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TOP STORIES

PRESIDENCY FORWARDED 2020-2022 MTEF/FSP TO THE SENATE

The presidency kick started efforts to avoid budget delay by sending the 2020-2022 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) documents to the Senate. Following the inauguration of the principle members of the legislative house in July, 2019, the Senate President, Ahmed Ibrahim Lawan, urged the presidency to facilitate efforts that would ensure the speedy presentation of the 2020 Budget proposal and MTEF/FSP. With the senate confirming the receipt of the documents, Nigerians want speedy passage of the 2020 appropriation bill into law to avoid delays that will further slow Nigeria's economic growth.

INFLATION RATE DROPPED TO 11.02 IN AUGUST, 2019

Nigerian recorded its lowest inflation rate in August, 2019 since 2016 as it dropped from 11.08 in July, 2019 to 11.02 in August, 2019. The development suggests potential improvement in business activities, better purchasing power and better savings for Nigerians.

KIDNAPPERS ON RAMPAGE ALONG MAJOR HIGHWAYS IN NIGERIA

Kidnap for ransom still thrives in Nigeria despite efforts to curb it. Commuters across the country are major targets as vehicles conveying them are waylaid by heavy armed kidnapers. Most kidnap incidents are economically driven as huge ransoms are demanded before the release of victims. However, few victims are killed despite the payment of ransoms. The wife of a pastor was killed in Kaduna State despite her family paying ransom for her release. In Oyo State, 5 lecturers of the College of Agriculture were abducted on their way back from a union meeting. They were released after N5 million was paid to their abductors. In Kogi State, 9 commuters died after they were shot at by kidnapers. Social analysts link increased kidnappings to youth unemployment.

Do you know that Kaduna State so far has the highest fatalities in Fulani herdsmen attacks in 2019?

Pastoral conflict is a major cause of fatalities in Nigeria. Fulani herdsmen often clash with farmers for grazing space and other scarce resources. Between January and September, 2019, about 721 lives were lost in pastoral clashes and herdsmen invasions on farm settlements. While many people may think that the highest fatalities would have come from one of the north central state, a zone that has suffered majority of Fulani herdsmen attacks, it turned out that Kaduna State recorded 34% (370) of the overall fatalities. Kajuru in Southern Kaduna was the worst hit with 95% of the overall fatalities. Southern Kaduna is a Christian dominated area. Residents of the zone believe that attacks on their communities are politically motivated and ethnically oriented.



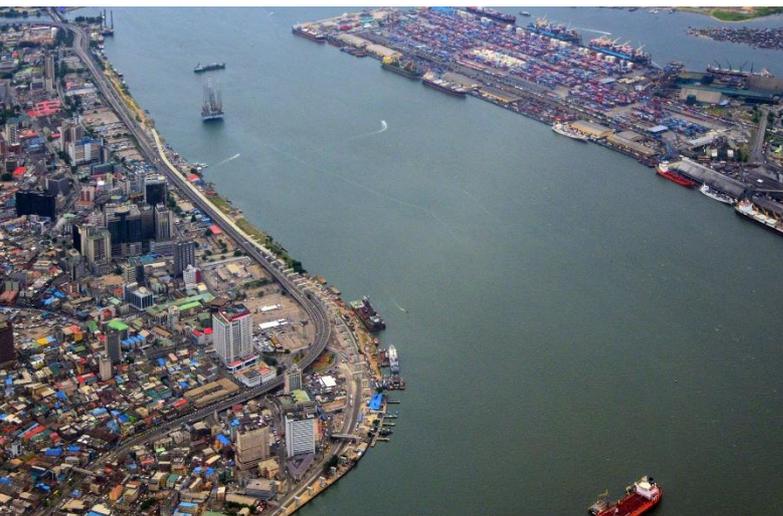
MILITARY LAUNCHED 'OPERATION POSITIVE IDENTIFICATION' IN THE NORTH EAST

The Nigerian military launched a special operation in the North east code named 'Operation Positive Identification'. The exercise is aimed at fishing out Boko Haram terrorist who either take refuge in communities or are deliberately harboured by residents. Residents were mandated to carry with them legitimate means of identification in order to secure a pass at check points. On the first day of its launch, 5 Boko Haram alleged logistics suppliers were arrested.

