NEWS

Adesina highlights 25-year plan

NIGERIA MUST URGENTLY BREAK free from its entrenched cycle of underdevelopment and embark on a radical transformation to emerge as a leading global economy by 2050, according to Akinwumi Adesina, president of the African Development Bank (AfDB)...

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FINANCE & INVESTMENT

Private sector sees growth in April

ACCORDING TO THE LATEST Purchasing Managers' Index (PMI) report, Nigeria's private sector sustained its robust performance in April 2025, recording the fifteenth consecutive month of output expansion.

The headline index stood at...

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COMMENT

Nigeria's vanishing economic promise

TEN YEARS AGO, Nigeria was riding a wave of optimism. We had just overtaken South Africa as Africa's largest economy following the 2014 rebasing of our GDP. The economy stood at a robust $494.31 billion, and our GDP per capita, an indicator of average...

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Nigeria's Financial & Business Newspaper
Monday, May 5 - Sunday, May 11, 2025 www.businessamlive.com
business a.m.
TOWARDS MORE EFFICIENT MARKETS

Foreign investors boost portfolio 282% in equities market in Q1 2025

Bamidele Famoofo

FOREIGN PORTFOLIO investors raised their stake in Nigeria's equities market by 282 per cent, suggesting greater confidence in Africa's largest economy's investment climate in first quarter of 2025.

Figures obtained from the Nigerian Exchange Group showed that foreign investors continue to trail behind domestic investors, accounting for 36.5 per cent of turnover at about N814 billion in the first quarter period but year-on-year, foreign portfolio investment improved significantly by 282 per cent from N213 billion in 2024 to N814 billion in the first quarter in 2025.

Total portfolio investment from domestic and foreign investors through the equities market in the first quarter of 2025 stood at about N2.23 trillion with domestic investors accounting for about 64 per cent of turnover at N1.42 trillion.

The breakdown of domestic contribution to turnover showed that retail domestic investors are almost at par with their institutional counterparts with over N679 billion investment in three months of 2025 compared with N739 billion by institutional investors in the first quarter of 2025.

Both domestic and institutional domestic investors showed more commitment to the equities market with more funds invested in first quarter of 2025 compared with 2024.

Domestic retail investors raised the bar with 1.2 per cent increase year-on-year, moving from about N671 billion in the first quarter of 2024 to N679 billion in the same period of 2025.

Meanwhile, domestic institutional investors were more aggressive in their investment approach in the review period 4

Nigeria banks' earnings cool as top lenders post N1.56trn PBT in Q1 2025

- High interest rate drives earnings growth
- Aggregate PBT shrinks 0.64% year-on-year

Onome Amuge

NIGERIA'S BANKING SECTOR delivered a seemingly strong performance in the first quarter of 2025, marked by significant increases in interest income for several lenders and currency-driven gains for a select few. However, beneath the headline figures, there are indications the period of explosive earnings growth that characterised previous reporting cycles may be drawing to a close, with some institutions even witnessing a reversal of fortunes.

An analysis of nine major financial institutions including Access Holdings, Zenith Bank, GTCO, United Bank for Africa (UBA), Fidelity Bank, First Holdco, FCMB Group, Wema Bank, Ecobank, and Stanbic IBTC Hold- 4

L – R Sehinde Adenagbe, director, Nigerian Exchange Group (NGX Group); Adebayo Lawrence Thomas, director of press, Ministry of Industry, Trade and Investment; Lucia Shittu, director, Tafawa Balawa Square Management Board (TBSMB); Temi Popoola, group managing director/CEO, NGX Group; Umaru Kwairanga, group chairman, NGX Group; Ademola Babarinde, director, NGX Group; Jumoke Oduwole, minister of Industry, Trade and Investment; Ahonsi Unuigbe, chairman, Nigerian Exchange Limited (NGX); Jude Chiemeka, CEO, NGX; Ojinika Olaghere, director, NGX Group; Orji Gertrude, director, of Investment; Olufemi Shobanjo, CEO, NGX Regulation Limited (NGX RegCo), and Veronica Safiya Ndanusa, CEO, Lagos International Trade Fair Management Board (LITFMB), during the Closing Gong Ceremony by the minister of Industries, Trade and Investment at the Exchange, underscoring the critical role of capital markets in advancing Nigeria's economic transformation agenda in Lagos recently.
IMAGE BY PIUS OKEOSISI

TRAVELLER & HOSPITALITY

Fight delays tied to safety

THE MANAGEMENT OF NIGERIA CARRIER, Air Peace, has attributed flight delays and cancellations to safety considerations and not aircraft shortages.

The airline in a statement said it will...

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TECHNOLOGY & INNOVATION

MTN targets turnaround

MTN NIGERIA, THE LARGEST TELEcommunications provider in Africa, has promised a significant enhancement in service quality...

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COMMODITIES & AGRICULTURE

$1bn fodder market

LONG-STANDING CONFLICTS between farmers and pastoralists in Nigeria have resulted in widespread violence, displacing communities, destroying farmland, and...

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PROJECT SYNDICATE

Pope Francis and the Soul of Economics

CAMBRIDGE – Pope Francis redefined the papacy in profound ways. As the leader of the Catholic Church, he worked to make it more inclusive of women and the LGBTQ+ community. As the first Latin American pontiff, he became a voice for the Global South. And by taking his name – and...

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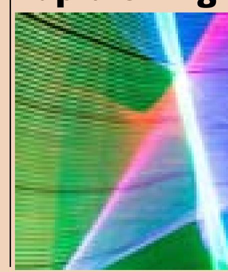
EXECUTIVE KNOWLEDGE SERIES

Rapid or Right? Making Start-Up Decisions



LIKE STRESS TESTS, the data-driven approach to entrepreneurship can uncover weaknesses in fledgling business models – as well as more robust choices.

The mantra "make data-driven decisions" has become gospel in entrepreneurial circles. In recent years, scientific methods – forming hypotheses, gathering...

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AfDB president, Adesina highlights 25-year plan to jolt Nigeria from economic slumber

Onome Amuge

NIGERIA MUST URGENTLY BREAK free from its entrenched cycle of underdevelopment and embark on a radical transformation to emerge as a leading global economy by 2050, according to Akinwumi Adesina, president of the African Development Bank (AfDB).

Adesina, in a keynote address titled "Reimagining Nigeria by 2050," delivered recently at the 20th Anniversary Dinner of Chapel Hill Denham, outlined a five-pillar strategy to achieve this ambitious goal.

Drawing on his extensive engagement with African leaders, the AfDB president underscored the continent's collective aspiration for Nigeria to fulfil its economic potential.

"As one Head of State told me 'the day Nigeria develops, it will lift all of Africa with it,'" he stated.

Adesina bemoaned the fact that despite its abundant resources, the nation bears the unenviable title of having the world's largest population living in extreme poverty, with a GDP per capita languishing at $1,596, placing it near the bottom of the African league table. He also highlighted a long-term decline in Nigeria's per capita wealth since independence, plummeting to $824 in 2024 from $1,847 in 1960.

The AfDB president attributed this protracted underperformance to many factors including; the absence of bold and consistent economic policies, the politicisation of growth initiatives leading to frequent reversals, weak economic governance and fiscal discipline, the subordination of institutions to rent-seeking elites, a disconnect between macroeconomic objectives and fiscal measures, an over-reliance on the volatile crude oil sector, woeful infrastructure deficits, a stunted manufacturing base, persistent currency devaluation eroding purchasing power, and the debilitating combination of high inflation, low growth, and high unemployment (stagflation).

To illustrate the scale of Nigeria's untapped potential, Adesina drew a comparison with South Korea. In 1960, Seoul's GDP per capita was 10 per cent of Nigeria's at independence. By 2024, South Korea's economic miracle had propelled its per capita income to $36,132, 43 times that of Nigeria's $842. He further pointed to South Korea's success in cultivating a deep pool of domestic savings, evidenced by its $830 billion pension fund, a contrast to Nigeria's $13 billion.

"Nigeria belongs in the developed league of nations," Adesina asserted, stressing that achieving this within the next quarter-century must be the nation's paramount objective, demanding a fundamental change of mindset to actively pursue wealth-creating growth.

Based on this, the AfDB president's blueprint for a reimagined Nigeria by 2050 hinges on five critical and interconnected priorities:

Powering transformation: Universal access to reliable and affordable electricity is non-negotiable, Adesina argued. This, he explained, requires attracting substantial private sector investment in the energy sector through cost-reflective tariffs, transparent power purchase agreements, and blended finance initiatives. He urged Nigeria to actively participate in the AfDB and World Bank's Mission 300 to accelerate electrification efforts.

Building the foundations of growth: According to Adesina, investing in world-class infrastructure spanning transportation networks, digital connectivity, and essential social infrastructure is crucial for attracting investment, enhancing competitiveness within the African Continental Free Trade Area, and unlocking economic potential. Therefore, he called for the strategic deployment of pension and sovereign wealth funds into infrastructure as an asset class, alongside innovative financing mechanisms and the deepening of local capital markets.

Igniting industrialisation: Adesina stated that Nigeria must urgently pivot towards building a strong and competitive industrial manufacturing sector, mirroring the success of Asian powerhouses like South Korea, Malaysia, and Vietnam. He highlighted the glaring disparity in manufacturing export value per capita, with Nigeria lagging far behind its Asian counterparts. He lamented Nigeria's historical failure to capitalise on early momentum in sectors like vehicle assembly and stressed the imperative of developing a local steel industry as a cornerstone of industrial growth.

Cultivating innovation and human capital: Adesina also stated that fostering a science and innovation-driven economy requires significant investment in research and development, nurturing a skilled workforce in science, technology, engineering, and mathematics (STEM), and strategically engaging the Nigerian diaspora. According to him, reversing the ongoing brain drain is essential to building a knowledge-based economy capable of thriving in the era of artificial intelligence and the fourth industrial revolution.

Harvesting agricultural potential: Adesina asserted that transforming Nigeria into a globally competitive agricultural powerhouse is vital for economic diversification and boosting exports. To this end, he championed the development of Special Agro-industrial Processing Zones (SAPZs) to attract private sector investment in food processing and agribusiness, creating competitive value chains and enabling Nigeria to effectively compete in global food markets.

Adesina concluded his address with a call for a purposeful and ambitious reimagining of Nigeria. "The Nigeria of 2050 must be purposefully designed. We must reimagine that transformed Nigeria. Reimagine a Nigeria that has freed itself from decades of underperformance," he stated.

L-R: Adaora Umeoji , group managing director of Zenith Bank Plc; Jim Ovia, founder and chairman of the Bank, and Michael Osilama Otu , company secretary, at the 34th Zenith Bank annual general meeting 2025 in Lagos, recently.

US flags corruption as major barrier to investment in Nigeria

Onome Amuge

THE UNITED STATES HAS voiced concerns regarding corruption and a lack of transparency in Nigeria's tender processes, casting doubt on the efficiency of the country's judicial system in tackling illicit practices.

These concerns were highlighted in the latest 2025 National Trade Estimate Report on Foreign Trade Barriers, released by the Office of the United States Trade Representative.

The report noted that corruption remains a substantial impediment to trade and investment for US companies operating in Nigeria. It details how American firms frequently encounter inappropriate demands from officials for facilitative payments, which disrupt their day-to-day operations.

Furthermore, the USTR report points to internal governmental friction and partisan political dynamics as factors that have hindered efforts to strengthen anti-corruption measures within Nigeria.

A particularly critical assessment is made of the Nigerian justice system, with the US questioning its capacity to achieve convictions and appropriate sentencing for corruption-related crimes.

Import restrictions and fees draw criticism

Beyond governance issues, the US report also raises concerns over Nigeria's trade policies. It pointed out the protracted delays in approving import permits for various US food and agricultural products, some pending since 2019.

Nigeria's import fee structure also came under scrutiny, with the report highlighting that Nigeria maintains a combined duty plus other associated import fees of 50 per cent or more on 79 tariff lines.

Notably, it added that 17 tariff lines on which the combined duty plus other associated import fees reach or surpass the 70 per cent limit set by ECOWAS.

The Nigeria Customs Service's continued prohibition on the import of 25 different product categories was also flagged as a barrier to trade.

CBN swings to N680.6bn loss in 2024 financials

Onome Amuge

THE CENTRAL BANK OF NIGERIA (CBN) has reported a sharp fall in its standalone profit for the 2024 financial year, posting N165.7 billion, a contraction from the N1.27 trillion recorded in 2023.

However, the audited financial statement for the year ended December 31, 2024, released recently, revealed a far more concerning figure at the consolidated group level. This is as the CBN recorded a N680.6 billion loss, a reversal from the N1.16 trillion profit reported a year earlier.

Despite the decline in its own earnings, the CBN stated its intention to remit 80 per cent of its profit to the federal government , in line with the Fiscal Responsibility Act. The remaining 20 per cent will be transferred to retained earnings, it stated.

The apex bank attributed its standalone profit to an increase in interest income and a boost from net unrealised foreign exchange revaluation gains, which more than tripled year-on-year to N11.28 trillion. This contributed to a rise in overall operating income to N15.1 trillion, compared with N5.9 trillion in 2023.

Nevertheless, these gains were offset by soaring costs, severely impacting the net interest margin. While interest income rose by 29.16 per cent to N5.1 trillion, interest expenses rose 185 per cent to N4.98 trillion. The increase in expenses resulted in a 94 per cent plunge in net interest income to N122.91 billion, down from N2.2 trillion in the previous year.

The CBN's total assets expanded to N117.44 trillion, up from N86.83 trillion in 2023, mirroring a similar increase in the group's consolidated assets to N117.60 trillion. External reserves also saw an uptick to N54.73 trillion, and holdings in IMF Special Drawing Rights increased.

However, indicators of liquidity weakened, with cash and bank balances falling sharply to N34.72 billion from N111.15 billion. Loans and receivables also decreased to N10.96 trillion from N15.09 trillion, suggesting a reduced credit exposure.

On the liabilities side, deposits climbed to N52.38 trillion, compared with N38.18 trillion in 2023, and CBN-issued financial instruments also saw a significant rise. Banknotes and coins in circulation increased to N5.44 trillion, reflecting higher currency demand. The group's total liabilities reached N116.59 trillion, while equity contracted to N1.01 trillion from N2.01 trillion.

The bank's own equity also declined to N728.24 billion, with accumulated losses improving only marginally to N798.55 billion from N874.82 billion in 2023.

The CBN stated that the substantial consolidated loss was a direct consequence of the financial performance of its numerous subsidiaries. These entities are involved in critical sectors of the Nigerian economy, including currency production, agricultural financing, power sector stabilisation, and infrastructure development.

The CBN report confirmed that the 2024 financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), the CBN Act of 2007, and the revised accounting guidelines of the Financial Reporting Council of Nigeria, receiving board approval in February.

RETURNS ON UTILIZATION OF FUNDS SOLD TO CUSTOMERS FOR THE WEEK ENDED FRIDAY 2nd-MAY 2025

This publication: Mandated by the Central Bank of Nigeria (CBN)

BANK: ECOBANK NIGERIA LIMITED

SN	CUSTOMER	ITEM OF IMPORT	DATE OF FUND SALE	USD EX-CHANGE RATE	AMOUNT
1	CROWN FLOUR MILLS LIMITED	CANADIAN MILLING WHEAT.	28-Apr-25	1,606.00	1,000.94
2	PROMASIDOR NIGERIA LIMITED	SILICA POWDER (SILICON DIOXIDE)	28-Apr-25	1,604.00	330.00
3	RAINBOW AGROSCIENCES COMPANY LIMITED	AGRICULTURAL INSECTICIDES - EMAMECTIN BENZOATE 5% WG (PORSELEN 5% WG) FOR CROP PROTECTION.	28-Apr-25	1,595.00	25,421.00
4	RAINBOW AGROSCIENCES COMPANY LIMITED	AGRICULTURAL INSECTICIDES - EMAMECTIN BENZOATE 5% WG (PORSELEN 5% WG) FOR CROP PROTECTION.	28-Apr-25	1,605.00	11,024.68
5	VISTA INTERNATIONAL LIMITED	PLAIN PAPER IN SHEETS 60 GSM	28-Apr-25	1,605.00	65,827.07
6	VISTA INTERNATIONAL LIMITED	INDUSTRIAL RAW MATERIAL FOR PRODUCTION OF EXERCISE BOOKS: PLAIN PAPER IN SHEETS	28-Apr-25	1,605.00	88.59
7	VISTA INTERNATIONAL LIMITED	INDUSTRIAL RAW MATERIAL FOR PRODUCTION OF EXERCISE BOOKS : PLAIN PAPER IN SHEETS 128 GSM 640 X 1010, 150 GSM 690 X 148, 690 X 864	28-Apr-25	1,605.00	4,799.60
8	VISTA INTERNATIONAL LIMITED	INDUSTRIAL RAW MATERIAL FOR PRODUCTION OF EXERCISE BOOKS	28-Apr-25	1,605.00	119,004.74
9	FRANKENSTEIN INNOVATORS LIMITED	TIGER HEAD BRAND DRY BATTERY- R6S	28-Apr-25	1,605.00	25,000.00
10	FRANKENSTEIN INNOVATORS LIMITED	TIGER HEAD BRAND DRY BATTERY- R6S	28-Apr-25	1,605.00	19,011.20
11	OLYMPIC INKS LIMITED	TITANIUM DIOXIDE RUTILE R609	28-Apr-25	1,603.00	128,484.00
12	OLYMPIC INKS LIMITED	PIGMENT BLUE 15.3(PIGMENT COPPER PHTHALOCYANINE BLUE)	28-Apr-25	1,603.00	61,200.00
13	SALIENT INDUSTRIES LIMITED	POLYETHYLENE GLYCOL (POLYETHYLENE GLYCOL 400)	28-Apr-25	1,603.00	34,355.36
14	EAGLE INDUSTRIES INTL CONCEPT LIMI	KERRYGOLD ADVANTAGE FFMP 28% 25KG IPR	29-Apr-25	1,600.00	33,200.00
15	PENTAGON PLASTIC INDUSTRIES LIMITED	POLYPROPYLENE COPOLYMER	29-Apr-25	1,604.00	161,840.00
16	ABUJA STEEL MILLS LIMITED	HOT GAS STATION - GASIFIER PARTS	30-Apr-25	1,595.00	108,377.56
17	EAGLE INDUSTRIES INTL CONCEPT LIMI	KERRYGOLD ADVANTAGE FFMP 28% 25KG IPR	30-Apr-25	1,598.70	200,000.00
18	EAGLE INDUSTRIES INTL CONCEPT LIMI	KERRYGOLD ADVANTAGE FFMP 28% 25KG IPR	30-Apr-25	1,598.70	9,000.00
19	KOYLA ENERGY LIMITED	MINING DUMP TRUCK-40T(ARTICULATED HAULER) : U=NO	30-Apr-25	1,595.00	27,715.53
20	NESTPOWER GLOBAL LTD	AGRICULTURAL WATER PUMP ELEPAQ BRAND WP20X	30-Apr-25	1,598.00	100,000.00
21	TOMBO INDUSTRIES LIMITED	INDUSTRIAL CHEMICALS	30-Apr-25	1,602.50	38,180.00
22	TOMBO INDUSTRIES LIMITED	INDUSTRIAL CHEMICALS	30-Apr-25	1,598.00	32,820.00
23	TOWER ALLOYS INDUSTRIES LTD	NATURAL GAS-POWERED GENERATING SET COMPLETE WITH LUBRICATION, CNC CONTROL PANEL SETUP, PARTS, NECESSARY AUXILIARIES EQUIPMENT, ACCESSORIES, SUPPORT EQUIPMENT AND FOUNDATION MATERIAL.	30-Apr-25	1,595.00	106,903.79
24	TOWER ROLLING AND GALVANIZING MILLS LTD	HOT ROLLED STEEL COILS (PICKLED & OILED)	30-Apr-25	1,595.00	7,003.12
25	METALBERG MANUFACTURING LTD	RAW MATERIAL FOR MANUFACTURING HOT ROLLED: STEEL SHEET PILING	30-Apr-25	1,597.00	510,000.00
26	KOYLA ENERGY LIMITED	MINING DUMP TRUCK-40T(ARTICULATED HAULER) : U=NO	2-May-25	1,600.00	1,000,000.00

RETURNS ON SOURCES OF FUNDS PURCHASED FROM CUSTOMERS FOR THE WEEK ENDED FRIDAY 2nd MAY, 2025

SN	SOURCE	DATE OF FUND PURCHASE	USD EXCHANGE RATE	AMOUNT
1	OTHERS	28-Apr-25	1,577.29	98.85
2	OTHERS	28-Apr-25	1,577.29	5,713.28
3	OTHERS	28-Apr-25	1,577.29	8,641.78
4	OTHERS	28-Apr-25	1,577.29	27,072.72
5	OTHERS	28-Apr-25	1,577.29	47,014.99
6	OTHERS	28-Apr-25	1,607.29	210,431.69
7	CBN INTERVENTION	28-Apr-25	1,598.00	1,250,000.00
8	DOMICILIARY ACCOUNTS	28-Apr-25	1,595.00	189,720.00
9	DOMICILIARY ACCOUNTS	28-Apr-25	1,555.10	9,021.00
10	DOMICILIARY ACCOUNTS	28-Apr-25	1,580.00	25,000.00
11	DOMICILIARY ACCOUNTS	28-Apr-25	1,580.00	16,400.00
12	OTHERS	28-Apr-25	1,604.00	330.00
13	OTHERS	28-Apr-25	1,606.00	1,000.94
14	OTHERS	29-Apr-25	1,576.00	333.40
15	OTHERS	29-Apr-25	1,575.38	380.11
16	OTHERS	29-Apr-25	1,575.38	1,482.75
17	OTHERS	29-Apr-25	1,590.00	6,289.31
18	OTHERS	29-Apr-25	1,575.38	9,171.26
19	OTHERS	29-Apr-25	1,575.38	12,114.42
20	OTHERS	29-Apr-25	1,575.38	15,302.41
21	OTHERS	29-Apr-25	1,575.38	15,615.38
22	OTHERS	29-Apr-25	1,595.00	27,524.46
23	OTHERS	29-Apr-25	1,575.38	59,513.10
24	OTHERS	29-Apr-25	1,575.38	71,211.40
25	OTHERS	29-Apr-25	1,605.38	269,800.41
26	DOMICILIARY ACCOUNTS	29-Apr-25	1,555.10	30,000.00
27	DOMICILIARY ACCOUNTS	29-Apr-25	1,555.10	20,000.00
28	DOMICILIARY ACCOUNTS	29-Apr-25	1,577.29	10,000.00
29	DOMICILIARY ACCOUNTS	29-Apr-25	1,572.89	56,500.00
30	DOMICILIARY ACCOUNTS	29-Apr-25	1,555.10	20,000.00
31	EXPORT PROCEEDS	29-Apr-25	1,595.00	33,200.00
32	RETAIL REMITTANCES	29-Apr-25	1,591.63	116.78
33	RETAIL REMITTANCES	29-Apr-25	1,603.98	463.42
34	OTHERS	30-Apr-25	1,587.60	1,002.34
35	CBN INTERVENTION	30-Apr-25	1,586.20	250,000.00
36	OTHERS	30-Apr-25	1,599.00	1,697,873.67
37	CBN INTERVENTION	30-Apr-25	1,585.20	4,000,000.00
38	DOMICILIARY ACCOUNTS	30-Apr-25	1,595.00	9,000.00
39	DOMICILIARY ACCOUNTS	30-Apr-25	1,584.07	169,500.00
40	DOMICILIARY ACCOUNTS	30-Apr-25	1,593.33	10,000.00
41	DOMICILIARY ACCOUNTS	30-Apr-25	1,593.33	10,000.00
42	DOMICILIARY ACCOUNTS	30-Apr-25	1,593.33	11,000.00
43	DOMICILIARY ACCOUNTS	30-Apr-25	1,584.07	22,600.00
44	DOMICILIARY ACCOUNTS	30-Apr-25	1,593.95	132,820.00
45	DOMICILIARY ACCOUNTS	30-Apr-25	1,584.07	168,935.00
46	RETAIL REMITTANCES	30-Apr-25	1,600.54	698.17
47	RETAIL REMITTANCES	30-Apr-25	1,598.93	134.39
48	OTHERS	2-May-25	1,590.00	7,547.17
49	CBN INTERVENTION	2-May-25	1,600.05	4,800,000.00
50	DOMICILIARY ACCOUNTS	2-May-25	1,598.00	1,195,000.00
51	DOMICILIARY ACCOUNTS	2-May-25	1,596.00	1,000,000.00
52	DOMICILIARY ACCOUNTS	2-May-25	1,598.00	800,000.00
53	DOMICILIARY ACCOUNTS	2-May-25	1,598.00	1,465,000.00
54	DOMICILIARY ACCOUNTS	2-May-25	1,598.00	2,230,000.00
55	DOMICILIARY ACCOUNTS	2-May-25	1,598.00	1,000,000.00
	TOTAL AMOUNT			**21,430,574.60**
	AVERAGE AMOUNT			**389,646.81**

Bank earnings cool...

Continued from Page 1

ings, reveal a collective pre-tax profit of N1.56 trillion. Though the figure appears substantial, a closer analysis reveals a marginal decline from the N1.57 trillion recorded in the corresponding period of 2024, signaling a potential inflection point in the sector's earnings trajectory.

The initial months of the year were characterised by the prevailing high-interest rate environment, a consequence of the Central Bank of Nigeria's efforts to combat persistent inflation. This policy stance provided a significant boost to the interest income of many banks, as they repriced loan portfolios and benefited from higher yields on investment securities. However, this top-line growth was often accompanied by a corresponding surge in interest expenses, as banks aggressively competed for deposits to fund their expanding loan books and meet increasingly stringent regulatory requirements. This dynamic squeezed net interest margins for some, underscoring the growing cost of funding in the current economic climate.

Furthermore, the persistent fluctuations of the Nigerian naira against major global currencies introduced a significant element of unpredictability. While some banks, strategically positioned with substantial foreign currency holdings or engaged in significant cross-border transactions, reaped substantial revaluation gains, providing a notable fillip to their earnings, others faced headwinds. Institutions with significant foreign currency liabilities or challenges in translating overseas earnings often saw their bottom lines eroded by adverse currency movements. The divergence in non-interest income performance also played a crucial role, with some banks experiencing sharp contractions in this revenue stream, offsetting gains in other areas.

The aggregate figures and individual bank performances for the first quarter of 2025 are prompting analysts to suggest a recalibration of investor expectations for the Nigerian banking sector. They argue that while the industry remains profitable overall, the era of exceptional, easily generated earnings, often fuelled by one-off foreign exchange revaluations, potentially undervalued equity portfolios, and windfall trading income, appears to be receding.

L-R: Modupe Kadri , chief financial officer, MTN Nigeria; Ralph Mupita, president and, CEO, MTN Group; Karl Toriola, CEO, MTN Nigeria; Uto Ukpanah , company secretary, MTN Nigeria; Ernest Ndukwe , chairman, MTN Nigeria, and Tsholofelo Molefe, non-executive director, MTN Nigeria, at the MTN annual general meeting at the Rooftop Plaza in Ikoyi, Lagos recently. IMAGE BY PIUS OKEOSISI

However, analysts also acknowledge that the Nigerian banking sector remains fundamentally profitable, underpinned by a large and growing population, increasing financial inclusion, and the ongoing opportunities presented by the country's developing economy. This is as the recently released financials for the first quarter of 2025 provide ample evidence of continued profitability across the board.

Individual bank performances showcase divergent fortunes

Zenith Bank, the sector bellwether, once again demonstrated its earnings prowess, reporting a 10 per cent year-on-year increase in pre-tax profit to N351 billion. This was primarily driven by a 72 per cent increase in interest income to N838 billion, the highest in the sector. The bank's prudent cost management and improved asset quality further solidified its leading position.

Guaranty Trust Holding Company (GTCO) also delivered a strong performance, posting a pre-tax profit of N300.4 billion. On the flipside, the bank's profit before tax was down 41 per cent against N509.3 billion recorded in the corresponding period of 2024. Though GTCO did not benefit from the significant fair value gains of the previous year, strong core earnings, with interest income rising by 41.1 per cent, underscored the sustainability of its business model.

Access Holdings, while reporting a 14.7 per cent increase in profit after tax to N182.8 billion, experienced currency headwinds. A substantial rise in interest income to a sector-high of N964.6 billion was partially offset by increased interest expenses and foreign exchange losses, resulting in a marginal increase in pre-tax profit to N222.8 billion and a comprehensive loss for the quarter.

United Bank for Africa (UBA), with its extensive pan-African footprint, reported a 31 per cent increase in pre-tax profit to N204.26 billion, supported by a 36.09 per cent increase in interest income to N599.83 billion, demonstrating the resilience of its diversified business model.

Oliver Alawuba, UBA's group managing director, attributed the bank's Q1 performance to the disciplined execution of its strategy and the sustained momentum of the business model of driving strong earnings growth, maintaining robust asset quality, and expanding market share.

First Holdco, on its part, presented subdued pre-tax revenue. Profit before tax stood at N186.5 billion in the first three months of 2025, representing a decline from N234.2 billion in Q1 2024

Despite a strong increase in net interest income, a sharp contraction in non-interest income led to a 17.9 per cent decline in net profit to N167.4 billion.

Fidelity Bank recorded a rise in profitability, with pre-tax profit more than doubling to N105.8 billion and profit after tax soaring by 190 per cent to N91.1 billion, compared to the first quarter of 2024. The strong growth, according to the bank, was fuelled by a combination of strong interest income growth and significant gains from foreign currency revaluation.

FCMB Group reported a steady increase in profit after tax to N32.2 billion, supported by solid growth in interest income. However, the absence of one-off gains that boosted the previous year's performance limited overall profitability growth, with pre-tax profit rising to N35.0 billion.

Wema Bank delivered a 269 per cent year-on-year leap in pre-tax profit to N41.2 billion, primarily driven by a robust increase in interest income to N110.3 billion.

Ecobank Transnational Incorporated (ETI), reporting its financials in US dollars, saw its pre-tax profit rise by 17 per cent to $175m, benefiting from favourable currency translation effects across its pan-African operations.

Stanbic IBTC Holdings reported a 80 per cent surge in profit, driven by a substantial increase in net interest income, with pre-tax profit reaching N116.4 billion.

While the elevated interest rate environment continues to offer a substantial lift to interest income, the first quarter financials showcased by some of the banks indicates that the era of readily available, currency-driven profits is receding. Lenders now face mounting pressure from escalating funding costs and the persistent bite of inflationary pressures on their operating expenses.

According to analysts, as the financial year progresses, the critical determinants of future profitability and the capacity to deliver sustainable investor returns in what is now a more demanding operating environment will hinge on the banks' ability to effectively manage their cost bases, strategically address the volatility of the naira, and rigorously maintain asset quality.

In 2025, the Nigerian banking sector is expected to see continued growth and resilience, driven by both strategic reforms and innovation, while also facing challenges like inflation and exchange rate fluctuations. Loan growth is forecast to average 25%-30%, with banks expected to maintain adequate ROE (20%-25%). Regulatory changes and market transparency initiatives are anticipated to enhance the financial environment, fostering a more stable and sustainable sector.

In essence, the 2025 outlook for the Nigerian banking sector is cautiously optimistic, with expected growth fueled by reforms, innovation, and a stable financial environment, while navigating challenges like inflation and exchange rate fluctuations.

Foreign investors...

Continued from Page 1

with an increase of 11.3 per cent turnover growth year-on-year compared with N664 billion invested in the first quarter of 2024.

As at 31 March 2025, total transactions at the nation's bourse increased significantly by 118.95 per cent from N509.47 billion (about $341.36 million) in February 2025 to N1.1155 trillion (about $725.86 million) in March 2025. The performance of the current month when compared to the performance in March 2024 (N538.54 billion) revealed that total transactions increased by 107.14 per cent. In March 2025, the total value of transactions executed by Foreign Investors outperformed transactions executed by Domestic Investors by circa 26 per cent.

Further analysis of the total transactions executed between the current and prior month (February 2025) revealed that total domestic transactions decreased by 10.98 per cent from N466.82 billion in February 2025 to N415.62 billion in March 2025. However, total foreign transactions increased significantly by 1,541 per cent from N42.65 billion (about $28.57 million) to N699.89 billion (about $455.41 million) between February 2025 and March 2025.

Institutional Investors outperformed Retail Investors by 6 per cent. A comparison of domestic transactions in the current and prior month (February 2025) revealed that retail transactions decreased by 8.11 per cent from N214.51 billion in February 2025 to N197.12 billion in March 2025. Similarly, the institutional composition of the domestic market decreased by 13.40 per cent from N252.31 billion in February 2025 to N218.50 billion in March 2025.

Over an eighteen (18) year period, domestic transactions increased by 33.15 per cent from N3.556 trillion in 2007 to N4.735 trillion in 2024; whilst foreign transactions also increased by 38.31 per cent from N616 billion to N852 billion over the same period. Total domestic transactions accounted for about 85 per cent of the total transactions carried out in 2024, whilst foreign transactions accounted for about 15 per cent of the total transactions in the same period.

The transaction data for 2025 shows that total domestic transactions are circa N2.282 trillion, whilst total foreign transactions are circa N814.05 billion.

