



business a.m.
TOWARDS MORE EFFICIENT MARKETS

Nigeria's broadband goal fasttracks as NCC to deliver 50% before Dec 31

BY BUSINESS A.M. REPORTER

NIGERIA IS ON A FASTER THAN expected pace to hit its broadband penetration target rate of 70 percent earlier set for 2025 as the Nigerian Communication Commission (NCC) now believes that it is on the road to achieving 50 percent of the target before December 31, 2023.

The positive news follows what the NCC called the renewed attention it has paid to the matter as the telecoms industry regulator.

● 5G subscriptions hit 500,000

Umar Danbatta, a professor and the NCC executive vice chairman, in Kano over the weekend, disclosed this to a gathering of executive editors and media chiefs in northern Nigeria as he unveiled his scorecard of achievements since he took over as Nigeria's chief regulator and driver of the sector.

Danbatta also disclosed that 5G or fifth generation services subscriptions have already hit half a million, adding that various efforts made by the NCC to improve broadband penetration are yielding fruitful results with the current estimates as at July 2023 standing at

47.01 percent.

He said 119 milestones have been achieved under the commission's five-pillar Strategic Vision Plan, including regulatory excellence, universal broadband, market development, digital economy and strategic collaboration.

Through effective implementation of NCC's mandates, Danbatta said, since 2015 telecommunications industry in Nigeria has achieved remarkable milestones.

"While we acknowledge the challenges encountered by the industry, we have also witnessed

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NEWS

NNPCL salivate on possible \$18bn revenue

A LIFETIME REVENUE ESTIMATED AT SOME \$18 billion is expected to be unlocked following the deal struck by the Nigerian National Petroleum Company (NNPC) Limited with Indorama Eleme Petrochemicals Company Limited to promote the use...



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FINANCE & INVESTMENT

SEC's ambitious N5trn products listing

THE SECURITIES and Exchange Commission (SEC) has said it is committed to recording 50 listings of Shari'ah-compliant products with a combined market capitalisation of at least N5 trillion by 2025.

Lamido Yuguda, the...



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COMMENT

Market Forces' U-turn on Nigeria

THE ORIGINAL HEADLINE for this piece, which came in the form of a question, (Are market forces failing Nigeria?), was necessitated by the bouquet of economic policies of the President Bola Ahmed Tinubu administration since its inception, as well as the resultant...



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Global debt beats retreat for second year, but worries remain, says IMF

ONOME AMUGE

THE GLOBAL DEBT BURDEN retreated for the second year in a row, from 248 percent in 2021 and 258 percent in 2020 to 238 percent of global gross domestic product (GDP) in 2022, as debt amounted to \$235 trillion, underpinned by strong post-pandemic growth which lowered the Covid-19-induced spike in global debt.

But the International Monetary Fund (IMF) has warned that despite the economic growth rebound in the post-pandemic period, there are prospects for global debt returning to its long-term increasing trend with the United States and China being powerful forces accounting for a huge chunk of the

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- Down to 238% of global GDP at \$235trn
- Fear over return of long-term rising trend



L-R: Sam Ndata, doyen of stockbrokers; Godstime Iwenekhai, head, listing and regulation department, NGX Group PLC; Olufemi Oyenuga, chief data officer, NGX Group; Jude Chiemeka, divisional head, capital market, Nigerian Exchange Ltd.; Demola Aladekomo, group chairman, Chams; Mayowa Olaniyan, group managing director, Chams; Dumebi Obodo, managing director, ChamsAcess Limited; and Lekan Latona, managing director, CardCentre Nigeria Limited, during the presentation of Facts Behind the Figures by Chams on NGX in Lagos at the weekend

COMPANIES & BUSINESS

Expanding market share lifts UBA in H1

UNITED BANK FOR AFRICA (UBA) Plc, recorded a 437.8 per cent surge in profit after tax to N404 billion, for the half year ended June 30, 2023, from N70.33 billion...

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TECHNOLOGY & INNOVATION

App security in digital economy

SECURITY EXPERTS IN THE TECHNOLOGY AND BANKING SECTOR HAVE IDENTIFIED KEY BENEFITS of having various layers of security on mobile...

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COMMODITIES & AGRICULTURE

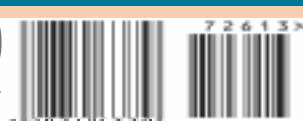
Ginger underperforms in revenue

NIGERIA RECENTLY RECORDED an increase in revenue from ginger export, with the crop's export value rising by 17 per cent to N10 billion in the second quarter of 2023...

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PROJECT SYNDICATE

How Global Currencies End



KAUAI - Is the dollar poised to lose its dominance of global economic and financial transactions? Many commentators apparently think so.

Russia obviously hopes they are right, given that it has been shut out of the United States' banking system and suspended from the Society for...

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EXECUTIVE KNOWLEDGE SERIES

Pay Attention to the Details



FOCUSING ON THE RIGHT information can pay dividends for any investor.

Trading in stocks and shares used to be the domain of hedge funds, stockbrokers and banks. Yet, the last decade has seen a growing number of retail investors looking to play the markets.

The rise of trading platforms and easy...

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Global debt beats...

Page 1

global debt.

The IMF, in a recent report titled, "Global Debt is Returning to its Rising Trend", explained that the fall in global debt in the last two years which reversed about 2/3 of the 2020 surge in debt was driven by the rebound in economic activity, after a sharp contraction in the early stages of the pandemic, and massive inflation surprises.

The report showed that private debt drove the overall decline last year, especially in advanced economies and in several emerging market economies, while debt in some countries, including China and many low-income developing countries, kept rising.

Notably, the United States and China accounted for a combined \$117.5 trillion in debt, representing 50 percent of the global debt within the period under review.

China's total debt was placed at \$47.5 trillion as borrowing outpaced economic growth and that of the United States estimated at \$70 trillion based on the report.

It, however, said that for non-financial corporate debt, China's 28 percent share is the largest in the world.

The international financial institution found that despite the economic growth rebound from 2020 and much higher-than-expected inflation, public debt remained stubbornly high, as it stood \$200 billion above its level in 2021.

Furthermore, it noted that fiscal deficits kept public debt levels elevated, as many governments spent more to boost growth and respond to food and energy price spikes even

as they ended pandemic-related fiscal support.

As a result, public debt declined by just eight percentage points of GDP over the last two years, offsetting only about half of the pandemic-related increase, while private debt, which includes household and non-financial corporate debt, declined at a faster pace, dropping 12 percentage points of GDP. However, the decline was not enough to erase the pandemic surge.

"After three years of riding a rollercoaster, the prospects for global debt point to a return to its long-term increasing with China as a powerful force driving it," the report stated.

Against this backdrop, the IMF urged policymakers on the need to stay unwavering over the next few years in their commitment to preserving debt sustainability.

Governments were also advised to take urgent steps to help reduce debt vulnerabilities and reverse long-term debt trends.

"For private sector debt, those policies could include vigilant monitoring of household and non-financial corporate debt burdens and related financial stability risks. For public debt vulnerabilities, building a credible fiscal framework could guide the process to balance spending needs with debt sustainability," the IMF said.

The IMF further warned that unless developing countries improve their tax capacity and revenue mobilisation capacity, they will find it difficult to manage their debt even with a relatively low debt profile.

The report said, "LIDCs, in particular, may face greater challenges in managing debt vulnerabilities even at relatively low debt levels.



L-R: Reuben Muoka, director, public affairs, Nigerian Communications Commission (NCC); Aminu Garko, chairman, Nigerian Union of Journalists, Kano Chapter; Ubale Maska, executive commissioner, technical services, NCC; Umar Danbatta, executive vice chairman/chief executive officer, NCC; Aisha Abdulmalik, head, women and children department, Nasara Radio; and Nafiu Yahaya, head of station, Rahma Radio/TV Abuja, during an interactive session with media stakeholders in Kano at the weekend

In 2022, LIDCs spent 23 percent of tax revenues on average just to make interest payments, as their tax revenues have remained stagnant while debt burdens have risen. Improving tax capacity and revenue mobilisation should be a key priority to restore fiscal sustainability."

According to the IMF, emerging markets and developing economies not only need to reignite growth and secure a full recovery, but they also must manage rising debt and other policy considerations.

The typical first step toward stabilising debt, it advised, is to reduce new borrowing through fiscal consolidation or to decrease the total outstanding through debt restructurings.

Due to the large gap in how well markets function between advanced and developing econo-

mies, the IMF explained that there is considerable scope for governments to use market reforms as a policy lever to revitalise growth and reduce debt burdens in developing economies.

"Enacting changes in regulations that aim at improving how markets work, for example by increasing competition or establishing appropriate regulatory frameworks, can boost economic output," it said.

The IMF, therefore, recommended regulatory changes and other market reforms including lowering barriers to entry in utilities markets, establishing financial supervision and regulatory frameworks, and lowering restrictions on foreign exchange transactions and cross-border capital flows to ease the debt burden challenge.

It also encouraged countries

with unsustainable debt to apply a comprehensive approach that encompasses fiscal discipline as well as debt restructuring under the 'Group of Twenty Common Framework', considered the multi-lateral mechanism for forgiving and restructuring sovereign debt, when applicable.

The IMF report contends that reducing debt burdens will create fiscal space and allow new investments, helping foster economic growth in coming years, noting that reforms to labour and product markets that boost potential output at the national level would support the goal.

In addition, it stated that international cooperation on taxation, including carbon taxation, could further alleviate pressures on public financing.

Nigeria's broadband...

Page 1

explosive growth, improved regulatory standards, and digital innovations that have garnered global recognition," he said.

He unrolled positive statistics that have characterised the NCC from 2015 to date, including active telephone subscribers increasing from less than 150.7 million to 218.9 million, representing a teledensity growth of 115.70 percent from 107.87 percent in 2015.

On broadband penetration, Danbatta said by stimulating broadband infrastructure across the country, broadband penetration, which was only six percent in 2015 rose significantly to 47.01 percent as of July, 2023, enhancing over 89.73 million subscriptions on 3G, 4G and 5G networks in the country.

He said, additionally, general Internet subscriptions have reached 159.5 million up from less than 100 million in 2015.

"Also, from 8 per cent contribution to the Gross Domestic Product (GDP) in 2015, telecommunications sector now contributes 16 percent quarterly to the Nigerian economy as of the second quarter of 2023. Besides, following the authorization of more telecommunications companies to operate in Nigeria's telecoms sector, the investments profile has increased tremendously from \$38 billion in 2015 to \$75 billion currently and this keeps growing daily. From the sales of Fifth Generation (5G) C-Band Spectrum, the NCC has generated over \$847.8 million for the federal government," he said.

According to the NCC chief executive officer, the commission has recorded milestones and initiatives

outside of its regulatory activities, noting that these include the introduction of Spectrum Trading Guidelines, re-farming and re-planning certain spectrum band for efficiency, the emplaced collaborative process for the release of C-Band Spectrum by Nigerian Communications Satellite (NIGCOMSAT) Limited, and introduction of the Expanded Revenue Assurance Solution (ERAS) to address revenue leakages and improve government revenue from the telecoms industry.

"These initiatives also include Licensing of Satellite Earth Stations, issuing of operating licence to SpaceX Satellite, facilitating the landing of additional submarine Cables, such as the Google 2,000km Equiano subsea Internet cable in 2022, listing of MTN on the Nigerian bourse, licensing of Mobile Virtual Network Operators (MVNOs), introduction of new unlicensed millimetre wave spectrum, and regulation of white space spectrum," Danbata said.

The NCC under Danbatta also endowed professorial chairs in Nigerian universities and committed over N500 million naira to Research and Development (R&D) in the telecoms sector.

"The creation of the Digital Economy Department, the mandate to drive the implementation of the indigenous telecoms sector growth through the operation of the Nigeria Office for Developing Indigenous Telecom Sector (NODITS), are also important strides made by the Commission," he said.

Consumer-focused initiatives have centred on the establishment of Emergency Communications Centres (ECCs) in over 30 states of the federation and the Federal Capital Territory (FCT) by the NCC,

Danbatta explained, adding that all these centres are operational, including the creation of the Computer Security Incident Response Team (CSIRT), two initiatives which have been helping consumers to get succour in times of emergencies as well as ensuring effective protection for telecom consumers while online, said Danbatta.

The NCC has also taken very clear actions on consumer protection, advocacy, information-sharing and education, he said, stating: "These include introduction of data roll-over just before the expiration of subscribed data plans, introduction of the 622 toll-free number for lodging service-related complaints to the Commission, the Do-Not-Disturb (DND) 2442 Short Code for tackling the menace of unsolicited text messages, elimination of forceful/deceitful subscriptions to telecom services on mobile networks, tackling the issue of call masking, ensuring effective Subscriber Identity Module (SIM) registration, launching of National Roaming service and reduction of access gaps to telecom services from over 217 to 97, thereby enhancing access to telecom services by more Nigerians."

Danbatta noted however, that while the industry still faces a number of challenges such as vandalism, securing equitable Right of Way (RoW) from governmental stakeholders, as well as multiple taxation and regulation, the Commission has put framework in place to work with necessary stakeholders to overcome the obstacles posed by these challenges and to sustain the growth trajectory which has been the hallmark of telecoms sector as an enabler of socio-economic development in Nigeria.

PROJECT SYNDICATE



SENYO ADOR



WANGARI MUCHIRI

Senyo Ador is Co-Founder and CEO of S s nergi Eco Solution Enterprises, an Illinois-based clean-energy company. Wangari Muchiri is Director of Africa WindPower at the Global Wind Energy Council.

Investing in Africa's Green Transition

BERWYN, ILLINOIS/NAIROBI - African leaders and global policymakers recently gathered in Nairobi, Kenya, for the inaugural Africa Climate Summit to discuss the challenges of funding climate solutions. The summit showed that private-sector investments, in particular, could go a long way toward accelerating the continent's energy transition.

Efforts are already underway to attract more foreign capital, especially from the United States. When US Vice President Kamala Harris visited Ghana, Tanzania, and Zambia earlier this year, she announced nearly 30 private-sector and philanthropic commitments to support climate resilience, adaptation, and mitigation across Africa. But the continent's needs are far from being met. An estimated \$700 billion will be required to develop green energy in Africa, and yet it received only 2% of the \$2.8 trillion invested globally in renewables between 2000 and 2020.

The main barrier to increasing green financing is risk perception: many private-sector actors are concerned about Africa's investment climate. It is no secret that many African countries are contending with inadequate infrastructure and bureaucratic red tape, both of which could deter foreign investors. But these coun-

continues on page 9



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NIGERIA FRONTIER MARKETS

Onome Amuge



A LIFETIME REVENUE ESTIMATED AT SOME \$18 billion is expected to be unlocked

following the deal struck by the Nigerian National Petroleum Company (NNPC) Limited with Indorama Eleme Petrochemicals Company Limited to promote the use of natural gas by large-scale gas utilisation industries.

The deal, estimated at \$7 billion, was signed by Mele Kyari, the group chief executive of the NNPC, on behalf of the national oil company while Manish Mundra, the managing director of Indorama, signed on behalf of the Indian conglomerate.

Following the agreement, the NNPC and Indorama will commence exploration and development projects within the remits of both party's interests across the hydrocarbon value chain which would see the NNPC supply Indorama about 800 million standard cubic feet (SCF) of gas.

Consequently, the deal is expected to unlock a lifetime value of about \$18 billion revenue and add \$3 billion to the country's gross domestic product (GDP).

Speaking at the event, Kyari said the NNPC as the national energy company has one of its roles as enshrined in article 64(i) of the Petroleum Industry Act (PIA) to promote the use of natural gas through the development and operation of large-scale gas utilisation industries.

According to the NNPC chief, the role is in alignment with its

NNPC, Indorama seal \$7bn gas supply deal to unlock \$18bn lifetime revenue



President Azali Assoumani (left) of Comoros, and chairperson, African Union, with Ngozi Okonjo-Iweala, director-general, World Trade Organisation, at the G20 leaders meeting in Delhi, recently.

Nigasification strategy which is a consolidation of critical programmes as directed by President Bola Tinubu in alliance with the company's plan to utilise natural gas and its associated liquids to be the energy source of choice for businesses and individuals on demand. Highlighting the key benefits of the pact, Kyari said it would assist in the monetisation of over 1.7 trillion cubic feet (TCF) of gas and 100 million barrels of oil reserves, generation of upstream lifecycle revenue of

over \$18 billion including government take of over \$7 billion, downstream production of about 4.8 million tonnes per annum of products including methanol, urea, and fertiliser to boost national food security.

Kyari assured that when gas is made available, more industries will spring up, the power supply will be boosted and employment will be created, thereby leading to an economic boom.

In his words, "So, it's clear there's a huge connection be-

tween harnessing gas resources and this event. And therefore, when the president said we should find gas for Indorama, we had no difficulty coming up with a solution. And the solution is very simple. "We have resources and we will make available the additional gas that is required. We will partner with Indorama so that we sweat the upstream assets and also produce the gas.

"We will go down the chain and create the downstream facilities for these industries. For urea,

increased fertiliser production and of course, including the creation of a condensate refinery."

Kyari also pointed out that the project will open more vistas for further agreements with other entities in its plan to deploy gas for Nigeria's industries.

Manish Mundra, managing director/chief executive of Indorama Eleme Petrochemicals, remarked that the new deal will further boost the extant business relationship of the almost 17-year-old partnerships that had existed between both parties.

Mundra said the partnership is a strategic collaboration to unlock Nigeria's upstream sector as well as partner downstream to share the value chain which is where the business lies.

"What we are going to do while we are working together on gas resources, is also to partner downstream and invest in at least two more lines of fertiliser, two lines of methanol, and one big petrochemical project besides the condensate refinery and other pipeline infrastructure which we are going to do," he said.

According to the Indorama MD, Nigeria's gas reserves and strategic location should position the country as one of the largest producers of urea, ammonia, methanol and petrochemical polymers in the Western hemisphere.

Saby Elemba in Owerri



NIGERIA'S SUBREGIONAL GOVERNMENT OF Enugu State has effectively taken the

giant step to create its own electricity market that could be catalytic for the accelerated economic growth of the state.

Power supply is a major challenge in Nigeria and it has defied all moves to resolve it by the central government leading many analysts to describe it as that is seen as one of the monumental failures of the Nigerian state.

Governor Peter Mbah of Enu-

Enugu moves to create own electricity market

gu State signed the Enugu State Electricity Bill which he said is to enable accelerated growth of different sectors of the economy of the state, a major step towards economic growth.

The governor said by signing the bill into law, it would enable the government to participate in the electrical industry value chain and make the state the top location for business, tourism, investment, and lifestyle.

At the signing ceremony at Government House, Enugu, the governor noted that without a

sufficient and reliable electricity power supply that his administration's goal to grow the economy of Enugu State from \$4.4 billion to \$30 billion would be a pipe dream.

Stating that the quest was what necessitated the electricity bill which was sent to the House of Assembly about two weeks ago.

"Following the Constitutional Amendment and the Electricity Act of 2023, electricity is now on the concurrent list.

"So, Enugu State has spared no time in making sure that we cre-

ate our own electricity market. That is the crux of this law.

"We are now able to play in the generation, transmission, and distribution segments of the electricity market," he said.

He noted that the regulatory commission would be able to control the operations of these actors, including the generating, transmission, and distribution firms that will result from it, noting that if energy or power is not available, discussions concerning the industry or private sector investment cannot proceed.

However, Governor Mbah commended the leadership of the House of Assembly for the expeditious passage of the bill and for their partnership with the government across party lines for the good of Enugu State.

Present at the signing were Ezenta Ezeani, deputy speaker of the state's assembly, who represented the speaker, Uchenna Ugwu; Kingsley Udeh, attorney-general and commissioner for justice; the and Chidiebere Onyia, secretary to the state government, among others.

Nigeria misses out in UAE's \$450m Africa carbon credits buy-out

Ben Eguzozie



NIGERIA WILL MISS OUT on a United Arab Emirates' \$450 million commitment to off-

set carbon credits in Africa, under which the rich Arab nation will pay off all carbon credits to be generated in Africa up to 2030, following the just-concluded inaugural Africa Climate Summit (ACS) in Nairobi, Kenya, organised by the African Union and the Kenyan government.

At the summit, a group of UAE energy and financial companies indicated intentions to buy \$450 million of carbon credits generated in Africa by 2030. This move has placed the UAE as a carbon credits leader in Africa, according to participants at the ACS, which includ-

ed heads of state and government (in Africa), international organisations (the UN, EU Commission, AU, US Climate envoy, non-governmental organisations, civil society organisations and hundreds of African youths), who gathered to discuss ways to deliver innovative green growth and climate finance solutions for Africa.

A carbon credit is a permit which allows a country, organisation or individual to produce a certain amount of carbon emissions. These credits can be traded if the total allowance is not used. One carbon credit has a monetary value on the compliance and voluntary carbon markets of \$40 to \$80, on average. However, this can be expected to fluctuate greatly with supply and demand, which is also fuelled by regulations. Carbon credits are a type of market-based

instrument that allows companies, governments, and other organisations to address their greenhouse gas emissions by funding projects that reduce or remove carbon dioxide or other harmful greenhouse gas (GHG) emissions from the atmosphere.

Nigeria, according to an OECD note in 2022, since 2018, does not levy an explicit carbon price. No fuel excise taxes are levied. Fossil fuel subsidies cover 14.2 percent of emissions in 2021, which have been unchanged since 2018.

The OECD report titled, "Pricing Greenhouse Gas Emissions: Key Findings for Nigeria", indicating on the "share of greenhouse gas emissions subject to a positive price by instrument, 2018-2021," said, "In total, 0% of GHG emissions in Nigeria are subject to a positive Net Effective

Carbon Rate (ECR) in 2021, unchanged since 2018. Nigeria does not levy an explicit carbon price. No fuel excise taxes are levied. Fossil fuel subsidies cover 14.2% of emissions in 2021, unchanged since 2018".

The report, noting further on 'Percentage change in the average Net ECR by reference price, 2018-2021', said, "the average Net ECR on GHG emissions has increased by nearly 100% since 2018 when measured in real 2021 euros. In real Nigerian naira (NGN) the average Net ECR has increased by nearly 100%. In nominal NGN, the average Net ECR has increased by nearly 100% since 2018. As the net ECR in 2018 was negative, percentage changes have to be interpreted with caution".

During a panel event at the ACS, the African Carbon Markets Initia-

tive (ACMI) informed of the non-binding agreement to buy \$450 million of carbon credits from the UAE Carbon Alliance. Established last June, this coalition includes the Mubadala Sovereign Wealth Fund, renewable energy company Masdar and the UAE's largest lender, First Abu Dhabi Bank.

The ACMI was launched at the 2022 UN framework convention on climate change (UNFCCC) known as COP27 held in Egypt. It powers Africa's push for carbon credits. The group brings together nations including Kenya, Nigeria, Gabon and Western philanthropies like the Rockefeller Foundation and Bezos Earth Fund.

ACMI is run by American global consultancy company McKinsey. It is aimed at increasing the number of carbon credits generated on the African continent from 16 million a year in 2020 to around 300 million by 2030.

Access Bank Plc RC125384



RETURNS ON SOURCES AND UTILIZATION OF FUNDS FOR THE WEEK ENDED SEPTEMBER 15, 2023

BANK: ACCESS BANK PLC

DATE OF RETURNS: 18/09/2023

SOURCES OF FUNDS

SN	SOURCE	DATE OF FUND PURCHASE	EXCHANGE RATE	AMOUNT
1	HOMEWARD REMITTANCE	13-Sep-23	750.00	80.00
2	HOMEWARD REMITTANCE	15-Sep-23	750.00	47.24
3	HOMEWARD REMITTANCE	12-Sep-23	750.00	29.93
4	HOMEWARD REMITTANCE	12-Sep-23	750.00	1,090.13
5	OWN SOURCES	14-Sep-23	772.23	9,878.34
6	HOMEWARD REMITTANCE	15-Sep-23	766.53	125.77
7	HOMEWARD REMITTANCE	12-Sep-23	750.00	2.11
8	HOMEWARD REMITTANCE	12-Sep-23	750.00	125.00
9	HOMEWARD REMITTANCE	15-Sep-23	750.00	90.00
10	HOMEWARD REMITTANCE	11-Sep-23	755.04	2,200.05
11	HOMEWARD REMITTANCE	12-Sep-23	750.00	90.25
12	HOMEWARD REMITTANCE	12-Sep-23	750.00	73.62
13	DORM CONVERSION	13-Sep-23	770.00	90,000.00
14	HOMEWARD REMITTANCE	13-Sep-23	750.00	375.91
15	HOMEWARD REMITTANCE	11-Sep-23	750.00	229.05
16	HOMEWARD REMITTANCE	14-Sep-23	750.00	80.00
17	HOMEWARD REMITTANCE	15-Sep-23	750.00	100.00
18	HOMEWARD REMITTANCE	14-Sep-23	750.00	25.07
19	HOMEWARD REMITTANCE	12-Sep-23	750.00	198.15
20	HOMEWARD REMITTANCE	15-Sep-23	750.00	301.87
21	HOMEWARD REMITTANCE	12-Sep-23	807.15	8,070.81
22	HOMEWARD REMITTANCE	11-Sep-23	750.00	163.16
23	DORM CONVERSION	13-Sep-23	770.00	1,168.83
24	HOMEWARD REMITTANCE	12-Sep-23	750.00	603.99
25	DORM CONVERSION	11-Sep-23	750.00	8,468.00
26	HOMEWARD REMITTANCE	11-Sep-23	750.00	82.87
27	HOMEWARD REMITTANCE	14-Sep-23	750.00	59.85
28	HOMEWARD REMITTANCE	14-Sep-23	750.00	75.00
29	HOMEWARD REMITTANCE	11-Sep-23	750.00	72.79
30	DORM CONVERSION	13-Sep-23	770.00	30,000.00
31	HOMEWARD REMITTANCE	12-Sep-23	750.00	192.16
32	HOMEWARD REMITTANCE	12-Sep-23	750.00	105.69
33	HOMEWARD REMITTANCE	12-Sep-23	758.90	299.06
34	HOMEWARD REMITTANCE	12-Sep-23	750.00	1,000.00
35	DORM CONVERSION	13-Sep-23	720.00	60,200.00
36	HOMEWARD REMITTANCE	13-Sep-23	750.00	582.40
37	OWN SOURCES	15-Sep-23	774.63	13,210.26
38	HOMEWARD REMITTANCE	13-Sep-23	790.04	67.40
39	HOMEWARD REMITTANCE	15-Sep-23	792.83	771.46
40	HOMEWARD REMITTANCE	14-Sep-23	750.00	401.70
41	HOMEWARD REMITTANCE	14-Sep-23	760.65	5,981.52
42	DORM CONVERSION	13-Sep-23	770.00	241.56
43	DORM CONVERSION	15-Sep-23	720.00	18,900.00
44	HOMEWARD REMITTANCE	11-Sep-23	750.00	60.17
45	DORM CONVERSION	11-Sep-23	770.65	6,488.03
46	HOMEWARD REMITTANCE	11-Sep-23	750.00	27.00
47	HOMEWARD REMITTANCE	11-Sep-23	750.00	148.19
48	HOMEWARD REMITTANCE	12-Sep-23	750.00	2,251.20
49	HOMEWARD REMITTANCE	13-Sep-23	750.00	100.00
50	HOMEWARD REMITTANCE	14-Sep-23	750.00	30.00
51	DORM CONVERSION	13-Sep-23	750.00	2,500,000.00
52	HOMEWARD REMITTANCE	14-Sep-23	750.00	6.16
53	HOMEWARD REMITTANCE	15-Sep-23	750.00	683.67
54	HOMEWARD REMITTANCE	11-Sep-23	750.00	2,053.12
55	HOMEWARD REMITTANCE	13-Sep-23	750.00	1,500.00
56	HOMEWARD REMITTANCE	11-Sep-23	790.88	1,882.00
57	HOMEWARD REMITTANCE	11-Sep-23	750.00	41.89
58	HOMEWARD REMITTANCE	13-Sep-23	807.14	209.24
59	HOMEWARD REMITTANCE	14-Sep-23	740.44	418.30
60	DORM CONVERSION	14-Sep-23	750.00	50.00
61	HOMEWARD REMITTANCE	12-Sep-23	750.00	45.00
62	DORM CONVERSION	15-Sep-23	772.23	4,478.28
63	HOMEWARD REMITTANCE	11-Sep-23	750.00	190.00
64	DORM CONVERSION	13-Sep-23	770.01	218.18
65	HOMEWARD REMITTANCE	15-Sep-23	750.00	262.95
66	HOMEWARD REMITTANCE	12-Sep-23	750.00	62.79
67	HOMEWARD REMITTANCE	12-Sep-23	750.00	1,577.95
68	HOMEWARD REMITTANCE	12-Sep-23	750.00	30.78
69	HOMEWARD REMITTANCE	12-Sep-23	750.00	110.00
70	HOMEWARD REMITTANCE	14-Sep-23	750.00	190.00
71	HOMEWARD REMITTANCE	11-Sep-23	750.00	91.89
72	HOMEWARD REMITTANCE	11-Sep-23	750.00	783.62
73	HOMEWARD REMITTANCE	15-Sep-23	760.65	97.45
74	UNUTILIZED BALANCE	14-Sep-23	415.00	7,185.40
75	HOMEWARD REMITTANCE	12-Sep-23	750.00	713.57
76	HOMEWARD REMITTANCE	14-Sep-23	750.00	275.00
77	DORM CONVERSION	15-Sep-23	770.00	6,233.77
78	CAPITAL IMPORTATION	13-Sep-23	785.00	100,000.00
79	HOMEWARD REMITTANCE	13-Sep-23	774.77	591.28
80	HOMEWARD REMITTANCE	11-Sep-23	750.00	244.53
81	HOMEWARD REMITTANCE	11-Sep-23	750.00	2,470.00
82	HOMEWARD REMITTANCE	15-Sep-23	750.00	96.77
83	HOMEWARD REMITTANCE	13-Sep-23	750.00	20.00
84	HOMEWARD REMITTANCE	12-Sep-23	750.00	63.41
85	HOMEWARD REMITTANCE	12-Sep-23	750.00	610.00
86	DORM CONVERSION	15-Sep-23	750.00	254,928.88
87	HOMEWARD REMITTANCE	12-Sep-23	750.00	191.29

