

Food crisis looms

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# THE BUSINESS EYE

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Chibuike Amaechi

# Two years of rapid development



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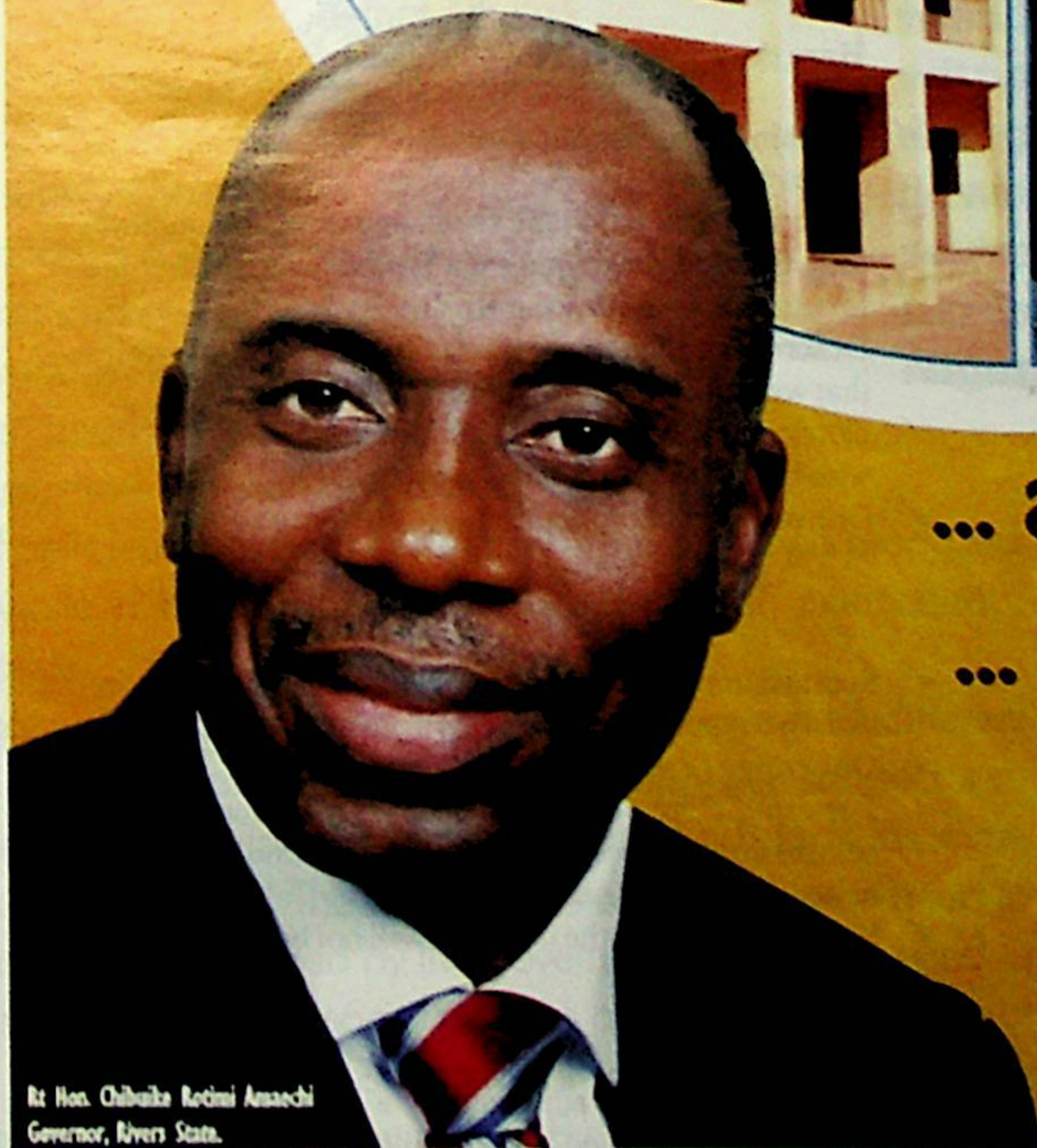
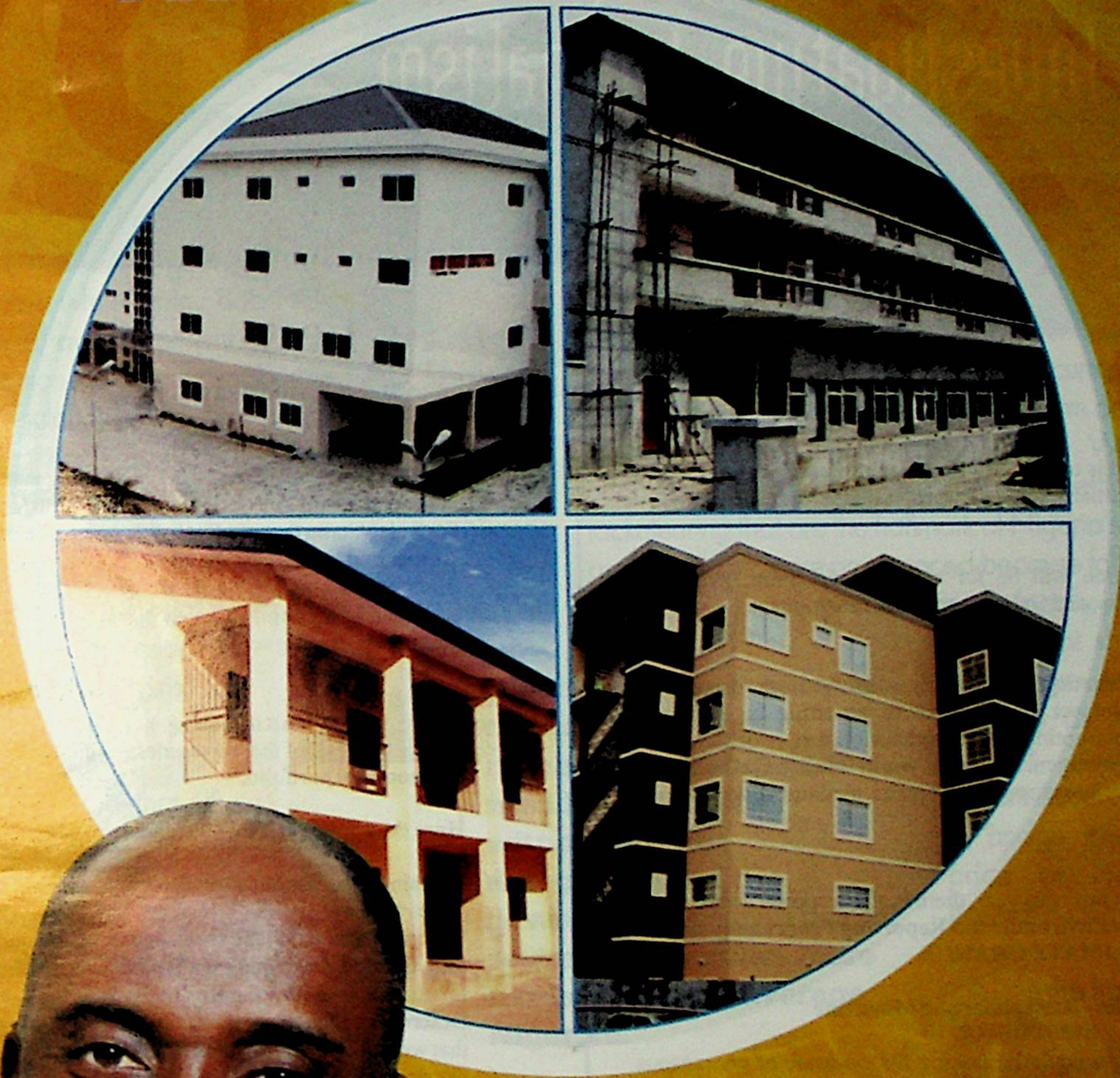
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The energy to care



# Rivers State...



Rt. Hon. Chibuzke Rotimi Amaechi  
Governor, Rivers State.

... a story of transformation,  
... two years down the road  
... many more ahead

Mrs. Ihim Seminetari  
Commissioner for Information



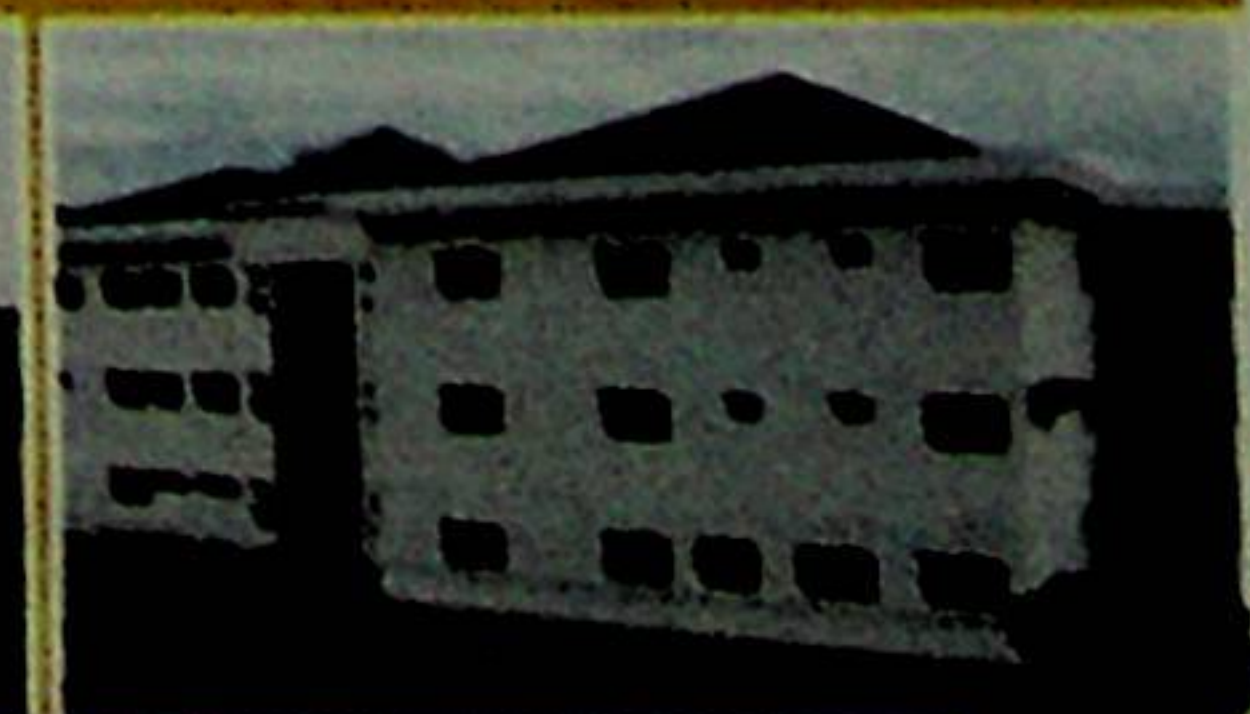
Over 200 kilometers of Roads completed



250 Primary Health Care Centres



250 Model Primary Schools



Four General Hospitals



# WOLE SOYINKA'S Centre For Investigative Journalism



## Call For Entries

Overall, judges will be looking for journalistic courage and individual creativity

### Eligibility

The Award is open to any Nigerian professional journalist or team of journalists (full time professionals or freelancers)

### Categories

Consideration will be for works in the Print, Broadcast, Photography, and Online journalism categories.

### Criteria:

The main criterion for eligibility is that the work (single work or single-subject serial) involves reporting on public or corporate corruption, human rights violation, or on the failure of regulatory agencies. Such works must have been first published or broadcast in a Nigerian medium within the past one year.

For the first time this year, there is also a special award under the Centre's **Environmental Reporting Programme** for best entry on **CLIMATE CHANGE**.

### **Print Entries - Newspaper and Magazine**

Judges are particularly looking for evidence of courageous journalism, as well as writing excellence, accuracy, storytelling, newsworthiness, ethics, research, impact and public benefit.

### **Broadcast Entries - Radio and Television**

High regard will be placed on newsworthiness, courage, impact, incisiveness, immediacy, quality of production and making use of the best qualities of broadcasting in reporting news, and pursuing excellence in journalism.

### **Photographic Entries**

Regarding Photojournalism entries, Judges will be looking at newsworthiness, impact, technical value, creativity and originality in this category. Ideally, submissions should be human-interest photos displaying creativity, originality and technical photographic excellence.

### Generally

- ✓ All submitted works must be in English language.
- ✓ Photo entries must be well captioned in English
- ✓ For video/audio entries, English language transcripts are required.
- ✓ Audio entries should be sent in Audio CD format, with accompanying script; video entries must be on VCD, with accompanying script.

