NEWS

MTN secures N42bn capital

MTN NIGERIA COMMUNICATIONS PLC has successfully raised N42.2 billion from the capital market to boost its working capital.

The fund was raised under its N250 billion commercial paper issuance programme...

Page 3

FINANCE & INVESTMENT

Exchange rate volatility in 2025

NIGERIA'S FOREIGN EXCHANGE market improved in 2024, driven by an uptick in foreign portfolio inflows, federal government foreign currency borrowing, and increased remittance inflows, resulting in the country's foreign reserves surpassing the $40 billion mark...

Page 12

COMMENT

AI, PESO model for marketing campaigns

OVER THE YEARS, I'VE TRIED everything from quick-hit campaigns to complex, multi-channel efforts. If there's one thing I've learned, it's that disconnected campaigns don't cut it anymore.

Gone are the days when you...

Page 10

Nigeria's Financial & Business Newspaper

Monday, January 20 - Sunday, January 26, 2025 www.businessamlive.com

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TOWARDS MORE EFFICIENT MARKETS

IFC issues record $2bn social bond to support emerging markets

BAMIDELE FAMOOFO

INTERNATIONAL FINANCE CORPORATION, a member of the World Bank Group, issued a three-year social bond, raising $2.0 billion to support low-income communities in emerging markets.

The transaction represents IFC's largest-ever social bond and the largest US dollar-denominated social bond issued by a supranational. The orderbook reached a total size of $11 billion, IFC's largest ever order book for a single bond issuance. It follows a 1 billion Australian dollar-denominated social bond issued by the corporation last week.

Announced on Monday, the orderbook grew steadily during the marketing process and continued to do so throughout the bookbuild.

"In an era marked by rising inequality and poverty, social bonds have emerged as a crucial tool for directing investments to essential projects in emerging markets," said John Gandolfo, IFC Vice President and Treasurer, Treasury & Mobilization. "This bond will unlock additional funding for vulnerable communities and underserved groups in emerging markets in areas such as health, education, and food security."

The social bond is issued under an updated social bond framework, which IFC published last week. The social bond framework received a rating of "excellent" from second opinion provider Sustainable Fitch, who confirmed the framework's full alignment with the International Capital Market's Social Bond Principles.

IFC is one of the largest global issuers of social bonds and the only World Bank Group entity that issues social bonds.

Barclays, Goldman Sachs, Nomura, and SEB acted as joint lead managers for the transaction.

"Congratulations to the IFC team on achieving great success with their second US dollar fixed-rate benchmark outing of the fiscal year. The high-quality orderbook, in excess of $11 billion, and the limited price sensitivity of the global investor base, are a testament to the depth of demand for the IFC credit. Despite a

Page 2

The Trump effect: What a second coming could mean for Nigeria's economy

ONOME AMUGE

DONALD TRUMP'S RETURN TO THE White House as the 47th President of the United States of America, riding on the promise of "Making America Great Again!", is anticipated to usher in a second era of America First governance, characterised by a neo-mercantilist trade policy and strict immigration restrictions.

Under this new policy regime, Trump's administration, as projected by his political and economic stance, is set to prioritise exports, disincentivise imports, regulate capital movement, and centralise currency decisions, all in the pursuit of strengthening the domestic economy and prioritising American interests.

Despite the Trump administration's 'America First' policy potentially strengthening the nation's economic might and global standing, analysts aver that overlooking Nigeria, a critical U.S. trading partner and Africa's most populous black nation, could prove detrimental.

Given that the two-way trade volume between the U.S. and Nigeria exceeded $10.6 billion in 2022, according to data from the U.S. Department of State, experts believe that fostering Nigeria's economic growth will prove mutually beneficial for both countries.

Amid the America First agenda that marks Trump's return to power, experts remain keenly aware of Nigeria's crucial role in Africa and, by extension, for the U.S. As such, they anticipate the administration's commitment to promoting economic growth and stability in Nigeria, which is essential for America's own economic and geopolitical interests.

According to Areoye Olusola Oyeniku, head of corporate strategy at Keystone Bank, there have been extensive discussions about Trump's protectionist policies and their potential implications.

Page 2

President Bola Tinubu with the President of the United Arab Emirates, Sheikh Zayed bin Sultan Al Nahyan during a bilateral meeting on Wednesday on the sidelines of Abu Dhabi Sustainability Week

TRAVELLER & HOSPITALITY

N580bn to rehabilitate runways

NIGERIAN AIRPORT RUNWAYS ACROSS the country require investment of N580 billion for their rehabilitation, the government agency with responsibility for airport management, Federal Airports...

Page 27

TECHNOLOGY & INNOVATION

AI to create 170m jobs

A NEW REPORT BY THE WORLD ECONOMIC FORUM (WEF) anticipates that the rise of artificial intelligence (AI) and...

Page 30

COMMODITIES & AGRICULTURE

Storage deficit in 33 states

NIGERIANS ARE ENDURING a record-breaking cost of living crisis, as food and commodity inflation rates reach heights not seen since the country's independence...

Page 22

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VISIONARY VOICES

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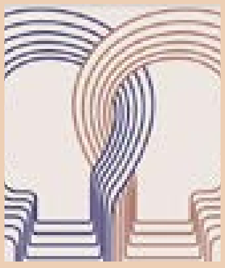
EDINBURGH – When governments adopted the United Nations Sustainable Development Goals (SDGs) in 2015, they pledged to eliminate hunger and poverty. But today, as the SDGs' 2030 deadline approaches, a gulf separates their initial ambition and the reality on the ground. The 2020s are shaping...

Page 11

EXECUTIVE KNOWLEDGE SERIES

So, You Have a Coach, Now What?



HOW LEADERS CAN GET the most out of an effective coaching relationship.

Having a coach these days is almost a given, an essential part of any senior executive's career portfolio. But while some leaders swear by their coaches, there are others who just can't seem to find the "right one". What causes these wildly different...

Page 15

The Trump effect...

Page 1

However, he pointed out that Nigeria's relationship with the U.S has historically been primarily transactional, focused on trade relations. Oyeniku postulated that Trump's aim in introducing protectionist policies is to implement a trade policy that will effectively balance the U.S' trade relationships.

Oyeniku further observed that, as a result of Trump's trade policies, investors seeking higher returns may be inclined to explore emerging markets like Nigeria. This, in turn, could potentially lead to increased capital inflows, which could positively influence Nigeria's foreign reserves and boost the value of the Naira against the dollar, particularly as it relates to oil exports, a key component of Nigeria's economy.

Given that Nigeria's oil receipts might not be at their optimal level under a Trump administration, resulting in a wider budget deficit, Oyeniku underscored the importance of exploring strategic initiatives to boost oil production and increase Nigeria's oil revenue.

While acknowledging the potential impact of Trump's trade policies on Nigeria's economy, the economy analyst dwelled on the importance of a holistic view that considers the impact on the country's exports.

According to him, considering that the U.S accounted for $4.86 billion of Nigeria's exports in Q1 2024, representing 6.8 percent of the total, the majority of which was mineral oil and fuel, at $4.53 billion, it is clear that any disruption in exports to the US will significantly affect Nigeria's export receipts.

"So, we need to look more into the non oil revenue side of influence. And as such, that would really impact whatever we are doing and policies that the government put in place. But I believe that the monetary to fiscal authorities are also aware of all this, and I believe they are putting in place certain measures and some policies to influence whatever we have now, and also to expand our hold in our non oil receipt so that we can benefit from whatever it is that will come out of this," he stated.

Assessing the potential implications of Trump's second term for the market, Oyeniku observed that, based on the previous experience, a continuation of the loose monetary policy under Trump is expected. This, he noted, would be favourable for economic growth due to lower interest rates, while mortgage loan holders would also see a positive impact from this environment.

L-R: Bunmi Olarinoye, chief executive, Stanbic IBTC Stockbrokers Limited; Chidi Iwuchukwu, executive director, Rand Merchant Bank Nigeria Limited; Chidi Okezie, country head of legal and company secretary, Stanbic IBTC Holdings PLC; Kunle Adedeji, acting chief executive, Stanbic IBTC Holdings PLC; Wole Adeniyi, chief executive, Stanbic IBTC Bank, and Oladele Sotubo, chief executive, Stanbic IBTC Capital Limited at the Stanbic IBTC Rights Issue signing ceremony which took place recently in Lagos.

Oyeniku recalled his previous observation about the policy rate under Trump, which dropped from 2.5 percent in 2018 to near zero in Q1 2021. This, according to Oyeniku, demonstrated Trump's unwavering support for economic growth and domestic production, with a concomitant emphasis on exports.

He expressed his belief that, in light of this past policy stance, the market is anticipating a continuation of the same accommodating monetary policy under Trump's second term, which could support economic growth and bolster domestic production and exports.

Oyeniku predicted that with Trump's re-election, investors will likely shift their attention to optimizing their investment gains, leading to an inverse relationship between the markets. While investors seek shelter in safe havens, robust earnings growth in the near to mid-term, coupled with economic resilience, could fuel equity market appreciation, he added.

Oyeniku further posited that the anticipated fund flows from the U.S. into markets with stable policies and attractive assets could spill over into emerging economies like Nigeria, offering a potential boost to the stock market. He argued that investors would naturally seek out markets with a stable policy environment and promising returns, and that this search could favor Nigeria's stock market if the country continues to make strides in policy reform and economic stability.

In order to maximize the potential capital inflows from investors in the U.S. and other developed markets, Oyeniku emphasized the need for Nigeria to focus on improving its business environment and policies.

He underscored the importance of maintaining a stable exchange rate environment, which would provide investors with the confidence and comfort they need to make informed investment decisions. With a stable policy framework and an accommodating business environment, Oyeniku believes that Nigeria could become an increasingly attractive destination for foreign capital, strengthening the country's economic growth and financial markets.

Oyeniku also underlined the relevance of effective inflation management policies that produce tangible results in lowering inflation rates. As he noted, high inflation can erode the value of investments, which in turn can deter potential investors and limit economic growth.

"I believe we also need to map out investment friendly policies that will boost confidence and also interest in our capital markets," he added.

Taking into consideration the annual diaspora remittance from the U.S., which has averaged around $20 billion over the past five years, Oyeniku asserted that calibrating Nigeria's foreign policy objectives and its relationship with the U.S. under Trump's presidency would be crucial for optimising the value of these remittances and other economic benefits.

He also emphasised the importance of actively engaging with the U.S. to ensure that Nigeria's interests are represented and understood, rather than passively accepting the consequences of American policies.

Victor Okhai, a public affairs analyst and president of the Directors Guild of Nigeria, expressed a sense of optimism that a second Trump presidency might create a more favourable context for Nigeria.

Okhai, while acknowledging the perceived adverse effects of a second Trump presidency, proposed that the U.S. administration's agenda might paradoxically prove advantageous for Africa, particularly Nigeria.

Okhai, in a television interview, contended that with the U.S.'s focus pivoted internally, Africa and Nigeria could seize the opportunity to shift their attention towards self-sufficiency and pursue their own domestic interests without the constraints of external influence, potentially fostering greater innovation and independence.

"For too long we have been reliant on foreign aid," he said. "I think in Trump's presidency, Africa will be more favourable, especially in Nigeria . A Trump presidency will give us an opportunity for growth because then we can look at where our priorities are," he said.

As observed by Folawiyo Olajoku, an expert on governance, policy, and strategy, the history of US-Nigeria relations has been marked by periods of fluctuation, influenced largely by the ruling party in the United States.

Olajoku pointed out that during Republican administrations, US-Nigeria relations have typically been characterised by more strategic and targeted engagement, with a focus on promoting trade and investment opportunities. On the other hand, Democratic administrations have traditionally placed more emphasis on issues such as democracy, human rights, and foreign aid for development.

Olajoku noted that during Trump's first presidency, Nigeria enjoyed increased support from the U.S. in the areas of military cooperation and counterterrorism efforts. Olajoku expects that these areas of bilateral engagement might continue to receive attention under Trump's new administration.

A cautiously optimistic Olajoku stated, "On the economic front, Trump's transactional approach to foreign policy may lead to increased trade and investment between the US and Nigeria, particularly in sectors like oil and gas. Nevertheless, his administration's stance on climate change and global health may have far-reaching consequences for Nigeria's development.

IFC issues record...

Continued from Page 1

busy primary market, IFC achieved an upsized transaction at a minimal new issue concession. Barclays is honoured to have supported this new issue," said Alex Paterson, Managing Director, Head of SSA DCM, Barclays.

"Congratulations to the IFC team on an incredibly successful transaction with today's three-year US dollar benchmark! This marks IFC's largest orderbook ever, comprising very high-quality orders from central banks, official institutions, bank treasuries and other real money investors from across the globe. Tightening the spread by four basis points from initial price thoughts is a testament to IFC's strong credit quality and global investor demand," said Dorothee Amar, Managing Director, Co-Head of SSA, Goldman Sachs International.

"With this new $2 billion three-year social bond transaction (the first under the new framework), the International Finance Corporation has once again demonstrated its commitment to the US dollar market and its loyal investor base. Despite very congested markets, IFC was rewarded with its largest orderbook ever and over five times covered for the deal. The sheer volume and quality of the orderbook underscores IFC's position as a US dollar market favourite and has enabled IFC to achieve the largest spread tightening seen in the market this year! Congratulations on this fantastic result," said Spencer Dove, Managing Director, Head of DCM SSA at Nomura.

"Congratulations to IFC on this fantastic outcome. In a crowded market, the response from global investors is truly an endorsement of not only their standing in capital markets but also of their leadership in the development of the social bond market. SEB is delighted to have been part of the team on this transaction," said Anna Sjulander, Head of SSA DCM, SEB.

Proceeds from IFC's social bonds fund a diverse range of social projects which include: affordable basic infrastructure (e.g. clean drinking water, sewers, sanitation, transport, energy); access to essential services; affordable housing; women-owned small and medium-sized businesses that lack access to finance; and companies that incorporate people at the "base of the economic pyramid" into their value chain; as well as food security.

IFC is a frequent issuer of social bonds in public and private markets, in various currencies and tenors.

Govt revenue shrinks by 17.6% in December, FAAC shares N1.42trn

Joy Agwunobi

NEWS

THE AMOUNT OF MONEY shared by the three tiers of government in Nigeria in the last month of 2024 shrunk by 17.6 per cent or N300 billion.

The Federal Government, states, and local government councils shared a total of N1.424 trillion as revenue for December 2024, marking a significant decline from the N1.727 trillion shared in November 2024.

This is according to a statement by Bawa Mokwa, Director of Press and Public Relations, Office of the Accountant General of the Federation (OAGF).

Mokwa said that the revenue was shared at the January Federation Account Allocation Committee (FAAC) meeting on Friday in Abuja. Meanwhile, a communiqué from the FAAC meeting said that the N1.424 trillion total revenue comprised statutory revenue of N386.124 billion, and Value Added Tax (VAT) revenue of N604.872 billion.

It also comprised Electronic Money Transfer Levy (EMTL) revenue of N31.211 billion and Exchange Difference revenue of N402.714 billion.

The communiqué indicated that a total gross revenue of

Continues on Page 3

MTN Nigeria raises N42bn fresh working capital

Bamidele Famoofo

MTN NIGERIA COMMUNICATIONS PLC has successfully raised N42.2 billion from the capital market to boost its working capital.

The fund was raised under its N250 billion commercial paper issuance programme.

In a notice to the Nigerian Exchange Limited recently, the company said: " MTN Nigeria hereby notifies Nigerian Exchange Limited and the investing public of the successful completion of its Series 15 and 16 Commercial Paper issuance under the Company's N250 billion Commercial Paper Issuance Programme (the 'CP Issuance') where the Company raised N42.20 billion."

The 180-day and 270-day CP were issued at yields of 27.50 per cent and 29.00 per cent, respectively, with an issue date of Monday, 23 December 2024. This follows the successful completion of two prior CP issuances in the last two months.

The proceeds will be applied towards the Company's short-term working capital requirements.

MTN Nigeria's Chief Executive Officer, Karl Toriola, said, "We are grateful for the success of this transaction which underscores investor confidence in MTN Nigeria's business model and management team. The CP Issuance is part of our established funding strategy and would not have been possible without the unwavering support of the investor community, as well as our advisers."

L-R: Zahrah Mustapha Audu, technical advisor on foreign direct investment to the vice president of Nigeria; Governor Babajide Sanwo-Olu of Lagos State; Governor Abdulrahman Abdulrazaq of Kwara State; Akinwumi Adesina, president, African Development Bank (AfDB), during the 2024 African Investment Forum in Morocco, where $7.6 billion investment interest was mobilised for Nigeria.

Stanbic IBTC Capital Limited acted as the Arranger and Dealer while CardinalStone Partners Limited, Chapel Hill Denham Advisory Limited, Cordros Capital Limited, Coronation Merchant Bank Limited, FCMB Capital Markets Limited, Meristem Capital Limited, Quantum Zenith Capital & Investments Limited and Vetiva Advisory Services Limited served as Joint Dealers on the transaction.

The group's financial position was affected by losses sustained as a result of huge FX liabilities. When the naira was devalued, MTN Nigeria's exposure to US dollar-priced deals caused its shareholder fund to decline significantly.

Telcos led by MTN Nigeria have submitted a proposal to the regulator, requesting a 100 per cent hike in telecom tariffs. The proposal is currently awaiting the final nod from the NCC, which has yet to decide on the matter.

The operators, a major contributor to Nigeria's economy, argued that this hike is necessary to offset rising operational costs, including increasing fuel prices and the depreciation of the naira.

Telecom players have agreed to channel the revenue from the proposed 100 per cent tariff increase into major upgrades in network infrastructure and service quality.

AfCFTA: Nigeria to boost foreign exchange income by $79bn

Bamidele Famoofo

NIGERIA IS POISED TO significantly boost its export market, with a potential value of up to $79 billion, by leveraging the African Continental Free Trade Area (AfCFTA) framework to expand its export capabilities.

Minister of Industry, Trade, and Investment, Dr Jumoke Oduwole, said this recently at a high-level roundtable on the country's implementation of the AfCFTA protocols in Abuja, featuring AfCFTA Secretariat's Secretary General Wamkele Mene.

Oduwole praised Nigeria's participation in the development of AfCFTA and leadership in the implementation of the trade agreement. Addressing the SG of the AfCFTA Secretariat, Mene, the minister noted Nigeria's chairing of the Negotiating Forum that delivered the AfCFTA and its active engagement in aligning regulatory frameworks with AfCFTA protocols on investment, digital trade, intellectual property rights, and competition policy.

The minister listed anticipated benefits of AfCFTA to the country's economy, including "an estimated 15-17 per cent increased growth in gross domestic product, creation of 11 million new jobs across sectors, and expansion of export capacity by at least 15 per cent, amounting to $79bn in increased exports."

The conversation between the AfCFTA Secretariat and the Ministry of Industry, Trade, and Investment centred on potentials and achievements in digital trade and trade in goods and services.

According to Oduwole, "Nigeria is a leader in digital trade within AfCFTA, (having achieved) the launch of the Technology Export and Digital Trade Desk developed a digital economy and e-governance bill to address electronic communications and signatures and ran initiatives like the National Talent Export Programme and Outsource to Nigeria Initiative. She also mentioned the government digital tech and creative entrepreneurship programme, known as the 'Investment in Digital and Creative Enterprises' and the '3 Million Tech Talent Programme,' and more as efforts to close knowledge gaps in the digital ecosystem."

"There is compelling data on Nigeria's digital economy," Oduwole added. "Information Communication Technology sector contributing 20 per cent to GDP (Q2 2024), e-commerce spending projected to reach $75bn by 2025 and digital trade revenue growth from $5.09bn in 2019 to a projected $18.3bn in 2026."

Further, Oduwole emphasised that the country has been updating its trade policy to align with AfCFTA objectives.

She highlighted that Nigeria has submitted its Schedule of Tariffs and Services, enhanced private sector engagement to foster readiness for intra-African trade opportunities, and assumed a positive approach to trade facilitation and ease of doing business.

Oduwole stressed the need to partner and collaborate with the AfCFTA Secretariat and other relevant stakeholders, noting, "I would like to emphasise the importance of partnerships with stakeholders such as Afreximbank and the launch of the $1bn Automobile Industry Facility Fund to support industrialisation efforts. "I call for continued dialogue and capacity building to ensure inclusivity and the successful implementation of the AfCFTA." She urged stakeholders, including private sector leaders, policymakers, and entrepreneurs, to collaborate onu removing barriers to trade and boosting competitiveness and invest in digital and physical infrastructure to support trade and expand opportunities for women, youth, and small and medium enterprises to participate in regional markets.

FG seeks N1.8trn from bond market to fix budget deficit in Q1

Onome Amuge

THE FEDERAL GOVERNMENT has announced plans to generate N1.8 trillion through bond sales in the first quarter of 2025, as disclosed by the Debt Management Office (DMO).

The proposed issuances, detailed in the newly released FGN Bond Issuance Calendar, include a mix of re-opened and new bonds spread across three monthly auctions slated for January, February, and March 2025.

This funding effort forms part of the government's strategy to address a projected budget deficit of N13.08trillion in 2025, equivalent to 3.87 per cent of the country's Gross Domestic Product.

The bonds will serve as a key tool for financing critical infrastructure and tackling fiscal gaps.

The bond calendar highlights the re-opening of the 19.30 per cent FGN APR 2029 bond, which has a remaining tenor of four years and three months.

The government plans to offer between N150billion and N200billion in each of the three auctions, making this bond an integral part of the overall programme.

Similarly, the 18.50 per cent FGN FEB 2031 bond, with a tenor of six years and one month as of January 2025, will also be reopened and offered within the same range of N150billion to N200billion per auction.

In addition, a new bond, the FGN JAN 2035, will be introduced to the market, targeting investors looking for longer-term instruments.

With an original tenor of 10 years, it will be offered within the same N150billion to N200billion range.

If the government achieves the upper limit of the offer range across all three auctions, it could raise as much as N1.8trillion by the end of the quarter.

The auctions are scheduled to take place on January 27, February 24, and March 24, 2025.

Although the calendar remains subject to adjustment, the structured approach highlights the government's commitment to transparency and predictability in meeting its financing needs.

Last year, the Federal Government borrowed an estimated N5.84trillion from the FGN bond market in 2024 amid a move to bridge its 2024 budget deficit.

However, the figures represent a 0.17 per cent decline when compared to the N5.85trillion borrowed in 2023 through the Debt Management Office.

Govt revenue shrinks...

Continued from Page 2

N2.310 trillion was available in Dec. 2024. It said that the total deduction for the cost of collection was N84.780 billion while total transfers, interventions, and refunds were N801.175 billion.

"Gross statutory revenue of N1.226 trillion was received for Dec. 2024. This was lower than the sum of N1.827 trillion received in Nov. 2024 by N600.988 billion.

"Gross revenue of N649.561 billion was available from VAT in Dec. 2024. This was higher than the N628.973 billion available in Nov. 2024 by N20.588 billion," it said.

The communiqué said that from the N1.424 trillion total distributable revenue, the Federal Government received the total sum of N451.193 billion, while the state governments received the sum of N498.498 billion.

It said that the LGCs received N361.754 billion, and a total sum of N113.477 billion (13 per cent of mineral revenue) was shared with the benefiting states as derivation revenue.

"On the N386.124 billion statutory revenue, the Federal Government received N167.690 billion, and the state governments received N85.055 billion.

"The LGCs received N65.574 billion, and the sum of N67.806 billion (13 per cent of mineral revenue) was shared with the benefiting states as derivation revenue.

"From the N604.872 billion VAT revenue, the Federal Government received N90.731 billion, the state governments received N302.436 billion and the LGCs received N211.705 billion," it said.

It further said that a total sum of N4.682 billion was received by the Federal Government from the N31.211 billion EMTL. It said that the state governments received N15.605 billion, and the LGCs received N10.924 billion.

"From the N402.714 billion Exchange Difference revenue, the communiqué said that the Federal Government received N188.090 billion, and the state governments received N95.402 billion. It said that the LGCs received N73.551 billion, while the sum of N45.671 billion (13 per cent of mineral revenue) was shared with the benefiting states as derivation revenue.

IMF predicts 3.2% economic expansion for Nigeria in 2025

Onome Amuge

THE INTERNATIONAL MONETARY FUND (IMF) has released an updated forecast for Nigeria's economy, projecting a 3.2 percent growth rate for 2025 in its latest World Economic Outlook report. Coming on the heels of a similar projection from its sister organisation, the World Bank, the IMF's prediction points to a sustained and encouraging upward trend in Nigeria's economic performance.

In its recently published Global Economic Prospects Report, the World Bank projected a growth rate of 3.6 percent for the Nigerian economy in 2025, citing the country's recent macroeconomic and fiscal reforms, including a tightened monetary policy, fuel subsidy removal, and ongoing tax reform bills, as key factors driving this forecast.

On its part, the IMF's latest World Economic Outlook report suggests a marginally lower growth rate of 3.2 percent for the most populous African country.

In light of these projections, the IMF's report urged Nigerian policymakers to prioritize structural reforms aimed at enhancing productivity and allowing for currency flexibility to address global economic shifts.

Moreover, the IMF advised monetary policymakers to strike a delicate balance between restoring price stability and supporting economic growth and employment

"In economies where inflationary pressures are proving persistent and the risk of upside surprises is rising, a restrictive stance be maintained until evidence is clearer that the underlying inflation is sustainably returning to target. In economies where activity is cooling fast and inflation is on track, a less restrictive stance is justified.

R-L: President of the Republic of Seychelles, Wavel Ramkalawan,President Bola Ahmed Tinubu, Crown Prince of Abu Dhabi, Sheikh Khaled Bin Mohamed Zayed Al Nahyan,and President of Uganda,Yoweri Museveni, during 3 days Abu Dhabi Sustainability week Summit,2025 at Abu Dhabi National Exhibition Center, on 15-01-2025 recently.

"In either case, fiscal policy should consolidate to put public debt on a sustainable path and restore the space needed for more agile responses. The consolidation path needs to be carefully calibrated to the conditions of a particular economy. It should be sizable yet gradual to avoid hurting economic activity, clearly communicated to avoid disruptions in debt markets, and credible to achieve long-lasting results. Adopting a growth-friendly approach and mitigating the adverse impacts on poor individuals could help preserve the economy's potential and maintain public support," it stated.

In acknowledging the diverse nature of global economies, the IMF acknowledged the importance of tailoring policy responses to the unique circumstances and specific vulnerabilities of each country.

Specifically, the Fund's Integrated Policy Framework advocated for policy rate adjustments and exchange rate flexibility for countries with well-developed foreign exchange markets and low levels of external debt.

In contrast, the IMF advocated a more cautious approach for countries with less developed foreign exchange markets and significant foreign-currency debt, recommending temporary exchange rate interventions (with sufficient foreign reserves and prudent usage), capital flow management measures, or macroprudential policies, which could be employed in tandem with sound fiscal and monetary policies to maintain macro-financial stability.

The IMF cautioned policymakers that swift and decisive action is required to enhance economic dynamism, increase supply-side productivity, and mitigate the mounting risks to the already subdued medium-term growth prospects.

To achieve these objectives, the Fund advised that targeted reforms in key sectors such as labor markets, competition, healthcare, education, and digitalisation could reignite productivity growth and attract much-needed capital.

In addition, the IMF stressed the importance of proactive communication with stakeholders, including the wider public, to foster consensus and enhance the effectiveness of policy interventions that may have distributional implications.

The IMF's updated World Economic Outlook report placed a strong emphasis on the critical role of multilateral cooperation in addressing the rising threats of economic fragmentation, promoting global growth and stability, and tackling pressing global challenges such as climate change and income inequality.

The report urged policymakers to ensure that their trade policies align with the World Trade Organisation's legal framework, calling for greater transparency and clarity in policymaking, which can help reduce market uncertainty, minimize volatility, and minimise distortions in the global economy.

"Priorities should be given to restoring a fully and well-functioning WTO dispute settlement system, levelling the playing field, and achieving clarity and coherence of the desire among countries for greater resilience within the rules-based multilateral trading system," the IMF stated.

While advocating for multilateral cooperation, the IMF acknowledged the prevailing challenges facing the global economy.

The updated report forecasts a slight decline in world trade volumes for both 2025 and 2026, reflecting the heightened uncertainty associated with the current surge in protectionist rhetoric and trade tensions.

In this baseline scenario, the Fund projects that while the short-term impact of increased uncertainty may be limited, as investors await the implementation of more restrictive trade policies, this impact is expected to be transitory.

The IMF warned that the threat of resurgent inflationary pressures could compel central banks to hike policy rates and exacerbate monetary policy divergence across countries, potentially leading to renewed volatility in global commodity prices.

In addition, the IMF cautioned that if interest rates were to remain elevated for an extended period, this could exacerbate existing vulnerabilities in the areas of fiscal sustainability, financial stability, and external sector imbalances, potentially compounding the challenges facing the global economy.

SEC enforces January 31 deadline for CMO registration renewal process

Onome Amuge

THE SECURITIES AND EXCHANGE COMMISSIOn (SEC) has issued a reminder to all Capital Market Operators (CMOs) to renew their registration by January 31, 2025.

In its recent circular, the regulatory body stated that the annual renewal period commences on January 1 and runs until January 31, 2025, imploring CMOs to ensure that their registrations are updated within this timeframe.

The annual renewal of registration of CMOs is aimed at ensuring that only fit and proper persons operate in the Nigerian capital market.

"This is to inform all Capital Market Operators (CMOs) and the general public that the annual renewal of Registration of CMOs for the year 2025 will commence from January 01, 2025.

"All CMOs applying for renewal are required to include their 2025 annual subscription receipt from their respective trade groups as part of their application.

"In line with the Commission's Rules & Regulations, all CMOs are to complete the process of renewal of registration for 2025 on or before January 31, 2025 via the renewal of registration portal www.eportal.sec.gov.ng. For enquiries or support in completing the process, please contact registration@sec.gov.ng," SEC stated in the secular.

The Commission also warned that CMOs without valid registration will be penalised and may be excluded from carrying out capital market activities.

The Securities and Exchange Commission (SEC) reintroduced the periodic renewal of CMO registrations in 2021, aimed at enhancing transparency and information accuracy within the Nigerian capital market.

The regulatory body identified the need to establish a comprehensive and reliable database of all CMOs actively operating in the market as the primary driver for this initiative, providing investors, both local and foreign, other regulatory agencies, and the general public with up-to-date information and improved reference capabilities.

In addition to fostering a more transparent capital market, the SEC's annual registration renewal system also seeks to eradicate the incidence of unethical practices among CMOs, thereby preserving investor confidence and shielding the Nigerian capital market from potential negative effects.

CPPE recommends suspension to interest rate hikes, policy tightening

Onome Amuge

THE CENTRE FOR THE PROMOTION OF PRIVATE ENTERPRISE (CPPE) has recommended that both the federal government and the Central Bank of Nigeria (CBN) suspend any further monetary policy tightening and interest rate hikes. This, it stated, would serve to lower operating costs for businesses, thus enabling a more rapid recovery from the current economic challenges.

Muda Yusuf, the chief executive officer of the business advocacy organisation issued the recommendations in reaction to the inflation figures released by the National Bureau of Statistics (NBS) for December 2024.

Yusuf remarked that the persistent inflationary pressures, as evidenced by the December inflation numbers, remain a concerning feature of the Nigerian economy.

Despite acknowledging the relatively minor 0.2 percent increase in headline inflation from the previous month's higher figures, he emphasised that the continued presence of inflationary forces underscores the need for effective policy interventions to curb these pressures, and thereby promote economic stability and growth in Nigeria.

Yusuf expressed optimism regarding the inflationary outlook for 2025, pointing to several key factors that could drive a positive shift in the inflation trajectory.

According to the CPPE chief, sustained reductions in exchange rate volatility and improvements in foreign reserves could provide the necessary conditions for moderating inflationary pressures, enabling the economy to pursue a more stable and favorable trajectory in the year ahead.

"Further, there is also the prospect of easing of geopolitical tensions with the inception of the Trump presidency in a few days as well as a strong base effect, given the high inflationary pressures experienced in 2024," he added.

In light of the growing inflationary pressures faced by businesses and consumers alike, the former director-general of the Lagos Chamber of Commerce and Industry (LCCI), advocated for a cautious approach to monetary policy by the CBN, urging the CBN to consider pausing both monetary tightening and interest rate hikes in its upcoming policy meeting. He argued that businesses and consumers would be afforded some much-needed breathing room as inflation continues to outpace the capacity of businesses and Nigerians to adapt and cope with these rising costs.

Expressing grave concern over the National Assembly's preoccupation with revenue generation, particularly the perceived arbitrary revenue targets imposed on Ministries, Departments, and Agencies (MDAs), Yusuf warned of the potentially severe inflationary consequences of this fixation on revenue growth. The relentless drive for MDAs to enhance revenue streams and boost internally generated revenue (IGR), according to Yusuf, carries significant inflationary implications, threatening to undermine the efforts to control inflation and exacerbate the economic challenges faced by businesses and consumers.

