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InsideBusiness

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- TINUBU TARGETS ECONOMIC REVIVAL
- THE NNPCL AFREXIMBANK $3Bn LOAN
- NCDMB, BOI SIGN $50M NOGaPS FUND
- GERMAN BioENERGY ENTERS INDIA MARKET

India Moving Forward

Despite the global challenges in all shapes and sizes India is moving forward in all front as it celebrates 77th independence



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The world is focusing on India

At 77 a new India is becoming the flavour of the world



India, after 76 years of Independence, has finally firmly positioned itself not just as a force to reckon with on the world stage, but a voice for the Global South through its soft diplomacy and the adherence to the ethos of strategic autonomy. India's steady economic growth aided by its foreign policy has now caught the attention of the world. Last year, India surpassed the UK to become the world's fifth largest economy.

"The new India under Prime Minister Narendra Modi displays confidence and decides what is best for its own people. Importantly, it has made it clear that it will not be dictated by any other power," a foreign policy watcher said.

Last year External Affairs Minister S Jaishankar famously said that "Europe has to grow out of the mindset that Europe's problems are the world's problems, but the world's problems are not Europe's problems."

Despite repeated nudging from the West, India refused to condemn Russia for its attack on Ukraine. Simultaneously, its assistance to bankrupt Sri Lanka, spearheading the exercise to resurrect the island nation and continuous support to Afghanistan have given New Delhi an unprecedented edge. In fact, its action stood out after it rushed with necessary aids to the earthquake-hit Turkey earlier this year.

"It is incredible how India has been helping other nations," a CEO based out of South Korea told India Narrative.

"A large part of the credit has to go to the leadership. Modi with his unique style has managed to bring India on the world map," he noted.

Among his several high profile visits, Modi, in July, attended the Bastille Day military parade in Paris along with French President Emmanuel Macron as the chief guest. Modi also visited Washington where he addressed the US Congress besides being hosted by American President Joe Biden for a state dinner.

Hong Kong based South China Morning Post said that to just state that the Indian prime minister has found himself in the sweetest of spots is still an understatement. "At the moment, love him or hate him, it's probably fair to say that he is the world's most successful politician," the newspaper said.

It further said that from Moscow to Beijing, and from Paris to Washington, leaders of the East and West have either been busy courting Modi or going out of their way to avoid upsetting New Delhi.

India has also managed to make a mark as the chair of the G20 and Shanghai Cooperation Organisation groups this year.

The Global Leader Approval Ratings released by a US-based consulting firm Morning Consult revealed that Modi with an approval rating of 76 per cent, Modi remains the world's most popular leader.

Just two years ago, at a time when it was in the middle of the Covid 19 pandemic, many pundits had almost written off the India story.

Congress party leader Rahul Gandhi in fact tweeted saying that "India looks a lot like Sri Lanka." Earlier this year, former Reserve Bank of India governor Raghuram Rajan said that India is dangerously close to Hindu rate of growth.

As India celebrates 77the independence, Inside Business Africa presents a special report with interview and features from India entrepreneurs, the diplomatic community and others features.

Congratulations to India and India Nationals globally, especially in Nigeria.

Exerpt from India Times

"The new India under Prime Minister Narendra Modi displays confidence and decides what is best for its own people. Importantly, it has made it clear that it will not be dictated by any other power,"

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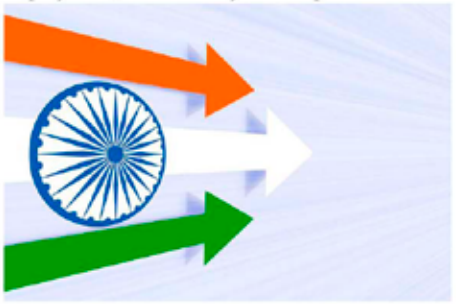
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Getting enough dollars

Due Process Followed in NNPC's $3bn AfreximBank Loan



Due process was followed by the federal government in securing the recent $3 billion AfreximBank loan through the Nigerian National Petroleum Company Limited (NNPC), presidency sources have maintained.

The $3 billion deal, which was signed in Cairo a fortnight ago, was to enable the NNPC support the government in its ongoing fiscal and monetary policy reforms aimed at stabilising the foreign exchange market.

Sources in the presidency that were close to the agreement disclosed that the president's economic team were part of the team that structured the terms agreement for the $3 billion loan, including the top echelon at the finance ministry and the Central Bank of Nigeria (CBN).

One of the sources who spoke on the condition of anonymity, yesterday, said there was no way that a continental loan of such magnitude would be negotiated without due process.

"I can confidently tell you that the minister of finance and the president were aware of the details of the loan because they actually initiated it. So there's no cause for alarm," the source said.

Stressing that the loan was subjected to critical analysis before the decision was taken, the source said that the full extent of the expected impact on Nigeria was already known.

"Those who structured the loan know the implications for the country. So everything was done to ensure that the future of Nigeria was not mortgaged. There is no cause for alarm and those who are expressing fear and pessimism have no reason to do so.

"We understand their fears but we want to assure them that the loan is for the good of Nigeria and that there are no reasons to be pessimistic about the loan," the presidency source added.

Continuing, the source said all that the president and his team of advisers did with the NNPC's $3 billion loan was for the good of Nigeria.

"The president is ready to welcome any other sound economic idea from any well-meaning Nigerian that will breathe life into the country's struggling economy. Those criticising the loan should come up with superior suggestions and if they are good, the president is ready to apply them," the source noted.

In recent times, the nation has battled foreign exchange illiquidity, leading to the steep fall in the naira since the unification of the foreign exchange windows by the CBN in June.

The crash in the value of the naira has affected the economy, triggering price hikes of imported raw materials by industry operators, with the impact exemplified in the July inflation which peaked at 24.08 per cent.

At the signing of the loan earlier in the month were the Group Chief Executive Officer of NNPC Ltd, Mele Kyari, who signed for the national oil company, while George Elimbi, Executive Vice President, Afreximbank, signed for the bank.

Strengthening local content

NCDMB, BOI sign $50m NOGaPS manufacturing fund amendment

The manufacturing fund was created by the NCDMB and domiciled with BoI to attract oil and gas equipment manufacturers to the NOGaPS facilities established by the NCDMB, and increase access to affordable finance by the manufacturing entities.

On his part, Olukayode Pitan, the Managing Director of the Bank of Industry, expressed confidence in the future performance of the Board's funds domiciled in the bank while noting that these quarterly review meetings will impact on sustaining the effective disbursements and recovery of these funds.

According to him, the NCI Fund is performing excellently with 194 applications equalling $1 billion/?80.6 billion with 69 disbursements totalling $324 million/?38.4 billion as at the day of reporting.

The Board established the NCI Fund in 2018 with the purpose of financing Oil and Gas companies to increase capacity and grow Nigerian Content in the Industry Presently, the NCI Fund has five product lines which are being managed by the Bank of Industry. They include - Manufacturing Finance -$10m; Asset Acquisition Finance -$10m; Contract Finance -$5m; Loan Refinance -$10m and Community Contractor Finance - ?20 million.

According to the partners, the $50 million NOGaPS Fund was launched as a separate product in March 2023 to incentivize companies that will be domiciled and manufacture oil and gas equipment components within the NCDMB oil and gas parks being established at different locations across the country, with the sites in Bayelsa and Cross River State open for occupation.

The Board also has a $30 million Working Capital Fund for oil and gas service companies and a $20 million Fund for Women in Oil and Gas Intervention Fund. The last two facilities are administered by the Nexim Nigerian Export-Import Bank and the agreements were signed in mid-2021

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BUA brand on the rise

BUA Cement's Profit Wilts on OPEX, Interest Expenses



With a significant increase in operating expenses and interest on loans, BUA Cement Plc's profit before tax slowdown in half year (H1) ended June 30, 2023 unaudited result and accounts.

The cement maker grew its revenue but the double-dight inflation rate and unstable foreign exchange that has trigged cost of production impacted on its profit before tax in the period under review.

BUA Cement reported N221.07 billion revenue in H1 2023, a 17.2 per cent increase from N188.56 billion in H1 2022, driven by sales of cement.

Revenue per ton stood at N67,192/ton, an increase of 19 per cent from N56,454/ton, as of H1'2022, as a result of price adjustments.

Cost of sales stood at N114.94billion in H1 2023, a growth of 18 per cent from N97.5 billion, primarily driven by 38.09 per cent increase in cost of materials to N39.42billion in H1 2023 from N28.54billion in H1 2022 and 26 per cent increase in operations, maintenance and technical fees that stood at N10.71billion in H1 2023 from N8.49billion reported in H1 2022.

Cost of sales per ton rose by 19.7per cent to N34,936/ton from N29,192/ton, as of H1 2022. This was due to increases in raw materials costs, energy product costs, depreciation charges and repair & maintenance costs.

Energy cost

Energy cost per ton closed H1 2023 at N14,561/ton, an increase of 11.6 per cent from N13,048/ton during the corresponding quarter ended H1'2022, which resulted from a combination of energy price increases and fuel mix during the quarter.

The interplay between revenue and cost of sales brings gross profit to N106.12 billion in H1 2023 from N91.06billion reported in H1 2022 as gross profit margin dropped to 48 per cent in H1 2023 from 48.29 per cent in H1 2022.

One of the key financial parameters of BUA Cement's result and accounts for half year under review was total operating expenses (OPEX), which stood at N20.17 billion in H1 2023, an increase of 49per cent from N13.5 billion reported in H1 2022.

The breakdown showed selling and distribution Costs to N14.03 billion in H1 2023, 74per cent growth from N8.06 billion in H1 2022, while administrative cost closed H1 2023 at N6.13billion, an increase of 12.3 per cent from N5.46billion in H1 2022.

Major factors attributable for the increase were: distribution costs resulting from an increased fleet size, depreciation charges and other administrative expenses. -

Selling, distribution & administration cost (net) per ton increased by 46.2per cent to N5,830/ton from N3,988/ton H1 2022.

This brings operating profit to N86.94billion in H1 2023, an increase of 11.8 per cent from N77.7billion in H1 2022.

Another key financial parameter of BUA Cement was N10.52billion net finance cost in H1 2023 from N2.8billion in H1 2022.

The company declared N10.59billion interest expenses on loans in H1 2023 from N3.22billion in H1 2022, while foreign exchange gain stood at N2.14billion in H1 2023 from N1.05billion reported in H1 2022.

As the company witnessed significant increase in finance cost and OPEX, its profit before tax closed N1 2023 at N76.42 billion, an increase of 2.75per cent from N74.37 billion reported in H1 2022.

The management of BUA Cement announced N12.81 billion income and deferred taxes in H1 2023, a decline of 1.58per cent from N13.01billion in H1 2022.

With nearly two per cent drop in income and deferred taxes, BUA Cement reported N63.62billion profit after tax in H1 2022 from N61.35billion in H1 2022. Earning Per Share, however, stood at N1.88 per share as of June 30, 2023 from N1.81 per share reported in corresponding June 30, 2022.

Loans, cash & short-term deposits

The growth in BUA Cement's finance cost can be attributable to its significant increase in long term and short-term borrowings as the company in the period reported N232.34 billion in total borrowings as of June 30, 2023 from N125.44billion reported in 2022 financial year.

Long-term borrowings stood at N197.95billion as of June 30, 2023, an increase of 342 per cent from N44.74billion in 2022, while short-term borrowings closed June 30, 2023 at N34.39billion a decline of 57.4per cent from N80.7 billion reported in 2022.

BUA Cement had secured loans from First Bank of Nigeria - Term Loans and overdraft, Union Bank of Nigeria Plc, Fidelity Bank Plc, Series 1 Bond and International Finance Corporation (IFC).

The company secured a $500million

Ensuring safety in the air

NCAA Deploys National Aviation Safety Reporting System for Flight Operations



The Nigeria Civil Aviation Authority (NCAA) has deployed national aviation safety reporting system for both mandatory and voluntary reports by those involved in flight operations in the country.

The Aviation Safety Reporting System (ASRS) receives, processes and analyzes voluntarily submitted incident reports from pilots, air traffic controllers, dispatchers, cabin crew, maintenance technicians crew and others who are expected to report occurrences in the course of their duties.

In other words, the authority has given access to those involved in airline operation to file reports to it in easy and convenient manner.

The deployment was announced in All Operators Letter (AOL) referenced NCAA/DG/AIR/11/16/341 dated 25th August, 2025 and addressed to all aviation stakeholders and the general public and signed by the Director General of Civil Aviation, Captain Musa Nuhu.

This is a follow up to NCAA's establishment of a robust Safety Data Collection and Reporting System (SDCPS) called SMS Pro (www.ncaasms.com) that would bring Nigeria to full compliance with International Civil Aviation Organization (ICAO) Standards and Recommended Practices (SARPs).

NCAA explained that the SMS Pro system is web-based software which is user-friendly and mirrors the SSP & SMS (State Safety Programme and Safety Management System) ICAO-recommended framework comprising safety policy, Safety Risk Management Safety Assurance and Safety Promotion.

"It allows for full integration of the whole aviation industry such that each service provider has customized handles issued by the authority, to submit reports into the system," the statement said.

NCAA further explained that Annex 19 to the Chicago Convention on International Civil Aviation and the Civil Aviation Act 2022 mandate the implementation of Aviation State Safety Programme.

It added, "Specifically, Annex 19 SARPs (Standards and Recommended Practices) mandates as follows: "5.1.1 States shall establish Safety Data Collection and Processing Systems (SDCPS) to capture, store, aggregate and enable the analysis of safety data and safety information. 5.1.2 States shall establish a mandatory safety reporting system that includes the reporting of incidents. 5.1.3 States shall establish a voluntary safety reporting system to collect safety data and safety information not captured by mandatory safety reporting systems."

loan from IFC approved in September 2022. The tenure of the loan is 10 years, 2.5 years grace period, interest: 6 months SOFR + 5.5per cent and the first tranche of $300million was disbursed in April 2023.

The Company issued a N115 billion semi-annual coupon bond at the rate of 7.5% per annum. The effective date of the bond is December 30, 2020. The Bond proceeds were used to reimburse the shareholder loan and for working capital finance.

However, the company declared N1.04 trillion in total assets as of June 30, 2023, an increase of 18.7per cent from N874.01 billion in 2022.

BUA Cement's total non-current assets stood at N707.75billion as of June 30, 2023, an increase of 4.66 per cent from N676.2billion reported in 2022. Total current assets nearly doubled, closing June 30, 2023 at N330.08billion, a 67 per cent growth from N197.77billion in 2022 financial year.

Cash and short-term deposits contributed 65.85per cent to overall short-term assets as of June 30, 2023 from 24.29per cent in 2022.

BUA Cement in the total short-term assets declared cash and short-term deposits stood at N217.35billion as of June 30, 2023, an increase of 352 per cent from N48.05billion in 2022.

Total liabilities

Aside assets, BUA Cement declared N563.09 billion total liabilities as of June 30, 2023, a growth of 21.6 per cent from N462.9billion in 2022.

The company declared total non-current liabilities of about N365.5billion as of June 30, 2023, a growth of 78 per cent from N205.34billion in 2022, while total current liabilities dropped to N197.61billion as of June 30, 2023 from N257.56billion reported in 2022 financial year.

At N563.09 billion total liabilities, BUA Cement's total liabilities/total assets increased to 54.3 per cent as of June 30, 2023 from 52.96 per cent reported in 2022.

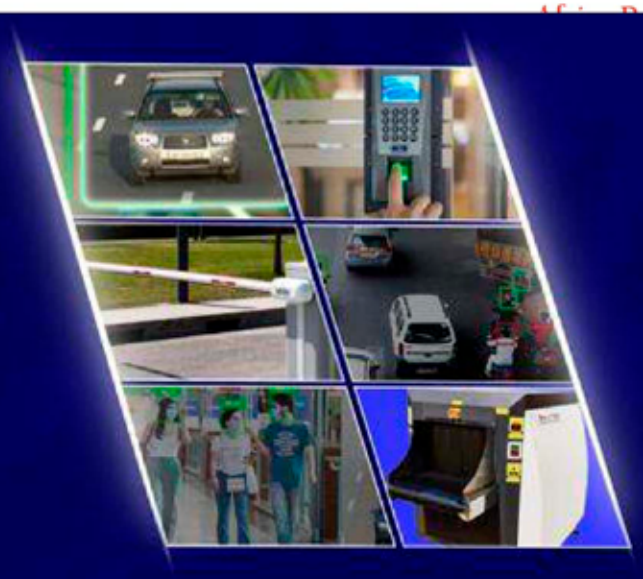
Its total equity closed June 30, 2023 at N474.73 billion from N411.11billion in 2022, representing an increase of 15.5 per cent.

The Managing Director/CEO, BUA Cement, Mr. Yusuf Binji recently said cement producer aimed at driving continued revenue and cost synergies across revenue and margin lines; harmonization of sales and marketing strategy across the two plants and construction of lines 3 & 5 at Obu and Sokoto plants, respectively.

On sustainability strategic priorities, he said BUA Cement is transiting from Heavy Fuel Oil (HFO) to Liquefied Natural Gas (LNG) in Sokoto, commencing work on the 70MW gas power plant at Obu and 70MW gas power plant at Sokoto.

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INDIA MOVING FORWARD

Despite the global challenges in all shapes and s izes India is moving forward in all Front as it celebrates 77th independence

Political slogans often outpace reality. When Rajiv Gandhi was campaigning in the late 1980s, he liked to say "Mera Bharat Mahan [My India is Great]." A TV advertisement put the phrase to a catchy tune. But few Indians had TVs in those days and while millions appreciated the sentiment, not all believed it.

