

AFRICA RISK CONSULTING

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Nigeria officially joins BRICS as a partner country enhancing its presence and influence on the global stage. Islamic State of West Africa Province (ISWAP) launches a surprise attack, killing over 40 farmers in Dumba village (Borno State) amid intense fighting with Jama'atu Ahlis-Sunnah Lidda'Awati Wal-Jihad (JAS) militants and military forces. Nigeria earns ₦50 trillion (\$32 billion) in crude oil sales despite failing to achieve its crude production target. Nigeria Bureau of Statistics (NBS) reports that Nigerians paid ₦2.23 trillion (\$1.4 billion) as ransom to non-state actors between 12 months, highlighting kidnapping's lucrative nature in the country.

Nigeria joins BRICS as a partner country

Foreign affairs ministry acting spokesperson **Kimiebi Ebienfa** confirmed on 18 January that **Nigeria** has become the ninth **BRICS** partner country, joining **Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Thailand, Uganda, and Uzbekistan**.¹ This partner-country status was established at the 16th BRICS Summit in **Kazan (Russia)** in October 2024, where the alliance created this new category and invited 13 nations to join as partner countries rather than full members.² **Brazil**, which currently chairs BRICS, emphasised Nigeria's significance in a statement on 17 January:

"With the world's sixth-largest population – and Africa's largest – as well as being one of the continent's major economies, Nigeria shares convergent interests with other members of BRICS."³

Nigeria's entry into BRICS represents a strategic advantage for both the bloc and Nigeria itself. The country possesses the world's largest youth population, with 70% of its citizens under age 30, creating a huge untapped labour force.⁴ This demographic advantage positions Nigeria as a valuable player in the global market, which increasingly demands labour, innovation, and new consumer markets.

Nigeria's economic strength is equally significant, with a GDP of \$362 billion as of 2023, making it one of Africa's largest economies.⁵ Its position as a major oil producer further enhances its strategic importance, establishing Nigeria as a crucial energy supplier in the global market. While its partner-country status allows Nigeria to participate in BRICS meetings and events, it does not include full membership privileges such as voting rights.⁶

Nigeria's acceptance into BRICS as a partner country also opens significant opportunities for advancing its economic diversification efforts and enables Nigeria to engage with BRICS nations beyond traditional bilateral agreements, aligning with the country's broader development goals.⁷ The partnership will be particularly valuable for Nigeria's key sectors, including oil and gas, agriculture, and manufacturing.⁸ For Nigeria to fully benefit from its BRICS partnership, it must strengthen and diversify its economy, particularly in manufacturing and finished goods production and exports. This economic development would not only enhance Nigeria's position within the bloc but also increase its

¹ ABC News, 18 Jan 2025

² Naira Metrics, 20 Jan 2025

³ RFI, 18 Jan 2025

⁴ The Conversation, 11 Jul 2023

⁵ World Bank, 2024

⁶ RFI, 18 Jan 2025

⁷ Naira Metrics, 20 Jan 2025

⁸ Tribune, 19 Jan 2025

strategic value to BRICS partners. Through BRICS collaboration, Nigeria can access the bloc's substantial economic resources and expertise, as BRICS represents a significant portion of global economic output and trade.⁹

Nonetheless, there are concerns that Nigeria's acceptance may be detrimental to its image when considering its quest for a permanent seat with the **United Nations (UN)** due to ongoing geopolitical tensions between BRICS members and **Western** allies with the latter actively seeking to limit BRICS influence.¹⁰ While the BRICS partnership offers substantial benefits, it also presents important diplomatic challenges. The government must carefully navigate its relationships with traditional Western allies, particularly the **United States (US)** while strengthening its ties with BRICS nations. This balancing act is crucial, as over-dependence on any single economic bloc could create strategic vulnerabilities.¹¹

ISWAP terrorists kill over 40 farmers in Borno State

Islamic State of West Africa Province (ISWAP) terrorists killed at least 40 farmers in the **Dumba** community, located in the **Kukawa** Local Government Area (LGA) of **Borno State** on 12 January.¹² Initially, it was reported that these farmers had violated a ban on farming activities set by the group.¹³ However, local sources clarified that the farmers were involved in dry season irrigation farming along the **Lake Chad River Basin Authority (LCRBA)**. They had made an agreement with a faction of ISWAP, paying levies for the right to farm. This arrangement was supposed to ensure they could work their land undisturbed, with the farmers receiving passes and receipts in return. Despite this, ISWAP militants unexpectedly attacked, firing upon the group of farmers.¹⁴