"The Reality is that such pressures are invariably transmitted to investors in the form of higher fees, levies, penalties, import duties, regulatory charges and so on. These outcomes conflict with government aspirations to boost domestic and foreign investments, curb inflation and create jobs," he stated.

Elaborating on the potential impact of excessive revenue targets, Yusuf stressed the importance of a data-driven and holistic approach to setting such targets, which should take into account the capacity of the economy to absorb additional taxation and the broader economic implications of such targets.

Artificial Intelligence adoption booming among Nigerian online users- Report

Onome Amuge

THE NIGERIAN ONLINE POPULATION has shown a high level of engagement with Artificial Intelligence (AI) tools, with 70 percent of respondents indicating that they have used generative AI within the past year, according to a recent global survey jointly conducted by Ipsos and Google.

The study, titled: "Our Life with AI: From Innovation to Application," surveyed 21,000 people across 21 countries, and found that global AI usage has jumped to 48 percent and excitement about its potential now exceeds concerns (57 per cent vs. 43 per cent, up from 50 percent / 50 percent last year).

The report observed that AI adoption and enthusiasm are even higher in Nigeria, as 70 percent of the Nigerian online population used generative AI, surpassing the 48 percent global average. In addition, 87 percent of users surveyed expressed optimism about AI's potential and see its benefits outweighing the risks.

Among the key findings, 70 percent of survey participants from Nigeria reported having utilized generative AI in the past year, outpacing the global average of 48 percent, indicating a heightened level of adoption in the country.

The survey results also showed that a vast majority (87%) of Nigerian respondents feel that AI's potential benefits outweigh the associated risks, suggesting a strong belief in the positive impact of AI. 81 percent of surveyed Nigerian adults also believe AI will positively change the economy.

L-R: Sule Sheibu Atakolo, keynote speaker;. Friday Oko Orji, head, Research And Curriculum Development;. Alphonsus Okeoma, registrar, all of MSME Institute of Management and Professional Studies, Nigeria (MIMPS); Adeyeri Jerry, awardee, at the Fellowship Investiture & Conferment of Honorary Doctorate Degree Awards by MIMPS in partnership with Prowess University, USA, held during a Leadership Summit at UNILAG, Lagos recently.

In addition, the survey's results revealed that 90 percent of respondents in Nigeria anticipate AI to bring about beneficial changes in both science and medicine, reinforcing the widely held conviction in the transformative potential of AI in these sectors. This, according to the report, is one of the highest rates globally, highlighting the strong anticipation of breakthroughs in these fields through AI.

The report also showed a higher level of excitement and adoption of AI among Nigeria's online population when compared to other regions. This is as Nigeria was ranked among the top countries in terms of AI usage and excitement about its potential. This is in contrast with more cautious sentiment in some European and North American countries.

The report also highlighted that the population in Nigeria recognised AI's potential to enhance personal and professional development. It noted that many believe AI can make people's lives better by boosting productivity and providing access to resources.

The survey results identified the strong enthusiasm and optimism of the surveyed online population in Nigeria about the role of AI in various aspects of life, particularly in the economy, healthcare, and scientific advancement. The findings suggest that Nigeria's online community is among the most enthusiastic globally about the transformative potential of AI.

Commencing on the report, Kent Walker, president of global affairs, Google & Alphabet, remarked, "AI is starting to deliver magic at scale, making people's lives easier and better. The survey results show the more people use these tools, the more excited they get about the possibilities and about the personal, professional, and scientific breakthroughs on the way."

Ben Page, CEO, Ipso, also shared his observation, noting that the company's latest multinational survey with Google shows that people view the continuing development of AI as important and exciting, but something that should be done thoughtfully.

"We find that as more people use and gain experience with AI, they are better able to see how AI can help them and the possibilities that AI gives them. These results highlight the strong enthusiasm and optimism of the surveyed online population in Nigeria about the role of AI in various aspects of life, particularly in the economy, healthcare, and scientific advancement. The findings suggest that Nigeria's online community is among the most enthusiastic globally about the transformative potential of AI," Page stated.

PalmPay credits mobile money expansion to Internet, smartphone advancements

Onome Amuge

FINANCIAL SERVICES FIRM, Palmpay has identified smartphone penetration, internet connectivity and innovative technologies as key factors that are crucial to increased access to mobile money services in Nigeria.

Chika Nwosu, the managing director, PalmPay, stated this during an interactive engagement with the media held recently at the company's head office in Lagos.

According to Nwosu, with smartphone penetration projected to reach 65% by 2026 as well as improved internet infrastructure, more Nigerians will be enabled to access mobile money services.

The PalmPay MD disclosed that, with fintech companies such as PalmPay evolving through digital wallets and seamless payment gateways, accessibility to mobile money service was bound to expand soon.

He emphasised that with the demand for affordability of financial services growing, more opportunities would be unlocked for PalmPay in the near future.

"From under 10,000 agents in 2015 to over 1.5 million agents in 2023, agent networks have become the backbone of mobile money operations in Nigeria. For this reason, we are more likely to see a sharp increase in the number of mobile money agents and merchants. Apart from that, MMOs will increasingly use artificial intelligence to improve customer experiences, such as machine learning, predictive analytics, and fraud detection," he said.

Chika Nwosu, managing director, PalmPay

Also speaking at the event, Donald Ubeh, head, risk and compliance, PalmPay, revealed that an effort was ongoing to remove Nigeria from the FATF Grey list. He stated that with more collaboration with regulators and other financial institutions, it was only a matter of time that Nigeria's name will be expunged from the list.

While highlighting the impact of fintech companies such as PalmPay, Ubeh explained that the berth of PalmPay has led to economic empowerment, particularly for users and several Small and Medium Scale enterprises.

He noted that many Nigerians including bank customers have migrated their funds to PalmPay owing to convenience and accessibility it provides.

He added that mobile money operators were conceived with the aim of driving financial inclusion for the underserved and unbanked population.

According to EFInA, increasing adoption of fintech companies by Nigerians has led to an increase in financial inclusion rate by 13 percent in 13 years.

CBN launches digital payment service, DocFlow for MDAs

Joy Agwunobi

THE CENTRAL BANK OF NIGERIA (CBN) has introduced a new Naira Payment Solution designed to enhance payment efficiency for Ministries, Departments, and Agencies (MDAs), with an anticipated 70 per cent improvement in turnaround time.

Accompanying this initiative is a digital document management system, DocFlow, aimed at streamlining financial transactions and bolstering customer support within the public sector.

In a statement, the CBN described the MDAs Naira Payment Solution as transformative for financial transaction management, emphasising its potential to enhance payment processing efficiency by 70 per cent while contributing to the advancement of Nigeria's financial ecosystem.

This launch is part of the CBN's broader digital transformation project, "Digital First," introduced in December 2023 by Governor Olayemi Cardoso. The initiative underscores the Bank's commitment to modernising operations through technology.

Speaking at the unveiling ceremony at the CBN headquarters, Cardoso highlighted the critical role of these digital solutions in improving service delivery, operational efficiency, and sustainability within the financial sector.

Cardoso elaborated on the DocFlow system, noting its potential to digitise document management, reduce paper consumption, and simplify the approval process. He also described the MDAs Naira Payment Solution as a key tool for automating cash withdrawal processes for MDAs, emphasising its ability to enhance service delivery, improve client support, increase transparency, and minimise manual errors.

Applauding the in-house development of these solutions, Cardoso stressed the associated cost savings and their contribution to long-term sustainability. "The in-house development of these solutions demonstrates our commitment to fostering sustainability and technological advancements within the Bank. By cutting costs and streamlining operations, we are investing in a brighter future for the CBN and Nigeria's financial ecosystem," he stated.

Emem Usoro, deputy Governor of Operations, hailed the initiative as a big step in the CBN's drive for innovation and operational excellence. She highlighted the advantages of the MDAs Naira Payment Solution, including improved service delivery, reduced errors, and enhanced safeguards against fraud. "This launch is a testament to the CBN's determination to create more efficient, transparent, and secure financial operations across the nation," Usoro added.

Jide-Samuel, Acting Director of the CBN's Information Technology Department, provided insights into the development and testing of the MDAs Naira Payment Solution.

Africa's development and international trade sustainability

SUNNY CHUBA NWACHUKWU

SunnyNwachukwu (Loyal Sigmite), PhD, Fellow (ICCON, CSN, SM), a pure and applied chemist with an MBA in management, is an Onitsha based industrialist, and former vice president (finance), Onitsha Chamber of Commerce. He can be reached on +234 803 318 2105 (text only) or schubltd@yahoo.com

NATURAL RESOURCES AS capital stocks sustain the world economy because they represent the productive capacity of an economy. Natural resources are found in the environment and are divinely developed, not with human intervention. The capital stock therefore, refers to the total value of all physical assets (raw materials and energy that occur naturally) used for production of goods and services within the context of macroeconomics. Basically, they are generally grouped into "natural", "human" and "capital" in productive terms (as "economic factors"). Whereas some natural resources are renewable, some others are not renewable. As inputs used to create things/products or help to provide services for economic development and propel social transformation, their management determines the direction and the extent of performance levels, as well as its sustainability profiling, economic-wise. For the African continent that spans around 54 economies (or there about), growth and development has remained a matter of great concern. Mismanagement of resources, obviously, has generally kept the continent down, to an extent that the abysmally low socioeconomic performance(s) of the continent predominantly maintains very unimpressive and unfortunate record of underdevelopment in the entire continent; when compared with the West or the rich economies of the world. This pathetic observation demands urgency for collective actions, from every known public hierarchy in national governance all over the African continent; such that all the leaders and administrators need to sit up and re-strategise mode of economic utilisation of all naturally endowed resources available, for sustainable, optimal gains at the international market towards Africa's growth and development. Just recently, at CAADP Kampala Summit 2025, President Yoweri Museveni of Uganda declared that, "Africa must leverage agriculture for growth". The big question still remains whether leaders such as Museveni are going to apply "political will" (not rhetoric) to implement and actualise the necessary economic goals.

Prudent management of natural resources in the continent (when genuinely prosecuted) shall positively reposition the economic ratings, environmental condition and social status of the region tremendously. That could come in the form of recreating, transforming and adding value to the natural resources available within the economy. Such productive activities attract wealth creation, prosperity and drives away poverty. In a country like Nigeria, for instance, there is abundance of numerous natural resources, which includes oil, gas, minerals and others but, flagrant abuse and wastage of the heavily endowed hydrocarbon materials, has kept the economy on her knees for decades (pointedly declared as the "poverty capital of the world"). It virtually involved all forms of anti-state conducts over economic activities, which its accumulated retrospective vices crystallize into future economic woes, visible backwardness that has eventually manifested abject poverty in the economy. The oil industry in Nigeria, for instance, is particularly known to be the "goose that lays the golden eggs" for the economic wellbeing of the country, and the continent in general. Using this as a test case, presents every proof of a failed economy arising from gross mismanagement of her capital stock in the oil industry. This as a template, is the same fate the entire continent suffers in the hands of African leaders in virtually all the other economic sectors.

However, the Dangote refinery has started to turn the expected economic table in the global oil industry. This is recently observed and recorded from the warnings the multilateral oil bloc, the Organisation of Petroleum Exporting Countries (OPEC) is giving in its recently published monthly report, regarding the refined products (gasoline) export sales to the European market by the Dangote group. This singular feat achieved by the Dangote refinery that has a name plate production capacity of 650,000 barrels per day, is the kind of "economic heat" expected of African businesses in the international market arena, if the continent must work economically. It is commendable, and other African businesses are therefore urged to borrow a leaf from Dangote in all the economic sectors within the continent (no sentiments, no emotional attachment). It is high time Africa rose to the occasion to rightly implement the economic laws of comparative advantage, and that of competitive advantage, by adding value to her stupendously rich abundant natural resources before export of such products and services to the international market.

This should also extend to the energy sector, in the ongoing energy transition from fossil fuel sources to renewable energy sources, due to the impact of the greenhouse gas (GHG) or carbon emissions that has resulted in global warming (Climate Change impact). The renewable energy sources are all natural resources as well (light for solar energy, water for hydro, air for wind farm; and etcetera). African nations have these resources too (in abundance, all year round), and should partake of it, in the international energy market, as well. The trade balance between the African continent and the rest of the developed/rich economies at the world market has consistently been unfavourable. The exploitative tendency by those international trade partners needs to stop; and it is only Africa that can do it by herself, as Dangote is now doing. The continent should no longer be tagged the "raw material hub" for the rich economies of the world because, "what is good for the gander is good for the goose". Equal opportunity should be exercised at the global market for all economies of the world.

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Memel — Africa's Pickleball and Ubuntu hub

Promoting Integrative Community Kinetics for Longevity and Energy through Balance, Agility, Lifestyle, and Learning = P.I.C.K.L.E.B.A.L.L — Dr Joshua Awesome

The Coaching Psychologist

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IN EVERY CORNER OF SOUTH AFRICA, each community, city, or county has its own unique charm — a hallmark that draws in visitors from far and wide. From the rolling hills of KwaZulu-Natal to the bustling energy of Johannesburg, the country pulses with life and stories. But what about the places that lacked recognition until something extraordinary took root? This question resonated deeply during my recent journey to Memel, a small community in the Free State province that has transformed itself into a vibrant hub of renewal, connection, and hope — all through the seemingly humble sport of pickleball.

As the first pickleball court in Africa, built during the COVID-19 pandemic, Memel's court became a central point of gathering and activity for the entire community. What began as a sporting novelty has since blossomed into a larger movement for change, driven by the philosophy of "ubuntu" — the African value of shared humanity. At the heart of this transformation are Steven and Cindi Ablondi, former United Nations diplomats from Vermont, USA. Their journey of impact in Memel extends far beyond pickleball, reflecting a holistic approach to community development.

1: The power of connection through sport

Pickleball has turned Memel into more than just a dot on the map. On my visit, I watched as adults, children, and even elders joined together on the court. The laughter and camaraderie were infectious. The court became a meeting point, a symbol of hope and shared purpose. The Ablondis' vision was clear: use sport to unite people, foster inclusivity, and energise the community.

Their efforts also attracted international volunteers, who travelled from as far as the United States to coach pickleball and mentor youth. The sport's accessibility, requiring only basic equipment and space, made it an ideal tool for integration and engagement. The first court's impact rippled outward, creating a sense of identity and pride that resonated far beyond the game itself.

Actionable advice:

Build spaces that foster connection.

Whether it's a pickleball court, a community garden, or a library, physical spaces where people can come together have the power to heal and inspire.

2: Sustainability through local innovation

Steven and Cindi Ablondi's commitment to Memel goes far beyond sports. Their Memel Organics farm is a shining example of sustainable living. The farm provides fresh vegetables for the community and visitors alike, promoting healthier lifestyles while empowering local farmers.

Equally inspiring is their dedication to education. With shipments of books from America, they've built libraries in schools to foster a love of reading and learning among children. It's a simple yet profound act: putting books in the hands of students who might one day become leaders.

Actionable advice:

Think local, act global.

Combining local resources with international support can create sustainable solutions tailored to the community's needs.

3: Empowering women and girls

A cornerstone of the Ablondis' mission is their work with girls and young women. Through programmes like "She Wins," they've provided not only pickleball training but also educational resources, mentorship, and sanitary pads. This initiative addresses a critical issue: the school absenteeism caused by lack of access to menstrual products.

The sanitary pads manufacturing machine, imported from India, carries its own remarkable story. Inspired by a man who couldn't read or write but wanted a better future for his daughters, the machine has become a beacon of hope in Memel. By producing affordable pads locally, the Ablondis have ensured that no girl in the community has to miss school due to poverty.

Actionable advice:

Invest in women and girls.

Empowering women creates a ripple effect that uplifts entire communities.

4: Scaling change through visionary leadership

Perhaps the most inspiring aspect of Memel's transformation is its scale. The Ablondis are not content with small wins; they're expanding their vision through co-housing projects and innovative real estate initiatives. A 13-bedroom rammed-earth construction with natural, sustainable materials — developed to provide community living already exists within Memel Organics, and they plan to scale their 40-asset portfolio resort further this year into the future.

Their leadership has also attracted global attention. Memel has hosted notable figures like Bill Austin of Starkey Hearing Technologies, who once flew into South Africa to donate free hearing aids to over 150 people. Such acts of generosity highlight how visionary leadership can draw resources and attention to even the most overlooked places.

Actionable advice:

Dream big but start small.

Visionary leadership begins with incremental steps that build momentum and inspire others to join the cause.

Memel: A place of healing and inspiration

My visit to Memel was a journey of discovery and reflection. It is a place where healing happens — not just for individuals but for an entire community. From the pickleball court to the organic farm, from the libraries to the co-housing projects, every initiative is a testament to what's possible when people come together with purpose and heart.

As I look forward to hosting my 25th career anniversary at this remarkable place, I'm reminded that change is always possible. Memel's story is an invitation to dream, to act, and to believe in the power of community.

Business, Governance & Enterprise

Switching to productivity in the housing sector in 2025

OLUFEMI ADEDAMOLA OYEDELE

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ACCORDING TO VARIOUS sources, the estimated housing deficit in Nigeria is not less than 20 million units in a country with about 220 million people. If we use the "two-plus-one" rule to determine the occupancy rate of homes, a three bedroom house like a bungalow or duplex will have seven occupants. 220 million people will require an average of 32 million units of three bedroom housing. It then means that 12 million quality housing are available in Nigeria. The remaining residents are either in substandard housing in standard environment, informal housing in non-housing environment or substandard housing in substandard environment, and homeless. This situation is a big opportunity for those in the housing industry in Nigeria. 20 million units for about 140 million unserved citizens is a big opportunity for housing production. Producers only need to ensure that they produce houses that the market needs and not what they have in mind.

Across Lagos, Abuja, Abeokuta and Port Harcourt, there are numerous empty houses that show that the producers are probably producing houses the buyers do not need or cannot afford. Survey of vacant houses in Nigeria indicates that not less than five million houses are completed but vacant, or under construction with above average duration of construction due to various reasons. Firstly, there is no law against vacant and abandoned properties making it a common stance to see completed but empty and abandoned uncompleted buildings in Nigeria. These buildings, which cannot meet their objectives within a reasonable period, stagnate capital that is supposed to be used in the capital market, especially financial institutions, to generate interest. Secondly, housing is a big sector where illicit money is laundered, globally. The 753 apartments valued at $42.045 million and allegedly seized from a former governor of the Central Bank of Nigeria, is an example.

According to a recent report by the Nigerian Institute of Quantity Surveyors (NIQS), there are about 56,000 abandoned construction projects valued at N12 trillion across the country belonging to private and public sector organisations. These projects include residential, commercial, industrial and office buildings. The last estimate of completed but abandoned or underused buildings in Nigeria was put at over N9 trillion. This buildings include NETCOM House at 1, Marina; Federal Ministry of Justice Building at 6, Marina; Customs and Excise Building at Tinubu Street; FIRS House at Tinubu Street; LASACO Building on Tinubu Street; Savannah Bank Building on Broad Street; Former National Library Building on Broad Street; Old Federal Secretariat at Alagbon, Ikoyi; Part of CBN Building along Broad Street; Williams House on Williams Street; States Liaison Offices in Victoria Island; etc. In Lagos State alone, including prime areas like Gerard Road, Thompson Avenue and Alexandra Road in Ikoyi, we have not less than 3,000 abandoned buildings occupied by only security officers.

Some of these buildings are illegally rented out to bachelors and spinsters who pay daily for staying in the buildings to be able to get to their places of work on the island promptly during the week and go to their various families at the outskirts of the state during weekends. Illegal occupation of houses is a security threat to the state as terrorists may hide in the houses without government security agent's notice! In developed countries, laws are made against abandoned and vacant buildings as without these laws, there cannot be housing adequacy. Abandoned properties and vacant completed buildings affect the dynamics of the property market. Privileged citizens in high offices and the moneybags will practice multiple acquisitions of houses for speculation and money laundry. Housing is not only the shelter that shields occupiers from inclement weather; it is a human space consisting of the shelter, access roads, drainages, electricity, plants and gardens, recreation areas, water provision, security etc.

The contiguous facilities of housing make it a composite product and opportunities for business. Most housing in Africa lacks these contiguous facilities making public-private partnership in their provision inevitable. Governments alone cannot provide these facilities because of scarce resources. Property developers, especially those who are innovative and focused, will have a field day in 2025. Real estate is a universal product without alternatives. The only challenge it has is affordability. Nigeria is a poor country with average affordability index being N6.5 million, N7.5 million, N8.5 million and N9.5 million for Studio flat, 1 bedroom flat, 2 bedroom flat and 3 bedroom flat respectively. Real estate developers should think of how to produce these types of housing at the affordability index rate. With the price of cements averaging N10,000, price of 9 inches sandcrete hollow blocks averaging N600 and Plaster of Paris (POP) in Nigeria averaging N10,000 per square metre, property developers must look for alternative building materials and building methodology that will make it possible to install a two bedroom flat for N8.5 million.

Only fools do the same thing, the same way and expect different results. Adopting stabilised laterite blocks as walling materials, wooden windows, locally produced water closets, tile-less bathroom and toilet and incremental housing in which studio apartments can be increased to one-bedroom and 2-bedrooms in the future will make sense to the buyers. Social housing would not be too much to provide for primary and secondary teachers. Government should be able to provide land for property developers at a cheaper rate so that everybody can have access to housing at an affordable price. Location of property is a factor to be considered especially in residential, commercial and office developments so as not to have "ghost towns". This is where urban regeneration as a business comes to mind. Property developers and state governments (and FCT administration in case of FCT land) need to sit down and produce or review master plans of states and FCT to ensure that features of modern/inclusive cities including highrise buildings close to central business districts for low/medium income earners are incorporated in their city plans.

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South Africa, Senegal lessons in Africa's 'Just Energy Transition'

Coal continues to dominate South Africa's energy portfolio, at over 80% of the country's power generation mix

NJ AYUK

NJ Ayuk is the executive chairman, African Energy Chamber. He is based in South Africa from where he contributed this piece

JUST ENERGY TRANSITION PARTNERSHIPS (JETP) have been introduced in recent years to provide financial support to developing nations as they transition away from fossil fuels. In 2021, during the 26th UN Climate Change Conference of the Parties (COP26), South Africa became the first nation to sign such a deal. Senegal and the International Partners Group (IGP) signed a JETP in June 2023.

I have said before that the best way for Western countries, and the developed world at large, to help Africa transition from fossil fuels is through investment and collaboration, not patronisation. This is precisely what the JETP programmes seek to do, assist energy emerging economies that are dependent on coal to transition away from fossil fuels while leaving room to address the associated social consequences. That is investment, that is collaboration, and above all, it is respectful of the reality that Africa can move only on its own schedule in this matter. Arbitrarily forbidding us from using our natural resources will only do more harm than good.

So far, South Africa and Senegal are the only African countries to have agreed to a JETP, with South Africa securing a deal for $8.5 billion, while Senegal secured one for $2.7 billion. How South Africa and Senegal intend to leverage these deals differ drastically, however, as do their power generation circumstances.

South Africa: Pulled between priorities

Coal continues to dominate South Africa's energy portfolio, at over 80 percent of the country's power generation mix. Due to chronic load shedding and energy shortage issues, the country is now being pulled between two priorities, ensuring energy security and adhering to its decarbonisation plans. General power outages have plagued the country since 2008 but intensified in recent years and effectively hamstrung South Africa's economy, which has not surpassed even 1% gross domestic product (GDP) annual growth in the last decade.

The country's aging coal fleet faces significant maintenance issues which led to several of the country's largest coal units being rendered inoperable in 2023. That year also saw the worst load shedding the country has faced yet, more than twice what it experienced in 2022, leading to energy shortages for 335 days out of the year. This load shedding led to a sharp increase in demand for solar panels and batteries, but Eskom (South Africa's power utility) has had to prioritise energy security instead, prolonging its reliance on coal-fired plants and slowing down their decommissioning. To their credit, Eskom has made significant improvements to their coal plants' maintenance and repair thanks to a recovery strategy launched in early 2023, and they have not suffered another load-shedding event since March 26, 2024.

Nevertheless, the decision to prolong their reliance on coal is at odds with South Africa's JETP. It has also directly led to the South African government seeking renegotiation of finance deals tied to its transition to cleaner energy sources, amounting to some $2.6 billion of the originally agreed to $8.5 billion.

Above all, right now South Africa requires a solution that will ensure its energy security while also keeping the country on track with its JETP commitments, especially given its peak demand by 2030 is expected to reach 38 gigawatts (GW), a full 6 GW more than its current peak. And even though 13.6 GW of new power plants are expected to come online by 2027, with solar PV accounting for over half and onshore wind accounting for 25 percent of the new capacity, coal is still expected to meet two-thirds of daily demand. Battery storage assets awarded by South Africa's Battery Energy Storage Independent Power Producers Procurement Programme (BESIPPP) will also contribute to this new capacity. Renewable-based generation in South Africa is also expected to grow from nearly 14.1 percent currently to nearly 29 percent by 2030.

I want to be very clear here: South Africa's renewable energy growth is commendable, and Eskom's decision to prioritise energy security via coal when an alternative solution wasn't immediately available was understandable and pragmatic. But the country's renewables are not advancing fast enough to cover for the aging of its coal fleet, and no amount of emergency maintenance campaigns can ensure that similar issues won't lead to a load-shedding crisis again. If unaddressed, it will introduce the risk of shortfalls when the coal fleet is inevitably shut down at its end of life. Gas-to-power is thus the most prudent option for South Africa to prioritize while it continues working to expand its renewable power sources. The flexibility provided by gas-to-power will help meet demand once the coal fleet can no longer provide South Africa's baseload power, leaving it with only its Koeberg nuclear power plant and currently limited solar and hydropower resources to fill in the gap. Not only is natural gas more cost-effective and efficient as a power source than coal, but it is also relatively cheap to retrofit a formerly coal-fired plant with gas turbines, allowing South Africa to both gradually phase out coal while saving money that would otherwise be spent building entirely new infrastructure. All of this will matter a great deal, as South Africa anticipates phasing out coal to require $99 billion between 2023 and 2027. So far, it has raised half between their JETP deal with the IGP, $33 billion in private sector investments, and $10 billion from the public sector. South Africa hopes to fill the gap through both domestic and international private entities in the form of grants, guarantees, and concessional loans.

Fewer struggles in Senegal

Senegal, meanwhile, looks to be having fewer troubles, being reliant on liquid fuel sources rather than coal. The $2.7 billion raised

continues on page 9

Economics Commentary

Placebo or economic stimulus in Nigeria's GDP rebasing

MARCEL OKEKE

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PREPARATIONS BY THE NATIONAL BUREAU OF STATISTICS (NBS) to rebase Nigeria's Gross Domestic Product (GDP) are on a crescendo already. A few days ago, in pursuit of the objective, the NBS and the Nigerian Economic Summit Group (NESG) jointly held a sensitisation and public enlightenment workshop on the initiative, the methodology and its likely outcome(s).

GDP is the globally accepted indicator that measures the total value of goods and services produced within a country's borders over a specific period, usually a year. GDP provides an overview of a country's economic performance and growth. Rebasing the GDP entails adopting a new and more recent reference year to which future values of an economic variable is measured against.

Rebasing affords an economy the opportunity to update weight and prices based on structural changes in the consumer and/or production patterns over time. This is why the United Nations Statistical Commission recommends a review or rebasing of GDP every five years. This is because the weighting of component items in a base year may no longer be reflective of reality, resulting in exaggerated estimations.

For the proposed GDP rebasing, the NBS has chosen 2019 as the new base year; and this replaces 2010 which has been in use since 2014 when Nigeria last rebased its GDP. The NBS says the selection of 2019 is guided by factors such as overall economic stability, the impact of COVID-19, the availability of administrative data, and the completion of several significant surveys and data collection exercises.

All these, the NBS says, have enabled it capture hitherto unreported or underreported activities in the Digital Economy; the Pension Fund Administrators; National Health Insurance Scheme (NHIS); Nigeria Social Insurance Trust Fund (NSITF); Modular Refineries; Domestic Households as employers of labour. Others include Quarrying and other Mining activities; and illegal and hidden activities (including smuggling, underground businesses, call girls duties, etc.)

Without a doubt, this expanded dragnet that captures practically all socio-economic activities stands the chance of leading to a GDP that really approximates the current size and makeup of the Nigerian economy. This stance is strongly buttressed by the 2014 experience, when Nigeria's GDP rebasing threw the country up as the largest economy on the African continent.

Specifically, the 2014 rebasing increased Nigeria's GDP estimate by a whopping 89 percent, making it the largest economy in Africa, surpassing South Africa. The new GDP reflected the country's growing services sector, including Nollywood and mobile phone services. From about $270 billion, Nigeria's 'new' GDP shot up to about $510 billion.

The 2014 rebasing also shifted the sectoral composition of Nigeria's GDP, with services now contributing more than previously thought. The telecom industry in particular accounted for over a quarter of the phenomenal increase in GDP estimate. The fraction of the economy devoted to oil reduced by more than half to 14 percent.

However, since hitting these figures, Nigeria's GDP has literally been on a roller coaster; going through vicissitudes and buffeted by exogenous headwinds from across the globe. Mainly foreign exchange (FX) quagmire and productivity challenges have combined to shrink the economy to less than $200 billion by end-2023: making the Nigerian economy rank fourth — behind South Africa, Egypt and Algeria.

However, Nigeria's macroeconomic challenges in recent years, which have seen not a few blue chips opting to leave the country, have the capacity to shrink rather than expand the economy. And which is why the ongoing GDP rebasing could result in higher figures in nominal terms, but may not translate into any tangible increases in real GDP.

While the 2014 GDP rebasing, alongside the prevailing economic environment, could attract investors from within and outside the country, today's climate is markedly different. Inflation rate is at a thirty-month high — standing at 34.80 percent at end-December 2024. Exchange rate volatility has remained almost intractable: with the naira depreciating irreversibly against the US dollar and other hard currencies.

As against the Nigeria of 2014, insecurity in the land has become an existential threat — terrorism, banditry, kidnapping, armed robbery, ritual killings, etc. — have become the order of the day. Structural issues are yet in place, including huge infrastructure deficit, corruption, and so much dependence on inflow from crude oil sales.

In this milieu, rebased GDP, no matter how huge the figures turn out to be, may not translate to any magic wand in pursuit of national economic growth and progress. Its cosmetic appeal becomes only a necessary but not sufficient condition for sustainable economic expansion and development.

It is in this vein that the outcome of the recent change of methodology in the computation of the unemployment rate in Nigeria by the NBS has served as only a psychological illusion. While the unemployment rate (especially youth unemployment) was almost hitting 40 percent (using the old method), the rate crashed to between four and five percent following the adoption of the new methodology by the NBS in 2023.

Today, even with the change in unemployment calculation method by the NBS, the (absolute) number of unemployed persons in Nigeria rather than dropping, has remained on the increase. This trend is underpinned by the number of companies that have either shut down or downsized due to the harsh operating environment in the past couple of years. So many Small and Medium-sized Enterprises (SMEs) have been scorched to extinction, just as many big companies have fled the country.

It is therefore not enough to parade the toga — Africa's largest economy — but remain repulsive rather than attractive to investors. This is why the rebased GDP could end up as a mere placebo, as against any deliberate measure for the nation's economic advancement. A placebo being a measure merely designed to humour or placate people.

This is akin to the mindset that informed the adoption of palliatives as support to largely failing economic policies of the federal government for close to two years now. The palliatives, mere crumbs, have turned out to be economic placeboes deployed by the Bola Ahmed Tinubu-led administration to assuage the hunger and anger of the citizenry — in the face of mounting economic hardship.

It is therefore most apposite to admonish that rebasing Nigeria's GDP by itself can neither stimulate the economy nor grow it. The massive 'baggage' of other challenges bugging the economy are a major counterpoise to meaningful economic progress. So, the question remains: is the rebasing of Nigeria's GDP this time, most likely to be a mere placebo or an economic stimulus?

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South Africa, Senegal...

Continued from page 8

through its JETP is expected to attract and mobilise further investments from both the private and public sectors, much the same as South Africa. Senegal, however, will also be receiving technical assistance from its international partners to boost the integration of its renewable energy infrastructure and technology, with a heavy focus on grid stabilisation and battery storage. This aligns well with its electrification plans, which aim to achieve 40 percent of its installed capacity mix provided by renewables by 2030, up considerably from the current 22 percent. Senegal has also committed to developing an investment plan within 12 months to identify its needs, opportunities, and allocations to meet its targets.

To that same end, Senegal plans to publish a revised nationally determined contribution (NDC) at COP30, set to take place in late 2025. The current NDC outlines an unconditional target of 235 MW of solar PV, 150 MW of onshore wind, and 314 MW of hydro by 2030. With international assistance, these targets are set to rise to 335 MW of solar PV, 250 MW of onshore wind, 50 MW of bioenergy and 50 MW of solar thermal.

