NEWS

Access Holdings tops asset quality

ACCESS HOLDINGS PLC HAS cemented its position as Nigeria's leading Tier 1 bank in terms of asset quality, recording the lowest Non-Performing Loan Ratio (NPLR) at 2.76 per cent. This commendation comes from Proshare's recently released 2025 Tier 1 Banking Report, "The Class of 2025: Getting...

Page 2

FINANCE & INVESTMENT

Nigerian banks face N840bn loss over CRR

NIGERIA'S BANKING sector has incurred N840.2 billion in lost income during 2024 alone, a direct consequence of the Central Bank of Nigeria's (CBN) 50 per cent Cash Reserve Ratio (CRR). This figure, revealed in a new research note from Renaissance Capital, surpasses...

Page 13

COMMENT

Hopeful moment in Nigeria's democracy

JUNE 12, 1993, STANDS AS a monumental date in Nigeria's history, symbolising the nation's unyielding pursuit of democracy. On this day, Nigerians participated in what is widely regarded as the country's freest and fairest presidential election, electing Moshood Kashi-

Page 10

Nigeria's Financial & Business Newspaper

Monday, June 23 - Sunday, June 29, 2025 www.businessamlive.com

business a.m.

TOWARDS MORE EFFICIENT MARKETS

Wilmar, Singapore agribusiness group, acquires PZ Cussons' 50% stake in PZ Wilmar JV for $70m

Ben Eguzozie

WILMAR INTERNATIONAL Ltd, Singapore-headquartered agribusiness giant, is acquiring the 50 per cent equity stake in PZ Wilmar Ltd (PZ Wilmar) held by PZ Cussons Plc, for US$70 million about N108.46 billion. With the completion of the transaction, Wilmar will hold 100 per cent of the equity in PZ Wilmar.

PZ Wilmar was formed in 2010 through a joint venture between PZ Cussons plc (UK) and Wilmar. Today, it is one of the largest sustainable palm oil businesses in Nigeria. PZ Wilmar's edible cooking oils, sold under the brand names Mamador and Devon King's, are market leaders in Nigeria.

The joint venture also owns minority stakes in two palm oil plantations in Cross River, Nigeria, which are majority owned by Wilmar. Wilmar, a company listed on the Singapore Exchange, is acquiring the 50 per cent stake from PZ Cussons Plc, a company listed on the London Stock Exchange.

PZ Cussons Nigeria Plc, a subsidiary of PZ Cussons Plc, is not a shareholder of PZ Wilmar and its operations are unaffected. Following completion of the transaction, PZ Wilmar's name will be changed. The new name will be issued in due course, according to the company. The transaction between the two existing joint venture partners of PZ Wilmar establishes a strong basis for continuity and a smooth transition of ownership, with no substantive impact expected on people or operations. Completion, which remains conditional on a number of relevant approvals, is expected to take place in the last quarter of calendar 2025.

Kuok Khoon Hong, Wilmar chairman & CEO, said the transaction is an offshoot of cooperation with PZ Cussons in 2010, which he said, has contributed to its success and leading market position in Nigeria.

"Wilmar is acquiring PZ 4

Nigeria's per capita GDP in free fall as population boom outpaces productivity

IGR Initiative profers solution to dwindling fortunes

Onome Amuge

NIGERIA, AFRICA'S MOST populous nation, is facing a deepening economic crisis, with its per capita GDP in a concerning decline, sparking national debate and raising worries over the living standards of its rapidly expanding populace. Akinwumi Adesina, the outgoing president of the African Development Bank (AfDB), recently stressed this reality, highlighting a trajectory that has seen individual wealth eroded despite decades of oil production.

An analysis by economic expert Tunde Olatunji reveals a volatile path for Nigeria's per capita income which stood at $93 in 1960 to a peak of $3,088 in 2014,and has now plunged to an estimated $1,597 in 2024. This downturn occurs as the nation's population has 4

L-R: Labas Bamba, CEO, United Capital Asset Management West Africa; Chika Mordi, chairman, United Capital Plc; Tony Elumelu, group chairman, Heirs Holdings; Peter Ashade, group CEO, United Capital Plc; Ejikeme Okoli, director, Africa Operations, United Capital Plc, at the launch of United Capital Asset Management West Africa Limited recently.

TRAVELLER & HOSPITALITY

AfroFlavour showcases S/A

AFROFLAVOUR, A PIONEERING pan-African organisation dedicated to promoting African gastronomy on a global stage, at the weekend debuted its flagship event in Lagos, themed "Flavours of Africa: A Taste of South...

Page 21

TECHNOLOGY & INNOVATION

Lagos mulls innovation bill

THE LAGOS STATE GOVERNMENT is intensifying efforts to institutionalise innovation governance through continuous...

Page 29

COMMODITIES & AGRICULTURE

Agritourism as economic lifeline

IN A GLOBAL ECONOMY increasingly defined by experiential travel and the pursuit of authentic connection, a quiet revolution is taking root in the agricultural heartlands...

Page 22

PROJECT SYNDICATE

Work Is Not Well-Being

WASHINGTON, DC – My first job was in a cybercafé. I was in medical school in Nigeria, my home country, but school was not in session, as our professors were striking for higher pay. So, I secured a full-time position providing customer support to the dozens of people hunched over desktop computers. My compensation...

Page 11

EXECUTIVE KNOWLEDGE SERIES

How to Get Workplace Kindness Right

KINDNESS COULD BE more than about doing nice things for others or making people happy.

Gone are the days when ruthlessness was synonymous with doing business. Today, kindness is extolled by many as an important virtue to bring into the workplace. Researchers have highlighted its potential...

Page 15

For subscription call: 07039371360

N250

No 394

Access Holdings tops asset quality list in Proshare 2025 Tier-1 rankings

Onome Amuge

ACCESS HOLDINGS PLC HAS cemented its position as Nigeria's leading Tier 1 bank in terms of asset quality, recording the lowest Non-Performing Loan Ratio (NPLR) at 2.76 per cent. This commendation comes from Proshare's recently released 2025 Tier 1 Banking Report, "The Class of 2025: Getting Bigger, Bolder, and Dominant."

The report, a comprehensive analysis of Nigeria's top financial institutions, places Access Holdings as the second-ranked bank in the overall Tier 1 category with a 91st percentile score. It trailed only Ecobank Transnational Incorporated (ETI), which secured the top spot with a perfect 100th percentile. Access Holdings' strong performance positioned it ahead of key rivals, including FirstHoldco (82nd percentile), Zenith Bank (73rd percentile), UBA (64th percentile), and GTCO (55th percentile).

Access Holdings' NPLR of 2.76 per cent notably outperforms its peers, including Zenith Bank (3.54%), GTCO (4.07%), UBA (3.80%), ETI (6.25%), and FirstHoldco (6.70%). This metric solidifies its standing at the vanguard of asset quality management among Nigeria's leading banks, reinforcing its reputation for operational discipline even amidst volatile market conditions.

L-R: Yusuf Binji, managing director/CEO, BUA Cement Plc; Odigwe Chinwe, I.C.O. Odigwe & Son Nigeria Ltd; Ndubuisi Odigwe, chief executive officer, I.C.O. Odigwe & Sons Nigeria Ltd - second Best Customer Award winner; Chinedu Ezenyili, chief executive officer, Chinedu & Sons Nigeria Ltd - Best Distributor of BUA Cement; Ezenyili N. Martha, director, Chinedu & Sons Nigeria Ltd; and Abdul Samad Rabiu, chairman, board of directors, BUA Cement Plc, during the BUA Cement Night of Dinner & 2024 Awards held in Lagos recently.

Bolaji Agbede, acting group chief executive officer of Access Holdings PLC, remarked on the broader significance of the ranking. "This is more than just a measure of our financial health; it reflects the strength of our governance, the quality of our decision-making, and our focus on long-term value creation. It is a testament to the discipline of our people and the effectiveness of our pan-African strategy," Agbede stated.

She further emphasised the Group's philosophy, stating "At Access Holdings, we believe that sustainable success lies in balancing growth with resilience. We will continue to execute with precision, build with purpose, and innovate with integrity as we expand our presence across Africa and beyond."

The 2025 Proshare Bank Strength Index (PBSI) introduces a recalibrated framework designed to reflect the evolving landscape shaped by Nigeria's ongoing recapitalisation exercise. This edition expands beyond traditional financial metrics, incorporating broader determinants such as capital adequacy and scale, asset quality and sustainable growth, digital transformation, earnings diversification, and governance quality.

Olufemi Awoyemi, Chairman of Proshare, at the report's launch, described the analysis as a crucial insight into Nigeria's financial services industry's shifting dynamics. He commended Access Holdings as a strong, adaptive institution whose strong capital base, successful fundraising, and continental expansion efforts show a group that is not only growing but evolving.

Awoyemi also provided context for ETI's top ranking, noting its unique pan-African structure and comparatively limited regulatory exposure within Nigeria, distinguishing it from locally regulated groups like Access Holdings that must meet the ₦500 billion recapitalisation threshold.

The report concludes that "The Class of 2025," comprising Access Holdings, Zenith, UBA, FirstHoldco, GTCO, and ETI, collectively dominates the banking landscape in capital strength, asset size, loan portfolios, and governance. However, Access Holdings is singled out for its distinct combination of low risk, high growth, and strategic foresight, positioning it not merely as a numerical leader but as a pivotal force in shaping the future of African banking.

UK affirms duty-free access for 99% of Nigerian exports amid global trade tensions

Onome Amuge

THE UNITED KINGDOM has reconfirmed that Nigeria will continue to benefit from duty-free access for 99 per cent of its total goods exported to the UK market under the Developing Countries Trading Scheme (DCTS). This commitment comes as global trade tensions persist, underscoring the UK's strategy to boost economic ties with developing nations.

Launched in June 2023, the DCTS is designed to support growing economies like Nigeria by reducing tariffs on thousands of products and simplifying export rules for businesses. The scheme also aims to lower import costs for UK businesses, offering British consumers a broader range of affordable goods.

Under the DCTS, Nigeria, alongside 36 other African countries, gains duty-free or reduced-tariff access for over 3,000 products to the UK. This initiative is intended to enhance growth and strengthen the global competitiveness of Nigerian enterprises. Key agricultural exports such as cocoa, yam, tomatoes, plantain, shrimp, and other produce are covered by the scheme. The DCTS also extends to processed and value-added products, including

cocoa paste, cocoa butter, sesame and palm oil, cashew nuts, and cotton clothing, encouraging Nigeria to move beyond raw material exports.

Richard Montgomery, British High Commissioner to Nigeria, reiterated the UK's long-term ambition to deepen trade relations and promote economic growth for both nations. "As one of the UK's most important partners in Africa, Nigeria stands at the heart of the UK's global trade ambitions. We want to strengthen the trade ties between our two great nations and unlock the power of sustainable and transformative growth in Nigeria and across emerging economies," Montgomery stated.

Montgomery further highlighted the tangible benefits of the DCTS, noting, "A major advantage of the UK's developing countries trading scheme is the reduction or complete elimination of duty-tariffs on everyday goods such as cashew nuts, cocoa, cotton, plantain, tomatoes, prawns, and sesame. This isn't just about improved access into the UK market, it's about building a fairer, freer global trading system that supports economic growth and job creation, both in developing countries and in the UK."

The High Commissioner affirmed ongoing collaboration through the UK-Nigeria Enhanced Trade and Investment Partnership (ETIP), working with Nigeria's Federal Ministry of Industry, Trade and Investment (FMITI) to address export challenges and ensure Nigerian businesses fully leverage the DCTS for increased trade growth.

May FAAC allocation falls to N1.65trn despite N100bn VAT boost

Onome Amuge

NIGERIA'S FEDERATION ACCOUNT Allocation Committee (FAAC) disbursed N1.65 trillion to the three tiers of government in May 2025, marking a N30 billion decline from the N1.68 trillion shared in April. This reduction occurred despite a notable increase in Value Added Tax (VAT) collections during the month, attributed to persistent fiscal pressures.

According to a communiqué issued by the Ministry of Finance following the June 2025 FAAC meeting, chaired by Wale Edun, minister of finance and coordinating minister of the economy, the total gross revenue for May stood at N2.94 trillion. Of this, the committee approved N1.65 trillion for distribution after accounting for statutory deductions and other obligations.

The May allocation comprised N863.89 billion from statutory revenue, N691.71 billion from VAT, N27.66 billion from the Electronic Money Transfer Levy, and N76.61 billion from exchange rate differences. However, the N100.56 billion increase in VAT to N691.71 billion, up from April's N642.26 billion, was insufficient to offset declines in other revenue streams and rising deductions for interventions, refunds, and collection costs.

Of the total distributable pool, the federal government received N538.51 billion. State governments collectively received N577.84 billion, while local governments were allocated N419.96 billion. In addition, oil-producing states secured N124.07 billion as derivation revenue, representing 13 per cent of mineral income as stipulated by Section 162(2) of the Constitution. Collection costs for the month amounted to N111.90 billion, with N1.17 trillion reserved for transfers, refunds, and other statutory interventions.

Gross VAT revenue rose to N742.82 billion in May from N642.26 billion in April. After deductions totalling N51.1 billion for collection and transfer obligations, N691.71 billion was ultimately shared. From this net VAT allocation, the federal government received N103.75 billion, states N345.85 billion, and local governments N242.10 billion. The increase in VAT was attributed to improved compliance and an expansion of taxable activities across key sectors.

Gross statutory revenue marginally increased by N10.02 billion from April, reaching N2.09 trillion in May. After deductions of N81.04 billion for collection costs and N1.149 trillion for statutory transfers and interventions, N863.89 billion remained for distribution. The federal government received N393.51 billion from this pool, states N199.59 billion, and local governments N153.88 billion. Oil-producing states received an additional N116.89 billion from statutory derivation.

The Electronic Money Transfer Levy generated N28.82 billion, of which N27.66 billion was shared, with the federal government receiving N4.15 billion, states N13.83 billion, and local governments N9.68 billion. Exchange rate gains contributed N76.61 billion, distributed as follows: N36.57 billion to the federal government, N18.55 billion to states, N14.30 billion to local governments, and N7.17 billion to oil-producing states under the derivation formula.

Nigeria ranks third in Africa's $1bn startup investment drive

Onome Amuge

NIGERIAN START-UPS HAVE secured the third-highest volume of funding across the African continent in the first five months of 2025, according to the latest data from "Africa: The Big Deal," a platform dedicated to tracking start-up investment.

According to the report, the continent's start-up ecosystem has demonstrated a strong performance, attracting over $1 billion in funding by the end of May. This figure represents an uptick compared to the same period in 2024, which saw approximately $750 million in investment. Encouragingly, African start-ups have collectively raised $2.5 billion over the past 12 months (June 2024-May 2025), marking the highest 12-month total since early last year. A geographical breakdown of the funding reveals that Egyptian start-ups led the pack, drawing over $332 million (31% of the total). South Africa followed with over $273 million (26%), with Nigeria securing over $162 million (15%) and Kenya attracting over $132 million (12%). The report indicated that in line with previous periods, 84 per cent of the funding has therefore been going to the Big Four," with some level of activity (at least one $100k+ deal) recorded in 20 markets.

Resolution of Rivers political spat will open up state's $28.4bn economy – tech expert

Ben Eguzozie & Kelechi Esogwa-Amadi, in Port Harcourt

A CAREFUL HANDLING OF AND employing restraint in the current Rivers political spat between ousted Governor Siminalayi Fubara and his godfather Nyesom Wike, minister of Federal Capital Territory Abuja, which led to emergency rule, will open up the $28.4bn economy of the oil-rich state, Wiseben Kristopher, the coordinator of Nigeria Technological Takeoff (NTT), has advised.

The NTT coordinator said in Port Harcourt that what the state's economy requires at this time, is peace and reconciliation of political differences among the gladiators to enable sub-national's $28.4 billion GDP begin an upward move again.

Rivers State has been enmeshed in political crisis caused by spat between Governor Fubara and the minister of the FCT, Wike. An attempt by 27 members of the state house of assembly led by Martin Amaewhule, who are loyal to Wike, to impeach Fubara deepened the crisis, culminating in the emergency rule, suspending Fubara and his deputy, Ngozi Odu, and subsequent appointment by President Bola Tinubu of a military administrator, Ibok Ete-Ibas, to oversee the affairs of the state. The outcome of all this is the freezing of most growth enablers in the state. Economic growth by all indices has been few or non-existent in the state since August 2023, as unsettling socio-political environment has scared away investors. Even the state's 2025 budget of N800 billion presented by Fubara was disapproved by the Supreme Court in February. Till date, politics rather than policies have taken the centrestage, with almost dictatorial fiat.

Kristopher, a tech expert, said a peaceful resolution of the Rivers political crisis hinged on mutual understanding would deepen Wike and Fubara's relationship, and also serve the larger interest of the state's economy and the people.

Economists at the South-South chapter of the Institute of Chartered Economists of Nigeria (ICEN) had earlier predicted that Rivers economy will require N300 billion sustained IGR outside the budget, to begin growth process. For Kristopher, whose NTT aims to create 120 million jobs in Nigeria through strategic planning, investment promotion and stakeholder synergies, believes that the Rivers political crisis has severely harmed the economy. And it was time issues are settled amicably. "Settlement of this political spat should be one that will ensure that both camps benefit without anyone losing out — a reference to a no victor, no vanquished agreement that protects the grander interest of the state. The state years for jobs to be created for millions of youths. We at NTT are committed to strategically creating millions of jobs," he said.

Wiseben explained that such a peaceful political resolution would further bridge the divides, and create a pleasant environment to engender development and prosperity. "These principles, tagged 'Terms for True Settlement', are intended to pacify all the political actors and stakeholders embroiled in the discord," he said.

An entrepreneurial technocrat, Wiseben also wants the withdrawal of all legal actions by the gladiators and their cronies and embrace peace. This, he said, will enable entrepreneurs to find an enabling investment atmosphere to play.

Nigeria's per capita...

Continued from Page 1

exploded from 45 million in 1960 to around 227 million today, fundamentally altering the economic landscape for the average Nigerian.

The drivers behind this concerning trend are multifaceted according to analysts including oil dependence, weak industrial base, policy instability, demographic pressure, government failures, amongst others.

Reports have also shown that the sharp contrast with South Korea serves as a powerful cautionary tale. In 1960, both nations were economically comparable, with South Korea's GDP per capita at $158 to Nigeria's $93. By 2025, South Korea's per capita GDP is projected to exceed $34,000, while Nigeria's languishes below $2,000.

South Korea's ascent is rooted in a strategic shift towards industrialisation, a world-class education system, and relentless innovation, making it a global leader in electronics, vehicles, and biotechnology, a stark departure from Nigeria's continued reliance on crude oil and agriculture.

Experts point to productivity, industry & Subnational IGR amongst the critical missing links. They also argue that informal economy and high underemployment rates severely impact value added per worker. However, it is believed that developing the nation's oil and gas value chain, exemplified by projects like the Dangote Refinery, could create significant domestic wealth.

Thus, experts assert that Nigeria's challenge now is to pivot from mere resource extraction to value addition, decentralise economic power, and foster an environment where its growing population becomes a productive asset rather than an economic burden.

Against this backdrop, a recent webinar hosted by the IGR Initiative, a platform dedicated to improving Nigeria's internal revenue generation processes, highlighted the systemic flaws inhibiting the nation's economic potential.

During the webinar, titled "Unlocking Prosperity: Boosting GDP per Capita through Robust State and Local Revenue Growth," economic and financial expert Tunde Olatunji presented a sobering analysis of Nigeria's economic trajectory.

President Tinubu

Mr. Wale Edun, Nigeria's finance minister

Dr. Akinwunmi Adesina, outgoing president of AFDB

Muhammad Maigari Dingyadi, Nigeria's labour & employment minister

Olatunji argued that a fundamental misconfiguration of economic power and incentives lies at the heart of the problem. This is as states and local governments, heavily reliant on allocations from the federal centre, possess little incentive to drive productivity and value creation.

"By the time the state goes down to local government, they pay salaries, take homes, whatever little is left for investment," Olatunji remarked, critiquing a system where subnationals merely exist to cover recurrent expenditure rather than enhance economic growth. He further added, "If you have a leader who believes that at the end of every 30 days is going to have money from Abuja, whether or not, all he needs to do is compare with what's coming from Abuja. With that we have killed incentives.,"he stated, describing a system that lacks the incentives for local economic growth

The expert pointed to the extensive centralisation of economic levers as a major impediment. He questioned the federal government's role in managing local infrastructure, citing, "What's the business of the federal government with having responsibility for roads in some villages and localities? There is no way [humanly] speaking that it can effectively [bear] this type of responsibility." This overreach, he argued, prevents local governments from being held accountable for issues that should rightly fall within their purview.

Olatunji provided an anecdote of a Nigerian state with gold deposits valued in billions of US dollars that, at one point, struggled to pay salaries due to challenges with federal allocations. This occurred even as foreign entities exploited these very resources under federal licenses, often causing environmental damage.

Wilmar, Singaporean...

Continued from Page 1

Cussons Plc's 50 per cent stake in PZ Wilmar as we are bullish on the longterm potential of Nigeria's palm oil sector, given its large and growing population and suitability for palm cultivation.

The Nigerian market's strong demographics, with more than 200 million consumers, offers a significant opportunity for growth in food and nutrition. It is Wilmar's intention to continue developing the upstream palm plantation and downstream businesses in Nigeria," Hong said.

"As a global industry leader, Wilmar is well positioned to invest and realise these opportunities following the completion of the transaction. However, we recognise the importance of having strong local partnerships in the markets where we operate; and will be looking for a suitable local partner for the business," he added.

Jonathan Myers, CEO of PZ Cussons Plc said: "Our joint venture with Wilmar in Nigeria has been a long-term and rewarding partnership for us both," explaining that the Wilmar leadership and PZW employees have contributed to post great results over the years. "PZ Wilmar is in the best possible hands to build further on its market leading position, while PZ Cussons continues to invest in and grow its core business," Myers said.

PZ Cussons, founded in 1884, is a listed consumer goods business headquartered in Manchester, UK. It employs fewer than 2,500 people across operations in Europe, North America, Asia-Pacific and Africa. Wilmar International Limited, founded in 1991 and headquartered in Singapore, is today Asia's leading agribusiness group.

It is ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange. At the core of Wilmar's strategy is an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from origination, to processing, branding, merchandising and distribution of a wide range of edible food and industrial products. The Group's business activities include oil palm cultivation, oilseed crushing, edible oils refining, flour and rice milling, sugar milling and refining, manufacturing of consumer products, ready-to-eat meals, central kitchen products, specialty fats, oleochemicals, biodiesel and fertilisers as well as food park operations. It has over 1,000 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries and regions. It has a multinational workforce of about 100,000 people.

Dangote Refinery turns to US crude over domestic shortage

Onome Amuge

THE DANGOTE REFINERY, a cornerstone of Nigeria's industrial ambitions in the oil sector, has increasingly relied on crude oil imports from the United States in recent months due to a shortage of domestic supply, according to Aliko Dangote, president of the Dangote Group.

Dangote made the remarks during a tour of the facility by the technical committee of the One-Stop Shop (OSS) for the sale of crude and refined products in Naira. While highlighting the operational challenge posed by insufficient local crude, he lauded the OSS committee for its role in supporting President Bola Tinubu's "Naira-for-Crude" initiative.

The industrialist commended the positive impact of the naira-for-crude swap deal on the Nigerian economy, noting that it has contributed to a reduction in petroleum product prices, eased pressure on the US dollar, and enhanced the stability of the local currency.

"Due to a shortage of domestic crude oil, the refinery has increasingly relied on imports from the United States to meet its needs in recent months," Dangote said. He emphasised the importance of bold investment in strategic sectors for industrialisation, pointing out that building the $20 billion refinery necessitated extensive infrastructure development, including a world-class marine facility capable of accommodating the largest vessels globally. He reaffirmed the refinery's commitment to national development.

Designed to process a diverse range of crude types, including African, Middle Eastern, and US Light Tight Oil, the Dangote Petroleum Refinery & Petrochemicals facility possesses the capacity to meet 100 per cent of Nigeria's domestic demand for petrol, diesel, kerosene, and aviation jet fuel, with a notable surplus available for export.

The OSS Technical Committee, led by Coordinator. Maureen Ogbonna, described the refinery as a symbol of industrial revolution, driving Nigeria's economic emancipation. During her tour, Ogbonna hailed the refinery as a breath of fresh air, impacting virtually every sector of the economy.

"This refinery touches all our lives. There's scarcely any sector unaffected. From pharmaceuticals to construction, food to plastics, this project is transformational. God has used the President of the Dangote Group to liberate Nigeria. I see this as the beginning of an industrial revolution," she asserted.

Ogbonna noted that, in alignment with President Tinubu's vision for Nigeria to achieve full domestic petroleum product sufficiency and become a major global exporter, the committee is dedicated to eliminating regulatory, operational, and logistical barriers hindering the smooth supply and sale of domestic crude oil and refined products in naira.

Reflecting on the scale and sophistication of the facility, Ogbonna expressed continued awe at its execution, recalling her previous visits during construction and with the Nigerian Ports Authority leadership. "It is truly mind-blowing that one man could envision and execute such a project. As we toured the refinery, we thought we had seen everything until we reached the laboratory. That lab alone is an institution. I don't know of any institution in Nigeria or even globally that boasts such a laboratory for petrochemical," she stated.

Ogbonna applauded the engineering feat and urged Dangote to remain resolute despite detractors, emphasising the project's global significance over any personal enterprise. "My advice to him is: do not be discouraged by critics. He was never self-centred. Despite the obstacles, he was driven by a vision for Nigeria's future, reaching far beyond Africa," she noted.

Governed by silence

The Southeast's crisis of fear, power, and paralysis

JOHN ONYEUKWU

John Onyeukwu, a legal practitioner, policy analyst, and author, is an expert in governance, public accountability, and institutional reform with over 25 years in these areas. A former national coordinator, Transition Monitoring Group (TMG) and Concerned Professionals, he holds a mini-Master of Business Administration, masters in public policy from Central European University, Hungary; public administration and public policy from University of York, UK; in law from University of Lagos, Nigeria.

THERE ARE MOMENTS IN a nation's story when fear replaces freedom, and worse, becomes routine. In Nigeria's Southeast, that moment now defines every Monday. Abia, Anambra, Enugu, Ebonyi, and Imo, go quiet, not because of public holidays or democratic consensus, but under the shadow of terror. What began as a protest demanding the release of a detained separatist leader has morphed into a coercive ritual of sit-at-home decrees, enforced by faceless enforcers with guns, petrol bombs, and silence.

Tragically, this is not just a tale of insecurity; it is a story of *philosophical betrayal, political abdication, and economic decay.* And the longer it persists, the harder it becomes to separate inaction from complicity.

Philosophically, the legitimacy of any government lies in its ability to protect life and liberty. Political theorists like Hobbes and Locke long established that people accept the authority of the state in exchange for security, dignity, and order. When those conditions collapse, the state no longer governs by consent, but by neglect or coercion.

That is the bitter truth in the Southeast today: the Nigerian state no longer offers guarantees of protection on Mondays. Citizens avoid schools, hospitals, markets, and roads not because they agree with the sit-at-home orders, but because they fear being attacked, burned, or shot. The right to movement, a foundational pillar of human agency, is suspended weekly.

When the people adapt to fear as a way of life, the republic is wounded at its core. The normalisation of state absence in the face of criminality marks a deeper societal breakdown, where law no longer shapes behaviour, and silence becomes a form of survival.

On the political front, the failings are both local and national.

Southeast governors, armed with security votes, police commissioners, and constitutional mandates, have failed, utterly, to coordinate a meaningful and sustained response. Rather than act decisively, many have resorted to blame games, hushed condemnations, or in some troubling cases, turned a blind eye to rising violence. Allegations persist that some political actors are leveraging the chaos to settle scores, suppress dissent, or distract from governance failures.

Yet even more troubling is the silence from Abuja. Where are the urgent interventions from the Commander-in-Chief, the National Security Adviser, the IGP, or the Chief of Army Staff? When violence erupts in the North or kidnappers strike elsewhere, we see rapid deployments, presidential statements, and national outrage. In contrast, the Southeast suffers weekly paralysis, and the response from the federal government has been silence bordering on abandonment.

Worse still, credible voices have begun to accuse elements within federal security forces of enabling the crisis. Whether through willful inaction, selective intelligence, or darker collaboration, the suspicion grows that this instability is not merely tolerated, it is useful to some. If these accusations are unfounded, let them be disproved transparently. If not, then the nation is dealing with something more sinister than a security lapse, we are confronting state-enabled sabotage.

From an economic lens, the damage is profound and growing.

Every Monday, billions of naira are lost across cities and towns. Artisans cannot work. Traders cannot trade. Children fall behind in school. Patients miss critical treatment. Entrepreneurs suspend logistics. Families skip meals.

This is not just economic disruption, it is a self-inflicted recession. And yet, those who suffer most are not the ones with power. Governors continue to draw security votes. Federal lawmakers collect sitting allowances. Security chiefs remain on payroll. But the market woman with perishable goods, the bus driver grounded in fear, and the youth running a startup, these are the casualties of paralysis.

And what is most shocking? The silence of economic policymakers. From the Federal Ministry of Trade to the Central Bank, there has been no emergency economic plan, no regional relief, and no economic justice strategy to revive the Southeast. The impression given is that the region's suffering is acceptable collateral damage.

Who benefits from this economic decay? Who gains when a region known for its productivity and innovation becomes synonymous with instability and shutdowns? We must ask these hard questions, because someone, somewhere, profits when others are too afraid to speak.

The Southeast is not a warzone. It is not a separatist enclave. It is a vibrant region, rich in talent, history, and industry. It deserves protection and prosperity, not abandonment.

To the federal government, the time for silence has expired. This region is part of the republic. Your responsibility to its people is not optional. Act with clarity. Investigate the allegations. Deploy intelligence and justice, not just boots and bulletins. To the security chiefs, you are not above accountability. If you cannot restore order, explain why. If your institutions have been compromised, clean house.

To the Southeast governors, lead with courage or step aside. You cannot enjoy the perks of power while outsourcing the burdens of responsibility. And to the people, there is a need to reclaim Mondays. Not with violence, but with courage, civic pressure, and collective voice. Let this not be remembered as a generation that made peace with fear. The region is an important component of the republic, and must be governed by justice, not by silence. And that work begins now.

business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

Of CBN's information disclosure and efficient market hypothesis

SOLA ONI

Sola Oni, an integrated communications strategist, Chartered Stockbroker and Commodities Broker and Capital market registrar, is the Chief Executive Officer, Sofunix Investment and Communications. You can reach him at onisola2000@yahoo.com

THE NIGERIA EXCHANGE LIMITED (NGX) was literally thrown into a frenzy on Monday, June 16, 2025, when nervous investors embarked on massive dumping of shares of banks. It was a spontaneous reaction to the sweeping directive of the Central Bank of Nigeria (CBN), dated Friday, June 13, placing a temporary suspension on banks' dividend payment until 2028. The policy has also halted issuance of management bonuses and investment in off-shore subsidiaries.

The sudden regulatory policy was designed to curtail banks' abuse of forbearances and single obligor limit (SOL) by compelling them to make adequate provisions for significant lending risks. Although the apex bank issued the directive in good faith to boost retention of internally generated funds and bolster capital adequacy amongst others, little did it realise that the circular was price-sensitive information, also referred to as insider information. It is material and non-public information about a publicly quoted company that could significantly affect its share price if released.

As a backlash effect of the circular and shareholders' reaction, trading on the NGX succumbed to bearish run as market capitalisation dipped by N108 billion, largely driven by sporadic sell-offs in the banking sector. The NGX All-Share Index depreciated by 170.77 points or 0.15 percent to close at 115,258,77, as against 115,429.54 at the end of the trading on Friday, June 13. Consequently, the total market capitalisation declined from N72.82 trillion to N72.70 trillion, a loss of N121 billion, day-on-day. Expectedly, the market sustained the loss spree on Tuesday, June 17, as the All-Share Index nosedived by 348.61 points or 0.3 percent to close at 114,910.16, compared to the previous day's close. The market capitalisation also dropped from N72.7 trillion to N72.5 trillion, amounting to N183 billion loss. There are fears that the bearish trend would continue until the market begins its self-correction.

A report by Renaissance Capital shows that leading the pack of the banks that have developed hunchback of exposure to forbearances is Zenith International Bank while First HoldCo, Fidelity Bank, FCMB and Access Corporation. The loan books of GTCO and Stanbic IBTC are clean, indicating that the banks can pay dividend from their banking business. The freefall of share prices took a toll on the share prices of the banks with high exposures. In order to assuage their shareholders and depositors that they remain going concerns, many banks hurriedly issued statements on the status of their exposures, payment plan and assurances of ability to pay dividend.

Miffed by the mood of the market, chairman, Association of Securities Dealing Houses of Nigeria (ASHON), Sam Onukwue, in a statement, criticised the apex bank for announcing price-sensitive information, urging it to provide alternative information as a matter of urgency to calm frayed nerves. He expressed his members' concern that investor confidence in the bank was waning, especially now that some banks will still raise capital to comply with the deadline on the CBN-induced recapitalisation. But Onukwue assured investors that the market fundamentals remained strong, hence there should be no panic sale of bank shares. Other operators were under pressure to advise their clients that the CBN's announcement would not have adverse effects on banks' future performance.

However, as a damage control, CBN finally issued another circular, dated June 17, titled, "CBN Affirms Strength of Banking Sector, Issues Routine Transitional Guidance for Select Institutions", signed by Hakama Sidi Ali, the apex ban's acting assistant director of corporate communications. As a balm to hurt minds, the circular doused tension on the market and relative stability started to build up in the banking sector. This is the power of information.

The apex bank erred in reasoning and logic by issuing the first circular, which triggered downswings in the share prices of banks. Such price-sensitive information could have been communicated discreetly without throwing investors into panic mode. The stock market is primarily driven by three fundamental factors – a company's performance; demand and supply; and market hearsay. The CBN's initial mishandling of this corporate communication brings into fore the concept of Efficient Market Hypothesis (EMH).

The hypothesis is an investment theory which suggests that the prices of financial instruments reflect all available information. Although the assumptions of Efficient Market Hypothesis are similar to perfect markets and therefore unrealistic, information plays a key role in the pricing of securities. It is settled in Corporate Finance that government policies can significantly influence stock markets. Policy announcements can lead to volatility; hence it is crucial to know their implications. In the United States in 2008, the US Securities and Exchange Commission (SEC) banned short selling and this led to volatility in high cap stocks. In the United Kingdom, the announcement of Brexit referendum on June 23, 2016 plunged the FTSE 100 index on the London Stock Exchange.