### Submission Letter

The submitted package must include:

- ✓ A brief synopsis of the story/series, caption of picture, or synopsis of portfolio.

### Here the applicant is expected to:

- ✓ Explain the background of the project, identifying the issues and key players.
- ✓ Describe what led to the topic, any unusual condition they faced in developing the project and whether the investigation had any ramifications.
- ✓ Describe challenges to the content of the story/series that were not reported in the original work.
- ✓ Curriculum Vitae must be submitted for every reporter who bears the byline of the story.
- ✓ One passport photograph

### Note

- ✓ Submission letter should be in English and not more than two typed pages.
- ✓ One copy of each submission is required
- ✓ For single photographic entries, at least eight submissions are required. Email submissions will not be accepted for all categories.
- ✓ Entries made after the deadline will not be treated.

### Selection

Entries submitted shall be adjudged by a judges' committee which comprises of respected Nigerian media professionals.

## **Deadline For Submission Of Entries**

All entries must be submitted by close of work on Saturday, October 31st, 2009  
to: The Centre Coordinator, WSCIJ, 3/5, Odunukan Street, Off Kudirat Abiola Way,  
Oluyole Bus-Stop, Oregun-Ikeja, Lagos, Nigeria

For more information,

reach Toyin at [toyin@wscij.org](mailto:toyin@wscij.org) or visit: [www.wscij.org](http://www.wscij.org)  
Tel: [+234]-702-922-6323, [+234]-802-439-5083



## The same old song

The Federal Government is singing yet a familiar song. The government says it will embark on full-fledged deregulation of the downstream sector of the oil industry from November 1. A statement last month by Rilwanu Lukman, Minister of Petroleum, gave indication of government's thinking in this regard while Aminu Baba Kusa, group executive director, Commercial and Investment at the Nigerian National Petroleum Corporation, NNPC, corroborated that last week, arguing that deregulation will make products available and cheaper.

The indications last week was that the government might not soft-pedal on this decision despite the threat by the Nigeria Labour Congress to unleash "the fiercest labour unrest ever witnessed in the history of Nigeria" if the plan is carried out. With this, therefore, the nation is set to witness another round of crisis, far more than what it has experienced so far from across various sectors.

There is no doubt that the deregulation, as planned by the government, could bring efficiency to the fuel supply chain, but in Nigeria, deregulation is a euphemism for fuel price hike; and so, it could also open a huge window for Shylock petroleum products marketers to reap off Nigerians, more so when only a small chunk of petroleum products consumed in the country is produced locally while a bulk of them is imported at high international market costs.

Successive governments in the country have had different reasons for deregulating the downstream petroleum sub-sector or for enforcing appropriate pricing of petroleum products, as some regimes chose to call it. The chief reason often cited is the need to free funds being expended by the government on subsidy and to deploy such to improving social services and infrastructure. Yet, at the end of each exercise these are hardly realised. This is also the strong point of the current campaign. But governments' provision of subsidy is not entirely out of fashion only that Nigeria's version have tended to fund inefficiencies, fraud and racketeering in the fuel supply chain, which is why the Federal Government could spend as much as N640 billion in fuel subsidies in the last one year.

It is well known that the United States government subsidises agriculture and health while in the UK, the government puts a lot of money into education and health. Nigeria's fellow

Organisation of Petroleum Exporting Countries, OPEC-member nations also subsidise the price of fuel products. In every other country, government subsidises one form of social service or the other. The level of subsidies around the world has even shot up in the face of the present economic downturn and the need to mitigate its effects on citizens.

The truth is that given Nigeria's economic circumstance and immense hardship as the world is currently witnessing, full deregulation of the downstream petroleum oil sector would inflict more hardship on the average Nigerian. What the government ought to do is address the massive inefficiencies, fraud and racketeering that are the hallmark of Nigeria's fuel subsidy system, and which are more pronounced because far a greater portion of petroleum products consumed locally is imported. The

government should also begin to think of growing the local refining capacity as this would curb the current overdependence on imported fuel and remove the need to bridge the gap between the price of fuel importation at international market rates and local prices.

If this has to be achieved, the government must revamp the nation's four decrepit refineries in Warri, Kaduna and Port Harcourt

or build new ones while at the same time encouraging the establishment of private refineries. But, the government should not sell its four refineries as currently being contemplated; after all, other OPEC members still own state-refineries and maintain viable downstream operations that Nigeria should emulate.

Pertamina, the Indonesian state oil company, recently announced plans to build three new refineries in addition to its nine existing plants with a combined capacity of one million barrels per day. The National Iranian Oil Company also plans to build five refineries across Asia, and these are in addition to over 10 refining plants it currently runs locally. Petronas of Malaysia and Petróleos de Venezuela SA own strings of fuel stations across Asia and Latin America respectively.

All these are viable state assets, being run and managed as commercial entities to the benefit of the people and governments of these countries. The Federal Government should take a cue from these rather than embark on a deregulation of the downstream petroleum sector that would send more Nigerians into economic recession. ■



**Given Nigeria's economic circumstance and immense hardship as the world is currently witnessing, full deregulation of the downstream petroleum oil sector would inflict more hardship on the average Nigerian."**



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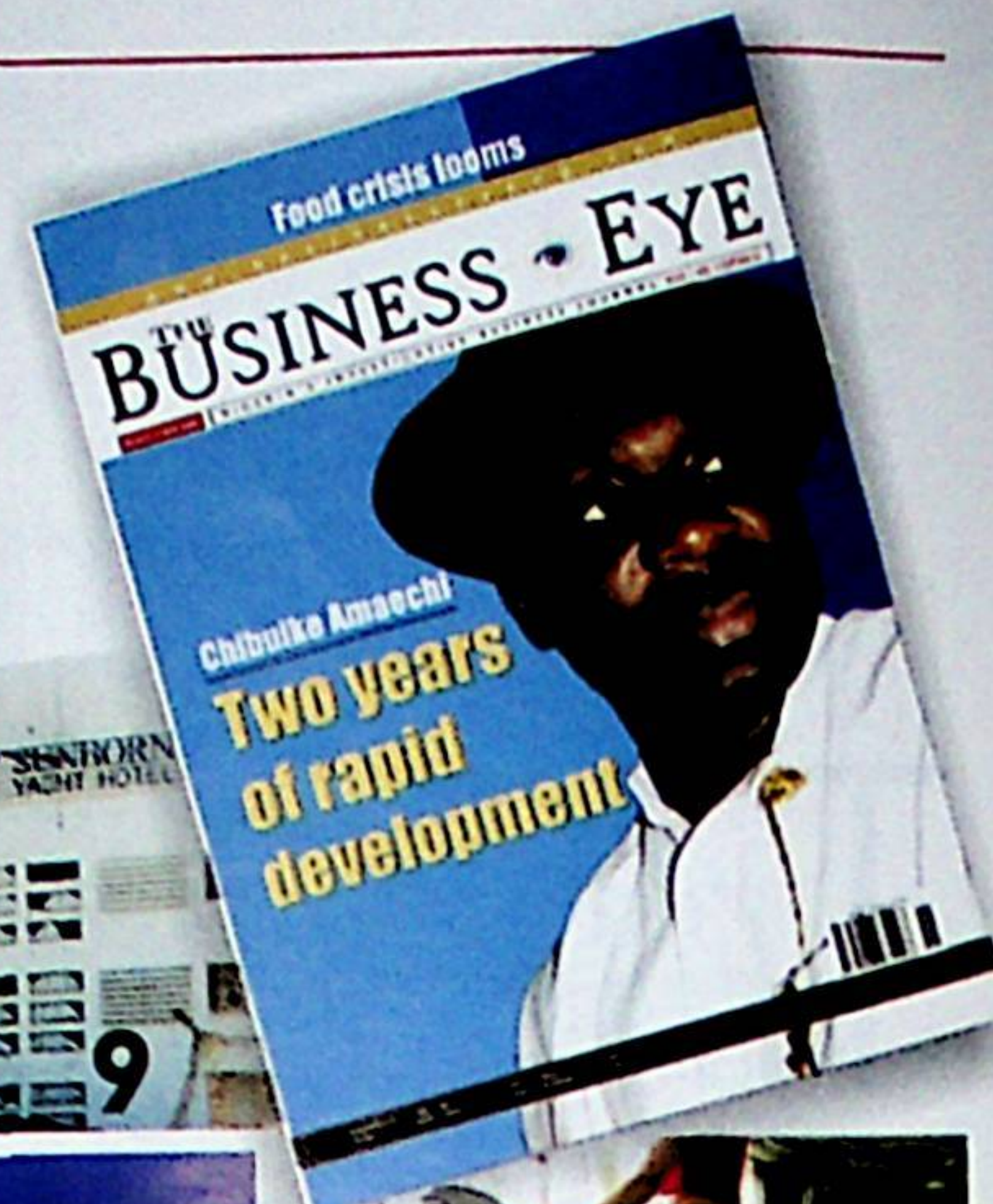
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**STRATEGIC CORE OBJECTIVES**

To be present where ever news of relevance may occur.

To distinguish ourselves as media practitioners providing credible business and economic intelligence on Nigeria and West Africa.

To be a refreshing addition to the market place with our trade mark focus of investigative but accessible business news reporting.

To ensure ethical and responsible journalism with truth and integrity as our guiding principles.

**OUR SHARED VALUES - IRAC**

- Integrity - I
- Responsibility - R
- Agility - A
- Creativity - C

**MISSION**

To provide a monitor for the people of the activities of both government and corporations.

**VISION**

To be the investigative media content provider in Nigeria and West Africa.

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General Manager Chuks Isiwu

Editor Semiu Salami

Contributing Editor Obed Awowede

Senior Asst. Editor Idowu Bakare (leave of absence)

Deputy Editor Nick Uweru

Head, Port Harcourt & South-South Bureau Klem Ofuokwu

Senior Correspondents Evelyn Tagbo (Accra),  
 Clini Edobor (Abuja)

Staff Writer Yemi Bamidele

Reporters Ibukun Sofowora, Chinelo Obi,  
 Joy Iorvihi (Abuja), Bola Adeyemi

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Accountant Inyama Esowe

Asst. Accounts Officer Mercy Taiwo

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Shopfar Nigeria Limited

Corporate Head Office:

29, Norman Williams Street,

Off Keffi Street, Ikoyi, Lagos, Nigeria.

Tel: +234 1 7403552 Fax: 1 509 695 7676

Port Harcourt:

Ven. ODC Brown House, 1, Ilorin Street,

Port Harcourt, Rivers State.

Tel: 08033362062

Abuja:

Suite 106, Anbeez Plaza, 15, Ndola Crescent,

Wuse Zone 5, Abuja.

0702 831 0391, 07028310399, 09 2900245

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## Mobil to pay oil dealer N29m

# EXXON Mobil

A Lagos State High Court in Badagry has ordered Mobil Oil Nigeria Limited, the petroleum products marketing arm of the oil giant, ExxonMobil Corporation, to pay N29.3 million to an oil dealer, Otunba Adisa Osiefa, for

negligence and breach of contract. Osiefa filed an action against the oil giant, claiming it had breached an agreement between them meant to last for 25 years. He said that in April 2002, the defendant terminated the reseller agreement without any notice, orally or in writing.

According to him, officials of the oil firm entered the premises of his fuel station and made away with equipments without his consent. In his judgment, Justice Ebenezer Adebajo held that the reseller's agreement was still subsisting and that the defendant acted negligently in breaching it. ■

## 36m Nigerians illiterate

A recent report released by the National Population Commission says 36 million Nigerians are illiterate. The report is based on the nationwide Population and Housing Census conducted in 2006.

According to the report, 36,141,352 Nigerians have not attended any formal school.

This figure includes those who passed through other forms of training such as apprenticeship, vocational learning and Quranic teaching who have neither attended a public nor private school. According to the report, 15,987,013 among the uneducated are male while 20,154,339 are female. Kano State has the highest number of the uneducated with 2,896,331 followed by



Sam Egwu, Education Minister

Borno and Bauchi with 2,288,529 and 2,068,400 respectively.