Saudi Arabia, Russia lead OPEC+ push to hike output despite price risks

Onome Amuge

EIGHT MEMBERS OF THE OPEC+ alliance, spearheaded by Saudi Arabia and Russia, have announced an acceleration of oil production increases for June, risking further downward pressure on already depressed global crude prices.

The group, which includes 22 oil-producing nations, stated that these eight members would implement a production adjustment of 411,000 barrels per day – the same level as in May – a substantial acceleration from the initially planned increase of just 137,000 barrels.

The eight countries agreeing to the additional output increases include Saudi Arabia, Russia, Iraq, the United Arab Emirates, Kuwait, Kazakhstan, Algeria, and Oman.

The development, according to analysts, marks a notable shift in strategy for OPEC+, which had until recently been leveraging supply constraints to bolster prices by keeping millions of barrels in reserve. The majority of the group's members are heavily reliant on oil revenues.

"OPEC+ has just thrown a bombshell to the oil market," commented Jorge Leon, an analyst at Rystad Energy, in a statement to AFP.

"Last month's decision was a wake-up call. Today's decision is a definitive message that the Saudi-led group is changing strategy and pursuing market share after years of cutting production," he added.

Leon remarked that this change of tack could also be aimed at fostering improved relations with Donald Trump's United States. Shortly after assuming office in January, President Trump had called on Saudi Arabia, the de facto leader of the cartel, to increase production in order to lower oil prices.

The decision comes despite OPEC+ slightly lowering its forecast for global oil demand growth last month, citing the potential negative impact of US tariffs on the wider global economy.

The Organization of the Petroleum Exporting Countries (OPEC), formed the broader OPEC+ alliance in 2016 to amplify its influence on the global oil market.

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Nigeria's vanishing economic promise

JOHN ONYEUKWU

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

TEN YEARS AGO, Nigeria was riding a wave of optimism. We had just overtaken South Africa as Africa's largest economy following the 2014 rebasing of our GDP. The economy stood at a robust $494.31 billion, and our GDP per capita, an indicator of average individual economic output, was $2,728.91. International observers hailed Nigeria as a "frontier market" poised to become a global economic player. We were the toast of investors, and terms like "Africa Rising" were commonly used in reference to our perceived trajectory.

Fast forward to 2025, and the picture could not be more different. According to the IMF's April 2025 World Economic Outlook, Nigeria's GDP is projected to close the year at just $188.27 billion, representing a collapse of over 62 percent from its 2014 high. Even more distressing is the fall in GDP per capita to a projected $806.84. In plain terms, the average Nigerian is now almost three times poorer than they were a decade ago.

This is not just an economic downturn. It is a national crisis of historic proportions, and one that threatens the stability, security, and very future of our country.

A comparative fall from grace

To grasp the magnitude of Nigeria's economic decline, it helps to look around:

- In 2014, **India** had a GDP of about $2 trillion. Today, it has grown to over $4.1 trillion and is on track to become the world's third-largest economy.
- **Bangladesh,** which had a GDP of just $173 billion in 2014, now has an economy valued at over $460 billion. Its GDP per capita, once half of Nigeria's, is now over three times higher.
- **Vietnam,** with a population size close to Nigeria's 100 million fewer, has expanded its economy to over $500 billion, driven by manufacturing, exports, and stable macroeconomic policies.
- Even **Ethiopia,** long viewed as a development laggard, has experienced more consistent GDP growth and is on a firmer trajectory in terms of infrastructure investment and industrial policy.

By contrast, Nigeria's economic indicators have reversed dramatically. Despite being Africa's most populous country and richly endowed with natural resources, our economic productivity has shrunk.

How did we get here?

The reasons for Nigeria's economic decline are as numerous as they are familiar. At the core is our chronic overdependence on oil. For much of the last decade, oil revenues made up more than 80 percent of export earnings and about 60 percent of government revenue. When global oil prices crashed in 2014, it exposed the fragility of an economy built on a single commodity. The resulting fiscal crises, which have occurred repeatedly since then, only deepened macroeconomic instability.

Compounding this vulnerability has been persistent currency instability. Over the past ten years, the naira has lost more than 70 percent of its value against the dollar. Foreign exchange controls, the existence of multiple exchange rate regimes, and erratic monetary policy have eroded investor confidence and made it increasingly difficult for businesses to plan or thrive in a predictable environment.

Policy incoherence has also played a major role. Economic management in Nigeria has been marked by inconsistency and short-termism. From abrupt rice import bans to ill-conceived subsidy removals and poorly implemented cashless policies, successive governments have prioritised optics over outcomes. These missteps have undermined private sector growth and heightened public distrust.

Meanwhile, Nigeria's population continues to surge — growing by nearly five million people each year — but economic expansion has not kept pace. Job creation has lagged, infrastructure has deteriorated, and public services remain stretched to the brink. The result is a widening chasm between national needs and government capacity to meet them.

Underpinning all of this is the issue of weak governance and pervasive corruption. According to Transparency International, Nigeria currently ranks 145th out of 180 countries in its Corruption Perceptions Index. Far too often, public funds are funneled into patronage networks and bloated bureaucracies rather than productive investments in infrastructure, education, or healthcare. Until governance is improved and accountability becomes the norm rather than the exception, economic recovery will remain elusive.

The human cost of economic decline

This is not just a story about statistics. The human consequences of Nigeria's shrinking economic base are devastating:

- Over **133 million Nigerians** now live in multidimensional poverty, according to Nigeria's own National Bureau of Statistics.
- Youth unemployment hovers above **40%,** driving frustration, crime, and mass emigration.
- Public hospitals are dilapidated, schools are underfunded, and infrastructure gaps, from roads to electricity, remain glaring.
- The Japa wave of mass migration of skilled Nigerians seeking better lives abroad is not merely anecdotal. Between 2019 and 2024, Nigeria lost tens of thousands of doctors, nurses, tech professionals, and university lecturers to other countries.

This steady erosion of human capital, Nigeria's most valuable asset, poses an existential threat to our development.

A leadership crisis, but also a citizenship crisis

It is easy to point fingers at those in power, and many deserve it. For too long, Nigeria's leadership class has prioritised political survival over economic strategy. National planning is episodic at best and often hostage to short-term considerations.

But citizens, too, must look inward. We have tolerated mediocrity, normalised dysfunction, and disengaged from the civic process. We complain but do not organise. We criticise but rarely vote. We demand change but shy away from the sustained civic pressure it requires.

The social contract is broken, and until citizens hold leaders accountable, it cannot be repaired.

We must choose a different path

There is still time to change the trajectory but we must act with urgency. The next five years are critical. To arrest this decline and chart a path to shared prosperity, Nigeria must commit to six clear imperatives:

- **Macroeconomic stabilisation:** We must end the regime of fiscal indiscipline, remove artificial distortions in the forex market, and bring inflation under control. Investors, both local and foreign, need confidence.
- **Invest in human capital:** Education and healthcare must be treated as national emergencies. A literate, healthy population is not a luxury; it is the foundation of growth.
- **Unleash productivity:** Nigeria's private sector is held back by poor roads, erratic power, insecurity, and red tape. We must invest in enabling infrastructure and ease of doing business across all sectors.
- **Drive subnational economic reform:** States must become centers of production, not just consumption. Regional development strategies, based on comparative advantage, should guide investment.
- **Embrace digital and green transitions:** From digital financial services to renewable energy, Nigeria must position itself for the future, not remain stuck in the extractive past.
- **Rebuild public trust:** Transparent governance, data-driven policy, and credible institutions must become the norm. Without trust, even the best policies will fail.

The time to act is now

The IMF projects that Nigeria may not reach a $300 billion GDP by 2030. That should alarm every policymaker, business leader, and citizen. But it should also galvanize us. We must reject the fatalism that says Nigeria is doomed to fail. We are not. Our people are talented. Our resources are vast. Our potential remains immense. But potential is nothing without action. And action requires vision, courage, and a new kind of politics - one rooted in service, not self-interest. Will we rise to the challenge, or sleepwalk into decline? The choice is ours.

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Government should do what the private sector cannot do

Economics & Markets

VICTOR OGIEMWONYI

Victor Ogiemwonyi, a retired investment banker, is a former Governing Council member of the Nigerian Stock Exchange (NSE), now Nigerian Exchange Group (NGX Group). He sent this contribution from Ikoyi, Lagos. He can be reached via comment@businessamlive.com and marketconversations.substack.com

I WAS WATCHING AN EPISODE of Fareed Zakaria's Global Public Square (GPS). He was interviewing Michael Lewis, a Wall Street former bond trader, at Salomon Brothers, now turned author. He was talking to Fareed about his new book, "Government". When he said, "Government should do what the private sector cannot do," that got me thinking. I started to imagine those things that the government should compulsorily do. It also occurred to me that if governments focus on those things — because they are better equipped to do them effectively, the results will be amazing.

Governments at both federal and state levels can get out of the many things they do now, with poor results, if they jettison many things they should not be doing, where they are currently jack of all trades but master of none.

Clear thinking on what governments should be focused on, will narrow the choices to four key pillars with some major affiliate services.

Healthcare is number one

Government should lead on healthcare. Only a healthy population is able to work, contribute to the economy, and aspire to, and pursue happiness. This is not a case of the Government not doing anything in Healthcare now, it is a case of reorganising everything and doing it better, with a bigger budget, that signals its intentionality.

At the very top of government social services to society, is the provision of healthcare. It is the single most important service needed by every citizen of any nation. No matter who you are. When we say health is wealth, that is because without it, everything else is meaningless. Healthcare is a public good every citizen should have access to, with reasonable affordability.

This is probably why every major country in the world puts so much into healthcare. The number one spending item in all the advanced economies is healthcare, including the US, the UK, and others. Our healthcare spending in Nigeria needs to be the biggest part of our budgets. More than the budget, it will need to be reorganised for more efficiency and effectiveness. The spending needs to be more targeted to the highest areas of need.

Restructuring the healthcare system

The federal government budget for health should be spent on major infrastructure for health, and the balance shared to states proportionately to augment their own spending, allowing them to focus on paying for recurrent expenditure for hiring, training, and paying salaries and allowances of healthcare personnel and buying consumables like drugs. The federal government has no business buying drugs and distributing them to states. It is meddling in areas where the states should have total control, because they are nearer to the problem and can better carry out the needs assessment in their health facilities.

Federal Medical Centers and Teaching Hospitals, for instance, should be areas of infrastructure the federal government should continue to build, to add to hospital facilities across the country where needed, and it should stop at that. They should be handed over to the states where they are located, and the current cost of running them given to the states to take over and add to their health facilities. States will manage these, as part of their overall responsibility for healthcare provision to their citizens.

All the healthcare facilities in any state, including teaching hospitals, should be managed at the state level and supported by the appropriate budgets. The federal government Ministry of Health should be a strong regulator to monitor and ensure states are doing what they should do.

The duplication of activities, at the federal level is inefficient and unnecessarily costly. Imagine the cost savings that will accrue were states to buy drugs in bulk, for all the healthcare facilities in their domain — teaching hospitals, federal medical centres, state hospitals, and primary healthcare centres. The savings will be enormous, and the standardisation of purchase will ensure quality control and huge discounts.

States will have the buying power to negotiate with pharmaceutical manufacturers, whose drugs can also be better managed for quality, eliminate fake drugs, and get rid of

Continues on page 9

SUNNY CHUBA NWACHUKWU

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Energy challenges and impact on the economy

IN THE FIELD OF SCIENCE, energy is generally defined as "the ability to do work". In economics, energy utilisation becomes an academic study that points towards understanding all factors and variables at play, with critical focus on the source of wealth creation. This economics especially involves a broad scientific study that includes activities that relate to supply and energy demand in the larger society. Between these two areas of studying about human endeavours lies its management for the sustainable existence of all living things, particularly on energy consumption, importance and financial benefits to mankind. The economic meaning is actually given to the cost of energy services and related value for energy production efficiency. Energy consumption, therefore, links wages and welfare to disposable incomes of average energy consumers in the economy. This invariably narrows all energy challenges down to its financial implications. Energy production, utilisation or consumption and its overall impact determines how well or how poor an economy is performing (especially in monetary terms). Energy business is therefore better managed by institutions that manage all aspects of the energy operational cycles, best handled and done professionally; otherwise its consequential failures could be catastrophic. What is happening in Nigeria's energy sector and the oil industry is a clear example that has no ambiguity in understanding what energy matters mean for all citizens.

The issues that have to do with energy consumption, for the economy to be efficiently run, clearly manifest all symptoms, damages done and the eventual consequences that affect virtually all social classes in the system. The most pathetic and disturbing of all is the impact on vulnerable Nigerians immediately after the fuel subsidy was removed in 2023 precisely during the swearing-in of President Bola Ahmed Tinubu. A lot of turbulence erupted instantly within the economy. Many Nigerians started to face hardship, hunger and extremely high cost of living that instantly threw millions of Nigerians into deeper poverty. Excessively high inflationary variables took center stage all over the country, especially in the commodity market. The cost of transportation visibly exacerbated the pains and agony of the masses in the society who could no longer meet up with the skyrocketing high costs of goods and services. This narrative is better presented through the experiences shared by the citizens themselves than a written testament because most households could no longer afford to place food on the table to feed their families. It was that bad! Protests, industrial actions and other forms of peaceful demonstrations were embarked on by people who took to the streets to express their anger and numerous grievances to the governments at all levels.

All over the world the international labour/workers' day is celebrated every 1st day of May. How this day, popularly called "May Day" or "workers' day", came to be designated for workers recognition and activism is not known to most individuals all over the world. However, it is often used by workers to vent their grievances before governments and those in authority in their respective commanding heights. It is in this guise that the leadership of the labour unions in Nigeria came out to speak for the voiceless during this year's May Day. Joe Ajaero, the president of the Nigerian Labour Congress (NLC), unequivocally spoke on fuel subsidy removal that has eroded the N70,000 minimum wage while clamouring for a living wage for Nigerians (the paid workers). The plight of Nigerian workers regarding inadequate wages and poor welfare was visibly lamented by many citizens of Nigeria, where the consumer price indices are far above what the common Nigerians could afford with their meager salaries. In the electronic media all over the country, lamentations and cries for urgent intervention by the sitting government were made to mitigate the sufferings and alleviate the pains of citizens.

In the same vein, an alternative means of energy supply for transportation was hammered on by union leaders who spoke in favour of consumption of compressed natural gas (CNG) in place of the costlier refined petroleum products (PMS and AGO) for running of passenger/commuter buses and cargo vehicles for haulage. Now that the president has responded by assuring that through the 'renewed hope agenda' of his administration, the suffering of the masses shall be addressed, let that be an implementable promise, without rhetoric, but with the political will that shall change the narrative for the suffering masses everywhere in the land.

Nigerians are globally recognised to be very resilient people and are ready to forget these hard times very easily, if the government in power sincerely comes to their aid and reduces the economic pains by engaging every necessary government machinery and applying all known economic tools. Let the government show empathy this time, and sincerely act for humanity, without applying insensitive administrative steps, as a matter of urgency!

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South Africa's tourism revival begins with wellbeing

IN A POST-PANDEMIC world clamouring for economic revival and tourism recovery, South Africa quietly embarked on a different kind of journey — one that didn't begin with new runways or glitzy marketing campaigns. Instead, it began within.

As global destinations focused on external fixes, South Africa turned inward. Rather than merely restarting its tourism machine, it **recalibrated the emotional engine** behind it. And that engine? Its people.

Behind this transformation was the **African Institute of Mind, which led the African Mental Health First Aid Leadership National Roadshow** — a behavioural science-informed initiative focused on strengthening the psychological wellbeing of those at the heart of South Africa's tourism experience.

From lodge managers in the bush to travel and tourism meetings, professional conference organisers, and eventing specialists, the roadshow equipped tourism professionals with tools not just to manage stress, but to rediscover meaning, purpose, and connection in their work. Grounded in positive psychology and resilience science, the initiative signalled a bold national statement: **Mental health is not a side concern — it is a strategic pillar for prosperity.**

And the world noticed.

In 2025, a scientific global study by UK bank Remitly named **South Africa the "friendliest country in the world."** The research, which analysed the agreeableness trait from the renowned Big Five Personality Test, placed South Africa at the top of a 27-nation ranking, citing its culture of warmth, humour, and everyday kindness.

"From Ubuntu to everyday kindness, South Africans are just lekker like that," declared the government's official X account, echoing a sentiment felt by travellers across the globe.

But this wasn't just good fortune. It was the product of an intentional shift — a mental health revolution that is now a compelling model for the world.

Four lessons the world can learn from South Africa

This isn't just a feel-good story. It's a blueprint for **individuals, organisations,** communities, and countries seeking to recover, reconnect, and truly flourish.

Here's how:

For individuals

Start with self-awareness and micro-recovery

Burnout, disconnection, and emotional fatigue are now global epidemics. South Africa's initiative emphasised **psychological first aid,** encouraging individuals to regularly assess their own emotional state and access short, science-backed practices for recovery.

- **Try this:** Build a 10-minute daily habit of checking in with your body and emotions. Practise mindfulness or journaling, even briefly. Labeling emotions has been shown to reduce their intensity and increase cognitive clarity.
- **Why it works:** Positive psychology research shows that self-awareness is the first step toward resilience. You can't regulate what you don't recognise.

For organisations

Make mental health strategic priority, not perk

In the South African tourism reset, employers and tourism boards were not passive observers. They became **active partners in cultivating staff wellbeing** — from leadership training to peer-to-peer support structures.

- **Try this:** Move beyond "wellness days" and embed psychological wellbeing into leadership KPIs, onboarding, and performance reviews. Train managers in mental health literacy and stress de-escalation.
- **Why it works:** A workforce that feels psychologically safe is more engaged, creative, and committed. In service industries like tourism, that translates directly into better guest experiences — and stronger bottom lines.

For communities

Normalise human connection and collective care

Ubuntu — the African philosophy of interdependence — is not just poetic; it's pragmatic. By creating spaces where people feel seen, heard, and valued, South African communities helped tourism professionals rediscover pride in their roles.

- **Try this:** Start a "Wellbeing Circle" in your workplace or neighbourhood — a monthly informal gathering where people share stories, struggles, and strengths. Invite local mental health practitioners or coaches for brief learning sessions.
- **Why it works:** Human connection is a buffer against stress. Communities that prioritise belonging foster greater civic engagement and social trust.

For countries

Embed mental health in policy and national identity

South Africa's success shows what happens when mental health becomes a nation-building strategy, not an afterthought. By aligning its wellbeing efforts with its tourism goals, it delivered not just recovery — but global recognition.

- **Try this:** Advocate for the integration of mental health into national development plans, especially in sectors like education, tourism, and public health. Consider funding large-scale awareness campaigns using cultural values as entry points.
- **Why it works:** When a country invests in the inner life of its people, it builds a foundation that is not just economically resilient — but emotionally sustainable.

The spirit visitors remember

In tourism, travellers rarely remember the thread count of their hotel sheets. They remember **the feeling** they had. The smile that greeted them. The local guide who spoke with passion. The warmth of being welcomed, not as a tourist, but as a guest.

South Africa understood that. It invested not just in experiences, but in **experience-makers.** It understood that caring for people — emotionally, spiritually, mentally — creates a ripple effect that no billboard or influencer campaign can match.

And in doing so, it didn't just rebuild an industry. It redefined a **national brand** — not with slogans, but with soul.

Global call to action

As the world looks for answers on how to recover and thrive in a post-pandemic era, the message is clear: **Don't just fix the system. Heal the people.**

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Economics Commentary

Projections, realities and fantasies of Nigeria's economic growth

MARCEL OKEKE

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NIGERIA'S PARTICIPATION at the recent International Monetary Fund (IMF)/World Bank Group spring meetings in Washington D.C, exposed the country to the good, the bad, and the ugly about the state of its economy. While Nigeria's delegation led by Mr. Wale Edun, the minister of finance and coordinating minister of the economy, attended the meetings to promote the country's economic reforms and woo investors, the global financial institutions and other stakeholders also presented grim details of Nigeria's bumpy development ride.

Significantly, the IMF at the occasion, issued a report downgrading Nigeria's gross domestic product (GDP) growth to only 3.0 percent for 2025. This downward revision was from IMF's October 2024 forecast of 3.3 percent; all in the face of the federal government's ambitious 2025 budget GDP projection of 4.6 percent. For 2026, the IMF projects Nigeria's growth to further slow down to 2.7 percent owing to a number of domestic and emerging global headwinds.

These growth rates for Nigeria place it below the sub-Saharan Africa average which is pegged at 3.8 percent in 2025 and 4.2 percent in 2026. The IMF's World Economic Outlook Report (WEOR, April 2025) said the GDP growth forecast for Nigeria was revised downward owing to lower oil prices. There are also the challenges of heightened uncertainty, the intensification of protectionist policies across the globe, and deeper slowdown in major economies, the report said.

On inflation in Nigeria, the IMF gave a pessimistic outlook, projecting the rate to average 26.5 percent in 2025, and spike to 37.0 percent in 2026. The Fund attributes the stubbornly high inflation to structural inefficiencies, a weak supply response, and persisting exchange rate volatility. As of February 2025, Nigeria's inflation rate was 24.23 percent.

And just before the Washington D.C meetings, an IMF Mission led by Axel Schimmelpfennig, had appraised Nigeria's economic reforms, and warned that "the benefits have yet to be broadly felt by ordinary Nigerians." The institution raised concerns about the "persistently high poverty levels, food insecurity, and inflationary pressures, which continue to erode household purchasing power and delay inclusive economic recovery."

These IMF's WEOR concerns came at a time the World Bank's April 2025 Africa's Pulse report revealed that Nigeria accounted for 19 percent of "the extremely poor population in sub-Saharan Africa, the highest share in the region." This figure translates to over 106 million Nigerians living in extreme poverty, "representing approximately 15% of the world's poorest people."

The report also projected that Nigeria's national poverty rate could surge to 3.6 percent by 2027, underscoring the severity of the crisis in one of Africa's largest economies. This projection highlighted a harsh reality: Nigeria, despite being one of the largest economies in Africa, remains a global epicenter of poverty, owing to its structural economic weaknesses, over reliance on oil, and national fragility.

The National Bureau of Statistics (NBS) report shows that in 2023, about 87 million Nigerians (38.8 %) lived below the national poverty line (less than $2 per day), making Nigeria the world's second largest poor population after India. And by 2024, 106 million Nigerians were in extreme poverty, reflecting a persistent upward trend. PwC estimates that 13 million more Nigerians could fall into poverty this year (2025), further compounding the crisis.

Aside from the ballooning poverty level, the World Bank also identified Nigeria's national currency (Naira) as one of Africa's worst performing currencies, having lost over 70 percent by 2024. The bank blamed this worrisome scenario on "the sharp depreciation following the government's decision to unify exchange rates, and transition to market-determined FX regime."

In the face of this scary outcome, a report from African Export-Import Bank (Afreximbank) shows that Nigeria has actually dropped to the fourth spot among African countries by GDP in 2024. This is as against the first position the country used to occupy since 2014, when it redenominated its GDP to hit about $450 billion in value.

According to the research report of the Cairo-based Afreximbank, Nigeria which, until 2023 was the continent's biggest economy, fell to the fourth position after sharp devaluations of its currency that shrank its GDP by more than half, causing the naira to lose roughly 70 percent of its value against the dollar.

South Africa, the continent's most industrialised economy, has taken the lead at $400.2 billion, with Egypt in tow at $383.1 billion. Algeria came third at $264.9 billion, followed by Nigeria at $188.5 billion. Nigeria's slide to the fourth position "underscores the deep macroeconomic imbalances and FX challenges the country faces despite its vast population and resource base," said Afreximbank.

Apparently shirking these weighty and frightening projections and realities, however, Nigeria's minister of finance and coordinating minister of the economy, Mr. Wale Edun, chose to paint a different picture to show a positive outlook for Nigeria's economic growth. At one of his outings at the Washington D.C meetings, Edun told foreign investors that the country was on the road to a seven percent GDP growth rate.

In obvious self-adulation, the minister told the investors that the government through its reforms had laid the foundation that would make the country the desired destination for private investors. He called for investments in infrastructure, manufacturing and agriculture.

Speaking in a similar vein at the event, Mr. Olayemi Cardoso, governor of the Central Bank of Nigeria (CBN), said Nigeria's economy was already on the path of stabilisation and recovery "following months of tough but necessary reforms." He said: "The difficult reforms that have been undertaken have begun to bear fruits. Orthodox monetary policy was a road we chose deliberately, and we have no intention of compromising on it."

With the glaring difference between the fears and warnings of the Bretton Woods Institutions and African Export-Import Bank on one hand and the self praises of Nigeria's top government officials regarding the Nigerian economy, the days ahead are really cloudy. The dispassionate assessment and cautions of the global financial institutions about Nigeria's weak economy are real pointers to ominous times ahead.

For too long Nigerians have been deluded by the sugar-coated tongues and propaganda machinery of government officials about the true state of the economy. It is time to recognise the fantasies, the realities and informed projections for what they are.

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Supply shock in the making for an American stagflation

Political Economy Commentary

ANTHONY KILA

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STAGFLATION IS ARGUABLY one of the most fascinating phenomena in economic cycles. It has long presented challenges for political economists to conceptualise and regulate.

"Stagflation" is derived from the combination of two words: "stagnation" and "inflation." It describes an economy characterised by high inflation rates, low growth, and elevated unemployment. This situation represents a tangible phenomenon that contradicts traditional economic theory, which posits a negative correlation between inflation and unemployment, as proposed by the Phillips Curve.

The term "stagflation" was introduced into our everyday lexicon by Iain Macleod, a British politician and Chancellor of the Exchequer, who, in a speech to the UK Parliament, described the British economy in these terms: "We now have the worst of both worlds — not just inflation on one side or stagnation on the other, but both together. We have a sort of 'stagflation' situation." History and general education have not been very kind to Iain Macleod; his contributions to the history and economy of our world today deserve more attention and possibly greater recognition.

A case that students of economics and policymakers should take time to study is the decade of American stagflation, which lasted from around 1970 to 1982. During that decade, inflation more than doubled, rising from 5.8 percent to 13.5 percent; economic growth was hindered by multiple recessions, decreasing from 0.2 percent to -1.8 percent; and unemployment increased from 4.9 percent to 10.8 percent.

With high inflation, rising unemployment, and stagnant wages, everyday life in the USA became characterised by daily struggles. Essential goods and services such as bread, milk, eggs, and meat grew increasingly expensive, while petrol and electricity became luxury items for many. It was not just the price; even getting petrol and diesel was a problem as there were queues at petrol stations that Americans insist on calling gas stations. Numerous households found themselves rationing their use of all forms of energy. With interest rates at over 18 percent, mortgages were out of the reach of many in the country, and many tenants were defaulting on their rents.

Businesses and investors were not spared the crisis and had to deal with high production costs and receding demands for their goods and services. Many businesses had to shut down as they also had to deal with loans with interest rates above 20 percent. Those who remained open had to lay off many of their workers.

Economic hardship, uncertainty, and frustration led many to lose trust in the government and all previously respected orders. The decade's anger and despondency led pop culture to produce dystopian and defiant films such as Taxi Driver (1976) and Network (1976). Situating the uncovering and management of the Watergate scandal in this context will help us better understand that event.

The causes of American stagflation can be traced to closely interrelated national and international politics, policies, and economic and social factors. General literature agrees that the main factors at the origin of the American stagflation were the oil supply shock, monetary policy of the Federal Reserve, economic policies by the Nixon Administration, budget deficit and spending, and competition from Germany and Japan. To these we need to add the collapse of the Bretton Woods accord and the expenses of the Vietnam War.

There is a general tendency to attribute the oil supply shock as the foundation of American stagflation; however, this perspective is incorrect. A more accurate way to outline the causes of the economic downturn begins with the costs and other repercussions of the Vietnam War. American military expenditures soared during the Vietnam War, reaching a peak of £77.4 billion in 1969 (over £600 billion in today's money). Indeed, initially, war spending boosted industries such as defence, manufacturing, and technology, generating employment in these and other sectors, which resulted in GDP growth in the early years. The economy, however, became sweltered due to this massive government spending, contributing to high inflation.

The well-known 1973 OPEC oil embargo (imposed after the Yom Kippur War) and the 1979 Iranian Revolution are two oil supply shocks that inflicted severe damage on the American (and other Western) economies, exacerbating an already dire situation. Oil prices surged from $1.8 to $11.65 in 1973 as Arab nations and others with oil imposed an embargo on the USA and several other countries, including South Africa, as a sanction against the USA for its support of Israel in the conflict. The resulting energy crisis is a shock because it caught everyone off guard. One can only imagine Americans' conversations while queuing to purchase expensive petrol, diesel, and gas in the 1970s.

During the decade of American stagflation, Arthur Burns, an economist, diplomat, and politician, served as the chairman of the Federal Reserve. Like many others, Burns believed that the primary cause of American inflation was the energy crisis rather than the excessive money supply. In 1970, when

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Business, Governance & Enterprise

The necessity of central business district in a city

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CENTRAL BUSINESS DISTRICTS (CBDs) or central business areas (CBAs) or commercial precincts are the primary commercial and business hubs of cities and urban areas. They are the most convenient places for business activities in a community. According to the concentric zone model, propounded by Ernest Burgess, a sociologist, urban land use should be organised around the central business district (CBD) in concentric rings, with each ring having a different land use. Burgess' model suggested that the innermost ring should be the business district, while the inner circles should be occupied by the poor and struggling classes. This organised way of life makes living comfortable for everybody, both the rich and the poor.

On the other hand, sector theory or Hoyt sector model posits that urban growth does not occur in concentric rings, as earlier suggested by Burgess, but rather in wedge-shaped sectors. The common factor of the two models is that their innermost circle is reserved for CBD from where other uses spread out. If not well established, CBD will haphazardly develop.

CBDs or CBAs features include: (i) High concentration of business: Offices, financial institutions like banks and insurance companies, and corporate headquarters of business organisations are usually sited in CBDs or CBAs, (ii) Retail and entertainment: Shopping centres, restaurants, and entertainment venues are common in CBDs, (iii) Easy accessibility: CBDs are often serviced with more modes of public transportation like road, train, water and cable. They also have multi-storey car parks or large expanses of land for car parking lots. (iv) Dense infrastructure: CBDs usually have high-rise buildings, concentrations of network of roads, and utilities, and (v) Lastly, CBDs are centres of attraction with iconic buildings and people usually visit them to do physical and window shopping. In some states in America, CBDs are called 'downtown"- the commercial area of a city, which is the busiest, with the most shops, restaurants, buildings, vehicle presence and pedestrians and in the UK, they are called city centres. In Dubai and Berlin, CBDs have some of the biggest malls in the world!

CBDs serve as economic hubs by driving local and regional economies; they are employment centres which attract workers and businesses like magnet; and they are service providers often offering services like banking, finance, insurance, law, restaurant, hospitality, transport and security. Commercial precincts usually require sales girls and boys, and usually welcome enquiries from those looking for employment opportunities. They are clusters of banks and finance houses to provide support for the business men and women in the areas. There are basically high rates of transactions between two or more than two parties in CBAs, so they usually have a high rate of law firms who are there to draft contract documents, return to the Corporate Affairs Commission (CAC) and make changes to limited liability organisations' ownership structure. CBDs play a vital role in urban economies, serving as hubs for commerce, production, innovation, and community cohesion. Estate surveyors and valuers or chartered surveyors, also have high concentration in CBDs because of the high rate of property exchange, especially, rental properties.

The challenges of CBDs include high rates of congestion. High concentration of commercial activities in an area may lead to high foot and vehicular traffic. Due to competition for space by different people, the value of real estate (land and buildings) in CBDs is usually higher than in other areas of the same community, and they usually give security concerns to the city managers. CBDs are potential targets for crimes and safety issues. Despite the challenges of CBDs, they are still necessities in living communities because they are convenient for residents and visitors to do shopping, for CBD workers to work, and for producers to sell their products. CBDs provide networking opportunities and foster business connections and collaborations. Urban vitality is promoted by CBDs as they ensure that the city's economic and social vibrancy is ensured. Some CBDs have different sections for different activities like electronics section, clothes section, food hubs, wine sales, etc. CBD development is based on community critical path maps and the principle that the shortest distance between two points is a straight line.

It is expedient and most convenient for the commonest daily activities of residents in an area to be in the centre of the community where everybody has one or two things to transact there. This will give all the residents equal opportunity of access to the area where they mostly transact business. CBDs development is gaining ground globally as city developers are seeing the benefits of its creation. One NYC central business district is located in Midtown Manhattan in New York City and is considered to be one of the most iconic, largest, and well-known CBDs in the world. Midtown Manhattan is home to a concentration of important businesses, office buildings, and beautiful landmarks like Times Square, Westin Times Square, etc. In Midtown Manhattan, there are more than five train stations including (i) Times Square by 42nd Street, (ii) West 42nd Street by 7th Avenue, (iii) 42nd Street by 7th Avenue, (iv) West 42nd Street by Broadway, and (v) 7th Avenue by West 41st Street.