It makes more sense now. Seventy Seven years after independence, India is beginning to deliver on its promise. Over the past few years the world's biggest and rowdiest democracy has matched its political freedoms with economic ones, unleashing a torrent of growth and wealth creation that is transforming the lives of millions. India's economic clout is beginning to make itself felt on the international stage, as the nation retakes the place it held as a global-trade giant long before colonial powers ever arrived there. That success may yet act as an encouragement to Pakistan and Bangladesh, still struggling to overcome longstanding questions around Islam's role in their societies. Despite its current political turmoil, Pakistan's economy, too, has boomed over the past few years, and Bangladeshis hope that if the current government can sort out its mess of corruption and lead from the front, the country's current recognition in the international arena and economic growth may be sustained.

The challenges facing the subcontinent, of course, are enormous. Indian infants are more likely to be malnourished than African ones, infrastructure is straining to keep up with the economic boom, while corruption, discrimination, religious violence, child labor, bad schools and pollution persist, despite Prime Minister Modi's effort to right these wrongs. When the economy tightens or when tensions with Pakistan threaten war, a new slogan appears on India's auto-rickshaws: "Mera Bharat Pareshan [My India is Troubled]."

But none of this means that the country's massive shift is an illusion. Thirty years ago the rest of the world saw India as a pauper. Now it is just as famous for its software engineers, Bollywood movie stars, literary giants and steel magnates. Photographer Prashant Panjiar, who took the photos for the Time Magazine story about thirteen years ago on the Malhotra family, detected a new confidence in the past few years. "A lot of people are still poor but there is a sense of purpose now," he says. "That old Indian fatalism has gone." Indeed, these days a new slogan appeared on the back of the auto-rickshaws, a simple statement that captures the excitement and promise palpable in many parts of the country. "Mera Bharat Jawan," it reads: "My India is Young."

India is "first" in many areas

In this exclusive interview with *inside Business Africa*, The President of Indian Cultural Association Chief Sanjay Jain, speaks on the history of India and the strategic development made over the years in different fields *InterviewBy Grace James*

IBA: As your nation celebrating 76th Independence Day; what should we be expecting from Indians as a nation going forward?

Chief Jain: India got independence in 1947 on 15th of August. Therefore, this year on the 15th of August 2023, India will be celebrating its 77th Independence Day.

Prime Minister of India, Mr. Narendra Modi inaugurated the celebration on 12th March 2021 with a 'Padyatra' (March) at Sabarmati Ashram with a 75 week countdown to its 75th anniversary of independence, therefore, it will continue till 2023 ending on 15th August 2023.

Looking at the current position of India in today's world where India has become 4th largest economy in the world, India is number one in many other things like India today is the fastest growing economy of the world, grain production, e.t.c, the prominence of India is seen in several countries of the world, it is but natural that the world should expect a spectacular celebration of our Independence day when India is completing its 76 year of Independence.

IBA: What does India Independence Day mean to Indian citizens especially those in Diaspora/Nigeria?

Chief Jain: Independence day for the citizens of any country has the highest importance in their minds and hearts. In the same way, Indians also have the highest importance for their Independence day. I would say that the 'quantum of importance' for Indian citizens for their Independence Day is much higher because India got Independence from 200 years of British rule.

As per the government of India statistics, there are 33 million Indians who are staying abroad (out of India). And the importance of Independence Day is equal in their hearts and minds. The reason is that we all understand the value of Independence as against living under a foreign rule whose main aim is to milk the economy thereby keeping the



Chief Sanjay Jain, President, ICA

populace deprived of their basic human rights and needs.

More so, it is equally important for the senior people to inculcate the importance of Independence and how it was attained, in the minds of the younger ones.

Because of all these reasons, the Indians, including those in the diaspora always attach the highest importance to celebrate the Independence Day with great pomp and show.

IBA: As the President of Indian cultural association; can you speak significantly about the impacts Indian as a nation has given to Nigeria and give us an overview of Indian firms and their contributions to the Nigerian growth trajectory?

Chief Jain: The presence of Indians in Nigeria is over a hundred years. The Indians came to Nigeria and due to their law abiding nature and similarity in culture, mixed up with the local populace smoothly. Over a period of time, they set up huge businesses which gave employment to their Nigerian brethren.

The government of India is also not behind. They give highest cognizance to Nigeria in Africa. As per the official records, Nigeria is the number 1 trading partner of India in Africa. Lots of agricultural equipment, IT, pharmaceutical products and many other items are being imported from India by several Nigerian companies while India buys oil and other things from Nigeria.

The bilateral relationship between the 2 nations is excellent which can be seen from the fact that the government of India established their embassy in Nigeria even before 1960 when Nigeria got its Independence.

The private sector has also wholeheartedly established several manufacturing facilities giving employment to hundreds of thousands of Nigerians and has contributed positively towards the Nigerian economy. At one point in time, it is said that textile mills in Nigeria which were dominantly owned by Indians, employed the highest number of labour force after the FGN.

Till today, there is a constant growth in Indian companies giving employment to Nigerians, bringing technological development to the Nigerian Industrial scenario, pitching for various high quality defence equipment that are highly economical in pricing when compared to others, can be termed as the contribution Indians and India are making towards the development of Nigeria.

IBA: Specifically speak on the Indian growth story commemorating the 77th Independence Day celebration?

Chief Jain: As mentioned earlier, India is the 4th biggest economy of the world. It is the largest democracy in the world. The medical facilities of India are world class and at the same time highly cost effective. It is around less than one-third as compared to the cost prevalent in western medical facilities.

India is the highest producer of grains such as wheat, rice etc. Indian IT industries are leading the world, as Indian IT professionals. Majority of US companies have Indian CEOs who are highly successful and accomplished personalities.

India is growing at a very fast pace in exporting its high quality defence equipment at a very reasonable pricing under its **"make in India"** drive. Several Indian doctors, engineers, IT professionals and others have gone to almost the entire world and have established themselves successfully. This

shows the high level of talent Indians possess which is supported by education they are getting from the Indian system.
This year, India is hosting the G-20 which further establishes Indian supremacy across the world.
Prime Minister Modi is a highly respected leader in the world today which further establishes Indian supremacy.

IBA: As the president of the Indian cultural association; what has been the most tasking assignment you have undertaken since assuming the office in Nigeria?

Chief Jain: Indian Cultural Association (ICA) is the apex body of Indians in Nigeria. It has completed its 50 years in the year 2022 in Nigeria.
Its main objective is to spread brotherhood through culture and undertake charitable projects and activities for the less privileged people in Nigeria.

The list of charitable projects and activities undertaken is very long. But to name a few, ICA undertook:- supporting the old people's home for almost 2 decades, supporting the various orphanages in Nigeria from time to time, supporting the rehabilitation centres, providing the drinking water facilities in several schools where drinking water facility is not available, supporting the artificial limb projects under which several thousands of the needy Nigerians got their artificial limbs, (project leaders are Hindu Mandir Foundation), supporting various destitute centres, including one of the biggest at Okobaba, supporting the eye project wherein several thousand eye surgeries were done for the needy Nigerians-free of cost, (project leaders are Hindu Mandir Foundation & Rotary), and supporting the victims of bomb blasts in GRA Ikeja and several other projects-the list is very long.
On the other main objective of ICA viz- 'brotherhood through culture', we undertake to celebrate various Indian festivals and many other cultural activities wherein we invite our Nigerian brethren as well as Indians which gives scope for a very good interaction between the 2 communities.

> Indians are known for their hard work, persistence and problem-solving attitude across the globe. Though every human being is efficient and effective, but because of the higher contents of these above-mentioned traits, Indians have successfully remained in business and achieved great success all over the world.

These activities have been going on for several decades in the service of the needy people of Nigeria and to provide a platform for social interaction.

As far as talking on the task assignment, I would say that one needs to be on the toes always to serve mankind, should not feel about difficulties coming his/her way and continue to do good/hard work persistently.

However, during the pandemic, we felt that the period was a little tasking and challenging because of the fact that one could not go out, could not meet people to help them, but in spite of all the difficulties, ICA organized several projects for the needy such as:- providing free oxygen, Installation of no touch hand washing machines, distribution of free masks, several online awareness campaigns, distribution of food packets to the needy during the lockdown (jointly with Sindhi Samaj), helping people to go home locally as well as internationally, and extending the support to several government agencies for providing relevant assistance during the most difficult time mankind faced etc.

It is a matter of great pride that for the first time in the history, the Indian cultural association received the highest award from the president of India, PRAVASI BHARATIYA SAMMAN AWARD in the year 2021.

Indeed many conglomerates are older than Indians and many have fallen by the wayside . Since independence could you speak on key sustainable strategies Indian nationals adopted to remain in business and stand out?

Indians are known for their hard work, persistence and problem-solving attitude across the globe. Though every human being is efficient and effective, but because of the higher contents of these above-mentioned traits, Indians have successfully remained in business and achieved great success all over the world.

With time, Indians have grown in various sectors as explained above and with their success in those fields; they have stood out from the rest.


Chief Sanjay Jain, President, ICA

IBA: Final word.

At this juncture, I would only say that India is doing great as it is completing 76 years of its independence. It is the world's largest democratic country. Its people are great and hard working. Nigeria is also doing great under its new leadership. Both countries have great futures. They have a highly cordial relationship between them and together they can grow further in many fields. Wish both countries a very bright future.

Celebrating India Independence

BACARDI-MARTINI management celebrates India Independence Day in styles

Why Bacardi, not another name for the brand?

Bacardi was founded on February 4, 1862 by Don Facundo Bacardí Massó in Santiago de Cuba, when he bought a small distillery and revolutionized the rum-making process to create a smooth, light-bodied spirit - what the world knows today as BACARDÍ® rum. Over 160 years later, we continue to be a family-owned business, named after our founder, and our portfolio now consists of over 200 brands and labels.



Mr. Thomas Olumagin, Manager - CPA & Off Trade, Bacardi-Martini Nigeria

Speak on the uniqueness of your product and services?

Bacardi is the world's largest privately held international spirits company, and our spirits are exquisitely crafted with long tradition and great pride. Today, we have a world-class portfolio of more than 200 brands and labels, including BACARDÍ® rum, PATRÓN® tequila, GREY GOOSE® vodka, DEWAR'S® Blended Scotch whisky, BOMBAY SAPPHIRE® gin, MARTINI® vermouth and sparkling wines, and other leading and emerging brands including WILLIAM LAWSON'S® Scotch whisky, D'USSÉ® Cognac, ANGEL'S ENVY® American straight whiskey, and ST-GERMAIN® elderflower liqueur.

For more than 161 years, we've been proud to be a catalyst for connection. We believe our purpose is to make moments matter - to bring people together for key occasions, be it over a celebratory toast, a reunion of old friends, an impromptu post-work catch-up, or an evening out. We put our consumers and their experiences at the heart of our goals.

In terms of investment, speak on your company's vision, mission, and business offerings?

Our people are our biggest asset. We succeed together by being fearless, treating each other as family, and acting like founders. In fact, we don't call each other 'employees', we call each other 'primos', which is the Spanish word for 'cousin.'

Since its early days, Bacardi has also been 'Good Spirited' - meaning we are committed to giving back to communities, marketing responsibly, operating sustainably, taking care of our people, and doing the right thing.

Could you evaluate your operations in Nigeria and the impact that your company has brought to Nigerian economy growth over the years?

Bacardi has been in Nigeria for many years. Since entering the market, we have grown year on year and with that, so has our team. Nigeria is the biggest and fastest growing economy in Africa, and we are very proud to be a part of this growth story.

India at 76th; what's your message to the country and the people as we celebrate this milestones achievement of the country?

I would like to wish the Indian community in India, Nigeria and abroad an incredible 76th Independence celebration. We will certainly be celebrating alongside you with our favourite Bacardi cocktail in hand. Cheers!

Final word?

Thank you for the opportunity to celebrate alongside you. From all of us at Bacardi in Nigeria, Happy 76th Independence Day, India!



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India is powerhouse in global affair

In this *Inside Business Africa's* interview with Mr. Chandramaouli Kumar Kern, Consul General of India in Lagos, he speaks on the 76th India Independence Day celebration and the business relationship between India and Nigeria. *By Grace James*



IBA: As your nation celebrating 76th Independence Day; what should we be expecting from India as a nation going forward?

Kumar Kern: We want India to be confident and a responsible nation as in the last 76 years; we have done a great deal to develop ourselves. The country has come a long way from what we were in 1947, but still a lot of work needs to be done.

As far as our development is concerned, we have done well in our economy, we are on course to become a five trillion economy by 2027 and we are on the right path. Apart from that, we have developed as a good manufacturing nation. We have done well in the pharmaceutical sector, in the information technology sector and in other manufacturing sectors. Also we have done well especially the Indian machineries nowadays are respected all over the world.

In space exploration, also India has taken great strides, you may be aware that our Chandrayaan, the rover to the moon is on its way. It is going to reach on the 23rd of August and we will be among the selected four nations who have been able to put a rover on the surface of the moon. So in all, we can say that it has been a satisfying journey so far and we expect to grow at a faster pace in coming years.

IBA: What does India Independence Day mean to India citizens especially those in diaspora/Nigeria?

Kumar Kern: As you are aware, India has a strong diaspora. We have around 33 million people living outside India. In Nigeria also, we say that around 60,000 strong Indians or persons of Indian origins are staying in Nigeria.

Independence Day is a very significant day because it takes them to the roots. It takes them to the culture and all Indians come to the consulate or to other places where Independence Day is celebrated and become one despite having so much diversity in our country.

Independence Day is also an occasion where we rejoice in our national achievements, with the national glories which we have received and to critically examine how India is fairing nowadays.

IBA: As the consul general; can you speak significantly about the impacts India as a nation has given to Nigeria and give us an overview of Indian firms and their contributions to the Nigerian growth trajectory?

Kumar Kern: India and Nigeria have very strong bilateral relationships. It is prior to independence and it has been in all the fields. Indians were here in Nigeria prior to Nigerian independence, prior to Indian independence.

They were traders and they contributed significantly in the trading or the development of industries in Nigeria. For instance; If you count there are Indian companies and Indians in almost every sector of the Nigerian economy and I am proud to say that India is touted as the second largest employer of labour in Nigeria after the federal government, and we are very happy about that.

I would also like to say that Indian investment in different fields brought the technology, brought the expertise and I am 100% sure that these things have helped Nigeria in a big way by training the Nigerian people and at the same time giving them employment and also by developing the industry.

So, I would say that it has been impactful and robust as well. As far as the government is concerned, we have a very strong capacity building relationship with Nigeria. Both in the civil and defence sector. We have a robust training system and we invite around 150 defence personnel for training and more than 500 ITEC alumni go for training in India for short term, but very focused, diversified and very professional courses and these capacity building measures we would continue to do.

IBA: Specifically speak on the Indian growth story commemorating the 76th Independence Day celebration?

Kumar Kern: Our prime minister has given us some mantras. It has been said that the period from 2022 to 2047 when we will become a 100 years old republic will be treated as Amrit Kar. Amrit means nektar. So this period is a nektar time. What is the significance of this Amrit Kar? Its significance is that yes, we have developed as a nation, but whether the development has been saturated, what does it mean? It means that it should not be regionally differentiated. It should not be sexually differentiated rather everybody should reap the benefit of development.

Meaning every household should have electricity, the word here is 'every', everybody should have a bank account and everybody should be covered by a health insurance scheme. All the villages

should be connected with roads, and there should be communication links. So these are the things which we are trying to do in the coming 25 years to commemorate our 100th Independence Day. So, all the work is going in every direction to realize these dreams, so that there is a good living in every Indian household.

IBA: In terms of investment; speak on the various segments of the businesses including brands, firms and the market share, how India has been impactful in these areas?

Kumar Kern: As far as India, Nigeria business relationship goes, it is significantly strong. And I would say that the Indian companies' names are nowadays household names, like African industries in steel, skipper in power sector, java in pharmaceutical. So, they are the other group of industries, they are the manufacturing also and they are the importers of API and the finished product also. And they think that simply is also otherwise made by our companies.

Why do some havoc ingredients and havoc with medicament and cosmetics we are partly if we go to the steel industry.

We have many RTS deals and African steel is also very significant and there are many other metal and metallurgical companies. We are also very strong in the packaging industry and plastic industries. Sometime back it was said that it is almost more than 75 percent market share of plastic usage by Indian companies. I do not know the percentage now, but we are significant.

You may be hearing the name of MIKIOR. MIKIOR also has significant Indian investment and they are providing every type of laboratorial test and electrical test in Lagos and in many other parts. Apart from that there are historical names like Church gate, Vohsans, Cable Run Group, Chandrais Group, these are all new names to Nigeria and we do not have to signify them for what they do.

IBA: As the consul general; what has been the most tasking assignment you have undertaken since assuming the office in Nigeria?

Kumar Kern: I am very happy to be posted here and I am enjoying my tenure, of course, there are challenges for any job and that would remain. I would say that sometimes we have issues, but because of the strong Indian presence and more interaction with the government there are many functions.

Sometimes there are three to four functions in a day and it is very taxing on me sometimes apart from that, sometimes we feel that some Indian national complains to us that they have not received their compensation, their monthly wages and then we have to try to resolve that issue. These are some of the tricky issues; I would not say it's difficult; these are tricky issues which we have to deal with as professionals.

Indeed many conglomerates are older than Indians and many have fallen by the wayside. Since independence could you speak on key sustainable strategies Indian nationals adopted to remain in business and stand out?

Yes, there are many business conglomerates which are older than India as such and they have thrived. A significant example is Tata. Tata has been in business since 1900 years and you know that they acquired the Range Rover and Land Rover and they are one of the companies.

My view is that skilled manpower available is plenty in India and a strong demand driven economy in India has helped these companies to grow and sustain. I would like to mention here that it is a big difference between many countries with India that we have a very large pool of middle class and these middle class are the person who have money to spend and that drives the economy generally, and where the middle class becomes big, the economy will be better for it at long run.

So, I would say that there is a threshold of middle class which drives the economy, creates demand and supply manpower also for that development.



IBA: Could you evaluate your operations in Nigeria and the impact that your country has brought to Nigerian economy growth over the years?

