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Nigeria Office



## Nigeria Press Review

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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.

#### Content

Naira Falls by 25% Against the Dollar, Nigeria's Inflation Predicted to Remain High in 2025, Nigeria's Electricity Grid Collapses 105 Times in 10 Years, Dangote Refinery Granted License for Full Operation

Federal Government Begins a 15-Day Fuel Supply to Ease Scarcity, Speaker of the House Lament VAT Collection Inefficiency in Nigeria, Minister of Power Threatens Total Blackout if New Electricity Tariffs Are Rejected, Federal Government Begins the 2024 Oil Block Bid, Edo State Governor Set New Minimum Wage

Insecurity: Terrorists Attempt to Kill Emir in Zamfara State, Gunmen Kidnap Four People in Abuja Community

### **Naira Falls by 25% Against the Dollar, Nigeria's Inflation Predicted to Remain High in 2025, Nigeria's Electricity Grid Collapses 105 Times in 10 Years, Dangote Refinery Granted License for Full Operation**

A surge in the demand for US-Dollars in the parallel market driven by banks and end-users combined with slow forex disbursement to change agencies by the Central Bank of Nigeria (CBN) caused the Naira to fall by 25% against the Dollar, thus recording the worst weekly performance of since February. After two months of steady appreciation to NGN 1,140 the Naira depreciated to NGN 1,405 per USD 1 by end of last week. Following the same trend in the official market, the Naira depreciated by NGN 169.24 (9.9%) to NGN 1,339.23 per USD 1 on Friday last week, April 26<sup>th</sup>. Investigations revealed that the steady reversal in the fortunes of the Naira was triggered by a combination of factors, including sharp practices encouraged by the lower exchange rate in the parallel market. Babajide Komolafe and Elizabeth Adegbesan, [The Vanguard News \(April 29<sup>th</sup>\)](#) report.

Inflation in Nigeria has been predicted to remain high in 2025 due to sporadic flooding and difficult terrain for the Naira while inflation in key African economies will slow into next year, a recent Reuters poll has revealed. Reuters noted that the acute shortage of Dollars in much of the continent has often put home inflation under significant strain due to a reliance on single commodity currency inflows such as crude oil and copper. It added that the high inflation rate in Nigeria reflects ongoing elevated food price inflation which accounts for around 50% of the consumer price index basket and is only marginally impacted by monetary policy. High food price inflation is a result of flooding seen in many parts of the country in recent years, the rising cost of fertilizer and continuing insecurity in many food-producing regions. Daniel Adaji, [Punch News \(April 30<sup>th</sup>\)](#) reports.

The Transmission Company of Nigeria (TCN) stated that the nation has recorded 105 cases of grid collapse in 10 years, from 2015 till date. In recent times, the Transmission Company of Nigeria has reported cases of national grid system collapses, resulting in reduced electricity allocation to electricity distribution companies in the country. In its statement the company said the number of grid disturbances/system collapses has gradually reduced, contrary to popular opinion. Mary Izuaka, [Premium Times News \(May 4<sup>th</sup>\)](#) reports.

The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) disclosed that the Dangote refinery will soon be granted with a valid license to operate fully in the country. Dangote Petroleum Refinery commenced production of diesel and aviation fuel in January. Announcing the commencement, the company said the refinery had already received six million barrels of crude oil. The company made a further move towards the commencement of the production of refined petroleum products with the receipt of an additional one million barrels of bonny light crude supplied by the Nigeria National Petroleum Company (NNPC). Earlier in April, the company commenced the supply of petroleum products to the local market. Mary Izuaka, [Premium Times News \(April 30<sup>th</sup>\)](#) reports.

### **Federal Government Begins a 15-Day Fuel Supply to Ease Scarcity, Speaker of the House Lament VAT Collection Inefficiency in Nigeria, Minister of Power Threatens Total Blackout if New Electricity Tariffs Are Rejected, Federal Government Begins the 2024 Oil Block Bid, Edo State Governor Set New Minimum Wage**

As fuel scarcity continues to bite harder in different locations, the federal government says it has begun a 15-day emergency fuel supply to ensure the commodity circulates across the country. The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMPDRA) stated that fuel will soon be available in the country, saying the government was doing its best to ensure massive distribution of PMS. Meanwhile, transport fare has skyrocketed in parts of Nigeria following the lingering fuel crisis. It has been gathered that the product is sold for as high as NGN 1200 per liter in some parts of Nigeria. Dare Olawin et. al., [Punch News \(May 2<sup>nd</sup>\)](#) report.

