraordinary success for several years and is very well received by customers.

"With our new East Africa Service (EAS), connecting all major trades globally via our hub in Saudi Arabia with Kenya and Tanzania, we

have entered another new trade. As a result, we are tying Africa even more closely to our global network while benefiting at the same time from positive economic developments in large parts of Africa," he added.

On why they choose Ghana ahead of other West African economies to situate the head office, he said that the GDP of West Africa has grown significantly in the last two years, rising by an average of 6 percent but Ghana numbers among the fastest-growing economies in the region.

"This growth is primarily driven by the trade in gold, but also in oil and gas products. Among Ghana's most important export goods are cocoa, timber products and cashew nuts," he pointed.

Hapag-Lloyd has massively expanded its presence in Africa over the last two years and established a fast connection from West Africa

to Europe through what are now two services: the West Africa Express (WAX: Hamburg - Casablanca - Tangier - Dakar - Tema - Abidjan - Tangier - Antwerp - Hamburg) and the Mediterranean West Africa Express (MWX: Tangier - Algeiras - Cotonou - Lagos (Apapa & Pipan) - Tema - Tangier).

Both services will call at the port city of Tema, which is not far from Ghana's capital, Accra. Plans call for the port's annual handling capacity to be tripled by mid-2019, from 1 million to 3 million TEU. Hapag-Lloyd is expecting additional growth opportunities from this capacity expansion.

APM Terminals reiterates commitment to workplace safety

APM Terminals Apapa Limited, Nigeria's leading container port operator, has reiterated its commitment to enhancing safety at workplace, as it celebrated the 2018 Global Safety Day.

The Global Safety Day is an annual international awareness-raising campaign geared towards promoting safe and secure working environment for workers.

Speaking at the event, Martin Jacob, managing director of APM Terminal Apapa, said that safety has been the company's watchword over the years and assured that APMT would continue to focus on enhancing safety standards.

"For APM Terminals, safe-

ty is the license to operate. This year, we have decided to hold the safety day in common with our other brands to portray our new theme, which is "Stronger and Safer Together".

"We want all the people that come to our premises to be safe and for them to go back same. So, we would continue to focus on developing our safety standards as well as training and educating our people, including truck drivers. Having truck drivers outside their cabin is a big issue because globally, that is where you have more fatalities when you have people outside their safe working zones," he said.

Also speaking, Gildas Tohouo, managing director of Maersk Nigeria, equally

reaffirmed the company's commitment to the safety of its employees, adding that everyone across the shipping and logistics value chain have vital roles to play in avoiding unsafe behaviors.

"We are all responsible for the safety of ourselves and our colleagues at sea, shore, Inland Container Depot (ICD), terminals and onboard vessels. For us at Maersk, constant care is one of our core values, as well as making sure that our colleagues are safe.

Tohouo said that global safety day enables the company to reaffirm its commitment and remind its staff about the very important values around safety.

"We do not joke with safety. It is at the centre of our operations. If you do not tell people about it, then you do not make them think about it. We hold ourselves accountable to it and every member of our staff goes through training on safety to highlight the importance of safety to our operations," Sesan Ibitoye, country manager of Damco, said.

Other stakeholders, who attended the event, commended APM Terminals Apapa for maintaining a high level of safety and security in its operations.

Remi Ogungbemi, chairman, Association of Maritime Truck Owners (AMATO), said that since inception, APM Terminals has been at the vanguard of promoting safety, which has helped reduce the rate of accidents at the port.



L- R: Martin Jacob, managing director, APM Terminals Apapa; Gildas Tohouo, managing director, Maersk Nigeria and Sesan Ibitoye, country manager of Damco, cutting the cake to mark the 2018 Global Safety Day organised by APM Terminals Apapa in Lagos recently.

INTELS builds ICT capacity, gives out computers to less privileged children

As part of its Corporate Social Responsibility (CSR), INTELS Nigeria Limited, Nigeria's oil and gas logistics giant, has reached out to the less privileged children in the society.

INTELS has also given 12 fully operational computer systems with access to broadband internet to the children of the Compassion Centre, Port Harcourt in Rivers State. The children are also being trained on Information Communication Technology (ICT), sponsored by INTELS to prepare them for a well-rounded future.

The Centre, which has received series of support from INTELS in more than three decades, was established and managed by the Religious Sisters of Charity. It was set up as a home to support, educate and rehabilitate physically challenged children in the society.

"We have successfully started the ICT training at the Compassion Centre. The management of the home has commended Intel for the social services rendered and promised to ensure that all their pupils take full advantage of this unique opportunity," Ngozi Kingsley-Opara, ICT Training Specialist at INTELS Training Academy, said.

Kingsley-Opara further said that the latest donation of computers and free ICT training by the company is



Ngozi Kingsley-Opara (5th r), INTELS ICT training specialist; Ugochi Chukwu (r), coordinator, child welfare unit of the Compassion Centre and some children of the Compassion Centre undertaking ICT training, recently.

a sure way of preparing the less privileged children for a brighter future.

According to her, INTELS has also provided internet services at the Centre because "the internet today has undoubtedly become a huge part of our lives and we cannot afford to leave these precious children behind".

She said that the children stand to benefit tremendously from the new computer centre and the knowledge of ICT in the course of their studies because the world of computers is packed full of useful information and new knowledge.

ICT, Kingsley-Opara stated, is important in a child's educational pursuit because studies have shown that it enables children gain knowledge faster and attain learning independence.

"Students now use computers and the internet as source of education. There are several online programmes

and learning packages available to students to aid their study. Our desire is to bring online libraries and other global learning resources at the disposal of the children. It is our belief that their physical challenges or humble backgrounds should not deprive them of readily available learning resources. They should not be deprived, by any means, of the opportunity to belong to the future," she explained.

Kingsley-Opara noted that INTELS is holding the ICT training twice a month to cover all classes and children at the home.

"We run two sessions of training, morning and afternoon, each training day to be able to cover much ground. The primary six pupils have only this term remaining to stay in the Centre. So, we have decided to pay more attention to them to enable them gain more computer skills before they finish," Kingsley-Opara added.

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NRC committed to resolving ticket racketeering

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Dealership takes ABRO auto care to buying public

...As Ford Escape makes local debut

In its quest to deliver the ultimate automotive showcase, Coscharis Motors, owners of the Ford brand franchise in Nigeria is joining other stakeholders at this year's edition of the Lagos Motor fair which holds from Monday, May 7 to this Saturday May 12, 2018 at the Federal Palace Hotel, Victoria Island, Lagos.

The franchisee's participation in this year's edition will be in three folds; by showcasing her entire ABRO auto care products, the Ford brand portfolio and particularly reveal the all new Escape 2018/19 model, which currently defines the Ford design direction.

Abiona Babarinde, general manager, marketing & corporate communications, Coscharis Group, said Coscharis is not only showcasing the current Ford product lines, but more importantly keen to reveal the latest model of the Ford Escape, which is presently receiving great reviews globally.



"Featuring about 10 Ford variants in our stable, we will use this auto fair to reward our ever loyal customers and prospects with price discounts; special aftersales Ford Protect service and maintenance packages, which offers up to 8 years manufacturer warranty on Ford cars; and other Aftersales offerings to ensure that ownership comes with peace of mind."

Abiona went further, "The Escape is available in S, SE and range-topping Titanium specification levels, with 1.5-litre EcoBoost engine and choice of FWD manual or AWD automatic designed to be the market leader in its segment. Despite serious competition from several other brands, our target will be to position it as the benchmark, as quite a bit of work has been done on the car to upgrade it"

Service centers must deepen technology interface

...To protect car owners from undue extortion

Stories by MIKE OCHONMA

There are very strong indications that many fleet operators and individual car owners are being short-changed by both the road side mechanics and even the so-called established and purportedly well-equipped auto workshops.

It is even more worrisome these days and times when the cost of used and new car ownership in terms of parts replacement and services is climbing the roof-top without any possible sign or prospects of reduction.

Experiences of vehicle owners have also shown that that almost of regularly basis, they don't get satisfaction for services paid for. It is either that proper and comprehensive checks have not been carried out on these vehicles to the most critical details or that, the necessary tools required auto dealerships workshops are not there.

These days, modern workshops are supposed to be more likely to search for malfunction codes than pull out the dipstick to check the oil

level. The reason is simple and understandable as cars are getting smarter every year.

In some parts of the world, connected cars in some parts are already communicating with dealer networks and these days, a mechanic is more likely to use a laptop to search for malfunction codes than pull out the dipstick to check the oil level in the engine.

During a car inspection, technicians regularly gain access to the various vehicle subsystems by plugging into the on-board diagnostic interface. In future, drivers will have access to more detailed information about faults without having to go straight to the repair shop.

Volkswagen for instance was the first carmaker to introduce an on-board scanning system in 1968 and the current standard is OBD II. Many modern cars now have their own SIM card - like the one used by mobile telephones. This means that they can communicate with the workshop.

"These are often SIM cards which are not suitable for speech communication, but rather for transporting large amounts of data," said Nicolaus Gollwitzer, head of the global telematics division at the Vodafone tel-

ecomunications provider.

These cards are used to relay technical information which can even include the number of occupants in a car, while sensors detect how many airbags are inflated if the vehicle is involved in a road accident.

Data can flow automatically, but only if a car is equipped with e-Call, a feature which allows the vehicle to call the nearest emergency centre after a crash, even if no passenger is able to speak.

For instance, the e-Call system is due to debut in Europe from 2018. In every other case, the car owner must give his or her permission for the use of data transmitted or received via a SIM card.

The umbrella term for all this data trickery is telematics and if a driver agrees to the exchange, the car and its periphery can enter into a useful dialogue. BMW already sends out online updates for its navigation systems instead of using hard storage such as a DVD.

Cars can send their malfunction codes to the local workshop which helps diagnose on-board faults more quickly. If particular codes are given priority, the car can then transmit these to a workshop automatically

and the customer can get in touch with a mechanic straight away.

For some dealer workshops for instance, whenever a car comes in for repair, replacement components are already in stock. "This enables the entire workflow in the workshop to be streamlined and the customer can expect a detailed cost estimate over the phone before the car arrives.

The technology in modern cars are so advanced these days that some components makers like Continental predicts that cars will be able to warn about impending faults, before they happen.

In contemporary cars, warning lights indicate malfunctions that have already occurred and must prompt owners to seek the nearest garage for an immediate repair.

Both locally and internationally at present, there is no standardised telematics platform which every garage is permitted to use, so owners are usually forced to approach an official dealership of their brand.

"The work done on cars in garages will not change a lot in future, but there is much scope for the development of tools and services," said Ulrich Koester of Germany's ZDK car repair shop federation.

ABC Transport plc takes stock at 25 years

...Pays N836.15 million to shareholders

It was a day of stock taking by the shareholders, employees, customers, financiers, suppliers, partners and business associates of ABC Transport plc last weekend when the only publicly quoted company on the Nigerian Stock Exchange rolled out the drums in Owerri, the Imo State capital to celebrate its 25 years of transportation business.

On hand to take a nostalgic look at the company's scorecard before an assemblage of guests drawn from the government, business community, the academia and the private sector was no other person than Frank

Nneji, managing director and chief executive of ABC Transport plc.

He described the journey of the transport company as a story of innovation and a true testimony of what a group of people can achieve when they decide to improve on their way of doing things.

Nneji recalled that having commenced operations on February 13, 1993, ABC Transport operates from more than 35 locations and travels to over 100 locations daily within and outside Nigeria with not less than 500 vehicles in its fleet.

The ABC group has 3 subsidiaries



L-r:FRSC Corp Marshal representative with Frank Nneji, MD/CEO, ABC Transport Plc during the Silver jubilee celebration of the company in Owerri, the Imo State capital

and boasts of staff strength of more than 2000 while its business holding spans across passenger operations, consolidated cargo and haulage services, hospitality and tourism.

As part of its business diversification and using its technical and financial team, ABC Transport plc was able to revive the erstwhile moribund Anambra Motor Manufacturing Company (ANAM-MCO), Enugu, where it produces heavy duty trucks and buses through its Transit Support Services Company Limited subsidiary.

Apart from the corporate achievements mentioned above, Frank Nneji disclosed that, ABC Transport plc have also impacted very positively on the community in many ways. Since 2006, the company have paid a total dividend of N836.15million to shareholders.

EXECUTIVE MOTORING



5th-generation Accent tests MEA markets

MIKE OCHONMA

Building on the strengths of the previous models with Hyundai's latest design and engineering innovations while also maintaining Accent's unbeatable value proposition for buyers, Hyundai has removed the veil off the fifth generation of its popular Accent small car in Africa and Middle East markets.

Highlights of the new model include a completely new exterior design and comfortable high-tech interior. More efficient powertrains deliver an outstanding combination of performance and fuel economy, with a choice of 1.4-liter or 1.6-liter engines, including a diesel available in some markets, matched to a six-speed transmission in either manual or automatic.

Other advances include reduced cabin noise and remarkably improved driving dynamics, both helped by a stronger body-shell and a selection of the latest safety and convenience features offered either as standard or as options.

It is also slightly longer and wider than the previous model,

including an increased distance between the front and rear wheels, giving occupants more leg and shoulder room.

The design exhibits confidence and sophistication, delivering a new interpretation of the brand's design language. This includes Hyundai's signature cascading grille with a design element that is being introduced across the product range.

Accent's grille is flanked by wraparound headlights and optional LED signature daytime running lights, while sharp character lines run the length of the car to the slim LED wraparound tail lights.

The interior continues the modern, confident, sophisticated theme of the exterior, blended with a driver-oriented layout, intuitive controls combines with improved interior roominess, high-quality materials and premium technology features. Premium, soft-touch materials in key points create an inviting and comfortable environment for the driver and passengers.

A wide instrument panel prominently features a standard backup camera system via the touchscreen LCD display. Beneath the screen, the control pan-

el is laid out in a horizontal design with buttons and controls logically grouped by function. Other convenience features available include a proximity key with push button start, dual USB charging, and auxiliary input jacks.

Standard safety features include electronic stability control, traction control and anti-lock brakes, as well as emergency stop signal, which automatically flash the brake lights when the driver brakes heavily. Available options include a six-airbag system, static bending headlights to provide better illumination of the road through corners, and auto cruise control.

Comparatively, the body is stronger than the previous model, with torsional rigidity improved through the increased use of advanced high strength steel and structural adhesives. The car features several improvements to the front side members and inner side sill for improved collision protection.

The front crumple zones have been increased, front side airbags have been upgraded, and reinforcements have been added to improve the car's collision energy management performance, especially in small overlap crashes.

Toyota target future without mass-market cars

...Tests next-generation vehicles early 2020s.

Toyota, one of the world's largest automakers which for years has focused on building reliable, fun to drive cars, is now also looking beyond personal-use vehicles to survive in an industry which is being transformed by the onslaught of electrification, automation and other new technologies.

As sharing services change car use and ownership, Simon Humphries, Toyota Motor Corporation's new design chief have faith that vehicles will shift towards either generic boxes on wheels for everyday use or ultra-luxury cars, wiping out the need for

which can be used as buses, mobile shops or moving of offices.

Meanwhile, the ability for cars to drive themselves in the future, along with the development of electric cars, will be a game-changer for vehicle design, Humphries said, as it will eliminate the need for steering wheels, engines, petrol tanks and other traditional parts, enabling more flexibility to design vehicles which are more fit-for-purpose.

"At the moment everything in a car from a design point of view is based on a



mass-market models.

Humphries, responsible for design at the Toyota and Lexus brands, said that fleets of electric, self-driving shuttle bus-like vehicles could one day eliminate the need for people to drive themselves around on a daily basis. This could one day make some of its models obsolete down the line.

As automakers compete to come up with new, profitable transport services, Toyota last month showed a self-driving electric concept vehicle

100-year old package of engine in the front, and a driver holding a steering wheel behind. When you don't have to hold a steering wheel, the world is your oyster."

For Humphries, Toyota is going going to see this optimized (transport) system, but on the other side, will be a pure race car. "There will be an emotional solution, and a practical solution. So maybe the story is that the middle ground is increasingly going to disappear." He stated.

Sportage overtakes B-segment Rio as brand's best seller

Kia Motors is celebrating five million cumulative sales of its global best-selling Kia Sportage compact SUV. Launched in 1993, and spanning four generations since, the model achieved this milestone on its 25th anniversary. The latest model, launched in 2016, is more popular than ever, with average global sales of 38,000 units per month in 2017.

In 2016 and 2017, the Sportage surpassed the B-segment Rio as the brand's global best-selling model. Strong sales of the Sportage in January and February 2018 posting 36,632 and 32,930 units respectively which contributed to the model's production landmark.

Its first appearance was at the 1991 Tokyo Motor Show, when the concept of the 'Urban SUV'



was introduced to consumers for the first time. It set the blueprint for a compact, practical SUV, suitable for use in a variety of environments. First generation was an instant hit, recording total lifetime sales of over 500,000 units.

Sales of the second-genera-

tion Sportage totalled 1,223,776 units globally after seven years of production. The third-generation model surpassed one million sales in just four years, helping the Sportage reach two million cumulative sales during its sixth year in production.

ABC plc takes stock...

Continued from page 34

With a job creation profile of over 2000 employees out of which 1000 of them are from Imo State, ABC Transport plc have built classroom blocks in various local communities of Imo State, sponsored automobile departments of Trade College, Owerri and Ahaiara Technical School with donation of automobile engines and other resources.

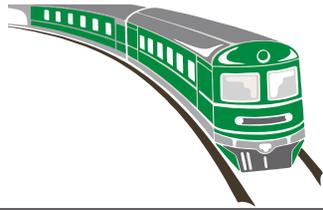
Few years ago, the transport company donated luxury buses for technical teaching in mechanical engineering departments of Imo State University, University of Nigeria, Nsukka, Federal Polytechnic Nekede, and Lagos State University.

According to the company CEO, a logistics training through its Driver Training Academy have been provided, with a strong work force of logistics personnel from Imo State, and have continued to provide over 50 industrial training placements yearly for students in universities and polytechnics over the years.

The fourth and current one features a bold, progressive design, while offering greater practicality and an array of comfort, convenience and safety technologies. Its engine and transmission line-up also provides enhanced efficiency and performance to address a broad range of customer needs.

Sportage has historically been acknowledged for the strength of its design, having been awarded 'iF Design' and 'red dot' design prizes in both its third and fourth generations.

Since 1993, the Sportage has become a benchmark car in the compact SUV segment, and its success has also led to the creation of a diverse and comprehensive range of SUVs and crossovers from Kia with other new models to follow in future.



Rail BUSINESS

Local and global rail news as it breaks

NRC committed to resolving ticket racketeering ...Moves to narrow shortlisted firms to two

Stories by MIKE OCHONMA

With the failure of the March 2018 proposed take-off of the e-ticketing system by the Nigerian Railway Corporation (NRC), authorities at the corporation said, it is committed looking for the best consultants as ticketing agents.

Only recently, Ben Iloanusi, head of procurement, Nigeria Railway Corporation disclosed that out of the total of 12 shortlisted companies that submitted proposals, those with the best proposals would be selected for commercials. He said the process was transparent from the beginning and it would continue throughout.

However, there are very strong indications that only two companies may be selected at the end of the day in line with the scope of the railway services cutting across the entire country.

It would be recalled that the NRC had in August last year advertised for companies to apply for the ticketing contract following which over 1000 companies applied.

According to the advertorial, the contractors were to express interest for "Designing, Development, Deployment and Management of Secure Ticketing Solution on an investment basis for the NRC Rail Services".

At the beginning of this year, Fidet Okhira, managing director, Nigerian Railway Corporation (NRC) said the organisation would commence web-based ticketing nationwide to solve the challenge of racketeering in stations.

The managing director was quoted as saying that, "NRC have advertised for people to submit their interest and we have gotten so many companies showing interest, so we can have many vendors".



R-L: Fidet Okhira, managing director, NRC, Rotimi Amaechi, minister of transportation and an official of the Chinese Civil Engineering & Construction Company (CCECC) at the Idu Railway Station, Abuja, Nigeria's federal capital.

"We want to get a secured backbone to be handled by secured company. I understand the need for cyber security, so latest by end of March it will commence nationwide, and we are presently doing presentations." He stated.

When completed, it is expected that the secure ticketing solutions would boost the revenue generation drive of the corporation and guard against any form of leakages while giving room for ample investment in the sector, an employee of NRC said.

With the process still on-going, what the NRC has done so far is to have shortlisted or prequalified companies that met our original prequalification criteria.

Now, the next stage is that the 12 companies selected have written to submit their detailed proposals tailored to NRC solutions and that closed last April 30.

"What they are doing now is they are coming one by one to present their detailed solutions to us

and defend them. After this we will now do an evaluation based on our scope of service and their defence.

Worried by the embarrassing report of ticket racketeering, Rotimi Amaechi, minister of transportation ordered the removal of station managers, porters, and ticket officials at Idu and Rigasa rail stations over alleged ticket racketeering.

Amaechi said that the directive has become imperative following complaints of passengers over racketeering of VIP tickets at the stations.

He told reporters during his visit at the Idu station that, "I am removing the station managers in Idu and Rigasa. The porters and ticket officials will be removed let's see if it will resolve the complaints of passengers using the rail.

"Some of them have complained on social media, I believe that if any system fails, it is because the leaders allow it to fail and I will not allow that.

The transport minister added that, sacking all officials would put a stop to workers nonchalant attitude toward work and stop ticket racketeering in the stations.

Currently, the NRC runs train services across the country including the hugely patronized Abuja-Kaduna standard gauge service, the Lagos-Kano express train, passenger services within Lagos and Ogun axis, among others.

Few years ago, there are fears that the federal government's effort towards rehabilitating the railway sector may not yield any positive result as a result of poor service delivery.

Investigations revealed that poor service delivery by staff of the Nigeria Railway Corporation, in addition to inadequacy of coaches to meet demands, poor management issues like inability to control the crowd and allowing touts to infiltrate the ticketing process are hampering federal government's rehabilitation efforts.

Bechtel to support Texas high-speed project

Texas Central announced last week that it has appointed Bechtel to provide project management services for its scheme to develop a privately-funded high-speed line linking Dallas and Houston.

It would be recalled that in August 2017, Texas Central selected Fluor Enterprises and The Lane Construction Corporation, a subsidiary of Salini Impregilo, to support the planning and implementation of the scheme. WSP is also providing engineering support.

Texas Central says it is working with the three companies to refine and update construction planning and sequencing, scheduling, cost estimates, and other design



and engineering activities under the guidance of the Federal Railroad Administration's recently-released Draft Environmental Impact Statement on the project.

The 390km line will link the Dallas/Fort Worth area with Houston in around 90 minutes, with a single intermediate station in the Brazos valley. The project will be implemented without federal or state support for construction, operation or maintenance.

British Steel builds new rail mill

British Steel has started construction of a new rail mill in Scunthorpe, Britain, to produce Zinoco-coated rails up to 108m long and welded rails with a maximum length of 216m. This follows approval by Network Rail (NR) of its Zinoco-coated long rails.

British Steel says its Zinoco-coated rails are designed to withstand installation in highly corrosive areas such as coastal railways, wet tunnels, level crossings, mineral lines and salt pans.

"Zinoco offers superior corrosion protection compared with all current rail coating technologies on the market, so we're delighted NR has given it full product approval up to lengths of 216m," says Peter Smith, British Steel's managing director rail. "We're the only supplier in the world able to deliver corrosion-protected rail at this long length, so this is a great success story, not only for us but for British manu-



facturing."

British Steel designed Zinoco in cooperation with NR and initially produced the rails in 18m lengths before trials were conducted with longer lengths. British Steel says the reduced number of welds in the longer rails

give them greater integrity as well as accelerating installation.

Over the last 18 months longer rails have been installed in tunnels near Bristol and in Fife, Scotland, culminating in NR approval. The new mill will be commissioned this autumn.

First train for Dakar TER on test

Dynamic testing of the first Coradia Polyvalent bi-mode (diesel/25kV ac electric) multiple unit for the Dakar Express Regional Rail (TER) project has begun at Alstom's Reichshoffen plant in eastern France.

The fleet of 15 160km/h trains will be used on the 57km standard-gauge line from Dakar city centre to Diamniadio and the new Blaise Diagne International Airport (AIBD) near Ndiass. The 14-station line is forecast to carry

around 115,000 passengers a day, with a 46-minute journey time between the terminus stations.

Each 72m-long four-car will accommodate around 400 passengers. The trains are equipped with D2676 LE264 diesel engines supplied by MAN.

The single-stage turbocharged and common-rail engines have a maximum output of 353kW at 1800rpm. Alstom says it will carry out around 6000 serial tests and 50 validation tests before the train is shipped to Senegal.



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What marketers should know about personality - Based marketing

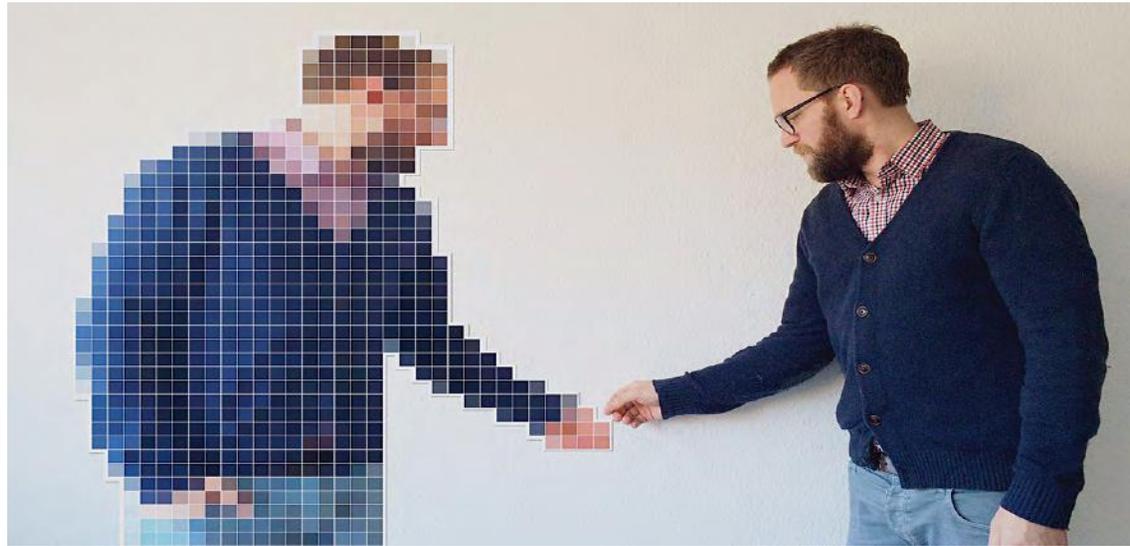
CHRISTOPHER GRAVES

Communicators and marketers can now adopt a more personalized approach to their work, ideally one based on behavioral science. But the execution lags behind the science, while the claims of some marketers as to what personality marketing can do far exceed it. Moreover, public controversies like the Facebook and Cambridge Analytica stories threaten personality marketing's potential before it has really matured.

For marketers, communicators, and even public health agencies looking to promote healthier behaviors in large populations (diet, nutrition, exercise, quitting smoking), the potential payoff of using personality science is to better match how you engage individuals by their personality profile, and to predict behaviors by personality traits. No marketer wants to present a message that is off-key or even irrelevant; personality science offers the chance to empathize with individuals, and engage them with the message, advertisement, or content in a way that is more likely to resonate.

HOW DO YOU TEST CONSUMERS FOR THEIR PERSONALITY PROFILES?