Kumar Kern: There has been a symbiotic relationship between India and Nigeria. I am sure that the Indian intervention in Nigeria has been very specific. There are imperative policies which have helped Indian companies to come here to establish themselves and the government has tried to assist Nigeria by providing them the opportunity in training.

In recent years it has developed as a hub for the education sector. Many Nigerian students are going to India for their post-graduate and undergraduate courses. Apart from that, I am very happy to note that Nigerian FinTech companies are doing very well and this is a very notable achievement for the Nigerian industry.

But I would also like to mention that most of these countries are having a very symbiotic relationship, very fruitful relationship with software companies of India and they work together to develop these things. Apart from that, I would like to mention that IT giants like TCAS, Wipro and Infosys have a wide presence in the banking sector of Nigeria by providing them with software and technical solutions. In cloud computing also, I understand that there is robust interaction.

So these things are there, apart from that the government of India is willing to share the cutting edge technology like we are ready to share the

indigenously developed 5G technology which is much cheaper than what is available from other countries. We are also ready to cooperate in UPI and on boarding of Nigeria on the UPI or Rupai card which India has launched recently and it has become successful in many countries. We are ready to share the technology and onboard Nigeria on this.

IBA: Indian at 76; what's your message to the country and the people as we celebrate this milestone achievement of the country?

Kumar Kern: We are satisfied with the development but we do not have to stop here because there is a lot more to be done. In the last 15 years, India has been able to take out 450 million poor out of the multi-dimensional poverty. But still there are many poor people in India and the government needs to intervene to bring them out of the poverty line, so that they can contribute significantly to the mainstream economy of India.

So a lot of work still needs to be done but the journey so far has been very satisfactory and I can say proudly that we are one of the few countries who have come out of the COVID in this way so that we continue with higher growth. But at the same time we could keep our inflation rate moderate. So these developments are significant and we want to consolidate them in the coming years.

IBA: Final word

Kumar Kern: My final word is, I hope and pray that India-Nigeria relationship becomes stronger, stronger and stronger. I am sure when His Excellency President Bola Ahmed Tinubu, GCFR goes to participate in the G20 Summit in September; he would be able to showcase Nigeria at a greater platform and under the G20 presidency of India.

I would also like to say that Mr. Narendra Modi, the Prime Minister of India said a very significant line about Africa that India wants to partner Africa to liberate its potential not to constrain its future and the priority of India is Africa, not Africa but Africans, every man, woman and children of Africa. I am 100 per cent sure that this paradigm is exceptionally relevant when we talk about India-Nigeria relationship.

Given opportunities building capacity

In this interview with Mr. Anul Murarka, Founder, Lagosmart, he speaks on the mission and vision of his firm and the impacts made over the years in ICT in Nigeria *By Rosemary Obinna*

In terms of investment, speak on your company's vision, mission and business offerings?

I would say, because my experience of staying in Nigeria is that Nigeria has so much potential and intellect, the only thing that lacks is maybe a basic infrastructure and if we have good minds which are always available things will improve in the country. For instance; I mean, I have seen many Nigerians that are good when it comes to intellectual activities level. They are at par when it comes to discipline as well. The only thing we lack here is the resources and the opportunity to excel.

So, always my vision has been to give opportunities to the people to show their intellectual capabilities and that's what I've been telling the board of my company. Let's give opportunity because it's by creating opportunity in this sector that we will see good people that will come on board.

Today, I think we can perform better than most of the countries in the world because we have that zeal, we have that potential and we have that attitude to work, so with this, it's not about investing money, but about investing your time, minds together, forming a good team and growing together with the nation.

Indeed many conglomerates are older than India and many have fallen by the wayside. Since independence could you had so many five year planning schemes, so this actually teaches us not do anything for today but look at the future. Do it in such a way that you can sustain it.

I am a Rotarian, in Rotary that is what they teach us, they take a project, do something for the community which is sustainable. Otherwise, don't do it and I think that's the key part of success for any organization. So if you have that in mind that what you did today, you can continue doing it tomorrow and forever, you will see you will always exist no matter the forex rate, no matter how much it fluctuates.

And no matter your full prices go 10 or 20 times higher, but you have the vision of sustainability you will overcome the entire challenging situation in business. Just believe in yourself, believe in your people and you are successful.

Speak on key sustainable strategies Indian nationals adopted to remain in business and stand out?

I think the most key point here is the vision. If you will see all the Indians, the successful Indian conglomerates which have been here, the organizations who have been existing here for the last 150 years or more, they had a vision and that has been driving their business.

These cannot be done for today. Whatever step you take, whatever investment you do, whatever resource you put in today, you have to think for the next 10 years. You know, in India we

Could you evaluate your operations in Nigeria and the impact that your country has brought to Nigerian economy growth over the years mostly in the IT Sector?

So again, the basic knowledge of ICT, I made this statement earlier that today Nigeria is good when we talk about ICT. Nigeria may be a couple of years behind the world.

The only thing behind it is the knowledge and the resource and the infrastructure that is what we bring from India, even our team here we engage them in the knowledge, the updated knowledge at the right time. Getting knowledge through seminars has been done for our team in India and from our principal in India, imparting that to our team here makes them up to date with technology.

Nigerians are very vast in knowledge and they can learn fast too. For instance, in medicine Nigerian doctors are successful abroad and my colleagues and friends mentioned it during our conversation recently, how the doctors from Nigeria are over there and how successful doctors are in Nigeria.

Growing and building capacity

As Indian nationals in Nigeria join their fellow citizens across the globe to celebrate India 76th Independence Day, the Management of Prestige Assurance Plc in this interview with the Managing Director Mr. Rajesh Kamble shares their offerings and congratulates their fellow citizens all over the world.
By Rosemary Obinna & Grace James in Lagos

As India is celebrating 76th Independence Day; what should we be expecting from country going forward?
As the nation celebrates its independence on 15th August 2023, definitely, the world is looking up to India to do more in the fight against poverty and hunger. India as you know is a major power seeking for peaceful resolution of various conflicts around the world. I am very sure that the country would double its efforts in contributing more towards world peace.

What does India Independence Day mean to Indian citizens especially those in diaspora/Nigeria?
To us Indians, it means freedom and responsibility towards our nation and other nations around the world. It means freedom from all forms of vices, conflicts, hunger, etc.

Speak on Artificial Intelligence revolution In Africa and its impact?
The biggest challenge we face as a company is the economic environment. As you are aware, the Naira value is very low that means that the value of investment we have made has reduced drastically.

Speak on the uniqueness of your product and services?
Our products which range from the traditional insurance products to other unique products like medi-claim, travel, Prestige Salary protection etc, have assisted our numerous clients in meeting their financial protections and health related challenges.

Specifically speak on the Indian growth story commemorating the 76th Independence Day celebration?
As you are aware, India has experienced a prolonged period of strong economic growth since it embarked on major structural reforms and economic


Mr. Rajesh Kamble

liberalization in 1991, with real GDP growth averaging about 6.6% during 1991-2019. This led to the lifting out millions of people out of poverty. Suffice to state further, that India has already become the fastest growing economy in the world and is set to double its current annual GDP of close to USD 3.5 trillion to USD 7 trillion by 2027 and to USD 10 trillion by 2030. These achievements and projections are as a result of the dedication and doggedness of the citizens to achieve results in whatever endeavor they are into.

In terms of investment speak on the on your company's vision , mission and business offerings?
In line with our vision which is to build a reputable brand that remains ahead in providing timely service delivery and customized insurance products and our mission that is geared towards being the preferred and most reliable insurance carrier providing quality insurance products and services, Prestige as a Company is and will continue to invest more on our human capital as it is a catalyst towards realizing the vision and mission statements of the Company. Our IT infrastructure is being upgraded to meet the current challenges and realities of the time.

Indeed many conglomerates are older than Indians and many have fallen by the way side. Since independence could you speak on key sustainable strategies Indian nationals adopted to remain in business and stand out?
Here in Nigeria and all over the world the belief is that Indians are very stingy, they do not spend money. These are not true. Indians are great resource managers who believe in improvement and multiplication of whatever resources they are asked to manage. Another sustainable strategy is innovation. We strive for new ideas that are tailored towards positive results.

Could you evaluate your operations in Nigeria and the impact that your country has brought to Nigerian economy growth over the years mostly in the Insurance Sector?
Prestige Assurance Plc has been in operation since 1952 in Nigeria. For the past 72 years, the Company has employed thousands of Nigerians and contributed immensely to the Country's GDP. It has brought insurance services closer to the citizenry by ensuring that innovative products are provided and claims are settled promptly.

India at 76th; what's your message to the country and the people as we celebrate this milestones achievement of the country?
As India celebrates her Independence anniversary, my message to everyone is to keep hope alive, work hard and believe in your ability.

Kindly tell us about any new package your company is bringing into Insurance Sector?
We are currently working on some new products which are being finalized. But as you know we are under a regulation therefore it is difficult to speak on the products until our Regulator gives us approval.

Final word?
On a final note, I wish all Indians a happy and memorable celebration.

Indo-Nigeria relationship is solid

In this interview with Mr. Sohan Lal Baghla, Director, African Industries Group, he speaks on India and Nigeria business relationship which is dated back to pre-colonial era and the ties is still strong development wise According to him "India's investments in Nigeria have made significant impacts across various sectors. Notably, Indian companies have contributed to telecommunications and ICT advancements, energy collaboration in oil and gas, improved healthcare through pharmaceutical ventures, and enhanced agricultural productivity". *By Grace James & Festus Oseji*

As your nation celebrating 77th Independence Day; what should we be expecting from India as a nation going forward?

India got independence through the great sacrifices of our forefathers/ ancestors after centuries of subjugation. We were one of the oldest civilizations that had much advancement in education, astronomy, engineering, scientific, medical and social sciences.

The country has taken giant strides since independence, especially during the last few decades. From being dubbed "country of Snake charmers", we are now leading knowledge base of IT & Medical Sciences in the World. The progress in IT, greatly owes to educated Skilled Indian work force serving across the globe.

As we progress further, India is now focusing on strengthening its healthcare infrastructure, fostering innovation, and promoting cultural heritage. India, presently being 5th, is poised to be the third-largest country in the world by 2027, making it an economic super power and globally influential nation. We are definitely moving in the direction to regain Old Glory of Great India.

What does India Independence Day mean to Indian citizens especially those in diaspora/Nigeria?

India's Independence Day holds profound significance for its citizens, including those in the Nigerian diaspora. It symbolizes the triumph of freedom from British colonialism and reflects the sacrifices made by our forefathers & innumerable freedom fighters, who lit & sustained the spark of Revolution to get us freedom. For



Mr. Bagla Sohan, Director, African Industries Group

Indians in Nigeria, it serves as a cherished connection to their homeland, promoting a shared identity, inspiring reflection on India's journey and its ongoing contributions to the global community. Each & everyone should don the mantel as an Ambassador of India, take pride in our Indian traditions, and contribute to the economic & social development of the host country Nigeria.

Can you speak on the significant impacts India as a nation has given to Nigeria in the area of investment?

India's investments in Nigeria have made significant impacts across various sectors. Notably, Indian companies have contributed to telecommunications and ICT advancements, energy collaboration in oil and gas, improved healthcare through pharmaceutical ventures, and enhanced agricultural productivity. People of Indian origin have invested a lot in all facets of Businesses, Industry & Trade. As per a study conducted few years back, it was revealed that these enterprises employ a sizeable number of Nigerians as compared to the ones employed by Federal Government of Nigeria.

Indian teachers & Doctors were first lot to teach Nigerian in Nigerians Universities, Nigerian Armed forces personnel were trained in India & as well helped to set up NDA in Kaduna. Nigeria Railways was managed by Indian company RITES to train Nigerians in Nigeria. We still have a Technical & cultural Exchange program. Hence the impact of Indians on Nigeria is immense, and I hope that there will be much more in the years to come.

Specifically speak on the Indian growth story commemorating the 77th Independence Day celebration?

The Indian growth story is a testament to a remarkable progress right from economic reforms to technological innovation. India has emerged as a global player due to a sustained GDP growth, a vibrant startup ecosystem, and advancements in IT and space exploration.

As of now, India is 5th largest economy of the world & possesses largest pool of young, educated labor force. India has made great stride since independence especially in the field of Education. Majority of the reputed & world's largest IT companies, Financial Institutions have CEOs of Indian origin. India has given Top Administrators/ Political Leaders to the world including present Prime Minister of the United Kingdom, Vice President of USA, Defence Minister of Canada to name a few. In knowledge-based enterprises, especially like Medicine, Pharmacology, Engineering & sciences,

The India growth story is a testament to a remarkable progress right from economic reforms to technological innovation. India has emerged as a global player due to a sustained GDP growth, a vibrant startup ecosystem, and advancements in IT and space exploration.

astronomy, we have made large strides.

Our accomplishments now span the world of space as well. We have reached Mars & our Chandrayan3 lunar exploration mission became the 1st one to land successfully on the Southern pole or darker side of moon, a difficult & arduous task our space organization, ISRO, is comparable to NASA or other leading Aerospace Industry. It is set to explore SUN soon. We provide the most economical Satellite launching to the world.

As a member of the senior management at African industries what has been the most tasking assignment you have undertaking since you started working in the office?

Consolidation of businesses to meet challenges of the fast changing socio-political & economic environment(VUCA) from time to time, which is inherent in Nigeria. Adaptability & flexibility is the name of the game. Adapt & flourish is our mantra. I am also participating in the continued exercise of transformation from a family-owned business to long lasting professionally managed businesses.

Could you evaluate your operations in Nigeria and the impact that your country has brought to Nigerian economy growth over the years mostly in the Manufacturing sector?

AIG is one of the largest manufacturing conglomerates in Nigeria with many Units spread across 9 States of Nigeria. We are present across 11 business verticals with steel, mining, power, chemicals being some of the main verticals. We are one of the largest producer of liquid Steel in West Africa with down-stream Steel products such as Re-inforced Iron Bars, Structural Steel, Steel Pipes & Tubes, Welding Electrodes, Wire Rods Products and so on.

We are also into manufacturing of related Building materials such as Glass, Concrete Paving Stones , Plywood. We also manufacture Chemicals for Agriculture & hygiene Care.

We generate and distribute power, provide EPC and maintenance services. We also provide End to End solar system with latest technology PV Modules, Inverters & Storage system.

> We need to encourage entrepreneurs, who can make India the start-up hub of the world. We can replace China as the largest Factory of the World, owing to its ageing population.

We are proud to mention that we have set up a fully integrated iron ore mining and processing plants along with captive power plant based on environment friendly waste heat recovery technology in Gujeni village, Kagarko LGA of Kaduna state, the first of its kind in Nigeria.

As a group, we provide Direct employment to over 10000+ employees, including Nigerians nationals apart from Expats from India and other countries.

Indian at 77th; what's your message to the country and the people as we celebrate this milestones achievement of the country?

Our journey has been remarkable, marked by progress and resilience. Embrace your rich heritage, diversity, and spirit of unity. India is moving forward. Our YOY economic growth projections are above USA & China. Education & literacy rate is improving.

We need to encourage entrepreneurs, who can make India the start-up hub of the world. We can replace China as the largest Factory of the World, owing to its ageing population. We should take advantage of largest pool of young population and make them technically skilled and Employable. This shall give further impetus to 'MAKE IN INDIA'. Let us work together to position India as the next super power, that it truly is and deserves.

Final word?

As a Group we are present in Nigeria for over 52 Years. We are actively involved in the socio-economic development of Nigeria. We have an intrinsic knowledge of economic scenario and working Practices in Nigeria and West Africa. We are also a member of the Nigeria India Business Forum. We strongly feel that we can help provide a bridge between Indian business enterprises and Government with the counterparts specifically in Nigeria/ Other surrounding West African countries.

The Indian-Nigerian relationship is rooted in the struggles for independence, reflects shared values, aspirations, and journeys toward self-governance. India & Nigeria traditionally have good political & cultural relations, starting with Indian teachers in Nigerians, Military Generals / Other forces trained in India & NDA Kaduna. This goodwill needs to be renewed & retained. I strongly feel that both have a lot of synergy and should use it for mutual benefit. Africa is the future bowl of food for the World, Nigeria being its largest economy, should be given due priority for good Socio-

Political relation by India.

Let the Indian - Nigerian relationship bond stand as a reminder of the strength that arises from historical connections and the potential for impactful collaboration on the global stage.



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A hardline on growth

Elumelu, Soludo, ANAN Hail Tinubu's Economic, Tax Reforms



R-L: Nigeria's President, Bola Tunubu, UBA Group Chairman, Tony Elumelu

President Bola Tinubu yesterday, received accolades from the Chairman of Heirs Holdings and the United Bank for Africa (UBA) Plc, Mr. Tony Elumelu, over his policy decisions on the nation's economy since he assumed office about three months ago.

This was just as Anambra State Governor, Prof. Chukwuma Soludo, also commended Tinubu over his courage to remove fuel subsidy

Elumelu, who spoke to newsmen after a private meeting with Tinubu, at the State House, Abuja, acknowledged that the president had taken good decisions in the interest of the country, saying the private sector had been encouraged by the steps taken so far.

According to him, all things done by Tinubu so far had been in the interest of all Nigerians, especially women and the youths, saying in the long-run, Nigeria would benefit from it, all while imploring Nigerians to be patient with the president. His words: "The private sector is encouraged with the bold decisions President Bola Ahmed Tinubu has taken and we hope that in the fullness of time, Nigerians will benefit from it because it's all about the Nigerian people, it's all about our youths, it's all about making sure our women are involved and empowered.

"It's all about making sure our youths get jobs and I think Mr President has this at the back of his mind and I believe, as a private sector person, that the actions and the decisions the President is taking now will help our people in the long run."

He urged Nigerians to be more patient with the president and the ongoing process, saying, "a bit of patience, you know Rome was not built in a day."

Similarly, Soludo, yesterday, commended Tinubu over the courage to remove fuel subsidy.

Soludo, who spoke during the 9th (7th Quadrennial) Delegates Conference of the Nigeria Union of Teachers (NUT), Anambra State wing, described the removal of subsidy as necessary.