In another development, offices of Action Against Hunger (AAH) and Mercy Corps, were shut down by the Nigerian Army over suspicions of collusion with Boko Haram. While AAH was accused of providing relief materials to the terrorists, Mercy Corps was accused of funding terrorism after a driver was arrested with N29 million which he said belonged to Mercy Corp. The NGO shutdown its operations in Borno and Yobe States. No official reason has been given by the military for the action.



ECONOMIC SITUATION



NIGERIA'S INFLATION RATE DROPPED TO 11.02%

Nigeria recorded the lowest inflation rate for 3 and half years as it dropped to 11.02% in August from 11.08% in July, 2019. Distribution of food inflation on a year on year basis by states showed that Kebbi State (17.20%), Kano (16.08%) and Adamawa (15.95%) recorded the highest food inflation rates while Bayelsa (10.22%), Katsina (9.64%) and Kogi (8.97%) recorded the slowest rise. The drop means that Nigerians will have improved purchasing power and save more. It also suggests potential improvement in business activities and in companies' revenue as aggregate demand inches up.

NIGERIA'S 2020- 2022 MTEF/FSP FORWARDED TO THE SENATE

Nigeria's 2020-2022 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) documents were forwarded to the Senate by the Presidency for consideration. Some of the highlights in the 2020-2022 MTEF/FSP included a projected budget profile for 2020 at N8.7trillion, \$55 oil price benchmark as against \$60 in the 2019 budget and 2.1 million barrels of oil production per day as against 2.3 million bpd approved for 2019. The Senate vowed to consider and pass the MTEF and FSP documents before receiving the 2020 Budget proposals from President Muhammadu Buhari. The proposals is expected to be presented to the National Assembly within weeks.

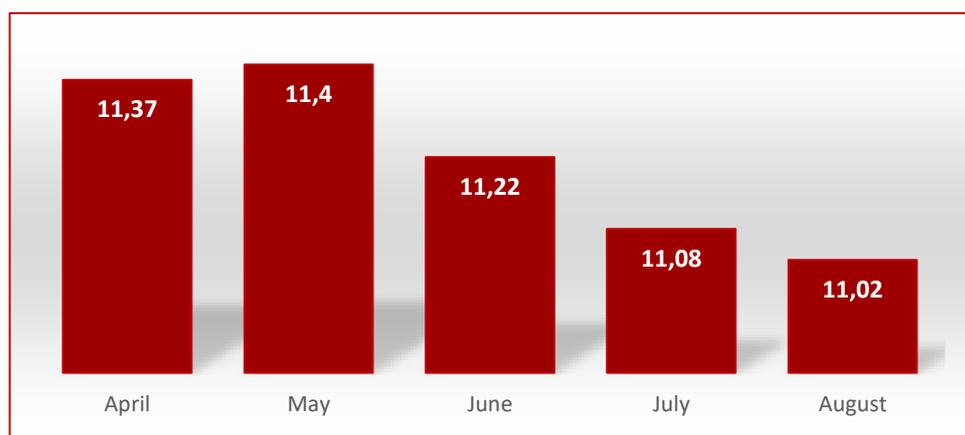
AMCON REPOSITIONED FOR BETTER SERVICES

In 2010, Asset Management Corporation of Nigeria (AMCON) was created by the Central Bank of Nigeria (CBN) to take over doubtful debts from most exposed establishments in 2010 during the clean-up operation of the Nigerian banking sector. President Muhammadu Buhari recently amended AMCON public defeasance structure thereby giving it full access to debtor's banking information and their financial assets. Stakeholders in the banking sector believe that the new framework will help speed up the recovery of some of the 5,000 billion NGN taken over by AMCON, 67% of which only 20 debtors. In the past, AMCON had taken over some of the debts of several companies such as Arik and Aero airlines to avoid liquidation. However, just over 1 billion NGN have so far been recovered. There is high optimism that more dents will be recovered following the reposition of AMCON

PRICE OF KEROSENE WENT UP BY 10%, PRICE OF GAS DOWN BY -1.21%

Average price per litre paid for household kerosene increased to N319.94 in August from N316.03 in July, 2019, translating to a 1.24% rise. The highest price per litre were reported in Abia, Enugu, and Ebonyi States while those with the lowest average price per litre were reported in Abuja, Kwara and Benue states. The increment kerosene price may be connected with the shortfall in kerosene importation by the Nigerian National Petroleum Corporation (NNPC) in the second quarter in 2019. On the contrary, the average price for the refilling of a 5kg cylinder cooking gas decreased to N2,000 in August 2019 from N2,024.80 in July 2019. Adamawa, Bauchi and Borno states recorded the highest average price for the refilling of a 5kg cylinder for Cooking Gas while Abuja, Osun and Enugu states recorded the lowest price.