Overall, both South Africa and Senegal stand to benefit significantly from their JETPs, and this is a trend I hope to see continue in the future for African states. There are, of course, growing pains. JETPs are still a nascent programme, and the first few deals were signed as political promises first and foremost before the full technical and coordination details could be fully worked out by all sides. The implementation process for South Africa and Senegal has thus been delayed while consultations and negotiations smooth over the logistical details. In addition, JETPs alone will be nowhere near enough to fully cover the financial burden of transitioning African countries away from fossil fuels, and acquiring the private financial investments to bridge the gap may prove difficult for many countries.

This is why it is crucial for African states, and the world at large, to keep a close eye on how things develop in South Africa and Senegal, as their efforts to address these challenges will no doubt set the example for others.

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PROJECT SYNDICATE

What Happened to International Law?

ERIC POSNER

CHICAGO – Over the last two weeks, Israel has repeatedly attacked Syria – destroying military facilities and occupying territory – in clear violation of the United Nations Charter, which forbids the use of military force against foreign states except in self-defense or with the authorization of the Security Council.

WHILE SOME COUNTRIES HAVE condemned Israel, the United States and most others are withholding criticism. They probably fear that if Syria's weapons are not destroyed, they could fall into the hands of terrorist organizations. Never mind that international law does not allow for such exceptions; it has become another casualty of events.

Israel's strikes in Syria are hardly an isolated example. The ruins of international law are all around us. Russia invaded Ukraine in 2014 and again in 2022, illegally annexed Ukrainian territory, committed atrocities against Ukrainian soldiers and civilians, and now faces accusations of genocide. China has used violence to expand its control over the South China Sea, and it now seems poised to invade Taiwan – an outcome that no one believes will be stopped by international law.

Moreover, the US military interventions in Afghanistan, Iraq, Libya, Syria, and elsewhere over the past few decades were all based on dubious legal theories. International crimes are occurring worldwide, in conflict-ridden places like Israel and Gaza, Myanmar, Ethiopia, and Sudan, and within authoritarian countries that are at peace.

Nor are wars and violence the only indications of international law's decline. The same trend afflicts the global economy. With its appellate body unable to function, the World Trade Organization has sat by helplessly as the world turns to protectionism. Likewise, the International Court of Justice and the International Criminal Court's feeble records make a mockery of their founders' ambitions. The ICJ was supposed to prevent war, and the ICC to ensure justice for victims of war crimes. But neither court does much at all.

A less visible, but equally important, development is that international investment law has provoked a backlash from its intended beneficiaries. Bilateral investment treaties were supposed to promote economic development in poorer countries by protecting foreign investors from expropriation. But there is little evidence that the law has helped these countries catch up. Instead, multinational corporations have used it to block developing countries from implementing economic reforms and environmental regulations that might cut into their margins.

Meanwhile, international law protecting migrants has spurred a nativist backlash in many destination countries, especially those that have been flooded with asylum seekers. As democracy recedes around the world, human-rights law is in tatters. Many governments are stripping citizens of basic legal protections, and political repression is on the rise in countries

Continues on page 10

On combining AI, PESO model to build marketing campaigns

ADAUGO GODSGIFT EZEALA

Adaugo Godsgift Ezeala, a marketing professional with experience across multiple industries, is the co-founder and head of marketing of SokoSQ, a commerce platform for SMEs

OVER THE YEARS, I'VE TRIED everything from quick-hit campaigns to complex, multi-channel efforts. If there's one thing I've learned, it's that disconnected campaigns don't cut it anymore.

Gone are the days when you could run a few paid ads, create a blog post, and call it a day. Customers today are savvy, and their attention is divided across countless platforms. To reach them, your marketing must be cohesive, intentional, and intelligent. That's where the PESO model, and its partnership with AI comes in. Whether you're running a B2B SaaS company, building an e-commerce brand, or growing your personal brand, the PESO model is your key to crafting campaigns that not only attract attention but deliver measurable results. When combined with the power of Artificial Intelligence (AI), it becomes a true game-changer.

So, what is the PESO Model all about?

What Is the PESO Model?

Let's start with the basics. The PESO model categorizes your media into four distinct types:

Paid media: This is media you pay for, think Google Ads, Instagram promotions, or influencer partnerships. **Paid media** helps you reach people quickly, but it's only as effective as your targeting.

Earned media: Publicity you don't pay for, like PR mentions, backlinks, and word-of-mouth. This is where your brand's credibility is established. Imagine a journalist featuring your product in a "Top 10" list, that's earned media working for you.

Shared media: Social media is the heart of shared media. Whether it's your Instagram page or retweets from your customers, this is where your brand interacts with the public. Shared media thrives on engagement and community.

Owned media: This is the content you control completely, your website, blog, email newsletter, or any platform where you're the boss. Owned media is your storytelling platform and an essential part of long-term strategy.

On their own, each of these pillars has its strengths. Paid media drives immediate attention, earned media builds trust, shared media fosters community, and owned media creates depth. But what happens when you integrate all four? You get a powerful, cohesive strategy that guides customers through every stage of the funnel.

The PESO model is a simple yet powerful framework that combines Paid, Earned, Shared, and Owned media to create a holistic marketing strategy. It helps businesses bring together efforts across different channels, making campaigns more effective. By using this model, marketers can align their communication and adapt to the ever-changing digital landscape.

Why PESO works best together

The real magic of the PESO model happens at the intersections. When you combine media types, their individual strengths amplify each other.

Let's break it down by the marketing funnel:

Awareness: Use **Paid media** to promote **Owned content** like blog posts or guides. At the same time, spark engagement on social **(Shared media)** and earn coverage from credible sources **(Earned media).**

Example: A tech startup releases a blog post about industry trends, promotes it with LinkedIn ads, shares it on Twitter, and earns a mention in a relevant newsletter.

Consideration: At this stage, prospects are researching their options. Use **Owned media** (like detailed product pages) and amplify it with **Paid media** campaigns. Social proof from Earned media and Shared media can seal the deal.

Example: A D2C brand retargets users who visited their website with an Instagram ad that showcases customer testimonials.

Conversion: Now it's about turning interest into action. Paid retargeting ads can nudge hesitant buyers, while email campaigns (Owned media) provide that final push.

Example: A SaaS company uses retargeting ads to offer a free trial to users who read their case studies **(Owned media).**

Retention/Advocacy: Keeping customers engaged post-purchase is key. Owned media like newsletters can keep your brand top-of-mind, while Shared media like social communities encourage loyalty and advocacy.

Example: A fitness brand creates a Facebook group for customers and shares valuable tips, turning buyers into advocates.

When your PESO strategy works as a whole, your audience doesn't just see isolated ads or blog posts. They experience a seamless, consistent journey that builds trust and drives results.

How AI supercharges the PESO model

Here's the exciting part: Artificial Intelligence makes the PESO model smarter, faster, and more effective. AI eliminates guesswork and enables precision, helping you understand what's working and why.

1. Paid media: Smarter spending and better targeting AI can analyse millions of data points to optimise your Paid media strategy. Tools like Google Ads and Meta's ad platforms use machine learning to predict which ads will perform best. AI also helps with predictive targeting, ensuring your campaigns reach the right audience at the right time.

2. Earned media: Tracking sentiment and trend

AI-driven sentiment analysis tools like Sprinklr and Brandwatch allow you to gauge public opinion in real time. These insights can inform your PR strategy, helping you focus on what resonates with your audience.

3. Shared media: Spotting opportunities for engagement

AI-powered social listening tools like Hootsuite can identify trending topics, hashtags, and conversations relevant to your brand. This ensures your Shared media posts are timely and engaging.

4. Owned media: Personalisation at scale

AI-generated content tools can help draft blog posts, emails, or even product descriptions in seconds. Meanwhile, personalisation algorithms ensure your Owned media speaks directly to individual customer needs. By infusing AI into your PESO strategy, you can spend less time on guesswork and more time executing campaigns that actually deliver.

Real-world case studies: PESO + AI in action

Theory is great, but what does this look like in practice? Let's dive into two real-world examples.

Case Study 1: B2B SaaS Campaign

Goal: Drive leads for a new software product.

Strategy:

- Publish an article on the company blog (Owned Media).
- Promote the article with LinkedIn ads targeting decision-makers (Paid Media).
- Earn a feature in a leading SaaS blog (Earned Media).
- Share the feature on LinkedIn to spark community engagement (Shared Media).

Case Study 2: D2C Ecommerce brand

Goal: Increase sales for a new product line.

Strategy:

- Partner with influencers to review the product (Earned Media).
- Share influencer content on Instagram (Shared Media).
- Use Instagram ads to promote user-generated content (Paid Media).
- Publish a detailed guide about the product on the website (Owned Media).

These examples show how PESO and AI can combine to create measurable success across industries.

Combining AI and the PESO model is more than a trend, it's the future of marketing. Together, they provide the structure and intelligence needed to cut through the noise and deliver campaigns that resonate.

In 2025 and beyond, marketers who embrace this combination will have the tools to not only meet customer expectations but exceed them. So, are you ready to build campaigns that actually deliver? Your strategy starts now.

What Happened to...

Continued from page 9

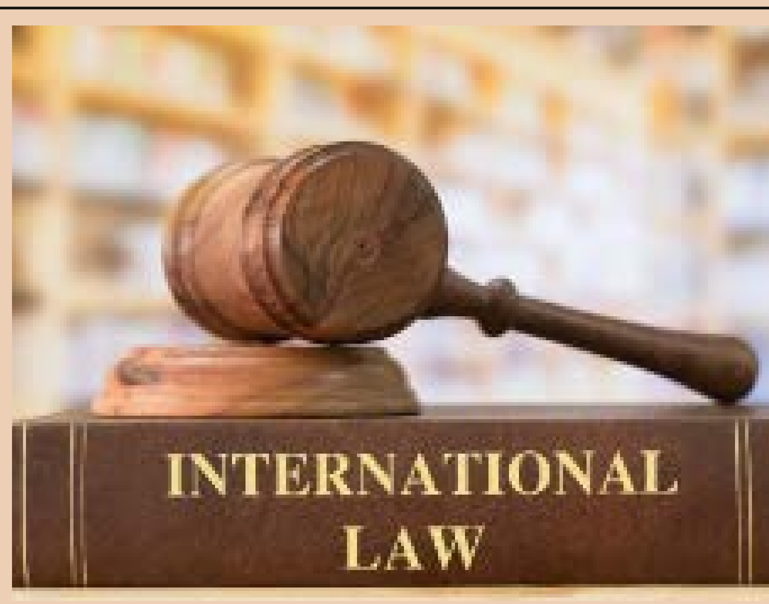
once thought to be on the road to political freedom. Even the European Union, the most successful international organization, lost the United Kingdom, has had to contend with illiberal governments in Hungary and, until recently, Poland, and faces new challenges as Euroskeptic far-right parties gain power in its member states.

In the United States, Donald Trump won the 2024 presidential election despite, or perhaps because of, his contempt for international law. In his first term, the US withdrew from more than a dozen international agreements and organizations relating to security, human rights, climate change, and migration. Now, Trump plans to withdraw the US from the World Health Organization, as benign an international institution as there is, on the first day of his next term. But Barack Obama and Joe Biden also did little to promote international law during their respective terms. US recalcitrance has been bipartisan.

Why has this happened? The simplest explanation is that international law is a victim of the anti-globalization backlash. Globalization was once the promised path to freedom and riches, but today people associate it with uncontrolled migration, job loss, pandemics, financial crises, and conflict. The benefits it generated for global economic growth were not sufficiently large, widespread, or visible to offset the real or perceived harms.

But international law was supposed to lock into place a liberal global order. In the 1990s, officials and commentators argued that international law enforces itself: as it spreads, it is internalized by states through their bureaucracies and further entrenched by public opinion. In fact, international law exists only to the extent that states – meaning their leaders, elites, and public – are willing and able to enforce it.

Enforcing international law is costly to the enforcer, who must impose sanctions, cut off diplomatic relations, or engage in other actions that may harm it as much as, or more than, the violator. As governments increasingly realized that the law stood in the way



of their objectives, which change in response to changes in domestic needs and international relations, the incentive to maintain it waned. It didn't help that by the 1990s, it was common to claim that international law reached deep into states' traditional jurisdictions, with provisions to regulate family relations, religious norms, cultural values, and the organization of the economy.

Supporters of international law believed that it would spur countries to adopt common moral and political values; it obviously has not. They also believed that countries would kneel to the Washington Consensus – free trade and investment, property rights, robust markets, low taxes – since all these things seemed to make sense in the US and the West in the 1990s. But such policies turned out to be hard to impose on other countries and – we now know – hard to sustain at home. National prosperity depends on stability, and stability requires the broad sharing of economic benefits, respect for local cultures and norms, and a sense among citizens that their political leaders answer to them, not to the foreign NGOs and international bureaucracies that have become convenient political footballs.

In the past, international law focused on protecting sovereignty, establishing basic forms of coordination (such as borders, time zones, maritime rules, and communication protocols), and, with more limited success, restricting the most extreme forms of violence, especially in war. Quite a few states, and not just China and Russia, have long urged the world to return to this modest but sustainable approach. The US, championing liberal internationalism, stood in the way. Under Trump, it may join them.

VISIONARY VOICES

School Meals Provide Food for Thought - and Fuel for Development

GORDON BROWN

KEVIN WATKINS

Gordon Brown, a former prime minister of the United Kingdom, is UN Special Envoy for Global Education and Chair of Education Cannot Wait. Kevin Watkins, a former CEO of Save the Children UK, is a visiting professor at the Firoz Lalji Institute for Africa at the London School of Economics.

EDINBURGH – When governments adopted the United Nations Sustainable Development Goals (SDGs) in 2015, they pledged to eliminate hunger and poverty. But today, as the SDGs' 2030 deadline approaches, a gulf separates their initial ambition and the reality on the ground. The 2020s are shaping up to be a lost decade for development – and the world's most vulnerable children are bearing the brunt of this slowdown.

The future envisaged by the SDGs is drifting out of reach. In 2030, some 620 million people are projected to live in extreme poverty (defined by the World Bank as an income below $2.15 per day). Progress toward the eradication of hunger stalled over a decade ago. At the current pace, there will be 582 million people living with chronic undernutrition in 2030 – the same number as a decade ago, when the SDGs were adopted.

This widening gap between ambition and achievement disproportionately affects young people under 18. Children account for around one-third of the global population, but more than half of the world's poor. Currently, 237 million of the 333 million children living in extreme poverty are in Sub-Saharan Africa (SSA) According to our estimates, based on UN and World Bank projections, that number will increase to 326 million by 2030.

Undernutrition is taking a devastating toll. In the world's poorest countries, around 258 million children are living with hunger – 56 million more than in 2015. For these children, hunger is not an occasional source of stress but a grinding reality of daily life. Chronic undernutrition means that millions of children are affected by stunting – one of the major risk factors for impaired brain development. Stunting rates are falling, but at just one-quarter of the rate needed to achieve the SDG targets; they remain over 30% in South Asia and SSA. At the current rate of progress, there will be 36 million more children living with stunting than there would be if the SDG for hunger were met.

Poverty and hunger have devastating effects on educational outcomes and social mobility. Some 84 million children are at risk of being out of education by the 2030 deadline, undermining progress toward universal education. Without an education, adolescents are often forced into work and early marriage, dashing their hopes of a better future. And hunger in the classroom is a powerful impediment to concentration and learning.

Too often, discussions about the SDGs descend into futile hand-wringing over disappointing progress. But hand-wringing is a luxury poor and hungry children can ill afford. They need practical policies that can make a difference in their lives by 2030. To that end, we are advocating a major initiative to achieve universal school meals in the poorest countries, backed by a new global funding mechanism.

Programs in India, Brazil, and many other countries have shown that providing a meal in school improves nutrition, allows children to learn free from the debilitating effects of hunger, and is the most cost-effective way to reduce child poverty. For the poorest families, a school meal is an in-kind transfer that eases pressure on the household budget, making it possible to keep children in education. As a result, school meals increase enrollment and reduce dropout rates, especially among the poorest children. They also enable children to learn more. Ghana's large-scale school meal program led to learning outcomes equivalent to an additional year of schooling.

Procurement of school meals has the added benefit of creating economic opportunities for rural communities, where some 80% of the extreme poor live. In Brazil, one-third of the school-meals budget is earmarked for smallholder farmers, linking healthy diets for children to more resilient and sustainable livelihoods.

According to research by the Sustainable Finance Initiative of the Free School Meals Coalition, providing another 236 million children in the world's poorest countries with free school meals would cost $3.6 billion per year until 2030. Much of that funding could come from developing-country governments, but an additional $1.2 billion annually in outside aid would be needed.

Current development assistance falls well below this amount and is hopelessly fragmented. Instead of investing in the development of national programs, donors throw aid around like confetti, funding small-scale, disconnected projects that often fail to deliver lasting results. Only a small amount of aid – around $280 million annually – goes toward school feeding, and most of this comes in the form of food aid provided by the United States, which is less efficient and far less effective than buying food from local farmers.

There is an alternative. Global health funds – most notably Gavi, the Vaccine Alliance and the Global Fund to Fight AIDS, Tuberculosis, and Malaria – pool donor resources around a shared purpose, supporting national development plans and raising revenue through three-year replenishments and innovative financing mechanisms.

These principles should underpin a new global initiative for school meals. Momentum for change is already building. The Global Alliance Against Hunger and Poverty, led by Brazilian President Luiz Inácio Lula da Silva, has identified school feeding as a priority, while the World Bank has pledged to make it a central plank of a wider strategy to strengthen social safety nets worldwide. More than 100 governments have joined the School Meals Coalition working to achieve universal school-meal provision by 2030, and some countries, including Indonesia, Nepal, Ethiopia, Kenya, and Honduras, have drawn up their own ambitious plans.

Under the leadership of Raj Shah, the Rockefeller Foundation has invested significantly in the School Meals Impact Accelerator, which provides technical support to countries trying to scale up their programs. The Accelerator's initial goal is to reach 150 million children by 2030 – more than double the number currently receiving school meals in low-income and lower-middle-income countries.

The challenge now is to bring these initiatives together to expand their reach, making them more than the sum of their parts. A good first step would be to create a clearinghouse through which governments can submit school-feeding proposals and donors can pool and coordinate their funding.

As the final countdown toward the SDGs' 2030 deadline begins, we must develop practical, achievable, and affordable initiatives that can transcend political polarization and deliver results that remind the world of what is possible. Universal school meals can do just that.

PROJECT SYNDICATE

What AI Means for Growth and Jobs

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PARIS – Some prominent economists argue that the revolution in artificial intelligence – particularly the rapid development of generative AI – will have only moderate effects on productivity growth but unambiguously negative effects on employment, owing to the automation of many tasks and jobs. We disagree on both counts.

When it comes to productivity growth, AI's impact can operate through two distinct channels: automating tasks in the production of goods and services, and automating tasks in the production of new ideas. When Erik Brynjolfsson and his co-authors recently examined the impact of generative AI on customer-service agents at a US software firm, they found that productivity among workers with access to an AI assistant increased by almost 14% in the first month of use, then stabilized at a level approximately 25% higher after three months. Another study finds similarly strong productivity gains among a diverse group of knowledge workers, with lower-productivity workers experiencing the strongest initial effects, thus reducing inequality within firms.

Moving from the micro to the macro level, in a 2024 paper, we (Aghion and Bunel) considered two alternatives for estimating the impact of AI on potential growth over the next decade. The first approach exploits the parallel between the AI revolution and past technological revolutions, while the second follows Daron Acemoglu's task-based framework, which we consider in light of the available data from existing empirical studies.

Based on the first approach, we estimate that the AI revolution should increase aggregate productivity growth by 0.8-1.3 percentage points per year over the next decade. Similarly, using Acemoglu's task-based formula, but with our own reading of the recent empirical literature, we estimate that AI should increase aggregate productivity growth by between 0.07 and 1.24 percentage points per year, with a median estimate of 0.68. In comparison, Acemoglu projects an increase of only 0.07 percentage points.

Moreover, our estimated median should be seen as a lower bound, because it does not account for AI's potential to automate the production of ideas. On the other hand, our estimates do not account for potential obstacles to growth, notably the lack of competition in various segments of the AI value chain, which are already controlled by the digital revolution's superstar firms.

What about AI's implications for overall employment? In a new study of French firm-level data collected between 2018 and 2020, we show that AI adoption is positively associated with an increase in total firm-level employment and sales. This finding is consistent with most recent studies of the firm-level effects of automation on labor demand, and it supports the view that AI adoption induces productivity gains by helping firms expand the scope of their business.

This productivity effect appears to be stronger than AI's potential displacement effects (whereby AI takes over tasks associated with certain types of jobs and workers, thus reducing labor demand). We find that the impact of AI on labor demand is positive even for occupations that are often classified as vulnerable to automation, such as accounting, telemarketing, and secretarial work. To be sure, while certain uses of AI (such as for digital security) lead to positive employment growth, other uses (administrative processes) do tend to have small negative effects. But these differences appear to stem from different uses of AI, rather than from inherent characteristics of the affected occupations.

All told, the main risk for workers is that they will be displaced by workers at other firms using AI, rather than by AI directly. Slowing down the pace of AI adoption would likely be self-defeating for domestic employment, because many firms will be competing internationally with AI adopters.

While our interpretation of the data shows that AI could drive both growth and employment, realizing this potential will require suitable policy reforms. For example, competition policy must ensure that the superstar firms that dominate the upper segments of the value chain do not stifle entry by new innovators. Our own study finds that AI adopters are predominantly much larger and more productive than non-adopters, suggesting that those already on top are positioned to be the biggest winners of the AI revolution.

To avoid increased market concentration and entrenched market power, we must encourage AI adoption by smaller firms, which can be achieved through a combination of competition policy and suitable industrial policy that improves access to data and computing power. To enhance the employment potential of AI and minimize its negative effects on workers, broad-based access to high-quality education, together with training programs and active labor-market policies, will be crucial.

The next technological revolution is already underway. The future of entire countries and economies will hinge on their willingness and ability to adapt to it.

Exchange rate volatility to challenge Nigeria's economy in 2025 — Cowry Asset

Stories by Onome Amuge

NIGERIA'S FOREIGN EXCHANGE market improved in 2024, driven by an uptick in foreign portfolio inflows, federal government foreign currency borrowing, and increased remittance inflows, resulting in the country's foreign reserves surpassing the $40 billion mark. Despite the encouraging developments in 2024, Cowry Asset Management Limited, predicted a persistent volatility in the exchange rate in 2025.

The forecast was underpinned by factors such as an anticipated increase in demand from Foreign Portfolio Investors whose investments in Nigeria's market will mature during the year, as well as a limited net FX position and a potential uptick in imports.

The investment firm, in its recent report,titled "Nigeria's Macroeconomic and Sectorial Outlook in 2025: Looking Beyond the Rhetorics," offered a comprehensive analysis of the country's economic trajectory for the year 2025.

The report, presented by Johnson Chukwu, the firm's CEO, discussed crucial trends and projections that are expected to shape Nigeria's economic and sectorial landscape, with particular emphasis on the potential challenges and opportunities ahead.

Building on its projections, Cowry Asset projected that the naira would likely trade within a range of N1,400 to N1,900 against the dollar in 2025, based on the assumption that the market would remain relatively undisturbed.

The report, which underscored the critical role of the oil sector and regional security in supporting currency stability, asserted that Nigeria's ability to increase crude oil production and mitigate insecurity in the Northern regions would be vital in maintaining a more stable exchange rate.

Addressing monetary policy, Cowry Asset's report predicted that the Central Bank of Nigeria (CBN) would likely retain a hawkish stance in 2025, in a bid to contain inflationary pressures and volatility in the foreign exchange market.

L-R: Ifeoma Uzo'Okpala, executive director, large enterprise, Bank of Industry; Felix Omatsola Ogbe, executive secretary, NCDMB; Naboth Onyesoh, acting director, legal services directorate, NCDMB, during Practical Nigeria Content Forum recently.

The firm, however, noted that to ease liquidity constraints in the banking sector and incentivise lending, the CBN may consider lowering the Cash Reserve Ratio from the current 50 percent level. This potential reduction could release funds back into the banking system, allowing financial institutions to extend credit facilities to borrowers

"We recommend a cautious approach to CBN as it navigates the new global financial order that will be triggered by the Donald Trump administration. There is also the need for a fine balance between price stability and economic growth," the investment firrm advised.

Analysing the Nigerian equities market for 2025, Cowry Asset Management noted that despite investors' concerns over valuation and interest rate increases, the market has proven to be remarkably resilient, maintaining its positive trajectory.

According to the report, this upward trend is expected to continue at the start of 2025, driven by investors seeking to capitalise on positive results and dividend declarations from corporate entities, particularly in the banking sector.

Cowry Asset Management identified three primary factors that are expected to shape the trajectory of the Nigerian equities market in 2025. These include:

-Trajectory of economic growth,

-Direction of monetary policy and impact on fixed income yields, and

-Corporate earnings performances.

Based on the solid nine-month financial performance and interim dividend payouts displayed by several listed firms, particularly in the banking, oil and gas, insurance, and agriculture sectors, Cowry Asset Management projected that equity prices would maintain a relatively stable level in the early part of 2025.

The report added that investors would likely seek to capitalize on dividend declarations for the fiscal year 2024, positioning their portfolios to maximise these earnings.

Cowry Asset Management's report acknowledged the potential impact of exchange rate fluctuations on corporate earnings but projected that medium-to-high-cap stocks would still exhibit strong performance. The anticipated listing of the Dangote Refinery and other potential new listings were identified as critical developments that could boost investor sentiment and contribute to positive market performance.

The Local Bonds Market

Cowry Asset Management emphasised the impact of the CBN's monetary policy direction and the trajectory of inflation on the bond market's performance in 2025.

The report suggested that interest rates would likely remain high throughout the year (2025), reflecting the CBN's commitment to combating persistent inflationary pressures.

Key factors likely to influence the local bond market include:

1.Rising Stop Rates: Auction stop rates are anticipated to trend higher, bolstering bullish investor sentiment and attracting participation in government debt instruments.

2.Monetary Policy Direction: The market will closely track the CBN's policy trajectory, particularly as inflation trends remain a central concern.

Local Currency Dynamics: Continued naira depreciation could pressure yields, as investors demand higher returns to compensate for currency risks.

Eurobond Market

Analysing the Eurobond market, Cowry Asset Management highlighted the dominant role of global inflation dynamics and shifts in monetary policy in advanced economies, serving as key drivers of market sentiment.

The firm observed that the Nigerian government's efforts to address fiscal challenges, such as balancing public spending and managing debt levels, as well as measures to enhance foreign exchange liquidity, would be closely watched by investors, with their reactions influencing the overall market outlook.

How joining BRICS will benefit Nigeria-Report

Bamidele Famoofo

MARKING A PIVOTAL MOMENT in its international trajectory, Nigeria has joined the BRICS bloc of developing economies as a "partner country".

Brazilian Government, Chairman of BRICS, disclosed this development in a statement Friday, January 17, 2025.

Nigeria, officially, has been admitted to the BRICS group of emerging-market powers.

BRICS, which stands for Brazil, Russia, India, China and South Africa, is reportedly pushing to expand in recent years.

BRICS was formed by Brazil, Russia, India and China in 2009, with South Africa added in 2010, as a counterweight to the Group of Seven leading industrialised nations, agency report said.

The power bloc has also grown in clout, and has accepted other countries, including Egypt, Ethiopia, Indonesia and United Arab Emirates.

Aside from Nigeria, BRICS has also admitted 12 other developing economies as partner countries.

These are Algeria, Belarus, Bolivia, Cuba, Indonesia, Kazakhstan, Malaysia, Thailand, Turkey, Uganda, Uzbekistan and Vietnam.

The bloc, in 2024, added Iran, Egypt, Ethiopia and the United Arab Emirates (UAE), while Saudi Arabia has been invited to join, according to report.

It is further noted that Turkey, Azerbaijan and Malaysia have formally applied to become members of BRICS, and a few others have expressed interest.

Nigeria becomes the ninth.

Why BRICS admits Nigeria as 'partner country': Brazil

The Brazilian Government Friday also stated: "With the world's sixth-largest population — and Africa's largest — as well as being one of the continent's major economies, Nigeria shares convergent interests with other members of BRICS.

"It plays an active role in strengthening South-South cooperation and in reforming global governance — issues that are top priorities during Brazil's current presidency."

It will be recalled that United States (US) President-elect Donald Trump last year had threatened 100 percent tariffs against BRICS, if they act to undermine the US Dollar in their respective economies.

Reports equally indicate that BRICS leaders have voiced their commitment to introducing an alternative payment system that would not be dependent on the US Dollar any longer.

Nigeria's expected role in BRICS agenda to reform global governance structures

As a partner country to BRICS, Nigeria's youthful population and growing middle class present immense opportunities for trade, investment, and innovation, agency report said.

Further still, the West African country's dynamic technology sector, often referred to as "Silicon Lagoon", is rapidly gaining international attention.

This development is making it a natural fit for BRICS' emphasis on fostering innovation and technological collaboration, report noted.

The country's entry into BRICS as a partner country as well aligns with its longstanding commitment to South-South cooperation.

Hitherto, Nigeria has been an advocate of increased collaboration among developing nations, particularly in areas such as trade, infrastructure development, and climate change.

Therefore, as a BRICS partner, the West African country is expected to play a key role in advancing the bloc's agenda of reforming global governance structures, according to report.

It was gathered that playing this key role includes advocating a more equitable distribution of power within international institutions, such as the United Nations (UN), World Bank, and International Monetary Fund (IMF).

Besides, Nigeria's involvement in BRICS initiatives could lead to increased access to alternative financing mechanisms, such as the New Development Bank (NDB), which provides loans and grants to member and partner countries.

Maximising fresh partnership with the bloc

It is equally noted that this move could prove particularly beneficial for Nigeria's ambitious infrastructure development plans, including projects in transportation, energy, and the Nigeria Digital Economy.

Nigeria's inclusion in BRICS as a partner would further strengthen the African continent's representation in the bloc and creates new opportunities for countries on the continent to engage with BRICS on issues of mutual interest.

Of essence also is that Nigeria's participation could encourage greater alignment between BRICS, and regional initiatives as the African Continental Free Trade Area (AfCFTA).

Nigeria's joining BRICS, report said, could inspire other African countries to seek closer ties with the bloc as well.

This could lead to a more coordinated African approach to global issues, ranging from climate change to economic inequality, thereby amplifying the continent's voice on the world stage.

On opportunities versus challenges of joining BRICS as 'partner country'

It should be noted that as Nigeria's inclusion in BRICS as a partner country presents several opportunities to the country, its citizens, and other African countries, the fresh partnership also comes with challenges, report said.

In order to make the best of the new partnership with BRICS, it is also observed that the country would need to navigate complex geopolitical dynamics within the bloc, particularly given the diverse interests of its members.

By implication, Nigeria will need to demonstrate its commitment to the bloc's goals by aligning its domestic policies and regulations with BRICS' priorities for success.

This includes addressing longstanding issues, such as corruption, infrastructure deficits, and economic diversification, according to report.

STOCKS MARKET

	NSE	NSE 30	FTSE 100	DOW JONES	S & P 500	FTSE/JSE	NASDAQ
	102,353.68	3,786.54	8,223.98	42,732.13	5,942.47	76,120.24	17,732.60
CURRENT	2.94	3.11	-36.11	+339.86	+73.92	+321.69	0.71%
YEAR TO DATE	0.56	0.67	0.44%	0.80%	1.26%	+0.42%	11.16%

TOP TRADERS

Company	Volume	Value
ACCESSCORP	49134629	1183408328
FIDELITYBK	20396977	358981813.5
UBA	20080228	681012094.2
OANDO	14810361	998077576.3
UNIVINSURE	13809418	8681068.2

TOP GAINERS

No	Equity	Opening	Closing	%Change
1	CAVERTON	N 2.00	N 2.20	10.00%
2	LIVESTOCK	N 5.40	N 5.94	10.00%
3	SOVRENINS	N 1.00	N 1.10	10.00%
4	NEIMETH	N 3.12	N 3.43	9.94%
5	ROYALEX	N 0.81	N 0.89	9.88%

TOP LOSSERS

No	Equity	Opening	Closing	%Change
1	ACADEMY	N 3.49	N 3.15	-9.74%
2	PZ	N 27.50	N 25.00	-9.09%
3	DAARCOMM	N 0.81	N 0.74	-8.64%
4	TRANSCORP	N 49.90	N 46.95	-5.91%
5	DANGSUGAR	N 40.50	N 38.50	-4.94%

COMMODITIES

SYMBOL	PRICE	CHANGE	%CHANGE	VOLUME
OIL	80.12	-0.01	-0.01	540
BRENT	82.64	0.01	0.01	91,282
NAT GAS	2.182	0.054	2.54	10,501
RBOB GAS	2.451	0.001	0.04	1,658
GOLD	2,402.90	3.8	0.16	51,560
SILVER	29.24	-0.059	-0.2	16,227
COPPER	968.6	-5.3	-0.54	7,361
PALLADIUM	4.231	-0.006	-0.14	20,751
WHEAT	900	-2.3	-0.25	1,493
SOYBEAN	501.5	UNCH	UNCH	0
CORN	551	8.25	1.52	6,825
SUGAR	1,112.25	15	1.37	3,621
COFFEE	411	6.25	1.54	21,948
COTTON	18.65	-0.01	-0.05	3,867
ROUGH RICE	238.7	0.5	0.21	1,412
COCOA	71.06	0.36	0.51	1,828
	14.39	0.15	1.05	54

Investors suffer N1.45trn loss amid bearish week on NGX

Stories by Bamidele Famoofo

THE NIGERIAN EQUITIES market witnessed a bearish week of trading, with investors losing N1.452 trillion on the Nigerian Exchange (NGX). The decline marks the first weekly loss of the year, contrasting with a gain of N1.137 trillion the previous week.