Until very recently, the assessment of psychological traits (also known as psychometrics) was almost inseparably tied to the use of questionnaires. Ranging from just 10 to more than 300 questions, these questionnaires ask respondents about the extent to which they agree to statements such as "I am the life of a party" (Extroversion) or "I get chores done right away" (Conscientiousness). While such questionnaires provide researchers with an easy and pragmatic way to measure people's psychological profiles, they are prone to unintentional misrepresentation, especially in certain contexts outside of the lab. For example, no job candidate in their right mind would indicate "strongly agree" to the statement "I make a mess of things." Plus, these questionnaires were difficult to scale up beyond a few hundred or thousand



test takers. If insights about people's psychological makeup could only be gleaned at relatively small scale, how could marketers and communicators leverage such insights on millions and millions of potential customers?

Only about five years ago, the newly established field of computational social science provided an answer: digital psychometrics. Instead of relying only on people's responses to self-reported questionnaires, scientists started using people's digital footprints — their Facebook "likes," tweets, browsing histories and more — to make inferences about their personality (with their consent). Studies compared large groups of individuals' traditional personality questionnaire responses with those same people's social media behavior to see if their personalities could be accurately inferred merely by decoding their digital footprints.

Based on large data sets containing both people's responses to traditional psychometric questionnaires and the information captured on their Facebook profiles, researchers were able to identify empirical relationships between specific digital footprints and specific psychological traits. For example, certain correlations arose between liking a certain kind of music or food and specific personality traits. The more content, the more accurate the assessment. Using Facebook "likes" of Americans (around 250, on average,

in 2012), computer algorithms were better at judging a person's personality than their co-workers, friends, and even family members.

WHY USE PERSONALITY MARKETING?

Again, the theory is that if you can match the tone and framing of the communications or marketing with the personality profiles and thinking styles of potential customers, patients, voters, or those whose behavior you'd like to change, you can boost effectiveness.

For example, look at retail shoppers. Some do not particularly like shopping. They take a functional approach. It's a chore. They are not wedded to brands and are motivated by price. Psychologists call them "utilitarian" shoppers. Meanwhile, "hedonic" shoppers enjoy shopping and love brands and join loyalty programs. They identify with brands and may use them to signal who they are and what they stand for. They may look identical when viewed through traditional demographic data, but you would be sorely mistaken to treat them the same way. Certain personality profiles correlate with utilitarian versus hedonic shoppers. So, if you can know shoppers' personalities, you can customize how you engage them.

But these findings are not limited to retail shopping. In fact, tailored communication has proved highly

successful in the context of health care and health communication. We know that people show higher compliance rates when receiving messages that are customized to their individual motivations, and we also know that such messages help in changing a number of cancer-related behaviors, including smoking, dieting, exercising and regular cancer screenings. What if we could not only increase the chances that a customer buys a handbag, but improve their quality of health or the uptake of flu shots or vaccinations by tailoring the messaging to different personalities and cognitive styles?

THE ETHICS OF PERSONALITY MARKETING

The essentials of gathering and using personality traits ethically should follow the general guidelines of other behavioral science research regarding consumers, employees or patients. They include: transparency of intent and usage; abiding by privacy laws and regulations; and aligning researcher/marketer interests with those of respondents (in other words, helping them rather than exploiting them).

That last principle is the right starting point for marketers: is your use of personality research actually making your customers better off, or just helping you? As the field evolves, marketers should look to the research community for inspiration and guid-

ance on transparency. And, of course, businesses must comply with the law.

PUTTING PERSONALITY MARKETING IN ACTION

Given the promise and accessibility of this new form of communication, how should marketers get started?

In our experience, the first step is to understand the challenge or goal you're trying to achieve. Is it to align employees with corporate goals, or to promote smoking cessation, or to increase uptake of vaccinations, or to change consumer behavior, or better segment consumers by what really motivates them (which they cannot articulate)?

Next, identify the cognitive biases and heuristics that serve as barriers or drivers along the way to achieving the goal. (The Ogilvy Center for Behavioral Science has built a tool to navigate thousands of studies in order to surface the relevant biases.) Map the biases to steps along the consumer (or patient) journey. Doing so will help you identify steps along that journey where creative communications or content can help consumers overcome specific biases or other hurdles to a decision or new behavior.

Once you have a strong understanding of the customer journey, you can run a personality test and combine it with other data to reveal correlations between personality traits and certain behaviors, preferences or mindsets.

The final step — and the "art" of personality marketing — is to craft the messaging, advertising or content to match different personality profiles while also considering the stage of the customer journey at which you plan to engage. This isn't easy, by any means. But it offers the opportunity to create the most effective and empathetic messaging with different groups of customers.

(Christopher Graves is the founder and president of the Ogilvy Center for Behavioral Science. Sandra Matz is a computational social scientist and an assistant professor at Columbia Business School.)

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CITN

20th Annual Tax Conference

Live coverage of the 20th Annual Tax Conference of The Chartered Institute of Taxation of Nigeria



'Our focus is to develop tax paying culture among Nigerians'

Nigeria's is at crossroads in its revenue generating drives: oil prices are unsustainable but Africa's largest economy has a weak tax system. In this interview, **OKOROR JUSTINA ADAKU**, chairperson, organising committee of the 20th Annual Tax Conference of the Chartered Institute of Nigeria (CITN) promises participants insight into tax practice. She spoke to **IHEANYI NWACHUKWU** and **STEPHEN ONYEKWELU**. Excerpts:

The forthcoming 20th Tax Conference is the largest tax event in Nigeria. What should we expect, any new features?

It is still a gathering of tax professionals but this year we will have many in attendance who are not tax professionals. They want to come and learn because tax is becoming front burner issue in Nigeria.

There will be some new features, evidently. For example, we are going to have stakeholders' forum. This is to help people who have been having challenges in their practice as tax professionals. They will come with their problems and there will be people who are knowledgeable on ground, who own and run tax firms to help mentor the younger firms.

We will also have a forum for tax administrators, because engagements with administrators show that many of them do not understand the nitty-gritty of tax administration. When you go to their offices they are one-sided. They follow instructions rigidly without understanding principles. So, this gathering will help them learn from modern administrators who have expertise in their field. These are some of the features of this year's tax conference.

We also expect Vice-President Yemi Osinbajo to be in attendance. He is an erudite scholar in the area of law and tax laws. His keynote address will deal with some fundamental issues, which would form another topic on its own for people.

The conference will focus on developing a tax paying attitude and culture among Nigerians in lay man's language - that is, institutionalising tax paying culture in a developing



Justina Adaku

economy. This is actually the theme of this year's conference. This implies coming to a point when Nigerians willingly want to pay their taxes. How do we achieve this? These are the issues that will come up at the conference. What are the inhibitors to paying taxes, how can they be overcome, and what is the way forward?

Why did you choose Abuja as venue for this event?

Abuja happens to be at the centre, it is the Federal Capital Territory (FCT). For instance, if you are coming from Maiduguri, you travel eight hours, if you are coming from Lagos, you travel eight hours, if you are coming from the east, you travel seven or eight hours, so, it is really at the centre.

Over the years, we had it in Cross-

River, Akwa-Ibom and Abeokuta. For security reasons, we are not taking it to the North-East yet. We know in the future, we will take it to the North-East and North-West.

However, because of logistics, we decided to centralise it, so as to attract people from the North, South, West and from all over Nigeria. Again, because it is about tax, we need to approach it from the centre and those in the centre will also be able to contribute and join in the conversation, to understand what the issues and concerns of taxpayers and tax professionals are. Besides, the Federal Government has a significant role to play if we are to achieve the aim of the conference, which is institutionalising tax paying culture.

How about security, what arrangements do you have to ensure participants are safe?

Well, we do not have security challenges in Abuja for now. Meanwhile, in Nigeria anything you do you have to make arrangements for security. So, we have made arrangements. We will have security personnel on ground and other provisions.

BusinessDay as your media partner has noticed increase in the number of participants at your annual tax conferences, what do you think is driving this?

I think it is straightforward, when a professional institute like the CITN organises conferences such as this for its members, obviously, they would want to attend, to learn and network. For many of the members, it is the only opportunity for them to meet. Some have not seen themselves for many years. It is a place where many come to learn and better their professional practice.

These are some of the driving forces. People have also benefitted from previous years. So, they know that attending the conference adds significant and measurable value that can translate into improved revenue generation.

In addition, the CITN membership is steadily increasing, at our last induction; over 400 new members were added. This means additional 200 or 300 members will likely attend this year. This is an organic increase in itself.

Another element is that people like the technical side of the conference. This is why this year; we will devote two days to the technical aspects.

Accommodation is often a challenge in putting together events

of this size, how are you dealing with it?

We are not collecting money for accommodation. We have asked everyone to make their own arrangements. You know, because of the economy, the standard of hotel we will want to use as an institute, some members might not be able to afford it. Some might want a place of N5, 000 per night. Some might want a place of N6, 000, others N10, 000 or more.

What we have done is to collect vital information on these locations and put them on our website. Each one decides where he/she wants to stay. There are hotels everywhere in Abuja, so accommodation should not be an issue, at all. If anyone wants a place of N20, 000 and above, they will find one, if they want Sheraton of N80, 000 it is there, if you want N200, 000 at Transcorp, it is available.

What impact have these conferences had?

The impact might not be directly measurable but each participant has their testimony. For this particular edition, the theme alone speaks volumes - "Institutionalising Tax-Paying Culture in a Developing Economy."

This is what Nigeria needs at this point in time. Many chairmen of board of internal revenue services are coming, because they need to know how they can in their various states, institutionalise tax-paying culture within their state, within the local government areas in their states. This is one of the biggest differences this particular edition is making. Every internal revenue service wants to understand how to best manage revenue generation through taxes. They will learn how to make people interested in contributing to the purse of the state.

CITN lauds extension of VAIDS to June 30

The Federal Inland Revenue Services (FIRS) extended deadline for Voluntary Assets and Income Declaration Scheme (VAIDS) till June 30 which The Chartered Institute of Taxation of Nigeria (CITN) has declared as helpful.

"With this extension, taxpayers now have up till June 30, 2018 to make their declaration. It is expected that taxpayers would seize this window of opportunity to regularise their tax affairs" Cyril Ikemefuna, President and Chairman of Council, CITN said at the

38th Induction Ceremony of the Institute.

As the new deadline approaches, taxpayers have approximately 52 days to take advantage of this amnesty window which was opened by Federal Government since 2017. Federal Government launched VAIDS to shore up non-oil revenue by growing the tax base and ensuring tax compliance.

Before the recent extension, the phase of the programme offered a nine-month opportunity till March 31, 2018 for all categories

of taxpayers to voluntarily regularise their tax liabilities.

However, prior to the expiration of the deadline, various categories of persons and groups, including some state governments and private sector operators, requested an extension of the deadline to enable them comply. Government data mining unit in the Federal Ministry of Finance, Project Lighthouse, had compiled data of taxpayers from land registries from 36 states and the Federal Capital Territory, Abuja as well as bank

customers account details.

On those with offshore tax connections, government also received tremendous support from foreign countries which provided data under the exchange of information protocols. The data includes bank records and financial filings for tax purposes in various jurisdictions around in the world.

Common violations by non-compliant taxpayers identified by Project Lighthouse included under-declaration and non-declaration of income earned, in-

cluding income from government contracts and overseas trading.

Others also include collection of Value Added Tax (VAT) not duly remitted to the Federal Inland Revenue Service; charging of non-allowable personal expenses to company accounts, particularly with reference to overseas school fees, and Inconsistency between income declared for tax purposes and value of assets owned.

Nigeria's 6 percent tax-to-GDP ratio is among the lowest in the world, due to low tax com-

pliance among high net-worth individuals and a large informal sector. The relative success of the Voluntary Asset and Income Declaration Scheme (VAIDS) bears witness to this.

VAIDS is expected to help Nigeria improve its low tax-to-GDP ratio from the current 6 percent to between 12 percent and 15 percent in the first instance. So far, N17 billion has been realised from the scheme, according to Tunde Fowler, executive chairman, Federal Inland Revenue Service (FIRS).



Profile of speakers



WILLIAM BABATUNDE FOWLER, FCTI

Executive Chairman, Federal Inland Revenue Service (FIRS); Chairman, Joint Tax Board (JTB); and Chairman, African Tax Administration Forum.

William Babatunde Fowler is a seasoned tax administrator. He studied in the United States of America at the University of Wisconsin, Whitewater, where he obtained his first Degree with a Bachelor of Science in Economics and a minor in Political Science in 1978. He completed a second Bachelors' Degree in Business Administration at California State University, Los Angeles and also a Master of Business Administration degree programme at California State University, Dominguez Hills both in 1981.

His working career started in the United States with Avon Products Inc in New York and thereafter Johnson and Johnson in New Jersey from where he transferred to Johnson and Johnson Nigeria. He made a career change from International Finance and Marketing to Banking where he had a distinguished banking career of over 20 years, first with Commercial Bank (Credit Lyonnais Nigeria Limited) and thereafter with Chartered Bank, where he rose to the position of General Manager before resigning in 2004 to take up his first public sector appointment as the pioneer Permanent Secretary/Executive Chairman of the Lagos State Internal Revenue Service (LIRS).

Fowler reformed the LIRS and led it to achieve an increase in internally generated revenue from an average of N3.6 billion monthly as at January 2006 to an average of N23 billion monthly as at June, 2015 (the highest by any State in the country). In recognition of his impressive performance as Executive Chairman, LIRS, he was appointed Executive Chairman, Federal Inland

Revenue Service and Chairman Joint Tax Board by His Excellency, President Muhammadu Buhari, on 18th August, 2015 to drive the change agenda of the new administration in the tax sector. Since his appointment as the Executive Chairman, his leadership of the FIRS has begun to show positive results with an increase of over 800,000 new registered (corporate) taxpayers, and as Chairman of the Joint Tax Board, he has increased the number of tax payers in the States of the federation by 4,000,000 from 10,000,000 to 14,000,000 in 12 months.

Fowler amongst many other new initiatives, has introduced and deployed several ICT driven initiatives which is revolutionizing tax administration in Nigeria and serving to ease taxpayers compliance, such as the Integrated Tax Administration System (enables on-line filing of tax returns), VAT-Collect system (automation of collection and remittance to government coffers of VAT due from Airlines), e-Stamp Duty (on-line stamping of documents and stamp duty payments), e-Tax receipt (enables instantaneous issuance of receipts for taxes paid), e-Tax Clearance Certificate system (on-line issuance and verification of TCC), etc.

In spite of the dire economic situation experienced in Nigeria during the year 2016, Fowler succeeded in mobilizing the FIRS work force to achieve a collection of taxes to the tune of N3.3 trillion in 2016 (taxes collectible at the Federal level only).

In recognition of his exemplary performance as a Tax administrator, Fowler's colleagues (Heads of Revenue Authorities) from across Africa, voted overwhelmingly at the 4th ATAF General Assembly in Durban, South Africa in October 2016, to elect him as the Chairman of the African Tax Administration Forum. He is the first Nigerian to lead this Africa's foremost Tax body comprising Revenue Authorities from 38 African countries.

Fowler is a recipient of several awards and recognitions, which include Honorary Senior Member of the Chartered Institute of Bankers of Nigeria and a Fellowship 'Honoris Causa' by the Certified Board of Administrators of Nigeria. He is a Fellow of both the Chartered Institute of Taxation of Nigeria and the Chartered Institute of Taxation of Ghana. He also holds a Fellowship of the Business Management Association of the United Kingdom.

Due to his commitment and performance in tax administration, the United Nation appointed him as one of the 25 members of the International Experts Committee on Tax Matters on the 10th August, 2017, and elected the 1st Vice Chairman of the International Tax Experts Committee on the 17th October, 2017.

Nigerian Red Cross Society (NRCS). He was Chairman - West African Sub-Region of International Federation of the Red Cross and Red Crescent Societies. He was Pioneer Vice-President, Chartered Institute of Taxation (CITN). He was Chairman, Value Added Tax Committee. The Committee that created VAT in Nigeria. He was Chairman, Agriculture and Food Security Commission, (NESG). He was Chairman, Community of Agricultural Stakeholders of Nigeria (CASON). He was Chairman, Extractive Industries - Sub-Committee of National Council on Privatization. He was member, Technical Committee on Privatization of Federal Government Companies and Parastatals. He was member, Honourary International Investment Council (under Barones Lynda Chalker). He was member, Agricultural Transformation Implementation Council (ATIC) under past President Goodluck Ebele Jonathan Chairmanship. He served as Resource person on Agriculture to the Buhari Transition Committee. He is currently the Vice President of Nigerian Agribusiness Group - NABG (the umbrella body for Agribusiness in Nigeria). He was Past PTA Chairman, Lagos State Model College, Badore. He was Chairman, Longman Nigeria Plc (Book Publishing) now Learn Africa Plc.



Emmanuel IJEWERE, FCTI
Founding Partner, Ijewere & Co

He is a Chartered Accountant and Tax Consultant as well as Farmer. He is the chairman in the following companies: Best Foods Group; Apel Capital & Trust Limited; Drum Resources (Nigeria) Limited; Citadel Business School; Cold Chain Supply Systems Limited; and Globe Crest (VFM) Nigeria Limited. He is a director in the following companies: Computer Warehouse Group Plc; Pinehill Leasing Company Limited; and Rosaab International Limited. He is past President of Institute of Chartered Accountants of Nigeria (ICAN). He is past President - Accounting Bodies of West Africa (ABWA). He is past President of Institute of Directors Nigeria (IoD). He is past National President,



TAIWO OYEDELE, FCTI
Head of Tax and Regulatory Services at PwC Nigeria

Taiwo Oyedele is the Head of Tax and Regulatory Services at PwC Nigeria. He is a thought leader and prominent speaker on key economic, accounting and tax issues such as the Adoption of International Financial Reporting Standards and Transfer Pricing. He is an ardent advocate of tax reforms with particular emphasis on tax simplification and transparency. He represented the Manufacturers Association of Nigeria in 2013 at the National Economic Council to successfully make a case for reforms to address multiplicity of taxes.

Oyedele writes articles in leading national newspapers, professional journals, international magazines and newsletters. He runs a regular column called "Tax Bites" in BusinessDay and "Tax Watch" in the Guardian newspaper. He provides insights on contemporary issues through the media including press releases and TV interviews with Channels TV, NTA, and CNBC among others. He is a regular presenter and a highly sought after public speaker delivering an

average of 50 speeches and presentations within Nigeria and around the world annually in the past few years.

He is the Head of PwC Tax Academy, Dean of the Direct Taxation Faculty of the Chartered Institute of Taxation of Nigeria, member of the Nigerian Taxation Standards Board and a member of the Taxation and Fiscal Policy Management Faculty Board of ICAN. He is a Fellow of the Nigeria Leadership Initiative and a member of the Corporate Governance Society Nigeria.

Oyedele is the author of the "Top 50 Tax Issues in Nigeria" and a contributor to the annual "Doing Business" report of the World Bank, and PwC "Paying Taxes" publication, as well as Worldwide Tax Summaries. In his roles on these projects, Oyedele examines the various areas requiring reforms in the tax legislation, administration, policy and practice in Nigeria compared to over 180 countries around the globe. He also runs a blog on tax matters with thousands of followers from over 20 countries worldwide (www.pwc.com/nigeriataxblog).

He is a member of the ACCA Global Governing Council, a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), Fellow of the Chartered Institute of Taxation of Nigeria (FCTI), Fellow of the Association of Certified Chartered Accountants (FCCA) and a Certified Information Systems Auditor (CISA).

Taiwo is a mentor to many young people and patron to a number of youth organisations such as the JCI, Reformed Ambassadors Network, Unilag Tax Club, and Students' Associations in various tertiary institutions such as Obafemi Awolowo University, University of Lagos, and Yaba College of Technology. He is the Founder and President of Impact Africa Foundation, a non-profit organisation established to support the education of less privileged students across Africa.



OSENI SALAWÉ ELAMAH, mni, FCTI
Executive Secretary Joint Tax Board

Oseni Salawe Elamah, is the pioneer Executive Secretary of Joint Tax Board (JTB) and the immediate past Executive Chairman of Edo State Internal Revenue Service. A Chartered Accountant, an administrator par excellence, a great achiever and the Okaioivbore of Benin Kingdom.

Elamah, mni attended the famous Eghosa Grammer School in Benin City, the Federal Polytechnic Auchu and John Moore University, Liverpool, United Kingdom. Elamah became an associate Member of the Institute of Chartered Accountants of Nigeria (ICAN) in 1987 and bagged a fellowship of the Institute in 1997.

He has worked as an auditor, a Chartered Accountant with S.S Afemikhe & Co; Financial Controller (Geomsaf Group Limited); Director of Finance and Administration (Sheltercare Mortgage Finance Ltd); Executive Director of Finance and Administration (TRW Stockbrokers Limited); Special Assistant to the Head of State in the office of the Special Adviser to the Presidency (Petroleum); Managing Partner (Patriot Consultants); Executive Director (Haslyn Oil and Gas Services Ltd - As the Business Development and Logistics Director, Elamah was able to secure a major contract to construct the Oredo/Ozibigie Oil and Gas Flow Station); Executive Director of

Business Development (Multinational Expert Ltd) - He was responsible for the strategic planning and development of new business line which resulted in the formation of a Joint Venture Company - Multinational Craig Energy Services Limited with a major UK energy supplies group providing oilfield supplies and support to major exploration and production operators in the Nigerian Oil and Gas industry;

He was the pioneer Managing Director of MCES; Executive Director (Nigeria Social Insurance Trust Fund - Where he worked closely with the Executive Management to design and implement a robust investment policy guideline that helped grow the investment asset by a factor of over 400 percent within three years); Managing Director (TrustFund Pensions PLC - As the pioneer Managing Director/CEO, he was able to quickly establish the company as a leader in the emerging pension industry in Nigeria. His tenure at TrustFund Pensions PLC not only created a solid foundation for the growth of the company but was also able to grow the pension assets to over N120 billion).

At the inception of the Adams Oshiomhole's led administration in Edo State, Elamah was the first to be appointed Chairman of a committee to help chart a roadmap for the take-off of the administration when he chaired the Edo State Asset Verification Committee to establish the assets and liabilities of the State, to enable the administration put in place a governance structure to ensure transparency, accountability and value for money for public expenditure. He was also the Special Adviser to the Governor on Fiscal Governance and Project Monitoring. Besides being a workaholic, Elamah finds joy in hobbies such as - working out, golf, philanthropic activities and mentoring young professionals.



Profile of speakers



ADETOKUNBO KAYODE, CON, SAN, FCI Arb, FCTI President, Abuja Chamber of Commerce & Industry

Kayode is a commercial law expert, tax Consultant and an international arbitrator and mediator. He is a Senior Advocate of Nigeria (SAN), and a Life Bencher, respectively the highest rank and the highest honor a practicing lawyer may attain in Nigeria. He is a Fellow of the Chartered Institute of Arbitration, UK; Fellow of the Chartered Institute of Mediators and Conciliators of Nigeria; and Chartered Institute of Taxation of Nigeria.

He undertook training law at the University of Lagos, Strategic Leadership at the Oxford and Cambridge Universities, Media Strategy and Public Communications at the World Bank/ Annenberg Program of the University of Southern California, as well as Strategic Negotiations Training at the Harvard University.

He has served the Government of Ni-

geria as Cabinet minister in four different positions: Culture and Tourism; Labour, Employment and Productivity; Federal Attorney General and Hon Minister of Justice and as Minister of Defence. He chairs the Peace and Security Committee of the Pan African Lawyers Union, Daresallam.

Kayode has business interests in agriculture, power and mining. He is on the board of the National Associations of Chambers of Commerce, Industry Mines and Agriculture of Nigeria, Nigerian Chamber of Mines, Nigeria Association of Investment Promotion Agencies while he Chairs the Boards of the Gemological Institute of Nigeria, Gems Miners and Marketers Association of Nigeria as well as the Board of Trustees of the National Association of Small Scale Industrialists responsible for small and medium enterprises development (SMEs) in Nigeria. He represents the Nigeria Organised Private Sector (OPS) on Nig



ABIOLA SANNI, FCTI Professor of Commercial Law with Specialty in Tax Law, University

Abiola Sanni is a Professor of Commercial Law with specialty in Tax Law at the University of Lagos where he teaches Law of Taxation at the undergraduate and post graduate levels. He is a Solicitor and Advocate of the Supreme Court of Nigeria with 28 years post call experience.

He bagged his Bachelor and Master of Laws Degrees from Obafemi Awolowo University (OAU), Ile-Ife in 1989 and 1992

respectively and doctorate degree from University of Lagos in 2010. He is Fulbright Fellow, life member of the Nigerian Society of International Law, Fellow of the Chartered Institute of Arbitration Nigeria and Fellow of the Chartered Institute of Taxation of Nigeria (CITN).

He is currently serving the CITN in different capacities as a Dean of the Indirect Tax Faculty, Legal Adviser and a member of the Taxation Standard Board. Sanni served as the Chairman of the National Committee on the Review of the Nigerian Tax Policy in 2016 and is the current Chairman of the National Tax Policy Implementation Committee.

He is also the Coordinator of The Tax Club, a vibrant student tax advocacy group, a Trustee and the first Chairman of "Tax Academician Association of Nigeria" (TaxAAN) a corporate platform for teachers of taxation in Faculties of law, Departments of Accounting and Economics in tertiary institutions in Nigeria.

Sanni is a member, Advisory Group of the International Centre for Tax and Development. He had served as a Consultant to the House of Representatives (Sixth Parliament) on passage of series of 2007 Tax Laws and leading consulting firms including Ernest & Young (EY).



WOLE AKINYOSOYE DPR Zonal Operations Controller, Lagos; superintending operations of DPR in Lagos, Ogun, Oyo, Osun and Kwara States

Akinyosoeye studied Political Science at the University of Ife now Obafemi Awolowo University, Ile-Ife. He obtained a Master of Public Administration from University of Lagos, Akoka Lagos, specialising in Public Policy Management. He also studied Petroleum Administration and Policy Management at PETRAD, the Norwegian Petroleum Institute at Stavanger, Norway.

In his career, spanning more than two decades in DPR, he variously worked as Technical Assistant to Director of Petroleum Resources, Coordinator DPR -- Norwegian Petroleum Directorate (NPD) Institutional Cooperation, Country-Secretary to Gas Exporting Countries Forum (GECF) and Head of Nigerian Content and Community Relations. He also served as Head

of Strategy, Planning and Evaluation (SPE) in the Planning Division at Department of Petroleum Resources.

Sequel to the promulgation of the Nigerian Content law in 2010, Akinyosoeye was briefly moved to the newly established Nigerian Content Development & Monitoring Board (NCDMB) where he served until 2014 as the pioneer General Manager of Planning, Research & Strategy.

He is presently the DPR Zonal Operations Controller, Lagos; superintending operations of DPR in Lagos, Ogun, Oyo, Osun and Kwara States.

Table of events

DAY I	TUESDAY, MAY 8, 2018
10.00am – 6.00pm	Arrival, Registration & Exhibition
4.00pm – 6.00pm	Praise/Prayer Evening
7.00pm – 11.00pm	Hospitality Night
DAY 2	WEDNESDAY, MAY 9, 2018
8.00am- 9:00am	Registration Continues
9:00am - 10:30am	Opening Ceremony ATC Chairman's Welcome Address President's Address Keynote Address by Special Guest of Honour
10:30am - 11:00am	Tea- Break
11.00 – 12.30am	Paper 1: Institutionalizing Taxpaying Culture in a Developing Economy
12:30pm - 2:00pm	Paper 2: Economic Recovery and Growth Plan (ERGP), Voluntary Assets and Income Declaration Scheme (VAIDS) and Stakeholders Expectations: Matters Arising
2:00 pm – 3:00pm	Group Lunch
3:00pm – 3:45pm	Panel Discussion 1: Restructuring, Taxing Rights and Fiscal Federalism: The Way Forward
3:45pm - 4:30pm	Panel Discussion 2: Ethics, Corruption and Whistleblowing in Taxation: A Case for Cooperative Compliance
4:30pm - 6:00pm	Stakeholder's Forum: Tax Practitioners/Administrators and Tax Payers
6.00pm – 7:00pm	Exhibitors Speak



TEMITOPE SAMAGBEYI, FCTI Tax Partner at EY in Nigeria

Temitope joined EY as the Tax Partner responsible for the Business Tax Services on 1st March 2016. He leads the provision of services to companies engaged in services to EY's clients that engage in Construction, Oil and Gas, Power & Utilities, Maritime, Aviation and logistics businesses. He currently heads the Business Tax Services for EY operations in West Africa. Temitope has over 17 years of professional tax experience.