SOURCES OF FUNDS

SN	SOURCE	DATE OF FUND PURCHASE	EXCHANGE RATE	AMOUNT
88	DORM CONVERSION	11-Sep-23	770.65	7,169.79
89	HOMEWARD REMITTANCE	14-Sep-23	750.00	130.00
90	HOMEWARD REMITTANCE	15-Sep-23	740.45	1,403.48
91	HOMEWARD REMITTANCE	13-Sep-23	766.56	442.05
92	HOMEWARD REMITTANCE	14-Sep-23	750.00	30.88
93	HOMEWARD REMITTANCE	13-Sep-23	750.00	390.00
94	HOMEWARD REMITTANCE	12-Sep-23	750.00	24.62
95	HOMEWARD REMITTANCE	14-Sep-23	750.00	1,990.00
96	HOMEWARD REMITTANCE	11-Sep-23	781.79	71.13
97	HOMEWARD REMITTANCE	14-Sep-23	750.00	15.00
98	HOMEWARD REMITTANCE	12-Sep-23	750.00	1,000.00
99	HOMEWARD REMITTANCE	14-Sep-23	807.13	71.24
100	HOMEWARD REMITTANCE	13-Sep-23	740.46	581.87
101	DORM CONVERSION	13-Sep-23	769.98	194.81
102	HOMEWARD REMITTANCE	11-Sep-23	750.00	100.00
103	HOMEWARD REMITTANCE	15-Sep-23	792.68	24.69
104	HOMEWARD REMITTANCE	13-Sep-23	750.00	500.61
105	HOMEWARD REMITTANCE	15-Sep-23	804.14	2,131.01
106	DORM CONVERSION	13-Sep-23	770.00	115.95
107	HOMEWARD REMITTANCE	15-Sep-23	750.00	294.50
108	HOMEWARD REMITTANCE	14-Sep-23	792.86	168.54
109	HOMEWARD REMITTANCE	12-Sep-23	750.00	317.07
110	OWN SOURCES	12-Sep-23	773.04	9,040.16
111	HOMEWARD REMITTANCE	15-Sep-23	792.83	340.34
112	HOMEWARD REMITTANCE	13-Sep-23	750.00	943.50
113	DORM CONVERSION	13-Sep-23	770.01	172.34
114	HOMEWARD REMITTANCE	13-Sep-23	750.00	588.07
115	HOMEWARD REMITTANCE	12-Sep-23	750.00	50.00
116	HOMEWARD REMITTANCE	11-Sep-23	760.81	218.12
117	HOMEWARD REMITTANCE	13-Sep-23	750.00	516.12
118	HOMEWARD REMITTANCE	12-Sep-23	750.00	108.17
119	HOMEWARD REMITTANCE	15-Sep-23	777.07	2,556.76
120	HOMEWARD REMITTANCE	13-Sep-23	750.00	159.53
121	HOMEWARD REMITTANCE	15-Sep-23	750.00	50.00
122	HOMEWARD REMITTANCE	11-Sep-23	804.15	230.00
123	HOMEWARD REMITTANCE	12-Sep-23	740.45	6,177.46
124	HOMEWARD REMITTANCE	15-Sep-23	758.70	14.67
125	HOMEWARD REMITTANCE	12-Sep-23	750.00	125.39
126	HOMEWARD REMITTANCE	11-Sep-23	750.00	582.18
127	HOMEWARD REMITTANCE	14-Sep-23	750.00	293.24
128	HOMEWARD REMITTANCE	11-Sep-23	791.46	32.98
129	HOMEWARD REMITTANCE	14-Sep-23	781.90	24.25
130	HOMEWARD REMITTANCE	13-Sep-23	750.00	46.00
131	OWN SOURCES	13-Sep-23	769.10	13,060.10
132	HOMEWARD REMITTANCE	15-Sep-23	760.67	224.87
133	HOMEWARD REMITTANCE	14-Sep-23	770.32	5,001.34
134	HOMEWARD REMITTANCE	13-Sep-23	750.00	227.00
135	HOMEWARD REMITTANCE	12-Sep-23	750.00	422.76
136	HOMEWARD REMITTANCE	12-Sep-23	750.00	532.06
137	HOMEWARD REMITTANCE	13-Sep-23	750.00	31.05
138	HOMEWARD REMITTANCE	14-Sep-23	750.00	150.00
139	HOMEWARD REMITTANCE	14-Sep-23	750.00	110.00
140	HOMEWARD REMITTANCE	11-Sep-23	784.53	1,809.04
141	HOMEWARD REMITTANCE	13-Sep-23	747.86	3,166.10
142	DORM CONVERSION	12-Sep-23	750.00	2,113.80
143	HOMEWARD REMITTANCE	15-Sep-23	750.00	47.22
144	HOMEWARD REMITTANCE	14-Sep-23	750.00	211.08
145	HOMEWARD REMITTANCE	13-Sep-23	804.14	1,459.60
146	HOMEWARD REMITTANCE	12-Sep-23	750.00	83.00
147	OWN SOURCES	11-Sep-23	754.10	6,919.57
148	HOMEWARD REMITTANCE	12-Sep-23	747.86	2,960.74
149	HOMEWARD REMITTANCE	13-Sep-23	790.88	49.70
150	HOMEWARD REMITTANCE	14-Sep-23	750.00	500.00
151	HOMEWARD REMITTANCE	11-Sep-23	772.74	285.16
152	HOMEWARD REMITTANCE	11-Sep-23	794.72	95.59
153	HOMEWARD REMITTANCE	13-Sep-23	754.96	71.21
154	DORM CONVERSION	13-Sep-23	770.01	216.36
155	HOMEWARD REMITTANCE	12-Sep-23	750.00	426.55
156	HOMEWARD REMITTANCE	13-Sep-23	750.00	120.42
157	HOMEWARD REMITTANCE	12-Sep-23	750.00	900.00
158	HOMEWARD REMITTANCE	12-Sep-23	755.06	159.15
159	HOMEWARD REMITTANCE	11-Sep-23	750.00	170.00
160	DORM CONVERSION	15-Sep-23	770.00	4,681.10
161	HOMEWARD REMITTANCE	12-Sep-23	750.00	73.55
162	HOMEWARD REMITTANCE	13-Sep-23	758.89	849.53
163	HOMEWARD REMITTANCE	13-Sep-23	792.84	4,046.63
164	HOMEWARD REMITTANCE	11-Sep-23	750.00	2,400.00
165	HOMEWARD REMITTANCE	13-Sep-23	750.00	40.00
166	HOMEWARD REMITTANCE	11-Sep-23	750.00	258.01
167	DORM CONVERSION	13-Sep-23	775.00	149,990.00
168	DORM CONVERSION	15-Sep-23	750.00	12,321.00
169	HOMEWARD REMITTANCE	14-Sep-23	750.00	80.12
170	HOMEWARD REMITTANCE	13-Sep-23	750.00	91.16

UTILIZATION OF FUNDS

S/N	CUSTOMER	ITEM OF IMPORT	DATE OF SALE OF FUNDS	EXCHANGE RATE	AMOUNT
1	SHAFATU ADAMU	PTA	13-Sep-23	751.00	4,000.00
2	UMESH WASUDEORAO SHRIRAO	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	4,200.00
3	SHARMA	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	3,700.00
4	HANIFAT BISOLA OWOSANI	CREDIT CARD SETTLEMENT	11-Sep-23	761.00	510.00
5	FRANCIS ADESOJI OLASOKO	CREDIT CARD SETTLEMENT	11-Sep-23	751.00	3,000.00
6	PANKAJ PRUTHI	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	3,000.00
7	ADESUWA NEKPEN ASEMOTA	PTA	15-Sep-23	751.00	4,000.00
8	FANEN SHAMBE	CREDIT CARD SETTLEMENT	12-Sep-23	751.00	224.19
9	ABDULMAJEED AYOOLA AGBOOLA	PTA	15-Sep-23	751.00	4,000.00
10	CHIWETALU OBIKWELU	SCHOOL FEES	11-Sep-23	751.00	9,712.06
11	OLURANTI ELESIN	CREDIT CARD SETTLEMENT	11-Sep-23	751.00	2,000.00
12	ASHISH KUMAR PATHAK	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	4,700.00
13	KAMLESH ULHAS PITALE	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	3,000.00
14	DEEPEE MUKHERJEE	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	3,000.00
15	IFAKO INTERNATIONAL SCHOOLS	SCHOOL FEES	15-Sep-23	786.00	16,670.13
16	CHUKWURAH ADIBA	PTA	15-Sep-23	786.00	4,000.00
17	NDUBUISI L MUONEMEH	PTA	11-Sep-23	751.00	4,000.00
18	KUMAR RAJESH	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	4,700.00
19	ABHISHEK DWIVEDI	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	1,700.00
20	FRANCIS ADESOJI OLASOKO	SCHOOL FEES	11-Sep-23	751.00	7,025.00
21	TOYEDAYO O. OLUBUSOLA OSILAJA	ACCOMMODATION BILL	15-Sep-23	786.00	11,484.44
22	BOLAJI O AGBEDE	MORTGAGE BILL	12-Sep-23	741.00	1,677.57

UTILIZATION OF FUNDS

S/N	CUSTOMER	ITEM OF IMPORT	DATE OF SALE OF FUNDS	EXCHANGE RATE	AMOUNT
23	TORBECHUKWU EMMANUEL IKPE	CREDIT CARD SETTLEMENT	14-Sep-23	751.00	2,184.33
24	KINSKIN MGBODI UKEJE	CREDIT CARD SETTLEMENT	13-Sep-23	751.00	942.96
25	SAMEER UPADHYAY	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	1,200.00
26	RAVIKUMAR	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	5,800.00
27	VASHITI DAN-SAMDI	SCHOOL FEES	11-Sep-23	751.00	6,847.07
28	RITESH	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	4,700.00
29	NIBIN BABU BABU	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	1,800.00
30	ADEBOYE ISAAC AYEWAMIDE	PTA	15-Sep-23	751.00</	



**SUNNY CHUBA
NWACHUKWU**

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

Impacting green actions on climate: Neem trees initiative

cation of nature-based solutions as nature's barrier and conservative measures to controlling the impact. Rising sea level and ocean surge are washing off soil (soil erosion) as currently observed in the traumatised Derna community in Libya (with dead bodies littered everywhere; where flash floods have killed over five thousand people).

The ecosystem, no doubt, has been badly disrupted and irreparably devastated, as the causes and effects (the impacts) of man's actions by the provision of energy needed to run daily living and drive the economy are being looked at and audited carefully on the environment. Ecologically, the damaging impact on geographic areas in all the continents where the natural habitats for man, animals, plants and other living organisms exist, presently need to be aggressively tackled to reverse the trend of further environmental deterioration that has affected the weather conditions and the entire landscape. The earth needs protection, and it is the green actions that ought to be taken. They are the feasible tools for the needed global solutions for environmental sustainability. These actions involve the daily practices and habits exhibited by man that leave little or no impact on the environment after every organically handled and performed activity is proactively carried out, and is certified to have maintained the environment. The green actions could be enumerated as follows:

sourcing; production; consumption and utilisation of energy efficiently; reusable and recyclable, low-carbon emitting cleaner-energy products (may necessarily not be fossil based cleaner energy products).

Ultimately, impacting green actions on climate could efficiently be implemented by initiating a natural-based solution with the technique of neem tree planting (especially on African soil, where hi-tech methods of carbon neutrality and carbon balancing for carbon emission reduction may not be financially affordable). African poorer nations need to deploy the meagre resources towards this raging battle for survival of man on the planet. In Libya alone, over one thousand, three hundred (1,300) lives were lost just in one incidence of natural catastrophe that struck on 13th of September 2023. Assessing the damaging impact and the ensuing consequences of the ecological devastations that occur in all the habitable locations; coupled with the tragic costs and very unfortunate losses that involve human lives, agricultural produce, properties and corporate infrastructure in every economy that is affected; wasting further time before this fight against the adverse impacts of natural disaster is suicidal. Nations, peoples of every tribe and tongue need to sweep into action, as a matter of urgency!

Reckless actions taken as part of man's efforts in economic activities like sand mining will pose a threat

in the nearest future, to the neighbouring coastal communities along the coastlines in places that are localised in marine environments. The trending heavy rains and flash flooding cannot spare and will not show any atom of mercy to such affected areas (if natural disaster occurs). The environmentalists and agencies that are responsible for regulatory policies on environmental conservation like the National Environmental Standards and Regulations Enforcement Agency (NESREA) need to be handy and also sweep into action without delay, by implementing some of these rules and enforcement of the green initiatives that support green actions like the 'neem' tree planting, as part of the environmental regulations, laws, guidelines, policies and standards. The Nigerian government should not lose sight in implementing this initiative that can help in saving many coastal communities from the incidences of life threatening flooding as being witnessed in Libya currently. Many other economies of the world need not wait any longer in searching for trees that have high absorption capacity for carbon dioxide (CO2) in the process of photosynthesis that releases oxygen (O2) in exchange. These are the simple, cheap and cost effective means; reforestation could be cheaply applied in the global warming mitigation actions. The situation demands quick interventions that might not be capital

RECENT OCCURRENCES OF ENVIRONMENTAL hazards with devastating blows and tolls on the people of planet earth are alarming, and they desperately require interventions, with immediate actions taken to check the natural disasters threatening the entire global space. It is no longer child's play to be handled with kid's gloves any more, considering the devastating blows being dealt on the peoples of the affected communities of the world. This horrible experience is spreading fast like wildfire, and it is felt more among the inhabitants of the coastal communities and regions dwelling along the coastal lines in almost the entire locations of the world. There is no longer any selective exception among the affected victims. They are the ones that suffer the effect of the rising sea level most. It, therefore, calls for global attention beyond what is presently being done. The climate change environmental scourge requires an urgent appli-

THE TEAM

EXECUTIVE EDITOR

Phillip Isakpa
Tel.: 234 809 400 0025
phillipi@businessamlive.com

BUSINESS & TRANSPORT EDITOR

Mike Ochonma
Tel.: 234 809 940 0166
mike.ochonma@businessamlive.com

LEAD, TECHNOLOGY & INNOVATION BUSINESS

Alexander Chiejina
Tel.: 234 803 806 5454
alexander.chiejina@businessamlive.com

JOURNALIST

Onome Amuge

GRAPHICS

Christopher Ikosa
Chinedum Onyema

IMAGE EDITOR

Pius Okeosisi
Tel.: 234 802 904 0531
photo@businessamlive.com

Businessnewscorp Limited

Phillip Isakpa
Adedotun Akande

Tiamiyu Adio
Isaac Jayeola

OFFICE ADDRESS:

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

intensive, as already suggested, to save lives and communities that are prone to imminent climatic devastations.

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

Make your efforts physical like President Tinubu and Coco Gauff

mon denominator.

So, how do the dots connect our very own "head of the table" with the 19-year old world number three?

Before going further, let me say that this piece was partly conceived by the side coaching Brad Gilbert was overheard giving to Gauff during her tricky fourth round match with Caroline Wozniacki. Yours truly was watching it on Sky Sports when the commentators overheard Gilbert saying: "Make it physical" to his American charge.

Perhaps, he was telling her to use her youthful advantage and move the mother of two from one side of the court to the other or stay with longer rallies. It wasn't clear, but it was. During that same match, the commentators also echoed three other words that the microphone picked from Gilbert. "Use your legs."

As it turned out, Gauff overcame a bad patch - that saw her lose the second set - to outmuscle the Dane, 6-3, 3-6 and 6-1.

Of course, making it physical and using her legs definitely contributed to her fighting back from a set down to outsmart the power of Aryna Sabalenka in winning the trophy.

Here's the thing. Tinubu may not have heard what Gilbert was saying to Coco, but he too has been making things physical and using his legs in the past two weeks. Without a doubt, it's part of the tools in his box.

With his "renewed hope" agenda for Nigeria as backdrop, the Jagaban landed in India a few days ahead of the G20 Summit that was held there on the 9th and 10th. Guess what? He didn't fly out to have a taste of some chicken curry rice, though.

The Asiwaju actually made things "physical" when he hit the road and went there canvassing for investments. It actually paid off. Though the Nigerian media carried the news, I like the Reuters version of September 6th, "Nigeria gets \$14 billion investment pledges from India, seeks economic pact."

Giving details, the news organisation, quoting the president's spokesman, Ajuri Ngelale, stated that, among others:

India's Jindal Steel and Power has committed to pump \$3 billion into Nigeria's steel sector and Indorama Corp plans to invest an additional \$8 billion to ex-

Continues on page 9

UTILIZATION OF FUNDS

S/N	CUSTOMER	ITEM OF IMPORT	DATE OF SALE OF FUNDS	EXCHANGE RATE	AMOUNT
45	UNNI KRISHNAN NAIR	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	2,500.00
46	PRASHANT SUDHAKAR HALDANKAR	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	4,700.00
47	OLUSEUN ABAYOMI OYELEKE	PTA	15-Sep-23	751.00	4,000.00
48	FRANCIS ADESOJI OLASOKO	LIVING EXPENSE	11-Sep-23	751.00	4,000.00
49	KUNAL RELWANI	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	2,600.00
50	VASHTI DAN-SAMDI	CREDIT CARD SETTLEMENT	11-Sep-23	751.00	3,000.00
51	BOLAJI O AGBEDE	CREDIT CARD SETTLEMENT	12-Sep-23	741.00	3,000.00
52	FAVOUR OLASUNBO FEMI-OYEWOLE	PTA	15-Sep-23	751.00	4,000.00
53	HENRY ORHUE OHENHEN	CREDIT CARD SETTLEMENT	15-Sep-23	751.00	3,000.00
54	ABDULKADIR AMINU	PTA	11-Sep-23	786.00	4,000.00
55	FRANCIS ADESOJI OLASOKO	LIVING EXPENSE	11-Sep-23	751.00	4,000.00
56	SEKHAR DYFFERIN FERNANDO	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	3,000.00
57	ONYINYE GETRUDE NNABUGWU	PTA	15-Sep-23	786.00	4,000.00
58	MOJISOLA CHRISTIANA OLASOKO	CREDIT CARD SETTLEMENT	11-Sep-23	751.00	3,000.00
59	MOLOKWU UCHENNA NWABUOGO	PTA	12-Sep-23	751.00	2,000.00
60	SUMIT PANDA	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	1,200.00
61	RAJESH KUMAR PENCHALA	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	2,500.00
62	PANDURANG MAHADEV WAGHMARE	PERSONAL HOME REMITTANCE	15-Sep-23	720.50	3,700.00
63	BOLAJI O AGBEDE	SCHOOL FEES	12-Sep-23	741.00	28,738.50

UTILIZATION OF FUNDS

S/N	CUSTOMER	ITEM OF IMPORT	DATE OF SALE OF FUNDS	EXCHANGE RATE	AMOUNT
64	OLAYINKA RASHEEDAH YOMI-TOKOSI	CREDIT CARD SETTLEMENT	11-Sep-23	761.00	3,000.00
65	ONYINYE KELECHI APAKAMA	PTA	15-Sep-23	751.00	4,000.00
66	MOHAMMAD WASI	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	3,700.00
67	MUSTAFA ALIYU	PTA	13-Sep-23	751.00	4,000.00
68	OKWUDILI PAUL MOLOKWU	PTA	12-Sep-23	751.00	2,000.00
69	NATHAN TOWERS INVESTMENT LIMITED	LIVING EXPENSE	15-Sep-23	781.00	3,000.00
70	NITIN KANDPAL	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	1,700.00
71	AJIT JANA	PERSONAL HOME REMITTANCE	14-Sep-23	720.50	2,900.00
72	CHIWETALU OBIKWELU	SCHOOL FEES	11-Sep-23	751.00	11,881.48
73	IFAKO INTERNATIONAL SCHOOLS	LIVING EXPENSE	15-Sep-23	786.00	4,000.00
74	SARAN NATH AMRUTHA-NATHAN-PILLAI	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	1,600.00
75	OKEY NWUKE	PTA	15-Sep-23	751.00	4,000.00
76	ABDULLAH AMINU	SCHOOL FEES	11-Sep-23	786.00	9,000.00
77	CHIGBO ERNEST ENENMO	PTA	13-Sep-23	786.00	4,000.00
78	OMORODION OSEMWEIGIE	MORTGAGE BILL	15-Sep-23	751.00	5,000.00
79	VIKAS KANUBHAI PRAJAPATI	PERSONAL HOME REMITTANCE	13-Sep-23	720.50	1,700.00
80	PATRICK OMOLE OLAGHERE	CREDIT CARD SETTLEMENT	12-Sep-23	751.00	2,070.47
81	ABIMBOLA OLANIYI OLASHORE	MORTGAGE BILL	11-Sep-23	786.00	4,894.33
82	OLADELE JOSEPH DOPEMU	LIVING EXPENSE	15-Sep-23	772.23	1,878.43



IF, BEFORE READING this piece, someone had suggested that President Bola Ahmed Tinubu and the newly crowned US Open Women's champion, Coco Gauff, have something in common, I guess a thousand and one folks would have thought it was some "tales by the moonlight" or fake news. The reality is, it's neither.

Well, it may not seem obvious as their paths do not seem to have crossed and may actually not cross anytime soon. But they actually do. Yeah! The Jagaban and Coco have a com-



OLUFEMI ADEDEAMOLA 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

The future of business in age of artificial intelligence

making are all things that would need human intelligence, but computers use their capabilities and intelligence to solve these tasks. Artificial Intelligence technologies vary from robotics to speech. We are witnessing AI applications in everyday scenarios such as online customer support interactions, building construction, book-keeping and auditing, financial services, fraud detection, investment forecasting, and retail purchase predictions. The goals of AI include reasoning, learning, and perception. It has also gone to vehicle driving, marketing, agriculture, manufacturing, surgery, drug prescription etc.

Currently, it is pretty tough to discuss business development without considering artificial intelligence (AI), as it has become a red-hot topic in all the economic sectors globally. Many of us are ignorantly living with AI, multiple unseen algorithms that live on our devices, from smartphones to self-driving cars and smart homes. Numerous technology giants have adopted artificial intelligence and many other businesses across the world are starting to embrace it. In a Global AI report by McKinsey & Company, 47 percent of companies adopted AI in at least one function in their business in 2019. In another technology survey in 2023, 42 percent of companies want to adopt AI in the future. AI is able to do works that anybody can imagine including sparring partners of table tennis, lawn tennis and boxing sportsmen. It can even act as per-

sonal assistants to chief executive officers and as chefs.

The global AI market is booming. It will reach \$190.61 billion by 2025, at a compound annual growth rate of 36.62 percent. By 2030, Artificial Intelligence will add \$15.7 trillion to the world's gross domestic product (GDP), boosting it by 14 percent. There will be more AI assistants than people in this world. This is the challenge in the business world as more people will be replaced by AI in the near future. According to Brazilian-American researcher, Ben Goertzel, artificial intelligence or AI could replace almost 80 percent of human jobs in the coming years. 56-year-old cognitive scientist and famed robot-creator Goertzel is founder and chief executive of SingularityNET, a research group he launched to create "Artificial General Intelligence," AGI, which birthed artificial intelligence with human cognitive abilities.

Goertzel said he does not think AI is a threat to unemployment. He claimed it was a benefit. "People can find better things to do with their life than work for a living". German rail operator, Deutsche Bahn, and Industrial group, Siemens, launched the first automated and driverless train in the world on October 11, 2021. It is agreed that all paper works in business will be automatable globally. Unemployment issue that will be caused by AI, when AIs are relegating and 'obsoleting' one human job after another, is a temporary one. The benefits lie in genuinely assessing

humans and robots contributions to business performances. We need to know which is smarter between artificial intelligence and human beings. If we want machines to really be as smart as people and to be as agile in dealing with the unknown, then they need to be able to take big leaps beyond their training and programming. Machines have not arrived yet. Human beings still have to do some jobs.

There are a bunch of benefits of artificial intelligence in business. As appetisers, it helps enhance the consumer experience, enables rapid innovation, improves revenue growth potential, reduces human error, and creates smart operations. These factors will work well in countless companies and help businesses to stand out head above their competitors. According to a 2023 Gartner survey, the number of organisations that demand AI technology grew 270 percent in the last four years, and it was tripled in 2022. In addition, the 2019 CIO survey results confirmed that companies across all industries were running AI technology in numerous applications. A separate analysis by MarketsandMarkets (a Pune, India-based research firm) predicted that the artificial intelligence market will grow to \$90 billion by 2025).

In the western world, most business organisations are contacting tech-specialists on how artificial intelligence will boost their businesses' growth in both the short and long term. Their investigations mostly show that

artificial intelligence can help in: automating routine tasks, freeing up employees to focus on more creative and strategic work, and make better decisions by providing accurate and timely data analysis. Improve the customer experience by personalising interactions and providing more tailored recommendations and support. AI will be able to analyse data on customer usage patterns, feedback, and preferences to provide users with invaluable insights necessary to create more user-friendly, engaging, effective products for invaluable customers. It will also help businesses speed up the product development process start-to-finish with rapid prototyping, especially in mass production.

Artificial Intelligence is not around to wipe out 'our jobs'; it has come to complement them and make life more comfortable for us. Sophia is a humanoid robot and the first to be granted citizenship of Riyadh, Saudi Arabia, on the 25th October, 2017. The artificial intelligence robot has a life-like expressive face that can mimic human emotional expressions. It can also interpret sentences and context with a cloud connection and synchronise its mouth, face, and body when speaking. Robot Sophia can sell NFT artworks, but cannot perfectly act as company secretary. She can only assist in meetings by providing data and information to directors when required. Robots cannot record minutes as they need judgement as to what to include from meetings verbatim.

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The Coaching Psychologist

with
JOSHUA AWESOME, PHD



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@mindinstitute.africa

Reflections weekend: Discovery journey through the pandemic

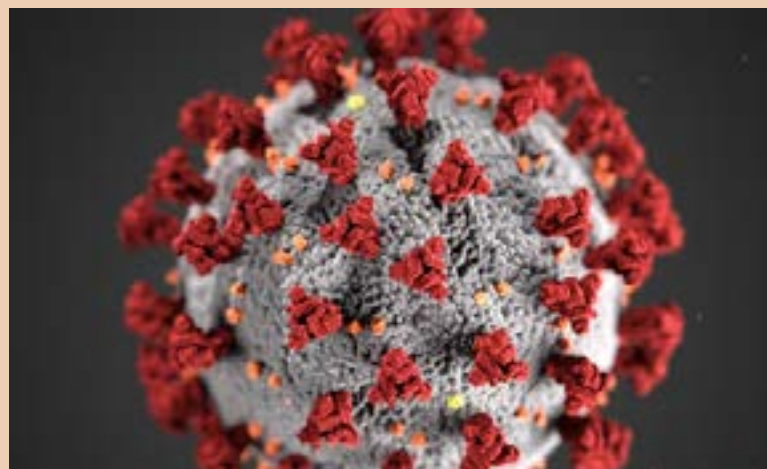
in Sandton, South Africa. This pivotal moment led to a unique call to duty and a chain of events that ultimately culminated in a team coaching opportunity from Discovery Health. As I reflect on this remarkable journey, I've identified five key insights that have profoundly impacted my life.

The power of taking initiative

Getting vaccinated during the pandemic was a personal choice driven by a deep sense of responsibility. I understood that as an essential worker, I not only needed to protect myself but also contribute to the collective effort to curb the virus. Little did I know that this simple act of taking the initiative to get vaccinated would open doors to unforeseen opportunities. It taught me that sometimes, the first step towards change is as simple as showing up and taking action.

Trust begets trust

The call to duty that followed my vaccination experience was an unexpected turn of events. I was approached by Discovery Health to support their team, a responsibility that required a significant level of trust. This trust was established not only through my profes-



sional competence but also by my willingness to participate in the vaccination process. It reinforced the idea that trust is a two-way street - by demonstrating trustworthiness, we can, in turn, earn the trust of others.

The ripple effect of mentorship

One of the most surprising aspects of my journey was the role played by someone I had mentored several years ago as an intern. Their recommendation ultimately led to my involvement with Discovery Health. This realization highlighted the profound impact of mentorship and how our guid-

ance can shape the futures of those we mentor. It reminded me that our influence extends far beyond our immediate interactions.

Dedication and long-term commitment

Over the past two decades, I have dedicated myself to building a career learning and development specialist-coaching, mentoring and leadership. This unwavering commitment not only positioned me as a trusted professional but also paved the way for the opportunities that followed my vaccination. It's a reminder that dedication and perseverance in one's chosen path can yield un-

expected rewards in the long run.

The interconnectedness of life's events

My journey from being a Discovery Insure policy holder to a team coaching opportunity provider was a testament to the interconnectedness of life's events. Small decisions, like choosing to get vaccinated, can set in motion a series of events that lead to meaningful and unexpected outcomes. It underscores the importance of being open to new experiences and embracing the twists and turns of life's journey.

In conclusion, my weekend during the COVID-19 pandemic, as a Discovery Insure policy holder and essential worker providing - coaching psychology support, was a rollercoaster of experiences and opportunities. It taught me that our actions, no matter how small, can have far-reaching consequences. By taking initiative, building trust, mentoring others, staying dedicated, and recognizing life's interconnectedness, we can navigate the challenges of the pandemic and beyond with resilience and optimism.

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THE COVID-19 PANDEMIC has left an indelible mark on the world, altering lives and livelihoods in countless ways. In the midst of the chaos and uncertainty I found myself working in essential services, compelled by duty and a personal sense of responsibility to get vaccinated. This story unfolds during a weekend in 2021 when I, a Discovery Insure policy holder, received the COVID-19 vaccine at the Discovery Vaccination Centre



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)

Market forces turn their back on Nigerian economy

by market forces, primarily supply and demand. This implies little government intervention; allowing private ownership to determine all business decisions concerning how a business is run. Therefore, to a very large extent, this was what the new Tinubu administration commenced via fuel subsidy removal and foreign exchange rates unification or Naira floatation. But it has become apposite to say that these policies rather than making any good impact on Nigerians, have so far taken the populace to the nadir of hope and literally sunk the economy into an abyss. Thus, in a timespan of slightly over three months, all economic indicators have practically gone haywire — apparently, contrary to the government's expectations.

Prices of all goods and services in the country have quadrupled (at least), with the price of petrol (Premium Motor Spirit, PMS) spiking from N185 per litre (before subsidy removal) to N650 per litre. This price spike quickly fed into transportation, foodstuff, house rents and sundry services. On the aggregate, these translated into a consistent runaway inflationary trend, standing at 24.08 percent at the latest as at end-July 2023 — the highest since September, 2005. Inflation rate was 19.64 percent a year earlier.

The huge jump in inflation translated into a spike in cost of living; sharp drop in standard of living for many Nigerians; weak disposable income and very low purchasing power for the populace. Indeed, as foretold by the World Bank and the IMF, millions of Nigerians have gotten forced into poverty — courtesy of the effects of the removal of subsidy on PMS by the new govern-

ment. At the same time, the Naira floatation was unwittingly wreaking its own havoc on the economy. At the outset, the new foreign exchange (forex) market introduced a “willing seller, willing buyer” regime — implying that the market forces (demand and supply) would be determining the exchange rate.

However, so soon after the Central Bank of Nigeria (CBN) commenced the unified exchange rate regime, the Naira crashed against the US dollar and other major currencies across the globe. Before the new order, the Naira was exchanging at about N460/US\$, but in a matter of few weeks, it had dropped to N850/US\$. In the so called parallel or ‘black’ market, the Nigerian currency had declined to over N900/US\$ by end-August, 2023. And the crashing goes on!

While these may not be the intention of the Tinubu administration, these outcomes that have been inflicting pains on the citizenry, put a heavy question mark on (the efficacy) of the policies. So, are market forces failing Nigeria? Corporate operators in every sector of the economy are turning in awful half-year 2023 results essentially due to the devastating impact of the economic policies of the new government.

Financial results published by many blue chips quoted on the Nigeria Exchange (NGX) Limited show them making huge losses largely due to the new forex regime. Big names like MTN Nigeria, Nigerian Breweries, Nestle Nigeria, Guinness Nigeria, Unilever Nigeria, Dangote Sugar, among many others, recorded huge “forex losses” during the first six months of the year. Already, two of the blue chips (GlaxoSmithKline and PZ Cussons)

have opted to close shop in Nigeria due to the scorching business environment. Many others are virtually on the verge of bankruptcy, for the same reasons.

In the banking sector, while a few made losses, many reported a quantum leap in their performance indices owing to “incomes revaluation” necessitated by the new forex regime. However, in an unprecedented move, the CBN has promptly placed a caveat on the ‘gains’ made by these banks. Apparently, due to fear that the banks’ performances are ‘not real’ or sustainable, the apex bank in a memo dated September 11, 2023, warned that “banks shall not utilise such forex revaluation gains to pay dividend or meet operating expenses.” The CBN said “banks are encouraged to build capital buffers to increase resilience against potential volatility and/or economic shocks.”

All these go to show that the CBN neither has confidence in its Naira floatation policy nor the outcome — which has translated into some ‘windfall’ for many of the deposit money banks (DMBs), so far. Already, many of the DMBs have started having rapidly increasing Non-Performing Loans (NPLs) in their books — indicating that much of their loan portfolio, as the year goes by, is likely to become ‘troubled.’ This means that many of the corporate loan beneficiaries could be defaulting in servicing/repaying them, as the economic crunch worsens. And this is the ineluctable reality, given the subsisting policies of the government.

