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Nigeria struggles to take advantage of soaring oil prices following Russia's invasion of Ukraine and faces growing food insecurity. President Muhammadu Buhari (2015-present) signs into law the Electoral Reform Act. Nigeria's major opposition party, the People's Democratic Party (PDP), announces party primaries will be held in May to elect state, national and governorship candidates. Senate approves the Money Laundering Prevention and Prohibition Act 2022. United Kingdom (UK)-based news agency Bloomberg reports that presidential candidate Bola Tinubu is seeking to settle a dispute out of court. The Central Bank of Nigeria (CBN) Monetary Policy Committee retains the monetary policy rate at 11.5% and reports a rise in inflation driven by higher energy and fuel costs. Nigeria experiences two nationwide grid collapses. Nigeria National Petroleum Corporation (NNPC) managing director Mele Kyari grants fuel import licences to aviation firms in a bid to ease the fuel shortages. Nigeria secures a \$1.25 billion debt, to be repaid over a seven-year period at a yield of 8.375% in a dollar bond issue. International oil majors Shell Plc and Eni SpA declare force majeure on pipelines and production in Bayelsa State. The National Oil Spills Detection and Response Agency (NOSDRA) determines that two pipeline explosions were likely acts of vandalism and theft. Petroleum minister Timipre Sylva confirms that Nigeria is incapable of meeting its Organisation of Petroleum Exporting Countries (OPEC) quotas, due to a lack of investment in the oil and gas sector. UK-based medical journal The Lancet's Nigeria commission publishes a report calling for the removal of fuel subsidies and extension of healthcare insurance to Nigeria's poorest 83 million. New case numbers of Covid-19 remain low following Nigeria's fourth wave driven by the Omicron variant.

Ukraine conflict threatens food security

Nigeria, along with 140 other **United Nations** member states, voted on 2 March in favour of the **UN General Assembly (UNGA)** resolution to condemn **Russia's** invasion of **Ukraine** on 24 February.¹ While Nigeria's condemnation of Russia's actions are unlikely to sour its intermittent diplomatic relations with Russia, the conflict and global economic fallout resulting from sanctions levied against Russia may create food security challenges and slow Nigeria's economic recovery from the **Covid-19** pandemic. The last known engagement between President **Muhammadu Buhari** (2015-present) and Russia's President **Vladimir Putin** (2000-2008; 2012-present) was at the **Russia-Africa** summit in **Sochi** (Russia) in October 2019.² The **United Kingdom (UK)**-based **Carnegie Endowment for International Peace** referenced Nigeria's history of non-alignment in a recent paper explaining Nigeria's ambivalence, and resistance, to Russia's vaccine diplomacy efforts in 2020-2021.³

Dangote Group chairman and founder **Aliko Dangote** has cautioned that the Russia-Ukraine conflict is likely to result in a food crisis within the next three months.⁴ While addressing the congregation of the **Annual Nigerian Food Processors and Nutrition Leadership Forum** on 11 March, Dangote advised the government to immediately halt maize exports from Nigeria.⁵ Dangote noted that the price of fertiliser, wheat, maize and other products had already begun to climb.⁶

¹ [United Nations](#), 1 Mar 2022

² [Carnegie Endowment for International Peace](#), 12 Jan 2022

³ [Carnegie Endowment for International Peace](#), 12 Jan 2022

⁴ [Premium Times](#), 11 Mar 2022

⁵ [Premium Times](#), 11 Mar 2022

⁶ [Premium Times](#), 11 Mar 2022

Nigeria imports a greater value of goods and services than it exports to Russia (see table below) and total exports to Russia accounted for only 0.068% of Nigeria's annual exports in 2019.⁷

Nigeria's Russian import/exports 2017-2020 ⁸		
Year	Value of Imports	Value of Exports
2017	\$683.5m	\$15.8m
2018	\$1.01 billion	\$5.8 billion
2019	\$740m	\$4.05m
2020	\$1.24 billion	\$2.36m

The Nigerian government has undertaken several economic programmes to support agricultural exports and boost foreign exchange earnings during a sustained period of low-oil price. However, Dangote claims this practice risks the country's food security:

*"Right now, you start seeing people exporting maize to earn foreign exchange, which I think we need to stop, so that we don't create shortage; and we need to make sure we grow more so we don't have a shortage."*⁹

The UN **World Food Programme (WFP)** reports that 8.7 million Nigerians are classed as 'food insecure' following sustained insurgencies and insecurity in **Northeast Nigeria**.¹⁰ In **Borno, Yobe** and **Adamawa States**, 4.4 million Nigerians are reliant upon food assistance and 320,000 children suffer from acute malnutrition in the region.¹¹

Although the Russia-Ukraine conflict has driven international fuel prices higher, Nigeria as a petroleum exporting country has struggled to take advantage of this (see below).

President Buhari signs electoral reform law ...