Louis Wirth, an American sociologist, defined a city as a relatively large, dense, and permanent settlement of socially diverse-cultured individuals. Spriro Kostof, in "The City Shaped: Urban Patterns and Meanings Through History" (Boston, 1991, pp 37 - 41) said cities are places where a certain energised crowding of people takes place. This crowding must be organised in such a way that daily hustling will be interesting and dissipation of energy will be minimised. Central business district affords all the people in a community the opportunity to minimise their journey time to the areas of their commonest activities which are commercial. CBDs are locations having the principal commercial streets and main public buildings and where consumers can get the products they need with minimum journey time. Governments' revenue generation usually focus on these areas and make sure that they are well serviced and secured.

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Government should...

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current multiple supply contractors, who sometimes provide low-quality drugs and contaminated products. They are also sometimes, avenues for fake drug peddlers.

Healthcare personnel management that includes doctors and nurses, will be better handled, they will be better paid and trained, while allowing for constant upgrades of facilities, which will be less cumbersome, and efficient.

The current national unionisation of doctors and other medical workers will need to be re-examined. In my view, the national unionisation of these unions will be unnecessary, and bargaining with state unions of medical workers will provide comparisons with other states, and labour relations can be better managed. The current situation where one union has trouble with one state and it spreads to the entire country is not sensible. States can localise their union contracts and can negotiate better with the flexibility of local peculiarities. It can also become a basis of state-to-state comparison of standards, efficiency and effectiveness.

Freeing up the federal government to focus on the more important areas of providing healthcare infrastructure and letting the states run them, with strong monitoring, is the best way to ensure a better healthcare system that will serve us all.

Healthcare is a right

It must be understood that healthcare is one of the social services that should deserve the biggest subsidy and, if possible, be made free for all citizens at the point of delivery. Healthcare should be a right, and every government should provide it, because it is a key pillar on which any society is built — and only governments can properly provide it.

Let me be clear, this does not preclude private participation in healthcare. In fact, private participation in our health sector is complementary, and provides the competition against which government provision of this service can be measured.

Nigeria is currently experiencing a revolution in private healthcare provision. It should be encouraged.

Create levy to pay for universal healthcare coverage

One of the most profound legacies of President Obasanjo's Administration was the establishment of the National Health Insurance Authority (NHIS). Despite the terrible management of successive managers at NHIS, the scheme is defying all odds and still growing. It needs proper management if the agency is to enhance its ability to achieve its goal and provide strong regulation.

Ensuring that everybody has health insurance is one area of healthcare infrastructure that the federal and state governments need to focus their attention on. Every possible effort by all governments should be made to ensure all citizens are covered by health insurance. This is one area I will recommend the government create a minimum levy that will ensure all health insurance premiums are paid as a shared burden, via risk sharing and funds pooling for everyone in the country who makes any VAT-able purchase.

This tax can be effectively collected, and will be a very light burden on everyone compared to the benefits it will bring to our society. It is a progressive tax that the payers of this levy will be able to pay, and be willing to pay. The overall efficiency of this proposal will be a synergy of exponential benefits that will far outweigh the burden of this new tax.

My proposal is that a health insurance tax of 1% be levied on all VAT-able purchases nationwide. Additional 1% + current VAT of 7.5% , will total VAT to 8.5%. The extra 1% will be used to underwrite healthcare costs for everybody, and make healthcare free for all citizens. This will be a major step in the right direction.

Going by the N7.2 trillion collected as VAT in 2024, 1% will equal about N72 billion annually and will grow. This will be in addition to the current budget provisions in both public and private sectors of the economy. This is an expedient way to make it meaningful and ensure quick implementation of free healthcare for all.

This large allocation to our healthcare sector will be meaningful, with a huge multiplier effect, with healthy citizens contributing to the society and the economy. This is viable and the results will be quickly evident.

Making healthcare a priority and focusing on it will be good for all. Thankfully, we already have the building blocks. We now need to get rid of the inefficiencies in the system that are hindering its progress and effectiveness.

I will next look at another pillar of what governments should compulsorily do and what efficient ways to do it.

Supply shock in the...

Continued from page 8

Arthur Burns assumed office, inflation stood at 5.8 percent; by 1974, it had reached double digits. Whilst in office, he did not tackle the issue of excessive money supply; his view was that some inflation could be tolerated to preserve employment rates. He attempted to stimulate the economy with low interest rates, but the situation backfired.

In August 1971, confronted with a bad economic cycle, the then American president, Richard Nixon, announced some drastic decisions. His plans and announcements aimed to reduce inflation, combat unemployment, and defend the US dollar against speculators. To achieve these goals, Nixon imposed tariffs on imports and froze wages and prices for 90 days to prevent further price increases. The plan, though, did not work: after the 90 days of price and wage regulation, economic chaos followed. Nixon also ended the gold standard in 1971 (the "Nixon Shock"), leading to a weaker dollar and rising import prices, fuelling inflation.

The factors that helped America emerge from the decade of stagflation were the same ones that brought her into it: closely interrelated national and international politics, policies, and economic and social factors.

The American government's military spending increased by about 75 percent between 1964 and 1975 and by over $1 trillion from 1962 to 1973. With the end of the Vietnam War, military expenditures were also drastically reduced, reducing the heavy burden of American debt.

With Paul Volcker as Fed chairman in 1979, monetary policy changed. Interest rates aggressively rose to curb inflation, which dropped from 13.5 percent in 1980 to 3.2 percent in 1983. The price paid for this was an unavoidable recession between 1980 and 1982.

Unlike Nixon, the Reagan administration implemented supply-side policies, including extensive deregulation and tax cuts, encouraging investments and production.

The collapse of oil prices in the mid-1980s reduced business operating costs, allowing for even more investments and productive activities.

There are many lessons from the American stagflation for those willing to learn.

But all of that was over four decades ago; these days, there is a new supply shock in the making in America that is coming from the increase in the cost of consumer and capital goods. Thanks to the new tariffs conceived to make America great again, goods will likely become scarce, expensive, or both. For good measure, the government is also cutting public spending. It is easy to see why this might lead to fewer goods to buy and less money to spend.

Join me @anthonykila, if you can, to continue these conversations.

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Treading the Trump Tightrope at the IMF and the World Bank

NGAIRE WOODS

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OXFORD – The International Monetary Fund and the World Bank are in a difficult position. Established to uphold global rules and support development, they are now caught between an aggressively nationalist America – their largest shareholder – and the rest of the world. If their leaders speak truth to power, they risk US President Donald Trump's wrath. If they don't, they risk their own legitimacy.

The challenge of walking this tightrope was evident at last week's Spring Meetings of the IMF and the World Bank. The IMF's mandate is to stand guard over countries' exchange rates and policies that affect global financial stability. This involves "calling out" those whose actions will impoverish their neighbors. So far, the Fund has not named the United States as its main rule-breaker. But ahead of the Spring Meetings, IMF Managing Director Kristalina Georgieva responded to the Trump administration's unpredictable behavior by acknowledging the "off the charts" uncertainty caused by US tariffs, reiterating the need for central-bank independence, and urging countries to avoid "self-inflicted injuries."

In early April, World Bank President Ajay Banga emphasized the Bank's focus on its core mandate: driving development and reducing poverty. For several decades, the World Bank has supported efforts – particularly infrastructure investments – to lift millions of people out of poverty. But Trump's dismantling of the US Agency for International Development (USAID) has decimated programs that enabled the Bank's work. Instead of addressing this issue at the Spring Meetings, Banga focused on job creation amid rising unemployment worldwide. The Bank has also begun promoting nuclear and technology-agnostic energy solutions to appeal to a US administration that is allergic to climate action.

How the IMF and the World Bank approach the Trump administration will determine their effectiveness. The first 100 days of Trump's second term offer insights into the strategy they should pursue.

First, they could be targeted and should plan accordingly. Trump's takeover of Washington's John F. Kennedy Center for the Performing Arts shows that no organization is safe – some of America's largest NGOs and philanthropies are already preparing for funding cuts. Moreover, the IMF and the World Bank are mentioned in Project 2025, the conservative blueprint for Trump's second presidency published by the Heritage Foundation, and included in the 180-day review of US involvement in international organizations that Trump ordered on February 4. True, the team overseeing the review has been dismissed, throwing the process into disarray. But that may not be an obstacle, given the administration's propensity to act without restraint.

Second, policymakers must bat away non-credible threats. When Mark Carney became Canadian prime minister in March, after Justin Trudeau stepped down, he insisted in his first conversation with Trump that the US president recognize Canada's sovereignty (Trump also addressed Carney as "Prime Minister," whereas he had often referred to Trudeau as "Governor"). It helped that Trump's bluster about annexing Canada lacked political backing in Washington, much less a feasible plan.

The situation is somewhat murkier for the IMF and the World Bank. At the Spring Meetings, US Treasury Secretary Scott Bessent criticized both institutions, but said the US would maintain its leadership role and expand its global influence. Other countries must now decide the extent to which they are prepared to let one shareholder unilaterally determine the future of institutions that rely on their financial contributions and participation.

Third, no institution is alone. Whether and how the IMF and the World Bank accede to Trump's demands will affect the ecosystem in which they operate. US law firms that capitulated to Trump, who wielded the threat of illegal executive orders, may have ensured their own survival, but they have eroded the US legal system's legitimacy. The same goes for Columbia University, whose acquiescence to government oversight has undermined academic freedom.

The IMF's ability to achieve its objectives depends on the confidence of central bankers and policymakers worldwide, and maintaining it requires accurate reporting on the global economy. The World Bank, for its part, relies on thousands of firms and community organizations throughout the developing world, and its approach to infrastructure and energy projects sets standards for others to follow.

Fourth, as Ukrainian President Volodymyr Zelensky discovered, Trump puts a premium on personal relationships. But the right response is not capitulation. Both Italian Prime Minister Giorgia Meloni and British Prime Minister Keir Starmer have been able to maintain a working relationship with Trump by employing flattery and avoiding concrete commitments. This is new terrain for the IMF and World Bank, whose leaders are used to working with the US Departments of State and the Treasury, as well as Congress. Now, the IMF's managing director and the Bank's president must take a much more active role in relationship management with the White House.

Beyond the Trump administration, the IMF and the World Bank must remember their other stakeholders in the US: the American people. For example, support by religious organizations for debt relief for the poorest countries in the 1990s enabled the IMF and the World Bank to act on the issue.

The Trump administration shut down USAID despite agency officials' warnings that one million children will go untreated for severe malnutrition, up to 166,000 people will die from malaria, and 200,000 more children will be paralyzed by polio over the next decade. But many Americans support foreign aid, and more than half give to charity each year, often to help the poorest in other countries. Moreover, one-quarter take the time to volunteer, and some 240,000 have served in the Peace Corps since 1961.

As the heads of the IMF and the World Bank steer these institutions into the future, they must strike a delicate balance between confronting and conceding to the White House. But staying on Trump's good side is not enough to pursue their missions: they must also be mindful of the world within and outside of America.

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Pope Francis and the Soul of Economics

ANTARA HALDAR

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CAMBRIDGE – Pope Francis redefined the papacy in profound ways. As the leader of the Catholic Church, he worked to make it more inclusive of women and the LGBTQ+ community. As the first Latin American pontiff, he became a voice for the Global South. And by taking his name – and inspiration – from St. Francis of Assisi, he positioned himself as a champion of the poor and marginalized.

One of the most surprising – and often-overlooked – aspects of Francis's 12-year papacy was his emergence as an incisive economic visionary. In a world where economics is dominated by models, markets, and metrics, Francis insisted on a different standard: a moral one.

Throughout his papacy, Francis consistently challenged the assumptions of today's prevailing economic orthodoxy. In his 2013 exhortation Evangelii Gaudium ("The Joy of the Gospel"), he issued a stinging rebuke of what he called "an economy of exclusion and inequality" – a system that, as he put it, "kills."

Unlike many critics of capitalism, however, Francis did not call for its outright rejection. He adopted a more pragmatic approach, urging economic thinkers to ask deeper, more fundamental questions: What sort of markets do we want? Who should govern them, and to what end? His was a call to rethink not just our economic policies, but also the priorities that shape them.

In his 2015 encyclical Laudato Si' ("Praise Be to You"), Francis went further, integrating ecological and economic critiques into a unified moral vision. Climate degradation, he argued, is not merely a "negative externality" to be managed; it is the inevitable outcome of an economy that commodifies nature and marginalizes the poor. Viewed through this lens, economics and ecology are not separate academic fields but intertwined arenas of moral responsibility. "The earth herself," he wrote, "is among the most abandoned and maltreated of our poor."

At the 2020 Economy of Francesco summit, Francis brought together young economists and entrepreneurs to imagine a new economy rooted in solidarity, justice, and ecological stewardship. His message was unequivocal: it is no longer enough to patch up the old system – a moral refounding is needed.

Francis's views stood in stark contrast to the neoclassical assumptions that have long dominated economic policymaking. Neoclassical economics treats individuals as isolated utility maximizers, markets as largely self-correcting, and growth as an unalloyed good. Poverty, inequality, and environmental damage are seen, if at all, as technical problems at the margins of an otherwise efficient system.

Francis recognized a more profound threat: economics had ceased to be a tool for advancing human prosperity and had become an ideology that corrodes solidarity and encourages indifference. In theological terms, what he diagnosed was not mere inefficiency or imbalance but sin: structural sin, embedded in the systems we take for granted.

Francis's critique is striking precisely because it comes from outside the technocratic priesthood of academic economics. While he did not propose marginal tax rates or carbon-pricing mechanisms, he was returning economics to its foundations in moral philosophy and placing himself within a humanist tradition deeply rooted in the history of economic thought. That tradition is exemplified by Nobel laureate economists such as Joseph Stiglitz, who has exposed how information asymmetries distort market "efficiency," and Amartya Sen, who has argued that development should focus on expanding human capabilities rather than GDP. It also includes Dani Rodrik, who has advocated re-embedding markets within democratic governance, and Thomas Piketty, who has laid bare the structural dynamics of wealth concentration.

Even Adam Smith, widely regarded as the father of free markets, would have found echoes of his thinking in Francis's project. In his 1759 book The Theory of Moral Sentiments, Smith warned that economic life must be grounded in sympathy, justice, and norms of civic trust.

The quest for a moral economy also animates the work of scholars like economist Samuel Bowles, who argues that well-designed incentives and institutions can encourage pro-social behavior. But where Bowles sees economics as a behavioral system to be redesigned, Francis viewed it as a moral system in need of redemption.

Unlike neoclassical economists, Francis was not merely concerned with fostering social cooperation; he was concerned with the formation of souls. For him, the stakes were not the success of markets but the survival of dignity, solidarity, and creation itself. This was not moralism for its own sake; it was a reminder that economic life always entails moral choices, whether we acknowledge them or not.

Every budget, tax policy, and trade regime reflects a set of values. Francis refused to let those values remain hidden. Some economists bristle at this intrusion, insisting that the strength of economics lies in its value neutrality and ability to provide a rational – rather than sentimental – basis for hard choices. But that stance itself reflects a choice to protect the status quo rather than question it. Francis's intervention revealed that the claim to neutrality is, in fact, a form of moral abdication.

At a time when neoclassical models increasingly struggle to explain or contain the crises facing humanity – rampant inequality, climate breakdown, political instability, and the rise of populism – Francis's message feels especially urgent. It speaks directly to the spiritual ailments at the heart of our failing economies. While he did not present an alternative model in spreadsheets or regression tables (the kind of economic language that often alienates ordinary people), he offered something more intuitive: the capacity for moral imagination.

Most importantly, Francis was not an enemy of economics. He was its custodian, reminding its practitioners of their forgotten calling: to serve the common good. Economists would do well to heed his message. If a 2,000-year-old institution like the Catholic Church can change, so can an economic consensus that has prevailed for only a few decades.

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STOCKS MARKET

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

TOP TRADERS

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

TOP GAINERS

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

TOP LOSSERS

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

COMMODITIES

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

Nigeria's private sector sustains strong growth momentum in April despite rising input costs

Stories by Bamidele Famoofo

ACCORDING TO THE LATEST Purchasing Managers' Index (PMI) report, Nigeria's private sector sustained its robust performance in April 2025, recording the fifteenth consecutive month of output expansion.

The headline index stood at 54.2 points, marginally lower than March's reading of 54.3, but still firmly above the 50-point threshold that signifies growth. This indicates another solid monthly improvement in overall business conditions across the economy, extending the post-pandemic recovery momentum.

The start of the second quarter saw continued strength in customer demand and output growth, which together underpinned the solid improvement in private sector performance. Encouraged by rising workloads, businesses increased their input purchases and expanded their workforce. However, the additional capacity was not sufficient to eliminate supply bottlenecks, resulting in a modest accumulation of backlogs—the first in eleven months.

The expansion in output was broad-based across the economy's key sectors, with the services sector leading the charge. The April data revealed that the rate of output growth was the strongest since January 2024, supported by a sharp increase in new orders and customer numbers. Respondents to the survey pointed to improved demand conditions and a better business environment as key drivers of this upturn.

L-R : Anthony Okonkwo, coordinating director, People Service Group, FIRS, and Adebowale Adedokun, director general, Bureau of Public Procurement, and Imaan Suleiman-Ibrahim, minister of Women Affairs, during the inauguration of the Federal Inland Revenue Service (FIRS), gender desk and Women Network in Abuja recently.

Notably, the pace of new order growth remained largely unchanged from March, indicating a stable trajectory of demand recovery. In tandem with rising output, employment levels increased for the fifth consecutive month, marking the longest stretch of job creation in nearly two years. While the pace of hiring remained modest, it was at eight-month high, reflecting companies' efforts to meet rising production demands and reduce delivery times.

To keep up with orders, firms sharply increased their purchasing activity, which rose at the fastest rate since February 2022. This restocking drive was aimed at building inventory buffers, especially amid concerns around input availability. However, despite these efforts, supply-side challenges persisted. Several firms reported difficulties in sourcing materials due to high input costs and intermittent power supply, which in some cases led to project delays and the re-emergence of work backlogs.

On the pricing front, inflationary pressures ticked up in April, although they remained relatively contained compared to the volatile conditions of 2024. Purchase costs rose sharply, driven by higher raw material prices and continued currency weakness. This fed through to staff costs, which also increased at a solid pace as firms adjusted wages to retain talent. The combination of these pressures resulted in higher output prices, with firms passing on part of the burden to customers. While the rate of output price inflation was stronger than in March, it remained moderate by historical standards.

April's PMI data points to a private sector that remains on a strong footing, supported by resilient demand and firm-level expansion initiatives. Despite the overall positive performance, business confidence declined for the third consecutive month. While most firms continued to expect output to rise over the coming year—buoyed by expansion plans and anticipated investments—the softening in sentiment suggests increasing caution among business leaders. This dip in optimism may reflect concerns over persistent cost pressures, infrastructure challenges, and the uncertain trajectory of macroeconomic reforms.

Equities market records 0.27% gain on strong Q1 earnings, investor optimism

THE NIGERIAN EXCHANGE (NGX) sustained its bullish momentum last week as investor sentiment turned increasingly positive, fuelled by strong first-quarter 2025 earnings results and the ongoing earnings season.

The market's benchmark indicator, the All-Share Index (ASI), rose by 0.27 per cent week-on-week to close at 106,042.57 points. This uptick was largely driven by strong buy-side activity, particularly within the consumer goods sector, as investors responded positively to solid corporate performance and earnings expectations.

In line with the index movement, the overall market capitalisation increased by 0.28 per cent to N66.65 trillion, reflecting the underlying confidence in the equities market. The bourse recorded a healthier breadth this week, with 52 stocks appreciating in value compared to 36 decliners, bringing the market breadth ratio to a solid 1.44 times. This positive breadth, combined with sustained demand in select large and mid-cap stocks, pushed the year-to-date return of the NGX higher to 3.03 per cent, reaffirming the bullish undertone of the market.

Trading activity was notably upbeat throughout the week. The total number of deals executed surged by 36.86 per cent week-on-week to 70,329 deals, signaling increased participation by both institutional and retail investors. In terms of volume, the market recorded a significant 18.63 per cent increase to 2.19 billion units traded. Similarly, the value of transactions climbed 34.60 per cent from the previous week to settle at N75.41 billion, reflecting renewed investor appetite and a shift toward higher-value trades.

However, a deeper look at sectoral performance revealed a mixed picture. Out of the six key sectors tracked during the week, four closed in negative territory while only two posted gains. The oil and gas sector led the laggards, shedding 2.90 per cent following price declines in key stocks such as ARADEL. The insurance sector followed closely with a weekly loss of 2.89 per cent, reflecting negative sentiment around stocks like LINKASSURE, GUINEAINS, and SUNUASSURE. The commodities index also dipped by 1.12 per cent, while the banking sector lost 0.38 per cent, weighed down by losses in ACCESSCORP and ETI. On the brighter side, the consumer goods sector emerged as the best performer for the week, recording a solid gain of 2.89 per cent. This was primarily driven by impressive price advances in counters such as FIDSON, CADBURY, and MAYBAKER, as investors rotated into names with promising earnings outlooks. The industrial goods sector also managed to close the week in positive territory with a modest gain of 0.40 per cent, buoyed by strength in stocks like CAVERTON, UPDC and BETAGLASS.

Among individual stocks, some names stood out for their remarkable weekly performances. LEGEND INTERNET topped the gainers' chart with an impressive 45.6 per cent return, followed closely by ABCTRANS, which gained 44.9 per cent. Other notable gainers included FIDSON with 22.8 per cent, UPL with 20.9 per cent and NAHCO with 20.2 per cent, all reflecting strong investor interest and positive sentiment.

On the other hand, the worst-performing stocks included ETI, which lost 18.8 per cent, MULTIVERSE with a decline of 18.6 per cent, LIVESTOCK down by 10.6 per cent, ARADEL shedding 9.9 per cent, and TRIPPLE GEE, which dipped 9.6 per cent during the week.

Inflow drops to $3.67bn in Nigerian Foreign Exchange Market in April

ACCORDING TO THE DATA from FMDQ, total inflows into the Nigerian Foreign Exchange Market (NFEM) declined by 5.7 per cent month-on-month to USD3.67 billion in April compared with USD3.90 billion in March.

The drop was attributed to the outturn to the decline in inflows from foreign sources (17.9% of total inflows), which fell by 16.5 per cent m/m to USD657.40 million (March: USD787.20 million), marking the lowest level of inflows in seven months.

Consequently, inflows from the other corporates (-40.5%) and FPI (-15.7% m/m) segments recorded lower accretion, while inflows from the FDI (+112.7% m/m) segment increased.

At the same time, inflows from local sources (82.1% of total inflows) declined marginally by 2.9 per cent m/m to USD3.02 billion (March: USD3.11 billion) driven by declines in inflows from the exporters/importers (-23.9% m/m) and non-bank corporates (-23.3% m/m) segments, amid a surge in the inflows from the Individuals (+125.4% m/m) and CBN (+43.8% m/m) segments.

In the short term, financial experts at Cordros Research expect FX inflows to remain relatively strong compared to last year (2024 monthly average: USD2.54 billion), due to improved market structure and increased inflows from the CBN. However, the existing external pressures, including the global trade tensions and increased global uncertainties, are likely to constrain inflows from the foreign segment, ultimately affecting overall FX liquidity.

On the flipside, data from the Domestic and Foreign Portfolio Report of the Nigerian Exchange (NGX), total transactions in the Nigerian equities market surged to an all-time high, rising by 119.0 per cent m/m to N1.12 trillion in March (February: N509.47 billion).

Access Holdings Q1 earnings strengthen 14.7% to N182.8bn on core income

Onome Amuge

ACCESS HOLDINGS PLC HAS REPORTED a 14.7 per cent increase in profit after tax to N182.8 billion for the first quarter ended March 31, 2025, up from N159.3 billion in the corresponding period of 2024. The unaudited consolidated financial statements filed with the Nigerian Exchange (NGX) revealed that this improvement was driven by strong growth in both interest and non-interest income during the review period.

Interest income, calculated using the effective interest rate, rose by 58.6 per cent to N964.6 billion in the first quarter of 2025, compared to N608.1 billion in the same period last year. However, interest expense also saw a significant rise of 71.3 per cent to N760.5 billion, up from N443.9 billion in the previous year.

Consequently, net interest income declined by 20.1 per cent to N220.2 billion from N275.7 billion. The net impairment charge on financial assets remained relatively stable at N21.8 billion, slightly lower than the N22.8 billion recorded in the prior year. As a result, net interest income after impairment fell to N198.4 billion from N252.9 billion.

The group's non-interest income streams showed strong growth. Fee and commission income rose to N174.5 billion from N112.4bn, while fee and commission expenses increased to N28.3 billion from N25.5 billion, resulting in a net fee and commission income of N146.2 billion, up from N86.9 billion in the corresponding period.

Access Holdings also benefited from a fair value and foreign exchange gain of N214.4 billion in the first quarter of 2025, an increase from N119.2 billion in the previous year. However, other operating income decreased to N12.8 billion from N23 billion.

Operating expenses saw an uptick, with personnel expenses climbing to N105.6 billion from N79.8 billion and other operating expenses increasing to N213.8 billion from N176.6 billion.

Overall, the group's profit before tax rose to N222.8 billion, up from N202.7 billion in the first quarter of 2024. After accounting for a tax expense of N40 billion, the group's profit after tax stood at N182.8 billion.

Despite the profit growth, Access Holdings reported a total comprehensive loss of N39.6 billion in the first quarter of 2025, a stark contrast to the gain of N388.3 billion in the same period of 2024. This loss was largely attributed to an unrealised foreign currency translation difference of N142 billion and an N84.8 billion decline in the fair value of debt financial instruments measured at fair value through other comprehensive income, reflecting the impact of currency volatility.

Earnings per share for the period increased to 488 kobo, up from 435 kobo in the same period of 2024.

The group's total assets expanded to N39.1 trillion as at March 31, 2025. Customer deposits reached N23 trillion, up from N22.5 trillion at the end of December 2024, while loans and advances to customers amounted to N11 trillion.

Meanwhile, total equity attributable to shareholders increased to N3.5 trillion, while total liabilities stood at N35.4 trillion.

Representative of the secretary to the Government of the Federation (SGF), Wale Edun (4th r), assisted by director general of the Bureau of Public Procurement (BPP), Adebowale Adedokun (3rd l); head of Civil Service of the Federation, Didi Walson-Jack (2nd l) and other dignitaries, during the Launch of the Nigeria Procurement Certification Program in Abuja recently.

GTCO Q1 profit hits N300.4bn despite drop in fair value gains

Onome Amuge

GUARANTY TRUST HOLDING COMPANY (GTCO) Plc has reported a profit before tax of N300.4 billion for the first quarter ended March 31, 2025, reflecting strong underlying performance despite the absence of significant fair value gains that boosted the prior year's results.

The financial results, filed with the Nigerian Exchange Group (NGX) and the London Stock Exchange (LSE), revealed that the Nigerian financial services group achieved this pre-tax profit through strong growth in its core earnings. This is as interest income rose by 41.1 per cent year-on-year, while fee income increased by 41.2 per cent.

This operational strength, the group stated, allowed it to absorb the impact of the non-recurrence of N331.6 billion in fair value gains that were a feature of its first-quarter performance in 2024.

The group's loan book (net) expanded by 15.6 per cent to N3.22 trillion in March 2025, up from N2.79 trillion at the end of December 2024. Customer deposits also saw healthy growth, increasing by 7.7 per cent from N10.40 trillion to N11.20 trillion over the same period.

GTCO highlighted growth across its asset base and affirmed its commitment to maintaining a robust, well-structured, de-risked, and diversified balance sheet across its operating regions.

Total assets reached N15.9 trillion, with shareholders' funds standing at N3.0 trillion. The group's capital adequacy remained strong, with a Full Impact Capital Adequacy Ratio (CAR) of 34.6 per cent. Asset quality also improved, as evidenced by a reduction in IFRS 9 Stage 3 Loans to 3.3 per cent at the bank level and 4.5 per cent at the group level. The Cost of Risk (COR) also fell to 0.4 per cent from 4.9 per cent in December 2024.

Segun Agbaje, group chief executive officer of GTCO, commented: "Our Q1 2025 performance reflects the strength of all our business verticals and our capacity to generate strong and sustainable earnings. While the fair value gains of N331.6 billion reported in Q1 2024 did not recur this quarter, the Group recorded solid growth across most income lines, underpinned by a diversified revenue base and a healthy, well-structured balance sheet."

Looking ahead, Agbaje stated that the financial services group remains optimistic. According to him, the fundamentals of the business are strong, the customer base continues to grow, while operations are executed with discipline across its strategic priorities.

Zenith Bank Q1 PBT hits N351bn as interest income soars 72%

Onome Amuge

ZENITH BANK PLC HAS REPORTED a 10 per cent year-on-year increase in profit before tax (PBT) to N351 billion for the first quarter ended March 31, 2025, up from N320 billion in the corresponding period of 2024.

The unaudited results, filed with the Nigerian Exchange (NGX), showed a robust 22 per cent year-on-year growth in gross earnings, climbing to N950 billion in Q1 2025 from N781 billion in Q1 2024. This is as profit after tax (PAT) also saw a significant increase of 21 per cent to N312 billion.

According to the financials, the increase in the topline was primarily driven by a 72 per cent increase in the group's interest and similar income, which rose from N489 billion in Q1 2024 to N838 billion in the period under review. This growth in interest income was largely attributed to the sustained high-interest rate environment in Nigeria. Conversely, non-interest income declined sharply by 67 per cent, as an increase in other operating income was outweighed by a drop in trading gains.

Profitability was further supported by a reduction in the cost of funds, which fell to 3.9 per cent in Q1 2025 from 4 per cent in Q1 2024. The cost of risk also decreased to 1.8 per cent, compared to 2.8 per cent in March 2024.

These improvements reflect the bank's proactive deposit mix optimisation, enhanced asset quality, and stronger risk management practices, contributing to overall earnings resilience. Net interest margin (NIM) improved to 10.3 per cent in Q1 2025, up from 8.3 per cent in Q1 2024.

Return on Average Equity (ROAE) and Return on Average Assets (ROAA) both saw a year-on-year decline to 29.4 per cent and 4.0 per cent, respectively. The bank attributed this to the impact of the recent industry-wide recapitalisation exercise, which expanded its shareholding base.

Gross loans recorded a modest growth of 1 per cent, rising from N11 trillion in December 2024 to N11.08 trillion in March 2025, indicating a cautious approach to loan book expansion. Customer deposits grew by 3 per cent from N21.96 trillion in December 2024 to N22.68 trillion in March 2025. Total assets increased by 8 per cent to N32.42 trillion within the same period.

Zenith Bank's prudential ratios remained comfortably above regulatory requirements. As of the end of Q1 2025, the Capital Adequacy Ratio (CAR) stood at 24 per cent, and the Liquidity Ratio was 60 per cent. The Coverage Ratio remained strong at 217.2 per cent, underscoring the bank's ability to maintain a robust and liquid balance sheet.

UBA delivers strong Q1'25 performance with N204bn pre-tax profit

Onome Amuge

UNITED BANK FOR AFRICA (UBA) Plc has reported a strong start to its 2025 financial year, delivering double-digit growth across key income metrics in its unaudited first-quarter results, showing remarkable double-digit growth across all its major income lines.

Notably, profit before tax (PBT) appreciated 31 per cent to N204.26 billion for the three months ended March 31, 2025, compared with N156.34 billion in the same period last year. Profit after tax (PAT) also witnessed a jump of 33.15 per cent, climbing to N189.84 billion from N142.58 billion in Q1 2024.

The group's gross earnings saw a 34.05 per cent increase, reaching N764.31 billion in the first quarter, up from N570.2 billion in the corresponding period of 2024. Interest income followed a similar trajectory, rising by 36.09 per cent to N599.83 billion from N440.76 billion.

UBA's total assets continued their upward climb, expanding by 4.58 per cent to N31.71

Continues on page 13

Bimbola Salu-Hundeyin ,secretary to Lagos State Government ; Oluremi Hamzat, wife of the deputy governor; governor Babajide Sanwo-Olu of Lagos State; beneficiary of the 2025 Micro Enterprise Support Initiative for the Vulnerable and Indigent residents in Lagos Tijani Iyabo; Commissioner for Women Affairs and Poverty Alleviation, Bolaji Dada and permanent secretary, Ministry of Women Affairs and Poverty Alleviation, Rianat Onigbanjo, during the 2025 Micro Enterprise Support Initiative for the Vulnerable and Indigent residents in Lagos recently.

Wema Bank records N41.1bn pre-tax profit on strong interest income

Onome Amuge

WEMA BANK PLC HAS REPORTED a substantial increase in profitability for the first quarter ended March 31, 2025, with pre-tax profit leaping by 269 per cent year-on-year to N41.2 billion, a significant surge compared to the N11.3 billion recorded in the same period of 2024.

The Tier-2 bank's bottom line was boosted by a 59 per cent rise in interest income, which reached N110.3 billion in Q1 2025, up from N69.4 billion in the corresponding period last year.

This growth was primarily driven by improved yields on assets, an expanded loan book, and favourable tailwinds from the high-interest rate environment in Nigeria. Interest income now accounts for nearly 79 per cent of the bank's gross earnings, underscoring its strong reliance on lending activities.

However, the bank also experienced a 24 per cent increase in interest expenses, which rose to N53.7 billion, reflecting tighter funding costs and an aggressive strategy to attract deposits. Despite this rise, net interest income more than doubled to N56.6 billion, compared to N26.1 billion in the first quarter of 2024.