His areas of experience in the tax practice include corporate tax planning, tax advisory and compliance work for Nigerian and multinational companies. He has led negotiations with the various tax authorities on the resolution of tax disputes. He has built strong relationships with the Nigerian tax authorities having been on secondment to the Federal Inland Revenue Service in 2006, where he assisted the agency on various projects including but not limited to the development of draft National tax policy document, FIRS code of ethics document and FIRS training school materials for Tax Inspectors' cadre.

Temitope led the team that which processed the Export Expansion Grant /

Export Credit Certificate administered by the Nigerian Export Promotion Council, which was used to settle Federal Government Taxes. He also assisted various companies to obtain Pioneer Status Incentives from the Nigerian Investment Promotion Commission. In addition, Temitope assisted a number of companies to review their eligibility for the claim of Employment Tax Relief, Work Experience Acquisition Programme Relief and Infrastructure Tax Relief under the Presidential order of 27 April 2012, conferring certain tax incentives on companies doing business in Nigeria.

Temitope was also involved with the training of FIRS staff during the secondment period. Amongst others, he has spoken at so many fora which include the 5th Annual Tax Conference of West African union of Tax inspectors (WAUTI), Nigerian Governor's Forum, ECOWAS / GLZ capacity development programs held in Abuja, Nigeria and Accra, Ghana.

In addition to the above, Temitope had managed and currently manages various corporate restructuring exercises of companies operations and businesses in various industries. He had advised on Foreign Exchange issues and its implication on businesses operating in Nigeria.

Temitope has been a very active member of various faculties of the CITN. Until 29 February 2016, he was the Interim Registrar of the CITN Tax Academy.

Temitope bagged a B.Eng. Degree in Civil Engineering from the Ondo State University, Ado Ekiti. He is a Fellow of the prestigious Chartered Institute of Taxation of Nigeria and the Institute of Chartered Accountants of Nigeria and an Associate of the Nigeria Institute of Management.

• To be continued tomorrow



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- Has Primary and Secondary School occupying 820sqm and 1600sqm of land respectively.
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Arrival of Cyril Ede, president, The Chartered Institute of Taxation of Nigeria (CITN).



Arrival of Olateju Somorin, immediate past president, CITN.



Arrival of participants.



Arrival of participants.



Registration of participants.



Arrival of participants.



Arrival of participants.



Registration of participants.



Registration of participants.



Registration of participants.



L-R: Titilayo Fowokan, council member, CITN; Olasunkanmi Lanre, assistant director, finance, CITN; Samuel Agbeluyi, council member, CITN, and Kola Babarinde, council member, CITN.



Godwin Oyedokun, council member, CITN (r), with Nnamdi Nwakama, member CITN.



Arrival of participants.



L-R: Ronke Ojo; Lizzy Adebajo; Christy Adeyemi, and Adeniji Adekola, all of CITN.



L-R: Samuel Agbeluyi, council member, CITN; Christy Adeyemi of CITN, and Ilo Austin, committee member, CITN



Tina Nnachi, manager, FIRS, (l), with Helen Otete-Disi, assistant manager, FIRS.

NEWS

Retraction

Continued from page 1

cannot absorb. We have since found out that the formulae we used to calculate solvency ratio which is net assets ÷ net premium written expressed as a percentage, which is a globally accepted method, is different from the solvency model margin NAICOM the Nigerian Industry regulator uses to measure the financial

strength of insurance companies.

NAICOM indicates that insurers maintain a minimum solvency margin of 100%, and through the insurance act of 2003 defines the solvency margin as the difference between the admissible assets and liabilities, which shall not be less than 15% of the net premium income, or the minimum capital base (N5 billion), whichever is higher.

Using this formulae we have since found out that Leadway As-

urance has a solvency margin of 404%, above the 76% ratio which was used in the article. AIICO Insurance also has a solvency margin (195%) that is also above the regulatory threshold.

The figures given for FBN Insurance Plc, NEM Insurance Plc and Continental Re Insurance Plc are also likely to be understated. We apologise to the companies mentioned and also to our esteemed readers.

Editor.



L-R: Kudirat Abdulhamid, 1st national vice chairperson, The Society of Women in Taxation (SWIT); Gladys Simplice, vice president, The Charetred Institute of Taxation of Nigeria (CITN)/chairperson of occasion; Amina Salihu, founder, Hadis Foundation; Mary-Helen Nnadi, independent John Maxwell (USA) certified trainer, and Ezinwa Okoroafor, national president, SWIT, during the 2018 SWIT annual seminar, with the theme 'Tax Compliance Entrepreneurship and national Development' in Abuja, yesterday. Pic by Olawale Amoo

Oil volatility seen as Trump withdraws US from...

Continued from page 1

there would soon be a nuclear arms race in the Middle East," Trump said.

"The deal lifted crippling economic sanctions on Iran, in exchange for very weak limits on the regime's nuclear activities," Trump said, adding that the deal "should have never been made."

"It is clear to me that we cannot prevent an Iranian nuclear bomb under the decaying and rotten structure of the current agreement," Trump said from the White House Diplomatic Room. "The Iran deal is defective at its core. If we do nothing we know exactly what will happen."

"Today, we have definitive proof that this Iranian promise was a lie. Last week, Israel published intelligence documents long concealed by Iran conclusively showing the Iranian regime and its history of pursuing nuclear weapons," Trump noted.

In announcing his decision, Trump said he would initiate new sanctions on the regime, crippling the agreement negotiated by his predecessor. Trump said any country that helps Iran obtain nuclear weapons would also be "strongly sanctioned."

Trump added, "In the meantime, powerful sanction also go into full effect. If the regime continues its nuclear aspirations, it will have bigger problems than it has ever had before."

"This was a horrible one-sided deal that should have never, ever been made," the President said. "It didn't bring calm, it didn't bring peace, and it never will."

"The Iranian regime is the leading state sponsor of terror. It exports dangerous missiles fuels conflicts across the Middle East, and supports terrorists' proxies such as Hezbollah, Hamas, the

Taliban and al-Qaida. They have murdered hundreds of American service members and kidnapped and tortured American citizens," Trump said.

Ecobank Energy Report expects crude oil price volatility to surge during the week.

"The higher price is likely to trigger profit taking by speculators including hedge funds that has taken a bet on the US decision resulting in higher crude price," Ecobank Energy report said on May 8.

"With our expectation of US government failing to recertify the deal in mind, we expect price to trade within \$72 to \$80 range during the week," Ecobank Energy report.

Ahead of Trump's announcement senior UK diplomats said they are deeply pessimistic that Donald Trump will stick with the Iran nuclear deal when he makes an announcement at the White House.

Trump who is also now surrounded by opponents of the 2015 deal; including John Bolton, his new national security adviser, and Mike Pompeo, the new US secretary of state has been a vocal opponent of the nuclear deal, a policy stance that has been praised by Israel but met with disapproval among Washington's European allies.

In recent weeks a succession of European leaders including president of France Emmanuel Macron, German chancellor Angela Merkel and British foreign secretary, Boris Johnson had flown to Washington warning that tearing up the deal with no substitute strategy to contain Iran's nuclear programme risks undermining diplomacy and strengthening hardliners in Tehran.

Before his elections, Trump promised to dismantle the disastrous deal with Iran, although analysts believed he might instead adopt a more rigorous implementation of the agreement and tighten

sanctions already in place. This could force Tehran to violate first or make the deal redundant.

In January, he reluctantly waived a raft of sanctions against Iran as required by Congress every 120 days, but said "this is a last chance" and asked "European countries to join with the United States in fixing significant flaws in the deal."

In Vienna 2015 after nearly two years of intensive talks, Iran and a six-nation negotiating group reached a landmark agreement in July 2015 known as the Joint Comprehensive Plan of Action (JCPOA) which imposes strict restrictions on Iran's nuclear capabilities, in exchange for sanctions relief.

Under the deal which was signed by five permanent UN Security Council members (Russia, China, the US, UK, France) and Germany allows Iran unplugged two-thirds of its centrifuges, shipped out 98 percent of its enriched uranium and filled its plutonium production reactor with concrete.

Tehran also accepted extensive monitoring by the International Atomic Energy Agency (IAEA), which has verified 10 times since the agreement, and as recently as February, that Tehran has complied with its terms. In return, all nuclear-related sanctions were lifted in January 2016, reconnecting Iran to global markets.

Tehran said on Tuesday that its response to Trump's announcement will be dictated by what would best safeguard its own national interests.

"Iran is monitoring US and European stance closely, and will react to U.S. decision based on its own national interests," Iran's deputy foreign minister Abbas Araqchi said after a meeting with envoys from France, Britain, Germany and the European Union in Brussels as quoted by Iranian media.

FG codeine ban, Emzor Pharma closure a...

Continued from page 1

tackle the incomprehensible and remote causes of this weird and worsening addiction in the country.

Cheta Nwanze, Partner at SBM intelligence said the ban is sending a very poor signal about the government and the regulatory agencies.

"Codeine is an opiod but not necessarily an essential ingredient but it very effective," Nwanze said.

"Has there been a study for medical evidence, does the country know how many people who depend on medicine with codeine, the knee jerk banning is just an action which if carried out sends a very poor signal to businesses anytime that anything can be at risk."

The Nigerian senate in October 2017 estimated that about 3 million bottles of codeine is consumed daily in Kano and Jigawa States alone. Millions of bottles are consumed all over the country which is rising to epidemic proportions with grave consequences for the youths.

Drug abuse is now a national tragedy, that a significant percentage of the populace is addicted to illicit substances including cannabis, cocaine, marijuana, codeine and the likes.

The fact that these addicts, particularly youths, also inhale toxic gas from gum, cow dung, sewage tanks, refuse dumps, and other noxious substances calls for an urgent national response.

However, many Nigerians say the directive by the Federal Government is reactive and not well thought out.

Sam Oluwabunwa, former Chairman/CEO of Neimeth, former President, Nigeria Economic Summit Group (NESG) said "the ban by the Federal Government is too sudden; you do not ban a thing that way. Codeine is not poison, it is a medicine that has therapeutic effects that has been used for many years.

"Codeine is still sold in United Kingdom; they made the report but have not banned codeine, so I think it is a knee-jerk response with the way the government went about it. My belief is that the products could be withdrawn after the adequate medical evidence.

"So people may be abusing the drugs but that does not make it like poison. We need to have appropriate medical research and if we come to the conclusion that the product has to be withdrawn either because of successes, or adversity, or it's being abused and the country cannot control the abuse, then it will be withdrawn in a gradual process because some pharmaceutical companies manufacturing these product have put a lot of orders and have invested in it," Oluwabun-

wa said.

According to him, the Federal Government would end up creating a grey market and people will start smuggling and importing from other countries.

"Nigeria cannot even stop smuggling of AK 47 coming into the border, is it now codeine?"

FG ought to withdraw it on a gradual basis, giving them time and companies can change their formulations, but sudden withdrawal will create a grey market, black market and that will worsen it, the end problem will be worse than what the country started with," Oluwabunwa added.

Codeine syrup addiction is a problem across Africa, with reports of addiction in Kenya, Ghana, Niger, and Chad. In 2016, India banned multiple brands of codeine cough syrup following reports of addition.

Many Nigerians have raised concern over the rising menace of drug abuse among youths fuelling the future threat in the families and society at large.

However, the Senate is proposing a Mental Health and Substance Abuse Bill, as part of a legislative framework to combat use of dangerous psychoneurotic substances, across the country, especially in the Northern Nigeria.

The active ingredient in Codeine drug is to be replaced with dextromethorphan, a less addictive agent. The move came on the heels of the BBC documentary tagged 'Sweet Sweet Codeine,' reiterating the popular notion that 'Cough syrup is killing a generation.'

Lanre Yusuf, a medical practitioner based in Lagos said, "The federal government of Nigeria placing a ban on the production and importation is not enough, there should be a strict enforcement follow up on licenced companies so as to avoid open market and other illegal smuggling into the country," Yusuf said.

Richard Adebayo, consultant Psychiatrist/clinical Psychologist at Federal Neuropsychiatric Hospital Yaba, Lagos said codeine is a very serious concern in the country and abuse of it is prevalent in northern part of country threatening peer groups, married or unmarried women and men in the country.

"Banning codeine is not the solution; it will make people shift to illegal production and importation. Drug abuse isn't peculiar to Nigeria alone, it is all over the world. When you abuse drugs, you will be harming yourself," Adebayo said.

According to Adebayo, the abuse of these drugs has the effect of altering the brain function. "Gone are the day's people look at cannabis and other substances alone, codeine is a big problem and it should be tackled effectively."

Julius Berger sees 5% rise in revenue

OLALEKAN IPELE

Julius Berger, a leading construction company, recorded a 5 percent increase in revenue to N125.7 billion in 2017 from N119.8 billion, the previous year, amid increased engineering and construction activities in Nigeria.

In the same vein, profit before income tax was recorded from a loss of (N1.2bn) in 2016 to N1.2 billion in the year under review. Dividend of subscription of rights to buy additional securities in the company may be made available to the company's existing shareholders in the coming months, as they are also expected to pay dividend to shareholders.

According to a statement released Tuesday, Wolfgang Goetsch, managing director, Julius Berger Nigeria (JBN), celebrating the ability of the company to operationally achieve seemingly impossible project delivery schedules, pointed at the critical emergency rehabilitation of the runway and main taxiways at the Nnamdi Azikiwe International

Airport, Abuja, which was accomplished against all odds in only six weeks.

The same feat, he pointed out, was recorded at the Azura-Edo Independent Power Plant - a 450mw open cycle gas power plant in Edo State and Nigeria's first Independent Power Plant.

From ongoing projects such as the Dangote Jetty in Apapa Lagos, the Port Harcourt town roads rehabilitation, the central area of Abuja, including the B6/B12 Boulevard road system, to other projects across Nigeria, the technical capability to deliver on client's requirements remains bold and definitive of the company's strength.

For the Abuja-Kaduna-Kano Road project, according to the managing director, the firm had introduced an innovative methodology, whereby the milled pavement was recycled and improved for reuse, via a precisely metered process to produce a homogenous mix of bitumen-stabilised material used for paving the base layer of the road.

By introducing this new highly efficient and state-of-the-art methodology to Nigeria

and implementing it for the rehabilitation of the Abuja-Kaduna-Zaria-Kano Road, shorter construction times are achieved, resources are conserved, cost efficiencies are realised, environmental impact is reduced, road safety is improved, roads lifespan is extended, and the roads' capacity to bear heavy traffic is increased, Goetsch said, saying, "It is by all means a winning solution."

While he looks forward to strengthening the JB Group to offer clients a full range of construction-related services under one roof, the company, he said remained optimistic regarding future developments in Nigeria.

According to Goetsch, "We are hopeful that the Federal Government's strong focus on reform to ease the complexities of doing business will continue to find success, in order to further stimulate development opportunities."

While Goetsch looks forward to strengthening the Julius Berger Group to offer clients a full range of construction-related services under one roof, the Company, he says, "We are hopeful that the Federal Government's strong focus on reform to ease the complexities of doing business will continue to find success, in order to further stimulate development opportunities."

Ambode calls for restructuring to rescue Nigeria

... says current power structure inhibiting national growth

JOSHUA BASSEY

The current power and political structure of Nigeria is such that attainment of national growth will be difficult, Lagos State governor, Akinwunmi Ambode has observed.

Against this background, Ambode said the way to go and grow was for Nigeria to embrace and implement a federal system as originally intended in the constitution.

He believed that doing this would rescue the country from its retrogressive path and the myriad of challenges currently plaguing it.

Ambode made the observation in a paper he delivered at the University of Lagos Convocation Lecture and investiture of Oluwatoyin Ogundipe, a professor, as the 12th vice chancellor of the institution.

According to Ambode, the Federal Government is at the moment burdened with tasks beyond the reach of its best competencies. The states and local government are dissuaded from treating many matters of a local nature that are better left in their hands due to their greater knowledge of local conditions.

Nigeria's present political structure was seriously affecting the efficiency of both state and local governments, he said, submitting that for states to give optimal service to their citizens, the principle

of inclusion as being practiced in Lagos, where anybody irrespective of race or creed could rise to the pinnacle of their chosen career, first needed to be applied to the division of power between the federal and state governments.

"There recently has been clamour for devolution of power and true federalism. While much of this talk is good intentioned, I believe it misses the crucial point. The linchpin of good governance is not found in the system deployed but in the quality of its administration.

"We must implement the federal system as it was intended to be. Heretofore, too much power has resided in the national government. This has been to the detriment of the authority and efficiency of both state and local governments.

"This has caused a governance vacuum of sorts. The Federal Government is burdened with tasks beyond the reach of its best competencies. The states and local government are dissuaded from treating many matters of a local nature that are better left in their hands due to their greater knowledge of local conditions.

"We need to shift some functions/responsibilities from the national government to place more of it in the hands of the States. This is how we give

federalism the best chance to work. Until we do this, calls to abandon the current system serve not to fix the underlying problem," he said.

"There is widespread consensus that too much power sits in the centre. We can correct this imbalance by real-locating power and responsibilities between the states and Federal government by amending the list of exclusive and concurrent powers and duties of these governments to reflect current realities in the nation.

"These changes will have beneficial impact visible within a short amount of time. The impact of these changes, though political in origin, will be economic in nature and it is in our economic life where the nation needs the most help," the governor said.

Earlier, Ogundipe lauded Ambode for his commitment to the education sector, saying the institution (UNILAG), where the governor himself graduated from, was proud to associate with his achievements.

He particularly thanked Lagos State for granting 75 percent waiver on revenue payable by the institution to the state, saying the gesture, among others, showed Ambode's passion for the development of the education sector.

CBN boosts liquidity in forex market with \$210m

HOPE MOSES-ASHIKE & ONYINYE NWACHUKWU

Central Bank of Nigeria (CBN), on Tuesday, boosted the interbank Foreign Exchange market with another sum of \$210 million.

Consequently, naira value was lifted against the dollar as it closed at N360.64k per dollar on Tuesday, compared with N360.91k traded the previous day at the investors and exporters forex window, data from FMDQ indicated.

At the Nigerian Autonomous Foreign Exchange Fixing (NA-FEX), the local currency gained marginally by N0.06k to close at N360.77k on Tuesday from

N360.83k on Monday.

The bank again offered the sum of \$100 million to authorised dealers in the wholesale segment of the market. The Small and Medium Scale Enterprises (SMEs) segment received the sum of \$55 million while the sum of \$55 million was apportioned to invisibles such as tuition fees, medical payments and Basic Travel Allowance (BTA).

A statement from the bank's acting director, corporate communications department, Isaac Okorafor, confirmed the figures and reiterated CBN's capacity to continue to sustain the foreign exchange intervention.

Okorafor urged authorised dealers to help sustain the confidence in the foreign exchange market by continuing to honour requests from customers with genuine needs.

It would be recalled that the CBN last Friday, May 4, 2018, intervened in the Secondary Market Intervention Sales (SMIS) to the tune of \$349.34 million.

CHANGE OF NAME

I, formerly known and addressed as **Anthony Carine Oluchi** now wish to be known and addressed as **Anthony Irene Onyinyechi**. All former documents remain valid. General Public please take note.

CHANGE OF NAME

I, formerly known and addressed as **Ishola Betty Kudirat** now wish to be known and addressed as **Kolawole Betty Kudirat**. All former documents remain valid. General Public please take note.

CHANGE OF NAME

I, formerly known and addressed as **Chiagozie Priscal Okwubido** now wish to be known and addressed as **Chiagozie Priscal Ojukwu**. All former documents remain valid. General Public please take note.

ADDITION OF NAME

I, formerly known and addressed as **Abdulazeez Sakiru** but now am adding **Babatunde**. And i now wish to be known and addressed as **Abdulazeez Babatunde Sakiru**. General public please take note.

CHANGE OF NAME

I, formerly known and addressed as **Ogundiran Adamo** now wish to be known and addressed as **Basiru Adamo**. All former documents remain valid. General Public please take note.

CHANGE OF NAME

I, formerly known and addressed as **Ayanwuyi Oluwatosin Taiwo** now wish to be known and addressed as **Eboade Oluwatosin Taiwo**. All former documents remain valid. NSCDC, General Public please take note.

CHANGE OF NAME

I, formerly known and addressed as **Bokoh Ademola Philip** now wish to be known and addressed as **Bokoh Ademola Philip Akoteyon**. All former documents remain valid. General Public please take note.



L-R: Abdulaziz Kaita, management staff, Julius Berger Nigeria (JBN); Wolfgang Goetsch, MD, JBN; Jafaru Damulak, director, JBN; Gladys Talabi, director, JBN; Sunny Nwosu, shareholder, JBN; Cecilia Madueke, JBN company secretary, and Martin Brack, finance director, JBN, at the company's investors forum in Lagos, Tuesday.

GE begins interim phase narrow gauge rehabilitation in June

... freight haulage to increase from 50 tons to 500,000 tons

MIKE OCHONMA

Federal Government has disclosed that General Electric (GE) will commence partial rehabilitation of the Lagos-Kano narrow gauge rail lines next month.

This new development is coming on the heels of last week's signing of a \$2.8 billion concession agreement between GE, in consortium with Transnet and other foreign firms and the Nigerian government.

Rotimi Amaechi, minister of transportation, disclosed this Tuesday at Papalanto, Ogun State, during the monthly in-

spection of Lagos-Ibadan standard gauge rail project.

Amaechi said the concession of rehabilitating the narrow gauge lines to GE would greatly increase the number of kilometres on the existing narrow gauge lines from the abysmal 15 to 18 per hour to an estimated 40 kilometres per hour with its associated positive economic spin-off effects in terms of trade and commerce.

Under the new MoU, GE will also carry out rehabilitation work on the narrow gauge rail lines from Lagos-Kano to Funtua, extending to Kaura Namoda, the minister said, adding that

the conglomerate would also rehabilitate the Port Harcourt to Maiduguri corridor, which would require additional \$50 million.

He assured that while the GE narrow gauge rail tracks rehabilitation was ongoing, the government would also carry on with the ongoing construction of the standard rail project so that the economic and political pressure being suffered by the people, the travelling public and the business community would be reduced.

This programme is expected to deliver an increase in the number of available locomotives, thus increasing the fre-

quency of passenger and freight rail services. In addition, freight haulage capacity by the end of the first 12 months of the interim phase is expected to increase roughly ten-fold, from its current less than 50,000 metric tons per annum to about 500,000 metric tons per annum.

Lazarus Angbazo, CEO of GE Nigeria, said in the US, while signing the MoU, "GE is committed to the sustainable development of Nigeria and as such we are delighted to have reached this crucial stage of the project to revamp and revitalise the country's legacy rail infrastructure system.



BERGER PAINTS NIGERIA PLC.

RC 1837

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Fifty-Eighth Annual General Meeting of Berger Paints Nigeria Plc. will be held at NECA Hall, Plot A2 Hakeem Balogun Street, Alausa, Ikeja, Lagos on Thursday June 7, 2018 at 11:00 a.m. to transact the following business:

Ordinary Business

- To lay before the meeting the Audited Financial Statements for the year ended 31st December, 2017, the reports of the Directors, the Auditors and the Audit Committee thereon.
- To declare a dividend.
- To re-elect Directors.
- To authorize the Directors to fix the remuneration of the Auditors.
- To elect shareholders' representatives to the Audit Committee.

Special Business

- To approve the remuneration of the Directors.
- To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company:

That the general mandate given to the Company to enter into recurrent transactions with related parties for the Company's day-to-day operations, including amongst others the procurement of goods and services, on normal commercial terms be and is hereby renewed.

Notes

(I) Proxies

A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy on his or her behalf. A proxy need not also be a member of the Company. A form of proxy is attached to the Annual Report and Accounts and if it is to be valid for the purpose of the meeting, it must be completed and deposited with the registrars, Meristem Registrars and Probate Services Limited at 213, Herbert Macaulay Way, Adekunle, Yaba, Lagos State not less than 48 hours before the time of the meeting. To be effective, the proxy form must be duly stamped and signed.

(II) Closure of Register of Members and Transfer Books

The Register of Members and Transfer Books of the Company will be closed from May 7 2018 to May 11 2018 (both days inclusive) for the purpose of preparing an up-to-date register.

(III) Dividend

The Board of Directors of the Company has recommended a dividend of 50 kobo per share, which is payable less withholding tax. If the recommendation is approved at the forthcoming Annual General Meeting, the dividend will be transferred by June 8, 2018 to shareholders whose names appear in the Company's Register of Members as at close of business on May 4, 2018.

(IV) Unclaimed Share Certificates and Dividend Warrants

All shareholders are hereby informed that the registrars of the Company are holding share certificates and dividend warrants which have been returned as "unclaimed". Some dividend warrants sent to shareholders' registered addresses or their bankers are yet to be presented for payment or returned to the Registrars of the Company for revalidation.

(V) Accounts

Notice is hereby given to all shareholders to open bank accounts and CSCS accounts for the faster receipt of dividends and in accordance with the directive from the Securities and Exchange Commission. Details of such accounts should be sent to the registrars of the Company. A detachable e-dividend/CSCS form is attached to the Annual Report and Accounts.

(VI) Nominations to the Audit Committee

In accordance with Section 359 (5) of the Companies and Allied Matters Act, CAP C20, Laws of the Federation of Nigeria, 2004, any member may nominate a shareholder as a member of the Audit Committee, by giving notice in writing, of such nomination to reach the Company Secretary at least 21 days before the Annual General Meeting.

(VII) General Mandate

In line with the Nigerian Stock Exchange Rules on Transactions with Related Parties, the Company is required to seek a renewal of the general mandate from shareholders as per item 7 of the agenda above. Members had unanimously given a general mandate to the Company at the last Annual General Meeting to enable it enter into related party transactions for the Company's day-to-day operations.

(VIII) Rights of Securities Holders

The NSE Rulebook reserves the right of shareholders and other holders of the Company's securities to ask questions both at, and prior to the AGM. They may submit their written questions arising from the Annual Report and Accounts to the Company Secretary, at least one week before the AGM and forward copies to the regulators.

Dated March 29, 2018
By Order of the Board

OLUSEUN OLUWOLE, FCIS
Company Secretary
FRC/2013/NBA/00000000856
102 Oba Akran Avenue, Ikeja, Lagos.

SUMMARY OF AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

The Board of Directors of Berger Paints Nigeria Plc. hereby announce the company's audited financial results for the Year Ended 31 December, 2017

	2017 N'000	2016 N'000
Revenue	3,092,445	2,602,824
Profit before Taxation	339,456	271,770
Tax Expense	(93,180)	(47,763)
Profit for the Year	246,276	224,007
Other Comprehensive Income for the Year	18,974	10,212
Total Comprehensive Income	265,250	234,219
Earnings per Share:		
Basic (kobo)	85	77

SUMMARY OF UNAUDITED RESULTS FOR FIRST QUARTER ENDED 31 MARCH, 2018

The Board of Directors of Berger Paints Nigeria Plc hereby announce the company's unaudited financial results for the First Quarter ended 31 March, 2018.

	31 Mar, 2018 N'000	31 Mar, 2017 N'000
Revenue	834,336	788,657
Profit before income tax	103,113	129,994
Tax expense	(32,996)	(41,599)
Profit for the year	70,117	88,395
Other comprehensive income	—	—
Total Comprehensive income for the year	70,117	88,395
Earnings per share:		
Basic (kobo)	24	30

By Order of the Board

Oluseun Oluwole, FCIS
Company Secretary
FRC/2013/NBA/00000000856

NEWS

LAPO says fire outbreak in office caused by power surge

IDRIS UMAR MOMOH, Benin

Management of Lift Above Poverty Organisation (LAPO) on Tuesday said the fire outbreak that occurred in its head office in Benin City, the Edo State capital, was caused by power surge.