The report stated that the country has about four million graduates who possess the first degree certificate or the Higher National Diploma, 905,283 people with postgraduate qualifications, 14 million who had completed the nursery school education and 13 million with primary school certificates. A total of 20,638,027 have Senior Secondary School certificates or equivalent while 5,285,115 Nigerians have only the Ordinary National Diploma and National Certificate of Education, NCE. 755,050 have other forms of formal education. ■

## Thumbs Down National Assembly members and Immunity Bill

Fresh from a 60-day Independence break, members of the National Assembly voted to pass for second reading a bill for an Act to Amend the Legislative Houses, Powers and Privileges Act. According to its proponents, the bill, when passed into law, would ensure members of the parliament "become adequately protected and the country's democracy deepened". In summary, the bill will make it cumbersome to arrest "distinguished Senators" and "honourable members" of both the House of Representatives and the 36 State Houses of Assembly. In other words, they will be accorded immunity.

Perhaps, this would have been an easy pill to swallow if Ndudi Elumelu, chairman of the House of Representatives Committee on Power; his deputy, Mohammed Jibo, and Igwe Paulinus of the Rural Development Agency, together with Senator Nicholas Ugbane, chairman of the Senate Committee on Power, had not been arrested and charged to court for their alleged involvement in a N5.2 billion Rural Electrification Agency fraud.

This National Assembly has again shown how self-centered and far-removed their interests are from the people. If the Assembly members are dissatisfied with the prevailing arrest approach, would it not have been in the interest of the people to broaden the bill so that it includes everyone. ■

There is need for true federalism and a system that will remove immunity from governors so that they and others down the line can be brought to book for corruption. The governor and others that manage public funds will be our next target after we have been successful in this first phase of our campaign.

- Jomo Gbomo, spokesperson for the Movement for the Emancipation of the Niger Delta, MEND, commending the government's response to MEND's negotiation bid and emphasizing the need for true federalism in Nigeria. ■



## Cholera kills 52 in Borno

**F**ifty-two people have died from a Cholera outbreak in Biu, the headquarters of Biu Local Government Area of Borno State.

Dr. Abubakar Sadiq, medical director of the state government's treatment camp in Biu, stated that the team had handled 1,355 cases. "We received about 1,355 patients in the camp for treatment but unfortunately about 52 of them could not make it as they died from the disease", he said. According to Sadiq, about 131 medical personnel were deployed in

the camp to take care of the patients while some were also sent to the villages to educate the people on the need for basic hygiene to curtail the spread of the disease.



Ali M. Sheriff, Borno State governor

Adamu Dibal, deputy governor of the state, while assessing the condition at the camp disclosed that additional drugs had been distributed by the government to curtail the disease. ■

## Thumbs Up

# Life-saving directive by Osotimehin, Hong

**M**inister of Health, Professor Babatunde Osotimehin, and his minister of state, Dr. Aliyu Idris Hong have asked hospitals to desist from delaying the treatment of gunshot victims on any ground, saying the saving of lives should be paramount.

Given the rising death toll of gunshot and accident victims denied treatment due to lack of Police report and other strange requirements, the directive by the Federal Government that hospitals across the country must treat gunshot victims or face criminal charges and possible jail time or fine, is heartwarming.

Hospitals are supposed to treat first then ask questions later. Unfortunately, this has not been the case in Nigeria as many casualties, whose lives could have been saved, are left to die simply because they sustained gunshots. ■

## Mounting controversy over Sunborn Yatch Hotel

**H**aving hit the Lagos shores about a year ago, the Sunborn Yatch Hotel has been an attraction at the Lagos Marina. But, the yatch hotel, which won the best award in the food and drink category in the United Kingdom before coming to Nigeria, is fast becoming a shadow of itself. Its once sparkling white colour has faded into brownish hue and most of its windows have been broken by the lagoon's brisk breeze.



The hospitality facility which had cost £20 million is still weighed down with ownership issues. Lagos made history in October 2008, when the yatch hotel was brought down through

the Ministry of Tourism and Inter-government relations and bankrolled by an investment bank facilitated by MDIC Limited and Westcom Limited, two Nigerian

venture capital advisory firms. Some reports say the deal was between Lagos state former governor, Bola Tinubu, and the government. Yet, Governor Babatunde Fashola says it was a purely private initiative with no financial commitment from the state. And indeed, Managing Director, Diamond Capital Limited, Tony Onwu recently said the government and taxpayers in Lagos State had no financial commitment in the hotel. The State House of Assembly has waded into the controversy. However, the fact remains that the yatch hotel, an expensive project, is wasting away. ■

## Telecoms investment hits N2.7tr

**T**elecoms investment in Nigeria has hit N2.7 trillion (US\$18 billion) in the last eight years. Executive vice chairman, Nigerian Communications Commission, Ernest Ndukwe, disclosed this at the recently concluded ITU World 2009 Forum and Exhibition in Geneva, Switzerland. The figure, he said, was enhanced by a good regulatory

environment and government policy that encourages deregulated telecoms industry.

According to Ndukwe, "the current investment figure is made up of about US\$12 billion from Foreign Direct Investment while the balance is from investments made from and within the country since 2001". He also stated that Nigeria is keen on attracting more investments so as to expand internet and broadband services. ■



Osotimehin



## Power of a praying wife

*Stormie Omartian offers women an insightful book on how to apply prayer to uplifting self and family*

*By Ibukun Sofowora*

The trials and pressures of modern life can make the prospect of a fulfilled, meaningful marriage impossible. A popular Christian author and speaker, Stormie Omartian, pinpoints common marital struggles and reveals the miraculous ways that disciplined prayer can alleviate heartache and sustain unity in her book, "The Power Of A Praying Wife".

According to Omartian, the success of a marriage depends on "laying down all claims to power in and of yourself, and relying on God's power to transform you, your husband, your circumstances, and your marriage". Omartian attributes the success of her own marriage to dedicated prayer for every area of her husband's life; from his finances, work, integrity, to his temptations. Each of the 30 chapters offers insight into areas that are especially important to men, followed by "power tools" (inspiring, topical Scripture) to guide one's prayer life and transform a woman's mind with regard to her husband. This practical read will encourage women to trust God to change their spouse, and undoubtedly refocus one's perspective on God's power rather than one's own personal predicament.

The book helps to inspire women to develop a deeper relationship with their husbands by praying for them. This encouraging resource is packed with practical advice on praying for specific areas of a husband's life, including his decision making, fears, spiritual and emotional strength, faith, sexuality and communication, future, health, physical protection; role as father and leader. Every woman who desires a closer relationship with her husband will appreciate the life illustrations and selected Scripture verses in the book. Every wife who desires a deeper, more meaningful relationship with her husband is sure to appreciate Omartian's candor and encouragement in this practical book. By focusing on 30 different areas, women can cover every aspect of their husband's lives with prayer.

This book is down to earth, helps a woman gain insight on

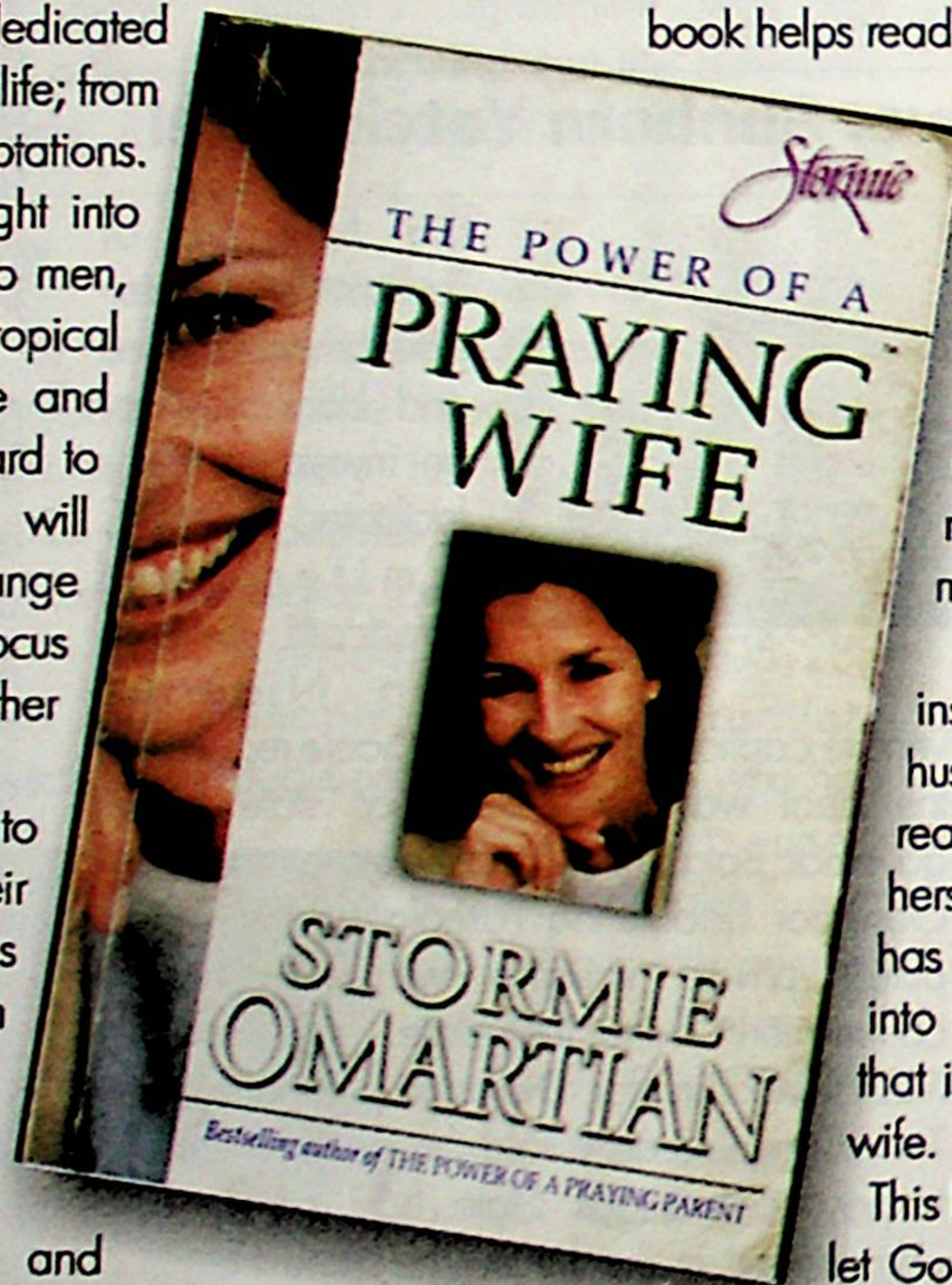
how to overcome differences in a marriage and make it work, it seeks to give a biblical guide to wives that want to make their marriages work, but do not know how. This book helps a married woman to be less prideful, to consign past anger and emotion to the past.

Omartian's writing is warm, open, honest, biblical, and provides a tangible solution that moves beyond the complaining and manipulation that desperation often leads to. She shows that no woman has to live in frustration, even if her husband is sometimes. No one can change another human being but the book helps readers learn how to ask God to change both

the man and wife for a better, peaceful marriage. It is clearly aimed at the average, salvageable marriage where two people make mistakes and let their own selfishness get in the way of a peaceful relationship. It is not an encouragement for an abused woman to martyr herself at the hands of a dangerous man.

This book is one of the best sources for inspiration women to help them pray for their husbands. It is clear, precise and a simple read. Omartian makes every woman look at herself in order to accomplish the goals she has for her husband. A woman must first put into perspective what is most important, and that is reaching her full spiritual potential as a wife.

This book will teach every woman "let go and let God". It teaches every woman not to try to change her husband through nagging but to go on her knees and pray for him whenever she feels the urge to point out any of his shortcomings. It is amazing how the book deals with life issues so easily and clearly.



**Title:** *The Power Of A Praying Wife*

**Author:** Stormie Omartian

**Publisher:** Harvest House Publishers

**Pagination:** 189. ■

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BE-BookClub

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Your critique can reach us at [info@businessseyeng.com](mailto:info@businessseyeng.com)  
The Business Eye reserves the right to edit your work for space and our in-house style.



## UBEC loses N787m to fraud

The Economic and Financial Crimes Commission, EFCC, recently filed a 64-count charge against Bridget Sokan, a former executive secretary of the Universal Basic Education Commission, UBEC, and three of its directors, namely Molkat Mutfwang, Michael Aule and Andrew Ekpunobi at the Federal High Court in Abuja over their involvement in a N787.9 million contract scam in the commission.

The other accused are Intermarkets USA, Intermarkets Nigeria Limited and a foreign contractor, Alexander. The EFCC claimed that the accused persons had conspired amongst themselves to induce UBEC into awarding a contract in the sum of N787.9 million, out of which the sum of N636.2 million was paid as mobilisation fee.