Speaker of the House of Representatives, Tajudeen Abbas, speaking at a two-day retreat for members of the House of Representatives in Abuja, organized by the lower chamber in collaboration with the Federal Inland Revenue Service and Konrad Adenauer-Stiftung, stated that Nigeria's efficiency in collecting value-added tax (VAT) is the lowest in Africa. The legislative retreat was focused on economic transformation and development. Abbas said Nigeria's tax revenue struggles are primarily due to narrow bases for indirect taxes, low compliance rates among taxpayers, substantial tax exemptions, and generally low tax

rates. The lawmaker said as a critical arm of government, the legislature has a crucial role in shaping the nation's economic transformation and development. The speaker recommended that integrating digital tools in tax collection can reduce friction and increase ease of engagement with tax systems. Busola Aro, [The Cable News \(May 1<sup>st</sup>\)](#) reports.

The minister of power, Adebayo Adelabu warned that there would be total blackout in the country in the next three months if the proposed electricity tariff hike is not implemented. The minister disclosed this at an investigative hearing over the recent electricity tariff hike by the Nigerian Electricity Regulatory Commission (NERC). The senate committee on power had rejected the new tariff regime proposed. Adelabu said, "The entire sector will be grounded if we don't increase the tariff. With what we have now in the next three months, the entire country will be in darkness if we don't increase tariffs." He said the sum of USD 10 billion is needed yearly for the next ten years to revive the nation's power sector. The senate committee however expressed concerns over the plight of suffering Nigerians and asked the minister and other key players in the sector to explore other options. Saawua Terzungwe, [Daily Trust News \(April 30<sup>th</sup>\)](#) reports.

The federal government (FG) said it has commenced the process for the 2024 oil bid round with 12 oil blocks on offer and seven deep offshore blocks from last year's bid round. The chief executive of the Nigerian Upstream Petroleum Regulatory Commission (NUPRC), Gbenga Komolafe, made this known in Abuja. He said that the FG is targeting injection of USD 3 billion capital investment to fund projects in the Nigerian Gas Flare Commercialization Program (NGFCP) and the creation of 300,000 jobs. The new green field oil blocks on offer include six acreages located on continental shelf, four deep offshore blocks and two onshore blocks in the Niger Delta. The commission therefore, has put in place rules and regulations to create a conducive investment environment by ensuring regulatory certainty, vacating entry barriers and promoting global competitiveness and to ensure a fair bidding process. Nse Anthony-Ukko, [Leadership News \(April 30<sup>th</sup>\)](#) reports.

Governor Godwin Obaseki of Edo state has announced a new minimum wage of NGN 70,000 for civil servants. According to the governor, this new minimum wage in the state will take effect from May 1, 2024. The labor unions have been agitating for a new minimum wage for workers as a result of the hardship occasioned by the economic reforms of president Bola Tinubu. Meanwhile, the national minimum wage has been pegged at NGN 30,000 since April 18, 2019. This sum has however been described grossly inadequate in the face of prevailing economic hardship. [The Vanguard News \(April 29<sup>th</sup>\)](#) reports.

### **Insecurity: Terrorists Attempt to Kill Emir in Zamfara State, Gunmen Kidnap Four People in Abuja Community**

Terrorists killed three people at the gate of the Emir's palace and abducted three others including the Shamaki (chief details) of the Emir. A terrorism gang has claimed responsibility for the attack and further indicated that the gang is holding hundreds of captives more. The security report said the gang vandalized an MTN communication facility in an apparent move to disrupt communication and prevent security reinforcement as they had planned to abduct the Emir, Muhammadu Suleiman. Residents said the terrorists had accused the emir of indifference to the plight of Fulani residents who were allegedly being maltreated by the local vigilantes. Abubakar Ahmadu Maishanu, [Premium Times News \(May 2<sup>nd</sup>\)](#) reports.

Four residents have been kidnaped in Bwari area of Abuja (Federal Capital Territory). According to an eyewitness, the unknown kidnapers who numbered over 30 stormed the area, shooting sporadically into the air. After taking two, they stopped at a nearby house where they kidnaped a pastor and a young man. This situation was also confirmed by the community leader who spoke on the condition of anonymity. He said that as soon as they received alerts of the attack, they made "calls to the FCDA police station, luckily we had intervention from them, and soldiers also came to our rescue. However, the whole thing turned to something else, as nobody was arrested." Omeiza Ajayi, [The Vanguard News \(April 30<sup>th</sup>\)](#) reports.



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