Prudent approach to credit risk management

Wema Bank noted that it adopted a cautious stance on credit risk, with net impairment losses on financial assets increasing to N1.82 billion from N1.1 billion in the same quarter last year. This slight increase in provisioning reflects ongoing macroeconomic uncertainties, including foreign exchange volatility and elevated default rates across key borrower segments. After accounting for these credit losses, net interest income after impairment stood at N54.8 billion, an increase from N25.1 billion reported in Q1 2024.

Diversification through non-interest income

The bank's efforts to diversify its revenue streams continued to yield positive results, with non-interest income growing by a substantial 146 per cent to N29.3 billion, up from N11.9 billion in Q1 2024.

This growth was primarily driven by an increase in fee and commission income to N25.1 billion (from N10.9 billion in Q1 2024), reflecting stronger transactional volumes and increased adoption of its digital banking platforms. In addition, net trading income rose to N1.5 billion, and fair value gains on financial instruments contributed N2.2 billion, reversing marginal losses from the previous year.

Operating costs rise amid expansion

While operating income rose to N84.1 billion from N36.8 billion, Wema Bank also faced rising operating costs. Personnel expenses increased by 30.6 per cent to N13.0 billion due to wage adjustments and an expanding workforce. Other operating expenses more than doubled to N27.4 billion, largely driven by inflationary pressures on IT infrastructure, regulatory compliance, and energy costs.

Depreciation and amortisation expenses also rose by 38 per cent, reflecting ongoing investments in digital platforms and physical infrastructure. Despite these cost pressures, the bank's strong revenue growth resulted in a pre-tax profit of N41.2 billion.

Strong earnings and profitability metrics

According to Wema Bank's financials, after tax deductions of N5.36 billion, profit after tax reached N35.85 billion, a 269 per cent year-on-year increase. Earnings per share (EPS) also saw an increase to 803 kobo, compared to 305 kobo in Q1 2024.

Outlook and challenges ahead

Wema Bank's first-quarter performance in 2025 indicates a robust earnings strategy, with improvements across both interest and non-interest income segments. However, the rising operating costs and the continued need for prudent provisioning will remain key areas of focus.

According to analysts, the bank's ability to sustain its above-market growth trajectory will depend on maintaining asset quality, further advancing its digital transformation initiatives, and effectively managing costs in a volatile economic environment. Nevertheless, with its annualised pre-tax profit based on Q1 results already exceeding N160 billion, Wema Bank is currently demonstrating strong performance relative to many of its mid-tier competitors in Nigeria's banking sector.

UBA delivers strong...

Continued from page 12

trillion as of March 2025, compared to N30.23 trillion at the end of December 2024. Shareholders' funds also strengthened, reaching N3.7 trillion, an increase from the N3.4 trillion recorded at the close of the previous year.

Oliver Alawuba, UBA's Group Managing Director, commented that the Q1 performance reflected the bank's disciplined execution of its strategy and the sustained momentum of the business model of driving strong earnings growth, maintaining robust asset quality, and expanding market share.

He dwelled on the eight per cent growth in total deposits to N26.64 trillion and the five per cent rise in total assets to N31.7 trillion, noting that these achievements came in the face of persistent macroeconomic headwinds, geopolitical risks and global trade uncertainties.

Ugo Nwaghodoh, the bank's executive director for finance and risk management, attributed the strong results to UBA's diversified business model and disciplined strategy execution.

Nwaghodoh pointed to the bank's ability to maintain cost discipline, with operating expense growth below the average inflation rate, leading to positive operating leverage and strong bottom-line growth.

He also emphasised the double-digit growth in the bank's core earnings profile, driven by resilient income from lending, transaction banking, and fee-based services, demonstrating the strength and sustainability of UBA's earnings engine.

UBA's management reiterated its commitment to disciplined growth and continued investment in technology, data, innovation, and talent to enhance customer experience and create long-term value for stakeholders.

Sharp drop in non-interest earnings hits First Holdco, profit drops by 18%

Bamidele Famoofo

FIRST HOLDCO PLC, FORMERLY FBN Holdings, one of Nigeria's foremost financial groups, has reported about 18 per cent in net profit for the first quarter ended March 31, 2025.

Despite a sharp moderation in the group tax expenses, profit fell by 17.9 per cent year on year to N167.4 billion from N208.3 billion in Q1-2024.

The performance was primarily weighed down by a sharp contraction in non-interest revenue, which offset the strong growth recorded in net-interest income, limiting the expansion of gross earnings.

As a result of below-the-belt, non-interest-related earnings, the group's aggregate revenue struggles to grow compared with its immediate rivals in the financial services industry.

According to details from First Holdco's unaudited financial statement, gross earnings only grew by 3.3 per cent year-on-year to N729.3 billion from N704.2 billion in the comparable period in 2024.

Net interest income surged by 61 per cent year on year to settle at N365.2 billion from N226.8 billion in the comparable period in 2024. But First Holdco's non-interest income softened drastically, settling at N104 billion in Q1-2025, down by 60 per cent year-on-year from N260 billion posted in Q1-2024.

A significant increase in operating expenses (OPEX) offset the gains from lower impairment charges, further pressuring net income. Details showed that operating expenses rose by 16.4 per cent year on year to settle at N245.3 billion from N210.8 billion in the equivalent period in 2024.

On the asset quality front, cost-of-risk improved to 1.7 per cent , supported by the 1.31 per cent year-on-year decline in impairment charges on loans and advances, despite an 11.1 per cent YoY increase in gross loans to N9.7 trillion.

On the flip side, the cost-to-income ratio (CIR) climbed to 52.3 per cent , reflecting higher personnel costs, regulatory levies (AMCON and deposit insurance), and increased spending on advertising and promotions.

Overall, the weaker earnings performance resulted in an annualised return on average equity (ROAE) of 24.2 per cent , a sharp drop from 44.5 per cent in Q1-2024. First Holdco's return on average assets (ROAA) also fell to 2.5 per cent from 4.2 per cent 12 months ago, according to analysts' notes from Cardinal Securities Limited.

Ecobank Q1 revenue up 17% to $175m amid currency tailwind

Onome Amuge

ECOBANK TRANSNATIONAL INCORPORATED (ETI), the parent company of the pan-African Ecobank Group, has reported a 17 per cent year-on-year increase in profit before tax to $175 million for the first quarter of 2025, benefiting from favourable currency translation effects.

The unaudited financial statement released recently showed gross earnings rising by two per cent to $690 million, with revenue advancing by four per cent to $516.3 million. However, in local currency terms, reflecting the impact of currency movements across its diverse operating markets, gross earnings and revenue saw more substantial increases of 17 per cent to N1.05 trillion and 19 per cent to N788.7 billion, respectively.

Ecobank's operating income before impairment charges also demonstrated strong growth, rising by nine per cent year-on-year to 249.8 million, which translates to a 24 per cent increase in naira terms.

Profit after tax mirrored the pre-tax performance, also rising by 17 per cent to 122.5 million, or N187.1 billion, representing a 33 per cent increase in naira terms. The bank attributed this positive performance to robust non-interest income generation and prudent provisioning, setting the stage for a strong first-half outlook.

The group's total assets saw a quarter-on-quarter increase of three per cent to 28.9 billion (N44.54 trillion), while loans and advances to customers remained stable at 9.9 billion (N15.31 trillion).

Customer deposits experienced a five per cent growth to 21.5 billion (N33.21 trillion), driven by improved customer confidence and successful deposit mobilisation strategies across both retail and corporate banking segments.

Total equity strengthened by eight per cent to 1.9 billion (N3 trillion), supported by retained earnings, improved profitability, and stable capital adequacy across its various subsidiaries.

Operating across more than 30 African countries, Ecobank leverages its multi-channel distribution strategy, regional integration, and digital banking platforms to deepen financial inclusion and facilitate cross-border banking services.

Management reaffirmed its strategic focus on strengthening liquidity buffers, enhancing credit risk governance, and bolstering digital capabilities to sustain profitability in a dynamic regulatory and economic landscape.

Despite acknowledging persistent headwinds, including foreign exchange pressures and regional political uncertainties, the group remains optimistic about its full-year prospects. Ecobank stated it is well-positioned to deliver double-digit return on equity (ROE) for 2025, underpinned by robust earnings and disciplined balance sheet management.

Quoted Insurers

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

Nigeria's farmers gamble with climate chaos as agric insurance falls short

Stories by Joy Agwunobi

As Nigeria enters another rainy season, the nation's smallholder farmers are once again left vulnerable to the environmental shocks that accompany it—floods, droughts, pest outbreaks, and fires. These risks, heightened by the accelerating impacts of climate change, threaten not just their crops and livestock, but the very foundation of rural livelihoods across the country. Yet, as millions brace for the worst, insurance protection remains virtually nonexistent for the majority of those who feed the nation.

Climate-induced disasters are no longer anomalies but annual realities for Nigeria's agricultural sector. The unpredictability and growing intensity of rainfall patterns have shifted the focus for farmers and stakeholders alike. It is no longer a question of "if" damage will occur, but "how much" more loss Nigeria's agricultural economy will suffer.

Despite the central role agriculture plays in feeding the nation and sustaining rural economies, Nigeria's insurance industry remains largely unresponsive to the growing climate risks that threaten food production. The industry's response to these threats has been tepid at best, with agricultural insurance remaining largely sidelined in both public policy and private sector agendas.

At the time of filing this report, a visit to the Nigerian Agricultural Insurance Corporation (NAIC) website revealed limited availability of updated data, reports, or detailed resources on coverage levels, claims paid, or recent innovations in agricultural risk protection.

While this may not fully reflect the scope of NAIC's internal efforts, the absence of publicly accessible and current information underscores the need for greater visibility, transparency, and proactive engagement—especially as climate risks continue to mount. Strengthening communication and demonstrating active responsiveness could go a long way in reassuring stakeholders and supporting the resilience of Nigeria's agricultural sector.

Cross section of Staff members of Nigeria Social Insurance Trust Fund (NSITF) Jahi Branch, during an awareness rally to commemorate World Day for Safety and Health at Work 2025, in Abuja recently.

Agriculture's contribution to Nigeria's economy is substantial. According to the National Bureau of Statistics (NBS) Q3 2024 Gross Domestic Product (GDP) report, the sector accounted for 28.65 per cent of national GDP, with crop production alone contributing 26.51 per cent . Beyond its economic value, agriculture supports over 70 per cent of Nigeria's rural population. Yet, insurance penetration within the sector remains dismal. Current industry estimates suggest that less than 1 per cent of Nigerians hold any form of insurance, a figure that reflects the near-total exclusion of farmers from risk protection mechanisms.

This lack of coverage leaves millions of rural producers at the mercy of nature, facing yearly cycles of devastation. From pest infestations to flash floods and droughts, the financial impact on farming communities is often crippling—forcing families to rebuild from scratch without any safety nets.

The stakes are becoming even higher. Farming in Nigeria is more than a profession—it is a lifeline for entire communities. But the dual pressures of climate volatility and economic instability are placing unprecedented burdens on smallholder farmers, threatening not only food production but the survival of rural economies.

The urgency of the situation is further illustrated by Nigeria's climate resilience profile. According to the 2022 Notre Dame Global Adaptation Index (ND-GAIN), Nigeria ranked 64th in vulnerability and 180th in readiness—an indication that the country faces considerable challenges in adapting to climate-induced disruptions. While these figures may not capture ongoing government and sectoral efforts, they highlight the pressing need for more strategic investments and policy interventions aimed at enhancing agricultural resilience—particularly through improved insurance coverage.

Flooding in Nigeria is no longer a once-in-a-decade phenomenon. According to reports, Since 2022, the country has witnessed record-breaking floods that have affected millions and destroyed agricultural assets on a massive scale. Over 1.3 million hectares of farmland have been submerged, translating into billions of naira in damages—largely uninsured.

One of the most destructive recent events was the 2024 collapse of the Alau Dam in Borno State, which displaced more than 419,000 people and obliterated significant portions of arable land. In early 2025, Kwara State reported the loss of approximately 5,000 hectares of rice farms, valued at 11.5 billion, to severe flooding. Projections from the Nigerian Meteorological Agency (NiMet) suggest that this year could bring even more widespread flash floods across key agricultural regions—an ominous warning for farmers still reeling from previous disasters.

Despite these looming threats, the role of the insurance industry becomes increasingly critical. While NAIC, under the Federal Ministry of Agriculture, continues to play a central role in agricultural insurance. Alongside NAIC, the National Insurance Commission (NAICOM), the industry regulator, has reportedly made attempts to stimulate interest in agricultural insurance. However, despite these initiatives, the level of engagement across the broader insurance sector remains low.

Although a few private insurers like AIICO Insurance Plc, Anchor Insurance Limited, Leadway Assurance, Linkage Assurance, among others have begun exploring the space, participation and innovation have been relatively limited.

The industry's predominant focus still leans toward conventional sectors such as motor, health, education, and life insurance. Expanding attention to agriculture especially through tailored solutions for smallholder farmers—could significantly bolster the country's ability to absorb and recover from climate shocks.

This continued inertia is unfolding against a backdrop of growing concern from international bodies. The United Nations, in a recent projection, warned that more than 82 million Nigerians—around 64 per cent of the population—could face food insecurity by 2030. The report cited climate change, pest infestations, poor investment in agricultural resilience, and fragmented market systems as key drivers of this looming crisis.

Experts are also not blind to these challenges. At a 2024 forum themed "Revisiting Agriculture Insurance in Solving Nigeria's Current Food Crisis," Abdulazeez Ajibola, head of Agribusiness at Royal Exchange General Insurance Company, acknowledged that Nigeria's agricultural insurance landscape holds tremendous untapped potential.

He noted that, with the right reforms and strategic market expansion, the sector could generate over $600 million in annual premiums—unlocking financial protection for millions of rural households.

However, Ajibola also identified a host of structural and operational barriers that must be addressed to realise this potential. These include limited public awareness and trust in insurance products, inadequate data infrastructure, high administrative costs, low technical capacity, and regulatory challenges. Systemic issues such as moral hazard, basis risk, and adverse selection further complicate the business case for insurers, deterring investment and slowing the development of scalable solutions.

"The agricultural insurance market in Nigeria is still at an early stage," he stated. "But it can become a vital tool for improving food security, encouraging agricultural finance, and enabling resilience against climate shocks."

Ajibola further explained that agricultural insurance, as a risk-transfer mechanism, not only protects farmers from climate, pest, and disease-related losses, but also boosts their access to credit.

According to him,by de-risking agricultural lending, insurance allows financial institutions to provide funding more confidently. This ripple effect can accelerate the adoption of modern farming techniques, improve yields, stabilise food prices, and enhance the efficiency of Nigeria's agricultural value chain.

He stressed the importance of multisector collaboration—among insurers, government agencies, research institutions, and farmers' associations—to develop and deploy inclusive insurance products. "It is only through joint efforts that we can expand access to insurance and promote sustainable agriculture in Nigeria," he added.

GVCA pushes for local investments to drive Africa's economic growth

The Ghana Venture Capital & Private Equity Association (GVCA) is leading the charge to enhance domestic and regional capital mobilisation to spur economic growth across Africa.

At its recently held GVCA Conference in Accra, the association unveiled a new initiative aimed at increasing local institutional investments in venture capital (VC) and private equity (PE), crucial sectors for the continent's development.

During the conference, industry leaders from the private equity, pensions, and financial sectors came together to launch a landmark "Compact" aimed at promoting local asset allocations to VC and PE. This Compact, which is backed by major players like Deloitte, KPMG, Aruwa Capital, and regulatory bodies including the Securities and Exchange Commission and the National Pensions Regulatory Authority, calls for a significant shift in how African institutions allocate their capital.

Amma Gyampo, CEO of GVCA, emphasised that the continent's pension and insurance sectors are uniquely positioned to benefit from diversifying into local private equity funds. She stressed that this approach is not just about enhancing returns but also about investing in businesses that create jobs, improve livelihoods, and strengthen the local economy.

"Africa's pension and insurance sectors are sitting on the opportunity of a generation. Diversification into high-growth, well-managed local private equity funds is smart risk management and essential for financing strong companies that create stable jobs and nurture prosperity," Gyampo said.

The GVCA's initiative aims to drive a shift of at least 5% of institutional asset allocations into alternative investments like venture capital and private equity by 2026, which would unlock billions of dollars in local funding for Africa's private sector. The goal is to create a virtuous cycle of local economic resilience, inclusion, and growth.

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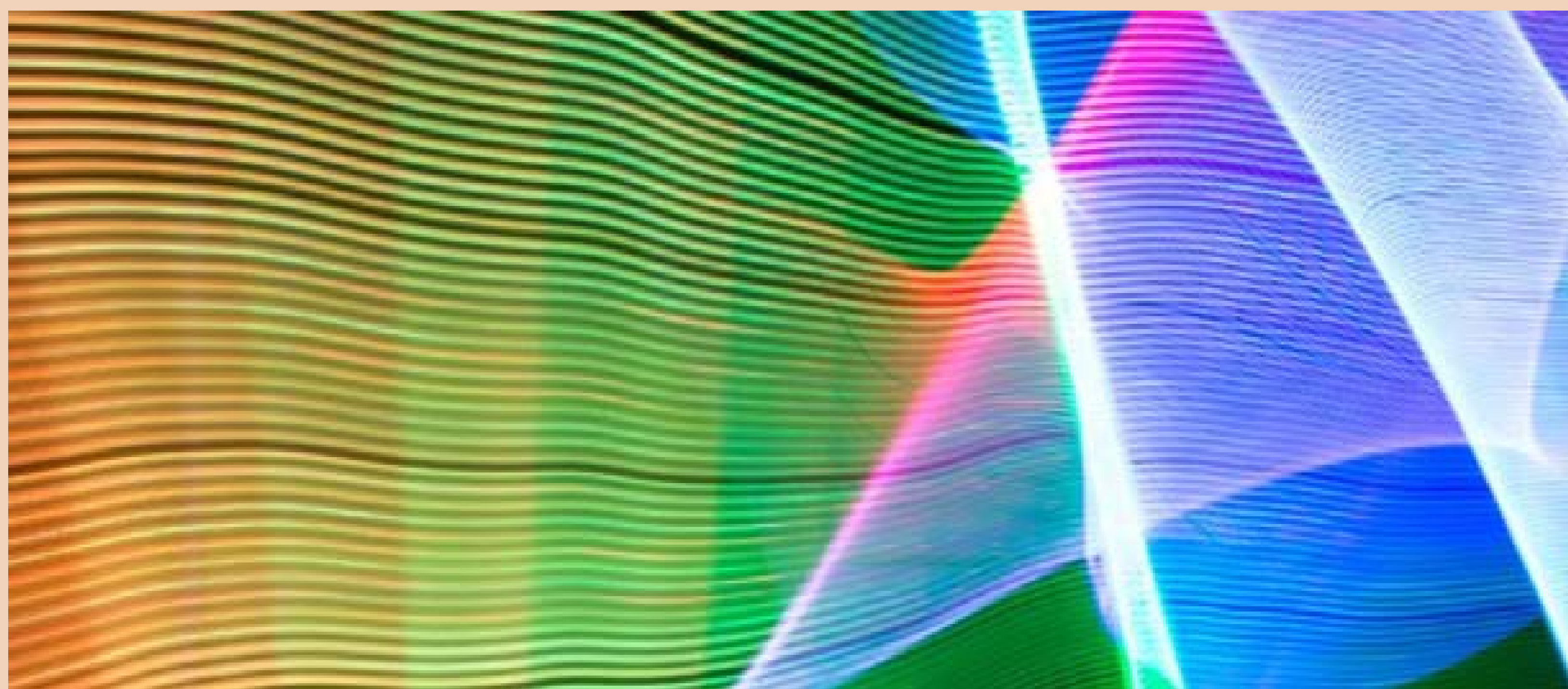

Rapid or Right? Making Start-Up Decisions Like Scientists

LIKE STRESS TESTS, the data-driven approach to entrepreneurship can uncover weaknesses in fledgling business models – as well as more robust choices.

The mantra "make data-driven decisions" has become gospel in entrepreneurial circles. In recent years, scientific methods – forming hypotheses, gathering evidence and letting data guide decisions – have gained traction as a way to improve start-up outcomes.

However, our recent research, published in the Strategic Management Journal and featured in Harvard Business Review, turns up an important caveat: The scientific approach can hamper the short-term economic performance of some start-ups, particularly those in their infancy.

Existential questions

We conducted a field experiment involving 261 start-ups across various industries and development stages in the United Kingdom. All participating entrepreneurs received training in decision-making frameworks, such as the business model canvas, and skills like A/B testing. Half were additionally trained in scientific decision-making approaches.

We assessed each company's business model maturity based on their openness to pivotal changes. Through regular interviews and nine months of revenue tracking, we uncovered a critical pattern: Mature start-ups primarily applied scientific methods to optimise existing strategies, while early-stage ventures used them to question fundamental business assumptions.

Optimisation vs. exploration

For mature start-ups, scientific decision-making meant fine-tuning what was already working. One participant who founded a business that sold memory cards and other electronics products described using structured experimentation to test different product descriptions.

"We started advertising our products as…memory solutions for those specific devices," the founder told us. "Once we had these different listings… we [found this to be] the best method." The company increased profits by 10 percent after changing its approach to product listings.

Contrast this with early-stage founders, who tended to apply scientific rigour to more existential questions. "Before coming into the programme (experiment), we had a very clear vision," said one participant. "But as we rigorously tested our hypotheses and ideas, we're less clear on which pain points we're reducing for users. So that's the thing we're [now] trying to ensure."

This deeper questioning often led to significant strategic shifts that temporarily slowed growth while founders relooked their entire business models.

Short-term pain, long-term gain?

A limitation of our research was the relatively brief nine-month measurement window. While early-stage start-ups saw revenues decline after implementing scientific decision-making, many founders viewed this period positively, believing their exploratory work would drive stronger long-term outcomes.

"We've taken a step back to reevaluate everything," one early-stage founder reflected. "It feels necessary for building something truly sustainable rather than chasing quick wins."

Another mentioned they were "sacrificing immediate growth to establish a genuinely viable long-term business model."

We hypothesise that the uncertainty in this initial phase, though challenging for metrics-focused stakeholders, may ultimately drive superior long-term performance. By thoroughly examining core assumptions before making major commitments, early-stage ventures might avoid the trap of achieving short-term growth at the expense of long-term viability.

Strategic recommendations by growth stage

For early-stage founders

Embrace uncertainty as a natural part of exploration. Prepare for potential short-term performance dips while thoroughly investigating fundamental assumptions. Focus on developing a robust "theory of value" before optimising metrics. Most importantly, communicate clearly with stakeholders about this exploratory phase – rushing through it could put your venture on a path to eventual failure despite initial growth.

For established start-up leaders

Apply scientific methods to optimise established business framework. Implement systematic testing across product features, marketing approaches and operational processes. Rigorously track the impact of these incremental improvements to capitalise on what's already working.

For investors

Adjust performance expectations based on business model maturity. Value thorough strategic exploration in early stages, even when it temporarily impacts growth metrics. Rather than focusing exclusively on immediate results, look for evidence of systematic learning within the organisation – this often signals stronger long-term potential.

Using the right tool at the right time

The key insight of our study isn't that scientific decision-making helps or hurts certain companies – it's that timing and context are crucial. Early-stage ventures need space to explore and question fundamental assumptions, even when that creates temporary uncertainty. More established companies can apply scientific methods to optimise existing frameworks, generating more immediate performance improvements.

Successful founders must understand this distinction and adapt accordingly. There's a time to step back and reassess fundamentals, and a time to apply rigorous testing to refine what's working. Scientific decision-making resembles any sophisticated tool – its impact depends not just on whether you use it, but on what problems you apply it to.

The scientific approach remains valuable throughout a start-up's journey, but how we measure its success must evolve as the business matures. By matching the right decision-making approach to their firm's current stage of development, entrepreneurs can maximise their chances of both short-term survival and long-term success.

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CAREER

How to Transition Out of Consulting

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LESSONS FROM ex-consultants on when to leave and how to get it right.

Consulting firms sell themselves as leadership factories. They promise exposure to senior executives and a clear path to top management roles. And in many cases, they deliver. In fact, more than half of the leadership teams we've worked with come from consulting backgrounds.

But leaving consulting – and knowing when to get out – isn't as simple as it seems. Ask an MBA student, and they'll often tell you three years is the magic number. We hear it all the time: "I'll join a consulting firm, stay three years, and then I'm out."

Something else we hear all the time is that once in a consulting firm, you're almost always thinking about leaving. Every day, from day one. But the last project rolls into the next, and days turn into years. Consulting firms are exceptionally good at retaining high performers. (If you're not achieving, it's goodbye – the infamous up-or-out principle.)

So how do you know when to leave and successfully manage your transition out of consulting? At a recent INSEAD alumni event in Paris, former consultants shared how they adjusted to complex corporate environments. Here's what four INSEAD alumni said they learned along the way:

Adel Haddoud: Let go of the consulting mindset

"The average project in consulting lasts three to four months," said Adel Haddoud, ex-McKinsey consultant turned start-up founder. "Then, when I moved to corporate roles, projects would last two to three years. And now, in a start-up? I don't even know what the 'average project' is, it's just my life. I have no idea when anything will be 'done'."

Adel left McKinsey after three years without a concrete plan. "Only because I left did I find myself in this 'void' where I was finally able to connect with people, have real conversations, and, unexpectedly, land in a job I never saw coming," he said. After trying corporate roles and returning to consulting a few times, he founded Infinite Orbit, a space venture.

One challenge for ex-consultants, he said, is clinging to analytical habits. "I often feel the need to make decisions intuitively and quickly, but I still find myself relying on Excel sheets or PowerPoint slides."

He also warned against expecting others to be analytical, highly articulate and data-driven in their problem-solving: "Not everyone shares the same mindset, and it's important to acknowledge that and be at peace with it."

Bozena Adamczyk: Anticipate a major adjustment

After eight years at Deloitte, Bozena Adamczyk knew she didn't want to become a partner. She joined a large French corporate, telling herself she couldn't afford to be picky – at least not for her first move. She met the team, saw the project she was supposed to work on, and returned to consulting after two days on the job.

Her next move was more up her street: joining TripAdvisor as a global controller in the finance department, a role that involved more strategic thinking. She said it took a good six months to adjust.

"The main issue was that, in consulting, it felt like an army, everyone on my team was like me, and it was easy to manage them. But then I found myself in a company with 20 people under me who were completely different. It was a whole new dynamic. And here I was, with fresh energy, wanting to move fast. So, we had to adjust on both sides."

After that, Bozena worked at two early-stage start-ups, and for the past five years, she has been with Truffle Capital, a VC fund specialising in early-stage investments in FinTech and life sciences.

Zineb Essahli: Define what "impact" means to you

The desire for a better work-life balance is a big push factor, but Zineb Essahli, who spent six years at McKinsey before joining taxi company G7 as chief of staff, urges consultants to think beyond that. "We say we want to have an impact, but what kind of impact? Do you want to build something new, like a start-up? Or do you want to transform a company that needs to be changed?"

Asking these questions helped Zineb understand the trade-offs she was willing to make. But one challenge she didn't anticipate was redefining her identity outside consulting. "It's something I've been working on, building day by day, as I discover what I actually like to do." She said it's about figuring out what you're good at and where you bring value, and shaping a new career path along the way.

She also had to adapt to areas consulting hadn't exposed her to, like branding, public affairs and managing labour unions. "I had to discover new skillsets – not new words, but I hadn't fully grasped the impact of these areas," she said. "These [aspects] are just as important as conducting proper analysis to make good decisions."

Mathilde Falise: Stay curious and adaptable

Curiosity drove Mathilde Falise to McKinsey, where she stayed for nine years. Now a headhunter at Egon Zehnder, curiosity is also one of the top qualities she looks for in candidates.

Consultants bring strong problem-solving skills and adaptability, making them great candidates for leadership roles. "If we have someone with a consulting background combined with operational experience, that's a strong addition," she said.

However, Mathilde warns that former consultants can focus too much on delivering results. "They may not always fully invest in understanding the company's culture, its rhythm and pace of change, or stakeholder management," she said.

She encourages consultants aiming for leadership roles to gain operational experience and be open to transversal moves within a company. "Sometimes, it's better to take that route rather than aiming for a high-profile role, which can become golden cages," she said. "We don't always manage to convey this message though, because it contrasts with the one that was promised when they entered consulting."

From IQ to EQ

While strong analytical and problem-solving skills (IQ) are essential, Adel, Bozena, Zineb and Mathilde's stories show that they're not enough to succeed in the corporate world. There is also a need for emotional intelligence (EQ) – the ability to understand and navigate interpersonal relationships. Hard skills like strategic thinking and data analysis can open doors, but soft skills like influence, empathy and communication are what help ex-consultants truly make an impact.

Transitioning from consulting often requires a shift towards greater empathy and recognising that your team might approach problems differently. This can be frustrating at first, but it's also an important test of adaptability and leadership.

Pivoting from consulting also requires humility. Consulting firms carry prestige, a concept known in sociology as a "status shield". Many ex-consultants struggle to visualise what their professional identity looks like outside of the brand name they once carried. The sooner you detach your confidence from your past title and focus on the value you bring, the smoother your transition will be.

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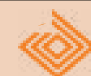


How to Teach Your Child About Financial Literacy

Wharton's Olivia S. Mitchell offers tips for raising a generation of smart spenders and savers.

OLIVIA S. MITCHELL

International Foundation of Employee Benefit Plans Professor, Professor of Business Economics and Public Policy, Professor of Insurance and Risk Management, Executive Director, Pension Research Council

TWENTY-FIVE STATES NOW REQUIRE high school students to take a personal finance course before graduating, yet financial literacy remains low in the United States. About half of American adults cannot correctly answer three multiple-choice questions designed to test basic money knowledge.

Wharton economist Olivia S. Mitchell, who came up with those questions with Dr. Annamaria Lusardi at Stanford, wants to change that. As a professor in the Department of Business Economics and Public Policy, Mitchell has spent her career studying spending and saving. She said a major reason why Americans aren't saving nearly enough for a comfortable retirement is that they fail to budget. They spend too much money on overdraft fees, credit card interest, and luxury items.

Low financial literacy costs Americans an estimated $390 billion a year, Mitchell said, and people with poor budgeting skills are seven times more likely to spend over 20 hours a week dealing with personal finance issues.

"Moreover, if you don't save when you're young, you forego all the beauty of interest compounding that will make you a happier retiree," she said in an interview with Wharton Business Daily.

Important Financial Literacy Lessons for Every Age

Parents can play a critical role in teaching their children how to be smart with money, and there are lessons to be learned at every age. Mitchell offered this advice:

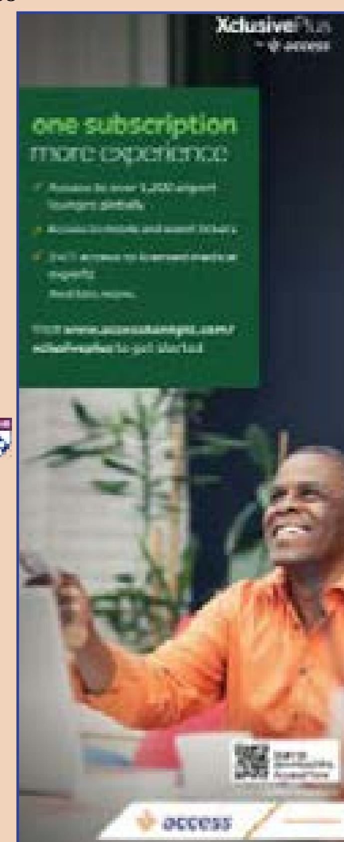
- **Ages 3 to 5:** Start explaining the concepts of money. Show them bills and coins and how to make change, both physically and digitally.
- **Ages 6 to 9:** Introduce the idea of doing tasks to earn extra money. Have a physical or virtual piggy bank or savings jar to reinforce the difference between spending and saving. Explain that time and money are finite resources, so choices have to be made.
- **Ages 10 to 13:** Start teaching them how to comparison shop and save for bigger purchases, such as a bicycle or a gaming console. Open a savings account for them, which helps them understand the role of banks.
- **Ages 14 to 18:** Teach them how to budget, track their expenses, and live within their means. If teens take a part-time job, explain paychecks and taxes. It's also important at this stage to explain credit, the benefits of good credit, and the risks of debt.

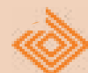
Mitchell, who serves as executive director of the Pension Research Council, said parents should lead by example and really talk to their kids about money. Involve children in household decisions around money, such as where to go shopping and ways the family is trying to save. When her own daughters were young, Mitchell played Monopoly to introduce financial concepts such as managing risk. Later, she helped them sell Girl Scout cookies, set up a lemonade stand, and hold a car wash.

"I always tried to talk to my children about living within their means. Don't spend it all. Try to spend less than you can," she said. "It's also important to teach them that time is a scarce resource. If you waste it, that's going to have a negative effect on not only your spending, but what you're able to do later."

Mitchell also encouraged parents to help children think through the difference between needs and wants, so they become more mindful about their purchases.

"It's not that all debt is wrong or evil, but debt needs to be taken on with understanding and strategically," she said.





FINANCE & ACCOUNTING

Do Impact Investors Prioritize Financial Returns Over Social Impact?

A Wharton study reveals gaps between impact investing funds' external marketing of their social mission and their internal focus on financial performance.