President Buhari has signed into law the long-debated **Electoral Amendment Act 2021**.¹² The legislation aims to enable Nigeria's political parties to police their candidates, limiting floor crossing and 'free movement' between parties. State governors are notorious for defecting or switching allegiance in the weeks leading up to gubernatorial elections. The bill was drafted in 2010 and was almost completed in time for Buhari's second presidential election in 2019 but ultimately declared too late to implement ahead of the elections viewed to be marred by voter intimidation.¹³

Buhari demonstrated historic reluctance to sign the law. The **National Assembly** passed the bill on 9 November and the **Senate** gave its assent on 10 November, presenting Buhari with a deadline of 19 December to sign the bill into law (see *ARC Briefing Nigeria Dec 2021*).¹⁴ Buhari failed to review and sign the bill within the legally mandated 30-day period in December but said he would assent to the bill if lawmakers provided options for the conduct of party primaries, a key sticking point.^{15,16} The Senate passed a version of the bill on 19 January that amended clause 84 and removed the requirement for each party to host primary elections (see *ARC Briefing Nigeria Jan 2022*). A

⁷ UN Comtrade, accessed 24 Mar 2022

⁸ UN Comtrade, accessed 24 Mar 2022

⁹ [Premium Times](#), 11 Mar 2022

¹⁰ [WFP](#), 22 Jan 2022

¹¹ [WFP](#), 22 Jan 2022

¹² [VOA](#), 25 Feb 2022

¹³ [Al Jazeera](#), 2 Mar 2022

¹⁴ Vanguard, 19 Nov 2021

¹⁵ [Premium Times](#), 9 Jan 2022

¹⁶ [The Guardian](#), 11 Jan 2022

harmonised version of the bill was passed by both the Senate and **House of Representatives** on 25 January.¹⁷ Buhari signed the electoral law on 25 February, describing its contents as:

*“salient and praiseworthy provisions that could positively revolutionise elections in Nigeria through the introduction of new technological innovations”.*¹⁸

Civil society organisations (CSOs) have broadly praised the new electoral law, which enacts safeguards for transparent voting using electronic voting and transmission of results.¹⁹ However, lawmakers strongly debated the use of electronic voting methods, arguing that poor telecommunications infrastructure in parts of Nigeria, including states where media blackouts have been leveraged as a tool to control criminality and security threats, may hinder voter participation.²⁰

Enactment of the law has cleared the way for Nigeria’s political parties to begin planning their national conventions and party primaries. The new electoral rules take immediate effect and will be tested during the governor elections in **Osun State** and **Ekiti State** in July.²¹ With less than 12 months before the presidential election, prospective candidates must now win party support to secure a ticket in the race.

Nigeria’s largest opposition party, the **People’s Democratic Party (PDP)**, launched its primaries on 17 March with the sale of nomination forms.²² The party will elect its candidates for state and national assemblies on 7 May and 12 May and candidates for governor positions will be nominated on 21 May ahead of the party’s national convention 28-29 May.²³

United Kingdom (UK)-based news agency **Reuters** reported on 23 February that Nigerian lawmakers were drafting plans to amend the constitution to compel new presidents to name a cabinet within a month of securing office. Calls for constitutional adjustments are allegedly motivated by Buhari’s poor track record in appointing a cabinet. Buhari took six months to select his first cabinet in 2015²⁴ and five months to appoint a cabinet at the beginning of his second term in office in 2019, creating policy deadlock in both cases. However, any proposals to amend Nigeria’s constitution are likely to draw strong criticism as Buhari approaches the end of his constitutionally limited presidential term.

... as Senate approves bill amending money laundering rules

Nigeria’s Senate approved a bill amending money laundering regulations on 16 March.²⁵ The **Money Laundering Prevention and Prohibition Act 2022** will now be put to the lower house of representatives for approval. If the lower house approves the bill, President Buhari will sign it into law.²⁶

The new act requires banks and other financial institutions to report single transactions exceeding \$12,035 made by individuals and \$24,070 made by corporations. Transactions will be subject to review by a panel of the **Economic and Financial Crimes Commission (EFCC)**.²⁷ **Kaduna North** senator and chairman of the committee on anti-corruption and financial crimes **Suleiman Abdu Kwari** confirmed that the bill would resolve institutional issues preventing the establishment of the

¹⁷ [Channels TV](#), 22 Feb 2022

¹⁸ [VOA](#), 25 Feb 2022

¹⁹ [VOA](#), 25 Feb 2022

²⁰ [Al Jazeera](#), 2 Mar 2022

²¹ [Al Jazeera](#), 2 Mar 2022

²² [Sun News](#), 17 Mar 2022

²³ [Sun News](#), 17 Mar 2022

²⁴ [Reuters](#), 23 Feb 2022

²⁵ [This Day](#), 17 Mar 2022

²⁶ [Bloomberg](#), 16 Mar 2022

²⁷ [Bloomberg](#), 16 Mar 2022

Special Control Unit against Money Laundering under the ministry of trade and investment, an EFCC initiative.²⁸

Money laundering offences will be punishable by jail terms of two to five years and fines of up to N'50m (\$121,654) for non-compliant corporations.²⁹ The new act emphasises the role of banks and financial institutions in identifying and assessing potential money laundering practices and terrorism financing.³⁰

Bola Tinubu seeks to settle out of court...

Presidential candidate and former **Lagos State** governor **Bola Tinubu** is reportedly seeking to settle out of court a dispute in which he is accused of secretly controlling a private company to collect taxes in Lagos State.³¹ **Alpha Beta Consulting LLP (ABC LLP)** founder and accountant **Oladapo Apara** accused the former governor of concealing control of the limited liability partnership in a lawsuit filed in June 2021.³² ABC LLP was awarded a contract to collect taxes in the city of **Lagos** in the early 2000s when Tinubu was governor.³³ Apara alleges that Tinubu instructed him to transfer 70% of ABC LLP's shares to two individuals of Tinubu's choosing, as a pre-condition to granting the project.³⁴

ABC continues to hold a contract with Lagos State and acts as the state's tax collector.³⁵ During ABC's tenure, state revenue has climbed from N'10 billion (\$24.01 m) in 2002 to N'300 billion (\$720.59 m) in 2019.³⁶ ABC LLP is entitled to a 10% commission on the sum it collects on behalf of the state.³⁷

A hearing is scheduled to be held on 24 March. UK-based news agency **Bloomberg** reports that both ABC LLP and Tinubu are currently pursuing an out-of-court resolution and settlement.