One of the problems with the smooth running of the Universal Basic Education scheme is the non-

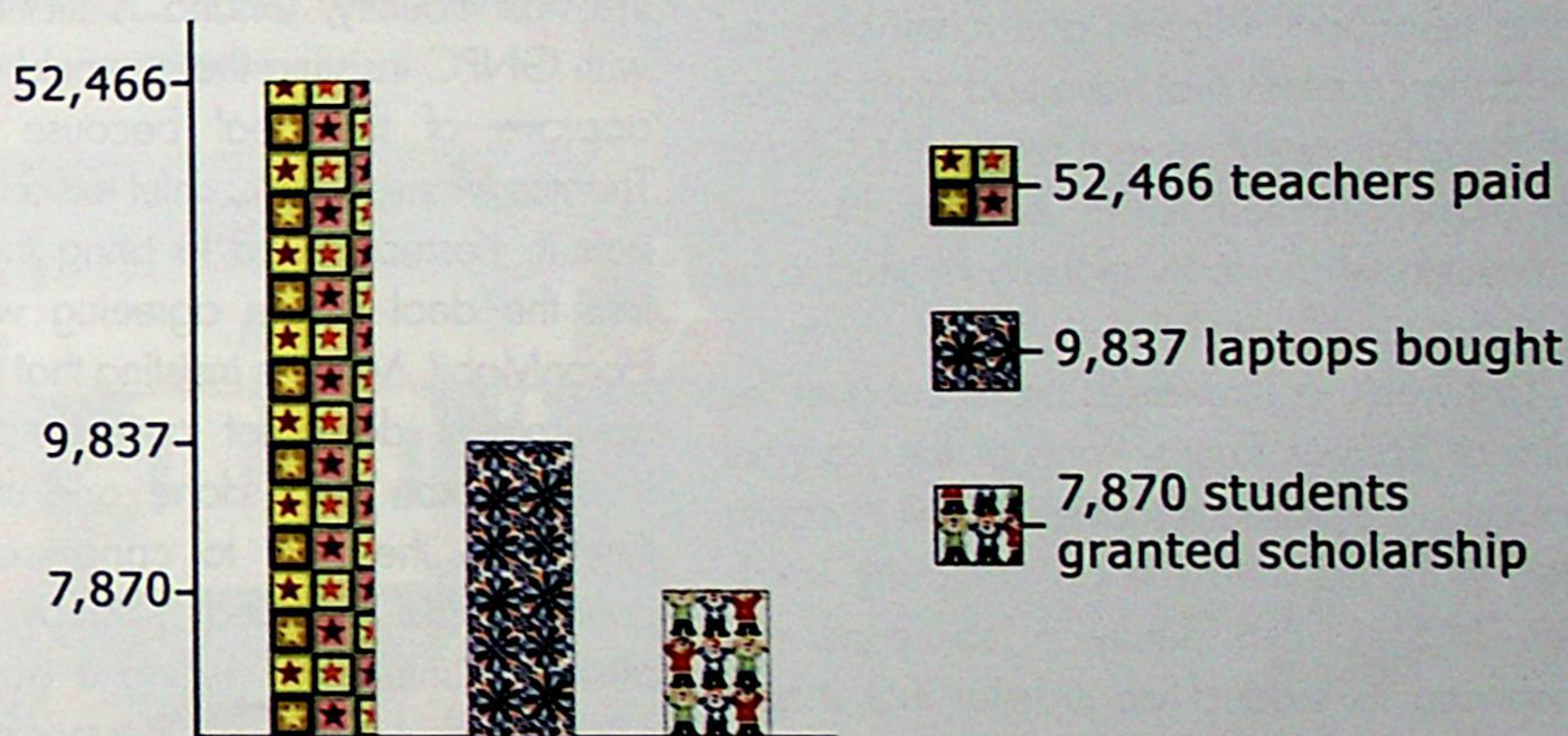
availability of teachers. The ones available have been going on strike over government's failure to implement an agreement for a 27 per cent salary increase.

- If the N787 million was spent on augmenting the salaries of level 07 teachers whose current salary is N15,000 to pay the 27 per cent increase at N5,000, it would pay about 52,466 teachers.

- In the face of rising poverty in the land, some students, unable to afford the school fees, are dropping out of

school particularly the universities. If the N787 million was channelled towards providing scholarships for these students at the rate of N100,000 per person, it would see 7,870 students through school per session.

- The low level of information technology education in Nigeria has been blamed on the lack of access to computers by students. This necessitated the introduction of a policy to enhance laptop acquisition by the government. But, the programme has since died a natural death due to lack of funds to drive it. If the N787 million was used in purchasing laptops at the rate of N80,000 per unit, it would buy 9,837 laptops. ■



## FEEDBACK

How far-removed from the interest and safety of the people they are supposed to be representing can our

Senators be? I am appalled that they will shove aside a matter as important as the bad roads all over the country and their effect on the people. Everywhere you go in this country, what greets your sight are the potholes and deathtraps called roads, such that, a 30-minutes journey takes five hours and when it rains, that is a story for another day. Or is it the number of lives lost yearly due to bad roads. These Nigerian senators are there for their own interest and satisfaction. Else, how do we explain the fact that they shoved the issue of the bad roads aside only to bring up discussion on a bill that will accord them immunity the following week.

**Chika Enwezor,**  
Port Harcourt.

I want to commend your Magazine on its investigative and narrative

technique. And yes, I couldn't agree more with your Special Focus story of last week (Vol 2, Edition 41) with the title, "Still on rampage". We do not need a white skin to inform us that malaria is still on rampage and a hindrance to the achievement of the millennium development goals. A trip to the general hospitals is enough to give us that fact. Keep up the good job.

**Anthony Ojokojo,**  
Asaba.

From the massive turnout of militants in the disarmament programme, it is obvious the Niger Delta people want and cherish peace. However, I believe the Federal Government should consider meeting and discussing with MEND's Aaron Team if it genuinely has the interest of the people at heart. This I believe will further boost the

relative peace so far achieved in the Delta.  
**Isaac Ochuko,**  
Ajah, Lagos. ■



We would like to hear from you, please feel free to share with us your views, comments and suggestions. Letters meant for this page can be sent via e-mail to [info@businessseyeng.com](mailto:info@businessseyeng.com),

or to the Editor,  
The Business Eye Magazine,  
29, Norman Williams Street,  
Off Keffi Street, Ikoyi, Lagos.



# Battle for Ghana's oil

*America's oil giant, ExxonMobil Corporation and China's National Offshore Oil Corporation square up in a battle for control of equity stakes in Ghana's 1.8 billion barrels reserves Jubilee oil field, with the prospect of raising their stakes in Africa's oil and gas sector*

*By Semiu Salami*

**B**y this time next year, Ghana, Nigeria's West African neighbour of about 20 million people would have joined the league of petrol-dollar economies when it commences, in commercial quantity, oil production from its Jubilee Oil field, the 1.8 billion barrel oil field discovered last year. But like its neighbour, Nigeria and many other oil producing countries that have had more turmoil with the oil money than real prosperity, Ghana may have commenced in earnest, its own journey into what is now globally referred to as the oil curse.

Last week, controversies broke out over the desire of Kosmos Energy (one of the partners involved in the Jubilee discovery) to sell its equity stakes in the oil well. The US company which holds 23.5 per cent equity in Jubilee oil well announced to bidders via a letter that it had "entered into an exclusive binding agreement" with Exxon-Mobil in a deal that would see the American oil giant cough out about \$4 billion to acquire Kosmos stakes. Kosmos, the Dallas based oil firm is partly owned by two American private equity firms, Blackstone Group LP and Warburg Pincus, the two firms that collectively pulled the over \$800 million which Kosmos sunk into the oil find since 2004, when the search began, to 2008 when discovery was achieved. Though no official reason was given for the decision of Kosmos to offload its stakes in Jubilee, one of the biggest discoveries it co-owned with Ghana National Petroleum Company, GNPC, Tullow Oil of UK and Anadarko Petroleum Corporation, international energy analysts reasoned that the equity transfer may be part of the global realignment of the West to increase its Africa's oil stock in the face of the East, particularly China's serious incursion into the continent.

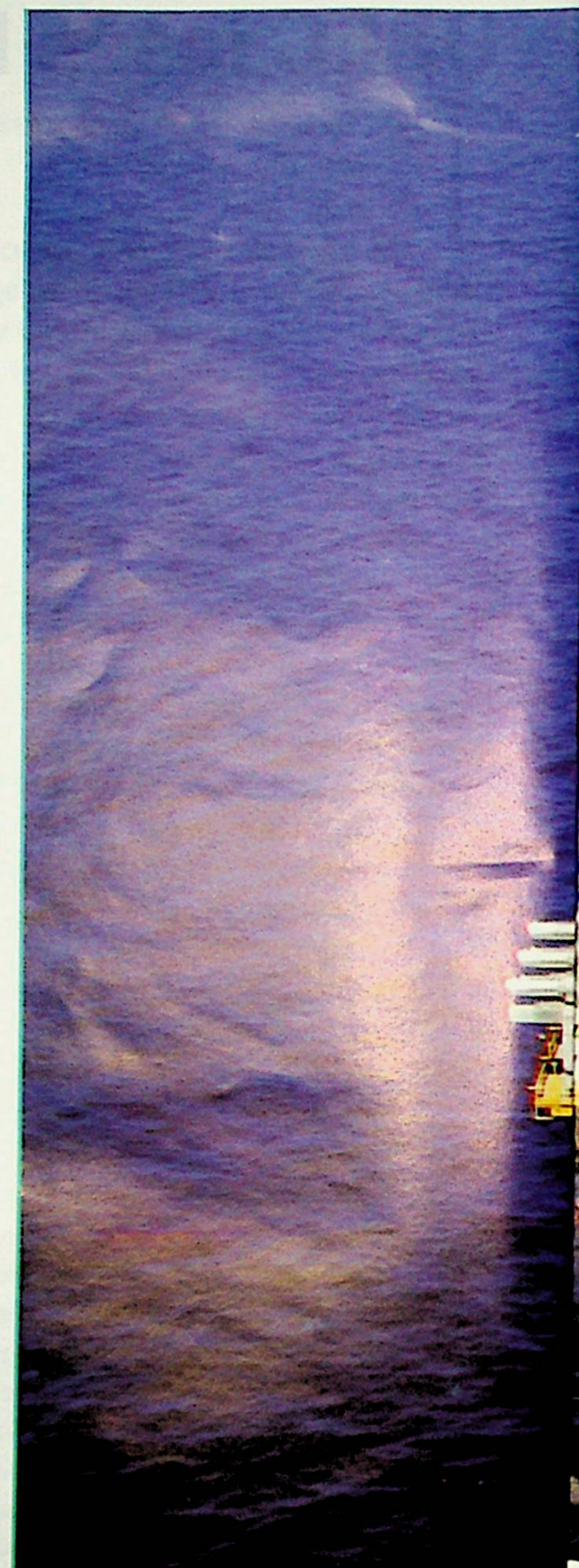
Jubilee is jointly owned by Kosmos with 23.5 per cent, Tullow Oil holding nearly 35 per cent, Anadarko Petroleum owning 24 per cent with the Ghanaian government controlling about 14 per cent through GNPC.

Curiously, while Kosmos is moving ahead with its deal with Exxon Mobil, the host country, Ghana is kicking, with GNPC insisting that it would not approve of the deal because as Thomas Manu, GNPC chief executive puts it, Kosmos failed to bring them into the deal before agreeing with ExxonMobil. Manu is insisting that the government does not consider the Kosmos-Exxon deal done and that they have the right to cancel any contract. He accused Kosmos of putting its interest in getting a good price over that of Ghana. "Kosmos has set dangerous precedents that, if allowed to go un-rectified, will do continuing damage to Ghana," Manu was quoted to have said. The country's oil chief stressed that Kosmos might have violated Ghanaian laws when it shared confidential exploration data with over 20 companies for its own commercial purposes without giving the GNPC any prior notification.

As a way of ensuring that it creates dog in the way of the Kosmos-



**Ghana may have commenced in earnest, its own journey into what is now globally referred to as the oil curse."**



Exxon deal, the GNPC is said to be working with China National Offshore Oil Corporation, CNOOC, with the intention of making a rival bid challenging Exxon Mobil Corporation's \$4 billion offer.

International energy experts say a rival bid could set up months of legal and political wrangling that could ultimately





affect the final take off of what is being eagerly awaited as Ghana's break into the petrol-dollar business.