KATHERINE KLEIN

Edward H. Bowman Professor, Professor of Management

TYLER WRY

Associate Professor of Management

DO IMPACT INVESTORS WALK their talk on delivering social impact? Or are they more focused on financial returns?

A new brief by experts at Wharton's ESG Initiative brings nuanced perspectives on how funds operationalize their commitment to financial performance and social impact creation. The brief, titled "Operationalizing Impact: An Analysis of Impact Investing Fund Practices," is based on data from a survey of 222 impact funds worldwide, conducted between 2020 and 2022. The findings revealed inconsistencies between what the funds publicly proclaim on their social impact goals, and how much attention that gets in their internal operations.

The survey found that in their external marketing and communications, impact funds emphasized social or environmental impact slightly more than financial returns. But in their internal management practices, they prioritized financial expertise when hiring and developing staff, evaluating performance, and designing compensation systems. This disconnect suggests that "while most funds adopt the rhetoric of impact investing, many struggle to 'walk the talk,'" the brief noted.

According to the brief, its relevance derives from a paucity of insights into how impact funds balance their twin goals of social impact and financial returns in their internal practices and reward structures.

"There's been a persistent question in the impact investing field concerning how investors should balance their commitment to impact and their commitment to financial returns," said Michael Brown, head of research at the ESG Initiative and a co-author of the brief. Brown's co-authors are Wharton management professors Katherine Klein and Tyler Wry. Klein and Wry are also faculty co-directors of the Wharton Impact Investing Research Lab, which is part of the ESG Initiative.

The research findings are based on survey data from the Impact Finance Research Consortium, a collaboration between the Wharton School, Harvard Business School, and the University of Chicago Booth School of Business.

Key Findings

The survey asked respondents to describe the extent to which their funds emphasized financial goals and expertise versus impact goals and expertise in their marketing and communication to prospective investors; in their hiring, training, and performance evaluation of staff members; and in their compensation system. The survey asked them to indicate their extent of agreement or disagreement with various statements on a scale of 1 to 5, where 4 equates to "agree" and 5 equates to "strongly agree."

On average, survey respondents said that their funds' marketing and communication emphasized a "dedication to achieving strong social and/or environmental impact" (average rating of 4.5) more than a "dedication to achieving strong financial returns" (average rating of 4).

But internally, the priorities were reversed. For example, survey respondents reported that "to earn the trust and respect of senior managers," it was more important for associates to have "strong expertise and experience related to finance" than "strong expertise and experience related to social and/or environmental impact." The brief's starkest results related to compensation — specifically carried interest (fund managers' share of investment profits). The survey results showed that impact funds were much more likely to base carried interest on the fund's financial performance than on its social and/or environmental impact.

Drawing from the findings, the brief raised two pertinent questions: Are the funds guilty of 'impact washing,' where they fail to integrate their proclamations of social commitment into their internal practices and incentive structures? Or, do they find it inherently challenging to measure their social impact? A combination of those two factors may explain the patterns the study revealed, the brief stated. It called for continued research on the misalignment between stated goals and operational realities in impact investing.

For sure, many impact funds are consistent in emphasizing social impact in both their communications and their reward structure for employees. "This study identifies high-level patterns and trends in the impact investing field, although there are outliers in the survey sample that deviate from the general patterns we've identified," Brown said. For instance, some of the funds surveyed placed equal emphasis on training and rewarding their personnel to achieve both social/environmental impact and financial performance, he added.

"Most impact investors report that they perform very well financially and also invest in ways that align with their impact thesis," Wry said. In fact, many funds, and many of their investors (limited partners, or LPs) "don't perceive a tradeoff between creating social impact and market-rate financial returns," he added. But there are exceptions he pointed to: for example, "catalytic" impact investors, who consciously sacrifice financial returns to create greater impact, but these funds only represent about 15% of all impact investors, he noted.

"Many LPs have a sincere desire to create impact through their investments, as do many fund managers, but this is very hard to see if a fund doesn't have an effective impact measurement strategy," Wry said. "In comparison, financial performance is easy to measure, so there's a real risk that this dominates, and funds fail to deliver meaningful impact … or worse, create unintentionally negative outcomes." Measurement challenges are part of the explanation for the study's finding that many impact investors don't link employee compensation to impact performance, he added.

But without more satisfactory measurement of social outcomes, funds are vulnerable to criticism for "impact washing," Wry continued. "But my sense is that this isn't very common. The bigger issue is that a failure to measure social and environmental impact gives license for cynical investors and entrepreneurs to claim the 'impact' banner when their only real interest is to create financial returns and aggrandize themselves."

"Precise measurement of impact performance is definitely challenging," Klein noted. "At the same time, I believe it is both possible and important for impact investing funds to cultivate and reward impact expertise among their staff members through hiring, training, performance evaluation, promotions, networking, and more. To meet impact investors' ambitious social and environmental goals, funds need deep expertise to discern which investment opportunities are most promising and which sound good but are unlikely to deliver the impact they promise."

Takeaways for Impact Funds

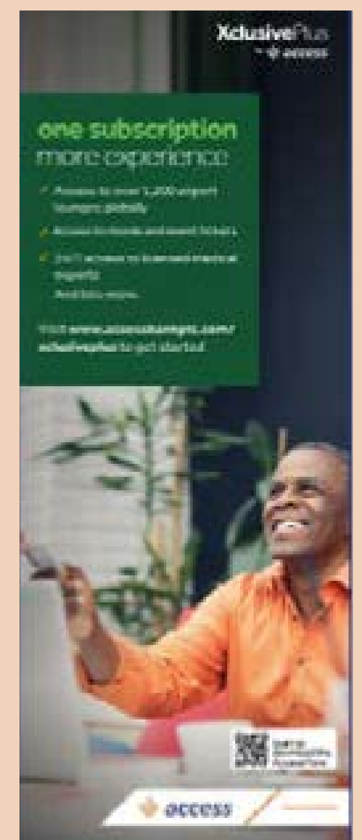
The brief advised impact funds to design internal systems that "genuinely balance financial and impact considerations," sharpen their impact measurement tools, and reset compensation practices to better reflect their impact goals. "Our findings suggest that many investors could do more to operationalize their dedication to impact in how they run their funds," said Brown, who created a research-based primer to help leaders implement effective impact measurement systems.

Wry advised "serious impact investors" to invest in developing "a reasonable impact measurement strategy." Such a plan should clearly lay out the logic for how each portfolio company creates social or environmental impact, and identifies a few KPIs that can be used to track them, he said. "This will allow the fund to have more confidence that it's creating impact, help to see instances of mission drift in portfolio companies, and report impact data that can help them communicate with and raise future funding from impact-focused LPs."

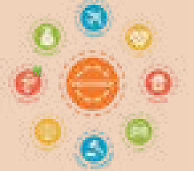
Wry offered a couple of examples of firms that have advanced in impact measurement. One is 60 Decibels, which gathers social impact data on impact across multiple sectors. Another is private equity firm TPG's research arm Y Analytics, which calculates the "impact multiple of capital" for each company before making an investment decision.

Impact funds that want to develop impact metrics and link them to compensation could begin by asking their LPs to specify "clear and meaningful metrics," Wry continued. Next, they could have their approach audited by an outside agency and link that to the compensation of partners, he added. "They shouldn't let perfect be the enemy of good. Start small, learn what works, and keep iterating and improving."

The top three sectors in which the surveyed funds invested were food and agriculture (45%), energy, and health care (36% each), followed by environmental protection/conservation and education. In terms of focus by the United Nations' Sustainable Development Goals, nearly 60% of the funds focused on "decent work and economic growth," followed by "good health and well-being" (48%), and "climate action" (42%).



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



PenCom moves to recover unpaid pensions from power firms

Joy Agwunobi

THE NATIONAL PENSION COMMISSION (PenCom) has ramped up its efforts to retrieve outstanding pension contributions running into billions of naira from electricity generation and distribution companies (Gencos and Discos) across Nigeria.

This renewed push comes amid mounting concerns over the persistent non-compliance of several power companies with the provisions of the Pension Reform Act of 2014. During a recent courtesy visit to the Nigerian Electricity Regulatory Commission (NERC) in Abuja, Omolola Oloworaran, director general of PenCom, led a delegation to seek regulatory collaboration in holding erring companies accountable.

Oloworaran revealed that no fewer than 16 Gencos and Discos have defaulted on the remittance of pension contributions and associated penalties, despite being subjected to multiple enforcement measures. These include formal warnings, the deployment of recovery agents, and attempts at out-of-court settlements—none of which have yielded the desired compliance.

Some of the beneficiaries of the Micro Enterprise Support Initiative (MESI), hailing the governor of Lagos State, Babajide Sanwo-Olu during the presentation of the business supports to beneficiaries by governor , organized by the State's Ministry of Women Affairs and Poverty Alleviation, at De Blue Roof, LTV, Agidingbi, Ikeja, recently.

She emphasised the strategic role NERC can play in compelling compliance, calling on the electricity regulator to make the Pension Clearance Certificate (PCC), issued by PenCom, a mandatory requirement for license issuance and renewal, as well as for accessing other regulatory benefits.

"As the statutory regulator of the electricity sector, NERC has an essential responsibility to ensure that operators under its purview adhere to national laws, including those governing pension contributions," Oloworaran stated. "The Pension Reform Act mandates employers to deduct and remit pension contributions into employees' Retirement Savings Accounts on a monthly basis. Unfortunately, several power companies have consistently failed to do so."

Oloworaran further disclosed that PenCom had commissioned a team of Recovery Agents specifically tasked with investigating and recovering outstanding pension liabilities in the private sector. Despite this intervention, she expressed disappointment that some electricity firms have continued to flout the law, ignoring the findings of these agents even after clear liabilities were established.

In response, Sanusi Garba, chairman NERC, assured the PenCom delegation of the Commission's willingness to partner closely in tackling pension non-compliance across the sector. He acknowledged the scale of the problem and stressed the importance of a systematic reconciliation of all unresolved liabilities. Garba also pledged that NERC would work towards a sustainable and enforceable resolution that aligns with regulatory and statutory expectations.

To formalise the partnership and streamline future actions, PenCom and NERC have agreed to set up a joint working group. This task force is expected to develop and implement a framework for resolving pension compliance issues within the power sector, ensuring that electricity companies meet their obligations to employees and the nation's pension system.

PwC urges flexible pricing amid inflation, tariff pressures

THE NATIONAL PENSION COMMISSION (PenCom) has ramped up its efforts to retrieve outstanding pension contributions running into billions of naira from electricity generation and distribution companies (Gencos and Discos) across Nigeria.

This renewed push comes amid mounting concerns over the persistent non-compliance of several power companies with the provisions of the Pension Reform Act of 2014. During a recent courtesy visit to the Nigerian Electricity Regulatory Commission (NERC) in Abuja, Omolola Oloworaran, director general of PenCom, led a delegation to seek regulatory collaboration in holding erring companies accountable.

Oloworaran revealed that no fewer than 16 Gencos and Discos have defaulted on the remittance of pension contributions and associated penalties, despite being subjected to multiple enforcement measures. These include formal warnings, the deployment of recovery agents, and attempts at out-of-court settlements—none of which have yielded the desired compliance.

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emPLE Life Assurance launches BETA Life for wealth, security

EMPLE LIFE ASSURANCE LIMITED has unveiled BETA Life, a new endowment policy aimed at helping Nigerians grow their wealth, secure their future, and protect what matters most. In a market where financial uncertainty and widespread underinsurance are pressing concerns, BETA Life offers a much-needed alternative.

This product combines both protection and savings in a single, straightforward, and flexible plan, making it easier for Nigerians to meet their financial objectives while safeguarding themselves against life's unpredictable challenges.

According to the company, BETA Life provides three cash benefits over the course of the policy term, enabling customers to plan for essential life goals such as education, housing, rent, or business endeavors—without waiting until the end of the policy period to access the benefits.

Designed with flexibility in mind, BETA Life offers adjustable policy durations and several payout points, ensuring that it can evolve with the customer's needs while providing peace of mind. In the event of death or permanent disability, the plan guarantees financial support for the policyholder or their loved ones, demonstrating that life insurance is just as much about living well as it is about preparing for the unforeseen.

Rantimi Ogunleye, the managing director and CEO of emPLE Life Assurance Limited, stated "BETA Life is more than just a product; it's a solution created with our customers' realities in mind. It's for the parent who wishes to secure their child's future, the entrepreneur who plans ahead, and the individual who seeks smart savings without sacrificing the security of protection.

By combining savings and life insurance into one plan, we are making financial empowerment a reality, ensuring that people don't have to choose one over the other."

VETIVA CAPITAL MANAGEMENT LIMITED

MARKET COMMENTARY FOR THE WEEK ENDED 2ND MAY, 2025

Focus for the week: Stanbic Ibtc Holding Plc Q1'25 Earnings Release – Interest Income supports y/y PAT growth

NET INTEREST INCOME rises 56% y/y

Leading its peers, STANBIC released its unaudited Q1'25 earnings, reporting a 32% y/y increase in Gross Earnings to N233.5 billion (Vetiva estimate: N254.9 billion). Interest Income grew by 56% y/y to N180.5 billion (Vetiva estimate: N181.0 billion), largely driven by a 58% y/y rise in interest from loans and advances to banks and customers to N169.7 billion. Meanwhile, Interest Expense declined by 21% y/y to N30.5 billion (Vetiva estimate: N38.9 billion), dragging cost of funds lower to 0.8% (Q1'24: 1.1%). Consequently, Net Interest Income surged 95% y/y to N149.9 billion (Vetiva estimate: N140.9 billion). Thus, asset yield improved to 3.9% (Q1'24: 3.2%). Additionally, the bank benefited from loan loss write-backs of N3.4 billion, marking a positive reversal from the N7.1 billion in impairment charges booked in the corresponding period of the previous year.

On the downside, Non-Interest Income (NII) fell 13% y/y to N53.1 billion (Vetiva estimate: N73.8 billion), weighed by a N6.9 billion loss in fixed income and currency trading recorded in Q1'25, a sharp contrast to the N17.6 billion gain recorded in Q1'24. Additionally, Operating expenses rose marginally by 32% y/y to N90.1 billion, owing to increases in staff costs and other operating expenses (Information Technology and AMCON charges). Despite this, the Cost-to-income ratio improved to 43.6% (Q1'24: 52.2%), as the bank's strong NIM growth and loan loss writebacks provided enough buffer to absorb the impact. Overall, these dynamics led to 86% y/y growth in PBT to N116.4 billion (Vetiva estimate: N111.5 billion) and a PAT of N82.1 billion, representing an 80% y/y increase. The bank also delivered an ROAE of 12.8% (Q1'24: 9.3%).

Core banking and lower impairments to support FY'25 performance

In Q1'25, Interest Income accounted for 77% of Stanbic's Gross Earnings (FY'24: 71%), despite a 4% q/q contraction in the loan book to N1.3 trillion. This reflects the bank's efficient deployment of risk assets, supported by an improved asset yield and a more favourable cost of funds. Additionally, the notable impairment writeback collectively supported overall profitability. Meanwhile, Non-Interest Income was pressured by a N6.9 billion trading loss and a 364% y/y loss in Net Insurance Service Result before reinsurance contracts of N2.8 billion. Looking ahead, we expect core banking operations and reduced impairment charges to drive a greater share of earnings, supported by a still-elevated interest rate environment through most of 2025. Nonetheless, we have revised our outlook for Non-Interest Income downward.

Indicators	WK CLS	WK OPEN	WTD (%)	YTD (%)
EQUITIES				
NGX 30	3,937.55	3,914.69	0.58	3.30
NGX All-Share Index	106,042.57	105,753.05	0.27	3.03
Market Cap (NGN bn)	66,314.95	66,314.95	0.00	5.66
FEDERAL GOVERNMENT SECURITIES (%)				
91-Day T-Bill	17.69	17.75	(0.34)	(8.11)
182-Day T-Bill	19.66	19.73	(0.38)	(5.57)
364-Day T-Bill	23.26	22.90	1.59	(4.94)
2-Year FGN Bonds	18.97	18.97	0.00	(1.14)
3-Year FGN Bonds	19.13	19.13	0.00	(0.98)
5-Year FGN Bonds	19.34	19.34	0.00	(0.79)
7-Year FGN Bonds	18.53	18.53	0.00	(2.66)
10-Year FGN Bonds	19.04	19.04	0.00	(2.93)
20-Year FGN Bonds	17.65	17.65	0.00	(0.07)
INTERBANK MARKET RATES (%)				
NIBOR OPR	26.50	26.50	0.00	(0.80)
NGN EXCHANGE RATES (₦)				
USD/NGN	1602.18	1599.55	(0.16)	(4.16)
GBP/NGN	2125.68	2095.41	(1.44)	(10.77)
EUR/NGN	1809.18	1823.49	0.78	(14.57)
CNY/NGN	220.26	223.94	1.64	(5.16)
ZAR/NGN	86.93	83.18	(4.51)	(6.39)
USD/NGN FORWARDS				
1M	1646.57	1642.03	(0.28)	(4.26)
3M	1724.19	1720.49	(0.22)	(5.25)
6M	1837.00	1802.37	(1.92)	(6.42)
1Y	2056.24	1979.27	(3.89)	(8.02)

Source: NGX, FMDQ OTC, Bloomberg, Vetiva Research

SECTOR	INDEX VALUE	WoW Δ	YTD Δ
BANKING	1,125.29	-0.30%	3.76%
CONSUMER GOODS	2,045.76	2.89%	18.14%
INDUSTRIAL GOODS	3,367.36	0.40%	-5.73%
OIL & GAS	2,350.70	-2.90%	-13.32%
VETIVA 30 ETF	39.50	-1.74%	5.05%
INSURANCE	650.36	-2.89%	-9.42%

Weekly Top 5 Gainers

Stock	Closing Price (₦)	% Change
AIICTRANS	2.26	44.07%
LEGENDINT	9.83	32.40%
FIDSON	22.85	22.85%
UPL	4.11	20.00%
NAHCO	82.50	20.17%

Weekly Top 5 Decliners

Stock	Closing Price (₦)	% Change
ETI	26.00	-18.75%
MULTIVERSE	6.35	-18.55%
LIVESTOCK	8.45	-10.63%
ARADEL	448.00	-9.86%
TRIPPLEG	1.75	-9.66%

Source: Vetiva Research

What shaped the past week?

Equities: The Nigerian equities market extended its bullish momentum this week, with the NGX All-Share Index posting a modest gain of 0.27% week-on-week (w/w) to close at 106,042.57 points. The performance was primarily driven by strength in the Consumer goods sector and a late-session rebound in MTN Nigeria Communications Plc (MTNN: +2.00%), which helped mitigate selloffs in the banking sector. The Consumer goods sector led the gainers, advancing 2.89% w/w, buoyed by gains CADBURY NIGERIA Plc (+19.92% w/w) and NB (+17.95% w/w). The Industrial sector recorded a marginal gain of 0.08% w/w, supported by an uptick in BETAGLAS (+9.96%) AND BERGER (+9.80%). In contrast, the Insurance sector led the losers, declining by -3.50% w/w, primarily due to losses in MANSARD (-7.43% w/w). The Banking sector also came under pressure, retreating -1.49% w/w, weighed down by significant declines in ETI (-18.75% w/w) and ACCESSCORP (-7.98% w/w).

Fixed Income: System liquidity remained elevated throughout the week, albeit declining from N1.8 trillion the previous week to N1.1 trillion by Friday's close. Despite the high liquidity, the Open Repo Rate (OPR) held steady at 26.25% w/w. The Nigerian Treasury Bills (NTB) secondary market exhibited a slightly bullish tone, with yields on the 3M and 6M tenors declining by 34bps and 38bps, respectively, while the 1Y tenor witnessed some sell-off. Meanwhile, the bond market was largely quiet, with yields remaining flat across the curve.

Currency: At the NAFEM, the Naira gave up recent gains made during the week, as it depreciated by 0.16%, closing the week at N1,602.18/USD.

Domestic Economy:

In a bid to finance its projected fiscal deficit for 2025, the Federal Government of Nigeria (FGN), through the Debt Management Office (DMO), raised approximately N2.5 trillion from the FGN bond market in the first four months of the year. This represents a 22% decline compared to the N3.15 trillion raised during the same period in 2024, signalling a more measured pace of borrowing year-to-date. For the full year, the government is targeting total bond issuance of around N13 trillion to close its budget funding gap. This will be sourced through a combination of new issuances and the re-opening of existing maturities. However, primary market activity has shown signs of weakening investor participation. Total subscriptions across the nine bonds offered between January and April 2025 came in at just N1.17 trillion, a sharp decline from the N4.04 trillion recorded in April 2024.

Global: US stocks, European stocks rallied and U.S. Treasury yields surged on Friday as investor risk appetite was strengthened by a strong employment report and signs China is open to tariff negotiations. Wage inflation also came in below consensus, according to the Labour Department, prompting a jump in benchmark U.S. Treasury yields. Consequently, all three major U.S. stock indexes advanced more than 1% on the session, with economically sensitive financials. The S&P 500 also reached its ninth consecutive session of gains, matching a winning streak from 2004, while the Dow hit a nine-day winning streak for the first time since December 2023. For the week, the S&P 500 gained 2.9%, the Dow climbed 3%, and the Nasdaq added 3.43%. The Dow Jones Industrial Average rose 564.47 points, or 1.39%, to 41,317.43, the S&P 500 gained 82.54 points, or 1.47%, to 5,686.68, and the Nasdaq Composite gained 266.99 points, or 1.51%, to 17,977.73. European shares surged, closing the book on a busy earnings week as revived hopes of Sino-U.S. trade negotiations and solid employment data stoked investor optimism.

What will shape markets in the coming week?

Equity market: While profit-taking in banks may persist, the sustained rally in consumer names and signs of interest in large caps like could offer further support. Barring fresh catalysts, we expect a cautious but selectively optimistic start to the new week.

Fixed Income: We anticipate the current trading patterns, characterized by limited activity, to persist in the next week, barring any significant changes in market fundamentals.

Man who lost £1m in property and made it back

MONEY Nuggets

TUNDE OYEDOYIN

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

WHEN LEAVING HOME ON THE second Saturday of April, I told my son I was going to the Property Investor Show (PIS) at the Excel Centre and should be back in the house around 2pm or thereafter. Reason being that I had a meeting lined up from 4pm at Essex and I wanted to get back home and still put my feet up before checking out to the meeting.

But shortly after getting to Excel, I was faced with a dilemma and had to tear that script. The reason was because of the opportunity of a masterclass that landed on my table.

It came about when the first gentleman that spoke to me said, "you must not miss this seminar," and that "our founder is going to be speaking" then as he pointed to the timetable of seminars in front of Theatre 3. The seminar was titled: "How I lost a million pounds in property and made it back". The first question I asked was if the founder was there on the ground. Not only did he say 'yeah,' he pointed to their stand which, thankfully, was just behind us.

Since yours truly had never been at a stone's throw away from someone who lost a million pounds in property and then made it back, I knew I had to put my bum on a seat there and take this rare opportunity of a masterclass. However, the seminar was last on the timetable and was to come up at 3.30pm. He told me the founder, Michael Sacks, was then going to speak for at least half an hour. Boy oh boy! What was I supposed to do?

It didn't take forever to figure out that I was going to be late for the meeting in order to hear Mr Sacks. The minor issues of not having a socket and charger on me were tiny matters. As a matter of fact, there was a shop on the premises where I could buy a socket and cable for my phones. Though I had some at home and theirs was slightly more expensive than you could buy outside, that didn't matter either. I just knew whatever it was going to take to not miss the seminar, I was more than happy to pay.

With that sorted, I quickly sent word to my crew, letting them know my schedule had changed and that I was going from Excel to Essex.

As an aside, I even mentioned the seminar to a former course mate and her friend and to another couple I met there. Tell you what? The time eventually came and Sacks mounted the podium.

Among the two takeaways to leave with you is that he took advantage of opportunities to acquire properties and then flipped them for good profits. More importantly, when he lost his fortune, he took the lessons on the chin and learnt the valuable lessons. He didn't disappear from the surface of the Earth.

One final lesson he mentioned, "don't do personal guarantees for business loans . It's a no, no."

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

MARKET DATA

Share Price List as @ Friday 2 May, 2025: The Nigerian Stock Exchange

Company	Previous Close	Open	High	Low	Close	Change	% Change	Volume	Value (N)
ABBEYBDS	8.30	8.30	-	-	8.30	0.00	0.00%	535,071	4,026,048.75
ABCTRANS	2.06	2.06	2.26	2.26	2.26	0.20	9.71%	1,597,740	3,573,221.25
ACADEMY	2.87	2.87	2.87	2.87	2.87	0.00	0.00%	258,031	744,325.36
ACCESSCORP	22.50	22.00	22.30	21.50	21.90	-0.60	-2.67%	52,815,880	1,157,477,927.45
AFRIPRUD	17.00	17.00	16.50	16.50	16.50	-0.50	-2.94%	2,530,332	42,636,657.50
AIICO	1.68	1.68	1.68	1.59	1.59	-0.09	-5.36%	9,626,104	15,579,564.49
AIRTELAFRI	2,156.90	2,156.90	-	-	2,156.90	0.00	0.00%	13	30,842.50
ALEX	7.15	7.15	-	-	7.15	0.00	0.00%	2,400	16,880.00
ARADEL	448.00	448.00	-	-	448.00	0.00	0.00%	708,386	324,075,034.00
AUSTINLAZ	1.71	1.71	-	-	1.71	0.00	0.00%	173,000	304,520.00
BERGER	17.85	17.85	19.60	19.60	19.60	1.75	9.80%	1,126,812	22,066,161.40
BETAGLAS	99.85	99.85	109.80	109.80	109.80	9.95	9.96%	877,124	96,308,215.20
BUACEMENT	83.70	83.70	-	-	83.70	0.00	0.00%	316,477	24,056,080.30
BUAFOODS	418.00	418.00	-	-	418.00	0.00	0.00%	14,615	5,498,163.00
CADBURY	29.00	29.00	31.90	31.40	31.90	2.90	10.00%	1,671,496	53,048,443.95
CAP	40.00	40.00	-	-	40.00	0.00	0.00%	32,043	1,356,472.00
CAVERTON	2.42	2.66	2.66	2.66	2.66	0.24	9.92%	5,347,131	14,223,368.46
CHAMPION	4.70	4.70	4.70	4.50	4.50	-0.20	-4.26%	3,024,274	13,874,842.83
CHAMS	2.10	2.07	2.25	1.96	2.06	-0.04	-1.90%	51,563,158	108,857,713.75
CHELLARAM	7.89	7.89	-	-	7.89	0.00	0.00%	102,982	886,063.20
CILEASING	4.00	4.00	3.99	3.67	3.90	-0.10	-2.50%	5,058,318	19,725,892.87
CONOIL	331.20	331.20	-	-	331.20	0.00	0.00%	968	288,560.80
CORNERST	3.07	3.07	3.08	3.07	3.07	0.00	0.00%	626,420	1,927,167.20
CUSTODIAN	18.00	18.00	18.00	17.95	18.00	0.00	0.00%	5,597,766	100,602,860.00
CUTIX	2.43	2.43	2.50	2.40	2.50	0.07	2.88%	7,664,540	18,902,254.31
CWG	9.35	9.60	10.25	9.60	10.15	0.80	8.56%	6,936,615	69,398,713.05
DAARCOMM	0.60	0.60	0.58	0.54	0.54	-0.06	-10.00%	1,227,619	682,679.72
DANGCEM	432.00	432.00	-	-	432.00	0.00	0.00%	478,563	205,666,335.50
DANGSUGAR	36.75	36.75	35.00	33.20	35.00	-1.75	-4.76%	2,696,822	91,153,731.45
DEAPCAP	1.08	1.08	1.16	1.10	1.10	0.02	1.85%	2,102,618	2,376,191.87
ELLAHLAKES	3.08	3.08	3.08	3.05	3.08	0.00	0.00%	5,913,157	18,139,980.29
ENAMELWA	25.30	25.30	-	-	25.30	0.00	0.00%	4,158	105,197.40
ETERNA	49.95	45.00	45.00	45.00	45.00	-4.95	-9.91%	3,440,823	154,894,422.30
ETI	28.80	28.80	27.20	26.00	26.00	-2.80	-9.72%	5,167,479	138,802,935.75
ETRANZACT	5.80	5.80	-	-	5.80	0.00	0.00%	138,847	834,912.80
EUNISELL	10.75	10.75	-	-	10.75	0.00	0.00%	71,280	712,600.00
FCMB	9.25	9.25	9.55	9.00	9.55	0.30	3.24%	34,523,569	314,538,865.85
FIDELITYBK	19.95	19.95	20.95	20.00	20.35	0.40	2.01%	26,146,325	536,139,352.90
FIDSON	22.00	22.00	22.85	22.85	22.85	0.85	3.86%	1,449,102	32,662,499.15
FIRSTHOLDCO	24.85	24.85	25.10	24.70	24.80	-0.05	-0.20%	5,347,785	133,251,924.90
FTNCOCOA	1.82	1.82	1.96	1.82	1.87	0.05	2.75%	2,758,461	5,177,566.91
GEREGU	1,141.50	1,141.50	-	-	1,141.50	0.00	0.00%	3,155	3,241,447.00
GOLDBREW	7.10	7.10	-	-	7.10	0.00	0.00%	300	2,100.00
GTCO	65.40	65.40	65.00	63.25	64.00	-1.40	-2.14%	31,867,991	2,052,226,684.20
GUINEAINS	0.65	0.61	0.69	0.61	0.64	-0.01	-1.54%	3,989,591	2,701,922.34
GUINNESS	80.00	80.00	-	-	80.00	0.00	0.00%	61,198	5,202,067.75
HMCALL	4.70	4.70	4.70	4.70	4.70	0.00	0.00%	167,746	794,575.08
HONYFLOUR	13.00	13.00	13.10	12.85	13.10	0.10	0.77%	3,900,542	50,780,749.65
IKEJAHOTEL	12.30	12.30	-	-	12.30	0.00	0.00%	199,934	2,539,892.60
IMG	34.20	34.20	-	-	34.20	0.00	0.00%	11,791	392,440.80
INFINITY	6.80	6.80	-	-	6.80	0.00	0.00%	5,000	34,750.00
INTBREW	7.38	7.38	8.05	7.30	8.00	0.62	8.40%	3,955,223	29,379,080.95
INTENEGINS	1.45	1.45	1.38	1.38	1.38	-0.07	-4.83%	571,691	795,852.94
JAIZBANK	3.32	3.32	3.31	3.20	3.20	-0.12	-3.61%	3,606,347	11,737,991.90
JAPAULGOLD	2.14	2.14	2.10	1.98	1.98	-0.16	-7.48%	15,586,927	31,376,211.49
JBERGER	137.00	137.00	-	-	137.00	0.00	0.00%	181,630	22,394,979.00
JOHNHOLT	5.80	5.80	-	-	5.80	0.00	0.00%	42,223	266,938.65
LASACO	2.16	2.16	2.32	2.18	2.24	0.08	3.70%	1,644,494	3,706,282.05
LEARNAFRCA	4.10	4.10	3.76	3.76	3.76	-0.34	-8.29%	321,596	1,243,242.08
LEGENDINT	9.03	9.03	9.03	9.03	9.03	0.00	0.00%	1,383,801	12,272,023.54
LINKASSURE	1.34	1.34	1.22	1.22	1.22	-0.12	-8.96%	401,502	494,210.20
LIVESTOCK	8.49	8.49	8.60	8.49	8.49	0.00	0.00%	1,932,847	16,686,376.32
MANSARD	8.88	8.10	8.70	8.02	8.10	-0.78	-8.78%	7,853,353	64,256,727.54
MAYBAKER	8.75	8.75	8.80	8.60	8.60	-0.15	-1.71%	1,189,368	10,300,859.30
MBENEFIT	0.90	0.90	0.89	0.85	0.89	-0.01	-1.11%	3,638,888	3,160,877.48
MECURE	11.10	11.10	-	-	11.10	0.00	0.00%	8,022	81,140.30
MEYER	9.25	9.25	-	-	9.25	0.00	0.00%	25,189	233,305.65
MRS	157.50	157.50	-	-	157.50	0.00	0.00%	31,141	4,459,566.90
MTNN	250.00	250.00	255.00	249.00	255.00	5.00	2.00%	6,729,909	1,679,449,041.60
MULTIVERSE	7.05	7.05	6.35	6.35	6.35	-0.70	-9.93%	498,580	3,166,062.75
NAHCO	75.00	75.00	82.50	75.50	82.50	7.50	10.00%	5,456,253	441,363,868.05
NASCON	50.00	50.00	50.00	48.30	50.00	0.00	0.00%	3,591,896	176,868,662.20
NB	43.00	43.00	46.00	43.05	46.00	3.00	6.98%	7,125,754	317,877,977.70
NEIMETH	2.85	2.85	2.75	2.60	2.60	-0.25	-8.77%	811,136	2,250,150.70
NEM	14.00	14.00	15.00	13.50	14.30	0.30	2.14%	2,710,261	39,197,490.35
NESTLE	1,100.00	1,100.00	-	-	1,100.00	0.00	0.00%	181,088	217,124,763.00
NGXGROUP	35.80	35.80	-	-	35.80	0.00	0.00%	760,727	27,721,112.15
NNFM	75.00	75.00	-	-	75.00	0.00	0.00%	17,410	1,421,344.50
NPFMCRFBK	1.88	1.88	2.00	1.97	2.00	0.12	6.38%	9,231,805	18,375,673.38
NSLTECH	0.57	0.57	0.59	0.54	0.54	-0.03	-5.26%	25,268,938	13,665,496.34
OANDO	42.05	42.05	41.70	41.70	41.70	-0.35	-0.83%	2,314,231	95,845,575.65
OKOMUOIL	524.70	524.70	-	-	524.70	0.00	0.00%	170,404	88,745,843.30
OMATEK	0.59	0.59	0.64	0.59	0.64	0.05	8.47%	837,351	505,495.84
PRESCO	785.00	785.00	860.00	860.00	860.00	75.00	9.55%	1,144,871	986,702,560.90
PRESTIGE	1.00	1.00	1.00	0.98	0.99	-0.01	-1.00%	899,759	888,786.52
PZ	29.00	29.00	-	-	29.00	0.00	0.00%	221,418	6,601,545.50
REDSTAREX	5.05	5.05	-	-	5.05	0.00	0.00%	242,441	1,262,126.55
REGALINS	0.59	0.59	0.59	0.54	0.59	0.00	0.00%	2,895,596	1,657,845.58
ROYALEX	0.87	0.87	0.85	0.79	0.80	-0.07	-8.05%	13,820,530	10,952,288.50
RTBRISCOE	2.00	2.00	1.91	1.90	1.90	-0.10	-5.00%	1,508,442	2,891,800.99
SCOA	4.47	4.47	-	-	4.47	0.00	0.00%	131,187	621,838.45
SEPLAT	5,700.00	5,700.00	-	-	5,700.00	0.00	0.00%	303,533	1,557,124,290.00
SKYAVN	46.50	46.50	50.95	46.50	46.50	0.00	0.00%	1,596,967	78,106,948.10
SOVRENINS	0.96	0.96	0.96	0.96	0.96	0.00	0.00%	506,446	480,066.16
STANBIC	61.05	61.05	-	-	61.05	0.00	0.00%	266,231	16,983,288.25
STERLINGNG	5.40	5.40	5.50	4.86	5.50	0.10	1.85%	6,115,874	32,700,166.86
SUNUASSUR	4.79	4.79	4.93	4.93	4.93	0.14	2.92%	876,252	4,259,788.80
TANTALIZER	2.33	2.33	2.47	2.20	2.35	0.02	0.86%	2,826,613	6,703,844.25
TOTAL	705.00	705.00	-	-	705.00	0.00	0.00%	143,182	90,848,979.00
TRANSCOHOT	145.00	145.00	-	-	145.00	0.00	0.00%	21,950	2,977,533.95
TRANSCORP	46.25	46.25	45.55	45.00	45.50	-0.75	-1.62%	3,637,250	164,610,792.45
TRANSEXPR	2.00	2.00	-	-	2.00	0.00	0.00%	10,505	20,910.00
TRANSPOWER	364.90	364.90	-	-	364.90	0.00	0.00%	4,201	1,380,028.50
TRIPPLEG	1.79	1.79	-	-	1.79	0.00	0.00%	61,258	111,469.35
UACN	33.00	33.00	32.00	31.60	31.85	-1.15	-3.48%	1,469,337	46,927,964.80
UBA	35.00	35.00	35.00	34.50	34.80	-0.20	-0.57%	35,984,978	1,256,915,321.35
UCAP	19.50	19.50	19.70	18.00	18.25	-1.25	-6.41%	7,605,192	145,812,821.60
UHOMREIT	46.15	46.15	-	-	46.15	0.00	0.00%	175,162	8,882,050.25
UNILEVER	43.00	43.00	-	-	43.00	0.00	0.00%	106,993	4,580,344.30
UNIONDICON	8.25	8.25	8.95	7.55	8.45	0.20	2.42%	908,367	7,235,341.35
UNIVINSURE	0.52	0.52	0.55	0.50	0.51	-0.01	-1.92%	15,596,300	8,014,628.39
UPDC	3.09	3.09	3.15	3.04	3.15	0.06	1.94%	1,859,606	5,822,057.44
UPDCREIT	6.20	6.20	6.20	6.20	6.20	0.00	0.00%	1,115,860	6,891,205.20
UPL	3.74	3.74	4.11	4.11	4.11	0.37	9.89%	1,764,565	7,246,723.36
VERITASKAP	1.11	1.11	1.19	1.01	1.11	0.00	0.00%	10,914,668	11,735,403.67
VFDGROUP	18.50	18.50	17.90	17.90	17.90	-0.60	-3.24%	3,972,904	69,598,196.00
VITAFOAM	52.80	52.80	47.55	47.55	47.55	-5.25	-9.94%	523,650	24,904,761.70
WAPCO	82.70	82.70	-	-	82.70	0.00	0.00%	1,671,045	132,361,810.25
WAPIC	2.15	2.15	2.15	2.02	2.03	-0.12	-5.58%	2,812,473	5,801,199.76
WEMABANK	14.10	14.10	15.00	13.05	13.30	-0.80	-5.67%	8,500,681	114,492,691.55
ZENITHBANK	47.80	47.80	48.25	46.50	47.50	-0.30	-0.63%	24,481,513	1,169,060,246.75

