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The Lakurawa armed group kills 15 people in Mera village (Kebbi State) and establishes a presence in the Northwest region. Central Bank of Nigeria (CBN) reveals Nigeria spent \$3.5 billion on external debts servicing in nine months and is seeking fresh loans despite an increasing debt service burden. International Monetary Fund (IMF) urges government to reassess its economic reforms, citing limited progress 18 months after implementation. Dangote Refinery resumes crude imports from the United States (US) despite its domestic supply agreement with state-owned Nigeria National Petroleum Company Limited (NNPCL).

Lakurawa armed group kill 15 people in Kebbi State

The **Northwest** region, comprising seven states, has faced pervasive violence from armed bandit groups for over a decade, but a new foreign armed group known as, **Lakurawa**, has emerged, establishing a presence in **Kebbi** and **Sokoto** states—two strategic border areas critical to regional movement. The group attacked residents of **Mera** village in **Augie** local government area (LGA) in Kebbi state on 9 November, reportedly infiltrating the village on motorcycles, attempting to seize cattle belonging to the villagers. The residents resisted, resulting in a gunfight that left 15 locals and two Lakurawa members dead.

While the group has yet to claim responsibility for the attack, locals told the media that this is the first known instance of the group targeting residents. ¹The attack comes in the wake of an earlier warning about the emergence of the Lakurawa terror group, issued by the **Defence Media Operations** director Major General **Edward Buba**, during a press briefing in **Abuja** on 7 November. Buba explained that the group originated from **Niger Republic (Niger)**, taking advantage of weak border controls following the breakdown of joint security operations between **Nigeria** and **Niger** in 2023.² The term Lakurawa is derived from the **French** word 'Le recruteur' (which translates to 'the recruiter') reflecting their ties to French-speaking countries such as **Niger** and **Mali**.³

Contrary to Buba's claims that the Lakurawa group is new, local sources revealed that the group has existed intermittently since 2017, albeit without a permanent presence. In 2018, the group was reportedly enlisted by former district heads of **Sokoto State's Balle** town in **Gudu** LGA and **Gongono** town in **Tangaza** LGA, along with the former **Miyetti Allah Cattle Breeders Association of Nigeria (MACBAN)** chairman to combat recurring banditry and provide protection. Over time, the group has grown in numbers, established strongholds within these communities, and expanded its influence into neighbouring states, including **Kebbi**.⁴

Former **Department of State Services (DSS)** director **Mike Ejiofor** provided additional insights into the origins of the Lakurawa group during a monitored broadcast on 15 November. Ejiofor explained that the group was initially established as a vigilante force by the former military leader of **Niger, Ibrahim Baré Maïnassara** (1996-1999). However, following Maïnassara's death in 1999, the group was neglected by subsequent administrations, leading to its eventual fragmentation.⁵

¹ Reuters, 9 Nov 2024

² Naira Metrics, 7 Nov 2024

³ Bulama Bukarti via X, 11 Nov 2024

⁴ HumAngle, 9 Nov 2024

⁵ Channels Television, 15 Nov 2024

The group has displayed clear terrorist tendencies, prompting the **Nigerian Defence** headquarters to classify them as a terrorist organisation. The group engages in public preaching, imposes levies on herders under the guise of 'Zakat' (religious taxes), and enforces their strict interpretation of Sharia law on local communities.⁶ True to their name, a video circulating on social media shows the group conducting a public outreach event and actively recruiting young men by offering NGN1m (\$590,32) in exchange for their allegiance. While the exact location and timing of the outreach remain unverified, this financial incentive underscores an aggressive recruitment strategy designed to expand their ranks and influence.⁷

The situation has heightened the growing security challenges in the Northwest region, where multiple armed groups exploit the vast ungoverned spaces and the limited government presence along the northern border areas. The Nigeria–Niger border, spanning approximately 1,487km, is one of the most porous in the region. Its challenging terrain, inadequate infrastructure, and numerous entry points make it difficult for security personnel to effectively monitor and secure the area.⁸ This remains a significant challenge in controlling the movement of both local and foreign armed groups, which has greatly contributed to insecurity in the region and its spill over into other parts of Nigeria.

While the Lakurawa group may not currently possess the sophistication of groups like the **Islamic State of West Africa Province (ISWAP)** or **Jama'atu Ahlis Sunna Lidda'awati wal-Jihad (JAS)**, they represent a growing threat. If unchecked, they could potentially evolve into a major security challenge, particularly as their infiltration into local communities may complicate future military operations.