There are lessons to learn from the CBN's abuse of corporate communication strategy. The lighting speed with which the initial circular jolted investors and the same manner that the latest circular reversed the situation shows how investors react to information. For the umpteenth time, I advocate that practicing stockbrokers should be appointed to serve on the CBN's Monetary Policy Committee (MPC) to advise on the implications of policy issues in the money market on the capital market. The capital market suffered untold hardship during Godwin Emefiele's inglorious tenure as CBN governor as monetary policies were in favour of the money market. Uncle Yemi Cardoso should reverse this stigma.

The apex bank should allow its corporate communications department to handle internal and external communication as could be seen in the difference between the acerbic circular and the bail-out one. The dust raised by the abuse of forbearance and single obligor limit in the banking sector will compel investors to shift attention from accounting profit to cash profit. It is no longer a matter of huge interest income in the financial statement but what comes in as cash from the interest income. Market regulators, operators and investors should subject banks to more scrutiny and avoid reliance on paper profit. The time is now.

business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

Still on actualising Nigeria's green economy initiatives (2)

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

GREEN INITIATIVES ON ECO-FRIENDLINESS regarding environmental protection and health security currently being pursued bothers on the factors of environmental, social, and governance (ESG) targeted solutions. These solutions are about the actual realizable actions that all stakeholders should take regularly; and they ought not to be ignored. The people in every society are expected to push for result oriented initiatives. Eco-friendly persons are, therefore, all stakeholders that must walk this talk through all known measures that could contribute towards the actualization of sustainable environmental safety. For green initiatives, they try to minimize waste and select products that leave a minimal impact on the environment. Such green solutions on energy consumption, for instance, utilise renewable energy products that are recyclable, energy materials that are biodegradable, or even reusable items that may have been thrown away (in other words, "use and throw-away" items need to have a different narrative where people inculcate the habit of reusable items in a most hygienically observed manner). Renewable energy products like solar energy, wind and hydro-power are not harmful to the environment because they are eco-friendly because their utility characteristics do not leave any form of residue on the environment (as man consumes them to do various kinds of works in the system).

Green actions are substantially safe and conservatively cost efficient, because of the fact that the concept of energy efficiency applies to all renewable energy products, by their nature of minimal energy dissipation or no loss of energy at all; while being consumed and transformed to other human needs in an economy. Green actions for economic gains involve eco-friendly habits and engaging everyone in the practice; advocacy by encouraging more people to join in being eco-friendly sensitive in all they do on a daily basis. For green homes, lights and all electronic devices should be turned off whenever they are not in use. Green actions include the choice of selecting environmentally friendly products, which includes the use of public transportation that operate on CNG powered commuter vehicles (that is preferring environmentally friendly means of transportation), at all times. The habit of being conscious of taking green actions ultimately revolves around energy savings for the purpose of reducing all possibilities of witnessing, experiencing or recording economic wastes in society because energy is essentially everything around human existence. ESG principles, therefore, should be a means for everybody to join and align to eco-friendly practices. Green actions in energy consumption favour renewable energy sources than energy sourced from fossil fuels that generate heavy pollution of the atmosphere/the environment, with carbon emissions. This initiative, if effectively applied and efficiently implemented, can provide a safe haven for every man and woman, for the realisation of sustainable and affordable living standards in modern smart homes. By extension, the realisation of man's environmental safety as socioeconomic activities are carried out in the economy.

In the case of Nigeria, to apply green actions include funding of renewable energy projects in her energy transition programme, which includes climate and ESG finance through the support of the United Nations. The global climate annual conference (Conference of Parties, COP) which is the United Nations Framework Convention on Climate Change (UNFCCC) that sits every year with specific focus on the climate (with COP being the main decision-making organ), has resolved at last year's COP (November 2024) in Baku, Azerbaijan, a new global goal target of $300 billion in annual support from developed countries to developing nations like Nigeria, by 2035. Such a resolution offers a window of opportunities for exploitation by this country; and we here urge her to redouble her efforts in the pursuit of her green programmes. The relevant arms of government and their respective supervising ministries need to come together to vigorously follow up on this low hanging fruit to build and develop infrastructure that support green actions in the economy.

Climate adaptation and its mitigation can not make significant headway and progress if the global green finance is not practically accessed and realised for the execution of critical green projects that are, of course, capital intensive. The expected mobilisation of over $1.3 trillion (from both public and private sectors) for ESG initiatives, as has been informed, should not be left by the government to slip off her sleeves, as it is an available financing opportunity for physical developments within this economy; most especially for the housing industry. This country must sit up in the pursuit of this particular project to avert further unfortunate incidence like the Mokwa flooding calamity that occurred recently in Niger State.

Nigeria deserves to constantly provide the best opportunities for her citizens to utilise and operate in, in the discharge of their civic duties (both in their private businesses and in public service. The real estate sector alone, if fortunate enough to access about $20 billion in green finance, such an economic sector alone shall drastically change the aesthetic face of this economy, through housing projects. This, the government ought to aggressively pursue, and help to support the efforts of the operators in real estate development.

THE TEAM

PUBLISHER/EDITOR-IN-CHIEF
Phillip Isakpa
Tel.: 234 809 400 0025
phillipi@businessamlive.com

MANAGING EDITOR
Bamidele Famoofo
Tel.: 07081125608
bamidele@businessamlive.com

NEWS COORDINATOR
Onome Amuge
Tel: 234 706 930 4947
onome@businessamlive.com

REPORTER
Joy Agwunobi
joy@businessamlive.com

GRAPHICS
Christopher Ikosa

IMAGE EDITOR
Pius Okeosisi
Tel.: 234 8033964694
photo@businessamlive.com
osisi2006@gmail.com

Businessnewscorp Limited

Phillip Isakpa
Adedotun Akande

OFFICE ADDRESS:
10B Stella Osholanke Street, Off Internationnal Airport Road, Ajao Estate, Isolo Lagos.
Tel.: +234 (0)803 5555 568
Email: info@businessamlive.com
Website: www.businessamlive.com

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

The Coaching Psychologist

Nigeria's wounds: The science of healing

"Violence is not born in a vacuum — it is nurtured through fear, division, and unmet human needs" – Pope Leo

JOSHUA AWESOME, PHD

Dr. Joshua Awesome is a Coaching Psychologist/Executive and Business Performance Coach who has supported over 100,000 professionals across Africa and the globe. He can be reached via: joshua@africainmind.org

THESE WORDS, WHILE ECHOING the gravity of Pope Leo's recent Sunday address, are rooted in a deeper understanding of the socio-psychological forces driving Nigeria's escalating tragedies — especially the brutal massacre of over 200 civilians in Benue State.

With profound sorrow, the Pope condemned the violent attacks in Guma and Yelwata, urging global prayer and solidarity. But prayer alone cannot stem the bleeding. He emphasised the need to address the *root causes* of violence — an insight echoed by behavioural scientists, military analysts, and local leaders alike.

The anatomy of a tragedy

President Bola Tinubu's emergency visit to Benue brought national attention to a festering wound. Over the past two years alone, *1,043 people have been killed* in Benue — many victims of the herder-farmer conflict intensified by climate change, population pressure, historical grievances, and governmental neglect. The president's formation of a peace committee comprising former governors and traditional leaders marks a step forward, but how sustainable is peace when the conflict itself is misunderstood?

James Ayatse, paramount ruler of the Tiv people, articulated a deeper fear: "It's not communal clashes, it's not skirmishes — it's a genocidal invasion and land-grabbing campaign." Meanwhile, Fulani leaders deny culpability, and the military admits residents harboured the killers, giving them shelter, food — and even women.

This complex web of misinformation, mutual suspicion, and betrayal is a textbook case of what social psychologists call **"collective trauma"** — a psychological wound carried by entire communities, reinforcing cycles of violence.

Understanding the behavioural triggers

1. Dehumanisation and Us vs. Them thinking

Conflict escalates when entire groups are reduced to stereotypes — "the Fulani invaders" vs. "the Tiv landowners." When narratives harden, empathy dies. The psychological mechanism here is **outgroup homogeneity bias** — seeing "them" as all the same, all dangerous. This fuels retaliation and revenge killings.

2. Scarcity mindset and environmental pressure

As security analyst Kabir Adamu notes, "climate change-induced desertification and irregular rainfall patterns in the north push herders southward," intensifying competition for land and water. Behavioural economics tells us that when people perceive scarcity, they're more likely to act defensively — even violently — to protect what they believe is theirs.

3. Revenge motivation and rumour psychology

Every attack fuels another, as revenge becomes encoded into community identity. Social media and local whispers amplify misinformation, directing armed responses based on faulty intelligence. As seen in Yelwata, troops were misled, allowing the massacre to unfold unchecked.

4. Breakdown of institutional trust

When communities feel abandoned, they may turn to self-help justice or worse — collaborate with violent actors. General Christopher Musa's revelation that residents aided attackers underlines this collapse of civic duty. This is not just betrayal; it is survival behaviour in a failed trust ecosystem.

The call for collective healing

Pope Leo, in extending prayers to Sudan and Nigeria, called for **dialogue and reconciliation** — a message that must be operationalised beyond religious ritual.

Behavioural science tells us that **post-conflict recovery begins not with arrests, but with acknowledgement, truth-telling, and trust-building.** Restorative justice models from South Africa to Colombia show that **justice and empathy can coexist,** but only if communities are heard and empowered.

Nigeria must shift from a reactive security model to a **proactive social resilience strategy.** This includes trauma-informed peace building, economic interventions, and behavioural change campaigns.

Four urgent calls to action for leaders

1. Reframe the conflict narratives

Stop labeling this as "herder-farmer clashes." Leaders must adopt language that acknowledges historical grievances, environmental stress, and regional inequities. **Words shape perception, and perception shapes policy.**

2. Invest in local peace infrastructure

Beyond deploying troops, fund **community-based conflict resolution platforms.** Recruit and train mediators rooted in both Christian and Muslim traditions, with behavioural science backing to defuse escalation triggers.

3. Integrate behavioural insight into security strategy

Security forces need more than weapons — they need **behavioural intelligence.** From rumour tracking to social mapping, integrate predictive analytics and local sentiment analysis to anticipate attacks and disinformation.

4. Launch national empathy and solidarity campaigns

In partnership with civil society, create a **"We Are One Nigeria" initiative** using storytelling, theater, and digital platforms to humanize all sides. Focus on youth, who are most vulnerable to radicalization but also most open to change.

From grief to grace

Pope Leo's prayer was not merely religious — it was deeply psychological: a call to reconnect with our shared humanity.

As General Musa warned, Nigeria's porous borders allow dangerous ideologies and weapons to flow in. But the more dangerous import is **hopelessness.** If we do not restore meaning, safety, and dignity to every Nigerian — whether farmer, herder, Christian, or Muslim — we risk losing generations to despair and division.

True peace requires more than law enforcement. It requires leaders to lead with courage, compassion, and cognitive insight. The brain sciences, sociocultural wisdom, and faith traditions must converge to rewrite Nigeria's tragic script into one of collective flourishing.

In memory of the victims of Benue, and in honour of those working for peace — may their sacrifice not be in vain.

Economics Commentary

MARCEL OKEKE

Marcel Okeke, a practising economist and consultant in Business Strategy & Sustainability based in Lagos, is a former Chief Economist at Zenith Bank Plc. He can be reached at: obioraokeke2000@yahoo.com; +2348033075697 (text only)

Nigerian economy as fertile ground for Ponzi schemes

IT HAS BECOME VERY common to blame patrons of Ponzi schemes (fraudulent investment scams) for their greed and ignorance. But, despite the general awareness created about the dangers of these schemes, more Nigerians in their millions keep joining the horde of Ponzi customers.

This trend, in recent times, has seen the mushrooming of the investment scam in the country, with many crashing, taking billions of investor funds down the drain. This is in spite of the efforts by regulatory agencies to monitor, regulate, and regularize the operations of these illegal investment outfits.

Recently, the Economic and Financial Crimes Commission (EFCC) published a list of "58 companies posturing as investing entities and defrauding innocent Nigerians of their hard-earned money." According to the EFCC, these companies were neither registered with the Central Bank of Nigeria (CBN) nor the Securities and Exchange Commission (SEC), as required by law.

The question is: if at some point in time the EFCC could make a list of as many as 58 companies "posturing as investment entities" without proper registration, how comprehensive is such a list? How often is this kind of list publicised? Why are these Ponzi schemes still mushrooming in the country, even under the searchlight of the EFCC, the CBN and SEC?

While the patrons of these Ponzi schemes cannot be exculpated for their greed and/or ignorance, the incentive for the massive springing up of the 'investment scams' lies largely in the Nigerian environment. Given normal risks in investment, every investor is usually driven by the rate of returns, ceteris paribus.

While the benchmark interest rate in Nigeria — Monetary Policy Rate (MPR) set by the CBN — has been rising, and pushing up lending rates in the financial system, deposit rates have not been rising in tandem. From 18 percent in June 2023, the MPR has been increased to 27.50 percent since November 2024; and has remained there.

Consequently, lending rates by deposit money banks (DMBs) and other financial institutions have gone up to hover between 30 and 37 percent since last quarter 2024. But deposit rates have been sluggish — hardly rising beyond a single-digit level — irrespective of the amount and tenure.

This has constituted a major disincentive to savings and term deposits, as many prospective depositors search widely for better returns. This, in part, pushes not a few prospective depositors/investors to succumb to the temptation of joining the bandwagon in investing in the 'highly rewarding' Ponzi schemes. This is by no means to justify their choice.

The DMBs that should ordinarily be wooing depositors (savings, fixed deposits, etc.) are usually reluctant because of the high subsisting Cash Reserve Ratio (CRR), now standing at 50 percent. This means that each DMB is allowed by the apex bank to keep only half of its total deposits; the CBN keeps and 'sterilizes' the other half.

This tight monetary stance of the apex bank has also presented the DMBs with attractive investment options in Federal Government of Nigeria (FGN) treasury bills, bonds, etc. With very high MPR, the CBN offers and sells the FGN T-bills and bonds also at high rates (implying good yields).

Therefore, rather than aggressively seeking for deposits, the banks opt to massively patronise the CBN's instruments (to make huge interest incomes), while minimizing their interest pay-outs via modest deposit rates. This, again, accounts for why banks build their balance sheets more with interest incomes than with earnings from their (credit) exposures to the real sectors (e.g., manufacturing, agriculture, etc.).

Faced with the DMBs' 'uninviting' tactics, many Nigerian investors, even discerning ones, join to test the waters by investing in the 'thriving' Ponzi schemes. But not a few have had their fingers burnt; because, truly, the illicit investment outfits are out to dupe investors, from the outset.

It also follows that the Ponzi schemes are usually floated by dubious characters; who, more often than not, would be out to launder illicit funds. The suspicion of the massive presence of such funds in the Nigerian environment made the Financial Action Task Force (FATF), on February 24, 2023, to place the country on the 'FATF Grey List.'

FATF is the global body established in 1995 to lead international action to combat money laundering, terrorism, and arms financing. But, since two years ago, Nigeria has been placed on its 'Grey List' due to "increased capital inflows and deficiencies in combating money laundering, terrorism, and arms financing."

Without a doubt, this type of Nigerian environment, as described by FATF, is a breeding ground for Ponzi schemes, and other bodies that aid illicit funds flow (IFF) globally. This places a huge question mark on the capacity, competence and commitment of the relevant regulatory agencies in the country.

If the EFCC did not publish the list of 58 Ponzi schemes operating in the country when it did, who would believe that there could be so many of them? The EFCC itself has linked the Ponzi schemes to the activities of politically exposed persons (PEPs) in Nigeria, who mostly engage in money laundering.

The EFCC chairman, Ola Olukoyede, who made the disclosure in Abuja recently, said "PEPs in Nigeria are using internet fraudsters, popularly known as 'yahoo-yahoo boys' to launder billions of Naira in stolen public funds into offshore accounts." He said the "involvement of politicians in these illicit activities highlights systemic corruption within Nigeria's political and governance systems."

The EFCC boss said: "When these PEPs steal money in billions, they give it to these boys; they open crypto wallets, and from there, the money goes abroad." Incidentally, the crypto wallets are owned and operated by Ponzi schemes, floated by 'faceless' entities.

This explains why, even after its recent on-site assessment visit to Nigeria, FATF opted to withhold immediate removal of Nigeria from its 'Grey List.' The Nigerian Financial Intelligence Unit (NFIU), which coordinates Nigeria's efforts under the FATF International Cooperation Review Group (ICRG) process, only hopes Nigeria will soon exit the List.

With EFCC's revelation of the involvement of 'powerful' politicians in the IFF, using the Ponzi schemes and the 'yahoo-yahoo boys,' it becomes obvious why the illegal investment outlets are mushrooming in Nigeria. The case of Crypto Bridge Exchange (CBEX) that crashed the other day, and now 'resurrecting' and angling to still woo investors, underpins the near-invincibility of the proprietors of the Ponzi schemes in the country.

This also explains why many of the 58 Ponzi schemes identified and published by the EFCC are yet suing the regulatory agencies, essentially to give them ample time to keep plying their illegal trade. To these Ponzi schemes, the Nigerian environment provides, and remains, a fertile ground for them to flourish!

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

WILLIAM DOWOKPOR

William Dowokpor (MBA, LL.B), managing consultant and coordinator of the Leadership and Corporate Governance Programme (LCGP) at Ghana International Business School (GIBS), has more than 20 years of consulting, training and knowledge brokerage experience in corporate governance, corporate communication, leadership, management, administration, and international trade and investment. He has worked extensively in planning, implementing, monitoring and evaluating, as well as upgrading business management strategies for private, public and civil society organisations across Africa, Europe and the United States of America. He can be reached at billdowokpor@gmail.com

Ghana's good, bad, and ugly sides of corporate governance

COMPANIES PROVIDE GOODS and services for society and keep economies running. To meet the needs of society on a sustainable basis, companies must be well managed to generate value for their shareholders and stakeholders. This article takes a look at how Ghana has fared in managing companies, state enterprises and civil society organisations, a practice that is also known as corporate governance.

In the narrow sense, corporate governance is about how a company's Governing Board or Advisory Council works as its controlling mind, on behalf of its shareholders and stakeholders to achieve its stated mandate. It begins with the law or constitution from which the board derives its mandate; how it is executed and ends at whether the mandate has been realised or not. Where breaches occur in the process, action may be taken to halt it and sanctions applied to culpable individuals and or the entity collective.

In Ghana, the Company's Act 2019 (Act 992) prescribes how the mandate of a company may be structured, although companies are at liberty to register and operate with their own constitutions so far as they do not offend provisions in Act 992. In the case of State Owned Enterprises (SOE's), their mandates are contained in specific legislation that shall not violate the constitution of 1992, the supreme law of Ghana.

The Good

The evolution of corporate governance in Ghana has been influenced by the United Kingdom (UK), the colonial master. After protesting what appeared to be an imposition of the retrogressive British Companies Code in 1948, the Companies Ordinance of 1907 remained the operative statute. By 1958, the imperative for a statute fit for purpose, for the newly independent nation state of Ghana, had become very loud. In response, the governor general appointed L.C.B Gower as sole commissioner to review the 1907 Ordinance and recommend a suitable regime.

Following the review, the Gower Commission's report (1961) birthed Ghana's first Companies Code 1963, which turned out to be miles ahead of the UK's Code of 1948. Former professor of law and retired justice of the Supreme Court of Ghana, Samuel Kofi Date-Bah credits the longevity of the 1963 Code to the diligent and forward looking qualities of Gower's work. It served Ghana for about five decades with few amendments until Act 992, which has also benefited immensely from the Gower report, was promulgated in 2019.

The Bad

Between 2017 and 2019, Ghana suffered the "Banking and Financial Sector Crisis". Government of the day and the Bank of Ghana (BoG), revoked the licenses of more than 300 regulated financial institutions including banks for allegedly turning insolvent as a result of "poor corporate governance and weak supervision."

The BoG followed up with "The Corporate Governance Directive 2018", to pre-empt and prevent the recurrence of a crisis of that nature. With the benefit of hindsight, a good number of corporate governance practitioners have come to the conclusion that the "crisis" could have been managed differently to avoid the needless loss of jobs, livelihoods, lives, pensions, investments, tax-payers' monies and confidence in the financial sector.

The dearth of literature on the impact of Act 992 on corporate governance, some five years after its promulgation, calls for massive investigations. The core duties of boards as providers of leadership and strategic direction for effective and efficient delivery of their mandates with fidelity, remain a myth to the average Ghanaian.

While engagements and communication with stakeholders to build trust and understanding has become overly fashionable, the Finance, Audit and Risk sub-committees of boards that should work to guarantee compliance to safeguard investments, seem to exist just in name and where they are engaged, have rather become dysfunctional, as a result of conflict of interest and little or no regard for values and ethics. Overall, even boards with capable men and women exhibit huge Knowledge Attitude and Practice (KAP) gaps; a phenomenon that requires investigation.

The Ugly

By the operation of Ghana's constitution 1992, the President appoints an estimated six thousand persons to various corporate leadership roles. They include CEOs, board chairs and members who must honour their fiduciary obligations during and after their tenure. At a recent meeting with CEOs of SOEs, the President warned that "loss-making SOEs will no longer be tolerated... Corruption, fraud, and financial mismanagement will be prosecuted strictly and boards that rubber-stamp poor decisions will be replaced".

The President, who holds the SOEs in trust for the people of Ghana was speaking as a key stakeholder and in many cases sole-shareholder. Section 190 (1-6) of Act 992 prescribes the fiduciary relationship that must exist between a director and his or her company. It also enjoins a company to maintain an 'Interests Register' where

Continue on page 9

Business, Governance & Enterprise

Unlocking full potential of rail transport in Nigeria

OLUFEMI ADEDAMOLA OYEDELE

Olufemi Adedamola Oyedele, MPhil. in Construction Management, managing director/CEO, Fame Oyster & Co. Nigeria, is an expert in real estate investment, a registered estate surveyor and valuer, and an experienced construction project manager. He can be reached on +2348137564200 (text only) or femoyede@gmail.com

WITH OVER 220 MILLION people Nigeria has more potential in a rail transport system than any other means, including road, air, water and cable. Rail transport has a higher initial investment cost with lower operation cost than road and air transport. Water transport has cheaper operation cost than rail, but water transport can only connect fewer waterside communities. Rail is also the safest means of transport globally, recording less than 15 percent of the five known means of transport!

In fiscal year 2024, Amtrak set an all-time ridership record of 32.8 million customer trips in America, a 15 percent increase over fiscal year 2023. In the second quarter of 2024 (Q2 2024), a total of 689,263 passengers travelled via rail relative to 474,117 reported in the corresponding quarter of 2023, indicating a growth rate of 45.38 percent. Nigerian Railway Corporation (NRC) was established on October 3, 1912 mainly to carry agricultural produce from the north, west and east of the country. It also carried coal from Enugu to the port of Nigeria through Kaduna in the north.

Rail transport is the cheapest and safest means of transport in any large community in the world. Other opportunities in rail transport include:

Economic growth: Efficient rail transport can stimulate economic growth by connecting factors of production and providing access to markets in more communities than road, water, air and cable means of transportation can;

Provide cheaper transportation means: Rail transport affords people the opportunity to travel in an easier way. Rail can move the highest number of people from one point to another with ease and its stations are closer to the people than airports;

Reduced food and raw materials prices: Rail transport can help reduce food prices by improving the transportation of agricultural products from production centres to markets and industries where they are processed into refined products;

Increased efficiency: Rail transport can increase efficiency and reduce costs for industries that rely on rail transportation;

Rail transport reliability index is the highest among others: According to DHL (2023), in "Rail Freight – Pros and Cons of Rail Transport", rail accident is around 40 times lower than for road transport;

Create employment opportunities: According to Office of Rail and Road (ORR) Transportation Operation Centre (TOC) of United Kingdom Key Statistics Table and Network Rail Annual Report and Accounts 2024, approximately 100,000 people were employed in the rail sector with 62,000 being full time equivalent employees across TOCs and over 40,000 in Network Rail. Rail transport is viewed as the most sustainable means of transport because of its ability to move more people and loads at a time than others with lesser fuel consumption. It is also being viewed more as a business than as a means of transport. Train stations are now hubs for commercial activities, warehousing, tourism and hospitality, residential and hotel accommodation, vehicle parking and offices.

Train stations connect with the communities they serve. In some cities, train stations serve as the shopping arena for the community like the City Carre in Magdeburg, Germany. Since railway stations are provided for people, it must have a comfortable 'Waiting Area' (concourse) where people can sit and relax. Pennsylvania train station in New York has over 100,000 square metres of waiting area with shops and restaurants. It received over 13 million visitors in 2024 with 70 percent of them being shoppers, tourists and non-travellers. Shopping arenas (retail outlets) and food courts for passengers and visitors delight are now considered irreplaceable parts of modern train stations. Victoria Station in Central London has "Victoria Place Shopping Centre" with over twenty shops including groceries, fashion, perfumery, chocolatier and bars. Grand Central Station concourse in New York is a beauty to behold and a centre of tourists' attraction. Crowne Plaza Indianapolis at 123 West Louisiana Street, Indianapolis - Downtown Union Station – has 273 guest rooms including 26 rooms inside early 1900's authentic Pullman Train Cars that have been converted into luxury rooms and two restaurants in the hotel lobby. People who are tired of conventional hotel rooms prefer to stay in the Pullman Train Car rooms!

Unlocking the full potential of rail transport in Nigeria requires addressing several challenges and implementing strategic solutions.

These challenges are:

Limited connectivity: Many production centres like Benin, Ore, Ijebu Ode, Ikorodu, Badagry and Epe are not connected to rail tracks, making it difficult to shift freight traffic from roads to rail. Just 19 out of the existing 36 states and Federal Capital Territory (FCT) are connected by railway;

Infrastructure maintenance: Nigeria's railway infrastructure needs significant improvement and overhauling to support efficient and reliable transportation. Most of the railway infrastructures are decayed or obsolete;

Public-private partnership (PPP): A credible partnership between the government and private sector participants is essential to unlock the enormous potential in the railway transport system;

Lack of innovation: Change is the only constant thing in life. Nigeria Railway Corporation still operates largely in its traditional way. But noticeable changes are occurring in the way it issues tickets and maintenance of the coaches;

Security: The general insecurity in few parts of Nigeria also affects rail transport.

NRC needs to invest in modern infrastructure. The government and private sector should invest in building and maintaining modern railway infrastructure. It must also connect production centres. Rail tracks with security cameras should be extended to connect big cities, enabling the transportation of goods and products into industrial areas and markets. NRC can adopt public-private partnership (PPP) models. Implementing successful PPP models can help unlock the potential of rail transport in Nigeria. This will ensure that modern coaches and train stations are available for the customers. NRC must also optimise its assets through identification, registration, tagging, valuation and decision on whether to improve and retain or dispose and replace. By addressing these challenges and leveraging opportunities, Nigeria Railway Corporation can unlock the full potential of the rail transport system and promote economic growth and development in Nigeria.

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

Ghana's good...

Continued from page 8

board members' interests must be recorded during their tenure. Can SOEs use this provision to check the endemic conflict of interest that has rendered most of them perpetual loss makers?

With the death of the typical public corporation and the transition of SOEs to companies proper, SOEs should not be exempted from any of the accountability procedures that make private sector companies more efficient and effective. The Speaker of Parliament has recently reiterated the absurdities in the corporate governance space when Members of Parliament and their Speakers who supervise SOEs and analogous institutions, gleefully accept corporate leadership roles in the same companies.

The Speaker's protest is in accordance with good corporate governance and extends to the unnecessary breach of the principle of separation of powers. How can the Speaker accept the role of board chair of an agency under a ministry, supervised by a minister, who is appointed by the head of the executive and not compromise his position as head of the legislature; and the legislature in its entirety, which is enjoined by the constitution 1992, to be a check on the executive?

How can the Electricity Company of Ghana (ECG) be said to be operating within the framework of good corporate governance, if the ECG board chair is majority leader, minister for parliamentary affairs and leader of government business in the legislature? Is that not absurd? Is the current state of the ECG not a true reflection of that absurdity?

Conclusion

Overall, there are adequate laws, rules and regulations in the corporate governance space for accountability, public and private sector enterprise growth and development in support of the Ghanaian economy. Old hands must take a cue from the reset agenda and adjust early. The new hands need to proactively access continuous orientation in modern corporate governance culture and ethics.

The number of relatively new corporate leaders in the previous administration, who are facing criminal charges for stealing public funds may well be a true reflection of how ugly the corporate governance space has become and therefore ripe for reforms. To that end, taking a few days off to build capacity at niche business practice institutions like the Ghana International Business School (GiBS), should help make a big difference.

China, Singapore, Malaysia and South Korea among others have all proven that SOEs can lead a nation's economic transformation if good corporate governance practices are strictly adhered to. Ghana's GDP without doubt, can begin to show in trillions of dollars if good corporate governance becomes the norm rather than the exception. A culture of high ethical standards is required to give lasting impact to the ongoing Operation Recover All Loot (ORAL). Those who know better do better. Ghana can do better in corporate governance, if corporate leaders know better.

PROJECT SYNDICATE

The "Washington Effect" Could Decide the AI Race

BRIAN J. CHEN

Brian J. Chen is Policy Director at Data & Society.

BALTIMORE – FIVE months into his second presidency, Donald Trump is already ushering in a new era of imperial technological governance in which both domestic and foreign regulatory authorities are subordinated to a US administration increasingly dominated by Big Tech.

Silicon Valley has cultivated its political influence through aggressive lobbying and strategic presidential appointments. Now, despite the tech industry's distaste for Trump's tariffs and policy priorities, its efforts are paying off, as Republican leaders work to stymie tech regulation not just in Congress – where legislative progress was always unlikely – but also at the state level and around the world.

As part of Trump's "big, beautiful" budget bill, lawmakers are considering a decade-long ban that would block US states from regulating AI. The proposed ban would severely undermine efforts to mandate transparency in AI systems, protect consumers from algorithmic price fixing, and curb worker surveillance. Although it's unlikely to survive the Senate's procedural rules, Republican Senator Ted Cruz has pledged to pursue a similar prohibition in future legislation.

For the tech industry, federal preemption has long been a reliable strategy for avoiding troublesome state laws. It also dovetails with Republican efforts to centralize AI regulatory authority within the White House. This may explain why the debate over the proposed ban has largely focused not on states' rights, but on geopolitical anxieties.

For example, at a congressional hearing on the proposal, lawmakers and expert witnesses turned what should have been a conversation about the role of statehouses in Sacramento and Denver into sprawling diatribes against overregulation in Brussels and authoritarianism in Beijing. If the United States ends up with a patchwork of state AI laws, the argument goes, American companies will struggle to innovate and compete with China.

Throughout that hearing, industry speakers repeatedly cited flagship European Union regulations like the GDPR and AI Act, arguing that regulatory overreach has hindered Europe's ability to produce world-class tech companies. The message was clear: to defeat China, the US must not become another Brussels.

But is Brussels still Brussels? Well before any discussion of AI preemption, the Trump administration had begun pressuring the EU into watering down tech laws like the Digital Services Act and Digital Markets Act. In February, speaking before a room of EU and world leaders at an AI summit in Paris, Vice President J.D. Vance decried the "onerous international rules" that apply to US businesses. At the same summit, French President Emmanuel Macron signaled his desire for the EU's tech laws to "simplify" and "resynchronize with the rest of the world."

There are signs this strategy is working. The EU's recent AI Continent Action Plan reflects a softer approach to regulation, and enforcers are scaling back fines on US tech firms. Meanwhile, those same US companies are keeping up the pressure, lobbying the European Commission to keep AI rules "as simple as possible." Tech regulation also remains a point of contention in Trump's trade policy. In May, Trump threatened to impose 50% tariffs on EU imports as negotiations over digital taxes and tech regulation remained deadlocked.

US politicians often portray the "Brussels Effect" as a cautionary tale, based on the largely discredited notion that the EU, obsessed with setting de facto global standards, overplayed its hand and ultimately sabotaged its own tech sector. But now we are witnessing the emergence of a "Washington Effect": a contraction of tech governance at all levels – local, state, and multinational – aimed at shoring up the supremacy of US firms, with regulatory power increasingly concentrated in

Continues on page 11

June 12, 1993

Reflecting on hopeful moment in Nigeria's democracy journey

FRANKLYN GINGER-EKE

Franklyn Ginger-Eke, fellow, Nigerian Institute of Public Relations, member, Chartered Institute of Public Relations, UK, associate member, Advertising Practitioners Council of Nigeria (APCON), is a public affairs and strategic communication expert, founder and chief strategist of The Rainbow Strategy, a public affairs and strategic communication firm based in Abuja. He holds a bachelor's degree in humanities (English Language/Literature), a post graduate diploma in Business Administration, an MBA in Advertising and Public Relations, and is presently a PhD scholar in Public Governance & Leadership. He can be reached through info@therainbowstrategy.ng

JUNE 12, 1993, STANDS AS a monumental date in Nigeria's history, symbolising the nation's unyielding pursuit of democracy. On this day, Nigerians participated in what is widely regarded as the country's freest and fairest presidential election, electing Moshood Kashimawo Olawale (MKO) Abiola with over eight million votes across 19 states. The election was a testament to the power of unity and democratic aspiration, yet its annulment by General Ibrahim Babangida sparked a struggle that continues to resonate. As Nigeria celebrates Democracy Day in 2025, we reflect on the significance of June 12 and its relevance to the democratic challenges under President Bola Tinubu.

1993 presidential election: Democratic milestone

The presidential election of June 12, 1993, was a landmark event in Nigeria's political history. With a remarkable voter turnout, Nigerians from diverse ethnic, religious, and regional backgrounds cast their ballots in a peaceful and credible process, free from the fraud and violence that had plagued previous elections (Nigerian Finder). MKO Abiola of the Social Democratic Party (SDP) emerged victorious, securing nearly 60 percent of the votes against Bashir Tofa of the National Republican Convention (NRC). This election was a beacon of hope, demonstrating Nigeria's potential for democratic governance. However, the military regime's annulment of the results on June 21, 1993, shattered this hope, setting the stage for a prolonged struggle.

Symbol of unity: Transcending divides

The 1993 election was more than a political exercise; it was a powerful symbol of national unity. Abiola, a Yoruba Muslim from the South-West, chose Baba Gana Kingibe, a Kanuri Muslim from the North-East, as his running mate, creating a ticket that bridged regional and religious divides. This choice resonated deeply, as millions of Nigerians voted for a shared vision of progress, setting aside ethnic and religious differences. The election's success in fostering unity remains a lesson for Nigeria's diverse society, where divisions often challenge national cohesion.

Struggle for democracy: A nation's resolve

The annulment of the June 12 election ignited widespread protests and civil unrest across Nigeria. Citizens from all walks of life took to the streets, demanding the recognition of their democratic choice. This period of resistance became a defining moment, showcasing the Nigerian people's commitment to democracy and accountability. The struggle highlighted the power of collective action and set the stage for the eventual return to democratic rule in 1999, underscoring the importance of citizen engagement in safeguarding democracy.