News of the Exxon agreement may have infuriated the Ghanaian government and GNPC, which had been trying to negotiate to increase its 13.8 per cent stake in the field and would have preferred a situation where it was given the opportunity to buy into Kosmos' stakes. For now, what appears like a stage for conflict has

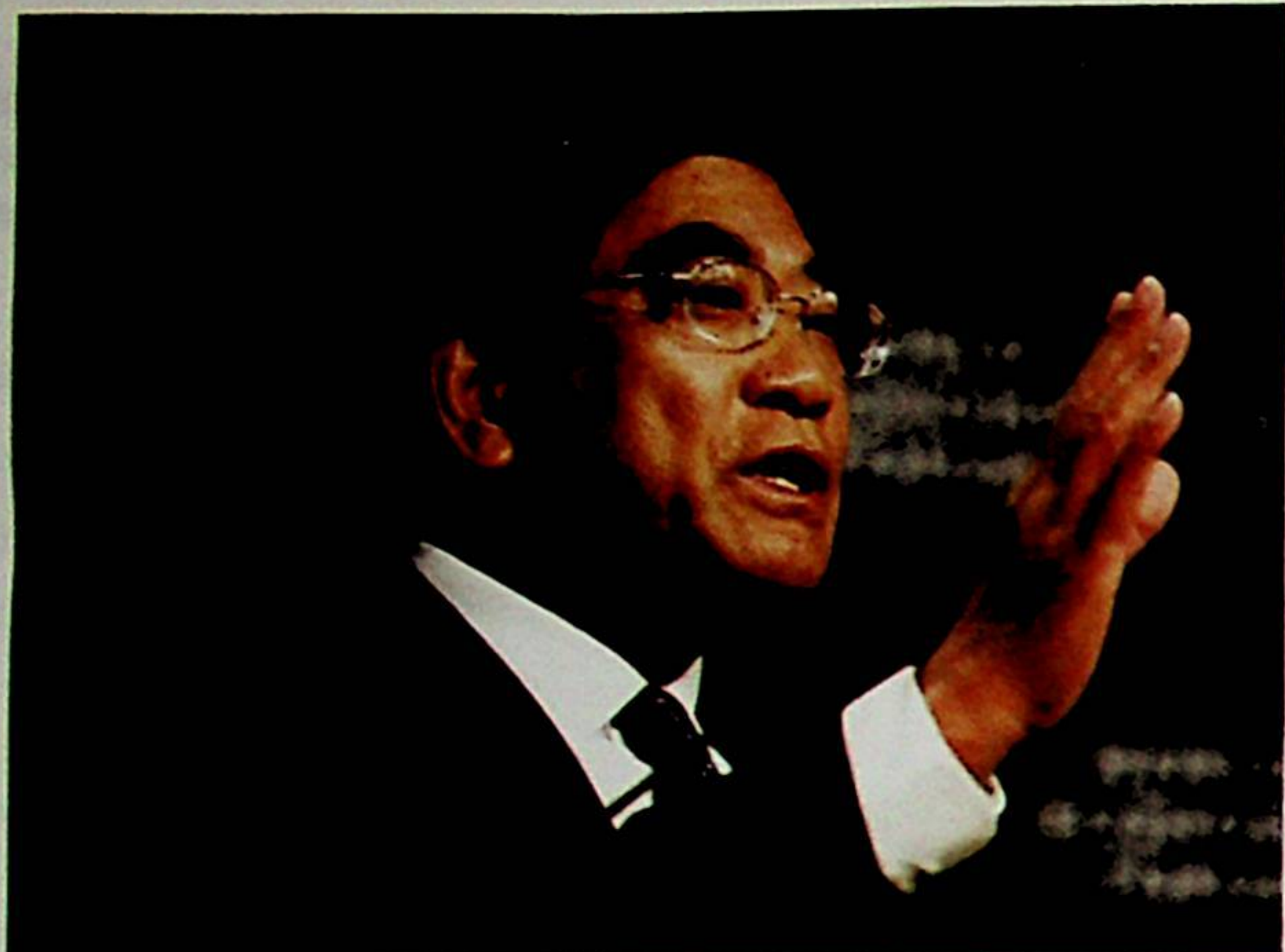
been set with Kosmos' insistence that it has the absolute right to choose who to sell its stakes to and the GNPC's insistence to block the sale.

Last week, opinions were divided on the possible way the deal will swing. The GNPC-CNOOC deal is expected to produce a counter deal that will be above ExxonMobil's \$4 billion offer as a way of neutralizing the American Oil giant and reinforcing the Chinese oil firm's ambitious incursion into Africa's oil

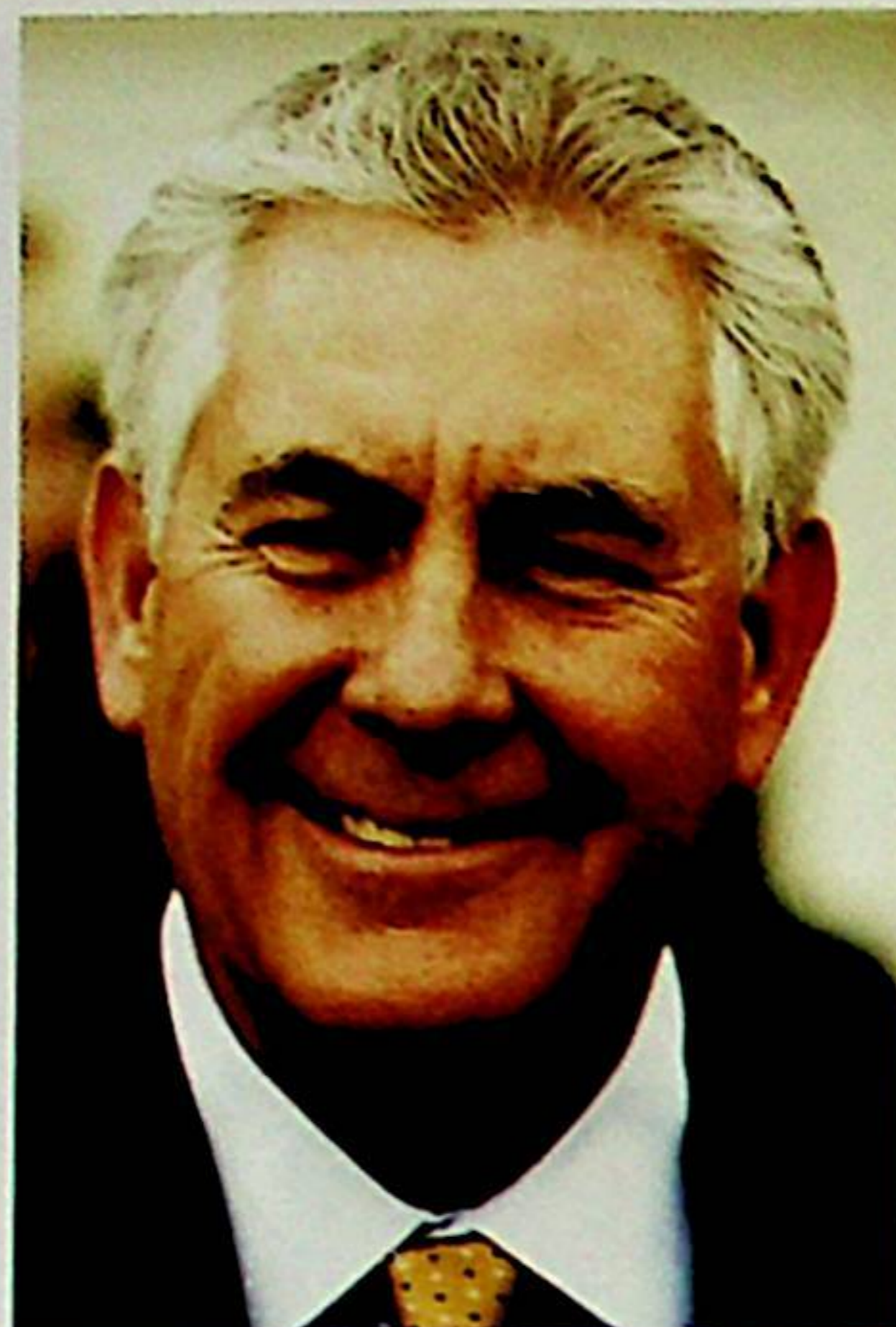
and gas sector. Yet, experts say Kosmos may decline the offer which is already being viewed as part of the international oil politics between the East and West which both CNOOC and Exxon Mobil symbolize.

However, there are reports of cracks in Professor John Atta Mills' cabinet over whether to bring in a global-oil partner from China or the U.S., the two groups that are being considered because "they both have something to offer." Sebastian Spio-Garbrah, an Africa analyst with the Eurasia Group, which advises corporations on overseas risk, says some





Chengyu



Rex Tillerson, ExxonMobil MD

» factions in Accra favour a deal with the Chinese, because that is expected to open the door to additional infrastructure loans from Beijing, others worry that a Chinese deal would delay the start of oil production at Jubilee, thus postponing the flow of much-needed revenue.

Spio-Garbrah however said that the government will likely favour ExxonMobil's bid after receiving assurances "that it will quickly commence development and production... and generate much needed foreign-exchange revenues."

Investment analysts say the government "is under a fair amount of budget pressure," the situation that made it slash domestic spending by 15 per cent earlier this year to cope with declining revenue. President Mills' government had placed so much hope on the Jubilee field expected to come on stream in the third quarter of 2010 with a production capacity of 120,000 barrels a day, the target which it believed would be best served with ExxonMobil.

President Mills himself underscores the expectation his government has on the take off of the Jubilee oilfield during his presentation at The Economists Second Roundtable with the Government of Ghana last week in Accra. The President said that contrary to claims that the Ghanaian economy was robust, recent findings at the various Ministries and departments call for a rewrite of the country's real fiscal deficits. This he said made him to order an audit into the huge arrears owed to contractors and other service providers. "With the huge

discoveries of arrears which have been made, the budget deficit was likely to exceed 20 per cent. We may split heads over whether the budget deficit was 11 per cent or 15 per cent, depending on whether one wants to include the huge divestiture receipts", he argued. Analysts interpreted the President's speech to mean that the country is in desperate need of a new source of funding to augment the huge deficit, stressing that the Jubilee oil field provides the most serious opportunity for the government to reenergize its economic engine.

In view of this, the magazine gathered last week that the government may ultimately favour the Kosmos/ExxonMobil deal because of the thinking that, bringing in the Texas-based global oil giant would help ensure that the discovery is developed quickly and on budget. "For a nation such as Ghana, Jubilee could be a once-in-a-lifetime infusion of foreign



**Analysts interpreted the President's speech to mean that the country is in desperate need of a new source of funding to augment the huge deficit."**

currency and handing the field over to the untested Chinese, with less experience in developing offshore oilfields, could be a gamble," said an oil expert in Accra last week.

But then, there are still fears that the insistence of the GNPC boss that Kosmos undermined the Ghanaian laws with its decision to sell its stakes to ExxonMobil and the recent assertion by the President over investors subverting the laws of the country may further put a big mark on the Kosmos/ExxonMobil deal. "Let me caution that while we want to encourage investments in our country, anyone who invests in this country, be the person domestic or foreign investor must respect our laws...we are not going to bend the rules for anybody, neither are we going to harass anybody," President Mills said at the roundtable conference last week. Oil and gas experts say Jubilee, one of the largest oil discoveries in recent years that holds the type of light, sweet crude oil that is most sought after in the global markets is the type of expensive and complex deep-water project that Western oil companies have traditionally excelled at. Not only do they offer technical expertise and experience, they are also believed to have a deep balance sheet. Since many of the new, large oil discoveries, including Angola, the Gulf of Mexico and Brazil have been under thousands of feet of water, western oil companies have dominated this new arena.

However, in the event that the Chinese strike the unexpected by dislodging ExxonMobil from the deal; analysts say it would be a setback for the American oil giant's efforts to find new regions to use their oil-development expertise. The Kosmos bid was to be ExxonMobil's first major purchase in a decade and it was being seen as capable of



giving it a major foothold in the region. Western oil companies have struggled recently to find new places to look for oil as Brazil, which boasts the largest new discoveries in a generation, recently said it would create a new national oil company to



Mills

manage the finds, rather than leasing them to foreign companies.

The emergence of Chinese companies as eager bidders for global energy assets in Ghana and elsewhere, is a significant challenge to Western oil companies' traditional dominance. Companies such as CNOOC are backed by a government flush with foreign currency and with a growing desire to secure long-term access to commodities. Their global ambitions are strengthening the hand of oil-rich nations in their negotiations with foreign oil companies.

