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Nigeria Office



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Welcome to Konrad-Adenauer-Stiftung's Nigeria Weekly Press Review

The weekly press review seeks to explore and keep you informed on selected issues relating to politics, business and economy, insecurity, infrastructure and development, health related issues, new trends and matters bothering on the overall situation in Nigeria.

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Fuel Scarcity Expected as Russia Imposes Ban on Petrol Exports, Central Bank of Nigeria Increases Baseline Interest Rate, Sale of Dollars to Bureau De Change Operators Formalized, Completion of Gas Pipeline Announced

Nigeria faces potential fuel scarcity in the months ahead as Russia has announced a six-month ban on petrol exports starting in March. Nigeria is one of the major importers of petrol from Russia. The ban, aimed at meeting domestic fuel demands, may pose significant challenges to countries like Nigeria and others that rely on Russian petrol. Russia, the world's third-largest oil producer, has been grappling with sporadic fuel shortages due to high demand and refinery maintenance. Nigeria, a significant importer of Russian petrol, witnessed an 84% surge in imports within a year, reaching 3.8 million liters (24,000 barrels) in 2023. This increase highlights the country's vulnerability to disruptions in Russian petrol supply. As the ban takes effect, countries like Nigeria must explore alternative strategies to mitigate potential fuel supply disruptions. Tunde Opalana, [The Daily Times News \(March 1st\)](#) reports.

The governor of the Central Bank of Nigeria (CBN), Olayemi Cardoso, on Tuesday announced the increase of the Monetary Policy Rate (MPR) which benchmarks interest rates from 18.75% to 22.75%. The MPR is the baseline interest rate in an economy upon which every other interest rate is built. This hike is the first monetary policy decision made by the monetary policy committee of the CBN since Cardoso assumed office. The committee also increased the cash revenue ratio from 32.5% to 45% while retaining the liquidity rate at 30%. According to the CBN governor, the hike in inflation is due to major factors such as rising costs of energy, high fiscal deficits and lingering security challenges in major food producing areas. Busola Aro, [The Cable News \(February 27th\)](#) reports.

The Central Bank of Nigeria (CBN) has formalized Dollar sales to bureau de change (BDCs) operators after a three-year break in a move aimed at stabilizing the Naira and narrowing the gap between the official and unofficial exchange rates. According to a circular published on Tuesday, the CBN will sell USD 20,000 weekly to each BDC at a rate of NGN 1,301 per USD 1. The BDCs are allowed to sell to end-users at a margin not more than 1% above the purchase rate from CBN. The Naira appreciated to NGN 1,590 per Dollar on the streets after the announcement by the CBN, with traders

expecting the Naira to gain further. Hope Moses-Ashike, [Business Day News \(February 27th\)](#) reports.

The federal government announced that the USD 700 million Obiafu/Obrikom/Oben gas pipeline (OB3), would be completed in March 2024, a project that commenced in 2016. This announcement was made in the 7th Nigeria International Energy Summit in Abuja. Providing a couple of status reports on Nigeria's gas sector, the minister of state for petroleum resources and gas, Ekperikpe Ekpo, described the OB3 gas pipeline as one of the biggest gas transmission systems in both Nigeria and Africa. It connects the Obiafu-Obrikom gas plant in Rivers state with Edo state and is expected to transport two billion standard cubic feet of gas per day. He also stated that significant progress has been made on the Ajaokuta-Kaduna-Kano pipeline. Okechukwu Nnodim, [Punch News \(February 28th\)](#) reports.

President Bola Tinubu Implements Oronsaye Report, Labor Union Suspends Nationwide Protest, ECOWAS Lifts Sanctions on Niger Republic

Twelve years after the Steve Oronsaye panel submitted its report on restructuring and rationalizing federal government parastatals and agencies, president Bola Tinubu and the federal executive council decided to implement the report. The report called for a leaner government by merging some agencies and scrapping some others. The minister of information and national orientation said some ministries, departments and agencies (MDAs) would be scrapped, merged or subsumed into relevant organisations of government. He said the aim was only to cut costs and not to throw Nigerians into the labor market. Organized labor groups are expected to kick against the latest move by president Tinubu because the policy may lead to the loss of jobs. Workers in Nigeria are already grappling with the cost of living crisis due to some of the policies of the current administration, notably the fuel subsidy removal and foreign exchange unification policy. Bakare Majeed, [Premium Times News \(February 26th\)](#) reports.

After a well-mobilized nationwide protest that rocked major cities of Nigeria, the Nigeria Labour Congress (NLC) suspended the protest in a communicate. NLC stated that the protest achieved an overwhelming success and attained the key objectives of the two-day protest on the first day. The

ultimatum given to the federal government to meet its demands will now expire on March 13, 2024. If the demands are not met, they would decide on the next course of action. President Bola Tinubu criticized the NLC for staging a nationwide protest and described the protest as unnecessary. He cautioned the labor unions against exploiting situations in the country to pursue a political agenda. Collins Olayinka and Shakirah Adunola, [The Guardian News \(February 28th\)](#) report.

The Economic Community of West African States (ECOWAS) on Saturday lifted sanctions it imposed on Niger over the unconstitutional takeover of government in that country on July 26, 2023. That coup saw the removal and detention of democratically-elected president Mohamed Bazoum. ECOWAS commission's chairman, Omar Touray, said the decision to remove the sanctions was based on humanitarian considerations, the socio-economic impacts of the sanctions on Nigeriens and the security of the sub-region. He explained that humanitarian considerations on the Lenten period and the upcoming holy month of Ramadan contributed to the lifting of the sanctions. On the withdrawal by Burkina Faso, Niger and Mali from ECOWAS, the chair said the authority urged the countries to reconsider their decision in view of the benefits that the ECOWAS member states and

their citizens enjoy in the community. [Premium Times News \(February 24th\)](#) reports.

Insecurity: Bandit Leaders and 48 Fighters Killed in Clash in Zamfara State, Suspected Boko Haram Insurgents Destroy Power Transmission Towers in Yobe State

In a series of violent clashes in Zamfara state at least five prominent bandit leaders as well as 48 of their fighters were reportedly killed by another bandit group. A counter-insurgency expert disclosed that the conflicts began in the early hours of Sunday. Oditia Sunday and Charles Akpeji, [The Guardian News \(February 27th\)](#) report.

The police command in Yobe state stated, that suspected Boko Haram insurgents have destroyed two 330 KVA power transmission towers in the state, plunging residents of Borno and Yobe states into darkness. The spokesperson for the command said that the attackers were suspected to have used improvised explosive devices to destroy the facilities in the early hours of Saturday. It has been gathered that the attack on the towers is the second in three months, as they were destroyed in December last year, but repaired in January 2024. [Premium Times News \(February 24th\)](#) reports.

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