INFLATION RATE (APRIL-AUGUST, 2019)





CRUDE PRODUCTION: NNPC SECURED \$838M FINANCING DEAL FOR OML 65

An \$875.75m alternative financing deal was sealed between the Nigerian National Petroleum Corporation (NNPC) and CMES-OMS Petroleum Development Company (CPDC) for the Nigerian Petroleum Development Company operated Oil Mining Lease, OML, 65. The agreement will not only ensure comprehensive financing solution that will tackle excessive capital cost but will enhance operational and financial performance strictly guided by the pre-agreed Key Performance Indicators (KPIs). The agreement bestows on CPDC the right to provide technical services for drilling and completion services as well as build capacity, transfer technology and generate employment.

POWER: GENCOS AND NBET TANGO OVER PRO-RATA PAYMENT

Rift between Power generation companies (Gencos) and the Nigerian Bulk Electricity Trading Company Plc (NBET) escalated over defaults in the payment of pro-rata fees which is a pre-requisite condition for accessing N600 billion approved by the federal government to gas suppliers. Genco on 22/09 threatened to declare force majeure on their operations and relieve their investors of electricity generation over unfair treatment by NBET. NBET imposed a 0.75% administrative charge over failure to pay the pro-rata. The fee was seen as a way of further diminishing the capabilities of Gencos to function effectively. There is a risk that the country will be deprived of if the situation remain unresolved.

BANKING: FOUR BANKS SANCTIONED OVER MONEY LAUNDERING

GTBank Plc, United Bank for Africa Plc, Fidelity Bank and Access Bank Plc were sanctioned by the Central Bank of Nigeria (CBN) and the Financial Reporting Council of Nigeria (FRCN) for failure to comply with its 'Know-Your-Customers' guidelines and in the anti-money laundering requirement. While GTBank Plc was slammed with a N10m sanction, the United Bank for Africa (UBA) Plc and Access Bank Plc were sanction N8m each and Fidelity Bank Plc was sanctioned N4m. Further details showed that Access Bank was punished for non-compliance with anti-money laundering requirement and CBN manual of operations for fund transfer. UBA, on the other hand, was sanctioned for late resolution of customer complaints and for deficiency in account documentation/late records retrieval. Modalities of the payment were still to be disclosed.

UNITY BANK HEAD OFFICE GUTTED BY FIRE

Fire gutted Unity Bank Plc head office on Victoria Island, Lagos, on 23/09. The fire only affected the third floor of the 10-storey head office building contrary to reports that other buildings were razed. Though the bank's critical staff members were relocated to offsite locations, their core operations were not affected. Customers all over the country were asked to go ahead with their banking activities. The cause of the inferno was yet to be ascertained at the time of the report.

MARTIME: NPA WAVED CHARGES FOR DRY-DOCKING OF VESSELS

It was relief for ship owners in Nigeria after the Nigerian Ports Authority (NPA) waved dues on vessels coming for dry-docking and maintenance on the nation's territorial waters. The decision will likely spur more investment in vessel ownership in Nigeria as well as curtail capital flight by owners and operators of foreign ship repair yards.

PETROL: NIGERIA'S DAILY PETROL CONSUMPTION DROPPED TO 50M LITRES

The impact of the closure of Nigeria's land borders was felt in the reduction of daily petrol consumption from 61 million litres to about 50.22 million litres of premium motor spirit (petrol). The exercise cut off diversion of petroleum products to neighbouring countries. Report from the Petroleum Products Pricing Regulatory Agency (PPPRA), showed a downward trend of daily truck out of petrol from various depots since the border closure. Consumption of petrol declined by 4million litres between 26th August and 1st of September 2019 and further declined between 2nd to 8th September.

SOCIAL SITUATION

KIDNAPPING

- 5 College of Agriculture lecturers were kidnapped in Oyo State.
- 10 commuters abducted in Osun State
- 9 passengers on board an Abuja bound Sharon bus killed in Kogi State.