The attack is consistent with ISWAP's modus operandi, which often involves extreme punitive actions against communities suspected of cooperating with their adversaries or security forces. This incident follows recent conflicts in late December between ISWAP and the **Jama'atu Ahlis-Sunnah Lidda'Awati Wal-Jihad (JAS)**, where ISWAP faced significant defeat and losses. ISWAP suspected that the farmers might have shared intelligence about their camps and movements with rival JAS militants.¹⁵ Sources stated that the sound of gunfire was overheard by JAS militants who then rushed to the scene, thinking their own were under attack. This forced ISWAP to retreat. Subsequently, JAS militants assisted by evacuating the wounded and retrieving the bodies of those killed in the attack.¹⁶

The Dumba incident underscores the dangers associated with civilian communities negotiating with terrorist groups, as desperate residents attempt to pursue agricultural and other economic activities. Much of the fertile land and shorelines are controlled by terrorists, compelling locals—primarily farmers, fishermen, and herders—to venture beyond military-protected safe zones. By moving into these high-risk areas, the farmers not only breached security guidelines but also exposed themselves to the unpredictable and violent armed groups.

The scale of this event also indicates that ISWAP may be acting out of desperation, feeling the pressure from their recent clashes with JAS militants.¹⁷ Notably, the rescue and evacuation efforts by JAS militants reveal an uncommon aspect of the group, which usually targets vulnerable communities in the **Lake Chad Region**, primarily to seize supplies, logistics, and impose unlawful taxes. This contrasts with ISWAP's strategy, which involves gaining local support as part of their expansionist agenda, yet they are quick to turn against these communities when they are seen collaborating with security forces or failing to adhere to their order. UN resident and humanitarian coordinator for

⁹ RFI, 18 Jan 2025

¹⁰ ThisDay, 19 Jan 2025

¹¹ Tribune 19 Jan 2025

¹² Punch, 14 Jan 2024

¹³ Leadership, 13 Jan 2025

¹⁴ Zagazola, 14 Jan 2025

¹⁵ Zagazola, 16 Dec 2024

¹⁶ Zagazola 14 Jan 2025

¹⁷ Vincent Foucher via X, 14 Jan 2025

Nigeria **Mohamed Malick Fall** issued a statement condemning the attacks and reaffirmed his commitment to aiding the population and supplementing the government's initiatives¹⁸ This incident represents a setback for the armed forces, who have been working to secure large areas of land for agricultural use and resettlement, as part of the government's strategy to address displacement and improve livelihoods. Moreover, the food crisis in Borno, which has been worsened by the September floods, will likely force locals in areas under terrorist control to negotiate with these groups for access to agricultural resources, directly funding terrorist operations and networks through the levy payments.

Nigeria earns \$32 billion from crude oil in 2024

Nigeria's crude earning reached approximately ₦50 trillion (\$32 billion) in 2024, as disclosed in a data from the **Nigerian Upstream Petroleum Regulatory Commission (NUPRC)**. Crude oil production totalled 408,680,457 barrels throughout the year and when condensate is included, the total production amounted to 566.79 million barrels.¹⁹ The revenue was generated collectively by the **Nigerian National Petroleum Company Limited (NNPCL)**, international oil companies (IOCs), and indigenous oil companies through the sale of crude oil production.²⁰

Germany-based Statista Research Department, a global statistical organisation, noted that the average crude oil price in 2024 was \$80.53 per barrel. Based on Nigeria's total crude production of 408.68 million barrels and this average price, the country generated approximately \$32.91 billion in revenue, equivalent to ₦50.88 trillion at an exchange rate of ₦1,546/\$. The significant increase in Nigeria's crude oil revenue during this period was largely due to currency depreciation, with the naira ending the year at approximately ₦1,545/\$, far exceeding the ₦750 (\$0.48) benchmark projected in the 2024 budget.²¹ Nigeria's crude oil production throughout 2024 showed considerable volatility and the average daily crude production fluctuated between its lowest point of 1.23 million barrels per day (mbpd) and its peak of 1.48 mbpd in November.²²

The release of the report coincided with the **Organisation of the Petroleum Exporting Countries (OPEC)** monthly oil market report for December 2024, which indicated that Nigeria's oil production, including condensates, increased by 11%, from 1.333 million bpd in October to 1.486 million in November. This analysis shows a daily rise of 152,000 barrels and an approximate one million barrel increase between October and November of the previous year.