MKO Abiola as symbol of resistance

MKO Abiola emerged as the face of Nigeria's democratic struggle. His refusal to concede to military oppression and his subsequent imprisonment made him a symbol of resistance. Abiola's death in custody on July 7, 1998, further galvanised the nation, fueling the resolve to restore democracy. His legacy continues to inspire Nigerians to demand accountable governance and protect their democratic rights, serving as a reminder of the sacrifices made for freedom.

Democracy's restoration and Democracy Day

After years of military rule, Nigeria returned to democracy on May 29, 1999. However, it was not until June 6, 2018, under President Muhammadu Buhari, that June 12 was officially declared Democracy Day, replacing May 29. This decision honoured the significance of the 1993 election and the sacrifices made during the struggle for democracy. June 12 now serves as a national reminder of the importance of protecting democratic institutions and values.

President Tinubu and Nigeria's democratic journey

As Nigeria commemorates Democracy Day in 2025, the nation faces significant democratic challenges under President Bola Tinubu, who assumed office in 2023. While progress has been made since 1999, concerns about the health of Nigeria's democracy persist, especially in the face of criticisms of some key issues and specific actions by the ruling APC.

Human rights and rule of law

Amnesty International and other NGOs have reported that the Tinubu administration has failed to ensure respect for human rights and the rule of law, particularly in addressing widespread human rights violations. This raises questions about the government's commitment to democratic principles, which are foundational to protecting citizens' rights.

Electoral integrity

The 2023 presidential election, which saw Tinubu declared the winner, was marred by controversy. Opposition parties alleged fraud and violence, citing long lines, delays, and logistical failures that eroded voter trust. International observers, including a delegation led by former Malawian President Joyce Banda, raised concerns about the transparency of the ballot count. The low voter turnout of 27 percent reflects mass disenchantment with the electoral process.

In the broader context, Tinubu's administration faces additional challenges, including economic crises, insecurity, and corruption, which further strain democratic governance. These issues echo the conditions that led to the June 12 struggle, underscoring the need for accountability and transparency.

Lessons from June 12 for today's Nigeria

The lessons of June 12, 1993 — unity, resilience, and the demand for accountability are profoundly relevant today. The election's unity across divides offers a model for addressing Nigeria's current ethnic and religious tensions. The struggle that followed the annulment reminds us that democracy requires active citizen participation and vigilance.

To strengthen Nigeria's democracy, stakeholders must ensure transparent and credible electoral processes, uphold the rule of law and protect human rights, foster inclusive governance that bridges regional and ethnic divides and encourage public engagement to hold leaders accountable.

In conclusion, June 12, 1993, remains a beacon of hope for Nigeria's democratic journey. It reminds us of the power of unity and the sacrifices made to secure democratic governance. As we face current challenges under President Tinubu, we must draw on the lessons of June 12 to strengthen democratic institutions. By recommitting to the principles of transparency, accountability, and unity, Nigeria can honour the legacy of June 12 and build a more just and prosperous future.

At The Rainbow Strategy, we understand the critical role of public affairs and strategic communication in navigating these challenges. By fostering dialogue, engaging stakeholders, and advocating for policies that uphold democratic values, we can help organisations contribute to a stronger democratic Nigeria. Our expertise in strategic communication enables us to craft messages that resonate with diverse audiences, promoting unity and accountability.

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businesamlive.com

TRIBUTE

Alhaji Oladejo@80

Exchange's call-over chair who brought comic relief to the floor

SOLA ONI

Sola Oni, an integrated communications strategist, Chartered Stockbroker and Commodities Broker and Capital market registrar, is the Chief Executive Officer, Sofunix Investment and Communications. You can reach him at onisola2000@yahoo.com

I WAS PRIVILEGED TO REPORT the capital market for The Guardian in the early nineties, during the manual trading system, popularly called Open-Outcry or Call-Over Session. This enabled stockbrokers to haggle with their voices on share prices by shouting bidding – intent to buy shares; and offering – intent to sell. The transaction process was moderated by a chairman, a staff of The Nigerian Stock Exchange (now NGX) who presumably represented the Exchange's president and director general respectively. At the time The Guardian assigned me to report the market, the Call-Over chairman was the highly respected late Henry Ogiri, who was the deputy to late Hayford Alile, then the director general. Unfortunately, Ogiri died in a ghastly motor accident and the third most senior officer, Ndi Okereke-Onyuike (now a professor) was promoted to deputy director general while Rasaki Oladejo, hitherto head of research and information technology department – the operating arm of the Exchange – was promoted assistant director general and he became the chairman of Call-Over.

A highly cerebral development economist, Oladejo, who is also an Alhaji, sustained the culture of discipline which late Ogiri entrenched on the trading floor. Like his predecessor, Alhaji as fondly called, occasionally brought comic relief to the floor through jokes to reinvigorate stockbrokers. For those of us covering the market, the trading session was akin to a real live classroom. We enjoyed discussions and arguments as stockbrokers must justify every price movement before the chairman could endorse it. Apostle Alile retired in 1999 after a meritorious service to the Exchange. With the Exchange's seamless succession policy, Okereke-Onyuike was named the director general and Oladejo emerged her deputy.

I joined the Exchange in 1997. Although I started my career in the corporate affairs department, where my immediate boss, Yinka Idowu was the first head of department, my job functions brought me closer to all the Exchange's management staff. Oladejo is a reticent professional who adheres to the rules. This always endears him to establishments. He enjoys analysing government policies, especially how they affect the capital market. He maintained a strong working relationship with his boss, Okereke-Oyuike and took pleasure in mentoring staff members, particularly those within his department. He trained Kene Okafor who succeeded him as the head of department. He occasionally gave me assignments. He shocked everyone when he opted to retire from the service ahead of his retirement period to serve himself. Oladejo's retirement was celebrated by the entire capital market community in 2003. True to his plan, he has remained active in his retirement in both the corporate world and the Islamic faith. He was appointed President of the Muslim Ummah of South West Nigeria (MUSWEN) in 2020. He is also the deputy president of the Supreme Council for Nigeria Islamic Affairs (SCNIA).

Rasaki Oladejo

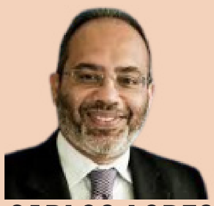
Born in Latoyo's compound, Oritamerin, Ibadan, on June 21, 1945, he began his educational journey at Islamic Mission School, Odoye, Ibadan (1953-1958). He graduated with a Bachelor of Science degree in Economics with Second Class Upper Division in 1975 from the University of Lagos. With a federal government scholarship, he pursued a master's degree in development economics at Boston University, USA (1979-1980).

He joined The Nigerian Stock Exchange as an assistant general manager and head of research and information system in 1989 and rose through the ranks to deputy director-general and chief operating officer in 2000. Prior to his appointment at The Exchange, he had a distinguished career at the Ministry of National Planning and Lagos Chamber of Commerce and Industry. He founded Mountain Investment and Securities Limited, served as a non-executive director in various companies and chaired Sigma Pensions Limited from 2005-2018. He received the 2009 Distinguished Alumnus Award from the University of Lagos Alumni Association and was recognised by the Nigerian Association of Securities Dealers for his contributions to the capital market.

Alhaji Oladejo is married with children and enjoys membership of prestigious clubs, including Ikoyi Club 1938 and Oluyole Club, Lagos. Alhaji inspires everyone that crosses his path. God has gifted him eighty remarkable years. He remains a beacon of wisdom. Keep laughing and cracking jokes as your years ahead are filled with continued growth and endless opportunities. Happy 80th birthday, Sir.

PROJECT SYNDICATE

Africa Needs Its Own Financing System



CARLOS LOPES

Carlos Lopes is a professor at the Nelson Mandela School of Public Governance at the University of Cape Town.

CAPE TOWN – Like many other multilateral forums, this month's Fourth International Conference on Financing for Development (FfD4) may well produce impressive declarations and laudable promises. But will lofty rhetoric be translated into concrete progress in lowering the structural and systemic barriers to financing development in Africa, including deteriorating debt sustainability, dwindling concessional finance, and declining access to affordable capital?

Africa's debt crisis did not emerge overnight. It is the result of years of chronic underfinancing, which forced countries to borrow for even the most basic investments. Between 2010 and 2021, the share of Africa's public external debt owed to private creditors rose from 30% to over 44%. And private loans mean very high interest rates, which run in the 7-10% range, on average, with some countries, such as Ghana and Zambia, facing rates above 12%.

The problem lies partly with credit-ratings agencies, which tend to take a pro-cyclical approach, downgrading countries – and driving up borrowing costs – precisely when they are most vulnerable. Between 2021 and 2023, for example, Moody's downgraded Ethiopia, Ghana, and Tunisia to "deep junk" status, despite their fiscal-consolidation efforts. Such decisions are not only opaque; they reflect external risk perceptions, rather than empirical criteria. According to the United Nations Development Programme, credit rating agencies' inflated risk perceptions cost the 16 African countries that issued bonds an estimated $74.5 billion by 2020.

Global banking regulations, which were tightened in the wake of the 2008 global financial crisis, further constraining Africa's access to finance. The Basel III framework, introduced in 2011 under the auspices of the Bank for International Settlements, increased minimum capital-adequacy ratios, introduced a minimum leverage ratio, and raised liquidity coverage requirements. Such changes diminished international lenders' appetite for risk – and, thus, their willingness to work with African borrowers.

By 2020, many African countries' debt burden was so heavy that any unexpected crisis would plunge them into severe debt distress. And then the COVID-19 pandemic arrived. To be sure, the G20 devised interventions to help debt-distressed countries: the Debt Service Suspension Initiative and the Common Framework for Debt Treatments. But the results were mixed. When Chad, Ethiopia, Ghana, and Zambia sought relief through the Common Framework, they faced protracted negotiations, uncertain timelines, and tightened conditionality – all of which heightened perceived risk and deterred market re-entry.

Profit-shifting by multinationals to low- or no-tax jurisdictions, together with illicit financial flows, are an additional drain on African countries' resources. According to UN Trade and Development, Africa loses over $88.6 billion to illicit financial flows each year – nearly equivalent to the continent's annual infrastructure financing gap.

Meanwhile, the promise of official development assistance continues to unravel. According to the OECD, total net ODA to Africa in 2024 was just $42 billion, representing a 1% real decline in real terms from the previous year. At the same time, donor countries reported $27.8 billion in "in-donor refugee costs" – up from $12.8 billion in 2021 – which is counted toward their ODA contributions. Today, high-income countries are cutting their aid budgets further, with the United States the most extreme example.

Many argue that the key to closing the development-financing gap lies in strengthening African representation at institutions like the International Monetary Fund and broadening access to existing debt-relief and development-financing mechanisms. But such reforms can achieve only so much in a system that is structurally misaligned with Africa's needs.

Rather than fight for incremental global reforms, Africa should focus on building robust regional and continental financing mechanisms that leverage African capital for African needs. The African Development Bank (AfDB), with its clear development mandate and ability to catalyze broad-based action, can act as the cornerstone of such an African financing system. The African Export-Import Bank, with its trade-finance instruments and growing influence, would also have a role to play, as would sovereign wealth funds, national development banks, pension funds, and others.

These institutions should pool resources, co-invest in strategic sectors, and devise new instruments to mitigate risk and enhance credit provision. For example, African-based guarantee schemes that reduce the cost of capital for investments in infrastructure and the green transition would create incentives for lending to small and medium-size enterprises and support the establishment of shared standards – vital to facilitate regional financial integration.

At the same time, African countries must boost revenue by strengthening tax administration, closing loopholes, and reducing exemptions. Regional cooperation, together with new digital tools, can go a long way toward measuring companies' profits, tracking cross-border flows, and identifying systemic tax evasion.

Multilateral financial institutions still have an important role to play in delivering financing to Africa, but their approach must change fundamentally. For starters, far more lending should take place in local currencies, thereby reducing countries' vulnerability to exchange-rate volatility. Longer repayment periods and respect for national policy priorities are also essential.

Africa has a young population, vast natural resources, and fast-growing digital networks. But it lacks the financial sovereignty to make the most of these and other assets. African leaders must stop lobbying for access to frameworks that do not serve their countries' interests, and start asserting control over their own financial future. This means mobilizing capital, building institutions, and defining their own criteria for development success. FfD4 can help to kick-start this process, but only if participants recognize that closing the development-financing gap is a political problem, not a technical one.

Carlos is a member of the UN International Commission of Experts for the Fourth International Conference on Financing for Development

VISIONARY VOICES

Work Is Not Well-Being

ADANNA CHUKWUMA

Adanna Chukwuma, Senior Director of Global Impact Measurement at Visa, is a fellow of the OpEd Project and Equality Now.

WASHINGTON, DC – My first job was in a cybercafé. I was in medical school in Nigeria, my home country, but school was not in session, as our professors were striking for higher pay. So, I secured a full-time position providing customer support to the dozens of people hunched over desktop computers. My compensation would be variable, paid in cash when the business made "enough profit." It would barely cover my living expenses, and benefits, from health care to sick days, were not included.

I learned a lot from that job. But perhaps the most important lesson was that work does not guarantee well-being.

For decades, development policy and programming have treated work and well-being as synonymous. While the work-centric model of well-being is considered inadequate in some cases – for example, for people living with disabilities – the question of how to become financially secure is typically met with one answer: get a job. And development initiatives have often focused on facilitating this process.

There are good reasons for this. A job can be a source of dignity and purpose. It can provide structure to daily life, connections to the community, and opportunities for personal growth and skills development. Perhaps most important, a job provides an income, which is critical to economic security.

But, as I saw firsthand at that cybercafé, many jobs are too low-paying to provide any semblance of prosperity, and too precarious to provide financial stability. While global unemployment stands at a historic low of 5%, more than two billion workers worldwide remain financially insecure.

In 2021, the World Bank found that 63% of adults in developing economies reported being "very worried" about one or more common financial expenses, and 45% reported that they would not be able to access extra funds to cover a significant unexpected expense within 30 days. Things are not all that much better in high-income countries. In the United States, 59% of people do not have enough savings to cover an unexpected $1,000 emergency expense. The bottom 60% of US households cannot afford a "minimal quality of life."

This problem is set to worsen. From violent conflict to technological disruption, major shocks are becoming so frequent and severe that no job – even a good one – offers true security. Meanwhile, inflation is eroding purchasing power, particularly for the lowest-income households, in many parts of the world, undermining financial resilience.

Making matters worse, many countries are facing rapid population aging, meaning that fewer working-age adults are supporting more retirees. Traditional employment-centered pension schemes are expected to break down when more than a quarter of the population is beyond working age. That threshold will be crossed globally in 2030.

Policymakers and the development community now confront an urgent choice: either watch the gulf between work and well-being continue to widen, or revise our approach, so that it focuses not on maximizing employment, but on delivering universal financial well-being. This means that everyone can reliably cover their living expenses and save enough to weather most shocks without resorting to high-cost borrowing.

Effective interventions would include labor policies that ensure adequate incomes and portable benefits even for gig and informal workers; automatic stabilizers, such as unemployment insurance and child allowances; and accessible, even mandatory, savings programs. In addition, educational campaigns can improve people's ability to make good financial decisions.

Some of these interventions are already occurring. Singapore's Central Provident Fund promotes long-term financial security by helping citizens accumulate savings for a wide range of objectives, including retirement, home ownership, and health care. New Zealand's KiwiSaver, a voluntary program focused on retirement savings, has shown that automatic enrollment dramatically increases impact. The European Union's Child Guarantee ensures that children in need can access key services, easing financial pressure on families.

More such initiatives are in development. In the US, the proposed Portable Benefits for Independent Workers Pilot Program Act would test models for delivering benefits to gig workers. But if we are to build a world in which every person is secure in their current and future finances, still more must be done.

Critics might argue that decoupling well-being from work would reduce people's incentive to participate in the labor market. But experience has shown that when people have financial security, they make better employment decisions, invest in education, take entrepreneurial risks, and contribute more productively to the economy. The costs of maintaining the status quo – in the form of lost productivity, higher health-care spending, and emergency crisis responses – dwarf those of investing in universal financial well-being.

I feel fortunate that I no longer have a job that offers no benefits or sufficient income to save. But this should not be a matter of luck. Everyone deserves basic financial well-being, and perhaps more important, we have the means to deliver it.

The "Washington...

Continued from page 9

the federal government's executive branch.

In pursuit of global tech dominance, former President Joe Biden – a staunch advocate of the US-led liberal world order – worked with allies to coordinate "AI safety networks" and reconfigure key lines of tech hardware production. By contrast, as historian Jake Werner observed, Trump "conceptualizes the economy as a market where those with bargaining power squeeze profit out of those who lack it, rather than as a supply chain in which power accumulates at strategic nodes associated with scarce goods or technologies."

With its decision to abandon Biden's semiconductor export restrictions, the Trump administration has shown that it sees no need to weaponize access to high-end graphics processing units (GPUs) to bring other countries to the table; nor does it show much interest in multilateral coordination. Speaking about the recent EU tariff announcement, Trump was characteristically blunt: "I'm not looking for a deal. We've set the deal."

That same logic is playing out in US domestic politics. Gone are Biden's "legislative convenings" that brought together state lawmakers to address nationally significant issues. Instead, Republicans want to turn the White House into the central clearinghouse for all AI policy, even if that means banning state officials from introducing protections against abusive practices.

These measures complement each other: while administration officials pressure foreign governments to ease up on US firms, Congress moves to block state-level oversight altogether. Washington, in short, is being positioned as the only place where decisions can be made.

The irony is this: even in an age of regulatory retreat, federal authority will shape the future trajectory of US tech. "Winning the AI race," a vague and largely undefinable goal, will depend as much on US state power and political coercion as on private investment.

EBRD provides €300 million first sustainability-linked loan to Morocco

Bamidele Famoofo

THE EUROPEAN BANK FOR RECONSTRUCTION and Development (EBRD) and Morocco's Office National de l'Electricité et de l'Eau potable (ONEE) have signed a €300 million loan agreement.

ONEE is involved in generation, transmission and renewables. Morocco is strongly committed to the energy transition in order to achieve its objective of having 52 per cent of its installed capacity from renewables by 2030. In this context, ONEE and the country as a whole are taking important steps towards decarbonisation, while maintaining the security and affordability of energy.

The loan is structured as a sustainability-linked loan (SLL) – the first one in the MENA and Africa region's energy sector. It provides an example of how energy utilities can link financing with support for the transition to a low-carbon economy. The proceeds will be used to improve the company's financial resilience, helping to alleviate the impact of the energy crisis.

The SLL builds on ONEE's increasing climate ambitions via two key performance indicators – namely, reducing the carbon intensity of electricity generated in Morocco and increasing renewable sources' share of the country's total electricity production. The company's Sustainable Performance Targets (SPTs) are in compliance with Morocco's updated Nationally Determined Contribution (NDC) commitments, and a leading independent second-party opinion provider has confirmed the SLL's alignment with the internationally recognised Sustainability-Linked Loan Principles, rating the overall project as "ambitious". This verification process was supported by FSD Africa.

As part of the loan, ONEE has committed to undertake retirement of some Carbone intensive thermal capacities in the medium term, building on Morocco's enhanced climate ambition of transitioning to a net-zero economy by 2050 as announced at COP28.

The EBRD will be supporting ONEE's efforts to (i) prepare a decarbonisation strategy, (ii) improve its climate governance and expand the digitalisation of the company's core activities by establishing a digital roadmap strategy and implementing digital use cases.

As part of this decarbonisation effort, ONEE is further strengthening its network and capacity planning to facilitate the renewables to be connected to the grid, as well as continuing to optimise electricity dispatch by taking into account the network's carbon intensity.

Morocco is at the forefront of the climate action agenda, and the EBRD has been one of the leading financiers of green technologies in the country for more than a decade now, being particularly active in private-sector financing."

Mark Bowman, the EBRD's Vice President for Policy and Partnerships, said: "This landmark sustainability-linked loan – the first of its kind in the region's energy sector – demonstrates that innovative finance can drive real impact. The EBRD's support, in close coordination with the Moroccan Government, is helping ONEE to accelerate its decarbonisation and digitalisation journey while strengthening its financial resilience in response to the energy crisis. This reflects our commitment to sustainable growth and long-term impact."

Tarik Hamane, the CEO of ONEE, commented: "Under the guidance of His Majesty Mohammed VI, Morocco is recognised as having one of the most ambitious strategies in the region for promoting renewable energy and pioneering green technologies. We are proud that ONEE is playing a major role in the integration of renewables into the energy mix with a view to increasing renewables' share to 52 per cent by 2030. The EBRD has been a long-standing and trusted partner in supporting our decarbonisation and energy transition goals. This new partnership marks another important milestone in our joint efforts to build a more sustainable, resilient, and low-carbon power system."

Morocco is a founding member of the EBRD and became a beneficiary of Bank resources in 2012. To date, the EBRD has invested more than €5.4 billion in the country through 119 projects.

L-R: Charles Kambole, Business Development lead, South Africa and Sub-Saharan Africa, Allergan Aesthetics; Jessica Meyer, Allergan Medical Institute lead, Allergan Aesthetics; Anwar El Homsy, Regional Sales Manager, Pharaon Healthcare Africa (PHA); Michelle Nixon, marketing manager, South Africa and Sub Saharan Africa, Allergan Aesthetics; Xenephin Ludick, founder of Restore Advanced Medical Aesthetics; Asheen Nurasiaha, business excellence lead, South Africa and Sub-Saharan Africa, Allergan Aesthetics; Toyin Ayo-Fadipe, country lead, Pharaon Healthcare Nigeria (PHN), at the Pharaon Healthcare Nigeria exclusive launch of Allergan Aesthetics in Lagos, recently.

NGX, IFC strengthen Nigeria's sustainable finance drive with labelled bond workshop

Bamidele Famoofo

NIGERIAN EXCHANGE LIMITED (NGX), a wholly owned subsidiary of Nigerian Exchange Group, and the International Finance Corporation (IFC), a member of the World Bank Group, have co-hosted a technical capacity-building workshop to advance labelled bond issuance in Nigeria, supporting the real sector and accelerating the country's sustainable finance objectives.

The workshop, themed "Unlocking Sustainable Capital for the Real Sector: A Deep Dive into the Labelled Bonds Issuance Process", brought together issuers, market operators, institutional investors, regulators, and policymakers for practical discussions on opportunities and challenges within the sustainable bond ecosystem.

Labelled bonds, including green, social, blue, and sustainability-linked instruments, are increasingly used globally to channel private capital into climate-resilient infrastructure, clean energy, and inclusive development. While cumulative global issuance surpassed $6.2 trillion by end-2024, uptake in Nigeria remains limited, largely due to gaps in technical structuring, certification, and disclosure frameworks.

Jude Chiemeka, chief executive officer of NGX, emphasized the critical role of sustainable finance in Nigeria's growth strategy. "Unlocking sustainable capital is central to achieving Nigeria's vision of a $1 trillion economy, shared prosperity, and long-term resilience," he said. The workshop builds on NGX's ongoing initiatives, including its Sustainability Disclosure Guidelines, the Impact Board, and pioneering green bond listings.

Christian Mulamula, principal country officer at IFC, highlighted IFC's commitment to deepening market infrastructure and sustainability-linked investments across Africa. "We share an ambition for Nigeria to become a model for green and sustainable finance on the continent," he noted.

The Federal Ministry of Environment announced Nigeria's largest green bond to date, a ₦50 billion sovereign green bond to finance renewable energy, afforestation, clean transport, and sustainable agriculture. "This issuance underscores Nigeria's commitment to scaling private finance in line with national development goals," said Olaitan Fajuyitan, Special Adviser and Coordinator of Sovereign Green Bonds.

Representing the Federal Ministry of Marine and Blue Economy, Husaini Shettima described the workshop as timely for advancing sustainable marine finance. "The next frontier is developing a robust blue bond framework that aligns with national priorities and global standards," he stated.

The workshop also provided guidance on the issuance process and highlighted the advantages of listing bonds through NGX.

United Capital Plc launches mutual funds for Francophone investors

Bamidele Famoofo

UNITED CAPITAL PLC HAS officially commenced operations of its latest subsidiary United Capital Asset Management West Africa Limited (UCAMWAL) with the launch of two CFA francdenominated mutual funds: the UCAMWAL Bond Fund and the UCAMWAL Diversified Fund, in Abidjan, Côte d'Ivoire.

This milestone marks a significant step in the Group's strategic pan-African expansion. The newly introduced funds, denominated in CFA francs, represent a significant milestone in UCAMWAL's mission to deliver sophisticated yet accessible wealth management solutions to investors throughout Francophone West Africa. These products have been carefully designed to meet the diverse needs of both individual and institutional investors, offering tailored support to long-term wealth creation while addressing varying risk appetites. The funds will be available for intending customers across the eight member countries - Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo within the WAEMU Region.

The UCAMWAL Bond Fund is a low-risk, open-ended fund that focuses on fixed-income and money market instruments, making it ideal for steady capital preservation and long-term wealth building.

The diversified fund offers moderate risk exposure through a balanced mix of fixed income, money market assets, and equities - perfect for investors seeking both growth and income diversification.

Commenting on the significance of the launch of the products Mr. Peter Ashade, group chief executive officer of United Capital Plc said: "This product launch signals the kick-off of the expansion of our pan-African footprint, starting with the WAEMU region. As a group, our mission is to shape a more financially inclusive and economically resilient Africa, for Africa by Africans. We are here to make a difference, and we are bringing our proven investment expertise into this market, to support cross-border investment, and support Africa-driven prosperity. This is the beginning of a legacy, for wealth creation, financial empowerment, and a new chapter in Africa's story of innovation, and enduring success." The Director, Africa Operations at United Capital Plc, Mr. Ejikeme Okoli, shared the company's long-term vision for the WAEMU region, saying: "Our expansion into WAEMU is about more than presence, it's about impact. We're building a truly Pan-African financial institution that partners with local economies to unlock long-term prosperity. Our strategy is not exploitative but collaborative, and will harness local insights to create shared value. We aim to deliver tailored financial solutions, manage risk effectively, and drive inclusive growth across the region. I invite investors to join us on this journey of growth and empowerment, as we stay true to our promise of driving progress, delivering value, and powering economic improvement across Africa." Also speaking at the launch, Labas Bamba, managing director of UCAMWAL, said: "Today marks a pivotal step in our mission to reshape asset and wealth management in Francophone West Africa. These funds are tailored to meet the distinct needs of our investors, blending global standards with local market insight. We recognize that every investor's journey is unique, which is why our solutions are built to support diverse goals across different life and business stages." The launch of these funds comes at a critical time for the WAEMU region, as governments and the private sector increasingly seek innovative solutions to mobilize domestic savings and channel them into productive investments. Backed by a strong track record and trusted legacy of United Capital Plc, which manages nearly ₦2 trillion in assets and more than $500 million in mutual funds in Nigeria, UCAMWAL is positioned to become a leading investment partner for individuals, institutions, and governments across the WAEMU region.

STOCKS MARKET

	NSE	NSE 30	FTSE 100	DOW JONES	S & P 500	FTSE/JSE	NASDAQ
	106,042.57	3,937.55	7,964.18	43,840.91	5,954.50	76,120.24	17,732.60
CURRENT	0.27	0.58	+50.93	+601.41	+92.93	+321.69	0.71%
YEAR TO DATE	3.03	3.30	0.64%	1.39%	1.59%	+0.42%	11.16%

TOP TRADERS

Company	Volume	Value
ACCESSCORP	52815880	1157477927
CHAMS	51563158	108857713.8
UBA	35984978	1256915321
FCMB	34523569	314538865.9
GTCO	31867991	2052226684

TOP GAINERS

No	Equity	Opening	Closing	%Change
1	TIP	N 4.50	N 4.95	10.00%
2	CADBURY	N 29.00	N 31.90	10.00%
3	NAHCO	N 75.00	N 82.50	10.00%
4	BETAGLAS	N 99.85	N 109.80	9.96%
5	CAVERTON	N 2.42	N 2.66	9.92%

TOP LOSSERS

No	Equity	Opening	Closing	%Change
1	DAARCOMM	N 480.00	N 0.54	-10.00%
2	VITAFOAM	N 0.62	N 47.55	-9.94%
3	MULTIVERSE	N 18.50	N 6.35	-9.93%
4	ETERNA	N 2.20	N 45.00	-9.91%
5	ETI	N 0.98	N 26.00	-9.72%

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

Stories by Onome Amuge

Nigerian banks face N840bn income hit from detrimental CRR policy

L-R: Lanre Babalola, group head, Climate and Finance Sustainability, Bank of Industry; Oyeronke Oyetunde, general manager, regulatory affairs, MTN Group; Gloria Okorie, head of programmes, UN Global Compact Network Nigeria, (moderator), Titilope Oguntuga, director, sustainability, IHS Nigeria, Abimbola Agbejule, head, corporate sustainability and responsibility, Wema Bank, after their panel session on Collaborative Strategies for Greener Business Practices, Innovation and Sustainable Development at a private sector dialogue on Environmental Stewardship organised by the United Nation Global Compact Network Nigeria in Partnership with IHS Nigeria, in commemoration of 2025 World Environment Day , recently.

NIGERIA'S BANKING sector has incurred N840.2 billion in lost income during 2024 alone, a direct consequence of the Central Bank of Nigeria's (CBN) 50 per cent Cash Reserve Ratio (CRR). This figure, revealed in a new research note from Renaissance Capital, surpasses the cumulative N862.1 billion in estimated losses experienced under the previous discretionary CRR framework between 2020 and 2023, indicating a more severe impact on the profitability and liquidity of Nigerian lenders.

The investment bank's report, published ahead of next month's Monetary Policy Committee (MPC) meeting, warns that the uniform 50 per cent CRR, described as the highest in the world , has plunged the country's banking system into a severe liquidity crunch. This, analysts at Renaissance Capital contend, directly contradicts Nigeria's ambitious target of achieving a $1tn economy by 2030, a goal for which banks are simultaneously being mandated to recapitalise to boost lending.

"Our estimates indicate that our covered banks incurred N840.2 billion in lost income during FY24 alone, compared to N862.1 billion in cumulative estimated losses during the FY20-FY23 period. This FY24 loss figure suggests that the 50 per cent CRR regime is proving more detrimental to banks' profitability and liquidity than the previous discretionary CRR framework," the Renaissance Capital note stated.

The report pointed out that the CRR dictates the percentage of a bank's total deposits that must be held with the CBN and cannot be deployed for lending or investment. With the current CRR at 50 per cent and the liquidity ratio at 30 per cent, Nigerian banks are left with 20 per cent of customer deposits available for actual lending. This starkly contrasts with the regulatory Loan-to-Deposit Ratio (LDR) benchmark of 50 per cent, severely impeding banks' capacity to meet domestic lending targets, even with increased capital buffers. Renaissance Capital argues that this policy mix has effectively moved Nigerian banks from frying pan to fire. While recapitalisation aims to expand lending capacity, the aggressive liquidity mop-up through the CRR stifles banks' ability to deploy funds, thereby undermining the very intent of strengthening the financial system to spur economic growth.

The report also indicated that any banks currently maintaining lending ratios above 20 per cent are likely doing so by leveraging deposits from foreign subsidiaries, which are exempt from the domestic CRR rules. "Domestic operations, however, are being suffocated," the report added.

In light of these challenges, Renaissance Capital is urging the CBN to reconsider its stance, advocating for a reduction in the CRR to enhance banking sector liquidity and operational efficiency. Such a move, they argue, would reduce banks' reliance on commercial paper issuance for liquidity management and improve overall financial system efficiency.

Furthermore, the investment bank called for regulatory reforms to accompany any CRR relief, including more stringent non-performing loan disclosures, drawing parallels to the Bank of Ghana's policy of publicly listing individual loan defaulters in annual reports.

The report also acknowledged the CBN's recent directives, which include mandating banks to suspend dividend payments, defer management bonuses, and halt foreign subsidiary investments. While these measures aim to stabilise the financial system, Renaissance Capital cautioned that banks require operational breathing space to implement these changes effectively without losing their crucial ability to support the economy.

With the next MPC meeting scheduled for July, industry observers and investors will be closely watching for any policy recalibration from the CBN that could alleviate pressure on the banking sector and reignite the much-needed credit growth for the Nigerian economy.

BNY Mellon, Standard Bank unlock Nigerian debt market with new green notes

BANK OF NEW YORK (BNY) Mellon Corporation and Standard Bank Group Limited have launched Global Depositary Notes (GDNs) backed by Nigeria's local-currency sovereign bonds, in what has been termed a significant move to deepen international access to Nigeria's high-yield debt market.

This initiative, reported recently by Bloomberg, offers global investors a streamlined channel to tap into the potentially lucrative returns of Nigeria's fixed-income market.

The GDNs are specifically designed to mirror the returns of Nigerian government debt denominated in naira, the country's local currency. Notably, these notes will be eligible for settlement through Euroclear and Clearstream, two of the world's leading international securities clearing systems. This integration is expected to provide institutional investors with ease of access and enhanced confidence in the trading and custody processes.

Nigeria is currently offering some of the most attractive returns in global emerging markets. As of June 4, Nigeria's 182-day Treasury bills yielded 18.5 per cent, while its benchmark 2033 sovereign bond was quoted at a yield of 19.33 per cent. These compelling yields are a direct result of Nigeria's aggressive efforts to curb inflation and attract foreign investment.

Chris Kearns, global head of Depositary Receipts at BNY Mellon, described the GDNs as a "gateway to Africa's underutilised investment landscape." He added that this new product supports capital market development and helps unlock investment potential across Africa.

Sola Adegbesan, head of Africa regions and international global markets at Standard Bank, echoed this sentiment, stating that the notes were designed to make Nigerian investment more accessible to foreign investors.

"The product offers a simplified and accessible entry point into the Nigerian market — presenting investors with a compelling opportunity to invest in one of Africa's most dynamic economies," Adegbesan said.

The launch of the GDN programme coincides with broader economic reforms undertaken by the Nigerian government under President Bola Tinubu. These reforms, including the removal of fuel subsidies, adjustments to the foreign exchange regime, and tighter monetary policy, have been credited with improving macroeconomic indicators.

In recent months, the Central Bank of Nigeria (CBN) has successfully increased foreign exchange reserves and brought greater stability to the naira, with a narrowing spread between the official and parallel market exchange rates reflecting improved market confidence. While still elevated, inflation has also begun to moderate.

These positive economic shifts were acknowledged by Moody's Investors Service in May, which upgraded Nigeria's long-term foreign currency debt rating to B3 from Caa1 and revised the country's outlook to stable, citing improved fiscal performance and external liquidity.

The introduction of GDNs backed by Nigerian sovereign debt is anticipated to attract a new wave of global investors, particularly those seeking high yields in emerging and frontier markets. It also signals growing international interest in Nigeria's reform narrative and its potential as a high-growth investment destination.

Market analysts suggest that the success of this GDN programme could pave the way for similar initiatives in other African markets, further integrating the continent's financial systems with global capital flows.