James Wisdom Abhulimen, communication officer of the organisation, in a post in the financial institution's Twitter handle, who confirmed the fire outbreak, said the incident occurred within the elevator at 9am.

Abhulimen, who said the fire was quickly put off by a team of dedicated staff and security personnel on duty, said no life was lost in the inferno, and no property was damaged.

According to the Twitter message, "fire outbreak was averted at the LAPO Head Office in Benin City by 9am today. The fire was ignited by power surge within the elevator and was quickly quelled by a team of dedicated staff and security personnel on duty."

"We are happy and very grateful to God that there was no casualty and damage of any kind. We appreciate the goodwill and solidarity of members of the public and the press in particular. Thank you and God bless!"

Also speaking, Sabina Idowu Osehobor, executive director of LAPO, allayed customers and members of the general public fears that the incident caused some damages or affected activities in the company.

Nigeria, Togo, others' poor power situation blamed for low technology

MODESTUS ANAESORONYE
in Accra, Ghana

The poor power situation in Nigeria, Togo and some other African countries has been blamed for low impact of technology in driving insurance penetration in the continent.

This is believed to undermine investment in technology by insurance companies, as majority of potential consumers are either not connected or poorly connected as a result of poor power situation.

Experts, who spoke at the ongoing 45th African Insurance Organisation (AIO) Conference and General Assembly taking place in Accra, Ghana, believe this is impacting negatively on the cost of operations of insurance companies.

According to them, this development is discouraging more investments in insurtechs.

Delphine Traore Maidou of Allianz Global Corporate and Speciality, South Africa, said a lot could be achieved with technology in deepening penetration, if the necessary infrastructure could be put in place in most African countries.

She said, "Nigeria, Togo and some West African countries are the most affected," stating that not much was being done by their respective governments to address these challenges.

Ray Ankra, board chairman, National Insurance Commission (NIC), Ghana, who moderated the session on 'Pay As You Go Insurance,' said the insurance industry must embrace technology to entrench and deepen penetration.

Ankra however observed the need for needed infrastructure to enable technology work effectively in different parts of Africa, stating that insurers must push on governments for infrastructure development.

"Technology is the way of life and whether you like it or not, it has come to stay," he said.

According to Ankra, customers of today are technology savvy, and so have got choice to make when it comes to buying of insurance, as "we live in a world of choice; we have rainbow of choices and the customer is key."

Inga Beale, CEO of the Lloyds of London, had urged

insurance outfits to embrace the latest technologies to fasten claims process, noting that, policyholders must be served through latest technology that would make claims process seamless and timely.

According to her, "With the latest technology, you should have records of claims and be able to track it."

On his part, Doug Lacey, special advisor, LeapFrog Strategic African Investments (LSAI), said customers remain the most asset of any business, charging African underwriters to cement a better relationship with policyholders to the extent of understanding their personal life.

He stated that products should be tailored towards meeting the needs of individual customers, rather than a stereotype approach of assuming what the customers need.

"For effective service delivery to customers, insurers must adopt human-centric approach rather than product-centric approach in product delivery. The human aspect is very important to the industry. We must be ambitious to provide the best services to our customers," he said.

'Nigeria may begin mass exportation of fertilizer within next two years'

DANIEL OBI

Chairman of Fertilizer Producers and Suppliers Association of Nigeria (FEPSAN), Thomas Etuh, says Nigeria will be in good position to export fertilizer within the next two years if current gains of the Presidential Fertilizer Initiative (PFI) are sustained.

Already, Etuh says the country is currently selling the important agro input to some of Nigeria's neighbours like Benin Republic, Chad, Cameroon and Niger Republic, a development that will help restore the country's position as the food basket of the West African sub-region.

The export opportunity from fertilizer, he says, will be made possible by the increased local production of fertilizer that has ramped up from a mere 500,000 metric tons pre-2015 to close to 2 million metric tons currently.

Etuh, who made this known in a statement, commends President Muhammadu Buhari for initiating the PFI, which has helped farmers access the input at affordable prices thereby reducing their overheads, boosting yield and encouraging more players to invest in the agriculture value chain.

"Before the conceptualisation and activation of the PFI, we

had a situation where there were 32 fertilizer blending plants in Nigeria that were moribund. Out of this number, only five blending plants were functional and even then, they were producing at 10 percent capacity on the average, and that was because of excessive emphases on importation.

"This also meant, by its very implication, that we were exporting our jobs even when we cannot provide jobs here in Nigeria. Foreign Exchange that is scarce is spent building other people's economies," he states.

Nigerians must make concerted efforts to show commitment towards solving the employment challenges that have been mounting in the country over the past decades, he says, and is sure that one of the critical planks of reversing the trend is a sustained investment in agriculture in a creative way, not to create losses to both the government and the people.

He commends the President for showing the "political will" that has made it possible for the initiative to become a huge success, expressing his optimism that the journey towards food security for Nigeria may well have begun on a sound footing with the huge impact the PFI programme has made on the volume of food production in Nigeria within only two years.

Ogun to reduce post-harvest losses, shops for produce processors

RAZAQ AYINLA, Abeokuta

Going by incessant post-harvest losses recorded on perishable farm produce by farmers and investors operating in Ogun State, the state government is focusing on preservation and effective processing of farm produce.

Although, Ogun is considered as emerging industrial hub in Nigeria, hosting hundreds of manufacturing and service-based firms, it however fails to convert its huge agricultural production potentials and capacity into sustainable investment, creating wealth and desired employment opportunities for the youth through effective processing of produce harvested in various farms.

Consequently, the state government has requested local and foreign investors to consider investment in processing and preservation of agricultural produce in order to reduce post-harvest losses and create wealth and desired employment opportunities, which will in return, boost the state's economy.

Speaking at the closing ceremony of the ninth Gateway Trade Fair held at the MKO Abiola Trade Fair Complex, Oke-Mosan, Abeokuta, on Monday, Governor Ibikunle Amosun said, "Although Ogun State is now known to be the industrial hub of the country, there must be cogent efforts to attract adequate investment in effective processing and preservation of agricultural produce that serves as raw materials for manufacturing activities."

Provost urges Senate to speed up bill on immortalising Ikoku

Provost of the Abia State College of Education (Technical), Arochuku, Philips Nto, has urged the Senate Committee on Education to double its efforts geared towards immortalising one of Nigeria's foremost educationist and nationalist, Dr Alvan Ikoku.

Nto made the assertion while making a presentation at the public hearing in support of a bill sponsored by Mao Ohuabunwa, senator representing Abia North Federal Constituency for the establishment of a Federal College of Education (Technical), in Arochuku.

He said embossing the picture of Ikoku in the Nigerian currency was not enough honour for a man who did so much for Nigeria.

The Provost made his presentation in the presence of members of the Senate Committee on Education, saying the governing council, management, staff and students of the Abia State College of Education (Technical), Arochuku, already in support of the bill favoured takeover of the existing college for the purpose.

Given reasons for the Federal Government takeover of the institution, Nto posited that the location of the institution formerly, Agrey Memorial Technical College, founded by the late Dr Alvan Ikoku, was a good gesture. "It is this reason that the governing council, staff and management of ASCETA is recommending the school to immortalise Ikoku," he said.



L-R: David Collett, group chairman, Catch Energy; Juliet Ehimuan-Chiazor, country director, Google; Wale Omole, chairman, TelCo Europe Nigeria, and Rudolph Fielder, CEO, Europe TelCo, during the inauguration and official unveiling of TelCo Sol off-grid solar power system in Lagos, yesterday.

Pic by Pius Okeosisi

Osinbajo, Fashola lead discussion at public, private sector policy dialogue on infrastructure

CHUKA UROKO

Vice President Yemi Osinbajo and Babatunde Fashola, minister for power, works and housing, will lead discussion when both public and private sector stakeholders gather in Lagos next week to discuss infrastructure challenges and maintenance in Nigeria.

This is the first time in recent history public and private sector operators are coming together to talk about the country's poor infrastructure base and the way forward for the maintenance of the existing ones, many of which are in deplorable conditions.

The last time Nigerians gathered at public sector level to proffer solution to infrastructure challenge was 2013, when some

'wise men' were assembled to work out a National Infrastructure Master Plan (NIMP), which came out with a 30-year plan that required N30 billion spend every year to execute.

Since 1960, when the country's population was just 46 million to today when it is over 170 million, investment in infrastructure has been quite minimal and maintenance of existing ones almost zero, hence the huge deficit, Emmanuel Mayowa, an infrastructure expert, says requires about \$1 trillion to bridge.

Records show that during the five years ended 2016, Ghana, Ivory Coast and Kenya invested 5.3 percent, 6.5 percent and 7.5 percent respectively of their national income in infrastructure, but Nigeria, the giant of the con-

continent, invested only 2.1 percent.

The reason frequently given by managers of the country for this under-investing in this very important part of the economy is that the tax revenue of government is too low. The non-oil tax as a percentage of national income in Nigeria, they say, is about 4 percent which contrasts sharply with Angola's 9 percent, Ivory Coast, 15 percent, Ghana, 16 percent and Kenya, 17 percent.

But it is argued that the government, acting alone, is unable to make the investments required in this sector, which makes the policy dialogue being organised by experts in the facilities management industry led by Klinserv Solutions Limited, a provider of Asset & FM Technology support services, a veritable

platform for all concerned to seek solution to this nagging national problem.

The forum, which anticipates other top-level government functionaries and experts from in and outside the country has as theme 'Effective Maintenance as a tool for National Development' and will be focusing on Education, Healthcare and Technology.

"One of the biggest challenges of our economy has been our persistent inability to articulate a sustainable national and sub-national policy and framework that will ensure the regular and effective maintenance of our public assets, buildings, utilities infrastructure and facilities," noted Tunde Ayeye, the lead convener and executive chairman of Klinserv Solutions.

World Bank officials to meet Osinbajo, governors, Adeosun over projects in Nigeria

A World Bank Mission, comprising of 10 executive directors, is expected in Nigeria on Wednesday to hold high-level discussions with Vice President Yemi Osinbajo; Kemi Adeosun, finance minister, and some governors over the bank's projects in Nigeria.

In the World Bank Mission are the bank's executive directors for Switzerland, France, Italy, Nordic, Peru, Germany, South Africa (representing Angola, Nigeria and South Africa), Burkina Faso (representing Francophone sub-Saharan Africa), Zimbabwe (representing Anglophone sub-Saharan Africa), UK and Indonesia.

The delegation will discuss ongoing World Bank projects and the country's development priorities with the Nigerian team.

The officials will also meet the organised private sector in Lagos as well as undertake a tour of LAPO Microfinance project in Lagos and Azura Power Plant in Edo State.

The visit is expected to provide a first-hand impression of the challenges that both the federal and state governments face in implementing development projects as well as ensuring good governance overall.

Nigerians export 45.462MTs of agric, manufactured products from Tin-Can port

... as Customs records N29.15bn FoB value from export in Q1

AMAKA ANAGOR-EWUZIE

Nigerian farmers and manufacturers exported agric produce and manufactured goods measuring about 45.462 metric tons through the Tin-Can Island Port in the first quarter of the year - January to March -, Tin-Can Island Port Customs Command (TICP), says.

The command also recorded a total Free on Board (FoB) value of N29.146 billion on the exported goods within the period under review.

"This represents an appreciable improvement of 558.46 percent in volume of the export trade through Tin-Can port, when compared with 8,140.6 metric tons of goods with FoB value of N7.246 billion, exported through TICP the same period in 2017," Abdullahi Musa, Customs area controller of TICP, said on Tuesday in Lagos.

Musa, who gave the command's first quarter report to newsmen, said the Federal Government initiative on export, especially the agric commodities had

started yielding result as many farmers and manufacturers now earn foreign exchange by taking their produce to the international markets.

He listed the most popular agric produce being exported through Tin-Can Port to include cashew nut, rubber, hibiscus flower, cocoa butter, sesame seed, processed wood, frozen shrimps, and processed leather.

According to Musa, Nigerian manufacturers also export finished products such as empty bottles, biscuit, cigarette, polyethylene, billets, soap, hair cream and tissue paper to other countries.

On the revenue generated from payment of import duties and levies within the period under review, he said the command collected the sum of N104.5 billion against projected revenue of N116 billion.

"This sum represents growth in revenue profile of the command compared to the sum of N82.154 billion collected in 2017, which shows a difference of about N22.68 billion, equivalent to 27.61 percent growth," he explained.

He attributed the increased

in revenue collection to the establishment of standard operating produce (SOP) and strong revenue drive achieved through blocking of areas of revenue leakages.

Continuing, he said: "TICP is committed to transforming its revenue collection and reporting system with the implementation of the Nigeria Integrated Customs Information System (NICIS 11), which has an additional functionality compared to NICIS 1. We are also introducing one-stop-shop system that will enable the treatment of declarations with valuations, classification and other related clearance issues and queries."

On anti-smuggling, the command also intercepted one by 40-foot and one by 20-foot containers of Tramadol Hydrochloride, declared as electrical static converters, and ciprofloxacin; three by 40-foot containers of electronic waste considered as toxic to health and environment; five by 40-foot containers of second-hand clothing and one by 40-foot container of used tyres, all contained in the import prohibition list and have duty paid value of N124 million.

Fighting Corruption is Dangerous by Ngozi Okonjo-Iweala

...describes plugging the leaks in a graft-ridden state

WILLIAM WALLIS, FT

There is a telling anecdote in the epilogue of Ngozi Okonjo-Iweala's account of her second stint presiding over the mercurial finances of Africa's largest economy. After she had left Nigeria and office, police acting on the tip of a supposed whistleblower raided her house in Abuja in search of cash hoards. When they found some bags in the basement, they thought they had hit the jackpot.

Only the bags turned out to contain four years' worth of newspaper clippings. No money. One of the most insidious tactics deployed by vested interests against those obstructing corruption is to spread malicious rumours that cast doubts on the integrity of their target.

Long before US president Donald Trump had popularised the terms "fake news" and "alternative facts", Nigeria's gangster politicians and profiteers had honed that dark art. Mrs Okonjo-Iweala, a former managing director of the World Bank who paved the way for the writedown of Nigeria's historic debts as finance minister between 2003 and 2006 — and served again under the hapless administration of Goodluck Jonathan between 2011 and 2015 — has been relentlessly targeted: a sure sign that she trod on powerful toes.

Her second book is partly a bid to set the record straight in the wake of venomous allegations that trailed her out of office when Mr Jonathan lost elections in 2015 and the government changed hands. It is also a courageous account of the battle against graft in Nigeria. Between the lines, the book also serves as a diagnosis of what is wrong and a prescription for how it could be put right. There are tragicomic moments. One is when Mrs Okonjo-Iweala puts paid to a duplicate cargo tracking system at the ports tailored to line pockets.

This act rebounds on her when she finds she can no longer enter the president's residence via the VIP entrances. Even in the company of the visiting IMF chief, Christine Lagarde, she is forced to make detours through the gardens. Often, the counter-attacks were far more sinister.

Mrs Okonjo-Iweala's 83-year-old mother was kidnapped and bound for days at the suspected best of oil marketers, whose

fraudulent subsidy claims the minister had blocked. Their ransom demand was that she resign on television.

She did not. Soon after, she was warned of a plot to attack her personally. She recalls one meeting that the president asked her to attend with a group of businessmen from Abu Dhabi, who promised \$2bn in loans dressed up as an investment in ship building. "The presidential adviser had the I-told-you-so look, as though once you get this woman involved, then this won't work." The adviser was right. She blocked what looked to her like an attempt to replicate a 2013 fiasco that had seen the state of Mozambique saddled with hundreds of millions of dollars of odious debt in return for a redundant tuna fishing fleet. The book may be a self-defence, but it is not self-congratulatory. Much of it describes the relentless task reformers take on when they seek to plug the leaks springing from the state.

There are ghost workers and pension scams, collusion between contractors and civil servants in bogus debt, and near constant arm wrestling with legislators and state governors to prevent waste. All the time, income to the Treasury, most of which comes from oil, was being squeezed — on one side, by industrial scale theft from pipelines and state company accounts; on the other, by multibillion-dollar fraud in the allocation of fuel subsidies. As a result, one of the world's foremost development experts spent most of her time mounting rearguard actions to prevent Africa's leading crude producer going bankrupt in an oil boom.

"The government's stance against corruption delivered mixed messages," she writes with considerable understatement. Friends warned her not to work for Mr Jonathan, fearing she would lend credibility to a government that did not merit it and sacrifice her own hard-won reputation. She still has her own misgivings, mostly about the dangers faced by her family. Nevertheless she believes it was worth it.

Billions went missing. But by her own estimation, finance ministry interventions saved the country around \$9bn directly. As another Nigerian reformer put it to me once: "Had she not been there, it would have been much, much worse."



L-R: Olayinka Oni, chief information officer, Sterling Bank plc; Depo Martins, chief marketing officer, Sterling Bank plc; Tinuke Awe, executive director, Nigerian Stock Exchange (NSE); Abubakar Suleiman, chief executive officer, Sterling Bank plc; Justina Lewa, company secretary, Sterling Bank plc, and Adebimpe Olamiwonna, group head, finance/performance management, Sterling Bank plc, during the closing bell ringing at the stock exchange yesterday.

Senate summons telcos, NCC, others over unsolicited adverts

OWEDE AGBAJILEKE, Abuja

Senate has mandated its Committee on Communications to invite the four leading telecoms firms and the Nigerian Communications Commission (NCC) to seek ways of addressing unsolicited adverts by telcos and service providers.

Also summoned to appear before the Gilbert Nnaji-led committee are representatives of the Consumer Protection Council as well as the Association of Advertising Practitioners of Nigeria (AAPN).

This followed a motion moved by Yahaya Abdullahi at Tuesday's plenary.

The four leading telcos to appear before the panel are MTN, Airtel, Globacom and 9Mobile.

Moving the motion, Abdullahi lamented that even though service providers had been reaping huge revenues from their investments, Nigerians had not enjoyed com-

mensurate quality of services from them.

The lawmaker expressed concern that with high tariffs and an estimated 150 million subscribers in the country, the four operators within the industry, namely: MTN, (53.4m, or 39%), Airtel (38.3m, or 26%), Globacom (38.2m, or 26%) and 9Mobile (16.8m, or 12%), were yet to fully integrate themselves into the larger Nigerian economy, in ways that could provide opportunities for Nigerians to benefit from their operations.

He decried the increased incidences of dropped calls, unaccounted 'disappearance' of airtime from devices, weak signals across networks and false report of unavailable call destinations, frequent unsolicited calls, product and programme promos, instances of tricking Nigerians to subscribe to riddles and jokes and indiscriminate religious contents.

Moghalu's TBAN movement gets Jide Akintunde as spokesman

Managing editor/CEO of Financial Nigeria International Limited, Jide Akintunde, has been announced as the official spokesman for 'To Build A Nation' (TBAN), the transformation movement for 2019 presidential candidate and former deputy governor of the Central Bank of Nigeria (CBN), Kingsley Moghalu.

A graduate of the University of Lagos, Akintunde is also the director of Nigeria Development and Finance Forum (NDFF), a platform to directly provide country policy and financial market briefings to government representatives, private sector leaders, members of chambers of commerce, Nigerians in the

Diaspora, and the international community annually.

As a writer, columnist and editor, he has interviewed high-level policymakers and business leaders across the world. He has been published in several national and international media platforms, successfully developing Financial Nigeria magazine into a useful tool in policy management, corporate communications, and market entry strategies.

With the vision to transform Nigeria through action and a collective voice, TBAN, a grassroots arm of Moghalu's presidential campaign, is centred on mobilising support and advancing the candidate's policies and priorities among Nigerians.

PRIVATE EQUITY DEALS IN 2018					
DATE	ACQUIRER	ACQUIREE	SECTOR	INVESTMENT PERCENTAGE	INVESTMENT AMOUNT
JANUARY	AFFELKA	7 UP	MANUFACTURING SECTOR	26.80%	N21.45 BILLION
JANUARY	ATLAS MARA	UNION BANK	BANKING	3.50%	N6.6 BILLION
JANUARY	INTEGRATED DIAGNOSTICS HOLDINGS & MAN CAPITAL	ECHO SCAN	HEALTH		N9 BILLION
JANUARY	AMAYA CAPITAL PARTNERS	RENSOURCES	ENERGY		N1.2 BILLION
FEBRUARY	ZINOX GROUP	KONGA	E-COMMERCE	100%	N12.6 BILLION
FEBRUARY	AFRICAN INFRASTRUCTURE INVESTMENT MANAGERS (AIMM)	STARSIGHT POWER UTILITY	POWER		N10.8 BILLION
FEBRUARY	RESERVIOR CAPITAL CORPORATION	KANJI POWER HOLDING LIMITED	POWER	60%	N/A
MARCH	ALTA SEMPER CAPITAL LLP	HEALTH PLUS LIMITED	HEALTH		N6.4 BILLION
MARCH	SAHEL CAPITAL	COSCHARIS FARMS	AGRICULTURAL SECTOR		N/A
APRIL	DE UNITED FOODS INDUSTRIES LIMITED	MIMEE NOODLES	CONSUMER GOODS	100%	N775 MILLION
					Total N68.9 BILLION

Global M&A trend shows up in Nigeria activity

LOLADE AKINMURELE

Nigeria is not getting left behind in a global tide that has seen Mergers and Acquisitions (M & A) rise to an eleven-year high of \$US1.7 trillion in 2018.

Mergers and acquisitions is a general term that refers to the consolidation of companies or assets.

Nigeria recorded some \$225 million (N68.9 billion) in M&A deals between January and April 2018, the best start to a year since 2008, when Business Day started tracking deal data.

The latest deal was the N775 million paid by DE United Foods Industries Limited (DUFIL), owners of Indomie noodles, in April, to May & Baker Nigeria, for the 100 percent acquisition of its food production line which covers its noodles business- Mimee Noodles.

There is however a feeling in the investor community that deals could be much higher with the right government reforms in some sectors.

The average deal value in the four month period between 2008 and 2017 was \$215 million.

Financial and legal advisers said the rising activity in the Nigeria M & A space, after a dull 2016 and 2017, was due to improved

dollar liquidity and the country's exit from economic recession. They say the trend is likely to continue.

"We have observed a surge in private equity firms looking to acquire Nigerian assets," said Adekunle Adebisi, the vice president at Lagos-based financial advisory firm, MBO capital.

"Improved dollar liquidity and the country's economic recovery are encouraging global investors and that is powering the rapid growth we are seeing," Adebisi told BusinessDay.

"The impending 2019 elections has also got private equity investors scrambling to close deals as early as possible," Adebisi added.

Some of the major deals this year include the N21.45 billion or 26.8 per cent acquisition of soft drink bottling company, Seven-Up, by majority shareholder, Affelka SA.

Another is the \$35 million (N12.6 billion) acquisition of e-commerce firm, Konga by Zinox on February 2. Konga struggled since an 81 per cent slide in the naira saw its initial valuation of \$USD200 million take a haircut.

Deal making in Africa's biggest economy will stage a comeback in 2018 and 2019, according to Chicago-based multinational law firm, Baker McKenzie, as cur-

tains draw on a period of policy uncertainty which saw Mergers and Acquisitions (M&A) shrink since 2016.

M&A transactions in Nigeria were valued at US\$ 1.2 billion in 2016, according to data compiled by McKenzie, and the latter forecasts a 67.8 percent decline to US\$ 716.4 million in 2017.

Nigeria is however tipped to pick up the pieces of a disappointing outing this year, with a 455 percent increase in M & A deals to USD\$3.977 billion in 2018, before declining marginally by 1.5 percent to US\$3.936 billion in 2019.

Wildu du Plessis, head of Africa at Baker McKenzie, attributes the expected uptick in deals in the two years after 2017, to improved oil production and foreign exchange liquidity.

"We note that in Nigeria, policy and economic uncertainties, had contributed to stalled deal making in 2017," du Plessis told BusinessDay.

"As these conditions ease in the final months of 2017 and into 2018, a rebound in M&A to around US\$4 billion in both 2018 and 2019 is forecasted," said du Plessis.

Brent oil currently sits at a four-year high of \$76 per barrel, and US President Donald Trump's decision Tuesday to withdraw from the Iran Nuclear deal bodes well for a further surge in oil prices.

"With our expectation of US government failing to recertify the deal in mind, we expect price to trade within \$72 to \$80 range

during the week," EcobankEnergy report released on May 7.

"Any time oil prices go up, investor sentiments about Nigeria gets a boost and that will translate to increased M & A activity," said Egie Akpata, a director at Union Capital markets.

"Currency stability will also play a crucial role in driving increased activity," Akpata added.

Meanwhile oil exports have also inched up, following the conclusion of repairs to damaged oil pipelines.

Africa's largest oil producer pumped some 1.861 million barrels of crude oil per day in April, according to most recent data from OPEC. That's 20 percent higher than the 1.557 million barrels daily pumped in 2016.

Off the back of acute dollar shortages that sent the naira spiralling to an all-time low of \$520 per dollar at the black market last year, the embattled currency has stabilised since the central bank created a market-driven window (I&E) in April 2017 and oil prices and production recovered.

The naira has traded fairly stable at N360 per dollar at the I&E window since its April introduction. At Tuesday's trading then naira exchanged for N360.64 per US dollar according to FMDQ data. It exchanged for N361 per dollar at the black market.

Improved currency stability partly contributed to the country's exit from recession in the second quarter of 2017, with the IMF projecting growth of 2 percent this year on the back of a 0.8 percent growth in 2017.

In a signal of investors' approval of the new window, called the Investors' and Exporters' window, close to \$40 billion worth of transactions have been made on the window since inception in April 2017, according to data provided by trading platform, FMDQ.

Other Nigeria deals this year include the \$25 million (N9 billion) acquisition of Nigerian medical diagnostics business, Echo Scan by London-listed Integrated Diagnostics Holdings (IDH) which created a joint venture with Man Capital, the investment arm of the billionaire Mansour family.

IDH and Man Capital partnered with the World Bank's International Finance Corporation to invest in Echo-Scan, which is one of the biggest medical diagnostics players in sub-Saharan Africa. The deal was announced January 23.

In 2018, Atlas Mara was also involved in a deal worth N6.6 billion for the acquisition of a 3.5 per cent stake in Union bank on January 15.

The transaction increased Atlas Mara's stake in the lender to 48 per cent worth N91.4 billion. Union bank has a market cap of N190.498 billion.

Rensource, a Lagos-based distributed energy provider also secured N1.2 billion (\$3.5 million) in bridge financing to grow its power-as-a-service renewable energy business by expanding across Nigeria this year.

The round was led by Amaya Capital Partners; however, other key investors included the Omidyar Network and CRE Venture Capital. The deal was announced January 31.

PE WORD OF THE WEEK

Staple financing

This means a pre-arranged financing package offered to potential acquirers that includes all the details of a lending package. The name comes from the fact that the financing details are stapled to the back of the acquisition term sheet.

AVCA expects increased PE investment in Consumer products, Health care, Energy

ENDURANCE OKAFOR

African Private Equity and Venture Capital (AVCA), the pan-African industry body which promotes and enables private investment in Africa, in its sixth annual survey analysis revealed the sectors in Africa where it expects increased private equity investment in 2018.

The London-based organisation expects to see upward trajectory investments in; Consumer products & services, Health care, Energy, FinTech and Education sectors.

“One of the reasons we are particularly optimistic for this year is the demand for new and large infrastructure projects. Across the continent, there is a burning need for new roads, railway lines, modern ports, airports, power generation, mass housing, new schools, and hospitals,” AVCA said in a statement.