Stories by Onome Amuge

$1bn opportunity beckons in Nigeria's feed, fodder market

LONG-STANDING CONFLICTS between farmers and pastoralists in Nigeria have resulted in widespread violence, displacing communities, destroying farmland, and depleting livestock. Driven largely by competition for resources such as grazing land and farmland, these clashes have claimed millions of lives and continue to threaten rural economies and food security.

Amid the long-running farmer-herder conflict, experts highlight a largely overlooked opportunity in Nigeria's underdeveloped $1 billion feed and fodder industry, considered as a potential catalyst for boosting the livestock sector, promoting national stability, and unlocking economic growth.

According to agricultural specialists and livestock experts, with the right infusion of investment and well-directed policy, this dormant sector has the potential to transform the rural landscape, offering a pathway to peaceful coexistence, enhanced food security, and greater resilience for rural communities.

Fodder, comprising dried hay or straw, serves as essential feed for cattle and other grazing animals. While the northern regions of Nigeria possess considerable natural advantages for fodder production, the industry remains largely underdeveloped, characterised by traditional methods and a lack of robust market infrastructure.

In a bid to chart a course towards sustainable peace and economic advancement, leading experts from across the African continent, under the umbrella of the African Union Inter-African Bureau for Animal Resources (AU-IBAR), recently convened in Abuja. Notably, their mission was to brainstorm strategies on how Nigeria, and by extension the wider continent, could unlock the immense potential of this overlooked sector. The central theme of their discussions was ''Harnessing Feed and Fodder Data for Sustainable Livestock Sector Development, Resilience, and Stability."

Huyam Salih, the director of AU-IBAR, underscored the critical juncture at which Nigeria finds itself, urging the nation to seize this natural investment opportunity as a means of extricating itself from the persistent and devastating farmer-herder crisis.

The recent high-level forum, she explained, focused on boosting fodder production, establishing a comprehensive and reliable national feed inventory and balance sheet, and developing a sophisticated data dashboard to effectively monitor feed availability across six key African countries, with Nigeria at the forefront.

This comprehensive initiative, Salih emphasised, is strategically designed to propel livestock sector development, bolster overall food security, and stimulate significant growth within the currently underutilised feed and fodder industry.

"The project involves developing a feed and fodder dashboard to capture crucial production and availability data, thereby empowering governments to take timely and informed corrective action to support the sector," Salih elaborated.

"This vital dashboard will play a critical role in identifying existing gaps and potential shortages, enabling the implementation of effective early warning systems to mitigate crises," she added.

The scope of this ambitious project spans a diverse range of agro-ecological zones across the continent, including Nigeria in West Africa, Cameroon in Central Africa, Uganda and Kenya in East Africa, Somalia, and Zimbabwe in Southern Africa. A key outcome of this collaborative effort was the official handover of the National Feed Inventory Database and Dashboard to the Federal Ministry of Livestock Development. This cutting-edge digital platform offers real-time, granular data on critical parameters such as feed availability, prevailing market prices, quality standards, and distribution patterns across the entirety of Nigeria. Idi Mukhtar Maiha, the minister of livestock development, hailed this initiative as a game-changer for the sector.

Maiha lauded the collaborative effort for providing the livestock sector with the essential tools needed to ensure consistent feed security and, crucially, to attract much-needed private sector investment.

"These dedicated efforts have culminated in a scientifically validated Feed Inventory and Fodder Balance Report that provides a clear and comprehensive picture of our existing feed resources, identifies critical gaps, and highlights significant opportunities for growth and investment," the Minister stated.

With the implementation of the new digital dashboard, the Ministry has ambitious plans to significantly strengthen institutional capacity within the sector, actively promote robust private sector participation, and mainstream the effective use of feed data at all levels of planning and implementation.

"Working together, we can forge a vibrant and dynamic feed and fodder industry that not only robustly supports our national food security objectives but also strategically positions Nigeria as a dominant livestock powerhouse on the African continent," Maiha affirmed.

Laban MacOpiyo, a seasoned animal production and natural resource management expert at AU-IBAR, speaking at the high-level feed and fodder inventory and investment forum in Abuja, addressed the economic value that Nigeria could unlock by effectively mobilising and trading its currently underutilised biomass resources. He advocated for the development of thriving rural feed markets and the establishment of efficient pelleting industries, coupled with comprehensive training programmes for producers on effective conservation techniques and the active promotion of private-sector aggregation and seamless inter-state trade.

MacOpiyo pointed out the current reality that Nigeria faces a 10 per cent deficit in overall feed and fodder availability. However, he highlighted that the more pressing and immediate challenge lies in the realm of distribution, with readily available feed often inaccessible in the very regions where livestock populations are most heavily concentrated.

According to MacOpiyo, addressing this logistical bottleneck through targeted investments in infrastructure development and the implementation of supportive policy interventions could drastically reduce the frequency and intensity of farmer-herder conflicts by significantly limiting the imperative for cattle migration in search of adequate grazing land.

Huyam Ahmed Salih of AU-IBAR further underscored the paramount importance of implementing evidence-based policies within the sector, revealing the concerning statistic that a majority of African nations (38 out of 47), have yet to conduct comprehensive and reliable feed and fodder assessments.

She commended Nigeria for its proactive leadership in this crucial area and for its commitment to integrating robust feed data into its national agricultural systems, noting with optimism that over $248 million in investment has already been successfully mobilised within the sector.

On her part, Winnie Lai-Solarin, the director of ruminants and monogastrics development at the Federal Ministry of Livestock Development, further called for the urgent establishment of strategic national feed reserves and the development of resilient hybrid pasture seed systems to ensure a consistent and high-quality supply of essential fodder throughout the year.

According to industry players, the development of a thriving and well-organised feed and fodder sector in Nigeria presents a multifaceted and compelling opportunity. Economically, it holds the promise of unlocking a billion-dollar market, generating significant employment opportunities across the value chain, from production and processing to transportation and trade.

Environmentally, it is seen as having the capacity to promote more sustainable land management practices, reducing the intense pressure on natural grazing lands that currently fuels conflict.

Socially, it is believed that by ensuring a more reliable and readily accessible supply of feed for livestock, it could substantially reduce the need for disruptive nomadic herding patterns, thereby mitigating the violent clashes over scarce resources and fostering greater harmony between Nigeria's diverse agricultural and pastoral communities.

As it stands, the advanced digital tools and data-driven insights now at the disposal of the Nigerian government have been indicated to represent a crucial and commendable first step. However, analysts argue that translating this immense potential into tangible and lasting benefits will necessitate sustained political will, strategic and targeted investment, and the effective implementation of enabling policies.

To this end, analysts assert that actively encouraging private sector participation through well-designed incentives, developing the necessary infrastructure for efficient feed production and distribution networks, and empowering local communities with the knowledge and resources to actively engage in fodder cultivation and processing will be absolutely paramount to unlocking this billion-dollar opportunity and fostering a more peaceful and prosperous future for Nigeria.

Cocoa gains as Ivory Coast mid-crop falls short on quality

COCOA FUTURES SETTLED ON a divergent trajectory on Friday, reflecting a tug-of-war between supply-side anxieties in West Africa and mounting concerns over consumer demand in the face of elevated prices.

July ICE NY cocoa closed up $134, or 1.53 per cent, while July ICE London cocoa edged down £43, or 0.67 per cent.

Underpinning prices, particularly in New York, are growing quality issues surrounding the Ivory Coast's mid-crop harvest, which is currently underway. Processors have voiced complaints about the quality of the beans, reportedly rejecting numerous truckloads. They estimate that five to six per cent of the mid-crop cocoa in each load is of poor quality, a significant deterioration compared to the 1 per cent seen during the main crop. However, gains were tempered by persistent demand concerns that had pushed prices to one-week lows on Wednesday. Chocolate heavyweight Hershey Co. reported a 14 per cent drop in first-quarter sales and anticipates incurring $15-$20 million in tariff costs in the second quarter. The company warned that these costs would likely translate to higher chocolate prices, further dampening consumer appetite.

Adding to the demand-side worries, Mondelez International also reported weaker-than-expected first-quarter sales, citing that consumers are cutting back on snack purchases amid economic uncertainty and the already high cost of chocolate.

Cocoa prices also faced negative carryover from a Bloomberg report earlier in the week, indicating that Nigerian March cocoa exports surged by 24 per cent year-on-year to 27,564 metric tonnes. Nigeria is the world's fifth-largest cocoa producer, and the strong export figures suggest potentially greater availability.

A rebound in monitored cocoa inventories has also exerted downward pressure. ICE-monitored cocoa stocks held in US ports have climbed to a seven-month high of 2,076,132 bags on Friday, recovering from a 21-year low in January.

Supply-side dynamics remain a key factor. NY cocoa recently hit a 2.25-month high on concerns about the pace of Ivory Coast cocoa exports. Government data for the week showed that Ivory Coast farmers shipped 1.5 million metric tonnes of cocoa to ports between October 1 and April 27, a 12 per cent increase year-on-year, but a slowdown from the much larger 35 per cent increase seen earlier in the season.

Counteracting some of the demand concerns, recent data indicated better-than-expected global cocoa grindings for the first quarter. North American grindings fell by 2.5 per cent year-on-year, outperforming expectations of at least a 5 per cent decline. Similarly, European and Asian grindings saw smaller-than-anticipated year-on-year decreases.

Looking ahead, concerns about Ivory Coast's upcoming mid-crop continue to provide a floor for prices. Rabobank analysts have noted that late-arriving rains have hampered crop development, and recent farmer surveys in the Ivory Coast and Ghana have been disappointing. The average estimate for this year's Ivory Coast mid-crop is 400,000 metric tonnes, a nine per cent decrease from last year.

Stories by Onome Amuge

Global food prices rise in April driven by cereal, dairy

(Left)Femi Edun, chairman of Craneburg Construction Company, and (Right) Chinua Azubike, managing director/CEO InfraCredit, at the guarantee signing ceremony for Craneburg EKSG Motorway Company PLC's issuance of N32.50 billion 20-year senior guaranteed fixed-rate infrastructure bonds due 2045 for construction, operation, and maintenance of phase one 68km Ado-Ekiti Ring Road Project, Ekiti State held recently in Lagos.

GLOBAL FOOD COMMODITY prices experienced a renewed upward trajectory in April, propelled by increases in the cost of key staples including cereals, dairy, and meat, according to the latest data from the Food and Agriculture Organization of the United Nations (FAO).

The FAO Food Price Index (FFPI), a closely watched benchmark for world food prices, averaged 128.3 points in April, a 1.0 per cent rise compared with March. This increase underscores persistent inflationary pressures within the global food system, as gains in the cereal, dairy, and meat subindices outweighed declines in sugar and vegetable oil prices.

Year-on-year, the overall FFPI stands 7.6 per cent higher, although it remains nearly 20 per cent below the peak reached in March 2022 in the immediate aftermath of the Ukraine war.

Cereals lead the advance

The FAO Cereal Price Index saw a 1.2 per cent monthly increase, driven by price rises across all major grains. Wheat prices edged up due to tightening exportable supplies from Russia, consistent export activity from other major players, and currency fluctuations linked to a weaker dollar against the euro. However, trade policy uncertainties and broader macroeconomic concerns limited more substantial gains.

Maize prices also climbed, largely reflecting tighter seasonal stocks in the US and currency movements. Adjustments to US import tariffs, including exemptions for major importer Mexico, further contributed to upward pressure. Rice prices also saw a modest increase as demand for fragrant varieties strengthened and harvesting in Vietnam neared completion.

Vegetable oil prices ease

Bucking the broader trend, the FAO Vegetable Oil Price Index fell by 2.3 per cent in April. This decline was primarily attributed to a marked drop in palm oil prices, driven by a gradual recovery in global export supplies from Southeast Asia due to seasonally higher production.

Conversely, soy and rapeseed oil prices continued their ascent, reflecting robust global import demand and tightening supplies as the current season draws to a close. Sunflower oil prices remained relatively stable but stayed above year-ago levels amid constrained supplies from the Black Sea region.

Meat prices gain across the board

The FAO Meat Price Index registered a 3.2 per cent increase in April, with all categories experiencing price rises. Pig meat saw the largest jump, supported by stronger import demand in the European Union following the reinstatement of Germany's foot-and-mouth disease-free status and the lifting of related import restrictions. Seasonal demand linked to Easter also played a role.

Bovine meat prices firmed in Australia and Brazil amid steady import demand and limited global availability. Ovine meat prices surged due to strong buying interest, while poultry prices saw a moderate increase, particularly in Brazil, where strong external demand and holiday-related processing slowdowns tightened exportable supplies.

Dairy prices continue upward march

The FAO Dairy Price Index rose by 2.4 per cent in April, marking a 22.9 per cent increase compared with the same period last year.

Butter prices reached a new all-time high, driven by reduced European inventories and strong milkfat demand despite higher seasonal milk production. Milk powder prices also increased, supported by steady domestic demand and a shift in export focus from Europe, where a stronger euro dampened competitiveness, towards Oceania, where declining seasonal milk production tightened spot availability. Cheese prices also rose, fuelled by strong export demand amid tightening supplies in Oceania.

Sugar prices decline on demand concerns

The FAO Sugar Price Index was the outlier, falling by 3.5 per cent in April, marking its second consecutive monthly decline. This drop was largely attributed to concerns surrounding the uncertain global economic outlook and its potential impact on demand from the beverage and food processing sectors. Larger-than-expected sugar output in Brazil and the depreciation of the Brazilian real against the US dollar further contributed to the downward pressure.

Gold declines as economic optimism dulls safe-haven demand

GOLD PRICES EDGED LOWER ON Friday, poised to conclude the week with losses exceeding 2.5 per cent, as improved risk appetite stemming from easing trade tensions and a surprisingly strong US labour market report prompted investors to secure profits ahead of the weekend.

Spot gold traded at $3,226, having retreated from an intraday high of $3,269. The precious metal's decline was accelerated by news that the US was willing to engage in trade talks with China, a development confirmed by Beijing's commerce ministry, which reassured Washington of its openness to discussions.

Further downward pressure was imposed by the release of US non-farm payrolls data for April, which significantly surpassed expectations, while the unemployment rate held steady. The strong economic data tempered market expectations for aggressive interest rate cuts by the Federal Reserve, leading traders to reduce bets on four cuts this year in favour of three.

US Treasury yields responded sharply to the upbeat jobs figures, although the US Dollar Index (DXY), which measures the greenback against a basket of six major currencies, surprisingly weakened by 0.20 per cent to 99.98.

Following the data release, market indicators from Prime Market Terminal suggested investors were pricing in 78 basis points of Fed rate cuts for the year.

Gold traders are now closely monitoring the upcoming release of the Federal Reserve's monetary policy meeting minutes, where the central bank is widely anticipated to maintain current interest rates.

World Bank revises gold forecast upwards

Earlier in the week, the World Bank revised its gold price forecast. In contrast to last year's expectation of relatively stable prices following a 20 per cent gain, analysts now anticipate prices to hold firm at current elevated levels – a 36 per cent increase from last year's average."Strong safe-haven demand for gold is expected to persist in the near term, buoyed by uncertainty, geopolitical tensions, and concerns about volatility in major financial markets," the World Bank analysts noted.

ETF Inflows drive strong Q1 demand

Data from the World Gold Council revealed that global gold demand reached its highest first-quarter level since 2016, primarily driven by a resurgence in investment via exchange-traded funds (ETFs). Total gold demand, including over-the-counter (OTC) investment, edged up by one per cent year-on-year to 1,206 tonnes in the first three months of 2025.

While central bank buying, a key driver of recent gold demand, saw a slowdown in Q1 with net purchases totalling 244 tonnes, this figure remained within the quarterly range of the past three years, according to the council.

The primary catalyst for the overall demand increase was a revival in gold ETF inflows, which more than doubled to 552 tonnes, a 170 per cent year-on-year increase and the highest level since the first quarter of 2022. Demand for gold bars and coins remained strong at 325 tonnes, 15 per cent above the five-year quarterly average, with China being a key contributor. Technology demand for gold held steady at 80 tonnes year-on-year, although tariff uncertainty casts a shadow over the outlook.

However, record high gold prices took a toll on jewellery demand, which fell to its lowest volume since the pandemic-induced disruptions of 2020. Despite this, the value of consumer spending on gold jewellery still grew by nine per cent year-on-year to $35 billion.

Record prices amid geopolitical uncertainty

The London Bullion Market Association (LBMA) PM gold price continued its record-breaking trajectory throughout the first quarter of 2025, with the quarterly average reaching $2,860 per ounce. This represents a 38 per cent increase compared to the same period last year. Key factors driving this increase included the looming threat of US tariffs, persistent geopolitical uncertainty, ongoing volatility in stock markets, and a weakening US dollar.

Total gold demand in value terms nearly matched the record $111 billion seen in the fourth quarter of 2024, with the uptick in demand volumes translating to a 40 per cent year-on-year rise in value due to elevated price levels.

Copper strengthens on signs of easing trade tensions

COPPER PRICES RALLIED ON Friday, buoyed by tentative signals that the U.S and China might be inching towards a resolution in their protracted trade dispute.

Three-month copper on the London Metal Exchange (LME) advanced two per cent to $9,385.50 per metric tonne, adding to gains of nearly one per cent in the previous session. The rebound follows a sharp fall of over three per cent on Wednesday, triggered by weak economic data from China, the world's top metals consumer, and lingering concerns that US tariffs would stifle global growth.

Beijing stated on Friday that it was evaluating an offer from Washington to hold discussions regarding US President Donald Trump's recently proposed 145 per cent tariffs. Trump had indicated on Wednesday his belief in a very good chance of his administration securing a trade agreement with China.

"The market is trying to build up a little optimism around those sound bites that we've seen from either side," commented Ole Hansen, head of commodity strategy at Saxo Bank in Copenhagen.

However, Hansen cautioned that further upside might be limited, pointing to firm resistance at the 50-day moving average of $9,476.

Most active US July Comex copper futures also saw gains, rising 1.3 per cent to $4.69 a lb. This pushed the premium of Comex copper over LME to $967 a tonne, reflecting traders' efforts to assess the potential impact of US tariffs on the metal.

Underlying concerns about the economic fallout from tariffs were stoked by data released on Thursday, which revealed a further contraction in US manufacturing activity in April and indicated that tariffs on imported goods were straining supply chains.

"Unless there is a smooth path towards a U.S.-China trade deal, which seems unlikely, volatility is likely to be a feature in industrial metals markets for a while," warned Kieran Tompkins at Capital Economics.

In other base metals, LME aluminium added 0.9 per cent to $2,438 a tonne, while zinc gained 1.6 per cent to $2,617.50. Lead rose by 0.6 per cent to $1,963, tin advanced 2.1 per cent to $30,400, and nickel climbed 0.9 per cent to $15,395.

Nigerian Breweries rebounds to N44.6bn profit in Q1'25

Onome Amuge

NIGERIAN BREWERIES PLC has recorded a turnaround in its financial performance, posting an after-tax profit of N44.6 billion for the first quarter ended March 2025. This marks the company's first quarterly profit in nearly three years, breaking a two-year streak of losses that had eroded its capital base.

The interim financial report reveals a reduction in the company's retained deficit and a strengthening of its equity resources, following a capital injection through a rights issue in 2024. The primary driver of this resurgence is the near elimination of foreign exchange (FX) losses, which had plagued the brewer's financials in recent years.

Net FX losses plunged from nearly N73 billion in the first quarter of 2024 to N178 million in the corresponding period this year. Over the three years leading up to 2024, Nigerian Breweries had accumulated N337 billion in net foreign exchange losses.

The pressure from finance expenses, stemming from the company's balance sheet borrowings, also eased considerably during the quarter, further contributing to the improved bottom line. Reversing the sharp increase in finance costs witnessed in 2024, these expenses declined by 15.3 per cent to N15.4 billion in the first quarter. Consequently, net finance expenses fell sharply from N90.8 billion in the first quarter of last year to N15.3 billion in the three months to March 2025. This represents a shift from the 173.5 per cent rise in net finance costs to N252.8 billion recorded at the end of 2024, indicating the success of the company's strategy to reduce FX loss-generating foreign debts and high-interest local borrowings.

Despite this progress in managing finance costs, the company's balance sheet borrowings actually increased from N209 billion at the end of last year to N235 billion by the close of the first quarter.

On a positive note, Nigerian Breweries continued to experience strong sales momentum, with net revenue climbing 69 per cent to N383.6 billion in the first quarter, representing an increase of N156.5 billion compared to the same period last year.

Furthermore, the company benefited from a favourable combination of rising sales and relatively contained production costs. For the first time in several quarters, the cost of sales increased at a slower pace than revenue, rising by 49.5 per cent to N217 billion. This cost management led to a 103.4 per cent surge in gross profit to N166.6 billion, outpacing the increase in sales. This contrasts sharply with the previous year, where production costs grew faster than turnover, squeezing gross margins.

Operating expenses also saw moderate increases, with selling and distribution expenses rising by 47 per cent to N66.3 billion and administrative costs growing by less than 40 per cent to N15 billion. These cost efficiencies contributed to a more than threefold jump in operating profit to N85.3 billion, exceeding the operating profit of less than N70 billion for the entire 2024 financial year.

The sharp decline in net finance expenses further bolstered profitability, transforming a pre-tax loss of over N52 billion in the first quarter of 2024 into a pre-tax profit of roughly N70 billion for the first quarter of 2025.

After accounting for an income tax expense of N24.7 billion (compared to a tax credit of N13.5 billion in the same period last year), the company's bottom line rebounded from a loss of N52 billion to a net profit of N44.6 billion for the quarter. Consequently, earnings per share swung from a loss of N5.07 to a profit of N1.43.

Gozie Chigbue, Lightrock; Bayo Kazeem, head West Africa, Convergence Partners; Niyi Duale, founding partner, Duale, Ovia & Alex-Adedipe (DOA) during the DOA Africa-Focused Investors and Stakeholders forum held recently in Lagos.

Nestlé Nigeria sees profit rebound with N30bn topline growth

NESTLÉ NIGERIA HAS staged a dramatic return to profitability in the first quarter of 2025, posting a profit after tax of N30.2 billion. The figure marks a significant turnaround for the food and beverage giant, which recorded a loss of N142.7 billion in the same period a year prior.

According to unaudited financial statements for the three months ending March 31, 2025, the Nigerian arm of the Swiss multinational saw its profit before tax reach N51.2 billion, a stark contrast to the N196.1 billion pre-tax loss reported in the first quarter of 2024.

The company's top line witnessed robust growth, with revenue climbing 61 per cent to N294.9 billion, up from N183.4 billion in the corresponding period last year. While the cost of sales also increased to N175.1 billion from N134.4 billion, Nestlé Nigeria still managed to more than double its gross profit to N119.7 billion, compared to N49.0 billion in Q1 2024.

According to the company, operating profit was up 254 per cent to N74.1 billion, a substantial leap from the N20.9 billion recorded in the first quarter of 2024.

Despite a notable finance cost of N23.5bn, the company reduced its net finance costs from the previous year's N217.0 billion. The company also reported a tax expense of N21.0 billion, compared to a tax credit of N53.4 billion in the first quarter of 2024.

Furthermore, Nestlé Nigeria demonstrated improved financial resilience, with shareholders' equity increasing by N30.0 billion within the quarter, reflecting enhanced investor value.

The company's financial turnaround is highlighted by the improvement in key metrics including operating profit which soared from N20.9 billion in the first three months of 2024 to N74.1 billion in the same period this year, accompanied by a considerable expansion in operating margins.

In a similar vein, profit before tax shifted from a loss of N196.1 billion to a profit of N51.2 billion, while the bottom line swung from a N142.7 billion loss to a N30.2 billion profit.

Unilever Nigeria grows Q1 revenue 45% to N46.9bn

UNILEVER NIGERIA PLC recorded a turnover of N46.9 billion for the three months ended March 31, 2025, representing a 45 per cent increase compared to the N32.3 billion recorded in the same period of 2024, according to its unaudited financial statement for the first quarter of the year.

The consumer goods giant also saw a 40 per cent rise in gross profit, which reached N18.8 billion for the first quarter of 2025, up from N13.5 billion in the corresponding period last year.

The overall business performance demonstrated a strong upward trajectory, with net profit for the quarter ending March 31, 2025, reaching N5.6 billion. This represents a 65 per cent improvement compared to the N3.4 billion net profit reported for the first quarter of 2024.

Commenting on the results, Managing Director Tobi Adeniyi expressed satisfaction with the company's strong start to the year across key business areas. "We are pleased to have commenced the year with strong momentum across all critical dimensions of the business. The promising start reflects the dedication, agility and pioneering mindset of our teams, and this positions us optimally to sustain our growth trajectory in the dynamic environment we operate in," he said. Adeniyi outlined the company's strategic focus, which remains anchored on three pillars including; Driving focus on its core portfolio and geographies, excelling with its unmissable superior brands, and accelerating productivity on its bottom line.

"With Q1 performance reflecting robust growth, we are optimistic that with a consistent level of discipline across the business and putting our consumers first in all we do, we expect to see consistent and sustained performance through the year and continue to brighten everyday life for Nigerians," he added.

Adeniyi further emphasised Unilever Nigeria's longstanding commitment to the country, highlighting its over a century of operation as the longest-serving manufacturing company in Nigeria. He affirmed the company's dedication to serving citizens through its locally produced brands and operations, underscoring its intention to remain a key player in the Nigerian market.

BUA Foods' Q1 profit soars 124.5% to N125.3bn over improved sales

Onome Amuge

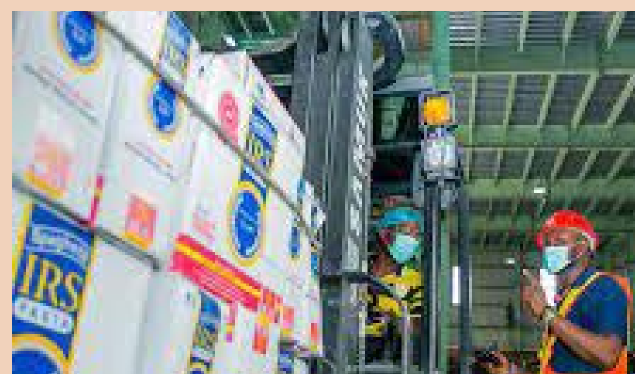
BUA FOODS, ONE OF Nigerian leading food producers has reported a more than doubling of its profit after tax to N125.3 billion for the first quarter ended March 31, 2025, a 124.5 per cent increase compared with the N55.8 billion recorded in the same period a year prior.

The Nigerian Exchange (NGX)-listed company, in unaudited results filed with the Exchange, attributed the strong performance to improved sales and enhanced cost efficiency. In addition, turnover for the quarter reached N442.1 billion, up from N356.9 billion in the first three months of 2024.

Gross profit followed a similar profitable trajectory, climbing to N160.9 billion from N115.4 billion, while operating profit saw a 32.7 per cent increase to N138.9 billion (2024: N104.7 billion). Profit before tax more than doubled to N136.4 billion, compared to N62.4 billion in the corresponding period last year.

The buoyant results translated to a significant jump in earnings per share, which rose to N6.96 from N3.10.

Bua Foods also benefited from a substantial reduction in its finance costs, which fell from N15.2 billion to N3.8 billion, reflecting better management of its debt and lower borrowing costs. Furthermore, the company recorded a foreign exchange gain of N485.7 million, a notable swing from the N27.3 billion loss in the first quarter of 2024.



However, operating expenses saw an increase, with administrative costs rising to N11.3 billion (2024: N4.6 billion) and selling and distribution expenses reaching N11.1 billion (2024: N9.8 billion).

The company's total assets grew to N1.14 trillion, up from N1.1 trillion at the end of December 2024. Shareholders' equity saw a more significant rise to N554.3 billion from N429.1 billion, indicating a strengthening of its financial base.

NLNG launches VIBES to spur small businesses in 110 communities

Top 50 beneficiaries to receive $1,300 each

Ben Eguzozie, in Port Harcourt

NLNG, Nigeria's multibillion-dollar gas liquefaction company has launched a Vocational, Innovation Business and Empowerment Scheme (VIBES) to drive more activities within the small businesses sector within its host communities. The scheme, initially codenamed Youth Empowerment Scheme (YES), is seen as one of the gas company's key economic empowerment programmes as a way of spurring the growth of small businesses and youths within its over 110 host and pipeline communities in Rivers State.