Chinese oil companies have had a mixed record in Africa recently. At the same time, CNOOC has entered negotiations with the Nigerian government to acquire leases operated by Royal Dutch Shell, in a bid that is seen as a clever way of controlling about 60 per cent of the country's oil. Elsewhere in Libya, the story is rather different as the Muammar Gaddafi government has vetoed a \$462 million bid by China National Petroleum Corporation in favour of Verenex Energy Incorporation., an independent company focused on exploration in the North African nation. In Angola, the state-owned oil company,

Sonagol, said it would block the sale of a 20 per cent stake in an oil field held by Marathon Oil Corporation to CNOOC and another Chinese oil company.

It is perhaps, as a result of these seeming failures in other oil-rich African countries that CNOOC seems to be putting in everything to seal the Jubilee deal. Reports say CNOOC has made several promises and concessions to GNPC, including providing the entire resources to fund the 23.5 per cent Kosmos equity including the pledge to help the Ghanaians develop their national oil company. A couple of weeks ago, CNOOC sent a senior delegation, comprising its chairman, Fu Chengyu to Accra to influence the deal.

Though it is not certain yet how the deal will go, analysts are already expressing worries over the ability of the Ghanaian government to handle the barrage of both legal and political



Duffuor

crisis that may arise from the deal. Already, Ghana has been trying to portray itself as more sophisticated in the process leading to its oil prosperity than other neighboring countries, hiring Morgan Stanley as its investment banker to advise it on the process. But there are early doubts as to the ability of Ghana to walk tall in the global oil politics, where corruption, conspiracy and neglects have combined to turn what should naturally be a fortune to a curse.

Though government officials say they have learnt lessons from the mistakes of the older members of the league of oil producing nations, it is uncertain how such assurances will turn out when the oil money starts to flow in. "We've seen what others that have found oil have gone through and we've looked at their mistakes. We would try to be above board and ensure that oil find will be of benefit to the whole of the country," says Kwabena Duffuor, Ghana's Finance Minister.

Having built an economy on its rich gold reserves, plenty supply of timber and extensive cocoa plantations and now with an offshore oil wells predicted to produce about 10 billion barrels of oil from 2010, Ghana perhaps has so many reasons to celebrate.

Despite the fall in the price of and demand for oil during the global recession, the Ghanaian government remains confident that an oil windfall will deliver all that it has promised. "In 10 years time, Ghana will be a very prosperous nation. We will be an oil exporter, doing very well in gold



**It is perhaps, as a result of these seeming failures in other oil-rich African countries that CNOOC seems to be putting in everything to seal the Jubilee deal."**



» mining and with a strong financial sector - we will have a very buoyant economy," Duffuor boasted.

But then, analysts are quick to point out that Ghana does not have to look too far for examples of how government's failure to make optimal use of the huge oil earnings has left people in squalor. Nigeria provides a classic case of a country where oil wealth has for over several years turned out to be a curse. For several years, the oil-rich Niger Delta region that produces over 80 per cent of the country's crude oil have lived in perpetual poverty and deprivation, the situation that had led to an upsurge in criminality. Until the recent amnesty deal where several militants in arms-for-money deal, turned in their weapons of mass destruction, the entire region was in a state chaos, where killing, maiming, kidnapping and vandalism of oil installations suddenly became the rule.



**Ghana does not have to look too far for examples...Nigeria provides a classic case of a country where oil wealth has for over several years turned out to be a curse."**

Though years of fairly good governance and democratic rule appear to be working in Ghana's favour, how far those factors would go in shielding it from the oil curse is yet to be seen.

To make the most of the new oil fields, the government has transformed the GNPC to ensure it can cope with the demands of oil extraction. The corporation has entered into a joint agreement with a number of foreign

oil companies to help extract and deliver the oil. While it may be short on domestic oil industry expertise, Ghana is not short on people wanting to lend a hand. Earlier this year, Norway sent a government delegation to advise the Ghanaian government to offer their knowledge on dealing with the country's oil find.

The offer came after Kofi Annan, the former UN secretary general, contacted the Norwegian government to make sure that his native country avoided the "oil curse".

But how all that will transform into good resource management, improve the lives of Ghanaians and uplift the country's larger economy may be a mystery which the coming decade will unravel. ■

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# A Governor's scorecard

*With just two years in the saddle, the government of Chibuike Rotimi Amaechi, is fast transforming Rivers State with huge infrastructural projects in the areas of road, health and education but there are still cries and condemnation*

*By Semiu Salami*

There is a thin line of difference between the administration of Governors Babatunde Raji Fashola of Lagos and Rt. Honourable Chibuike Rotimi Amaechi of Rivers. Except the fact that both belong to different political divide, the two administrations are fast emerging as the barometer for measuring responsible governance in the country.

Today, ongoing massive construction sites and infrastructural development in a frenetic pace are common features in both states. However, despite the cheer similarities in vision and commitment to good and responsible governance exhibited by both states, informed analysts say the peculiar nature of Rivers State makes the Amaechi phenomenon outstanding.

As the "Treasure base of the country," Rivers State produces about 50 per cent of the country's revenue earnings from crude oil. Yet, the state remains one of the most traumatized as a result of criminal activities of few that have virtually turned genuine agitation for the emancipation of the entire Niger Delta region into one big criminal money making machine.

Until lately, Port-Harcourt, the state capital like most part of the state and by extension, all states that make up the entire Niger Delta region have been a theatre of violence. Militants and cultists under various colouration held the state to ransom; killing, maiming,

kidnapping as well as vandalizing oil installations, leading to massive disruption in the country's crude oil export. Under the reign of terror, developmental projects virtually came to its knees in Port Harcourt as contractors already mobilized to site, for fear of attacks pulled back their staffs and equipment.

That was the dilemma which Governor Amaechi who had at his inauguration in October 2007, pledged to serve the people with humility and render transparent and accountable stewardship anchored on integrity and good governance. "We shall use our God given resources to improve the quality of life of our present and future generations and empower our in peaceful, just and harmonious society under God," the Governor had said then.

But then, so far, it looks like Governor Amaechi, having been well schooled in the intricacies and challenges of governance, having served as Speaker, Rivers State House of Assembly for eight years, was well prepared for the task. Particularly worthy of mention was the way he fought to repel the rampaging league of criminals that had previously held the state under past administrations hostage. Unlike in neighbouring Delta and Bayelsa State, where militants



were treated with near kid gloves, Amaechi maintained a dignified distance with the so call warlords.

Perhaps, where the Governor got it right was his adoption of mass participation approach to governance. When he assumed office, he obviously did not pretend to have all the answers to the state's problems. "We were acutely aware that every Rivers State indigene is a veritable stakeholder in the state and had something to offer," the Governor said. Guided by that conviction, Governor Amaechi convened several stakeholders meetings, knowing full well that "only through direct contact and engagement with the people can we know the kind of development they desire and deserve. We were also guided by the conviction that such meetings would provide additional platform for consensus building and conflict resolution," he said.

Though Amaechi says his government inherited a state with decayed infrastructure especially roads, his administration in the last two years has virtually turned the entire state into one big "construction site" with massive road rehabilitation, repairs and new construction. So far, The Business Eye gathered that the



» Amaechi government has awarded contracts for the construction, reconstruction and upgrading of about 170 major roads projects spanning about 525 km, 105 of which is believed to have been completed.

The landmark project in Amaechi's infrastructure development plan is the anticipated 150-kilometre, six-lane Ring Road around the city of Port Harcourt to be known as Greater Port-Harcourt, an arterial ring road, complete with two cable-stayed bridges. This project, which is estimated to cost about \$1.5 billion, is to be built under a Public Private Partnership arrangement with the Africa Finance Corporation and the China Harbour and Engineering Company, CHEC and it will comprise six rotary intersections, four flyovers, eight interchanges and 14 minor bridges. The ring Road is conceived to be the largest municipal highway project, not just in Nigeria, but on the African continent.

Like in other sectors, the Amaechi government claims to have inherited an educational system that was deep in crisis, prompting the declaration of a state of emergency in the sector. The emergency rule made the state government take over responsibility for primary school education, which includes an annual wage bill close to N4 billion.



Tele Ikuku, deputy governor

Under the emergency scheme, the government is building an average of 250 new primary school complexes per annum to replace the existing dilapidated structures, the figure that is expected to hit 1,000 by the expiration of his first term. It has also embarked on a unique Public Private Partnership, PPP arrangement with various interests such as banks and oil companies, on the construction of brand new, properly-equipped modern secondary schools. The project which for now is limited to

one per each senatorial district in the state was conceived for every local government. These schools would be adequately equipped with boarding facilities for up to 1,000 students per school and housing facilities for an estimated 40 teachers per school with all utilities.

The government has also taken bold measures to reposition the health sector in the state. "Our strategy in the health sector is to integrate primary, secondary and tertiary health care delivery into a comprehensive statewide network. At the primary level, we have since commenced work on the first stage of construction of over 120 model health centers all over the state. These Health Centers are mini-hospitals that will be fully equipped and manned with facilities for resident doctors, nurses and laboratory technicians," Amaechi said in one of his recent stakeholders' forum in Port-Harcourt.

The government claimed that as at the time it took over in October 2007, there was only one functional secondary health institution in Port-Harcourt but says

## We are committed to total infrastructural transformation

- Dakuku Peterside

**H**onourable Dakuku Peterside, Rivers State Commissioner for Works spoke on the efforts of the Governor Chibuike Amaechi's huge investment in infrastructural development

**Could you do a review of the state of roads in Rivers State before the coming of the Amaechi administration, the state of roads today and what you expect to be the state of roads in 2011?**

At the advent of this administration, Port Harcourt Metropolis, covering Port Harcourt City and Obio-Akpor Local Government Areas had an estimated 450 kilometres of paved roads with 50 per cent being in poor motorable condition. The estimated total length of paved roads in Rivers State is 1,000

kilometres. Between November 2007 and June 2009, the Governor Chibuike Amaechi administration has awarded contracts for the construction of more than 506 kilometres of paved roads, a good number of them dualized/double carriage roads, plus over 30 bridge projects which is the highest by any state in the country. The administration has also embarked on five massive land reclamation/shore protection projects. Our vision is to ensure that by the end of 2011, 95 per cent of the communities in Rivers State are accessible by quality roads. The second part of our vision is to see a new Greater Port Harcourt City with the best road network in Sub-





it is committed to ensuring that by the end of 2009, there should at least be 3 government secondary health institutions in Port-Harcourt alone.

Already, the old Niger Hospital which was redesigned into a 250-bed modern hospital has been completed, the Dental Hospital, rebuilt into a new a five-story structure is also completed while the government, under a PPP arrangement with foreign investors is building a 250-bed Women and Children's Specialist Hospital in Port Harcourt.

Besides the huge infrastructure in the health sector, the government has also kept intact the free medical programme for children below five as well as the tertiary in government medical institutions which it inherited from the previous administration. However, the Amaechi government has gone one step further, offering free ante-



natal services to pregnant women who are indigenes of Rivers State, while all pregnant women in the state are now entitled to free medical care in the first 24-hour of their admission to any government health care facility.

Perhaps, satisfied with the achievement his administration has recorded so far, Governor Amaechi at the recent stakeholders forum in Port Harcourt, boasted that his two year administration had responded to the critical needs in all the sectors as well as the opportunities it provided for the

poor to liberate themselves through human capital development. For him, his government's achievements in the health, education and road construction have been stupendous. He challenged the stakeholders to take a tour round all the projects executed in order for them to assess how far his government has used its mandate.

Though the stakeholders are yet to embark on the tour, Sara Igbe, an Ijaw leader has already picked hole in the government's choice of project site.

For him, the only problem he has with the Amaechi administration is that not so much has come to the oil bearing communities of the state. "I expect that by now, there should be more activities in the oil bearing communities but unfortunately, no link roads in those areas", said Igbe. Despite this short coming, Igbe admitted that Amaechi has achieved a lot in the health, education and road construction. "I think his administration is a success when you look at what he has done within the past two years", he said.

Onigye Erekosima, coordinator, Niger Delta Peace Movement, a non government

Saharan Africa.

**Are we expecting any project to be commissioned this year going by the pace of work at the different sites?**

Incidentally, Governor Amaechi is not given to ceremonials. A good number of our road projects have been completed and are already in use. Most of them are in the rural areas. Our job completion analysis gives us a picture that we can achieve 50 per cent completion of all the projects before the end of the year but early rains, community-associated problems, changes in project scope occasioned by technical considerations have altered that. We are however confident that at least, 40 per cent of our projects will be delivered before December 2009.