Kidnappers continued to waylay commuters across major highways in Nigeria. Hardly does a week pass by without incidents of kidnapping. Ransom is mostly paid for the release of surviving and the dead victims. In Kaduna State, a woman was killed after she attempted to escape from his abductors who later collected a N250,000 ransom for the dead woman. On 19/06, 5 lecturers at the College of Agriculture, Igboo-Ora, Ibarapa LGA of Oyo State were kidnapped. The victims who included the Chairman, Academic Staff Union of Polytechnics of the college, his secretary and three others were seized while returning from the Joint Action Committee (JAC) union meeting at Oke-Ogun Polytechnic, Saki but were released after a N5 million ransom was paid. Efforts to arrest the culprits yielded positive results with the arrest of 5 kidnappers at Igangan area of Ibarapa land where the lecturers were abducted.

In Osun State, 10 passengers were abducted on their way from Abuja to Osogbo. Nursing mothers, the aged and children were freed while others were whisked into the Olua Forest, Imesi Ile. The victims were freed after combined efforts security operatives and local vigilantes. In Kogi State, 9 passengers traveling from Port Harcourt to Abuja died after they were attacked by kidnappers around Kotin-Karfe along Abuja-Lokoja highway in Kogi State. In incident occurred when the driver of the Sharon bus tried to escape from the kidnappers but had the tyres of his vehicle deflated by gunshots, forcing the vehicle to somersault several times. Some victims in other vehicles sustained gunshot injuries and the unlucky ones were matched into the bush.

MILITARY CLAMP DOWN ON NGOS IN THE NORTH EAST

- Military shutdown offices of NGOs in North East Nigeria.
- Soldiers declared Operation Positive Identification in Boko Haram ravaged states.

Non-governmental Organisations (NGOs) working across health, sanitation, food aid as well as skills training and support in the North East have continued to come under investigation by the Nigerian military over accusations of aiding insurgent activities in the zone. Within 2 weeks, regional offices of two prominent NGOs, Action Against Hunger (AAH) and Mercy corps, were sealed off. AAH was shutdown for purportedly aiding Boko Haram fighters with food and medication. The closure was followed by the murder of one of its staff by the Islamic State West Africa Province (ISWAP) on 25/09. The victim was among 6 aid workers with AAH was abducted during an ambush on a convoy by ISWAP in July, 2019. Mercy Corps, another prominent non-profit in the troubled northeast region, had its 4 offices shutdown by soldiers following the discovery of N29 million with a driver that claimed it belonged to them. The incident which occurred without an official explanation by the army led to the suspension of Mercy Corps operations in Borno and Yobe states. The implications of the pullout is yet to be known.

The Nigerian Army recently launched Operation Positive Identification for residents of Borno, Yobe and Adamawa states. The operation is targeted at Boko Haram and Islamic State West African Province members within communities in the affected states. Residents were directed to carry with them legitimate means of identification (National Identification Card, Voters Registration Card, Drivers' License and International Passports or other valid official identification). Troops were directed to thoroughly check people before allowing them passage. Few hours into the exercise, 5 alleged Boko Haram logistic suppliers were arrested. Their names were however not reported.



POLITICS & SOCIETY

PRESIDENTIAL APPOINTMENTS

- Presidential Economic Advisory Council (PEAC) inaugurated.
- Head of Civil Service of the Federation suspended and replaced
- President Muhammdu Buhari Swapped Ministers.

On 16/09, a seven-man Presidential Economic Advisory Council, PEAC, was announced by the Federal Government. The team comprises of Professor Doyin Salami (Chairman), Dr. Mohammed Sagagi (Vice Chairman), Professor Ode Ojowu, Dr. Shehu Yahaya, Dr. Iyabo Masha, Professor Chukwuma Soludo and Mr. Bismarck Rewane (members). The team is expected to lean towards wealth and job creations for the teaming unemployed Nigerians whose number has been on the rise despite government's promise that it will lift 100 million Nigerians from poverty. PEAC replaced Vice President Yemi Osinbajo's Economic Management Team.