Green bond oversubscribed as offer closes at N91.42bn

NIGERIA'S LATEST sovereign green bond offering has recorded significant investor interest, with subscriptions reaching N91.42 billion, far exceeding the N50 billion target. The Debt Management Office (DMO) announced recently that the offer, which closed on Wednesday, June 18, 2025, was 183 per cent oversubscribed, reflecting strong confidence in the nation's sustainable finance initiatives.

This marks Nigeria's third green bond issuance, underscoring the government's commitment to financing environmentally friendly projects. The DMO highlighted that the strong demand reflects growing investor belief in Nigeria's growing green bond market and its dedication to sustainable development and climate action.

Investors were ultimately allotted N47.355 billion at a coupon rate of 18.95 per cent per annum. The proceeds are earmarked for projects outlined in the 2024 Appropriation Act, specifically those supporting Nigeria's Nationally Determined Contributions (NDCs) under the Paris Agreement and its broader climate pledges, including the goal of achieving net-zero emissions by 2060. Patience Oniha, director-general of the DMO, remarked, "The strong investor interest in this Green Bond demonstrates growing confidence in Nigeria's commitment to sustainable financing. Green Bonds are becoming an increasingly important instrument for mobilising capital towards our climate objectives and sustainable development agenda."

Oniha also emphasised the DMO's ongoing efforts to deepen the domestic capital market, with the green bond issuance serving as a further contribution to this objective.

Quoted Insurers

Security	P/close	Open	High	Low	close	%change	Volume	value
AIICO	1.55	1.55	1.64	1.6	1.6	3.23%	1,699,833	2,733,597.53
CORNERST	2.89	2.89	2.99	2.99	2.99	3.46%	782,080	2,335,000.47
INTENEGINS	1.38	1.38	-	-	1.38	0.00%	14,061	20,559.57
LASACO	2.02	2.02	2.14	1.95	2.14	5.94%	3,144,980	6,384,745.91
MANSARD	8.2	8.2	8.75	8.75	8.75	6.71%	443,053	3,803,810.19
NEM	14.95	14.95	15	14.5	15	0.33%	2,243,683	32,305,819.60

...INSURANCE ...PENSION ...BROKER ...RISK MGT ...SPECIALTY ...COMPANY ...PEOPLE ...REGULATION

Insurance stakeholders urge African insurers to embed sustainability in core operations

Stories by Joy Agwunobi

AFRICAN INSURANCE players have been urged to recalibrate their operational models by embedding sustainability principles across the insurance value chain, aligning profit goals with societal impact, and embracing regionally rooted ESG strategies tailored to the continent's realities.

This call to action was made at the United Nations Environment Programme Finance Initiative (UNEP FI) Regional Roundtable 2025 for Africa & the Middle East, held in Marrakech, Morocco.

The event, themed "Embedding Sustainability into African Insurance Markets," focused on operationalising the Principles for Sustainable Insurance (PSI) in the African context, with emphasis on risk prevention, climate resilience, and nature-positive insurance solutions.

Discussions explored how insurers can design products that not only provide protection against emerging risks such as climate change, biodiversity loss, and natural disasters, but also promote long-term economic and social stability across vulnerable populations and ecosystems.

Monday Utomwen, chief risk officer at WAICA Reinsurance Corporation, emphasised a transformative shift in how African insurers could approach sustainability. Drawing from his organisation's experience, he introduced the Shared Economic Value Principle, which reframes ESG from an abstract checklist into an actionable system that aligns corporate profitability with societal well-being.

"Traditionally, insurance impact has been reduced to penetration metrics," he said, "but that vastly understates the value the insurance value chain contributes to economies."

Through a structured eight-pillar framework, captured in the acronym PROSPEDA, Utomwen demonstrated how insurance activities from claims payments to tax contributions and employment create tangible societal impact aligned with the Sustainable Development Goals (SDGs).

"We are not just risk managers and asset owners—we are resilience builders. Whether through taxes paid to governments, commissions that empower distribution networks in underserved areas, or claims that restore livelihoods after disaster, every action across the insurance chain carries the potential for sustainable impact," he noted.

L-R : Musa Aliyu, chairman ICPC; Auwal Musa-Rafsanjani, executive director, Civil Society Legislative Advocacy Centre (CISLAC), and Adetunji Ogunyemi, professor of Economic History, Obafemi Awolowo University, Ile-Ife, during a 1-Day Dialogue on Local Government Autonomy in Nigeria, organized by CISLAC in collaboration with Konrad Adenauer Stiftung (KAS), in Abuja recently.

Highlighting the need for cultural and operational shifts within African insurers, Utomwen emphasised that proper sustainability integration must begin with improved reporting and transparency.

"To progress as an industry, each insurance company must be deliberate about documenting and communicating their sustainability journey. This will create a knowledge-sharing platform that accelerates collective improvement," he said.

He encouraged insurers to benchmark themselves against others by reviewing publicly available sustainability reports. "There's a lot of innovation happening quietly within our industry, but if we don't report these efforts, we lose opportunities to inspire, learn, and improve," he stated.

Utomwen advocated for every insurer to maintain a dedicated sustainability section on their official website. "It's not enough to tuck in a paragraph about ESG," he said, adding "We need a standalone web page, updated regularly, that provides stakeholders with direct access to sustainability strategies, performance data, and ongoing initiatives."

He acknowledged that while several African insurance companies are already making notable progress on ESG integration, many lack visibility due to limited communication strategies. "We must not let good work go unnoticed. By publicising our sustainability efforts, we amplify our impact, gain trust, and set higher standards for ourselves and others," he added.

From East Africa, Caroline Wakesho Sonje, ESG Specialist at ICEA LION Group, spotlighted the transformative role of inclusive innovation in driving ESG outcomes at the grassroots.

She pointed to partnerships with telecom operators and health providers that enable low-income earners—such as Kenya's informal traders, known as mamambogas—to access affordable micro-health insurance products.

Leveraging digital platforms, mobile diagnostics, and second-opinion services, ICEA LION is ensuring even minimal policyholders enjoy access to meaningful coverage. "We are seeing a shift from reactive to proactive insurance," Sonje explained, adding "with nature-based solutions like tree planting, urban green islands, and coral protection being tied to health outcomes and climate resilience."

She also highlighted innovations such as parametric insurance, pay-as-you-go models, and on-demand coverage, especially tailored to the preferences of younger demographics like Gen Z who demand flexible, tech-savvy products.

"If pay-as-you-go can work for car insurance, we should be exploring its potential in health and life coverage, especially during periods of seasonal vulnerability," she said, advocating for a user-centric design approach in product innovation.

On climate resilience, Sonje called on insurers to embrace parametric insurance, risk pooling, and innovative reinsurance tools such as catastrophe bonds to tackle emerging risks.

"We need to become insurance matadors and not shy away from risks, but see them as opportunities to innovate and serve vulnerable communities," she said.

She encouraged African insurers to consider capital markets as alternative reinsurers, pointing out that these tools could help narrow the protection gap while reducing dependence on traditional reinsurance.

Sonje further stressed the need for industry collaboration in sustainability, even among competitors.

"We are competitors in the insurance space, But in sustainability, we must collaborate because indeed in sustainability whether it is in the banking sector insurance there's no competition we have to work together for shared value," she noted.

Amine Ryane, Director of International Development and Partnerships at Atlantic Re, presented a comprehensive overview of how North African countries are approaching sustainability by blending European ESG integration with African development priorities.

He described this as a "hybrid model", where countries like Morocco, Tunisia, and Egypt are simultaneously aligning with global sustainability norms while tailoring approaches to regional needs.

"North African countries rely on several forces," Ryane said. "First, there is a gradual energy transition. Tunisia is developing green energy interconnections with Italy. Egypt currently generates 20 percent of its electricity from renewables and is targeting 42 percent by 2035. Morocco hosts the Noor solar plant—the largest in North Africa."

This shift, he noted, presents a greenfield opportunity for insurers and reinsurers to develop new insurance products tailored to clean energy investments and transitional risks. He urged the insurance industry to see energy transition not as a risk to avoid, but as a pathway for innovation.

A second major force shaping the region's progress is the rise of sustainability-focused regulation.

"Regulators in countries like Morocco, Algeria, Egypt, and Tunisia are making sustainability reporting mandatory for insurers," Ryane said, adding "Egypt, for instance, issued Africa's first sovereign green bond to finance renewable projects."

He stressed the importance of this momentum for the insurance sector, noting that sustainability regulations create opportunities to recalibrate underwriting guidelines, improve claims processes, and rethink enterprise risk management strategies.

"Insurers and reinsurers who take this shift seriously will gain a real competitive advantage—especially across borders," he added.

The third pillar, Ryane noted, is cross-border cooperation. North African nations are increasingly realising that climate risks transcend national boundaries, prompting initiatives for regional risk pooling and data sharing.

"New regional schemes are being explored between Tunisia and Algeria, Egypt and Morocco. These efforts include shared data systems and collaboration with the African Union to create sustainable finance programs for North Africa," he said.

Such collaboration, he added, fosters regional resilience rather than fragmented national responses.

Ryane concluded by encouraging African insurers to adopt a transformational ESG mindset, one that is shaped by African realities, rather than dictated solely by external pressures.

"We need to move from a compliance-based ESG mindset to a transformational one, Africa-shaped ESG," he stressed. "Right now, many African insurers still see ESG as a burden—something required by regulators or rating agencies. But it should be seen as a competitive advantage."

He proposed the development of African ESG grids that focus not only on emissions but also on resilience and transition pathways specific to the continent. "We must build sustainable insurance platforms in Africa, for Africa," Ryane add

EXECUTIVE KNOWLEDGE SERIES

INSEAD The Business School for the World®

KNOWLEDGE@WHARTON

Wharton UNIVERSITY of PENNSYLVANIA

In Association with access

LEADERSHIP & ORGANISATIONS

Nadav Klein

Assistant Professor of Organisational Behaviour

Eliot Gattegno

Eliot Gattegno is the Chief Learning Officer at Athena.

Rachel Eva Lim

Rachel Eva Lim is a Senior Editor at INSEAD Knowledge.

How to Get Workplace Kindness Right

KINDNESS COULD BE more than about doing nice things for others or making people happy.

Gone are the days when ruthlessness was synonymous with doing business. Today, kindness is extolled by many as an important virtue to bring into the workplace. Researchers have highlighted its potential to boost employee well-being in hybrid work settings and contribute to positive business outcomes, while numerous companies have expressed a commitment to kindness values and pledges.

Defined simply as doing nice things for others, kindness is universally appreciated. However, without proper qualification, the recommendation to be kind is like the recommendation to exercise: Great in principle, but impractical without knowing the scope and dosage. How kind should one be at work? How often? Should we be kind to others to the point of self-immolation, or is it enough to be a little kind to reap the benefits of kindness for ourselves and others?

Broadening the definition

In an earlier article, I (Nadav Klein) discussed research which found that the reputational and social benefits of kindness top out at a certain point. This is usually the point at which actions and behaviours meet the acceptable norms in the workplace. Be a decent human being, and you have reached the optimal point at which the benefits of showing kindness exceed the personal costs. Go a bit over, and the equation flips. It's not that people don't appreciate "extreme" kindness – it's just that they really appreciate others "just" being decent. All costs and benefits considered, it does no additional good to ask people to maximise kindness as currently defined.

If this sort of kindness has its limits, are there other potentially more beneficial ways that we can practise kindness at work? We (Klein and Eliot Gattegno) suggest that the answer lies in expanding the definition of the term to include leadership actions that benefit people in both the short and long run, which we outline below. Once this new definition is set, new opportunities to practise kindness arise.

1. Interpersonal kindness

This type of kindness is traditionally defined as being nice to others. Offering to lend a hand on a project, giving a compliment, bringing a peer a cup of coffee or their favourite snack – all these behaviours fall under this category. They are beneficial in creating a collegial environment and elevating the happiness and well-being of those around you.

Although this is certainly important, interpersonal kindness has its limits. Happiness is not the only outcome we want for our employees. It is a positive emotion that is relatively short-lived, as people quickly adapt to even the most uplifting of events. There are longer-term benefits that kindness can provide if we broaden the scope and adopt two additional definitions.

2. Practical kindness

Beyond treating others well, practical kindness means doing your best to help people do their jobs better. This can be achieved by thinking through the opportunities, manpower and resources your teams have for doing their current jobs and allocating these effectively. For instance, to motivate and challenge employees, you can give them stretch goals, along with the proper support to fulfil them. It also means switching people away from jobs they are not suited for and steering them down a different path.

At its core, the basic leadership action involved in practical kindness is giving honest feedback and not shying away from communicating negative feedback when needed. Research has found that people underestimate others' desire to hear constructive feedback and so avoid giving it. However, such feedback can be the ultimate act of kindness, as it shows you care enough to have tough conversations.

In his book "Principles", renowned hedge fund manager Ray Dalio recalls a time when an employee sent him an email chastising him for coming unprepared to an important client meeting. Dalio reflected how embracing this blunt assessment rather than feeling insulted enabled him to grow as a leader and keep his ego in check.

The outcome of practical kindness is not necessarily happiness. Sometimes, such actions by leaders can make people happy in the short term, but they could also make them unhappy – especially when difficult but necessary conversations arise. Instead, the desired outcome is empowering your people to perform their jobs to the best of their abilities.

There is a contradiction between making individuals happy in the short run and helping people be successful in their jobs in the long run. Leaders must master this contradiction if they are to practise practical kindness that helps people increase not just their output but also their impact. They will be better off for it. Over time, they will be able to accomplish more, feel more fulfilled and have greater freedom and agency in their careers.

3. Developmental kindness

A third form of kindness takes an even longer-term perspective. Developmental kindness is helping people acquire skills to get to the next level. Here, the focus is on the people themselves (whereas for practical kindness, it is the job they perform).

This first requires identifying what the next level is for each person. For some, this may entail a promotion in your organisation. For others, it could mean an unconventional path – a lateral move, a transfer or an exit from the company to take up an entrepreneurial role. The next step is helping people get to this next level.

One of the most powerful actions you can take as a leader is delegating with an eye for the future. Handing people tasks and responsibilities lies at the heart of being a leader – it practically sums up the job description. It is one thing to tell people what they should do to reach the next level. It is another thing to give them opportunities to learn these skills. If you can delegate not only tasks required of their current job but also tasks required of their desired future job, you will be acting kindly towards them in a meaningful way.

This should be done only when your people are ready and have the necessary bandwidth. Leaders must walk the tightrope between delegating tasks only within an employee's job description and thus offering no development opportunities, and delegating too much beyond an individual's current role and causing undue stress and overwork. You must know when someone is at a place where forward-looking challenge is appropriate, and when they are not.

Developmental kindness means acting as a mentor and taking individuals' careers and future success seriously. It requires incorporating their goals while also providing your input, gaining their trust and respect, and challenging them when you believe they are short-changing themselves or holding themselves back. It's a much more demanding form of kindness than doing nice things for them.

However, the rewards are also greater – not just for employees but for leaders as well. According to research, helping others in such important ways creates a lasting sense of meaning in your own career. Moreover, you can establish a reputation as a leader who develops others, which could strengthen your ability to hire the best people in the future.

Stories of mentorship in the business world are retold frequently. Some of the most famous examples are the valuable advice given by Steve Jobs to Mark Zuckerberg that helped the latter get through the growing pains of building Facebook. Similarly, the multi-decade mentor-mentee relationship between Warren Buffett and Bill Gates is the stuff of legends, which Gates seemingly repeats to anyone who'll listen.

Kindness in business can be valuable to both those who personify it and those who receive it. By broadening the definition of the term, leaders can show kindness in ways that don't just benefit employees in the short run but can also have lasting positive effects.

How to Lead Like No One Has Led Before

GIANPIERO PETRIGLIERI

Associate Professor of Organisational Behaviour

ANNIE PESHKAM

Annie Peshkam is a Lecturer and Director of INSEAD's Initiative for Learning Innovation and Teaching Excellence (iLITE).

LESSONS FROM LEADERS of learning on how to break traditional templates of leadership.

Leadership, we're often told, is about standing out, taking charge and organising effectively to deliver results. Most new leaders step into that established template and try to bring it to life in their daily work – only to hear complaints that their leadership style is too focused on the products and the numbers, and too little on the people and the culture.

But what does it take to challenge the traditional template? What happens when leaders try to put development on par with delivering as their core concern? Those who aspire to lead in new ways often find themselves needing to forge a new model and carve their own path.

No one knows this better than a new cadre of leaders that have risen in prominence in the last decades. Their titles commit them to fostering ethics, diversity, innovation, sustainability, well-being and learning, among other goals. But they often receive an ambivalent embrace once they enter the C-suite, and find themselves being "marginal" and "leaders" at the same time. As a result, they have to define their place and purpose in novel ways to work alongside traditional business leaders.

There is a lot to learn from these "marginal" leaders about how to lead in a way that others have not done before, and we set out to distil their lessons in a study recently published in the Academy of Management Journal. We focused specifically on "leaders of learning", as we call them, who are charged to make sure people and the organisation are not just efficient in the short term, but equipped for the long term. We studied senior executives in charge of learning and development across 69 multinationals, and found that they had to navigate conflicting currents to find firm ground as leaders in their organisation.

Balancing dualities

Every leader's role encompasses both instrumental and humanistic aims. They need to care about the organisational machinery, as well as its community. This is most evident when it comes to learning. For organisations, learning serves an instrumental purpose – it enables employees to perform better, advance in their careers and contribute to profitability. For individuals, learning addresses deeper humanistic needs – bolstering future employability, fostering growth, and offering meaning and connection in uncertain times.

Traditional leadership templates, to put it bluntly, put instrumental principles and practices first. Performance is an imperative. Growth, community and culture are a luxury of sorts. Those marginal leaders who want or need to break that template often must find their own way to navigate this duality of aims, and define their leadership and its value in the process.

Constructing leadership identity

Our study revealed how marginal leaders build a novel way of leading. The process, depicted in Figure 1, underpins the crafting of a leader identity in the organisation, as well as their strategy for the organisation. It combines becoming a leader and doing leadership.

First, marginal leaders must find a place within the organisation and define their relationships to their function, established leaders and employees. This is both a structural task and an existential one: how do they fit in a system that is not built for them?

Second, they need to take a stance on their function – be it instrumental, humanistic or somewhere in between. This stance shapes how they lead and how others perceive them.

Third, they must build a space to help others learn what matters, according to their stance. Incorporation spaces are linked with instrumental goals, like standardised training courses that align employees with organisational objectives. Individuation spaces encourage personalised development, experimentation and transformation, such as role rotations, fieldwork and group or executive coaching.

Three paths for novel leadership

Marginal leaders need a leader identity to secure their place in the organisation and guide their work. Interestingly, our study shows that they don't follow the same trajectory towards that identity. Some left the "margins" to lead, embracing either an instrumental or humanistic view of their function. Others lead from the margins, casting that duality of functions as a paradox.

In general, they took one of three routes to craft their identity: custodians, challengers and connectors.

Custodians followed the well-studied path of adapting to mainstream demands to secure a place near the centre of the organisation. They did so by aligning with established leaders and the organisation's objectives, and demonstrating measurable impact to build credibility.

Challengers cast themselves as valuable outsiders needed to disrupt the status quo while promoting personal growth as a precursor of innovation. They often pushed for learning to be seen as a strategic objective in itself and advocated for spaces of individuation for employees.

Lastly, connectors served as bridges between different groups. They held the tension between organisational demands and individual desires to strengthen the bonds people had with each other and with the organisation, making both more resilient.

The value of marginal leadership

Although leadership is traditionally associated with centrality, our study shows this may not necessarily be so. Some marginal leaders move towards the centre, while others are content with – and very effective at – leading from the margins. Yet, some others connect the two.

Marginal leaders can lead well when they build resources and maintain connections with different groups within and outside the organisation. Many of them in our study expressed the importance of "co-creation with a collaborative spirit", leveraging the freedom of marginality by "talking quite passionately at every opportunity" and challenging traditional leaders' narrow focus on delivering short-term results.

In short, marginality can be a positive and creative experience, especially when it becomes a starting point to challenge and redefine an organisation's traditional leadership template. Our framework shows how marginal leaders can forge a leadership identity that is grounded in relations, intent and structure. Focusing on the existential struggle and strategic choices that lie beneath and beyond building an identity, we cast light on the process of bringing leadership to life – and not just bringing leaders into roles.

KNOWLEDGE@WHARTON

EXECUTIVE KNOWLEDGE SERIES

In Association with access

HUMAN RESOURCES

MANAV RAJ

Assistant Professor of Management

How Are Freelancers Adapting to Gen AI?

Wharton research reveals how freelancers are adapting to stay competitive after the launch of ChatGPT.

FREELANCERS HAVE long been hailed as the agile foot soldiers of the digital economy. But when ChatGPT launched out of nowhere in late 2022, many of these independent workers found themselves adapting to a different kind of disruption: Their competition is no longer solely human.

New research from Wharton management professor Manav Raj shows how the release of the generative AI chatbot upended the online labor market by quietly and dramatically altering how workers carry out tasks, and accordingly, how they compete for jobs.

The study analyzes millions of records on a leading global freelancing platform, before and after ChatGPT's launch. Co-authored by Wharton PhD student Shun Yiu and NYU Stern professor Robert Seamans, the research shows how the competitive dynamics on the platform evolved, with new freelancers pouring in and incumbents recalibrating how they worked to stay competitive.

The data covers about 6.6 million records showing how 312,143 freelancers applied for jobs each month.

"The key story here isn't that jobs disappeared overnight," said Raj. "It's that workers shifted — some subtly, others dramatically — in response to a new kind of competition.

Gen AI Is Narrowing the Skill Gap

Freelancer behavior changed almost immediately. While total earnings and contracts on the platform remained steady, incumbent freelancers — those already active at least three months before the arrival of ChatGPT — began submitting markedly fewer job applications. Across the board, these independent contractors submitted between 51% to 62% fewer bids post-ChatGPT, a drop that persisted for nearly a year.

The reasons for this decline are nuanced, the researchers say. Freelancers in fields most directly threatened by AI, such as copywriting or language translation, have experienced a contraction in demand. These workers were far more likely to move "horizontally" into entirely new categories of work, compared with freelancers in fields that did not experience such a contraction.

But in other areas, like software development and data analytics, while demand was less affected, the platform saw a "pronounced" increase in the number of freelancers bidding for work. This increase was particularly prominent among international freelancers, who may have used new AI tools to get around barriers like language or not having formal training.

In these cases, incumbent freelancers were more likely to reposition themselves "vertically," bidding for proportionally fewer high-value jobs (i.e., jobs with contract values over $1,000) and more mid- to low-value jobs, as they attempted to navigate a more competitive environment.

These strategic shifts were especially noticeable among higher-skilled freelancers, as measured by the skill level required for previously completed jobs. Such workers were much more likely to shift the proportion of their bids allocated to low-to-mid-value jobs relative to higher value jobs. Rather than abandon their expertise, the researchers said many adjusted by repositioning themselves vertically to a different segment of the market.

This pattern, according to Raj, is consistent with broader evidence suggesting that AI has narrowed skill gaps.

"Our findings, perhaps, are more in line with the story where AI is leveling the skill deficit," he said. "It's allowing lower-skilled workers to compete with higher-skilled people, which may be why higher-skilled workers are applying for a broader range of jobs now."

The Demand for Freelancers Remains Steady

Some online marketplaces, including Fiverr and PeoplePerHour, have started rolling out AI tools aimed at supporting freelancers through these changes. The tools either help match talent with jobs faster or automate parts of the work process. Uma, Upwork's Mindful AI, was introduced as an intelligent work companion that helps freelancers craft proposals and manage projects, while assisting businesses in evaluating candidates and finding the right talent — streamlining the hiring and collaboration process.

"The platforms are very aware of the fact that many freelancers rely on this income," Raj added. "There's an understanding that we can't hide from AI — we need to adapt."

Still, the Wharton professor believes the adjustment shouldn't fall entirely on freelance workers or work marketplaces. "There is definitely a role for governments here," he said. "We might think tech change is a net positive and helps us grow, but there's this idea of creative destruction. Governments can help mitigate this friction and help people move on to other work."

Looking ahead, he sees further disruption as likely, though not necessarily disastrous. "If AI becomes more autonomous, it will continue to affect freelance work and employment as a whole," he said. "I don't think we're at a point where freelance work is under existential threat, but the demand for it will shift."

For now, freelancers are adjusting. Some are bidding less, others are testing new roles or lowering their rates. What they are not doing — for the most part — is disappearing.

LEADERSHIP

Brainwaves to Breakthroughs: Foster a Creative Culture

Wharton's Michael Platt offers neuroscience-based strategies to boost creativity in this Nano Tool for Leaders.

MICHAEL PLATT

James S. Riepe University Professor, Professor of Marketing, Professor of Psychology, Professor of Neuroscience

NANO TOOLS FOR LEADERS® — a collaboration between Wharton Executive Education and Wharton's Center for Leadership and Change Management — are fast, effective tools that you can learn and start using in less than 15 minutes, with the potential to significantly impact your success and the engagement and productivity of the people you lead.

Goal

Apply neuroscience-based strategies to unlock innovative thinking, problem solving, and breakthrough ideas in yourself and your team.

Nano Tool

Creativity is paramount for driving innovation, solving complex challenges, and enhancing employee engagement, regardless of industry. Whether you're leading a financial services firm or a health care organization, harnessing creative thinking can unlock new opportunities and elevate success. Neuroscience research reveals that creativity isn't just a mysterious talent; it's a trainable skill rooted in specific brain processes.

For businesses, it's worth developing that skill. A study by Adobe and Forrester Consulting revealed that creativity impacts growth and market share: Creative companies' revenue growth dramatically outpaces that of their peers, and they also outpace competitors in market share and market leadership positions. Yet many leaders unknowingly stifle creative thinking — both in themselves and their teams — by emphasizing efficiency, structure, and risk avoidance. In fact, 61 percent of companies in the Adobe study reported that they are not creative.

Instead of the right brain/left brain myth (the notion that individuals are predominantly logical and analytical or creative and intuitive), which has been widely debunked by neuroscientific research, creativity emerges from dynamic interactions between the brain's default mode network (DMN, responsible for imagination) and an opposing circuit that supports focus and routine task performance — the "frontoparietal attention network" (which means it lives in the front and sides of your brain). This circuit is most active when you are concentrating on a single task, especially rote ones like doing arithmetic or pushing buttons in response to prompts. Research shows that leaders who encourage both free thinking and structured reflection help teams toggle between these networks more effectively. Understanding how the brain generates novel ideas can help leaders create environments where breakthrough thinking thrives.

Action Steps

Apply these neuroscience-backed strategies to fuel creativity in your leadership and teams:

Balance Focus and Free Thinking. Start brainstorming sessions with open-ended exploration before narrowing ideas. Encourage teams to toggle between idea generation and critical thinking.

Diversify Inputs for Novel Ideas. Expose your team to different industries, disciplines, and perspectives to enhance creative connections. Cross-pollination of ideas strengthens the brain's associative networks.

Reward Experimentation, Not Just Success. Recognize bold ideas, even if they fail. This keeps the dopamine system engaged and encourages ongoing risk-taking.

Build Psychological Safety for Idea Sharing. Teams that feel safe to voice unconventional thoughts are more innovative. Model openness by sharing your own creative failures and learning experiences.

Schedule Unstructured Time for Innovation. Encourage walking meetings, downtime, and playful activities. Some of the best ideas emerge when the brain isn't actively trying to solve a problem.

How Companies and Leaders Use It

Each of the following practices blends structured processes with open-ended exploration — exactly the kind of balance that stimulates breakthrough thinking:

Pixar's "Plussing" Culture

Pixar promotes creativity through a practice called "plussing," where team members build on each other's ideas by adding thoughtful enhancements rather than offering criticism. The structure of always adding something positive encourages deliberate reflection, while the freedom to iterate sparks spontaneous idea generation. The result: a culture where imaginative risks are supported by psychological safety.

Cirque du Soleil's Creative Cross-pollination

Cirque du Soleil deliberately brings together artists, athletes, musicians, and acrobats from vastly different backgrounds. This structured mix of disciplines creates fertile ground for free-flowing creativity. The design is intentional, but what emerges from their collaboration is often unexpected — a perfect example of structure enabling discovery.

Johnson & Johnson's "Storytelling for Innovation"

By encouraging employees to frame health care challenges as stories, J&J provides a structure — narrative arcs, characters, emotional stakes — that helps teams reframe problems from a more human angle. That narrative frame opens up more expansive, imaginative thinking and invites out-of-the-box solutions grounded in empathy.

Lego's "Serious Play" Method

Lego's method uses physical bricks to model solutions to business problems. The hands-on, rule-based nature of the activity provides structure, while the open-ended possibilities of what can be built stimulate lateral thinking and abstract reasoning. The result is creative engagement that's both grounded and generative.

IDEO's Empathy Field Trips

IDEO sends teams into unfamiliar environments to observe people in their daily contexts. These field trips are highly intentional and guided by clear research goals (structure), but the insights they generate often come from unplanned discoveries and associative leaps (exploration). The practice sharpens observational skills while encouraging new mental connections.

Contributor to This Nano Tool

Michael Platt, PhD, Director, Wharton Neuroscience Initiative; James S. Riepe University Professor of Marketing (Wharton School), Neuroscience (Perelman School of Medicine), and Psychology (School of Arts & Sciences), University of Pennsylvania.

Quoted Insurers

Security	P/close	Open	High	Low	close	%change	Volume	value
AIICO	1.55	1.55	1.64	1.6	1.6	3.23%	1,699,833	2,733,597.53
CORNERST	2.89	2.89	2.99	2.99	2.99	3.46%	782,080	2,335,000.47
INTENEGINS	1.38	1.38	-	-	1.38	0.00%	14,061	20,559.57
LASACO	2.02	2.02	2.14	1.95	2.14	5.94%	3,144,980	6,384,745.91
MANSARD	8.2	8.2	8.75	8.75	8.75	6.71%	443,053	3,803,810.19
NEM	14.95	14.95	15	14.5	15	0.33%	2,243,683	32,305,819.60

...INSURANCE ...PENSION ...BROKER ...RISK MGT ...SPECIALTY ...COMPANY ...PEOPLE ...REGULATION

PenCom partners OHCSF to introduce gratuity framework for civil servants

Joy Agwunobi

THE NATIONAL PENSION COMMISSION (PenCom) has announced a strategic collaboration with the Office of the Head of the Civil Service of the Federation (OHCSF) to introduce a Gratuity Framework tailored for civil servants in treasury-funded Ministries, Departments, and Agencies (MDAs) under the Contributory Pension Scheme (CPS).

The initiative was unveiled during a courtesy visit by Omolola Oloworaran, director general of PenCom, to Didi Esther Walson-Jack, the head of the civil service of the federation (HCSF), according to a statement issued by the Commission.

Oloworaran explained that the proposed Gratuity Framework will be developed in accordance with Section 4(4)(a) of the Pension Reform Act (PRA) 2014 and is targeted at retiring employees of Federal Government MDAs funded through the treasury. Based on estimates by PenCom validated by the 2024 Stakeholders Committee on Outstanding Pension Liabilities—the framework is projected to cost the federal government approximately N30 billion annually if retirees are paid 100 percent of their last gross annual remuneration.

She described the financial outlay as a modest but meaningful investment in the welfare of retired civil servants who have served the country diligently.

Highlighting one of the pressing challenges in the pension space, Oloworaran noted the recurring delays in pension payments, often due to slow disbursement of Accrued Pension Rights. She recalled that previous collaborative efforts between PenCom and the OHCSF had already led to significant milestones, notably the Federal Executive Council's approval of a N758 billion bond to offset outstanding liabilities under the CPS.

L-R: Temitope Ashiwaju, group corporate communications and events manager, Dufil Prima Foods; Yomi Badejo-Okusanya, former president, African Public Relations Association(APRA); Israel Opayemi, managing director/chief strategist, Chain Reactions Africa; Bolaji Abimbola, managing director, Integrated Indigo Limited, and Arik Karani, president, African Public Relations Association (APRA), during the SABRE Africa Awards held recently in Mombasa, Kenya

To further streamline pension administration, PenCom announced a one-time, comprehensive online enrolment initiative aimed at determining the Accrued Pension Rights liability of all serving federal employees in treasury-funded MDAs who joined service prior to June 2004. The exercise is scheduled to commence in August 2025.

According to Oloworaran, this digital enrolment will provide PenCom with a verified financial estimate that could form the basis for another government-backed bond issuance, potentially enabling the full settlement of accrued liabilities. Once determined, the accrued rights of each eligible civil servant will be credited directly to their Retirement Savings Accounts (RSAs), allowing them to begin earning returns immediately.

She added that this approach would not only enhance financial security for retirees but also insulate the pension system from disruptions often caused by political transitions, with Pension Fund Administrators (PFAs) assuming complete management of the funds.

In line with the digitisation effort, Oloworaran revealed that PenCom is developing an online application designed to facilitate a seamless enrolment process. The Commission intends to deploy this platform by August 2025. She also called on the OHCSF to support the exercise by issuing a circular mandating all MDAs to fully participate and submit the required documentation.

Addressing another long-standing issue, Oloworaran pointed out that several MDAs not enrolled in the Integrated Payroll and Personnel Information System (IPPIS) remit pension contributions without submitting the necessary schedules, thereby delaying proper crediting to employee RSAs.

To resolve this, PenCom has launched a new Pension Contribution Remittance System mandating all employers to use designated Payment Solution Support Providers (PSSPs) to ensure accurate and timely remittance of pension contributions. She appealed to the Head of Service to direct the IPPIS office in the Office of the Accountant General of the Federation (OAGF), as well as all non-IPPIS MDAs—including tertiary institutions and self-funding agencies—to adopt the new system, effective from June 2025.

In her response, Walson-Jack expressed full support for PenCom's initiatives, describing them as timely and forward-thinking. She commended the Commission's proactive efforts in tackling long standing challenges in pension administration and pledged to issue the necessary circulars to MDAs to ensure smooth implementation of the proposed reforms. She also welcomed the proposed Gratuity Framework, affirming that the demand for gratuity by civil servants has been a recurring concern and underscored her commitment to making the scheme a reality.

To solidify the collaboration, both agencies agreed to establish a Standing Committee that will work jointly on the proposed reforms and provide ongoing support for the implementation process while addressing any emerging issues.

CIIN flags off insurance awareness week 2025 with nationwide campaign

THE CHARTERED INSURANCE Institute of Nigeria (CIIN) has announced the launch of its 2025 Insurance Awareness Week, a nationwide initiative aimed at deepening public understanding of insurance and reinforcing its critical role in personal well-being, business continuity, and national security.

Scheduled to run from June 28 to July 4, 2025, the week-long campaign is themed "Insurance for All: Securing Nigeria's Future", and will feature a series of targeted activities designed to engage individuals, businesses, students, and policymakers on the significance of insurance as a financial safety net and enabler of long-term stability.