NUPRC statistics on daily average production for 2024 showed that oil production including condensate was:

- January: 1.64 million mbpd;
- February: 1.53 mbpd;
- March: 1.44 mbpd;
- April: 1.45 mbpd;
- May: 1.47 mbpd;
- June: 1.50 mbpd;
- July: 1.53 mbpd;
- August: 1.57 mbpd;
- September: 1.54 mbpd;
- October: 1.54 mbpd;
- November: 1.69 mbpd;
- December: 1.67 mbpd.²³

¹⁸ Uocha.org, 15 Jan 2025

¹⁹ Daily Post, 15 Jan 2025

²⁰ Punch, 15 Jan 2025

²¹ News Central, 15 Jan 2025

²² Punch, 15 Jan 2025

²³ Channels, 13 Jan 2024

Nigeria concluded 2024 with December's crude oil production at 1.484 mbpd, indicating that, excluding condensates, the country once again did not meet its OPEC-assigned quota of 1.5 mbpd. The average daily oil production for December also signifies that Nigeria did not achieve the 1.7 mbpd benchmark established for the 2024 budget project.²⁴

This shortfall occurs as the nation aims to increase its crude production to two mbpd in 2025. In contrast to the figures from the NUPRC, petroleum resources minister **Heineken Lokpobiri** claimed that the country's crude production, including condensates, had risen to 1.8 mbpd in December, though he did not present any supporting statistics.²⁵

Nigerians pay \$1.4 billion in ransom in 12 months

Nigeria Bureau of Statistics (NBS) on 17 December published a report revealing that Nigerians paid a total of ₦2.23 trillion (\$1.4 billion) in ransom from May 2023 to April 2024. The report, titled '**Crime Experience and Security Perception Survey (CESPS) 2024**', specifies that these payments were made by households impacted by kidnappings, underscoring the severe threat posed by criminals and organised gang activities. The CESPS is a household survey designed to offer a detailed insight into the crime scenario in Nigeria, targeting individuals aged 15 and above.²⁶

'Crime experience' refers to an individual's firsthand encounter with criminal activities, which can include being a victim of acts like theft, assault, vandalism, or other illegal acts. It also encompasses situations where one has witnessed or been directly involved in criminal behaviour. 'Security perception' involves how an individual subjectively evaluates their personal safety and the security of their surroundings. This perception includes their sense of risk, fear of crime, level of trust in law enforcement, and confidence in the effectiveness of security measures in place.²⁷

The report underscored the severity of kidnapping, noting that 65% of those impacted had to pay ransom to ensure the release of victims. The average ransom amount was ₦2.67m (\$1,723), summing up to a total of \$1.4 billion paid to non-state actors over the 12-month period. The survey estimated that 51.89 million crime incidents occurred in Nigerian households during this time. It also indicated that the North-West region experienced the highest crime rate with 14.4 million cases, while the North-Central region followed with 8.8 million incidents.²⁸

The South-East region recorded the lowest number of crimes with 6.18 million incidents. The two regions with the highest crime rates, North-West and North-Central, face significant security issues including armed banditry, kidnapping, and local disputes. An estimated four million households suffered from home robberies, yet only 36.3% of these victims reported the crime to the police. The reporting rate for kidnappings was also low, with many victims expressing a lack of confidence in law enforcement. Furthermore, belief that police action would not result in effective outcomes was the primary reason for not reporting.²⁹

The report noted that crime was more prevalent in rural areas, with 26.5 million incidents, compared to 25.3 million in urban areas. Public perception regarding safety revealed that 9.6% of Nigerians believe they might be crime victims within the next year. This fear was higher in rural areas, where 13% of the population anticipated victimisation, compared to 7% in urban settings.³⁰ Additionally, the CESPS report highlighted a significant dissatisfaction with police responses, especially for crimes such as livestock and crop theft, which are among the most frequent types of robbery, particularly in the northern region. In rural areas, NBS indicated that many households relied on local vigilante groups for protection. The bureau emphasised that these findings offer crucial insights for security