Monetary Policy Committee maintains rate as inflation rises...

The **Central Bank of Nigeria (CBN) Monetary Policy Committee (MPC)** voted on 21 March to retain the monetary policy rate (MPR) at 11.5%, marking the ninth consecutive hold of the MPR.³⁸ CBN governor **Godwin Emefiele** justified the decision to maintain the benchmark rate, citing the need to boost growth and tackle gasoline shortages and power failures (see below) in combination with rising inflation:

*"Tightening [the rate] could adversely impact the fragile recovery of output growth and may stiffen the expected investment expansion."*³⁹

The vote, held at the 141st MPC meeting, was not unanimous, with three members voting to raise the MPR by 0.25% and one member in favour of a 0.5% rise.⁴⁰ The press communique released after the meeting acknowledged

*"environments of heightened geopolitical tensions and persisting macroeconomic uncertainties associated with the Russia-Ukraine crisis and lingering Covid-19 pandemic".*⁴¹

The **National Bureau of Statistics (NBS)** reported year-on-year inflation in February to be 15.70%, in its **Consumer Price Index (CPI)** published on 14 March, a slowdown from 17.33% in February

²⁸ [This Day](#), 17 Mar 2022

²⁹ [Bloomberg](#), 16 Mar 2022

³⁰ [Bloomberg](#), 16 Mar 2022

³¹ [Bloomberg](#), 16 Mar 2022

³² [Bloomberg](#), 16 Mar 2022

³³ [Bloomberg](#), 16 Mar 2022

³⁴ [Bloomberg](#), 16 Mar 2022

³⁵ [Bloomberg](#), 16 Mar 2022

³⁶ [Bloomberg](#), 16 Mar 2022

³⁷ [Bloomberg](#), 16 Mar 2022

³⁸ [Central Bank of Nigeria](#), 21 Mar 2022

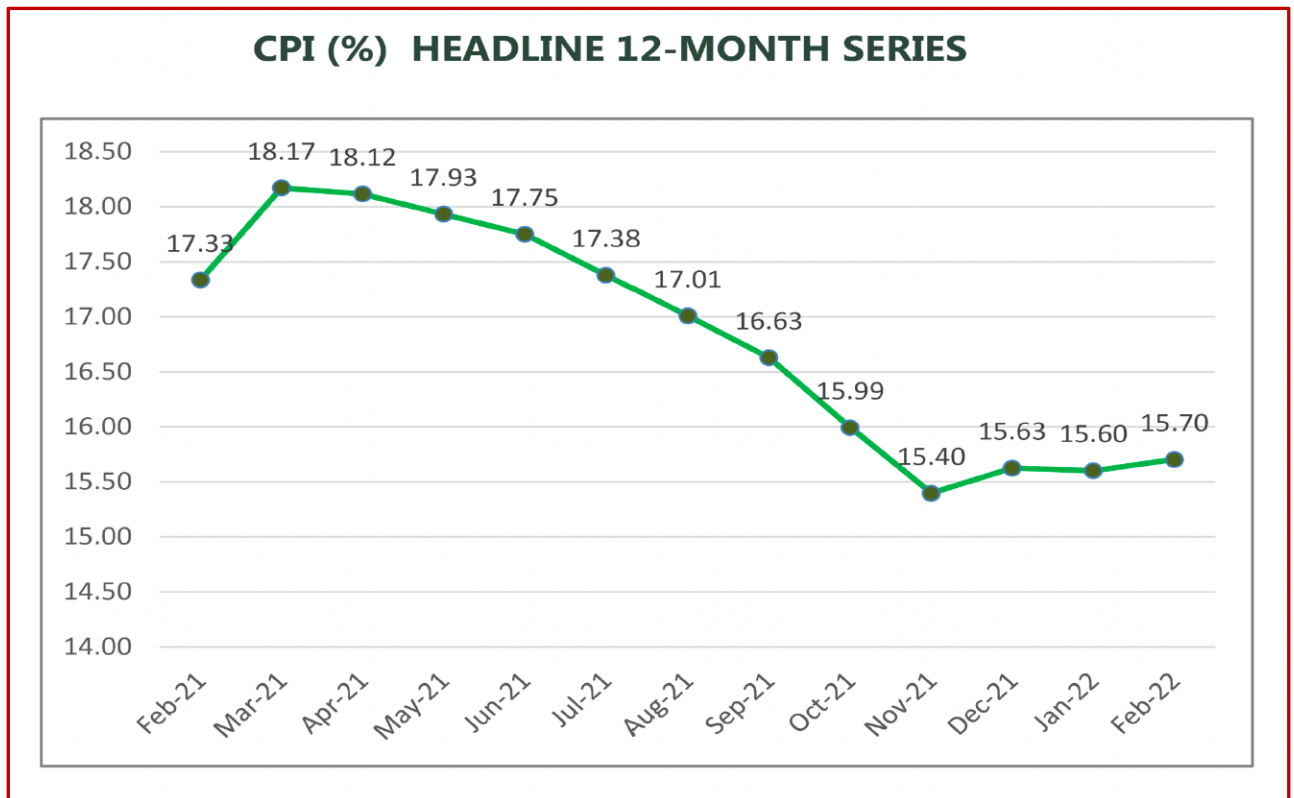
³⁹ [Bloomberg](#), 21 Mar 2022

⁴⁰ [Central Bank of Nigeria](#), 21 Mar 2022

⁴¹ [Central Bank of Nigeria](#), 21 Mar 2022

2021.⁴² Despite a year-on-year decline, inflation rose by 0.16% from January 2022.⁴³ The rate of inflation in Nigeria has now exceeded the CBN's target band of 9% for six years.⁴⁴