The sectors AVCA expect to record more private equity investments in 2018, aligns with some sectors that have already attracted private equity investments in Nigeria in the past four months into 2018, as compiled from BusinessDay private equity deal tracker.

For the health sector, two private equity deals have been transacted so far and they include;

Integrated diagnostics holdings & Man Capital investment of N9 billion into



Echo Scan and this deal was closed in January 23 2018.

This was followed by N6.4 million invested by Alta Semper Capital in in consumer healthcare sector, Health Plus Limited in March of this year.

In the Energy sector, Amaya Capital Partners Company made an investment of N1.2 billion in Resources, which was closed in January 31 of the year under review.

In February 2018, African Infrastructure Investment Manager closed a deal with Starsight Power Utility, a deal that was worth N10 billion.

There was also an investment in Kanji Power Holding Limited by Reservoir Capital Corporation, a 60 percent stake deal, transacted in February 2018.

While in April, De United Foods Industries Limited made a N775 million investment in Mimeo Noodles, a consumer goods sector.

Last year, African private equity produced a strong all-round performance in terms of funds raised, successful exits completed, and the number and variety of projects that were set in motion. Thus, there is every reason

to believe that 2018 will be better.

In 2017, Nigeria recorded the highest private equity deals in five years in the Africa continent.

Nigeria outperformed South Africa and Kenya to record a total of 112.14 deals amounting to \$7.8 billion in the five year period of 2012 and 2017, with South Africa recording \$2.8 billion while East Africa’s largest economy raked in \$1.17 billion.

“After the sharp slowdown of 2016, economic growth in sub-Saharan Africa rebounded last year on the back of firmer commodity prices and a general improvement in the world economy, particularly recoveries in the US, Japan, and the EU. The second strongest growth rate in almost two years was recorded in the third quarter of 2017,” Paul Boynton, Chief Executive Officer, Old Mutual Alternative Investments said in a statement.

“We expect continued commodity price rises and an improvement in oil prices to drive further economic growth across the region next year,” AVCA said in a publication.

PE exit trends in Africa

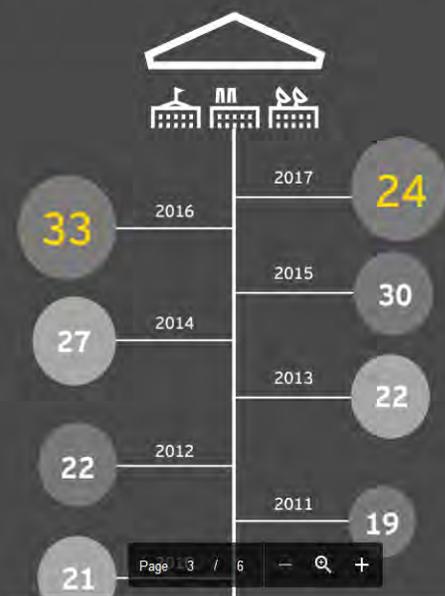
Top countries for PE exits (2016-2017)

As the chart below shows, from 2016-2017, besides South Africa and Nigeria, PE exit activity was high in the three large North African economies (Egypt, Morocco and Tunisia). Over the 2007-2017 period, exit activity was highest in South Africa (43%), Nigeria (8%), Egypt (8%), Kenya (6%), and Ghana (5%).



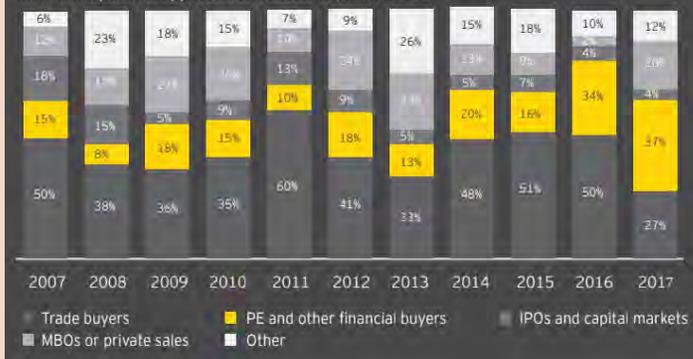
Number of PE firms achieving exits

The number of PE firms achieving exits reached a high of 33 in 2016. The decrease in 2017 was mainly due to fewer exits from more regional focused PEs.



Exit route

Exits to PE and other financial buyers continued to increase in 2017 (37%) and now represent the most common exit route. This is likely to be due to the large amount of capital raised by PE firms in 2014-2016 and PE firms needing to invest the capital raised. Corporates appeared to be less active in 2017.



PE exits by sector

Exits from portfolio companies in the Industrials sector increased in the last two years, driven particularly by South African exits. Exits of companies in the utilities sector increased, mainly due to exits of renewable energy projects and/or companies.

	2016-2017	2007-2015	2007-2017
Industrials	22%	17%	19%
Consumer staples	15%	13%	13%
Materials	13%	11%	11%
Consumer discretionary	12%	12%	12%
Financials	12%	21%	19%
Utilities	10%	2%	4%
Information technology	5%	6%	5%
Telecommunication services	5%	6%	6%
Health care	4%	8%	7%
Real estate	1%	5%	4%
Energy	0%	2%	1%

Source: AVCA data

UPCOMING CONFERENCE

The Africa trade and investment global summit

The 2018 Africa Trade & Investment Global Summit (ATIGS), is scheduled on June 24 to 26, 2018 at the World Trade Center Washington D.C, under the main theme “Driving Trade, Unleashing Investment and Enhancing Economic Development: the Gateway to African Markets”.

ATIGS is a prestigious biennial business conference and exhibition designed specifically to pro-

mote and facilitate international trade between Americas, Asia, Caribbean, Europe, UAE, with Africa; to facilitate foreign direct investment in Africa, and to provide a platform for businesses to expand into new markets.

ATIGS 2018 edition will gather key economic players from more than 70 countries including government delegations, high-profile African business leaders, project developers and international

investors.

The event will cover 16 economic sectors, particularly manufacturing, agribusiness, power, construction, transportation, IT, health, fintech, tourism, telecoms, and natural resources sectors. ATIGS has a well-structured format for facilitating direct peer engagement, for more advanced deal-making, co-investments, strategic partnerships, and business networking.

Financial Inclusion & INNOVATION

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5 Highlights from the 2017 Global Findex Report

IBUKUN TAIWO & OLAYINKA DAVID-WEST

The build up to the launch of the 2017 Global Findex Report in April generated a significant level of buzz within the development community. And for good reason - with time series data now available from 2011 to 2017, the Findex Report presents a useful estimate of our financial access journey so far - the progress made globally and, in Nigeria's case, the lack thereof.

The report itself is a compendium of insights which needs to be uncovered and analysed to unearth even more useful information especially on the ways we can enhance access to financial services for even more people.

And that's what we're doing this week. Let's begin:

1. Good news: Global Financial Inclusion is on the rise

We'll start off with the good news. Financial inclusion is on the rise globally. 69 percent of adults worldwide - 3.8 billion people - now have an account at a bank or mobile money provider. This is up from 62 percent in 2014 and just 51 percent in 2011. On the other hand, about 1.7 billion adults remain unbanked - without an account at a financial institution or through a mobile money provider. Virtually all these unbanked adults live in the developing world and half of them come



from seven countries, one of which includes Nigeria (other countries include Bangladesh, China, India, Indonesia, Mexico, and Pakistan).

2. DFS is driving financial activity

Digital financial services have been critical in driving financial access and activity for millions as there was significant increase in the use of mobile phones and the internet to conduct financial transactions. Between 2014 and 2017, there was a significant increase in the percentage of account owners who send or receive payments digitally - in the developing world, it went from 57 percent to 70 percent. Digital payments are also on the rise as the number of people in developing countries who made or received a digital payment in the past year grew from 32 percent in 2014

to 44 percent in 2017.

3. In sub-Saharan Africa, mobile money is driving financial inclusion

Since 2014, sub-Saharan Africa (SSA) has experienced a burst of mobile money account users as the innovation moved across the region from East Africa to West Africa and beyond. This was possible due to the subsequent tweaks made to create an enabling environment in these markets.

While the percentage of adults with a bank account has remained the same, the share with a mobile money accounts almost doubled, to 21 percent. In fact, SSA is home to eight countries where more than 20 percent of adults use only a mobile money account: Burkina Faso, Côte d'Ivoire, Gabon, Kenya, Senegal, Tanzania, Uganda, and Zimbabwe.

In some economies -

such as Burkina Faso, Gabon, Ghana, and Senegal - there were large increases in the share of adults with only a mobile money account as well as in the share with both types of accounts.

Unfortunately, large markets such as Ethiopia and Nigeria, are yet to see important gains from mobile money. The report attributes this failure to the absence of an enabling environment for digital financial services.

4. Rural access is on the up and up

Progress has also been made in rural areas. The percentage of rural households with an account increased from 19 to 39 percent in sub-Saharan Africa. Nevertheless, there is still much more to do, as roughly 75 percent of the population in SSA lives in rural areas. Unsurprisingly, Kenya leads the way. Rural Kenyan households with

accounts grew from 38 to 81 percent between 2011 and 2017, largely thanks to the ubiquity of mobile money.

5. The persistent gender gap in account ownership

Last week, we wrote about the need to prioritise financial inclusion for women. This was based on the Findex Report highlighting that women were losing access to financial services twice as fast as men. However, this problem of female exclusion is not unique to Nigeria. In spite of the recorded and much welcome progress globally, the global gender gap remained at 9 percentage points for developing countries.

While more men and more women own financial accounts than ever before, the gender gap remains unchanged for developing countries at 9 percentage points. Between 2014 to 2017, men's account ownership increased from 60 to 67 percent in these countries, while women's ownership grew from 51 to 59 percent.

However, there are outlier countries where notable improvements were made in closing the gender gap. For example, in India the gender gap plummeted from 20 to 6 percentage points between 2014 and 2017. Also, Indonesia now has more women (51 percent) having access to financial accounts than men (46 percent). The data from these outlier countries is fascinating and warrants further exploration in order to reveal how they were able to achieve these.

Earlier this year, during

our benchmark series, we examined the Indian financial inclusion ecosystem and noted the significant and hands-on role the Indian government plays in driving financial access for its citizens. These efforts are most likely responsible for the reduced gender gap from 20 to 6 percentage points. From 2014 to 2017, women's access to bank accounts increased from 43 percent in 2014 to 77 percent.

However, there is also an important lesson embedded in this finding - access does not automatically result in activity. The report revealed that India has a large number of inactive accounts.

This goes to show that financial inclusion goes beyond bringing access to excluded adults, but also involves figuring out ways to encourage continuous use. Nevertheless, this is a good problem to have as having increased access, India can now channel resources towards encouraging and deepening usage. On the other hand, Nigeria still has to crack the code on increasing access and then usage.

What are your thoughts and observations on the 2017 Global Findex Report? We would appreciate your feedback. Reach us by email: sustainabledfs@lbs.edu.ng or Twitter: @sustainabledfs.

Olayinka David-West and Ibukun Taiwo are members of the Sustainable and Inclusive Digital Financial Services initiative of the Lagos Business School

How effective financial inclusion impacts poverty level in Nigeria

ENDURANCE OKAFOR

Financial inclusion, a tool for poverty alleviation and income redistribution in developing countries, is seen by analysts to be a major drive to easing poverty in Nigeria.

As inclusive financial systems are of great benefit to poor people and other disadvantaged groups, facilitating broad access to financial services, with-out price or non-price barriers to their use.

"Financial inclusion will be able to ease the level of poverty in Nigeria, in the sense that, when people and small businesses are financially included, they can have access to credit, which will enable them to expand operations, employ more people, and achieve what they would have not been able to achieve prior to when they were not financially included," Ayo

Akinwumi, Head of Research FSDH, Merchant Bank, told BusinessDay by phone.

Analysts who spoke on how financial inclusion can help ease poverty in Africa's largest economy recommended financial service providers to design community-based financial education and marketing to suit any given environment and also for policymakers in the country to provide successful innovations that can facilitate the benefits of financial inclusion in safe ways.

"Financial service providers should design financial products to suit level of education in any given environment which bothers on documentations as regards account opening, bearable service charge, less cumbersome loan processing with affordable interest rates so as to promote more participation and inclusive financial system, hence alleviate poverty and spur

economic growth in Nigeria," a Lecturer at University of Lagos who preferred not to be quoted, said.

"Without inclusive financial systems, poor people only rely on their own limited savings to invest in their education or become entrepreneurs. Likewise, small enterprises must rely on their limited earnings to pursue promising growth opportunities," he added.

Nigeria, the most populous nation in the African continent, with about 3.2 percent annual growth rate, is projected by the United Nation (UN) to be the world's third most populous nation by the year 2050.

Although, over millions of the citizens of Africa's largest exporter of crude oil subsist on less than \$2 a day, and this is as a result of high unemployment rate which was reported by the National Bureau of Statistics (NBS)

to be up 18.8 percent in Q3 2017 from 13.9 percent from a year earlier, and the low minimum wage of N18000 per month is another issue that has made the standard of living of the citizens to be much lower than its other developing peers.

This has however, led to the exclusion of about 41.6 percent of the Nigeria populace from the financial circle, reported by EFINA, a financial research organization.

This is following the World Bank's report which revealed that 59 percent out of the 2 billion adults worldwide, do not have access to a bank account owing to lack of fund as financial services and products remains too expensive for low income earners.

"The major reasons for financial exclusion are hard-core poverty and illiteracy which invariably makes financial exclusion both social and financial phenomena.

However, access to financial services by many Nigerians will inevitably accelerate economic prosperity; mobilize financial resources for increased investment which invariably lead to overall macroeconomic growth and development," an analyst who asked for his identity to be withheld said.

Whereas, in other developed countries, where there are complex and multi-dimensional factors that contribute to financial exclusion; hence, variety of providers, products and technologies that best suits the socio-economic, political, cultural and geographical conditions peculiar to them are introduced, a developing country like Nigeria, access to formal financial services by the majority poor population remains limited due to inadequate available financial services which include high levels of government debt

constrained by access of credit to firms and individuals; high inflation which discouraged savings; poor physical and institutional infrastructure; inaccessibility by most poor people due to lack of collateral or credit records as well as lack of national credit which deter lending.

Financial inclusion or inclusive financing is the delivery of financial services at affordable cost to section of disadvantage and low income segments of society, in contrast to financial exclusion where those services are not affordable or available. Conversely, financial exclusion refers to a process whereby people encounter difficulties accessing or using financial services and products in the mainstream market that are appropriate to their needs and enable them to live a normal social life in the society in which they belong.

Leaders of China and North Korea hold second meeting

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Allianz open to 'merger of equals', says chief executive

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World Business Newspaper

NY attorney-general Schneiderman quits after misconduct claims

#MeToo movement supporter resigns after 4 women accuse him of physical abuse

KADHIM SHUBBER

Eric Schneiderman, the New York attorney-general who has been a prominent supporter of the #MeToo movement, resigned late on Monday after four women accused him of physical abuse in a New Yorker article.

The allegations came from women who had relationships with Mr Schneiderman, who denied assault and non-consensual sex but said the claims would prevent him from continuing in his job.

"In the privacy of intimate relationships, I have engaged in role-playing and other consensual sexual activity. I have not assaulted anyone. I have never engaged in non-consensual sex, which is a line I would not cross," he said in an initial statement on Monday.

Later, after the New York state governor called for his resignation, Mr Schneiderman said he "strongly" contested the allegations but would step down by the end of business on Tuesday.

Mr Schneiderman — who brought a civil lawsuit against Harvey Weinstein, the disgraced film producer, after sexual assault allegations were made by dozens of women — is accused of hitting and choking romantic partners without their consent. The claims were made by four women, two of whom spoke to the New Yorker on the record.

The New York attorney-general is the latest person to be accused of improper behaviour as the #MeToo movement has encouraged women to speak out about alleged wrongdoing by powerful men in business and government.

He has been a frequent critic of Donald Trump, leading a charge by attorneys-general to block the Trump administration's policies in the courts, and a thorn in the side of Wall Street banks. Since 2010, the New York attorney-general has secured \$4bn in settlements over the mis-selling of mortgage-

backed securities in the run-up to the financial crisis.

Andrew Cuomo, New York state governor, said on Monday he would ask for an investigation into Mr Schneiderman by a New York district attorney. He called on the attorney-general to resign for the "good of the office".

On Monday evening, shortly before Mr Schneiderman announced his resignation, Kellyanne Conway, a close adviser of Mr Trump, referred to a 2017 tweet by the attorney-general in which he told Mr Trump that "No one is above the law".

"Gotcha," she tweeted.

Michelle Manning Barish, a political activist who dated Mr Schneiderman periodically from 2013 to 2015, told the New Yorker he repeatedly hit her across the face without her consent during sex.

However, the first time he hit her, they were fully clothed, the New Yorker reported. "This was under no circumstances a sex game gone wrong. This did not happen while we were having sex. I was fully dressed and remained that way," she told the magazine.

Ms Manning Barish said on Twitter on Monday she had spoken up "after the most difficult month of my life". "I could not remain silent and encourage other women to be brave for me," she said.

Tanya Selvaratnam, an author, gave a similar account to the magazine. She was romantically involved with Mr Schneiderman in 2016 and 2017.

Ms Selvaratnam told the New Yorker the slaps were not consensual and said: "This wasn't sexual playacting. This was abusive, demeaning, threatening behaviour."

"After I found out that other women had been abused by attorney-general Schneiderman in a similar manner many years before me, I wondered, who's next, and knew something needed to be done," Ms Selvaratnam said in a statement provided by her spokesperson.



Eric Schneiderman: 'In the privacy of intimate relationships, I have engaged in role-playing and other consensual sexual activity. I have not assaulted anyone' © Bloomberg

Investors drop Italian assets as political doubts reach markets

Heavy fall for Milan stocks led by financials; sovereign debt yields at 2-month high

MICHAEL HUNTER AND KATE ALLEN

Italian assets are being hit by a brisk sell-off, with the growing prospect of a second general election within months leaving Milan stocks looking distinctly out of fashion with investors and the country's bond yields rising.

Italy's main stocks benchmark, the FTSE Mib, is down 2.2 per cent, a significantly sharper fall than the 0.2 per cent slip on the Europe-wide Stoxx 600. Financial stocks are taking the biggest toll on the Milan index. UniCredit is down by more than 3 per cent, with Intesa Sanpaolo weaker by almost 2 per cent.

Investors are also selling Italian government debt, known as BTPs, sending yields higher. The yield on the benchmark 10-year government paper is up 8.6 basis points to 1.848 per cent. The yield on German

Bunds of the same maturity, seen as Europe's safest sovereign debt, is up 1.4bp at 0.542 per cent, its highest since late March.

Peter Schaffrik, global macro strategist at RBC Capital Markets, said the market moves indicated "a bit of a correction" but "I don't see the narrative changing". Any fresh election was likely to produce a similar outcome to the previous one, he said.

Referring to the recent tightening of the spread between Italian and German bond yields, Mr Schaffrik added:

Carry still counts and Italy is one of the carry countries, that's not going to change, certainly not in the near term.

Although the spread has blown out from a low of 111 basis points on 10-year debt yields last month to top 131 bps on Tuesday, Mr Schaffrik said he did not expect that to widen significantly more, instead anticipat-

ing they would stabilise.

Richard McGuire, head of rates strategy at Rabobank, said:

Trading BTPs has been less about gauging political risk premia and more about estimating the market's reaction function; spreads narrowed after the election as investors looked through the political risk premia and the lure of positive carry was too attractive to resist.

Investors have been happy to trade Italy because of the cyclical tailwinds, which until recently have been very reassuring, and the positive carry is attractive. The cyclical backdrop is still positive in the short term, and the prospect of another election could be positive in that it will take several months to materialise, maintaining the status quo for a while longer.

Inconclusive elections are hardly unusual for the highly indebted nation, but a repeat poll so soon would be unprecedented in postwar Italy.

Dollar hits renewed 2018 highs after Powell comments

Italian gridlock hits stocks, euro sliding while oil prices poised for Trump's Iran decision

MICHAEL HUNTER AND STEPHEN SMITH

What you need to know

- Dollar extends highs for 2018 after Fed chair points to tighter policy
- US crude trades around \$70 ahead of White House statement on Iran deal
- Wall Street opens weaker with the S&P 500 down 0.2%
- Global stocks soft as Europe slips amid Italy election jitters; FTSE Mib down 1.8%
- Euro hits fresh low for the year; sterling also below \$1.35
- EM forex weakness extends as Turkish lira hits new record low

Leading quote

"The geopolitical consequences of a possible dismantling of the [Iran nuclear deal] would likely play a larger and long-lasting role in pushing oil prices higher than short-term policy uncertainty," said Michael Cohen of Barclays' Commodities

Research.

"Given President Trump's continued criticism of the deal, the personnel changes in his foreign policy team and a revitalised US alliance with Israel and Saudi Arabia, US policy has become more confrontational."

Hot topics

There are renewed year-highs for the dollar — most notably at the expense of the euro as it fell to its lowest level in 2018 — after a hawkish-sounding signal from the chairman of the Federal Reserve coincided with a rise in geopolitical risk.

Jay Powell warned that markets should not be surprised by further policy tightening from the US central bank in a speech in Zurich. The index tracking the dollar touched 93.139, up 0.4 per cent on the session and marking a rebound of more than 5 per cent from its February intraday low.

Global equities are softer as Wall

Street opens weaker with the S&P 500 down 0.2 per cent while European stocks are being weighed by renewed jitters surrounding political instability in Italy.

Mr Powell's remarks came with sentiment already cautious ahead of an announcement from the White House on the international nuclear deal with Iran. The prospect of a US withdrawal from the accord has brought geopolitical risk back to investors' attention and left oil prices trading near multiyear highs.

But US marker West Texas Intermediate is down 0.8 per cent to \$70.18 a barrel as traders reassess the odds on President Trump's announcement, due later today.

It rose above \$70 for the first time in more than three years on Monday as the White House prepared to make a decision on whether it would withdraw from the Iranian nuclear pact. International benchmark Brent crude is 0.6 per cent lower at \$75.72.

Shire board recommends £46bn takeover by Takeda

Pharma group backs offer from Japanese rival after rejecting four previous bids

SARAH NEVILLE AND KANA INAGAKI

Shire, the rare diseases specialist, has unanimously recommended its shareholders accept a takeover offer from Japanese group Takeda that values the company at about £46bn and adds to a wave of M&A activity in the pharmaceuticals industry.

The Dublin-based company has spent two weeks conducting due diligence on the offer of just over £49 a share, after rejecting four previous offers from Takeda due to concerns not only about the price, but also the high proportion of stock compared to cash.

The offer now being recommended

represents a 59.6 per cent premium to Shire's closing price of £30.70 on March 27, before the Japanese group revealed its interest in the company.

Takeda is offering \$30.33 (£22.35) in cash and 0.839 Takeda shares for each Shire share, which would lead to Shire shareholders owning approximately 50 per cent of the combined group.

Shire shares opened up 4.9 per cent at £40.40 after the news on Tuesday morning.

Susan Kilsby, chairman of Shire, said: "We firmly believe that this combination recognises the strong growth

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China's vice-premier DC-bound for trade talks

Liu He visit renews cautious optimism of resolution to trade impasse

EMILY FENG AND SHAWN DONNAN

Beijing's top economic adviser is to visit Washington next week, rekindling cautious optimism that China and the US can negotiate their way out of a trade impasse.

The White House on Monday confirmed the visit of Liu He, China's vice-premier, with experts saying the move

suggested — despite their hardline rhetoric — that both Beijing and Washington were eager to avoid triggering a trade war.

"It will be the second leg of the high-level consultation, showing that both sides hope to keep on the momentum of consultation," said He Weiwen, a former commerce ministry official and now a senior fellow at the Center

for China and Globalization, a Beijing think-tank.

"We are working on something that we think will be great for everybody," Sarah Sanders, White House press secretary, told reporters.

The continuation of talks came after the two nations dug their heels during last week's first round of trade negotiations.

The US demanded a \$200bn reduction in two years of America's \$337bn trade deficit with China by 2020. It also wants Beijing to halve subsidies under its Made in China 2025 plan, a key economic policy that supports domestic industrial sectors at the expense of foreign businesses, according to the US.

US-China tech wars threaten 'economic carnage'

In return, China has called for the

US to drop its opposition to it being treated as a market economy in the World Trade Organization, something Beijing has long insisted it became entitled to on the 15th anniversary of its entry into the WTO in 2016. Market economy status would make it more difficult for the US to defend its anti-dumping rulings against Chinese companies.

China views the US request to effectively abandon its key industrial policy as unacceptable, stalling last week's talks.

Shire board recommends £46bn takeover...

Continued from page A7

potential of our leading products and innovative pipeline and is in the best interests of our shareholders, our patients and the communities we serve."

Under UK takeover rules, Takeda had to make a statement on its intentions towards Shire no later than Tuesday. It said the deal would strengthen Takeda's core therapeutic areas, "bringing together complementary positions in gastroenterology and neuroscience, and provide leading positions in rare diseases and plasma-derived therapies".

Christophe Weber, Takeda's chief executive, said he expected the tie-up to deliver cost savings of at least \$1.4bn, which may include a 6 to 7 per cent cut in the combined 52,000 workforce.

Including the value of Shire's debt, the deal is worth £59bn, according to data from Dealogic, and would be the largest foreign acquisition by a Japanese company.

However, there are questions about whether the deal will be consummated.

Takeda's shares have already fallen nearly 18 per cent since it revealed its interest in Shire. Some analysts believe another bidder could yet emerge and potentially buy Shire for a lower sum, provided the cash component was higher, given that some Shire investors are concerned about holding significant amounts of Takeda paper.

Another potential risk to the deal is that Takeda could fail to secure a green light from its shareholders.

In order to issue new shares to acquire Shire, Takeda needs to secure a two-thirds approval from shareholders holding one-third or more of the voting rights.

Investor sentiment towards the deal has also been chilled by the fact that Takeda would have to take on debt equal to nearly five times its earnings before interest, tax, depreciation and amortisation.

But Takeda said on Tuesday that the substantial cash flow generation expected from the deal would enable the combined group "to de-lever quickly following completion". Mr Weber said the company aimed to reduce debt to two times ebitda in three to five years, protecting its investment grade credit rating.

Analysts say the key to winning shareholder approval depends on whether Mr Weber can convince sceptical investors that the risk of taking on more debt can be offset by Shire's lucrative rare diseases portfolio, Shire has annual operating profits of \$6bn versus Takeda's \$2bn.

Kazuaki Hashiguchi, analyst at Daiwa Securities, said Takeda's shareholders may have shifted from being passive traditional investors attracted to the Japanese group's stable dividends and earnings to a more risk-tolerant group during the one-month sell-off since late March.



Leaders of China and North Korea hold second meeting

Kim travels to northern Chinese port city of Dalian for summit with Xi

EMILY FENG

North Korean leader Kim Jong Un has travelled to China for a second time to meet Chinese President Xi Jinping ahead of a planned summit between North Korea and the US.

The meeting was confirmed both by Chinese and North Korean state news agencies on Tuesday evening.

The two leaders exchanged views on nuclear disarmament and the Korean peninsula "in a cordial and friendly atmosphere" with President Xi affirming close Sino-North Korean ties, "an unshakeable policy", according to Xinhua, China's state news agency.

This is the second visit to China by North Korea's Mr Kim, who also first travelled by armoured train

to Beijing in March during which he met with Mr Xi as well as Wang Huning, a top Communist party official.

Rumours that a high level North Korean government official was visiting the northern port city of Dalian began swirling around early Tuesday after it appeared an aeroplane with North Korean markings landed there under heavy security.

Hedge fund raises complaint about UniCredit capital

Caius Capital writes to European regulator over complex instruments issued by Italian bank

MARTIN ARNOLD

A hedge fund has told European authorities that two-thirds of UniCredit's equity capital is invalid under EU rules unless the Italian bank converts almost €3bn of complex instruments into ordinary shares, imposing heavy losses on some investors.