²⁴ Punch, 15 Jan 2025

²⁵ News Central, 15 Jan 2025

²⁶ The Nation, 18 Dec 2024

²⁷ Proshare, 18 Dec 2024

²⁸ Business Day, 17 Dec 2024

²⁹ The Cable, 17 Dec 2024

³⁰ Daily Trust, 17 Dec 2024

agencies, stakeholders, and policymakers aiding in the enhancement of public safety and aligning with **Sustainable Development Goal 1 (SDG1)**.³¹

In recent years, Nigeria's security landscape has worsened, marked by an increase in banditry, attacks by herdsmen, kidnappings, insurgency, terrorism, and various other criminal activities throughout the nation. This high insecurity has significantly affected both investment inflows and the food supply chain.³²

The substantial sums paid in ransoms underscore the profitability of kidnapping and the financial toll it takes on families and communities. The report serves as a catalyst for security agencies, particularly the police, who are the primary responders to internal threats but suffer from inadequate manpower, with 400,000 police officers as of 2024 or a 460 citizens per police officer ratio, compared to the UN's recommended ratio of 220 citizens per police officer.

Planner

6 Feb 2025 **Abuja (Nigeria) Economics Snapshot and Policy Briefing 2025 Conference**

17 - 18 Feb 2025 **Abuja (Nigeria) Central Bank of Nigeria (CBN) Monetary Policy Committee**

21-22 Feb 2025 **Lagos (Nigeria) Africa Revenue Summit**

24- 27 Feb 2025 **Abuja (Nigeria) Nigeria International Energy Summit (NIES)**

25-26 Feb 2025 **Lagos (Nigeria) Africa Business Convention**

2027 **(Nigeria)** Presidential election

Chronology

22 Jan 2025 **Abuja (Nigeria) Naira Metrics**. Aviation and aerospace development minister, **Festus Keyamo** is considering the termination of the ₦90 billion (\$5.7 billion) contract for second runway construction at the **Abuja International Airport** after contractors submitted a variation request which increased the contract value to ₦532 billion (\$342 billion), representing a 491% increase from the original sum;

22 Jan 2025 **Lagos (Nigeria) Business Day**. **Nigeria Labour Congress (NLC)** threatens a nationwide boycott of telecommunication services in protest of the **Nigerian Communications Commission's (NCC)** approval of a 50% increase in telecom tariffs;

22 Jan 2025 **Abuja (Nigeria) Naira Metrics**. The **Debt Management Office (DMO)** states that Nigeria's total debt service increased to ₦3.57 trillion (\$2.2 billion) in Q3 2024;

22 Jan 2024 **Lagos (Nigeria) Daily Trust**. **Manufacturers Association of Nigeria (MAN)** discloses that the manufacturing industries accumulated unsold goods worth ₦1.4trillion (\$900m) in 2024 due to inflationary pressures and declining purchasing power of customers;

21 Jan 2025 **Abuja (Nigeria) Tribune**. **Nigerian Communications Commission (NCC)** approves a 50% increase on existing tariffs, for telecommunication companies (telecoms) on calls, SMS and data rates;

21 Jan 2025 **Abuja (Nigeria) Business Day**. The **Senate** suspends the 2025 budget defence session for the **Office of the Auditor-General for the Federation (OAGF)** due to irregularities, citing that auditor general **Shaakaa Chira** and his team failed to provide satisfactory explanations regarding the 2024 budget performance;

³¹ The Cable, 17 Dec 2024

³² Proshare, 18 Dec 2024

21 Jan 2025 **Abuja (Nigeria)** *Naira Metrics*. **Nigeria National Petroleum Company Limited (NNPLC)** says it uncovered 55 illegal refineries, 29 illegal pipeline connections and arrested 30 suspects in the **Niger Delta** region between 11 January and 17 January;

21 Jan 2025 **Lagos (Nigeria)** *Business Day*. **Transgrid Enerco Limited**, a consortium comprising **Stanbic IBTC Infrastructure Growth Fund (SIIF), North-South Power Company Limited (NSP), and Axxela Limited**, acquire a 60% equity stake in **Eko Electricity Distribution Company (Eko DisCo)**, Nigeria's second-largest electricity distribution company;