Nigeria spends \$3.5 billion on foreign loans servicing in nine months

Between January and September, the government spent \$3.57 billion servicing foreign debt, a 39.7% increase from \$2.56 billion during the same period in 2023. The **Central Bank of Nigeria's (CBN)** report on international payment statistics reveals significant spending fluctuations in debt servicing throughout 2024:

- January 2024: \$560m (up 389% from \$112m in January 2023);
- February 2024: \$283m (slightly down 1.8% from \$288m in 2023);
- March 2024: \$276m (down 31% from \$400m in 2023);
- April 2024: \$215.20m (up from \$92.85m in 2023);
- May 2024: highest monthly payment of \$854m;
- June 2024: \$50.82m (slightly down from \$54.35m in 2023);
- July 2024: \$542.5 (down 15.48% from \$641.6m in 2023);
- August 2024: \$279.9m (down 9.69% from \$309m in 2023);
- September 2024: \$515.81m (up 17.49% from \$439.06m in 2023);

The data raises concerns about the growing pressure of Nigeria's foreign debt obligations, with rising global interest rates and exchange rate fluctuations contributing to higher costs.⁹

The country's routine practice of borrowing to fund budget deficits and infrastructure projects has led to increased foreign debt. As a result, debt service obligations now consume a substantial portion of national budget revenue, severely limiting the government's ability to fund critical development sectors. Nigeria's growing public debt could trigger macroeconomic challenges, particularly if debt servicing costs continue to rise.¹⁰ This comes as the **Debt Management office (DMO)** in its last report as of 30 June disclosed that Nigeria's public debt increased from ₦121.7 trillion (\$73 billion) in the first quarter to ₦134.3 trillion (\$80.5 billion) by the end of the second quarter of 2024.¹¹

⁶ HumAngle, 9 Nov 2024

⁷ Zagazola, 15 Nov 2024

⁸ Bulama Bukarti via X, 11 Nov 2024

⁹ Arise News, 13 Nov 2024

¹⁰ Punch, 13 Nov 2024

¹¹ Debt Management office, 30 Jun 2024

The **Senate** on 21 November approved **President Tinubu's** (2023 – present) request for ₦1.77 trillion (\$2.2 billion) in external borrowing to partially finance the 2024 budget deficit of ₦9.7 trillion (\$5.7 billion). The government seeks to raise this loan through **Eurobonds, Sovereign Sukuk** and **Bridge Finance/Syndicated Loans**.¹² As of June 2024, Nigeria is the **World Bank's** third-highest debtor with a debt profile of \$16.5 billion.¹³ This additional borrowing is expected to push Nigeria's total debt to an all-time high of ₦136 trillion (\$81 billion), with debt service projected to cost ₦15 trillion (\$8 billion) by 2025.¹⁴

The new loan request has also sparked concerns over the utilisation of previous external loans, particularly in relation to social infrastructure projects and the funds saved from the discontinuation of fuel subsidy payments. To address fiscal challenges and reduce external debt dependence, the government may explore domestic borrowing from the private sector. Diaspora remittances, which reached \$20 billion in 2023, could be a crucial source for improving foreign exchange liquidity.

IMF urges Nigeria to reassess its economic strategies

The **International Monetary Fund (IMF)** reported in its latest **sub-Saharan Africa** outlook that Tinubu's economic reforms have struggled to produce significant positive results 18 months after implementation. In the report, the IMF did not recognise Nigeria as making reform progress, instead categorising it among countries failing to achieve desired economic outcomes.

IMF deputy director for Africa development **Catherine Patillo**, during her presentation at the **Lagos Business School (LBS)** on 14 November, reported that while some countries showed improving macroeconomic conditions, Nigeria was not among them. The country's growth rate of 3.19% falls below the 3.6% average projected for sub-Saharan economies, and she suggested Nigeria might be experiencing "*adjustment fatigue*".¹⁵

Patillo also stated that while inflationary pressures have eased in many sub-Saharan countries, Nigeria's inflation continues to rise. In September and October, the country's inflation rate reached 33.88%, significantly higher than the 21% target set earlier this year.¹⁶ In a surprising shift, the IMF - which had previously supported economic reforms like fuel subsidy removal and foreign exchange rate unification - advised the Nigerian government to refine these policies to benefit the masses who have been significantly impacted. The sequencing of these reforms may not be realistic for a developing country like Nigeria, considering its unique economic challenges, including high inflation, poverty, and unemployment.¹⁷

Nigerian food sector stakeholders highlighted the limited impact of economic reforms on food security. **ActionAid Nigeria (AAN)** country director **Andrew Mamedu** noted that Nigeria ranks fifth globally and third in Africa for food insecurity. He emphasised that current reforms have yielded minimal benefits, with food prices remaining high and many Nigerians unable to afford essential staples.¹⁸