The value of the stock market, as measured by the market capitalisation, declined by 1.98 percent to N62.851 trillion from N64.303 trillion the previous week.

This market downturn was mirrored in the All-Share Index (ASI), which fell by 2.94 percent to close the week at 102,353.68 points, retreating from the previous week's position of 105,451.06 points.

The NGX kicked off the week on a negative note, as investors lost a total of N51.10 billion on Monday, January 13, 2025.

The bearish trend continued into Tuesday, January 14, 2025, with the market shedding N1.06 trillion in value during the trading session.

The NGX's downward spiral showed no signs of abating, as investors lost N930.62 billion on Wednesday, January 15, 2025.

After three days of losses, the Nigerian equities market staged a comeback on Thursday, January 16, 2025, with investors recouping N53.12 billion by the end of the trading session.

The positive momentum carried over into the final trading session of the week, with investors recording a gain of N541.09 billion on Friday, January 17, 2025.

Amid the market volatility, the NGX saw a total trading volume of 2.252 billion shares valued at N58.831 billion traded in 63,657 deals throughout the week.

L – R Temi Popoola, group managing director/CEO, Nigerian Exchange Group (NGX Group); Tilahun Kassahun, CEO, Ethiopian Securities Exchange (ESX) and Pierre Celestin Rwabukumba, president, Africa Securities Exchanges Association (ASEA) during the opening of Ethiopian Securities Exchange in Addis Ababa recently.

Compared to the previous week, which witnessed a higher turnover of 4.698 billion shares worth N85.043 billion transacted in 72,562 deals, the trading volume and value witnessed a decline, pointing to an overall reduction in investor activity during the bearish week.

Price movement on the Nigerian Exchange saw a decline in price appreciations, with only 33 equities posting gains during the week, compared to 51 in the preceding week.

Conversely, the number of equities recording price depreciation rose sharply to 57, up from 39 in the previous week. Meanwhile, the number of equities maintaining their price levels remained unchanged at 62, same as the figure recorded in the previous week.

The Financial Services Industry emerged as the most active sector on the NGX during the week in review, with a trading volume of 1.371 billion shares valued at N22.274 billion. This represented a substantial portion of the total equity turnover volume and value, amounting to 60.86 percent and 37.86 percent, respectively

Following closely behind was the Consumer Goods Industry with a volume of 253.536 million shares and a total value of N15.244 billion traded across 8,869 deals.

The Services Industry also made its presence felt, contributing 193.424 million shares valued at N931.795 million in 4,716 deals, ranking third in terms of total equity turnover volume and value for the week.

Universal Insurance Plc, Guaranty Trust Holding Company Plc, and AIICO Insurance Plc emerged as the most actively traded stocks by volume for the week.

The trio accounted for a total of 468.315 million shares worth N9.007 billion in 3,568 deals, collectively contributing 20.79 percent to the total equity turnover volume and 15.31 percent to the total equity turnover value for the week.

The NGX witnessed a surge in the prices of Neimeth International Pharmaceuticals Plc, SCOA NIG. Plc, and NNFM Plc, with the three companies recording the highest share price appreciation during the week.

Leading the charge was Neimeth International Pharmaceuticals Plc, whose share price skyrocketed 31.42 percent, followed by SCOA NIG. Plc, which recorded a 20.39 percent increase in its share price, while NNFM Plc recorded a 19.54 percent appreciation in its share price.

Meanwhile, Universal Insurance Plc bore the brunt of the bearish sentiment, shedding 19.23 percent of its share price, closely followed by Royal Exchange Plc, which saw its share price tumble by 18.35 percent.

Regency Assurance Plc also took a hit, losing 17.78 percent of its share price in the volatile week of trading on the Nigerian Exchange.

In their commentary on the weekly equity market performance, analysts from Cowry Asset Management observed that the NGX is likely to experience a mixed performance in the coming week.

"While some degree of bargain hunting is expected as investors search for attractive entry points, much of the direction will be shaped by the anticipated earnings reports and the broader macroeconomic outlook," they stated.

Despite the setbacks in the market during the week, Cowry Asset advised investors not to lose sight of potential buying opportunities arising from the pullbacks. The analysts pointed out that the current market conditions, characterised by profit-taking and sell-offs, may create attractive entry points for investors with a long-term horizon.

As the market anticipates the Q4 earnings season, Cowry Asset opined that discerning investors could capitalise on the undervalued stocks and market volatility

"The combination of mixed macroeconomic data and a series of anticipated economic events, such as the upcoming Monetary Policy Committee (MPC) meeting, is likely to continue influencing market dynamics. In this environment, it is crucial for investors to focus on stocks with strong fundamentals, as these are more likely to weather the current economic challenges and offer better longterm prospects," Cowry Asset asserted.

Fidelity Bank moves to raise share capital base to N36.7bn

Onome Amuge

FIDELITY BANK PLC is set to tap into private investment, as the race for capitalization heats up in the Nigerian banking sector.

Reflecting this ambition, the bank has made public its proposal to increase its issued share capital from N26.7 billion to N36.7 billion.

Fidelity Bank Plc's decision to increase its issued share capital was officially communicated to the investing public via a statement filed on the Nigeria Exchange Limited (NGX) by Ezinwa Unuigboje, the company secretary.

Unuigboje clarified that this proposal would be presented at Fidelity Bank's Extraordinary General Meeting, which has been scheduled for February 6, 2025.

Fidelity Bank explained that the proposed increase in issued share capital involves creating an additional 20 billion ordinary shares of 50 kobo each, bringing the total issued share capital of Fidelity Bank to 73.4 billion ordinary shares.

The bank further stated that the board of directors has been authorised to cancel any unallotted shares from this proposed increase, or further increase the share capital if necessary, in support of future equity-raising transactions.

In a bid to shore up capital and expand its investor base, Fidelity Bank undertook a capital raising exercise in 2024, offering 10 billion ordinary shares of 50 kobo each at N9.75 per share to prospective shareholders.

The move was approved by the bank's shareholders, enabling Fidelity Bank to leverage the capital markets and expand its investor base, positioning the bank for sustained growth and enhanced financial stability.

In addition to the public offer, Fidelity Bank also embarked on a rights issue in 2024, extending 3.2 billion ordinary shares of 50 kobo each to existing shareholders at a price of N9.25 per share on a one-for-10 basis.

This exercise, known as a combined offer, gave existing shareholders the right to purchase additional shares at a discounted price.

Fidelity Bank also stated that it is seeking shareholders' approval to raise additional capital beyond the newly issued share capital via various methods, including private placements, rights issues, public offers, or a combination of these options.

Thus, the Board of Directors has been authorised to determine the stages, pricing, and terms of these capital-raising activities, subject to obtaining the requisite regulatory approvals.

Fidelity Bank's board proposed that up to 30 percent of its existing issued share capital, totaling 20 billion ordinary shares, may be offered through private placements. These shares, once issued, will enjoy the same rights as the bank's existing ordinary shares and will be subsequently listed on the Nigerian Exchange Limited after obtaining the necessary regulatory approvals.

To ensure the successful execution of these resolutions, Fidelity Bank's board has been authorised to take all necessary steps, including entering into agreements, appointing professional advisors, obtaining regulatory approvals from relevant bodies such as the Securities and Exchange Commission (SEC) and the Corporate Affairs Commission (CAC), and filing all required documents.

Expounding on the rationale behind these decisions, Unuigboje, the company secretary explained that this move forms part of Fidelity Bank's broader strategy aimed at enhancing the bank's capital base, improving operational efficiency, and positioning it for future growth opportunities within the financial sector.

Quoted Insurers

Security	P/close	Open	High	Low	close	%change	Volume	value
AIICO	1.68	1.68	1.74	1.69	1.7	1.19%	12,630,965	21,479,667.03
CORNEST	3.7	3.7	4.06	3.7	4.06	9.73%	1,252,131	4,774,874.37
INTENEGINS	1.9	1.9	–	–	1.9	0.00%	127,078	238,149.60
LASACO	3.37	3.37	-	-	3.37	0.00%	723,724	2,361,983.24
MANSARD	9.1	9.1	9.25	9.25	9.25	1.65%	2,011,656	18,582,592.09
NEM	12	12	-	-	12	0.00%	66,534	812,914.70

NCRIB targets insurance growth in 2025

Stories by Joy Agwunobi

THE NIGERIAN COUNCIL OF REGISTERED INSURANCE BROKERS (NCRIB) has reiterated its commitment to strengthening partnerships with government agencies to enhance the role of insurance in national development in 2025.

During a press briefing, Babatunde Adeleke Oguntade, President and Chairman Governing Board of NCRIB, disclosed plans to engage more public institutions to prioritize the insurance of government assets and projects. He expressed optimism that such efforts could result in the insurance industry capturing between 50 to 75 per cent of the national budget allocated for asset protection and risk management.

Oguntade praised the government's focus on critical sectors like transportation, energy, and housing, as reflected in initiatives such as the National Integrated Infrastructure Master Plan (NIIMP) and the Economic Recovery and Growth Plan (ERGP). However, he emphasised that insurance must be integrated into these projects to mitigate risks and foster economic growth.

"Infrastructure development is incomplete without adequate insurance coverage.It serves as a financial safeguard against unforeseen risks and losses, ensuring the sustainability of such projects," Oguntade noted.

L-R: kayode Adigun, executive director, Finance and Corporate Services; Atinuke Lawal, founder, Atinuke Cancer Foundation and author of the book, 'ATINUKE'-(CANCER MESSED WITH THE WRONG CHIC) with Segun Bankole, head, corporate Communications & Investor Relations, Sovereign Trust Insurance Plc. during the presentation of appreciation plaque to Sovereign Trust Insurance Plc for its support to the Foundation over the years .

He also highlighted the Council's initiatives to make insurance more accessible by collaborating with housing developers and participating in industry events, including the Africa International Housing Fair. According to Oguntade, NCRIB has worked consistently to engage policymakers, regulators, and stakeholders in creating a favourable environment for the growth of the insurance sector.

Reflecting on his tenure as the 22nd President of NCRIB, Oguntade pointed to several milestones achieved under the "Breaking New Grounds, Sustaining Legacies" agenda. His administration prioritised strengthening relationships with key stakeholders, including visits to officials like the Minister of Finance, the Minister of Budget and Economic Planning, and the Governor of Osun State. The Council also established partnerships with agencies such as the National Health Insurance Authority (NHIA) and the Nigeria Social Insurance Trust Fund (NSITF) to promote the insurance sector's growth and credibility.

Beyond traditional sectors, NCRIB has extended its outreach to the creative industry, exploring opportunities in areas such as film, music, and design to expand insurance coverage and diversify its relevance.

Oguntade commended the National Insurance Commission (NAICOM) for its plans to enforce vehicle insurance compliance, a move expected to boost revenue and increase public awareness. He also applauded the Nigerian Police's decision to crack down on uninsured vehicles starting February 1, 2025.

"This enforcement initiative is commendable. It not only raises revenue for the industry but also heightens awareness about the importance of insurance, contributing to economic security and growth," Oguntade said.

He urged the Inspector General of Police (IGP) to maintain zero tolerance for uninsured vehicles on Nigerian roads.

Despite these strides, Oguntade acknowledged the persisting challenge of low insurance penetration in Nigeria, a country with over 200 million people. He described this gap as a pressing issue that requires a collective effort to address.

Looking ahead to 2025, Oguntade underscored the importance of raising awareness about insurance and providing businesses with sound risk management advice. He pointed to incidents like the Ibadan explosions as examples of inadequate insurance coverage and stressed the need to ensure the insurability of government projects to protect national investments.

While acknowledging progress, he called on stakeholders to collaborate in overcoming challenges and advancing the insurance sector. Oguntade reaffirmed NCRIB's dedication to creating a resilient, inclusive, and thriving insurance industry in the years ahead.

Mutual Benefits Assurance counts achievements, rewards staff

ONE OF THE LEADING INSURANCE companies in Nigeria, Mutual Benefits Assurance Plc, rewarded it staff during its 29th thanksgiving service which took place in Lagos on Saturday.

Middle: Managing Director, Chief Executive Officer, Mutual Benefits Assurance Plc, Mr. Femi Asenuga

The event was widely attended by staff, first-class traditional chieftains, leaders in the financial sector, Popular pastors including Pastor Poju Oyemade of The Covenant Nation, two former Commissioners for Insurance, National Insurance Commission, (NAICOM), Mr. Fola Daniel and Mr Sunday Thomas.

Mutual Benefits Assurance Choir who are staff members

The Chairman of the company, Dr. Akin Ogunbiyi, disclosed that Mutual Benefits Assurance has strategic investments that are having positive impacts on its balance sheet.

He also attributed the achievements recorded by the company in over 29 years to thanksgiving.

Ogunbiyi said, "We have every reasons in Mutual Benefits to thank God. We are giving thanks to magnify the Lord who has been good to us since 1995 that we started. Thanksgiving is the brain behind our success in Mutual Benefits. God inhabits in the praises of His people."

The Managing Director, Chief Executive Officer, Mr. Femi Asenuga, also said Mutual Benefits had always met the past recapitalization requirements of the insurance industry's regulator, and remains committed to meeting future capital requirements.

He said it will continue to strengthen its retail market and develop relevant products to meet the needs of the insuring public.

PenCom mandates BVN for RSA registrations, recapturing

THE NATIONAL PENSION COMMISSION (PenCom) has issued a directive requiring the inclusion of Bank Verification Numbers (BVN) for all Retirement Savings Account (RSA) registrations and data recapture processes.

This new regulation, effective from February 1, 2025, was outlined in a recent circular signed by A.M. Saleem, the Head of the Surveillance Department, and aims to strengthen the security and integrity of the pension industry database.

The circular mandates that Pension Fund Administrators (PFAs) ensure BVN details are provided by individuals or RSA holders when processing RSA registrations or during data recapture.

"The National Pension Commission (PenCom) hereby directs that all Pension Funds Administrators (PFAs) must require the mandatory provision of the Bank Verification Number (BVN) from individuals/RSA holders in processing their request for RSA. Registration or Data Recapture, as applicable," the commission stated.

This requirement is part of PenCom's ongoing efforts to enhance the security of the pension system.

To ensure compliance, PFAs are instructed to validate that the BVN submitted for RSA registrations and data recapture processes contains the correct 11 digits. The BVN field will be marked as mandatory on RSA registration forms, meaning no registration will be processed without it.

Additionally, existing RSA holders must provide their BVN during the data recapture process, and PFAs are required to update their forms to reflect this mandatory field.

For those whose BVN details are not currently available in the Enhanced Contributor Registration System (ECRS), PenCom has assured that arrangements will be made for PFAs to update these records before the new directive is enforced.

The circular explicitly states that it overrides specific provisions of the Revised Guideline on Retirement Savings Account Registration (2024), particularly Sections 2.2.1 (15) and 5.3.6 (16).

With this initiative, PenCom aims to mitigate the risks associated with identity fraud, improve RSA management, and ensure better alignment with Nigeria's financial system regulations.

In a separate circular also signed by A.M. Saleem, Head of the Surveillance Department, PenCom has updated its documentation requirements for Retirement Savings Account (RSA) registration, to simplify the process for formal sector employees. This revision, outlined in the circular, addresses the difficulties faced by Pension Fund Administrators (PFAs) in obtaining Letters of Employment from new employees.

The updated guidelines, which take immediate effect, align with amendments introduced during the Data Recapture Exercise and are designed to ease the burden on both RSA holders and administrators. PenCom stated that these revised requirements supersede Section 4.1.2 of the Revised Guideline on Retirement Savings Account Registration (2024).

Under the new provisions, employees in both the private sector and public sector self-funded agencies must provide either a Letter of Employment, a Letter of Appointment, or a Staff Identity Card.

For employees in public sector treasury-funded agencies and police personnel, the required documents include a Letter of First Appointment, an Attestation Letter, or a Staff Identity Card.

If a Letter of Employment or Appointment is provided, employees may also use alternative forms of identification, such as a Staff Identity Card, National Driver's License, Permanent Voter's Card (PVC), or International Passport. However, if a Staff Identity Card is submitted as the primary form of documentation, no additional identification is required.

Further documentation required includes a National Identity Card or Enrolment Slip issued by the National Identity Management Commission (NIMC), containing the employee's National Identification Number (NIN).

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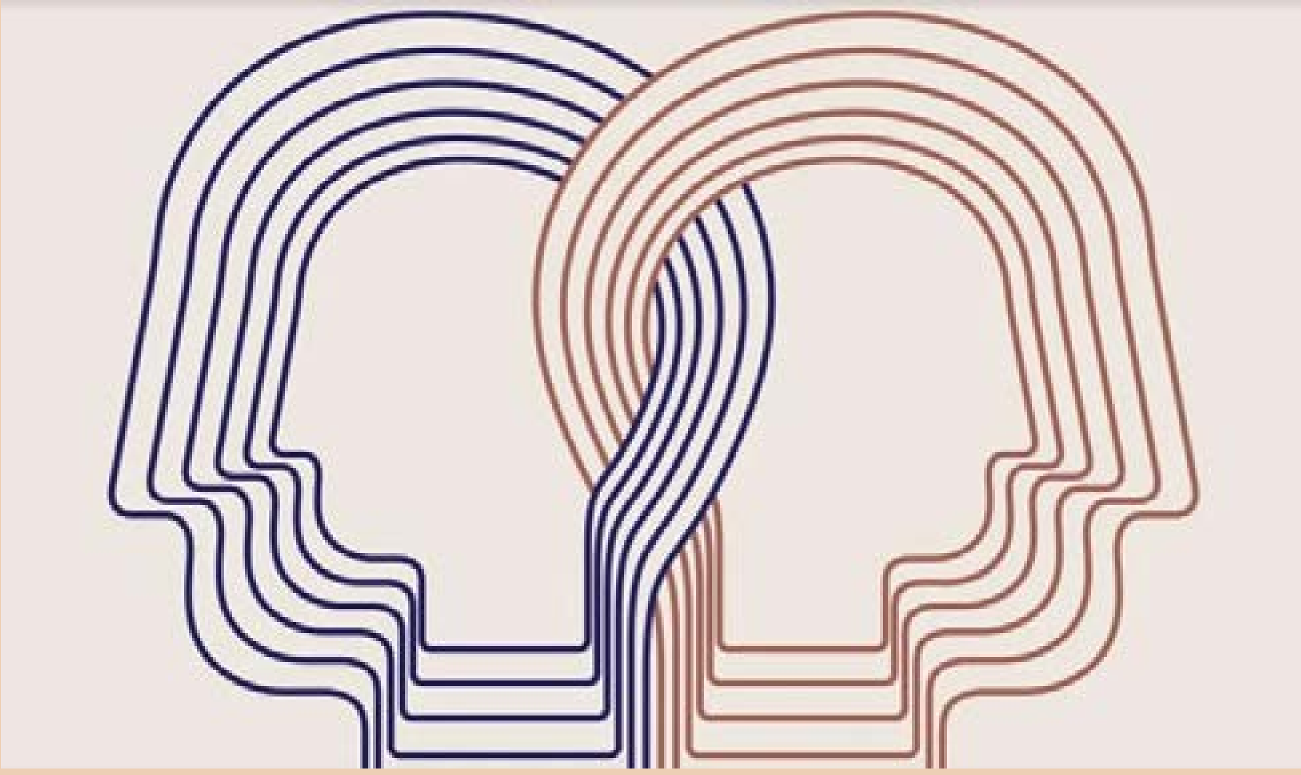
So, You Have a Coach, Now What?

Derek Deasy

Senior Affiliate Professor of Organisational Behaviour

Enoch Li

Enoch is an expert on leadership, resilience, and well-being in the workplace.



HOW LEADERS CAN GET the most out of an effective coaching relationship.

Having a coach these days is almost a given, an essential part of any senior executive's career portfolio. But while some leaders swear by their coaches, there are others who just can't seem to find the "right one". What causes these wildly different experiences?

While there are multiple approaches and practices, at its core, coaching is about emotional and intellectual support. It's about providing a space for the coachee to develop and expand their mental model of understanding the world. Coaches communicate that support through the questions they ask, inviting the coachees to pay attention to themselves and contexts that they might otherwise miss. Coaches provide space and fill it with their intention and attention.

One common misconception is that the coach will "lead" the conversation or provide some magic solution to the challenges the coachee faces. In reality, both parties must invest in the relationship for the experience to be truly effective.

A coachee's role is to be clear with themselves about their expectations. They need to assess if they have the incentives, resources and support to enable the change they desire. If they don't have a genuine willingness to make shifts in their behaviour, or are just there because their manager sent them, then change can be challenging, even with resources and support.

Redefining success

For many high potential and highly successful individuals, their sense of self and ambition could actually impede their capacity to reflect, process and change. Take the MBA students who we work with on the INSEAD Personal Leadership Development Programme (PLDP). They are constantly told they are special for getting into INSEAD, but they might not feel it, leading to a misalignment between who they are and who they are told they are – this promotes impostor syndrome.

It is important to offer them a space to revisit these assumptions and sentiments. To do this we break down leadership development into three key dimensions: (1) understanding themselves; (2) their relationship with others; and (3) how those elements influence, and are influenced, by the culture of the group.

Success means having an awareness for these dynamics and integrating them into your decision-making processes as a leader. Effective leadership depends on accurate diagnosis of the relationship between self, others and context. This is not something that can be calculated via an Excel spreadsheet or presented in bullet points. It only comes with experience and reflection, and a willingness to learn and explore. If the coachees are not willing, then coaching sessions will at best be very boring. At worst, they will be irritating, tedious and a waste of time for all parties and money for the coachee.

In some cases, this results in a coach getting unfairly blamed for being ineffective and the exercise branded pointless. But if individuals have a genuine motivation to change and develop, then coaches can be highly influential in helping them expand the ways they understand the world, and hence lead.

Attunement is vital

As with most relationships, communication is key to shared understanding. Effective communication occurs when each party is attuned to each other: the vocal, emotional or social message given is the one received. Attunement is the adjustment necessary within the context of the coaching relationship. It's about how the coach and coachee discuss how they are working together, share their expectations and concerns and get to a point where expectations on both sides are at least understood, and hopefully met.

This allows for the learning and support to take place with less resistance. An effective coaching relationship requires constant attention to whether it is working. And if it's not working, what needs to shift. Attunement between the coach and coachee attends to the why, the what and importantly the how of the coaching relationship.

For the coachee, attunement means: "How do I evaluate whether this is an effective developmental relationship for me?" They need to be clear on the kind of development they are working towards and their evaluation criteria, and then share these with their coach. If the relationship is not going the way they envisioned, then they need to bring this up. They need to communicate their preferences for the relationship, whether that means more action-planning driven, or more reflection-focused. They could set realistic markers for themselves and revisit these markers with their coaches if expectations are not met.

The coach's obligation

For the coach, attunement means: "How do I seek to understand my client's relational preferences and adapt accordingly?" They need to explicitly invite the coachee to express their concerns, however minor, of how the coaching is going. They should not ask leading questions such as "is this helpful?" but instead look for more constructive feedback. "What am I doing or not doing that is less effective for you in this coaching space?" This is not a conversation to simply gratify the coach's internal sense of worth or to reaffirm that they have been useful. The purpose is to find the most attuned way to adhere to the coachee's developmental aims and agenda.

There are cases where the coachees do not get to choose their coach. For example, during leadership development programmes, or when a firm offers a coach to its executives. In these cases, this attunement conversation is all the more important to reduce doubt in the relationship. We recommend coaches invite this conversation explicitly and review it often.

Setting expectations and being willing to change is only the foundation. Attunement is key to maximising the coaching support.

Selecting a coach

Because of this, finding the right coach is an important first step. We recommend meeting at least three different coaches, understanding their approaches and discussing how they work with coachees. Try and find the one whom you feel can hold you responsible for your own developmental agenda, not just make you feel good or "perform well". This is why your boss' coach, who was sure to have been amazing for them, does not necessarily translate as being the best fit for you.

Learning, development and change takes time, no coach can wave a magic wand. To get the most out of a coaching relationship you must bring your curiosity and questions, have the courage to take a risk to ask those questions and have the honesty to explore these curiosities with your coach, whilst continuously attuning the coaching relationship.

As a leader who wants to develop and change and be a better leader for their teams, working with a coach can be a valuable tool. But for it to be an impactful experience, an individual must be honest with themselves. Without the inner motivation and incentive for starting the relationship, and the resources and support to do so, then even the best coach in the world can't deliver the change you desire.

Empowering Africa's Social Enterprises for Lasting Change

DAVID MATHUVA

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ANGELA NDUNGE

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VINIKA D. RAO

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WITH THE RIGHT SUPPORT, religious sisters are transforming charities into sustainable social enterprises, increasing female leadership along the way.

Many assume that faith-based charity projects, especially those run by women, are funded by their umbrella church. In reality, these projects are expected to sustain themselves or be funded by the earnings of the respective congregations. As such, religious women involved in social ministries aren't just caregivers reliant on "financial manna" falling into their laps. They are running self-sustaining enterprises that make a real-world impact.

Another fact that deserves more recognition is that faith-based social enterprises play a vital role in advancing female leadership. While only 20 percent of conventional businesses globally are led by women, half of social enterprises have female leaders. These organisations empower women to lead and shape their communities, particularly in religious-led initiatives where female leadership tends to be higher.

Building sustainable social enterprises

Like all social business entrepreneurs, religious women must balance their social mission and commercial goals. However, they must also integrate a third dimension: their vocational calling. This calling is tied to their charism, or "spiritual gifts", which are central to their identity. Supporting women of faith in a way that integrates their mission, spiritual gifts and financial sustainability is crucial.

In 2022, as part of the Sisters' Blended Value Project (SBVP), funded by the Conrad N. Hilton Foundation, Strathmore University Business School studied how to best help religious sisters turn their charity work into sustainable social enterprises. The team developed a four-step approach:

Creating a training programme tailored to the specific needs of these women.

Offering a new type of social fund designed to meet those needs.

Building lasting partnerships and networks to help the sisters reach markets and access resources.

Conducting ongoing research to ensure the support is evidence-based and results in the adoption of best practices.

Teaching leadership and business skills

The SBVP's primary aim is to empower religious women with leadership and entrepreneurship skills. The programme began with projects in Kenya, Uganda, Tanzania and Zambia. By mid-2024, over 690 sisters had received training tailored to meet their needs for launching, growing or scaling a project.

By teaching sisters critical leadership and business skills, the SBVP helps them build sustainable foundations. This training addresses not only social and economic challenges but also the significant funding constraints often faced by social enterprises.

Co-created with religious women, faculty and business experts, the curriculum focuses on practical learning. The sisters apply their training to real-world challenges, reinforcing lessons through case studies from both religious-led and conventional social enterprises.

Access to sustainable funding

Receiving sufficient funding is a major challenge for social enterprises. Those run by religious women face similar issues, including limited access to sustainable funding, low visibility and inadequate legal frameworks. Traditional bank loans aren't always a good fit due to the unique risk profiles of their projects. In response, SBVP offers better options like seed grants and impact funds, as well as tailored incubation and acceleration programmes.

Through SBVP, 61 congregations received seed grants. These helped fund projects that provide quality education, healthcare and healthy food for communities. Even small grants – around US$5,000 – made a big difference. However, some needed more creative and innovative funding options that could support larger projects.

To make sure the funding worked, SBVP provided repayment terms to fit the values of the congregation and the needs of their work. In addition, the religious women involved received business advisory services, market connections and ongoing capacity-building support to help de-risk their social projects.

Raising awareness and supporting success

Social enterprises face challenges with public awareness and visibility. A 2022 British Council survey highlighted the need to show how such organisations blend business with tackling social and environmental issues.

The SBVP worked to increase awareness and outreach through webinars, conferences and networking events. By mid-2024, these events had attracted over 700 participants, allowing the religious sisters to showcase their work, learn from others and develop valuable partnerships.

These platforms also allowed them to collaborate with others in the social enterprise space, sharing ideas and learning new ways to improve their ventures. Insights from enterprises led by marginalised communities were seen as especially valuable.

The SBVP provided mentorship and coaching to encourage a mindset shift. These efforts helped religious women gain the confidence needed to lead their enterprises successfully. The SBVP's support further resulted in job creation and greater economic stability for both the congregations and the communities they serve.

As part of its long-term strategy, SBVP developed 13 case studies that offer insights into the challenges and achievements of religious women in social enterprise. These case studies can inform future efforts, ensuring continued progress in the three focus areas of training, collaboration and finance. In all, SBVP has produced over 17 research and technical papers to guide and improve the support provided to religious women.

A blueprint for the future

Social enterprises around the world, especially those led by religious sisters, are critical players in advancing the United Nations Sustainable Development Goals (SDGs). According to a 2024 World Economic Forum survey, around 10 million social enterprises globally generate US$2 trillion in revenue and create 200 million jobs each year. With a focus on improving social and economic well-being in underserved communities, social enterprises have an oversized impact in Africa.

Such enterprises also play a key role in closing the leadership gender gap – a crucial contribution, as global gender parity could still be 134 years away. For religious sisters, balancing social missions, business needs and vocational callings brings unique challenges. Transforming their projects into sustainable enterprises enables them to fulfil their calling, uplift their communities and advance the SDGs, including Goal 5 (Gender Equality).

Maximising impact will require collaboration with funders, governments, research institutions and social enterprise stakeholders. The efforts of Africa's religious sisters can serve as a model for other minority communities seeking to create lasting and meaningful change. Their experiences offer valuable insights that can be applied to other social enterprises across the continent and beyond.

PETER CAPPELLI

George W. Taylor Professor, Professor of Management, Director, Center for Human Resources

How Will the Workplace Change in 2025?

Wharton's Peter Cappelli expects incremental changes in the workplace this year, a continuation of bigger trends that began during the pandemic.

WHARTON MANAGEMENT PROFESSOR Peter Cappelli is routinely asked to predict the future of work. His expert answer is always the same: "The future looks like the past."

He's not trying to be cryptic. It's just that the big changes ushered in by the COVID-19 pandemic five years ago are still unfolding – remote and hybrid work, a tight labor market, and a renewed focus on office culture and employee wellness. Those trends that began in 2020 will continue into 2025, so any shifts will be incremental, he said.

"If you go out a few years, it could look like a big change. If you're in the middle of it, it doesn't feel like quite so much," Cappelli said in an interview with Wharton Business Daily on SiriusXM. (Listen to the podcast.)

But he is keeping an eye on politics and how President Donald Trump's second term could alter the labor landscape. The professor said Trump's election presents a paradox. He won the working-class vote from Americans who feel disenfranchised by their employers, yet his administration promises to be corporate-friendly and claw back some of the union gains made under President Joe Biden.

"It's now a full employment project to try to understand why President Trump won. And it all centers around working-class people and complaints about not getting what they felt they should get from the workplace and from jobs," said Cappelli, who is also director of the Wharton Center for Human Resources.

During the interview, Cappelli shared his predictions about various aspects of work in 2025. Following are some highlights:

On Remote Work and Office Culture

Remote and hybrid work are still hot topics in the media, but the reality is less exciting. Only about a quarter of the U.S. labor force works from home, and more companies have called employees back into the office over the past year.

Cappelli said the recall is happening because cracks have begun appearing in the smooth pavement of remote work. It was great during the pandemic, when everyone was invested in its success. But as time has passed, it's become clear that remote work comes with unique problems. Management, collaboration, and innovation are more difficult. And office culture takes a hit.

"You learn culture by observation, by seeing what's rewarded and, particularly, what's punished. You don't even have gossip anymore to figure out who got fired for what," he said.

Business executives understand this erosion of culture, Cappelli said, but they are reluctant to spend time or money to fix it. For example, they want managers to be more engaged with employees but not take time away from other duties, such as meeting with clients or investors.

"I think they all believe and understand that culture kind of matters. They don't have much of an idea of what their culture actually is, and it's often not nearly as great as they think it is," he said.

A Tight Labor Market and High Employee Turnover

Cappelli thinks perhaps the biggest change for American workers is the low unemployment rate, which has hovered around 4% for the last several years. It's enabled employees to leverage their low supply with more demands, including better salaries and flexibility.

"You have more choices. People can quit and go someplace else. That has shaken up a lot of things," he said.

Yet most employers are doing little to stem the corresponding high rates of turnover. They don't track their turnover numbers, much less share them with investors. Cappelli refers to it as a "financial accounting issue." Companies easily measure compensation costs, but they don't manage turnover costs because nobody sees them. However, those costs eventually show up in lower employee wellness and operational effectiveness, he said.