In the aviation sector, most airlines (both local and foreign) are beleaguered; already, the market is faced with shortage of aeroplanes

and scheduled flights cancellations. Most of the Nigerian airlines have a large number of their aircraft undergoing some maintenance stranded abroad due to inaccessibility or scarcity of forex to pay the bills. Even for the planes undergoing repairs locally, shortage of forex remains a major impediment to importing essential parts to complete work on them. As for the foreign airlines, close to a billion dollars of their (ticket) revenues could not be repatriated in the past couple of years. Due to shortage of forex, such money has been ‘trapped’ at the CBN. According to the International Air Transport Association (IATA), Nigeria is the worst culprit of all their markets in ‘trapping revenues.’

In sum, although the Tinubu administration could be said to have shown courage and political will in liberalising the forex market and ending fuel subsidy, managing the implementation of those policies is fraught with loop-holes. But, really, could the Naira have been floated, in the first place, given the well-known lingering scarcity of forex in the country? The CBN practically retains the monopoly power on the supply side of the forex market; yet, the Nigerian economy remains a highly import-dependent one. On the PMS issue, should the government have removed the subsidy and still depend fully on the importation of the product?

Even now that the government is licensing more persons to be importing PMS, does it not translate to more pressure in the forex market, since these importers still source dollars? The end result of all these is that the landing cost of PMS is likely to be rising; thus, giving impetus for further increases in the pump price of PMS. So, really, is it the market forces that are failing Nigeria?

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Investing in Africa's...

Continued from page 2

tries are also working to remove such obstacles. Kenya, for example, is in the process of pursuing structural reforms to enhance private-financing mechanisms.

Moreover, the economic mismanagement and internal strife that have come to characterize some African countries are not representative of the entire continent. Africa is open for business. Countries such as Morocco and Kenya, in their efforts to spur the green transition and drive sustainable development, have introduced financial incentives, including tax breaks, and implemented policy reforms to attract and mitigate risk for private investors from the US and elsewhere.

Perhaps more importantly, Africa's energy sector has already put itself on the path toward a carbon-free future, rather than waiting on foreign capital. Kenya is one of the top global producers of geothermal energy, and Morocco is home to the world's largest concentrated solar power plant. Next year, Egypt is set to build a wind farm that could generate enough electricity to meet domestic needs and export to Eu-

rope and Saudi Arabia. Alongside large-scale projects, numerous privately funded micro-grids are supplying much-needed power to hospitals and even entire villages.

Many of these renewable projects have been funded by both the public and private sectors, although investment from the former tends to be higher. Africa's success in creating clean-energy markets, despite relatively low levels of foreign private investment, is a testament to local officials' dedication to building a more sustainable future.

With an abundance of solar, wind, geothermal, and hydro energy resources, Africa has immense investment potential and can offer reliable returns to private investors. And many African countries are eager to create the conditions that will allow investors to tap into their clean-energy markets. For example, in Namibia, which averages 300 days of sunshine per year, the state-owned power utility attracted foreign capital by authorizing independent power projects and holding solar-energy auctions at competitive rates.

Scaling up clean-energy investments in African countries will bring additional benefits, including more sustainable econo-

mies and faster progress toward development goals. The biggest benefit, though, is that clean energy addresses the root cause of climate change: burning fossil fuels. Africa is bearing the brunt of the crisis, despite accounting for the smallest share of global greenhouse-gas emissions. As a result, by 2050, global warming could cost the continent \$50 billion annually. It would be wiser to invest in renewables today, rather than pouring billions into adaptation down the line.

Until private investors recognize Africa's abundant renewable-energy potential, funding will continue to pour into oil and gas. Expensive fossil-fuel assets would serve only to increase African economies' dependency on volatile energy prices and imports and accelerate global warming.

There is another option: over the past decade, African countries have created sustainable and efficient clean-energy markets that protect investors and drive development on the continent's terms. Private investors in the US and elsewhere should take advantage of this momentum to capitalize on the growth potential of renewables, expedite the green transition, and create a healthier future for all.

Make your efforts...

Continued from page 7

pand its petrochemical facility in the West African country.”

Besides, “Skipperseil Ltd founding chairman, Jitender Sachdeva, and India's Bharti Enterprises each pledged \$1.6 billion over four years to build power generation plants and \$700 million in Nigeria, respectively.”

Could those deals and the billions have come in if Tinubu had not “used his legs” and “make things physical” by travelling to India? I doubt it! Tell you what? There are some benefits and results that may not come your way except you “use your legs”, make things physical. In other words, go show up.

So, whether it is to open an investment account or canvas for business or seek employment, you may need to get up and go meet the people that matter. Don't expect people to always beat the paths to your house. Make things physical and arrange a conference — or meet — like Tinubu asked the Nigerian Mission in India to do.

Guess what? After securing those deals for the country, Tinubu followed the same template and flew over to the United Arab Emirates, UAE. He probably said something like, “Mr President, I'm

here,” to his counterpart.

While reading the ThisDay newspaper on Wednesday – September 13 – a particular story caught the eye. It was that “Otedola Hails Tinubu for Successfully Resolving UAE Visa Ban on Nigerians, Flight Resumption.”

According to it, “Nigeria's billionaire Chairman of Geregu Power Plc. and Director, FBN Holdings Plc., Mr. Femi Otedola, has hailed President Bola Tinubu for resolving the dispute between Nigeria and the United Arab Emirates (UAE), which had led to visa ban on Nigerians and withdrawal of both Etihad and Emirates airlines from flying in and out of Nigeria.

“The resolution of the dispute followed Tinubu's visit to the UAE president and subsequent negotiations, which led to the lifting of the visa ban and announcement.”

The newspaper noted that: “Relations between Nigeria and UAE went sour under the immediate past administration of President Muhammadu Buhari.”

Continuing, ThisDay reported that: “Tinubu and his UAE counterpart, Mohamed bin Zayed Al Nahyan, met in Abu Dhabi on Monday, and sealed a historic agreement, which resulted in the cessation of the visa ban placed on Nigerian travellers.”

PROJECT SYNDICATE


**MICHAEL
SPENCE**

**ANU
MADGAVKAR**

**SVEN
SMIT**

Michael Spence, a Nobel laureate in economics, is Emeritus Professor of Economics and a former dean of the Graduate School of Business at Stanford University. Anu Madgavkar is a partner at the McKinsey Global Institute. Sven Smit is a senior partner at McKinsey & Company and Chair of the McKinsey Global Institute.

MILAN - WITH THE 78th session of the United Nations General Assembly and Climate Week NYC about to begin, and the next UN Climate Change Conference (COP28) approaching fast, it is imperative that the world clarify the relationship between economic growth and environmental sustainability. Far from being mutually exclusive, the former is a prerequisite for the latter: economic dynamism and improvements in living standards are vital both to finance climate action and to ensure adequate public support for it.

Fortunately, this is now widely understood. In June, leaders of some of the world's largest economies - including Brazil, the European Union, the United States, Japan, and South Africa - issued a joint statement describing poverty reduction and protection of the planet as "converging" objectives. Similarly, the declaration released after the just-concluded G20 summit in New Delhi affirmed that "no country should have to choose between fighting poverty and fighting for our planet."

Recent research by the McKinsey Global Institute (MGI) attaches figures to these twin objectives, with

Action on Planet and People Depends on Growth

sobering results. Begin with the cost of action to protect the planet. The cumulative additional spending on low-emissions technologies and infrastructure that is needed to close the net-zero investment gap by 2030 would cost \$41 trillion, or the equivalent of 4% of global GDP annually. Fulfilling these investment needs and achieving the net-zero transition will require broad public support and participation. Because people living in poverty are less likely to support climate action, especially if they feel that their needs are being given lower priority, simultaneous efforts to improve living standards are essential.

This is not a matter merely of lifting more households above the World Bank's extreme poverty line (\$2.15 per day at purchasing power parity). To achieve sustainable development, we must clear a higher bar, which MGI characterizes as the "empowerment line."

The precise placement of the empowerment line varies by country, reflecting cost-of-living differences. But the meaning is always the same. It is the threshold beyond which households have sufficient means to meet all of their basic needs - such as nutrition, decent housing, health care, and quality education - and to work toward economic security. Without the ability to save, households cannot build a buffer against shocks, including those created by climate change.

Globally, about 4.7 billion people do not qualify as fully economically empowered, with about 40% of this population residing in India and Sub-Saharan Africa, though India's high growth, if sustained, is likely to reduce this figure. Moreover, many in middle- and higher-income countries who seem to have achieved "middle class" lifestyles lack an adequate buffer against emergencies and shocks, and struggle to afford housing and health care. While they might not formally qualify as "poor," they are unable to realize their full potential and may be at risk of slipping into poverty. Closing the "empowerment gap" by 2030 would require the world to boost cumulative consumption by these 4.7 billion people by \$37 trillion - about 4% of GDP annually. (The specifics vary considerably by region.) Together with the \$41 trillion to close the net-zero investment gap, we are talking about 8% of GDP each year until 2030.

The scale of the challenge is daunting, but this should not lead to paralysis. On the contrary, there is good news embedded in our research that should galvanize all stakeholders: we estimate that accelerated growth, business-led innovation,

and technological advances could get the world halfway to the combined goals.

Current momentum will not be enough. We must actively protect baseline growth from headwinds and commit to increasing productivity through investment in technology, new businesses, and skills development. Relevant opportunities are plentiful: innovations in artificial intelligence, financial technology, biomedical science, materials science, and more can contribute to productivity gains, inclusive growth, and the energy transition.

If accelerated growth creates better-paying jobs, and employers ensure that workers have the skills to fill them, almost two-thirds of the global empowerment gap could be eliminated, with just over two billion people crossing the empowerment line, and 600 million more escaping poverty. Meanwhile, almost \$10 trillion of low-emissions spending could become viable for private actors by 2030. Economic growth, together with technological advances, could reduce the net-zero investment gap by some 40%.

What can be done to close both gaps? On the empowerment side, options include more investment in affordable housing, health care, and education, as well as direct support to vulnerable households. On the net-zero side, stronger public support and bolder policies could mobilize an even larger amount of private capital, further driving down the costs of low-emissions technologies. Overall, societal commitments averaging 2% of global GDP annually - \$20 trillion cumulatively - could close both gaps by 2030, though these commitments risk adversely affecting the baseline economy.

In any case, creative financing mechanisms will be essential. Multilateral institutions, in particular, must devise new facilities for developing economies - an effort that would be bolstered by increased capitalization of these institutions and new risk-intermediation platforms to help crowd in private capital. Other innovative solutions - say, channeling surpluses from rising energy prices toward green investments - will also be needed. For this, the global financial system must find innovative ways to accommodate large cross-border flows.

Progress will be difficult, and the price tag large. But investments in closing the empowerment and net-zero investment gaps today would lead to a more prosperous, stable world. There is perhaps no more valuable payoff.

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PROJECT SYNDICATE


**BARRY
EICHENGREEN**

Barry Eichengreen, Professor of Economics and Political Science at the University of California, Berkeley, is the author, most recently, of In Defense of Public Debt (Oxford University Press, 2021).

KAUAI - Is the dollar poised to lose its dominance of global economic and financial transactions? Many commentators apparently think so.

Russia obviously hopes they are right, given that it has been shut out of the United States' banking system and suspended from the Society for Worldwide Interbank Financial Telecommunication (SWIFT). China evidently wants to help the process along by encouraging countries to undertake transactions in renminbi. And Brazilian President Luiz Inácio Lula da Silva has called for the BRICS countries (Brazil, Russia, India, China, and South Africa) to create a common currency as an alternative to the dollar.

Russia's shift away from the dollar, which got underway following its illegal annexation of Crimea in 2014, was prompted by the fear - and then the fact - of US sanctions. More than a few commentators have since warned that other countries, witnessing US "weaponization" of the dollar, will follow the Kremlin's example.

China's renminbi internationalization campaign reflects not only tensions with the US, but also a desire to project power internationally, with the drive for economic and financial self-sufficiency reflected

How Global Currencies End

in other aspects of Chinese policy as well. The dollar's singular preeminence, in this view, is unlikely to survive a world dominated by two large economies at loggerheads, only one of which benefits from the dollar's "exorbitant privilege."

Similarly, Lula's common-currency campaign reflects the view that the rising power and influence of the BRICS can no longer be denied, and that they deserve a seat at the top monetary table, whether the US agrees or not.

So, do these global geopolitical developments augur the end of dollar dominance? History - at least twentieth-century history - suggests not. To be sure, this history confirms that international currency status can be lost. But whether that happens depends on the actions of the issuing country, not simply on geopolitical circumstances beyond its control.

To a significant extent, the twentieth-century history of global currency status is a history of the British pound sterling, the leading global currency of the preceding century. Britain emerged from World War I economically and financially weakened. It had lost skilled manpower, sold off assets to finance the war effort, and now faced intense competition from other economies.

Importantly, Britain had incurred a public debt on the order of 130% of GDP, which was six times prewar levels. That raised questions about whether the country would maintain the value of its obligations or, alternatively, inflate them away, as Germany, France, and Italy eventually did.

Yet even though the dollar had emerged as a competitor by the early 1920s, sterling's international status was successfully maintained. A decision was taken by Chancellor of the Exchequer Winston Churchill, with broad support from the political class, to focus on this objective. Prices were pushed back

down toward prewar levels, permitting earlier exchange rates against gold and the dollar to be restored. Painful steps were considered, and in some cases taken, to limit public spending.

These policies came at a cost to British competitiveness and hence to output and employment. But this sacrifice was accepted in the interest of reestablishing sterling's role in the global economy - a goal that financial leaders regarded as being in their self-interest, and that imperialists saw as necessary for maintaining Britain's geopolitical reach. As a result, the currency's international role survived even the turbulent 1930s, when it remained the pivot of the sterling area, the British-led currency zone.

The United Kingdom emerged from World War II even more heavily indebted. In addition, it now had an overriding commitment to full employment, implying very different policies toward sterling. The currency was devalued in 1949 in an effort to reconcile demand stimulus and full employment with external balance. The disorderly liquidation of sterling balances by other central banks and governments was prevented with exchange controls and commercial threats.

Such measures were antithetical to international currency status. Contrary to the textbook view of on-going competition between sterling and the dollar, scholars such as Maylis Avaro show that the shift away from sterling was already well underway in the aftermath of WWII.

At this point, geopolitics intervened. When the UK participated in an invasion of Egypt in 1956 to seize control of the Suez Canal and sterling crashed, US President Dwight Eisenhower's administration refused to help until Britain withdrew its forces. This diminished sterling's global stature once and for all. But these geopolitical events only validated a decline and fall that was already a fait accompli.

The fundamental lesson, then, is that the issuer of an incumbent international currency has it within its power to defend or neglect that status. Thus, whether the dollar retains its global role will depend not simply on US relations with Russia, China, or the BRICS. Rather, it will hinge on whether the US brings its soaring debts under control, avoids another unproductive debt-ceiling showdown, and gets its economic and political act together more generally.

So, do these global geopolitical developments augur the end of dollar dominance? History - at least twentieth-century history - suggests not. To be sure, this history confirms that international currency status can be lost. But whether that happens depends on the actions of the issuing country, not simply on geopolitical circumstances beyond its control.

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STOCKS MARKET

COMMODITIES

	NSE	NSE 30	FTSE 100	DOW JONES	S & P 500	FTSE/JSE	NASDAQ
CURRENT	68,143.34	2,509.09	7,914.13	33,808.96	4,133.52	77,910.96	12,072.46
YEAR TO DATE	0.91	0.78	0.15%	0.07%	0.09%	-1.23%	0.11%
	32.96	36.18	6.21%	2.00%	7.66%	6.66%	15.34%

SYMBOL	PRICE	CHANGE	%CHANGE	VOLUME
OIL	90.73	0.57	0.63	250,785
BRENT	93.78	0.08	0.09	274,456
NAT GAS	2.653	-0.055	-2.03	84,859
RBOB GAS	2.701	-0.042	-1.53	27,516
GOLD	1,946.40	13.6	0.7	182,187
SILVER	23.36	0.366	1.59	62,466
COPPER	931.8	20.7	2.27	28,177
PALLADIUM	3,798	-0.024	-0.61	52,794
WHEAT	1,256	1.2	0.1	2,372
SOYBEAN	500.5	-3	-0.6	109
CORN	603.25	9.5	1.6	53,312
SUGAR	1,342	-18.5	-1.36	92,372
COFFEE	476.25	-4.25	-0.88	77,379
COTTON	26.78	-0.2	-0.74	54,485
ROUGH RICE	159.25	5.25	3.41	27,347
COCOA	86.49	-1.31	-1.49	13,699
	16.205	UNCH	UNCH	274

TOP TRADERS

Company	Volume	Value
STERLINGNG	82276953	314152231.1
TRANSCORP	59691864	364934138.2
UBA	48111584	787622583.1
GTCO	26393677	926849785.2
OANDO	21932599	231291246.9

TOP GAINERS

No	Equity	Opening	Closing	%Change
1	CHAMS	N 1.00	N 1.10	10.00%
2	CUTIX	N 2.21	N 2.43	9.95%
3	CORNERST	N 1.28	N 1.40	9.38%
4	CAVERTON	N 1.30	N 1.41	8.46%
5	UCAP	N 16.00	N 17.30	8.13%

TOP LOSERS

No	Equity	Opening	Closing	%Change
1	CONOIL	N 99.00	N 89.10	-10.00%
2	MRS	N 109.45	N 98.55	-9.96%
3	ABCTrans	N 0.83	N 0.75	-9.64%
4	TANTALIZER	N 0.42	N 0.38	-9.52%
5	NEIMETH	N 1.71	N 1.55	-9.36%

Cynthia Ezekwe

THE SECURITIES and Exchange Commission (SEC) has said it is committed to recording 50 listings of Shari'ah-compliant products with a combined market capitalisation of at least N5 trillion by 2025.

Lamido Yuguda, the director-general, SEC, made this known at a capacity building workshop for local Shariah talent for non-interest capital market - level II, held recently in Abuja, noting that the non-interest capital market (NICM) segment of the revised capital market masterplan (2021 - 2025), targets 100 retail Shariah-compliant products and over one million direct investors in Shariah-compliant products.

Yuguda who was represented by Dayo Obisan, executive commissioner, operations, stated that the commission has resolved to redouble its developmental efforts, especially in capacity building that nurtures reputable professionals to leverage Sharia best practices in facilitating the sound implementation of Sharia-compliant initiatives with the ultimate aim of deepening the NICM space.

The DG stated that the commission would continue to leverage its subsidiary, the Nigerian Capital Market

2025: SEC eyes listing N5trn Shari'ah-compliant products



L-R: Tosin Eniolorunda, founder and group CEO, Moniepoint Inc; Ebehijie Momoh, country manager and area business head for West Africa at Mastercard; Kari Tukur, vice president, customer solutions, East and West Africa at Mastercard; and Mark Elliott, Mastercard division president for sub-Saharan Africa, at the Mastercard fintech forum in Lagos, recently.

Institute, especially in developing robust programmes around non-interest finance which are expected to promote capacity-building and sharia-compliant products and processes, "The objective of this workshop, therefore, is fast-tracking the development

of experts for the market. We believe this will enhance the development of our local Sharia talent, not only for the Nigerian Capital Market but also for the Nigerian Financial system in general," Yuguda said.

He added that the level of activities in the non-interest capital market

currently experienced in Nigeria affirms the overwhelming acceptance of NICM products by different classes of investors, which portrays a strong appetite for these class of assets as evidenced by the oversubscription of the FGN and corporate Sukuk issued in previous years.

The DG noted that the level 1 segment of the workshop, was conducted in December 2022, and covered the basic areas of financial market structure and Operations of the capital market and three modules from shariah principles and contracts relating to Non-Interest

Capital Markets.

He reiterated that Level II is aimed at consolidating participants' understanding of the theoretical and practical aspects of the NICM.

"Armed with this training and subsequent ones to come, the participants would undoubtedly have the potential to provide Shariah advisory services for the Islamic finance industry, particularly the non-interest capital market's operations as it relates to Shariah principles and rulings," he noted.

Yuguda pointed out that the non-interest finance sector has gradually grown to become a distinct industry within the broader financial landscape, offering alternatives to traditional interest-based financial systems.

He noted that the significant progress recorded in this area is evidenced by the last ranking of Nigerian Islamic finance in 13th place on the Global Islamic Finance Development Indicator 2022, ahead of countries like Bangladesh and Turkey.

Zenith Bank pushes back headwinds, earns N1trn in H1'23

business a.m.

ZENITH BANK PLC PUSHED back on macroeconomic headwinds in the first half of the current financial year to June 30, 2023 to record an outstanding financial performance posting 139 percent in gross earnings from N404.8 billion last year to N967.3 billion.

The triple-digit growth in the period under review has been described as a demonstration of the bank's resilience and its strong market share despite a very challenging macroeconomic environment and persistent headwinds.

The bank's audited half-year financials presented to the Nigerian Exchange (NGX) indicated that the

growth in the top line also spurred the bottom line as the group recorded a 169 percent Year on Year (YoY) surge in profit before tax, which advanced from N130 billion in H1 2022 to N350.4 billion in H1 2023.

Also, profit after tax appreciated by triple digits, growing by 162 percent from N111.4 billion to N291.7 billion in the same period.

Gross earnings performance also recorded a significant growth from both interest income and non-interest income. Interest income grew by 72 percent from N241.7 billion in H1 2022 to N415.4 billion in H1 2023, while non-interest income was up 246 percent from N149 billion to N515.7 billion.

The growth in interest income is attributed to the impact of both the growth and repricing of risk assets.

Meanwhile, the growth in noninterest income was driven by the liberalisation of the foreign exchange market during the period as revaluations gains improved significantly.

In terms of efficiency, the cost-to-income ratio improved from 58 percent to 38.5 percent in the current period on the back of an enhanced income line.

The financials also showed that the liberalisation of the foreign exchange market coupled with the heightened risk environment resulted in cost of risk growing from 1.4 percent to 8.8 percent. During the reviewed period, cost of funding rose YoY from 1.4 percent in H1 2022 to 2.6 percent, buoyed by the spike in interest rates between both periods as interest expense grew from N57 billion in



H1 2022 to N153.6 billion in H1 2023.

The bank's total assets increased 31 percent from N12.3 trillion to N16.0 trillion in December 2022, mainly driven by growth in customers' deposits and the devaluation of the local currency.

Customers' deposits rose 30 percent from N9.0 trillion in December 2022 to N11.6 trillion in June 2023.

Loans and advances by the leading tier-1 bank

in Nigeria also grew by 32 percent from N4.12 trillion in December 2022 to N5.38 trillion in June 2023 partly due to the revaluation of the foreign currency denominated loans as well as growth in local currency loans.

Despite the deterioration of the macro and heightened risk environment, the bank's non-performing loans ratio improved from 4.3 percent to 3.9 percent in December 2022. This was

attributed to the company's currency mix of risk assets.

Capital adequacy ratio also improved from 19.8 percent to 22.0 percent, while liquidity ratio reduced from 75 percent to 61 percent in the current period, with both prudential ratios still well above regulatory thresholds.

The bank maintained that the reorganisation into a holding company structure has advanced, as the group adds new verticals to its businesses and expands into new frontiers.

The financial group stated that going forward, it pledges its commitment to remain dynamic in anticipating and responding to the changes in the fiscal and monetary environments in order to sustain growth across all its business segments and markets.

AfDB's Adesina pitches Africa's \$1trn agriculture potential to Korean investors

Onome Amuge

A K I N W U - MI ADESINA, president of the African Development Bank (AfDB), has called on Korean investors to seize untapped investment opportunities in the continent, especially in the agriculture sector expected to grow to \$1 trillion by 2030.

Adesina made the call at a business forum during the just concluded 7th Korea-Africa Economic Cooperation Ministerial Conference held in Korea's second-largest city, Busan.

Addressing chief executive officers (CEOs) of Korean corporations, heads of financial institutions as well as ministers and business leaders from Africa, the AfDB president highlighted the potential for Africa to become a leading market frontier as it boasts enormous potential in agriculture and renewable energy sources which cannot be ignored by investors.

He assured the Korean investors that Africa, with a population of 1.3 billion, of which 600 million are young people, was not as risky as reported, adding that it was a continent of opportunities, waiting to be tapped.

Adesina observed that



Akinwumi Adesina (l), president, African Development Bank (AfDB), with Bayo Adelabu, minister of power, during the ongoing "Just Energy Transition and Agricultural Transformation for Africa" conference in Busan, South Korea.

bilateral trade between Korea and Africa was important and growing, but said its volume needed to be improved being that Korea's trade with Africa in terms of exports and imports stood at only two percent of its total trade with the world.

He said this must change given Africa's rapid urbanisation and rising incomes of the middle class, huge economic opportunities and investment potential, and a rising consumer

expenditure size estimated to be \$2.5 trillion by 2030, which places the continent as a leading emerging market frontier.

Adesina also highlighted several sectors that offered huge opportunities, including energy and agriculture, noting that the latter has witnessed the development of special agro-industrial processing zones in which the bank and partners have invested more than \$1.5 billion in 11 countries.

Dwelling on the energy sector, the AfDB president clearly stated that Africa has enormous renewable energy potential, including 11 terawatt of solar, which is the highest in the world, but only one percent is utilised.

He also noted that though Africa has a capacity of 350 gigawatt (GW) of hydro, of which only seven percent is utilised; 115 GW of wind potential of which only two percent is used; and 15 GW of geothermal

power of which only two percent is utilised, an indication of a market awaiting investment opportunities.

According to Adesina, Africa, with an abundant number of renewable energy resources, is the perfect place to build batteries for electric cars and lithium-ion batteries.

On his part, Byoung Kim, Korea's 1st vice president, acknowledged that there were enormous opportunities for investment in Africa compared to oth-

er continents.

Sharing his conviction, the Korean minister of economy and finance noted that, despite global shocks, African countries were experiencing higher growth rates that could be better improved if the private sector harnessed the investment opportunities to boost investment and provide guarantees tailored to private sector needs.

Kim promised that the Korean government will work with AfDB to identify opportunities and use the KOAFEC Trust Fund to enhance the capacity of the private sector.

Meanwhile, the African Development Bank (AfDB) and the government of Korea have signed two agreements for financial support, valued at \$28.6 million to boost Africa's development agenda.

The funding complements \$600 million in co-financing under the Korea-Africa Energy Investment Framework, agreed with the Korean government in 2021, expected to support African countries in building human capacity and developing their energy sectors.

Business A.M. gathered that the new funding is to be disbursed to the African Development Bank Group in three instalments: \$4.6 million in 2023, and \$24 million in 2024 and 2025, and will primarily support energy access, agricultural transformation, and knowledge and capacity-building across a number of African countries.

Policymakers seek innovative finance for Africa's \$300bn adaptation shortfall

Cynthia Ezekwe

WITH AFRICA REQUIRING over \$300 billion annually for climate adaptation, policymakers and government officials have called for the implementation of innovative mechanisms to unlock finances for climate adaptation.

Policymakers made the call at a high-level event on the sidelines of the Africa Climate Summit held recently in Nairobi.

In his keynote address, Ibrahim Cheick Diong, the United Nations assistant secretary-general and director general of Africa Risk Capacity Group (ARCG) stressed the importance of exploring new paradigms to mobilise finances for climate adaptation.

"It can't be business as usual - we need to innovate. We need to create a triple A of climate finance; Adaptability, Affordability, and Accessibility of climate finance. I believe that adaptation and mitigation can go hand in hand," Di-

ong said.

Vera Songwe, a non-resident fellow at Brookings Institute, underlined the need for effective governance and reforming policy frameworks to favour investments in climate initiatives such as renewable energy, green transition, and sustainable public infrastructure.

Songwe said Africa needs to get out of its slow growth through reformations in the global financing architecture to create room for fundings.

"Domestic resource mobilisation from carbon markets is pivotal. A more transparent carbon market exchange will encourage this. In a perfect carbon market, Africa can earn about \$50-180 dollars," she added. Amadou Hott, the special envoy for the president of the African Development Bank (AfDB), highlighted the critical role philanthropy has in helping governments address the skill gap by helping them attract talent but also providing them with valuable capital that can serve as guarantees.

business a.m.

THE ASSOCIATION OF BUREAUX DE CHANGE OPERATORS OF NIGERIA (ABCON) is seeking the merger of bureaux de change (BDC) rather than recapitalisation of the industry, to effectively help its corporate governance and rules of engagements with the apex bank.

According to ABCON, the merger option was adopted for class 'A' BDCs in 2007/2008, which entitled them to \$1 million weekly allocation with a N500 million capital base.

The group therefore called for a similar business model through mergers and consolidation rather than outright review of the capital base of each operator, noting that each of the CBN-licensed BDCs is capitalised to the tune of N35 million and should be allowed to willingly consolidate among themselves.

Aminu Gwadabe, the ABCON president who spoke extensively on the issue, said the group never asked for upward review of N35 million mandatory regulatory approved capital base for each BDC, but a

ABCON opts for merger over recapitalisation of each BDCs

merger of at least 10 BDCs to form new capital of N350 million.

The move, he said, would enhance the scope of operation and diversification of sources through various windows and reduce regulatory pressures.

He further explained that the merger of multiple BDCs into a stronger entity will prepare them for a higher role in the financial system, including handling of diaspora remittances or other offshore funds attracted to the economy to deepen forex access at the retail end of the market.

Gwadabe said the merger of multiple commercial banks in 2004 consolidation exercise by the apex bank is an example the apex bank could adopt for the BDCs to streamline their numbers and present easily manageable operators for maximum impact in the foreign exchange market.

He said: "ABCON rejects reports calling for BDCs recapitalisation by a section of the media. The media quoted us out of context and we

are working to put a proper narrative".

The ABCON president also advised that the CBN should not issue any licence during the period to avoid venture capitalists taking over the business from the already skillful operators.

He said with over 40,000 Nigerians employed by the sub-sector, there was a need to support the BDC business for sustained economic growth and employment generation.

Gwadabe said foreign currencies dealt in by a BDCs are derived from private sources and such other sources which may include the CBN window as determined by the CBN from time to time for the purpose of funding Business Travel Allowance (BTA), Personal Travel Allowance (PTA), School Fees Payment abroad, medicals, mortgage, personal home remittances and subscription.

He said ABCON has been for years training compliance officers to ensure they are acquainted with what is required of them, espe-

cially on monthly rendition of results and tracking illicit capital flows through compliance.

According to Gwadabe, BDCs are complying with the rendition of suspicious transactions reports as directed by the Nigerian Financial Intelligence Unit, the CBN, and the Economic and Financial Crimes Commission (EFCC).

He said that ABCON has over the years established itself as a key player in the BDC industry, and has also made several commitments and sacrifices to ensure that the sector continues to thrive despite all odds.

"The recognition of the role of BDCs in Nigeria's financial sector remains the first step to building a sustainable and viable forex market that is comparable to what is obtainable in other developed economies. But getting the Nigerian BDC sector to where it is desired to be demands hard-work, quality leadership, regulatory foresight and sound government policies," he concluded.

GHANA DISPATCH ... GHANA DISPATCH ... GHANA DISPATCH

Isaac AIDOO in Accra, Ghana

INVESTMENT ADVISORY SERVICES firm, C-ENERGY Ghana is pushing for a 2.5 percent additional levy on the profits of gambling and betting operators to specifically fund gambling research, education and treatment of addictions that gamblers are diagnosed with.

Felicia Owusu, a senior analyst with the firm, in a research paper noted that "this levy would augment the top-line revenue tax rate of 20% which is currently applied to operators in Ghana."

She argued that the levy will guarantee funding for government-sponsored demand-reduction interventions which have proven to be the most effective approach to preventing gambling addictions across some jurisdictions.

Ghana's revenue authority on August 15 commenced the implementation of a 10 percent withholding tax on all gross winnings, including betting, gaming and other games of chance. The GRA said that the new policy was in line with an amendment to the Income Tax Act 2023 (No.2), Act 1094.