The IMF acknowledged that Nigeria needs reassessment of its economic policies and enhanced engagement to tackle its inflation and food security challenges and that reforms that yield immediate benefits should be prioritised to build public support.¹⁹ Considering that Nigeria's economy has shown resistance to conventional economic reforms that worked elsewhere, the government may need to adopt localised solutions while addressing policy misconceptions. Coordinating monetary and fiscal policies to tackle unemployment, empower small and medium-sized enterprises, and support

¹² Daily Trust, 20 Nov 2024

¹³ Naira metrics, 30 Sep 2024

¹⁴ Daily Trust, 20 Nov 2024

¹⁵ Tribune, 16 Nov 2024

¹⁶ Reuters, 24 Jan 2024

¹⁷ Vanguard, 16 Nov 2024

¹⁸ Vanguard, 16 Nov 2024

¹⁹ Barrister NG, 19 Nov 2024

key sectors driving the economy could be critical in mitigating economic challenges in the medium term.

Dangote Refinery resumes crude import from United States

The **Dangote Refinery** resumed purchasing crude oil from the **United States (US)**, ending a three-month period focused on domestic supply. A cargo from US-headquartered **Chevron Corp** carrying two million barrels of crude is expected to be delivered to the refinery in December, marking the company's efforts to increase oil production and refining capacity.²⁰ The Dangote Refinery's return to crude oil importation suggests potential challenges with the government's naira-for-crude initiative or insufficient domestic crude supply from the **Nigerian National Petroleum Company Limited (NNPCL)**. Investors appear frustrated by inconsistent local supply, with potentially lower US shipping costs making imported oil more attractive. The resumption of crude imports may be an attempt to address these investor concerns and ensure steady refinery operations.

Initially, the Dangote Refinery imported crude oil, primarily from the US, for its Premium Motor Spirits (PMS) production. Crude imports were reduced in August after an agreement for NNPCL to supply crude in naira. In early October, the government's decision to sell crude in local currency led to expectations that the refinery would cease foreign crude imports. The agreement specifies that the refinery will purchase up to 400,000 barrels of Nigerian crude daily, with payment to be made in local currency.²¹

As the Dangote Refinery works to increase production capacity and meet growing domestic and regional fuel demand, **Aliko Dangote** is seeking billions of dollars to maximise the facility's potential. The refinery aims to reach its full capacity of 650,000 barrels per day, with Dangote engaging commercial lenders, development banks, oil traders, and other industry stakeholders to secure necessary funding.²² The **Africa Finance Corporation (AFC)**, a pan-African development lender based in Nigeria, is already an investor in the Dangote Refinery project.²³ While the precise funding required, and amount raised remains unconfirmed, potential investors may be cautious due to the Nigerian naira's significant depreciation over the past year.

Additionally, despite reports of substantial supply from the Dangote Refinery, NNPCL continues to import fuel. Between 1 October and 11 November, the company imported 1.8 million metric tonnes of diesel and petrol.²⁴ While NNPCL claims to prioritise domestic refinery sourcing, it will assess the economic viability of local versus imported products.²⁵ Since the commencement of refining and supply of petrol, the Dangote refinery have been involved in ongoing negotiations with private retailers and NNPC regarding pricing and domestic demand.

Planner

11 Dec 2024 **Abuja (Nigeria) Islamic Banking, Finance and Commerce Conference**

28 Jan 2025 **(Nigeria) Launch of the \$5 billion Africa Energy Bank (AEB)**

2027 **(Nigeria) Presidential election**

Chronology

21 Nov 2024 **Abuja (Nigeria) Punch.** Government terminates **Berger Plc's** NGN740 billion (\$439m) contract for the construction of the **Abuja-Kaduna-Zaria-Kano Road** project due to concerns over project costs and implementation;

²⁰ Business Day, 21 Nov 2024

²¹ Business Day, 21 Nov 2024

²² Financial Times, 17 Nov 2024

²³ Financial Times, 17 Nov 2024

²⁴ Sahara Reporters, 17 Nov 2024

²⁵ Punch, 15 Nov 2024

21 Nov 2024 **Abuja (Nigeria)** *Daily Trust*. The **House of Representatives** proposes a minimum recapitalisation threshold of ₦500 billion (\$297m) for the 11 electricity **Distribution Companies (DisCos)** in Nigeria to ensure their continued operation;

21 Nov 2024 **Abuja (Nigeria)** *Business Day*. Nineteen commercial banks offer an 8.18% interest rate to customers for their savings, aligning with the **Central Bank of Nigeria's (CBN)** recent monetary policy adjustment;