**There have been a lot of criticisms over the number of projects awarded by**

**your administration. Critics say the multiple projects are causing serious traffic congestion and hardship to the citizenry especially in Port Harcourt...**

No government can succeed without criticism. It is the strength that democracy offers right from the ancient Greece. I am happy the oppositions are saying we embarked on too many projects, not that we are doing nothing. I believe the vision of Governor Amaechi is clear. He wants Port Harcourt to have the best road network in Nigeria. What we are currently doing is the first phase of the road dualisation programme. The second phase will commence soon. We believe that our road development programme will place the city of Port Harcourt in good stead as business destination of choice ahead of its closest competitor city, Lagos.

On traffic congestion, it is not about massive road construction only, we are addressing flooding caused by poor drainage network, man-made factors, and naturally occurring high water table. We are addressing traffic control with legislation. There is a law before the State House of Assembly that will substantially address that.

**So how many road projects is the government concessioning for Public-Private-Partnership?**

We are still working on the framework for Public/Private Partnership (PPP). We have forwarded a bill to the State House of Assembly, once it is passed and accented to and structures set up, you will then appreciate the full impact of PPP as a cardinal strategy of our infrastructure reform programme. There is no doubting the fact that Rivers State offers a unique opportunity for investors to benefit from their investment. We have natural resources and an active population. Our infrastructure challenge is an opportunity for any investor to maximise. ■



» organization says what will define whether Amaechi has made progress or not, is hinged on his handling of the peace process in the state. Erekosima noted that the governor is trying but there are certain things that should be put in place before we can assess him properly. "Ameachi's government will be more successful if he calls Ateke Tom, Soboma George, Farah Dagogo and Soboma Jackreece for a thanksgiving for the return of peace," he said.

Like Erekosima, Anyakwee Nsirimov, director, Institute of Human Rights and Humanitarian Law, IHRHL, believes that security which is the fundamental of good governance, has been poorly handled in the last two years. Nsirimov, who is also the Rivers State coordinator of Transition Monitoring Group, TMG, wondered why the governor preferred military solution rather than political. He noted that the relative peace that has come to the Niger Delta was not achieved by the efforts of the Joint Military Task Force, JTF, which Amaechi relied on so much.

He however believes that the governor has good vision on the economic front. "He has good ideas in his head but the problem is those he has

recruited to work with him. If you look at the roads being constructed, they lack quality. He has done well in his use of summit, consultation and stakeholders to address some issues but the question remains whether he abides by the advice given from such exercises," he said.

For Nsirimov, the issue of corruption is another disturbing stigma which he believes the governor has not scored enough point on. He recalled the allegation of corruption leveled against the governor's chief of staff in the early life of the administration and the speed with which he was cleared as indicative that there was not enough transparency in the government.

Ezekiel Okonkwo, a trader, told the magazine that the governor is a good leader but his concern is that the governor is doing many things at the same time. "I would have wanted him to focus on one sector, finish it before venturing into other areas. I am

particularly applauding his attention on the education sector, especially the building of new schools," he said.

Another trader, Patience Anga scored the Amaechi government high but added that the administration has carried out more demolition than any government in the history of the state. "We would want the government to build more markets to accommodate the traders who have been displaced by the demolition exercise in Port Harcourt City," he said.

Marvin Yobana, vice president, National Youth Council of Nigeria, South-South rated the governor high in road maintenance and construction, health care and sustainable education for Rivers indigenes but he is not impressed with the governor's programme in the area of agriculture, decongestion of Port Harcourt and flood control. "Everything is centered in Port Harcourt and this is why people are not seeing what the governor is doing," he

## Why we're recreating Port Harcourt - Cookey Gam

**A**leruchi Cookey Gam, Special administrator, Greater Port-Harcourt City Authority spoke on efforts at recreating the city.

### What is the underlying concept of the Greater Port Harcourt City Development Project?

The underlying concept is the urgent need to take control of the development of the city of Port Harcourt. In recent times, there has been an influx of people into the city. Port Harcourt has become very congested. The available infrastructure is unable to carry the capacity of the population in terms of the roads, water, electricity, good sanitation. The population in the city is quite a heavy one. There is therefore, a need first to decongest the city and also to take control of the growth that is taking place.

The governor felt that there was an urgent need to take control of the current development of the city and its future growth. And that's why there's the vision and the need for Greater Port Harcourt City

Development Project. And then, the key thing is that the Niger Delta is an everyday name in the world now, Rivers State is the treasure base of the nation, Port Harcourt is the capital city known internationally. We would like Port Harcourt to be known internationally for excellence, for investors' haven and for tourism as well. We'll like to move from where we are currently to where we should be, as it were, the capital of the oil producing area.

### You have said in interviews that there will be some pains. How much pains should be expected?

Certainly, in a project like this, you expect pains and gains but if you put it on a scale, the gains will surely outweigh the pains. Pain in the sense that we all experience difficulties





said. He believes that development should be holistic so that every part of the state will feel the impact of government. "We do not understand the justification for the huge amount of money that is being spent on the Greater Port-Harcourt City project. What about the other areas of the state?", he queried.

Yobana also accused the governor

of empowering his ethnic group (Ikwerre) at the expense of others. He argued that though the government's waterfront plan is "wonderful and lovable", a responsible government, he said, should have an alternative arrangement for relocating the inhabitants of the areas before embarking on the exercise

Dakuku Peterside, the State's works

moving around because of the urban renewal process that is going on. We are experiencing pain in the sense that some people have had to be paid compensation for their properties that were acquired. But I think it is for the ultimate good that people can see the upgrade that is coming on and everybody is happy that at the end of the day, we're going to be able to address some of the drainage problems; being able to provide service areas for water reticulation and I am also told that there are plans to operate the power supply.

**What kind of safety nets are you providing for potential investors in the new city?**

Investment is about risks. Some risks we will take; some risks you as an investor will have to decide to take. And you have to weigh the returns on your investment for you to take the risks. Because you are coming to this kind of

area, you probably ask for some additional risks for us to take in terms of providing security for investors to carry out their activities and programmes and I am sure the government has the institutions and can back it up and would be able to give you that.

Sometimes they ask the government to give them assurances or guarantees depending on the nature of the transactions and the scale weighted for it. You then determine what kind of guarantee you will give depending on the nature of the transactions. So those are the details you work at on the transaction table. But they appreciate the fact that sometimes in some transactions you will require to give some form of government guarantees. For those that we may not be in a position to give, we may look to the Federal Government to give and you know that at the federal level, they are also streamlining the way we do business

commissioner on whose shoulder the massive infrastructural development going on in the state disagrees with the insinuation that the Amaechi government favours one ethnic group at the expense of others. He insisted that all local government areas of the state currently has one or more road constructions and rehabilitation exercise, health institutions as well as schools.

As the Governor Amaechi enters the second half of his first four year term, the greatest challenge that will pre-occupy him and his cabinet appears to be how to rekindle enthusiasm in the minds of the Ijaw ethnic group in the state who are the major victims of the ongoing demolition of structures in the waterfront areas. Despite reassurances that the reason for the exercise borders on development and security, the Ijaws, especially the Okirikas believe it is a ploy by the governor to annihilate them. But, Amaechi has remained unfazed by this outcry. He has even gone ahead to demolish Njemanze, one of the sprawling waterfront in Port Harcourt, and taking enumeration of another one located at Bundu, all these in the midst of protest both within and outside the country. ■

*Reported by Klem Ofuokwu/Port-Harcourt*

with the international community to ensure that we leverage.

The difference between us and others is that they have put the legal framework on this and have removed all the bureaucracies. So that is what we are also going to try to do.

**Are you working in any partnership with Federal Government to ease things for those who might want to invest?**

Yes, if the need arises and you ask for it then we will be in a position to be able to facilitate much easier than you would. And if the state government gives you the necessary backing, it will make things easier for you. So, we appreciate that such things can arise but we also know that there are some things that are not within our immediate control. So, we will be frank and realistic. I mean we are not going to pull the wool over peoples' eyes. So the important thing is to be frank about it and then see how we can facilitate for such things that don't fall within our responsibility. For those we can take immediate charge and control of, we will do it because whatever it takes to achieve our dream and our goals we'll try and do it. ■





## A levy in the waiting

*The plan by the Rivers State government to introduce a social services levy draws divergent views from the state's stakeholders*

*By Klem Ofuokwu/Port Harcourt*

Stakeholders in Rivers State are divided over the plan by the state government to impose a social services levy. The provisions of bill which was unveiled at a stakeholders' forum last week in Port Harcourt by Governor Chibuike Amaechi is based on the levy of one per cent of the annual income of persons in employment, N5,000 from self employed persons and N25,000 from professionals resident in the state. Funds generated from this are expected to be used to complement government efforts in the area of health and education infrastructures.

The bill, according to the governor, is to ensure the provision and improvement on the medical facilities in the government health centres and hospitals in the state, provide free or subsidized medical care for citizens, fund the free education programme of the state in primary

and secondary schools, fund scholarship programme and to support other essential social services approved by the state executive council.

Though nobody among the stakeholders, comprising representatives from organized private sector, labour, professional bodies, civil society groups, traditional rulers and traders, spoke against the levy yet but there are simmering outcry which **The Business Eye** learnt is premised on the circumstance surrounding its proposed introduction as well as the challenges of collection and management of the funds.

Nimi Walson-Jack, a legal practitioner expressed worries that by asking the people to pay for social

services that ought to be free, the government, he said, is abdicating its constitutional responsibility to the citizens. "We have a problem. The first is that, we have a situation that seeks to provide for a social service and we the citizens are asked to pay for it.", said Walson Jack who argued that the proposed levy has some legal drawbacks even while admitting that it was morally and ethically correct to ask the rich to pay for the poor. Yet, another nagging question raised by Walson Jack is how to deal with the employees of the Federal Government resident in the state. He argued that the state government does not have the power to direct the federal government to deduct whatever form of levy or tax from its employees.

Onueze Okocha, former president of the Nigeria Bar Association, NBA, echoed similar anxiety, stressing that already, there are so many levies backed by law and asking people to pay for the services that are supposed to be provided for by the three tiers of



government is additional burden. But it seems that his major worry is really not the levy but how the government intends to collect it in view of what he sees as the incoherent nature of the proposed bill. "We have on the bill those in self employment and those in employment. Those of us in self employment are also in employment, so how do you resolve this?" he said.

To resolve some of the hiccups, Okocha suggested that an in-depth study is required to enable the stakeholders look at the document critically. The same position canvassed by George Kalagbo, an economist and a member of the Port Harcourt Chamber of Commerce, Industries, Mines and Agriculture, PHACCIMA who urged the governor to soft-pedal and set up a technical committee that will address all deliverable social services in the state before sending the bill to the assembly.

But for Igo Aguma, a member of the House of Representatives, the initiative is a model that should be encouraged to be on the radar screen of every state in the country. While agreeing with Walson-Jack and Okocha that the constitution guarantees that government should provide social services, he argued that government can impose taxes in order to meet its obligations to the people if the situation desires it. He noted that in the present circumstance, "If we need to build a new foundation that will ensure the future of our children, the payment of levies is expedient." Aguma further expanded his analysis when he said, "we all have our children in private schools paying development levies for those schools. I believe if we are in a Parent Teachers Association, PTA we will probably be haggling the amount"

For Elechi Amadi, a novelist, the call for more time to have an in-depth study of the bill is



Elechi Amadi



O. C. J. Okocha

unnecessary, taking into account the level of decay in the education sector. Amadi said that even with the amount of money some advanced countries had deployed in education, their current investments into that sector is astonishing. "I do not care how it is done but my emphasis is that education cannot wait", said Amadi.

Magnus Abe, Secretary to the State Government, SSG, highlights the danger the constant under funding of education places on the state. Abe, who said he was a beneficiary of state

run education, regretted that such luxury has not been bequeathed to the younger generation. "What you pay for as far as education is concerned is what you get. Let us pay this levy in an organized and beneficial manner", he counseled.

Justifying his reasons for the proposed levy, Governor Amaechi said to run the education of his dream; so many people will not be able to afford the school fees, noting that if government is for the rich and poor, the government must satisfy both divide by providing qualitative education for all. He stressed that the free education he envisages will be different from the ones run by politicians that cater for only tuition. "We want to run free education with the entire infrastructures in place. The primary schools we are building will have library, offices for teachers, provision for Information Communication Technology, ICT. We will buy uniforms, sandals and books for the children", said Amaechi. So far, 250 new primary schools are being built across the state while the contract for another batch of 250 will start next year. In case of secondary schools, 24 are under construction with each of them having provision for a boarding facility.