Nigeria's rising inflation rate is attributed to an increase in the price of goods and services, linked to fuel scarcity that began in February (see *ARC Briefing Nigeria Feb 2022*).⁴⁵ Core inflation reached its highest in four years at 14.01%.⁴⁶ The highest increases were found in gas, liquid and solid fuels, alcohol products and clothing services.⁴⁷



1 - Extract NBS CPI report February 2022

In a positive development, food price inflation declined for the first time since September 2020, from 17.13% in January to 17.11% in February.⁴⁸ Year-on-year food inflation was highest in **Kogi State** (21.04%), **Enugu State** (20.31%) and **Kwara State** (20.03%) and lowest in **Sokoto State** (13.89%), **Anambra State** (14.18%) and **Bauchi State** (14.43%).⁴⁹

In the MPC report, Emefiele acknowledged a decrease in economic growth linked to rising energy prices in the domestic economy and the persistence of legacy security and infrastructural problems.⁵⁰ Nigerians' purchasing power has been steadily eroded by an increase in the price of goods and services.⁵¹ Without adequate intervention by Nigeria's energy suppliers, the cost of living is likely to continue to rise, pinching households, which have not experienced growth in GDP per capita since 2014.⁵²

⁴² [National Bureau of Statistics](#), 14 Mar 2022

⁴³ [National Bureau of Statistics](#), 14 Mar 2022

⁴⁴ [Bloomberg](#), 21 Mar 2022

⁴⁵ [NairaMetrics](#), 15 Mar 2022

⁴⁶ [NairaMetrics](#), 15 Mar 2022

⁴⁷ [National Bureau of Statistics](#), 14 Mar 2022

⁴⁸ [NairaMetrics](#), 15 Mar 2022

⁴⁹ [NairaMetrics](#), 15 Mar 2022

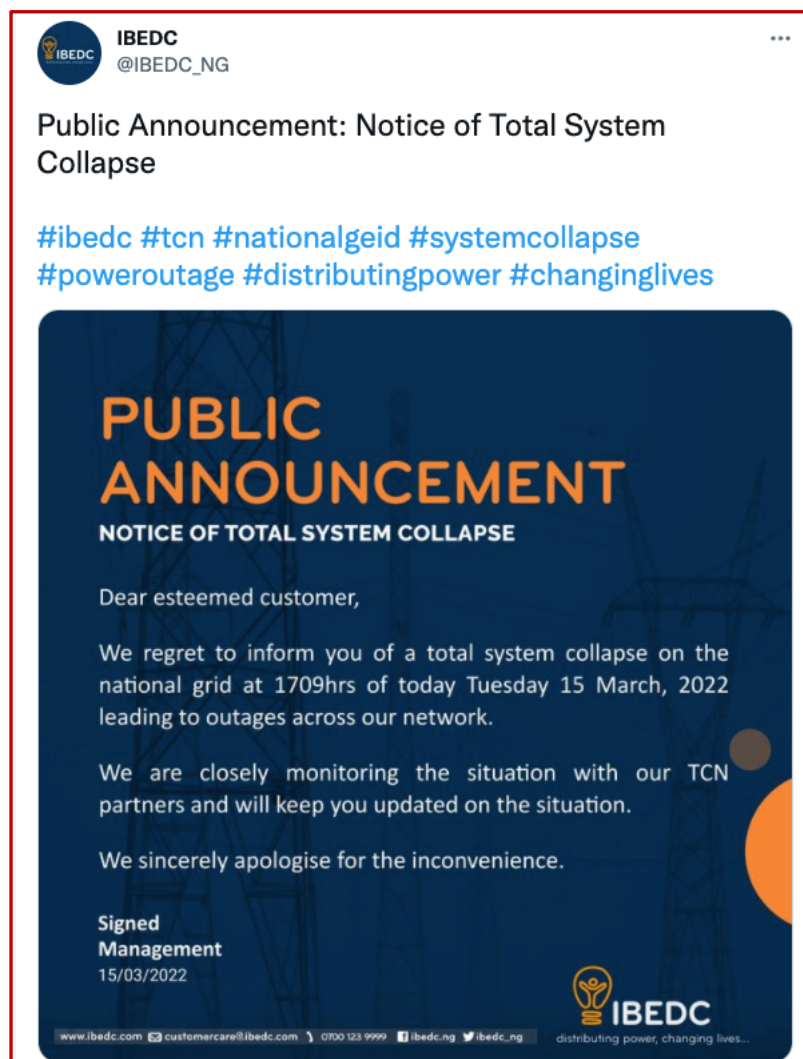
⁵⁰ [Business Day](#), 22 Mar 2022

⁵¹ [NairaMetrics](#), 15 Mar 2022

⁵² [World Bank Data](#), accessed 22 Mar 2022

... and fuel scarcity and blackouts hit households and manufacturers

Nigeria experienced its second nationwide grid collapse of 2022 on 14 March after 11 distribution companies (DisCos) were cut off from the national transmission network.⁵³ Power was restored later the same day⁵⁴ but **Ibadan Electric Distribution Company (IBEDC)** announced on social media platform **Twitter** a third outage on 15 March.⁵⁵ The national grid has collapsed three times in the first three months of 2022, rivalling the four national blackouts in all of 2021.⁵⁶ In February 2021, the World Bank estimated that Nigeria's poor power network resulted in economic losses of \$26.2 billion (2% of GDP) each year.⁵⁷