Soludo stated that the removal had the potential of re-engineering the nation's economy.

He said: "It's high time the country woke up to the reality that it is a poor country and begin to live within her means.

"Starting from those in leadership, there was need to begin to live and demonstrate to the people that Nigeria is a poor country.

"The reality of the subsidy removal affected everybody and not just civil servants. The present administration's plan to cushion the effects was all-encompassing, including the immediate and medium term efforts."

Soludo said his government would recruit more teachers and continue to give accessible and quality education to the citizenry.

Relatedly, the Association of National Accountants of Nigeria (ANAN) lauded the steps so far taken by Tinubu's government on the country's fiscal and tax reforms which it said would free resources for the ordinary people in the long run

National President of ANAN, Dr. James Neminebor, gave the commendation in Benin City, capital of Edo State, yesterday, at the 4th Session of the Mandatory Continuing Professional Development (MCPD).

He said the essence of the MCPD was to update members of ANAN on modern techniques and standards in accounting so that they could produce the needed and relevant data for government and private organisations to plan.

According to him, "The new government has been very pragmatic, it is like they know what they are doing. He (the president) has just put up a committee that will lead the fiscal policy of the administration and incidentally all the financially involved professional bodies are in that committee; ICAN is a member, ANAN is a member, CITN is a member and myself, I am a member of that committee.

"We are articulating what the fiscal policy of this administration will be and of course the tax reforms because if we change the fiscal policy and the tax reform will bring some relief to the ordinary person that is why the government is there, government is not for itself, it is for the people."

On his part, the Chief Executive Officer of ANAN, Dr. Kayode Fasua, said ANAN and all other financial bodies must be involved in the fight against fraud in the country, adding that, "the issue of fraud in Nigeria is not the job of the gate keeper alone, but something that is endemic that all of us must know that many people perpetuate what is fraudulent without even realising that it is fraudulent because it has become a part of us that is why there is need for that continuous sensitisation which we give at our various fora which we give also to the government."

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IFC's funds for Africa programme

IFC Invites Female Entrepreneurs to Apply for 5,000 Startups Programme in Africa

The International Finance Corporation (IFC), the private sector arm of the World Bank, has opened applications for its 'She Wins Africa' programme, which aims to support the growth of up to 5,000 women-led startups with advice, training, mentorship, and networking opportunities.

'She Wins Africa', part of IFC's wider strategy to support women entrepreneurs, is open to women-led startups and entrepreneurs operating in Sub-Saharan Africa.

The programme would initially support a group of women-led African startups across various sectors. It includes a pitch competition for participants and networking opportunities with investors and venture capital firms.

IFC's regional Director for Eastern Africa, Mary Porter Peschka, said: "African women are highly entrepreneurial yet often lack the support and funding they need to succeed. She Wins Africa aims to rectify this by equipping women with skills, tools, and opportunities to scale their businesses. "IFC is excited to welcome innovative women entrepreneurs to the She Wins Africa programme and help them grow their businesses and reach new heights." Applications are open until September 15.

Meanwhile, in a groundbreaking move to bolster Africa's sustainable development, the IFC has injected a historic sum of $11.5 billion into the continent during the fiscal year 2023.

The package includes a $500 million investment in BUA Cement in Northern Nigeria to promote eco-friendly, low-carbon cement manufacturing.

This $11.5 billion investment aims to expedite Africa's transition towards clean energy, foster eco-friendly manufacturing practices, enhance intra-African trade, fortify small-scale enterprises, and elevate local food production, even in regions grappling with fragility and conflict.

The IFC's commitment materialised as an extraordinary feat, spanning 40 countries between July 1, 2022, and June 30, 2023. This marked the single largest annual investment drive ever witnessed on the African continent.



IFC's regional Director for Eastern Africa, Mary Porter Peschka

The huge financial support encompasses several critical sectors, including $1.12 billion designated for trade financing, $876 million to propel Africa's green energy transition, and $1.98 billion to bolster the growth of small businesses, ultimately spurring job creation.

The IFC also allocated $1.76 billion to boost digital connectivity, with strategic investments in telecom towers, broadband expansion, and the proliferation of mobile internet access.

Of the $11.5 billion commitment, a substantial $3.5 billion was dedicated to short-term financing, while an additional $3.1 billion was mobilised.

About 40 per cent of IFC's in-house financing directly confronted the pressing issue of climate change, while 48 per cent was channeled towards the benefit of low-income nations and those afflicted by fragility and conflict.

> **Throughout the fiscal year, the IFC's Africa Fragility Initiative (AFI) lent support to 18 advisory projects specifically aimed at enhancing private sector capabilities in Africa's most fledgling and vulnerable markets.**

Commenting, the Vice President for Africa at IFC, Sérgio Pimenta emphasised the organisation's unwavering commitment.

He said, "At difficult times like these, when the shockwaves of multiple crises are shaking economies worldwide, we are stepping up our work to support a resilient, inclusive, and greener private sector that is helping provide infrastructure and digital solutions while also tackling food security and climate change.

"Catalysing increased private sector innovation and financing for addressing climate change, bridging gender gaps, and empowering the next generation of startup leaders has been at the forefront of our work this past year and will continue to drive our engagements as we work with partners to create jobs and opportunities for more people."

As Africa intensifies its efforts to combat climate change and transition to a net-zero future, the IFC has substantially augmented its funding for climate-related projects. Notable initiatives include $1.2 billion in financing to enable financial institutions to expand their climate and sustainability lending, $1.1 billion to support AMEA Power in the construction of Egypt's largest wind and solar plants, a €242 million financial package to advance Senegal's Sococim Industries, and a $500 million investment in BUA Cement in Northern Nigeria to promote eco-friendly, low-carbon cement manufacturing.

In the realm of digital connectivity, IFC and MIGA jointly pledged $1.3 billion in equity investments, loans, and guarantees to underpin Safaricom Ethiopia's greenfield telecommunications network across Ethiopia.

To empower smaller enterprises, the IFC extended $208 million to partners in 12 countries through the Base of the Pyramid Program, which also welcomed new partners from Cameroon and Madagascar.

Throughout the fiscal year, the IFC's Africa Fragility Initiative (AFI) lent support to 18 advisory projects specifically aimed at enhancing private sector capabilities in Africa's most fledgling and vulnerable markets.



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:o persons under the age of 18”

FX import Forging forward

Nigeria's FX Import Cover Now 5.2 Months, Higher Than Ghana, S'Africa, Others

A report by the Vetiva Research has shown that Nigeria's foreign reserves could provide 5.2 months import cover, which placed the country in more comfortable position than Ghana, Kenya, South Africa and Angola that have 2.5, 4.0, 4.9 and 4.4 months import covers respectively.

The report, which was obtained by THISDAY recently, stated that: "Beginning with the import cover indicator, all our coverage economies have reserves above the rule of thumb (3 months) except Ghana.

"After adjusting Nigeria's reserves for short-term foreign currency drains, import cover fell from about 7.9 months to 5.2 months. Unsurprisingly, Ghana's import cover falls short of the required levels, following the capital flight of 2022."

The report also assessed the capacity of the countries to withstand capital flight from the currency by residents, which showed, "that Angola is the most equipped to handle a scenario where domestic residents initiate capital flight, while South Africa emerges as the least prepared in this regard."

It also assessed the capacity of reserves to cover short-term external debt and observed that Nigeria is in a better position than the other countries.

It said: "Nigeria and South Africa excel in this assessment, even though there have been net reserve adjustments in the case of Nigeria.

"Notably, Nigeria has successfully repaid its $500 million Eurobond and does not face any external debt maturities in 2024.

"Furthermore, Nigeria's reserves are fully sufficient to cover its current account, which is in a surplus position. Consequently, the debt-reserve metric for Nigeria is deemed adequate. South Africa equally has enough reserves to cover its short-term external debt."

The report added that Nigeria's net reserve stock was at most c.$22 billion in 2022.

The Vetiva Research noted that upon the publication of the audited financial statements of the Central Bank of Nigeria (CBN), "we undertook the computation of Net International Reserves (2022) following the specific guidelines outlined in the IMF's Assessment of Reserve Adequacy (ARA) Guidance Note Definition. This process essentially entails subtracting short-term foreign currency liabilities and off-balance sheet items from the total gross reserve position.

"Utilising the conversion rate of N461.50/$ (as stated in the financials), we arrived at a Net International Reserve Position of approximately $22.2 billion."

It also applied the accrual principle of accounting and the IMF guidelines, and made deductions pertaining to portions of security lending agreements with JP Morgan and Goldman Sachs.

The Vetiva Research stated: "The recorded value of the entire security lending arrangement stood at $15 billion. However, only 37 per cent of this amount is slated for payment within the upcoming year, equating to $5.5 billion.

"We extended the same methodology to foreign currency forwards. Moreover, we excluded foreign currency deposits belonging to non-governmental customers from our calculations, in line with the ARA guidelines.

"A noteworthy concern arises in relation to the undisclosed breakdown and maturity profile of OTC future contracts and swaps outlined in the financial statements. While OTC future contracts are naira-settled, the maturity profile of swap arrangements is needed to make the necessary deductions.



Chuka Eseka

"Transitioning further, our assessment concludes that Nigeria's net external reserves amount to at most $22.2 billion. This net reserve stock translates to an import cover period of 5.2 months, surpassing the minimum requirement of 3.0 months."

The report also commented on the Nigerian National Petroleum Company Limited's secured a $3 billion Emergency Crude Repayment Loan from the African Export-Import (AFREXIM) bank that was meant to shore up the Naira, and concluded that "from a fiscal standpoint, the prepayment of taxes and royalties to the Nigerian government is a cheaper cost of financing the budget."

It, however, noted that, "caution has to be applied as monetary policy remains the adequate measure of short-term interventions in the foreign exchange market."

The report further warned that this might not appear feasible over the short to medium term, without a meteoric rise in crude production.

It added that, "this may not be feasible without proper sterilisation by the monetary authorities through Open Market Operations or Nigerian Treasury Bills. Thus, we believe these funds could raise money supply further, deteriorate Nigeria's broad money-to-reserve ratio, and create room for further demand pressure in the foreign exchange market."

It also pointed out that the reintroduction of BDCs could do little to change the Naira's fortunes in the FX market.

It stated: "While we acknowledge these measures, we believe the underlying low FX supply could keep the FX gap elevated. Thus, measures to boost crude supplies and organically grow the external reserve stock are required.

"Going into the ember months, we retain our bearish outlook on the Naira till oil production recovers significantly. However, increased interventions (though unsustainable) could reduce the pace of depreciation at the parallel market."

Two Nations leading Africa fashion

Egypt and Nigeria are leading Africa's fashion industry



The fashion industry in Africa is booming, with Egypt and Nigeria leading the way in this growth. Both countries are expected to collectively generate $2.5 billion in revenue from fashion by the end of 2023. Interestingly both countries have experienced different approaches to this lead.

Nigeria has always been a fashion hub

Nigeria's fashion industry has a long and rich history, dating back to pre-colonial times when different ethnic groups developed their distinctive clothing styles using local fabrics and embellishments. Although the industry was not very large or profitable in the early '60s, it caught on shortly after, when the industry experienced a surge of creativity and innovation. Fashion then was a blend of traditional and modern styles, influenced by colonialism, globalization, and modernization. There was a growing demand for domestic and international items. By the 1980s and 1990s, the fashion industry witnessed a boom with the introduction of ready-to-wear clothing by local designers. This time there was a growing demand from the domestic and international markets. According to a report by PwC, Nigeria's fashion industry was valued at $50 million in 1991, a significant increase from $10 million in 1985. Unfortunately, as the years went by, factors like economic recession, political instability, and import restrictions made the industry take a back seat. Consistent inflationary situations made the demand for fashion items fluctuate.

However, fashion has always been a melting pot of cultures and external influences. This means it is a complex and ever-changing industry that is influenced by a variety of factors. For example, in the mid-2010s, there was a renewed interest in African culture and heritage that ignited interest in indigenous African pieces. According to Euromonitor, Nigeria accounted for 15 percent of a $31 billion fashion market in Sub-Saharan Africa in 2015, and the industry grew 17 percent between 2010 and 2019.

Recently, the entertainment industry, particularly Afrobeats, has also spotlighted Nigerian fashion. Global trends and innovations further shape Nigeria's fashion industry; for example, the TikTok y2k trend popularized vintage thrift outfits. A Statista report reveals that Nigeria's resale market is rapidly expanding, reflecting the growing importance of circular fashion for environmentally conscious consumers.

Fashion meets Industrial Revolution in Egypt

Conversely, Egypt's fashion industry embraces a technical edge. Renowned for exceptional cotton production, the country's industrial prowess has been a consistent hallmark. As of 2009 and 2010, Egypt had contracts with 23 international countries for cotton exports amounting to $140 million. The North African country has always been a leader in the industrial revolution, with manufacturing being front and centre. Despite occasional setbacks, Egypt has maintained a position ahead of much of Africa, even ranking well in industrial achievements. Egypt's recent focus on manufacturing, including the establishment of thousands of factories, has enhanced its industrial strength. The country is also setting up the world's largest textiles factory, set to produce 30 tons of textile daily, in Mahalla.

Egypt's investments extend to sectors complementary to fashion, such as tourism. With over seven million tourists in H1 2023, Egypt's status as a premier tourist destination complements the industry's growth. The country's inaugural fashion week event drew global fashion leaders, showcasing Egypt's expanding market. Egyptian journalists, Mirna Abdulaal and Farah Sadek poised that Egypt would not have been able to host such a grand event if it weren't for its burgeoning market, which witnessed significant growth over the years. According to the Apparel Export Council of Egypt, the country's fashion exports rose by 41 percent in 2021 to $2.49 billion.

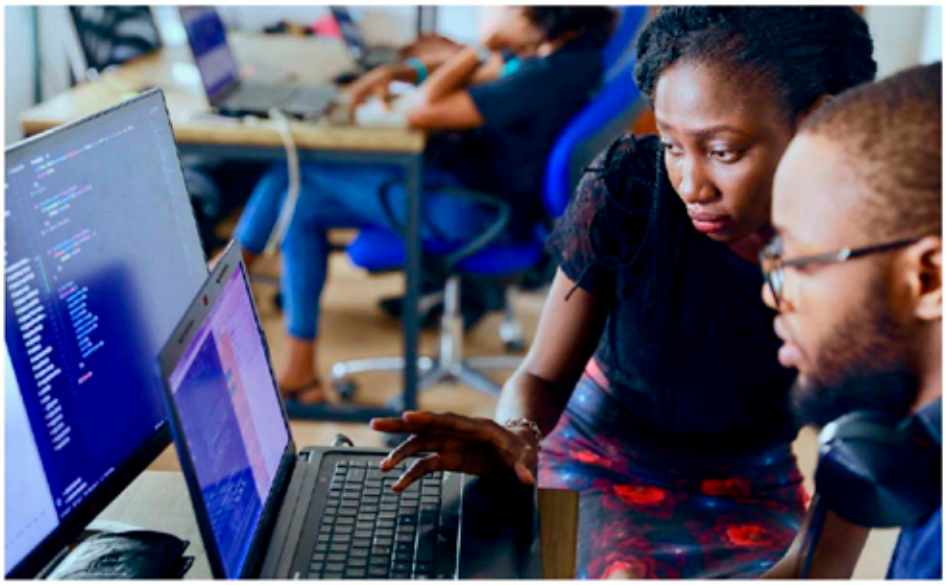
This demand is perhaps why Egypt is home to several fashion tech startups that facilitate designer-customer connections and make African fashion more accessible. StartupList Africa notes Egypt hosts 11 operational fashion tech startups. One of these platforms Gahez, connects local fashion designers and manufacturers with customers. Another, La Reina, allows Egyptian women to rent designer outfits for special occasions.

Both Egypt and Nigeria exemplify the diversity and dynamism within Africa's fashion scene. Egypt's economy is currently Africa's second-largest with $363.1 billion in nominal GDP, right behind Nigeria's $432 billion. Both countries have a growing young population with an increasing disposable income. Meanwhile, both countries are just a few of the fashion hubs of Africa. From Dakar to Ethiopia, Africa's fashion industry is poised for a global takeover.

Source: VA

Growing despite funding challenge

Nigeria's Tech sector is growing, but attracting less funding



Nigeria's startup culture has made it an African tech giant over the last decade. Year after year, it has been the top destination for startup funding in Africa. But this year is different. In the first half of 2023, it ranked fifth for funding volume, behind Kenya, Egypt, South Africa and Rwanda. It's the first time the largest economy will get the fifth-largest slice of the pie.

According to Briter Bridges' H1 Africa Investment Report 2023, Nigeria closed more deals (101) than any other country but didn't raise as much volume as its peers. Kenya secured the top spot in 80 deals, while South Africa had 60. Ghana (35) and Egypt (15) were next in line.

But this funding slump doesn't mean that Nigeria's tech sector is becoming stagnant or any less potent. On the contrary, Nigeria's tech sector is becoming a stronger support for its economy. According to the new Gross Domestic Product (GDP) report by the National Bureau of Statistics (NBS), Nigeria's Information and Communication Technology (ICT) sector saw its highest growth in three years (8.6%). The sector contributed 19.54% to Nigeria's GDP in the second quarter of 2023. Also, Nigeria's tech ecosystem is, to a large extent, optimistic about its new Minister of Communications, Innovation, and the Digital Economy. There is plenty of hope that Bosun Tijani's appointment will help speed up growth. Why then did the decline happen?

Notably, Nigeria is not the only country facing challenges with funding. Data from Briter Bridges shows that African startups raised $1 billion in H1 2023, much less than the $1.8 billion they raised in H1 2023 and $1.5 billion in H2 2022. "The volume of funding dropped by 26% from H2 2022 to H1 2023 and has largely been on a downward trend in 2023. The effect is that investors were shifting focus from growth-stage startups to late and early-stage ones," the report reads. Many startups have had to shut down, while many funds have struggled to meet their target closures. Some startups, such as Chipper Cash, have also undergone massive valuation cuts this year, while others have trimmed their workforce. A few have even turned to crowdfunding as an alternative for raising equity.