The VIBES is to ensure the growth and sustainability of small businesses owned and managed by beneficiaries previously under the YES initiative.

Participants in the top 50 will receive a grant of $1,300 each, disbursed in two tranches. This funding is intended to help upscale their business and as part of a broader support system that includes mentorship, networking, and additional advisory services.

According to Sophia Horsfall, NLNG's general manager, external relations and sustainable development, "NLNG believes that entrepreneurship is not just about starting and running a business, (but) it is about creating opportunities that uplift the communities to drive economic growth and spark positive social change".

Hosrfall said, the remodelled initiative is a deliberate programme to engender entrepreneurial knowledge, and the networks needed to grow entrepreneurs and change-makers in the company's host communities, in line with its vision of improving lives sustainably.

VIBES came into force last year as a way of refining the implementation of the company's YES programme, which was initially designed to make the participating youths economically and socially responsible and self-reliant through guided technical and managerial development training.

Till date, over 1,400 youths from NLNG's host and pipeline communities in Rivers State had been trained in 10 different empowerment programmes since inception of the YES programme in 2004. However, less than 300 of these are operating viable businesses. The crafts include automotive, advanced welding, catering and hotel management, fashion designing and cosmetology, farm management, information and communication technology (ICT) and photography and video production.

The NLNG manager external affairs and sustainable development said, the company believes that VIBES will foster an environment where individuals can create businesses, generate employment, and become innovators. This belief drives our commitment to nurturing local capacity and enabling individuals to become creators of jobs, wealth, and lasting impact, she added.

She said the programme is a modern approach to economic empowerment which "offers enhanced support through networking opportunities, grants, resources, and mentorship to help participants refine and scale up their ideas."

In conceptualizing the VIBES, the gas company assembled experts in entrepreneurship, business development, law, technology and innovations and several other fields for continued training and mentorship of the select business operators to ensure continued survival, growth and sustainability of such businesses.

The bigger picture is to get the VIBES programme to provide comprehensive business training, including courses on financial management, marketing, strategic planning, law and legal practices and more. It shall also provide personalized advisory services and structured mentorship from seasoned business to the participants. Beneficiaries will be administered professional, practical, participative trainings designed to build robust technical and managerial capacity.

An alumni network of the VIBES initiative will be created, designed to provide continued mentorship, networking, and support after the completion of the programme, helping past beneficiaries to share experiences and access further opportunities. NLNG says economic empowerment is one of its four pillars of community development drive. Others include education, infrastructure development and healthcare.

LEFT TO RIGHT: Director General Securities and Exchange Commission, Emomotimi Agama and the chairperson and CEO of Moroccan Capital Market Authority Nezha Hayat during a study Tour of the Moroccan Capital Market in Rabat, recently.

Transcorp revenue hits N143.7bn on power, hospitality momentum

Onome Amuge

TRANSNATIONAL CORPORATION PLC (Transcorp), the Nigerian conglomerate with interests spanning power, hospitality, and energy, has reported a 62 per cent increase in revenue to N143.7 billion for the first quarter ended March 31, 2025. This compares with N88.5 billion in the same period last year, according to its unaudited results released to the Nigerian Exchange (NGX).

The strong top-line performance was spearheaded by its power subsidiaries, which collectively delivered a 70 per cent year-on-year revenue growth, reaching N126.8 billion in Q1 2025, up from N74.8 billion in Q1 2024.

Notably, Transafam Power, acquired in November 2020, saw an exceptional 212 per cent year-on-year revenue surge, climbing from N6.9 billion to N21.4 billion.

Transcorp Hotels also contributed significantly to the growth, with revenue rising by 52 per cent year-on-year to N21.0bn, up from N13.8bn in Q1 2024, indicating a strong recovery in the hospitality sector.

The group's profitability also saw its gross profit soar to N73.31 billion in Q1 2025, a substantial increase from N46.21 billion in the corresponding period of 2024.

In addition, profit before tax (PBT) hit N49.41 billion, slightly ahead of the N45.68 billion recorded in Q1 2024, which had benefited from a one-off gain of N11.0 billion from the disposal of shares.

Commenting on the financials, Owen D. Omogiafo, president and group chief executive officer of Transcorp Plc, remarked: "Our Q1 2025 financial results underscore the strength of our execution, resilient business model, and unwavering commitment to delivering sustained value to our shareholders, even in a challenging market landscape."

Transcorp is renowned for its strategic investments in key sectors of the Nigerian economy. Its power businesses, Transcorp Power Plc and Transafam Power, together provide over 20 per cent of Nigeria's installed power capacity.

The group is also focused on developing Nigeria's domestic energy value chain through its investments in OPL281.

In the hospitality sector, Transcorp Hotels Plc owns Transcorp Hilton Abuja and recently launched the digital platform Aura by Transcorp Hotels.

Canon debuts lightweight RF 75-300mm zoom lens for beginners

Joy Agwunobi

CANON HAS OFFICIALLY introduced a new addition to its RF-mount lens lineup with the launch of the RF 75-300mm F4-5.6, a lightweight and budget-friendly telephoto zoom lens designed specifically for full-frame EOS R System cameras.

According to the company, the lens is aimed at beginner photographers interested in nature, wildlife, and sports photography.Positioned as a classic entry-level telephoto zoom, the RF 75-300mm F4-5.6 offers an impressive range for capturing distant subjects, providing users with creative flexibility whether they are shooting photos or recording video.

Canon highlights that the lens enables users to photograph subjects they cannot physically approach, such as birds in the wild or athletes in action, while maintaining a compact and easy-to-handle form.

The lens features a flexible focal length range of 75-300mm, which extends to an effective 120-480mm when used on an APS-C camera body like the Canon EOS R100. This makes it especially attractive to users seeking extended reach without the bulk of heavier telephoto lenses.

Despite its broad telephoto coverage, Canon has managed to keep the design lightweight at just 507 grams and compact at 146.1mm in length when retracted. The brand claims it is one of the lightest lenses in its class, making it highly portable for photographers on the go—whether heading to a local football game or venturing into remote wildlife locations.

With a minimum focusing distance of 1.5 metres at the 300mm end, the lens allows photographers to fill the frame with fine details, making it suitable for close-up portraits of people and animals. The 7-blade circular aperture contributes to a soft, aesthetically pleasing background blur, separating the subject sharply from the surroundings for a professional finish.

The RF 75-300mm F4-5.6 also incorporates Canon's Super Spectra coating, which helps reduce lens flare and ghosting, ensuring cleaner, sharper images even in challenging lighting conditions.

Canon emphasises that this lens has been developed for ease of use. A large zoom ring enables users to traverse the entire focal range with just a quarter-turn, allowing quick reactions to changing scenes.

Key Features of the Canon RF 75-300mm F4-5.6:

- Versatile 75-300mm focal range for full-frame EOS R System cameras
- 120-480mm equivalent reach when paired with APS-C bodies
- Minimum focusing distance of 1.5 metres at 300mm
- Lightweight and compact: 507g and 146.1mm when retracted
- 7-blade circular aperture for smooth background blur
- Super Spectra coating to minimise ghosting and flare

With its accessible pricing, impressive reach, and travel-friendly size, Canon's RF 75-300mm F4-5.6 lens aims to empower a broader audience to explore telephoto photography with the EOS R System, whether capturing wildlife in motion or the thrill of live sports.

Stories by Bamidele Famoofo

Nigeria African economic powerhouse faces significant challenges and great possibilities for energy

NIGERIA, AN AFRICAN economic powerhouse, faces significant energy challenges and great possibilities. The country's impressive human and natural resources can be the basis for a growing and highly diversified energy sector, one increasingly able to meet its own needs.

Nigeria today sees expanding markets for its natural gas, a nascent yet growing field for renewables, and a promising opening to new green fuels. These resources, combined with ongoing reform in the power sector, offer vast potential to meet the needs of Nigeria's young and growing population while raising its capacity to supply international energy markets.

The challenges in the country's power sector are clear. Nigeria is a country of more than 200 million people, about 40% of whom (some 80-90 million people) live in homes without electricity. Millions more have just intermittent access. Installed power generation capacity is approximately 13 GW, but actual available capacity is just (approx.) 5 GW. Lack of access to electricity is limiting Nigeria's economic development and holding back the potential of its people.

Despite significant and ongoing reforms in the power sector, problems persist in transmission and distribution. As electricity supply through the country's grid is relatively scarce and unreliable, many families and businesses rely on diesel generators for backup energy supply. Similarly, many households lack access to gas or electric cooking technology, putting pressure on wood resources. These deficiencies exasperate the climate threat facing Nigeria and the world.

Bright Ogidi, deputy director, Energy Department, Bureau for Public Procurement (BPP); Nasir Bello Director, Civil Infrastructure Development, BPP, and Adebowole Adedokun, director-general of BPP, during a news conference on the forthcoming launch of the Sustainable Procurement, Environmental and Social Standards Enhancement (SPESSE), Procurement Certification Portal at BPP headquarters in Abuja recently.

Nigeria is Africa's largest producer and exporter of oil, which accounts for much of the government's revenues and most of its foreign exchange earnings. And the country enjoys enormous gas reserves, some 200 trillion cubic feet, which could go far to fuel its power sector. Yet infrastructure and refining capacity are lacking to allow the country to deploy these resources as low-cost domestic energy.

Nigeria's electricity generation is largely reliant on natural gas. The country must import large amounts for power generation, as well as gas products such as cooking fuel. Yet power plants are often idled for lack of fuel supply. The government is incentivizing gas pipeline development while investing in power transmission and distribution infrastructure to raise grid capacity.

Renewable power does make an important contribution in the power sector, mostly in the form of hydropower. However, solar PV plays a small but growing role, both utility-scale and distributed. Last year the federal government launched the Solar Power Naija (SPN) program to expand energy access to 5 million rural households, through home hook-ups or connections to mini grids.

Solar panels on rooftops are helpful and needed, but they will not be sufficient to power the country's economic and industrial development at large scale. Ongoing upgrades to Nigeria's power generation, transmission and distribution capacities will be required. The country will need to develop its natural gas resources for domestic power production even while it expands renewable power.

Meeting these complex challenges requires expert input, which will be forthcoming at this month's Nigeria Energy 2022 in Lagos (20-22 September). Leaders in Nigeria's energy sector, advocates, investors, and other African and international energy experts will convene, opening diverse perspectives on the key questions. They will share a stage to form partnerships and develop solutions to meet Nigeria's energy challenges.

Nigeria Energy attendees will find opportunity to engage with the highest level of decision makers and international partners. They will meet key stakeholders from Nigeria's energy sector, from government ministries and regulators, to gas companies supplying fuel to grid-connected plants, to independent power producers, distribution companies, and the bodies mandated to facilitate the development of renewable energy and off-grid solutions.

Nigeria Energy 2022 will provide a blueprint for Nigeria's power sector in the coming years, opening pathways to improving access to electricity, driving economic growth and creating jobs for Nigerians.

Chevron slashes buybacks as Trump trade war, OPEC hit oil prices

CHEVRON CORP. WILL slash share buybacks this quarter after oil prices have tumbled, indicating that President Donald Trump's trade war is hurting a key US industry he pledged to help.

According to Bloomberg, Chevron will repurchase about $2.75 billion of stock in the second quarter, about 30 per cent less than it bought in the first three months of the year, the Houston-based company said Friday.

The move comes despite Chevron beating earnings estimates on more low-cost production from Kazakhstan and the Permian Basin.

"Oil prices have changed," Chief Financial Officer Eimear Bonner said in an interview. "The market, from a supply and demand perspective, appears to be softening."

Big Oil is finding it increasingly difficult to maintain share buybacks as Brent crude slumped 17 per cent this year to about $62 a barrel at the close Thursday.

Trump's tariffs are poised to slow demand growth for crude and increase the cost of steel and other materials needed to produce oil and gas. At the same time, OPEC and its allies surprised markets last month with a plan to increase oil supplies more than expected later this year.

Chevron's second-quarter buyback of between $2.5 billion and $3 billion, if maintained for the rest of the year, still fits within its annual guidance but would be a reduction from last year's $15.2 billion payout. BP cut its share buyback by more than half earlier this week. TotalEnergies SE maintained its payout but was forced to fund it with extra borrowing.

"This is still a very strong program" of repurchases, Bonner said. "A rate that's higher than our highest year before Covid."

Chevron's adjusted first-quarter earnings of $2.18 a share exceeded the analysts' consensus of $2.10 a share, according to estimates compiled by Bloomberg. Capital expenditure was lower than a year ago as the company cut spending in its refineries.

Chevron's debt level, meanwhile, remains healthy. Its net debt radio jumped to 14.4 per cent at the end of the first quarter from 10.4% in the prior period, even before the drop in oil prices last month. But that's well below the company's target range of 20 per cent to 25 per cent.

Turkey strengthens global energy influence with strategic African partnerships

TURKEY IS MAKING bold strides in expanding its energy footprint, with a series of strategic moves aimed at securing long-term energy resources and boosting its global influence. The Turkish Petroleum Corporation (TPAO), the country's state-owned energy giant, is set to launch oil and gas exploration projects in Libya, aligning with Turkey's broader strategy to diversify its energy supplies and tap into Africa's vast resources.

Turkey, which currently imports over 90 per cent of its energy, is actively working to reduce its energy import bill by tapping into new domestic and international resources – making markets like Libya a key part of its long-term energy security agenda.

Turkey's energy diplomacy is also gaining momentum in other parts of Africa, with recent agreements signed in Somalia and Senegal. As Africa continues to build stronger energy ties with G20 nations, Turkey is positioning itself as a reliable partner and growing pillar of energy security. The upcoming African Energy Week (AEW) 2025: Invest in African Energies, set to take place in Cape Town later this year, offers a key platform for Turkey to expand its engagement with African energy markets and foster collaboration on exploration, infrastructure and investment.

Turkey and Somalia Deepen Energy Cooperation

Earlier this month, Turkey and Somalia signed a new hydrocarbon exploration and production agreement covering 16,000 km^2 of onshore territory. Under the deal, TPAO will conduct 2D and 3D seismic studies across three blocks, followed by drilling activities based on the findings. Turkey's Minister of Energy and Natural Resources, Alparslan Bayraktar, has described the agreement as a strategic milestone in bilateral cooperation, building on a previous offshore production-sharing agreement signed last year.

In addition, seismic activities in Somalia's maritime zones are underway, with Turkey's Oruç Reis vessel having completed 78% of a 3D seismic survey over 15,000 km^2. The survey is expected to conclude by May 2025, after which drilling decisions will follow. Turkey is also eyeing cooperation in the mining sector, and further collaboration will be discussed at a Natural Resources Summit in Istanbul next month.

Energy Diplomacy Extends to West Africa

Last October, Turkey signed a Memorandum of Understanding with Senegal to cooperate on oil and gas exploration, production and trade. The agreement, signed during a meeting between Turkish President Recep Tayyip Erdo an and Senegalese President Bassirou Diomaye Faye, includes Turkish participation in both onshore and offshore seismic surveys and extends to renewable energy, critical minerals and rare earths. This deal follows similar agreements with Somalia and Niger, as Ankara strengthens its energy ties across the continent.

Ankara's Growing Influence Across Africa

Through these initiatives, Turkey is positioning itself as a leading partner to Africa, distinguishing itself from traditional Western powers by prioritizing co-development and mutual benefit. Under President Erdo an, Turkey has quadrupled its diplomatic presence on the continent, expanded defense cooperation with countries including Somalia, Libya, Nigeria and Ethiopia, and boosted trade through major infrastructure investments. In 2023 alone, Turkish contractors completed $85.5 billion worth of projects across Africa. Turkish Airlines now serves 62 destinations on the continent, including Mogadishu, where Turkey has played a pivotal role in rebuilding the capital's airport.

AEW 2025: Invest in African Energies, taking place from September 29 to October 3 in Cape Town, will serve as a valuable platform for Turkey to strengthen its energy partnerships across the continent. The event convenes African producers, global investors and policymakers to drive new deals and shape Africa's energy future. As Turkey expands its engagement with African energy markets, AEW 2025 is expected to be a pivotal venue for forging partnerships, launching projects and advancing long-term collaboration.

Stories by Sade Williams/ Business a.m.

Airline links flight delays, cancellations to safety concerns, not aircraft shortages

THE MANAGEMENT OF NIGERIA CARRIER, Air Peace, has attributed flight delays and cancellations to safety considerations and not aircraft shortages.

The airline in a statement said it will not compromise safety for anything when human lives are involved.

Apparently reacting to a call by the Nigeria Civil Aviation Authority (NCAA) on the airline to improve its domestic operations and align with size of fleet, Air Peace said the delays have nothing to do with fleet shortages.

Although it apologised to passengers for flight disruptions, it noted: "At Air Peace, safety is and will always remain our cardinal priority. These delays and cancellations are dictated by safety considerations. We fully empathize with our esteemed passengers who experience discomfort, inconvenience, or disrupted plans due to flight delays or cancellations. However, we do not regret taking operational decisions rooted in the protection of human lives and in strict adherence to safety standards. If weather conditions, technical parameters, or operational standards fall short of what is safe, we will not operate that flight.

"It is also important to clarify a key statement allegedly credited to the NCAA, that Air Peace should reduce the size of its operations to align with available aircraft. While we understand the spirit of that recommendation, we must clearly state that Air Peace has more aircraft available than are currently rostered for daily operations. Therefore, any delays or cancellations we've experienced have absolutely nothing to do with fleet shortage," the airline said.

While giving an instance of one of its aircraft which experienced a bird strike and had its engine damaged while landing in Enugu on Friday, it stated that the aircraft was immediately grounded and withdrawn from operation in accordance with safety protocol.

"This aircraft had been scheduled to service multiple routes today, and its unavailability has had a direct ripple effect on operations for those routes. This kind of situation is completely beyond the control of any airline, but again, our priority is the safety of our passengers.

"It is to be stated that every decision Air Peace has taken since the inception of this airline, whether resulting in a delay, cancellation, or suspension of flight, has been taken in the best interest of safety. And if such situations occur again, we will do the same because we are not ready to compromise safety.

"We do not cancel any flight for the fun of it. It is not our policy to delay or cancel flights without due cause, and when we do, we are often the greater loser financially. We will never sacrifice safety for convenience, comfort, speed, or profit. We remain focused on serving our passengers with dignity, professionalism, and above all, unwavering adherence to safety standards," it added.

Airports without permit to be sanctioned by NCAA

THE NIGERIA CIVIL AVIATION AUTHORITY (NCAA) has said beginning January 1, 2026, it will sanction any domestic airport, including airstrips, that have no valid operational permits.

Godwin Gyang Balang, director, aerodrome and airspace standards, NCAA, disclosed during a stakeholders' engagement with airstrip owners and operators organised by the Authority in Lagos, recently.

According to him, section 71 (3) & (4)(a) of the CAA 2022 empowers the Authority to certify and grant permits to conduct aerodrome operations in Nigeria and to establish minimum safety standards for the design, operation, and maintenance of aerodrome, adding that it will increase surveillance on the operations of airstrips in Nigeria.

He noted that out of 96 airstrips in Nigeria, only a few are up to date with their valid operational permits.

"At the inception of this administration the Honourable Minister unveiled his agenda for the industry to which the DGCA had to sign [a] performance bond. In the bid to implement, one of the key deliverables for the Directorate of Aerodrome and Airspace Standards is holding an airstrip owners/operators' engagement with a view to developing the sector for our common good. This engagement is an alignment with this mandate to advance airstrip regulation in Nigeria. It may interest this forum to note that as part of the moves to fulfilling this mandate two of our international Airports were recertified late last year and we are working to certify others soon.

"Beyond this, FAAN has been apprised that effective from 1st January 2026 local airports without appropriate permits under its management would be sanctioned accordingly. This is not a threat but a collective resolve. Today, our focus is on airstrips. "There are about 92 airstrips (operational, non-operational and some under rehabilitation/new constructions) in Nigeria based on the existing NCAA Airstrip database. Interestingly, a few are already up to date with their valid operational permits," he said.

Balang, who noted that the aviation landscape has changed drastically in recent years, said the regulatory strategies must necessarily align with the realities of the season for a more impactful result.

"We would therefore need to tweak our regulations and other guiding documents accordingly. This is the crux of this engagement. It is worthy of mention that among these 92 airstrips, 68 are federal government airstrips being managed by the Ministry of Aviation and Aerospace Development while 24 belong to individuals and private organisations. This brings to the fore the need for deeper engagement of NCAA with the Ministry to streamline the operator and regulator status for effective management," he explained.

Balang added: "Besides the basic AGA processes for permits, the importance of aviation security will be emphasised," adding that there is a need to fashion out strategies to address emerging threats while maximizing the use of the airstrips to contribute significantly to socio-economic development of Nigeria as a nation.

"Undoubtedly, regulatory duties have long gone past the threshold of 'stick wielding,' it is strategic collaboration for effective results without compromising standards," he stressed.

Chris Najomo, NCAA director general, said the aim of the engagement was to enhance communication between NCAA and state and private airstrip operators/owners; clarify regulatory requirements applicable to airstrip construction, operations and safety standards; identify and address challenges faced by state and private airstrip operators; explore collaborative opportunities for airstrip development and integration into Nigeria's aviation system and to promote the adoption of global best practices in airstrip operations and management.

"It is my fervent hope that these objectives will be fully realized and airstrip operations in Nigeria will, henceforth, be conducted in strict compliance with all regulatory provisions and global best practices," Najomo said.

L-R: Balang Godwin, director, aerodrome and airspace standards, NCAA; Chris Najomo, director-general, NCAA; Danjuma Adamu Ismaila, rector, NCAT; Peter Vember, director, aerodrome operations, Ministry of Aviation and Aerospace Development; and Anastasia Gbem, director, human resources and administration, at a stakeholders' engagement with airstrip owners and operators organised by the Authority in Lagos, recently

Air Peace chief pushes synergy on Nigeria aviation security

Cautions overreliance on hardware, checklist

Allen Onyema, chairman, Air Peace

AVIATION STAKEHOLDERS HAVE been urged to make concerted efforts to strengthen airport security in the country.

Allen Onyema, chairman of Air Peace, said at a recent high-level symposium on the "Fundamentality of Aviation Security in Achieving the Safe-Skies Goal" held in Lagos, that aviation security is not just protocol, it's the industry's "lifeblood."

According to him, with global threats evolving at breakneck speed, from cyberattacks to insider threats and terrorism, Nigeria's aviation architecture must be continuously reimagined and strengthened.

He spoke of the importance of synergy, warning that "No one agency or operator can do it alone, airlines, airport authorities, security agencies, regulators, and private sector partners must work in concert."

Onyema highlighted how Air Peace has modeled this collaborative approach by investing heavily in cutting-edge security technology, continuous training, and institutional partnerships.

However, the veteran airline boss cautioned against an overreliance on hardware and checklists.

"Security is also about mindset," he said, emphasising that vigilance, intelligence-sharing, and uncompromising compliance must be cultural norms across the aviation ecosystem.

Onyema urged the symposium not to become "another talkshop," but a launchpad for concrete, collective action.

"It is a privilege to be here this morning," he said, while acknowledging the Nigeria Civil Aviation Authority for organising the symposium and for its persistent efforts in oversight and regulation.

He said: "It is a privilege to be here this morning, let us share best practices, raise hard questions, and commit to actionable outcomes."

He also reaffirmed Air Peace's commitment to collaboration and aviation excellence. "Our passengers deserve nothing less and our future as an aviation nation depends on it," Onyema said.

Ethiopian, Africa's largest airline, plans driving tourism to Nigeria

Sade Williams/Business a.m.

AFRICAN LARGEST CARRIER, ETHIOPIAN Airlines, says it will drive tourism, entertainment and cultural events in Nigeria to keep their growing momentum with the country fast emerging as the continent's leading hub for such events.

The connects over 60 African cities to its expansive global network and plays a key role in facilitating trade and tourism across the continent.

Firiehiwot Mekonnen, newly appointed area manager of Ethiopian Airlines in Nigeria, said the airline will intensify its efforts to promote tourism to and from Nigeria.

"Ethiopian Airlines is a connector of African trade and tourism. We are committed to driving more tourism into Nigeria from around the world and also encouraging Nigerians to explore Ethiopia and other parts of Africa," she said.

Ethiopian Airlines has consistently supported major Nigerian cultural events, including Carnival Calabar, offering discounted fares and seamless travel options.

"We'll also ensure that 'Detty December' is even more accessible for Nigerians," Mekonnen added.

She emphasised Nigeria's untapped tourism potential, highlighting the country's rich culture, natural beauty, and diverse attractions that deserve global attention.

Firiehiwot Mekonnen, area manager Nigeria, Ethiopian Airlines

Renowned for their love of travel, Nigerians have long benefited from Ethiopian Airlines' extensive global reach. The airline has proudly served Nigeria since 1960, operating its most modern fleet on Nigerian routes.

The new area manager for Nigeria brings a wealth of experience to her new role. Most recently, she served as the head of ET Holidays, overseeing all travel and tour packages under Ethiopian Airlines.

Her career also includes leadership roles in Europe and Nigeria, where she previously served as the general manager in Lagos and as TSM for the Abuja station. Her deep expertise in travel, tourism, and airline management will further strengthen Ethiopian Airlines' presence and impact in Nigeria.

Emirates signs MoU with Nigeria to boost int'l visitors

Sade Williams/Business a.m.

EMIRATES AND NIGERIA'S Ministry of Arts, Culture Tourism and the Creative Economy recently signed a memorandum of understanding (MoU) at the 2025 Arabian Travel Market, to boost international visitors to Nigeria.

The partnership underscores the airline's commitment to the market through attracting visitors from across its global network of more than 140 passenger destinations, as Nigeria's tourism roadmap aims to make the country a major holiday destination in Africa.

Under the MoU, Emirates will help to promote inbound tourism to Nigeria from key markets on its network, encouraging travellers to experience the country's rich cultural heritage and diverse natural beauty, from sunlit coastlines to vibrant wetlands. Both partners will also develop programmes for trade partners, hoteliers and tour operators, to showcase the heartbeat of Africa as well as exploring incentives, familiarisation trips and other marketing initiatives.

The MoU was signed by Adil Al Ghaith, Emirates' senior vice president, commercial operations centre, and Abiola Abdulkareem, special assistant to the minister on sub-national development and tourism, in the presence of the minister of art, culture, tourism, and the creative economy, Hannatu Musa Musawa; Faiz Imam, chief adviser to the minister; Zayyanu Ibrahim, consul general, Federal Republic of Nigeria in Dubai, UAE; Adnan Kazim, Emirates' deputy president and chief commercial officer; Nabil Sultan, Emirates' executive vice president, passenger sales and country management; alongside other senior officials.

The MoU was signed by Adil Al Ghaith, Emirates' senior vice president, commercial operations, and Hannatu Musa Musawa, minister of art, culture, tourism & the creative economy, in the presence of Adnan Kazim, Emirates' deputy president and chief commercial officer, and Nabil Sultan, Emirates' executive vice president, passenger sales & country management, along with other senior officials.

Commenting on the signing, Adnan Kazim said: "Since resuming operations to Lagos in October 2024, we have focused on deepening our strategic partnerships with key stakeholders in Nigeria's aviation, tourism and trade sectors. This partnership with the Nigerian Tourism Ministry solidifies our commitment to driving international travellers to experience the country's fascinating history, its urban cities, the untapped, stunning natural world and, of course, the warm hospitality that characterizes Nigerian culture."

In her remarks, Minister Hannatu Musa Musawa expressed her enthusiasm about the collaboration.

"This partnership with Emirates marks a pivotal moment for Nigeria's tourism sector. It serves as a critical springboard for driving inbound tourism as we work towards delivering on our Destination 2030 Soft Power Initiative, endorsed by Mr. President to position Nigeria as a global leader in culture, heritage, and creativity. Strengthening strategic alliances with international stakeholders like Emirates not only opens new gateways for visitors but also empowers local communities, stimulates economic growth, and showcases Nigeria's extraordinary cultural tapestry to the world."

Nigeria's tourism sector is poised for significant growth, fuelled by major investments in infrastructure, tourist facilities, and enhanced connectivity to and from the country.

The partnership between Emirates and the Ministry — to be driven by its agency for tourism promotion, the Nigerian Tourism Development Authority (NTDA) — supports this exciting new chapter. It is further bolstered by the recently signed interline agreement between Emirates and Air Peace, which expands Emirates' reach to 13 additional cities across Nigeria.

Travellers flying from Dubai to Lagos can now seamlessly connect to destinations including Nigeria's capital and cultural heart, Abuja; the historic city of Benin; the natural wonders around Calabar; and many other vibrant cities — all on a single, frictionless ticket.

Emirates is one of only two airlines operating First Class into Lagos, offering the best experience in the sky defined by the airline's renowned luxurious touches, comfort and privacy. Inbound tourists will get a taste of Nigerian culture before they even land, dining on regionally inspired multi-course menus and tuning into Nigerian movies on Emirates' award-winning inflight entertainment system, ice.

The Airport Customer Experience

A day to celebrate pilots

AS WITH A GREAT NUMBER of professionals across other industries, there is also a day dedicated to celebrating the importance of pilots. One day a year is set aside to recognise the many contributions pilots have made in safely transporting millions of people around the globe.

The role of pilots, including commercial pilots, flight instructors, private flight crew, fighter jet pilots and recreational pilots, is recognised across the globe during International Pilots' Day.

World Pilots' Day, which is celebrated each year on April 26, traces its origins back to 1912 when a young Turkish pilot named Fesa Evrensev took to the skies for the first time. According to Turkish sources, Evrensev flew missions during the 1912-1913 First Balkan War when the combined armies of Bulgaria, Serbia, Greece, and Montenegro took back 82 percent of their occupied lands from the Ottoman Turks. Twenty years later, in 1933, Evrensev became the first president of the Turkish national flag carrier Turkish Airlines.

In 2013, prompted by the Turkish Airlines Pilots Association, the International Federation of Air Line Pilots Associations (IFALPA) concluded it was high time that a day was set aside to celebrate pilots. Because Turkish pilots initiated this idea, the anniversary of Fesa Evrensev's first flight was chosen.

The idea to create IFALPA occurred during a 1948 meeting of various airline pilot associations. This initiative is the result of the reasoning that to get different organisations to work coherently, an international body was needed to look after all their interests, especially when communicating with the International Civil Aviation Organisation (ICAO), which is a United Nations agency that promotes the safe and orderly development of international civil aviation. Since its founding 74 years ago, the IFALPA has grown from its 13 founding members to over 104 pilot associations and represents more than 100,000 pilots worldwide.

World Pilots' Day is a great opportunity to recognise the dedication and hard work of pilots worldwide. It highlights the crucial role pilots play in ensuring safe and efficient air travel. Acknowledging pilots' expertise and dedication can lead to better flight operations, reducing delays and enhancing overall customer satisfaction. Stories of pilots' journeys and experiences can inspire travellers to explore new destinations.

Airlines and aviation organisations often use this day to celebrate pilots, sometimes offering special events or promotions. When airlines prioritise pilot training, safety, and well-being, customers may feel more confident in the airline's ability to deliver a safe and enjoyable journey.

Pilots' professionalism and commitment to safety directly impact passenger well-being, contributing to a positive travel experience. Travellers gain a deeper understanding of the challenges pilots face, fostering respect for their expertise through the celebration of pilots.

Airports and airlines can leverage World Pilots' Day to raise awareness about the importance of pilot training and safety protocols; celebrate the achievements and dedication of pilots to their profession. Through observing such a day they can share stories about pilots' experiences and the importance of their role in ensuring safe and enjoyable air travel.

So, as pilots take to the skies once again following the challenging time because of the pandemic, it is more important than ever to celebrate the hard work, dedication and resilience of pilots around the world.

EKELEM AIRHIHEN

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Stories by Joy Agwunobi

MTN targets Q2/Q3 turnaround in network quality amid regulatory heat

MTN NIGERIA, THE LARGEST TELEcommunications provider in Africa, has promised a significant enhancement in service quality by the end of the second quarter and into the third quarter of 2025.

This assurance follows mounting regulatory pressure from the Nigerian Communications Commission (NCC), which has consistently emphasised the need for improved service delivery across the telecom industry. A major catalyst for this renewed commitment stems from the NCC's conditional approval of a recent 50 per cent tariff increase, which was granted with the expectation that telecom operators would prioritise network upgrades and overall quality enhancement.

Speaking during a recent televised interview, Karl Toriola,the chief executive officer of MTN Nigeria, acknowledged the clear directive from regulatory authorities concerning the urgent need to address quality of service (QoS) concerns. He stated that the company is under "clear and significant pressure" not only from the NCC but also from security agencies, all demanding visible improvements in network performance.

"There was a clear understanding and expectation from our regulatory authorities that with the approval of the 50 per cent tariff increase, we needed to address quality. We are under significant pressure not just from our primary regulator, the NCC, but also from security agencies regarding persistent quality of service issues," Toriola said.