Speaking on the campaign, Yetunde Ilori, president, CNII, emphasised the Institute's mission to demystify insurance and reposition it as an essential component of financial planning.

"The aim of this campaign is to break the myths, bridge the knowledge gap, and help Nigerians understand that insurance is not a luxury, it is a necessity," Ilori said, adding "With the right coverage, individuals, families, and businesses can protect themselves against unforeseen risks, ensuring a more secure and sustainable future."

The 2025 edition of Insurance Awareness Week is expected to deliver robust programming to connect with diverse segments of society. Key highlights of the week include: include the Insurance Awareness Walk to draw public attention to the importance of insurance in everyday life.

The Opening Ceremony will feature Official launch with key stakeholders and policymakers discussing the role of insurance in national development and economic security.

There will also be awareness for secondary schools and MSMEs, market outreach, insurance hackathon, and a celebration of achievements from the awareness week, with awards, entertainment, and reflections on Nigeria's journey toward greater insurance inclusion.

According to the CIIN, the initiative underscores the Institute's ongoing commitment to fostering a culture of insurance among Nigerians by empowering citizens with relevant knowledge and accessible solutions to secure their futures.

Interswitch unveils PensionRemit platform to support new pension remittance

INTERSWITCH, ONE OF AFRICA'S foremost technology companies, has officially launched Interswitch PensionRemit, a fully automated digital platform aimed at assisting employers in complying with the newly introduced Pension Contribution Remittance System (PCRS).

In a statement issued by the company, it was noted that the PCRS, introduced by the National Pension Commission (PenCom) in collaboration with the Pension Fund Operators Association of Nigeria (PenOp), became effective on June 1, 2025.

According to Interswitch, the PCRS seeks to streamline and standardise pension remittance processes across the country. With Interswitch PensionRemit now approved as a Payment Solution Service Provider (PSSP) under the new system, employers can carry out their pension remittance activities end-to-end—ranging from uploading contribution schedules and validating RSA PINs and Pension Fund Administrators (PFAs), to completing secure payments—all in one seamless digital flow.

Commenting on the launch, Muyiwa Asagba, managing director, commercial inclusion at Interswitch, reiterated the company's commitment to innovation and financial inclusion.

"Our focus has always been on removing friction and unlocking growth for businesses. With Interswitch PensionRemit, we are delivering a digital infrastructure that empowers employers to meet their pension obligations effortlessly and at no cost. This is in line with our mission to drive inclusive financial participation through innovation," he stated.

Also speaking, Osasere Atohengbe, vice president, sales and account management at Interswitch, explained that the platform was developed with the evolving needs of businesses in mind.

"We built Interswitch PensionRemit with employers and the future in mind, to boost our drive to address long-standing pain points in the pension remittance process.

The platform equips both large organisations and small businesses with the tools they need to comply with PenCom's new mandate in the most efficient way possible," he said.

VETIVA CAPITAL MANAGEMENT LIMITED

MARKET COMMENTARY FOR THE WEEK ENDED 20TH JUNE, 2025

VETIVA CAPITAL MANAGEMENT LIMITED

Focus for the week: FCMB GROUP PLC Q1'25 Earnings Release – Strong topline, but margin compression persists

Indicators	WK CLS	WK OPEN	WTD (%)	YTD (%)
EQUITIES				
NGX 30	4,361.44	4,262.10	2.33	14.42
NGX All-Share Index	118,138.22	115,429.54	2.35	14.78
Market Cap (NGN bn)	74,495.57	72,788.00	2.35	18.70
FEDERAL GOVERNMENT SECURITIES (%)				
91-Day T-Bill	18.35	18.42	(0.35)	(7.45)
182-Day T-Bill	20.59	20.67	(0.39)	(4.64)
364-Day T-Bill	21.93	23.02	(4.73)	(6.27)
2-Year FGN Bonds	19.00	19.60	(3.06)	(1.11)
3-Year FGN Bonds	18.98	19.39	(2.07)	(1.13)
5-Year FGN Bonds	18.92	19.30	(1.98)	(1.22)
7-Year FGN Bonds	18.21	18.20	0.05	(2.98)
10-Year FGN Bonds	18.52	19.09	(2.97)	(3.45)
20-Year FGN Bonds	17.10	17.67	(3.23)	(0.62)
INTERBANK MARKET RATES (%)				
NIBOR OPR	28.17	26.50	1.67	0.87
NGN EXCHANGE RATES (₦)				
USD/NGN	1547.36	1549.35	0.13	(0.59)
GBP/NGN	2093.28	2093.28	0.00	(9.08)
EUR/NGN	1781.20	1781.20	0.00	(12.80)
CNY/NGN	216.00	216.00	0.00	(3.12)
ZAR/NGN	86.65	86.65	0.00	(6.05)
USD/NGN FORWARDS				
1M	1579.78	1583.16	0.21	(0.03)
3M	1636.90	1642.65	0.35	0.08
6M	1724.68	1724.76	0.00	0.09
1Y	1904.50	1887.05	(0.92)	(0.05)

Source: NGX, FMDQ OTC, Bloomberg, Vetiva Research

SECTOR	INDEX VALUE	WoW Δ	YTD Δ
BANKING	1,261.74	3.58%	16.34%
CONSUMER GOODS	2,521.07	2.16%	45.59%
INDUSTRIAL GOODS	3,515.46	-0.36%	-1.59%
OIL & GAS	2,500.43	5.27%	-7.80%
VETIVA 30 ETF	44.00	4.76%	17.02%
INSURANCE	723.77	2.37%	0.80%

Weekly Top 5 Gainers

Stock	Closing Price (₦)	% Change
ELLAHLAKES	5.33	23.09%
BETAGLAS	276.00	19.43%
LIVINGTRUST	6.80	18.88%
GTCO	84.95	18.81%
MEYER	9.60	13.61%

Weekly Top 5 Decliners

Stock	Closing Price (₦)	% Change
NNFM	93.20	-17.19%
SUNUASSUR	4.56	-12.81%
OANDO	61.00	-11.59%
INTENEGINS	1.61	-9.55%
OMATEK	0.73	-7.59%

Source: Vetiva Research

FCMB Group Plc kicked off the 2025 financial year with a solid 41% y/y growth in Gross Earnings to N252.7 billion (Vetiva estimate: N259.5 billion), largely supported by a strong showing in Interest Income, as the bank benefitted from effective asset repricing in the high-interest rate environment. However, despite the robust topline, operating profitability came under pressure, with Operating profit margin declining to 18% (Q1'24: 31%) on the back of rising cost pressures and regulatory levies.

Interest income leads growth; NIR underperforms

The strong topline performance was underpinned by broad-based income expansion, particularly from Interest Income, which rose 71% y/y to N214.4 billion (Vetiva estimate: N210.9 billion). This reflects the impact of improved yields and loan repricing. However, Non-Interest Revenue (NIR) contracted by 33% y/y to N36.8 billion (Vetiva estimate: N43.3 billion), pressured by a 62% y/y decline in trading income to N12.6 billion—highlighting the volatility of FCMB's market-sensitive income streams. Additionally, Net impairment losses on financial instruments provided a boost dropping by 60% y/y to 9.5 billion from 23.7 billion in Q1'24, thus driving the banks cost of risk down to 0.4% (Q1'24:1.1%).

Elevated costs weigh on margins

Despite the strong topline, rising costs continued to weigh heavily on margins. Interest Expense jumped 81% y/y to N126.9 billion, reflecting upward pressure on deposit pricing and wholesale funding costs, with Cost of Funds increasing to 2.9% from 2.1% in Q1'24. Operating Expenses also rose significantly by 54% y/y to N75.5 billion, driven by both inflationary effects and structural cost increases. Personnel costs were up 35% y/y to N22.7 billion, while general and administrative expenses surged 74% y/y to N29.5 billion, indicating the impact of ongoing cost inflation and FX-related adjustments. In addition, the AMCON levy rose 70% y/y to N11.6 billion, further pressuring profitability. These dynamics contributed to a notable compression in Operating Profit margin to 18%, from 31% in the corresponding period of 2024. Nonetheless, the bank's PBT and PAT grew by 12% y/y to N35.0 billion and N32.2 billion, respectively.

What shaped the past week?

Equities: The local equity market closed the week in positive territory, advancing by 2.35% w/w to settle at 118,138.22 points. The Oil & Gas sector led the charge, climbing to 5.27% w/w on the back of strong performances from SEPLAT (+9.78% w/w) and ARADEL (+7.36% w/w). The Banking sector followed closely, up 3.58% w/w, driven by notable gains in GTCO (+18.81% w/w) and STANBIC (+9.64% w/w). The Insurance sector also posted a solid performance, rising 2.37% w/w, buoyed by a sharp rally in LIVINGTRUST (+18.88% w/w). Meanwhile, the Consumer Goods sector appreciated by 2.16% w/w, supported by buying interest in CHAMPION (+7.19% w/w). On the flip side, the Industrial Goods sector was the only laggard, declining 0.36% w/w.

Fixed Income: This week, CBN, through the DMO, conducted an NTB auction with a total offer of N162 billion across the 91-day, 182-day, and 364-day maturities. The auction recorded strong demand, with total subscriptions reaching N1.23 trillion. Final allotments stood at N162 billion across all tenors. Meanwhile, the stop rates at the 91-day, 182-day and 364-day stop rates declined by 18bps, 15bps and 51bps to close at 17.80%, 18.35% and 18.84%, respectively.

System liquidity opened the week at N110 billion and closed higher at N180 billion. This liquidity uptick contributed to a 167bps increase in the Open Repo Rate, which settled at 28.17%. In the secondary market, activity in NTBs and OMO bills remained muted, as investors adopted a cautious approach ahead of the midweek NTB auction. Meanwhile, the bond market saw a strong rally, with yields declining sharply as investors sought higher returns. Bullish sentiment was evident across both short and long ends of the benchmark curve, with notable buying interest in the 2-Year, 3-Year, 5-Year, and 20-Year bonds, resulting in yield declines of 60bps, 41bps, 38bps, and 57bps, respectively.

Currency: At the NAFEM, the Naira appreciated by N0.13 w/w to close at N1,547.36 per dollar.

Domestic Economy:

Nigeria's May CPI reading showed that prices rose at a slower pace for the second consecutive month since the adoption of the 2024 base year. Annual inflation moderated to 22.97% y/y in May, declining by 74 bps (Apr'25: 23.71% y/y). On a month-on-month basis, headline inflation also eased slightly to 1.53% (Apr'25: 1.86% m/m). This moderation is largely attributed to a slight appreciation of the naira and slower growth in energy prices. Accordingly, inflation declined on a year-on-year basis due to relatively stable foreign exchange rates, which eased the cost of imports, and moderate energy prices, resulting in a slight reduction in transportation costs. Conversely, food inflation rose by 13bps to 2.19% m/m in May (Apr'25: 2.06% m/m), indicating a modest uptick in the average prices of certain food items. However, on a year-on-year basis, food inflation dipped marginally by 12bps to 21.14% y/y, compared to 21.26% in the previous month, supported by improved staple supply chains, seasonal harvests, and the favourable base effects following the CPI rebasing. Meanwhile, core inflation also softened, settling at 1.10% m/m in May (Apr'25: 1.34% m/m), and eased on an annual basis to 22.28% y/y (Apr'25: 23.39% y/y), driven by lower currency volatility, softer services inflation, and modest fuel and utility-price pressures.

Global: Global markets ended the week on a cautious note, with investors weighing geopolitical risks, trade uncertainty, and shifting monetary policy signals. In the U.S., major equity indices closed mixed after the Juneteenth holiday. The S&P 500 slipped by 0.2%, the Nasdaq fell 0.5% on weakness in tech stocks, while the Dow Jones eked out a modest 0.1% gain, supported by defensive names. Investor sentiment was clouded by the resurgence of U.S.–China tariff concerns, persistent inflation uncertainty, and ongoing Middle East tensions. In the U.S. Treasury market, yields held steady, with the 10-year yield at approximately 4.37% and the 2-year around 3.90%, reflecting a wait-and-see approach as markets look ahead to upcoming economic data and Fed commentary. In Europe, equities rebounded slightly following a three-day decline. The pan-European STOXX 600 rose marginally, supported by modest gains in the German DAX and French CAC 40, while the UK's FTSE 100 was flat to slightly positive. Sentiment improved on expectations that the U.S. would delay military action in the Middle East, as well as hopes for renewed diplomatic engagement on trade. Bank of America also lifted its year-end target for the STOXX 600 to 530 points, citing resilience in European earnings and economic activity. Across Asia, markets ended the day mixed. Hong Kong's Hang Seng and South Korea's Kospi both posted gains of over 1%, boosted by optimism around regional stimulus efforts. Japan's Nikkei was flat, while Australia's ASX 200 dipped slightly. Traders remained cautious amid fragile global demand and geopolitical risks, particularly those linked to energy supply and trade policy. In commodities and fixed income, oil prices pulled back slightly, with Brent crude trading around $77 per barrel as geopolitical tensions temporarily eased. Overall, global markets remain in a fragile balance, with the expiration of tariff pauses, inflation prints, and geopolitical developments likely to drive volatility in the weeks ahead.

What will shape markets in the coming week?

Equity market: The market remains in an uptrend, supported by continued investor interest in the banking sector and a growing appetite for risk, evident in sustained demand for low- to mid-cap names. However, the recent rally in large-cap stocks may temper momentum, as some blue-chip names traded lower intraday despite ending flat. As such, we anticipate a more cautious tone in Monday's session, with investors likely to reassess risk levels following the recent surge.

Fixed Income: Going into the new week, we expect the market to continue to trade in a similar pattern with investors hunting for attractive yields.

CBN's suspension of banks' dividends: To sell or not?

"Debt enforces a unique kind of discipline on managers and owners" — Forbes Greatest Business Stories of All Time.

MONEY Nuggets

TUNDE OYEDOYIN

Tunde Oyedoyin is a London-based personal finance coach and founder of Money Intelligence Coaching Academy, a specialist academy of personal finance. He can be reached as follows: +447846089587 (WhatsApp only); E-mail: tu5oyed@gmail.com

When George Groves and Carl Froch finally got in the ring for the first of their two blockbuster 'Battle of Britain' fights for the latter's World Boxing Council (WBC) middleweight crown many years ago, Groves rocked the champion in the opening round as he had promised in the run up to the grudge match.

He actually seized the initiative and let go off his hands as soon as the referee signalled for them to 'let's get it on.' His jabs were crisp and it didn't take long to have a telling effect that made Froch's legs become unsteady. The unthinkable then happened before our very eyes. The reigning champion was on the canvas. He must have panicked. But Froch survived and his cornermen did a great job after that nightmarish round.

He wasn't going to trade his WBC title for a turbulent opening round. As sometimes happens with the stock market, the turbulence was actually a blip. He weathered it. Investors who know their onions too know when to be bullish.

Here's the thing. Panicking is human and especially with money matters and in our context, personal finance. You must know how to handle it when you get devastating news.

To be honest about it, when news broke that the Central Bank of Nigeria, CBN, had through its circular of June 13th, ordered some banks to suspend the payments of dividends to their shareholders, and stop directors' bonuses, etc, there was sweat around my forehead. Like many investors with just a tiny number of shares, I panicked like Froch and his corner did that memorable night at Wembley Stadium.

Taking a cue from the champ, I shook things off and quickly regrouped. On dissecting the situation, it turns out that there should be 'no shaking.' The suspension of payment of dividends is but a blip.

Folks, if, like me, you own a tiny number of stocks in any of the banks that the CBN hammer landed on, don't sell. Here are three reasons why you shouldn't barter those stocks of yours for quick bucks.

Firstly and most importantly, neither Access Bank, Guaranty Trust Bank, nor FCMB is in distress. Their parent bodies are not either. Secondly, all the apex bank has rightly said is that they must settle their "forbearance loans" – specially arranged during Covid-19 pandemic. In other words, CBN is saying, you guys must do this as a matter of urgency and priority.

Imagine owing your bank a hundred thousand grand (N100,000) emergency loan from 2021. If, instead of paying back, you've been throwing Christmas and summer parties for your family and friends since 2023, don't you think the bank manager will be on your neck and say no more Christmas or summer things till you settle me? That's the position of the CBN.

Zenith Bank has even stepped up the plate quickly by saying they'll settle the forbearance loan by the last day of this month. They've told shareholders to expect their dividends. So, for those with shares in the remaining banks, including First Bank, thou shall not sell because of the CBN hammer.

However, If you have other reasons for wanting to exchange your stocks for cash, please go for it.

For the rest of us, here are the three reasons again: the banks are not in distress; CBN is only asking to be paid first. Once that is done, they can resume doling out dividends and other stuff. That's why Zenith Bank has said they'll get that sorted by June 30th.

Yours truly wouldn't surely be letting go of the handful of stocks he has to his name. The thinking is to even do an Oliver Twist.

Share Price List as @ Friday 20 June, 2025: The Nigerian Stock Exchange

Company	Previous Close	Open	High	Low	Close	Change	% Change	Volume	Value (N)
ABBEYBDS	5.90	5.90	-	-	5.90	0.00	0.00%	68,652.00	401,225.55
ABCTRANS	2.70	2.70	-	-	2.70	0.00	0.00%	865,311	2,384,519.27
ACADEMY	4.50	4.50	4.80	4.66	4.66	0.16	3.56%	576,101.00	2,697,116.71
ACCESSCORP	21.80	21.80	22.45	21.75	21.90	0.10	0.46%	23,560,642	517,915,382.60
AFRIPRUD	16.00	16.00	16.10	16.00	16.00	0.00	0.00%	813,505.00	13,063,491.15
AIICO	1.59	1.59	1.64	1.57	1.60	0.01	0.63%	9,832,829	15,881,556.38
AIRTELAFRI	2,310.50	2,310.50	-	-	2,310.50	0.00	0.00%	1.00	2,541.50
ALEX	7.15	7.15	-	-	7.15	0.00	0.00%	437	2,971.00
ARADEL	536.80	536.80	-	-	536.80	0.00	0.00%	451,184.00	232,374,653.40
BERGER	27.00	27.00	29.00	29.00	29.00	2.00	7.41%	775,632	22,260,685.00
BETAGLAS	276.00	276.00	276.00	276.00	276.00	0.00	0.00%	954,704.00	267,362,860.60
BUACEMENT	90.00	90.00	87.90	85.00	87.90	-2.10	-2.33%	1,337,468	116,703,940.40
BUAFOODS	480.00	480.00	-	-	480.00	0.00	0.00%	123,856.00	53,877,059.30
CADBURY	40.20	40.20	40.20	40.20	40.20	0.00	0.00%	3,511,533	138,155,575.35
CAP	42.85	42.85	-	-	42.85	0.00	0.00%	257,940.00	11,641,941.65
CAVERTON	4.45	4.45	4.45	4.20	4.36	-0.09	-2.02%	7,832,985	34,112,167.47
CHAMPION	7.48	7.48	8.20	7.48	8.20	0.72	9.63%	7,881,051.00	60,409,623.70
CHAMS	2.09	2.09	2.20	2.09	2.16	0.07	3.35%	3,467,736	7,376,250.59
CHELLARAM	9.53	9.53	-	-	9.53	0.00	0.00%	21,352.00	223,608.96
CILEASING	4.35	4.35	4.35	4.22	4.35	0.00	0.00%	1,646,371	7,063,565.39
CONOIL	234.50	234.50	-	-	234.50	0.00	0.00%	20,771.00	4,384,758.10
CORNERST	4.05	4.05	4.10	4.00	4.00	-0.05	-1.23%	2,589,174	10,474,236.90
CUSTODIAN	26.00	26.00	26.00	25.00	25.50	-0.50	-1.92%	22,754,315.00	575,730,015.60
CUTIX	3.10	3.10	3.16	3.06	3.16	0.06	1.94%	3,059,443	9,582,365.96
CWG	9.15	9.15	9.50	9.15	9.20	0.05	0.55%	24,988,455.00	230,826,832.55
DAARCOMM	0.65	0.65	-	-	0.65	0.00	0.00%	6,884,888	4,113,281.58
DANGCEM	440.00	440.00	-	-	440.00	0.00	0.00%	186,181.00	80,088,177.20
DANGSUGAR	41.50	41.50	41.90	40.00	40.00	-1.50	-3.61%	2,517,673	103,069,205.10
DEAPCAP	0.90	0.90	0.99	0.90	0.95	0.05	5.56%	3,342,729.00	3,100,209.69
ELLAHLAKES	4.85	4.85	5.33	5.03	5.33	0.48	9.90%	15,594,201	82,083,014.99
ENAMELWA	18.50	18.50	-	-	18.50	0.00	0.00%	14,550.00	296,092.50
ETERNA	42.50	42.50	-	-	42.50	0.00	0.00%	248,823	10,438,817.20
ETI	30.50	30.50	-	-	30.50	0.00	0.00%	442,705.00	13,836,612.65
ETRANZACT	6.65	6.65	7.15	7.15	7.15	0.50	7.52%	607,688	4,321,259.90
EUNISELL	12.95	12.95	-	-	12.95	0.00	0.00%	40,737.00	526,066.15
FCMB	9.90	9.90	9.85	9.40	9.85	-0.05	-0.51%	7,906,376	76,382,144.30
FIDELITYBK	19.20	19.20	19.50	19.05	19.40	0.20	1.04%	38,287,221.00	741,494,192.55
FIDSON	41.00	41.00	-	-	41.00	0.00	0.00%	1,759,528	71,106,493.75
FIRSTHOLDCO	26.85	26.85	27.20	26.00	26.95	0.10	0.37%	21,872,330.00	589,186,648.80
FTNCOCOA	2.65	2.65	2.80	2.65	2.80	0.15	5.66%	8,216,586	22,310,347.27
GEREGU	1,141.50	1,141.50	-	-	1,141.50	0.00	0.00%	2,821.00	2,898,295.40
GTCO	79.75	79.75	84.95	79.75	84.95	5.20	6.52%	21,063,033	1,704,472,039.45
GUINEAINS	0.69	0.69	0.75	0.70	0.75	0.06	8.70%	4,118,890.00	3,026,955.10
GUINNESS	90.00	90.00	-	-	90.00	0.00	0.00%	23,475	2,083,002.40
HMCALL	4.00	4.00	-	-	4.00	0.00	0.00%	164,673.00	696,575.26
HONYFLOUR	20.85	20.85	21.90	21.50	21.55	0.70	3.36%	2,161,743	46,583,506.10
IKEJAHOTEL	15.40	15.40	15.50	15.50	15.50	0.10	0.65%	583,811.00	9,024,333.70
IMG	34.90	34.90	-	-	34.90	0.00	0.00%	48,063	1,527,132.00
INFINITY	7.70	7.70	-	-	7.70	0.00	0.00%	950.00	7,930.00
INTBREW	11.00	11.00	11.00	10.55	11.00	0.00	0.00%	6,004,492	65,646,967.35
INTENEGINS	1.65	1.65	1.65	1.61	1.61	-0.04	-2.42%	1,134,784.00	1,870,031.95
JAIZBANK	3.19	3.19	3.21	3.21	3.21	0.02	0.63%	1,082,136	3,429,795.45
JAPAULGOLD	2.00	2.00	2.00	1.99	1.99	-0.01	-0.50%	7,964,255.00	15,912,291.46
JBERGER	127.00	127.00	-	-	127.00	0.00	0.00%	290,874	36,405,882.10
JOHNHOLT	6.20	6.20	-	-	6.20	0.00	0.00%	99,930.00	675,453.20
LASACO	2.97	2.97	3.00	2.85	3.00	0.03	1.01%	9,779,577	29,069,533.50
LEARNAFRCA	4.18	4.18	4.19	4.19	4.19	0.01	0.24%	450,302.00	1,887,873.23
LEGENDINT	7.20	7.20	7.92	7.20	7.92	0.72	10.00%	2,856,317	22,454,541.16
LINKASSURE	1.51	1.51	1.54	1.49	1.50	-0.01	-0.66%	3,041,635.00	4,566,741.17
LIVESTOCK	8.70	8.70	9.10	8.05	8.10	-0.60	-6.90%	3,768,351	31,602,463.50
MANSARD	9.55	9.55	9.70	9.70	9.70	0.15	1.57%	1,828,505.00	17,704,900.19
MAYBAKER	15.50	15.50	16.00	16.00	16.00	0.50	3.23%	1,462,110	23,127,330.65
MBENEFIT	1.05	1.05	1.08	1.03	1.08	0.03	2.86%	3,832,025.00	4,051,702.60
MCNICHOLS	2.20	2.20	2.28	2.22	2.28	0.08	3.64%	2,641,272	5,915,505.56
MECURE	11.10	11.10	-	-	11.10	0.00	0.00%	113,362.00	1,222,713.65
MEYER	9.05	9.05	9.60	9.60	9.60	0.55	6.08%	229,909	2,146,341.45
MORISON	3.22	3.22	-	-	3.22	0.00	0.00%	16,516.00	53,181.52
MRS	155.90	155.90	-	-	155.90	0.00	0.00%	27,909	4,160,023.40
MTNN	355.90	355.90	-	-	355.90	0.00	0.00%	5,325,201.00	1,890,821,417.60
MULTIVERSE	9.65	9.65	-	-	9.65	0.00	0.00%	84,925	827,441.00
NAHCO	85.00	85.00	88.20	88.20	88.20	3.20	3.76%	1,683,646.00	147,510,001.10
NASCON	63.00	63.00	-	-	63.00	0.00	0.00%	751,722	47,217,217.40
NB	58.00	58.00	58.00	57.65	57.80	-0.20	-0.34%	11,007,998.00	638,233,406.55
NCR	5.50	5.50	-	-	5.50	0.00	0.00%	360	2,055.50
NEIMETH	3.60	3.60	3.70	3.69	3.70	0.10	2.78%	2,143,992.00	7,874,287.80
NEM	17.90	17.90	17.90	17.00	17.00	-0.90	-5.03%	1,747,206	30,047,596.05
NESTLE	1,500.00	1,500.00	-	-	1,500.00	0.00	0.00%	38,566.00	54,374,857.00
NGXGROUP	41.50	41.50	41.00	41.00	41.00	-0.50	-1.20%	614,493	25,180,666.90
NNFM	101.30	101.30	93.20	93.20	93.20	-8.10	-8.00%	389,943.00	36,934,934.15
NPFMCRFBK	1.98	1.98	2.12	2.01	2.12	0.14	7.07%	1,262,577	2,603,832.12
NSLTECH	0.56	0.56	0.60	0.60	0.60	0.04	7.14%	1,008,248.00	604,489.80
OANDO	61.90	61.90	61.25	61.00	61.00	-0.90	-1.45%	1,980,213	122,329,855.85
OKOMUOIL	650.00	650.00	680.00	660.00	680.00	30.00	4.62%	7,838,631.00	5,190,851,922.70
OMATEK	0.73	0.73	0.73	0.71	0.73	0.00	0.00%	735,808	529,854.51
PRESCO	1,035.00	1,035.00	1,100.00	1,100.00	1,100.00	65.00	6.28%	1,000,773.00	1,092,588,614.10
PRESTIGE	1.01	1.01	1.05	1.00	1.00	-0.01	-0.99%	7,898,660	8,006,616.18
PZ	35.00	35.00	37.00	34.00	34.00	-1.00	-2.86%	5,256,693.00	184,089,256.50
REDSTAREX	7.80	7.80	-	-	7.80	0.00	0.00%	164,772	1,296,701.50
REGALINS	0.66	0.66	0.66	0.60	0.64	-0.02	-3.03%	1,920,252.00	1,218,457.08
ROYALEX	0.99	0.99	0.95	0.95	0.95	-0.04	-4.04%	407,017	393,019.95
RTBRISCOE	2.42	2.42	2.40	2.21	2.40	-0.02	-0.83%	5,942,250.00	13,507,720.02
SCOA	5.39	5.39	-	-	5.39	0.00	0.00%	58,038	342,116.32
SEPLAT	5,450.00	5,450.00	-	-	5,450.00	0.00	0.00%	53,078.00	282,513,661.50
SKYAVN	63.00	63.00	-	-	63.00	0.00	0.00%	38,224	2,187,957.20
SOVRENINS	1.09	1.09	1.15	1.08	1.15	0.06	5.50%	14,203,804.00	16,043,386.41
STANBIC	85.00	85.00	87.00	87.00	87.00	2.00	2.35%	432,785	37,740,107.80
STERLINGNG	5.79	5.79	5.90	5.60	5.60	-0.19	-3.28%	4,948,721.00	28,115,504.53
SUNUASSUR	4.99	4.99	4.56	4.55	4.56	-0.43	-8.62%	2,550,167	11,696,258.22
TANTALIZER	2.20	2.20	2.20	2.19	2.20	0.00	0.00%	7,405,710.00	16,289,009.19
THOMASWY	2.17	2.17	2.00	2.00	2.00	-0.17	-7.83%	316,178	630,565.40
TOTAL	705.00	705.00	-	-	705.00	0.00	0.00%	276,858.00	179,688,310.90
TRANSCOHOT	132.80	132.80	-	-	132.80	0.00	0.00%	36,223	4,911,541.60
TRANSCORP	46.60	46.60	47.90	47.00	47.00	0.40	0.86%	6,552,247.00	310,358,429.05
TRANSEXPR	2.15	2.15	2.15	2.15	2.15	0.00	0.00%	300,761	646,636.15
TRANSPOWER	320.00	320.00	-	-	320.00	0.00	0.00%	342,624.00	98,693,343.00
TRIPPLEG	2.05	2.05	-	-	2.05	0.00	0.00%	10,024	20,545.12
UACN	34.50	34.50	-	-	34.50	0.00	0.00%	811,362.00	28,064,566.75
UBA	35.00	35.00	35.35	34.00	34.40	-0.60	-1.71%	20,809,951	720,708,681.35
UCAP	19.65	19.65	19.75	19.00	19.00	-0.65	-3.31%	6,649,969.00	128,926,783.35
UHOMREIT	50.25	50.25	-	-	50.25	0.00	0.00%	36,505	1,826,648.25
UNILEVER	46.05	46.05	-	-	46.05	0.00	0.00%	153,967.00	6,996,339.75
UNIONDICON	7.30	7.30	-	-	7.30	0.00	0.00%	3,700	26,660.00
UNIVINSURE	0.54	0.54	0.54	0.51	0.54	0.00	0.00%	17,918,217.00	9,537,909.16
UPDC	3.00	3.00	3.00	3.00	3.00	0.00	0.00%	4,910,949	14,717,392.32
UPDCREIT	6.00	6.00	6.00	6.00	6.00	0.00	0.00%	3,927,795.00	23,571,141.90
UPL	6.02	6.02	-	-	6.02	0.00	0.00%	181,852	1,023,034.63
VERITASKAP	0.98	0.98	1.00	0.98	0.98	0.00	0.00%	3,875,801.00	3,830,882.78
VFDGROUP	15.60	15.60	15.00	15.00	15.00	-0.60	-3.85%	4,102,166	62,070,664.30
VITAFOAM	63.60	63.60	-	-	63.60	0.00	0.00%	249,047.00	15,947,805.00
WAPCO	86.00	86.00	86.95	85.55	86.00	0.00	0.00%	7,345,439	633,552,198.40
WAPIC	2.00	2.00	2.00	1.98	2.00	0.00	0.00%	24,360,606.00	48,741,553.12
WEMABANK	14.00	14.00	14.00	13.95	14.00	0.00	0.00%	2,823,624	39,467,872.20
ZENITHBANK	49.95	49.95	50.50	49.00	49.90	-0.05	-0.10%	24,853,632.00	1,231,573,218.70

A greener tomorrow: Agritourism as Nigeria's economic lifeline

Stories by Onome Amuge

IN A GLOBAL ECONOMY increasingly defined by experiential travel and the pursuit of authentic connection, a quiet revolution is taking root in the agricultural heartlands of nations around the world, termed agritourism. This innovative fusion of agriculture and tourism, which seamlessly blends farming activities with leisure services, has emerged as a powerful catalyst for rural development and economic diversification. Yet, for Nigeria, a country blessed with vast agricultural resources and a vibrant cultural lifestyle, this potential remains largely untapped, presenting both a colossal missed opportunity and a compelling blueprint for future prosperity.

Agritourism, at its core, transcends conventional notions of leisure, inviting visitors to engage directly with the agricultural landscape. From educational farm tours and hands-on workshops to seasonal festivals and intimate tastings of farm-fresh produce, it offers immersive experiences that deepen understanding of food systems, promote physical wellness, and strengthen community participation.

Thus, industry experts contend that its proper management could be a linchpin in revitalising Nigeria's rural areas, fostering deeper community involvement, celebrating the richness of local cultures, and generating sustainable economic opportunities.

The global trajectory of agritourism underscores its significant economic weight. According to Grand View Research, a renowned market intelligence firm, the global agritourism market was estimated at $8.10 billion in 2024. Projections indicate a rapid expansion, with the market expected to nearly double to $15.78 billion by 2030, exhibiting an impressive compound annual growth rate (CAGR) of 11.9 per cent from 2025 to 2030.

Paradoxically, Nigeria, with its immense agricultural potential and a pressing need for economic diversification and youth employment, finds itself largely on the sidelines of this global phenomenon. While other nations are actively leveraging agritourism's educational and recreational facets to rejuvenate their agricultural industries, Nigeria's approach has been marked by oversight. According to analysts, the rising global demand for authentic, immersive travel experiences, coupled with the viability of agritourism as an investment avenue, highlights a critical window of opportunity that, if unseized, could cost Nigeria the transformative impact this sector could bring to both its youth and its agricultural industry.

Beyond catering to the evolving demands of discerning travellers, agritourism serves as a potent engine for holistic rural development. Its capacity to draw visitors and investment into often-neglected rural areas is seen to promote a symbiotic integration of urban and rural communities. This influx of capital and human traffic can stimulate the creation of essential infrastructure, from improved road networks to better water and power supply, and crucially, generate diverse employment opportunities.

Nigeria's natural endowments including its rich agricultural resources, diverse range of crops, and varied wildlife, positions it as a potential agritourism hotspot. Analysts noted that the fertile lands spanning its agro-ecological zones could host an array of unique farm-based experiences, celebrating everything from cocoa cultivation in the southwest to rice farming in the north, and artisanal processes of local produce across its numerous ethnic groups. Moreover, the nation's cultural heritage, replete with traditional farming techniques and community rituals, offers an unparalleled authentic backdrop for agritourism ventures, appealing to both domestic and international visitors seeking genuine immersion.

However, the journey towards unlocking this potential is fraught with significant hurdles. The primary impediments include glaring deficiencies in critical infrastructure, particularly poor road networks that hamper accessibility to rural farms, and inadequate water and power supply that stifles operational efficiency. Furthermore, pervasive insecurity in certain regions and a lack of adequate funding for agritourism projects have collectively hindered the growth of a sector that could otherwise play a crucial role in rural development and broader economic expansion. Analysts lament that agritourism has yet to firmly take root in the country, with only a handful of established farms and tourism companies currently offering agro-based experiences, leaving much of the vast potential untouched.