Bosun Tijani, Minister of Communications, Innovation and Digital Economy

One possible explanation for Nigeria's drop in ranking is that there is more caution in the funding market. Nigeria's currency has been on a downward spiral against the dollar, the currency in which most startups raise funding from VCs. And since most startups will receive revenue in naira, it's difficult to report their financials in dollars. This risk heightened in June when the CBN loosened its control of the foreign exchange rates. Even Nigeria's biggest firms were hit by this policy.

Also, it's the first time in years that a big round is not coming from Nigeria. Startups like Flutterwave accounted for large portions of Nigeria's funding volumes in 2021 and 2022. But that's not the case this year.

Another possible reason is the rise in "unspecified" rounds. More startups have been announcing funding rounds without disclosing how much they raised. "This trend points to a climate where startups are dealing with the intricacies of securing capital, and a substantial majority of these unspecified deals potentially represent bridge financing aimed at sustaining operations amid these challenges," the report reads. "This suggests that there may still be more pain to come in the following years for startups that cannot access bridge rounds of down rounds from existing investors."

Nonetheless, African startups reached a milestone in H1 2023. Funding volumes have now crossed the $20 billion mark over the last 15 years. "This is indeed a landmark, but it comes at a time when many in the investment and innovation ecosystem are asking what the future of investing in Africa looks like."



And the leaders is....

Who is the leading innovation in Africa's entertainment scene?

The African entertainment scene is rapidly evolving, thanks to a number of innovative platforms that are changing the way people consume and create content. The most popular way we've seen this happen is the takeover of streaming services in recent years. For example, since entering the Nigerian Nollywood market in 2016, Netflix has committed $23.6 million to more than 250 locally-produced, co-produced, and commissioned video content. Similarly, music streaming services like Boomplay and Spotify have enabled millions of users to access a diverse range of music genres and artists from across the continent. According to Statista, the number of users in the music streaming market in Africa is projected to reach 58.5 million by 2027. The rise of these innovative platforms is having a major impact on Africa's entertainment scene. Entertainment technology has greatly impacted how we consume entertainment. These companies are using technology to create new and exciting forms of entertainment that are tailored to African audiences. They are also helping to break down the barriers that have traditionally prevented African talent from reaching a global audience. Here are the African platforms leading innovation in entertainment.

Anthill studio

If there is an African film production company that has always aimed ahead of its time, it would be Anthill Studios. Anthill Studios is a fully integrated, broad-based media production company in Nigeria and a leader in the creation and production of all forms of entertainment. The company was founded in 2016 by Niyi Akinmolayan, a filmmaker and entrepreneur, who wanted to create a platform for African animators to express their creativity and skills. Since then, the company has made strides in introducing streaming services to the African audience, as well as strides in Africa's Animation scene.

In 2022, they struck a multiyear deal with Amazon Prime, making them the second Nigerian studio to secure a major new movie output agreement with the global streamer. Their animation studio produces high-quality 3D animated content for various platforms and purposes. Anthill Studio has produced several animated projects, such as Plaything, Malika, Frogeck, and Ratnik. Anthill Studio also offers training and mentorship programs for aspiring animators in Nigeria and across Africa.

Play Network

If you grew up watching Nigerian movies, you will either appreciate or devalue what Play Network is trying to do in the industry. The production company is known for reviving some of the classic Nollywood movies that shaped the industry in the 1990s and early 2000s. Play Network has produced several successful movies, such as Living in Bondage: Breaking Free, Rattlesnake: The Ahanna Story, and Nneka the Pretty Serpent. However, their latest and most innovative experiment so far is the launching of Aki and Pawpaw Epic Run, the first Nollywood game app. The game is based on iconic Nigerian actors, Osita Iheme and Chinedu Ikedieze popularly called Aki and Pawpaw. The game is set in different parts of Nigeria as images show local buses used in the Western and Northern parts of the country on

the game. It also incorporates pidgin English in conversation and background sound effects as well as local soundtracks in the game's score.

Carry1st

Africa's gaming market is expected to reach $1.92 billion in 2023 and grow at a CAGR of 11.62% to reach $3.33 billion by 2028. And platforms like Carry1st are focused on unlocking this demand in the African market. Carry1st is a pan-African mobile gaming platform that develops and publishes games for the African market. The startup was founded in 2018 by Cordel Robbin-Coker, Lucy Hoffman, and Tinotenda Mundangepfupfu, who wanted to create a platform for African gamers to access and enjoy quality games that are relevant and engaging. Since then, Carry1st has developed and published several games, such as Carry1st Trivia, Hyper!, and Gebeta.

Carry1st also partners with global game developers and publishers, such as CrazyLabs and Raketspel, to localize and distribute their games in Africa. Last year, Carry1st raised $20 million in funding from marquee investors for its mobile game publishing platform. "The No. 1 thing we want to do with the funding is to expand our content portfolio," said founder Cordel Robbin-Coker, in an interview with GamesBeat. "We have seven games licensed right now. We're looking to be really aggressive about sourcing additional globally successful titles on the free-to-play side."

Kugali Media

Kugali is a visual storytelling brand using comics, graphic novels, augmented reality, and animation to create incredible, engaging experiences. Kugali operates via its website, a podcast, a magazine, and an app that features original and curated content from across the continent. Kugali also uses AR to add interactivity and immersion to their stories. Founded in 2017 by three friends from Nigeria and Uganda, who wanted to create a space for African stories and characters that are often underrepresented in mainstream media, Kugali initially promoted itself as an entertainment and animation company.

> **Kugali raised over £20,000 on Kickstarter and gave Kugali the momentum it needed to expand its company in other areas including creating a mobile app for their comics-making them more accessible and exploring the AR digital space.**

Kugali made its first big move by launching a crowdfunding campaign for its first anthology. The project, which featured sci-fi and fantasy stories from creators all over the continent, was a massive success. It raised over £20,000 on Kickstarter and gave Kugali the momentum it needed to expand its company in other areas including creating a mobile app for their comics-making them more accessible and exploring the AR digital space.

In 2020, Kugali announced a collaboration with Disney Animation Studios for a new animated series called Iwájú, to be released this year. The series, whose title closely translates to "The Future" in Yoruba, is set in a futuristic Lagos.

Kukua

In 2015, Lucrezia Bisignani, founded Kukua to use technology to improve literacy and numeracy skills among African children. They do this by creating games and animated content that resonate with the African child. Kukua's flagship product is Super Sema, the first African animated superhero franchise. The main character, Sema, is a superhero girl who uses her powers to solve problems in her community. Sema is featured in a mobile game, a TV show, and a book series. Despite the demand for such content, securing funding for Kukua's first project wasn't easy as investors were unconvinced of its global appeal. Then the success of black panther happened and everyone wanted a piece of diverse content. In 2018, Kukua raised $2.5 million in seed, followed by a $6 million round last year.

Source: VA

Cover the steel

FG Announces Comprehensive Insurance Coverage for Ongoing Steel

The Federal Government, through the newly created Ministry of Steel Development, has taken significant steps towards rejuvenating the nation's steel sector by announcing a comprehensive insurance coverage for all ongoing steel projects within the country.

The Minister of Steel Development, Prince Shuaibu Abubakar Audu, made this declaration on Tuesday during a crucial meeting with key agencies under the ministry in Abuja.

The projects are Ajaokuta Steel Company Limited; National Iron-Ore Mining Company, Itakpe; National Steel Raw Materials Exploration Agency; Metalurgical Training Institute and National Metallurgical Development Center, Jos.

During the interface with the Director Generals of Agencies, Audu explained that the deliberate policy of the present administration to introduce insurance coverage for steel projects is a critical step to mitigate the risks and uncertainties inherent in large scale developmental endeavours.

He further opined that by providing the insurance coverage, the government aims to foster an environment that is conducive to attracting investments in the steel sector, securing financing and expediting the successful completion of various steel-related initiatives across the country.

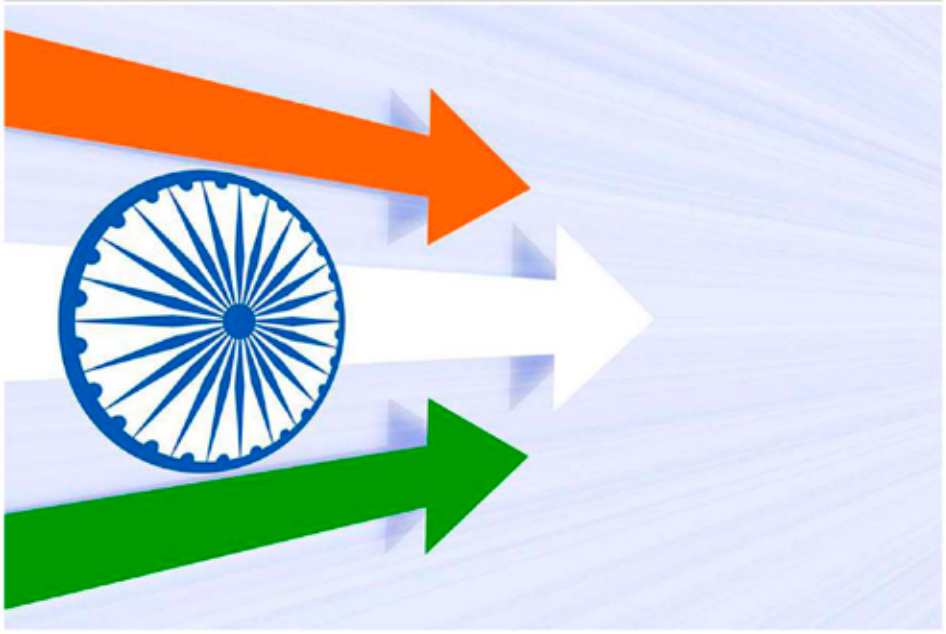
To this end, Audu noted that to ensure a structured successful implementation of this policy, the ministry would outline a comprehensive two-year activation plan, adding: "The strategic plan is designed to catalyze the revival of all steel associated interventions, which underscored a steadfast commitment to achieving tangible progress within a stipulated timeframe."

Continuing, he affirmed that the journey towards revitalizing the steel sector is beyond insurance coverage, noting that: "The government has devised a comprehensive overhauling strategy to tackle the multi- faceted challenges impeding the sector's growth.

"Central to this strategy is the optimization of skilled labour and enhancing security measures to ensure safe and productive working atmosphere."

Looking to the future

Indian citizens optimistic about economy, not employment, in next four y ears: Report



On August 15, 2027, India will celebrate 80 years of independence. By then, it is expected to overtake China as the most populous country in the world. Not just that, many global economists believe that a number of factors will help India emerge as the third-biggest economy in the world, from its fifth position currently.

LocalCircles, a social media platform and pollster focusing on governance, public, and consumer interest issues conducted a survey to gauge citizens' expectations for the country when it reaches 80 years of being a free nation. The survey, which received over 80,000 responses from citizens located in 376 districts of the country, highlights that 77 percent of Indian citizens are optimistic of India's clout in the world improving in the next four years. While 14 percent of citizens believe it will remain the same, 4 percent are of the opinion that it will deteriorate. The survey highlights that 55 percent of citizens have expressed optimism that there will be growth and prosperity for most people by 2027.

As per a forecast by Morgan Stanley, an American financial services company, a shift in policy approach towards boosting investment, demographics advantages and the public digital infrastructure will make India the world's third-largest economy by 2027. The report further mentions a recent statement by HSBC India's chief economist Pranjal Bhandari about the potential of the Indian economy to grow at 6.5 percent for the next 10 years. She mentioned that if digitisation of sectors like agriculture and MSMEs takes place, the growth rate can go up to 7.5 percent, consequently helping the Indian economy to become the third-largest economy by 2027.

> **A survey by LocalCircles finds that while citizens expect India's global influence to increase and the economy to prosper, job creation, bribery and social stability remain concerns**

The 'Survival of the Richest: The India Supplement' report, published earlier this year by Oxfam India, highlights the widening wealth disparity in 2022. The report reveals that a mere 5 percent of Indians now own over 60 percent of the nation's wealth, while the least affluent 50 percent of the population possesses a mere 3 percent of the total wealth. Despite optimistic predictions of India's GDP growth rebounding to 7 percent in the coming years, there is no guarantee that these improvements will be inclusive, especially considering the challenges posed by high inflation and an inadequate healthcare system.

On entrepreneurship

As per the LocalCircles report, a major challenge that the country is facing is employment generation. Although various institutions and the Indian government is promoting entrepreneurship and self-employment, there still remain a number of challenges to overcome, both domestically as well as globally. The survey asked citizens about the creation of job opportunities for people, and only one in three (33 percent) expressed optimism of India being able to create enough jobs or entrepreneurship opportunities in the next four years.

On the fight against gender bias

On a global scale and within India, people have been directly or indirectly affected by a range of unforeseen circumstances, such as the Covid-19 pandemic, during which a larger number of women as compared to men found themselves jobless. Post the pandemic, numerous companies are taking steps to increase female employment, including facilitating remote work options, but significant gender bias against women still persists. This gender disparity is evident at a national level, where male literacy rates are recorded at 84.7 percent , in stark contrast to female literacy rates of 70.3 percent. Additionally, acts of violence against women and children, whether within households, workplaces, or schools (for both girls and boys), as well as incidents outside these spaces, continue to occur with alarming frequency, often going unreported. This imbalance is also evident in the underrepresentation of women in Parliament. The survey further inquired the citizens about their vision of India's ability to ensure a secure environment for its women and children over the next four years, and while 52 percent feel that the situation will improve going forward, 27 percent believe that it will remain the same as of today.

On corruption and bribery

India's ongoing struggle against corruption, whether it's achieved through measures like demonetisation, transitioning to digital transactions, or implementing contactless government services, seems to have not yet produced the intended results in terms of curbing corruption, as indicated by several studies. Despite the widespread conversion of black money into new currency notes following the 2016 demonetisation, instances of bribery and corruption persist in daily life. On asking whether the corruption and bribery situation in the country will improve for the better in the next four years, the report highlights the views of citizens being rather pessimistic. Only 37 percent feel that the situation will improve, while 38 percent don't foresee things improving, instead expect the situation to be the "same as it is right now" and 22 percent citizens expect the situation to deteriorate.

On social stability

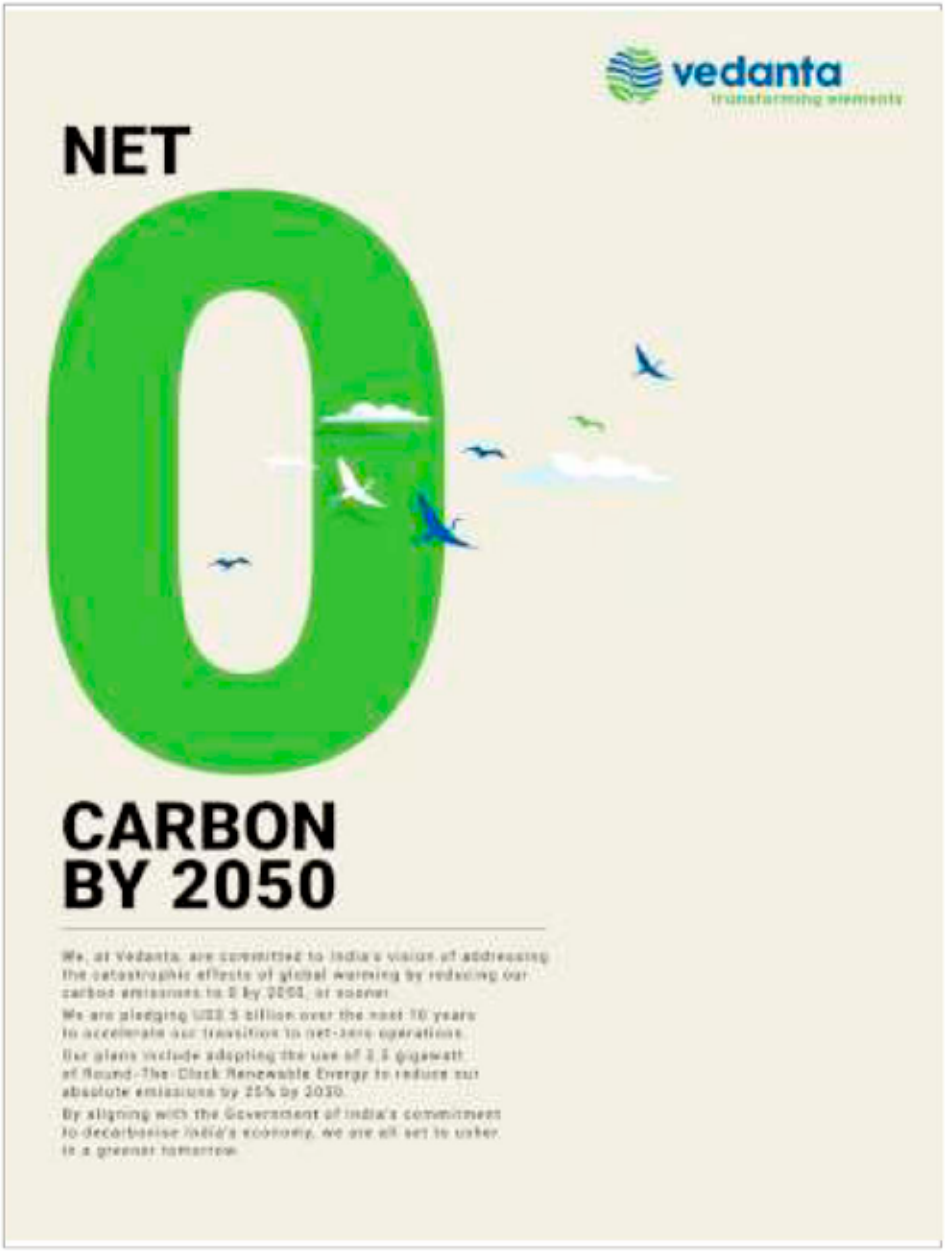
Caste, religion, and communal tensions have always remained a big concern for India. Over the past few months alone, significant communal clashes between two communities in Manipur, accompanied by instances of violence against women, have been deeply saddening for our society. Recently in Gurugram too, clashes between the Hindu and Muslim communities occurred causing a lot of havoc. In light of this, the survey aimed to gauge the citizens' perspective on social stability and as per the responses, 45 percent foresee the social stability improving in the next four years; 31 percent of citizens surveyed expect it to remain the same as it is today; and 24 percent expect the situation to deteriorate.