20 Nov 2024 **Abuja (Nigeria)** *Naira Metrics*. President **Bola Tinubu** confirms the establishment of the **National Engineering and Innovation Fund** in Abuja aimed at developing engineering innovation and entrepreneurship;

20 Nov 2024 **Abuja (Nigeria)** *Daily Trust*. The **Senate** approves the dismissal of the **Code of Conduct Tribunal (CCT)** chairman **Danlandi Umar** over alleged misconduct and negligence;

18 Nov 2024 **Abuja (Nigeria)** *Premium Times*. The **Central Bank of Nigeria (CBN)** issues a public warning about fraudulent schemes and false claims of contract awards and special financial interventions falsely attributed to the bank;

18 Nov 2024 **Borno (Nigeria)** *Defense Post*. **Islamic State of West African province (ISWAP)** fighters attacked a military base in **Kareto** village in **Gubio LGA (Borno State)**, killing at least five soldiers and injuring ten others;

18 Nov 2024 **Lagos (Nigeria)** *Leadership*. Petroleum minister **Heineken Lokpobiri** announces that the government will cease approving license renewals for oil producers with undeveloped oil fields, urging them to expedite development efforts;

17 Nov 2024 **Abuja (Nigeria)** *Business Day*. **India's** prime minister, **Narendra Modi**, visits Nigeria at the invitation of President **Bola Tinubu** and agrees to deepen collaboration with Nigeria in maritime security, intelligence and counterterrorism;

14 Nov 2024 **Lagos (Nigeria)** *Premium Times*. State-owned **Nigerian National Petrol Company (NNPC), Gas Marketing Limited** enters into a 10-year Gas Sale and Purchase Agreement (GSPA) with **Dangote Petroleum Refinery and Petrochemicals** to supply natural gas for power generation and feedstock;

13 Nov 2024 **Lagos (Nigeria)** *Arise*. The **African Export – Import bank (Afreximbank)** approves a \$200m corporate finance facility for **BUA Industries Limited** to support its expansion plans;

13 Nov 2024 **Abuja (Nigeria)** *Business Day*. The **Nigeria Customs Service (NCS)** declares NGN5.0795trillion (\$3 billion) in revenue for 2024;

7 Nov 2024 **Abuja (Nigeria)** *Guardian*. The government secures \$4 billion investment from India headquartered **Jindal Group** to develop a 10 million metric tonne steel plant and 650MW power facility in **Akwa Ibom State**;

6 Nov 2024 **Abuja (Nigeria)** *Leadership*. **National Economic Council (NEC)** calls for the withdrawal of the pending **Tax Reform Bill** before the **National Assembly**, recommending broader consultations and consensus-building on fiscal policy;

5 Nov 2024 **Lagos (Nigeria)** *This Day*. The Nigerian **Chief of Army Staff** Lieutenant General **Taoreed Abiodun Lagbaja** dies following protracted illness;

4 Nov 2024 **Rivers (Nigeria)** *Punch*. The **Economic and Financial Crimes Commission (EFCC)** arrests the former **Delta State** governor, **Ifeanyi Okowa** over alleged diversion of NGN1.3 trillion (\$774m), during his time in office between 2015 and 2023;

4 Nov 2024 **Abuja (Nigeria)** *VOA News*. President **Bola Tinubu** orders the release of 29 minors detained during the anti-government protests in August, following widespread public outrage and condemnation sparked by their court trial;

2 Nov 2024 **Abuja (Nigeria)** *Arise News*. Government sets 28 January 2025 as the launch date for the \$5 billion **Africa Energy Bank (AEB)**, aimed at offering an alternative funding source for hydrocarbon projects;

31 Oct 2024 **Abuja (Nigeria)** *Punch*. Federal Government secures an NGN2.8 billion (\$1.6m) grant from **United States**-headquartered **Google** to boost artificial intelligence (AI) talent development across Nigeria;

24 Oct 2024 **Abuja (Nigeria)** *Punch*. Global cryptocurrency company, **Binance**'s head of financial crime compliance **Tigran Gambaryan** is released from custody after the **Federal High Court in Abuja** dismisses the money laundering charges brought against him by the **Economic and Financial Crimes Commission (EFCC)**;

24 Oct 2024 **Rivers (Nigeria)** *Reuters*. A helicopter transporting eight people including two crew members crashes near **Bonny Finna** in **Port Harcourt (Rivers State)**. The aircraft which was hired by the **Nigerian National Petroleum Company (NNPC)** and took off from **Nigerian Air Force Base** en route the **FPSO – NUIMS ANTAN**;

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