Despite these considerable obstacles, a sense of optimism is emerging among analysts and stakeholders. They firmly believe that Nigeria's rich agricultural heritage, coupled with its diverse cultural landscapes and traditional farming techniques, creates a wealth of opportunity for both domestic and international travellers seeking unique and immersive experiences. Moreover, there's a growing consensus that agritourism businesses can proactively champion environmentally friendly practices and promote conservation efforts. By doing so, they can strategically tap into the escalating global interest in sustainable agriculture and eco-conscious travel, aligning Nigeria's development goals with global ethical consumerism trends.

This optimism has permeated official corridors. Aliyu Sabi Abdullahi, Nigeria's minister of state for agriculture and food security, recently projected a strong conviction in agritourism's promise to revolutionise the nation's agricultural sector. Speaking at the World Agritourism Day event in Abuja," Abdullahi underscored agritourism's potential as a vital contributor to Nigeria's sustainable economic development and, crucially, its food sovereignty. "It will benefit farmers, who gain additional income. Tourists who gain insights into agricultural activities relating to agritourism, ranging from farm tours and workshops to seasonal festivals and tastings of farm produce, among others," the minister noted.

Building on this vision, Minister Abdullahi announced the formation of a national committee specifically tasked with spearheading the growth and promotion of agritourism across Nigeria. This committee, he explained, is set to design a framework and establish standardised operating guidelines, aiming to cultivate a thriving agribusiness ecosystem that nurtures and expands the sector.

The private sector, too, is echoing this call for action. Kolawole Adeniji, CEO and founder of Niji Group, a prominent agribusiness conglomerate, commended the virtues of a flourishing agritourism sector for Nigeria's economy. He particularly emphasised its capacity to elevate the nation's farmers, offering them diversified income streams and increased visibility for their produce and practices.

Adeniji urged Nigerians to fully embrace the potential of agritourism, stressing that it offers an unparalleled opportunity to showcase the country's diverse farms, traditional recipes, and rich cultural heritage.

Despite the prevailing security challenges that continue to cast a shadow over parts of the nation, Trust Henry Ogboi, president of the World Agritourism Organisation (WAO), expressed a positive outlook for Nigeria's agricultural sector. Ogboi acknowledged the security issues but firmly reaffirmed his organisation's commitment to fostering a secure environment for agribusiness through strategic partnerships with relevant security agencies in Nigeria.

The World Agritourism Organisation Advocacy (WAOA), under Ogboi's leadership, has been a vocal proponent for sustained investment. During a recent news conference in Abuja, Ogboi implored governments at all levels and stakeholders across the agriculture and tourism sectors to dedicate resources to creating agritourism villages. According to him, such investments would simultaneously boost food production and create much-needed jobs, addressing two of Nigeria's most pressing socio-economic challenges.

An agritourism village, as he defined it, seamlessly combines agricultural activities with tourism, offering visitors a firsthand experience of farm or ranch life and increasing public awareness of agricultural products and processes.

Ogboi asserted that Nigeria's agriculture and tourism sectors possess robust potential to rescue the country from its current economic difficulties, particularly in ensuring adequate food supply and providing employment for its vast youth population. He argued that investing in agritourism villages, mirroring successful models in other countries, would actively encourage more Nigerians to embrace farming, offering a perfect blend of work, leisure, and wealth creation for individuals, investors, and the government alike.

Looking beyond national borders, Ogboi highlighted the WAOA's advocacy for Nigeria to champion the establishment of a global regulatory framework for agritourism comprising the World Agritourism Organisation (WAO) and the United Nations World Agritourism Organisation (UNWAO). "To achieve global stability in agritourism, there is a need for a global regulatory body or agency, an institution or organisation that will oversee and regulate the agritourism market internationally," he argued.

Such a body, he explained, would be tasked with establishing and enforcing standards, guidelines, and regulations to promote stability, integrity, and transparency within the global agritourism system. Their primary objective would be to ensure agritourism markets operate efficiently and fairly, while safeguarding the interests of investors, consumers, and producers worldwide.

The imperative for national re-evaluation of the sector is also a rallying cry from within Nigeria's private sector. Moji Davids, group managing director of Xtralarge Farms and Resorts, asserted agritourism's profound potential to boost the country's gross domestic product (GDP) and diversify its revenue streams, weaning it off its overreliance on oil.

Davids drew a sharp contrast between Nigeria's current approach and that of global economic powerhouses where tourism, particularly agricultural tourism, plays a pivotal role. "Look at the likes of America. Look at the likes of Dubai. Look at the likes of Israel. A large percentage of their GDP is from tourism," she observed.

To this end, Xtralarge Farms and Resorts stated that it is actively championing the cause to spotlight this overlooked economic engine. "We are here to open the eyes of people," Davids stated, underscoring the considerable financial opportunity that remains largely unexplored within Nigeria's agricultural landscape.

For Davids, the benefits of unleashing this potential extend far beyond individual entrepreneurs and companies. She contended that a thriving agritourism sector would accrue significant advantages to businesses involved across the value chain, and most importantly, to the nation as a whole, fostering widespread prosperity and sustainable development.

Stories by Onome Amuge

Oil slips as US sanctions ease fears of escalation in Iran

OIL PRICES SETTLED LOWER on Friday as the United States imposed new Iran-related sanctions, a move interpreted by some as a diplomatic overture that fanned hopes of a negotiated resolution to the escalating conflict in the Middle East. This came a day after President Donald Trump indicated he might take up to two weeks to decide on direct US involvement in the Israel-Iran hostilities.

Brent crude futures fell by $1.84, or 2.33%, to settle at $77.01 a barrel. The US West Texas Intermediate (WTI) crude for July, which had not settled on Thursday due to a US holiday and expired on Friday, was down 21 cents, or 0.28 per cent, at $74.93. The more liquid August contract settled at $73.84. Despite Friday's dip, Brent rose 3.6 per cent on the week, while front-month US crude futures increased by 2.7 per cent.

The Trump administration's latest sanctions targeted at least 20 entities, five individuals, and three vessels, including two Hong Kong-based entities, as detailed by a notice on the US Treasury Department website.

L-R: Gbenga Onimowo, commercial director; Viola Graham-Douglas, communications, public affairs and sustainable development director; Lolu Alade-Akinyemi, group managing director/CEO; Yadagani Srinivasa Rao, industrial director; Emmanuel Ilaboya, head Of innovation & new product development, all of Lafarge Africa during the Unveiling of Lafarge Africa PLC's new product, Ecoplanet Elephant at the Corporate Head Office in Lagos, recently.

"Those sanctions are cutting both ways. They may be part of a broader negotiation approach towards Iran. The fact they are undertaking this is a signal they are trying to resolve this outside of conflict," commented John Kilduff, a partner at Again Capital in New York.

Oil prices had risen almost three per cent on Thursday following Israel's bombing of nuclear targets in Iran and Iran's retaliatory missile and drone strikes on Israel. Neither side has shown signs of de-escalation in the week-old conflict. Brent prices retreated after the White House stated that President Trump would make a decision on US involvement within two weeks.

"Although a major escalation is yet to occur, risks to supply from the region remain high, still hinging upon the potential for US involvement," said Russell Shor, senior market analyst at Tradu.com.

Israel's UN ambassador stated that Israel seeks genuine efforts on Iran's nuclear capabilities from Friday's meeting between European and Iranian ministers, rather than merely another round of talks.

However, PVM analyst John Evans cautioned that while Israel and Iran carry on pounding away at each other, there can always be an unintended action that escalates the conflict and touches upon oil infrastructure. Iran has previously threatened to close the Strait of Hormuz, a vital route for Middle East oil exports.

Currently, oil exports have not been disrupted, and there is no shortage of supply, according to Giovanni Staunovo, an analyst at UBS. "The direction of oil prices from here will depend on whether there are supply disruptions," he added.

Ashley Kelty, an analyst at Panmure Liberum, warned that an escalation leading to Israeli attacks on export infrastructure or Iranian disruption of shipping through the strait could push oil prices to $100 a barrel.

Gold sees weekly decline as US holds off on Middle East decision

GOLD PRICES HELD steady on Friday, yet the precious metal remained poised for a weekly loss after US President Donald Trump announced a delay in his decision regarding American involvement in the Israel-Iran conflict.

Spot gold was little changed at $3,368.68 an ounce, marking its lowest point since June 12. The bullion was down 1.8 per cent for the week. Meanwhile, US gold futures settled 0.7 per cent lower at $3,385.70.

"Gold is holding steady as Trump backtracks on an 'imminent' attack on Iran. For the moment, it seems all the bad news is out," commented Tai Wong, an independent metals trader. He added that a drawdown towards $3,250/oz is possible, but dips have been aggressively bought in this gold rally.

The White House stated on Thursday that President Trump would decide within the next two weeks whether the United States would get involved in the ongoing Israel-Iran air conflict, a move seen as increasing pressure on Tehran to negotiate. Earlier on Friday, Iran launched a fresh barrage of missiles at Israel, striking near residential areas, office buildings, and industrial facilities in the southern city of Beersheba. Gold is traditionally considered a safe-haven asset during times of political and economic uncertainty.

The US central bank, meanwhile, held interest rates steady on Wednesday. While policymakers still anticipate cutting rates by half a percentage point this year, they slightly slowed the projected pace thereafter, signalling a single quarter-percentage-point cut in both 2026 and 2027. A high-interest-rate environment is generally unfavourable for gold, as it is a non-yielding asset.

Despite this, Carsten Menke, an analyst at Julius Baer, remains optimistic about gold's near-term prospects. "We still see sound demand from safe-haven seekers and central banks, which should provide sound support to gold prices on current levels," he said.

In other precious metals, spot silver fell one per cent to $36.02 per ounce, recording a 0.7 per cent loss for the week. Palladium lost 0.1 per cent to $1,049 but was up 2.1 per cent during the week. Platinum dropped 3.1 per cent to $1,266.72, though it remains on track for its third consecutive weekly gain.

Copper edges higher on dollar slide amid persistent policy uncertainty

COPPER PRICES ROSE FOR THE week, underpinned by a slight softening of the U.S. dollar. However, gains were largely capped by persistent concerns surrounding the Israel-Iran conflict, impending U.S. tariffs, and signs of muted demand from top consumer China.

Three-month copper on the London Metal Exchange (LME) rose 0.4 per cent to $9,652 a metric tonne in official open-outcry trading. Earlier in the session, the industrial metal had touched its weakest point since June 13, reaching $9,558.50. The U.S. dollar index eased by 0.3 per cent, making dollar-denominated commodities more attractive for buyers using alternative currencies.

"We've got the geopolitical uncertainty in the background, although perhaps a little bit of reprieve on that side in the sense that Trump wants to allow a bit more time for diplomacy," noted Nitesh Shah, a commodity strategist at WisdomTree. The White House had stated on Thursday that President Donald Trump would decide within the next two weeks whether the U.S. would become directly involved in the ongoing air conflict between Israel and Iran.

Despite the slight diplomatic easing, broader trade concerns continue to cast a shadow over the market. "But we still have all the trade fears, which may have become a secondary feature over the last week. It's not that far down the line before the expiry of the 90-day pause on the Liberation Day tariffs," Shah added. The 90-day reprieve on Trump's broader reciprocal tariffs is set to conclude on July 8.

A Shanghai-based metals analyst from a futures firm noted that, in addition to the Middle East tensions and U.S. interest rate outlook, investors are increasingly worried about weaker demand in China, the world's largest metals consumer. While China's refined copper output in May saw a 13.6 per cent year-on-year gain to 1.25 million metric tonnes, in line with April's figures. The country's demand for metals like copper and aluminium has been subdued by seasonal summer weakness.

Meanwhile, U.S. Comex copper futures steadied at $4.88 a pound, pushing the premium of Comex over LME copper to more than $1,000 a tonne.

Among other base metals, LME aluminium ticked up 0.3 per cent to $2,529. Nickel fell 0.8 per cent to $14,940, and lead dropped 0.2 per cent to $1,988.5. On the other hand, zinc edged up 0.1 per cent to $2,643.5, while tin gained 1.3 per cent to $32,425.

Cocoa plunges as West African rains dampen market optimism

COCOA PRICES PLUMMETED on Friday, with futures in New York posting a two-month low and London contracts reaching a two-and-a-half-month dip. Forecasts for significant rainfall across West Africa, expected to benefit the region's crucial cocoa crops, hammered market sentiment.

July ICE NY cocoa closed down $1,221, or 12.61 per cent, while July ICE London cocoa finished down £149, or 2.51 per cent. Forecaster Vaisala reported that moderate to heavy rainfall has already fallen in West Africa over the past few days and is anticipated to persist through the end of this week, easing earlier drought concerns.

Further contributing to the bearish outlook is the rebound in current cocoa inventories. ICE-monitored cocoa inventories held in US ports have climbed to a nine-and-a-quarter-month high of 2,363,861 bags as of Wednesday, a significant recovery from a 21-year low of 1,263,493 bags recorded on January 24.

Despite the recent price declines, some underlying factors continue to offer partial support to cocoa prices, primarily stemming from a slowing pace of exports from key producing nations.

Government data released on Monday showed that Ivory Coast farmers shipped 1.66 million metric tonnes (MMT) of cocoa to ports during the current marketing year, from October 1 to June 15. While this represents a 6.4 per cent increase from last year, it marks a substantial deceleration from the much larger 35 per cent increase observed in December.

Signs of smaller cocoa exports are supportive, following news last Wednesday of an 11 per cent year-on-year decline in Nigerian April cocoa exports to 18,561 MT. Nigeria is the world's fourth-largest cocoa exporter.

Late last month, NY cocoa had rallied to a four-and-a-half-month nearest-futures high on concerns about West African weather. Despite the recent rain, the African Flood and Drought Monitor indicates that drought conditions still cover more than a third of Ghana and Ivory Coast.

Cocoa prices also draw support from ongoing quality concerns surrounding the Ivory Coast cocoa mid-crop, which is currently being harvested through September. Cocoa processors have reportedly complained about the crop's quality, rejecting truckloads of Ivorian cocoa beans. Processors have indicated that approximately 5 per cent to 6 per cent of the mid-crop cocoa in each truckload is of poor quality, compared with just 1% during the main crop. According to Rabobank, the poor quality of the Ivory Coast's mid-crop is partly attributed to the late arrival of rains in the region, which hindered crop growth. The mid-crop is the smaller of two annual cocoa harvests, typically commencing in April. The average estimate for this year's Ivory Coast mid-crop is 400,000 MT, down 9 per cent from last year's 440,000 MT.

Nigeria's battle between global exit, local expansion in palm oil venture

Onome Amuge

TWO SEEMINGLY DISPARATE DEVELOPMENTS in Nigeria's agro-industrial sector are casting a spotlight on the nation's economic landscape. One is the planned exit of British multinational PZ Cussons from its Nigerian palm oil venture and the strategic re-indigenisation of Presco Plc, a Nigerian palm oil giant. While moving in opposite directions, analysts suggest these events are symptomatic of a broader recalibration of Nigeria's investment climate and economic ownership.

PZ Cussons, a household name in Nigeria for over a century, recently announced its divestment from its 50 per cent stake in PZ Wilmar, its Nigerian palm oil business, for an estimated $70 million. At face value, this could be interpreted as another foreign investor succumbing to Nigeria's volatile business environment.

Collins Nweke, a former Green Councillor at Ostend City Council, Belgium, explored this dynamic in his article, "From Exit to Reclaim: What the PZ Cussons and Presco Deals Reveal About the Economic Trajectory of Nigeria." He observed that for years, multinationals have struggled with macroeconomic headwinds in Nigeria. These include fluctuating exchange rates, recurrent currency devaluations, and persistent difficulties in repatriating foreign exchange. The strain, he noted, has intensified recently, prompting even long-standing global players to reassess their commitments. "PZ Cussons... has clearly read the room," Nweke stated, suggesting a pragmatic response to an increasingly challenging operating environment.

L-R: Muhammadu Indimi, Ernest Azudialu-Obiejesi, directors Julius Berger Nigeria Plc, Peer Lubasch, MD/CEO, Sheikh Goni, board chairman, Belinda Ajoke Disu, director and George Marks, vice chairman, during the 55th annual general meeting Julius Berger Nigeria Plc in Abuja recently.

Yet, the narrative extends beyond foreign exits. Simultaneously, Nigerian palm oil titan Presco Plc completed a notable buyback in mid-March of last year, reclaiming a 33-year-old foreign-held interest from Belgian agro-industrial group SIAT. According to Nweke, this acquisition of SIAT Nigeria Limited, the local unit of a Belgian firm with a presence dating back to 1991, paints a contrasting picture: one of economic re-indigenisation.

Nweke views Presco's move not as a sign of decline, but rather as an indicator that Nigerian capital is growing bolder, more confident, and increasingly assertive in reclaiming dominant positions within the economy. He argues that Nigeria is not losing its appeal but rather redefining the terms of engagement. The playing field, once predominantly shaped by expatriate capital, is now being reshaped by resilient, indigenous businesses prepared to invest for long-term value despite prevailing uncertainties. While acknowledging that it is "not yet Uhuru" and requires scaling up, Nweke points to a growing self-reliance.

Presco's strategic move is considered aligning with a growing consensus in African economic thought which argues that sustainable prosperity must be homegrown. Nweke acknowledges that Nigerian firms like Presco are aware of the risks, including inflation and inconsistent regulatory policies.

However, as Felix Nwabuko, Group CEO of Presco Plc, reportedly conveyed to Nweke, they also grasp the immense opportunity. "With a vast population, growing demand for consumer goods, and a national strategy to reduce imports and boost agricultural output, Nigeria's palm oil industry remains a fertile ground for investment," Nweke quoted Nwabuko. The key proviso, he added, is the ability to "navigate it."

For Nigerian policymakers, this contrasting narrative offers both a cautionary tale and a clear call to action. Nweke contends that the departure of legacy investors like PZ Cussons signals more than mere balance sheet woes; but reflects deeper issues of investor frustration.

"Nigeria's foreign investment policy must move beyond lip service to real reform," Nweke asserted. He stressed the imperative for efficient bureaucracy, predictable foreign exchange policy, transparent regulation, and practical support for doing business. While acknowledging that government economic teams might claim these reforms are underway, Nweke's message is unequivocal: "do more and stop being defensive."

Conversely, there is cause for optimism in the rise of local firms. The Presco deal, Nweke noted, serves as a "wake-up call to support domestic capital with better access to financing, infrastructure, and technology." He believes that local players, rooted in the realities of the Nigerian market, are uniquely positioned to drive the next phase of industrial growth, provided they are given an enabling environment.

Ultimately, Nweke posits that the Nigerian economy is not in free fall but is undergoing a fundamental shift from an externally driven development model to an internally propelled one. While acknowledging that this transition will not be seamless, it is deemed necessary. The government, he concludes, bears the responsibility to cushion the impact of any unintended consequences that may arise during this crucial transformation.

Pepsodent expands 2025 schools campaign to 2.7m children

PEPSODENT, A LEADING GLOBAL toothpaste brand, has commenced its 2025 Brush Day & Night awareness campaign across Nigeria, aiming to reach an estimated 2.7 million primary school pupils. This extensive initiative is part of Pepsodent's ongoing commitment to deepen oral hygiene practices among children and will be rolled out in 4,567 schools across six key locations.

The campaign's initial phase will cover Lagos, Abuja, and Kano in the current school term, with Enugu, Owerri, and Port Harcourt slated for the next. A core component of the drive is the 21-Day Brush Day and Night Challenge, which encourages children to brush their teeth for at least two minutes, both morning and night, for 21 consecutive days. This structured approach is designed to embed consistent brushing habits, significantly increasing pupils' chances of remaining cavity-free throughout their lives.

Mary Akindola, brand manager for Pepsodent, emphasised the importance of the initiative, particularly in areas where dental care often receives inadequate attention. "The Challenge is being implemented in schools across Nigeria to embed proper oral hygiene habits in children, with the goal of raising a generation of healthy, confident future leaders, who will also be change agents by being good oral hygiene ambassadors in their sphere of influence," Akindola stated.

She further pointed out that the initiative is conceived to instill good oral hygiene practices from an early age, establishing a foundation for lifelong health. Akindola highlighted the link between poor oral health and school absenteeism, noting that simple routines can prevent such issues. "By encouraging children to brush their teeth twice daily for at least two minutes, we can significantly reduce the risk of tooth decay. And according to world oral health data, almost half of the world population battle with cavities. The School programme is our contribution in promoting good oral hygiene among pupils in Nigeria. Through initiatives like the 21-Day Brush Day and Night Challenge, we aim to instill lifelong good brushing habits in children. When these practices are adopted early, they not only improve oral health but also contribute to a better quality of life in the long term," she stated.

Gloria Olatunbosun, consumer engagement center specialist for Unilever, reiterated Pepsodent's objective to equip children with the knowledge and habits necessary to mitigate oral health issues by promoting consistent brushing with fluoride-based toothpaste and active participation in the 21-Day Challenge.

Remi-Williams Abiola, education secretary for the Ajeromi-Ifelodun Local Government Education Authority, commended Pepsodent for its consistent support of oral health education in the area. He stressed the importance of the brand's efforts in teaching children proper brushing habits and called on parents and local authorities to collaborate in sustaining the programme.

Ezeoke Chinenye, headteacher of Oladipo Primary School 1, Iganmu, commended the company for an initiative that educates children, particularly those whose parents may lack the necessary knowledge, while also motivating schools to continue promoting good oral hygiene practices.

Moniepoint champions leadership development for Africa's future leaders

MONIEPOINT INC., one of Africa's fastest growing African financial institutions, has partnered with the Mega Impact Foundation to champion the 5th edition of the NextGen Connect Interschool Oratory Competition in Asaba, Delta State. The collaboration underscores Moniepoint's deep-seated commitment to youth empowerment and human capital development across the continent.

Held in commemoration of the International Day of the Boy Child, the competition brought together SS2 students from various schools across Delta State. Participants discussed the theme: "The Role of Financial Inclusion and Technology in Shaping a Brighter Future for Young People in Africa."

The competition showcased the intellectual talent among Nigerian youth. Otovo Praise of Crystalloid International School emerged as the champion, earning a full-year scholarship through the Tosin Eniolorunda STEM Foundation. Audi Innocent of St Patrick's College secured second place, receiving N300,000, while Asher David of Glorious Kids Academy was awarded N200,000 for his third-place finish.

Tosin Eniolorunda, CEO of Moniepoint Inc., stated the company's vision behind such initiatives. "At Moniepoint, we believe that driving sustainable innovation begins with future-proofing and expanding the talent pool by empowering the next generation with the tools that they need to succeed, especially basic literacy skills which remain fundamental pillars in socio-economic development," he stated. Eniolorunda emphasised the significance of these young voices, seeing them as the future of African leadership. He noted that their insights into financial inclusion and technology demonstrate the remarkable potential that exists within the communities. He also dwelled on Moniepoint's broader commitment through various educational and developmental initiatives, including the CAD/CAM lab donated to Obafemi Awolowo University (OAU) last year and the Moniepoint DreamDevs programme.

According to Moniepoint, the initiative extends beyond monetary incentives, providing invaluable platforms for young individuals to articulate their ideas on a global stage. By supporting the NextGen Connect Conference and Tech-In-School conversations, the company noted that it is actively cultivating an environment where youths can hone critical thinking skills, build confidence, and engage meaningfully with pressing societal issues.

Florence Ogonegbu, founder of the Mega Impact Foundation, reaffirmed her organisation's dedication to creating an Africa where every young person has simplified access to sustainable education, capacity building, and empowerment. "By leveraging technology and local initiatives, we are creating platforms that enable our youth to thrive and transform their communities," She remarked.

Ogonegbu underscored the collaborative spirit, stating, "Together with partners like Moniepoint, we are not just shaping futures—we are driving a movement for social development that will resonate globally. Every boy, every young person, deserves the opportunity to unlock their full potential and drive lasting impact across our continent."

31% of Nigerian firms hit as Japa movement drains industrial workforce – PwC

Onome Amuge

NIGERIAN COMPANIES are facing a shortage of competent supply chain professionals, with at least 31 per cent of businesses impacted by the ongoing "Japa" phenomenon, according to a new report by global consulting firm PwC. This talent drain is seen to be exacerbating operational challenges within supply chains, which are increasingly central to business strategy and survival in Nigeria's economic environment.

The findings were unveiled at a recent high-level industry breakfast session in Lagos hosted by PwC's Consumer and Industrial Products and Services division. Sam Abu, country senior partner at PwC West Africa, in his opening remarks on "Building Supply Chain Resilience in a Dynamic Operating Environment, highlighted the implications of the migration trend for operational continuity.

"Thirty-one per cent of CEOs say they are struggling to find people who can manage increasingly complex supply networks. The Japa trend has made this even harder here. The talent drain is real, and it's affecting operational efficiency," Abu stated. He added that this exodus of skilled professionals is adding pressure to Nigerian businesses already dealing with a complex web of economic challenges.

Citing PwC's Global CEO Survey, Abu noted that 64 per cent of Nigerian CEOs express optimism about the country's economic prospects, while 42 per cent believe their businesses may not remain viable in the next decade without substantial transformation. "That gap between optimism and operational readiness

L-R: Olufemi Adebiyi, country manager, Cinderbuild; Adeyinka Adekoya, vice president, Energy Ecosystems, Interswitch Group; Ejide Akinbiyi, co-founder, MaterialPro; Daniel Adedokun, head of Geocycle, Lafarge Africa Plc, and John Oamen, CEO, Cutstruct Technology Limited at the 6th Lagos Real Estate Fest recently held at the Oriental Hotel, VI, Lagos.

highlights a pressing issue. It underscores the need for more robust organisational processes, especially in supply chain strategy," he explained.

Beyond domestic issues, Nigerian businesses are also exposed to external shocks, including geopolitical tensions and disruptions from global conflicts. "Whether it's the wars in the Middle East or Europe or security concerns at home, these disruptions have real, tangible effects on supply chains, especially production and distribution timelines," Abu cautioned.

The country senior partner at PwC West Africa identified three core trends reshaping the business landscape including artificial intelligence (AI), climate change, and shifting geopolitics. These forces, he asserted, are compelling organisations to adapt rapidly or risk being left behind.

"Industry boundaries are blurring. Legacy players are now teaming up with tech startups, logistics providers, and energy firms. Success today depends on ecosystem collaboration, not just internal strategy," Abu told the gathering of CEOs, policymakers, and trade experts. He warned that the traditional model of optimising supply chains within fixed industry silos has become obsolete, urging businesses to develop cross-sector, agile supply systems capable of withstanding shocks and leveraging emerging opportunities.

"Businesses must redefine their goals to align with a fast-changing economic landscape," he stressed, listing strategic reinvention, AI adoption, and sustainability integration as key drivers of resilience.

Also speaking, Chinyere Almona, director-general and chief executive officer of the Lagos Chamber of Commerce and Industry (LCCI), delivered a speech titled "Resilience as a Competitive Edge for Businesses." She underscored the criticality of building supply chain resilience in Nigeria's unique operating environment.

"In some parts of the world, you can transport goods efficiently at night. Here, we say, 'Let's wait till daytime' because of insecurity," she remarked, highlighting the distinct security challenges. "We're not just dealing with global problems. Nigeria has its own unique challenges," she stated.

Almona enumerated major hurdles affecting Nigerian businesses, including power instability, high logistics costs, regulatory uncertainty, and foreign exchange scarcity. "Without power, we can't drive real economic productivity," she added. Echoing PwC's survey data, Almona reiterated that while 64 per cent of Nigerian CEOs remain optimistic about growth, 42 per cent doubt their companies' survival over the next decade without significant transformation.

She pointed to the impact of insecurity, poor infrastructure, and escalating energy costs, which are causing substantial post-harvest losses in agriculture and threatening national food security. "You produce goods but must first construct roads to transport them.

You're now in road construction, not just manufacturing," the LCCI DG lamented. She also shared an anecdote about port inefficiencies, recounting an incident where a businesswoman was erroneously charged import duties for wine instead of bottled water. "You say it's water; Customs insists it's wine. You either pay or lose your goods," she stated.

Almona advocated for regional trade integration, supply chain digitisation, diversification of suppliers, and massive investment in vocational skills. "Over 70 per cent of manufacturing delays in 2023 were linked to port congestion and forex constraints. Resilience is no longer a nice-to-have; it's a survival strategy," she noted.

Almona warned that Nigeria's over-reliance on foreign suppliers leaves the economy vulnerable to global shocks. "We import 85 per cent of intermediate goods from outside Africa. If we localise sourcing, we'll improve regional resilience," she urged.

Oladele Oladipo, a Partner at PwC Nigeria and leader of the firm's Consumer and Industrial Products and Services division, noted that strengthening Nigeria's supply chain systems could boost economic growth and improve citizens' quality of life. Speaking on the sidelines of the forum, Oladipo asserted that supply chain engineering has evolved from a mere support function into a critical business asset. "Just like people and raw materials, the supply chain is now a strategic imperative. Leaders must invest in making it efficient, agile, resilient, and future-ready," he said.

Oladipo emphasised that effective supply chains can no longer be built in isolation, necessitating collaboration among government, regulators, vendors, and trade institutions. "One major takeaway from today's session is the power of collective action. When companies come together to engage the government or regulators, it's more cost-effective, and they achieve more," Oladipo concluded.

Glo, PalmPay launch Recharge and Win Bonanza 2 to reward customers

Onome Amuge

PALMPAY, ONE OF NIGERIA'S leading financial technology platforms, has teamed up with telecommunications giant Globacom to launch the second edition of their "Recharge and Win Bonanza" campaign. Running from June 19 to August 8, 2025, the promotional drive aims to incentivise Nigerians to purchase Glo airtime and data via the PalmPay app with the allure of various prizes.

The collaboration, announced in a joint statement by PalmPay and Globacom, will feature weekly live raffle draws streamed across PalmPay's official social media channels. Customers transacting Glo services through the PalmPay app will be eligible to win prizes, including an iPhone 15 Pro and Infinix Hot 40 smartphones, among other items.

Further enhancing participation, all transactions exceeding N500 will grant customers an additional entry into the draws. The campaign will also incorporate daily social media challenges, offering participants opportunities to win cash prizes. Beyond the prize incentives, PalmPay users will benefit from up to 6 per cent cashback on Glo airtime and data purchases made through the app. As an added bonus, Globacom subscribers who have not activated a data plan in the last 90 days will receive a 100 per cent bonus on their recharge during the campaign period.

Wayne Ruppel, head of billers at PalmPay Limited, expressed enthusiasm about the partnership, framing it as a significant stride in the company's mission. "This collaboration is a major step in our mission to deliver more support, rewards, and more innovation to our customers. Partnering with Glo, a leader in the telecommunications sector, is a testament to our shared commitment to improving everyday experiences for all Nigerians. We are excited to reward our users and encourage everyone to take full advantage of this exciting opportunity," Ruppel stated.

Globacom also stated its satisfaction in generating additional value for its subscriber base through unique customer-appreciation schemes. "Our partnership with PalmPay on the 'Recharge and Win Bonanza' perfectly underscores our commitment to delivering exceptional value and experiences. Over the years, we have always sought innovative ways to enrich the lives of our customers. We, therefore, enjoin our subscribers to utilize the opportunity provided by the bonanza and enjoy the many benefits it offers," the telecommunications firm commented.

Both PalmPay and Globacom have pledged close collaboration throughout the campaign duration, aiming to deliver an exceptional customer experience, reward loyalty, and reinforce their shared objective of making digital transactions more accessible, rewarding, and secure for millions of Nigerians.

PZ Cussons relaunches Carex with expanded hygiene range

Onome Amuge

PZ CUSSONS NIGERIA, the local subsidiary of the British multinational consumer goods giant, has unveiled a relaunch of its hygiene brand, Carex. The initiative, driven by the "Win the War Against Germs" campaign, aims to spearhead safe hygiene practices across Nigerian households and reinforce the brand's market position.

PZ Cussons Nigeria introduced Carex's new Masterbrand identity alongside an expanded product line during an event in Lagos, recently. The refreshed portfolio now includes a comprehensive range of antibacterial products, featuring hand wash, bar soaps, and antiseptic liquids, reflecting a strategic move to offer a complete hygiene solution for every household.

Oghale Elueni, managing director of PZ Cussons Nigeria, emphasized that the relaunch extends beyond a mere brand refresh. "Carex has always stood for protection and care. This is more than just a Masterbrand relaunch. It's about a bigger mission, to win the war against germs wherever you are, at home, at work, in school, or on the go," Elueni stated. Martha Kayode, Head of Marketing at PZ Cussons Nigeria, dwelled on the brand's renewed pledge to consumer safety and efficacy. "This relaunch is a fresh start. A chance to renew our promise to Nigerian families. Every single product is formulated to kill one million plus germs in seconds while being kind to your skin," Kayode asserted. The relaunch garnered significant endorsements from key figures across the business community and public health sectors.

Nigeria, SSA progress, as global energy transition gains traction in 2025 – WEF

Ben Eguzozie

NIGERIA AND SUB-SAHARAN AFRICA (SSA) made improvements as the global energy transition index (ETI) made the fastest gains towards secure, equitable and sustainable energy globally since pre-COVID-19, according to the World Economic Forum (WEF's) latest Energy Transition Index 2025 report.

"Notably, Nigeria made notable progress, rising from 109th place in 2016 to 61st in 2025. These trends underscore the growing impact of targeted reforms and localized transition strategies across diverse markets," the WEF Energy Transition Index report said.

With 65 per cent of countries improving and 28 per cent advancing across all core dimensions—security, sustainability and equity, WEF said the Nigerian and SSA progress came through "stronger political commitment and financial flows".

Energy Transition Index emphasizes the need for context-specific strategies, as energy systems evolve amid climate pressures, conflict and economic fragmentation. Sustained progress will also depend on resilience, adaptability, and stronger regional and global cooperation, the report released in Geneva, Switzerland, said.

Sweden, Finland, Denmark, Norway and Switzerland topped the Index, driven by strong policy commitment, infrastructure and clean energy diversification. Emerging Europe posted the biggest gains, with notable progress in infrastructure (+8.3%) and equity (+5.8%). Emerging Asia outpaced the global average. With leadership from China, followed by Malaysia, the region has seen regulatory improvements (2.6%) and rising clean energy investment (18.7%).

L-R : Aliyu Tahir, managing director, Nigerian Electricity Management Services Agency (NEMSA); Sadiq Zubair-Abubakar , president, Council for the Regulation of Engineering in Nigeria (COREN); Okorie Austin-Uche , registrar, COREN, and Mohammed Jibrin, member of the Council, during the signing of Memorandum of Understanding between NEMSA and COREN in Abuja recently.

Despite $2 trillion in clean energy investment in 2024, energy security stalled and emissions hit record highs, highlighting the need for resilient grids, digital infrastructure and targeted capital flows, the WEF report raised the alarm.