What will be India's biggest challenge in the next four years?

India is engaged in a dual effort. On one side, it's actively pursuing strategies to achieve elevated economic growth, with a focus on advancing infrastructure projects, enhancing agricultural productivity to augment both yields and farmer incomes, fostering a reputation as a manufacturing hub, and decreasing its reliance on imports while concurrently bolstering its participation in global trade. The successful realisation of these developmental initiatives is crucial not just for the well-being of domestic consumers, but also for positioning India as a significant global actor. However, the nation's dependence on imports for its fossil fuel requirements remains. Any escalation in the prices of crude oil and gas, as exemplified by the post-Russia and Ukraine war scenario, reverberates through the economy and directly affects citizens. To understand citizens' views on the challenges being faced by the country, the report asked the citizens to list the top challenges that India will face in the next four years. The responses were:

" 40 percent: Creating enough employment and livelihood opportunities
" 18 percent: Driving economic growth
" 14 percent: Maintaining communal harmony
" 8 percent: Keeping inflation and price rise in check
" 7 percent: Managing geopolitical issues
" 4 percent: Containing terrorism
" 3 percent: Handling of Covid and its effects on the population

BY SAMIDHA JAIN- Forbes





The ship management sector in India is poised for a CAGR of 6 per cent in the years to come

Wooing the maritime workforce

Modern mariners! The ship management sector in India is poised for a CAGR of 6 per cent in the years to come. However, a lot depends on the future willingness of Indian students to join merchant navy in huge numbers and the easy availability of skilled seafarers to cater to the needs of over 153 ship management companies operating in the country

Leaders of the Indian ship management sector firmly believe that encouraging Indian millennials to choose a career in merchant navy is a tough task due to the diverse career options available to them, as India is one of the fastest developing economies of the world. Although the global share of Indian seafarers, popularly known as merchant navy workforce, is rising consistently, young Indian population need immense guidance and encouragement to join the profession of seafaring.

The maritime stalwarts expressed their views in response to Prime Minister Narendra Modi's address to the nation on 15 August 2023, on the occasion of India's 77th Independence Day. Modi had said: "India had 'democracy, demography and diversity', which together have the potential to realise dreams of the country. While other countries are growing old, India is young. We have the highest number of youths in the world."

There exist about 1.5 million seafarers in the world at present. The Indian seafaring population includes about 160,000 professionally certified seafarers (highly skilled merchant navy 'officers' and semi-skilled workforce classified as 'ratings'), who serve cargo ships of various types; and also some 90,000 seafarers, who serve cruise liners. The total population of Indian seafarers is estimated at about 250,000. The government of India, in co-operation with the stakeholders of the Indian maritime industry, aims to increase the global share of Indian seafarers from 12 per cent to at least 20 per cent over the next few years.

Over the past decade, the number of Indian seafarers has experienced a significant growth rate of about 270 per cent, with the number of certificates of competency issued for entry-level deck officers increasing by 85 per cent. But a lot more needs to be done to sustain and increase the growth of the Indian seafaring population to achieve the target of 20 per cent global share.

The coherent view amongst stakeholders of the Indian maritime industry is that the ship management sector in India continues to hold immense promise for the growth of the maritime industry and the flourishing careers of Indian seafarers in the coming years. Like the IT industry, the growth of the Indian ship management sector too solely depends upon 'human capital', or the young generation of India - the youngest nation in the world, with over 66 per cent of its population under the age bracket of 18-35 years today.

However, it is easy for the IT industry of India to continuously source human capital required for its consistent growth, considering the popularity of the software engineering profession, and the existence of robust and excellent quality academic infrastructure in the country that continuously trains Indian students in the IT skills on a massive scale. India continues to produce about 9.5 million graduates each year, including 1.5 million technical and engineering graduates, who seek suitable and lucrative employment opportunities.

Not an easy task

However, getting adequate and well-trained manpower in huge numbers to



Singh: merchant navy offers unique benefits

bolster the growth of the Indian ship management sector does not seem to be an easy task. "In the past, careers involving foreign travel were highly sought after in India. However, with the opening of the Indian economy in the 1990s, the IT/service sector became more popular among young Indians, causing a steady decline in the appeal of the careers in sectors like Indian Foreign Service, merchant navy, aviation, etc," said Vinay Singh, group managing director, marine HR, Anglo-Eastern Shipping group, which contractually employs about 21,000 Indian seafarers aboard over 500 ocean-going merchant or commercial ships of various types that serve the global cargo needs on a continuous basis. A reputed ship management conglomerate based in Hong Kong, Anglo-Eastern group is one of the largest employers of Indian seafarers through its India-based ship management company.

Singh reiterated that encouraging Indian millennials to choose a career in the merchant navy is undoubtedly a challenging task due to the diverse career options available to them. Sectors like IT, finance and healthcare have expanded, offering a wide range of opportunities. "However, for those who prefer not to work in an indoor environment, the merchant navy offers unique benefits, especially for younger individuals. These benefits include global exposure, working with different nationalities and in various types of ships, a challenging work environment with new technologies, rapid professional growth and attractive perks such as tax-free wages, job security and extended leaves between the job assignments," he said.

This growth indicates that the merchant navy profession has not lost its lustre. "Anglo Eastern Shipping group's premier education institute, Anglo Eastern Maritime Academy, based in Maharashtra, sends over 700 new trainees from India annually, making up about 25 per cent of the Indian market for fresh seafarers. The high demand is evident from the fact that only one out of 40 applicants gets selected eventually at the Anglo Eastern Maritime Academy," informed Singh.

One of the significant challenges in maritime education is gaining access to apprenticeship opportunities on ocean-going ships. To prepare a skilled workforce for the ship management sector, it is crucial to have a robust academic infrastructure in the country. While India has about 166 maritime training institutes, the quality and capacity of these institutions vary. Not all can provide world-class training and exposure required for the challenging profession of the merchant navy.

"So, we can say that the Indian ship management sector holds promise but faces challenges in attracting skilled professionals willing to work away from home for extended periods," affirmed Singh. "To address these challenges, it is important to enhance the popularity of the merchant navy among students, improve the quality of maritime education, and effectively communicate the unique advantages of a career in the merchant navy to the millennials. A strategic and collaborative approach involving industry stakeholders, educational institutions, and government bodies is essential to overcome these challenges and ensure a thriving future for the sector".

Inadequate manpower?

"Is the merchant navy a popular profession amongst the students in India? The answer is not easy," said Shiv



Halbe: adapt to the changing times

Halbe, CEO, The Maritime Association of Ship-owners, Ship-managers & Agents, a leading shipping association. Halbe was of the opinion that the 1990s saw a boom in skill demand by the Indian and global economies. Professions which were hardly ever heard of came to the forefront - IT, actuarial sciences, legal services, financial services, hospitality industry, etc, and not to forget the glamorous airline industry!

In career fairs across the country, many of these professions put up attractive and lively 'stalls' to create awareness and attract students of desirable age. Merchant navy also participated for a couple of years, but for reasons unknown, the effort faded. For the merchant navy to remain above the visible horizon, the stakeholders must remain visible and relevant. As the old adage goes, 'Advertise or die'!

One thing must be made clear at this juncture. In the Indian context, the challenge with the maritime sector, that of inadequate manpower, is essentially because of the large number of Indian seafarers employed on foreign flag ships, in ever-increasing numbers. Incidentally, the number of Indian seafarers employed on foreign flag merchant ships is four times the number employed on Indian flag ships! The migration of Indian seafarers from Indian flag to foreign flag has been an on-going

concern for the Indian flag operators. And more is never enough!

Maritime training was primarily the domain of the Indian government till about the late 1990s. However, with the increasing number of Indian seafarers finding employment on foreign flag ships, the government's facilities were grossly inadequate. The maritime training was then 'opened up' to the private parties, with the government being the regulator. This attracted a lot of investment, resulting in growth to the extent that, today, barely 50 per cent of the pre-sea 'seats' in the academies get filled.

Thus, excellent infrastructure is grossly underutilised. The growth in the merchant navy is dependent upon the intake of 'trainees', who then are 'certificated' upon meeting certain criteria, set by the International Maritime Organisation, and recognised globally. The main hurdle is insufficient training 'berths' onboard the ships.

"Also, one of the untapped resources till date has been the induction of women in the Indian maritime sector," stressed Halbe. "Increased gender diversity will not only increase the pool but also make more business sense and make the workplace (the cargo ships) more attractive. This does require a rethink on the way the industry has traditionally operated. However, if the ship management industry does not adapt to the changing times, and takes a 'head in the sand' approach like an ostrich, then the outcome is evident, with highly damaging consequences".

Maritime stalwarts believe that, to make seafaring profession highly sustainable in India, the millennial population need to be guided properly and there is a dire need to increase awareness related to rewards offered by merchant navy and the importance of sea cargo transport activities worldwide. Unfortunately, the risks faced by Indian seafarers and merchant navy workforce get prominent coverage in the local media in India only in crisis like situations during piracy-attacks, or natural or an unnatural death of any seafarer on-board the cargo ship.

Marketing strategies for the industry

"Maritime industry should employ marketing strategies on social media and conduct webinars, with interactive content, to showcase the benefits and growth potential of the seafaring profession," observed Deepu Kishinchandani, vice-president, BW Maritime India. "The industry should partner with the maritime training institutes to ensure that they have the latest study material and technology available to enhance the values of maritime training provided in their classrooms.

The Indian legacy has to continue for years to come. We all know that 90 per cent of the world's trade happens through shipping and, therefore, the ship management sector must be given the pride of place in India for becoming a global economic powerhouse when we are celebrating the 77th year of our independence".

Amar Singh Thakur, general secretary of India's prominent shipping union, 'All India Seafarers Union' felt that the potential of the youth population residing in small towns and Tier II cities of India should be tapped by the Indian ship management sector to increase the global share of Indian seafarers. "Unfortunately, many small and mid-sized ship management companies in India are focussed on profit maximisations through malpractices and exploitation of Indian seafarers," Thakur contended. "Such companies manage substandard ships and tend to damage the sector's reputation. Indian ship management industry should jointly confront such malpractices and challenges to attract the best skills in the industry".



Kishinchandani: industry should partner with institutes

Also, there exists a strong opinion in the maritime fraternity that the Indian ship management sector should promote the essential contribution of merchant navy officers in maintaining the global trade routes amongst the young population of the country. "The sector should invest in targeted marketing campaigns, spread awareness in higher secondary schools and also establish partnerships with prominent educational institutions, to showcase the benefits of a career in merchant navy," remarked Sanjeev S. Vakil, founder & CEO, Hindustan Institute of Marine Training, based in Chennai. "Also, awareness related to sustainable practices adopted by the shipping industry can also make merchant navy more appealing to environmentally-conscious millennials".

Challenging career

In the scheme of Indian shipping, a systematic, regulated maritime education and training had its start in the early decades of 20th century. Sea career was seen not only as a lucrative option but also as a challenging one. However, with the advent of the IT sector boom in India, sea-careers have lost the sheen. As a consequence, the intake quality of aspirants keen on joining merchant navy has also deteriorated. "An exacerbated phase was during the Covid periods, when assessment models were either diluted or done away with," lamented Rajoo Balaji, Pro-vice-chancellor, Indian Maritime University, a Central university under the government of India.

"The diminishing interest in sea-career is a universal phenomenon, wherein the traditional maritime European nations have been affected the most". From the Indian perspective, sea career still makes the list as a good profession to pursue. Given the large Indian middle class and the increase in the number of maritime training institutes, it may be said that pursuit of sea careers will sustain in India. However, "from the broader view of post-schooling careers, sea careers

lack the allure primarily due to the inherent work demands of being away from home (and land) and more probably due to the lack of awareness," added Balaji.

Despite the lack of awareness about sea careers and shipping related careers, especially amongst the rural school children, maritime training institutes and agents have mushroomed. This has helped spread the career awareness to some extent along with the besetting maladies of education-business like money for college seats and jobs thereafter.

To boost the morale of Indian seafarers, help maritime stakeholders of India to increase the global share of Indian seafarers and attract Indian youth to join merchant navy, Indian Shipping Ministry has planned the launch of a 'sagar main sammaan' awareness campaign. This campaign will also provide an equitable playing field for facilitating employment opportunities to Indian women in the seafaring profession and ensure gender parity in the maritime sector.

Awareness campaign

"Lack of active participation by Indian women in seafaring profession is mainly due to limited knowledge of such an illustrious career opportunity in merchant navy, the lack of proper incentivisation from shipping lines and also, cultural bias," commented Shripad Naik, Union Minister of state for ports, shipping & waterways.

"To address this issue, such an awareness campaign planned by the Indian government will publicize the success stories of women seafarers and spread information about opportunities in the merchant navy especially amongst female students of India." In addition to this, I am of the view that the ship onboard gender sensitisation should be encouraged, and on boarding buddy programmes should be launched," he added.

The ship management sector in India is poised for a CAGR of 6 per cent in the years to come. However, a lot depends on the future willingness of Indian students to join merchant navy in huge numbers and the easy availability of skilled seafarers to cater to the needs of over 153 ship management companies operating in the country. As Europe's seafarer population ages, foreign ship owners are likely to look towards India for recruitment in the years to come.

> The sector should invest in targeted marketing campaigns, spread awareness in higher secondary schools and also establish partnerships with prominent educational institutions, to showcase the benefits of a career in merchant navy
>
> SANJEEV S. VAKIL, FOUNDER & CEO, HINDUSTAN INSTITUTE OF MARINE TRAINING,CHENNAI

In the next five years, India is expected to be the world's third largest economy, as envisaged by Prime Minister Narendra Modi recently. In such a scenario, sourcing skilled and young manpower required by the ship management companies operating in India may not be an easy task. The ship management sector might face stiff competition from the anticipated buoyancy in jobs creation by manufacturing and services industries located across urban and rural landscapes of India.

India has the world's largest workforce currently. But, without enough good jobs, that unmatched advantage could prove a disaster. It is estimated that nearly 33 per cent of India's youth is neither employed nor in education or training at present. India's youth population needs nurturing and should be transformed into doing productive, well-paying work. The Indian ship management sector should grab this opportunity at the earliest to strengthen its growth trajectory.

Source: Business India





A new gas project

TotalEnergies, SOCAR, Azerbaijan leadership meet to inaugurate Absheron natural gas field

On the occasion of the inauguration ceremony of the Absheron natural gas field, whose first development phase started production in early July 2023 and is currently producing 1.5 Bcm per year, Patrick Pouyanné, Chairman and CEO of TotalEnergies, met on Thursday in Baku His Excellency Mr. Ilham Aliyev, President of the Republic of Azerbaijan, as well as Mr. Mikayil Jabbarov, Minister of Economy and Chairman of SOCAR's Supervisory Board, Mr. Parviz Shahbazov, Minister of Energy, and Mr. Rovshan Najaf, President of SOCAR.

Together, they discussed TotalEnergies' projects in Azerbaijan, notably the launch of the second phase of the Absheron development, which will increase the field's production to 5.5 Bcm per year, in line with Azerbaijan's ambition to supply the European market.

The Absheron natural gas and condensate field is located in the Caspian Sea, 100 km southeast of the coast. It is operated by JOCAP (Joint Operating Company of Absheron Petroleum). The production of the first phase of development of started up in early July 2023.

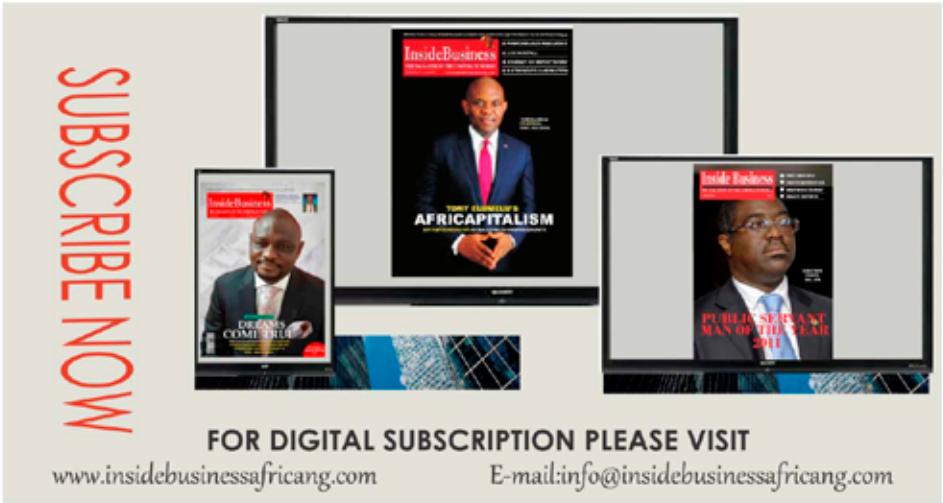
This first phase connects a subsea production well to a new gas processing platform, itself linked to SOCAR's existing facilities in Oil Rocks. It has production capacity of 4 MMcmgd and 12,000 bpdof condensate. The gas is sold on the domestic market in Azerbaijan.

TotalEnergies also plans to participate in the development of the country's renewable energy potential, under the Memorandum of Understanding signed in June 2023, to assess and develop 500 MW of renewable wind and solar energies and energy storage systems for the national grid.