The new tax has received mixed reactions from various sections of society with the most vocal segments arguing that the new tax will fail to significantly impact government revenue. The ongoing debate on the likely effect of the win tax on the growing gambling industry has put the industry under increased spotlight.

The potential dangers of gambling among African youth deserve serious attention. The high unemployment and poverty rates have made online sports betting a very attractive venture which is increasingly serving as a makeshift source of income for

Gambling in Ghana

Push for additional levy on betting operators' profits



Betting shop in Accra

the youth.

The disturbing phenomenon is that the poor and desperate are more vulnerable to gambling addictions.

According to C-ENERGY, in the long-term, African governments risk lower savings rates among key demographics (youth and elderly) that are most likely to develop gambling addictions.

Raise cost of operating licences

C-ENERGY proposed further that licences for online betting companies should cost at least five times the current price of GH¢2 million (US\$170,000) to increase government revenue. Online sports betting licence in Kenya for example is about US\$1million equivalent.

"This is necessary to make up for the loss of employment and taxes associated with land-based oper-

ators. It would also ensure that only well-capitalised companies obtain and renew operating licences to sanitise the industry," the paper argued.

Contingency deposit to protect gamblers

The Gaming Commission should consider introducing a requirement for operators to keep 25 percent of the minimum bankroll requirement with the Commission as a contingency deposit. The contingency deposit would be fully refundable once the operator exits the market with no outstanding winning claims. This would create a sizable pool of cash for the government in the short-term and enable the Gaming Commission to protect punters against defaults in the payment of winnings in the absence of a Gaming Tribunal to resolve payment disputes.

Owusu noted that

across a number of major gambling markets including Macau, Portugal and Austria, online operators' top-line revenues are taxed between 15 percent and 40 percent to cater for challenges associated with the corporate income tax approach.

"Considering the average win amount (which is less than US\$50) and the low frequency of gambling winnings (85:15 in favour of the operators), the replacement of the corporate tax and VAT applied to operators with a new 20 percent tax on gross revenues is a step in the right direction since it will have a much greater impact on government revenue from the gaming industry," she explained.

Govt defends policy

Government has defended the policy in the face of mounting criticism. Pius Enam Hadzide, chief

executive officer of Ghana's National Youth Authority said his outfit had welcomed the policy because it would discourage the youth from gambling.

But Owusu points out that though taxation has been an effective tool in disincentivizing the use of tobacco, alcohol and even sugary drinks, "application to gambling poses unique risks. It may end up doing more harm than good.

"This is because the 10 percent tax will effectively increase the net losses of gamblers as wins shrink by the tax margin. Net gambling loss correlates with incidence of adverse effects including stress, depression and anxiety among punters and their relatives and rising crime rates and social welfare costs on the societal level. Further, it will fuel the black market by allowing illegal operators to compete on price as wins on unregistered gambling platforms would be tax free and, therefore, preferable," she explained.

We are betting our lives away

Francis Korkutse, a veteran Ghanaian journalist, in an article published in a Ghanaian newspaper in 2021, lamented the manner in which mushrooming betting houses in Ghana were gradually grooming Ghanaian children into future gamblers.

He warned, "there is the urgent need to look at the social problems the betting houses may be creating for us to handle in the future.

"In some suburbs,



Felicia Owusu, analyst with C-ENERGY, Ghana

school children have started patronising these betting houses and it is possible some have started skipping school. Let us be clear, anyone who grew up in the inner cities in this country saw how "Lucky Numbers" affected lives. Some people spent all they earned to gamble and were left with nothing. All this is a pointer to the fact that betting is addictive and so, encouraging it in any form is dangerous," Korkutse wrote in his piece.

Quoting reputable sources, the veteran journalist, worried about the future of the Ghanaian youth, brings to bear the dramatic destabilising effect of gambling and betting providing examples in jurisdictions that suffered similar experiences.

Africa could lose heavily from gambling addictions

Assuming the prevalence of online gamblers is held constant at three percent (trend suggests higher), African countries could collectively expect to lose more than \$45 billion annually to online sports betting alone by 2050.

For a developing continent, \$45 billion annually would go a long way to increase investment in infrastructure and human resource development.

It is therefore critical for African countries like Ghana to ensure that appropriate measures are taken to protect vulnerable populations from falling victim to these risks.

THE GHANA AIRPORTS COMPANY LIMITED (GACL) has emerged "Winner" of "Best ERM Compliant Institution" in the State Owned Enterprises (SOEs) category of the Internal Audit Agency's (IAA) Annual Awards to institutions in Ghana.

The award was presented during the 2023 Internal Audit Conference held at the University of Professional Studies, Accra (UPSA) on Friday, September 15, 2023.

Enterprise Risk Management (ERM) is the process of identifying, analysing, managing and monitoring current and emerging risks in an integrated way across the breadth of the enterprise. It provides the methodology for integrating risk into the strategic planning

GACL grabs 'Best ERM Compliant Institution' award



Pamela Djamson-Tetteh (3rd right), managing director, GACL, receiving the award

and resource allocation processes at the strategic level.

GACL has maintained an effective, consistent and transparent system of En-

terprise Risk Management (ERM) in accordance with ISO 31000:2018.

A citation presented to Pamela Djamson-Tetteh, managing director, GACL, in recognition of the feat chalked read, "Your efforts at standardising, development and mainstreaming Enterprise Risk Management (ERM) practices in your organisation, has engendered effective decision making in the management of risk and regulatory compliance. For improving decision making and minimising risks the operations of the GHANA AIRPORT COMPANY LIMITED is exposed to, the internal Audit Agency confers on you the award of BEST ERM COMPLIANT INSTITUTION IN THE 2022/2023 AUDITING YEAR - SoE CATEGORY."

Commenting on the pos-

itive development, Djamson-Tetteh said, "we deem it a great privilege to receive this recognition from the Internal Audit Agency (IAA). This award is a validation of GACL's internal systems designed to monitor and promptly manage current and emerging risks within the organisation, which are working well."

She indicated that "for an industry that thrives on safety, GACL prioritises Risk Management and continuously updates its risk register to reflect current trends. This award will undoubtedly spur the team on to ensure that Enterprise Risk Management is embedded in all facets of the organisation."



Quoted Insurers

	P/Close	Open	High	Low	Close	%Change	Volume	Value
Security	0.65	0.65	0.66	0.64	0.65	0	1,617,382	1,052,256.60
AIICO	0.4	0.4	0	0	0	0	44,029.	17,671.60.
WAPIC	2.04.	2.04.	2.07.	2.07.	2.07.	0.03	2,618,989	5,420,306.56
MANSARD	0.68	0.68	0	0	0	0	30.	19.80
CHIPLC	3.85.	3.85.	3.86.	3.70.	3.70.	-0.15	892,130.	3,341,494.25.
NEM	0.62	0.62	0	0	0	0	33,599.	19,825.88.
CORNERST	0.56	0.56	0	0	0	0	486,660.	258,848.34.
LINKASSURE								



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

Cynthia Ezekwe

Premium flight

Experts weigh in with capacity building, collaboration as panacea

INSURANCE EXPERTS HAVE CALLED on insurers to build capacity, and collaborate, to address the high rate of premium leaving the domestic market to foreign markets.

Annually, huge capital leaves the shores of the regional and sub-regional insurance market in Africa, to overseas markets in Europe and America through reinsurance, brokerage business, and underwriting of high-tech and huge ticket businesses due to lack of capacity, technical know-how, and lack of reasonable capital.

Prisca Soares, the former secretary general of the Africa Insurance Organisation (AIO), recently confirmed that the African regional insurance market loses \$6 billion to \$8 billion annually to Western markets mainly through brokerage and reinsurance services.

Soares said AIO arrived at the above figure based on a study on premium flight it conducted in 2016 and insisted that rather than abating, the situation has been worsening year-in-year out because of preference for foreign markets to local markets by the regional business operators.

Soares, who disclosed this during a panel session at a conference organised by the Nigerian Association of Insurance and Pension Editors (NAIPE), urged the government to ensure that insurance is not wished away in signing contracts for foreign direct investment (FDI).



L-R: Dotun Adekanmbi, lead strategist, Strategic PRWox, presenting the Best Value-For-Money Insurance and Best Value-For-Money Pension awards to Moyosoreoluwa Aiyelatan, head, brand and corporate communications, Leadway Pensure PFA; Olugbenga Oriowo, head, high network clients; Aishat Bello-Garuba, team lead, corporate services, Leadway Group; and Akonte Ekine, convener, Consumers Value Awards at the 2nd edition of Consumers Value Awards Night 2023 in Ikeja, Lagos, recently

Industry reports have shown that Africa's insurance sector is often overlooked within the broader financial service markets, despite its long term development and financial potential to impact overall economic growth.

Consequently, research on the insurance sector in Nigeria has also shown that premium flights have been concentrated in the oil and gas, and aviation sectors. The often adduced reason is that the capital of all the

insurance companies in Nigeria put together cannot insure one oil rig of an oil company in Nigeria. On the other hand, airline operators have attributed the high insurance premium rate charged by Nigerian insurers for the premium flight in the sector.

Responding to questions put to him by Business A.M., Ekerete Olawoye Gam-Ikon, a management consultant in insurance and entrepreneurship, said: "Understandably, in my view, insurance is a global business

dominated by collaborations and risk sharing across economies and different entities need to have strategies to win more, one of them being capital. With more capital, they attract more shares of the risks and ultimately, premium."

He noted that insurers need to address the problem of premium flight by taking certain strategic steps, which includes increase in capital, technical capacity to handle certain risks and modernising reinsurance solutions to

meet emerging needs.

Gam-Ikon emphasised that capacity building is critical, imploring insurance regulators and operators to open up to new knowledge that will enable them to build a sustainable future.

"To achieve these, we need regulatory actions and sanctions where necessary. Pending the passage of the bill, certain issues should be brought out to address urgent matters of low share of premium that we receive due to low capital allocated

to special risks," he noted.

The insurance expert suggested further that rather than the current regulatory guideline that requires special risks to be exhausted by all insurance companies before going abroad; a select number of strong insurance companies should be grouped together to provide the needed capital and continue on a deliberate plan to increase their capital and technical capacity.

Also speaking on how premium flight can be addressed, regional insurers at the recent West African Insurance Company Association (WAICA)'s education conference held in Lagos, pointed out that cooperation and collaboration among the regional and sub-regional insurers would go a long way to strengthen them for optimal performance.

Mohamed Adamu, chief finance officer, Unique Insurance Company Limited, Accra-North Ghana, one of the participants at the WAICA event, noted that the sub-regional insurers needed collaboration to stand strong, adding that collaboration would help them to underwrite big-ticket businesses, which are flown abroad.

INSIDE INSURANCE



EKERETE OLAWOYE GAM-IKON, MNIM, CPP

Ekerete Ola Gam-Ikon, MNIM, CPP, is a Management Consultant in Insurance and Entrepreneurship. He can be reached on +234-802-585-0344 (WhatsApp only) or eolagamikon@gmail.com

obligations namely claims, statutory payments, employees' salaries and payments to suppliers. These insurance companies are often unknown to the public because the names are not publicised and YOU are required to find out on your own.

The shape of the "insurance war" is both internal and external, and you may say, what's the big deal, after all, it happens elsewhere. Let's find the difference.

Change is coming

The leadership of the insurance industry in Nigeria is changing in a rather disruptive manner both at the regulatory level due to short time the Commissioner for Insurance has for his tenure to be renewed, and the operational side, given the directive of the regulator for their CEOs and EDs who have served the maximum time allowed by the law to leave.

With the deadline of December 31, 2023 for insurance companies to heed to the regulatory directive, we expect to see these changes

The 'insurance war' has just begun

before the end of the year, and many are hopeful that this will bring a new order in the industry.

It is therefore important and necessary for YOU to follow the news and developing stories about the insurance industry, so you're well informed about the status of the licensed insurance companies, because some are going to be sold or taken over by new owners.

Claims, the linchpin of insurance business will remain on the front burner while communication will become the point of impact for expressing customers' impressions.

What to look out for in successful insurance companies in Nigeria are few but not sufficient. Yes to prompt claims payments depending on the mindset of their leaders. Yes to prompt delivery of documents and yes to a reliable renewal system.

However, customers desire to be informed regularly

in a manner that keeps them informed about the insurance industry in Nigeria. No insurance company currently does this consistently, especially using social media platforms. Insurance companies are still not appearing where existing and potential policyholders (customers) are, because their leaders feel those platforms are either overburdened by social miscreants or hate messages that do not bring value to the industry.

Join the "insurance war" today by scrutinising everything that comes to you; ask the hard questions about leadership and future actions especially as they may affect you.

The dimensions of the "Insurance War"

Today, the small disagreements and battles between the Insurance Companies and the Insurance Brokers have become the crux of the "Insurance War" being

watched by customers.

Why should Insurance Brokers be at war with Insurance Companies when they're playing completely different roles? Why do insurance companies insist on dealing directly with the customers mindless of the insurance brokers?

As a customer, be mindful of the situations expressed here so you are guided. Avoid getting involved with how the commissions from your business are shared so you're not compromised while discussing your claims when they happen.

The unending "Price Battle" within the "Insurance War" has remained a very unnecessary and needless happenstance for years.

Insurance companies, especially the financially weak ones, have continued to deceive the insured public. They give their customers very low rates to win the business but are unable to honour claims obligations when

the need arises. Sometimes, it's interesting to know that these insurance companies only pay the claims of certain customers to remain good looking before them while other clients have been crying for years, in some cases, over five years; and this affects individuals, organisations and government agencies. Nobody is left out!

The deep end of the "Insurance War" is the one between the insurance operators and the regulator over the latter's approach to market development. The strategy of the current administration is hinged on market development. However, too many actions of the regulator emphasise collection of fines from the operators for the slightest missteps and it does not matter if it was related to premium earned, which one percent will go to the regulator.

Such middle of the road regulatory actions only creates a less innovative environment that stifles the

ECONOMICS & FINANCE



SHIWON
SONG

Assistant Professor of
Accounting and Control

FOCUSING ON THE RIGHT information can pay dividends for any investor.

Trading in stocks and shares used to be the domain of hedge funds, stockbrokers and banks. Yet, the last decade has seen a growing number of retail investors looking to play the markets.

The rise of trading platforms and easy access to firms' financial information online have made investing a viable choice for many individuals, whether as a hobby or a way to earn some extra income. Institutional Investor found that everyday investors were behind 52 percent of global assets under management (AUM) in 2021, with this number set to rise to over 61 percent by 2030.

Obviously the goal of any investor, be it a professional institution or an individual, is to make money. This is achieved by spotting profit opportunities and investing while they remain available. This typically involves identifying an undervalued firm and investing while its share price is low and selling when the stock price rises.

The best way to spot such opportunities is by studying an individual firm's available financial information, be that quarterly reports or annual financial statements. Investors then use that data to make their own prediction on how that firm might perform in the future.

The challenge is making the right decisions by paying attention to the correct data. For every winner there needs to be a loser. The fact that many investors don't make the right trading decisions is what allows the market to operate. But what leads people to make bad investments and allows others to profit at their expense?



Pay Attention to the Details

One issue, highlighted by my recent research, is that despite having access to additional information, many individual investors still focus on earnings summaries. They then make misinformed investments, which institutional investors can exploit.

Understanding the accrual anomaly

The accrual anomaly is one such investment mistake. It means that many investors fixate too heavily on how much profit or loss a firm makes when deciding if it is a good investment.

There is nothing wrong with this per se, but it fails to consider the full financial picture of a company. To get that, investors need to consider accruals. An accrual is the revenue earned or expense incurred by a company, although the cash related to that transaction has not yet changed hands.

Take a company who makes solar panels. It has to buy the raw materials from a third-party supplier. Rather than paying cash at time of delivery, the firm benefits from delayed payment terms, so it can sell the finished products before paying the supplier. In accrual accounting, the purchase of raw materials would be marked

down as an accrual expense, a negative figure in the accounts balance sheet.

In the same way, the firm may sell 10,000 finished solar panels to a government agency. Under the terms of the deal there may be delayed payment terms for the panels. Yet the money the agency agreed to pay in the future will be recorded as an accrual revenue at the time the deal is struck.

Considering these accruals obviously gives an investor a much clearer picture of a firm's financial health. The accrual anomaly arises when investors fail to distinguish between actual earnings and accruals. As a result they can become overly optimistic about the prospects of firms that hold high accruals. A good profit return might suggest a firm is performing well, but if it has a high level of accruals – say in the form of uncollected revenues that have already been recorded – then the longer term outlook may not be as bright.

On the flip side, firms with low accruals can be undervalued by sections of the market. They record less profit, so may not seem a great investment. Understanding this anomaly leaves opportunities for investors with a more holistic view of a

firm's finances to exploit this misalignment.

This is not a new or unknown phenomena. Richard Sloan correctly tested the theory in a 1996 paper, while it has been argued that the concept can be traced back to the 1930s. Hedge funds have previously taken great advantage of the strategy, resulting in a significant decline in the effect by the early 2000s.

Failing to focus

However, as my paper demonstrates, the anomaly does persist, even when firms receive high levels of attention and investors have access to the accruals data. Why? Is it that many investors simply don't have the time or is it that they just don't pay attention to the right information?

Based on my research, I believe it is the latter, especially for less sophisticated individual investors. By studying Google Trends for records of searches for accounting information I could identify if investors were searching for this type of information. I could then cross check that against the subsequent investment decisions made.

Investors who paid more attention to accounting information showed better efficiency in processing simpler

data, reacting favourably to positive earnings reports. However, even when there was heightened attention to a company's accounting data, less sophisticated investors didn't show the same effective processing of accrual information to make investment decisions. This was not the case for institutional investors.

Imagine Amy and Ben, two investors both looking at fictional company TechCo's positive earnings report. Ben, a busy engineer and retail investor, is aware of the company's earnings growth through the media. However, he doesn't have the resources (either time or expertise) to fully comprehend the firm's accruals.

The financial year in question saw TechCo purchase new equipment and property to expand their operations. They paid cash, but the purchases were not recorded as expenses but marked down as assets. The firm's net profit was therefore higher than their cash spending. Yet these assets will be expensed in the future in the form of depreciation. As a result Ben overprices the value of TechCo.

Meanwhile, Amy who works for a hedge fund pays attention to the full accounting details. Her grasp of both

earnings summaries and accrual information allows her to get a clearer picture of TechCo's true financial situation.

This discrepancy illustrates the study's main finding: Attentive investors can accurately process accounting information for informed decisions. Less attentive investors might misinterpret or overlook important details, leading to less accurate investment choices.

As the number of retail investors continues to increase around the world, the greater the need to ensure their protection. Better education and raising awareness around the accrual anomaly by organisations such as the US Securities and Exchange Commission (SEC) could be one simple way to level the playing field. It can't guarantee individual investors will make better investment decisions but at least they would be making decisions based on the right information.

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FAMILY BUSINESS



MASSIMO MASSA

Professor of Finance



LUDO VAN DER HEYDEN

*Emeritus Professor of
Technology and Operations
Management*

environment through effective governance practices including ownership boards. This approach is distinct from the typical leadership narrative that centres on executives or boards of directors.

Our blueprint for owners eager to create value rests on three pillars: hardware, software and humanware. The hardware section explores how value creation is intrinsically structured by the mission owners define for their firm, rather than through external metrics like share price or EBIT. This observation serves as the foundation for a novel framework structured around “three boards” (Owners, Corporate and Business) – an integrative governance architecture designed for effective value creation.

CEOs and their executive team are tasked with turning the mission into reality. This involves crafting goals and strategies that align operations with the owners’ mission and that acknowledge constraints such as industry competitiveness or regulatory and legislative norms.

The framework also elucidates the key and complementary role played by corporate boards: They ensure the real synergy of executive-proposed goals and strategies with the owners’ mission. Validation, strategy refinement and safeguarding owners’ control over their businesses are primary responsibilities of these boards. Competencies like strategic and counterfactual thinking are imperative for corporate boards aiming to enhance owners’ value.

The second pillar for value creation pertains to the development of an effective software among the three boards that jointly govern owner-led firms. This section presents a framework for effective communication and decision-making within and across each board. It examines the influence of biases on decision-making at both individual and group levels and provides actionable recommendations for boards to formulate and adopt leadership strategies that better manage pervasive biases.

Honing in on humanware

The humanware aspect is the third pillar of the value creation tripod. After all, ownership, governance and value creation are inherently dependent on the human characteristics of directors and executives, and particularly owners. People bring their unique characters and personalities to ownership and the boards they contribute to. Their personal histories, memories, myths, ideologies, anxieties



The Power of Distinct Owners as Value Catalysts

and dreams also shape their ownership conduct.

The ownership profiles presented in the third part of the book demonstrate that no single individual possesses all the necessary talents required for a specific venture or enterprise to succeed over time. Effective owners are aware of their talents, leveraging them as their “secret sauce” for effective ownership. However, it’s equally important for them to identify the talents they lack and must make up for. These gaps can be bridged by acquiring and nurturing competencies, although they will never be a complete match for missing talents. Consequently, relying on trusted advisers and allies who possess the requisite talents becomes a prudent strategy for value creation, and particularly in mitigating potential value destruction.

In difficult times, adept owners, fuelled by their unwavering drive and clear sense of purpose, contribute significantly to the sustainability and longevity of their firms. Much like athletes, they are driven by inherent talents, yet develop and refine their game over time, using setbacks as opportunities for vital reflection and learning. They are typically guided and inspired by mentors whose wisdom, advice and principles play a fundamental role in developing their ownership craft.

The unique and idiosyncratic dynamics of ownership are illuminated through the life stories of several owners in the third and final part of our book. Each owner, successful or not, offers his or her unique perspective on the multifaceted nature of the ownership journey. We illustrate the diversity

of approaches and styles by showcasing three of those owners.

The pure owner: Warren Buffett

Warren Buffett, the owner of Berkshire Hathaway, needs little introduction. Buffett has consistently made the major investment decisions for his firm after consulting with his small staff and his long-time partner, Charlie Munger. Governance and management of investee companies are left to professional CEOs and their boards. Buffett’s business is ownership in its purest form; investments and capital allocation are his only focus.

Buffett exemplifies the importance of having a distinct ownership mindset and philosophy. His success stems from an unwavering focus on developing and attaining financial valuation mastery, coupled with a passion for the investment business and an undeniable aptitude for corporate valuation.

Buffett’s dedication to studying companies and trusting their management stems from his belief in capitalising on market mispricing in the short and medium term, while maintaining a long-term investment perspective. Remarkably, he has applied this principle of “sticking to one’s knitting” to succession planning, channelled a significant portion of his wealth into foundations – most notably the Gates Foundation – alongside several others overseen by his children.

The collaborative owner: Dominique Moorkens

Unlike Buffett, Dominique Moorkens, a Belgian second-generation owner,

was schooled in owner-management by his father. This allowed him to take charge, at an early age, of automobile concessions, successfully transforming them into thriving businesses.

After his father’s passing, Moorkens shifted from management to governance, reshaping the family’s automotive distribution company’s structure. He and his siblings reorganised their father’s multiple businesses under a single holding company, Alcopa. They introduced professional governance practices, including appointing independent board members and an independent chairman. This proved crucial in navigating transitions and adapting to changing business contexts while preserving family unity.

Post Moorkens’s CEO tenure, succession challenges involving non-family CEOs led to an unusual dual co-CEO arrangement by the third generation, taking Alcopa in a new direction beyond the automotive industry. Even in retirement, Moorkens’s active involvement as an investor and mentor, along with preparing his daughters for their ownership roles, continues to exemplify his adaptability and collaborative leadership.

The resilient owner: Anu Aga

Anu Aga travelled a very different route to second-generation ownership of Thermax, an Indian family business. Initially a social worker, Aga’s involvement in the family’s manufacturing firm began when her future husband joined the business. After the death of her husband – who had taken over the company – she assumed the role of executive

chairperson. She steered the company through a downturn, implementing changes that produced a successful turnaround.

Despite personal tragedies, including the loss of her son, Aga’s resilience and commitment to giving back to society remained constant. She ensured a smooth succession by passing the chairperson mantle to her daughter, Meher, who has ensured that Thermax continues its growth trajectory while emphasising ethical values and stakeholder care.

Aga’s mindful approach and openness to help and advice are traits often absent in second and subsequent generations of ownership. She highlights the significance of supportive family foundations, open communications, constructive dialogues and decisive actions. In contrast, the lack of such unity can lead to tragic consequences, as families may fail to listen to each other. This can ultimately destroy the very bonds that hold these families together, with destructive consequences for their businesses.

Lessons from successful owners

These different profiles bear a common message: Ownership is an intensely human experience, marked by remarkable achievements as well as extraordinary trials and setbacks, and one where resilience is built by turning defeats into future victories.

They serve as poignant reminders of the crucial ingredients for sustainable and successful ownership ventures: an unrelenting search for mastery in what one does, effective governance enabling trust in management as well as board members, family cohesion and support, strategic succession planning and an unflinching spirit of open-mindedness.

The continuous pursuit of effective governance should remain a steadfast goal for owners, transforming into a recognised and verifiable competence over time. This transformation, with governance at its core, is motivated not only by expanding ownership responsibilities in chaotic contexts but also by rising concerns over corporations’ impacts on society and the environment.

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TECHNOLOGY

SCOTT A. SNYDER
AND
HAMILTON MANN

Disruption or Distortion? The Impact of AI on Future Operating Models

AI doesn't have to be an existential threat to business models. Wharton's Scott Snyder and co-author Hamilton Mann explain how to integrate AI in a way that reaps benefits for all stakeholders.

THE FOLLOWING ARTICLE was written by Scott A. Snyder, a senior fellow at Wharton, adjunct professor at Penn Engineering, and chief digital officer at EVERIANA; and Hamilton Mann, group vice president, digital marketing and digital transformation at Thales.

With the weekly drumbeat of generative AI advancements and corporate leaders signaling the need for their organizations to harness the power of AI, larger questions are emerging for these same executives to address.

In addition to the ethical challenges that AI presents for their customers, employees, and society, companies must grapple with how AI will fundamentally shift their operating model, including the workforce. Almost two-thirds (65%) of American executives believe generative AI will have a high or extremely high impact on their organization in the next three to five years, but 60% say they are still one to two years from deploying their first GenAI solution, per a recent KPMG survey.

Ignoring the seismic shift brought about by AI — particularly with Large Language Models (LLMs) like ChatGPT — is no longer a viable option for organizations. The torrential rise of AI, championed by industry titans such as OpenAI, Google, Meta, Microsoft, and Nvidia, is rapidly reshaping how work gets done and how companies operate and deliver value to their customers and shareholders.

Let's explore the key components of operating models that are most profoundly transformed by AI's influence: organization, people, processes, technology, and culture.

Organization: Blueprint Over Structure

In an era dominated by rapid AI advancements, it's crucial to assess the impact on the entire organizational blueprint, rather than merely the organizational structure. The forward-looking and comprehensive nature of a blueprint, designed for adaptability, offers a more inclusive approach that anticipates future changes and can seamlessly integrate AI's transformative potential into the very fabric of an organization's operations and strategy.

Preparing an organization for AI is less a matter of stringent modification and more about fluidity. Fluid organizations are capable of tapping into central expertise and data assets to augment AI skills

and innovate. As opposed to brittle, hierarchical organizational structures, fluid organizations follow the 80/20 rule, able to respond to 80% of predictable events while remaining flexible enough to navigate the 20% of unforeseen challenges.

The primary challenge lies in establishing a dynamic organizational structure that optimizes efficiency in addressing these regular tasks, allowing AI to enhance productivity while maximizing agility in responding to opportunities and blind spots.

Culture: Mindset Over Skillset

When companies embarked on their digital transformation journeys, they saw the need to double down on digital literacy and deep technology to achieve their objectives. But this era of AI requires a different emphasis — one that focuses on mindset over skillset. Rather than cultivating an army of data scientists and programmers, companies need to evolve their culture to embrace continual experimentation, responsible innovation, and the potential of AI to drive lasting impact for employees, customers, and communities.

Moreover, it's imperative to acknowledge that AI is more than just a technology or tool. It has the capacity to learn, adapt, and even make decisions based on the data and content it has access to, creating a unique superpower for end-users that requires both creativity and caution in how it's deployed. Blind reliance on AI without a clear sense of purpose or ethical considerations is sure to increase the risk of doing harm to the business and the people it serves.

True leadership in an AI-first future isn't about tech prowess but the ability to integrate technology meaningfully into the broader objectives of the organization, ensuring it aligns with human values and positive societal impact. Leaders must instill a mindset that allows the organization to push itself and challenge the status quo. AI must be approached not as an infallible oracle but as a powerful ally that, when used with discernment, can amplify human capacities.

Lastly, it's essential to understand that the very essence of any digital technology is its evolutionary nature. What may be a groundbreaking

innovation today could become obsolete tomorrow. Relying solely on the technical know-how of the present might lead into the trap of shortsightedness. This makes it critical for the culture to be built on continuous learning and adaptability.

Process: Data Over Procedure

As AI begins to take on an increasingly dominant role in decision-making, a critical challenge has emerged: understanding the labyrinth of data-driven processes that can be transformed with AI while maintaining trust with end-users.

Leaders must come to terms with the uncomfortable truth that AI's decision-making capabilities often far exceed human comprehension. Embracing practices like highlighting relevant data that contribute to AI outputs or building models that are more interpretable could enhance AI transparency. Using AI to diagnose a patient in a medical setting with oversight from the clinical staff is an example of how this transparency will be critical.

AI's effectiveness is heavily influenced by the data it processes. There will inevitably be biases because data are originally produced by humans, and the process of refining them involves humans again. To counter these biases, it's important to involve diverse teams in data collection and processing while also allowing AI models to learn and adapt from the data, including biases, to respond more genuinely to different perspectives. Rather than trying to irradiate bias, companies need to evolve their processes to acknowledge and manage it, reducing associated risks while advancing their AI innovation efforts.

There is also a trade-off around the size of data sets versus the accuracy and reliability of AI models. While big tech players race towards larger foundational models with over a trillion parameters trained on massive data sets, companies have an opportunity to leverage their own proprietary data sets to develop small, more focused LLMs with higher reliability and accuracy in domains such as content generation or customer assistance. This must be balanced with the recognition

that smaller data sets are less likely to encompass broader knowledge and depth of human perspectives.

People: Human Capital Transitioning Over Reskilling

Leaders need to face the new human capital challenge AI poses. While 62% of leaders are optimistic about AI, only 42% of frontline employees share that view, and only 14% have received AI training to date, according to a recent BCG survey. The emergence of AI necessitates new skill sets and competencies, redefining what expertise is essential for delivering value in this new "AI-conomic" era. But it goes beyond that.

The prospect of AI triggering mass unemployment is often overshadowed by optimistic predictions based on past technological revolutions. It is imperative, however, to examine AI's impact not through the lens of the past, but in the context of its own unique capabilities. The transition from horse-and-buggy to automobiles indeed reshaped job markets, but it did not render human skills redundant. AI, on the other hand, has the potential to do just that.

Contrary to the belief that AI should not create meaningful work products without human oversight, the use of AI in tasks like document or code generation can result in increased efficiency. Of course, human oversight is important to ensure quality, but relegating AI to merely auxiliary roles might prevent us from fully realizing its potential.

Take Collective[i]'s AI system for instance. Yes, it may free salespeople to focus on relationship building and actual selling, but it could also lead to a reduced need for personnel as AI handles an increasingly larger share of sales tasks. The efficiencies of AI could easily shift from job enhancement to job replacement, creating a precarious future for many roles. Similarly, while OpenAI's Codex may make programming more efficient, it could undermine the value of human programmers in the long run.

Certainly, investments in education and upskilling form a key part of any strategy to cope with job displacement due to AI. This includes fostering digital skills that

enable workers to adapt to the changing employment landscape and thrive in AI-dominated sectors. It is also imperative to craft comprehensive social and economic policies that provide immediate and long-term support to those displaced by AI's advancement. Social support services and career counseling should be made widely available to help individuals navigate through the transition.