Caius Capital, a London-based distressed credit fund launched two years ago, has written to the European Banking Authority complaining that UniCredit has misclassified a chunk of its common equity tier one (CET1) — a key benchmark of banking strength — for the past decade.

If the regulator backs the complaint, the move could leave holders of the instruments nursing more than €2bn of losses. It would also cast doubt over whether other big European banks have correctly calculated the capital buffers that act as the main firebreak to absorb losses in a crisis.

HSBC last week said its total capital ratio had increased after some grandfathered Tier 2 securities due to be redeemed were instead reclassified as "fully eligible" instruments. Italy's Monte dei Paschi di Siena issued similar securities to those un-

der question at UniCredit and it is in the process of converting them into ordinary shares.

Shares in UniCredit were 2.8 per cent lower in early trading on Tuesday.

Caius has called on the EBA to open an investigation into "incorrect regulatory capital treatment derived by UniCredit" from its 2008 issue of €2.98bn in convertible and subordinated hybrid equity-linked securities (Cashes).

Caius says the Cashes should not count towards UniCredit's CET1 because they are not on the EBA's list of approved instruments, they are being counted both as CET1 and Tier 2 capital and they create a restriction on cancelling dividend payments on the bank's ordinary shares.

The fund said the Cashes have provisions that allow the bank to automatically convert them into ordinary shares if there is "more than an 'insubstantial risk' that UniCredit would be subject to a regulatory or capital burden or cost under the transaction".

Such a conversion would leave investors in the Cashes facing big losses. The securities are currently trading at about 75 per cent of face value, but a

conversion is likely to give investors ordinary shares worth only about 6 per cent of their face value.

Caius is likely to profit from such a conversion as it has taken a position betting against the Cashes. The fund succeeded with a similar bet on securities issued by West Bromwich Building Society, which last year swapped them for other instruments designed to address the concerns Caius raised with regulators about their eligibility as CET1 capital.

"Whilst we do not deny that we are a commercially motivated investment firm, by flagging these issues pre-emptively we are ensuring that investors can have confidence in the capital of banks," said Toby Dodson, a partner at Caius.

"CET1 capital is sacrosanct and should not be an obstacle to raising new capital," he said. "But because of the Cashes, if I put more money into UniCredit, some of that money will be used to make payments to investors who put money in previously."

UniCredit said in an emailed statement: "The regulatory treatment of the Cashes shares has been fully disclosed to the market and confirmed and reviewed by the competent regulators."

Comcast prepares rival bid to crash Walt Disney-Fox deal

US cable company in talks to secure up to \$60bn for all-cash offer

JAMES FONTANELLA-KHAN

Comcast has held talks with US banks to secure up to \$60bn in financing to gatecrash Walt Disney's \$52bn acquisition of 21st Century Fox's entertainment business and global assets, said people briefed about the US cable company's strategy.

Brian Roberts, chief executive of Comcast, is getting ready to make an all-cash offer for Fox's assets in the event that a US judge approves AT&T's agreed \$108bn takeover of Time Warner, which the US Department of Justice is trying to block, two people said.

The preparatory steps taken by Comcast to acquire Fox come as the US cable group has been trying to intrude on Rupert Murdoch's deal to buy 61 per cent of Sky, which would give the founder of Fox the ownership of the entire European media company.

Comcast has offered to buy Sky for £12.50 a share, valuing the pay-TV group at £22bn — almost £4bn more than Mr Murdoch's bid.

Disney agreed to buy Fox's assets, including the existing 39 per cent stake it has in Sky, last December after Mr Murdoch turned down a higher bid from Comcast on grounds that it had a lower chance of winning US regulatory approval. Under the terms Mr Murdoch agreed with his Disney counterpart Bob Iger, the company behind Mickey Mouse and Captain America will also assume Fox's \$13.7bn of net debt.

A wave of media deals have been struck in recent years as traditional players are facing growing competition from a new generation of digital players with deep pockets, ranging from Netflix to Amazon and Apple.

US president Donald Trump has threatened to break up Comcast, which owns NBCUniversal, the media group with assets that include Universal Studios and the NBC broadcast network, arguing it has too much power over US TV viewers. It is unclear how Mr Trump would be able to enforce the break-up of NBCUniversal from Comcast, although it is technically possible.

AT&T's proposed acquisition of Time Warner is being challenged on similar grounds but several antitrust experts have said that the likelihood is slim that a US judge will back the DoJ's request to block the merger.

A victory in court for AT&T would significantly boost Comcast's chances of successfully acquiring Fox's assets, which include movie studio and a portfolio of cable television channels but not Fox News, which will continue to be controlled by the Murdoch family.

Comcast declined to comment on the news, which was first reported by Reuters.

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Allianz open to 'merger of equals', says chief executive

European insurer warns that high valuations are obstacles to transformative deals

OLAF STORBECK AND
OLIVER RALPH

The chief executive of Allianz has suggested that he is open to the idea of a "merger of equals" with a large rival but said high stock market valuations and rising acquisition premiums were big obstacles to transformative M&A.

"It is very difficult to justify paying 30 per cent more on a €30bn asset than to pay 30 per cent on a €5bn asset," Oliver Bäte told the Financial Times, pointing to higher cost and revenue synergies needed to recoup such a mark-up, which could be marred by significant integration risks.

This does not mean that transformative deals are off the agenda, the head of Europe's largest insurer argued, but he said good targets were hard to find: "We've decided that we have not found yet the attractive asset to make us comfortable to plough out a lot of money."

Mr Bäte has made no secret of his desire to do deals, and in the past has pointed to property and casualty insurance as an area where he would like to expand.

Market rumours have linked Allianz with an offer for its Swiss rival Zurich, which has a market capitalisation of €40bn, compared with Allianz's €87bn.

Mr Bäte neither confirmed nor denied the bid speculation, pointing to the insurer's longstanding policy on not commenting on market rumours.

Last year Allianz spent £500m on a 49 per cent stake in UK insurer LV's general insurance business. Earlier this year it paid €1.9bn to buy out minority investors in Euler Hermes, the Paris-based trade credit insurer.

It has since been linked with other targets in the rapidly consolidating property and casualty insurance sector, where a combination of claims

from natural disasters and years of falling prices have left some companies looking for buyers.

Allianz is widely believed to have been one of the seven companies that earlier this year expressed an interest in XL Group, the Bermuda-based insurer. XL was eventually bought by Axa, which offered €12.4bn and will pay a 54 per cent premium on the target's pre-deal share price.

That deal was poorly received by investors, with Axa shares falling 10 per cent in the aftermath of the announcement.

Mr Bäte said premia seen in recent deals of about 50 per cent on the market price were "rather crazy", and he stressed the importance of capital discipline.

"When I was on the way into the job, many investors told me that [Allianz was] very well-respected for many things but not for protecting our capital and managing it very carefully," he said.

Earning more trust among investors in this regard has been a key priority for the chief executive, who has been in charge since 2015. "I don't want to lose that reputation because of a deal."

Mr Bäte categorically ruled out hostile takeovers, arguing that within the financial services sector, large transactions could only be successful if they are supported by both sides. "We would never go after anybody against their will; never."

Mr Bäte suggested that the high stock market valuations and rising takeover premia implied that a merger of equals would be an attractive path to a large, transformative deal.

"However, large companies need to be ready for mergers, and we haven't found many," he said, adding that executives were not always driven by what is best for shareholders and companies, but their own jobs. "We are always open for these discussions, and more so than, I think, other institutions."

Elliott makes \$7bn takeover offer for Athenahealth

LINDSAY FORTADO

Elliott Management, Paul Singer's activist hedge fund, has made an offer to acquire Athenahealth, an American electronic medical records company, for about \$7bn in one of its largest attempted takeovers to date.

Elliott said in a letter to Athenahealth's board on Monday that its bid for \$160 per share offered "compelling, premium value to shareholders." At Friday's market close, the company had a market capitalisation of \$5.1bn, and shares were trading at \$126.08.

Athenahealth said it had received the offer and that the board would review it.

Elliott has had "extensive private engagement" with the company's management and board and that the talks have been "constructive," but the "stark reality" is that as a public company, Athenahealth

"has not worked for many years, is not working today and will not work in the future," Elliott partner and senior portfolio manager Jesse Cohn said in a letter to the company's board on Monday.

"For many years, despite all of its advantages, Athenahealth's stock price has underperformed because the company has failed to correct a host of identifiable operational issues," he added.

Athenahealth was one of the biggest beneficiaries of Obama-era rules that required doctors to use electronic medical records rather than paper files. But many of the systems used to meet those requirements are seen as clunky and imperfect and vulnerable to disruption from better technologies that use big data and artificial intelligence to help guide physicians.

Athenahealth shares surged more than 20 per cent to \$152.04 a share on Monday.



Allianz chief executive Oliver Bäte says good acquisition targets are hard to find © AFP

Wall St marches higher fuelled by energy, Apple gains

MAMTA BADKAR

Wall Street was on the front foot on Monday, lifted by a rally in energy and tech stocks as Apple pushed deeper into record territory.

The S&P 500 was up 0.5 per cent to 2,676.02. The Dow Jones Industrial Average climbed 0.8 per cent to 24,445.99, while the Nasdaq Composite rose 0.7 per cent to 7,260.71.

Energy led the benchmark S&P 500, climbing 2.1 per cent on the back of higher oil prices, while telecoms was the biggest decliner, down 0.5 per cent following its 4.6 per cent drop last week.

The advance in technology stocks came as Apple pushed deeper into record territory, rising

1.9 per cent to \$187.31 — having closed at a record high on Friday and clocking its biggest weekly gain since 2011. Apple shares were lifted after Warren Buffett's investment vehicle last week renewed its multibillion-dollar endorsement by snapping up another 75m shares in the company. On Monday, Mr Buffett told CNBC that he would "love to own 100 per cent of it".

Oil prices were at four-year highs amid rising tensions between the US and Iran. Iranian president Hassan Rouhani warned on Sunday that US President Donald Trump would be making a "historic" mistake if the US were to withdraw from its 2015 nuclear deal with Tehran. Mr Trump is expected to make his decision by

Saturday.

The rally in oil prices also appeared to weigh on shares of airline companies, with United Continental shares down 1.5 per cent to \$67.33, American Airlines shares down 0.3 per cent to \$42.61, Delta shares down 1.5 per cent to \$51.55 and shares in the Southwest off 1.3 per cent to \$52.12. US carriers last month cautioned that higher fuel costs could weigh on their profits this year.

Elsewhere, Treasuries were mixed with the yield on the US 10-year down 0.4 basis points to 2.946 per cent, while that on the 2-year was little changed at 2.497 per cent. Yields move inversely to price.

The dollar index, a gauge of the buck against a basket of peers, was up 0.2 per cent to 92.76.

Macquarie lays off analysts as Mifid bites

Equity research regulations spur shake-up at Australian bank's European arm

LAURA NOONAN

Macquarie's European division is laying off a handful of analysts and reshaping its coverage around six key sectors, as EU groups get to grips with regulations forcing investors to explicitly pay for reports and analysts' time.

The Mifid II regulations introduced in January have been hailed as the biggest ever shake-up of European equity research. By forcing companies to unbundle research from other services, the rules end the longstanding practice of paying for research implicitly through trading commissions and other fees.

Fund managers have responded by sharply cutting the number of investment banks and brokerages they take research from. As a result banks and brokerages are grappling to make their offerings more attractive, while at the same time cutting their costs so research does not make a loss.

On Monday the European arm of Australian bank Macquarie became the latest to announce changes.

Macquarie, which is ranked 23rd for European equity research in the latest benchmark Eintel survey, said it would focus its efforts around a core of six areas: infrastructure and utili-

ties, metals and mining, oil and gas, financials, disruptive technology, and consumer and quantitative research.

The bank would not clarify whether it would cease research in some other areas, or whether there would be job cuts and would not say how many people it employed in its European equities research division. A person familiar with the plans, however, told the Financial Times that there would be a "handful" of cuts.

Announcing the changes, Macquarie said it had hired Royal Bank of Canada's Peter Lenardos as its head of financials research, as well as KBW's Hari Sivakumaran, who will cover European banks.

Sreedhar Mahamkali and Guy Peddy were named as co-heads of the newly formed disruptive technology and consumer team, which promises to provide "unique insights on how technology and new disrupters impact established formats across retail, media and telecommunications — a fast-moving topic that investors are keen to explore".

"The latest developments in our team not only reflect our commitment to our European research business but most importantly ensuring that our clients receive the benefits of Macquarie's global perspective in the specialist, dynamic sectors they

are interested in," said Shai Hill, Macquarie's head of European research.

So far Nomura is the only big global bank to have pulled back entirely from European equities in light of the Mifid II reforms. Nomura's decision to close its European equities franchise was taken in 2016. The company has since said it may pull out of US research as well, as the rules begin to have a global impact.

Banks have tried to differentiate their research offerings with deeper reports and more meaningful engagement with their clients. For example UBS's Question Bank asks clients to submit questions they would like to be answered by the research team.

Star analysts have become highly courted as groups try to position their offering around the most highly ranked experts in given sectors.

Some are experimenting with pricing systems, which span everything from a flat rate for all access to charging per minute of phone calls and auctioning analysts' time. Most executives say it is too soon to say how their business models will survive the Mifid II era, since their investment fund clients are still experimenting with what they want and how much they are willing to pay for it.

RESEARCH & INSIGHT

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From which states did telecoms firms make the most revenue in 2017?

TELIAT SULE

As at December 2017, the 36 states and FCT Abuja accounted for 145 million active mobile lines. In terms of distribution among states, Lagos, Nigeria's commercial nerve centre, had 19.4 million lines, representing 13.4 percent of the nation's active mobile lines. Ogun State, the nation's industrial hub, had 9.1 million active lines, implying that 6.3 percent of Nigeria's active lines were domiciled in that state. Oyo, 7.75 million active mobile lines (5.3 percent), Kano, 7.38 million mobile lines (5.1 percent); and Kaduna State, 6.64 million mobile lines (4.6 percent) are the five states having highest active mobile lines in the country. When combined, the five aforementioned states accounted for 34.7 percent of the nation's active mobile lines.

They are followed by Abuja FCT, 5.95 million active mobile lines (4.1 percent); Rivers, 5.46 million active mobile lines (3.8 percent); Niger, 5.26 million lines (3.6 percent); Delta, 4.69 million active mobile lines (3.2 percent), and Edo State, 4.64 million active mobile lines (3.2 percent), and together are the top ten states having active mobile lines. They accounted for 52.7 percent of the nation's active mobile lines as at December 2017.

Nigeria also had 97.79 million active internet lines and the states with the highest active lines were the ten aforementioned states. Collectively, they had 52.6 million lines representing 54 percent of the entire active lines in the country as at December 2017.

Our analysis shows that the nation's mobile penetration rate, based on December 2017 data is

75 percent. In other words, 75 out of 100 adult Nigerians had an active mobile line as at last December. Eleven states beat the national mobile penetration rate. Ogun State, with 176 percent mobile penetration rate, posted the highest mobile penetration rate in the country. Abuja FCT had 167 percent while Lagos, Nasarawa and Edo states had 155 percent; 132 percent and 110 percent respectively.

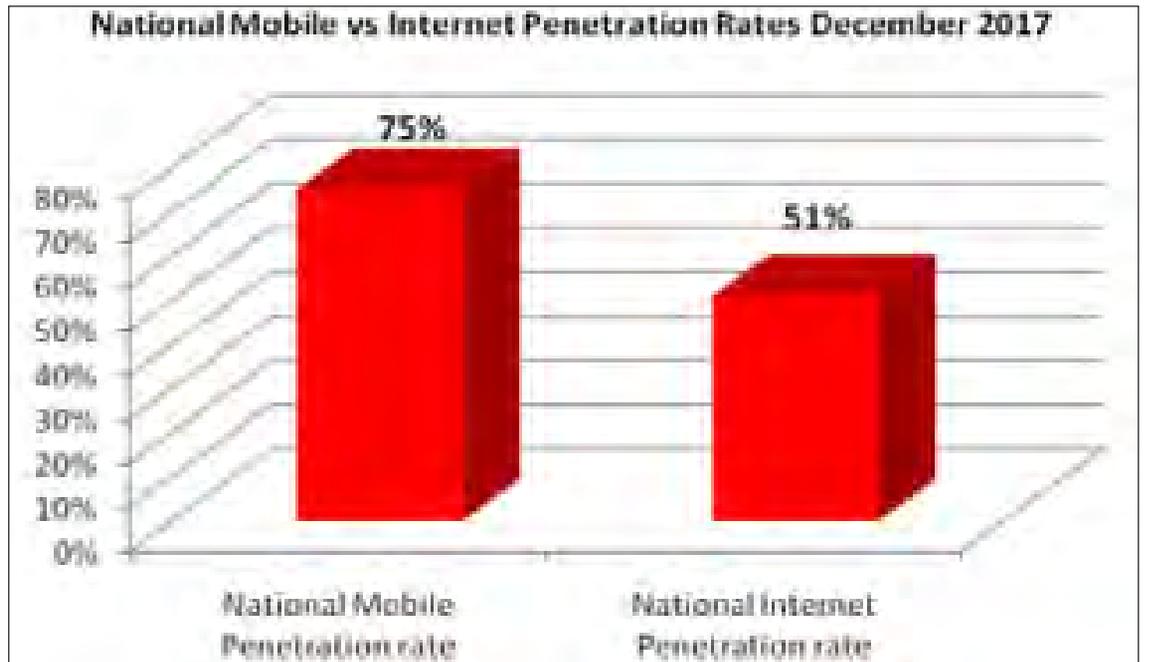
Kwara State's mobile penetration rate of 101 percent outperforms the national benchmark of 75 percent. Other states are Oyo, 99 percent; Niger, 95 percent; Delta, 83 percent; Kaduna, 80 percent and Abia, 79 percent. River State's mobile penetration of 75 percent equals the national rate.

Bayelsa, 42 percent; Sokoto, 41 percent; Ekiti, 39 percent; Zamfara, 38 percent and Jigawa, 30 percent had the lowest mobile penetration rates in the country as at last December.

Ogun State topped the internet penetration rate at 123 percent compared with the national internet penetration rate of 51 percent. Abuja FCT posted 119 percent internet penetration while Lagos, Nasarawa and Edo states had 109 percent; 90 percent and 69 percent internet penetration rates respectively. Kwara, 68 percent; Niger, 63 percent; Delta, 57 percent; Kaduna, 55 percent and Abia, 53 percent had internet penetration rates higher than the national average. Osun and Rivers state, having 51 percent each, equalled the national average internet penetration rate.

Ekiti, 27 percent; Sokoto and Ebonyi, 26 percent each; Zamfara, 23 percent and Jigawa 18 percent had the least mobile penetration rates in the country by December 2017.

With this background, Business-



Source: NBS, BRIU

Day Research and Intelligence Unit (BRIU) attempted to provide more information on the states in Nigeria where the telecoms firms made the most revenue in 2017, through a section dedicated to telecommunications in about to be published State of States Report 2018. By prorating the telecoms sub sector's GDP, we found out that 60 percent of the nation's telecommunications sub sectoral GDP was generated through voice calls, while 40 percent was generated from internet services.

We computed the voice calls GDP per capita, which is another way to know how much an individual on the average expended on voice calls in 2017. On this metric, Abuja, Ogun, Niger, Lagos and Nasarawa states topped the list. An average Nigerian resident in Abuja in 2017 spent N128,505.20 in making calls in 2017, translating to N352.07 per day. An average Nigerian living in Ogun State spent N106,970.58 on calls in 2017 translating to N293.07 per day. In Niger State, an individual on the average expended N102,116.86 translating to N279.77 per day while in Lagos and Nasarawa states, an average resident spent N95,794.35 and N91,863.52 per annum on voice calls representing N262.45 and N251.68 per day respectively.

Instead of the population in each state, we adopted labour force to arrive at the voice calls and internet GDP per capita. Agreed that unemployed Nigerians have active mobile and internet lines, the source of the money for the credit cards and internet data of the unemployed Nigerians are their family members, friends and colleagues who are working. Therefore, we used the labour force in each state to compute the daily spend on voice calls and internet usage.

The states with the least daily spend on voice calls are Taraba, Akwa Ibom, Ebonyi, Bayelsa and Ekiti states. Daily voice calls expenditure in Taraba State was N91.16 in 2017; Akwa Ibom, N81.44; Ebonyi, N81.16; Bayelsa, N72.73

and N71.01 in Ekiti State.

Similarly, Abuja, Ogun, Niger, Lagos and Nasarawa states are topmost on the daily expenditure on internet data usage. An average Abuja resident expended N249.93 per day on data in 2017. An average resident of Ogun State expended N205.57 per day on surfing. It was N187.44 per day by an average resident in Niger; N184.25 per day in Lagos and N171.11 per day by an average resident in Nasarawa States.

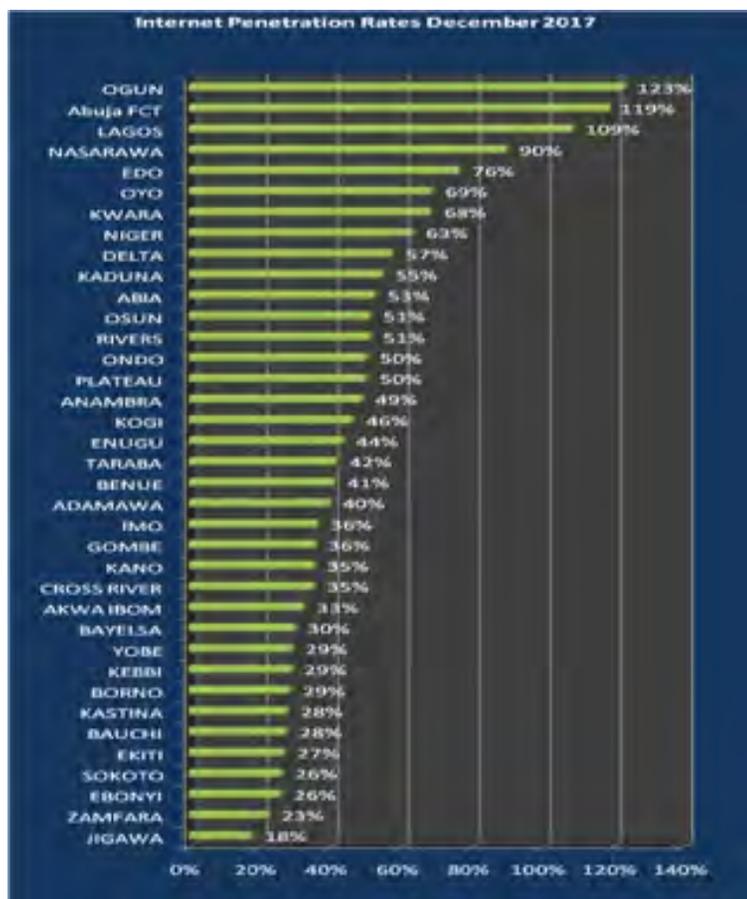
The five states with the least daily expenditure on data usage are Taraba, N56.97; Bayelsa, N51.97; Akwa Ibom, N51.74; Ebonyi, N50.01 and Ekiti, N49.21.

We are not surprised at the emergence of the ten states as topmost in voice calls and internet data usage. Lagos is the nation's commercial centre and the metropolitan nature of the state requires that frequent calls are made to carry out different business activities and be in contact with the loved ones.

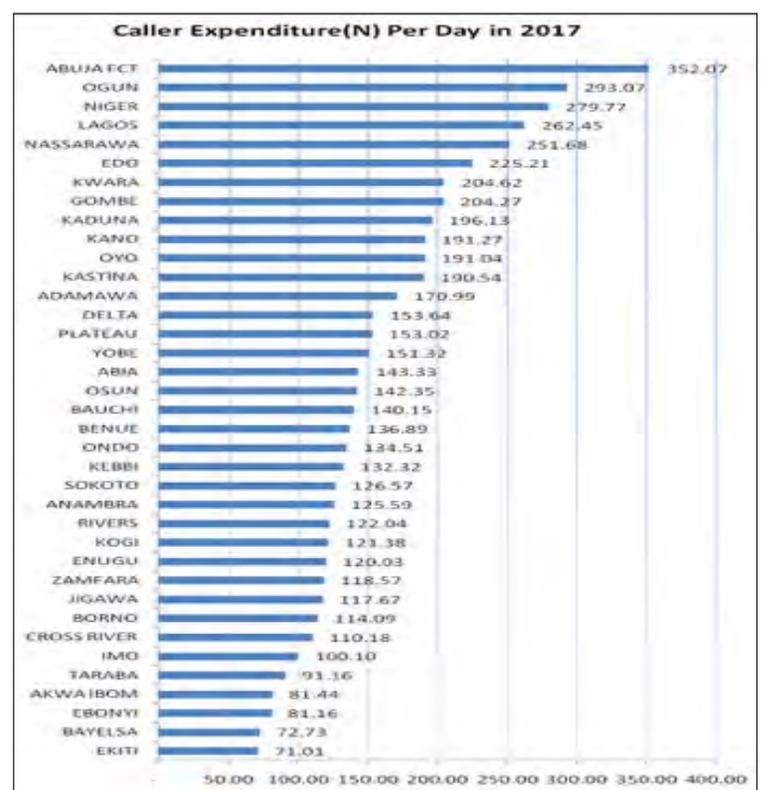
The state has the highest number of TV and radio stations majority of which have very active social media accounts such as Facebook, Twitter, Instagram and Whatsapp with millions of followership.

The seat of power, Abuja, shares some similar characteristics with Lagos. Businesses are booming, a development that is attracting more Nigerians to it who are in search of means of livelihood. The spill over is felt in Nasarawa and Niger States where we have quite a number of satellite settlements whose residents work in Abuja.

Also, reforms in Kano and Kaduna states are attracting notable global brands as was the case of Olam Nigeria which set up the largest integrated farms in that state last year. The same firm has rice farms which cover several hectares of land in Nasarawa State. The upgrade of Kaduna airport has opened the state to more local and international business opportunities.



Source: NBS, BRIU



Source: NBS, BRIU

NEWS

N11bn for compensation as Lagos tackles infrastructure deficit

JOSHUA BASSEY

Over N11.8 billion has been approved by Governor Akinwunmi Ambode of Lagos State as damages payment on properties that have to give way as state intensifies effort at bridging its huge infrastructure deficit.

The right of occupancy on the affected properties had earlier been revoked by the governor in exercise of his powers in line with the provisions of 1978 Land Use Act, in the overriding public interest.

Lagos, Nigeria's smallest state by landmass, occupying 3,577 square kilometres, is home to an estimated 21 million people, which exerts enormous pressure on available infrastructure.

The state is said to be in infrastructure deficit that would require about \$50 billion over the next five years to bridge. And as part of efforts to tackle the deficit, the government is seen regularly intervening by expanding existing infrastructure and undertaking

new ones to cater for the huge population.

The affected properties, according to Yetunde Onabule, special adviser to Governor Ambode on urban development, who briefed journalists, Tuesday, fell on the alignment/right of way for construction, reconstruction/dualisation of roads, flyovers and ramps the government had to undertake in the last one year.

Among the projects compensation had been fully paid are the proposed Lekki international airport in Epe, Ilado Igbobo housing estate, Ojokoro specialist hospital, Onikan Randell family land, and the mechanic village at Gbagada phase one.

Others for which payment of damages are ongoing, according to Onabule, include reconstruction/dualisation of Irede-Abule Osun road in Ojo; construction of Pen Cinema flyover in Agege; construction of Freedom road/drainage channel in Eti-Osa; construction of modern bus terminal in Oyingbo, and

reconstruction/upgrading of Muritala Muhammed International Airport, among others.