"I am very pleased to inaugurate Absheron, alongside the national company, SOCAR, and our new partner, ADNOC. Discovered by our exploration team, this gas field provides additional gas resources to contribute to diversifying gas supply for Europe," said Patrick Pouyanné, Chairman and CEO of TotalEnergies. "In line with our multi-energy strategy, we also look forward to supporting Azerbaijan in implementing its own energy transition strategy, through an agreement to develop renewable energy combined with electricity storage."

TotalEnergies has been present in Azerbaijan since 1996, where it will own a 35% stake in the Absheron natural gas and condensate field (after completion of sale to ADNOC) and holds a 5% stake in the Baku-Tbilisi-Ceyhan (BTC) pipeline.

Source: WO





Taking the lead in renewable

China's dominance a key factor in renewable energy subsidy wars

One of the primary catalysts for the prevalent global emergence of subsidies within the renewable energy sector stems from the dominance of China, research firm BMI Research operational risk analyst Keaton Fitzpatrick has said.

Speaking at a webinar hosted by BMI Research - a Fitch Solutions company - titled 'Subsidy Wars and The Energy Transition, The Race To Develop Low Carbon Energy Manufacturing' on August 24, he said China had unequivocally established its preeminence across the global energy supply chain, encompassing vital components of renewable energy, as well as the critical mineral provisions and corresponding market domains.

China's competitive edge can be attributed to a confluence of factors, notably robust State backing, a favourable labour cost framework and the advantages derived from economies of scale.

China wields a commanding role in the realm of solar manufacturing, accounting for about an 80% share of the global capacity spanning various stages of solar panel production. This dominance is reflected in the upsurge of solar power exports in recent years. The confluence of accelerated global deployment of solar technology, diminishing costs therein and the expeditious endeavours towards energy transition orchestrated by global governments, has accentuated this trajectory.

While the share of global wind turbine supply attributed to China-based manufacturers stands at about 50%, the dynamics underpinning this segment are undergoing discernible transformation. This metamorphosis can be ascribed to the mounting cost pressures faced by European manufacturers, emanating from escalated material prices for metals and input expenses driven upwards by elevated power costs resulting from the Russian incursion into Ukraine.

Fitzpatrick said these concomitant factors had propelled the escalation of prices for wind turbines developed in Western nations, thereby affording Chinese turbines a newfound competitive advantage on the global stage.

The evidence of this shifting landscape is conspicuous in the pronounced spike observed in Chinese wind turbine exports during the year 2022. While the prices of Chinese turbines remained competitive, their European counterparts experienced an observable increment in costs.

As both American and European markets expedite their transitions towards sustainable energy paradigms, the imperative of securing their supply chains has ascended to paramount importance. This strategic undertaking is geared towards mitigating the vulnerabilities associated with potential disruptions during the course of their renewable energy initiatives.

Fitzpatrick contended that this imperative, coupled with the escalating geopolitical tensions that had already spurred the resurgence of domestic manufacturing employment, would collectively propel concerted endeavours aimed at fortifying and engendering confidence within the global energy manufacturing domain.

HYDROGEN

Along with renewable energy, green hydrogen was highlighted as a key space in which the emergence of subsidies is increasingly playing an important role in how the market develops.

BMI senior low carbon energy analyst Lerato Monaisa pointed out that global markets were progressively integrating green hydrogen targets into their overarching energy agendas. She noted that, over the past two years, a multitude of policies and subsidy declarations had come to the fore with the express

objective of fostering the growth of green hydrogen sectors.

Noteworthy examples are the introduction of the Inflation Reduction Act by the US; the establishment of a novel European Hydrogen Bank through which subsidies will be dispensed by the European Union (EU); the unveiling of Canada's Clean Hydrogen Investment Tax Credit; and India's initiation of a Green Hydrogen Transition.

Monaisa said subsidies hold the dual promise of bolstering both investment and production within the realm of green hydrogen, thereby catalysing the advancement of nascent projects from their embryonic planning phases.

Presently, a substantial portion of the green hydrogen projects featured within BMI's database remain situated at early developmental junctures, with only a handful having progressed to the construction stage.

While these subsidies and policies bear the potential to stimulate upward momentum in the growth of green hydrogen, Monaisa said they concurrently engender certain stratifications and potentialities within the global hydrogen sector. These divergences would culminate in the establishment of a hierarchical, four-tiered market structure.

Tier one markets for green hydrogen encompass the EU, the US and China. These markets command notable green hydrogen subsidies, robust hydrogen production infrastructures, and heavy industries that can serve as significant offtakers.

Tier two markets encompass those regions that possess subsidies; however, these subsidies are not on par with those witnessed within tier one markets, both in terms of production capacities and supply chain maturity. Markets of this tier hold substantial growth prospects, as their policy frameworks are designed to not only cultivate hydrogen production but also to foster holistic hydrogen ecosystem development. Noteworthy inclusions in this category are Canada, Japan and Australia.

Tier three markets denote those locales that experience a degree of State support, albeit falling short of the levels observed in tier one and two markets. Consequently, these markets evince a higher reliance on investment and financial backing, particularly within the context of a constrained debt financing landscape. Green hydrogen initiatives within these markets are susceptible to risk. Notable instances of tier three markets encompass South Africa and India.

Lastly, tier four markets encompass regions that either choose not to participate in the green hydrogen domain or that have yet to articulate substantial plans to do so, with a conspicuous absence of subsidy announcements aimed at fostering green hydrogen proliferation.

The extant policies and subsidies are poised to yield a segmented green hydrogen landscape, thereby potentially inducing inefficiencies and impeding the full-fledged use of green hydrogen, an energy form that necessitates large-scale production to effectively feature within the global energy panorama.

Monaisa said BMI believed a spirit of collaboration, rather than competition driven solely by subsidies, would remain the predominant catalyst steering the accelerated maturation of the burgeoning green hydrogen industry.

Source: Engineering News

Eye on Africa

EU infrastructure fund eyes African clean jet fuel projects



The European Union is scouting Africa to back clean jet fuel projects under its Global Gateway infrastructure fund, an EU official said, ahead of an anticipated boom in demand for environmentally sustainable air travel.

The EU has pledged to dedicate half of its €300-billion infrastructure plan, seen as a rival to China's Belt and Road Initiative, to Africa.

The fund has already backed renewable plants, green hydrogen initiatives, vaccines and education projects in Africa, and the official said it was now looking into sustainable aviation fuel (SAF).

"In the context of the Global Gateway, the Commission is currently looking into possible co-financing mechanisms and guarantee instruments," said Stefan de Keersmaecker, a European Commission spokesperson.

"SAF production in the African continent has great potential."

SAFs are low-carbon fuel alternatives for the aviation industry and can be made from various crops among other feedstock sources.

The EU will launch a €4-million capacity-building project by Dec. 31 to support SAF feasibility studies and certification in 11 African countries and India.

Following feasibility studies, selected projects could draw funds from the Global Gateway, De Keersmaecker said.

SAF SCRAMBLE

The aviation industry contributes more than 2% of global energy-related emissions, and the EU is mandating emissions reduction targets that will require airlines to use more SAF.

That will help create annual global demand of 450 billion litres of SAF by 2050, according to the International Air Transport Association, and has made Africa's vast swathes of under-utilised agricultural land increasingly attractive.

There is currently no SAF production on the continent. And establishing feedstock supply chains will be a challenge in Africa where poor infrastructure, limited refining capacity and inadequate regulations could delay projects and drive up costs, analysts said.

"The greatest way to reduce the cost of SAF in the African continent and to have SAF that is produced sustainably is through local manufacturing," Allan Kilavuka, chief executive at Kenya Airways, said.

Companies including Italy's Eni, South Africa's Sasol, Linde of Germany and Danish firm Topsoe are nonetheless forging ahead with African SAF and biofuel investments.

Frankline Omondi, environmental manager at the African Civil Aviation Commission, said the body wants SAF production to launch in at least two African countries within a few years, with potential for a third.

South Africa, Kenya and Ethiopia are likely candidates, he said.

Access to the needed market

Industry bodies unpack importance of continued Agoa access for local automotive industry



As the African Growth and Opportunity Act (Agoa) comes up for potential renewal before its expiry in 2025, naamsa | The Automotive Business Council and the Automotive Industry Export Council (AIEC) have released a research report motivating for an extension to the trade preference programme.

Agoa has since 2001 allowed for duty- and quota-free exports from eligible sub-Saharan African countries into the US. It is an extension of the US Generalised System of Preferences and is subject to yearly congressional re-authorisation.

Some of the latest added Agoa products include items such as apparel and footwear, wine, motor vehicles, selected additional automotive components, certain agricultural products, chemicals and steel.

naamsa says in the report that Agoa has become a powerful symbol of the commitment the US and Africa have made to one another's prosperity.

The industry body believes Agoa has served as a bedrock of trade relations between the two regions and helped to support regional integration, particularly the development of regional value chains - through Agoa's rules permitting cumulation among programme beneficiaries.

South Africa was the continent's largest beneficiary of Agoa in 2022, having exported R178-billion worth of goods to the US, while imports amounted to R134-billion.

In particular, South Africa has accounted for 99% of the African automotive sector's exports to the US since Agoa's inception. The South African automotive industry, for one, has been a major beneficiary of Agoa, with substantial two-way automotive trade having taken place between the two countries.

naamsa motivates that there is substantial evidence that the various trade arrangements enjoyed by South Africa, such as Agoa, substantively secured, strengthened and enhanced the domestic automotive industry's trade flows.

In 2022, the US comprised the local automotive industry's second-largest export destination, sixth-largest country of origin and second-largest trading partner.

Total automotive exports to the US amounted to R24.1-billion in 2022, while total automotive imports from the US amounted to R18.3-billion.

Exports mainly comprised passenger cars, catalytic converters, engine parts and tyres, while imports mainly comprised original-equipment components, passenger cars and a range of aftermarket parts.

Light vehicle exports in 2022 amounted to R15.3-billion, or 63% of total automotive exports.

South African automotive exports to the US increased by 447.3% in nominal rand terms between 2001 and 2022 under Agoa, while automotive imports from the US increased by 671.8% in nominal rand terms over the same period.

This trade arrangement provided impetus for the domestic automotive sector's vehicle export drive to the US, which increased from 853 units in 2000 to 14 873 units in 2001 when Agoa started being implemented, a massive increase of 1 643.6%.

The import duty on passenger cars into the US is 2.5% ad valorem and on commercial vehicles 25% ad valorem, while US consumers benefitted through duty savings on vehicles and selected automotive components to the value of R400-million in 2022.

"Agoa has helped to expand the US as a significant automotive export and import market for the South African automotive industry. In turn, many leading multinational corporations actively participating in the South African economy regard the country as an ideal location for any company aspiring to reach the continental market more effectively," naamsa and the AIEC state.

naamsa says investment expenditure by original-equipment manufacturers increased by 33% from R1.5-billion in 2000 to R2.08-billion in 2001.

With Agoa expiring on September 30, 2025, it makes the future of US-Africa trade relations uncertain, the AIEC and naamsa say, adding that Agoa's extension and South Africa's continued eligibility thereto is crucial for continued growth in the automotive industry.

The organisations go as far as to say that the Auto Pact developments in Africa, led by South Africa, to establish regional automotive hubs and value chain integration in the various regions under the framework of the African Continental Free Trade Area (AfCFTA) Agreement, will be adversely affected should Agoa or South Africa's continued eligibility be discontinued.

The AfCFTA Agreement also presents an opportunity to enhance regional trade by forming a single market and should also contribute to the continued successful implementation of Agoa should it be extended - including increased imports from the US into more African countries.

It also stimulates opportunities for a chain of collaborative agreements with manufacturing companies from sub-Saharan African countries to access the US duty-free.

naamsa and the AIEC estimate Agoa has created about 85 000 direct jobs and 426 000 indirect jobs in South Africa through expanded value chains throughout the region and its positive impact on other economies on the continent.

The organisations conclude that continued access to the US market is more important than ever, and that the benefits stemming from Agoa to South Africa span broader than mere duty- and quota-free access into the US.

German BioEnergy enters Indian market

With over 300 plants built in 12 countries, BioEnergy has established itself as a leader in the field



German company BioEnergy has made its entry into the Indian market through a partnership with startup Gruner Renewable Energy (GRE).

The two companies hosted a welcome ceremony in Nagpur, Maharashtra, to introduce their partnership and showcase their offerings.

Achal Thool, a businessman based in Nagpur, has invested Rs20 crore in constructing a 50-tonne-per-day biogas plant near Nagpur, which is expected to start operations in the coming months. This project will utilise BioEnergy's technology and engineering design, solidifying the partnership with GRE.

> **Partners in progress**
> The Nagpur project will utilise BioEnergy's technology and engineering design, solidifying the partnership with Gruner Renewable Energy

During the ceremony, GRE provided an exclusive plant tour and presentation to highlight the importance of their machinery and equipment in the biogas production process.

BioEnergy Germany also showcased their innovative biogas technology, shedding light on their mission and values.

Gruner Renewable has already secured 42 firm contracts for building biogas plants and anticipates many more in the near future. Under their business model, the company will construct customised biogas plants for clients, using BioEnergy's design, and buy back the gas produced. The gas will then be retailed under the 'Gruner' brand name.

Utkarsh Gupta, CEO, Gruner Renewable, mentioned that a typical plant with a feedstock capacity of 40-50 tonnes per day will cost around Rs15 crore to set up and produce 2-3 tonnes of gas per day. It is estimated that 1 tonne of biomass will generate approximately 90 cubic meters of gas.

With over 300 plants built in 12 countries, BioEnergy has established itself as a leader in the field. Currently, the company is constructing the world's largest biogas plant in Malawi, Africa, where the gas will be used to fuel a 56 MW power plant.

Gupta expressed confidence that Gruner Renewable would be able to facilitate the creation of at least 100 biogas plants by 2023, aligning with the Indian government's initiative to establish 5,000 such plants by 2024





Lifting unemployment

Private sector investment in energy to lift employment, economic growth - report

Solar power investment will reduce loadshedding and increase employment growth in 2024, and jobs are being created on the back of a growing resilience among businesses against the negative impacts of loadshedding, says assurance, advisory and tax services firm PwC South Africa in its eighth 'South Africa Economic Outlook' report.

Employment is growing at a faster rate than many expected given the elevated levels of loadshedding. The pipeline for large-scale solar projects is also improving the outlook for economic and employment growth in 2024 and beyond, it says in the report.

Statistics South Africa (Stats SA) reported in August, that total formal and informal employment increased by 154 000, or 1%, from the first to the second quarter of 2023. Total jobs were also 784 000, or 5%, higher compared to the second quarter of 2022.

"This substantial increase in employment contrasts with weak economic growth owing to, among other factors, electricity loadshedding and supply chain disruptions. The strong increase in jobs over the past year is encouraging and reflects a growing resilience on the part of private businesses against the negative impacts of electricity outages," PwC South Africa says.

Eskom recently estimated that there is currently about 4 400 MW of solar photovoltaic (PV) rooftop capacity installed in South Africa outside of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) versus less than 1 000 MW in capacity estimated for March 2022.

Electricity costs, supply interruptions and the need to procure green power have become strategic drivers of power investment by South African firms, PwC says.

South Africa currently has about 2 300 MW of embedded, or on-grid, solar capacity. The majority of these plants are owned by independent power producers that have fixed-term supply contracts with State-owned Eskom.

"Embedded solar capacity could increase by between 110% and 420% by 2030, depending on different assumptions and scenarios. Our baseline scenario sees embedded solar capacity increasing to 3 700 MW in 2025, and 5 800 MW by 2030, with the country moving towards greener sources of energy and away from coal-fired power stations," PwC South Africa says.

Operation Vulindlela is tracking a pipeline of 10 000 MW in private sector energy generation projects. The positive impact that this will have on the power supply in the country and on individual business operations makes for a more positive economic growth outlook for 2024 and beyond.

"We expect the economy to grow by 1% next year, or as high as 1.3% under an upside scenario."

Further, from a household perspective, residential solar power capacity is expected to grow by 5.4% a year over the next several years owing to the growing uptake of domestic backup power systems, the report added.

PURCHASING POWER EROSION

According to Stats SA, salaries and wages earned in formal and informal employment accounted for 53% of household income in South Africa in 2022. As such, the continued rise in employment is a positive signal in the

outlook for consumer spending.

Salaries and wages in South Africa increased on average by 4% in 2022 compared with an average inflation rate of 6.9%. This translates into a 2.9% decline in real, or inflation-adjusted, income or a 2.9% decline in household buying power.

"We expect salaries and wages to increase by 5.2% in 2023 versus an average inflation rate of 6%. This results in a 0.8 percentage point decline in the real value of salaries and wages, compared to a 2.9 percentage point decline in 2022. As such, the slowdown in inflation will help ease the decline in consumer buying power," says PwC South Africa senior economist Christie Viljoen.

The decline in real salaries and wages is slowing as consumer price inflation continues to trend lower.

"In the current economic climate, South African companies are struggling to pay higher remuneration to their employees. As such, consumer buying power will again decline this year, albeit by a smaller margin compared to 2022.

"Slow growth in salaries and wages coupled with limited fiscal space to increase grant payments resulted in real, or inflation adjusted, household expenditure increasing by only 2.5% in 2022. Real consumption expenditure by households increased by just 0.7% year-on-year in the first quarter of 2023," she said.

On the monetary policy front, PwC South Africa believes the repo rate has likely peaked alongside a decline in consumer price inflation, adds PwC South Africa chief economist Lullu Krugel.

"Slow growth in salaries and wages coupled with limited fiscal space to increase grant payments resulted in real, or inflation adjusted, household expenditure increasing by only 2.5% in 2022. Real consumption expenditure by households increased by just 0.7% year-on-year in the first quarter of 2023,"

Another key metric being monitored is the real repo rate, or the inflation-adjusted return provided by domestic interest rates. The South African Reserve Bank (SARB) expects the real repo rate to increase from -1.4% in 2022 to 2.7% this year and 3% in 2024.