Finally, a human capital value transitioning plan can cushion the impact of AI-induced displacement and build a resilient and inclusive organization while safeguarding its human capital.

Technology: Ethical Stands Over Value Proposition

AI introduces novel policies and standards, necessitating a reevaluation of decision-making protocols and organizational conduct. While having a flexible technology stack and data ecosystem are critical elements for scaling AI innovations, putting in place appropriate ground rules for responsible and ethical AI development is even more critical to ensure companies maximize benefit while minimizing harm to stakeholders.

But the agile nature of AI evolution has outpaced the regulation meant to keep it in check. The burden of ensuring that AI tools are used ethically and safely thus rests heavily on the shoulders of the companies employing them. It is essential for leaders to foster a culture of ethical AI development and usage, and not just depend on external watchdogs or regulation.

It's not just about reaping the benefits of AI, but also about responsibly integrating these technologies without causing harm to stakeholders. This necessitates not only technological sophistication, but also ethical mindfulness and societal understanding. Zoom, the popular videoconferencing software, illustrates this. The company made headlines and raised concerns when it updated its terms of service to gather customer data to train its artificial intelligence.

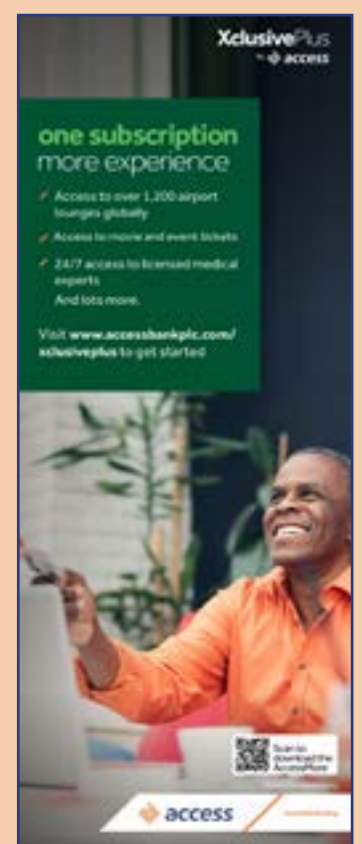
The path to responsible AI deployment is less

about picking the perfect technology solution and more about creating a technology environment that enables rapid experimentation and ethical use of the technology across the organization. Publishing your own ethical and responsible AI development framework that reflects the core values of your company and puts end-user needs first is a key step towards this path.

Pioneering AI-Driven Operating Models

Organizations will need to chart their own AI-transformation journey by prioritizing an adaptive blueprint over structure, emphasizing mindset more than just skillset, valuing data above procedure, placing emphasis on the transition of human capital value instead of just reskilling, and elevating ethical stances above traditional value propositions as shown in the figure below.

AI is like no other tech wave in history with the potential to empower employees, reimagine work, and shift how companies deliver value in leaps versus incremental steps. Companies that can quickly evolve towards improving their AI Quotient will begin to separate themselves from the pack in their respective industries in terms of speed and impact of AI-driven innovations. But this will require bold leadership and a radical approach to transforming the operating model to unlock AI's full potential. How ready is your company for the AI-wave? Don't look now, but it's already here.



ESG



ARTHUR VAN BENTHEM

Associate Professor of Business Economics and Public Policy



WITOLD HENISZ

Vice Dean and Faculty Director, ESG Initiative, Deloitte & Touche Professor of Management in Honor of Russell E. Palmer, former Managing Partner

How Accountable Capitalism Can Help the ESG Movement

Experts at a Wharton LinkedIn Live event outlined how corporations, investors, and policymakers can marshal leadership, data, and more transparent processes to advance sustainability.

in recent years, using more realistic or conservative definitions," he said. He cited recent research by experts at Wharton and elsewhere that found a sobering reality: The actual amount of ESG investing may be only 6% of the \$31.3 trillion in assets that the largest financial institutions manage, or about \$3 trillion. "The evidence that these ESG factors are driving change, launching new products, transforming companies, while often heard on the ski slopes of Davos, is a little less apparent in the data, the workplaces, and the discourses on firms and capitalism more broadly."

Henisz did a reality check with the conference panelists on how accountable capitalism is increasing "the transparency of externalities imposed or created by business models," and if governments, financiers, and employers are taking note of those. He also sought their views on finding better data and building better models to "drive substantive change" and secure meaningful reform for the ESG movement.

Below are highlights of the panelists' views on select aspects of the ESG chessboard:

Accountable Capitalism Defined

The panelists defined accountable capitalism as "a system in which stakeholders hold organizations accountable for the externalities they create, thereby better aligning long-term value created and distributed with the short-term incentives faced by financiers, resource owners, managers, and workers."

Who's Winning and Who Loses?

"Everybody loses if we have an ideological conversation where we don't go deep enough into what the risk factors are, and what the data tells us," Grancio said. "We should always be able to drive — and have a point of view on — what's causal in terms of long-term economic returns. Our dialogue today is shallow. It's not data rich, and it's too short term. That has to change, or we all lose."

On the wins, Grancio said it was gratifying to see

"great conversations" taking place on incorporating data on risks in investments. That helps separate data that captures investment performance and that which is values-based, she explained.

Companies are all across the spectrum in terms of their "maturity and openness in embracing accountable capitalism and what it means for their business," said Dimitracopoulos of her EY clients. The more mature companies "are truly differentiating themselves and driving innovation with a clear sense of what their stakeholders expect of them, going far beyond just their shareholders," she noted. At the other end of the spectrum are companies that are defensive and merely ensuring that they meet regulatory expectations. In the middle are the bulk of the companies, who are pursuing ESG initiatives that they have defined, but have to do more work in embedding them in their strategy and operations, she added.

Five Things Winning Companies Do

Dimitracopoulos said winning companies have a five-fold approach to ESG: One, they are "generally deepening their understanding of stakeholder expectations." Two, they are putting in place "the right governance" at the board and executive leadership team levels, and also "embedding this as a lens into how they think about their strategic priorities and growth agenda." Three, they are moving toward operationalizing those initiatives and allocating the right amounts of capital. Four, they're "staying very connected to the market, to their stakeholders, and transparently reporting on progress or lack thereof." Five, they are improving the quality of their data and what they can share from that.

Early Adopters Set the Tone

Unilever is often counted among the early crop of companies to embrace sustainability in a meaningful way, Henisz said, as he probed Alvarez on how it inspired other companies. Unilever did give momen-

tum to the sustainability movement. "Thankfully, there's more than the Unilevers," Alvarez said. She cited outdoor clothing brand Patagonia, and ice-cream brand Ben & Jerry's, a Unilever subsidiary. Ben & Jerry's investors are not surprised, a Wall Street Journal report noted, when it "supports returning to Native Americans what it claims is stolen land, when it advocates overturning voter-integrity laws, or when it favors defunding the police...."

But such accountable capitalism must become more widespread and deeper before it achieves critical mass, according to Alvarez. "We either all lose and all win, because even if we add up all the commitments of the Unilevers and many other organizations that are now making tangible steps towards this journey, it's simply not enough," she said.

How Public Policy Is Driving Change

According to Wharton's Van Benthem, "capitalism needs to be steered such that companies pay for the full societal damages that they create." Companies could "internalize externalities" in several ways, such as pricing carbon or other pollutants with a tax or with tradable permits in a carbon market, he said.

That approach seems to be working: Van Benthem noted that new carbon markets are forming at the U.S. state level, and that prices in almost all carbon markets worldwide have spiked dramatically over the last few years. "I expect that carbon markets will continue to grow and therefore that investing in carbon-intensive projects will become increasingly risky." He noted that the European Union recently approved the world's first carbon tax on imports. The tax is designed to make certain products a lot more expensive if they come from manufacturers that aren't paying for their greenhouse gas emissions, The New York Times explained.

How to Accelerate Accountable Capitalism

Alvarez said that with AI, analytics tools, and scenario planning, "we're going to have very different conver-

sations in the boardrooms as to what really the impacts and the scenarios are with different externalities, whether that is climate or social inequality."

But more data is required to track adherence to ESG values, Alvarez said. She pointed out that for instance, less than 20% of the social aspects of ESG are being reported. She also called for more reporting from companies on their human capital.

In scenario planning, as companies continue to innovate, there must be conversations on how they would retrofit their existing assets, Alvarez said. Transition planning is also critical, she added. "A lot of procurement officers don't really sleep at night because they know [the supply of] commodities depend on a lot of these fragilities."

Managing supply chains is core to many businesses, and consulting firms help by "integrating this lens into that transformation journey," said Dimitracopoulos, adding that better data and reporting on operational efficiencies is critical.

From an investor's perspective, it is important to separate out causal and economic factors in sustainability, Grancio said. Here, she stressed the need to improve education around ESG.

Improving Data Quality

"We have to support more research and more studies, and we have to put more pressure on public companies to disclose 'people data' (or data on human capital), so that we can then make it factual and causal."

Strengthening governance with appropriate incentives would help boost disclosures around sustainability, but they have to be tailored to specific industries, Grancio said. For example, a pharmaceutical company could make disclosures about what it does "to improve the quality of human life" or the environmental impact of its compounds, she noted.

What Must Policymakers Do?

Policymakers must eschew the temptation to devise quick fixes to meet environmental targets, and guard against sub-optimal approaches that have unintended consequences, Van Benthem cautioned. The European Union levies car taxes based on their CO2 emissions, he noted. "[But] in the U.S., we keep gas taxes minimal and choose a very complicated set of fuel economy standards,

which then end up favoring the production of trucks and SUVs," he said. "The sad end result is that it ends up costing society and taxpayers a lot more per ton of CO2 saved than the gas taxes in Europe."

Corporate leaders can have "real impact" in shaping policy, Van Benthem continued. He advises companies: "If you truly care about improving the state of the environment, you have a voice to demand smart and effective policies and spend your lobbying dollars on a few politicians who advocate for such policies."

Disarming Defensiveness in Accountable Capitalism

A big obstacle for accountable capitalism is the pushback from companies. "The million-dollar question is leadership" in fighting back against defensiveness against accountable capitalism, Alvarez said. "The moral compass is missing in all of this."

The most important thing that corporations must learn is "not to do ESG on the side," said Grancio. Added Dimitracopoulos: "You really need to embed your ESG or sustainability lens into the core of how you do business."

Systems thinking in the C-suite will also help remove siloed thinking, Alvarez said. "We have unintended consequences because everything is hyper-connected." Here, she emphasized two aspects: human capital and scenario planning. On the first aspect, she said, "It is people, people, people. I don't think there is a company with purpose. There are people with purpose, there are leaders with purpose."

CLAIMS BY CORPORATIONS AND investment managers that they incorporate or demand ESG (environmental, social and governance) values don't always stand up to close scrutiny. Only "accountable capitalism" can ensure that all stakeholders in the ESG movement perform their roles, according to Witold Henisz, Wharton vice dean and faculty director of the ESG Initiative at the school, where he is also management professor. He shared those observations at a Wharton Executive Education LinkedIn Live event titled "ESG: Dispatch from the Front Lines of Accountable Capitalism" on August 22, 2023, which he moderated. (Watch the video.)

The conference panelists were Jennifer Grancio, CEO of Engine No. 1, an investment firm best known for wresting three board seats at ExxonMobil two years ago; Monica Dimitracopoulos, EY Americas Corporate Sustainability Leader; Viviana Alvarez, board advisor at the Center for Responsible Business at the University of California's Haas School of Business, who was former head of sustainability at Unilever North America; and Arthur Van Benthem, faculty co-director of the Wharton Climate Center and a Wharton professor of business economics and public policy who researches the impact of policy responses to societal threats such as climate change.

Half-truths in ESG Investing

Henisz pointed out that on the one hand are claims that sustainable investment globally has crossed \$35 trillion and reports that it will cross \$50 trillion by 2025. "On the other hand, some of these industry estimates of assets under management for ESG have been halved





Quoted Insurers

	P/Close	Open	High	Low	Close	%Change	Volume	Value
Security	0.65	0.65	0.66	0.64	0.65	0	1,617,382	1,052,256.60
AIICO	0.4	0.4	0	0	0	0	44,029	17,671.60
WAPIC	2.04	2.04	2.07	2.07	2.07	0.03	2,618,989	5,420,306.56
MANSARD	0.68	0.68	0	0	0	0	30	19.80
CHIPLC	3.85	3.85	3.86	3.70	3.70	-0.15	892,130	3,341,494.25
NEM	0.62	0.62	0	0	0	0	33,599	19,825.88
CORNERST	0.56	0.56	0	0	0	0	486,660	258,848.34
LINKASSURE								



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

Cynthia Ezekwe

CLIMATE CHANGE IS INCREASINGLY becoming an area of engagement by many developing countries, as a result of how it affects many sectors across the globe, which have resulted in the exploration of meaningful options for managing and transferring risks associated with climate change.

A 2019 Insurance Banana skins report by PricewaterhouseCoopers International Limited (PWC) and Centre for the Study of Financial Innovation (CSFI), rated climate change as the second most urgent threat to businesses by reinsurers, and as the third by property and casualty (P&C) insurers.

The effects posed by climate risks have increased the need to adopt insurance as a strategy to cushion the damages.

This is because at the national and the local level, insurance helps create a space of certainty within which investments and planning can be undertaken. This allows for climate-resilient investments in climate sensitive sectors such as tourism and agriculture as well as in job creation and market devel-

Why insurance remains an ideal adaptation strategy to climate change

opment.

Insurance provides reliable and timely financial relief for recovery of livelihoods and reconstruction, thus providing security in the post-disaster period.

However, one of the biggest issues Nigerians face is how to understand, measure and effectively respond to climate change.

Some of the prominent challenges faced by Nigerian insurers include low awareness of insurance products among the general public which has led to low customer base; clients having poor knowledge about insurance benefits.

Environmental challenges such as communication barriers and poor wages received by potential clients also make it difficult for insurers to capture potential clients as people do not have adequate information or cannot meet premium costs.

As an industry dealing in risk management, Nigerian insurers have been tasked with the responsibility to direct research, insight and investment towards climate



risk mitigation efforts that measurably manage the impacts of climate risk.

Insurance players have a prominent role to play in mitigating the risks associated with climate change, given the fact that climate change in recent times has become one of the most discussed topics by insurance businesses globally and this is based on its looming impact on businesses, and the economy at large.

In Nigeria, some insurance businesses have been involved in conversations, tailored at discussing the role of insurers, and how to foster adequate and appropriate preparations for the impact

of climate change. A good example is Leadway Assurance Plc, and its concerted efforts towards cushioning the effects of climate risks.

PwC in an advisory outlook tagged, "Climate Change: Roles of Insurance Businesses in Nigeria", outlined various steps insurance businesses can take in mitigating the looming impact of climate change in the country.

The professional services network implored insurance businesses to create an avenue where they can understand and work together to promote/embark on writing green/sustainable insurance products, such as Pay as You

Drive, pollution legal liability, warranty and service contracts for green technology, insurance in relation to carbon offsetting projects, etc, which encourages environmental friendly behaviours and helps the drive against the adverse impact of climate change.

"Insurance businesses should liaise with third party stakeholders such as government, policymakers, regulators, etc across various sectors in the country to address key barriers that may hinder insurers from scaling up their contribution to climate change, adaptation and mitigation as well as develop climate resilient public poli-

cies," PwC advised.

The report encouraged insurance businesses to initiate talks around institutionalising climate change as a core business issue and also expand its contribution towards building financial resilience towards climate change and support for transition to a low carbon economy by collaborating with government, regulators and other key stakeholders.

PwC further urged government and insurance businesses to explore different ways of supporting climate resilience and decarbonisation of critical infrastructures through risk management, underwriting and investment functions, adding that green investment (i.e. green bonds/securities) should be embarked by the insurance businesses in order to make their investment portfolios less vulnerable to climate risk as well as to encourage sustainability and to support climate-related or other types of special environmental projects.

The 'insurance...

Continued from page 14

initiatives needed to serve customers better. Notwithstanding, all operators are expected to comply fully with the law and be punished when they're found wanting.

As customers, you are entitled to answers over issues that you don't understand. For example, there are reasons why the Premium Rates for Third Party Motor Insurance and Comprehensive Motor Insurance were increased last January. Rather than simply tell you the regulator set the prices, operators (insurers and brokers) should thoroughly explain the benefits to you.

The quiet end of the "Insurance War"

The insurance industry in Nigeria has not fully realised the potentials from its partnerships whether existing or upcoming.

For example, Bancassurance; because there has been low fire in the relationship between CBN and NAICOM that has affected the momentum at which business transactions should be.

Only insurance companies that have relationships with banks are doing any form of Bancassurance and what has been gener-

ated as premium since 2018 is probably just 10 percent of its available potential. Insurance companies without shared interest with banks that have no holding structure are working to earn the confidence of one another. You should understand this and know that the suggestion by your bank to handle your insurance needs is deliberate and rewarding.

Taking advantage of the "Insurance War"

Knowing the war is on or looming is one thing, playing from the position of advantage is another. Let's consider some points of advantage.

Firstly, you should put on your investor's cap and take a study of the opportunities in the insurance industry that can make you the owner or part owner of an insurance company. You may be a tech entrepreneur, a communication mogul or an oil magnate, this is a really good time to add insurance to your range of investments given the benefits you can gain from it.

Secondly, insurance may be about deaths, losses and damages but the wealth that's transferred from one generation to another or the investments insurance protects through matured Life policies or compensation for claims are the true values we can get without stress.

Lastly, engage in the knowledge sharing initiatives that are going on to enable you to get more information about the insurance industry in Nigeria. You can even become a licensed Insurance Agent that'll sell insurance to your friends and families and get some extra income with little stress.

The shape of the "Insurance War" as I see it will be won by the customers who are yet to realise they're in a war because there is little consciousness regarding the customers.

There is presently too much reliance on people we know in the industry, rather than the system that works for all of us, due to the absence of any impressionable channel or point of contact.

Technology, the new competitor to insurance, would be a welcome party to the "Insurance War", and the time is NOW!

Keep in mind that the war and the discussions around it are not on the table, so the weapons aren't visible but you know who the parties are, including yourselves.

Your questions and comments will always receive my response.

*I remain...
Assuredly Yours,*

Leadway's index-based livestock insurance to cushion climate risks

Cynthia Ezekwe

NIGERIAN INSURANCE FIRM LEADWAY Assurance has launched an index-based livestock insurance (IBLI) product to provide unprecedented climate-smart risk management support to Nigerian livestock farmers, cattle herders and pastoralists.

Index-based livestock insurance is a unique insurance product that relies on real-time data and indices, such as weather patterns and livestock health indicators, to determine compensation for farmers in the event of losses.

According to Consultative Group on International Agricultural Research (CGIAR), IBLI as a viable solution for insuring livestock losses from covariate shocks in places where traditional insurance is not viable. It noted that unlike traditional insurance, index insurance uses an external indicator to assess losses on an aggregate level over a particular area. Index insurance is also considered less susceptible to moral

hazard because payout is independent of an insured client's individual behaviour and adverse selection as the index is created from external variables unrelated to individual-specific risk.

Leadway Assurance pointed out that its IBLI programme is an innovative insurance offering that would enhance the agricultural sector and reshape the insurance landscape in the country. Speaking on the product, Fatona Ayoola, the head of agric. insurance at Leadway Assurance, expressed his excitement about this milestone in the insurance industry, stating that the introduction of IBLI is truly a game-changer for Nigerian farmers involved in the livestock production value chain.

According to Ayoola, farmers have been exposed to the unpredictability of weather conditions, stemming from climate change and other unforeseen events that could devastate



their livestock, thereby affecting their livelihoods.

On his part, Tunde Hassan-Odukale, managing director, Leadway Assurance, said, "This launch represents a pivotal moment in our industry's history. We are redefining insurance product development in Nigeria by leveraging technology and big data to create solutions that directly address the needs of our clients. Index-Based Livestock Insurance is not only a testament to our commitment to innovation but also a testament to our dedication to supporting the growth of Agriculture in Nigeria."


MARKET COMMENTARY FOR THE WEEK ENDED 15TH SEPT., 2023


UNITED BANK FOR AFRICA PLC H1'23 Earnings Release - Earnings soar to N711 billion, buoyed by FX revaluation gains

What shaped the past week?

Global: European markets rebounded this week, while investors digested the latest macroeconomic data releases for the region's economies. Of note, August inflation numbers showed that inflationary pressures are resurfacing in the Eurozone, while consumer and business sentiment continue to sour in the region. Furthermore, we saw German industrial output fall by 2.2% y/y, as high energy prices weigh on manufacturing activity in the country. On a final note, the European Central Bank (ECB) hiked interest rates by 25bps; President Lagarde, also highlighted that further increases would be necessary, as the road to 2% inflation remains an arduous one. Meanwhile, in the United States, investors also reacted to the country's latest inflation data report. Inflationary pressures have also resurfaced in the United States, with inflation rising 3.7% y/y (Previous: 3.2% y/y), and this can be attributed to the latest surge in domestic gasoline prices. Furthermore, on the corporate front, industrial action by the United Auto Workers of America has led to strikes at the Ford, General Motors, and Stellantis facilities. Finally, in Asia, we saw a mixed performance for markets in the region. First, China's latest inflation numbers were published, and the country recorded a moderate uptick of 0.1% y/y in consumer prices for August. Meanwhile, President Ueda of the Bank of Japan, suggested that the bank may shift its stance on monetary policy as the bank remains confident that it will meet its targets for the year.

Domestic Economy: In August 2023, headline inflation rose to 25.80% y/y (Vetiva estimate: 25.33% y/y), 47bps higher from July (24.08% y/y). On a month-on-month basis, headline inflation came in at 3.18%, 29bps higher than the rate recorded in July (2.89% m/m). According to the report, the significant increase reflects the impact of the removal of petrol subsidies and the devaluation of the official exchange rate on consumer prices. Month-on-month inflation rose to 3.18% in the review month from 2.89% recorded in the prior month. In terms of contribution to the year-on-year inflation. Food and non-alcoholic beverages (13.36%) contributed the most, followed by housing, water, electricity, gas, and other fuel (4.32%), and clothing and footwear (1.97%). On a year-on-year basis, in August 2023, the Urban inflation rate was 27.69%,

this was 6.73% points higher compared to the 20.95% recorded in August 2022. The Rural inflation rate stood at 24.10%, representing 3.98% points increase compared to the 20.12% recorded in August 2022.

Equities: Broad-based losses across the NGX led to a red w/w close for the market. The NGX sank 1.10% w/w, with the Banking (-3.24% w/w) and Oil and Gas (-2.02%) spaces closing as the week's worst performers. It was also a red close for the Consumer Goods space, driven by profit-taking in small to mid-cap names in the space. In the Oil and Gas space, profit-taking in some players in the oil marketing space dragged the sector lower. On a final note, losses in the likes of WAPCO (-1.69% w/w), translated to

a red close for the Industrial Goods space, which lost 0.28% w/w.

Fixed Income: It was another bearish week in the secondary market due to constrained liquidity levels and rising investor apathy weighing on the space. Yields across benchmark bonds closed higher on the week, largely due to selling pressures at the short end of the curve; investors have expressed pessimism in the bonds space this week, with the focus having shifted to the NTB auction. This week, the Central Bank of Nigeria (CBN) conducted an NTB auction this week, where they offered and sold 2.1 trillion across the 91DTM, 182DTM, and 364DTM papers, with stop rates of 6.50%, 7.00% and 12.98%. We saw this drive bearish sentiments at

the long-end of the curve, with selling pressures at the long-end of the curve, weighing on yields in the space. Of note, we saw the yield on the 330DTM rise 40bps w/w to settle at 13.32%.

What will shape markets in the coming week?

Equity market: With the positive sentiments gradually wearing off in the banks, the market is on the lookout for its next catalyst. We expect mixed trading next week, as investors mull over the latest inflation data, with headline inflation surpassing our estimate by 47bps to print at 25.80%.

Fixed Income: We expect the market to trade in a quiet manner to open the week, as investors react to the latest macroeconomic data for the country.

UNITED BANK FOR AFRICA PLC H1'23 Earnings Release - Earnings soar to N711 billion, buoyed by FX revaluation gains

UBA recently released Q2'23 earnings, with the bank posting a 278% y/y growth in Gross Earnings to N711 billion. This came about due to a 79% y/y increase in Interest Income to N236 billion, as the bank recorded improvements across all the interest income lines, thanks to the revaluation of Foreign Currency (FCY) component of the bank's loan book and elevated interest rate environment. Similarly, Interest Expense was 98% higher y/y at N79 billion, in line with our estimate, as interest paid on customer deposits rose 97% y/y, due to the revaluation of FCY component of customer deposits and higher

interest rate on customers' savings. This meant that Net Interest Income came in 70% higher y/y at N157 billion. Meanwhile, Non-Interest Revenue (NIR) increased to N450 billion; this was driven by N348 billion FX revaluation gains.

Cost-wise, Impairment charges increased significantly to N147 billion in recognition of the heightened risk environment, while Opex grew 41% y/y to N119 billion, on the back of a 43% y/y increase in staff costs. Notably, H1 cost-to-income ratio moderated to 28.9% (H1'22: 63.3%), as revenue grew faster than expenses. Interestingly, the bank reported a 36% q/q increase in Loans and Advances to N4.5 trillion as a result of the revaluation of the FCY component of the bank's loan book. Furthermore, the bank had an NPL ratio of 11%, up from 6.9% in H1'22. Overall, Q2 PBT grew by 7.3x y/y to N341 billion, while PAT grew 10.2x y/y to N323 billion. Furthermore, the bank announced an interim dividend of N0.50/share (H1'22: N0.20).

Heightened risk environment to impact 2023 impairment charges

Despite recording the strong improvement in gross earnings, we estimate that impairments charges and Opex would weigh on the FY performance of the bank. We estimate an 88% y/y increase in gross earnings to N1.6 trillion, supported by a 66% and 18% y/y growth in Interest Income and Commission and fees Income to N915 billion and N248 billion respectively. However, with Opex and Impairments charges forecasted to rise by 19% and 379% y/y to N416 billion and N201 billion respectively, we expect this to weigh on the bank's FY performance. Hence, we project, PBT and PAT of N555 billion (+176% y/y) and N470 billion (+176% y/y) respectively.

TP revised downward to N16.90 (Previous: N17.20)

Despite revising FY'23 profit projections upwards, we maintain our dividend projections, as we now do not expect the bank to make dividend payments from FX revaluation gains in accordance with the CBN's recently released guideline on prudent recognition of FX revaluation gains. Therefore, we revise downward our 12-month target price (TP) to N16.90 (Previous: N17.20). UBA's shares have gained 82.2% YTD and are currently trading at a P/B of 0.2x vs. Tier-1 peer average of 0.5x.

Indicators	WK CLS	WK OPEN	WTD (%)	YTD (%)
EQUITIES				
NGX 30	2,481.80	2,509.09	(1.09)	34.70
NGX All-Share Index	67,395.74	68,143.34	(1.10)	31.50
Market Cap (NGN bn)	37,295.00	37,295.00	0.00	32.57
FEDERAL GOVERNMENT SECURITIES (%)				
91-Day T-Bill	4.46	2.44	0.83	4.11
182-Day T-Bill	5.60	4.46	0.26	5.22
364-Day T-Bill	13.32	12.17	0.09	12.60
2-Year FGN Bonds	12.82	11.30	0.13	10.36
3-Year FGN Bonds	13.43	13.00	0.03	10.97
5-Year FGN Bonds	13.90	13.03	0.07	10.37
7-Year FGN Bonds	14.44	14.20	0.02	9.00
10-Year FGN Bonds	14.78	14.80	(0.00)	8.29
20-Year FGN Bonds	15.57	15.25	0.02	8.31
INTERBANK MARKET RATES (%)				
NIBOR OBB	22.50	17.83	4.67	3.50
NGN EXCHANGE RATES (N)				
USD/NGN	756.10	740.38	(2.12)	(64.00)
GBP/NGN	972.85	953.25	(2.06)	(79.68)
EUR/NGN	837.49	816.10	(2.62)	(75.69)
CNY/NGN	107.87	104.25	(3.47)	(66.06)
ZAR/NGN	41.29	40.22	(2.66)	(57.06)
USD/NGN FORWARDS				
1M	797.78	802.45	0.58	(70.10)
3M	818.79	812.73	(0.75)	(70.85)
6M	850.66	842.34	(0.99)	(73.68)
1Y	918.18	904.61	(1.50)	(73.90)

Source: NGX, FMDQ OTC, Bloomberg, Vetiva Research

SECTOR	INDEX VALUE	WoW Δ	YTD Δ
BANKING	691.02	-3.24%	64.47%
CONSUMER GOODS	1,082.42	-1.84%	83.79%
INDUSTRIAL GOODS	2,994.92	3.53%	24.62%
OIL & GAS	920.36	-2.02%	99.01%
VETIVA 30 ETF	24.90	0.00%	35.33%
INSURANCE	266.46	0.46%	52.82%

Weekly Top 5 Gainers

Stock	Closing Price (N)	% Change
CHAMS	1.10	10.00%
CUTIX	2.43	9.95%
CORNERST	1.40	9.38%
CAVERTON	1.41	8.46%
UCAP	17.30	8.13%

Weekly Top 5 Losers

Stock	Closing Price (N)	% Change
CONOIL	89.10	-10.00%
MRS	98.55	-9.96%
ABCTRANS	0.75	-9.64%
TANTALIZER	0.38	-9.52%
NEIMETH	1.55	-9.36%

Source: Vetiva Research

MARKET DATA

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Share Price List as @ Friday 15 September, 2023: The Nigerian Stock Exchange