"We're seeing employee life-related issues, health issues, perceived well-being, mental health problems, all that stuff really getting worse and worse and worse," Cappelli said. "And companies aren't doing much of anything about it. They're giving you more chair yoga programs, but they're not dealing with the things that are causing the stress in the first place, like constant restructuring and downsizing."

Entry-level Jobs Are No Longer for Novices

After the Great Recession, employers took advantage of the depressed labor market by ramping up requirements for positions. Cappelli said that has led to some unrealistic hiring expectations, especially for entry-level graduates.

"On our campuses, you discovered that students couldn't get internships unless they had already had an internship, because nobody wanted to be the first person to break them in," he said.

Some employers are just "sloppy" about hiring, he added. They hire by committee, asking everyone what qualifications are needed for a position, then adding them into an impossible wish list.

"You end up with this Christmas tree that nobody is qualified for," Cappelli said.

With the recession long over, companies are now paying a price for their pickiness. They are taking longer to fill vacancies or simply deleting them.

"CFOs often think that saves money. It hurts performance. It hurts economic costs," he said. "It's this dilemma between, are you trying to run an effective organization? Or are you trying to run one that looks good on paper?"

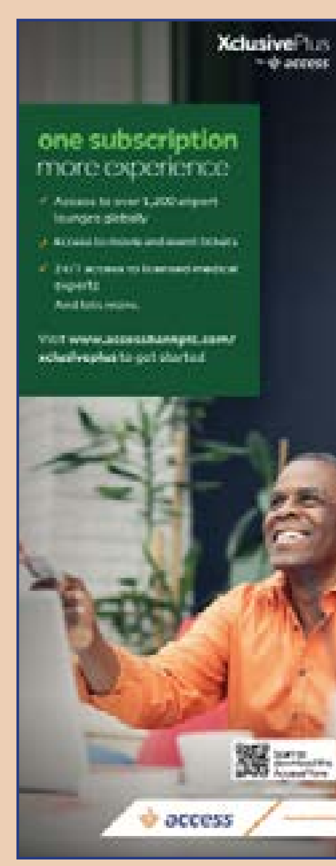
The Real Costs of Artificial Intelligence

Cappelli seems rather underwhelmed by the transformational promises of artificial intelligence. The hype comes from the companies building the tools, he said, not the people who use them.

"This is a story about vendors," he said. "If you ask the people who are creating [an AI tool] what it can do, you get this incredible story. And it might be true, but it turns out that not everybody wants them. And to [add] them sometimes costs an unbelievable amount of money."

Free AI, like ChatGPT, can automate low-value tasks like writing forms, for example. But the professor said that's not useful, especially when those forms still need human review. Meanwhile, automating high-value tasks is quite expensive.

"To automate a particular job takes a ton of work. Somebody's got to be willing to front all that money," he said. "And you're in competition with all these other investment deals for it. So, I think the problem here is, again, expectations."



AI. TECHNOLOGY.

Can AI Predict the Future?

New research from Wharton's Philip Tetlock finds that combining predictions from large language models can achieve accuracy on par with human forecasters.

PHILIP TETLOCK

Leonore Annenberg University Professor in Democracy and Citizenship, Professor of Management, Professor of Psychology

DECISION-MAKERS HAVE LONG RELIED on the "wisdom of the crowd" — the idea that combining many people's judgments often leads to better predictions than any individual's guess. But what if the crowd isn't human?

New research from Wharton management professor Philip Tetlock finds that combining predictions from multiple artificial intelligence (AI) systems, known as large language models (LLMs), can achieve accuracy on par with human forecasters. This breakthrough offers a cheaper, faster alternative for tasks like predicting political outcomes or economic trends.

"What we're seeing here is a paradigm shift: AI predictions aren't just matching human expertise — they're changing how we think about forecasting entirely," said Tetlock.

Dubbed as the "wisdom of the silicon crowd" by the Wharton academic and his co-authors — Philipp Schoenegger of London School of Economics, independent researcher Indre Tuminauskaite, and Peter Park from Massachusetts Institute of Technology — this approach highlights how groups of AI systems can provide reliable predictions about the future.

By pooling predictions from multiple LLMs, the researchers present a practical method for organizations to access high-quality forecasting without relying solely on expensive teams of human prognosticators.

"This isn't about replacing humans, however," Tetlock said, "it's about making predictions smarter, faster, and more accessible."

How Do AI Predictions Work?

Individually, AI models like GPT-4, made by Microsoft-backed OpenAI, have struggled with forecasting. Previous studies revealed that their predictions were often no better than random guesses. However, Tetlock's paper, "Wisdom of the Silicon Crowd: LLM Ensemble Prediction Capabilities Rival Human Crowd Accuracy," found that combining predictions from multiple models significantly boosted their accuracy.

So how does it work? The magic lies in how errors balance out. Just as human crowds average out individual biases, combining AI models cancels out inconsistencies in their predictions. Each model brings a slightly different perspective, much like human forecasters with varied expertise and experiences. "Just how human crowds balance individual biases, AI ensembles turn competing perspectives into consensus," Tetlock said.

His study also found that AI predictions were greatly improved — between 17% and 28% — when informed by human input, such as insights from forecasting tournaments, where people compete to predict future events accurately. These competitions provide valuable, real-time data that AI systems can incorporate into their predictions.

"The best forecasts come when human intuition meets machine precision," said Tetlock.

Interestingly, though, the researchers found the best results came from simply averaging human and AI predictions, rather than relying on the AI to synthesize them. This highlights a key takeaway: while AI is advancing, human input still plays an important role in creating the most accurate forecasts.

Tetlock and his co-authors put their methods to the test in real-world scenarios by carefully designing questions and situations that the AI models hadn't encountered during their training. This ensured that the AI wasn't just "cheating" by regurgitating memorized information.

Benefits and Limitations of AI Forecasting

The results were promising but revealed some challenges. For example, the AI models struggle when there's a significant time gap between their training data and the events they're predicting. This lack of up-to-date knowledge can reduce accuracy.

Additionally, the AI systems often exhibit overconfidence, assigning higher probabilities to outcomes that don't align with the available evidence.

"Resolution" is a technique that could be used to fix this issue by sharpening predictions to clearly distinguish between what's likely and unlikely. The goal is to assign higher probabilities to events that actually occur and lower probabilities to those that don't, ensuring forecasts are both confident and accurate.

"The key to resolution is confidence with clarity — bet big on what's likely and back off where it's not," Tetlock explained.

With tools in place to overcome these hurdles, the study demonstrates the practical value of AI in forecasting. In areas such as politics and economics, where big decisions depend on precise predictions, combining forecasts from LLMs is a practical, scalable, and efficient approach.

"This is just the start. As we refine these systems, they'll not only get more accurate but also change how we make high-stakes decisions," Tetlock said. "The human forecasters in our comparison baseline were educated, reasonably numerate adults — but not the elite of forecasters on the public platforms (e.g., superforecasters). That is a challenge the LLMs have yet to beat."

Quoted Insurers

Security	P/close	Open	High	Low	close	%change	Volume	value
AIICO	1.68	1.68	1.74	1.69	1.7	1.19%	12,630,965	21,479,667.03
CORNEST	3.7	3.7	4.06	3.7	4.06	9.73%	1,252,131	4,774,874.37
INTENEGINS	1.9	1.9	–	–	1.9	0.00%	127,078	238,149.60
LASACO	3.37	3.37	-	-	3.37	0.00%	723,724	2,361,983.24
MANSARD	9.1	9.1	9.25	9.25	9.25	1.65%	2,011,656	18,582,592.09
NEM	12	12	-	-	12	0.00%	66,534	812,914.70

Stories by Joy Agwunobi

Standard Alliance explains delay in filing 2024 financial statements

STANDARD ALLIANCE INSURANCE has provided an update regarding the delay in the filing of its Unaudited and Audited Financial Statements for the year ending December 31, 2024.

In a notice to the Nigerian Exchange Group (NGX), Halima Jimada, the company's Secretary/Legal Adviser, explained that the delay is due to a significant restructuring process the company is currently undergoing.

This restructuring, which is intended to address critical corporate issues and position the company for sustainable growth, has impacted the timelines for finalising the financial statements.

"In compliance with the provisions of Rule 2.1.1 of Nigerian Exchange Limited (NGX or The Exchange) Rules for Filing of Accounts and Treatment of Default Filing (Default Filing Rules), Standard Alliance Insurance Plc ("the Company") wishes to notify The Exchange and the investing public of the delay in filing its Unaudited Financial Statements for the year ended 31st December 2024 and Audited Financial Statements for the year ended 31st December 2024," the company said.

Pupils of Local Authority (LA) primary school Ibassa riverine community rejoicing, during the donation of education packs, facilitated by Rainoil in Lagos, recently.

The company further emphasised its commitment to transparency and accuracy in its financial disclosures. The company also assured stakeholders that the extension will allow the company to complete the restructuring process and produce financial statements that accurately reflect its true financial position.

"The delay in filing these Financial Statements is necessitated by a significant restructuring process the Company is currently undergoing. This restructuring is aimed at resolving critical corporate issues and strengthening the foundation for sustainable growth. Consequently, the process has impacted the timelines for preparing and finalising the financial statements."

"We are committed to ensuring the accuracy and reliability of our financial disclosures. The extension will enable us to conclude the restructuring process and prepare high-quality financial statements that reflect the true financial position of the Company," the company said.

Despite the delays, Standard Alliance Insurance reaffirmed its commitment to regulatory compliance and transparency. The company has set a revised deadline to file all outstanding financial statements: its 2024 Q4 Unaudited Financial Statements will be filed no later than March 31, 2025, and the 2024 Audited Financial Statements will be filed by June 30, 2025. These statements will also be made available on the company's website and through the Issuers' Portal.

Universal Insurance Plc appoints new MD/CEO

UNIVERSAL INSURANCE PLC has announced the appointment of Japhet Duru as its new Managing Director/Chief Executive Officer, effective January 10, 2025.

In a recent statement filed with the Nigeria Exchange Limited by Chinedu Onyilimba, the company's Secretary, it was revealed that Duru, who joined Universal Insurance in August 2024 as executive director for technical operations, had been serving as the acting MD/CEO since September 2024, following the departure of Benedict Ujoatuonu.

With over three decades of experience in the industry, Duru holds multiple advanced degrees, including a PhD in Business Administration and Finance. He is a Fellow of the Chartered Insurance Institute of Nigeria and has previously held significant leadership roles in prominent insurance firms.

Expressing his enthusiasm about the new position, Duru said, "I am honoured by the trust placed in me by the Board of Universal Insurance. I look forward to guiding the company towards greater achievements, while continuing to meet the changing demands of our clients and stakeholders."

John Oke, chairman of Universal Insurance Plc, also welcomed Duru's appointment, highlighting, "Duru's extensive experience and leadership abilities will play a pivotal role in the company's growth and success within the competitive insurance industry."

Linkage Assurance CFO becomes pioneer chairman of ICAN-NIA Chapter

DR. EMMANUEL OTITOLAIYE, CHIEF FINANCIAL OFFICER(CFO) of Linkage Assurance Plc has been invested the Pioneer Chairman of the Institute of Chartered Accountants of Nigeria (ICAN) -Nigerian Insurers Association(NIA) Chapter.

ICAN-NIA Chapter was recently inaugurated by the 60th President of ICAN, Davidson Alaribe in company of top accounting and insurance professionals in Nigeria at a ceremony held at Nigeria's Insurers House in Victoria Island, Lagos.

Otitolaiye in his acceptance speech at the event said "It is with great delight, sense of responsibility and immense gratitude to the Almighty God that I stand before this distinguished audience, today, to accept my election and formal investiture as the Pioneer Chairman of the ICAN-NIA Chapter."

He said, him and his executive committee are committed to upholding the highest standards of professionalism, promoting excellence in the field of accounting, and advancing the interests of members.

"As we navigate the ever-evolving landscape of business and finance, we must embrace innovation and stay at the forefront of emerging trends and technologies. The challenges we face require us to adapt, evolve, and continuously expand our knowledge and skills."

Dr. Otitolaiye, pledging further said, "As chairman, I am dedicated to fostering a culture of lifelong learning and professional development, ensuring that our members have access to the resources and support they need to thrive in a rapidly changing world."

He stated that his administration will focus on Membership Drive, Training and Events, through collaboration and partnerships.

"Our Chapter will actively seek opportunities to collaborate with organisations, regulatory bodies, and academia to strengthen the profession, advocate interest of members, and shape the future of the accounting profession in Nigeria."

Davidson Alaribe, the Diamond President ICAN in his speech at the investiture said, with the inauguration of ICAN-NIA Chapter, accountants will be able to come together and contribute to the development of the profession and the economy as a whole.

NAICOM clarifies third-party motor insurance policy for vehicle owners

THE NATIONAL INSURANCE COMMISSION (NAICOM) has clarified the requirements and benefits of the Third-Party Motor Insurance Policy ahead of its nationwide enforcement by the Nigeria Police Force, which is set to commence on February 1, 2025.

The commission noted that the enforcement aligns with Section 68 of the Insurance Act 2003, which mandates this coverage for all vehicles operating on Nigerian roads.

According to NAICOM, the Third-Party Motor Insurance Policy is the minimum level of coverage compulsorily required by law, while Comprehensive Motor Insurance remains optional but recommended. The policy aims to safeguard road users by ensuring financial recovery for damages, injuries, or loss of life caused by accidents involving insured vehicles.

NAICOM explained that the policy is sold for an annual premium of 15,000 to private car owners, while premiums for commercial vehicles vary depending on the type of vehicle. It provides policyholders with a limit of up to 3 million for the repair or replacement of a third party's damaged property.

In addition, the policy covers limited medical expenses for injured third parties and offers financial compensation to the families of deceased third parties in the event of death.

The statement reads in parts: "The Third Party Motor Insurance Policy can be procured from or through only licensed insurance entities authorised by the National Insurance Commission to transact motor insurance business in Nigeria."

"The third-party motor insurance policy is sold for a premium of N15,000 per year to private car owners, while the premiums for commercial vehicles vary depending on the type of vehicle."

" The Third Party Motor Insurance Policy gives the policyholders the limit of N3m to repair or replace the property of the innocent third party damaged during an accident. Also, it gives the policyholders access to limited medical care for any injured third party as a result of the accident. In addition, it provides financial compensation to the family of the deceased innocent third party in the event of death. Furthermore, the Third Party Motor Insurance Policy now includes third-party motor insurance cover for the vehicle if it was driven to any West African country based on the protocol of the ECOWAS Brown Card Scheme."

The commission further noted that a complaints bureau is in place to ensure the resolution of all complaints that may emanate from members of the public who may be dissatisfied with an insurance company's service or response to claims.

VETIVA CAPITAL MANAGEMENT LIMITED

MARKET COMMENTARY FOR THE WEEK ENDED 17TH JANUARY, 2025

Focus for the week: FY'25 Industrials Outlook

IN THE CURRENT YEAR, the cement sector has been characterized by various factors, including rising input costs, currency depreciation, and government policies. While the government's infrastructure push has stimulated demand, challenges persist. The sector's profitability has been impacted by increased production costs, particularly energy.

Despite these headwinds, cement companies have been taking steps to mitigate costs, such as adopting CNG technology to improve efficiency and reduce costs. That said, we expect these initiatives to ease energy and transportation costs, mitigating downswings in profitability margins on a base-case scenario.

Capex spend continues to underwhelm

In the current year, Nigeria's cement producers have experienced strong topline growth, driven primarily by higher cement pricing. Despite the surge in top-line, FX losses remained a cog in the wheel for industry players, impacting earnings negatively. Accordingly, the three key players recorded a total of ₦143.1 billion in FX losses for the 9M'24 period. Operating expenses (₦763.2 billion) also surged (+452%) across the industry, driven by the hike in diesel prices which affected haulage expenses. That said, the bottom-line print for cement players was relatively underwhelming.

Overall, the outlook for 2025 remains cautiously optimistic, with expectations of a resilient performance from cement players, to be driven by elevated cement prices. However, outperformance from the industry is not out of the cards, but that will depend on the government's ability to manage fiscal pressures and ensure the timely execution of infrastructure projects.

What shaped the past week?

Equities: This week, the local market traded in a bearish manner, declining by 2.94% w/w to close at 102,353.68 ppts. The Industrial Goods sector led the losers chart, easing 8.20% w/w, primarily due to sell-offs in DANGCEM

Indicators	WK CLS	WK OPEN	WTD (%)	YTD (%)
EQUITIES				
NGX 30	3,786.54	3,908.21	(3.11)	(0.67)
NGX All-Share Index	102,353.68	105,451.06	(2.94)	(0.56)
Market Cap (NGN bn)	57,899.51	59,651.63	(2.94)	(0.56)
FEDERAL GOVERNMENT SECURITIES (%)				
91-Day T-Bill	22.21	22.67	(2.03)	(3.60)
182-Day T-Bill	24.93	25.05	(0.46)	(0.29)
364-Day T-Bill	27.16	27.08	0.30	(1.04)
2-Year FGN Bonds	20.60	20.50	0.51	0.49
3-Year FGN Bonds	20.52	20.48	0.19	0.41
5-Year FGN Bonds	21.43	21.22	0.99	1.29
7-Year FGN Bonds	22.40	22.05	1.57	1.20
10-Year FGN Bonds	18.26	18.25	0.06	(3.71)
20-Year FGN Bonds	17.73	17.72	0.06	0.01
INTERBANK MARKET RATES (%)				
NIBOR OPR	32.33	27.29	5.04	5.03
NGN EXCHANGE RATES (₦)				
USD/NGN	1547.58	1543.03	(0.29)	(0.61)
GBP/NGN	1888.05	1882.50	(0.29)	1.61
EUR/NGN	1594.01	1573.89	(1.28)	(0.94)
CNY/NGN	216.66	216.02	(0.29)	(3.44)
ZAR/NGN	82.02	80.24	(2.22)	(0.38)
USD/NGN FORWARDS				
1M	1589.78	1592.88	0.19	(0.66)
3M	1654.40	1663.99	0.58	(0.99)
6M	1751.59	1775.56	1.35	(1.47)
1Y	1935.72	1993.02	2.88	(1.69)

Source: NGX, FMDQ OTC, Bloomberg, Vetiva Research

SECTOR	INDEX VALUE	WoW Δ	YTD Δ
BANKING	1,120.41	1.94%	3.31%
CONSUMER GOODS	1,737.50	-0.34%	0.34%
INDUSTRIAL GOODS	3,573.90	-0.26%	0.05%
OIL & GAS	2,688.75	-0.34%	-0.86%
VETIVA 30 ETF	41.00	8.61%	9.04%
INSURANCE	788.98	-6.91%	9.89%

Weekly Top 5 Gainers

Stock	Closing Price (N)	% Change
NEIMETH	3.43	31.42%
SCOA	2.48	20.39%
NNFM	54.45	19.54%
LIVESTOCK	5.94	17.62%
DANGSUGAR	38.50	16.67%

Weekly Top 5 Decliners

Stock	Closing Price (N)	% Change
UNIVINSURE	0.63	-19.23%
ROYALEX	0.89	-18.35%
REGALINS	0.74	-17.78%
SOVRENINS	1.10	-16.67%
DANGCEM	400.00	-16.46%

Source: Vetiva Research

(-16.46% w/w) and JBERGER (-9.98% w/w). The Insurance sector also experienced a downturn, losing 6.23% w/w, driven by profit-taking in UNIVINSURE (-19.23% w/w), REGALINS (-17.78% w/w), and SOVRENINS (-16.67% w/w). The Oil & Gas sector shed 0.78% w/w, with losses in MRS (-7.71% w/w) and ARADEL (-7.02% w/w), while the Banking sector fell by 0.46% w/w. On the flip side, only the Consumer Goods sector (1.33% w/w) recorded a gain this week, driven by positive sentiments for DANGSUGAR (+16.67% w/w).

Fixed Income: This week, system liquidity remained negative, opening on Monday at approximately ₦389 billion in the red, and closing on Friday at around ₦398 billion negative. Consequently, the OPR ended the week at 32.33% (-504bps w/w). The secondary market showed mixed performance, with bullish sentiment observed on the shorter end of the curve, while bearish sentiment prevailed across the longer maturities. Specifically, yields moved as follows: 91-Day (-203bps w/w), 182-Day (-46bps w/w), 364-Day (+30bps w/w), 2-year (+51bps w/w), 5-year (+99bps w/w), 7-year (+157bps w/w), and 20-year (+6bps w/w).

Currency: In the currency market, the Naira depreciated by ₦4.55 w/w to close the week at ₦1,547.58/USD.

Domestic Economy:

Nigeria's inflation rose slightly to 34.80% y/y in December 2024, up from 34.60% in November. A significant contributor was the sharp increase in food prices, which soared to 39.84% y/y, putting considerable pressure on households. Additionally, the festive season led to heightened demand for goods and services, contributing to a marginal 0.20% rise in inflation in the month. For the January print, inflation is likely to ease on base effects, amid less volatility in the exchange rate.

Global: U.S. stocks surged on Friday, wrapping up a strong week, fuelled by optimism about the economy's health and the future trajectory of interest rates, as investors prepared for potential policy shifts under the incoming Trump administration. Preliminary data showed that the S&P 500 rose by 1.01%, finishing at 5,996.82 points, while the Nasdaq Composite climbed 1.51%, to 19,630.20 points. The Dow Jones Industrial Average increased by 0.79%, to 43,491.95 ppts. The yield on the benchmark U.S. 10-year note remained mostly unchanged at 4.6%, although it had retreated from a 14-month peak of 4.8% earlier in the week. In Europe, major indexes saw weekly gains, with the pan-European Stoxx 600 up by 0.81%, the DAX gaining 2.18%, the CAC 40 rising 2.74%, and the UK's FTSE 100 advancing by 1.74%. Finally, in Asia, China's blue-chip stocks (. CSI300) and Hong Kong's Hang Seng (.HSI) both increased by 0.3%, while Japan's Nikkei 225 fell by 0.3%.

What will shape markets in the coming week?

Equities market: Given the limited changes to the catalysts of buy-side action in the market, we expect sentiment next week to remain mixed. However, we cannot rule out the possibility of bargain hunting activity in large cap names, that could push the index higher during the week.

Fixed Income: In the coming week, we anticipate that market activity will likely be influenced by both the upcoming NTBs auction outcome and prevailing system liquidity conditions.

MONEY Nuggets

TUNDE OYEDOYIN

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Oil your financial goals with guts

I'VE ALWAYS LOVED PASSING THROUGH Paddington station, be it to just unwind, meet up with someone or for breakfast. The atmosphere's always a blend of real buzz and beauty. But there was even an added flavour to it while passing through during one of the freezing days of the first half of this month.

It started as soon as I heard Leonard Cohen's song "hallelujah, hallelujah, ..." on coming up the stairs from the eastbound platform of the Hammersmith and City line tube on the penultimate Saturday evening. Boy oh boy! I was longing to see where it was coming from. After passing through the ticket barrier, the waiting was over.

Clad in a long, brown, winter jacket similar to one of those on display while recently at a Marks and Spencer store, was the busker serenading commuters in her element.

The woman in her late 30s struck the strings of her guitar like a pro and sang as if she was at an X Factor audition in front of Simon Cowell and other judges. While the music itself and her carriage could have earned her the needed number of "yeses" to progress to the next stage of the audition, as I walked away towards the black cabs' area and the music faded, it was her effort that lingered on.

You can take this to the bank, she's not the only artiste dreaming of a better 2025. But guess what? Not only has she hit the ground running, she has started earning as well. Londoners always appreciate buskers by dropping cash. Forgot to drop some, though. Will surely invest in her effort next time. Believe you me, she's on the way towards realising part of her financial goals.

Folks, you need guts to oil those financial goals of yours. Irrespective of whether you want to make your first American holiday this year or to launch that business, take a cue from that busker and put yourself out there. Get to work immediately. Set things in motion for turning those financial goals into reality.

Federal Government bonds are up for grabs

One of the emails that landed in my inbox last week was about the offer of subscription for FGN Bonds. More importantly, the good news is that you can be a little player in the market. With even five thousand Naira, you can make your entry.

If earning tiny returns on a modest investment is your thing, get in touch with your bank and let them know you fancy a slice of the action.

Share Price List as @ Friday 17 January, 2025: The Nigerian Stock Exchange

Company	Previous Close	Open	High	Low	Close	Change	% Change	Volume	Value (N)
ABBEYBDS	3.63	3.63	-	-	3.63	0.00	0.00%	120,088	479,151.12
ABCTRANS	1.07	1.07	-	-	1.07	0.00	0.00%	408,055	455,171.87
ACADEMY	3.49	3.40	3.15	3.15	3.15	-0.34	-9.74%	262,503	830,631.03
ACCESSCORP	24.55	24.55	24.50	24.00	24.15	-0.40	-1.63%	49,134,629	1,183,408,327.75
AFRIPRUD	23.65	23.65	23.85	23.35	23.35	-0.30	-1.27%	1,499,164	35,236,073.15
AIICO	1.68	1.68	1.74	1.69	1.70	0.02	1.19%	12,630,965	21,479,667.03
AIRTELAFRI	2,156.90	2,156.90	-	-	2,156.90	0.00	0.00%	349	828,002.50
ARADEL	556.10	556.10	565.00	556.00	556.00	-0.10	-0.02%	5,215,853	2,902,887,223.00
AUSTINLAZ	1.99	1.99	2.00	2.00	2.00	0.01	0.50%	207,844	426,264.74
BERGER	20.00	20.00	-	-	20.00	0.00	0.00%	55,911	1,094,544.60
BETAGLAS	61.55	61.55	-	-	61.55	0.00	0.00%	7,395	472,435.75
BUACEMENT	93.00	93.00	-	-	93.00	0.00	0.00%	101,910	9,412,653.90
BUAFOODS	415.00	415.00	-	-	415.00	0.00	0.00%	5,108,465	1,965,779,459.50
CADBURY	22.60	22.60	-	-	22.60	0.00	0.00%	169,617	3,800,617.25
CAP	44.00	44.00	-	-	44.00	0.00	0.00%	157,467	6,987,066.60
CAVERTON	2.00	2.00	2.20	2.09	2.20	0.20	10.00%	9,483,219	20,061,318.97
CHAMPION	3.93	3.93	-	-	3.93	0.00	0.00%	90,831	359,569.74
CHAMS	2.10	2.10	2.11	2.07	2.10	0.00	0.00%	3,985,242	8,346,298.41
CILEASING	4.44	4.44	4.30	4.14	4.30	-0.14	-3.15%	1,614,347	6,750,965.28
CONOIL	387.20	387.20	-	-	387.20	0.00	0.00%	1,612	561,782.00
CORNERST	3.70	3.70	4.06	3.70	4.06	0.36	9.73%	1,252,131	4,774,874.37
CUSTODIAN	18.50	18.50	19.00	19.00	19.00	0.50	2.70%	525,638	9,885,241.65
CUTIX	2.70	2.70	2.72	2.62	2.65	-0.05	-1.85%	3,672,059	9,843,107.56
CWG	6.65	6.65	6.85	6.35	6.85	0.20	3.01%	1,588,559	10,598,377.60
DAARCOMM	0.81	0.81	0.83	0.73	0.74	-0.07	-8.64%	3,029,840	2,281,501.46
DANGCEM	400.00	400.00	-	-	400.00	0.00	0.00%	749,521	296,222,380.10
DANGSUGAR	40.50	40.50	43.00	37.00	38.50	-2.00	-4.94%	6,276,619	246,750,974.45
DEAPCAP	1.12	1.12	1.13	1.13	1.13	0.01	0.89%	597,545	691,899.65
ELLAHLAKES	3.01	3.01	3.11	3.10	3.11	0.10	3.32%	1,190,321	3,687,318.16
ETERNA	27.95	27.95	-	-	27.95	0.00	0.00%	649,721	18,181,620.90
ETI	30.40	30.40	-	-	30.40	0.00	0.00%	231,195	6,490,088.15
ETRANZACT	6.50	6.50	-	-	6.50	0.00	0.00%	179,233	1,278,828.70
FBNH	29.05	29.05	29.20	29.05	29.20	0.15	0.52%	2,249,455	65,530,276.20
FCMB	10.35	10.35	10.40	10.25	10.25	-0.10	-0.97%	3,316,138	34,201,444.70
FIDELITYBK	17.50	17.50	17.70	17.55	17.60	0.10	0.57%	20,396,977	358,981,813.45
FIDSON	17.25	17.25	-	-	17.25	0.00	0.00%	80,577	1,275,491.65
FTNCOCOA	1.96	1.96	1.96	1.82	1.95	-0.01	-0.51%	2,640,639	5,066,572.12
GEREGU	1,150.00	1,150.00	-	-	1,150.00	0.00	0.00%	7,630	7,897,050.00
GTCO	58.00	58.00	58.00	58.00	58.00	0.00	0.00%	3,900,969	226,384,024.15
GUINEAINS	0.83	0.83	0.91	0.80	0.90	0.07	8.43%	4,274,559	3,574,632.19
GUINNESS	70.00	70.00	-	-	70.00	0.00	0.00%	144,214	9,902,282.40
HMCALL	4.86	4.86	4.95	4.95	4.95	0.09	1.85%	320,084	1,570,923.18
HONYFLOUR	9.21	9.21	9.92	9.30	9.90	0.69	7.49%	4,328,465	42,181,001.20
IKEJAHOTEL	13.50	13.50	-	-	13.50	0.00	0.00%	240,600	3,169,356.60
IMG	38.00	38.00	-	-	38.00	0.00	0.00%	40,010	1,370,162.00
INTBREW	5.10	5.10	5.40	5.13	5.40	0.30	5.88%	3,851,665	20,234,153.03
INTENEGINS	1.90	1.90	-	-	1.90	0.00	0.00%	127,078	238,149.60
JAIZBANK	2.94	2.94	3.00	2.95	3.00	0.06	2.04%	10,238,250	30,534,597.61
JAPAULGOLD	2.21	2.21	2.20	2.17	2.18	-0.03	-1.36%	3,231,000	7,071,211.75
JBERGER	139.80	139.80	-	-	139.80	0.00	0.00%	165,263	21,087,745.00
JOHNHOLT	9.30	9.30	10.18	10.18	10.18	0.88	9.46%	562,783	5,104,729.58
LASACO	3.37	3.37	-	-	3.37	0.00	0.00%	723,724	2,381,983.24
LEARNAFRCA	4.99	4.99	-	-	4.99	0.00	0.00%	129,828	598,454.70
LINKASSURE	1.39	1.39	1.52	1.52	1.52	0.13	9.35%	3,553,995	5,398,425.65
LIVESTOCK	5.40	5.40	5.94	5.73	5.94	0.54	10.00%	5,435,068	31,934,104.93
MANSARD	9.10	9.10	9.25	9.25	9.25	0.15	1.65%	2,011,656	18,582,592.09
MAYBAKER	9.40	9.40	-	-	9.40	0.00	0.00%	220,037	1,955,775.50
MECURE	13.90	13.90	-	-	13.90	0.00	0.00%	1,304	16,556.35
MEYER	9.25	9.25	-	-	9.25	0.00	0.00%	1,729	14,606.05
MRS	201.00	201.00	-	-	201.00	0.00	0.00%	168,891	30,623,298.90
MTNN	233.00	233.00	-	-	233.00	0.00	0.00%	1,115,370	256,278,739.40
MULTIVERSE	11.15	11.15	-	-	11.15	0.00	0.00%	61,592	618,999.60
NAHCO	50.90	50.90	-	-	50.90	0.00	0.00%	2,058,622	100,950,843.60
NASCON	38.50	38.50	40.45	37.65	37.65	-0.85	-2.21%	5,298,228	202,408,203.35
NB	31.05	31.05	31.90	31.90	31.90	0.85	2.74%	451,218	14,312,570.60
NCR	7.30	7.30	-	-	7.30	0.00	0.00%	75,099	595,780.70
NEIMETH	3.12	3.12	3.43	3.12	3.43	0.31	9.94%	3,375,962	10,903,215.68
NEM	12.00	12.00	-	-	12.00	0.00	0.00%	66,534	812,914.70
NESTLE	875.00	875.00	-	-	875.00	0.00	0.00%	93,734	81,959,735.20
NGXGROUP	27.05	27.05	27.00	27.00	27.00	-0.05	-0.18%	183,359	4,966,388.35
NNFM	54.45	54.45	-	-	54.45	0.00	0.00%	132,781	6,782,627.05
NPFMCRFBK	1.75	1.75	1.85	1.74	1.74	-0.01	-0.57%	5,068,105	9,023,359.63
NSLTECH	0.89	0.89	0.89	0.81	0.89	0.00	0.00%	1,390,895	1,162,122.25
OANDO	65.70	65.70	71.80	63.50	71.80	6.10	9.28%	14,810,361	998,077,576.30
OKOMUOIL	444.00	444.00	-	-	444.00	0.00	0.00%	23,669	11,559,939.60
OMATEK	0.90	0.90	0.92	0.83	0.86	-0.04	-4.44%	5,006,261	4,470,717.77
PRESCO	538.00	538.00	-	-	538.00	0.00	0.00%	299,076	149,980,659.80
PRESTIGE	1.17	1.17	1.28	1.27	1.28	0.11	9.40%	1,750,903	2,231,911.44
PZ	27.50	27.50	25.00	25.00	25.00	-2.50	-9.09%	363,251	9,050,719.35
REDSTAREX	5.05	5.05	-	-	5.05	0.00	0.00%	13,656	68,957.71
REGALINS	0.68	0.68	0.74	0.68	0.74	0.06	8.82%	2,918,893	2,118,823.03
ROYALEX	0.81	0.81	0.89	0.84	0.89	0.08	9.88%	4,846,980	4,226,860.58
RTBRISCOE	2.35	2.35	2.35	2.35	2.35	0.00	0.00%	1,418,212	3,372,300.80
SEPLAT	5,700.00	5,700.00	-	-	5,700.00	0.00	0.00%	78,334	401,853,420.00
SKYAVN	33.15	33.15	-	-	33.15	0.00	0.00%	138,195	4,349,134.25
SOVRENINS	1.00	1.00	1.10	1.06	1.10	0.10	10.00%	3,694,861	3,942,799.57
STANBIC	59.50	59.50	-	-	59.50	0.00	0.00%	138,430	8,322,512.65
STERLINGNG	5.70	5.70	5.70	5.67	5.67	-0.03	-0.53%	2,446,049	13,891,360.58
SUNUASSUR	6.62	6.62	6.69	5.96	6.69	0.07	1.06%	4,231,516	26,687,503.78
TANTALIZER	2.09	2.08	2.27	2.08	2.27	0.18	8.61%	1,491,846	3,221,015.64
THOMASWY	2.08	2.08	2.04	2.04	2.04	-0.04	-1.92%	117,796	238,383.82
TOTAL	670.00	670.00	-	-	670.00	0.00	0.00%	88,697	57,779,640.60
TRANSCOHOT	127.35	127.35	-	-	127.35	0.00	0.00%	16,448	1,887,135.40
TRANSCORP	49.90	49.90	47.00	46.95	46.95	-2.95	-5.91%	1,666,502	78,283,658.25
TRANSEXPR	2.00	2.00	-	-	2.00	0.00	0.00%	15,000	30,000.00
TRANSPOWER	324.00	324.00	-	-	324.00	0.00	0.00%	192,077	61,984,328.40
TRIPPLEG	2.47	2.47	-	-	2.47	0.00	0.00%	50,811	114,540.62
UACN	36.00	36.00	37.00	36.00	36.00	0.00	0.00%	1,939,898	70,016,339.40
UBA	33.95	34.00	34.10	33.80	33.90	-0.05	-0.15%	20,080,228	681,012,094.20
UCAP	22.00	22.00	22.50	22.00	22.50	0.50	2.27%	9,651,346	213,968,370.00
UNILEVER	37.60	37.60	37.15	37.15	37.15	-0.45	-1.20%	388,020	14,370,146.15
UNIONDICON	7.50	7.50	-	-	7.50	0.00	0.00%	40	300.00
UNIVINSURE	0.58	0.58	0.63	0.61	0.63	0.05	8.62%	13,809,418	8,681,068.20
UPDC	1.70	1.70	1.88	1.68	1.68	-0.02	-1.18%	4,881,331	8,659,132.36
UPDCREIT	5.80	5.80	-	-	5.80	0.00	0.00%	219,015	1,269,074.10
UPL	4.81	4.81	5.05	4.84	5.05	0.24	4.99%	514,504	2,577,360.52
VERITASKAP	1.50	1.50	1.53	1.47	1.50	0.00	0.00%	6,815,794	10,271,272.46
VFDGROUP	44.40	44.40	-	-	44.40	0.00	0.00%	158,494	6,671,928.00
VITAFOAM	24.25	24.25	24.25	24.25	24.25	0.00	0.00%	1,423,335	34,479,852.05
WAPCO	70.00	70.00	-	-	70.00	0.00	0.00%	548,217	37,996,427.65
WAPIC	2.05	2.05	2.24	2.02	2.22	0.17	8.29%	4,629,104	9,638,157.46
WEMABANK	10.70	10.70	-	-	10.70	0.00	0.00%	1,834,690	18,540,784.05
ZENITHBANK	46.95	46.95	46.95	46.80	46.80	-0.15	-0.32%	8,401,072	393,828,584.65

Storage deficiency in 33 states, FCT threatens national food security

Stories by Onome Amuge

NIGERIANS ARE ENDURING a record-breaking cost of living crisis, as food and commodity inflation rates reach heights not seen since the country's independence over 60 years ago.