Onabule, who also gave an insight into the financial records of the Lagos Lands Bureau, an agency saddled with the responsibility of land assets, said the bureau generated over N10.5 billion from land transactions in 2017, about 50 percent short of the N20.7 billion it generated in 2016, a development she attributed to the suspension of sales of new land schemes by the government.

The Ambode-led administration had put on hold the sales of new land schemes until all necessary facilities had been completed on such schemes.

"The major revenue we expected was from our schemes. However, based on the policy of the government that the infrastructure within that scheme must be completed, we had to slow down, that would bring a lot of revenue to the government, when we commence sales," she said.

PAC Holdings officially launches PanAfrican Capital Ghana

PanAfrican Capital Holdings Limited, a Proprietary Investment Company formally announced its Business operations in Accra with the official launch of PanAfrican Capital Ghana Limited on Friday, 4th May, 2018.

This newly launched Investment Banking and Advisory services firm brings to the Ghanaian Capital Market its huge wealth of expertise and knowledge in advisory and fund raising, to cushion businesses in key economic areas including power, aviation, telecommunications as well as oil and gas within the broader interest of pushing national development.

The Managing Director of PanAfrican Capital Ghana Limited, Wencelav Safrega, in his remarks at the launch event, described PanAfrican Capital's presence on the local scene as a "significant milestone in the Ghanaian Investment Market Sector."

"We are positioned to deliver value in the entire financial services

value chain in the country; we have the capacity to meet the working capital needs as well as Infrastructural and Project Finance demands of our Clients operating within our focal economic areas, leveraging our strong footing in these sectors in the other African countries that we operate," he indicated.

He added: "With our core product offerings comprising Fixed Income Assets Management, Mergers and Acquisitions, Private Placements, Corporate Restructuring and Fund Raising Arrangements etc. PanAfrican Capital Ghana Limited is positioned to play a significant role in growing the domestic Capital Market."

Chairman of the Board of Directors, Millison Narh, said that the firm's presence on the local front will help push the quest for quality infrastructure and other critical economic needs to improve the livelihoods of the broad masses and ultimately reduce poverty.

He indicated that the Company sees numerous opportunities in the local capital market which is

largely underpinned by economic stability due to strong growth and fiscal prudence as well as vibrant external factors that have led to a stable forex regime.

According to the former Deputy Governor of the Bank of Ghana (BoG), PanAfrican Capital Ghana Limited has Strategic Partnerships and alliance with multilateral funding firms to help meet the needs of its expanding clientele base in the country.

Narh said: "Limited fiscal space remains a constraint to the provision of relevant infrastructure to drive socio-economic growth and improved livelihoods for the broad masses which will ultimately reduce poverty. Such hindrances set the agenda for the private sector, including PanAfrican Capital Ghana Limited to act."

Fixing infrastructure helps businesses to grow and improves private sector competitiveness. We are here to contribute to the development of the country, the sub-region and the continent as a whole."

Edo restates commitment to reposition education sector

... urges more stakeholder support

Edo State government has restated commitment to reposition the state's education sector to deliver better learning outcomes relevant to current needs.

Emmanuel Agbale, commissioner for education, gave the assurance while commissioning chairs and tables donated by the Niger College Old Students Association (NICOSA), class of 1992, in Benin City.

According to Agbale, "The Edo State governor, Mr Godwin Obaseki, is very passionate about revamping the state's education sector and has commenced the training of teachers on the use of modern technology to improve

teaching and learning outcomes in the basic education sub-sector.

"This training will be extended to the senior secondary schools across the state while efforts are ongoing to address the infrastructural challenge in some schools."

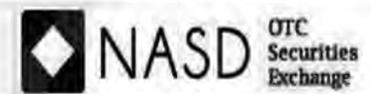
He commended the 1992 set of Niger College, for "appreciating the concept of giving back to their alma mater," adding that the Obaseki-led administration appreciated contributions from old students, parents, host communities and other stakeholders in the development of the education sector.

He assured that his ministry would attend to the requests for

more chairs, library and laboratories for the school.

Special adviser to the Edo State governor on media and communication strategy, Cruse Osagie, said the gesture was coming at a time the state government was partnering all stakeholders for the sector's uplift.

"Governor Obaseki's approach to issues is holistic. He does not believe in tokenistic approach to problems. In the education sector, stakeholders are being carried along to play their part. This donation is commendable and we want similar associations to rise to the occasion and give back to their old schools," Osagie said.

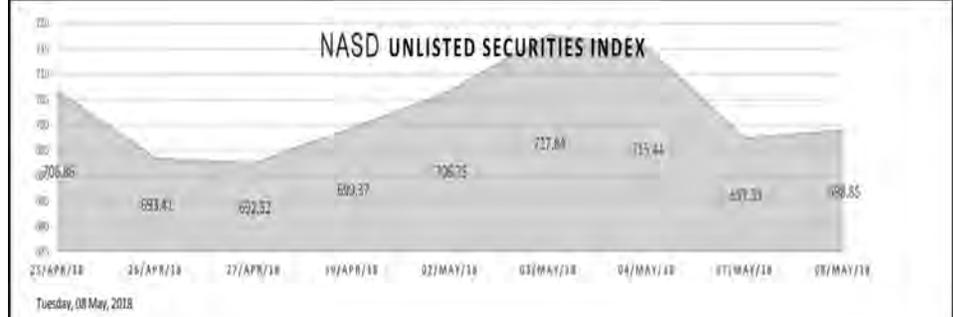


NASD OTC DAILY MARKET SUMMARY

Tuesday, 08 May, 2018

The OTC Unlisted Security Index (USI) and Market Capitalisation closed the trading day on Tuesday, 08 May, 2018 with a positive movement from Monday, 07 May, 2018. The NASD USI and Market capitalisation closed at 698.85 Points and N472.93 billion respectively.

Number of equities traded decreased by 98% from 100.41 million units to 1.54 million units valued at N2.86 million in Four (4) deals. Negotiations focused on Two (2) out of the Thirty-eight (38) securities admitted to trade on the NASD OTC market.



Statistics	08-May-18	07-May-18	Change	% Change
UNLISTED SECURITIES INDEX	698.85	697.39	1.46	↑ 0.21
MARKET CAPITALISATION (N' bn)	472.93	471.94	0.99	↑ 0.21
TOTAL VOLUME TRADED	1,536,100	100,413,812	(98,877,712)	↓ (98.47)
TOTAL VALUE TRADED (N)	2,861,020.00	55,679,494.85	(52,818,475)	↓ (94.86)
NUMBER OF DEALS	4	10	(6)	↓ (60.00)
NUMBER OF TRADED STOCKS	2	5	(3)	↓ (60.00)
NUMBER OF UNTRADED STOCKS	36	33		

SECURITY	CLOSE PRICE (N)	PREV. CLOSE PRICE (N)	CHANGE	%CHANGE
CENTRAL SECURITIES CLEARING SYSTEM PLC	11.90	11.50	0.40	↑ 3.48%

SECURITY	CLOSE PRICE (N)	PREV. CLOSE PRICE (N)	CHANGE	%CHANGE
UBN PROPERTY COMPANY PLC	1.62	1.80	(0.18)	↓ -10.00%

SECURITY CODE	TRADES	VOLUME	VALUE (N)
UBN PROPERTY COMPANY PLC	1	1,500,000	2,430,000.00
CENTRAL SECURITIES CLEARING SYSTEM PLC	3	36,100	431,020.00

SECURITY	CLOSING PRICE (N)	VOLUME BIDDED	LAST BID (N)	VOLUME OFFERED	LAST OFFER (N)
ACORN PETROLEUM PLC	0.19	200,000	0.19	-	-
AFRILAND PROPERTIES PLC	3.15	660	3.20	50,000	3.10
AG MORTGAGE BANK PLC	0.60	-	-	-	-
AIR LIQUIDE PLC	6.00	-	-	-	6.00
ARM LIFE PLC	0.50	6,376	0.50	-	-
BGL PLC	3.00	-	-	-	-
CR SERVICES (CREDIT BUREAU) CLASS A PLC	1.00	-	-	-	-
CR SERVICES (CREDIT BUREAU) CLASS B PLC	1.00	-	-	-	-
CAPPA AND D ALBERTO PLC	37.21	-	-	80,000	33.49
COSTAIN (WEST AFRICA) PLC	0.50	-	-	-	-
CR SERVICES (CREDIT BUREAU) PLC	1.90	-	-	-	-
CENTRAL SECURITIES CLEARING SYSTEM PLC	11.90	100,000	11.05	40,000	13.75
DUFIL PRIMA FOOD PLC	9.00	10,000,000	9.00	-	-
ENSURE INSURANCE PLC	1.10	-	-	-	-
FAMAD NIGERIA PLC	1.25	-	-	-	-
FAN MILK PLC	20.00	-	-	-	-
FREE RANGE FARMS PLC	1.00	-	-	-	-
FRIESLAND CAMPINA WAMCO NIGERIA PLC	165.00	1,000	155.00	5,990	159.00
FOOD CONCEPTS PLC	0.69	-	-	10,498,900	0.62
FUMMAN AGRICULTURAL PRODUCT IND. PLC	1.58	-	-	-	-
GEO-FLUIDS PLC	0.53	-	-	-	-
GOLDEN CAPITAL PLC	1.00	-	-	-	-
INDUSTRIAL AND GENERAL INSURANCE PLC	0.30	-	-	15,000	0.30
INTERNATIONAL PACKAGING IND. OF NIG PLC	0.50	-	-	-	-
LIGHTHOUSE FINANCIAL SERVICES PLC	0.50	-	-	-	-
MASS TELECOM INNOVATION PLC	0.50	-	-	-	-
MIXTA REAL ESTATE PLC	2.23	-	-	100	2.30
NASD PLC	2.59	6,375	2.34	-	-
NIGER DELTA EXPLORATION & PRODUCTION PLC	159.00	26,500	145.00	38,956	150.00
NIPCO PLC	73.50	-	-	11,845	80.00
NIGERIA MORTGAGE REFINANCE COMPANY PLC	4.55	-	-	-	-
RIGGS VENTURES WEST AFRICA PLC	0.95	-	-	-	-
RESOURCERY PLC	0.50	-	-	2,200,000	0.45
SPRING MORTGAGE PLC	1.20	-	-	-	-
SIWAP TECHNOLOGIES & TELECOMMS PLC	0.97	-	-	-	-
TRUSTBOND MORTGAGE BANK PLC	0.87	-	-	-	-
UBN PROPERTY COMPANY PLC	1.62	-	-	9,988,100	1.80
VITAL PRODUCTS PLC	2.59	-	-	-	-

Disclaimer
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Unilever Nigeria PLC (RC 113)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Ninety-third (93rd) Annual General Meeting of Unilever Nigeria Plc. will be held at the Shell Hall, Muson Centre, Onikan, Lagos on Thursday 10 May, 2018 at 10.00am for the following purposes:

Ordinary business:

- 1 To lay before the Members, the Report of the Directors, the Audited Financial Statements for the year ended 31 December, 2017 together with the Reports of the Audit Committee and the Independent Auditors thereon.
- 2 To declare a Dividend.
- 3 To elect/re-elect Directors.
- 4 To authorize the Directors to fix the remuneration of the Independent Auditors.
- 5 To elect members of the Audit Committee

Special business:

- 6 To fix the remuneration of the Directors.
- 7 To consider and if thought fit, pass the following resolution as an ordinary resolution of the Company:
 "That, pursuant to Rule 20.8 of the Rulebook of the Nigerian Stock Exchange 2015: Issuers Rule, a general mandate be and is hereby given authorizing the Company during the 2018 financial year and up to the date of the next Annual General Meeting, to procure goods, services and financing and enter into such incidental transactions necessary for its day to day operations from its related parties or interested persons on normal commercial terms consistent with the Company's Transfer Pricing Policy. All transactions falling under this category which were earlier entered into in 2018 prior to the date of this meeting are hereby ratified."
- 8 To Consider and if thought fit, pass the following sub-joined resolutions as ordinary resolutions of the Company:
 - I That the proposed sale of the Company's Spreads (Blue Band margarine) business (the "Business") and all assets attached to or deployed in connection with the Business (as will be more particularly described in the relevant transaction documents) to Sigma Bidco B.V., an entity incorporated by KKR & Co LP, or any of its nominees, assigns or subsidiaries (the "Disposal") on such terms and conditions as may be approved by the Board of Directors of the Company ("the Board"), is hereby approved subject to obtaining relevant regulatory approvals;
 - II That the Board is hereby authorized to execute all relevant documents, appoint such professional advisers, take all necessary steps and to do such other acts or things as may be necessary, supplementary, consequential or incidental to giving effect to the Disposal including obtaining the relevant regulatory approvals and complying with the directives of any regulatory authority; and
 - III That all acts carried out by the Board and management of the Company hitherto in connection with the above, be and are hereby ratified.

NOTES:

Proxy

A member of the company entitled to attend and vote is entitled to appoint a proxy instead of him/her. A proxy need not also be a member. A detachable Proxy Form is enclosed and if it is to be valid for the purpose of the meeting, it must be completed and deposited at the office of the Registrars, GTL Registrars Ltd. 274, Murtala Muhammed Way, Alagomeji, Yaba, Lagos, not later than forty-eight (48) hours before the time of the meeting.

Dividend warrants and closure of register

The Board has recommended dividend payment which if approved, is payable less withholding tax. Dividend warrants will be payable on

Friday, 11 May 2018 to the shareholders who are on the Company's Register of Members at the close of business on Friday 13 April, 2018.

NOTICE is therefore given that the Register of Members and Transfer books of the Company will be closed from Monday 16 April, 2018 to Friday, 20 April, 2018 (both dates inclusive) to enable the preparation of payment of the dividend.

Nominations for the Audit Committee

The Audit Committee comprises of three (3) shareholders and three (3) Directors. In accordance with Section 359 (5) of the Companies and Allied Matters Act Cap. C20, Laws of the Federation of Nigeria 2004, any shareholder may nominate another shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the date of the Annual General Meeting. The Securities and Exchange Commission's Code of Corporate Governance for public Companies stipulates that members of the Audit Committee should have basic financial literacy and should be able to read Financial Statements. We therefore request that nominations be accompanied by a copy of the nominee's curriculum vitae.

Unclaimed Dividends

Shareholders are hereby informed that several dividend warrants have been returned to the Registrars as unclaimed. Some Dividend warrants have neither been presented to the Banks for payment nor to the registrar for revalidation. A list of such unclaimed dividends will be circulated with the Annual Reports and Financial Statements. Members concerned are advised to contact the Registrars at GTL Registrars Limited 274, Murtala Muhammed Way, Alagomeji, Yaba, Lagos Tel: 01 279 3161- 2 & +234 01 813 1925

E-Dividend/Bonus

Pursuant to the Directive of the Securities and Exchange Commission, notice is hereby given to all shareholders to open bank accounts, stockbroking accounts and CSCS accounts for the purpose of e-dividend/bonus. A detachable application form for e-dividend to enable shareholders furnish particulars of their accounts to the Registrars as soon as possible.

Rights of Securities' Holders to ask Questions

Securities' Holders have a right to ask questions not only at the Meeting, but also in writing prior to the Meeting and such questions must be submitted to the Company via the Company Secretary on or before Thursday 3 May, 2018

Dated this 15 March, 2018

By order of the Board

Mrs. Abidemi Ademola
Company Secretary & Legal Director GN
FRC/2013/NBA/00000001646

Registered Office

1, Billings Way,
Oregun, Ikeja,
Lagos.



Opinion



OPEYEMI AGBAJE

opeyemiagbaje@rtcadvisory.com

Honouring Jakande's service

gos crowd; and then there were Alhaji Lateef Kayode Jakande, former Governor of Lagos State between 1979 and 1983 and his still very beautiful and charming wife, Abimbola.

Jakande and Adebajo go back a long way, being both leading members of Chief Obafemi Awolowo's inner caucus in the old Action Group (AG) and Unity Party of Nigeria (UPN), but Jakande had since been somewhat alienated from his old Afenifere comrades after he ran for the presidential candidacy of the then Social Democratic Party (SDP) during the Babangida transition against the wish of the movement (which had earlier agreed on Chief Olu Falae while Jakande and others were banned) and then served in the Abacha cabinet as Minister of Works and Housing even after the group had asked its members to resign. Since then it was not often that we see "LKJ" (as Jakande was popularly known) in the company of the Afenifere elite. For many of us in that quiet and serene church service, it was a pleasant surprise

seeing "Baba Kekere" in our midst.

Jakande is not the old LKJ we used to know however! Age has taken its toll. Lateef Kayode Jakande at 89 years of age is no longer the strong, formidable and vibrant politician who walked with authority and waved his "irukere" as he clearly sought to inherit the mantle of Awolowo as his appropriation of the appellation "Baba Kekere" demonstrated, Chief Awolowo implicitly being the Baba Agba! After the battles of the Sarumi-Agbalajobi era also during the Babangida transition, Jakande had been somewhat de-mystified in Lagos politics. The Chief Dapo Sarumi faction of the then SDP with the support of the Shehu Yar'adua/Babagana Kingibe hold on the national SDP machinery tilted power towards their Peoples Front (PF) allies led by Sarumi/Bola Tinubu/Yomi Edu in the governorship primaries in Lagos and in effect ended Jakande's seemingly unbreakable hold on Lagos politics. The Jakande and Afenifere group merely extracted

some self-respect by ensuring the defeat of their traducers in the consequent governorship elections of 1992, resulting in the unexpected victory of the NRC's Chief Otedola, who became governor. By the time civilian politicking resumed in 1999, Chief Lateef Jakande had become alienated from the Afenifere mainstream and Chief Ganiyu Dawodu was now leader of Afenifere and its Alliance for Democracy (AD) in Lagos State. Jakande has been on the margins of partisan politics since then!

Yet nothing can wipe away Lateef Jakande's service in Lagos! At a point during the church service in Ogbo, the officiating Anglican priest acknowledged the presence of the former "action governor" in the auditorium and the whole congregation-natives and visitors, rose and gave a long and enduring ovation! It was the type of moment people should live for...Jakande was not even a former governor of Ogun State in which the Church was located; he doesn't have too much money (which is all that

drives our current crop of politicians!) to donate to the church or hand out to the congregants; and he has not held any public office whatsoever in the last two decades. Yet as Lateef Jakande sat, old, weak and shrunken, we all rose and applauded in the privacy and solemnity of that rural thanksgiving service. Those indeed are the moments people should live for! It was his wife who rose to acknowledge the cheers, just as she piloted, guided and supported the old man throughout the ceremony. May God grant us wives and families who will support and help us when we can no longer help ourselves!

I do not necessarily applaud everything Jakande did as governor of Lagos State. As a student of Igbobi College between 1976 and 1981, I resent the seemingly deliberate destruction of educational standards in the leading schools in Lagos State (Igbobi, CMS Grammar School, Baptist Academy, Methodist Girls High School, Raegan Memorial etc.) in favour of a policy that focused on numbers and not quality,

but I respect his egalitarian impulse and I can understand that beneficiaries of his mass education approach will appreciate the life changing opportunity he may have presented; his achievements in public housing remain unmatched even till today; and his imprint on health services, roads and infrastructure in Lagos State remains indelible. The valiant attempt by Jakande and his colleagues in the UPN (Bisi Onabanjo, Bola Ige, Adekunle Ajasin and Professor Ambrose Alli) to provide free education; free health services; full employment; and integrated rural development reminds us of an era when governance in Western Nigeria was about service to the people and not self-aggrandizement!

As we all rose to give former Lagos State Governor Lateef Kayode Jakande a rousing ovation in that modest church in Ogbo-Ijebu, I reflected on Jakande's impressive service and hoped that we all would honour his service to the people of Lagos State, Yorubaland and Nigeria.



CHIDO NWAKANMA

Nwakanma is a Visiting Member of the BusinessDay Editorial Board and serves on the Adjunct Faculty at the School of Media and Communication, Pan Atlantic University, Lagos. Email chidonwakanma@gmail.com.

The before and after price

before and after price. Examination at all levels of schooling but particularly at higher levels is a good example. The "before" price is the assiduousness of the student in attending classes, doing his assignments, and reading recommended as well as extra curricula literature on his subjects. As proverbially stated often, the student "burns the midnight oil" and forsakes all other pursuits for the prize. That prize - success in his examination - is the "after price" for the efforts put in. The other type of student also pays a before and after price. He wanders aimlessly in relation to the goal by attending all parties in and out of campus, being the school fashionista, the hottest thing around and all such. At examination, his resounding Fs are a fitting price.

Take the matter of exercise and wellbeing. The favourite expression in the gym is "no pain, no

gain". It translates to no price, no prize. People intent on managing their weight vote for fitness and weight loss by paying a price: they do the gym round by waking up early or going after hours; they learn not to salivate at certain foods; they eat in moderation; they do crunches. The after price is a toned body as well as feeling of satisfaction at attaining the goal.

A young family acquaintance's experience has been very illustrative. Chidiogo is 24. She has just earned her degree in International Relations from one of the state universities. She returned home to hearty welcome as well as consternation. Chidiogo weighed 120KG, and considered herself unworthy and undesirable. Flab reported all over her body. Her worried mother took action and placed her on a fitness programme of diet and exercise. Three weeks after, the fruit diet yielded

good results. Chidi, who had earlier begged the coordinator not to disclose her weight, now heartily called to disclose her current weight as against what it was at the beginning. She is still paying a price, but appreciating the "after" prize of the price.

Price is of course at the heart of marketing. Price is the crux of the exchange that happens between buyer and seller. Price represents value to the buyer and revenue to the seller. We pay various prices as consumers. We pay even more fundamental before and after prices in the various decisions and actions of our lives. There is always a price, before and after. Choose wisely, so you get a desirable prize for the price you pay.

What price are we willing to pay for the development of our towns, cities, local governments and the Nigerian nation? Are we aware of the price for the choices we make or

the prize available at the end for those choices? Are the implications clear and straightforward?

There is abroad in our clime currently a Get Your PVC campaign as a clarion call for political engagement. The message is for all adults to fully exercise their rights as eligible voters and participate in the electoral process.

The PVC campaign is a good and desirable first step in political engagement. As it is framed, possession of the PVC enables the citizen actively participate in the choice of leaders through voting.

It is a seductive proposition. It is also a correct one. However, voting is only but one aspect of political engagement. To deepen our democracy, all citizens must commit to paying a higher price. The price would be to engage even more actively than merely securing a PVC and coming out to vote on election day, even as that is very important

itself.

Citizens need to be more involved from their neighbourhoods up in the issues that affect their existence. Wisemen have affirmed that eternal vigilance is the price of liberty. Citizen vigilance and engagement are the currencies for sustaining democracy.

Many issues call for concern across the states and the federation. They range from education to healthcare, urban planning to management of the environment, and much more. Years of military rule meant that citizens were removed from the grassroots mobilization of ideas that is part of policymaking. Who is your councillor? Who represents your neighbourhood and then your local government? What issues have you brought to their attention? We must find our way back. Pay a price today for the prize of a democracy that works for Nigeria.

WEST AFRICA ENERGY INTELLIGENCE

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BUSINESS DAY

POLICY



Metering is litmus test for NERC's new chairman

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Corporate Nigeria partners with Brandzone for LightUpNigeria Energy conference

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OPEC weekly basket price

DAY	PRICE
4/5/18	70.75
27/4/18	70.92
20/4/18	69.5
13/4/18	67.66
6/4/18	65.11

Source: OPEC



L-R: Rudolph Fielder, CEO, Europe TELCO; David Collett, group chairman, Catch Energy, Wale Omole; chairman, TellCo Europe Nigeria and Omar Fischer, co-founder, TellCo Switzerland at the world press conference preceding official launch of TellCo Europe Nigeria and inauguration of off-grid solar power solutions for MSMEs in Nigeria held in Lagos recently . PicbyPlusOkeosisi

Debrief

Flashpoints for crude oil price spike intensify

FRANK UZUEGBUNAM

Flashpoints across key global energy supply regions have taken new dimension overshadowing a rising US crude oil output with the potential to cause fresh price volatility, particularly as global spare capacity weakens. It is estimated that about 10 million barrels of oil per day could be put at risk.

Most Iran nuclear deal watchers expect US President Donald Trump to re-impose oil sanctions on Tehran. Iran's oil output has regained most of its previous market

share since sanctions were lifted in January 2016, growing 1 million b/d to hover around 3.83 million b/d, an output which could be impacted with renewed US sanctions.

Venezuela's May 20 elections are expected to be a trigger for potential new sanctions, which could target oil or refined product flows. The US has said that it may impose further sanctions if it believes democracy is being undermined which could worsen the situation. Its production of about 1.49 million b/d is a drop of around 40 percent over the last two years from 2.35 million b/d, as lower prices and a crippled economy prevent investment.

Yemen's production output of 30,000 b/d is not enough to influence the market negatively but the country's Houthis rebels backed by Iran have attacked oil shipments in local waters raising concerns about shipping oil through the Red Sea. About 4.8 million b/d of crude/products transited through the Red Sea in 2016, representing nearly 5 percent of global maritime trade, according to the Energy Information Administration (EIA).

Just like Yemen, Syria's production of 20,000 b/d cannot impact the market but the proxy-war being fought in Syria is seen as a direct risk to oil with Russia and Iran supporting President

Bashar Assad's forces setting the stage for broader Middle East tension.

Iraq's production output of 4.46 million b/d could be affected by the simmering tensions with semi-autonomous Kurdistan in northern Iraq. The potential for a new push by Baghdad to take control of oil fields in Kurdish areas is also a risk.

Libya's oil production remains around 1 million b/d, far below pre-war levels of 1.6 million b/d. The lack of a clear legitimate government continues to fuel protests and attacks which have caused major disruptions to producing fields, pipeline and export infrastructure.

**WEST AFRICA
OUTLOOK****West Africa:
Nigerian crude grades struggle against US oil in NWE**

Despite heightened competition among the Atlantic Basin sweet crude grades in the last two months, Nigerian sweet crude oil grades have struggled to find homes in the Northwest Europe (NWE) market.

Europe is one of the key consumer markets for Nigerian crudes, followed by India, and distillate-rich grades such as Qua Iboe, Forcados and Bonny Light have met with limited buying interest from the European refiners, slowing down the sale of cargoes loading over May and June.

The whole Nigerian market had been hit by weak demand, not just the distillate-rich grades, also affecting the sales of the light sweet offshore grades, Agbami and Akpo, sources said.

These offshore grades would typically be snapped up early in the trading cycle, with traders saying that June cargoes



were mostly unsold.

Refiners in Northwest Europe have seen more offers of US crudes of late, which are sweet grades that compete directly with Nigerian crudes, contributing to an overhang of Nigerian crudes and a sharp drop in pricing differentials of these sweet crudes

since the start of March.

For the June programs, eight out of the 10 Forcados cargoes were still available, and around six out of the eight Qua Iboe cargoes were also unsold, according to sources.

The influx of competing US sweet crudes has been stoked by the widen-

ing ICE WTI-Brent spread, which has risen \$2.28/b since the start of March to \$5.31/b spread.

As a result, the relative strength in European diesel cracks has failed to drive a substantial appetite for the Nigerian distillate-rich grades given the rising competition among the Atlantic basin's sweet crudes, and have driven pricing differentials for Nigerian sweet crudes lower over the last two months.

Since the beginning of March, Nigeria's Forcados has fallen by 70 cents to an 85 cents/b premium to Dated Brent and Qua Iboe's has fallen to a similar extent even with a shorter program for May due to planned maintenance over the first week of May.

However, if diesel cracks remain high, some traders say they expect some support for certain Nigerian crudes to emerge, and a divergence between the distillate-rich Nigerian and light-end rich grades.

Brief**Egypt:
Eni discovers oil in Egyptian
Western Desert**

Italian energy giant Eni made an oil discovery in the Egyptian Western Desert's Faghur Basin, 103 kilometers north of the Siwa oasis, Eni announced.

The oil discovery, which was made in the southwest Meleiha license, started production and delivers 2,300 barrels of light oil per day (bpd) and 0.4 million standard cubic feet per day of associated gas.