Company	Previous Close	Open	High	Low	Close	Change	% Change	Volume	Value (N)
ACADEMY	1.88	1.88	-	-	1.88	0.00	0.00%	334,170	664,681.00
ACCESSCORP	17.00	17.00	17.25	16.70	17.20	0.20	1.18%	16,614,840	282,213,119.25
AFRIPRUD	6.20	6.20	6.20	6.20	6.20	0.00	0.00%	1,140,777	7,170,081.00
AICO	0.69	0.69	0.69	0.67	0.69	0.00	0.00%	1,534,749	1,040,293.68
AIRTELAFRI	1,250.00	1,250.00	-	-	1,250.00	0.00	0.00%	5,747	7,251,014.10
BERGER	11.00	11.00	-	-	11.00	0.00	0.00%	37,767	424,139.75
BUACEMENT	96.15	96.15	-	-	96.15	0.00	0.00%	33,229	2,904,795.60
BUAFOODS	185.00	185.00	-	-	185.00	0.00	0.00%	12,540	2,172,198.00
CADBURY	16.10	16.10	-	-	16.10	0.00	0.00%	499,294	7,929,969.85
CAP	21.20	21.20	-	-	21.20	0.00	0.00%	66,825	1,407,121.60
CHAMPION	3.25	3.25	-	-	3.25	0.00	0.00%	141,201	472,103.25
CHAMS	1.00	1.00	1.10	1.04	1.10	0.10	10.00%	19,403,738	21,251,469.27
CONOIL	99.00	99.00	89.10	89.10	89.10	-9.90	-10.00%	117,065	10,430,545.50
CORNERST	1.28	1.28	1.40	1.34	1.40	0.12	9.38%	690,029	1,214,224.20
COURTVILLE	0.59	0.59	-	-	0.59	0.00	0.00%	90,312	50,904.08
CUSTODIAN	7.40	7.40	7.40	7.40	7.40	0.00	0.00%	566,720	4,231,909.95
CUTIX	2.21	2.21	2.43	2.41	2.43	0.22	9.95%	1,749,762	4,218,962.14
DANGCEM	365.00	365.00	-	-	365.00	0.00	0.00%	1,381,685	482,821,496.20
DANGSUGAR	57.20	57.20	-	-	57.20	0.00	0.00%	2,534,380	142,297,767.35
ETERNA	14.75	14.75	-	-	14.75	0.00	0.00%	596,872	8,384,316.40
ETI	16.00	16.00	-	-	16.00	0.00	0.00%	33,919	545,102.20
FBNH	17.70	17.70	17.80	17.60	17.80	0.10	0.56%	4,640,036	82,071,442.65
FCMB	6.03	6.03	6.15	6.00	6.15	0.12	1.99%	4,961,643	30,012,441.85
FIDELITYBK	8.35	8.35	8.30	8.25	8.30	-0.05	-0.60%	14,590,726	120,945,866.15
FIDSON	15.22	15.22	-	-	15.22	0.00	0.00%	80,355	1,159,703.70
FLOURMILL	32.70	32.70	-	-	32.70	0.00	0.00%	278,333	8,954,318.10
FTNCOCOA	2.11	2.11	2.08	2.00	2.00	-0.11	-5.21%	2,752,180	5,519,727.77
GEREGU	339.50	339.50	-	-	339.50	0.00	0.00%	5,568	1,701,580.80
GLAXOSMITH	12.05	12.05	12.20	12.20	12.20	0.15	1.24%	339,975	4,109,871.50
GTCO	35.50	35.50	35.70	34.35	35.20	-0.30	-0.85%	26,393,677	926,849,785.15
GUINNESS	65.00	65.00	-	-	65.00	0.00	0.00%	153,294	9,449,397.10
HONYFLOUR	3.22	3.22	3.30	3.30	3.30	0.08	2.48%	1,272,819	4,196,735.75
INTBREW	4.45	4.45	4.45	4.45	4.45	0.00	0.00%	295,778	1,320,916.75
JAIZBANK	1.62	1.62	1.68	1.60	1.60	-0.02	-1.23%	3,195,465	5,281,709.79
JAPAUFGOLD	0.86	0.86	0.87	0.84	0.85	-0.01	-1.16%	7,695,619	6,748,468.27
JBERGER	31.00	31.00	31.00	31.00	31.00	0.00	0.00%	230,579	7,141,332.30
LASACO	1.95	1.95	1.92	1.92	1.92	-0.03	-1.54%	628,943	1,214,422.26
LEARNAFRCA	3.31	3.31	-	-	3.31	0.00	0.00%	130,245	458,941.80
LIVESTOCK	1.74	1.74	1.83	1.82	1.83	0.09	5.17%	583,602	1,060,305.88
MANSARD	3.85	3.85	3.96	3.96	3.96	0.11	2.86%	971,362	3,785,998.55
MAYBAKER	4.90	4.90	5.00	5.00	5.00	0.10	2.04%	383,040	1,927,773.08
MBENEFIT	0.41	0.41	0.44	0.42	0.44	0.03	7.32%	2,289,855	1,000,243.80
MTNN	270.00	270.00	270.10	270.10	270.10	0.10	0.04%	766,393	207,627,148.80
MULTIVERSE	3.02	3.02	-	-	3.02	0.00	0.00%	100	302.00
NAHCO	23.85	23.85	-	-	23.85	0.00	0.00%	148,402	3,477,585.10
NASCON	52.15	52.15	52.00	51.80	51.80	-0.35	-0.67%	1,785,264	92,698,239.00
NB	38.75	38.75	40.95	40.00	40.95	2.20	5.68%	634,144	34,904,278.95
NEIMETH	1.71	1.71	1.55	1.55	1.55	-0.16	-9.36%	575,025	896,007.55
NEM	5.04	5.04	-	-	5.04	0.00	0.00%	226,550	1,149,071.76
NESTLE	1,025.00	1,025.00	-	-	1,025.00	0.00	0.00%	25,048	25,420,928.70
NGXGROUP	23.00	23.00	-	-	23.00	0.00	0.00%	95,500	2,196,500.00
OANDO	10.35	10.35	11.00	10.35	11.00	0.65	6.28%	21,932,569	231,291,246.85
OKOMUOIL	263.00	263.00	-	-	263.00	0.00	0.00%	43,681	10,683,859.30
PRESCO	201.20	201.20	-	-	201.20	0.00	0.00%	252,084	46,083,935.40
PZ	19.60	19.60	-	-	19.60	0.00	0.00%	595,395	11,826,945.70
REGALINS	0.36	0.36	0.35	0.35	0.35	-0.01	-2.78%	510,588	179,049.32
SEPLAT	1,837.00	1,837.00	-	-	1,837.00	0.00	0.00%	8,480	14,213,131.60
SOVRENINS	0.41	0.41	-	-	0.41	0.00	0.00%	6,000	2,520.00
STANBIC	68.00	68.00	68.90	68.00	68.90	0.90	1.32%	2,081,078	142,209,791.35
STERLINGNG	3.79	3.79	3.82	3.79	3.79	0.00	0.00%	82,276,953	314,152,231.07
TOTAL	385.00	385.00	-	-	385.00	0.00	0.00%	80,788	29,386,092.90
TRANSCOHOT	44.90	44.90	-	-	44.90	0.00	0.00%	3,678	166,082.00
TRANSCORP	6.30	6.30	6.31	6.00	6.20	-0.10	-1.59%	59,691,864	364,934,138.19
UACN	10.60	10.60	10.60	10.60	10.60	0.00	0.00%	2,107,194	22,325,765.45
UBA	16.40	16.40	16.45	16.05	16.45	0.05	0.30%	48,111,584	787,622,583.05
UBN	6.55	6.55	-	-	6.55	0.00	0.00%	31,140	202,804.70
UCAP	16.00	16.00	17.30	16.00	17.30	1.30	8.13%	13,389,435	224,913,016.90
UNILEVER	14.50	14.50	-	-	14.50	0.00	0.00%	140,507	1,932,612.55
UNITYBNK	1.23	1.23	1.25	1.12	1.24	0.01	0.81%	1,816,213	2,196,903.66
UPDC	1.22	1.22	1.25	1.21	1.25	0.03	2.46%	771,376	933,159.46
UPDCREIT	3.40	3.40	-	-	3.40	0.00	0.00%	483,158	1,701,376.55
UPL	2.31	2.31	-	-	2.31	0.00	0.00%	31,300	78,165.22
VITAFUAM	24.70	24.70	-	-	24.70	0.00	0.00%	86,066	1,925,267.30
WAPCO	29.50	29.50	29.00	29.00	29.00	-0.50	-1.69%	2,221,452	64,547,204.45
WAPIC	0.60	0.60	0.62	0.60	0.60	0.00	0.00%	1,212,727	731,526.07
WEMABANK	5.26	5.26	-	-	5.26	0.00	0.00%	340,056	1,729,377.99
ZENITHBANK	33.00	32.60	33.70	32.60	33.25	0.25	0.76%	9,739,212	323,510,620.40

Stories by Onome Amuge

Nigeria's ginger underexploited as exports generate N10bn from \$3bn global market

NIGERIA RECENTLY RECORDED AN INCREASE IN REVENUE FROM GINGER EXPORT, with the crop's export value rising by 17 per cent to N10 billion in the second quarter of 2023, its highest in six years. The development, according to the National Bureau of Statistics (NBS), is a significant improvement in Nigeria's ginger export value, given that current export earning stands over 50 per cent above the N4.6 billion recorded in the corresponding period of 2022.

Ginger is one of Nigeria's major export commodities with a high potential to generate significant revenue to the economy. Market players who attested to the distinctive quality of the country's ginger, noted that Nigeria ginger is being requested for by the Arabs, Asians and all over the world, who have testified that Nigeria has the best and spiciest ginger in the world.

The International Market Analysis Research and Consulting Group (IMARC Group), in its latest market report on the commodity, noted that the global ginger market size reached \$2.9 billion in 2022. Looking forward, IMARC Group expects the market to reach \$ 4.7 Billion by 2028, exhibiting a growth rate (CAGR) of 7.94 per cent during 2023-2028.

An overview of the top exporting countries of whole ginger in 2022 by Tridge, the world's leading data and media company in agri-foods, showed that China emerged the top exporter globally with a 57.20 share in export value, followed by Netherlands, India, Brazil at 17.62 per cent, 9.25 per cent and 5.99 per cent share in export, respectively.

Meanwhile, Nigeria wasn't included in the list of top ten exporting countries which included Germany, Spain, United States, Myanmar, Fiji and Italy, an indication that the largest producer of ginger in Africa, and the second largest in the world after India, is yet to get a substantial chunk of the \$3 billion global ginger market.

Nigeria's position, experts argue, is an indication that the country's export potential is under-explored, considering that in the year under review, countries with lesser production capacity such as China and Netherlands dominated the export market with a combined 74 per cent of global export market share.

Gagarin Madaki, president of the National Ginger Association of Nigeria (NGAN), observed that Nigerian ginger is sold per bag rather than per kilogramme, leading to a constraint in income for producers and marketers.

"The farmer is cheated; the buyer is cheated. The sharp practice has to stop," he said.

The NGAN president emphasised the need to adopt a new strategy to ensure Nigeria's comparative advantage in ginger production receives a boost by way of producing and exporting quality produce, leveraging on the international best practices.

In addition, he pointed out the issues of poor post-harvesting handling, use of inorganic chemicals, among others as limiting the



revenue generating potential of ginger in the international market, adding that it was also imperative to improve farmers' productivity.

According to Madaki, ginger is the fourth largest priced commodity in Nigeria which makes it a good foreign exchange earner.

Highlighting some of the benefits of the commodity, Madaki noted that aside from the economic impact of ginger and relevance in the brewery and food industry, it is also of huge benefit in the health industry as it is used to help fight infections, lower blood sugar and reduce heart attack risks.

"It is used in the manufacturing of pharmaceutical drugs and during COVID-19, ginger value skyrocketed by about 500 percent because people know the impact it has on cold, cough and all that," he said.

The president, therefore, encouraged farmers to produce based on international best prac-

tices for improved benefits.

Kelvin Emmanuel, Kelvin Emmanuel, co-founder and CEO at Dairy Hills, observed that Nigeria's ginger is being exported at a giveaway as Europeans buy ginger from Nigeria at \$2,000 per tonne and gets 35 times the value processing it into ginger oil used as flavouring agents for beverages, confectionery and perfumes.

According to Emmanuel, Nigeria exported 523,000 metric tonnes of ginger worth \$12 million in 2021, which represents only 14 per cent of the global supply for ginger for a country recognised as the second largest producer of the commodity globally.

The global market analyst believes Nigeria could earn more if its export volume is converted into ginger oil through steam distillation.

Ado Saleh, chairman, National Ginger Association of Nigeria, Jigawa State chapter, noted that though Nigeria is one of the largest

producers of ginger in the world, many farmers lack the financial resources, facilities and knowledge base to operate beyond local production standards.

Saleh also pointed out that the lack of processing facilities has hindered quality production as most of the ginger produced in the country are exported in their raw forms, which at times do not meet international standards.

He enjoined farmers, individuals and organisations in the ginger value chain to intensify efforts to increase production and export of the agro-commodity which in turn, would bolster financial freedom for the individual farmers and market participants, and elevate the country's foreign exchange revenue.

In a chat with Business A.M, Adua Sunom, a ginger producer from Kachia Local Government, Kaduna State, explained that a large number of ginger farmers are smallholders who still rely on traditional methods of cultivation, rather than modernised farming. Sunom added that the farmers and marketers also lack business skills and knowledge that are attuned to the export market.

According to Sunom, these farmers are only familiar with the local markets where the demand for ginger is relatively small in comparison to global demand.

"Ginger production in the country is laborious as most operations including planting, mulching, fertilising, weed control, harvesting, and processing, are done manually rather than with mechanised equipment. Also, most of the farmers do not know the actual value of the commodity in the global market and are often exploited by middlemen who serve as a link between the farmers and the market," he said. He added that the inadequate recognition and exploitation of ginger potentials by producers and marketers alike pose serious setbacks to dominance in the global market.

Sunom called on the government to provide an enabling environment for farmers to attract investments. He also urged financial institutions to support intensified production and marketing by creating investment platforms and funding opportunities for producers and marketers.

He also emphasised that more attention should be given to ginger processing and value addition,

noting that it plays a key role in the value chain as it ensures that the country's ginger meets international quality standards for foreign consumers.

Kenneth Obiajulu, chief executive officer of AgroCorp International Development Limited, called for more investment in the Nigerian ginger production value chain, noting that it was time to make Nigeria earn her place in the global export market of ginger.

"When thinking of ginger, many people automatically think of India and China, the two powerhouses of ginger production and consumption globally, but what many do not know is that the second-largest producer of ginger is located right in the heart of Africa," he said.

Obiajulu called for strict adherence to international best practices in the production, processing, and packaging of the commodity in order to gain international relevance.

The agripreneur noted that Nigeria is a country with year-round ginger production which can offer a constant supply to meet both local and international demand.

He also stressed that ginger could either be sold in the local and international market as wet ginger or dry split ginger, adding that dry split ginger is of high demand in the export trade.

Globally, ginger is recognised to be one of the healthiest perennial herbs and has been verified by medical practitioners to possess anti-inflammatory properties that aid in alleviating pain and swelling associated with osteoarthritis. It is also used as a digestive aid for diarrhoea, nausea, vomiting, and stomach upset occurring from motion sickness, pregnancy, cancer chemotherapy, among other medicinal uses.

Moreso, ginger is utilised as a key condiment or flavouring agent in salad dressings, tomato ketchup, sauces, pickles, curry dishes, snacks and other local as well as international delicacies.

The acceptance of ginger in the pharmaceutical industry has further strengthened the ginger market, making it one of the most exported and imported spices globally, with Europe serving as the highest ginger importer market. Its application is further expanding in the cosmetics and personal care industries for manufacturing essential oils and soap.



COMMODITIES & AGRICULTURE

Stories by Onome Amuge

Sugar hits 12-year high as El Nino threatens supply

RAW SUGAR FUTURES ROSE TO A 12-YEAR HIGH ON THE INTERCONTINENTAL EXCHANGE (ICE) before closing slightly down, as dry weather linked to El Nino looked set to lead to a global deficit in the 2023/24 season.

October raw sugar dropped 0.07 cent or 0.3 per cent at 26.91 cents per pound, shortly after setting a 12-year high of 27.59 cents. The contract also gained 2.3 per cent in the week.

October white sugar was down \$9.10, or 1.2 per cent at \$748.30 a metric tonne.

Market reports showed there is a more than 95 per cent chance that El Nino conditions will continue through the Northern Hemisphere winter.

Moreso, dry conditions are expected for the next 10 days in centre-south Brazil, boosting harvest operations.

Meanwhile, cocoa prices maintained an upward swing as the cocoa market continued to derive support from supply tightness, with a global deficit forecast for both the current 2022/23 season and the 2023/24 season that begins on Oct. 1.



Patrick O Okigbo, founder and principal partner, The Nextier Advisory; Etemore Glover, chief executive officer, Nigerian National Advisory Board for Impact Investing (NABII); Abubakar Bagudu, minister of budget and economic planning; Lanre Adekanye, director, international cooperation, Ministry of Budget and Economic Planning; and Bashir Buhari, special adviser to the minister, during a courtesy visit of the Nigerian NABII to the minister in Abuja, recently

December London cocoa gained 14 pounds, or 0.5 per cent, to 3,121 pounds per tonne

after setting a contract high of 3,125 pounds, gaining 3 per cent in the week.

In a similar trajectory, December New York cocoa was up \$27, or 0.7 per cent to \$3,757 a tonne.

According to market data, supply woes have mainly centred on West Africa, the top growing region for cocoa. News that an invasive virus had been found in Brazil also added to concerns.

"Cocoa prices found further momentum over the past week as supply prospects continued to deteriorate, with Brazil's announcement that cases of the mosaic virus have been found set to increase concerns further," BMI, a unit of Fitch Solutions, said.

Dealers said 123,260 tonnes of cocoa were tendered against the September contract that expired a few days ago.

The volume represented 75 per cent of exchange stocks that stood at 163,820 tonnes on Sept. 13.

Coffee marketers also enjoyed a bullish week as December arabica coffee rose 5.15 cents, or 3.3 per cent at \$1.5915 per pound and gained 7 per cent in the week.

November robusta coffee gained \$61, or 2.4 per cent, at \$2,556 a tonne.

Dealers noted some short coverings when the contract broke above the \$1.58 level, with Speculators carrying a large short position in arabica.

Iron ore gains on China stimulus but cap looms over steel output ceiling



THE SPOT PRICE OF IRON ORE HAS CLIMBED to a five-month high recently amid improving sentiment and some supportive fundamentals in China, the world's top buyer of the steel raw material.

However, there are also some factors that may limit the extent of the rally in coming weeks, such as the likely official moves to ensure steel production this year doesn't exceed that of last year.

Iron ore futures traded in Singapore traded at \$121.13 a metric tonne during the week, the highest since April 11 and up 17.4 per cent from the recent low of \$103.21 on Aug. 3.

Domestic contracts traded on the Dalian Commodity Exchange ended at 856.50 yuan, a metric tonne, the highest since July 2021 and up 46 per cent from the closing low so far in 2023 of 587.50 yuan on May 25.

Dealers said the rally has been driven by some signs that China's

beleaguered property sector may be starting to turn around, with new bank loans surging in August to 1.36 trillion yuan, nearly quadrupling from July's 345.9 billion yuan.

This is being viewed as a sign that confidence is returning to the property sector, which had been hard hit by a series of liquidity issues affecting major developers.

It's not just sentiment that is boosting iron ore, with prices receiving a boost from robust import volumes and signs that steel mills will have to buy more in order to build inventories.

Analysts noted that it's likely that China's imports will continue to show strength in September, with commodity analysts Kpler estimating arrivals of 100.53 million metric tonnes, a figure likely to be revised higher by the end of the month as more cargoes are assessed.

Also, the need to rebuild stockpiles and nascent signs of a recovery in the property sector has been seen to have supported the recent

rally in iron ore prices.

However, there are some factors that could act as a cap on the gains, such as expectations that steel mills will be forced to limit output in the coming months, to limit both winter pollution and keep to an unofficial policy that steel output should not grow this year.

In the first seven months of the year China produced 626.51 million metric tonnes of steel, up 2.5 per cent from the same period last year, according to official data.

For the whole of 2022 production was 1.01 billion metric tonnes, meaning that for the last five months of this year mills can only produce around 383.49 million tonnes.

This works out at around 76.7 million metric tonnes a month, which is well below the 90.8 million produced in July.

Analysts further noted that it's possible that Beijing may allow overall production to rise in 2023 as part of efforts to stimulate the economy.

However, if output continues at the same pace for the last five months of the year as it did for the first seven, it implies annual output of around 1.074 billion metric tons, an increase of 6.3 per cent over last year.

Another factor indicated for the iron ore market to ponder is official unhappiness at the rising price, with China's state planner saying on Sept. 7 that it will crack down on what it calls regulatory violations.

In the past the authorities have taken actions to calm the market, by raising the cost of trading for example. However, these measures tend to have limited impact, especially if there is a fundamental reason driving supply and demand dynamics.

Copper rises on positive China industrial data

COPPER PRICES ROSE TO THEIR BIGGEST WEEKLY GROWTH SINCE LATE JULY AFTER data from top metals consumer China showed signs of stabilising the economy.

Three-month copper on the London Metal Exchange (LME) gained 0.25 per cent at \$8,438.5 per metric tonne, after reaching \$8,507.5, the highest level since Sept. 4.

According to reports, China's factory output and retail sales grew at a faster pace in August, though tumbling investment in the crisis-hit property sector threatens to undercut a flurry of support steps.

Thu Lan Nguyen, an analyst at Commerzbank said the figures are likely to have a net positive effect on base metals prices given that they should further allay fears that the momentum of growth in China, the largest consumer, could continue to slow.

"That said, no pronounced price rally can be expected until the real estate market shows clearer signs of recovering," Nguyen added.

Meanwhile, copper inventories in warehouses monitored by the Shanghai Futures Exchange have been rising for a month and reached their highest level since late July this week.

Copper stocks in LME-registered warehouses are also at their highest since October 2022, after sharp growth over July-September.

The discount for near-term delivery versus the LME three-month copper contract rose, indicating plentiful immediate supply. It closed at \$45.25 per tonne during the later stages of the week, its



one-month high, compared with \$4.5 on Sept. 5.

Also lending support to copper was the latest report in the United States, where the United Auto Workers union launched simultaneous strikes at three factories owned by General Motors, Ford and Chrysler-owner Stellantis, kicking off the most ambitious U.S. industrial labour action in decades.

It was a mixed market for other base metals as LME aluminium was down 1.2 per cent to \$2,199 a tonne after China's monthly production reached record high in August. Tin lost 0.8 per cent to \$25,685, zinc was up 0.1 per cent to \$2,573, lead advanced 0.5 per cent to \$2,255, while nickel lost 0.9 per cent to \$20,170.

COMPANY & BUSINESS

Cynthia Ezekwe

UNITED BANK FOR AFRICA (UBA) PLC, RECORDED A 437.8 PER CENT SURGE in profit after tax to N404 billion, for the half year ended June 30, 2023, from N70.33 billion recorded in the same period of 2022, driven by growth across key income areas and substantial progress in expanding market share from its subsidiaries in Africa and globally.

The multinational pan-African financial services group, also reported a profit before tax of N404 billion, a 371 per cent increase compared to the N85.6 billion of half year 2022. The jump in profitability translated to an annualised return on average equity of 57.7 per cent as against 17.1 per cent the same period last year.

According to UBA's financials, the group recorded double and triple-digit growth across its major income lines, as it continued to show substantial progress in increasing the contribution and market share from its subsidiaries in Africa and globally.

Operating income grew by 206.6 per cent to N783.96 billion in June 2023, higher than N255.67 billion reported a year earlier.

UBA also delivered a 164 per cent growth in its gross earnings which rose to N981.78 billion as at June 2023, up from N372.36 billion recorded last year in

UBA's expanding market share lifts profit after tax 437.8% to N378bn



L-R: Peter Ashade, group chief executive officer, United Capital Plc; Emmanuel Nnorom, chairman of the board; and Leo Okafor, company secretary, during the extra ordinary general meeting of United Capital Plc in Abuja, recently,

June 2022. Total assets continued a strong upward trajectory, rising above the N15 trillion mark, as it hit N15.38 trillion, representing a 41.7 per cent increase from N10.86 trillion recorded at the end of last year.

Customer deposits also rose sharply by 42.4 per cent to N11.14 trillion in the period under review, against N7.8 trillion recorded at the end of 2022.

On a similar note, share-

holders' funds increased to N1.712 trillion reflecting the group's strong capacity for internal capital generation.

In line with the group's culture of paying both interim and final cash dividends,

Meanwhile, UBA's board of directors has approved an interim dividend of 50k per share from the retained earnings account as at 30 June 2023, which represents

150 per cent increase compared to N20k per share the prior year.

Business A.M gathered that the proposed interim dividend amounts to a payout ratio of 7.3 per cent from 2.9 per cent in the corresponding period of 2022.

According to UBA, the interim dividend will be subject to the deduction of appropriate withholding tax, which will be deducted at the time of payment.

Commenting on the company's half year financial performance, Oliver Alawuba, UBA's group managing director/chief executive officer, said the exceptional performance underscored the group's commitment to consistently deliver value to its shareholders.

Alawuba noted further that the group made progress in digital payments, retail penetration and also benefited from the effect of

revaluation gains, arising from the harmonisation of foreign exchange rates at the different access windows in Nigeria.

"The Group recorded strong double-digit growth in revenues and profits from its operations, the result also reflects the effect of sizable revaluation gains, arising from the harmonisation of currency exchange rates in Nigeria. Our reporting currency found a new exchange level at about N756 to 1\$ as of 30 June 2023, compared to N465 at the beginning of the year. The results again demonstrate the benefits of our long-held diversification strategy across Africa and globally. The growth of our international business, most recently in the UAE, only reinforces this earnings quality," Alawuba said.

The UBA CEO stated that the business is set on a steady growth trajectory, underpinned by sustained risk management traditions and technology investments aimed at delivering premium service to our customers.

On the plans for the rest of the year, Alawuba noted that as the last quarter of the year draws close, the group remains strategically positioned to sustain the strong performance, consolidating on H1 2023 results, to deliver superior returns to its esteemed shareholders.

Flutterwave introduces digital platform, Swap to enhance FX access

Cynthia Ezekwe

NIGERIAN FINTECH COMPANY FLUTTERWAVE HAS LAUNCHED SWAPA DIGITAL FX solution designed to enable Nigerians to have immediate access to foreign currency at competitive exchange rates.

The cutting edge solution is backed by the Central Bank of Nigeria (CBN), with the leading payment service provider in Africa leveraging a partnership with Wema Bank and Kadavra BDC, a bureau de change (BDC), to provide liquidity and foreign exchange for the product.

The development has been described as a beacon of transformation in the financial service ecosystem, coming at a time when Nigerians and businesses are experiencing limited access to foreign currencies which has posed a significant challenge for individuals seeking to engage in international transactions, investments, and other cross-border financial activities.

Commenting on the product, Olugbenga Agboola, founder and CEO of Flutterwave, said Flutterwave is dedicated to innovation which is matched only by its commitment to simplifying

financial processes for endless possibilities. Swap, he said, represents a significant leap forward in how Nigerians will engage with foreign exchange.

"We understand the FX access challenges individuals and businesses face, and Swap is our answer to those pain points, providing a seamless and efficient platform for currency exchange. We are honored to have secured regulatory approval and the trust of our partners Kadavra BDC and Wema Bank to bring this life changing solution to Nigerians," the CEO explained.

Agboola noted that Swap will ensure that every exchange is not only seamless and secure,

but also financially rewarding, granting consumers greater purchasing power and businesses massive investment potential.

Moruf Oseni, managing director, Wema Bank emphasised that the support for digital innovation in the Nigerian finance industry has been unrivaled since the launch of the Wema's digital banking service, ALAT.

"As a bank that is committed to digital innovation, we are proud to be on this journey with Flutterwave because we believe a product like Swap will have a major impact across all sectors," he added. Cynthia Onyinyechi, CEO, Kadavra BDC described Swap as a step in the right direction for solving major FX problems for Nigerians, noting that it has simplified the process for accessing foreign currency at the click of a button.

DBN earmarks N150bn to empower 120,000 Nigerian MSMEs

JUST OVER A MONTH AFTER RAISING ABOUT N23 BILLION FROM ITS DEBUT LOCAL BOND ISSUANCE, the Development Bank of Nigeria (DBN) has unveiled plans to disburse N150 billion to about 120,000 Micro Small and Medium Enterprises (MSMEs) across the country in 2023.

Joseph Nnanna, chief economist in DBN, made this known recently in a me-

dia interview, noting that the disbursement would be done through participating financial institutions for onward lending to MSMEs across various sectors of the economy.

"A lot of Nigerians are challenged, a lot of businesses are challenged, the interest rate is increasing and as a result we know that these business owners will need some able room to breathe," he said.

The chief economist noted further that despite the challenging business environment, the MSME sector had recorded significant growth, fuelled by an increased employment rate.

"By and large we have seen some growth across the MSME space because we measure the job creation levels of the money we disburse through our participating financial institutions. If you look at what we have done

The deal allows Fidelity Bank, which is aspiring to join the league of Tier 1 lenders in Nigeria, to expand beyond its base. However, it draws the curtain behind Union Bank's nearly 40-year operations in the UK, dating back to 1983.

Fidelity Bank's board of directors, in a statement signed by Ezinwa Unuigboje, the company secretary, expressed confidence that the acquisition will unlock significant value for the Fidelity Bank Group, adding that the company is taking action to ensure the seamless integration of the operations of both entities.

Commenting on the development, Nneka Onyeali-Ikpe, the bank CEO, said, "The strategy is for us to move our footprint outside Nigeria and

Fidelity Bank boosts international portfolio with 100% acquisition of Union Bank UK

compete favourably with our peers. In the next three years, we should be able to be in six countries by doing at least two yearly."

Onyeali-Ikpe added that the acquisition is part of the bank's expansion drive on the continent of Africa, especially as they plan to enter five other African countries.

across the country, we have been able to impact over 300,000 MSMEs and this cuts across trade, education, manufacturing, agriculture and ICT. Over 240,000 jobs have been created so far and that is commendable," he said.

Nnanna also assured of the DBN's commitment to strengthen collaborations with stakeholders in the sector to achieve its target on financial inclusion.

"With support from the

regulators, with support from our partner institutions; we need support broadly because in the end I will restate that we suddenly need to collaborate more to achieve inclusive growth.

"So we have to collaborate, we have to keep on revisiting the things that are working and tweaking them to ensure they are fit for purpose that ultimately becomes the key to success," he added.

COMPANY & BUSINESS

Onome Amuge

SHAREHOLDERS OF BUA FOODS ARE ON TO ENJOY THE HIGHEST DIVIDEND pay-out in Nigeria's Food and FMCG industry after approving the proposed final dividend payment of N4.50 per share, underpinned by the positive growth recorded in the financial year ended 31 December 2022 which saw the company's total value rise 25.5 per cent to N81 billion.

Abdul Samad Rabiu, Chairman of BUA Foods Plc., in his opening statement at the company's 2nd annual general meeting held recently in Abuja, expressed his gratitude to the shareholders for their unwavering support, which has been instrumental in the company's outstanding performance since its inception.

Rabiu noted that despite the effects of global supply chain disruptions caused by the Russian-Ukraine conflict, the company continued to intensify efforts in creating value and expanding its capabilities across all operating divisions.

"Building on the successful merger of our different businesses in 2021, we achieved greater synergies and efficiency within the year which resulted in a 30.9% growth in our profit after tax," he said.

The industrialist also highlighted the commercial production of the compa-

BUA Foods to pay shareholders N4.50 per share as dividend rises 25% to N81bn



L-R: Aissata Lam, member, Young Global Leaders, from Mauritania; Zouera Yousoufou, managing director/CEO, Aliko Dangote Foundation; Aliko Dangote, chairman, Aliko Dangote Foundation; Fatima Aliko Dangote, group executive director, commercial, Dangote Industries Limited; Mmaki Jantjies, member, Young Global Leaders, from South Africa; Peace Hyde, member, Young Global Leaders, from Ghana, inside the fertiliser plant, during the Forum of Young Global Leaders, Aliko Dangote Fellowship Convening 2023, in Lagos, visit to Dangote oil petroleum and fertiliser plant, in Lekki, Lagos, recently.

ny's rice production which played a prominent role in boosting the company's revenue during the period under review.

Speaking further on growth ambitions, the chairman maintained that BUA Foods would start commercialising its second flour & pasta plant with respective additional capacities of 800,000 metric tonnes per annum and 500,000 metric

tonnes per annum, respectively.

He further disclosed that the company is completing expansion work on its sugar refinery intended to further enhance regional and global market expansion drive and looking forward to the contribution of its 200,000 tonnes per annum rice mill in Kano to the overall performance of the entity within the next fiscal year.

"In respect of our expansion/growth strategy, we will continue to support the overall economic strategy of 'eat what we grow and grow what we eat' through sustained investment in the expansion of our domestic cultivation of the raw material inputs, through our 20,000-hectare sugar plantation in Lafiagi and our Paddy rice project, to lessen dependence on imported

raw materials," he added.

Also speaking, Ayodele Abioye, the managing director, BUA Foods, stated that the company

had a great financial year post-listing on the Nigeria Exchange (NGX) with its wealth creation journey remarkably boosted by the investing public and institutions' participation, leading to a significant increase in Year-end market capitaliza-

tion from N720 billion to N1.17 trillion

Abioye further disclosed that gross profit grew by 29.0 per cent to N132.7 billion, net profit rose to N91.3 billion from N69.8 billion in 2021, while earnings per share rose to N5.07, compared to N4.24 in the full year 2021.

The BUA MD assured that the company will continue to drive business growth, leveraging the commercialization of additional capacities in its flour & pasta division as well as activating additional revenue generation from the rice division with a sustained focus on deepening its local and export market.