L-R: Midala Balami, deputy chairman, house committee on communications; Aminu Maida, executive vice chairman/CEO, Nigerian Communications Commission (NCC); Ibrahim Isiaka, deputy chief whip, House of Representatives; Peter Akpatason, chairman, house committee on communications; and Rimini Makama, executive commissioner, stakeholder management, NCC, during a 2-day colloquium on a Legislative Agenda on the Nigerian Communications Act 2003 in Lagos recently.

He revealed that MTN Nigeria has already taken bold steps toward this goal, as reflected in its capital expenditure (capex) plans. According to the company's Q1 2025 financial report, MTN invested over 202 billion in capital expenditure—representing a 159 per cent increase year-on-year.

"Even though we haven't started seeing substantial revenue inflows from the tariff adjustments, we have made a strong commitment. We are looking at spending nearly double what we invested in 2023 and 2024 combined. we are targeting close to 900 billion in capital expenditure - subject to our financial performance, with a singular focus of addressing the quality of service concerns," Toriola explained.

He emphasised that the company's aggressive investment strategy is aimed at resolving the multifaceted issues affecting service quality. A key area of concern, he noted, is ensuring consistent power supply—particularly diesel—for MTN's nationwide network of base stations, to prevent frequent site outages.

Reflecting on the challenges faced in the previous year, Toriola disclosed that the firm was operating at a financial deficit just to maintain its network. "Last year, we were burning about 130 per cent of the cash we were earning, meaning we had to borrow just to keep the network operational," he said. "Now, with the gradual stabilisation of the Naira, we are in a better position to meet our obligations and invest aggressively."

He added that these investments are targeted primarily at urban centers such as Lagos and Abuja, where rapid urbanisation has led to coverage gaps and increased demand for network capacity. "In cities like Lagos and Abuja, new buildings are springing up rapidly. That creates the need for additional sites and infrastructure to ensure resilience and adequate coverage," he said.

According to Toriola, 2025 will be a year of massive capital expenditure for MTN Nigeria, focused squarely on restoring and enhancing service quality. "We have already begun the process. Placing orders for equipment involves multiple stages, formal orders, letters of credit, shipment, installation, and sometimes even site acquisition or fiber deployment. All of this takes time, but the work is ongoing," he said.

Toriola added "By the end of Q2 and into early Q3, customers will begin to see tangible improvements in quality of service. That is the primary objective driving our increased investment, made possible through the recently approved tariff adjustment."

Beyond urban areas, MTN is also prioritising the expansion of coverage in underserved and rural communities. Toriola noted that while Nigeria boasts a sophisticated financial services landscape, access to digital services remains uneven.

"In places like Lagos, Enugu, Port Harcourt, Kano, and Kaduna, digital financial services have flourished because of high smartphone penetration. But that's not the reality in rural communities. There, many people still don't own smartphones or have consistent access to digital platforms," he said.

Responding to concerns about whether further tariff increases are on the horizon to fund deeper network investments, Toriola reiterated that while telecom operators had initially sought a 100 percent hike, it was appreciative of the 50 per cent granted. However, he stressed that future adjustments would depend on demonstrated improvements.

"We are grateful for the 50 per cent increase. We understand that this is a process. Authorities need to see visible improvements in quality of service before any further tariff discussions can take place," he said. "The need for a sustainable telecoms industry, particularly in the face of inflation and rising operational costs, is evident. But such sustainability doesn't come free—it requires commitment and accountability from operators.

Toriola also confirmed that the long-standing dispute over Unstructured Supplementary Service Data (USSD) charges between telecommunications operators and Nigerian banks has been fully resolved. According to him, the impasse was amicably settled through collaborative efforts involving all key stakeholders.

He extended gratitude to the Central Bank of Nigeria (CBN) and the Nigerian Communications Commission (NCC) for their instrumental roles in facilitating the resolution. "We sincerely appreciate both regulators for their intervention. The issue has been conclusively addressed—we have recognised the revenue in full, and payments have been received," he added.

Nigeria's telecoms back $1bn infrastructure bet to power next-gen connectivity

NIGERIA'S TELECOMMUNICATIONS industry is doubling down on user experience and digital infrastructure as key drivers of economic growth, with operators and regulators committing over $1 billion in new capital expenditure in 2025.

The move is designed to tackle persistent service quality issues, enhance digital connectivity, and position the country for a tech-powered economic leap.

The fresh investment—exceeding the sector's total outlay for both 2023 and 2024 combined -- is targeted at modernising network infrastructure through the acquisition and deployment of next-generation telecom equipment.

Industry stakeholders say this push will expand coverage, improve service reliability, increase data speeds, and accommodate the rising demand for digital services in both urban and underserved rural areas.

Aminu Maida, executive vice chairman of the Nigerian Communications Commission (NCC), disclosed the development at a recent colloquium themed "The Nigeria Communications Act 2003, 22 Years After: Challenges, Opportunities and Future Directions for a Digital Nigeria." He described the $1 billion commitment as a decisive step towards building a resilient and future-ready telecoms ecosystem.

"This year's investment surpasses previous years, and orders for critical equipment have already been placed," Maida stated, noting that a significant portion of the infrastructure will be manufactured by Original Equipment Manufacturers (OEMs). "This will improve the quality of service, increase capacity, and create new jobs across the telecom value chain."

Beyond enhancing the user experience, the investment is expected to power the rollout of transformative technologies such as 5G, Artificial Intelligence (AI), and the Internet of Things (IoT), which are seen as central to Nigeria's transition into a digital economy. These technologies, Maida explained, will require scalable networks with higher capacity to support more users, reduce call drops, and drive innovation across various sectors.

The executive vice chairman also underlined the wider economic impact, stressing that improved telecom services can raise productivity, expand digital inclusion, and grow telecom revenues—an outcome that could boost the sector's already significant contribution to the country's GDP, which stood at approximately 14 percent as of Q3 2024.

However, Maida cautioned that the journey to digital transformation is fraught with systemic hurdles. These include high costs of Right of Way (RoW) approvals, erratic power supply, mounting operational expenses, cybersecurity risks, and capital constraints—all of which continue to undermine infrastructure rollout and service reliability, especially in rural communities.

"Progress is not a destination, but a journey.The industry is undergoing a seismic shift driven by AI, quantum computing, 5G, IoT, and blockchain. For Nigeria to remain competitive, our regulatory framework must evolve just as quickly," Maida said.

In this regard, Maida made a strong case for a comprehensive review of the Nigerian Communications Act (NCA) of 2003, which he described as increasingly outdated and misaligned with current technological realities. While acknowledging the Act's legacy—such as growing mobile subscriptions from less than 300,000 in 2001 to over 150 million today he noted that Nigeria's future digital ambitions require a more agile and forward-looking legislative framework.

He commended the National Assembly for opening the dialogue around policy reform, stressing the NCC's readiness to collaborate with lawmakers, industry players, and international partners to craft a progressive and responsive legal blueprint.

Similarly, Peter Akpatason, chairman of the House of Representatives Committee on Communications, emphasised the need for a regulatory overhaul aimed at fostering innovation, enhancing competition, and boosting investor confidence.

Akpatason advocated for a far-reaching review of existing regulations to address pressing and emerging technological trends. These include the deployment of 5G networks, the regulation of artificial intelligence, and the strengthening of cybersecurity measures. He also stressed the importance of policies aimed at closing the digital divide and ensuring inclusive access to digital services across Nigeria.

"We must consider revising the Act to accommodate emerging issues such as 5G, artificial intelligence, and blockchain, ensuring that our regulatory framework remains flexible and responsive to evolving market dynamics," he stated.

In addition to regulatory reforms, Akpatason underscored the importance of supporting digital innovation and entrepreneurship. He recommended a mix of strategic initiatives including tax incentives, access to funding, and robust skill development programmes to empower startups and tech-driven enterprises.

According to him, the revised Act should incorporate robust measures to support innovation, including investment in research and development, the establishment of innovation hubs, and partnerships with international organisations.

As Nigeria intensifies efforts to close its digital divide, the $1 billion telecoms investment is expected to not only stimulate growth but also drive down operating costs, improve consumer pricing, and position the industry to capture new revenue streams.

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SEC exposes Tofro.com as unregistered ponzi platform

Stories by Joy Agwunobi

THE SECURITIES AND EXCHANGE COMMISSION (SEC) has issued a strong public warning against investing in Tofro.com, a self-proclaimed cryptocurrency investment platform operating in Nigeria without regulatory approval.

In a statement published on its official website, the Commission made it clear that Tofro.com is neither registered nor authorised to engage in any investment-related activities within the Nigerian capital market.

The SEC cautioned that the platform operates outside the purview of Nigerian financial regulations and poses risks to unsuspecting investors.

The regulatory body's warning comes amid a growing trend of Ponzi schemes targeting Nigerian citizens, many of which have resulted in massive financial losses running into trillions of naira. These schemes typically promise unusually high returns and thrive on aggressive referral systems, often collapsing when inflows slow down, leaving investors stranded.

According to the SEC's findings, Tofro exhibits all the hallmarks of a classic Ponzi scheme. The Commission noted that the platform makes exaggerated claims of profit, depends heavily on the recruitment of new members to sustain payouts, and has consistently failed to honour withdrawal requests made by subscribers.

L-R : Lord David Hanson, UK minister of state for Home Affairs; Lateef Fagbemi, minister of Justice and attorney general of the Federation and Beatrice Jedy-Agba, solicitor general and permanent secretary, Ministry of Justice, during the official launch of the Joint Case Team on Cybercrimes and sighing of the Multilateral Memorandum of Understanding in Abuja recently.

The statement reads: "The Commission hereby informs the public that Tofro is NOT REGISTERED by the Commission either to solicit investments from the public or to operate in any other capacity within the Nigerian capital market."

"Investigations have revealed that Tofro's operations exhibit the typical indicators of a fraudulent Ponzi scheme, including the promise of unusually high returns, heavy reliance on a referral system to sustain pay-outs and failure to honour withdrawal requests from subscribers. Accordingly, the public is strongly advised to be wary about investing with Tofro, as any person who places such investment with the entity, does so at his/her own risk."

In light of the recent proliferation of fraudulent online investment platforms, the SEC is doubling down on its investor protection mandate. The Commission urged Nigerians to carry out thorough due diligence before committing their funds to any financial scheme, particularly those that are unregulated.

The SEC reiterated its commitment to protecting Nigerian investors and encouraged the public to verify the registration status and legitimacy of any investment platform through the official SEC website or other approved regulatory channels.

It also called on the public to remain vigilant and to report suspicious platforms or investment schemes for immediate regulatory action.

Stakeholders demand telecom law overhaul

STAKEHOLDERS IN NIGERIA'S telecommunications sector have reiterated the need for robust legislative frameworks to shield the industry from overregulation and to preserve the independence of the Nigerian Communications Commission (NCC).

This call was made during a panel session held in Lagos as part of a consultative forum organised by the NCC to review and update the Nigerian Communications Act (NCA) of 2003.

At the session, industry leaders expressed growing concerns over what they described as increasing regulatory encroachment, particularly from sub-national entities, which they say threatens the seamless delivery of telecom services nationwide.

Gbenga Adebayo, chairman of the Association of Licensed Telecommunications Operators of Nigeria (ALTON), underscored the escalating burden posed by overlapping regulations and intervention from state and local governments.

He cited the recent case in Kogi State where local agencies disrupted telecom operations, highlighting the urgent need for federal legislation that explicitly bars such interference.

"We are witnessing rising pressure from state actors who introduce parallel regulations that conflict with federal laws. Stronger legislative protections are essential to prevent these disruptions, which ultimately affect our ability to offer consistent and reliable communication services," Adebayo stated.

Adebayo also stressed the importance of safeguarding the NCC's institutional autonomy, especially in critical areas such as pricing and regulatory decision-making. "The independence of the NCC has been a cornerstone of the telecom industry's success in Nigeria. Preserving that autonomy is non-negotiable," he added.

Speaking from the regulatory standpoint, Chizua Whyte,head of legal and regulatory services at the NCC, acknowledged that while the Nigerian Communications Act of 2003 had served as a foundation for sectoral growth, it now required substantial updates to reflect evolving technologies and emerging industry realities.

"There's a need to modernise the Act to cater for new digital dynamics, such as Over-the-Top (OTT) services, and to resolve persistent interconnection issues. The revised legislation should also introduce a distinct chapter addressing communication-related offences and infrastructure protection," Whyte explained.

Zabira technologies accelerates Africa's digital payment shift

AS THE WORLD MOVES AWAY from physical cash, digital payments are rapidly transforming the landscape of global commerce. Africa, historically reliant on cash transactions, is experiencing a rapid transformation as digital platforms gain traction across the continent.

According to a Mastercard-commissioned report, Africa's digital payments market is forecasted to reach $1.5 trillion by 2030, driven by growing mobile phone penetration and the rapid expansion of e-commerce. While cash remains prevalent in many regions, mobile money and digital payment systems are becoming essential for businesses and consumers alike.

Zabira Technologies, a fintech company established in 2019, is playing a pivotal role in simplifying Africa's transition to a cashless economy. The company's flagship platform offers a range of services designed to cater to the needs of SMEs, freelancers, and online merchants looking to adopt digital payment methods. By combining crypto trading, utility payments, and fiat transactions in a single app, Zabira aims to streamline financial management and enhance user experience.

The company's app supports four major fiat currencies—USD, NGN, GHC, and KES in making cross-border transactions seamless. Additionally, it provides access to over 20 cryptocurrencies, offering users the flexibility to manage both traditional and digital assets. This ensures that businesses can meet the growing demand for alternative payment solutions, while maintaining an edge in international markets.

In a recent statement, the firm shared a set of considerations that can help SMEs and digital entrepreneurs navigate the shift effectively.

One of the key recommendations is the adoption of an integrated payment platform. According to the firm, using a system that consolidates multiple financial services—such as cryptocurrency trading, utility payments, and fiat transactions—could help streamline operations and reduce the friction often associated with juggling separate financial tools.

On the topic of cryptocurrency, the company pointed to the growing relevance of crypto assets in Africa's payment ecosystem. With Bitcoin, Ethereum, and USDT gaining traction, especially among diaspora communities sending remittances back home, businesses may benefit from embracing crypto payment options early to remain competitive in international transactions.

Addressing the common challenge of delayed payments, Zabira noted that blockchain-based systems could offer a solution by enabling real-time fiat settlements. For many businesses, faster access to funds can help improve liquidity and maintain smooth relationships with suppliers.

The user experience of payment platforms was also highlighted. Simplicity and ease of navigation were cited as essential features for SMEs, particularly those without dedicated IT departments. A platform that is intuitive and accessible across devices, the company suggested, is more likely to be widely adopted.

Lastly, businesses were encouraged to view digital platforms not just as payment processors but as tools for offering added value. Beyond standard transactions, some apps now allow users to perform tasks such as topping up airtime, paying utility bills, and funding digital wallets. Incorporating such features, according to Zabira, may help businesses attract and retain customers by offering convenience in a single interface.

While the recommendations align with Zabira's offerings, they reflect broader trends shaping Africa's digital payment landscape. With more fintech companies entering the space and competing to offer comprehensive solutions, businesses now have a range of tools to choose from as they transition away from cash-based models.

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Data Protection Officers should be heart of innovation

Data & Information Governance

MICHAEL IRENE, PhD

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IN A QUIET BUT consequential meeting with representatives from the Information Commissioner's Office (ICO) this week, a simple idea was put forward with immense weight: Data Protection Officers (DPOs) must not sit on the sidelines of innovation. Instead, they should be part of the process, giving early input, shaping implementation, and anchoring compliance from the start. Not just because it ticks a legal box — but because it strengthens trust and drives smarter outcomes.

Too often, DPOs are brought in too late. A product is ready for release. A customer platform is halfway built. An AI-driven solution is weeks from deployment. And only then does someone raise a hand to say, "Have we spoken to the data team?" By that stage, any changes are costly, disruptive, and invariably met with resistance. The opportunity to build privacy in — naturally, seamlessly — has been lost.

The ICO, to its credit, recognises this. Their project sandboxes are an excellent example of proactive regulation. By inviting organisations to test new initiatives under regulatory supervision, they're giving room for innovation to breathe and for safeguards to be put in place. But more than that, they're showing that privacy professionals are not obstacles. We're architects.

This approach needs to be normalised — not only at the regulatory level, but inside companies themselves. Especially in jurisdictions where data protection is still finding its footing, like Nigeria, the opportunity is clear: we can take in best practice from the beginning, rather than retrofitting controls under pressure. For too long, compliance has been viewed through a narrow lens — a set of tick-boxes, policies on shelves, training sessions once a year. That's not data protection. That's insurance.

Real data protection is cultural. It's about design decisions. It's about language — what we say to our customers, what we show on screen, what permissions we ask for, and how often we revisit our assumptions. It's about knowing that just because the law allows something doesn't mean we should do it. And all of this becomes possible when DPOs are part of the discussion from day one.

In truth, the companies that are getting this right are the ones that treat data protection as a competitive advantage, not a burden. They are the ones inviting their privacy teams into brainstorming sessions, scoping documents, wireframes, and strategy decks. They understand that trust is earned over time and lost in seconds. They know that their brand lives or dies by how well they handle their customers' information.

This is not a call for DPOs to slow things down. It's quite the opposite. It's a call to bring in the voices who will help projects move faster by getting the details right early. When the ICO invites input, they're creating a model of collaborative governance. And companies should do the same. Build your own sandbox. Test your assumptions. Invite challenge. It will cost less. It will protect more. And it will reflect well when regulators inevitably come calling.

In Nigeria, where the NDPA 2023 has laid the foundation for stronger data rights, this is an opportunity. Regulators can follow the ICO's lead by opening structured avenues for DPO input. But the private sector mustn't wait to be told. Banks, fintech firms, telecoms, edtech start-ups — they all handle enormous volumes of personal data. They must treat their DPOs not as watchdogs but as partners in delivery.

If privacy professionals are left out of the room, organisations will continue to stumble into crises they could have easily avoided. But if they are given a seat at the table — and a voice worth hearing — the result is something rare in today's tech landscape: confidence. Not only that the right thing is being done, but that it's being done deliberately, responsibly, and with foresight.

That's what data protection is for. Not to slow the future down — but to help us build it better.

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Draft national AI policy: Way to a comprehensive strategy

Technology & Society

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IN AN ERA WHERE DATA, automation, and intelligent systems increasingly define global competitiveness, Nigeria is taking a commendable step toward shaping its future with the development of a draft National Artificial Intelligence (AI) Policy. This initiative, spearheaded by the National Information Technology Development Agency (NITDA), signifies more than just a technological milestone — it is a bold attempt to strategically position Nigeria in the global AI landscape, with promises of inclusive growth, digital sovereignty, and innovation-led development.

Artificial Intelligence is no longer the realm of speculative fiction. Nations around the world are harnessing its capabilities to drive growth in healthcare, education, agriculture, transportation, and security. From China's AI-driven surveillance systems to the United Kingdom's NHS diagnostic tools powered by machine learning, the 21st-century digital arms race is being fought not with weapons, but with algorithms.

Africa, however, has often lagged behind in developing frameworks to regulate, guide, and incentivize AI development. Nigeria, as Africa's most populous country and one of its largest economies, has a unique responsibility and opportunity to lead the continent in shaping ethical and impactful AI deployment.

The draft National AI Policy aims to create a clear roadmap for how Nigeria will research, develop, adopt, and govern AI technologies. Its core focus lies in leveraging AI to solve indigenous problems, increase productivity, foster innovation, and ensure national security.

Crucially, the policy is being developed through a consultative process, involving stakeholders from academia, industry, civil society, and international partners. This collaborative approach is vital, as it ensures that the policy will not be another shelf document, but a living framework responsive to real-world challenges and opportunities.

The draft policy outlines several strategic pillars that will define Nigeria's AI trajectory:

Research and development (R&D): The policy emphasizes investment in local AI research, talent development, and the establishment of AI hubs. This is essential to reverse the current brain drain and empower local technologists to build solutions that reflect the country's cultural and economic realities.

Data infrastructure and governance: AI systems are only as good as the data they are trained on. Nigeria's policy aims to promote open data initiatives while also addressing data privacy, security, and sovereignty. Clear regulations on data usage will be vital in building public trust.

Skills and capacity building: To capitalise on AI, Nigeria must invest in human capital. The policy proposes curriculum reforms, AI bootcamps, and scholarships to nurture a generation of data scientists, machine learning engineers, and AI ethicists.

Ethics and inclusion: Nigeria is wisely including ethics at the heart of its AI framework. By mandating transparency, accountability, and fairness in AI applications, the policy seeks to avoid discriminatory or exploitative systems. It also promotes the inclusion of marginalized groups to ensure equitable access to AI benefits.

Industrial and economic growth: The policy envisions AI as a catalyst for Nigeria's digital economy, particularly in key sectors like agriculture, health, fintech, and smart cities. Startups and SMEs will be incentivised to develop AI solutions, potentially creating thousands of high-value jobs.

International cooperation: Nigeria's draft AI policy also underscores the importance of global partnerships to access funding, best practices, and technology transfer opportunities.

While the intentions are noble, the path to actualising this vision will not be smooth. Infrastructure deficits such as poor broadband penetration, inconsistent power supply, and limited cloud computing capacity remain major barriers to AI implementation.

Moreover, building a robust ecosystem requires not just policy but long-term political commitment, sustainable funding, and cross-sectoral alignment. Without appropriate regulatory mechanisms, there is also a risk of unethical AI applications, ranging from surveillance overreach to algorithmic bias.

There is also the issue of digital literacy. A large segment of Nigeria's population lacks even basic digital skills, let alone AI fluency. For the policy to have meaningful impact, the government must complement it with grassroots awareness and education programmes.

One of the strengths of the draft AI policy is its emphasis on public participation. Civil society, academia, tech communities, and development organisations must actively engage with NITDA to refine and implement this framework. Beyond feedback, they must hold the government accountable for measurable deliverables — such as the establishment of AI labs, training centers, and funding for indigenous innovation.

Private sector engagement will also be critical. Nigerian tech startups, telcos, and financial institutions are already experimenting with AI in fraud detection, customer service, and credit scoring. They must work with policymakers to scale these innovations responsibly and inclusively.

Nigeria's draft National AI Policy is not just about technology — it's about preparing a nation for the realities of a digital future. If well-executed, it can position Nigeria as a hub for ethical, inclusive, and impactful AI development in Africa.

The next steps are clear: consult, legislate, fund, and execute. It is time to move beyond pilot projects and press releases to real, scalable AI deployment that empowers citizens, drives economic growth, and strengthens national resilience.

The future is intelligent — and with the right strategy, Nigeria can help shape it.

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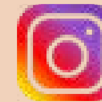 @businessamlive1
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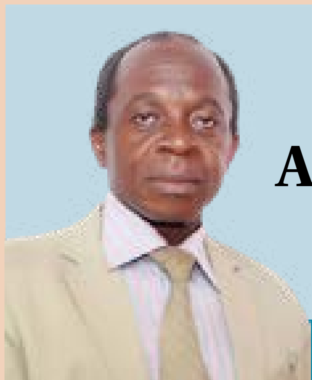

Africa & Global Observatory

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Africans must learn to control their own resources

WHETHER THROUGH PEACETIME or wartime, Africa's natural resources have always been attractive to those outside the continent. In Africa's modern day economy, extractive industry remains the major source of national revenues, especially as governments depend on the export of these commodities for running their countries' affairs. Produce from farm and non-farm agriculture or from minerals have been historically massively moved away to other countries, particularly in the Western hemisphere. Notwithstanding the long history of this, the practice still remains till now and even appears likely to be more pronounced in the future. Under the subsisting arrangements, the importing countries have been the greater beneficiaries while the exporting countries have remained at a disadvantage within the context of the global value chain. The prevailing arrangements seem like such as have been — and continues to be — skewed in favour of the importing countries and against the commodity-dependent exporting countries. Trade relations have proved this to be true over the years. Considering the failed Asia, Caribbean and Pacific- European Union's (ACP-EU's) Economic Partnership Agreement and World Trade Organisation's (WTO's) Doha Development Agenda, any commitment to Africa's development could be described at best as mere lip service.

Where tariff bands on exported commodities discourage value addition at the countries of origin, these measures look like hidden tactics to discourage the exporting countries from gaining much from their export commodities while exponential gains accrue to the importing countries where the price benchmarks are mostly determined. In agriculture, cocoa and coffee exports are prominent examples. Although the WTO is at the forefront of global free trade, it is obviously missing out on something. If the trade in cocoa and coffee presumably fails to meet key criteria on fair trade, a worse description probably suits trade in mineral exports. It is the trade in minerals that is at the centre of the crisis between the global North and the global South, particularly the African continent now. The endowment of Africa with abundance of mineral resources is not in doubt. What is worrisome, however, is how these minerals are being extracted and exported to develop the global North, leaving Africa to grapple with the social, economic, political and environmental consequences of mineral extraction.

Rather than abating, the urge to import minerals from Africa by the countries in the global North will be on the increase, especially under the Fourth Industrial Revolution era, and more especially as more technologies are emerging that will make greater demands on many different types of minerals that their deposits are in abundance in Africa. The increase in demand is engendering a variety of approaches directly or indirectly used by supply chain operators. These approaches are either seemingly innocuous, mild, benign or deadly. Those going through unofficial channels sometimes appear cheaper or costlier, with human rights and commodity quality often compromised. They often take the deadly form.

Those going through official channels have recently become objects and subjects of controversies at political and diplomatic levels. In Africa, more and more political leaders are beginning to question the traditional mineral export procedures, preferring rather to decide rules of the game instead of dancing to the tunes of the foreign miners who come in to operate in Africa. They are now waking up to the realisation that the foreign miners have been short-changing their countries for far too long and want to put an end to prior unfair deals.

The unofficial trade in minerals in Africa has been more of a scourge or curse. A particular commodity common to three African countries that have been at war in the past, involving rivals within, is diamond. The role of diamond trade in financing the wars in Angola, Liberia and Sierra Leone led to international condemnation of the trade in what was dubbed "conflict diamonds," "blood diamonds" or "illicit diamonds." Blood diamonds are diamonds mined in a war zone and sold to finance an insurgency, an invading army's war efforts, terrorism, or a warlord's activity. This term can be applied to other commodities under similar conditions, like the case of gold, which could conveniently be referred to as blood gold. Angola's return to war was funded by the international diamond trade, with UNITA forces earning at least $3.72 billion from illicitly obtained rough diamonds mined in the country, as the war raged on, between 1992 and 1998, according to Global Witness, quoted by the World Diamond Council. That constituted about 93 percent of all Angolan diamond sales during the period. The diamond mines served as the chief source of UNITA's money, arms, and fuel during the war.

For 14 years of the war spearheaded by Charles Taylor in Liberia, he was a trader in arms, timber and minerals and initiator of the first phase of the Liberian civil war. Charles Taylor, who later became Liberian President, was found guilty of aiding and abetting forces in Sierra Leone that committed war crimes and other atrocities; during Sierra Leone's brutal 10-year civil war, in which approximately 75,000 civilians were killed. The Revolutionary United Front (RUF) leaders were aware that whoever controls the diamond mines controls Sierra Leone. They used profits from smuggled diamonds to fund their attacks. According to the UN report, the RUF's diamond trade was estimated at something between $25 million and $125 million a year. For Sierra Leone, diamonds are a curse and a blessing. A blessing only as the same resource could help make the country one of the richest in Africa. It was a curse in that it contributed to the civil war that left thousands dead.

Mohamed Hamdan Dagalo also known as Hemedti, leader of Sudan's paramility Rapid Support Services (RSF), who is very rich, has been accused of illicit gold plundering, involving illicit gold mining and sales. In the ongoing war in Sudan, the illegal smuggling of these minerals has deprived governments of crucial tax revenues that could be used for public services. Yet, a gold mining boom takes a human toll, while the real figure, including illicit artisanal mining sponsored by military forces, remains a guesswork. A de facto split in Sudan's gold-mining areas and forms of illicit minerals has been reinforced and amplified as Sudan's militia leader is allegedly part of illegal gold sales, with Dagalo at the centre as illegal gold trade by both RSF and Army is used to generate funds to pump weapons into Sudan. Some Asian impostors were reportedly caught off guard recently in Kenya, in which seven Chinese nationals were convicted of illegal mining in Kenya's West Pokot.

In the DR Congo where armed groups are fighting for the control of minerals, tech giant Apple disputed the claims filed against its subsidiaries in France and Belgium. The DR Congo had filed a criminal complaint against the tech giant for using conflict minerals in its supply chain. The company said it has told suppliers not to use minerals sourced from the DR Congo or Rwanda. But rights groups wanted immediate action against conflict minerals. They said some mines in DR Congo are run by armed groups involved in war crimes. DR Congo is a major source of tin, tantalum, and tungsten that are used in computers and phones. The country is estimated to have $24 trillion worth of mineral deposits. This is a microcosm of the dilemma of Africa and a major reason why many Western countries are unlikely to be willing to let go of control over Africa. In particular, the enablers of corrupt practices from within and outside Africa are actively working against the economic emancipation of the continent. This is partly responsible for why political leaders that do not fall in line with the foreign beneficiaries are treated with scorn, disdain or are easily eliminated. Cyril Ramaphosa, South Africa's president, once said in a global forum that "Africa should never be seen as a continent that needs generosity. We want to be treated as equals. There should be a good measure of equality among sovereign nations. Our sovereignty is one of the things we hold on dearly to. During COVID-19 and in relation to vaccine access, we felt like life in the northern hemisphere is much more important than life in the global south. And these are issues that need to be addressed." But very recently, some African leaders that chose to turn the tide in favour of their countries by reviewing the official agreements on mining have been variously under attack. Since 2017, since John Magufuli, then Tanzania's president, signed into law new mining bills which require the government to own at least a 16 percent stake in mining projects as well as increase royalties tax on gold and other minerals, he has come under intense criticisms in what appeared like a well coordinated propaganda and smear campaigns, particularly from foreign media. He also insisted that raw minerals be processed within the country to add value before export. His government was tagged undemocratic and brutal. The attacks stopped immediately after his death that was purportedly from his non-compliance with COVID-19 protocols, particularly the vaccinations. While all this was happening, many non-performing leaders of other countries appeared to have been taking note. In 2021, Félix Tshisekedi, president of the Democratic Republic of the Congo (DR Congo), called for a review of mining contracts signed with China in 2008 by his predecessor because they were not sufficiently benefiting the country's citizens. His government therefore was poised to review its $6 billion "infrastructure-for-minerals" deal with Chinese investors. Since the military took over in Mali, Burkina Faso and Niger, all three have changed their policies on mining.

Recently, Niger Republic in partnership with an Emirati company, teamed up to establish its first gold refinery and gemstone processing units. This venture will comprise a gold refinery, jewelry manufacturing, and a gemstone cutting and polishing center in Niger. The latest is Burkina Faso where military leader, Ibrahim Traoré, is calling the bluff of foreign powers, choosing instead to concentrate on local miners. He too has already begun having serious backlash from disgruntled foreign powers who claim that Traoré was using the wealth accruing from mineral exports to fortify himself.

Of course, Captain Traoré stands out as a beacon of hope and a positive reference point in patriotism for Africans. However, his patriotism is scorned by those who would want to keep plundering the mineral and agricultural resources of Africa through malleable allies. Africans who are disappointed with the negative responses from the West need to remember what an economist, Professor Howard Nicholas, said some years ago about Africa. According to Nicholas, the poor state of development in Africa was deliberate. Nicholas talked about how the global economic system keeps Africa impoverished, dependent on raw material production, and unable to industrialise. He explained how Western countries keep Africa poor for their own survival, using economic structures and institutions. He highlighted six economic structures that keep Africa poor: namely aid, debts, foreign loans, monopoly buying structures, international economic institutions, and destruction of food self-sufficiency. Against these backdrops, the songs of two different singers from Côte d'Ivoire resonate well, allegorically.

The first song of reference, although a personal story of the singer, is about learning not to be fooled twice. If Africa has been fooled under the illusion of political independence, it is time to refuse to continue to be fooled. Francophone countries in particular have come to a point in time when they should declare permanent independence from the vice grip of France. From Côte d'Ivoire nearly 25 years ago emerged this interesting street song that rocked West Africa. Nigeria, an Anglophone country, was particularly thrilled as many Nigerian lovers of trending songs took it on their lips without even knowing or understanding the wordings of the song or whatever they meant. The superficial, literal and allegorical applications of the song are important in the discourse about post-independent African countries, particularly the francophone. Originally recorded in 1999 but released in 2002, the hit song by Ivorian Zouglou artists, a musical group known as Magic System, was sang by lead singer Salif "A'Salfo", and the song which means first time fool, or "first fool" in urban Abidjan slang, is not really the fool, but the The real fool is the one that allows himself to be fooled twice (niata) (or Nouchi).

On dit premier gaou n'est pas gaou, oh
C'est le deuxième gaou qui est niata, oh."

And the second allegory, from another Ivorian singer, was a bit of lamentations. Tiken Jah Fakoly, in his song, released in 2016, mourned the reality that whilst Africa is geographically one of the richest nations on earth, its people are some of the poorest. According to him:

"Ils ont partagé le monde, plus rien ne m'étonne." (They have shared the world, nothing surprises me anymore).

It is now up to Africans to mend the broken walls, refuse to be fooled again and retrieve what has been shared. Looking to the West that shared the world has proved disappointing over the past decades. For every African leader or follower it is time to look inward.

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