WEF said, rising geopolitical tensions, investment gaps, and a growing disconnect between clean energy innovation and deployment where it is needed most threaten to undermine momentum.

The Fostering Effective Energy Transition 2025 report, developed in collaboration with Accenture, benchmarks the performance of energy systems of 118 countries across three performance dimensions—security, sustainability and equity —and five readiness factors: political commitment, finance and investment, innovation, infrastructure, and education and human capital. Whereas 65% of countries improved their ET Index scores, 28% advanced across all three core dimensions.

Since 2021, over 80 per cent of energy demand growth has come from emerging and developing economies, but more than 90 per cent of clean energy investment has been seen in advanced economies and China, revealing a misalignment between capital flows and future demand. While advanced economies grapple with grid congestion, high prices and delivery bottlenecks, regions like Emerging Europe and Emerging Asia are making gains, driven by targeted reforms, improved infrastructure and growing clean energy investment, the WEF said.

According to Roberto Bocca, head of WEF's Centre for Energy and Materials, "energy systems are evolving at varying speeds. We are seeing more holistic approaches and visible progress. It is encouraging that 28 per cent of countries, including major energy consumers and producers like Brazil, China, the US and Nigeria, have advanced across multiple dimensions. Staying on track demands urgent investment in fast-growing emerging economies."

The 2025 Energy Transition Index recorded a 1.1% year-on-year gain – the fastest since pre-COVID levels. Equity showed the strongest gains, aided by stable energy prices and subsidy cuts, while sustainability improved thanks to increased renewable energy adoption and improvements in energy efficiency. But energy security stagnated due to inflexible power systems, import reliance and limited diversification. Despite $2 trillion in clean energy investment in 2024, emissions hit a record 37.8 billion tons in the hottest year on record, as energy demand rose 2.2% driven by artificial intelligence (AI), data centres, cooling and electrification.

Muqsit Ashraf, group chief executive for Accenture Strategy, said, "AI is the most transformative technology of our lifetimes and the single greatest lever of a more intelligent, adaptive and resilient energy future.

He said "leading companies are harnessing technology, data and AI to accelerate their reinvention and placing people at the core of that change—ultimately becoming more resilient and delivering long-term profitable growth."

ET Index 2025 scores

Sweden, Finland and Denmark topped the Energy Transition Index, reflecting their long-standing policy commitment, robust infrastructure and diversified low-carbon energy systems. Norway and Switzerland rounded out the top five, underscoring renewed momentum in their energy transition. Austria, Latvia and the Netherlands followed closely, with strong performances in equity, clean energy capital flows and renewable energy capacity build-out. Germany and Portugal completed the top 10.

Among the top 20 countries, China reached a record 12th place, fueled by its scale and leadership in innovation and clean energy investment. Brazil ranked 15th, leading Latin America with greater energy diversification, lower prices and rising clean energy use. The United Kingdom placed 16th, while the US rose to 17th overall and ranked 1st in energy security, supported by a diversified energy system and strong innovation.

India advanced on energy efficiency and investment capacity, while the United Arab Emirates recorded the strongest year-on-year gain in a decade, driven by rapid infrastructure upgrades, targeted subsidy reforms, rising clean energy use and lower energy intensity.

The report highlighted three system-level priorities to keep the energy transition on track. These include redefining energy security beyond traditional supply concerns to include grid resilience and digital infrastructure; correcting capital imbalances, particularly in emerging economies; and addressing infrastructure bottlenecks, such as permitting delays, workforce gaps and grid capacity, which now constrain progress more than technology availability.

To sustain momentum and build resilience, the report called for adaptive policies to attract long-term capital and foster cooperation; modernize infrastructure; invest in workforce skills and innovation; scale deployment of clean tech, especially in hard-to-abate sectors; and enhancing capital investment in developing economies.

'Time World Bank ended ban on upstream financing and tackle Africa's energy poverty crises'– AEC

THE AFRICAN ENERGY CHAMBER (AEC), a body that promotes sustainable investments and best practices in energy in Africa, is urging the World Bank to end its ban on upstream oil and gas financing, emphasizing that unlocking Africa's hydrocarbon resources is essential to lifting hundreds of millions of Africans out of energy poverty and driving sustainable development across the continent.

Approximately 600 million people in Africa roughly 43 per cent of the continent's population lack access to electricity. This makes Africa the region with the lowest access rate to electricity globally. Also, about 700 million Africans lack access to clean cooking energy. Per capita electricity consumption in Africa is 181 kWh compared to 13,000 kWh in the US and 6,500 kWh in Europe. Major among the factors contributing to the continent's energy poverty are lack of generation capacity, aging power plants, poorly run state-owned utilities, and a lack of affordable capital are among the factors contributing to Africa's energy challenges.

The AEC is also calling on the global lender to align with Africa's urgent need to eradicate energy poverty and achieve sustainable development. "Lifting this ban is essential to unlocking the continent's hydrocarbon resources, delivering reliable and affordable electricity to millions, and generating the revenues required to support Africa's long-term energy transition," the Chamber stressed.

While AEC welcomes the World Bank's decision to review its 2017 ban on financing upstream oil and gas development, the Chamber said the time for reassessment is over. "Decisive action is needed. Today, around 600 million Africans still lack access to electricity — a number that is not only staggering but growing," AEC argued, quoting the International Energy Agency (IEA) as saying that gains made in expanding electricity access were reversed during the pandemic, with up to 30 million people who previously had access no longer able to afford it.

"This deepening energy poverty undermines Africa's industrialization, economic growth and social development," the AEC lamented.

It continues that Africa must be empowered to grow its energy mix pragmatically, using both fossil fuels and renewables — not forced into an "all or nothing" approach that risks leaving hundreds of millions in the dark, adding that, natural gas offers a scalable, affordable and lower-carbon solution that can help meet the continent's immediate power needs while enabling a just, inclusive energy transition.

"Climate panic and fear-mongering —often directed disproportionately at Africa, a continent responsible for just 3 per cent of global CO_2 emissions —threaten to block this path. The green agenda and the World Bank's ban on upstream financing ignore the fact that natural gas can bring life-changing prosperity to Africa through jobs, business growth and monetization," NJ Ayuk, AEC's executive chairman, said.

Ayuk said, "We are proposing a logical, sustainable path: using our natural gas to meet current needs, generate revenue and fund our transition to renewables. Given that universal access to affordable, reliable electricity is one of the UN's Sustainable Development Goals, the growing number of Africans without power is morally wrong and must not be ignored."

In particular, upstream oil and gas development is already demonstrating its capacity to advance Africa's energy access, energy experts said. For example, in Mozambique, domestic gas fuels the 450 MW Temane gas-to-power project, delivering electricity to communities and industries. Senegal's gas-to-power efforts, Nigeria's Gas Master Plan and Egypt's expanded gas-fired generation highlight how these resources are driving regional electrification and economic growth. Future upstream projects hold transformative potential: Mozambique's gas reserves could generate over $100 billion in revenue; Namibia's oil discoveries could deliver $3.5 billion annually at peak production, which can fund infrastructure, education, healthcare and clean energy investments.

In the meantime, global financial trends are shifting. Major banks, mainly in the U.S., are easing ESG-related restrictions and resuming oil and gas financing, recognizing that natural gas remains a vital bridge fuel. Hence, AEC says the World Bank must do the same — not as a concession, but as a commitment to its mandate to promote shared prosperity and reduce poverty.

Onome Amuge

AfroFlavour showcases South African cuisines in Lagos to grow African culinary

AFROFLAVOUR, A PIONEERING pan-African organisation dedicated to promoting African gastronomy on a global stage, at the weekend debuted its flagship event in Lagos, themed "Flavours of Africa: A Taste of South Africa in the Heart of Lagos," held at the Fired&Iced Outdoor Lounge, Lekki, Lagos.

The exclusive cocktail and networking reception drew an influential cross-section of Nigerian diplomats, business executives, and prominent guests, all eager to experience a meticulously curated immersion into South African culinary traditions, its unique music, and cultural heritage. The event also served as a deliberate effort to build bridges and reinforce unity between Nigeria and South Africa, Africa's two largest economies, by exploring the sophisticated texture of South African identity and its connections within the larger African narrative.

South African Chef Atara Imbizo led a live culinary demonstration, serving an array of rich South African cuisines from a meticulously curated menu. Guests savoured iconic dishes such as Chakalaka, Boerewors, and Biltong, alongside more adventurous fare including chicken feet, tripe, trotters, beef stew, and South African rice. Complementing this, Nigerian Chef Ladipo Ayodeji, known professionally as Chefdeee, delighted participants with his uniquely prepared Suya, which garnered considerable acclaim from the guests.

Cross section of guest having the taste the South African meal

The gastronomic journey was interwoven with a vibrant musical backdrop, featuring an energetic performance by Nigerian music artiste Gaise Baba, who performed his hit "No Turning Back." Throughout the evening, guests revelled in the sounds of South African music legends, including Yvonne Chaka Chaka, Brenda Fassie, and Miriam Makeba, amongst others, bringing to life an authentic and electrifying South African vibe.

The strategic importance of the rich cultural initiatives was a key talking point as Bobby J. Moroe, the South African Consul General in Nigeria, dwelled on the topic,"Food and Friendship."

Moroe identified South Africa's appeal as a destination for personal connection, noting the reciprocal flow of love and relationships between Nigerians and South Africans.

The event, he noted, showcased the rich diversity of South African culture and also provided a unique opportunity for Nigerians to experience the flavours and traditions of South Africa, while strengthening the bonds of friendship and cooperation between the two nations.

The consul general commended AfroFlavour for its alignment with the consulate's mission to strengthen cultural exchange and mutual understanding, affirming his commitment to supporting similar initiatives in the future.

A particularly insightful dimension was introduced by Elizabeth Jibunoh, the co-founder of Didi Museum, the first private museum in Nigeria. Jibunoh observed a profound paradigm shift in how food is perceived, particularly within South African culture. She argued for its evolution from mere sustenance to a respectable source of healing, resilience, and economic opportunity. This approach, she contended, is far more than a cultural anecdote, but also a blueprint for a growing wellness economy.

Jibunoh pointed out that for many South African homes, food transcends the conventional notions of taste or nourishment, evolving into a ritual of care, a source of emotional healing, and a spiritual conduit to ancestral wisdom. This approach, she argues, is not just a cultural curiosity but a vital blueprint for a growing wellness economy.

"South African meals are emotional medicine... That kind of emotional nourishment builds what I like to call emotional indemnity, and that is what helps our resilience," she explained.

The cultural pioneer and wellness advocate also spoke on the untapped value of indigenous South African ingredients. She identified staples like pap and maize meal, as well as sugar beans, providing carbohydrates, protein, and fibre, regulating blood sugar, and feeding the gut microbiome.

Speaking further, Jibunoh noted that the global recognition of Rooibos tea serves as a prime example of an indigenous South African product transcending local traditions to achieve international commercial success due to its caffeine-free, antioxidant-rich, and anti-inflammatory properties.

As chronic illnesses become more prevalent and fast food continues its global dominance, Jibunoh asserted that there is a "return to the healing knowledge of our grandmothers and the land." This trend, she noted, signifies a growing consumer demand for natural, nutrient-rich indigenous foods.

According to her, for agribusiness, food technology, and wellness sectors, this represents a crucial moment to invest in and innovate around these ancestral food systems, moving beyond metaphorical interpretations to harness food as literally medicine.

Jibunoh described the Afro Flavour event as a reminder that amidst the complexities of modern business, some of the most profound opportunities lie in re-discovering and valuing ancient practices, positioning African food traditions not just as cultural heritage, but as an economically viable force in the global wellness landscape.

Looking ahead, AfroFlavour's trajectory promises to be dynamic. CEO Lucky Idike Jr. announced that the organisation is set for international expansion, with plans to host festivals, pop-ups, and creative residencies in major global capitals, including Toronto, Tokyo, and Berlin.

Notably, AfroFlavour aims to play a leading role in capital formation, seeking to mobilise investment in AfroFood entrepreneurs across the entire value chain, thereby fuelling the anticipated African cuisine explosion.

The initiative aims to build robust platforms that not only spotlight African cuisine and chefs but also actively promote African cuisine trade and champion gastrodiplomacy, leveraging culinary arts as a sophisticated instrument of cultural and economic engagement on the world stage.

Air Peace deploys 3 aircraft as buffer against flight delays, cancellations

Sade Williams/Business a.m.

AIR PEACE, THE NIGERIAN CARRIER basking in the euphoria of its recently acquired flight slot at lucrative London Heathrow airport, said it is deploying three aircraft on standby as buffers to cushion the effect of unexpected flight delays and cancellations.

Allen Onyema, the airline's chairman, who disclosed this recently to the media, explained that the aircraft are to help as 'shock absorbers' especially in its internal delays and sometimes when caused by external factors.

Onyema disclosed that the airline recorded 85 percent On-Time Performance (OTP) in May as a result of the buffers. He revealed plans to rebrand the airline's customer service department in a bid to improve service delivery.

"We have re-strategised since May 10, we have provided buffers for our flights and by May 12, we posted over 85 percent OTP, we have three aircraft that are not flying everyday, we have discovered

that there are internal delays, planes can develop fault, there could be unforeseen circumstances internally, with this arrangement, delays are now minimal. We are assuring our passengers of exceptional customer service as we roll out the new face of our customer service soon," Onyema said

The Air Peace boss however attributed 98 percent of flight delays to external factors such as weather, unruly behaviour, bird strikes, sunset airports, among others, adding that delays also have nothing to do with capacity and are not synonymous with Nigeria alone. "No airline gains from flight delays or cancellations but we will not be pushed to do anything unsafe in the course of our operations. Most of our delays are dictated by safety concerns even when they are caused by external factors. We have had over 100 bird strikes in the last five years and 30 in the last six months. We delay our flights when it is necessary, we have zero tolerance to unsafe practices, we are very proud about our safety records. "Delays have nothing to do with capacity. We have enough planes; just last week, we experienced two bird strikes in Owerri and Port-Harcourt and 26 flights were affected, only two percent were caused by internal factors. Therefore we have decided to take care of the factors that are not caused by us, we want to see reduction in complaints and delays," he added.

The Nigeria Civil Aviation Authority (NCAA) had recently, in compliance with the Nigerian Civil Aviation Regulations (NCARs) 2022 (Consumer Protection) Regulations 2023, sanctioned some airlines over consumer rights infractions ranging from flight delays to delay or refusal to refund passengers.

Chris Najomo, director general of NCAA, had lamented that flight delays and cancellations have imposed huge discomforts on passengers, businesses, the credibility of the aviation industry and national development as a whole.

Najomo insisted that it behooves the airlines to ensure that every disruption is handled well and with the utmost professionalism and respect for passengers' rights.

He insisted that the Nigeria Civil Aviation Regulations on Consumer Protection were not optional but mandatory obligations. He restated that the regulations ensured that passengers were promptly informed of schedule changes, delays or cancellations, accommodation, refreshments, alternative travel arrangements and other compensations, depending on the length of the delays

Ethiopian Airlines connects Africa, India with new Hyderabad flight

Sade Williams/Business a.m.

A NEW HYDERABAD flight route from Addis Ababa recently launched by Ethiopian Airlines, Africa's largest carrier and one of the world's fastest-growing airline brands, is being seen as another effort at closing business and cultural distance between Africa and India.

The thrice-weekly flights were inaugurated with a vibrant ceremony at Addis Ababa Bole International Airport, attended by senior government officials, ambassadors, distinguished guests, and members of the aviation community.

Officials of Ethiopian Airlines said the new route underscores the airline's commitment to strengthening connectivity between Africa and India, and beyond offering passengers more convenient travel options.

The new flight will operate three days a week per the below detail: ₦ET 682 Addis Ababa (ADD) to Hyderabad (HYD) – Mon, Wed, Sat ₦ET 683 Hyderabad (HYD) to Addis Ababa (ADD) – Tue, Thu, Sat .

While officially launching the new route, Mesfin Tasew, Group CEO of Ethiopian Airlines, remarked, "We are pleased to commence this new passenger service to Hyderabad, the sixth destination Ethiopian operates in India. We believe that beyond providing air transportation service, this new flight will play a pivotal role in strengthening trade and tourism ties between the two regions."

Tasew further stated: "This route offers convenient passenger transport services, and Ethiopian will continue exploring new opportunities to expand its network in India and the region. As the continent's top carrier with wide connectivity and world-class service, we remain dedicated to meeting the growing demand and fostering stronger partnerships across borders."

Ethiopian Airlines is currently providing over 50 weekly dedicated passenger and cargo flight services to five Indian cities; Delhi, Mumbai, Bengaluru, Ahmedabad, and Chennai.

Sade Williams/Business a.m.

6 Nigeria properties in view as Marriott plans Africa growth with over 9000 rooms

●Adds 50 properties to Africa portfolio by 2027
●Enters 5 new markets, debuts Aloft Hotels

AC by Marriott Casablanca La Corniche

SIX PROPERTIES IN NIGERIA are in the plans of global hospitality firm Marriott International to expand its African portfolio by 50 properties and adding over 9000 new rooms by the end of 2027.

In a recent announcement from Cape Town, South Africa, the hospitality giant said its growth strategy includes the expected entry into five markets, namely Cape Verde, Côte d'Ivoire, The Democratic Republic of Congo, Madagascar and Mauritania, adding that the aim is to "further strengthen the company's footprint across the continent where its current operating portfolio encompasses nearly 150 properties and 26,000 rooms across 20 countries and 22 brands".

In West Africa, it said it would add six properties in Nigeria, described as its largest growth market in the region; noting that demand for premium and select accommodation remains strong in the region.

The growth plan will see the introduction of 'Courtyard by Marriott' in the country which is anticipated to open in Abuja within the next two years, as well as what it says is the continued expansion of Protea Hotels by Marriott and Marriott Hotels.

Across the West Africa region, Marriott's is preparing to enter three new markets in the next two years, namely, Four Points by Sheraton Sao Vicente Resort, which will open this year, thus seeing its debut in Cape Verde; as well as Marriott in Côte d'Ivoire in 2027, with an Autograph Collection Hotel located in Assinie-Mafia and Mauritania with a Sheraton Hotel situated in Nouakchott, which is expected to open later this year.

"We are witnessing a transformation of Africa's tourism sector driven by visionary government agendas, substantial infrastructure development, enhanced regional and international connectivity and diversified travel experiences, all of which are laying the foundation for a thriving hospitality sector," said Jerome Briet, chief development officer, Europe, Middle East & Africa, Marriott International.

"With our renowned portfolio of brands, world-class distribution platform and award-winning travel programme, Marriott Bonvoy, we continue to drive robust expansion opportunities with owners and franchisees across Africa and remain committed to supporting the growth of its tourism sector," he added.

The hospitality giant explained that its planned expansion aims to enhance the strategic development of the company's luxury, premium and select-service portfolio across key and emerging destinations in Africa, nothing that its growth across Africa will be largely driven by its select-service brands, including Protea Hotels by Marriott and Four Points by Sheraton, and a strong consumer demand for distinctive, high-quality hospitality experiences.

"Tanzania, Egypt, Morocco, Kenya and Nigeria are the highest growth markets for the company in the continent, making up more than half of the projects slated to open in the next two years," noted the company in a statement.

It disclosed that opportunities exist in conversions and adaptive reuse, which it projected will continue to drive meaningful growth for the company as they represent more than 30 percent of the anticipated African additions by the end of 2027; adding that the company is also seeing an increased appetite for branded residential projects across the continent.

Karim Cheltout, senior vice president, development, Middle East & Africa, Marriott International, said: "Africa is home to emerging marketplaces that offer significant growth opportunities across major gateway cities, commercial centres, safari circuits and resort destinations. Through our diverse range of extraordinary brands, we are in a position to work with developers to offer high quality accommodations along with distinct and innovative travel experiences that resonate with today's rapidly evolving consumer."

In North and East Africa, Marriott said it is seeing strong growth momentum as both regions combined account for more than 60 percent of the company's planned additions in Africa by the end of 2027.

It said Egypt and Morocco are expected to lead the expansion for Marriott in North Africa with plans for Egypt including the anticipated debut of Aloft Hotels in Africa, with the opening of Aloft Ghazala Bay situated in the North Coast of the country expected by 2027.

Conversion or adaptive reuse projects will make up more than 50 percent of the company's expected additions in Egypt, with expansion highlights for Morocco seen to include anticipated market debut of AC Hotels by Marriott with a scheduled opening in Casablanca in 2027.

Marriott said in East Africa, it continues to see growth momentum with safari lodges and camps spurred by a growing appeal for adventure and outdoor travel.

"Following the successful opening of JW Marriott Masai Mara Lodge in 2023, the company is slated to open six safari properties across the region by the end of 2027, including The Ritz-Carlton, Masai Mara Safari Camp (Kenya), and Mapito Safari Camp, Serengeti, Autograph Collection (Tanzania) - both of which are scheduled to open this year," the company said. In Tanzania, it said the Marriott portfolio is projected to more than double by the end of 2027 while in Kenya the company plans to open five properties, including the debut of Courtyard by Marriott with two expected openings in Nairobi in 2027.

Uganda will have its first Marriott hotel and Marriott Executive Apartments as part of the expansion in the country with scheduled openings in Kampala by the end of this year.

Its growth across Southern and Central Africa remains steady, the company said. South Africa, its largest market in Africa, is expected to see an expansion of the Autograph Collection Hotels brand portfolio with the opening of Morea House in Cape Town this year, followed by the anticipated addition of a property within Kruger National Park in 2026.

It also plans to enter The Democratic Republic of Congo by the end of this year with a Protea Hotel by Marriott and Four Points by Sheraton in Kinshasa, it said, adding that the company is also expected to make its debut in Madagascar with the opening of a Delta Hotels by Marriott this year and a Protea Hotel by Marriott anticipated in 2026 in Antananarivo.

Marriott's planned expansion also includes the anticipated debut of Le Méridien in Cameroon in 2027.

The Airport Customer Experience

Travel scams and artificial intelligence (AI)

AI-POWERED TRAVEL SCAMS are becoming increasingly sophisticated, targeting unsuspecting travellers. Scammers use AI in travel scams because it allows them to create more sophisticated, believable, and scalable fraud operations.

Marnie Wilking, the chief information security officer of Booking.com said recently that generative AI had sparked an explosion in online phishing scams, and that the hospitality industry, long spared, had also become a target.

"Over the course of the last year and a half, throughout all industries, there's been anywhere from a 500 to a 900% increase in attacks, in phishing in particular, across the globe," she was quoted telling AFP on the sidelines of the Collision technology conference in Toronto recently.

Travel websites are a prime target for phishing scammers because they often require sensitive information like credit card details, personal data, and identification documents. The rise of phishing attacks has surged since ChatGPT's launch, with attackers leveraging AI to craft highly convincing emails in multiple languages with proper grammar, making them more sophisticated than ever.

Hotel staff, in their effort to be accommodating, might unwittingly compromise security by opening malicious attachments or links from supposed guests, putting their systems at risk.

AI enables scammers to create highly realistic counterfeit websites for hotels, flights, and tour packages. These sites mimic trusted platforms, offering unbeatable deals to lure victims into paying for non-existent services.

Fraudsters use AI-powered chatbots to impersonate customer service agents, offering huge discounts on flights, hotels, or holiday packages. These bots may ask for sensitive personal information or prompt users to pay upfront for trips that don't exist.

AI-generated phishing emails and messages appear to be from reputable travel companies, tricking people into revealing personal information or making payments to fraudulent accounts.

Scammers use AI to create convincing fake reviews for hotels, airlines, and travel agencies, making fraudulent businesses appear legitimate.

AI-powered automation allows fraudsters to target more victims across multiple platforms with minimal effort. AI can analyse personal data from social media or previous searches, making scams more tailored and persuasive. AI-generated content often bypasses traditional security filters, making scams harder to identify and block.

Marnie Wilking advised on staying safe online, that travellers and hosts should use two-factor authentication (2FA). This adds an extra layer of security by requiring not just a username and password, but also a one-time code sent to your phone or generated by an app. If an email or link looks suspicious, don't click on it. When in doubt, verify by directly contacting the property, host, or customer support.

Protecting oneself from travel scams before booking, check if travel companies and agents are genuine; avoid unsolicited emails with links or attachments; book through reputable and secure websites; and, investigate travel companies and agents. With AI, scammers can operate smarter, faster, and more efficiently, making it crucial for travellers to stay alert. Always verify deals, avoid unsolicited links, and book through official platforms.

Staying safe requires knowing the latest travel scams, creating unique and strong passwords, and regularly checking for suspicious activity. Following these steps, one can significantly reduce the risk of falling victim to travel scams. By being aware of AI-powered travel scams and taking precautions, one can be protected and enjoy a safe and enjoyable trip.

EKELEM AIRHIHEN

Ekelem Airhihen, an accredited mediator, has an MBA from the Lagos Business School. He is a member, ACI Airport Non-aeronautical Revenue Activities Committee; his interests are in market research, customer experience and performance measurement, negotiation, strategy and data and business analytics. He can be reached on ekyair@yahoo.com and +2348023125396 (WhatsApp only).

Onome Amuge

Air Peace builds up UK route coverage with new Heathrow slot

Abuja-London Heathrow from October 26

THE UNITED KINGDOM government, through the Airports Coordination Limited, has allocated a slot to Air Peace at Heathrow Airport in London.

Allen Onyema, chairman of the airline, disclosed this during a press conference at the airline's headquarters in Lagos on Wednesday.

He disclosed that the airline will from October 26, operate three flights, weekly into Heathrow from Abuja and four times a week into Gatwick from Abuja.

However, Lagos-Gatwick remains seven times a week.

Onyema attributed the feat to the resilience of the airline and its safety records, adding that European countries would not allow commercial flights into their airspace if the safety record of the airline is questionable.

After six years, Air Peace reactivated the Bilateral Air Service Agreement (BASA) Nigeria signed with the United Kingdom by launching a direct flight to London. It commenced direct Lagos-London flights to London Gatwick on March 30, 2024, amidst fanfare. The federal government had expressed concern that Nigerian airlines were not being granted access to major international airports in other countries, while foreign airlines had access to Nigeria's key airports. Specifically, they had sought Heathrow slots for Air Peace, mirroring the access that British Airways has to Nigerian airports.

Heathrow Airport slots are highly sought-after and highly controlled due to the airport's capacity constraints and high demand. Airlines must acquire slots, which grant them the right to operate a specific flight at a particular time, either through initial allocation or by purchasing them on the secondary market. The process is managed by Airport Coordination Limited (ACL), an independent organisation.

On Wednesday, Onyema lauded Festus Keyamo, minister of aviation and aerospace development, for his role in securing the coveted slot in Heathrow.

"I want to tell you that on the 26th of October, we will start our Abuja London Heathrow flights. I want to announce to you that the British authorities have granted Air Peace Heathrow, this is a testament of their belief in what we are doing.

I would like to thank the British authorities for doing that. I would like to thank the president for all their efforts to showcase Nigeria to the world. This is also a testament to our resilience," he said.

Onyema, who disclosed that the airline currently has 49 aircraft, 36 on outright purchase and four on wet lease, said the airline will by September, launch operations into the Caribbean nations as well as China and India.

"We are connecting Nigerians in the Diaspora. We started this operation some months ago, we flew to St. Kitts. We also transported over 200 passengers to Jamaica, we have increased our B777 to four because our China operations will soon start. We are already discussing acquisition of Wide-bodied aircraft based on wet lease arrangement," Onyema said.

Speaking on maintenance and financial integrity of the airline, Onyema described its fleet maintenance as top notch, revealing that its partnership with Israeli Aerospace Service and OEM has also earned it international accolades. He added that Air Peace financial integrity has grown the confidence of other financial institutions in investment in aviation.

"The banking industry's confidence has grown due to our financial integrity. Fidelity Bank celebrated us recently, our financial integrity is the reason for our expansion, every Nigerian bank now wants to partner with us because we see borrowed money as other people's money, it is depositors' money, so we are prudent with it, banks don't look over their shoulders when they are dealing with us," he added.

L-R: Toyin Olajide, chief operating officer; Allen Onyema, chairman/CEO; and Ejiro Eghagha, chief of finance and administration, all of Air Peace, during a press conference at the airline's headquarters, Ikeja GRA, Lagos recently

Hilton hotels Jabi-Abuja, Ikeja-Lagos, Kano in plan to triple African presence

Sade Williams/Business a.m.

NEW HILTON HOTELS IN Jabi-Abuja, Ikeja-Lagos and Kano, are included in the multinational hospitality chain's plans to triple its presence in Africa as it looks to add more than 160 new hotels to the chain across the continent.

Its Nigeria expansion is programmed to birth The Wave Hotel Abuja Jabi, Curio Collection by Hilton; Hilton Lagos, Ikeja, which it has signed in partnership with Cornfield Group; and Hilton Garden Inn in Kano.

Information made available on the three Nigeria projects shows that The Wave Hotel Abuja Jabi, Curio Collection by Hilton, located in Jabi, one of Nigeria's capital city's most popular districts, will feature 93 stylishly appointed guest rooms, upscale dining venues, an outdoor pool, and a wellness centre.

It is developed in partnership with The Wave Hotel Limited (OpCo), and will open in 2026, benefitting from being a short 10-minute drive from Abuja's Commercial Business District. The company explained that each hotel in Curio Collection is handpicked to immerse guests in one-of-a-kind moments in the world's most sought-after destinations, evoking a bespoke story through distinctive architecture and design, world-class food and beverage, and curated experiences.

For its planned Hilton Lagos Ikeja project, it said it signed Hilton Lagos Ikeja in partnership with Cornfield Group and that it is located in Ikeja's government and residential hub.

"The hotel is strategically situated near corporate and governmental offices and in proximity to the Murtala Muhammed International Airport. Slated to open in 2029, the hotel will feature 200 modern guest rooms and suites - and offers elevated dining options such as an all-day dining restaurant, a signature restaurant, a lobby bar, a pool bar & grill, and a destination bar. The hotel will also include a spacious ballroom, four meeting rooms, and a fully equipped fitness centre," the hospitality giant explained.

In Kano, its Hilton Garden Inn will be making its mark as the city's first internationally branded hotel.

It is being developed in partnership with Akhim Plus Limited and will offer 100 guest rooms, flexible meeting rooms, an outdoor pool, and a fitness centre.

Planned opening is in 2029, and the hotel's location near key sites including the Government House, Emir's Palace, National Museum, Kano Race Course, Kano Golf Club, and Meena Event Centre makes it an ideal choice for business and leisure travellers alike.

The broad Africa expansion for Hilton is expected to see the hotel chain open more than 100 hotels in the coming years in markets including Ghana, Benin, Nigeria, Angola and Madagascar. It has recently opened Canopy by Hilton Cape Town, Longkloof, Hampton by Hilton Sandton Grayston and DoubleTree by Hilton Addis Ababa Airport

It will also make its Ghana debut later this year with the opening of Hilton Accra Cantonments.

Hilton is currently hiring for 600 new hospitality jobs in Africa and expects to create 18,000 new positions as it expands its portfolio.

Across its portfolio of market-leading brands, Hilton said it expects to open more than 100 hotels on the continent, supporting Africa's burgeoning hospitality sector and creating approximately 18,000 jobs for local people.

Carlos Khneisser, chief development officer, Middle East & Africa, Hilton, said: "We are thrilled to announce several new hotel agreements which significantly expand our footprint in Africa, a continent brimming with potential and opportunity. Our development strategy underscores our commitment to supporting Africa's hospitality sector as we partner with owners to grow our footprint, deliver exceptional stays for our customers and create jobs for local people. Africa offers incredible opportunities, from thriving business hubs to vibrant cultures, wildlife, and natural landscapes. We are excited to unveil a host of new destinations building on Hilton's legacy of hospitality across Africa for over 65 years."

The Hilton expansion will also see the hotel opening three hotels in Angola: Hilton signed Hilton Luanda Hotel Godinho in partnership with Servicab S.A.; Hilton Garden Inn Luanda Airport in partnership with Crestigo and set to open in 2028; and DoubleTree by Hilton Cabinda Futila Residences, signed an agreement with Prodoil S.A.

In addition Hilton said it would be debuting Hilton Cotonou in Benin, after it signed an agreement to open the hotel in partnership with the Republic of Benin, through the Société de Développement Hôtelier du Bénin (SDHB). This landmark project marks Hilton's official entry into the Beninese market. Scheduled to open in 2028, Hilton Cotonou will be strategically located on the Boulevard de la Marina, next to the Congress Palace, key government offices, and several international embassies.

Others are Hilton & Hilton Garden Inn Antananarivo in Madagascar, marking Hilton's re-entry into the country; Hampton by Hilton Accra Airport which it signed with Amani International Hospitality Limited – bringing Hampton by Hilton's award-winning hospitality to Ghana's Kotoka International Airport.

Hilton currently operates 63 hotels in Africa, with more than 100 under development. All hotels will be part of Hilton Honors, Hilton's award-winning loyalty programme with over 218 million members globally.

NAMA conducts aircraft emergency table-top exercise

Sade Williams/Business a.m.

THE NIGERIAN AIRSPACE MANAGEMENT Agency (NAMA) recently conducted an Aircraft Emergency Table-top Exercise to enlighten aviation stakeholders on how to manage aircraft emergencies and disasters.

The exercise which took place at the Murtala Muhammed International Airport (MMIA) conference centre brought key stakeholders in emergency management and search and rescue units drawn from all the aviation agencies, Nigeria Customs Service (NCS), Nigeria Immigration Service (NIS), Department of State Security (DSS), Federal Road Safety Corps (FRSC), Federal Fire Service (FFS), National Emergency Management Agency (NEMA), Lagos State Emergency Management (LASEMA), Airline Operators of Nigeria (AON), Lagos State Ambulance Services (LASANBUS), Nigerian Police Force (NPF), etc.

Declaring the exercise open, John Tayo, director, air traffic services (ATS), Nigerian Airspace Management Agency (NAMA), urged all stakeholders who attended to take the exercise seriously.

Tayo equally urged the media to take the exercise seriously and report it widely, pointing out that other agencies had done similar exercises but were not adequately captured in the media space.

Emphasising that search and rescue (SAR) is everybody's business, he said, "This morning, we are going to combine two things. To get a fruitful result, we want to separate stakeholders meetings and the aircraft emergency exercise".

The director, who was represented by Sunday Iwalaiye, general manager, SAR, NAMA, streamlined the Emergency Table-Top Exercise into two sessions: "Search and Rescue Units and Responsibilities"; and "Arrangement Into Groups of Search And Rescue Units According To Their Responsibilities"\, he said.

"We cannot start the exercise without knowing clearly the responsibilities of each agency. Any search and rescue involving an aircraft is an aeronautical emergency".

In his remark, Olatokunbo Arewa, regional general manager, South West, FAAN, commended the coordinators for organising the exercise, urging all participants to support the exercise

"This is a thing we should all support. Although no one wants emergencies to happen, they still happen. I want all stakeholders to take notes so as to know what to do when emergencies occur," Arewa added. Safo Baba Jiya, a representative of the Nigeria Civil Aviation Authority (NCAA) also commended the coordinators.