He also stated the company's commitment to deliver double-digit growth across its core financial and operational performance metrics.

Speaking on behalf of the shareholders, Umar Farouk, a shareholder, expressed delight at the N4.50 kobo dividend declared by the company.

Farouk commended the board and Management for upholding the vision, mission and values of the business as evidenced by the share price growth which has appreciated by over 400 per cent since listing on the Nigerian Exchange (NGX).

Dangote steps up efforts mitigate green house emission across subsidiaries

PAN-AFRICAN CONGLOMERATE, DANGOTE GROUP HAS, IN LINE with global best practice, deployed cutting-edge technology and other measures to mitigate emission of Green House Gas (GHG), and its impacts in all its subsidiaries.

This has driven the company's investments in modern equipment such as analysers, opacimeters, and other continuous emissions monitoring systems used to measure greenhouse gas emissions in real time.

Anthony Chiejina, the group chief branding and communication officer, Dangote Group, who affirmed the development, pointed out that the company's climate goals extend beyond just reduction of emissions but also to protecting and regenerating the environment, through land reclamation and tree planting.

JV Gungune, plant director, Dangote Cement Plc at Obajana Plant, Kogi State disclosed that the company has put in place state-of-the-art facilities to mitigate

climate change concerns.

"We need the environment more than it needs us. Hence the need to sustain the environment," he said.

In the same vein, Eseosa Ighile, the head of sustainability, Dangote Cement, Obajana Plant, noted that several innovative strategies have been introduced to cut emission of Green House Gas (GHG).

Ighile said, in line with the company's commitment to Sustainable Development Goals (SDG) 12, alternative fuels (AF) were adopted to reduce dependency on fossil fuels.

She explained further that the AF project aims to achieve a thermal substitution rate of 25 per cent in all plants by 2025, adding that the company is working towards installing AF feeding systems in all its operation lines by 2024.

Ighile disclosed that the resources utilized for fuels currently at the DCP Obajana include tyre chips, waste oils, and agricultural waste such as palm kernel shells and rice husks, aimed

at preventing GHG emission.

"We are also undergoing technical studies on the use of refuse-derived fuels (RDF) as a fuel source. Between January and July 2023, we've consumed over 34,800 metric tonnes of alternative fuel materials for our operations," she added.

Ighile further noted that the company has so far, engaged actively in climate action activities including: monitoring of water, waste, and GHG emissions, creation of a decarbonisation working group, and following the guidelines of both local and international organisations.

On his part, Adedeji Adewale, head, technical training at Dangote Academy, said the Dangote Cement Plc uses electrostatic prosector to trap dust and recycle into the system.

Adewale also disclosed that the Dangote Academy plants thousands of trees every year, including economic trees such as mangoes, soursup, dates, orange trees among others for environmental sustainability.

He explained that tree planting has the potency to protect the climate, regenerate the environment and improve the health condition of inhabitants.

Onome Amuge

THE MANUFACTURERS OF NIGERIA (MAN) HAS CANVASSED SUPPORT for a circular economy as a solution for the challenges in the plastics and packaging industry which has a global market value estimated to be over \$260 billion, according to Statista.

Segun Ajayi-Kadir, The director-general, MAN, made the call at the opening ceremony of the 10th Propak exhibition held recently in Lagos.

Ajayi-Kadir noted that though the sector has for years been a generator of huge revenue and employment, its challenges had remained unresolved, thereby hindering its growth.

The MAN DG, described the linear economy as 'resource-depleting', considering that most often, it focuses more on profitability at the detriment of product conservation.

On the other hand, he noted that the circular economy emphasises sustainability, resource efficiency, and environmental responsibility.

Highlighting the pressing

MAN makes case for circular economy in plastics and packaging industry

need to curtail plastic waste and its environmental repercussions, Ajayi-Kadir said the transition from linear to circular economy represents an extraordinary opportunity for innovation and expansion within the plastic and packaging sector.

However, he noted that transition would come with challenges and risks as it involves rethinking traditional business models, redesigning products for longevity and recyclability, and overhauling supply chains. These changes, he admitted, can be costly and disruptive, especially in the short term.

He added that it requires visionary leadership and a commitment to long-term sustainability.

"Also, for the circular economy to survive, there would be a need for financial support for its framework that would enable the plastic and packaging industry to unlock its green economic

growth," he said.

Ajayi-Kadir suggested that Nigeria can explore green financing mechanisms such as green bonds and loans to provide the requisite capital for investments in recycling infrastructure, research and development, and eco-friendly technologies to boost investments in a circular economy.

The MAN DG called for fair trade agreements that prioritise environmental sustainability for the circular economy. He also urged stakeholders in the industry to explore opportunities for exporting recycled plastic materials that not only contribute to national development but also align with global efforts toward a more sustainable future for all.

He concluded by pledging the support of the Manufacturers Association of Nigeria to enable the plastics and packaging industry to embrace a circular economy.

Stories by Sade Williams/
Business a.m.

NIGERIA'S AIR PEACE, WEST AFRICA'S LARGEST CARRIER BY FLEET SIZE, HAS PLACED a firm order for five new Embraer E175 aircraft whose list price puts the value of the order at \$288.3 million.

This strategic decision marks a significant step forward and is in line with the airline's ongoing strategy of modernising its fleet.

The acquisition affirms Air Peace's determination to become the operator of the largest and youngest fleet of aircraft in Africa.

It also reinforces Air Peace's commitment to enhancing its

Air Peace spends \$288.3m on five new Embraer E175s order

domestic and regional network connectivity and paves the way for further regional expansion. Deliveries of the 88 seat aircraft start in 2024.

Already an operator of Embraer's newest and largest jet, the E195-E2, these smaller aircraft will complement the airlines' existing fleet, allowing Air Peace to dynamically match capacity to demand, protecting yields and route viability.

Allen Onyema, chairman and chief executive officer of Air Peace,

said: "This is another important step in helping to realise our ambition to connect the whole of Nigeria with the entire African continent, while also feeding passengers into long-haul flights from our Lagos hub. The acquisition enables us to continue delivering on our 'no-city-left-behind' initiative - connectivity is what our passengers, and Africa, demand. The deal also paves the way to establish local maintenance capabilities in Nigeria, with direct support from Embraer."

Air Peace's strategic and innovative approach continues to make it a powerhouse of aviation success in West Africa. Already an E2 operator, it now makes sense to upscale their ERJ145 fleet, offering passengers more seats and comfort with the E175.

"The commonality of the cockpits between the E1 and E2 fleet also simplifies aircrew costs and management. Acknowledging Air Peace's significant investment in the acquisition of the Embraer fleet of aircraft, which

has increased to 18 brand new firm aircraft to date, Embraer, in partnership with Air Peace is committed to directly supporting the establishment of local maintenance capabilities in Nigeria", said Stephan Hannemann, vice president, sales and marketing, head of Africa and Middle East region, commercial aviation.

Embraer is the leading manufacturer of commercial jets up to 150 seats and the main exporter of high value-added goods in Brazil.



NIGERIA'S EXCESSIVE MULTIPLE AIRPORT CHARGES HAVE BEEN CALLED OUT BY THE INTERNATIONAL Air Transport Organisation (IATA) with the government of the country accused of stifling airline operations with such heavy and sundry taxes and charges.

The Nigerian government imposes at least 27 charges on airlines, the costs which are eventually passed on to travellers in ticket pricing.

Kamil Al Alwadi, IATA vice president for Africa and Middle East, said research shows that Nigeria ranks highest in airport charges in Africa, saying Abuja airport is the most expensive airport in Africa, closely followed by Lagos airport.

Alwadi, presenting at the recent 7th Aviation Africa summit and exhibition in Abuja, lamented the stunted growth in the region, especially Nigeria, calling on the Nigerian government to create a conducive environment for airlines to thrive.

"In a recent research conducted we discovered that the most expensive airport in Africa is Abuja airport, followed by Lagos airport, with all these exorbitant charges, Nigerian airlines can't compete with their foreign counterparts. "Africa has put itself in a place where it cannot help its own, expensive fuel, excessive charges, leasing and insurance

IATA calls out Nigeria for excessive airport charges

● Identifies 27 charges

● Lagos, Abuja airports most expensive in Africa

through the roof, the airlines need to be financially viable too. The airlines contribute to the country's GDP but Nigeria needs to decide what to do for them to survive," he said.

According to him, carriers based in Africa are expected to generate a moderate combined loss of around \$484 million in 2023 because the continent remains a difficult market in which to operate an airline, with economic, infrastructure and connectivity challenges impacting the industry performance.

"However, despite the challenges, the industry continues to move towards profitability following the COVID disruption and could be in the black as soon as next year. Underpinning this is the robust demand for air travel. As we saw in the second quarter of 2023 - and for two consecutive quarters - African carriers had one of the world's highest annual passenger traffic growth rates, second only to Asia Pacific.

"With total traffic up 38.9% compared to the same quarter in 2022, African carriers growth outper-

formed the industry-wide average for total and international traffic, even though the region has not fully recovered to pre-pandemic levels. Q2 2023 RPKs were 9.2% below the same quarter in 2019. Despite this continued positive performance, the region still confronts economic challenges that severely limit the affordability of air travel, in addition to a range of infrastructure issues that curb capacity and hinder the development of consistent air service.

Looking further ahead, over the next 20 years, he said Africa's passenger traffic will double, eclipsing 300 million passengers by 2040 at an annual average rate of 3.4 percent.

As you can see, the continent stands out as the region with the greatest potential and opportunity for aviation. But this potential is limited by safety incidents, infrastructure constraints, blocked funds, high costs, lack of connectivity, regulatory impediments, slow adoption of global standards and skills shortages, among other factors," he added.

Govt targets investors with MRO facility, aircraft leasing company

FESTUS KEYAMO, THE AVIATION AND AEROSPACE DEVELOPMENT MINISTER, HAS SAID the current administration is willing to provide all the necessary support for the establishment of world class Maintenance, Repair and Overhaul (MRO) facilities and training organisations in Nigeria.

Keyamo, who said this is part of his plans to attract foreign investors to the sector, identified four other initiatives, stating the vision of this current administration to make Nigeria the aviation hub of Africa.

He spoke at the 7th Aviation Africa summit and exhibition in Abuja, recently.

Keyamo said infrastructure upgrade, including upgrade of CAT 3 landing system at major airports, construction of the second runway in Abuja, airport improvement programmes through concession and government willingness to partner with companies to turn major airports into aerotropolis, will top the list of programmes aimed at repositioning the sector and make it investors' haven.

"In order to attract foreign investors the government is already looking at the following areas to improve aviation business in Nigeria: upgrading infrastructure, which includes upgrading of the Cat3 landing system, at major airports, construction of the second runway in Abuja, airport improvement programmes through Concession and government willingness to partner with companies to turn major airports into Aerotropolis.

"Aircraft Leasing Company: gov-

ernment welcomes major players in aircraft leasing and head lessors to invest in Nigeria airlines to provide state of the art aircraft. Government will ensure enforcement of contract agreement and the rights of investors and indeed all parties are protected; and Nigeria being a signatory to the Cape Town Convention will uphold international obligations.

"Aircraft Maintenance Organisation. Maintenance, Repair, and Overhaul (MRO) facility is another critical aspect that can make the Nigerian aviation industry a hub on the continent. With the shortage of qualified engineers, the current administration is willing to provide all the necessary support for the establishment of world class MROs and training organisations.

On forex availability, the minister said the current administration is aware that one of the setbacks entrepreneurs have suffered in Nigeria in recent years is the fluctuation of foreign exchange and its availability, adding that this administration is committed to ensuring that forex is readily available to entrepreneurs.

He disclosed that the president has directed that the Central Bank of Nigeria (CBN) holds quarterly reconciliation meetings with a view to resolve this issue.

Keyamo added that the current administration is open to providing tax holidays to encourage existing and new entrants into the Nigerian Aviation sector.

"I wish to reiterate that my administration will continue to sustain the support being given to the industry.

Quality air mishaps probe by NSIB reduces occurrences, says DG

THE NIGERIAN SAFETY INVESTIGATION BUREAU (NSIB) HAS SAID THAT ITS QUALITY PROBES into air accidents, serious incidents and timely release of safety reports have contributed massively to improved air safety in the country.

The bureau said that in the last 10 years, Nigeria's airspace had only recorded two fatal civil air crashes, leading to the unfortunate loss of nine souls within the period.

Akin Olateru, director-general NSIB, stated this in a paper presentation over the weekend in Abuja at the Aviation Africa Summit 2023.

Speaking on the topic: "Nigeria Evolving Approach to Aviation Safety and Learning from Occurrence Investigation", he boasted that Nigeria had the safest safety record in the globe, stressing that the country was now a force to reckon with in the sector.

He also pointed out that there was a downward trend from fatal accidents to accident and now serious incidents in the civil occurrences currently

in Nigeria, adding: "In the last four years, Nigeria had only one accident per year in terms of classification."

He mentioned Bristow Helicopters crash of 2015 and Quorum Helicopters accident of 2019 as the only two civil occurrences in which fatalities were recorded within the period.

Olateru, who maintained that Nigeria witnesses more incidents than accidents in the civil air mishaps these days, added that through the enhancement of soft systems being deployed in the conduct of probes into civil aviation occurrences and timely release of reports, the number of serious incidents would be reduced.

Besides, Olateru further announced the plans of the bureau, in collaboration with the Ministry of Aviation and Aerospace Development and the Nigeria Civil Aviation Authority (NCAA), to review and measure the effectiveness of all safety recommendations that had been issued over the years.

He said the purpose of this was to monitor their implementation

through the setting up of committees, stressing that this would be unveiled in 2024.

He clarified that this was not the first time NSIB would embark on such an initiative, stressing that the bureau in 2020 under his leadership organised a similar programme.

He also unveiled the plans of the bureau to make an arrangement through the Ministry of Aviation and Aerospace Development, NCAA and relevant stakeholders to bring both local and foreign insurance firms for deliberation in order to address the issue of insurance premium of airlines in Nigeria in 2024.

The NSIB boss further explained that the agency through the development of mechanism for early reporting of occurrences, identifying and improving personnel technical skills, training of first responders on what to do at the occurrence sites, keeping a database for analysis to identify trends and patterns became the evolving approach of the bureau that had guaranteed a safer airspace in Nigeria and beyond.

business a.m. Traveller & Hospitality

Stories by Sade Williams/
Business a.m.

ALKALI MODIBO, THE RECTOR, NIGERIAN COLLEGE OF AVIATION TECHNOLOGY (NCAT), has provided an explanation as to how and why the college auctioned two Bell 206 helicopters, saying the process was approved by the ministries of aviation and works.

He told journalists on the sidelines of the 7th Aviation Africa Summit in Abuja that the helicopters were disposed of after satisfying all due diligence.

While dispelling rumours that the aircraft were missing, Modibbo said: "First and foremost, aeroplanes don't get missing; if an aircraft takes off, it must land. In the process of landing, the aircraft would be asked so many questions of where it is coming from and going to. The two helicopters were acquired by the federal government about 12-13 years ago during the time of former President Goodluck Jonathan. It was purchased for the purpose of training pilots, but that kind of helicopter, you can't use them for initial training of pilots. And what the college does is basic training.

"The helicopters have jet engines and with jet engines, it is so expensive

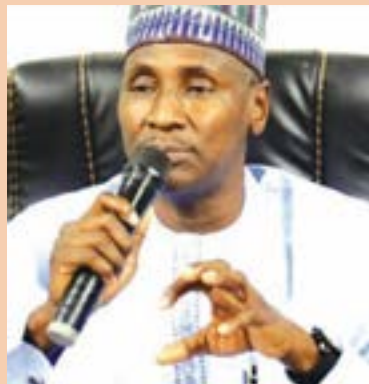
NCAT rector explains sale of Bell 206 helicopters

- College spent N5bn on maintenance in 12 years
- Helicopters sold for \$1.2m

that an hour training would take you your entire Private Pilot Licensing (PPL) on the piston engine aeroplanes. So, the Ministry of Aviation decided to sell the helicopters and replaced them with piston engine helicopters. The only way you can sell it and get your money back is by auction, which is the approved process for selling government properties.

The rector, who disclosed that the process started in 2019, said the college filed all the papers and requested for approval and evaluation from the ministry, lamenting that it costs the college about N5 billion to maintain the helicopters for 12 years.

"The ministry wanted us to sell it by the bluebook rating, which is the new helicopter prices, but we cannot sell old helicopters using the bluebook pricing. So, we had to request the ministry to look into that issue and we told them that the aircraft had been with us for more than 10 years, redundant in the hangar. Yet, we maintain the helicopters annu-



Alkali Modibbo, rector, NCAT

ally to the tune of N500 million to sit in the hangar. So, after five years, we have spent about N5 billion in maintaining the two helicopters, yet we don't use it for training or to source any revenue from it. It is a waste for the college because the helicopters must be serviceable all the time. For the 12 to 13 years period, none of the

two helicopters reached 40 hours flying time.

"We talked to the ministry and the minister agreed and approved the sales of the helicopters and we followed the due process. We wrote to the Ministry, requesting the Ministry of Works to get valuers to evaluate the helicopters, which was done. The Ministry of Works sent this to approved federal government auctioneers who came over and the helicopters were auctioned and at the end of the day, the helicopters were sold to two different companies at about \$600,000 each," he said.

Modibbo lamented that the college never used the two helicopters for 12 years, adding that if the government had involved NCAT, it would have advised the government on the type of aircraft it needed for training.

"We have never trained anybody on helicopters at the college. Probably the past government didn't seek advice from NCAT and when

the government wanted to purchase helicopters for its agencies, it decided to include NCAT. The government then acquired 10 helicopters for the Nigeria Police, bought for the Nigeria Customs Service (NCS), the National Emergency Management Agency (NEMA) and others. The government then considered two Bell 206 helicopters for NCAT.

"If the government had involved NCAT, we would have told them the type of aircraft we can use for training, which is piston engine helicopters, but the Bell 206 you cannot use for training. Nowhere in the world the helicopter type is used for training. It's like you using a Boeing 737 aircraft to teach someone how to become a pilot, you don't do that. That money could have fetched us two Robinson R44 and two R22 helicopters, but I am sure the federal government will want to approve probably one R44 and one R22 because of the issue we are having with foreign exchange. R44 is a larger version of R22; the R44 has four seats and the R22 has two seats for training," he added.

Dana Air deepens ties with 7-Star Hanger on maintenance

Mike Ochonma

IN LINE WITH ITS COMMITMENT to continue playing a key role in the development of Nigeria's aviation industry, Dana Air said it will strengthen its partnership with 7 Star Global Hanger.

In a chat with the media at the just concluded Aviation Africa Conference 2023 in Abuja, Ememobong Ettete, chief operating officer, Dana Air has shown massive commitment to the development of the sector from capacity building, to training, recruitment of Nigerians in key areas of the sector and first-of-its kind support for a homegrown Maintenance Repair Organization (MRO).

"Our contribution and commitment to the growth of the industry, the Nigerian dream and local content is unwavering and we are here at the Aviation Africa Conference 2023 in partnership with 7 Star Global Hanger to showcase their achievements," Ettete said.

7-Star Global Hanger can actually handle line and base maintenance for B737, MD80, Emb 135/145, Dash 8, Learjet, challengers and other aircraft types.

Dana Air gave the assurance of continued commitment to their growth and expansion as the two partners work together to position Nigeria's aviation in its pride of place in the comity of nations.

The airline commended the minister of aviation and aerospace development, Festus Keyamo and the director-general of the Nigeria Civil Aviation Authority (NCAA) Captain Musa Nuhu, for their commitment towards the growth, survival of airlines and the development of the industry.

"The minister has set some very good KPIs for himself and seems to have started on a very good footing. He has also assured domestic airlines of his availability to support their growth and sustainability and this is not just commendable, but very impressive and we pray the minister achieves his KPIs and more," Dana Air said.



L-R: Isaac Balami, chairman, 7-Star Global Hanger; Musa Nuhu, director general, Nigeria Civil Aviation Authority (NCAA); Ememobong Ettete, chief operating officer, Dana Air; Ini Jimmy, director, business development, 7-Star Global Group; and Simon Okwuokei, retired air commodore, and deputy managing director, 7-Star Global Group, at the recently concluded Aviation Africa Summit in Abuja.

ANALYST INSIGHT The Airport Customer Experience

The African migrant and the airport

MIGRATION IS SHAPING AFRICA AND THE WORLD AND IT IS DOING SO VERY DISTINCTLY. It is estimated that about one million Africans migrated to Europe over the decade to 2017. Some experts in development economics believe that more people will be able to move as Africa grows richer and migration might probably increase.

The continued movement of Africans across the globe, and Africa in particular, has implications for planning and strategy for African airports - traveller personas are likely to tilt more towards young, professional and globally thinking individuals with families. Airports are gateways into a nation and the airport experience can set the tone for how the migrant sees the country. This is important on the strength of the current thinking that migration does not lead to "brain drain" or "brain gain", instead it is circular, with people moving, learning new skills and then moving again. So migrants at airports should be treated with respect, dignity, and in full compliance with international human rights standards.

Three types of migration have been recognized within Africa, namely: To the West, within Africa and from countryside to the city. The Pew Research Centre in 2017, asked people in several African countries if they would move to another country if they could. They discovered that about 75 percent from Nigeria and Ghana said they would. And more than half of Kenyans and South Africans surveyed also said they would.

Migration also grows trade and investment. Many people would still like to eat the type of food they

grew up with. With their movement to other nations, they create a market for food items to be imported from their home country. This does not only apply to food, but also to music and video productions. Those who live in the cities have remained a ready market for farmers in the rural areas and this has helped raise the income of rural dwellers, especially those who can move these food items to the city markets where they are in demand. Moving people and goods is one logistic challenge that creates opportunities for airports and airlines.

Some of the things airports should have in mind are that everyone irrespective of race, nationality, ethnicity, gender, religion or any other should be allowed the same rights and opportunities. Migrants on arrival at airports should be able to access clear and transparent information. Information should be made out in multiple languages, with provision for interpretation and translation services for effective facilitation.

Reduce delays, treat the migrants with respect, dignity and courtesy all through their engagement with personnel at the airport, protect their privacy and confidentiality during interviews or when checking their documents and also help them access legal services and immigration advisors who will help explain to them their rights and obligations.

Just as some African nations do for people on religious pilgrimage, airports should make sure migrants have access to basic facilities such as clean restrooms, drinking water, and places where they can rest too. Keep in close watch children, the elderly and persons with reduced mobility as they are vulnerable. Where their stays at the airport may be prolonged, it is important to



EKELEM AIRHIHEN

Ekelem Airhihen, an accredited mediator, chartered accountant, certified finance and IT consultant, certified in policy and public leadership, and an airport customer experience specialist, has an MBA from the Lagos Business School. He is a member, ACI Airport Non-aeronautical Revenue Activities Committee; and is certified in design and implementation of KPI for airports. He can be reached on ekyair@yahoo.com and +2348023125396 (WhatsApp only)

monitor their health as well as give them access to medical assistance and health services that may be necessary. While doing the above, collaboration with relevant government and non-government as well as international agencies that specialise in migration and refugee support will go a long way in ensuring that the experience of migrants are positive at the airport.

The concerted efforts towards the Single African Air Transport Market will lead to increased connectivity among African countries such that traffic intra-Africa is projected to increase by 51 percent from 31.2 million to 47.1 million, say some experts. This will result in an added 15.9 million passenger trips that were not able to take place due to cost, flight availability and service convenience. African airports have work cut out for them as the travel demand and migration increase.

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• MOTORING • AVIATION • RAIL • ROADS • MARITIME

Stories by Mike Ochonma

Suzuki by CFAO offers practical solutions as petrol prices surge

WITH MANY NIGERIAN CAR OWNERS WITH LIMITED DISPOSABLE INCOME AND CORPORATES with depleted fleets feeling the financial strain, the search for vehicles that strikes a balance between budget-friendliness with long-term returns on investment has become more critical than ever.

Among the various automotive brands, the local dealership says Suzuki stands out as a name synonymous with quality, dependable after-sales support and industry leading fuel efficiency.

This reputation is grounded in practical engineering choices in which Suzuki's engines incorporate low-friction oils, advanced thermal efficiency, and a higher compression ratio, resulting to industry-leading fuel efficiency.

However, it is essential to acknowledge that individual preferences and specific models may influence one's preference for Suzuki vehicles. Yet, a few key factors historically distinguish Suzuki

Affordability: Suzuki is known for producing vehicles that offer excellent value for money, catering to discerning budget-conscious consumers seeking reliable transportation without straining their finances.

Reliability and durability: Suzuki cars are generally perceived as dependable and robust, requiring minimal maintenance when properly serviced as and when due.



This quality is particularly appealing to those in search of a long-lasting vehicle that will take them to everywhere.

Fuel efficiency: Suzuki models are renowned for their impressive fuel efficiency, thereby making any of the models as an attractive option for drivers looking to save on fuel costs while reducing their environmental footprint.

On the average, Suzuki models achieve an impressive fuel consumption rate of 22 kilometers per

liter, with tank capacities ranging from 28 to 45 litres.

Over the past decade, Suzuki's continuous enhancements to their K-Series engines have boosted fuel efficiency by nearly 30 percent. This demonstrates the brand's commitment to adapt and innovate in response to evolving economic and environmental challenges.

Suzuki by CFAO provides a diverse range of 13 models, all delivering reliability and cost-effectiveness. Beyond fuel efficiency, these vehicles

offer easy maintenance and quality spare parts at competitive prices, staying true to the legendary Japanese commitment to quality.

Among the notable models, the 2023 Grand Vitara 1.6-liter compact SUV has garnered attention. Notably, an independent experiment was conducted by one of the leading insurance companies called ETAP, to assess the fuel efficiency of this model.

In this experiment, four individuals embarked on a trip from Lagos

to Ibadan and back, using only an estimated quarter tank of fuel. This experiment was thoroughly documented in a video available on the company's official social media channels.

The compact Suzuki Swift boasts exceptional fuel efficiency at 20.41 kilometers per liter, making it a top contender for those prioritizing economical fuel consumption.

The family car model, Ertiga offers a seamless blend of performance and fuel efficiency, providing a smooth, responsive, and efficient drive.

The addition of the EECO mini delivery van and 7-seater commercial passenger bus to Suzuki's lineup further emphasizes the brand's commitment to performance and fuel efficiency.

According to Aissatou Diouf, general manager of Suzuki by CFAO, the brand has carved niche in the minds of Nigerian car buyers due to its reliability, value for money, solid after-sales support, and access to quality spare parts.

The general manager noted that at a time of economic prudence, Suzuki by CFAO remains a pragmatic choice for those seeking cost-effective ownership solutions without compromising on quality and dependability.

Governor Soludo performs Kojo Motors' Yutong, OMAA vehicles assembly, CNG plant

ANAMBRA STATE IS FAST BECOMING RENewed INVESTORS DESTINATION FOR DIFFERENT TYPES of money bags rushing to the state to capitalise on the pledged ease of doing business to set up businesses. This time around, one of such massive investment is being undertaken by John Ikenna Oguegbu, an indigene of the state and chairman, founder and CEO, Kojo Motors Limited.

Barely 24 hours after the Anambra State Investment Summit which ended last week, governor Charles Chukwuma Soludo performed the groundbreaking ceremony of Kojo Motors auto assembly plant for the local assembly of OMAA range of gas-powered mini passenger and commercial buses as well as Chinese range of Yutong passenger and commercial buses located at Umunya, along the Enugu-Onitsha Expressway.

While congratulating John Ikenna Oguegbu, chairman and chief executive of Kojo Motors Limited for bringing his wealth to his home state to invest, Governor Soludo also commended the Yutong buses manufacturers from China for the smart move of coming to Anambra State to set up the auto assembly plant in collaboration with the local franchisee.

The governor stated that, the decision to allow prospective investors to come and invest in the state was not out of philanthropy or charity, but rather a business decision model that will take Anambra State to the world and bring the

outside world to the state.

While congratulating John Ikenna Oguegbu, chairman and chief executive of Kojo Motors Limited for investing in the state, Governor Soludo pledged the state government's commitment and patronage of the vehicles that will be rolling out of the Yutong Assembly plant, he also commended the planned move by Kojo Motors to set up the CNG and Electric Vehicle charging station within the same facility, adding that, the Anambra state government under his administration is on course towards massive industrial development, employment generation and prosperity for all its citizens.

Welcoming the state chief executive with his commissioners for transportatiin, industry and investment, energy, including his special sides, other political office holders in the state, the transitional chairman of Oyi local government as well as some traditional rulers to the historic event, John Ikenna Oguegbu expressed his satisfaction in coming to his own state to set up the assembly plant for both OMAA buses with Chinedu Oguegbu as the brain behind the OMAA brand, the Yutong buses as well as CNG facility.

Chinedu Oguegbu, managing director of OMAA declared that beyond being sufficient in human capital, Nigeria is blessed with unutilised abundant natural gas. For the OMAA helmsman, "Our dedication to "Made in Nigeria" to Africa and the world under the National Automotive Industrial Development Plan (NAIDP) of the

federal government will not only directly employ many Nigerians, but position Nigeria as an automotive manufacturing hub in Africa.

Anambra state he pointed out is fast becoming renewed investors destination as they capitalise on the pledged ease of doing business to set up businesses. "This time around, one of such massive investment is being undertaken by John Ikenna Oguegbu, chairman, founder and CEO, Kojo Motors Limited".

He congratulated governor Soludo for the success of the last Anambra state Investment Summit and expressed confidence that, the take away from the gathering will more positively attract more investors position to the state.

In his speech, Chino Ogwumike, national sales manager, Kojo Mo-

tors Limited declared that, the ground breaking ceremony of the auto assembly and natural gas facility will go down in the corporate history of the automobile company for identifying with the economic developmental blueprint of Anambra state under the able His Excellency, Professor Chukwuma C. Soludo.

According to him, "Assembly operations in Semi-Knocked Down (SKD) format at the Igbo-Ukwu facility and this new site would be our progression to Complete-Knocked Down (CKD) featuring automated welding, painting and final assembly".

Ogwumike said that, the site would also consist of first of it's kind public L-CNG plant and electric vehicles (EV) charging sta-

tion making Liquefied Natural Gas (LNG), Compressed Natural Gas (CNG) and EV Chargers available transporters, fleet operators and the general public in the state.

The ground breaking ceremony signifies more than just the beginning the construction; rather it represents our commitment to growth, our belief in innovation, and our dedication to "Made in Anambra" to Africa and the world.

The very expansive automobile assembly plant which is in tandem with the National Automotive Industry Development Plan (NAIDP) will not only directly employ many Anambra indigenes, it will also create indirect job and small business opportunities within this locality, as well as enhance technological development.



7th (L-R): John Ikenna Oguegbu, Chairman/CEO, Kojo Motors, His Excellency, Executive Governor of Anambra State, Professor Chukwuma Soludo, May Oguegbu, executive director, Kojo Motors, Elizabeth Ukwuoma, executive principal, Standard Chattered Bank and Chinedu Oguegbu, managing director, OMAA, during the groundbreaking ceremony of the proposed Kojo Motors assembly plant and L-CNG/EV Charging Station performed by the Anambra State governor on September 08, 2023. It is located on Enugu-Onitsha Expressway, Umunya.

TECHNOLOGY & INNOVATION

What do you see as the key trends in Digital Banking at the moment?

I PERCEIVE TWO KEY dimensions that are crucial in the realm of Digital Banking. The first pertains to trending topics that shape the industry, while the second revolves around the solutions and platforms employed to enable these trends.

On the trail of trending topics, I observe several prevailing ones including sustainability, segment-specific banking, digital financial advisory, digital identity, instant payment cryptocurrencies, CBDC and open banking/finance, to name a few. I personally am very interested in the concept of segment-specific banking, as traditionally, banking interfaces such as mobile apps or eBanking portals have been designed with a single interface intended to cater to multiple customer groups. However, this approach fails to acknowledge the diverse needs and preferences of distinct customer segments. The functional requirements, usability expectations, and overall experiences sought by an 18-year-old customer interested in online shopping vastly differ from those of a 38-year-old customer focused on savings, or a 58-year-old customer with investment interests. Addressing the unique needs of various customer segments, including private banking, retail customers, or any group or segment, requires an adaptable solution. Rather than developing separate apps for each group, the key lies in leveraging a solution that can flexibly adapt to different requirements.