Bloomberg reports that many of Nigeria's power generation companies currently struggle to distribute energy through the country's poor transmission infrastructure. Indeed, 85 million members of Nigeria's population of 200 million do not have reliable access to electricity from the national grid.⁵⁸

⁵³ [Leadership](#), 15 Mar 2022

⁵⁴ [Leadership](#), 15 Mar 2022

⁵⁵ [Twitter](#), 15 Mar 2022

⁵⁶ [Leadership](#), 15 Mar 2022

⁵⁷ [World Bank](#), 5 Feb 2022

⁵⁸ [World Bank](#), 5 Feb 2022

In response to the national outage, energy minister **Abubakar Aliyu** called a stakeholder meeting on 14 March, attended by members of the **Nigeria Electricity Supply Industry (NESI)**, including power generation companies, the **Transmission Company of Nigeria (TCN)**, **Nigerian Bulk Electricity Trading (NBET)**, **Niger Delta Power Holding Company (NDPHC)**, **Nigeria National Petroleum Corporation (NNPC)** and **Shell** to brainstorm solutions to Nigeria's "perennial power crisis."⁵⁹

In February 2021, the World Bank approved a \$500m loan to support the development of a metering programme designed to improve the performance of DisCos; however, the national transmission network has failed to keep up with privately-owned power generators.⁶⁰ **Association of Power Generation Companies (APGC)** executive secretary **Joy Ogaji** reported on 13 March that power generators have lost \$4.1 billion since 2015, unable to distribute their "stranded capacity".

While the federal government privatised energy generation and distribution in 2013, Nigeria's transmission network and NBET remain under state ownership. In March 2021, Nigeria's privatisation agency, the **National Council on Privatisation**, announced plans to unbundle and sell parts of the TCN network.⁶¹ However, until these plans progress, Nigerian power producers remain tied to a sub-standard transmission network. Equally, Nigeria's current fuel shortages, which began in February (see *ARC Briefing Nigeria Feb 2022*), are compounded as Nigerian energy consumers remain reliant on diesel and gasoline run generators as an alternative to the national grid. The price of gasoline has doubled in March, rising to \$1.92 per litre.⁶²

Although Nigeria has one of the lowest diesel prices in Africa, the **Manufacturers Association of Nigeria (MAN)** reports that power consumption accounts for up to 40% of manufacturers costs. MAN director-general **Segun Ajayi-Kadir**, speaking to Lagos-based **TVC News** on 15 March, noted that a 100% rise in fuel costs would translate to job losses, reduction of producing hours and higher consumer prices.⁶³

NNPC managing director **Mele Kyari** announced on 15 March that aviation companies would be granted import licences to secure aviation fuel in a bid to ease the fuel shortages. Domestic airlines cautioned on 9 March that flights may be disrupted due to a scarcity of aviation fuel, with **Air Peace**, **Dana Air** and **Ibom Air** issuing notices on their websites and social media.⁶⁴

Nigeria manages another dollar bond sale

Nigeria surprised emerging market economists, tapping into \$1.25 billion on the Eurobond market on 16 March. Both Nigeria and **Turkey** issued dollar bonds, despite 'junk ratings' of B+ and B- assigned by **United States (US)**-based sovereign ratings agency **S&P Global**. Nigeria's \$1.25 billion debt is to be repaid over a seven-year period at a yield of 8.375%.⁶⁵ Initial guidance for Nigeria's bonds was 37.5 basis points higher than the settling price and had a premium 55 basis points higher than the dollar bond issued by Nigeria in 2021, which currently trades at a 7.8% yield.

The timing of Nigeria's bond issue has puzzled analysts, including **Bank of America** sub-Saharan economist **Tatonga Rusike**, who anticipated that Nigeria would issue in the second half of 2022, to take advantage of the windfall of higher oil prices. Rusike noted that despite high oil prices, the Nigerian government continues to operate in significant budget deficit, due in part to the rising cost of fuel subsidies, which were extended by 18 months in January (see *ARC Briefing Nigeria Jan 2022*).⁶⁶

⁵⁹ [Leadership](#), 15 Mar 2022

⁶⁰ [World Bank](#), 5 Feb 2022

⁶¹ [The Guardian](#), 17 Jun 2021

⁶² [Bloomberg](#), 17 Mar 2022

⁶³ [Bloomberg](#), 17 Mar 2022

⁶⁴ [Twitter](#), 9 Mar 2022

⁶⁵ [Bloomberg](#), 17 Mar 2022

⁶⁶ [This Day Live](#), 27 Feb 2022

Debt Management Office (DMO) director-general **Patience Ohiha** confirmed that the issuance was part of the federal government's plan to borrow \$6.1 billion to plug the budget deficit.⁶⁷ The **International Monetary Fund (IMF)** predicted in an Article IV consultation delivered on 7 February that the general government deficit would expand to 5.9% of GDP due to the continuation of fuel subsidies and high security costs.⁶⁸ The IMF also forecast that the overall balance of consolidated government operations could reach -6.4% of GDP in 2022.⁶⁹ A budget deficit of 6.4% of GDP is significantly higher than Nigeria's pre-pandemic average of 4.3%.