"The well is the first one drilled by Eni to explore the deep geological sequences of the Faghur Basin," according to the official statement by the company.

The company announced, that based on the relevant authority's approval, production will potentially link to existing nearby infrastructure and ship to the El Hamra

Terminal through existing pipelines.

Eni, through its subsidiary IEOC, holds a 100 percent stake in the southwest Meleiha license.

IEOC through its operating company AGIBA, in which IEOC and the Egyptian General Petroleum Corporation (EGPC) have equal share equity, currently produces 55,000 barrels of oil equivalent per day, from the Egyptian Western Desert.

Eni has been present in Egypt since 1954, operating through its subsidiary IEOC. The company is the main producer in Egypt with 260,000 bpd of equity and production is expected to further grow within the year, thanks to the ramp up of the Zohr offshore natural gas field located in the Egyptian sector of the Mediterranean Sea.

**South Africa:
Total to boost exploration efforts in South
Africa as fuel network grows**

French energy giant Total SA plans to boost oil exploration and open more fuel stations in South Africa.

Total pumped a record amount of oil and gas in the first quarter and expects



output growth to exceed its 6 percent target this year thanks to acquisitions and new projects from the Arctic to West Africa. In South Africa, the company plans to expand its network of more than 500 fuel stations and finish a deepwater exploration well started in 2014.

"In retail, we clearly want to grow and to grow by 200 to 300 service stations in the coming few years," Pierre-Yves Sachet, managing director and CEO for Total South Africa, said in Johannesburg. "The intensity of our footprint is not exactly the one we would like to have yet."

Total, which is already due to open 20 new retail outlets this year, is considering partnerships to increase that number. It faces competition from South Africa's Sasol Ltd., which is also looking to expand its fuel-station network in a country that currently has about 4,600 outlets.

Total is also interested in supplying liquefied natural gas and adding solar projects as part of two government programs that faced delays under former South African President Jacob Zuma. While there has not yet been a marked change in demand and investment

under Cyril Ramaphosa, who replaced Zuma in February, there is a difference in the business community, according to Sachet.

"There is more confidence in the atmosphere, this is very clear," said Sachet, who sees growth in the company's sales of fuel and lubricants to mining companies.

Total, which owns 36 percent of the 108,000-bpd Natref refinery in a joint venture with Sasol, expects to resume drilling on South Africa's first deepwater well by the end of this year or first quarter 2019, said Sachet.

Brief

Nigeria:
Axxela achieves 4m LTI-free
man-hours

Axxela, sub-Saharan Africa's preferred fast-growing gas and power portfolio company, achieved Four Million Man-Hours without any Lost Time Injury (LTI) in its operations. The noteworthy achievement was reached on Friday, 20th April, 2018.

LTI is a measure of injury sustained on the job that is capable of preventing a worker from performing or continuing with a task or resulting in downtime in the operation.

Speaking on the safety landmark, Bolaji Osunsanya, Axxela's Chief Executive Officer said: "This significant and laudable feat underscores our dedication to always inculcate an enduring safety culture amongst our employees, and our exemplary adherence to best practices in our day-to-day business operations."

LNG Market:
Asia to remain key buyer of US LNG over
next decade

LNG demand in East Asia could jump 150 percent from current levels by 2030, bolstering prospects for the second wave of US export developers that are trying to finance construction of their terminals, a Japanese government energy official said at Offshore Technology Conference in Houston.

The comments underscore the importance the region will have in determining the scope of global supplies and the trajectory of market prices in years to come.

Across all of Asia, almost a dozen countries are currently importing LNG, while several are expected to begin doing so soon. Japan remains the world's biggest LNG importer, fol-

lowed by China and South Korea. Even as Japan pursues more renewables for power generation and brings more nuclear generating facilities back online, LNG is still expected to account for a significant share of its energy mix, said the official with the Japanese Ministry of Economy, Trade and Industry's Agency for Natural Resource and Energy.

Can NNPC really pull off its three-
point strategy on gas flaring?

KELECHI EWUZIE

In the past three decades, Nigerians have consistently watched as successive governments made long term plans on how to end the issue of gas flaring without the will power to push such plans to its logical conclusion.

It is with such pessimism that they are viewing the recent Nigerian National Petroleum Corporation (NNPC) three-point strategy targeted at bringing to an end to gas flaring come 2020.

Nigeria was previously the worst gas flaring nation in the world after Russia, but a number of Clean Development Mechanism, (CDM), projects aimed at appropriate gas utilisation have helped the country improve its standing in the global gas flaring chart to the sixth position.

According to the strategy, NNPC would ensure non-submission of Field Development Plans (FDPs) to the industry regulator, the Department Petroleum Resources (DPR), without a viable and executable gas utilization plan, a move aimed at ensuring no new gas flare in current and future projects.

Maikanti Baru, Group Managing Director, NNPC, said that in the last decade, gas flaring in Nigeria had reduced significantly from 25 per cent to 10 per cent adding that the multi-pronged approach taken by the group would ensure a sustainable solution to the historical problem of flaring.

The development would not only see Nigeria dropping from being the second highest gas



flaring nation in the world to seventh, it would also signify a major milestone in its gas commercialisation prospects.

The environmental effects and the economic losses of the gas flaring have remained a major concern and threats to many lives, particularly in the Niger Delta region.

Baru also disclosed that the firm would attract nothing less than \$25 billion investments into the nation's oil sector in the next 10 years.

Total flares have significantly reduced to current levels of about 800mmscfd and in the next one to two years, we would have completely ensured zero routine flares from all the gas producers," he stated.

As reassuring as the strategies are, industry closer watchers remain to be convinced considering the nature of previous plans and the foot-dragging approach to implementation.

They opine that there are huge opportunities in the gas with the country expecting over \$25 billion investments anticipated over the next 10 years.

Those who know in the gas space observe that the

Nigerian petroleum industry as the largest and the most vibrant in Sub-Saharan Africa has lots of potentials, especially in the deep water and untapped gas resources.

Baru further said the other two strategies are a steady reduction of existing flares through a combination of targeted policy interventions in the Gas Master-plan as well as the re-invigoration of the flare penalty through the 2016 Nigeria Gas Flare Commercialization Programme (NGFCP) and through legislation, that is, ban on gas flaring via the recent Flare Gas (Prevention of Waste and Pollution) regulations 2018.

According to him, NNPC has embarked on the most aggressive expansion of the gas infrastructure network aimed at creating access to the market.

Snapshot

\$25bn

Estimated
investment
prospect for
Nigeria's gas
flare out

WEST AFRICA
ENERGY INTELLIGENCE

Renewable energy as viable option to meet West Africa power needs

KELECHI EWUZIE

The West Africa region is still saddled with the challenge of lack of power supply as millions of citizens in the region still live without electricity even as demand for energy is rising rapidly.

ECOWAS Master Plan shows that electricity demand is projected to increase fivefold by 2030. This estimate includes demand from mines, which are accounted for separately in the Master Plan and in some countries are a significant driver of electricity demand.

Currently, 87 percent of demand comes from urban users, with almost all of the rest from industry.

Industry close watchers in the energy space observe that renewable energy has the potential to substantially assist West African countries and their people to have access to power, essential for the reduction of poverty and to ensure economic growth.

A report by International Renewable Energy Agency indicates that under the renewable-promotion scenario, renewables including hydro would account for more than 50 percent of generation share by 2030, rising from the current level of 22 percent.

According to the report, whilst West Africa's potential in hydropower would remain important, non-hydro renewables would increasingly contribute generation



mix, climbing to approximately 20 percent.

By 2040, it has been estimated that more than 25 percent of West Africa's total energy will originate from geothermal, hydro, solar and wind.

According to the International Energy Agency (IEA), Africa's demand for electricity is expected to increase by more than two-thirds as more than 60 GW of additional capacity would be needed by 2030.

Snapshot**60GW****Estimated electricity requirement by West Africa in 2030.**

Analysts pointed out that the use of renewable technologies is especially useful in the further and outlying areas as it is easier to install a more cost-effective solution in order to be less reliant on transporting electricity from power plants via transmission lines, which becomes very expensive.

Akinwumi Adesina, president of Africa Development Bank said the banks new energy strategy aims to increase energy production and access, improve affordability, reliability and energy efficiency.

Making case for the adoption of this new energy option those who know in the industry opined that renewable power reduces carbon emissions, has the potential to supply cheaper electricity, and is becoming more affordable while coal and nuclear are likely to be more expensive.

The IEA states that solar PV is expected to

lead capacity additions as it has become the cheapest source of electricity generation.

Most West African countries with existing hydro capacity still have vast untapped hydro potential almost half of which would be met by renewable technologies under the renewable-promotion scenario.

The IRENA report further indicated that the ECOWAS Master Plan identified hydro projects equivalent to about 12GW, including 3GW each in Nigeria and Guinea, and 1GW in Cote d'Ivoire.

On a per-square-metre-basis, Gambia and Guinea-Bissau have the highest potential for solar CSP. In absolute terms Nigeria and Niger have the biggest potential both for solar PV and CSP. High-quality wind resources were identified only in Niger and Senegal. Burkina Faso, Gambia, Nigeria have large potential for middle-quality wind.

South Africa: South Africa's Eskom says no power cuts in 2018

South African power utility Eskom, which is grappling with liquidity problems has pledged that it would not resort to controlled power blackouts this year despite reports that it was facing coal shortages.

Eskom supplies about 95 percent of South Africa's electricity, predominantly by burning coal. The state-owned utility has been forced to introduce nationwide electricity cuts in the past decade, the latest in 2015, denting economic output.

"There will not be load-shedding this year," said Eskom's acting Chief Executive, Phakamani Hadebe, referring to forced interruptions to power supply.

Hadebe said that six power plants currently had less than the required coal supplies, down from seven recently, and the company has raised 43 billion rand



(\$3 billion) to run its operations since January.

"I can tell you without any shadow of doubt that we are safe," Hadebe said. "We are confident that we are on the right trajectory."

Eskom appointed a new board of directors in January to resolve a leadership crisis. New President Cyril Ramaphosa in February appointed former finance minister Pravin Gordhan as public enterprises minister, in charge of state companies such as Eskom.

Europe: Europe invests N51.2bn in wind energy in 2017

Europe invested €51.2 billion in wind energy in 2017 out of which new farms accounted for €22.3 billion, WindEurope said in a recent report.

According to the newly released WindEurope's Financing and Investment Trends report, the remaining investment amount was designated to refinancing of existing wind farms, the acquisition of projects and of companies involved in wind, and on public market fundraising. The total investment figure was 9 percent up on 2016.

However, the €22.3 billion invested in new wind farms was down on the €28 billion invested in 2016. Nonetheless, it covered more capacity - 11.5 gigawatts (GW) compared to 10.3 GW - reflecting the falling costs of wind energy.



The report said that the maturity of the wind energy sector and the competitive pressure of auctions are changing the way wind projects are financed.

"Power producers still carry projects on balance sheets through Final Investment Decisions (FID). But refinancing and the sale of minority stakes in projects are coming in much earlier in the process," the report said.

POLICY

Metering is litmus test for NERC's new chairman

ISAAC ANYAOGU

James Momoh, the man taking over the reins at the Nigerian Electricity Regulatory Commission (NERC) has a profile that will make you feel inadequate.

He bagged a BSEE degree (1975) from Howard University, MSEE degree (1976) from Carnegie Mellon University, MS degree (1980) in Systems Engineering from the University of Pennsylvania and a Ph.D. degree (1983) in Electrical Engineering from Howard University.

Momoh's research and professional activities have led to over 225 technical papers in refereed journals, transactions, proceedings and also production of several textbooks in his areas of expertise says his profile on the College of Engineering and Architecture (CEA).

Interestingly, his career is the sort you use as reference during a career counselling session. He was Chair of the Electrical Engineering Department at Howard University and Director of the Center for Energy Systems and Control.

"In 1987, Momoh received a National Science Foundation (NSF) Presidential Young Investigator Award. He was Program Director of the Power program in the Electrical and Communications Systems (ECS) Division at NSF from 2001-2004. Momoh is a Fellow at the Institute of Electronics and Electrical Engineering (IEEE) and a Distinguished Fellow at the Nigerian Society of Engineers (NSE). He was inducted as a Fellow Member of Nigerian Academy of Engineering (NAE) in 2004," says his profile on CEA website.

But if there is any lesson from the Nigerian experience, it is that competence is not always a function of academic qualifications. The litany of collapsed



buildings and the frequency of misdiagnosis in hospitals the broken power sector evidence the disharmony between knowledge and performance.

The mere fact that it took three years to appoint a NERC chairman in a country with thousands of engineers both at home and abroad, speaks vol-

umes.

For Momoh, how he implements the new Meter Asset Provider (MAP) regulations 2018 which came into effect on March 8 will be the first test of his mettle.

"Consumers must understand what is going on with their metering, what are their rights and so on and so forth; who do they hold accountable, where are the NERC field offices to which they can complain; what is the process of getting remediation for service that is not in sufficient quantity and of quality?" Babatunde Fashola, minister of Power, Works and Housing said at the inauguration of NERC chairman, in Abuja recently.

According to NERC, Nigeria has a metering gap of 4,740,275. Considering that this is just the population of a quarter of Lagos residents, indicates how woefully unreliable this data is. Suffice to say, only about 6 million customers exist on the DisCos' database.

Many challenges will bog the new regulation. Customers are required to pay a service charge along with the energy charge. They can also buy meter directly from MAPs. Even if we ignore the fact that having customers buy their own meters is an aberration, the imposition of a service charge, is a renewal of an earlier abolished fixed charge and will definitely ruffle feathers.

Following the enactment of MAP regulation, 71 Metering Service Providers (MSPs) have been licensed by NERC but it is not clear the DisCos are willing to work with any. Two months after MAP regulation, the DisCos maintain a deafening silence while having constant meetings with their lawyers. DisCos already have fractious relationship with local meter manufacturers; it is not clear how the new regulation will make them buddies.

Weaning the DisCos off estimated billing, which is the objective of MAPs, is like coming between an addict and his fix. Since 2013, dynamic regulation has been the bane of the power sector. NERC cannot enforce sanctions because it lacks the moral courage to maintain a fair electricity market. Tariff is not cost reflective, DisCos abuse market rules and Fashola constantly tells Nigerians that electricity is in the hands of private business people, yet are not allowed to raise tariff.

Clearly, Momoh will have his hands full, it remains to be seen if NERC under his watch will start behaving like a regulator.

Snapshot

6million

Estimated number of customers are said to be paying electricity bill in Nigeria

WEST AFRICA
ENERGY INTELLIGENCE

FINANCE • PEOPLE • APPOINTMENTS

Brief

Major Marketers laud Navy on easing Apapa traffic gridlock

ISAAC ANYAOGU

Major marketers, tanker owners and drivers have extolled the efforts of the Western Navy Command through the joint Security Task Force led by the FOC Western Naval Command of the Nigerian Navy, Rear Admiral SAG Abbah and the Commander of NNS Beecroft Commodore Okon Eyo for their timely intervention in clearing the Apapa traffic gridlock menace that had hitherto defied all efforts at remedy.

With the clearing of the traffic gridlock businesses are breathing a new sign of relief and commuters have been spared of mind-numbing traffic. Many played a role including the Petroleum Drivers Tankers Association (PTDA), Nigerian Association of Road Truck Owners (NARTO), Nigerian Union of Petroleum and Natural Gas

were able to comply, a top official of a major marketer in the area said they all made conscious efforts to ensure that their trucks are housed within the marshaling yard, their holding bay. He said: "That was simply what we did and with the cooperation of the union, the Petroleum Tankers Drivers Union, who also cooperated with us to ensure that their drivers also listened to us, with the trucks in the marshaling yards."

He attributed the success to series of weekly meetings held amongst the stakeholders where the gridlock clearance was the major point of discussion. He further said there was engagement with the Nigerian Port Authority to contain the spill over.

The major marketers are seeking permission from the Navy commander to let their trucks move to the operators holding bay because as observed, the trucks being on the queue



Workers (NUPENG), and the Major Oil marketers.

A visit to the area shows that the gridlock has been completely cleared on the highways leading into Apapa, leaving Western Avenue on the Surulere and Orile Iganmu axis as problem spots. Many of the trucks parked on the road are mainly container laden trucks causing traffic along the axis.

On how the marketers

is not too good since their holding bay in the area can contain more than 400 trucks.

Another official of the major oil marketers said they will embrace the call card system introduced by the Naval authorities but want little adjustment to take care of some unforeseen occurrences especially as regards loading and delivering products around Apapa.

Corporate Nigeria partners with Brandzone for LightUpNigeria Energy conference

First Bank, Techno Oil, Falcon Corporation, Rain Oil and Eterna Plc partner with Brandzone to bring the LightUpNigeria Energy Conference. The theme of the 2018 Energy Conference is "Repositioning the energy sector for growth" It would hold on Tuesday May 15th, 2018 at the Oriental Hotel, Lagos.

This edition of the LightUpNigeria Energy Conference shall explore optimizing natural resources to drive energy efficiency and sufficiency for national growth and development. The conference shall also investigate the future of clean energy, energy digitization, and the development of world class energy infrastructure locally. It would explore the role of innovation and branding in building strong Nigerian energy brands of the future.

The annual Brand Innovation Conference in its 5th year is organized by Bran-



dzone Consulting a globally affiliated organisation reputed for building and managing some of the best of Nigerian brands across diverse sectors including Oil and Gas, Banking, Automobile, Hospitality and Technology.

Dignitaries and special

guests expected at the conference include the Minister of State for Petroleum Resources, Dr Ibe Kachikwu, who shall deliver the conference Keynote address, Former Minister of Petroleum Resources, HE Odein Ajumogobia SAN and Bolaji Balogun, Chairman La-

farge, Africa.

Executive Director and Co-Founder, Sahara Group, Tonye Cole doubles as the Conference Chairperson and the Conference Advisory Board Chairman. Other Speakers confirmed for the conference include Demola Adeyemi-Bero, Managing Director First Exploration and Production Company, Gabriel Ogbechie, Managing Director CEO, Rainoil Nigeria Limited, Nkechi Obi, Vice Chairperson, Techno Oil Limited, Joe Ezigbo Founder and CEO, Falcon Corporation, Dada Thomas, President Nigeria Gas Association and Founder/CEO, Frontier Oil amongst others.

The LightUpNigeria Conference is designed to draw thought leaders and experts across the various sub-sectors to share insights and knowledge on industry growth topics, timely and relevant issues that would help to unlock opportunities for growth in the energy sector.

OVH Energy announces 2nd edition of its creative writing competition

OVH Energy has announced the commencement of its creative writing competition in commemoration of the World Creativity and Innovation week which took place from April 15-21, 2018. This competition is the 2nd edition of the company's Prodigy series titled "So You Think You Can Write".

The Prodigy Series is an intellectually stimulating creative writing competition designed to support and encourage the art of creative writing in Nigeria, whilst proffering pragmatic solutions to busi-

ness issues. This initiative was conceived in line with the United Nations 2030 sustainable development agenda and is open to Nigerians between the ages of 20-35 years.

Huub Stokman, OVH Energy CEO, commenting on the prodigy series initiative said: "OVH Energy conceived this idea to encourage Nigerian youths to effectively free up and deploy their creative energies as thought catalysts in suggesting practical yet differentiated business solutions to prevailing business problems. This year's theme focuses on how leading corpo-

rates can positively influence their environment through socially responsible business processes or actions in the 21st century. Contestants are to suggest innovative social initiatives that can be created and adopted by corporate organizations to encourage and promote impactful social change in Nigeria."

To be eligible for this competition, entrants must be Nigerian citizens, residing in the country. They must also be aged 20 - 35 years and have verifiable proof of evidence attached to the submission. Submission deadline is

May 29, 2018. Interested participants should visit www.ovhenergy.com/prodigy to submit their entries.

Terms and conditions for entries include: one entry of not more than 1000 words per participant is allowed (jointly authored papers are not eligible); entries must be original thoughts of writer (plagiarized articles will be disqualified); entries must be titled and should include author's full name; entries must be submitted in .pdf format with Times New Roman (font size 14) and single line; Late entries will not be accepted.

MARKETINSIGHT

WEST AFRICA ENERGY INTELLIGENCE

Oil hits highest as the world waits on Iran sanction looms

Oil prices rose about 2 percent with US crude hitting its highest in more than three years as global supplies remained tight and the market awaited news from Washington on possible new US sanctions against Iran.

US light crude settled up \$1.29 at \$69.72 a barrel. It touched a session high of \$69.97, its highest since November 2014. It was on track to gain just over 2.3 percent on the week. Brent crude oil settled up \$1.25 at \$74.87 a barrel. The global benchmark was set to end the week up 0.3 percent.

Iran's foreign minister said that US demands to change its 2015 agreement with world powers were



unacceptable. Trump has said European allies must rectify "terrible flaws" in the international accord by May 12.

European powers want

to hand Trump a plan to save the Iran nuclear deal but they have also started work on protecting EU-Iranian business ties if Trump makes good on his threat

to withdraw.

Iran resumed its role as a major oil exporter in January 2016 when international sanctions were lifted in return for curbs on Tehran's nuclear program.

Surging production in the Permian shale basin is outpacing pipeline capacity, while local refining issues have exacerbated oversupply.

The United States now produces more crude oil than top exporter Saudi Arabia, and two weeks of US inventory builds have limited the oil markets upside. US energy companies added oil rigs for a fifth straight week, with higher crude prices boosting profits and pushing nationwide production to record highs.

Iran's oil exporters have record month before possible sanctions

Iran's crude exporters had a banner April, with shipments soaring to a record right

before the possible re-imposition of US sanctions on their oil sales.

Crude exports by

OPEC's third-biggest producer totaled 2.61 million barrels a day, according to the Iranian Oil Ministry's Shana news service. That beat the previous high of 2.44 million barrels a day in October 2016, it said.

Sixty percent of Iranian oil products were sold to China, India, South Korea and Japan, while China and India alone imported about 1.4 million bpd.

Meanwhile, US President Donald Trump will decide by May 12 whether to keep America in an international agreement that restricts Iran's nuclear activities in exchange for relief from sanctions and a restriction on oil sales. Since sanctions were eased as of January 2016, Iran's crude production has almost doubled.

China and India together took 1.4 million barrels a day from Iran in April, according to Shana.

Some oil traders are already unwilling to sign contracts for Iranian crude and refined products that would be valid after May 12, according to recent interviews with six companies that buy and sell oil in the Middle East.

Iran's crude and condensate exports in April were 2.87 million barrels a day, Shana reported. Observed shipments of both rose to 2.83 million barrels a day from 2.48 million barrels in March, according to ship-tracking data compiled by Bloomberg. Crude volume alone rose to 2.48 million barrels from 2.06 million, the data show.



OPEC Flakes

Russia's April conformity to OPEC/non-OPEC oil output deal at 95.2 percent

Russian energy minister Alexander Novak said Russian conformity to the OPEC/non-OPEC crude oil production cut deal was 95.2 percent in April. This indicates that the ministry estimates April output was 285,600 b/d below October 2016 which is the baseline to assess Russian compliance with the deal.

"Fluctuations in liquids output in April were due to increased activity at projects covered by production sharing agreements," Novak said.

The Central Dispatching Unit said Russia produced 44.878 million mt of liquids in April. This is equivalent to around 10.965 million b/d, using Platts conversion rate of 7.33 barrels per metric ton. This indicates Rus-



sia's compliance was 94 percent, at 282,000 b/d below the October 2016 level of 11.247 million b/d. Russia committed to cut production by 300,000 b/d under the deal.

Energy ministry figures traditionally show higher compliance as they are based on individual coefficients for each field when evaluating the output in barrels, while the CDU data is provided in metric tons, leading to a discrepancy in calculations.

Iran opposes higher oil prices, prefers \$65 per barrel



rel to a three-year high as traders braced for the possible re-imposition of US restrictions on Iran. The Persian Gulf country's regional arch-rival Saudi Arabia is said to want crude closer to \$80 a barrel, in part to support a stake sale in state energy giant Aramco. The OPEC nations continue to clash in proxy conflicts from Syria to Yemen.

Iran, faced with a possible restoration of US sanctions, came out against higher oil prices. A "suitable price" for crude is \$60 to \$65 a barrel, Amir Hossein Zamaninia, deputy oil minister for international and commercial affairs, said in Tehran. Oil Minister Bijan Namdar Zanganeh said earlier that Iran supports "reasonable" oil prices and is not an advocate of costlier crude.

Brent crude futures surged above \$75 a bar-

The Organization of Petroleum Exporting Countries will meet next month in Vienna. Together with allied producers, OPEC began reducing oil production last year in a drive to clear a global glut. The curbs have all but eliminated surplus oil inventories. Even so, Saudi Arabia, the world's largest crude exporter, is urging fellow members to keep curbing output.

Can Nigeria harness opportunities in commercialising gas flares?

ISAAC ANYAOGU

Nigeria is targeting investments of about \$5 billion which could potentially add \$1 billion to the country's GDP from commercialising gas flares in 89 locations around the country through the Nigerian Gas Flare Commercialization Programme (NGFCP), an initiative of the Federal Ministry of Petroleum Resources.

The NGFCP seeks to attract investments and develop a transparent market mechanism through a competitive procurement process for allocating gas flares, under clear and transparent criteria, to competent third party investors using proven technologies in commercial application globally.

Justice Derefaka Program Manager NGFCP, at a conference in Lagos said under the NGFCP, the Federal Government shall exercise its ownership rights of all gas flared in Nigeria. Paragraph 35(b)(i) of the 1st Schedule to the Petroleum Act CAP P10, LFN 2004 provides that the Minister of Petroleum may, in the public interest, impose terms and conditions applying to any natural gas discovered, including the right of the FGN to take any associated gas that would have been flared either free of cost at the flare or at an agreed cost," says.

As a result of this, the Federal Government will, grant licences to third parties (i.e. licensees) to access and collect such gas on behalf of the government from the flare points of oil producing companies. They would have necessary permits and approvals, and also enter into a series of agreements with the government and the Flare Gas Producer. These include the Gas Supply Agreement and the Milestone Development Agreement between the off-taker and the government, the Connection Agreement and Deliver-or-



Pay Agreement between the off-taker and the Flare Gas Producer.

The licensees will then be required to use necessary technology to set up the facilities for the delivery and collection of gas at the flare points. Under the NGFCP, all identified gas flare points are part of the programme and compliance with the programme will be a licence condition for the award and renewal of all Oil Mining Leases and Marginal Fields.

Nigeria currently flares 700 MMscf/d of gas at 178 flare sites which is equivalent of the total volume of gas used in power production. This results in 20 million tons of CO2 emissions per year.

In 2016, Nigeria lost \$800 million to gas

flaring, annually, for many years, the country losses close to \$1.15 billion. The challenge it seems, is the presence of political will.

The NGFCP value proposition is that assuming around 65 percent of the flared gas volume meets a minimum monetisation investment threshold, it could lead to overall investment of \$3-5 billion.

At an average project size of \$40m, the NGFCP could trigger 89 projects. Over a 2 year period, the NGFCP could generate approximately 26,000 direct jobs, with an average labour force of 300 per project and approximately 300,000 direct and indirect jobs.

To give legal teeth to this programme, A Flare Gas (Prevention of Waste and Pollution) Regulations, 2018 is being finalised and

will be issued by the Ministry of Petroleum Resources. The regulations is made pursuant to relevant sections of the Petroleum Act and Associated Gas Re-Injection Act.

Key provisions in the new regulation is mandatory reporting and access to gas flare data, increased flaring fines, new flaring standards, metering requirements, reporting obligations which include monthly gas flare logs and annual reporting and issuance of a certificate for any gas flaring at all.

However this is not the first programme to end gas flaring and lack of political will continues to dog this proposition but the benefits are clearly numerous including the reduction of carbon emissions and conflict in the Niger Delta.

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