Jiwa, who dwelt elaborately on the importance of safety, said, "safety is paramount for us at NCAA.

Afroflavour's FLAVOURS OF AFRICA -South African Edition

Lucky Idike Jr., founder/CEO, Afroflavour Limited; Chef Dee, guest chef; Onyeka Okafor, Afroflavour staff; and Bobby Moroe, consul-general, South Africa High Commission in Nigeria

L-R Atara Imbizo, South African chef, and some of the guests

L-R Adetokunbo Adele- Abodedele; Atara Imbizo, South African chef; Lucky Idike, founder and CEO, Afro Flavour; Mega Adele- Abodedele ,and Abisola Adele- Abodedele

L-R: Leke Oshuniyi, president, King's College Old Boys' Association; Lucky Idike Jr., founder and CEO, Afroflavour Limited; Itua Ighodalo, senior pastor, Trinity House and his son; and Bobby Moroe, consulate-general of South Africa in Nigeria.

Gaise Baba, guest artist, right, and some guests.

Lucky Idike Jr., founder/CEO, Afroflavour Limited; Bimbo Maduka, director of administration, Afroflavour Limited; Gaise Baba, guest artist; and Ivie Idike, a guest.

L-R: Itua Ighodalo, senior pastor, Trinity House; Ivie Idike; Lucky Idike, founder/CEO, Afroflavour Limited; Gaise Baba, guest artist; Nene Kunle Ogulusi; Demola Aladekomo; and JK Randle.

L-R: Lucky Idike, founder and CEO, Afro Flavour, Elizabeth Jibunoh; Gaise Baba, guest artist, and Data Okorodudu, MD /CEO, JD7 Couture

IMAGES by PIUS OKEOSISI

Stories by Joy Agwunobi

Lagos deepens stakeholder engagement on innovation bill to strengthen tech ecosystem

THE LAGOS STATE GOVERNMENT is intensifying efforts to institutionalise innovation governance through continuous stakeholder engagement on the Lagos Innovation Bill, a proposed legislation aimed at establishing a strong legal and regulatory framework for science, technology, and innovation within the state.

Through the Ministry of Innovation, Science and Technology (MIST), the state recently convened a strategic session in Lagos with major stakeholders in the tech and innovation ecosystem. The session brought together a diverse range of participants, including entrepreneurs, researchers, policy experts, legal professionals, and innovation enablers to deliberate on the most recent draft of the bill.

This session is part of a broader, ongoing series of engagements hosted by the Ministry to collaboratively develop the Innovation Bill. The legislation is designed to serve as a comprehensive legal foundation for the growth and governance of science, technology, and innovation in Lagos.

At this latest consultation, the Ministry presented a refined version of the draft bill to key players across the ecosystem, encouraging open dialogue, critical feedback, and constructive suggestions. This inclusive approach aims to ensure the bill is not only aligned with global best practices but is also co-owned by the local innovation community it intends to serve.

Olatunbosun Alake, commissioner for innovation, science and technology, delivered the keynote address, offering both philosophical grounding and global context for the bill's design. Referencing global innovation models such as Silicon Valley, Alake emphasised the need for Lagos to move from fragmented innovation efforts to a deliberate, systemic framework that can sustainably fuel economic and technological transformation.

"If we are serious about building an innovative economy. Then we must create systems that allow ideas to become inventions, inventions to become startups, and startups to scale into global businesses. That pipeline must be enabled by law,"Alake said.

According to him, the proposed Lagos Innovation Bill builds on the foundation laid by the Nigeria Startup Act, but expands its focus to cover the entire innovation pipeline—from universities and research institutions to digital infrastructure, innovation funding, legal frameworks, and knowledge systems.

"This bill goes beyond startups.It covers knowledge institutions, research and development, digital infrastructure, innovation funding, and the legal frameworks to protect ideas and attract investment. It is our attempt to design a Lagos-specific framework that can scale innovation and institutionalise progress,"he explained.

Alake also underlined the bill's commitment to inclusive growth, pointing out that its design prioritises grassroots innovators, students, researchers, and underserved communities alongside established tech players.

"If innovation is to be meaningful, it must be democratised," he stressed, adding "That means providing access, funding, training, and regulatory support to everyone—from the university researcher in Epe to the agritech startup in Ikorodu. That's what this bill aims to do."

Welcoming participants earlier in the session, Ibilola Kasunmu, permanent secretary of the ministry, reiterated the government's dedication to participatory policy development and called on stakeholders to provide practical and actionable input.

"This session is not just about telling you what the bill says. It is about asking you: does this work for your context? Will this structure enable innovation, or will it stifle it?" she said.

"We believe policy must be driven by those who live in the ecosystem. You are the people who understand the bottlenecks, the regulatory frictions, and the investment gaps. That's why we are here, not just to talk, but to listen, learn, and improve."

Kasunmu further explained that the Innovation Bill is envisioned as a foundational law to help Lagos realise its goal of becoming Africa's foremost innovation capital. It complements the Nigeria Startup Act at the federal level, while being tailored to the unique characteristics of Lagos' rapidly evolving technology and knowledge economy.

Delivering a goodwill message, Joel Ogunshola, founder of Tech for Tech, applauded the Ministry's sustained engagement efforts, describing the bill as both "visionary and timely."

"What Lagos is trying to do with this bill is not to reinvent the wheel," Ogunshola remarked, noting "Rather, it is to customise the wheel so that it actually works on our roads. This is not just a tech bill; it is an economic growth framework. It's about unlocking prosperity, innovation, and talent at a scale we've never seen before."

He highlighted the limitations of national policies that often fail to reflect local realities and argued that subnational legislation is essential to bridge the gap between ambition and execution.

Ogunshola added that the bill presents a critical opportunity to enshrine legal protections and incentives that support not just startups, but also researchers, capital providers, and innovation enablers.

Closing the session, Ganiyu Oseni, the special adviser to the governor on broadband and technology, expressed the State Government's appreciation for the active participation and high-quality feedback received from the session.

He reiterated the State Government's commitment to ensuring that the final draft of the bill reflects the collective wisdom of the ecosystem and assured stakeholders that more engagements will follow as the bill moves closer to legislative approval.

From right: Omotayo Fisuyi, senior special assistant to Lagos Govt. Science & Tech; Lekan Balogun, special adviser to Lag. Govt. , Economic planning & Budgeting; Ibilola Kasunmu, permanent secretary, Min of Innovation, Science and technology), Olatunbosun Alake, commissioner, innovation, Science and technology; Olusegun Sanwoolu, executive assistant to Govt, Project Implementation and Monitoring; and Ganiyi Oseni, special adviser to Govt., Broadband and Technology at a recent engagement with key stakeholders over the proposed Lagos Innovation Bill at the Marriott Hotel in Lagos, recently.

Experts call for collective action as fraud tactics evolve with digital growth

AS NIGERIA'S DIGITAL economy expands, so too does the sophistication of cyber-related fraud targeting individuals and institutions alike. From email and WhatsApp hacks to elaborate identity theft and phishing schemes, the financial repercussions for unsuspecting users continue to escalate.

Stakeholders at the recently concluded Digital Pay Expo 2025 sounded the alarm on the urgent need for collaborative and proactive responses to this growing threat. Panelists emphasised that isolated efforts are no longer sufficient in combating cybercriminals who have evolved into highly organised networks.

Tosin Obadinmu, head of fraud investigation at the Nigeria Inter-Bank Settlement System Plc (NIBSS), underscored the importance of collaboration and data-driven action. Speaking during a panel session themed "Building a Fraud Resilient Ecosystem: From Community Empowerment to Enterprise Defense," Obadinmu stressed that fraudsters are not only working together but also building advanced tools to exploit system vulnerabilities. "Fraudsters are actively working together, collaborating and building tools they use to infiltrate systems. We need to do exactly the same—move from being defensive to attack: protect our infrastructure, chase fraudsters, and arrest them," Obadinmu stated.

He stressed the importance of robust data analytics in fraud prevention, revealing that NIBSS, in collaboration with the Central Bank of Nigeria (CBN), has implemented a Fraud Reporting Portal. This platform enables all licensed financial institutions to report fraud incidents, which are then analysed to uncover emerging patterns and threats.

According to him, one of the most prevalent tactics used by fraudsters is social engineering, which includes phishing emails, malware distribution, and other methods used to steal sensitive information from unsuspecting individuals. He also pointed to a growing phenomenon known as "fraud-as-a-service," where sophisticated cybercriminals develop tools and identity theft kits that are then sold on the dark web, allowing even unskilled individuals to engage in fraudulent activities. "These developments make it crucial for everyone to protect their digital identity," he said, adding "The only way to effectively fight fraud is to understand it, analyze it, and build the right response systems around it."

Obadinmu advised that organisations must secure every layer of their digital architecture, from endpoints like laptops and smartphones, to networks, servers, and databases. This approach, known as defense-in-depth, ensures that each layer of infrastructure is equipped with security protocols to resist intrusion. He also stressed the importance of adhering to global and regulatory standards such as ISO certifications, PCI DSS, and secure API frameworks which help in embedding security practices into daily operations.

He further recommended the deployment of AI and machine learning-enabled fraud management tools to keep up with the pace and complexity of modern-day fraud.

He noted that the CBN and other regulatory agencies have encouraged institutions to leverage such technologies to improve detection and response times across the financial ecosystem.

Ajibade Laolu-Adewale, chairman of the Committee of e-Business Industry Heads, reinforced the need for a multi-dimensional approach to fraud prevention, which includes technology, internal processes, and organisational culture.

Nigeria's telecom sector faces operational lapses despite bold digital initiatives

A NEW REPORT BY SBM Intelligence has revealed gaps in the management of Nigeria's telecommunications sector under Bosun Tijani, minister of communications, innovation and digital economy, raising concerns about the disconnection between the Ministry's digital ambitions and on-ground realities.

The report, titled "Signal Strength: The Past, Present, and Future of Nigerian Telecom", noted that although Tijani has introduced bold initiatives such as the 3 Million Technical Talent (3MTT) programme aimed at building a digitally skilled workforce, his approach appears to lack the operational depth necessary to tackle critical challenges facing the telecoms industry.

According to the report, Tijani's background, which is primarily centred on innovation and the wider digital economy, may not provide him with sufficient expertise in telecommunications infrastructure—a sector that remains vital to Nigeria's digital transformation.

"A minister without a comprehensive understanding of core telco operations might find it difficult to translate broad digital goals into effective policies that genuinely support the underlying infrastructure," the report stated.

One of the areas where the report flagged lapses is the implementation of the Critical National Information Infrastructure (CNII) Protection policy. Although President Tinubu designated telecom infrastructure as CNII in August 2024, telecom operators have continued to experience persistent attacks and vandalism.

Stories by Joy Agwunobi

Nigerian telcos begin direct airtime billing for USSD services

L-R: Tahir Latif, vice president, Data Privacy and AI governance officer, Dubai International Financial Centre Authority, Government of Dubai; Ikenna Ikeme , general manager, regulatory affairs, MTN Nigeria; Nonye Ujam, government affairs lead, Microsoft; Bojana Bellamy, president, CIPL, and Ololade Shyllon, director of privacy policy, Africa, Middle East and Turkey, Meta, at the Network African Data Protection Authorities (NADPA) conference and AGM held at the Transcorp Hotel, Abuja, recently.

TELECOMMUNICATIONS OPERATORS IN NIGERIA have formally commenced direct billing for Unstructured Supplementary Service Data (USSD) services, transitioning mobile subscribers to a new End-User Billing (EUB) model effective June 18, 2025.

The policy shift, driven by a directive from the Nigerian Communications Commission (NCC), ends the long-standing corporate billing system and places the responsibility for payment directly on subscribers, who will now pay for USSD transactions from their airtime balances.

This development, officially confirmed by the Association of Licensed Telecommunications Operators of Nigeria (ALTON) overrides earlier communications from some banks that claimed deductions would begin on June 3.

According to ALTON, this transition follows the NCC's "Determination of USSD Pricing and Services" framework, developed in collaboration with the Central Bank of Nigeria (CBN) and other key industry stakeholders. Under the new structure, USSD session charges will be deducted at a standard rate of ₦6.98 per 120 seconds.

The association explained that the EUB model is aimed at creating a transparent, sustainable, and customer-friendly framework for the delivery of USSD services particularly at a time when digital financial inclusion is expanding across Nigeria. With this model, only successful USSD sessions will be charged, and subscribers will be required to confirm their consent before any airtime is deducted.

Previously, telecom operators used a corporate billing model where banks were charged for USSD usage on behalf of customers. This arrangement led to prolonged disputes over unsettled debts, often resulting in service interruptions and frustrations for millions of users dependent on USSD for everyday transactions.

ALTON noted that this migration eliminates the operational challenges posed by the corporate billing system, adding that mobile network operators (MNOs) will now be responsible for billing customers directly creating a more accountable and efficient service structure.

"With this transition, mobile network operators will now charge customers directly, ensuring a more accountable and efficient system," ALTON said in a statement.

As part of the new billing regime, commercial banks are required to meet several regulatory and operational conditions to qualify for migration. These include proactively notifying customers about the billing change and educating them on the new payment process. ALTON has also rolled out customer support protocols; subscribers experiencing issues with USSD access are advised to contact their network provider, while transaction-related complaints should be directed to the respective banks. Both telcos and banks are mandated to ensure prompt and effective customer service responses.

While this billing change introduces a new payment method, ALTON further emphasised that this change does not affect other digital banking channels. Mobile apps, ATMs, internet banking platforms, and other digital services remain fully operational.

"USSD remains a critical channel in deepening financial inclusion, especially for underserved and low-income populations. ALTON remains committed to working with all stakeholders to ensure this transition is smooth and beneficial for every user," the statement added.

This transition comes on the heels of a long-standing conflict between telcos and banks over unpaid USSD service fees. For years, banks deducted charges from customers' accounts without remitting them to telecom operators, leading to the accumulation of a massive debt portfolio. By early 2024, the debt had reached a critical level, prompting regulatory intervention.

In December 2024, the NCC and CBN jointly directed Deposit Money Banks (DMBs) and MNOs to resolve the N250 billion USSD debt. By January 2025, tensions escalated further when telcos threatened service withdrawal and the NCC directed operators to disconnect USSD codes assigned to nine banks due to non-payment.

However, significant progress has been made. According to Gbenga Adebayo, chairman of ALTON, Nigerian banks have now cleared 95 per cent of the outstanding debt.

He revealed during a virtual media briefing that the debt, which stood at about N180 billion as of January 2025, has now been largely repaid, with only three banks still owing and currently completing payment through agreed installments.

"The settlement of these debts was one of the prerequisites for implementing the end-user billing model," Adebayo said, adding "The remaining banks have negotiated installment plans and are on course to finalise payments."

While the EUB model is being broadly implemented, Adebayo clarified that it is not mandatory for all financial institutions. Banks that prefer to stick with the corporate billing method may do so—provided they have settled all outstanding debts and continue to meet obligations to telecom operators.

AfDB,Google AI lead push for inclusive AI agenda in Africa

THE AFRICAN DEVELOPMENT BANK Group, in collaboration with Google AI Research, has spotlighted the transformative potential of artificial intelligence (AI) to drive inclusive and sustainable growth across Africa, during a strategic side event at the Bank's 2025 Annual Meeting.

The event, held under the theme "The AI Revolution: How Will AI Support the Delivery of the African Development Bank's 2024–2033 Ten-Year Strategy and the Transformation of African Economies?," brought together thought leaders, policymakers, private sector players, and AI practitioners to examine what it will take for Africa to become AI-ready.

Addressing participants, Solomon Quaynor, vice-president for private sector, infrastructure and industrialisation at the Bank, described AI as essential to Africa's future. "AI is not a luxury, it's a necessity for Africa's competitiveness, resilience, and long-term prosperity," he stated, setting the tone for the session's focus on urgency and strategic action.

Caroline Kende-Robb, senior director of strategy and operational policies at the Bank, emphasised that investment in youth and data infrastructure must form the bedrock of Africa's digital transformation. "Investing in youth and data infrastructure is no longer optional; these are the foundations upon which Africa must build its AI future," she said, aligning her remarks with the Bank's broader ambition to leverage innovation for economic leapfrogging.

Abdoulaye Diack, program manager at Google AI Research Africa, highlighted the transformative potential of AI to address structural challenges and unlock progress in agriculture, education, climate adaptation, and public health.

Diack emphasised the importance of contextualising AI for African environments, warning that "without local data and inclusive models, Africa risks becoming a passive consumer rather than an active creator of AI solutions."

Governmental and private sector voices further reinforced the call for action. Ibrahim Kalil Konaté, Côte d'Ivoire's minister of digital transition and digitalisation, underscored the need for harmonised regional policies to support responsible and coordinated AI implementation across borders.

Robert Skjodt, Group CEO of Raxio Group, highlighted the infrastructure dimension, noting that Africa's AI ambitions must be underpinned by robust digital infrastructure, particularly local data centres. This view was supported by Ousmane Fall, director of private sector transaction support at the Bank, who called for the development of investment-ready, scalable digital infrastructure projects to attract long-term capital.

Moustapha Cissé, CEO of Kera Health Platforms, drew attention to the ethical dimension of AI, advocating for frameworks that reflect African societal and healthcare realities. Complementing this view, Muthoni Karubiu, chief operations officer at Amini, stressed the importance of data sovereignty; particularly in agriculture and climate resilience—through access to locally relevant and contextual environmental data.

A shared vision emerged from the panel discussion: that Africa's ability to harness AI depends on a focused approach anchored in three foundational pillars:

• Human Capital: Building a digitally skilled workforce equipped with AI literacy and technical expertise.

• Data Infrastructure: Establishing the digital foundation for secure connectivity, storage, and processing.

• Localised Data: Ensuring that AI systems are trained using African languages, social norms, and development priorities.

Despite representing just 1.3 percent of global data storage capacity and facing significant gaps in digital readiness, the panelists maintained that Africa stands at a critical juncture. The choice to invest now, they argued, will determine whether the continent becomes an innovator in the AI era or remains a passive participant.

Reaffirming its commitment, the African Development Bank stated that it will continue to commit to shaping a digital future that is inclusive, sovereign, and anchored in shared prosperity

ANALYSTS INSIGHTS

Silent test that will decide the future of AI

Data & Information Governance

MICHAEL IRENE, PhD

Michael Irene, CIPM, CIPP(E) certification, is a data and information governance practitioner based in London, United Kingdom. He is also a Fellow of Higher Education Academy, UK, and can be reached via moshoke@yahoo.com; twitter: @moshoke

When the elevator doors close, most of us do not think about the gears, the wiring, or the software guiding the ride. We expect it to work. That expectation of safety, function, and dependability is not magic. It is the result of standards. Quiet agreements, often invisible, that define how things should behave. As the world rushes to integrate artificial intelligence into everything, from finance to healthcare, we are stepping into the elevator again. The question is, who made sure it will not drop?

Across boardrooms and government corridors, two terms are beginning to carry weight. Conformity and reliability. In simple terms, can we prove that the AI systems being used actually do what they are supposed to do? And can we trust the outcome when lives, liberty, or capital are on the line?

This is not an abstract concern. Consider an algorithm that helps doctors triage emergency patients. Or one that flags bank transfers as fraudulent. Or one that determines which applicants qualify for a home loan. These systems are trained on oceans of data, but they are also shaped by hidden assumptions, shortcuts, and biases built into their design. Reliability is not about getting things right once. It is about getting things right every time, under pressure, across different conditions.

That is where conformity assessment becomes essential. It is the AI equivalent of a vehicle inspection. No responsible parent would drive their child to school in a car that has never passed a safety check. So why would any company deploy a decision-making tool without a rigorous review of its logic, limits, and blind spots?

Conformity assessment asks a simple question. Does this system meet the standards we have agreed upon? In Europe, this is fast becoming a legal requirement. The European Union's AI Act will soon mandate that developers and users of high-risk AI systems present documented proof that their technology complies with strict rules on transparency, risk management, and performance. This is not just bureaucracy. It is accountability in practice.

Even beyond the law, the real prize is trust. Not the vague kind of trust that relies on reputation. The kind that can be tested and verified. Think of the quality mark on electrical products in the European market or the manufacturing standards companies must meet before shipping goods internationally. These are not just labels. They are signals. In a world built on AI, such signals will define who gets to operate, who gets funded, and who gets left behind.

Standards organisations across the globe are now racing to create a common language for testing and assurance. This race is not loud. But it is critical. Because if a facial recognition system behaves one way in New York and another way in Nairobi, and neither can be audited independently, then global trust cannot scale. Consistency matters. Not just in software. In ethics, too.

Now, let us turn to reliability assessment. This is not a one-time event. It is not a checkbox. Reliability is a discipline. It asks hard questions. How does this system perform in different environments? How does it handle changes in input or context? Does it drift over time? Does it stay accurate as the world evolves? Many systems that worked well in 2022 fell apart in 2023 because the data shifted. That is not just a technical flaw. That is a failure to manage long-term dependability.

If conformity is the promise, reliability is the delivery.

For executives, this is not optional. The market is watching. Regulators are preparing. And reputation now lives alongside compliance in every serious boardroom conversation. If your AI strategy does not include third-party testing, independent verification, and live reliability tracking, then it is not a strategy. It is a risk.

For everyone else, this is personal. When artificial intelligence is quietly shaping decisions that affect our lives, we all need to know that someone took the time to check under the hood. Not once. But again and again.

The era of blind faith in technology is over. What comes next is proof.

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

How Artificial Intelligence can help prevent killings like Benue's

Technology & Society

OLUSOJI ADEYEMO

Olusoji Adeyemo is a professional with over 17 years of experience. Currently serving as an Azure Application Innovation & AI Specialist at Microsoft UK, he has held key positions at Wipro, Huawei Technologies, Oracle, and Dell, showcasing his expertise in cloud infrastructure, Application modernization, and Business continuity solutions. He holds a Master's degree in Computer Science with distinction from the University of Hertfordshire and Caleb University. He is currently running his PhD research in Explainable AI and ML. He is also certified in various cloud and project management technologies, including Microsoft Azure Expert, Google Expert, AWS and Scrum. He can be reached at mastersoji@gmail.com and on Linkedin: https://www.linkedin.com/in/olusoji-adeyemo/

The tragic killing of an estimated over 200 people in Yelewata, Guma Local Government Area of Benue State in June 2025 once again underlined the painful reality of Nigeria's security vulnerabilities. Witnesses spoke of how gunmen attacked in the dead of night, setting homes ablaze and mowing down unarmed civilians. This was not the first such incident in Benue or other parts of the country. What makes it more troubling is that these attacks are not random — they are often planned, patterned, and in many cases, predictable. As the country grapples with these complex security challenges, the question becomes: how can Nigeria better anticipate and prevent such atrocities? One powerful answer lies in the strategic use of Artificial Intelligence (AI) and Machine Learning (ML).

Artificial Intelligence and Machine Learning systems are capable of analysing large volumes of data to detect patterns and predict future outcomes. In the context of security, these technologies can serve as early-warning systems, identifying high-risk areas and triggering pre-emptive action before violence breaks out. Nigeria's security agencies already collect data — crime reports, community alerts, mobile phone records, and satellite imagery. When this data is fed into AI-powered risk prediction models, the result is a dynamic map of potential trouble spots. For instance, based on past data showing that many attacks in Benue happen after market days or during the farming season, an AI model could have raised an alert for the Yelewata axis in the days leading up to the attack.

The use of real-time ground sensing technology can complement such predictive models. Across the country, solar-powered devices and motion-sensitive cameras could be deployed in rural communities, feeding live data into security control rooms. These devices, fitted with AI models trained to detect gunfire sounds, suspicious movements, or the approach of multiple motorcycles at night, would automatically alert nearby police units or vigilante groups. In Yelewata's case, such alerts could have bought precious minutes to evacuate residents or mobilise a response team.

Beyond the ground, aerial technologies like drones and satellites can be vital in monitoring remote regions. Commercial satellites already provide frequent image captures of Nigeria's landscape. With AI, sudden changes — such as new bush paths, unusual congregations of people or livestock, or temporary encampments — can be quickly flagged. When combined with drone footage and balloon-based surveillance in hard-to-reach areas, security forces gain not only foresight but also real-time visibility. These tools would have been valuable in tracking the movement of the armed men who attacked Yelewata before they struck.

Another area where AI and ML can play a role is in monitoring online and mobile communications. Many of these attacks are not carried out spontaneously; they are coordinated using mobile phones and social media platforms. By using AI language models trained in local languages such as Tiv, Hausa, and Fulfulde, open-source data from social platforms and SMS patterns can be scanned for signs of mobilisation or violent rhetoric. While privacy must be respected, automated systems can anonymise individual identities, focusing only on clustered threat signals before escalating to human analysts.

In the aftermath of a confirmed threat, AI can help optimise response. Using real-time data, AI-powered systems can suggest the fastest and safest patrol routes, allocate air surveillance drones to likely hotspots, and even predict casualty numbers based on the number of attackers and local population. This kind of precision response could significantly shorten the time it takes for help to arrive — something Yelewata victims lamented bitterly in the aftermath of the attack.

Importantly, AI can also help empower communities. A simple WhatsApp or USSD bot could allow villagers to report suspicious movements without revealing their identities. When reports from multiple individuals in a community align, the system escalates the warning to nearby security posts. Such community-based early warning systems would be especially effective in rural areas where formal security infrastructure is weak.

AI also has potential in post-incident investigations. Using computer vision, drone images or photos of attackers can be compared against national ID databases or previously flagged suspects. By finding connections between incidents, weapon sources, and logistics, security agencies can dismantle networks behind repeated attacks.

However, all of these benefits depend on infrastructure, training, and oversight. Reliable internet connectivity, secure data centres, and trained analysts are essential. AI models must be carefully audited to prevent bias against nomadic or minority groups. Civil oversight is needed to ensure that technology respects human rights even as it protects lives.

Nigeria has shown ambition in adopting AI for sectors like finance and agriculture. Applying the same drive to national security is no longer optional — it is a matter of urgency. If systems had been in place to anticipate, detect, and respond to the signs of the Benue attack, lives could have been saved. AI and ML are not just about algorithms — they are about giving our people a fighting chance to live in peace. It is time we put them to use.

● business a.m. commits to publishing a diversity of views, opinions and comments. It, therefore, welcomes your reaction to this and any of our articles via email: comment@businessamlive.com

business a.m.
TOWARDS MORE EFFICIENT MARKETS

PROJECT SYNDICATE

A BRICS+ Development Agenda for the Global South

FERNANDO AMORIM TEIXEIRA

Fernando Amorim Teixeira is Coordinator of the Industrial Working Group of the Brazilian Network for the Integration of Peoples (Rebrip), Director of Sustainability and Special Projects at the Forum of Brazilian Sovereign Wealth Funds (FFSB), and Coordinator of Public Policy at the Brazilian Centre for Sustainable Finance (CeFiS).

RIO DE JANEIRO – ON JULY 6-7, Rio de Janeiro will host the BRICS+ Summit of presidents and heads of state. With ten current member states and many others seeking to join, the BRICS+ brings together countries with diverse political, cultural, and civilizational outlooks, but which share a commitment to fostering South-South cooperation and pursuing a more equitable, multipolar global order.

Such efforts are needed more than ever, because climate-change mitigation and adaptation cannot be separated from socioeconomic development. From a production standpoint, responding to such a complex, multifaceted challenge requires integration into higher rungs of the value chain, through strategies underpinned by strong sustainability principles. In practice, that means adopting policies to incentivize energy-efficient production methods and an expansion into higher value-added industrial outputs.

But industrial decarbonization depends on knowledge-intensive sectors and technologies, and investments in these areas do not arise organically from market dynamics. They require political will, strategic planning, a risk appetite for long-duration projects, and – crucially – increased productivity through the more efficient use of natural resources. Such an agenda demands empowered states; it calls for a strategic mobilization of public institutions that can operate with relative independence from fiscal constraints.

In this context, the BRICS+ should focus on identifying complementarities across strategic sectors and activities, so that member states can drive innovation and strengthen their international competitiveness without undermining each other. Initiatives such as the Partnership for the New Industrial Revolution (PartNIR) represent important steps in this direction.

But moving beyond dialogue is essential. To translate commitments into concrete action, policymakers must engage a broader coalition of stakeholders – including companies, civil society, trade unions, and academia – to co-develop policies, guiding principles, and common standards. Creating shared value among businesses and communities not only strengthens relationships but also enhances sustainability and those businesses' reputations. This, in turn, fosters greater public acceptance and reduces the potential for resistance or conflict.

Specifically, new investments could require labor safeguards such as fair working conditions, the prohibition of child and forced labor, and protection of freedom of association and collective-bargaining rights, all in accordance with international agreements and national legislation. Additionally, safeguards promoting gender equality and the elimination of racial discrimination would support a more inclusive and comprehensive understanding of sustainability, informed by the perspectives of the Global South.

Finance is another critical pillar. Here, the discussion should be led by members' state-owned financial institutions, since these are best positioned to direct capital to strategic sectors and coordinate their efforts with private investors. BRICS+ countries already have dozens of public development banks and sovereign wealth funds with patient-investment (long-term) mandates, technical expertise, and demonstrable experience in supporting structural change and sustainable development initiatives. These institutions offer fertile ground for further cooperation, particularly through innovative financial instruments that could strengthen the role of the New Development Bank.

Importantly, public development banks and sovereign wealth funds must go beyond merely correcting market failures. They should serve as early-stage investors to catalyze the necessary structural transformation, including by attaching social and environmental conditionalities to their investment frameworks to influence private decisions across the value chain. For example, a company could be required to share its technology and knowledge to receive public financing. That is how the state can foster new markets and ensure that public support contributes to building more inclusive and sustainable economic models.

With clear short-, medium-, and long-term targets – like the BRICS+'s goal of tripling renewable energy capacity by 2030 – public programs to direct resources toward specific sectors would naturally enhance coordination. Each member state will need to adopt policies to target sectors that are ripe for productivity and efficiency enhancements. Input-output dynamics can be shaped through a number of channels, including effective demand, derisking mechanisms, reduced unit production costs, and measures to encourage private investment, including through public procurement.

The value chains for critical minerals and energy bio-inputs (such as sustainable aviation fuel) are two such sectors. Countries like Brazil have already made advances in these domains and are in a position to share some technologies and expertise in exchange for strategic financing.

An effective BRICS+ development agenda will require a coordinated mobilization of resources and institutional efforts, with the state playing a central role in steering the overall strategy. More than just an investor or financier, the public sector is uniquely positioned to anchor private expectations in an increasingly uncertain world. Brazil's BRICS+ presidency, which comes at a time of rising protectionism and global economic fragmentation, offers a historic opportunity to advance a model of cooperation attuned to the Global South's economic realities and development imperatives.

PROJECT SYNDICATE

The Sources of Global Economic Uncertainty

DAMBISA MOYO

Dambisa Moyo, an international economist, is the author of Edge of Chaos: Why Democracy Is Failing to Deliver Economic Growth – and How to Fix It (Basic Books, 2018).

LONDON – THE RECENT SURGE in government bond yields has forced business leaders and investors around the world to confront a critical question: Should corporations lock in debt at current interest rates before they rise further? At the same time, higher capital costs and persistent market volatility are compelling investors to reassess their portfolios.

The question has become increasingly urgent as the yield on ten-year US Treasuries has climbed 50 basis points to 4.5% in less than a month. The yield on 30-year Treasuries is approaching 5% after rising 30 basis points in May alone.

Beyond short-term market swings, at least five structural shifts could reshape the global economic landscape, with the potential to upend corporate strategies, erode investment returns, and further undermine growth prospects.

First, there is the United States' deteriorating fiscal position. The Congressional Budget Office's latest forecast assumes a ten-year Treasury yield of 4.1% in 2025, falling to 3.8% by 2035. But given that the ten-year yield is already hovering around 4.5% and interest rates are expected to stay elevated, the federal deficit could expand far more quickly than previously anticipated.

America's fiscal trajectory is already unsustainable, with the CBO projecting that the federal budget deficit will increase from 6.2% of GDP in 2025 to 7.3% by 2055. Even more alarming, the debt-to-GDP ratio – currently 124.3% of GDP – could reach 156% by 2055 if current trends persist.

The second source of uncertainty involves credit default swaps (CDS), which helped fuel the 2007-08 global financial crisis. Since Moody's downgraded America's sovereign credit rating from triple-A to Aa1 in May, the cost of insuring against a US default has risen sharply, as markets increasingly treat US government debt as a higher-risk asset. In fact, US CDS spreads now exceed those of countries with a similar credit rating, such as the United Kingdom, and are trading at levels comparable to those of Greece and Italy, both of which are rated BBB. Similarly, insuring US government debt now costs more than insuring Chinese government bonds, despite China's lower A1 rating.

A third issue is the opacity of private credit markets, which represents a long-term structural vulnerability. BlackRock predicts that private credit assets under management will more than double to $4.5 trillion by 2030. As more capital flows into private markets – both equity and debt – pricing becomes less transparent, making it harder for investors to value assets.

The continued expansion of opaque private markets also increases the risk of leverage building up unnoticed. Much of this debt lies beyond the reach of regulatory oversight, leaving analysts and policymakers without the data needed to assess or model the true extent of systemic risk.

Unregulated credit markets may be especially vulnerable to cascading failures, while persistently elevated interest rates heighten the risk of default. If left unaddressed, these vulnerabilities could result in widespread financial distress and job losses, ultimately triggering an economic downturn.

Fourth, the relationship between the US dollar and interest rates appears to be changing. Historically, rising bond yields have supported a stronger dollar, while falling yields tended to weaken it. Since late March, however, bond yields have climbed even as the dollar has declined by 6% against the euro. This divergence suggests that global markets are repricing the premium on holding dollars and are now demanding higher returns.

US stocks have also been volatile, suggesting that the repricing of risk premiums on dollar-denominated assets extends to equity markets. Rising yields reduce the value of existing bonds, signaling that Treasuries are no longer viewed as a reliable hedge against stock-market turbulence.

Lastly, many Americans remain heavily exposed to equities. According to one estimate, stocks account for more than 70% of US households' financial assets. This makes the recent surge in bond yields and the rise in economic uncertainty particularly concerning, as both developments point to fundamental shifts in market dynamics.

The business leaders and investors most likely to succeed in this rapidly shifting landscape will be those who grasp the far-reaching implications of economic and geopolitical trends. In an environment marked by growing uncertainty, they must be prepared to adjust their portfolios and capital-allocation strategies to account for a wider range of risks and potential outcomes.

Published by Businessnewscorp Limited
10B Stella Osholanke Street, Off Internationnal Airport Road, Ajao Estate, Isolo Lagos. **Tel:** +234 (0) 803 5555568; **Website:** www.businessamlive.com; **e-mail:** info@businessamlive.com