"This is above the SARB's view of a steady state neutral real interest rate of 2.5%. In other words, the trends in the nominal repo rate and inflation both point to an on-goal real repo rate in the near future.

"The next step in the interest rate cycle will then most likely be a reduction in the repo rate as inflation abates further. We believe this is likely to start around the middle of next year pending, as the SARB has often said, favourable data and risk developments," says Krugel.

"However, we do not anticipate interest rates to come down again to the low levels seen in 2020. Instead, it is likely that two percentage points could be shaved off towards the end of 2025. That would bring the repo rate back to pre-pandemic levels and support household spending," she noted.

Additionally, while retail spending is under pressure from deteriorating personal financial circumstances associated with tough macroeconomic conditions, these headwinds also provide opportunities to drive customer loyalty, says PwC South Africa head of experience consulting Riaan Singh.

"Consumer-facing companies must prioritise efforts to better understand younger and more economically diverse groups, as recognising their needs and preferences can provide opportunities to grow their loyalty."

Further, PwC's Global Consumer Insights Survey Pulse 6 found that South African consumers are willing to pay more for sustainably produced goods, with eight out of ten consumers in the survey of mostly employed South Africans saying they are willing to pay up to 10% above the average prices for goods that have a lower carbon footprint and are biodegradable, he noted.

"About three-quarters of South Africans in our survey sample earn less than R400 000 a year, suggesting that environmental consciousness is not just important for the affluent," he highlights.

Steel future

Steel 2023: Building a sustainable future



The steel industry, like many other sectors, has been navigating a complex and uncertain global economic landscape in recent years. Negative economic developments have had an adverse impact on the industry, with the World Steel Association reporting that global crude steel production decreased by 4.20% in 2022.

Excess capacity in the steel industry is increasing globally, negatively impacting on the health of the industry and its ability to enable economic growth and prosperity. Excess capacity affects steel prices and steel companies' profitability, slows the green transition and creates trade tensions around the world.

Creamer Media's Steel 2023 Report examines the global steel market over the past 12 months and provides insight on South Africa's steel sector in particular, including production and demand, government support and the scrap metal sector, as well as decarbonisation efforts in the steel sector. It also provides an overview of the main producers in South Africa, as well as an overview of the global and local stainless steel markets.

This report draws from material published over the past 12 months and is a summary of other sources of information published in Engineering News and Mining Weekly, as well as of information available in the public domain.

This report does not purport to provide an analysis of market trends.



Eye on Sub-Sahara Africa

IFC investment in Metier to boost growth of mid-market companies in sub-Saharan Africa



Makhtar Diop, IFC Managing Director

To support the growth of mid-market companies in sub-Saharan Africa, World Bank Group subsidiary the International Finance Corporation (IFC) on July 24 announced an equity investment of $25-million in Metier Capital Growth Fund III (MCGF III), as well as a co-investment envelope of $15-million to invest alongside the fund in select companies.

The fund, which will be managed by private equity firm Metier Private Equity International, will invest in eight to twelve mid-market companies primarily in Southern Africa and East Africa.

The fund will invest in sectors including telecommunications, fast-moving consumer goods, healthcare, non-banking financial services and manufacturing, as well as infrastructure and energy.

MCGF III will invest at least 40% of the fund outside of South Africa.

IFC's investment will help the fund reach its first close and, through a co-investment envelope, enable the fund to attract more follow-on equity for its investee companies. IFC will also support Metier in strengthening its gender-lens investing approach and promoting gender diversity, both within the fund manager and its investees.

"Beyond delivering top quartile returns, Metier's core objective is to contribute towards positive and sustained impact across Africa," says CEO and co-founder of Metier Paul Botha.

"Our active deal pipeline is characterised by growth capital investments. These will develop new business opportunities that will have a positive impact on the effects of climate change, create decent jobs with a broader focus on gender-lens investing, support the connectivity of rural communities and enhance small business development across Africa. We are excited about our continued partnership with IFC."

Private equity investment in Africa remains among the lowest in emerging markets, representing just 4% of total volumes. Challenges include perceptions of high risk, foreign exchange risk, high inflation and economic uncertainty.

As a result, equity financing for mid-market companies has been scarce, hindering the development of the private sector.

"A strong private sector is an essential driver for sustainable growth, job creation, market competitiveness and shared prosperity," says IFC VP for Africa Sérgio Pimenta.

"IFC's investment in Metier Capital's Growth Fund III will increase access to much needed private capital that will catalyze value creation for these companies and help bolster Africa's private equity industry," he adds.

IFC's investment is aligned with its strategy to strengthen the African private equity market. It will also demonstrate that investing in African markets can generate commercial returns for investors as well as positive developmental impact for Africa.



Leading bosinesssolution provider

In this interview with Mr. Lewellyn Elias, Head of Sales, Endeavour Solutions Africa Group - Nigeria, speaks on Nigeria emerging as a powerful nation in Africa and the advent of Artificial Intelligence (AI). *By Grace James & Festus Oseji*

As your nation celebrating 76th Independence Day; what should we be expecting from Indian as a nation going forward?
India is emerging as one of the most important economically stablished country in Asia, the same way Nigeria is also emerging as powerful Nation in Africa. A great bond is shared by these two countries for almost 5 decades and the same will be continued.

What does India Independence Day mean to Indian citizens especially those in diaspora/Nigeria?
It is a proud moment for every Indian, especially those who are living in other countries. It reminds us of all the celebrations used to take place in India. Every school, private and government offices, Banks, Factories, etc. everybody in India would celebrate it.

Speak on Artificial Intelligence revolution In Africa and its impact?
Africa Artificial Intelligence (AI) has become an indispensable part of our daily lives, shaping the way we communicate, work, and interact with the world. It has revolutionized sectors from healthcare to finance and from agriculture to education. Africa, a continent known for its vibrant diversity and richness, is uniquely positioned to embrace this revolution, driving innovation and accelerating its development.

Speak on the uniqueness of your product and services?
We as a group company offer's various products to clients from every corner of business. Like: ERP software, HRIS, Time Attendance system with Leading Korean Biometric Brand Virdi (Union Community), Security solutions, Cyber security and boardroom automations. Every product is unique in terms of its quality and delivery timeline.
Specifically speak on the Indian growth story commemorating the 76th Independence Day celebration?
India is completing 76 years as an independent nation, that itself is a commendable achievement India has marked. India has been diversifying its growth as world's no. 1 in, IT Technology, Medicine, Farming, Education, Supply Chain and consumption.


Mr. Lewellyn Elias

In terms of investment speak on the on your company's vision, mission and business offerings?
Vision: To be leading solution provider by enabling enterprises to leverage technology for business growth and success. To ensure client satisfaction for all our solutions and services provided.
Mission: To be the most reliable company for services an strive to continue to be the top IT solution provider. We aim to deliver innovative products and solutions keeping our client's need in mind.
Indeed many conglomerates are older than Indians and many have fallen by the way side. Since independence could you speak on key sustainable strategies Indian nationals adopted to remain in business and stand out?
First of all it is the right approach of forming the business, regular expansions, innovations, motivation, hard-work, discipline, Loyalty are the key factors of sustaining in the business.

Could you evaluate your operations in Nigeria and the impact that your country has brought to Nigerian economy growth over the years mostly in the IT Sector?
It is now 15th year for our group company to celebrate its existence in Nigeria. Our operations here have seen exponential growth over the years, introduced several IT products which benefited Nigerian market with the latest technology.

India has been one source of providing growth in Nigeria's economy, the latest one is one of the biggest conglomerate has hired 20% of its workforce from India. The IT solutions have helped Nigeria to develop its own education sector as one of the most effective, competitive and affordable. India is helping in developing more IT professional by spreading the spearhead knowledge of IT sector.

Indian at 76th; what's your message to the country and the people as we celebrate this milestones achievement of the country?
My heartiest greetings in advance to all Indians living in the country and other countries, specially in India on the 76th Independence Day. It is a cause of celebration not only for all of us but also for every advocate of democracy around the world. When India won independence, there were many international leaders and experts who were skeptical about the success of democratic form of government in India. They had their reasons to be doubtful. In those days, democracy was limited to economically advanced nations. India, after so many years of exploitation at the hands of foreign rulers, was marked by poverty and illiteracy. But we Indians proved the skeptics wrong. Democracy not only grew roots in this soil, it was enriched too.

Kindly tell us about any new technology your company is bringing into the IT Market?
Yes we have been introducing new technologies every year, this year we have introduced a face recognition device (Virdi Ubio x face) which takes attendance of multiple people at same time. Also a software (HCM - Human Capital Management) which makes an employee's lifecycle completely automated from inception of a job to up-to separation. Each and every activity is automated, participation in applying leave, participation in appraisal cycle, travel planning, medi-claim, recruitment.

Final word?
For a nation, particularly an ancient one such as India, the passage of 75 years is merely a blink of an eye. But for us as individuals, it is a lifetime. Senior citizens among us have witnessed a dramatic change in their lifetime. They have seen how, after Independence, all the generations have toiled hard; how we met great challenges and how we have taken charge of our destiny. The lessons learnt in the process will prove useful as we move towards the next milestone in the journey of the nation.



COVERAGE
- Hospitalization
- Room Rent
- Intensive Care Units (ICU)
- Specialist Fees
- Ambulance Charges

BENEFITS
- Wide Medical Treatment Range
- Continuity Benefit
- Pre & Post-Hospitalization Expenses
- 30 Days Grace Period

ADD-ONS
- Maternity
- Hospital Cash
- New Born Baby Cover
- Critical Care Benefits
- Pre-Existing Diseases Extension

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Improve the industry's operation

Rescuing poultry sector from catastrophe



THE alarm raised recently by poultry farmers of imminent shortages, business closures and prohibitive prices gained instant credence in the markets across the country as prices galloped and layoffs hit the sub-sector. Just as consumers noticed a spike in prices, the Poultry Association of Nigeria raised the alarm that shortages of maize, a major feed for birds, along with prohibitive prices, were driving the poultry industry towards collapse along with other prior conditions and new realities triggered by President Bola Tinubu's measures.

Poultry products - mainly chicken and eggs - are a major source of protein for Nigerians, while the business is a significant employer of labour. Saving and rejuvenating the industry should therefore be a priority for the federal and state governments.

Nigeria is currently facing debilitating food shortages, partly propelled by insurgency and banditry that have made farmers flee their farms, and discouraged the youth from agriculture, unprofitable practices and obsolete tools, among others. Other factors include the foreign exchange crisis that has starved feed millers and poultry farmers of access to forex to import inputs, including machinery, feedstock, and spare parts.

The UN Food and Agriculture Organisation says the crisis constitutes a great threat to protein intake for the population as poultry products constitute the biggest supplier of this essential food class to Nigerians.

Maize constitutes 60 per cent to 70 per cent of poultry feed and the current scarcity and high price is caused by dwindling production and a ban on its importation, which have translated to a rise in the prices of eggs and chicken.

Drawing attention to what it calls "a disaster waiting to happen," PAN said, "At the moment, the poultry industry in Nigeria is on the verge of total collapse if urgent intervention is not channelled to it without further delay."

The price of eggs, a daily protein source for many, has soared by over 118.34 per cent after maize importation fell by 97.91 per cent. The National Bureau of Statistics said the price of one medium-sized egg rose to N89.17 by May 2023, up from N40.84 in May 2020. Importation of maize, a major component of poultry feeds, fell to $1.82 million by the end of 2022, down from $87.08 million in 2020, according to the International Trade Centre.

Maize constitutes 60 per cent to 70 per cent of poultry feed and the current scarcity and high price is caused by dwindling production and a ban on its importation, which have translated to a rise in the prices of eggs and chicken.

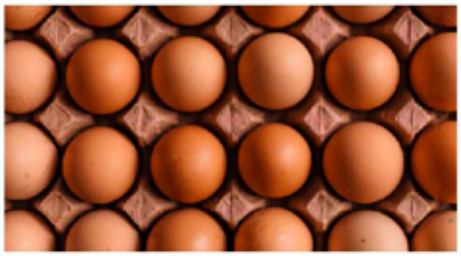
In 2020, the Federal Government included maize among 43 items banned from directly accessing foreign exchange for importation by the Central Bank of Nigeria as part of efforts to stimulate local production. This has not had the desired effect as sustained banditry and Islamic insurgency in the North, Fulani herdsmen attacks, and kidnapping across the country have driven many farmers from their farms.

Though the government later gave concessions to four companies to import 262,000 tonnes, the gesture has not solved the 400,000 metric tonnes of maize production shortfall. Despite the low production occasioned by feed scarcity, there is an ironic glut of eggs as 20 million remain unsold. This became more pronounced between January and March this year due to the scarcity of naira, the attendant problems created by the CBN's naira redesign policy, poor storage infrastructure, inflation, and inadequate government intervention in the poultry sector.

MMT, leaving a 400,000 MT deficit. Analysts said about 950,000 tonnes of maize is consumed monthly in Nigeria. The US Department of Agriculture stated that production rose to 12.5 MMT in 2019, 12.7 MMT in 2022, but slumped to 12 MMT in 2023.

Nigeria is the world's 14th largest corn producer, according to Atlas Big, an online resource. It is the second largest producer in Africa, adds PwC, which said that 45.5 per cent of its maize production is used to manufacture animal feeds. Nigeria should therefore not be lacking enough for poultry production, or importing. But poor policy implementation and a persistently adverse operating environment have brought the country short.

Maize cultivated in May/June in the South-West does not contribute to industrial consumption but goes largely to domestic consumption because harvesting is in the peak of the rainy season, meaning there is no way to dry it for industrial use. The June/July cultivation in the North that is harvested between September and November forms the bulk of Nigeria's commercial grain trade, while the August/September cultivation in the South is harvested in November/December, and contributes a part of what is sold as commercial dry grains.



The poultry business contributes about 25 per cent to Nigeria's agricultural GDP, says the Netherlands Enterprise Agency, and is worth about $4.2 billion, adds the FAO. Estimates of the number of persons employed full time and part time along its value chain vary from 14 million to 25 million.

Given this and its importance in protein intake across age and income segments, it is imperative for the national and sub-national governments to accord it top priority. Fears have been raised on the possibility of malnutrition among children if chicken and eggs disappear from the menu.

The three tiers of government should give incentives to maize and poultry farmers to encourage production. With private sector partnership, governments should buy products from farmers whenever there is a glut. There should be welfare schemes to provide essential protein-rich food to the most vulnerable households and communities. In a country with 63.3 per cent of its population adjudged to be poor, this is very necessary.

Tinubu's declaration of a 'state of emergency' on food production should include stimulus programmes for the maize, feeds and poultry segments. He needs to mobilise the state governments to revive agriculture by resuscitating farm settlements and agricultural extension services, and by attracting private investments across the value chain.

Reviving agriculture should be private sector-driven, with the government providing credit facilities and funding support. State governments should provide strong incentives to farmers, and prioritise basic rural infrastructure, and storage facilities. The CBN's Anchor Borrowers' Programme that rebooted rice production should be extended to maize and poultry and other produce.

The poultry industry should not be allowed to flounder; the federal and state governments should urgently roll out policies to save it.

Rescue the sector

Poultry farmers seek FG's intervention to save industry

The Poultry Association of Nigeria, South-West Zone, has appealed to the Federal Government, Central Bank of Nigeria and other developmental agencies to save the industry from total collapse.

The South-West chairman, Rev. Oluleye Gideon, made the plea at a joint news conference in Ibadan, saying that the recent new naira redesign and other government programmes had adversely affected his members.

Gideon said that the CBN's policy had also brought about untold hardship to the farmers and their investments, as a result of which he said they had lost several billions of naira

The chairman said that the negative impact COVID-19 had on the farmers and their farms has yet to abate, when CBN brought another hardship on them through the naira redesign.

"We, the farmers, are not against this policy, but its timing and implementation strategy had brought untold hardship on us.

"A lot of farms have collapsed, others are running at half capacity, while many others will soon close down, if government does not urgently come to the aid of poultry farmers," he said.

Gideon said that there was need for the government and developmental agencies to save the subsector of the economy from total collapse, which according to him, has been contributing about six per cent of the GDP.

The PAN chairman further urged government at all levels, CBN and all other agencies concern, to rise up and intervene in the subsector of the nation's economy.

"They should help in mopping up about 15 to 20 million crates of eggs and chicken unsold in the economy right now to ameliorate the losses of the farmers.



"These products should be used in feeding the people in IDPs and all our correctional centres all over the country.

"Some could also be used in the government hospitals where meals are served as eggs helps for quick recovery and in building up immunity of the sick patients," he said.

Gideon said, as a matter of urgency, government should resuscitate the school feeding programme, adding that eggs and chicken meat form the major component of the programme.

He urged both the Federal and State Governments to subsidise major inputs that the farmers would need to boost their yields.

"We, also want to use this medium to appeal to the international grants and donor agencies like IFAD, NG-Cares, World Bank, Private Financial Advisory Network (PFAN) to come to the aid of poultry farmers in Nigeria and particularly, the South-West zone," he said.

Gideon said that most of the farmers, who were running on loan, could not meet their loan obligations as a result of the crisis.

"We want CBN and the Federal Government to help in defraying part of the loan and in some cases outright cancellation of the loan.

"This will enable the farmers to recover and save the sector from collapsing. Let the government constitute a committee that will begin the process of mopping up all unsold eggs and chicken," he said.

According to him, the situation is so bad that a farmer has about a hundred thousand crates of eggs unsold in the farm now, with the market value of over N200 million," Gideon said.

Also, the Ogun state chairman of PAN, Idowu Asenuga, urged the government to quickly intervene in their predicament to save the industry.

"We have gone to the Minister of Agriculture to appeal to the presidency and see how they can quickly intervene," Asenuga said.

Source: NAN

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"ALCOHOL IS STRICTLY NOT FOR SALE TO PERSONS UNDER THE AGE OF 18"