Recently, the National Bureau of Statistics (NBS) disclosed that the food inflation rate for December 2024 stood at 39.84 percent on a year-on-year basis, a 5.91 percent increase from the December 2023 rate of 33.93 percent.

This unprecedented inflationary pressure has placed a severe strain on the lives of Nigerians, many of whom are struggling to afford essential food items amid the deepening economic crisis.

The NBS traced the upward trajectory of food inflation to price increases across a range of staple food items, including yam, water yam, sweet potatoes, beer, guinea corn, maize grains, rice, bread, cereals, fish, and more.

Amidst the ongoing struggle against food inflation, a disturbing revelation was made in a recent memo which showed that out of the 36 states and the Federal Capital Territory (FCT), only four states have taken the decisive step of implementing buffer storages, a critical safety net against potential price hikes during food emergencies.

According to the memo, most states, barring Niger, Gombe, Oyo, and Kano, have not complied with the federal government's 10 percent buffer storage policy, leaving many Nigerians vulnerable to the volatile forces of food inflation.

The memo, underscoring the absence of buffer storages in 33 states, became a critical topic of discussion at last year's council meeting, aimed at inciting state governments to embrace the second tier of the national food storage policy, a measure devised to complement the federal government's five percent contribution during periods of produce price hikes.

Highlighting the devastating effects of climate change on agriculture and food security, the memo which gained approval at last year's council meeting urged the national council to exert pressure on state governments to adhere to the 1978 policy, which required each state to establish a buffer storage comprising 10 percent of its annual food production.

The memo argued that this buffer storage would provide a vital first line of intervention in the face of food emergencies, helping to stabilise food prices and ensure food security in times of crisis.

In line with its strategy to enhance food security, the federal government's introduction of buffer storage systems is part of a collaborative effort with state and local governments to maintain stable food prices and prevent food waste during periods of surplus food.

These systems, designed to act as a form of food insurance, aim to mitigate the impacts of food shortages and price fluctuations by creating a reserve of food stocks that can be released during emergencies, while also reducing post-harvest losses by storing food surplus during bumper harvests.

Speaking candidly to Abubarka Kyari, the minister of agriculture, and council members at last year's meeting, experts warned that the federal government's five percent strategic food reserve alone would be insufficient in addressing a potential national food emergency.

The memo addressed the fact that the majority of state governments had yet to adopt the buffer storage policy, indicating a lack of preparedness in the face of potential food emergencies.

This shortfall, the memo warned, could prove detrimental to the country's efforts to achieve food security, as the absence of these essential facilities could limit the nation's ability to adequately address food emergencies, ultimately threatening the well-being and stability of the country's population.

While the council, under Minister Kyari's leadership, approved the memo's request, a report attached to the memo revealed that a joint survey conducted by the Federal Ministry of Agriculture and Rural Development (FMARD) and the Alliance for a Green Revolution Africa (AGRA) estimated a total annual food stock capacity of 2,646,000 metric tonnes in the country.

According to the memorandum, the policy's overarching goal is to develop a network of well-managed storage facilities at the state level, enabling governments to store essential food items, thereby ensuring their availability during periods of scarcity or price hikes.

PAN seeks export ban on soybean, maize to safeguard poultry industry

THE POULTRY ASSOCIATION OF NIGERIA (PAN) has issued an urgent call for the federal government to put an immediate stop to exports of soybeans, soybean meals, and maize, arguing that the continued export of these critical feed ingredients poses an imminent threat to the very survival of the poultry industry in the country.

Sunday Ezeobiora, the PAN president, issued a strong call to action during a visit to Idi Maiha, the minister of livestock development, urging the Central Bank of Nigeria (CBN) to discontinue export incentives for critical commodities that are already in short supply.

Ezeobiora, in his assessment of the current state of the poultry industry, highlighted the negative trajectory of the sector's fortunes, with an alarming number of poultry farms shutting down as a result of multiple factors, many of which, according to him, are widely known and understood.

In his remarks, Ezeobiora underscored the importance of national food security, suggesting the need to prioritise domestic production and consumption of food commodities over foreign trade.

Ezeobiora, outlined the impact of soaring prices of maize and soybeans, commodities that constitute 80 percent of poultry production costs on the poultry sector, citing uncoordinated policies, hoarding, and unchecked exports as the primary culprits behind the price hikes.

The PAN president also lamented that Nigeria's non-GMO soybeans are being exported in large quantities, creating a scarcity in the domestic market and driving up prices, placing local poultry farmers in a vulnerable situation as they struggle to maintain their operations.

"It is in the face of the above that Poultry Association of Nigeria sought for this courtesy call to abreast you with the latest situation of the Nigerian poultry industry with a view to initiate specific quick win incentives and other urgent interventions as well as strategic issue of reform options that will accelerate the further development of the Nigerian poultry industry.

"The poultry industry is at the moment facing some challenges that need urgent government interventions and urgent actions," he said.

Ezeobiora proposed a number of policy changes, including the suggestion that the government act as the buyer of last resort for maize at Minimum Guaranteed Prices (MGP), a measure intended to prevent competition between consumers, farmers, and the government during harvest periods.

He further urged the CBN to discontinue funding grain aggregators, accusing these companies of hoarding maize and soybeans in order to artificially inflate prices, worsening the already challenging situation facing poultry farmers.

To address the broader challenges facing the poultry sector, Ezeobiora put forward a set of proposals, including a zero-duty policy on imported poultry inputs and equipment, which he argued would ease production costs and stimulate job creation and economic growth.

The PAN President also urged the government to maintain the ban on frozen poultry imports, arguing that foreign investors should instead invest in establishing poultry farms in Nigeria, rather than contributing to the import-driven market saturation that negatively affects local producers.

Ezeobiora underscored the detrimental impact of disease outbreaks, including Avian Influenza, on the poultry industry, calling for increased investment in active and passive surveillance to curb such diseases.

Ezeobiora,who is also the chairman of Sunchi Integrated Farms in Emene, Enugu, urged the Nigerian government to invest heavily in Active Surveillance, a vital mechanism for tracking and controlling diseases that have plagued the poultry industry, particularly Avian Influenza (AI), which has repeatedly devastated the sector.

Citing the urgent need to contain the spread of the AI virus, he stressed the importance of implementing proactive measures, such as constant monitoring and effective control strategies, to protect the poultry industry against future outbreaks of this highly contagious disease.

"Investments in both passive and active surveillance as well as holistic measure adoption is the only sure method to keep animal and health diseases at far arm's length," he stated.

The PAN President also decried the prevalence of multiple taxation on agricultural commodities, demanding that the Joint Tax Board address the issue by eliminating illegal revenue collection agencies that are negatively impacting the poultry business. According to him, the Federal Ministry of Finance and the Federal Inland Revenue Service (FIRS) have great roles to play in this matter.

Warning of dire consequences if urgent action is not taken, Ezeobiora cautioned that the failure to implement timely interventions would lead to the closure of more poultry farms, exacerbating the already pressing issues of food insecurity and economic hardship in the country.

While acknowledging the past efforts of the Nigerian government to support poultry production, he stressed the need for long-term, consistent policies, spanning 10 to 20 years, in order to ensure sustainable growth and development of the Nigerian poultry industry.

Stories by Onome Amuge

Gold dips on market jitters over rates, Trump uncertainty

L-R: Yusha'u Ahmed, director general, National Youth Service Corps (NYSC); director of corps welfare and health services, NYSC, Ayodele Omotade, and the managing director, Capital Express Insurance limited, Matthew Ogwezhi, during the donation of Bus to the NYSC Corps Welfare by the Capital Express Insurance limited in Abuja recently.

UNCERTAINTY OVER POTENTIAL shifts in U.S. monetary policy and the new administration's economic agenda under incoming President Donald Trump triggered renewed safe-haven demand for gold, causing the precious metal to pull back from a one-month high reached earlier in the week.

Investors turned to gold, a classic refuge asset, to mitigate perceived risks stemming from market volatility and economic uncertainty surrounding the transition to a new U.S. government and the policy agenda of the incoming administration.

After an initial rally, gold prices retreated as the U.S. dollar recouped some of its earlier losses, with the spot price of gold slipping 0.46 percent to $2,702.06 an ounce. Similarly, gold futures saw a decline of 0.4 percent to $2,739.64 an ounce, though both indicators remained close to their strongest levels since mid-December.

Despite mixed economic signals that could potentially provide some clarity on the path forward for U.S. interest rates, gold, historically viewed as a safe-haven asset, saw some inflows this week as traders struggled with lingering uncertainty.

While December's inflation figures showed a slight reprieve from recent price pressures, the overall inflation level remains elevated, contributing to market apprehension.

Simultaneously, robust retail sales and jobless claims data signaled strength in the U.S. economy, potentially reducing the need for aggressive Federal Reserve interest rate cuts.

As markets brace for the policies of the incoming Trump administration, investors remain wary of potential economic implications and their impact on inflation. Trump, who will assume office on Monday, has pledged to implement steep trade tariffs on numerous nations, a move that analysts believe could fuel inflationary pressures in the long run.

The new president's commitment to this protectionist stance has contributed to a general sense of uncertainty in global markets, as traders attempt to anticipate the potential ramifications of a shift in trade policy for both the U.S. and international economies.

While uncertainty around the incoming Trump administration propelled some investors toward gold, the precious metal's gains were curtailed by the signing of a U.S.-brokered ceasefire agreement between Israel and Hamas. This development allayed some of the prevailing geopolitical tensions in the Middle East, thus reducing gold's appeal as a safe-haven asset.

While gold's gains were checked by mixed market signals, the broader precious metals market displayed a mixed performance. Platinum futures, in contrast to gold's slide, gained 1.7 percent to reach $964.35 an ounce, while silver futures dipped 2.2 percent to $31.023 an ounce.

Positive Chinese data lifts aluminium, copper prices in global markets

ALUMINUM TRADED IN bullish territory for the week, scaling heights unseen for nearly two months, while copper also marked a five-week high, as a string of encouraging economic data from China, the world's leading consumer of metals, drew in funds that chase short-term market trends and offset lingering concerns over potential U.S. tariffs.

Aluminum prices on the London Metal Exchange (LME) witnessed an upswing on Friday, climbing 1.3 percent to $2,669.50 per metric tonne and reaching an almost two-month high of $2,675.5, buoyed by bullish signals from China, the world's largest consumer of metals.

Copper prices also displayed strength, with the LME copper contract inching 0.3 percent higher to $9,258 a tonne, reaching a five-week peak of $9,290, and continuing its winning streak for a 12th consecutive session.

China's annual economic growth met the government's official target of five percent in 2024, driven primarily by industrial and export sectors. However, this growth was marred by an uneven distribution across sectors, raising concerns over the sustainability of this expansion.

Looking ahead, the prospects for China's economy in 2025 remain shrouded in uncertainty, largely due to lingering concerns over potential tariffs imposed by the incoming U.S. administration under President-elect Donald Trump, who is set to assume office on Monday.

Building on the uptrend in both aluminum and copper prices, Commodity Trading Advisors (CTAs), funds known for their algorithmic trading strategies that follow market momentum, have jumped into the fray, snapping up both metals.

This trend was further fueled by the potential restriction of aluminum supply to the European Union (EU) if the bloc follows through on its proposal to ban imports from Russia, exacerbating existing supply concerns.

The zinc contract on the LME also reaped the benefits of the robust commodity market conditions, rallying 1.9 percent to reach $2,928 per tonne, buoyed by a consistent depletion of LME-registered warehouse inventories.

The LME zinc stockpiles sank to their lowest level since February 2024, prompting strong demand for zinc and pushing prices higher, reflecting tight market conditions and an impending scarcity of the metal.

Oil dips, yet extends bullish streak to 4 weeks on US sanctions

OIL PRICES EDGED LOWER at the close of trading activities for the week, but the commodity still posted its fourth consecutive week of gains, as investors remained wary of potential disruptions to global oil supply in light of the latest U.S. sanctions on Russian energy trade.

Following a string of weekly gains, Brent crude futures eased back on Friday, with prices slipping by 50 cents (0.6%) to close at $80.79 a barrel. Despite the downward movement on the day, Brent crude still managed to finish the week with a gain of 1.3 percent.

Similarly, U.S. West Texas Intermediate (WTI) crude futures dipped by 80 cents (1%) to $77.88 a barrel on Friday. However, WTI also managed to post a 1.7 percent gain for the week, capping off its fourth straight week of price increases.

Analysts point to the latest round of sanctions on Russian energy trade as a key factor behind the recent climb in oil prices. According to Phil Flynn, a senior analyst with Price Futures Group, these sanctions have led to tighter supply in markets across Europe, India, and China, exacerbating concerns over global oil supply.

While the aforementioned sanctions contributed to upward pressure on oil prices, the recent Gaza ceasefire agreement played a counterbalancing role, exerting downward pressure on prices.

In particular, market participants expect the truce between Yemen's Houthi militants and their opponents to bring an end to attacks on ships traversing the Red Sea, a development that is anticipated to alleviate some supply concerns and, consequently, reduce upward pressure on oil prices.

Disruptions to global shipping caused by the Houthi attacks have been a persistent source of concern for oil traders and shippers alike, forcing many vessels to take costly and time-consuming detours around the southern tip of Africa over the past year. This tension began to ease on Friday, as the Israeli security cabinet gave the green light to the Gaza ceasefire deal, signaling a thawing of hostilities in the region and paving the way for the release of hostages as early as Sunday.

While traders welcomed the news that China's economy had met its growth targets for 2024, concerns over the country's oil refinery throughput weighed on their minds.

Iron ore edges higher amid strong Chinese data, steady demand

CHINA'S INSATIABLE APPETITE for iron ore provided a much-needed boost to the metal's price, propelling iron ore futures to four-week highs and setting the stage for a weekly rise in prices.

The benchmark for iron ore prices gained momentum as a series of encouraging economic data points from China alleviated concerns about the country's sluggish growth, while its steadfast demand for iron ore persisted, lending support to the overall market sentiment and prices.

The iron ore markets were bullish on China's Dalian Commodity Exchange (DCE) and the Singapore Exchange (SGX) on Friday, as the May iron ore contract on DCE closed 1.27 percent higher at 800 yuan ($109.19) per metric tonne, marking its highest level since December 17, 2024.

The benchmark February iron ore contract on SGX also climbed 0.31 percent to $103 per tonne, its highest since December 18, 2024. Both benchmarks recorded a gain of six percent for the week.

Despite concerns over China's economic trajectory in 2024, the world's second-largest economy defied expectations and managed to hit its growth target of five percent, a notable achievement that was largely attributed to the slew of government stimulus measures implemented throughout the year.

This encouraging news was further reinforced by the release of a bouquet of data points indicating a tentative rebound in China's embattled property sector, including signs of improvement in sales volumes and new construction starts measured by floor area.

Despite typically muted demand in the seasonally slow post-holiday period, Mysteel, a leading Chinese steel consultancy, reported that the average daily output of hot metal among its surveyed steelmakers rose marginally by 0.05 percent to 2.24 million tons as of January 16, representing the first uptick after eight consecutive weeks of decline.

This uptick in hot metal output, a key indicator of iron ore demand, reflects the continuing resilience of China's steel sector and bodes well for the sustained strength in iron ore prices, as the country's steelmakers continue to replenish their stockpiles of this essential steelmaking ingredient.

China's crude steel output for 2024, despite registering an overall annual decline of 1.7 percent, still managed to exceed the symbolic threshold of one billion tonnes. However, industry analysts predict that the country's total output in 2025 is likely to dip below the billion-tonne mark for the first time in several years.

The iron ore rally was echoed in the broader Chinese steel markets, with prices of other key steelmaking ingredients on the Dalian Commodity Exchange marching upwards. Coking coal, a primary ingredient in steel production, gained 2.13 percent, while coke, a key fuel in the steelmaking process, rose by 1.87 percent.

This upward price momentum was also reflected in the Shanghai Futures Exchange (SHFE), with prices of various steel benchmarks rallying. This is as Rebar gained 1.51 percent, hot-rolled coil was up 1.19 percent, wire rod climbed 0.92 percent and stainless steel rose 0.87 percent.

Stories by Onome Amuge

MAN advocates industrial policy framework to boost business growth

THE MANUFACTURERS ASSOCIATION OF NIGERIA (MAN) is spearheading efforts to secure the creation and implementation of a well-designed industrial policy framework that, according to the association, would tackle long standing challenges faced by the manufacturing sector, streamline regulatory procedures, and establish a business environment that is conducive to attracting investments, thereby stimulating economic growth.

According to MAN, a systematic approach was crucial in enhancing the competitiveness of Nigerian industries, reducing the cost of doing business, and unlocking the nation's industrial potential. Segun Ajayi-Kadir, the director general of MAN, stressed the importance of comprehensive reforms to enhance Nigeria's business landscape, particularly in the manufacturing sector during a keynote address delivered at the January 9 Collective (J9C) annual lecture in Lagos, themed "Business and Policy Strategy: Examining the Role of Reforms in Enhancing the ease of doing business (EoDB) in Nigeria." "Nigeria does not have an industrial policy, there is a need to have a policy that allows the sector to engage with other sectors and even guide the country's foreign relations," he said.

L-R: Bola Odukale, director general/CEO, Nigerian Insurers Association (NIA); Etofolam Felix Osuji, 2nd vice president, Institute of Chartered Accountants of Nigeria (ICAN); Emmanuel Otitolaiye, chairman, ICAN NIA Chapter; Davidson Alaribe, diamond president, ICAN; Olufunso Otitolaiye, and Njum Uma-Onyemenam, accountant general of Abia State, during the inauguration of ICAN NIA Chapter by the ICAN president at the Insurers House, in Lagos

Ajayi-Kadir further underscored the urgency of passing pending tax bills and revising electricity tariffs to better reflect actual consumption, creating a more equitable and efficient system for businesses and consumers.

Ajayi-Kadir highlighted the need for Nigeria to establish a conducive system that lures foreign investment into industries such as mining, allowing investors to capitalize on the nation's abundant natural resources and raw materials while ensuring inclusive economic development.

The MAN DG also emphasised the importance of attracting investors who can bring not only capital but also expertise, innovation, and a commitment to fostering sustainable economic growth that benefits the country as a whole.

"You need to grow your domestic economy, there is no one that would help you develop your country, if you must have investment from foreigners, it has to be the one that you have proposed to have, but they will never come if they have seen that foreign firms are leaving Nigeria.

"If you make companies in Nigeria prosperous, people will come; if you make the environment conducive, people will come.

"What needs to be done is to treat the people here well and FDI would come in and stay, not flight by night investors," he suggested.

Toki Mabogunje, former President of the Lagos Chamber of Commerce and Industry (LCCI), weighed in on the discussion, pointing out the crucial role of sub-national governments in driving reforms and advocating for the modernisation of reforms and improved global competitiveness for small and medium-sized enterprises (SMEs).

Other stakeholders at the event echoed these sentiments, urging the federal government to focus on targeted, measurable reforms aimed at simplifying business regulations and enhancing the ease of doing business in the country.

MTNN secures N42.2bn from Series 15, 16 Commercial Paper issuance

MTN NIGERIA COMMUNICATIONS Plc has successfully completed its Series 15 and 16 Commercial Paper (CP) issuance, raising a total of N42.20 billion to support the company's short-term working capital requirements.

The latest issuance, part of the company's N250 billion Commercial Paper issuance programme, affirms MTN Nigeria's continued investor confidence and financial soundness, as the funds raised will be applied to meet the company's short-term operational needs and ensure its ongoing business success.

MTNN notified the Nigerian Exchange Limited (NGX) and the investing public that the 180-day and 270-day CP were issued at yields of 27.50 percent and 29 percent respectively, with a specified issue date of Monday, December 23, 2024.

These successful issuances represent a continued track record of confidence from investors and stakeholders, as MTNN has now completed three consecutive CP issuances within the past two months, raising significant capital to support its short-term liquidity needs and maintain its competitive edge in the Nigerian market.

The successful issuance of the 180-day and 270-day CP was facilitated by a team of reputable financial institutions, including Stanbic IBTC Capital Limited as Arranger and Dealer and a joint dealer consortium consisting of CardinalStone Partners Limited, Chapel Hill Denham Advisory Limited, Cordros Capital Limited, Coronation Merchant Bank Limited, FCMB Capital Markets Limited, Meristem Capital Limited, Quantum Zenith Capital & Investments Limited, and Vetiva Advisory Services Limited.

Abbey Mortgage Bank plans transition to regional banking status

ABBEY MORTGAGE BANK PLC HAS notified the Nigerian Exchange Limited of its upcoming Extraordinary General Meeting (EGM) scheduled for January 24, 2025, where shareholders will vote on crucial resolutions that will pave the way for the bank's strategic transition into a regional commercial bank.

At the forefront of the EGM's agenda is a proposal that seeks shareholders' authorisation for the Board of Directors to raise the company's share capital and allot additional shares. This decision, in line with the Central Bank of Nigeria's capital requirements for regional commercial banks, is intended to support the company's efforts to secure the necessary funding for its transformation into a more comprehensive financial institution.

The Board's proposed share capital increase and allotment, in accordance with Section 127 (1) of the Companies and Allied Matters Act 2020 and the amendments under the Business Facilitation (Miscellaneous Provisions) Act, underscore the bank's intent to maintain regulatory compliance while positioning itself for growth and expansion in the Nigerian banking sector.

The EGM agenda includes a second key proposal seeking shareholders' approval for the issuance of new ordinary shares, which would be equal in status and rights to the existing shares.

The Board of Directors is seeking authorisation to engage professional advisors, allocate the new shares, list them on the Nigerian Exchange Limited (NGX), and ensure strict compliance with all applicable regulatory requirements to ensure a seamless execution of the resolution.

As a pivotal step in the company's transition to a regional banking institution, Abbey Mortgage Bank Plc has proposed to undergo a rebranding exercise, changing its name to Abbey Bank Plc. This development is complemented by proposed amendments to the company's Memorandum and Articles of Association, reflecting the name change and revisions to its business objectives to align with its new positioning in the regional banking landscape. The company's proposed rebranding is expected to strengthen its brand identity and bolster its market presence as it expands beyond traditional mortgage banking services into the broader commercial banking sector.

In addition to the primary agenda, the EGM will also address the need for shareholders to grant the Board the authority to execute all necessary measures to implement these changes, thereby ensuring seamless alignment with the company's strategic goals and strict adherence to the pertinent regulatory frameworks governing the regional banking sector in Nigeria.

SMEDAN launches #StartWithSMEDAN to empower small businesses

THE SMALL AND MEDIUM ENTERPRISES Development Agency of Nigeria (SMEDAN) has launched an initiative tagged #StartWithSMEDAN, which seeks to provide entrepreneurs with a wealth of resources, including tools, knowledge, and expert guidance, to fuel their business growth and success.

The SMEDAN initiative is considered a timely response to the challenges faced by small businesses in Nigeria, particularly in areas such as access to finance, capacity building, and market expansion. By offering tailored programmes and support, the agency aims to empower entrepreneurs, improve business practices, and create a more enabling environment for MSMEs to thrive.

The #StartWithSMEDAN initiative, in its effort to nurture small businesses, offers key components such as training sessions, mentorship opportunities, and financial services, which aim to equip business owners with the necessary skills and tools to scale their operations. SMEDAN also revealed plans to partner with financial institutions and development partners, with the aim of easing the process of accessing credit and other financial resources for small businesses, thereby resolving one of the major hurdles to growth in the sector.

SMEDAN's #StartWithSMEDAN initiative also underscores the adoption of technology and innovation as essential components of business growth and competitiveness. The agency urged businesses to leverage digital tools, enhancing operational efficiency and expanding their reach in the marketplace.

This multifaceted approach is envisioned to boost the transformation of the small business sector in Nigeria, ultimately fostering job creation, poverty alleviation, and economic diversification, thus contributing to the country's overall prosperity.

The initiative is anticipated to have far-reaching implications for the Nigerian economy, specifically by enabling local entrepreneurs, promoting entrepreneurship, and building a robust business ecosystem that sustains sustainable growth.

With the backing of SMEDAN, small businesses are expected to not only survive but thrive, both in the domestic market and on the global stage.

Trade, manufacturing stakeholders champion West Africa's industrialisation growth

Onome Amuge

LEADING STAKEHOLDERS from the trade and manufacturing sectors in West Africa are set to convene a series of meetings with decision-makers from across the entire industrialisation ecosystem, with the goal of fostering greater collaboration and creating a unified approach towards driving the region's industrial advancement.

To bring the region's industrial development ambitions to fruition, the West Africa Industrialisation, Manufacturing and Trade (West Africa – IMT) Summit and Exhibition, scheduled to take place in Lagos, Nigeria, from 27 to 29 May 2025, will provide a crucial platform for stakeholders to chart a sustainable and intra-African path towards a dynamic industrial revolution.

Themed 'Accelerating West Africa's Sustainable Industrial Revolution for Economic Prosperity,' the event will bring together thought leaders from around the globe to explore innovative strategies for forging mutually beneficial partnerships that will harness the rich natural resources of African nations and the advanced technological solutions of developed countries, driving sustainable industrial development and economic prosperity across the region.

Recognising industrialization as the core catalyst for economic transformation, Heads of State across West Africa have identified it as a top priority, identifying the critical role it can play in maximizing the benefits of the region's abundant natural resources, including raw materials and human capital.

L-R : Kabiru Makama, deputy chairman, House of Representatives Committee on Livestock Development; Wale Raji , co-chairman of the committee and the chairman Senate Committee on Livestock Development, Musa Mustapha, during the Joint Committee 2025 Budget Defence by the minister of Livestock Development and its agencies at the National Assembly Complex in recently.

Despite the potential offered by a wealth of natural resources, a youthful population, renewable energy opportunities, arable land, a thriving middle-class consumer market, and a cost-effective labor force, Africa's industrial progress is being impeded by numerous challenges, including the detrimental effects of climate change on agriculture, rising energy and food prices driven by geopolitical tensions, and persistent political uncertainties. Organisers of the West Africa – IMT Summit and Exhibition contend that with the right policy measures and effective reforms, nations within the region can draw in investors, cultivate a robust business environment, and chart a path toward sustainable economic growth.

Moreover, they posit that leveraging cutting-edge technologies to develop cleaner energy systems and pursue environmentally sustainable industrialisation could enable African nations to leapfrog traditional development models, fast-tracking their progress and positioning them for a more efficient and rapid industrial revolution. "At dmg, we have a commitment to creating platforms that bring industry stakeholders together to move the market and drive transformative progress. Through our partnerships, we aim to drive economic prosperity for the entire region and establish West Africa as a vital player in the global industrial ecosystem," Wemimo Oyelana, country director, Nigeria and portfolio director, Africa, dmg event, remarked.

Oyelana disclosed that the event will enable governments, private sector entities, and international investors to come together over a three-day period and establish a roadmap for sustainable industrialisation across the region. The event is expected to host over 2,500 attendees from 25 countries, marking the first time an event of this scope and magnitude is held in the region.

Oyelana further elaborated on the planned Exhibition component of the West Africa – IMT Summit and Exhibition, which will host a diverse range of regional and international industry leaders from the manufacturing, energy, finance, technology, logistics, raw materials, and security sectors.

The expansive showcase is set to offer a unique platform for deal-making, networking, and collaboration opportunities within the region and establishing a more prosperous future for West Africa's economy.

In line with the collective goals and priorities of governments and private sector stakeholders in the region, the West Africa – IMT Summit will serve as a platform to identify and address the key barriers hampering industrial development in West Africa, while simultaneously showcasing the immense potential for regional and international collaboration and trade.

As part of its focus, the summit will also feature high-level dialogues, investment-focused roundtables, and a series of accredited technical workshops designed to equip participants with the necessary knowledge and expertise to spearhead the drive for industrialisation in the region.

SIFAX Group ranks among top 20 tax compliant companies

Bamidele Famoofo

THE FEDERAL INLAND REVENUE SERVICE (FIRS) has recognized SIFAX Group for its significant contribution to Nigeria's tax revenue growth and compliance efforts in 2024.

During an appreciation visit to SIFAX Group's headquarters in Lagos, Kazeem Olanrewaju, head of the taxpayers service unit at FIRS' Lagos Mainland West Medium Taxpayers Office, announced that SIFAX Group is now ranked among the Top 20 companies under FIRS' jurisdiction, out of 300 assessed organisations.

Olanrewaju noted that the visit reflects FIRS' customer-focused approach in acknowledging top-performing companies that have demonstrated consistent diligence in tax filing compliance throughout the year.

As part of the visit, the agency presented SIFAX Group with a formal commendation letter co-signed byOlanrewaju and tax controller, E.F. George. The letter praised SIFAX Group's exceptional dedication, stating: "As the year comes to a close, it is with great pride and gratitude that we write to commend your company for being part of the Federal Inland Revenue Service (FIRS) revenue collection success story for the year 2024.