President Muhammadu Buhari replaced the Head of Service of the Federation, Winifred Oyo-Ita with Folashade Yemi-Esan who was the Permanent Secretary, Ministry of Petroleum Resources. Mrs Oyo-Ita's removal was in connection with an investigation into a N3 billion scandal by the Economic and Financial Crimes Commission (EFCC). Before Oyo-Ita's removal, she was grilled for alleged abuse of duty tour allowance, money laundering and stealing of government funds by the anti-corruption body.

President Mohamamdu Buhari on 24/09 effected minor cabinet reshuffles roughly a month after he inaugurated his cabinet. The Minister of State for Niger Delta Affairs, Festus Keyamo, was moved from Niger Delta Ministry to the Ministry of labour. He replaced Tayo Alasoadura as the Minister of State at the Labour Ministry, while Alasoadura replaced him at the Niger Delta Affairs ministry. No reason was given for the swap.



NIGERIAN PRESIDENT IN NEW YORK

- Buhari Heads for 74th UN General Assembly in New York where he called P&ID award of \$9.6 billion a scam
- Court Ordered Forfeiture of P&ID's Assets

President Muhammadu Buhari attended the 74th Session of the United Nations General Assembly (UNGA74) in New York. The meeting coincides with the emergence of a Nigerian as the President of UNGA, marking the second time Nigeria would be occupying that prestigious position since 1989. During his speech at the UN, President Muhammadu Buhari described the arbitral award of \$9.6 billion to P&ID, an Irish company, as a scam and an attempt to defraud Nigeria. P&ID had recently obtained the judgment from the British court to secure \$9.6 billion from Nigeria as a penalty for alleged breach of contract between the company and Nigeria in 2010. President Buhari also called for a coordinated multilateral effort that will utilize and maximize use of African resources for the benefit of all nations.

P&ID Ltd, the parent company incorporated in the British Virgin Island, recently benefitted from a \$9.6bn judgment against the Federal Government of Nigeria, FGN. The judgment elicited negative reaction in Nigeria as the payment will deep Nigeria's foreign reserves. On 17/09, the Federal High Court, Abuja ordered the forfeiture of assets belonging to P&ID limited to the federal government after two representatives of the company pleaded guilty to the charges preferred against them by the government. The forfeiture order was secured following the conviction of the firm on an 11-count charge bordering on economic sabotage, money laundering, tax evasion, amongst others.

SECURITY OVERVIEW

CULT ACTIVITIES

- 25 people arrested for cultism in Maiduguri.
- Curfew imposed on Udu LGA, Delta State, following cult killings.

In Maiduguri State, 3 soldiers and 22 people mostly undergraduates of University of Maiduguri and Ramat Polytechnic were arrested on 22/09 for cult related incidents. The victims, members of the Neo Black Movement (NBM), were arrested during their initiation ceremony in Bagani Hotel, Filling Maideribe, Abuja Sharaton. Items recovered from them included candles, calabashes containing red substance suspected to be human blood and charms. The arrested soldiers were tried and dismissed from the Army.

Udu and Uvwie LGAs of Delta State have remained hotspots for rival cult activities and other criminal activities for over 6 months. Scores of people including rival cult members and several residents lost their lives in rival cult clashes in different communities in both LGAs. As a containment measure, the Chairman of Udu LGA imposed a dusk-to-dawn curfew on flash points (Ovwian town, Eketete Inland, Eketete Waterside, Owhase town, Express, Mofor and Orhuwhorun Junctions). The curfew also restricted movements of tricycles and motorbikes. Despite the curfew, killings have persisted. On 19/09, a man was killed in his residence at Ukpiovwin in Udu by suspected cultists. Another was killed during a clash between cultists and policemen on 21/09. The clashes in Udu LGA spilled over to Uvwie LGA where the corpse of a cultist was found at a popular Effurun junction in the LGA on 21/09. The victim was believed to have been killed by rival cult members while returning from a night vigil.

HERDSMEN

ATTACK

- Police Inspector killed by herdsmen in Delta State.
- Two Adamawa Villages raided by herdsmen.
- Fulani herdsmen laid ambush on women fetching firewood in Plateau State.

A Police Inspector was killed by Fulani herdsmen during a gun fight with herdsmen who doubled as kidnappers. Eight people including a staff of Nigerian National Petroleum Development Company, NPDC, and his driver were kidnapped along Uvwiamughe axis of the Ughelli/Agbarho expressway. The gunmen engaged policemen in a shootout during a rescue operation and in the process killed the inspector. The Ughelli/Agbarho axis had become notorious for kidnapping activities. Locals connive with suspected herdsmen to perpetrate criminal activities in communities along the expressway. Such connivance complicate efforts to effectively combat crime.