On the other hand, to effectively keep up with the rapidly evolving market forces, banks and card issuers are moving away from building everything from scratch in-house. Time and resource constraints make pursuing this approach impractical while delivering innovation aligned with customer expectations. Therefore, it becomes essential for banks to leverage existing and proven solutions that enable fast-paced innovation. The demand for a more productised offering that maintains agility and provides the necessary flexibility to quickly adapt and respond to market dynamics is paramount. Traditional monolithic solutions, even if fully customised, often fall short in this regard. Instead, an open and modular framework with up-to-date elements and market-ready components becomes indispensable. This empowers banks to tailor the solution to their customers' needs and promptly adapts to changing market conditions.

Moreover, there are instances where a ready-made solution may not suffice. Banks may seek the expertise and consultation of progressive industry partners with proven professionalism and experience in such cases. This collaboration allows for effective guidance and support in navigating the digital banking landscape, especially for less differentiating aspects that still require digital banking capabilities, drawing upon the knowledge of providers who have successfully implemented similar solutions multiple times.

Overall, the key lies in embracing a forward-thinking approach that combines adaptable frameworks, modular components, market readiness, and strategic collaborations to meet the diverse demands of customers while staying at the forefront

The future of digital banking: An interview with Netcetera

Tobias Ott is part of the division management of the Digital Banking division at Netcetera AG. Here, he is head of sales responsible for the market side and market development. Previously, he was COO of SwissWallet AG, and worked for more than 10 years in various roles for Swisscard AECs GmbH (with the latest role as a Corporate Development and Innovation Manager). Tobias Ott studied Business and Computer Science at the Technical University of Darmstadt and at the University of Illinois at Urbana-Champaign. He likes to spend his spare free time with his family or doing sport.

Juniper Research conducted this interview with Ott in August 2023



Tobias Ott is part of the division management of the Digital Banking division at Netcetera AG

of innovation in the digital banking industry.

Do you see that this is reflected in Netcetera's digital banking offering, and how are Netcetera's products being shaped by those two streams?

What we do connects the market trends via the enablers with the demands and preferences of our customers. We are committed to developing an open and flexible solution comprising modular components that empower customers to customise and create their own functionalities. Our customers do not need to settle in any way for the sake of cost or time to market; we proactively adapt and tailor our

modular solution to meet each customer's specific requirements.

We take pride in our ability to engineer and innovate in response to market trends, inviting our customers to embark on this transformative journey with us. Our ultimate objective is to meet and surpass market expectations, delivering solutions that cater precisely to their needs and exceed their aspirations.

Last year, you won the prestigious Platinum Award from Junipers Future Digital Awards for Fintech & Payments for the ToPay Mobile Wallet and Gold for Click to Pay (CtP). Would you tell our readers more about your solution?

Our ToPay Mobile Wallet is an

all-encompassing mobile banking solution tailored specifically for card-centric customers, which integrates a comprehensive suite of features that address the diverse needs of card issuers. Our solution stands out in the market due to its exceptional completeness and forward-thinking approach, which has been recognised by Juniper Research. As a card issuer, we have everything you need readily available, and our comprehensive suite of functionalities includes essential features such as 3DS support, Digital Wallet Provisioning (inc. Apple Pay, Google Pay, Click to Pay), sensitive details display (PAN, CVC), card management (PIN modification, address changes, card limits and blocking/unblocking), and more. Moreover, we go beyond the basics by offering transaction enrichment and even CO2 tracking capabilities, providing you with a comprehensive and forward-thinking solution, and we continuously strive for progress by incorporating functionalities that are not only essential today but also anticipate future needs and requirements.

One of these is Click-to-Pay, with which a bank or a card issuer can empower their customers to securely enable their payment cards for the card scheme standard Click-to-Pay with just a few clicks. It simplifies the process of provisioning payment cards by eliminating the need to manually enter card details. The users can select the 'click to pay' option with that easily and securely checking out in a digital world without entering card numbers or other sensitive information.

With ToPay Mobile Wallet, we deliver a highly modern and cutting-edge platform, providing card issuers with a holistic solution that meets every requirement. It's also flexible and modular, with ready-made components that the customer can pick and choose from to create their unique customer experience.

Can you consider other characteristics or topics that make you stand out from your competitors?

We, as Netcetera, take pride in our uniqueness as the sole provider in the market, offering a comprehensive product solution with all the necessary functionality for card issuers, and our track record and references only showcase the effectiveness of our solution. In contrast, our competitors typically offer either rigid ready-made monolithic solutions that limit customer flexibility or expensive custom-built options.

We understand that some cus-

tomers may prefer to start with a smaller set of modules and swiftly enter the market, and we can deliver this while our customers benefit from the fast time to market and reduced costs, making it an advantageous choice for introducing new offerings.

With a team of 100 dedicated domain experts, we can offer valuable insights based on vast experience, sharing best practices, and proposing optimal approaches. Instead of requiring extensive training, our team can already jump in with specialised advice, enabling us to deliver superior solutions faster. We go beyond just programming and implementation as we think about the end user's every need during UX/UI design and native app development. That ultimately allows our customers to leverage the full business value of our solutions.

Looking forward to the future, what part of Netcetera's Digital Banking offering are you most excited about and why? How would you like to see your products making an impact in the future?

In response to emerging market trends, where of course AI is one of them, we are actively developing new modules focused on addressing fraud-related issues. One prevalent concern is the occurrence of app takeovers facilitated by phishing and social engineering techniques. Fraudsters employ these methods to deceive customers, gaining access to their sensitive information and manipulating them into performing actions on their behalf, often under the false pretence of being their bank. While a vast majority of targets remain unaffected, a significant number fall victim to these tactics. They may unknowingly disclose personal information, including their name, password, and even OTP (One-time Password) received via SMS, disregarding the bank's warnings against sharing such details. Fraudsters' persuasive approach, impersonating bank representatives, further convinces customers to comply. To mitigate this risk, we have implemented preventive measures within our modules. These solutions aim to reduce the likelihood of such fraudulent activities or limit their impact, ensuring the security of our customers' information and enhancing their overall protection.

This is a module, which, of course, I'm super excited about, but it is important to highlight that our efforts extend beyond this module. We place significant emphasis on sustainability and accessibility as well. These areas play a pivotal role in shaping the future of society, particularly in the digital world. As we move forward, the digital landscape will increasingly influence how societies function, making it imperative to prioritise sustainability and accessibility in digital payment solutions. By focusing on these aspects, we aim to contribute to a more inclusive and environmentally conscious future, aligning with the evolving needs of our customers and their users.

TECHNOLOGY & INNOVATION

•TELCOS •INNOVATION •R&D •AI •ML •CLOUD COMPUTING •BIG DATA •CYBERSECURITY

Onome Amuge

SECURITY EXPERTS IN THE TECHNOLOGY AND BANKING SECTOR HAVE IDENTIFIED KEY BENEFITS of having various layers of security on mobile technologies, applications and services, in the digital economy, also known as mobile economy. They contend that putting security first in a super fast mobile economy should be at the forefront of all activities and decision-making processes within the rapidly evolving mobile technology and economy.

The experts highlighted the digital security benefits at a round-table event organised recently by CED Technologies and Appknox, themed, 'How to Think Security First in a Super-fast Mobile Economy - Act or React'.

Chukwuebuka Ume-Ezeoke, the chief technology officer at CED Technologies, said while people were creating mobile technology solutions that help and better everyone's life in and out of Africa, there was a need to think of security first.

"While companies like Appknox and CED Technologies have built a safe and secured mobile ecosystem using a system plus human approach to outsmart hackers, we believe that it is everyone's business to think security first, recheck and double check so that busi-

Tech experts educate consumers on benefits of app security in digital economy



L-R: Babagana Kabir, chief executive officer, Lake Chad Research Institute, and Philip Eretan, director, projects, Nigerian Communications Commission, during a courtesy visit by the institute to the commission in Abuja, recently

nesses can be as secure as possible," he noted.

Ume-Ezeoke, in his presentation, explained that the importance of API Security for organisations, was to prevent data breaches by ensuring that only authorised users and applications can access the data, and that data is encrypted during transmission.

According to the technology expert, API security ensures that the organisation a compliant with regulations such as GDPR, CCPA, HIPAA, by protecting sensitive data and providing secure access to APIs.

He also explained that the roundtable was basically to bring security leaders, bank executives, chief information

security officers, heads of risk management, and even founders for different Fin-Tech apps to encourage everyone to think security first while creating solutions that help and better everyone's life in and out of Africa.

On his part, Harrison Nnaji, the chief information security officer of FirstBank and its subsidiaries, listed

the key benefits of mobile app security to include data protection, user trust and confidence, compliance and legal protection, enhanced reputation and competitive advantage.

This is even as he identified mobile malware/ransomware, supply chain risks, evolving threat landscape, social engineering, data

breaches, poorly designed apps, unpatched software and inadequate user education as the major security concerns in the super-fast mobile economy, where one billion mobile connection and 80 per cent mobile broadband adoption is recorded in Africa as at 2023.

Nnaji added that security trends in mobile security revolve around 5G security, AI-powered security, zero trust architecture, quantum-resistant encryption, biometric enhancements, blockchain for mobile security, mobile threat defence and privacy-preserving technologies.

Harshit Agarwal, chief executive officer/co-founder of Appknox, in his presentation, said that based on the analysis carried out by Appknox, 40 per cent of the Fintech apps in Nigeria are vulnerable to high and critical impact issues.

Agarwal said a breakdown of the analysis shows that over 80 per cent of the apps lack sufficient code obfuscation, 60 per cent have broken/disabled SSL and certificate pinning, 35 per cent are affected by network security misconfiguration and 25 per cent indicate recording of audio and screen activity.

NCC alerts consumers on rising electronic fraud on telecom platforms

THE NIGERIA COMMUNICATIONS COMMISSION (NCC) has cautioned telecommunication consumers on the rising trend of electronic frauds perpetrated on telecom platforms across key sectors of the Nigerian economy.

Alkasim Umar, the director, consumer protection and advocacy unit, Consumer Affairs Bureau of the Commission, sent the warning during a sensitisation programme in Abakaliki, the Ebonyi State capital, themed 'Shine Your Eyes-No Fall Mugu'.

The director, who was represented by Clems Omeife, the head of consumer advocacy and production unit of NCC, noted that though the telecom industry has evolved significantly, there is a growing concern over the rising trend of electronic fraud perpetrated on telecom platforms across key sectors of the Nigerian economy.

Umar observed that cyber criminals are targeting telecoms networks, interrupting

service provision and accessing bank data, with victims often left with enormous losses from SIM swaps and USSD e-payment frauds.

According to the NCC director, the menace that follows the wide acceptance of new methods of mobile money, electronic banking and payment systems has been discovered to cost the country a whopping amount of money.

"The Central Bank of Nigeria (CBN) has identified electronic fraud as the biggest risk to the sector, which has embraced a range of electronic payment solutions, including Automated Teller Machines (ATMs), Nigeria Inter-Bank Settlement System (NIBBS), instant payment as well as mobile banking," he stated.

Umar pointed out that a lot of people are highly ignorant of how losing their phones to fraudsters can lead to a complete clean-up of their bank accounts. These fraudsters, he explained, commit fraudulent acts by stealing victims' identities, names, addresses,

and bank information, which they use to gain access to their bank accounts. He also revealed that the fraudsters also use the stolen identity to defraud other people and even apply for loans, leaving the victim with debts.

"It is in view of this and in line with the commission's consumer-centric posture that the commission in collaboration with relevant advocacy groups embarked on the sensitisation programme tagged: 'Shine Your Eyes, No Fall Mugu', across the six geopolitical zones in the country," he explained.

To this end, Umar stated that the commission has collaborated with critical stakeholders such as the Central Bank of Nigeria (CBN), the Nigerian Police Force, the Economic and Financial Crimes Commission (EFCC), the Independent Corrupt Practices Commission (ICPC) and other relevant agencies in the fight against e-banking fraudsters.

He advised telecom consumers to be vigilant and cautious when it comes to financial transactions on the telecom platform as fraud can occur through various channels, including unsolicited text messages, voice calls, emails, and fake mobile applications.

TELECOMMUNICATION GIANT, MTN NIGERIA COMMUNICATIONS Plc, has obtained the approval of the Nigerian Communications Commission (NCC) to take over the 10MHz frequency division duplex (FDD) in the 2.6GHz spectrum band from OPENSKEYS Services Limited after fulfilling the necessary acquisition procedures.

The GSM network provider said the 2.6GHz spectrum band is designated for the deployment of terrestrial mobile broadband services across the 36 states of the federation, including the FCT.

Though MTN Nigeria did not disclose how much it paid to purchase the spectrum, it stated that it would operate the facility for 10 years, effective from September 7, 2023, and would be required to renew it by 2033.

The telco, with the largest subscriber base in Nigeria, said the new spectrum would enable it to meet the growing demand for data in the country.

Citing a GSMA report on opportunities for global mobile broadband, MTN stated that the 2.6GHz spectrum band is the ideal complement to the 700MHz-

MTN Nigeria acquires additional 2.6GHz spectrum to boost broadband penetration



800MHz spectrum bands as together, these bands can help to provide the most cost-effective nationwide coverage of mobile broadband services across both rural and urban areas.

The firm noted that its recent acquisition will enable it to provide improved broadband services to its customers and meet their growing demand for capacity

to deliver mobile broadband services. It further said the transfer of the spectrum will significantly improve its customers' experience in line with its commitment to deliver excellent service.

Commenting on the acquisition, Karl Toriola, the chief executive officer, MTN Nigeria, said the additional spectrum will enable the company to deliver on its promise to customers to deliver quality service, as it continues to support the federal government's vision of deepening broadband penetration in the country.

"This spectrum will enable MTN Nigeria to roll out our network capacity more efficiently and enhance our sustainability priorities. Not only will it help to support the growing demand for data in the country, but it will improve the overall internet experience in line with our commitment to delivering quality service to our customers," he added.

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FG approves review of NCC Act 2023 to resolve regulatory overlaps with NITDA

Onome Amuge

THE FEDERAL GOVERNMENT HAS GRANTED APPROVAL FOR THE REVIEW of the NCC Act 2003, aimed at eliminating recent disputes over regulatory roles between the Nigerian Communications Commission (NCC) and the National Information Technology Development Agency (NITDA).

The move is also centered on establishing a clear distinction between the functions of both government agencies and preserving the telecommunications sector's pivotal contribution to the nation's gross domestic product (GDP).

Umar Garba Danbatta, the executive vice Chairman of NCC, confirmed the development during the Telecom Executives and Regulators Forum (TERF) held recently in Lagos.

Danbatta disclosed that the NCC had completed the initial and secondary drafts of the NCC Act 2003 review, which have been submitted to Bosun Tijani, the minister of communications, innovation, and digital economy, for



approval.

He stated, "The Nigerian Communication Act is currently being reviewed. The first and second draft has been concluded and the final draft will soon be released. The second draft has been made available to the Minister of Communications, Innovation and Digital Economy, Dr. Bosun Tijani. We had to review the NCC Act to ensure that all areas of conflicts and overlaps can be addressed so that NITDA and NCC can co-exist without friction of roles."

The NCC Act 2003, originally signed into law by former president, Olusegun Obasanjo on July 8, 2003, empowers the NCC as a regulator responsible for establishing a regulatory framework for the Nigerian communications industry and promot-

ing the implementation of national telecommunications policy.

The need for the NCC Act's revision arises from the proposed NITDA Bill submitted to the ninth Assembly, which aims to transform NITDA from a developmental agency into a regulatory agency. The bill seeks to empower NITDA to administer, implement, and regulate information technology systems and practice in Nigeria, potentially creating regulatory conflicts in a sector already governed by NCC.

Industry stakeholders voiced strong opposition to the NITDA Bill, expressing concerns that it would disrupt the telecoms sector's growth. They argued that their inputs and interests were not adequately considered during the bill's drafting.

It was also gathered that despite passing through the Senate and House of Representatives Joint Committee on ICT and Cyber Security, the NITDA Bill did not receive President Muhammadu Buhari's signature before his departure from office in May 2023.

Based on this, industry leaders, including Gbenga Adebayo, Chairman of the Association of Licensed Telecoms Operators of Nigeria (ALTON), have advocated for a swift review of the NCC Act to define NCC's regulatory role more clearly and protect the telecoms sector's contributions to the national economy.

Data & Information Governance Insight

Zero trust architecture and future of data privacy



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 mshoke@yahoo.com; twitter: [@mshoke](https://twitter.com/mshoke)

IN AN ERA WHERE DATA IS THE NEW GOLD, BUSINESSES ARE FACING an uphill battle to keep their fortresses secure. Cyber threats are evolving at an unprecedented rate, leading to significant financial and reputational damage. Traditional security models, which adopt a 'trust but verify' approach, are proving inadequate to combat these sophisticated attacks.

This is where Zero Trust Architecture (ZTA) comes into play. With its 'never trust, always verify' methodology, Zero Trust is a game-changer in bolstering data privacy.

In this article, I delve into the importance of implementing Zero Trust Architecture to fortify your organisation's data privacy strategies.

Traditional cybersecurity models operate under the assumption that everything within the organisation's network should be trusted. Once the perimeter defences, such as firewalls and antivirus software, grant access to a user, that user can typically roam freely within the network. This approach is akin to securing the entrance of a building but leaving the interior doors unlocked.

However, with the rise of cloud computing, remote working, and Bring Your Own Device (BYOD) policies, the concept of a network perimeter is becoming increasingly blurred. The shortcomings of the traditional models become evident when a single compromised account can lead to a cascading failure of security, laying bare sensitive data and jeopardising privacy.

'Zero Trust Architecture' adopts a fundamentally different approach. It assumes that threats can come from anywhere — even within your organisation — and hence, no one should be automatically trusted. It shifts the focus from perimeter security to a more dynamic, data-centric model. Under Zero Trust, every access request is treated as if it originates from an open network, regardless of where it comes from.

There are key principles of Zero Trust Architecture.

Least-privilege access: Give users only the access they need to perform their tasks. If a user doesn't need to access a particular piece of data, they shouldn't have the capability to do so.

Micro-segmentation: Partition your network into smaller zones to contain potential breaches. Even if an attacker gains access to one segment, they won't automatically gain access to others.

Continuous monitoring and verification: Zero Trust requires ongoing authentication. If a user's behaviour suddenly changes, they may be required to re-authenticate to prove their identity.

Zero Trust Architecture is vital for data privacy for several reasons:

Reduced insider threat: Even well-vetted employees can pose risks, whether intentional or accidental. By applying strict access controls and continuous monitoring, Zero Trust minimises the risks from insider threats.

Compliance readiness: Regulations like GDPR, CCPA, and HIPAA mandate stringent data protection measures. Zero Trust can make it easier for organisations to comply with these rules, as it offers a robust framework for safeguarding data.

Adaptive security: In a landscape where cyber threats are continually evolving, the adaptive nature of Zero Trust means that your data privacy measures can evolve in kind.

Enhanced user experience: While it may sound counter-intuitive, Zero Trust can actually improve the user experience by applying adaptive authentication methods such as biometrics and single sign-on (SSO), making the process less intrusive yet more secure.

There are proven industry steps to implement zero trust to identify sensitive data in various industries, however, companies must employ the technical savvy experience of data privacy consultants and a team of network engineers

to implement these steps. They are:

Know where your data resides and classify it based on sensitivity.

Map data flows: Understand how data moves within your organisation to determine potential weak points.

Implement access controls: Use role-based access control (RBAC) or attribute-based access control (ABAC) to enforce least-privilege access.

Deploy monitoring tools: Use tools like Security Information and Event Management (SIEM) to track and analyse activities in real-time.

Educate employees: Even the best systems can fail if employees are unaware of best practices. Training should be an ongoing process.

Regular audits and updates: Frequently review and update your Zero Trust policies and technologies to adapt to new threats.

In a world fraught with cybersecurity challenges, Zero Trust Architecture is not just a best practice — it's a necessity. By adopting a Zero Trust approach, businesses can fortify their data privacy measures, ensuring that they not only protect sensitive data but also build consumer trust and comply with regulations. The path to Zero Trust may require an upfront investment in technology and training, but the cost of a data breach both in terms of financial loss and reputational damage makes it an investment worth making.

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Global internet access jumps to 2.6 billion in 2023, but data shows digital divide persists

AS OF 2023, THE NUMBER OF THE GLOBAL POPULATION WITHOUT internet access has dropped to approximately 2.6 billion, down from 2.7 billion in 2022, indicating a significant progress in global internet connectivity, according to the latest data from the International Telecommunication Union (ITU).

ITU's data highlights that 67 per cent of the world's population, equivalent to 5.4 billion people, are now online. This statistic underscores the widespread adoption of the internet across the globe, with billions of individuals benefiting from digital access.

However, while this reduction marks a step in the right direction, a substantial portion of the global population, approximately 33 percent of the

global population are still unconnected, highlighted ITU.

According to the United Nations specialised agency for information and communication technologies, the digital divide remains a formidable challenge, especially in low-income countries, where the growth in internet connectivity has been most pronounced, with less than one-third of the population enjoying online access.

"While there has been a reported 17 per cent increase in internet users in these regions over the past year, the majority of citizens in these countries are still disconnected from the digital world," the report noted.

The report also indicated that the double-digit growth in internet connectivity observed during the peak of the COVID-19 pandemic in 2020 has not sustained. It showed further that current trends,

though positive, are not robust enough to guarantee universal and meaningful connectivity for all by 2030.

Commenting on the report, Cosmas Luckyson Zavazava, director of ITU's telecommunication development bureau, stressed that millions of people, especially in low-income countries, are missing out on the life-changing benefits that internet access can provide in this era of digital transformation.

Zavazava pointed out that the data underscores the need for more than just connectivity, adding that alongside expanding internet access, there is a pressing need to equip users with digital skills. These skills, he said, are essential for individuals to unlock the full potential of the internet and navigate the online world safely.

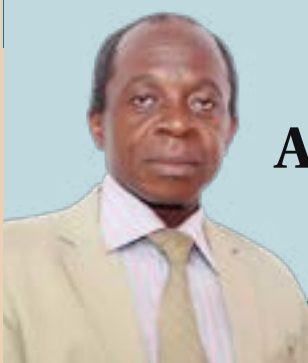
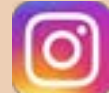
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Africa & Global Observatory

OLUKAYODE OYELEYE

Dr. OluKayode Oyeleye, Business a.m.'s Editorial Advisor, who graduated in veterinary medicine from the University of Ibadan, Nigeria, before establishing himself in science and public policy journalism and communication, also has a postgraduate diploma in public administration, and is a former special adviser to two former Nigerian ministers of agriculture. He specialises in development and policy issues in the areas of food, trade and competition, security, governance, environment and innovation, politics and emerging economies.

SEPTEMBER 11 has become a date of global relevance, based on two significant events that took place in the Americas – one in South America and the other in North America. The latter was in the aftermath of the daring murder-suicide and brutal, coordinated terrorist attacks on the United States in 2001. An estimated 3,000 people died at the World Trade Centre twin buildings in New York, at the Pentagon in Washington DC and in Pennsylvania, all involving hijacked aircraft that crashed in different places on that day in what is now also often interchangeably referred to as 9/11 on a tragic event that occurred on the US soil, carried out by terror actors from Saudi Arabia. But, there had been another notable 9/11 event that happened in a South American country some 28 years earlier. That event, which changed so many things in Chile, reportedly had the imprimatur of the US top government officials and Washington DC politicians in one of such cases of meddling in the affairs of other nations in which they caused chaos where there was none.

The US event might have been given more attention for a number of reasons. First is that the Chilean experience is now half a century old and many who witnessed it first hand as adults may no longer be alive today to tell the story. Those actively remembering the event now are most likely to have been children or adolescent then, with shallow or faint knowledge of what transpired then. Additionally, Chile has not been enjoying the same level of global visibility as the US, in which case most people outside the Latin America may not have been too keen to know, remember or consider the event as remarkable or relevant. Quite significant is the emergence of cable network TV services that have already become a commonplace in the US and most developing countries in 2001, which did live broadcast of the US attack, thus widening the news spread and broadening the people's consciousness of the event.

Last Monday, Chileans trooped out to celebrate the 50th anniversary of the coup d'état that toppled the regime of the democratically elected president Salvador Allende. Its significance

was less about the removal of Allende, but more about the atrocious regime of Augusto Pinochet that ruled Chile for the following 17 years and the damage he did to Chile during his regime. Pinochet ruled with iron fist and inflicted suffering on his countrymen and women. Thousands of Chileans were tortured, killed and forcibly disappeared over the period of his rule. His rise, ascendancy and the ouster of Allende had the imprimatur of the US, with Henry Kissinger's active involvement as National Security Adviser to President Richard Nixon. Kissinger was involved in the policies that created the conditions for the removal of Allende and of support for dictatorial regime of Pinochet in subsequent years. Declassified documents reportedly revealed Kissinger's active role in undermining Allende's government and democracy itself, dating back to September 12, 1970, just days after Allende's election. He reportedly pushed Nixon to support the policy of regime change in Chile after Allende's inauguration as president in November of 1970. A Kissinger's declassified secret memo to Nixon revealed this statement: "The election of Allende as president of Chile poses for us one of the most serious challenges ever faced in the hemisphere." And that was the bottom line.

Kissinger remains iconic on questions of accountability in the cultural, legal, moral and political sense. His well-documented role in undermining democracy and establishing dictatorship in Chile and in other countries across the globe, particularly Africa, stood out in the wave of coups then. Such interventions serve as one of the great injustices and outrage of that time. Many military leaders in Africa toppled democratically elected governments and established themselves as despots in civilian garbs. And many democratically elected presidents became despots by tweaking the constitution of their countries to remain in power beyond the constitutionally approved term limits. They looted their countries' resources and stashed away huge fortunes in American and European banks, a pointer to collusion, connivance and self-enrichment at the expense of their countries, with some becoming even richer than their own countries. Rather

America's 9/11, Africa's prosperity and the West's sadism

than building strong institutions that would outlast them, they ended up building strong leaders that faded away soon after their deaths.

Instances abound in Africa. Mobutu Sese Seko removed Patrice Lumumba from office, impoverished DR Congo while enriching himself at the expense of his country, without any Western intervention to curb his excesses. Félix Houphet-Boigny ruled Côte d'Ivoire for over three decades, meddled with African countries' affairs and helped to sustain wars and atrocities there. Moamar Gaddafi of Libya – a celebrated dictator – was meddling in his involvement with other African countries during his regime, obviously falling out of favour from the West only because of his outwardly Pan-Africanism fervour. More recent examples are the deposed Alpha Condé of Guinea Conakry and Alassane Ouattara of Côte d'Ivoire who succeeded in getting themselves into office for the third term beyond the constitutional provisions. Between then and now, the very idea of long period of stay in power without any challenge and without any real national development is intriguing.

Any doubt about the consistency of claims on the US commitment to true democracy outside its own borders? The US has been notorious for destabilising regimes that do not align with its own foreign policies and egging on those who are in their good books. The outcomes have been mostly and consistently disastrous for those countries. They are left in worse social, political and economic conditions after each intervention by the US. Of the many countries where the US has had hands in destabilising their regimes, Afghanistan, Syria, Iraq and Libya are among the most recent. These four countries have not only been divided since the US involvement, their major challenge now is insecurity as they have become hotspots for regional instability, with the armed militants becoming more emboldened. The Washington DC politicians have not changed their approach. Central to their thinking is whatever agrees with their thinking.

Seymour Hersh, a veteran journalist familiar with the operations in Washington DC wrote in a 2023 report that "one answer is that it is now an accepted reality that presidents in the post-9/11 era do not hesitate to manipulate and lie about even the most competent intelligence reports if they do not fit into their political agenda." Covertly or overtly, it does not seem to matter even if their political agenda causes wars, hunger, social upheavals, political crisis or economic collapse elsewhere as long as their parochial interests are served. Yet they sound sanctimonious

while talking of democracy, foreign aid or immigration, whereas much of the humanitarian crises they claim to be responding to are caused directly or indirectly by their own policies. They ship tonnes of aid materials to countries that have fallen into chaos after their selfish interventions. Or, take immigration. Majority of migrants from Sub-Saharan Africa would not need to emigrate if the political and economic conditions in their countries were favourable, hope-inspiring and reassuring. Ghanaian president, Nana Akufo-Addo, alluded to this while hosting President Emmanuel Macron in Ghana.

While answering questions, Nana Akufo-Addo said to the hearing of the visiting President Macron that "migration as a movement of people is being presented in a manner which suggests that somehow, it is a new phenomenon. There is nothing new about it. It is as old as man. The movement of people has always been linked to the same thing, the failure of where you are to provide you with an opportunity. So you move somewhere else." Generation of Italians and Irish people left their countries to seek the American paradise, largely because Ireland was not working, Italy was not working. Today, you don't hear it. Italian young people are in Italy. Irish young people are in Ireland. We want young Africans to stay in Africa." He said we can no longer continue to plan for ourselves, our countries, our region and our continent "on the basis of whatever support the Western world, or France or European Union can give us. It will not work. It hasn't worked. Our responsibility is to chart a path which is about how we can develop our nations ourselves."

Akufo-Addo expressed dissatisfaction with the state of Africa's economy despite its rich resources, saying that "this continent, with all that has happened, is still today the repository of at least 30 per cent of the most important minerals in the world. It is a continent of vast arable, fertile land. It has the youngest population of any of the continents of the world. So, there is the energy and the dynamism." He was concerned that "these young men, showing much resilience and ingenuity in crossing the Sahara, are finding ways to go across with rickety boats across the Mediterranean to Europe." In an apparently tacit admission of the moral burden on African leaders and the selfish motives of the Western countries on foreign assistance, Akufo-Addo said: "We want to have those energies working inside our countries. And we are going to have those energies working in our countries if we begin to build systems that tell the young people of our countries that their hopes, their

opportunities are right here with us. We have to get away from this mind set of dependence. We will have institutions that work and will allow us to have good governance, accountable governance and to make sure that the monies that are placed at the disposal of the leaders are used for the interest of the state and not for those of the leaders. When you look at the resources, African continent should be giving money to other places. We have huge wealth on this continent."

Unfortunately, however, Africa is still being short-changed on its material and human resources. The wealth of Africa is still being discounted in many other ways, following the Western hegemonic playbook in position assigned to Africa's commodity in the global value chain, particularly in global trade in which exports of primary commodities from Africa attract very little revenue with most of the revenues accruing to the industrialised countries. Cocoa is an example, fetching Africa paltry sum compared to the overall in the value chain.

Africa's credit ratings remain at the mercy of the West. The Big Three ratings agencies – Fitch, Moody's and Standard & Poor's (S & P) have not been fairly assessing the risks of lending to African countries due to negative risk perception. Out of the 55 African Union member countries, 22 are not rated by any of the Big Three. This is aside from the municipalities and corporate institutions that cannot afford the ratings from the Big Three because of pessimism, huge premium on loans and prohibitive costs of ratings. The huge market and lots of potential for expansion of credit prospects are thus missed while placing the Western countries at a greater advantage – to set the rules, determine penalties and reap greater gains at Africa's expense. It is hoped that the AU's plan to launch its own credit rating agency next year to address the group's concerns about the unfair ratings the continent will correct the anomaly. In addition to the understanding that such a ratings agency will be based on the continent, add context to information that investors consider when choosing to buy African bonds or lending to the countries and further support the thinking that outsiders will not go out of their way to help Africa. Africans must be ready to do everything needed and possible to turn the tide in their own favour.

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