Shell and ENI declare force majeure on Nigerian oil flows

A declaration of force majeure by international oil majors UK-headquartered **Shell Plc** and Italy-headquartered **ENI SpA** has temporarily caused a sharp decline in Nigeria's oil export opportunities. The two oil majors declared *force majeure* on operations in Nigeria following an explosion on 28 February which disrupted the **Ogoda/Brass 24** pipeline in **Bayelsa State**, temporarily halting exports of key oil flows planned at a rate of 170,000 barrels per day (bpd) in March.⁷⁰ The **National Oil Spills Detection and Response Agency (NOSDRA)** later confirmed that the incident was an act of vandalism and resembled an explosion on the same pipeline in November 2020. In November 2021, Bayelsa residents struggled with a pipeline leak that lasted 32 days at **Oil Mining Lease (OML) 29 in Nembe** (see *ARC Briefing Nigeria Nov 2021*).⁷¹

Eni subsidiary **Nigerian Agip Oil Company (NAOC)** reported several explosions, the first of which occurred on 28 February at the **Obama** flow station, causing an oil leak and 5,000 bpd drop in production.⁷² NAOC confirmed that it had shut down wells connected to the leak and deployed containment barges and booms to limit the environmental impact of the leak.⁷³ Nigerian media agencies reported that a further explosion occurred at NAOC's **Nembe** facility on the weekend of 12-13 March, leading to a larger spill and cutting oil exports from the Brass Export terminal by 25,000 bpd.⁷⁴

NOSDRA deployed investigators to the two incidents.⁷⁵ NOSDRA director **Idris Musa** confirmed that the two incidents were caused by vandalism.⁷⁶ Musa also confirmed that 20 barrels of oil were spilled in the incident on 28 February, and 1,250 in the second explosion.⁷⁷

Shell declared force majeure on the **Bonny Light Oil Export Program** on 3 March; two days later, Eni announced measures on the **Brass River Crude Oil Export Program**.⁷⁸ Force majeure refers to a clause which, when triggered, removes the liability of the participants who in the event of natural or unavoidable catastrophes are unable to fulfil their contractual obligations.⁷⁹ The declaration made by Shell and Eni brought to a halt the export of 170,000 bpd; however, stored cargoes continued to be shipped. Nigeria's total exports per day were targeted at 1.5 million bpd in March, according to loading plans seen by Bloomberg.⁸⁰

⁶⁷ [Bloomberg](#), 17 Mar 2022

⁶⁸ [International Monetary Fund](#), 7 Feb 2022

⁶⁹ [International Monetary Fund](#), 7 Feb 2022

⁷⁰ [Bloomberg](#), 14 Mar 2022

⁷¹ [The Nation](#), 10 Mar 2022

⁷² [Africa News](#), 14 Mar 2022

⁷³ [Africa News](#), 14 Mar 2022

⁷⁴ [The Sun News](#), 14 Mar 2022

⁷⁵ [The Sun News](#), 14 Mar 2022

⁷⁶ [The Guardian](#), 14 Mar 2022

⁷⁷ [The Guardian](#), 14 Mar 2022

⁷⁸ [Premium Times](#), 15 Mar 2022

⁷⁹ [Thomson Reuters](#), accessed 22 Mar 2022

⁸⁰ [Bloomberg](#), 14 Mar 2022

Eni conducted repairs and lifted force majeure measures on 19 March, more than two weeks after the first explosion disrupted the flow of oil. As of 22 March, Shell has yet to confirm the progress of repairs and whether it will lift restrictions on the pipeline.

The incident highlights two problems facing the Nigerian state. Firstly, a rise in oil theft, vandalism and crime in the **Niger Delta**, reported by **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)** chief executive **Gbenga Komolafe** to cause \$4 billion in losses (150,000 bpd).⁸¹ Bayelsa state governor **Nyesom Wike** has declared war on oil theft and lost government revenue, noting that the rising oil price was mirrored by a rise in theft. Wike accused President Buhari's government of complicity and failure to prevent oil theft.⁸² Wike's speech highlighted the role of joblessness and the Buhari administration's decision to remove demilitarisation stipends previously received by Niger Delta militants:

*"Even if there's a lack of jobs because of the economic policies of the ruling party, should I allow crime to take place? No, certainly not."*⁸³

Low or disrupted oil exports pose an existential threat to the federal government, which remains reliant on oil exports for Nigeria's foreign exchange earnings and revenue. Nigeria's oil production fell to 1.5 million barrels in December, a decline in production from 1.7 million barrels earlier in the year.⁸⁴ Petroleum minister **Timipre Sylva** confirmed on 10 March at a ministerial plenary hosted in **Houston, Texas (US)** that Nigeria is currently incapable of meeting its **Organisation of Petroleum Exporting Countries (OPEC)** quotas due to a lack of investment in the oil and gas sector.⁸⁵ Nigeria's OPEC quota is 1.8 million bpd and its capacity is widely reported to be 2.5 million bpd.⁸⁶ However, national production has struggled to exceed 1.7 million bpd since 2021.

Currently, the federal government controls most of the revenue generated through tax; however, several states launched a legal challenge against the federal government in late 2021, arguing that state governments should have powers to collect VAT (see *ARC Briefing Nigeria Oct 2021*). If the federal government wishes to maintain control of its purse strings, it must make a concerted effort to take advantage of the high oil price and use its earnings to address social inequality and unemployment driving oil theft.