This milestone could not have been possible without your company's unwavering dedication and exceptional support in the area of tax filing compliance."

Olanrewaju further emphasised that SIFAX Group's commitment to tax compliance played a substantial role in helping FIRS meet its revenue target

for 2024. He also encouraged the company to maintain its exemplary efforts as the agency sets its sights on the coming fiscal year.

Responding on behalf of SIFAX Group, Oliver Omajuwa, director of strategy and operations, expressed gratitude for the recognition. He reaffirmed the company's commitment to supporting FIRS and contributing to Nigeria's socio-economic development. "As a socially responsible organization, we firmly believe in the principle of corporate social responsibility (CSR), and prompt regulatory compliance is a key aspect of our commitment. We remain dedicated to supporting the government's vision of widening the tax net and fostering economic growth," Omajuwa said.

The Federal Inland Revenue Service's commendation underscores the importance of strong partnerships between the private sector and government agencies in driving national development.

Coca-Cola gifts consumers N70m in Beat the Drop campaign

Onome Amuge

COCA-COLA NIGERIA HAS SUCCESSFULLY concluded the Beat the Drop campaign, an initiative launched under its Coke Studio programme that rewarded lucky participants with cash prizes worth N70 million, including all-expenses-paid trips to South Africa for four winners and N1 million each for 20 other participants.

Commenting on the initiative, Yusuf Murtala, Coca-Cola Nigeria's senior director of frontline marketing, stated that the campaign, which seamlessly integrates music and rewards, has witnessed tremendous success, continuing to generate significant interest among customers through its weekly raffle draws.

"Congratulations to those that have participated and won so far. We are excited to see lives changing through Coke Studio. We want to encourage Nigerians to keep participating in the promo, as every drink brings them closer to the life-changing opportunity of becoming the next millionaire," Murtala stated.

The campaign has made participation simple and engaging, requiring customers to purchase Coke bottles with special white caps, scan the QR code on the bottle, and input the code found underneath the cap to enter the weekly raffle draws.

The impact of the campaign goes beyond the monetary value of the prizes, as many of the winners view their rewards as opportunities to improve their lives and those of their loved ones.

One such winner, Sebastine Momoh from Lagos, expressed his joy upon learning that he had won a trip to South Africa.

Kehinde Olatunji, another Lagos-based winner also expressed his elation at securing N1 million in winnings.

Similarly, winners Kolawole Modinat, Nkirika Beauty from Port Harcourt, Adereti Babatunde from Ibadan, Chukwuemeka Elizabeth from Delta, and Enubi Audu, who also won a trip to South Africa, shared their joy and gratitude for being part of the Coca-Cola Nigeria Beat the Drop campaign.

Interswitch leads AI revolution at InnovateAI Lagos 2025

Business a.m.

INTERSWITCH GROUP, a pioneer in Africa's digital payments industry, has reaffirmed its commitment to fostering innovation by serving as a platinum sponsor for the InnovateAI Conference, marking the company's second consecutive year of support for this cutting-edge event.

AI-in-Nigeria, a company at the forefront of Nigeria's growing AI ecosystem, is set to host the highly anticipated event on February 21, 2025, at the Landmark Centre in Victoria Island, Lagos.

Themed 'Scaling AI Adoption in Nigeria: Catalysing Cross-Sectoral Innovation and Fostering Inclusive Growth,' this year's conference is set to attract over 3,000 participants, including AI enthusiasts, industry leaders, scholars, and innovators from Nigeria and across the world.

Speaking on the sponsorship, Oluwadamilare Akinwunmi, chief data and AI officer, Interswitch, highlighted the company's steadfast dedication to advancing innovation in Nigeria and creating seamless digital payment solutions through the transformative power of AI.

"Interswitch is excited to sponsor the InnovateAI Conference for the second consecutive year. We recognise the transformative power of artificial intelligence in shaping Nigeria's industries and the need for platforms like this to advance its adoption. Through our continued collaboration with stakeholders, we aim to spark insightful conversations, build new partnerships, and drive AI-powered solutions that will redefine the future of payments, commerce, and beyond," Akinwunmi said.

Dangote Refinery exports disrupting Europe's gasoline inventories- OPEC

Onome Amuget

THE ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC), has in its latest report, unveiled the profound ripples caused by the Dangote Petroleum Refinery on the global petroleum product market.

OPEC observed that the refinery's exportation of gasoline, diesel, and aviation fuel to African and international markets has upended established supply chains in Europe, leading to a decline in Nigeria's imports of refined petroleum products and creating a shift in Europe's inventory levels.

"The ongoing operational ramp-up efforts at Nigeria's new Dangote refinery and its gasoline (petrol) exports to the international market will likely weigh further on the European gasoline market.

"Continued gasoline production in Nigeria, a country that has relied heavily on imports to meet its domestic fuel needs in the past, will most likely continue to free up gasoline volumes in international markets which will call for new destinations and flow adjustments for the extra volumes going forward", OPEC stated in its monthly Oil Market report released recently.

Budget and Cost Controller, Asharami Energy (a Sahara Group Upstream Company), Olamide Adeyemi, Chief Technical Officer, Asharami Energy, Leste Aihevba, Executive Director, Sahara Group, Ade Odunsi and Group Head, HR, Sahara Group, Emilomo Arorote at the ceremony to celebrate Asharami Energy's 4 million loss time injury free manhours .

Rated the world's largest single-train refinery, the Dangote Refinery, with a 650,000-barrel daily refining capacity, began operations in January 2024. In a historic development for Nigeria, which had previously relied heavily on fuel imports, the refinery successfully produced its first batch of petrol in September 2024, paving the way for the nation's energy independence and heralding a new era of industrial prowess.

According to the latest Oil Market report from OPEC, the Dangote Petroleum Refinery's production of petroleum products has substantially reduced Nigeria's reliance on refined products from Europe. The oil cartel's data suggests that as the refinery ramps up its domestic petrol production, its growing exports have begun to shake up traditional trade routes and challenge Europe's long-held dominance as a major fuel exporter to Nigeria.

Nigeria's solar capacity hits 385.7 MWp in 2024

Onome Amuge

NIGERIA'S INSTALLED solar capacity saw a significant boost in 2024, increasing by 63.5 Megawatt peak (MWp) to reach a total of 385.7 MWp, according to a report by the Africa Solar Industry Association (AFSIA).

This growth has been attributed to the removal of fuel subsidies, which has driven many Nigerians to embrace solar energy as a more affordable alternative to diesel and grid power.

The AFSIA report emphasised the transformative impact of the subsidy removal, noting that it has spurred widespread interest in solar energy solutions, particularly solar-plus-storage systems.

"Nigeria has started feeling the positive impact of the fuel subsidy removal and an increased interest in solar-plus-storage as a cheaper alternative to diesel," the report stated.

In 2024, Nigeria ranked fourth among African countries leading in solar energy adoption. South Africa maintained its dominance in the sector and remains the only African nation in the "Gigawatt Club." Egypt ranked second after commissioning two major solar projects in Kom Ombo, while Zambia, which is dealing with severe load-shedding challenges, claimed the third position.

Angola re-entered the top five after completing its utility-scale projects with MCA and Sun Africa, which involved two installations of 27 MWp each.

Despite Nigeria's growing installed capacity, solar energy contributed just 1.6 per cent to its national energy mix in 2024. In contrast, the Central African Republic leads the continent, with over 40 per cent of its grid electricity generated from solar. Other contributors include Mauritania (20.7%), Namibia (13.4%), Somalia (11.6%), and The Gambia (10.6%).

Globally, 2024 marked a record year for solar installations, with an estimated 503 Gigawatt peak (GWp) of new capacity added, a 44 per cent increase from 2023. Africa, while maintaining steady progress, recorded 2.5 GWp of new installations, continuing the trend of strong annual growth observed since 2022.

AFSIA noted that Africa now boasts 19.2 GWp of installed capacity (excluding residential installations). This marks the third consecutive year where annual installations exceeded 2 GWp, underscoring the sector's resilience and potential. However, the continent's share of the global solar market remains modest, accounting for less than 1 per cent of total installations worldwide.

During the Powerelec Nigeria conference and exhibition in Lagos, John van Zuylen , AFSIA CEO, highlighted the concentration of solar projects in a few countries. "In 2024, South Africa and Egypt accounted for nearly 80 per cent of all new solar installations, with South Africa contributing 50 per cent and Egypt 29 per cent. However, with multiple projects underway in other countries, we may see a more balanced distribution of solar installations across Africa in the coming years," he said.

Nigeria's crude oil output excluding condensate climbs 6.3% to 1.507m bpd

Onome Amuge

DECEMBER 2024 SAW NIGERIA record an uptick in its crude oil production, excluding condensate, with a 6.3 percent year-over-year increase to 1.507 million barrels per day (bpd) in the final month of the year, eclipsing the corresponding figure of 1.418 million bpd recorded in December 2023.

The oil cartel's report, relying on secondary sources for its data reported a two percent rise in the nation's output on a month-on-month basis, climbing from 1.477 million bpd in November 2024 to 1.507 million bpd in December 2024.

OPEC's report also revealed that, driven by the latest output figures, Nigeria maintained its dominance as Africa's top crude oil producer, with Sudan lagging at the bottom with 27,000 bpd in production.

Adding to this success, the OPEC report noted a significant milestone for Nigeria as it hit its allocated production quota of 1.5 million bpd.

Industry data showed that concerted efforts were underway to reach the ambitious 2.06 million bpd target as stipulated in the proposed 2025 budget.

Meanwhile, a subsequent statement by Nigeria's upstream regulator, NUPRC, revealed a 7.38 percent year-over-year surge in the nation's daily average oil output, including condensate, climbing from 1.552 million bpd in December 2023 to 1.667 million bpd in December 2024.

Contrasting the encouraging year-over-year growth in Nigeria's oil production, the latest NUPRC data indicated a slight 1.35 percent decrease in the country's daily average oil output, from November 2024's 1.690 million bpd to 1.667 million bpd in December 2024.

The NUPRC report further disclosed that the country's oil production hit a peak daily output of 1.79 million bpd in December 2024, with the lowest daily production figure recorded at 1.57 million bpd.

December 2024's cumulative oil production in Nigeria reached 51.69 million barrels, an incremental increase of 1.9 percent when compared to November 2024's 50.71 million barrels of production.

Despite this improvement, the NUPRC has set its sights on a more ambitious target of 2.1 million barrels of oil per day (MBOPD) by 2025

PETAN seeks preferential oil contracts for local companies

Onome Amuge

THE PETROLEUM TECHNOLOGY Association of Nigeria (PETAN), an industry body representing indigenous oil and gas companies, has urged the federal government to adhere to the provisions of the law that mandates preferential treatment for local companies in the award of oil and gas contracts.

According to PETAN, the government's compliance with this policy would not only boost domestic economic development but also promote a level playing field in the oil and gas sector, enabling indigenous firms to compete effectively and contribute further to the country's oil and gas industry.

Wole Ogunsanya, the PETAN chairman, lent his voice to the discourse during the just concluded Petroleum Industry Stakeholders Engagement (PISF) organised by the Ministry of Petroleum Resources in Abuja.

Ogunsanya, speaking on behalf of PETAN, proposed that the Ministry strictly adhere to Section 3.3 of the Local Content Act of 2010, mandating that local contractors be given first consideration in the divestment of oil and gas assets.

Ogunsanya further urged the ministry to establish a national policy on oil and gas production volumes, underscoring the importance of a cohesive approach to managing the country's oil and gas production, particularly in light of evolving domestic and global market dynamics.

The PETAN chairman further emphasised that, regardless of the volatility in global crude prices, Nigeria must prioritise the formulation of a sound policy that ensures a stable production volume of at least two million barrels per day (bpd).

Nigeria needs N580bn investment to rehabilitate airports' runways

●'70s' runways outlived lifespan, says FAAN chief

Sade Williams/Business a.m.

NIGERIAN AIRPORT RUNWAYS ACROSS the country require investment of N580 billion for their rehabilitation, the government agency with responsibility for airport management, Federal Airports Authority of Nigeria (FAAN), has disclosed.

Olubunmi Kuku, FAAN's managing director and chief executive officer, told visiting Ibrahim Kana, recently redeployed permanent secretary of the Ministry of Aviation and Aerospace Development, during a tour of Lagos airport facilities, that the airports' runways which were built in the late 1970s have outlived their life span.

"N580 billion is required to fix runways across all airports, their life span is between 20 to 25 years but most of the airports were built in 1978," she said.

According to her, many of FAAN's facilities, including terminals and runways, are aging and in need of significant repairs and upgrades, noting that this affects operational efficiency and safety, and necessitates substantial investment for modernisation.

Kuku also said that despite efforts to enhance security at airports, FAAN continues to face challenges in managing security risks, particularly with the increase in air travel and the potential for terrorist activities or other threats at key airport locations.

On land encroachment, she said due to lack of perimeter fence, the Authority landmass is constantly being encroached on all over the country.

Olubunmi Kuku, managing director, FAAN, and Ibrahim Kana, permanent secretary, Ministry of Aviation and Aerospace Development, at Lagos Airport, recently

"Obsolete equipment such as old fire tenders, generators, air conditioning systems conveyor lines with worn-out slats, belts and motors, can be found in many airports that have low efficiency and have high maintenance cost," she said.

Kuku however said "FAAN plans to modernise airport infrastructure by renovating terminals, expanding runways, and upgrading navigational aids. In 2025, the construction of a new and befitting headquarters for FAAN will also be a top priority, providing a centralised and modern facility to enhance operational efficiency. Priority will be given to improving critical facilities at major international airports and enhancing regional airport capacity to meet growing passenger and cargo demands.

"We need to be deliberate about it. So many haphazard jobs and abandoned projects at the airports. The runways require major rehabilitation," she said.

The FAAN chief also disclosed that the Authority plans to increase its revenue for 2025 by adopting innovative strategies to increase non-aeronautical revenue streams, such as commercial concessions, advertising, real estate development, and cargo operations.

Kuku, who disclosed that N128.7 billion was remitted into the federation account in 2024, noted that reduction in revenue leakages in 2024 led to about 93 percent in net inflows compared to 2023.

While listing the challenges of the Authority, she lamented that they have impacted its efficiency and operational capacity.

Speaking on FAAN's strategic focus areas for 2025, apart from adopting innovative strategies to increase revenue, Kuku said that the Authority will also focus on public private partnership to expand investment opportunities and develop underutilized assets.

To ensure compliance with global standards, Kuku disclosed that FAAN will invest in state-of-the-art security systems, including biometric screening and advanced surveillance technologies.

"Staff training on aviation security and safety procedures will be intensified to address emerging challenges and risks in the industry. FAAN will upgrade and maintain e-procurement systems to reduce technical downtimes. We plan to align FAAN's goals with national aviation policies and international standards.

"FAAN will integrate environmentally sustainable practices into its operations, focusing on energy efficiency, waste management, and carbon emission reductions. The Authority will collaborate with industry stakeholders to adopt green airport initiatives and promote environmental stewardship. FAAN will prioritise increasing its workforce strength to support growing operations and ensure employee welfare through improved working conditions, comprehensive training, and enhanced benefits," she added.

Tough talking AMCON vows to recover N227.64bn Arik Air debt

●Corporation releases aircraft inventory

Sade Williams/Business a.m.

A TOUGH TALKING ASSET MANAGEMENT CORPORATION OF NIGERIA (AMCON) vowed on Friday to recover N227.64 billion being owed by Nigerian domestic carrier Arik Air, stressing that it would not be intimidated by the debtor's harassment, alleged sponsored media attacks, and resistance to fulfill its obligations.

Jude Nwauzor, head, corporate communications at AMCON, during a Lagos press conference, said the corporation needed to correct some misinformation about the operations of the airline since it took over on February 9, 2017, adding that the agency had been injecting money into Arik Air in the last eight years.

Nwauzor also disclosed that AMCON did not only take over Arik Air from its owner, Johnson Arumemi-Ikhide, but also took over three other companies: Rockson Nigeria Limited (a power infrastructure company), Ojeimai Farms Limited, and Ojemai Investment Limited, belonging to him for the non-performing loans.

"The task of debt recovery has been arduous and challenging. While several thousands of Nigerians and Nigerian companies have honoured their obligations, AMCON continues to face resistance from a number of debtors who are unwilling to pay without a fight. One of these debtors is Arik Air Limited (in Receivership), an airline company owned by Sir Johnson Arumemi-Ikhide, who is also the promoter of Rockson Nigeria Limited (a power infrastructure company), Ojeimai Farms Limited, and Ojemai Investment Limited. These companies' debts were transferred by various banks to AMCON due to their non-performance, with a total indebtedness of N455, 171, 764, 772.80 as at December 31, 2024.

"Arik owes AMCON N227,637,469,394.34; Rockson Engineering N163,502, 837, 397.75 and Ojemai Farms N14, 031, 457, 980.71. The fact of the matter is that no matter the smear campaign he is sponsoring against AMCON, these debts must be recovered one way or the other. The leadership of AMCON knows that there is no nice way of recovering debt. For that, obligors go to any length to assassinate the characters of both AMCON staff and management, they malign the name of AMCON, intimidate, and harass our personnel with every arsenal at their disposal," he explained.

The agency which alleged that the founder of Arik Air had sponsored several inaccurate claims and reports on payment obligations to Union Bank while feigning ignorance of the debt owed to AMCON said: "The decision to classify the loan as non-performing and to sell it was made by Union Bank of Nigeria PLC (UBN), in accordance with the Prudential Guidelines set by the Central Bank of Nigeria (CBN). Union Bank willingly offered the Arik loans to AMCON, which purchased the loans in compliance with the law.

"In a letter dated October 22, 2010, UBN informed Arik that its loans, which amounted to a staggering $474 million (approximately 70 billion at the time), were non-performing and posed a threat to the bank's stability. This loan exposure was a significant factor in Union Bank's financial challenges," he said.

Setting the records straight, Nwauzor revealed further that against claims by the founder of the airline that 30 aircraft were serviceable before AMCON's intervention, only nine of the aircraft were serviceable.

AMCON's documents revealed the status of the aircraft at the time it took over in 2017 as follows: 5N-MJA, B737-300 (abandoned in Norwich, UK); 5N-MJB, B737-300 (abandoned in Southend, UK) 5N-MJC, B737-700 (extensively cannibalised in Lagos); 5N-MJD, B737-700 (extensively cannibalised in Lagos); 5N-MJG, B737-700 (required spare parts to return to service); 5N-MJI, B737-700 (abandoned in Malta); 5N-MJO, B737-800 (one engine was unserviceable due to excessive oil leak); 5N-MJP, B737-800 (abandoned in Johannesburg, South Africa); 5N-MJQ, B737-800 (abandoned in Malt); B737-700, 5N-MJK in Lagos and in long-term storage; B737-700, 5N-MJD in Lagos, in long-term storage (about to be repossessed by the bank); B737-700, 5N-MJC, in Lagos and long-term storage (about to be repossessed by the bank); Q400, 5N-BKX located in Lagos and serviceable; Q400, 5N-BKW located in Lagos and serviceable; B737-700 in Addisbans serviceable (C-Check ongoing); B737-800 in Lagos and serviceable; Q400, 5N-BKV in Lagos but long-term storage (scrap), among others.

The corporation revealed that beyond Union Bank, Arik's loans were also sold to AMCON by Bank PHB (now Keystone Bank), adding that Arumemi-Ikhide has, on several occasions, admitted to this indebtedness.

"Following the purchase of the loans, Sir Johnson willingly agreed to restructure the loans, acknowledging the debt. A KPMG report commissioned by AMCON revealed that Arik was balance-sheet insolvent, with a negative equity value of approximately 80 billion and total liabilities amounting to 289 billion as of December 31, 2016.

"Additionally, PwC Nigeria, the company's long-standing auditors (previously appointed by Sir Johnson Arumemi-Ikhide), conducted audits for the years 2015 and 2016. These audits confirmed that Arik had been technically insolvent since 2014, with its liabilities exceeding its assets throughout 2015 and 2016, up until the commencement of the receivership in 2017. As of December 2016, Arik's negative shareholder capital stood at 139 billion, nearly equivalent to its debt to AMCON.

"During this period, Arik's operations were severely compromised. Between November 2016 and January 2017, Arik faced numerous challenges, including the cancellation of flights, inability to fulfill ticketed obligations, and a suspension of operations due to failure to pay for insurance. The airline was also engaged in protracted disputes with NCAA, FAAN, and NAMA, with combined claims of about 30 billion.

"The government, concerned about the safety of the airline, the welfare of over 1,500 employees, and the stability of the aviation industry urged AMCON to intervene. As a result, AMCON appointed a Receiver-Manager in compliance with the AMCON Act to stabilise the operations of Arik," Nwauzor added.

Air Peace's 6th IOSA certification sets new safety benchmark

Sade Williams/Business a.m.

AIR PEACE, WEST AND CENTRAL Africa's largest airline, focusing on raising the bar in operational safety and excellence, has secured its sixth consecutive International Air Transport Association Operational Safety Audit (IOSA) Certification.

The milestone, according to industry sources, underscores the airline's commitment to maintaining the highest global safety standards in aviation, cementing its position as a leader in the industry.

Patrick Achurefe, an engineer and head of quality at Air Peace, welcoming guests to the presentation ceremony, thanked the airline's chairman, Allen Ifechukwu Onyema, for his unwavering support throughout the rigorous audit process.

"We are grateful to our chairman for believing in our capabilities and supporting the meticulous efforts required for this achievement," he said.

He noted that Air Peace first earned its place on the IOSA registry in 2016, just two years after commencing operations, adding that since then the airline has consistently met the stringent standards required to maintain this global recognition, achieving certifications in the years that followed.

"I am elated that we did not disappoint, as the process managers involved in the audit demonstrated exceptional expertise and dedication," he added.

Also speaking during the presentation, Samson Fatokun, area manager, West and Central Africa, IATA, commended Air Peace for being the pride of Nigeria. He noted the airline's remarkable achievements in just a decade of its operations, insisting that it is not a mere fluke.

"Air Peace's presence on the IOSA registry is a testament to its unwavering dedication to safety, operational excellence, and professionalism. This milestone is not just a victory for the airline but a pride for Nigeria. It highlights that local carriers can operate at the highest international safety levels."

While receiving the certificate, Allen Onyema, executive chairman of the airline, expressed gratitude to the airline's management team, who worked tirelessly to achieve the feat.

"Today marks another significant milestone for our young and ambitious airline," he said. He noted that the certification is an attestation to the hard work and dogged determination of the board and management of Air Peace in ensuring safety standards and just culture in the organisation.

"This sixth IOSA certification is a testament to our commitment to global safety standards. It affirms that we are on the right track and provides our passengers with the confidence that their safety remains our top priority. I extend my heartfelt thanks to our management team and staff who have gone above and beyond to make this possible," Onyema said.

He also praised Festus Keyamo, Nigeria's minister of aviation and aerospace development, and President Bola Ahmed Tinubu for implementing progressive policies that are transforming the aviation sector.

L-R: Alex Badeh Jr., director general, NSIB; Governor Seyi Makinde of Oyo State; Bimbo Oladeji, director, public affairs and family assistance, NSIB; and Bunmi Gindeh, special adviser to the DG, NSIB, during a courtesy call on the governor in Ibadan, Oyo State

NSIB, Oyo government strengthen partnership for transport safety

Sade Williams/Business a.m.

ALEX BADEH JR., the director general of the Nigerian Safety Investigation Bureau (NSIB), along with members of his team, at the weekend, paid a courtesy visit to Governor Seyi Makinde of Oyo State, as part of plans aimed at strengthening relationships between the NSIB and the state government.

The visit was also aimed at exploring potential areas of collaboration in the advancement of transport safety measures and accident prevention strategies within the state.

Badeh Jr. expressed his appreciation for Governor Makinde's leadership and commitment to infrastructure development in Oyo state, noting the importance of incorporating robust safety protocols across all sectors, including transportation and other industries that require stringent safety oversight.

He briefed Governor Makinde on NSIB's mission and key accomplishments in recent years, emphasising the bureau's dedication to improving safety outcomes through thorough investigation of incidents and accidents, transport safety recommendations, as well as proactive engagement with stakeholders.

"We are here today to express our admiration for your visionary leadership and to explore how we can work together to promote a culture of transport safety in Oyo State. NSIB is committed to ensuring that safety remains at the forefront of every development initiative, and we believe that by working with state governments, we can create safer environments across Nigeria," Badeh Jr. remarked.

Governor Seyi Makinde, in response, welcomed him and his team, applauding NSIB's role in enhancing transport safety in Nigeria and expressing his eagerness to explore areas where the Oyo State government could benefit from the bureau's expertise, particularly in sectors involving transportation and public safety.

"Your work is critical in ensuring that we learn from past accidents and prevent future occurrences, and I am pleased to see your proactive approach in reaching out to stakeholders at all levels," he stated.

The governor further highlighted his administration's commitment to infrastructural development and improving safety standards in the state.

The Airport Customer Experience

Travel trends for the new year

UNDERSTANDING THE customer and what they want is key to a positive customer experience and this is not limited to only the airport. As the world's leading travel trend forecasting agency, Globetrender is known for its skill in predicting the changing ways people are exploring the world, and the forces of influence that are determining their decisions, it has partnered with Amadeus in producing a 2025 Travel Trends report to help businesses successfully anticipate the need and demands of tomorrow's travellers.

The previous year was a year of elections across the globe. One trend that has been pinpointed is the desire for simpler, happier times of the past. What stands out in the new travel trend is that a new wave of nostalgia is reported to be inspiring people to replay the vacations of their youth; revisiting places connected to defining milestone experiences such as honeymoons and gap years; and even finding ways to evoke the gilded aesthetics of the Roaring Twenties, reveals the Travel Trend.

So, there is a powerful surge of nostalgia shaping how people choose their destinations. Travellers, it says, are seeking to recapture the joy of their milestone vacations; from the places they first fell in love to the experiences that defined their youth.

This is good news for a continent like Africa which has a relatively young population. This points to a market for low-cost carriers and smaller planes that will keep the young and energetic youth moving and harnessing opportunities across the continent.

Personalised flying is another travel trend which has strategic implications for all in the airport community. Personalised travel experiences should start long before a passenger steps foot in an airport or boards a flight. In 2025, says Travel Trend, the future of in-flight entertainment (IFE) will lie in creating a highly personalised, connected, and immersive experience for passengers.

With advancements in AI, Wi-Fi and 5G, and virtual reality, airlines while being poised to offer a more engaging and enriching journey, will also appreciate the fact that the data and insights gained from their interaction with customers will be useful for collaborative decision making on how the airport community can deliver personalised travel experiences. The airport, the concessionaire and all other businesses will gain from such an insight.

These days, Travel Trend points out, travellers are increasingly seeking hotels with a sense of place and a unique identity, and in many cases these properties are putting destinations on the map. Observed is that today's guests are not just looking for a place to stay, but for an experience that resonates with the local culture and offers a unique narrative.

One can imagine what a customer experience centre themed around the local community would look like around an airport. Imagine thatched roofs, mud walls and local dishes that tell the story of the continent while passengers await their flights. Perhaps this could unlock passenger spend that can lead to increase in non-aeronautical revenue streams.

In 2025, inbound and outbound travel to and from Asia (and most significantly, China) is finally expected to reach pre-2019 levels and will fully open this market to the world, says the Travel Trend. To entice foreign visitors, China has extended visa-free inbound travel until the end of 2025 for numerous countries (including Australia, New Zealand, Poland and France), and new luxury hotels will provide a magnet for curious Sinophiles. Also, according to the American credit rating agency Fitch Ratings, Asia tourism will likely return to pre-Covid levels during the first half of 2025 thanks in part to weaker currencies that make it more affordable for overseas visitors.

As airlines in Africa think of their internationalisation strategy in the face of foreign exchange challenges and a cost-of-living crisis, a move towards the market in Asia may not be out of place for airlines in Africa. China plays a key role in Africa and offers extensive travel opportunities that create a market that Africa should not ignore.

All around the world, Travel Trend reports, people are falling out of love with online dating, and looking for new, spontaneous ways to make connections In Real Life (IRL). It states further that travel has always been a good way to meet people but with dating apps having been the dominant means of doing this for the last ten years, traditional methods have been cast aside. Amadeus data shows the number of solo leisure travellers increased by 15.6 percent in 2023 over the previous full year. And the trend continues in 2024, with a year-on-year increase to date of 9.2 percent. Consequently, in 2025, Travel Trend predicts that increasing numbers of singletons will be taking a chance on new people and places by booking travel to make "Connections IRL" (in real life). This is not new to us in Africa. We are outdoor people with our type of weather and climate.

Travel trend in the year 2025 provides opportunities for the airport community in Africa to craft strategies to capture the market as they open up to the world.

EKELEM AIRHIHEN

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With 7m passengers, London Heathrow Airport sees busiest December ever

● Ends 2024 with record 83.9m passengers

LONDON HEATHROW AIRPORT (LHR) has reported its busiest-ever December, with London's primary airport ending 2024 with a record-breaking 83.9 million passengers, per this report by Simple Flying.

Record-breaking year-end

On January 13, the airport announced that over seven million passengers travelled through the airport in December, making it the busiest December ever. As a result, London Heathrow welcomed 83.9 million travellers in 2024, three million more than in 2019.

The airport also highlighted that on Christmas Day, December 25, typically one of the quietest days for travel, it welcomed 160,000 passengers, 13 percent more year-on-year (YoY).

Thomas Woldbye, the chief executive officer of Heathrow Airport, said 2024 was an exciting year for the airport. Woldbye joined the airport as the CEO in October 2023 after previously spending more than 12 years as the chief executive of Copenhagen Airport (CPH).

"In 2025, our journey towards better value for our customers will continue by investing in the kind of facilities our passengers and airlines are looking for. We aim to become more innovative to ensure that our airport delivers for the whole of the UK."

Most popular destinations

London Heathrow noted that New York, Los Angeles, Dublin, and Madrid were some of the most popular destinations in 2024, "as the airport maintained the status of the most connected airport in the world."

Dublin Airport (DUB) and Madrid Barajas Airport (MAD) are home to Aer Lingus and Iberia, respectively, which, including Heathrow-based British Airways, are part of the International Airlines Group (IAG).

Meanwhile, in December, the travel data company OAG unveiled that the route between New York John F. Kennedy International Airport (JFK) and Heathrow was the tenth-busiest in 2024.

Throughout the year, airlines scheduled over four million seats for passengers wanting to fly from New York to London.

Data from the aviation analytics company Cirium's Diio Mi airline planning system showed that there were 1.1 million seats between Newark Liberty International Airport (EWR) and London-Heathrow, resulting in over 5.1 million seats between the two airports in New York and Heathrow.

This does not include London Gatwick Airport (LGW), which also has a few flights across the Atlantic.

Nevertheless, in comparison, the busiest international route in 2024 had 6.7 million seats, connecting Hong Kong International Airport (HKG) and Taiwan Taoyuan International Airport (TPE).

Even more passengers in 2025

Out of the eight markets whose data Heathrow Airport published, only one, Africa, had a worse 2024 than 2023. The remaining markets, including UK domestic, grew YoY, with the airport's overall passenger growth being 5.9 percent YoY.

20.6 million passengers boarded flights from/to North America in 2024, or 3.3 percent more than in 2023. The number increased despite the fact that air transport movements in that market decreased by 0.2 percent.

However, the European Union (EU) remained Heathrow Airport's largest market in 2024, with 28.1 million passengers boarding flights from/to during the year. Non-EU Europe saw a further 5.6 million travellers, an increase of 7.4 percent and 6.1 percent YoY.

Looking forward, Heathrow anticipates welcoming 84.2 million passengers in 2025, with "grey Mondays encouraging holiday bookings," according to the airport's statement.

Afreximbank offers Nigerian carriers aircraft financing lifeline

Sade Williams/Business a.m.

NIGERIAN CARRIERS APPEAR set to benefit from an aircraft financing lifeline now on the cards from Afreximbank, the multilateral trade finance development bank, which is collaborating with Nigeria to finance aircraft acquisition, according to an agreement signed recently.

The agreement was reached at a side meeting held with the Afreximbank team at the Aviation Economic Conference in Dublin, Republic of Ireland.

The meeting, facilitated by Lereece Rose, Boeing's senior director of finance, brought together key stakeholders to discuss aircraft financing opportunities for Nigerian airlines.

"At the meeting, Afreximbank, led by its director and global head of project and asset-based finance, Helen Brume, agreed in principle to collaborate with Nigeria on aircraft financing," according to a statement by Tunde Moshood, special adviser on media and communications to the minister of aviation and aerospace development, Festus Keyamo.

Afreximbank, a 30-year-old development financing institution, has a primary mandate to promote trade across Africa.

Highlighting the bank's extensive experience in supporting airlines such as Arik Air, Kenya Airways, and TAG over the past two decades, Brume emphasised the need for robust aviation infrastructure to enhance the competitiveness of African airlines.