Two communities in Numan LGA, Adamawa State, Shaforon and Kodumti, came under attacks on 22/09 by suspected herdsmen. The attackers who were in large numbers raided from house to house. Many residents were injured in the attacks. In Hukke village, Miango District, Bassa LGA, Plateau State, 2 women and a man were killed in the process of fetching firewood by Fulani herdsmen. The man, a community leader, had gone to show the women the firewood to fetch when they were ambushed.



COMMUNAL CLASHES

- Igbo traders clashed with indigenous youths over development levy
- Jukun militia raided Tiv settlements in Benue and Taraba states.
- People killed and houses razed during chieftaincy crisis in Cross River

On 20/09, local revenue collectors clashed with Igbo traders in Ekpan community, Uvwie LGA, Delta state. Both groups clashed over imposition of development levy, popularly known as “deve” on the traders especially on truck drivers offloading goods owned by Igbo traders. The affected traders had accepted to pay the levy but rescinded after the amount was hiked by indigenous youths. Other Igbo traders from neighbouring markets in Warri and Uvwie were mobilized and moved into Ekpan community to fight against the urchins. No life was reportedly lost but both parties sustained different degrees of injuries.

Between 25-28/09, Tiv settlements in Ukum LGA in Benue State and Donga LGA in Taraba State were attacked by Jukun militia. Houses were razed and residents were displaced. The attacks were perpetrated while the Federal and State governments were doing all they could to find lasting solutions to the crisis.

In Rivers State, 4 people were killed by gunmen in Omerelu and Ubima in Ikwerre LGA on 27/09 following a spat between the 2 communities. Several injuries were reported in the incident. Mkpani community in Yakurr LGA of Cross River state was engulfed in chieftaincy crisis on 30/09. People lost their lives and houses were set ablaze during the crisis. The fight was contained with the deployment of policemen to the area.

PROTESTS OVER KILLINGS

- Women protested the serial killing of ladies in Rivers State.
- Commercial motorcyclists protested the killing of a colleague.
- Massive displacement in Kogi State over flooding.

Within 2 months, 15 ladies mostly call girls were killed in different hotels in Rivers, Imo, Abia, Delta, Oyo and Lagos States. The serial killer, Gracious David West from Buguma, Asari Toru LGA of Rivers State was arrested after killing his last victim in Aba, Abia State. Not only did he snuff life out of his victims, he disposed them of valuable items and emptied their accounts. From confessions, the victims were strangled for the fun of it, thereby erasing fears of rituals. Irked by the targeted killings, women in their numbers protested in front of the Rivers State Government House in Port Harcourt, Rivers State. Dressed in black attire, the women called for an end to the femicide trend and proclaimed that that people, including prostitutes, deserve the right to life. Investigation into the case is ongoing.

The murder of a commercial motorcyclist by operatives of the State Anti-Robbery Squad (SARS) in Akwa Ibom sparked off protest among motorcyclists. The deceased was shot dead when SARS operatives were trying to enforce the ban on the operations of commercial motorcycle in Uyo metropolis. He had resisted seizure of his motorcycle for violating the ban. The protesters destroyed the Nigerian Television Authority (NTA), Uyo station and vandalized government vehicles. Residential houses around the station were also torched. The State Governor had imposed the motorcycle ban following numerous security reports which point to hoodlums disguising as motorcyclists to murder, kidnap, rape and rob people especially ladies. Rather than rescinding the ban, the Governor extended it to Eket.

In another development, thousands of residents were displaced after flood submerged over 150 communities in Ibaji, Kogi Koton Karfe, Lokoja, Ofu, Ajaokuta, Omala and Idah LGAs in Kogi State. The affected LGAs are located along the banks of River Niger and Benue. The flood took huge toll in Ibaji LGA where over 90% of the communities were reportedly submerged. About 20 camps were set up at different locations across the affected LGAs to mitigate the effects of the flooding. However, the state government has continued to battle with the welfare of the displaced persons considering the number of affected households. Residents along the river banks were asked to relocate to safer areas to avoid worsening the already precarious situation.





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