Lancet commission calls for healthcare reform

UK-based medical journal **The Lancet's** Nigeria commission published a report on 16 March calling for greater investment in healthcare to "*redefine the relationship between citizen and state*".⁸⁷ The report, titled "*Investing in Health and the Future of the Nation*", advocates for the removal of costly fuel subsidies and redeployment of an estimated \$3.6 billion currently funding subsidies to provide Nigeria's poorest 83 million with healthcare insurance.⁸⁸

UK-based newspaper **The Financial Times**, commenting on the Lancet report, suggests that Nigeria's "*high burden of disease*" hampers its economic and social development.⁸⁹ According to **University College of London (UCL)** dean and chair of the Lancet commission, **Ibrahim Abubakar**,

*"There's no shortage of areas where Nigeria is [medically] the worst in the world."*⁹⁰

⁸¹ [World Oil](#), 2 Mar 2022

⁸² [Bloomberg Quint](#), 9 Mar 2022

⁸³ [Bloomberg Quint](#), 9 Mar 2022

⁸⁴ [Business Day](#), 10 Mar 2022

⁸⁵ [Business Day](#), 10 Mar 2022

⁸⁶ [Business Day](#), 10 Mar 2022

⁸⁷ [The Lancet](#), 15 Mar 2022

⁸⁸ [The Lancet](#), 15 Mar 2022

⁸⁹ [Financial Times](#), 16 Mar 2022

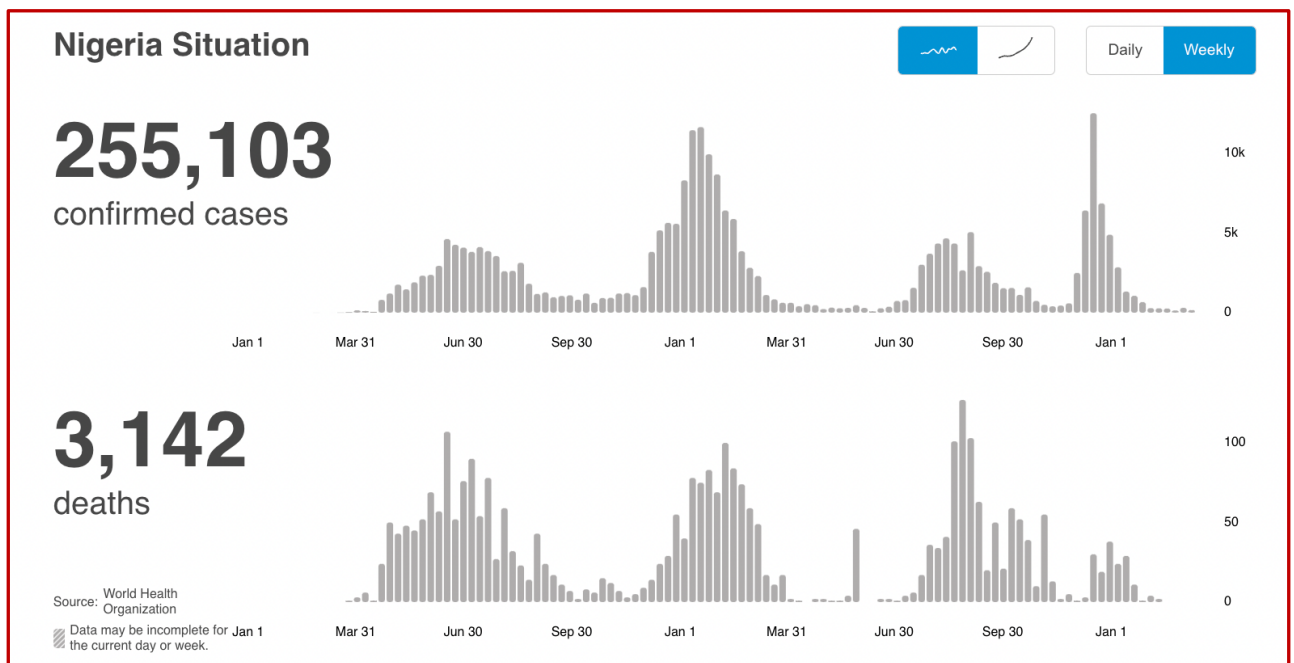
⁹⁰ [Financial Times](#), 16 Mar 2022

One of the major barriers to healthcare development in Nigeria is identified by the report as the absence of nationally or federally managed healthcare records system, making it “*impossible to take rational decisions about healthcare priorities*”.⁹¹ The Lancet report advocates that Nigeria adopt a digitalised system for medical records.⁹² Whilst Nigeria has digitised national corporate records,⁹³ most of Nigeria’s 36 states, operate a paper-based system for medical records.⁹⁴

The report also calls for the Nigerian government to refocus its efforts from primary ‘curative care’ to preventative care, including improvements to sanitation, clean water and air pollution. Deputy-president **Yemi Osinbajo**, chair of the committee of health reforms, acknowledged the report and committed to considering the report recommendations.⁹⁵

Covid-19 cases stay low

New cases of Covid-19 remain low in Nigeria, following a fourth wave of Covid-19 infections that peaked after the festive Christmas and New Year celebrations in December. The **Omicron** variant of Covid-19 first detected in Nigeria on 1 December was widely blamed for the sudden rise in infections.⁹⁶ The fourth wave of infections has, thus far, seen a much lower death toll (see below).