To address this, Afreximbank announced plans to launch a leasing subsidiary, which will soon take delivery of 25 aircraft to be leased to African airlines. This initiative aims to provide Nigerian airlines with access to dry-leased aircraft, enabling them to better service Bilateral Air Service Agreement (BASA) routes and domestic operations.

Lereece Rose commended Minister Keyamo for his efforts in improving Nigeria's aviation ecosystem, particularly in raising Nigeria's Cape Town Convention score from 49.5 percent to 75.5 percent. This progress underscores the country's commitment to creating an enabling environment for aircraft financing and leasing.

Keyamo highlighted the critical need for partnerships that would enhance access to aircraft financing for Nigerian operators, facilitating growth and improved service delivery. In response, Afreximbank affirmed its readiness to work with the Nigerian government, signaling a promising future for the country's aviation industry.

A committee has been established to follow up on the discussions, ensuring that this partnership materialises into actionable solutions for Nigerian airlines.

Progress being made in aviation sector transformation – Kana

Sade Williams/Business a.m.

IBRAHIM KANA, THE PERMANENT secretary of the Federal Ministry of Aviation and Aerospace Development, says progress was being made in the ongoing transformation of the aviation sector in Nigeria.

Kana said the solid structural framework at the Federal Airports Authority (FAAN) being driven by Olubunmi Kuku, its managing director and chief executive officer, had contributed immensely to this progress.

On his maiden tour of FAAN upon his redeployment to the ministry, Kana praised the ongoing reforms at FAAN, emphasising that Kuku's managerial expertise has been pivotal in enhancing operational efficiency and service delivery.

He credited the success recorded at FAAN to the dynamic and visionary leadership of Festus Keyamo, the minister of aviation and aerospace development, noting that the minister's proactive policies and strategic direction have created an enabling environment for growth and innovation within the aviation sector. Reaffirming the ministry's full support for FAAN, Kana pledged to work closely with the management to sustain the momentum of development. He stressed the need to prioritise personnel training as a vital component of the reforms, urging FAAN's leadership to design a sustainable and comprehensive training framework for staff capacity building.

"The aviation sector demands constant innovation and expertise," Kana stated, adding, "I urge everyone to put on their thinking caps and contribute to improving the system. Together, we can elevate Nigeria's aviation industry to global standards."

His visit is said to reflect a strengthened collaboration between the ministry and FAAN signaling a united effort, under minister Keyamo, to transform Nigeria's aviation infrastructure and drive sustainable growth.

Successful flight for Boeing 777X aircraft as test resumes

BOEING HAS RESUMED THE flight test campaign for the 777X after the test fleet was grounded due to an issue that the manufacturer discovered during scheduled maintenance, writes Simple Flying.

Back in the skies

On January 16, Boeing resumed flight tests of the 777X. The aircraft, registered as N779XY, departed King County International Airport (BFI, also known as Boeing Field) at 14:12 local time (UTC -8). After flying above Washington State and briefly crossing into Oregon, the airframe, also known as WH003, returned to King County/Boeing Field at 16:18 local time.

The flight confirmed previous reports, with AviationWeek first reporting about the development, that Boeing would resume the flight test campaign of the type. The manufacturer suspended flights with the four 777-9 airframes after discovering severed thrust links on N779XY and, subsequently, all four test aircraft.

The flight was the first time any of the 777-9 aircraft had touched the skies since September 2024, when Boeing immediately suspended flights with the type following the discovery of an issue related to the thrust links. On September 8, 2024, N779XY returned from Hawaii, where it had conducted several test flights while being based at Kona International Airport (KOA).

Positive sign

While 2024 began with Boeing landing in hot water following the mid-air door plug blowout on an Alaska Airlines flight in January 2024 and the subsequent fallout, so far in 2025, the company has had no controversies attached to its name.

2025 will be a recovery year for the plane maker as it not only aims to move past the door plug incident, the 52-day machinists strike, and the resulting lackluster delivery numbers but also to deliver on its promises to customers.

This includes certifying three commercial aircraft programmes: the 737 MAX 7, the 737 MAX 10, and the 777X. Boeing has not provided an update on the latter two but previously said that the 777X would enter commercial service in 2026, following another delay that pushed back the type's entry-into-service (EIS) date from the initial deadline of 2020. David Calhoun, the now-former president and chief executive officer (CEO) of Boeing, said during his last earnings call on July 31, 2024, that the company identified an engineering solution for the engine anti-ice (EAI) system that has plagued the certification of the 737 MAX 7 and the 737 MAX 10 .

The updated system will be implemented in 2025, enabling Boeing to certify and deliver the 737 MAX 7 and 737 MAX 10, Calhoun added.

Identified during scheduled maintenance

Boeing identified the issue with the severed thrust links in August 2024, with the company's spokesperson telling Simple Flying at the time that the problem was discovered during scheduled maintenance. After discovering that the severed thrust links did not perform as designed, Boeing immediately suspended the flight testing campaign. Furthermore, its engineers replaced the part and gathered lessons from the non-conforming part.

The thrust links are a structural component between the engine and the aircraft's structure, with the part being custom to the 777-9. Each 777-9 has two thrust links, meaning that there is redundancy.

WEF: AI to create 170m jobs, displace 92m by 2030

Stories by Joy Agwunobi

A NEW REPORT BY THE WORLD ECONOMIC FORUM (WEF) anticipates that the rise of artificial intelligence (AI) and automation will create 170 million new jobs globally by 2030, even as 92 million existing positions are projected to be displaced due to technological advancements.

This projection comes amidst growing concerns about the impact of these technologies on employment across various industries, from manufacturing to healthcare.

While fears of widespread job losses due to AI and automation have sparked global debates, some studies suggest that the growth of these technologies may ultimately generate more job opportunities than they eliminate.

However, this shift is not confined to the tech sector alone; it spans across all industries, requiring companies to rethink their workforce strategies in the face of rapid technological change and economic uncertainty.

The WEF's Future of Jobs Report 2025 highlights that by 2030, 86 per cent of businesses will undergo significant transformation as AI and other information processing technologies reshape their operations.

As a result, 170 million new roles are expected to be created globally, while 92 million jobs will be phased out. The survey, which included over 1,000 of the world's largest employers, covering 22 industry sectors and more than 14 million workers, provides a comprehensive look at these trends.

The report also notes that 41 per cent of employers worldwide anticipate reducing their workforce as automation takes over more tasks. Professions such as graphic designers and legal secretaries are increasingly being replaced by generative AI tools, which can handle tasks that were once carried out by humans.

Skills development is a key issue identified by the WEF, with the report highlighting that AI and big data are now among the fastest-growing skill sets, followed by expertise in networks, cybersecurity, and technology literacy. However, it also points out a significant challenge–many workers do not possess the skills needed to transition into these evolving roles.

Despite the anticipated job losses, the WEF remains optimistic, projecting that the net result will be a 7 per cent increase in global employment, or 78 million jobs, by 2030.

As part of this transformation, employers are placing a strong emphasis on reskilling. According to the report, 77 per cent of companies plan to train their existing workforce to work alongside AI systems.

While AI and automation will undoubtedly drive greater productivity, the WEF highlights the importance of equipping workers with the necessary skills to thrive in the changing job market. Without adequate support, millions of workers could face huge job displacement.

L-R : 'Bosun Tijani, minister for Communications, Innovation & Digital Economy, Secretary General, AfCFTA H.E. WAMKELE MENE, MINISTER, " Minister, Federal Ministry of Industry, Trade and Investment" Jumoke Oduwole , minister of State Industry- Federal Ministry of Industry, Trade and Investment John Owen Enoh, S.A. to the President on trade and investment John Uwajumogu, PS Federal Ministry of Industry, Trade, and Investment of Nigeria, FMITI at a High level round table on the implementation of AfCTA protocols in Abuja, Nigeria recently.

Samsung leads global smartphone market recovery in 2024

THE GLOBAL SMARTPHONE market recorded 4 per cent year-on-year growth in 2024, marking a return to expansion after two consecutive years of decline.

This growth was reported by Counterpoint Research, a global firm specialising in technology, media, and telecom industry analysis.

Samsung led the market in smartphone shipments for the year, supported by strong consumer demand for its Galaxy S24 and A-series devices. The Galaxy S24 series, Samsung's first AI-focused smartphone lineup, achieved notable success, particularly in Western Europe and the U.S. Consumer sentiment improved compared to previous years, thanks to macroeconomic stabilisation after 2023 saw the lowest smartphone sales in a decade.

Apple secured the second spot in the global market with an 18 per cent share. However, its iPhone 16 series faced mixed reviews due to the limited availability of its Apple Intelligence feature at launch. Despite this, Apple experienced strong growth in emerging markets such as Latin America, Africa, and Asia-Pacific.

Among the top five brands, Xiaomi posted the fastest growth in 2024, benefiting from portfolio adjustments, a focus on premium devices, and aggressive expansion efforts. OPPO ranked fourth, experiencing a year-on-year decline but ending the year on a positive note with improved momentum. Vivo rounded out the top five, driven by strong performance in India and China, where it became the top-ranked OEM.

According to the study, the top five brands retained their positions from 2023 but lost some market share to rising competitors like Huawei, HONOR, and Motorola, which were the fastest-growing brands among the top 10.

The report also highlighted the introduction of GenAI technology in smartphones as a significant development in 2024. Currently available only in premium models, GenAI capabilities are expected to extend to mid-range devices in the coming years. By 2028, nearly 90 per cent of smartphones priced above $250 are projected to feature GenAI functionality.

Counterpoint Research noted that while smartphone shipment volumes may not reach pre-COVID levels, the trend toward premiumisation is driving revenue growth. In 2024, sales of ultra-premium smartphones (priced above $1,000) saw the fastest growth, fueled by subsidies in developed markets and affordable financing options in emerging markets. This contributed to a rise in average selling prices and boosted overall industry revenues.

Looking ahead, the firm forecasts 8 per cent revenue growth in 2025, outpacing the expected 4 per cent growth in shipment volumes. The recovery of the smartphone market, combined with growing demand for premium and AI-enabled devices, is expected to foster continued innovation and competition.

Commenting on market trends, Tarun Pathak, Research Director at Counterpoint Research, stated, "2024 marked a year of recovery and normalisation after a challenging 2023. Smartphones remain essential to daily life, and as economic pressures eased, the market showed signs of recovery starting in late 2023, with five consecutive quarters of growth. Growth was seen across most regions, led by Europe, China, and Latin America."

Nigeria's telecom sector registered 306.7m subscribers in 2023

BY THE END OF 2023, MOBILE NETWORK OPERATORS (MNOs) in Nigeria had registered over 306.7 million subscribers under the mandatory SIM card registration scheme, according to the Nigerian Communications Commission (NCC).

This record highlights the telecommunications sector's consistent growth, driven by regulatory reforms, increased investments, and the adoption of advanced technologies since the industry's liberalisation.

The NCC's 2023 year-end performance report detailed that MNOs registered a total of 306,725,380 subscribers across the country, adhering to the commission's SIM card registration mandate. The comprehensive report provides valuable insights into the performance of Nigeria's telecommunications sector in 2023, highlighting growth areas, challenges, and market dynamics.

The breakdown of this figure across operators revealed that MTN Nigeria accounted for 126,072,111 subscribers, Globacom (Glo) registered 70,485,301, Airtel Nigeria had 62,960,003, 9mobile recorded 46,229,944, Smile Communications tallied 740,158, and Ntel had 237,863 subscribers.

In terms of market share, the commission reported that MTN dominated with 38.79 per cent (87,038,768 subscribers), followed by Airtel with 27.55 per cent (61,834,105), Glo with 27.45 per cent (61,604,576), and 9mobile with 6.21 per cent (13,935,482) of the mobile GSM market as of December 2023.

Beyond SIM card registration, the NCC reported a 0.96 per cent year-on-year growth in active subscriptions. Active voice subscriptions increased from 222,571,568 in 2022 to 224,713,710 in December 2023, a rise of 2,142,142 subscriptions. The NCC attributed this growth to factors such as subscriber loyalty, promotional campaigns, aggressive customer acquisition strategies, and competitive product offerings across networks.

Nigeria's teledensity, however, dropped from 116.60 per cent in December 2022 to 103.66 per cent by the end of 2023, reflecting an 11.10 per cent decline. The NCC explained this reduction was due to the revised population figure of 216,783,381 provided by the National Population Commission (NPC) for 2022, replacing the 2017 projection of 190 million previously used in calculations.

The report further noted an increase in internet subscriptions, which grew from 154,847,901 in December 2022 to 163,838,439 in December 2023, representing a 5.81 per cent rise and an additional 8,990,538 subscriptions. Despite this growth, broadband penetration declined from 47.36 per cent in December 2022 to 43.71 per cent by December 2023. The NCC explained that this drop was also linked to the revised population figures. However, broadband subscriptions increased from 90,398,960 to 94,757,184 during the same period.

Prepaid mobile voice subscriptions, which dominate the Nigerian market, grew by 0.84 per cent, increasing from 215,345,361 in December 2022 to 217,143,995 in December 2023. Postpaid mobile voice subscriptions saw a growth rate of 4.61 per cent, rising from 7,129,211 to 7,457,744.

The NCC noted that prepaid subscribers accounted for about 96.7 per cent of the market, while postpaid subscribers represented approximately 3.3 per cent.

Regionally, the data showed the Southwest and North Central zones had the highest number of active voice subscriptions, while the Southeast recorded the least. The breakdown revealed that the Southwest had 63,946,830 subscriptions (28%), the North Central had 43,797,767 (19%), the Northwest had 40,978,174 (18%), the South-South had 33,034,092 (15%), the Northeast had 21,493,698 (10%), and the Southeast recorded 21,463,149 (10%).

In terms of local and national telephone traffic, the NCC reported that by December 2023, total outgoing traffic was 205.3 billion minutes, while incoming traffic totalled 203.2 billion minutes. MTN recorded the highest outgoing and incoming traffic at 122.7 billion and 123.8 billion minutes, respectively.

For international traffic, the regulatory body reported that total outgoing mobile and VoIP traffic was 536.1 million minutes, while incoming international traffic reached 998.2 million minutes. Airtel accounted for the highest outgoing international traffic at 255.7 million minutes, while MTN reported the highest incoming international traffic at 578.9 million minutes.

Additionally, mobile-to-mobile voice call traffic as of December 2023 showed outgoing minutes totalling 172.8 billion, while incoming minutes stood at 124.0 billion. MTN once again led in both categories, with outgoing traffic of 123.2 billion minutes and incoming traffic of 80.6 billion minutes.

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90% of smartphones to feature GenAI functionalities by 2028

Joy Agwunobi

THE GLOBAL SMARTPHONE industry is gearing up for a huge transformation as artificial intelligence (AI) becomes a core feature in mobile devices.

According to a recent report by Counterpoint Research, nearly 90 per cent of smartphones priced above $250 are expected to incorporate generative AI (GenAI) capabilities by 2028, marking a shift in consumer expectations and device functionality.

In 2024, the introduction of GenAI in smartphones was largely limited to premium models, spearheaded by tech giants like Samsung and Apple. Samsung's Galaxy S24 series, for instance, emerged as the first AI-centric smartphone lineup, offering advanced features that resonated strongly with consumers in markets like Western Europe and the United States. These innovations contributed to Samsung's position as the global market leader in smartphone shipments for the year.

The report highlights the growing role of GenAI in enhancing smartphone functionality, from personalised user experiences to more efficient device operations. Analysts predict that as AI technology becomes more affordable and scalable, its integration will extend beyond flagship models, finding its way into mid-range devices.

The trend toward premiumisation in the smartphone market is accelerating this shift. The report noted that Ultra-premium smartphones, priced above $1,000, experienced the fastest growth in 2024, driven by robust consumer demand and favourable financing options. Developed markets benefited from carrier subsidies, while emerging markets saw increased access to low-cost financing, making high-end devices more accessible to a broader audience.

Counterpoint Research attributes this growth to a combination of economic recovery and consumers' willingness to invest in feature-rich devices that offer long-term value. "Smartphones remain central to everyday life, and as GenAI matures, it will redefine how users interact with their devices," the report noted.

Despite its promise, the rollout of GenAI in smartphones faces challenges. Initial adoption has been constrained by the high costs associated with integrating AI processors and software into devices. However, as competition intensifies and technology advances, prices are expected to normalise, making way for broader adoption.

The integration of GenAI into smartphones signals a new chapter for the industry, with implications for manufacturers, app developers, and consumers alike. As AI technology evolves, its impact will likely extend beyond entertainment and productivity, playing a vital role in addressing global challenges such as health, education, and sustainability.

By 2028, the convergence of AI and mobile technology is expected to redefine the competitive landscape, fostering innovation and setting new benchmarks for what smartphones can achieve. For consumers, the next generation of AI-powered devices promises a future where smartphones are not just tools but intelligent companions designed to enhance every aspect of daily life.

The shift toward GenAI functionality is expected to revolutionise the smartphone industry, enabling devices to perform complex tasks with minimal human input. From language generation to predictive analytics, GenAI-capable smartphones will redefine user interactions and open up new possibilities for app developers.

For instance, these devices could provide hyper-personalised recommendations, automate routine tasks, and even adapt to individual user behaviours in real-time. Features like AI-generated photo enhancements, advanced virtual assistants, and real-time language translation are likely to become standard across mid-range and premium devices by the end of the decade.

The race to integrate GenAI into smartphones has intensified competition among manufacturers. Samsung, which led the market in 2024, gained an edge with its Galaxy S24 series, the industry's first AI-centric lineup. The company's focus on delivering AI-enhanced features helped it outperform rivals in key markets.

Apple, while maintaining its stronghold in the ultra-premium segment, faced challenges with the limited availability of its Apple Intelligence feature in the iPhone 16 series. However, the company remained competitive by leveraging its brand loyalty and making significant gains in emerging markets like Africa, Latin America, and Asia-Pacific.

Other players, including Xiaomi, OPPO, and Vivo, are also positioning themselves to capitalise on the growing demand for AI-driven smartphones. Xiaomi, in particular, recorded the fastest growth among the top five brands in 2024, due to its aggressive expansion efforts and portfolio realignment focused on premium devices.

According to the report, the smartphone market's recovery from the disruptions of the COVID-19 pandemic and the global economic downturn has provided a strong foundation for this AI-driven transformation. By late 2023, the market had started showing consistent growth, with five consecutive quarters of positive performance recorded by the end of 2024.

Regions like Europe, China, and Latin America led this recovery, with consumers increasingly opting for premium and AI-enabled devices. This trend, according to Counterpoint Research, is expected to accelerate as economic conditions improve further and as smartphone makers introduce innovative features to attract tech-savvy buyers.

According to analysts, by 2028, the widespread adoption of GenAI is expected to reshape the competitive dynamics of the smartphone market. Companies that successfully leverage this technology to deliver innovative and accessible solutions will likely dominate the industry.

For consumers, the evolution of AI in smartphones promises a future where devices are not only tools but essential partners in managing work, entertainment, and daily life. As GenAI evolves, the smartphone may turn out to become the most intelligent and indispensable gadget in human history.

Data & Information Governance Insight

Privacy and value in robust data governance framework

MICHAEL IRENE, PhD

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THERE'S A PHRASE I HEAR TOSSED around a lot in conversations about data, particularly from the upper echelons of organisations: "exploitation and utilisation." On the surface, it seems harmless enough. After all, businesses have always sought to make the most of their resources, right? But as someone who has spent years working in data protection, I can't help but feel a certain unease when I hear these terms being used interchangeably, or worse, without any real consideration for their long-term implications.

Exploitation. It's a word that carries weight, and not in a good way. It implies a kind of one-way, extractive relationship—something that doesn't sit right when we're talking about personal or sensitive data. When businesses talk about "exploiting" data, it often reflects an ideology that places short-term gain above everything else: above privacy, above trust, and above the long-term health of an organisation. The risk is that it can lead to actions driven by profit, at the expense of the individual, and that's a dangerous path to walk.

Utilisation, on the other hand, sounds a bit more benign. We all want to use our resources effectively, don't we? But the problem is that the language we use can shape the mindset we adopt. When we talk about utilising data, it's easy to forget that we're dealing with people's lives, their identities, their behaviours — data is, after all, a reflection of who we are. And when the approach is one of mere "utilisation," it can all too easily lead to thinking of that data as a commodity, to be processed and used with little regard for the consequences.

Now, I'm not saying that businesses shouldn't make use of the data they collect. Far from it. As a consultant, I work with companies every day, helping them navigate the labyrinth of data protection regulations and encouraging them to leverage data in ways that benefit both the organisation and the individuals whose information they hold. But here's the thing: it's not just about "using" the data — it's about doing so in a responsible, ethical, and transparent manner. That's the key distinction, and it's where so many get it wrong.

As consultants, we have a responsibility to steer organisations away from this exploitative mindset and towards one of more thoughtful, sustainable utilisation. Data should never be viewed solely as a tool for extracting profit; it's a powerful resource that, when managed properly, can drive innovation, create personalised experiences, and enable organisations to truly understand the people they serve. But in order to get to that place, you need a clear understanding of governance.

And that's where things get tricky. Utilisation without governance is like sailing a ship without a rudder. It's easy to get off course, and before you know it, you're in murky waters, dealing with compliance issues, breaches of trust, or worse. Governance isn't just about ticking boxes for regulatory compliance; it's about building a culture of responsibility from the top down. It's about creating systems, processes, and controls that ensure data is handled properly — at every stage of its lifecycle. That means giving individuals the control over their own information, making sure their consent is obtained, and most importantly, ensuring that their data is used only for the purposes they've agreed to.

When I consult for a company, the first thing I do is look at how they approach governance. Do they have clear policies and procedures in place? Are these communicated effectively to all stakeholders, from the boardroom to the operational teams? Are they constantly reviewing and updating these policies to stay ahead of new regulations and threats? The effectiveness of governance in any data-driven initiative determines how far you can push the envelope in terms of utilisation without crossing into exploitation.

This is why it's critical to shift the conversation away from exploitation and towards responsible utilisation. Yes, businesses can benefit from data, but it's imperative that they do so in ways that align with ethical principles and legal requirements. When the framework is built on strong governance, that's when data can truly be leveraged for good. When the board is aligned on this ethos, when data handlers understand their responsibilities, and when the people whose data is being used can trust that their rights are being respected, then you have something worth building on.

I've seen it too many times where organisations fail to prioritise this balance, driven more by the need to push the boundaries of data use rather than considering the deeper, long-term consequences. It's a slippery slope, and once you start down it, it's hard to reverse course without significant damage to your reputation and trustworthiness.

In the end, it's not about exploitation or utilisation — it's about stewardship. We are stewards of the data people have entrusted us with, and that stewardship requires discipline, responsibility, and, above all, respect. Without that, all the data in the world won't matter in the long run.

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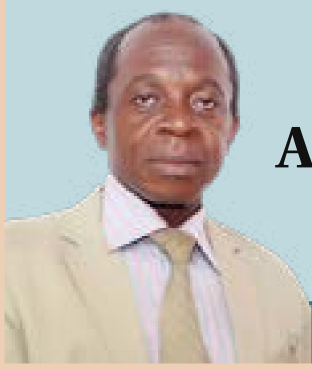

Africa & Global Observatory

OLUKAYODE OYELEYE

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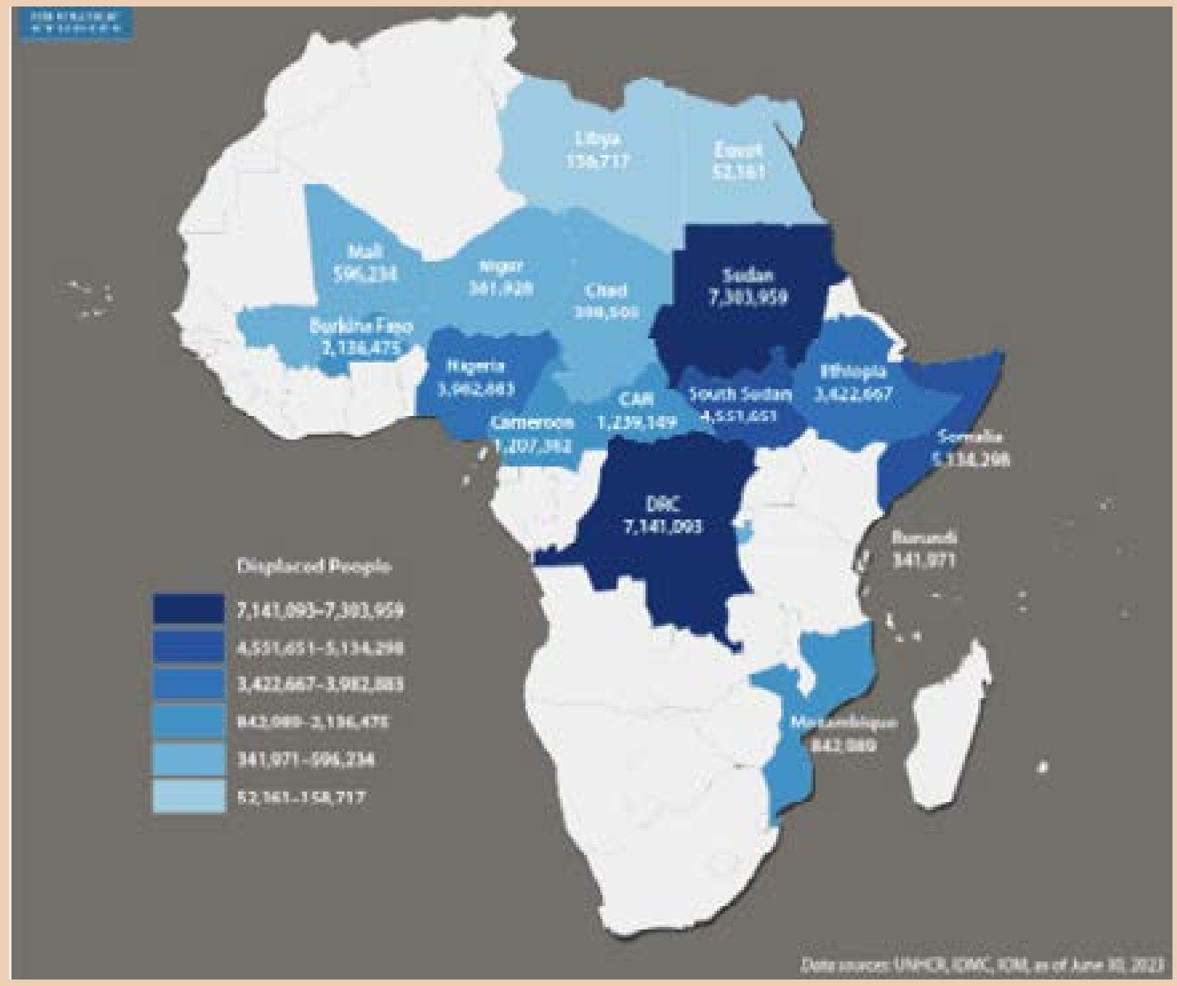
When will African leaders stop banditry, end insecurity?



PARALLEL GOVERNMENTS are commonplace nowadays in Africa. Last week, an unsuccessful assault against the government of Mahamat Déby was carried out in N'djaména, capital of Chad. The attack was reportedly aimed at removing Mahamat from power. The attackers were said to be bandits who were so daring as to attack the presidential palace. Ibrahim Traoré, military leader of Burkina Faso, has survived many attempts to overthrow his government. The regional insecurity crisis is not limited to these two countries. It finds expression in all of Africa, putting regimes and citizens in jeopardy.

The covert and overt flow of weapons across borders in the continent is worrisome. This alone has created scores of armed bandits and insurgents harassing people, kidnapping and killing thousands of people within countries. Their mastery of the geospatial landmarks is alarming. Their use of the triborder area between Mali, Niger and Burkina Faso, for example, has become a safe haven for murderous armed groups pestering and killing helpless people near the borders of the three countries. They seek refuge and protection as they quickly and very easily slip across borders after committing atrocities in any of the three contiguous countries. Mozambique has suffered untold hardships as armed Islamic terrorists have been troubling the northern part since 2017. In so doing, they have complicated the country's situation, impacting so negatively and significantly on the economy and security of a country that is yet far from recovering from the deadline cyclones that are becoming annual occurrences in Mozambique since Cyclones Idai and Kenneth.

Whatever peace, tranquility or security African countries may be laying claims to at present could at best be described as veneered. Undercurrents are unsettling. While many African governments outwardly affirm control over their internal territorial security, it remains to be seen if these translate to security in reality. Mineral-rich countries are particularly vulnerable, especially where extraction activities involve large numbers of artisanal operators. Among the many examples cited by those who posit that external influence of the Western countries have much to do with the periodic and sometimes sustained armed attacks is the Ambazonian war in Southwestern Cameroon. This has been attributed to France, allegedly based on its interest in the petroleum discovery in that region. In other words, France may not find it easy in that anglophone region of Cameroon if the area remains peaceful.

Meanwhile, the mineral-rich Eastern region of the DR Congo has been constantly in turmoil for a while now and the crisis does not seem ready to go away anytime soon. Eritrea has not known total peace for a long while. After a truce with Ethiopia, following the settling of their simmering border conflict, young Eritreans have been resisting the often indefinite mandatory national military service. Many were recruited to fight in support of Ethiopia against Tigray People Liberation Force (TPLF) in the two year civil war between TPLF and Ethiopian government from November 2020 and November 2022. To escape the forceful draft, many young men often migrate without their family's approval, although families are aware that the country cannot offer their children a future.

Ethiopia too may have unwittingly created an avenue for long standing insecurity by the war it fought and failed to win in 2020 to 2022. A general trend now seems apparent in Africa, one in which young and energetic men earlier enlisted, used in civil wars and disbanded end up becoming tools in the hands of perpetrators of insecurity as many of them retain the ammunition in their hands after the crises that required their services are over, either completely or partly. For want of productive activities, these young men turn their arms against the unarmed populace as they terrorise the people and extort them. Prominent examples abound in Somalia where power vacuum has made the spread and perpetuation of armed terrorists easy.

> *While many African governments outwardly affirm control over their internal territorial security, it remains to be seen if these translate to security in reality*

A lot of arms and ammunition usually get into the hands of wrong actors, thus complicating the problem of tracking and catching illegitimate keepers and users. Many heads of government equip rag-tag groups with subtle or sometimes direct support while pursuing parochial goals. What became the Rapid Support Forces (RSF) in Sudan today sprang up from an armed group initially known as the Janjaweed. To give it legitimacy, Omar al-Bashir, the maximum ruler, christened it RSF and appointed leaders who have subsequently driven it to becoming a paramilitary rival to the country's main military forces. We are aware that the official recognition given to RSF has led to the war currently ravaging Sudan, with no end in plain sight.

By the time the dust settles over the crisis in eastern DR Congo, a lot of arms would have been smuggled and sequestered away into private hands. In essence, the war could continue by any other means as over 10 separate armed groups reportedly operate within the troubled area, with M23 being about the most brutal of them. The spillover effects to Burundi, Rwanda and Uganda could be enormous.

Crisis in the Sahel has brought three countries together on common grounds. Their recently formed Alliance of Sahel States (ASS) or AES in French, seems likely to endure. The alliance formed by Mali, Burkina Faso and Niger rests largely on regional security. Economic issues could begin to feature with time. But the recent decision of Chad to jettison its military pact with France could very well signal Chad's shift westwards. In a matter of time, Chad could join the ASS (AES). The anticipated strength in unity could give Chad a strong shoulder to lean on if it joins the Sahel alliance. But the challenge of fighting off bandits and insurgents remains enormous, especially for countries bordered by many neighbours.

Northern Nigeria and northern Cameroon share part of the burden of insecurity. Escapees from Niger and Chad encounter little or no resistance while invading Nigeria. Their operations in Nigeria are even mind boggling. It seems like privileged people in power have found a cash cow in the security budget and seem keen on keeping the status quo. The bewildered look on the face of Nigeria's Senate president, Godswill Akpabio on the need for legislative oversight functions tells a story. It is one of those making fortunes out of the misfortune of insecurity. The Senate president, asking for a voice vote in support of coherence in the alignments of the armed forces budgets, found to his dismay that the naysayers sounded higher, meaning that they do not want the armed forces' accounts scrutinised by the national assembly.

Without deliberate, determined, focused and well articulated policy on bandits, well received and agreed upon as transborder policy, the crisis may even fester rather than getting arrested. Because a lot of banditry and insurgencies take place in rural and suburban areas, the rural and suburban livelihoods and economies could be permanently jeopardised. More and more people will abandon rural settlements and the rural areas will continue to diminish in relevance, offering the bandits more incentives to assemble, regroup and launch deadly attacks. These pose more and more risks for governments and ordinary people in various parts of Africa. The onus is therefore on people to demand responsibility, commitment and determination from the official authorities, to improve the security architecture of their countries and share intelligence information with neighbouring countries for common good. No country can afford to operate in isolation. ECOWAS, the way it is now, has to recognise the AES and work with it on common security issues. It is upsetting that the problem is growing rather than abating. It is not good for the external image of Africa. Something urgent needs to be done to curb the bandits and their cohorts.

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