20 Jan 2025 **Abuja (Nigeria)** *Naira Metrics*. **World Bank** imposes a 30-month debarment of two Nigeria-based companies - **Viva Atlantic Limited** and **Technology House Limited** - and their managing director/CEO **Norman Bwuruk Didam** over alleged fraudulent, collusive, and corrupt practices. The sanction is in line with the group's **National Social Safety Nets Project** in Nigeria;

19 Jan 2025 **Davos (Switzerland)** *Naira Metrics*. Vice president **Kashim Shettima** attends the 2025 annual meeting of the **World Economic Forum (WEF)** in **Davos**;

18 Jan 2025 **Niger (Nigeria)** *Punch*. A fuel tanker overturns and explodes along **Dikko-Maje Road** in **Suleja** Local Government Area (LGA) (**Niger State**), killing at least 98 people while 69 others were injured;

17 Jan 2025 **Abuja (Nigeria)** *Arise News*. Petroleum resource minister **Heineken Lokpobiri** convenes the first Nigerian oil sector industry stakeholder's forum to address challenges and policy conflicts;

16 Jan 2025 **Abuja (Nigeria)** *Cable*. Nigeria's foreign exchange (FX) reserve drops from \$40.92 billion on 6 January to \$40.48 billion on 14 January;

15 Jan 2025 **Abuja (Nigeria)** *Guardian*. **Central Bank of Nigeria (CBN)** launches two new digital solutions - the **Document Flow (DocFlow) System** and the **Ministries, Departments, and Agencies (MDAs) Naira Payment Solution** to streamline financial transactions and transform document management in the public sector;

15 Jan 2025 **Abuja (Nigeria)** *ThisDay*. **National Bureau of Statistics (NBS)** in partnership with the **Nigerian Economic Summit Group (NESG)**, discloses plans to rebase the Gross Domestic Product (GDP) and Consumer Price Index (CPI) to ensure economic statistics accurately reflect current economic conditions and structural changes in Nigeria.;

12 Jan 2025 **Abu Dhabi (United Arab Emirates)** *Naira Metrics*. President **Bola Tinubu** attended the **Abu Dhabi Sustainability Week (ADSW)** on the invitation of President **Sheikh Mohamed bin Zayed Al Nahyanby**, delivering a speech on Nigeria's position on climate and sustainability challenges;

11 Jan 2025 **Abuja (Nigeria)** *Punch*. **United States** government repatriates at least \$52m linked to former petroleum resources minister **Diezani Alison-Madueke**;

11 Jan 2025 **Zamfara (Nigeria)** *Punch*. **Nigerian Air Force (NAF)** accidentally drops a bomb on a local vigilante group responding to a bandit attack in **Tungar Kara** village, **Maradun** Local Government Area (LGA) (**Zamfara State**), killing at least 16 people;

9 Jan 2025 **Abuja (Nigeria)** *Arise News*. **China's** foreign minister **Wang Yi** visits Nigeria on the invitation of President **Bola Tinubu** and holds talks with top government officials on strengthening bilateral relations in trade, investment and infrastructure development;

27 Dec 2024 **Abuja (Nigeria)** *Bloomberg*. **Nigeria** and **China** renew a currency swap agreement valued at ₦3.28 trillion (\$2 billion);

25 Dec 2024 **Sokoto (Nigeria)** *Punch*. **Nigerian Air Force (NAF)** in an operation targeting a **Lakurawa** terrorist hideout, accidentally bombs **Gidan Sama** and **Rumtuwa** communities in **Silame** Local Government Area (LGA) (**Sokoto State**), killing 10 people;

25 Dec 2024 **Abuja (Nigeria)** *Bloomberg*. **Access Bank Plc** raises \$228m in a rights offer to boost its capital above a new regulatory threshold;

23 Dec 2024 **Zamfara (Nigeria)** *Reuters*. Mining minister **Dele Alake** says a five-year ban on mining exploration in Zamfara state has been lifted due to improved security;

16 Dec 2024 **Abuja (Nigeria)** *Reuters*. **United Kingdom (UK)**-headquartered **Shell** says its Nigerian subsidiary has announced a final investment decision on **Bonga North**, a deep-water oil and gas project off the coast of Nigeria that will be connected to Shell's Floating Production Storage and Offloading (FPSO) facility;

About Africa Risk Consulting:

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