2 - World Health Organisation data, 22 Mar 2022

On 21 March, the **Nigeria National Centre for Disease Control (NCDC)** reported 87 new cases of Covid-19, 34 of which were recorded in Lagos State followed by 23 in **Rivers State**, four in **Osun State**, three in **Kano State** and two in **Kaduna State**.⁹⁷ Since the **World Health Organisation (WHO)** declared the pandemic on 11 March 2020, Nigeria has recorded 255,190 cases in its population of 211.4 million, with 3,142 deaths attributed to Covid-19.⁹⁸

⁹¹ [Financial Times](#), 16 Mar 2022

⁹² [The Lancet](#), 15 Mar 2022

⁹³ [Pulse](#), 26 May 2016

⁹⁴ [Financial Times](#), 16 Mar 2022

⁹⁵ [Financial Times](#), 16 Mar 2022

⁹⁶ [Premium Times](#), 7 Dec 2021

⁹⁷ [NCDC](#), accessed 22 Mar 2022

⁹⁸ [World Health Organisation](#), accessed 24 Mar 2022

To date, Nigerian health authorities have administered 29.6 million doses of Covid-19 vaccine, with 9 million (4.37%) fully vaccinated and 19.8 million individuals (9.65% of the population) having received only a first dose of the vaccine.⁹⁹

As of 22 March, requirements for fully vaccinated international travellers arriving in Nigeria remain in place, including:¹⁰⁰

- Presentation of a negative polymerase chain reaction (PCR) test prior to departure from their country of origin, and;
- Submission to a day-2 test following arrival in Nigeria.¹⁰¹

Partially vaccinated passengers are required to self-isolate for seven days and ‘test to release’ using a day-7 post-arrival PCR test.¹⁰²

Phase four regulations easing lockdown have been in place since 11 May 2021 and include:

- Nationwide curfew from 12am to 4am;
- Restrictions on mass gatherings outside the workplace to no more than 50 persons;
- Mandatory use of non-medical facemasks in public spaces.

Planner

2023 (Nigeria) Presidential elections;

Chronology

20 Mar 2022 **Abuja (Nigeria)** *Reuters*. **Italy**-based energy group **Eni** says it has lifted a force majeure on exports of **Nigerian Brass River** crude oil after it finished repairing a pipeline that had been damaged by a blast;

17 Mar 2022 **Abuja (Nigeria)** *Bloomberg*. A person with knowledge of the matter says **Nigeria** plans to raise as much as \$1.5 billion in overseas debt, becoming one of the first sovereigns to return to the **Eurobond** market since the start of **Russia’s** invasion of **Ukraine**;

17 Mar 2022 **Abuja (Nigeria)** *Bloomberg*. **Manufacturers Association of Nigeria** director-general **Segun Ajayi-Kadir** says surging diesel prices will force Nigerian manufacturers to cut jobs, curb operations and raise prices;

17 Mar 2022 **Abuja (Nigeria)** *Premium Times*. **Senate** passes bill that would empower the **Real Estate Development Association of Nigeria** to not only regulate its members but also regulate its competitors and others in the industry, generating significant controversy, with one lawmaker describing it as the most ‘selfish’ bill she has seen passed by any of Nigeria’s houses of parliament;

17 Mar 2022 **Abuja (Nigeria)** *Energy Capital & Power*. **Nigerian Nuclear Regulatory Agency** opens bidding for the construction of a 4GW nuclear plant, which will provide close to one third of Nigeria’s installed generating capacity;

16 Mar 2022 **Abuja (Nigeria)** *Financial Times*. Report by a group of global health experts says **Nigeria** urgently needs to overhaul its health system if it is to reduce an exceptionally high burden of disease that is hampering the country’s development;

⁹⁹ [World Health Organisation](#), accessed 22 Mar 2022

¹⁰⁰ [NITP](#), 2 Dec 2021

¹⁰¹ [NITP](#), 2 Dec 2021

¹⁰² [NITP](#), 2 Dec 2021

9 Mar 2022 **Abuja (Nigeria)** *Daily Maverick*. **Nigerian Federal Inland Revenue Service** agrees an out-of-court settlement with **South Africa**-based **MultiChoice Group**, Africa's largest pay-TV provider, over a \$4.4 billion tax dispute;

9 Mar 2022 **Abuja (Nigeria)** *MoneyWeb*. **Rivers State** governor **Nyesom Wike** declares "total war" against rampant oil theft and illegal refining that he claims is costing the country billions in lost revenues and contributing to environmental pollution;

3 Mar 2022 **Abuja (Nigeria)** *Global Construction Review*. Government launches tender for **Nigeria's** first nuclear power station, a four-reactor plant with a total output of 4GW, about a third of the country's present installed generating capacity;

2 Mar 2022 **Abuja (Nigeria)** *Upstream*. **Nigerian** and **Equatorial Guinea** governments have signed an MoU that could see gas from Nigeria fed to a processing complex on **Bioko Island**, but reported plan by **United States**-based oil and gas major **Chevron** to exit Equatorial Guinea may complicate deal;

26 Feb 2022 **Bamako (Mali)** *RFI*. An **Economic Community of West African States (ECOWAS)** mission led by former **Nigerian** president **Goodluck Jonathan** has failed to reach an agreement with the Malian military junta to set a timeline for the political transition;

23 Feb 2022 **Abuja (Nigeria)** *Financial Times*. **High Court** in **London** hears allegations that **United States**-based investment bank **JPMorgan Chase** was "grossly negligent" paying almost \$900m in 2011 to a company controlled by former **Nigerian** minister **Dan Etete** with a money-laundering conviction despite numerous "red flags" about the transactions;

22 Feb 2022 **Nairobi (Kenya)** *Business Day*. **Kenyan** technology company **MarketForce** raises \$40m in a funding round led by **Nigeria**-based **V8 Capital Partners** to expand its digital retail distribution business;

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