Besides, the governor said that the State's debt profile of about N45 billion has made it impossible for the government to continue to run everything free of charge. "What this bill does is to take money from the rich and the poor but it has to be according to capacity", noted Amaechi. The governor dismissed the fear that the fund would be filtered away by corrupt government officials, assuring that a board of trustees would be appointed to manage the fund in accordance with the provision of the law. He stated that membership of the board will not only be people of integrity but also people that have the capacity to run business. If the bill becomes law, it will first be implemented in the education sector and later extended to the health sector. It is estimated that about N9 billion will be required to run a free health programme for a population about five million people.

The governor however admitted that sustaining the concept remains his major worry but assured that a systematic approach will be developed to ensure its sustainability. ■



**What this bill does is to take money from the rich and the poor but it has to be according to capacity."**



# NSE hosts Securities Exchanges Conference

The Nigerian Stock Exchange, NSE, will host the 13th African Securities Exchanges Association, ASEA conference, in Abuja in December this year. The NSE said the conference, with the theme "Global crisis: Opportunities for African market", "is a medium for critical and decisive deliberation on the effects of the global financial crisis on African capital markets, about liquidity, risk management, public private partnerships, foreign investment, technology-driven growth, and regional integration, among others".

A statement by the Assistant General Manager/Head, Corporate Affairs, NSE, Sola



Ndi Okereke-Onyiuke, DG, NSE

Oni, said the conference, will feature presentations by experts in the securities industry, global fund managers and technocrats. He also said the conference offers a unique opportunity for African and global stock exchanges, financial regulators and service providers to deliberate on the roadmap for investment opportunities on African exchanges in the face of global market slump. ■

## US firm to bail out Nigerian fish farmers

An American firm, Novus International, and a local company, Norgem Nigeria Limited, have pledged to bail out fish farmers in the country with an extruder worth N15 million.

The General Manager of Norgem Nigeria Limited, Ayo Arogbodo, disclosed in Lagos that the gesture would help fish farmers to get high quality fish feeds at affordable prices. "One of the major challenges to this vision for the aquaculture industry is the production of locally produced low cost high quality feeds," Arogbodo said.

He said that they would be working in partnership with Nigerian fish farmers through the Catfish Farmers Association of Nigeria, CAFAN, to provide the logistics and other assistance that would be required to install the extruder. He added: "We can also partner with an indigenous fish feed producer, we really want to assist the average fish farmer to bring down the cost of feeds. This will be a turning point of many fish farmers in terms of production, yields and profitability." ■

## NAMA calibrates equipment in nine airports

The Nigerian Airspace Management Agency, NAMA, has commenced calibration of navigational aids in nine airports across the country. A statement by NAMA's Public Affairs Manager, Supo Atobatele, in Lagos said the calibration of equipment was part of the agency's drive to enhance safety at the nation's airports.

It said navigational equipment, namely: Instrument Landing System, ILS, Distance Measuring Equipment,

DME, and VHF Radio at the Murtala Muhammad International Airport, MMA, Lagos, were first flight-checked by the Dakar-based firm, ASECNA.

According to the statement, the routine exercise, which will last for nine days, will cover airports in Port Harcourt, Owerri, Ilorin, Abuja, Kano, Sokoto, Yola and Maiduguri. "This is the third in the routine maintenance of navigational equipment undertaken this year by the agency with each costing about N50 million," the statement said. ■

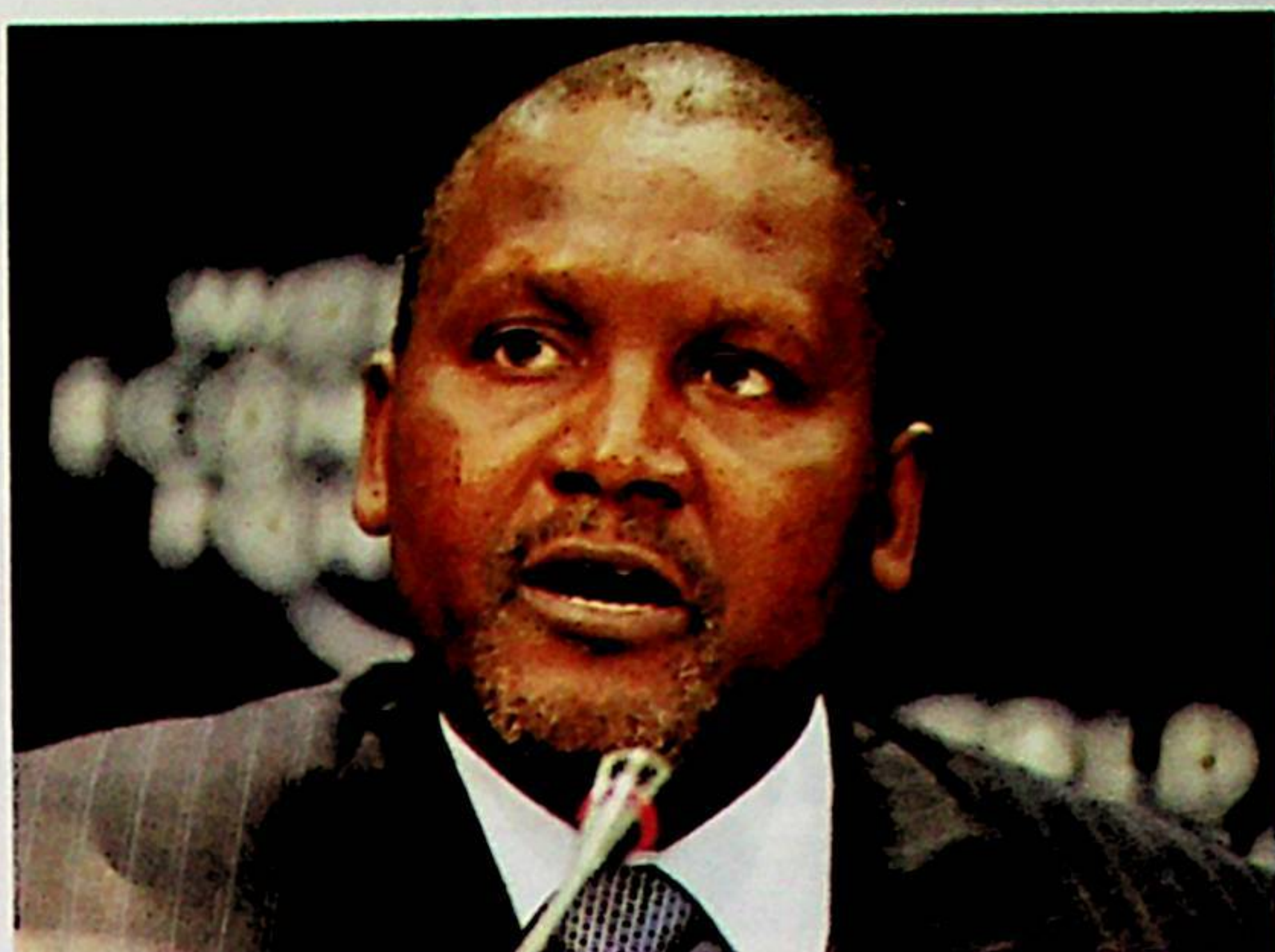


MMA



# Dangote initiates cement deals in Senegal, Zambia

**D**angote Cement, an arm of Dangote Industries Limited, has signed a \$288 million contract with Sinoma International Engineering of China to build two cement manufacturing plants in Senegal and Zambia. Commenting on the deal, Aliko Dangote,



Dangote

president, Dangote Group, said it is a move towards expansion at this time of economic recession.

"We have concluded this deal with Sinoma in order to drive forward our Pan-African expansion strategy at a time when the global economy seems to be emerging from recession. We are in a strong financial position and we are putting our money where our mouth is", he said. ■

## Nigeria produces 1,200 films yearly

**M**anaging Director of the Nigeria Film Corporation, NFC, Afolabi Adesanya, says more than 1,200 video movies were produced in Nigeria annually. Adesanya made this known at the opening ceremony of the first

American Films Week at the National Film Institute in Jos.

"In a given year, we produce between 1,000 and 1,200 video movies that are officially registered by the National Films and Video Censors Board. We have several others which don't go through the Board. We have documentary films that are not even censored and we don't also account for them," he said.

Adesanya compared the current production capacity to that of the 1970s and 1980s when the country only struggled to produce about five films annually, saying that the current capacity was incredible. ■



## Lagos to focus on completing ongoing projects

**L**agos State Government says it would give priority to the completion of ongoing projects in the 2010 budget. This was contained in a communiqué issued by the State Executive Council after its three-day retreat at Eko Tourist Resort, Akodo, in Ibeju Lekki Local Government area of the state.

Opeyemi Bamidele, the Commissioner for Information and Strategy, read the communiqué to newsmen at the Bagauda Kaltho Press Centre, Alausa, Ikeja. To guard against abandoned projects, Bamidele said government would not accommodate proposals for new projects in the 2010 budget but would strive to complete on-going ones.

The procurement processes in all ministries, departments and agencies will be reviewed to capture the implementation and financing options for sustainable project completion and avoidance of abandoned projects," he said. Also, Bamidele warned tax defaulters to refrain from the practice, saying that anybody caught would be prosecuted. ■

## 'Rubber can help Nigeria achieve Vision 2020'

**R**ubber development can help Nigeria to achieve its vision 2020 agenda, according to Dr Timothy Esekade, a researcher at the Rubber Research

Institute of Nigeria, RRIN.

Esekade, RRIN's assistant director in-charge of farming system and extension, said in Tudun Wada, Nasarawa State, the venue of the

2009 National Agricultural Show, that "if a quarter of the investment put in the oil sector is deployed to the development of rubber, the country will achieve vision 2020 in less than 10 years. ■





RIVERS STATE GOVERNMENT

Two years  
of  
**Giant**  
**strides**

**... and still counting**

---

Mrs Ibim Semenitari  
Commissioner for Information





# handwriting on the wall

Sola Salako - 0706 947 2385

handwritingonthewall@yahoo.com

## Nigeria's service culture of fraudulence

In the last one week, I have been regaled by an avalanche of complaints, tales of woe, accounts of exploitation and gross insensitivity by various Nigerians. The complaints have been about various sectors and each had felt like the height of swindling until I hear the next one and then the previous one seemed like child's play.

What makes it harder to deal with is the fact that the complaints have been both about the private sector as well as the public sector. Suddenly, it seems like service delivery has taken on a new definition and integrity seemed to have been excised from our transactions with each other.

It is glaring that government agencies and utilities seem to have just caught the brainwave that they must generate revenue too (we have the militants of the Delta to thank for that as well as the global economic brouhaha which seems to have finally gotten public servants off their rockers to attempt to earn their salaries and fat pecks for once!) But, must they do so by all means and at all costs?

Let's start with the case against the Nigerian Postal Agency. I received a call from a consumer a few days ago (can't recall his name now but I asked him to send me an e-mail so we could document the complaint). He had gone to the Oshodi Post Office to manage his uncle's post office box and pay some outstanding fees on the box. According to him, he had a valid bill for the outstanding, but, when he attempted to pay off the bill, he was summarily informed that his outstanding had exceeded the bill he had, simply because NIPOST had increased fees from October 1, 2009 and according to the mathematics of the Director General and his 'crack' business development team, that increase must have retrogressive effect on every outstanding bill irrespective of the fact that the bill covered periods before the new tariff came into effect.

When consumer X (purely for the purpose of identification) tried to be the empowered consumer by insisting on seeing the Manager, his halo was punctured when the Manager told him it was orders from Abuja and he could not waive the surcharge or else he would lose his job! Orders from Abuja... Are we still in the military era? Whose orders from where

decides to flout the law of contract simply because they are in government? Where is it done that the new price for any product or service would be back-dated to cover transactions that have been completed before the new price took effect?

It is like you going to your favorite restaurant and they just changed prices but the waiter insists the new price cover your outstanding with them. In other words, the meal you took last week and hadn't paid for (I mean, you are a regular and have a credit facility) would now cost today's prices just because you owed money into the new price regime! It's that ridiculous!

In fact, it borders on fraudulence. But, trust good old complacent Nigerians, they have started paying up after all, it's the government. One wonders then that if government structures can flout the principle of fairness in commercial transactions, who does the consumer report the private sector

to? Any wonder why service providers have perfected the art of fleecing consumers. It is fast becoming a culture in Nigeria now, a very sad culture. Take advantage of the vulnerable with draconian policies to swindle them of their hard- to- come- by cash just because they need your product or service; after all, you are government! The A-list of government services that are reveling in this shameful act is daily growing. PHCN used to have a monopoly in this area but it seems more utilities are copying them now.

On the state front, one of the complaints I received this week from a resident of Anthony Village in Lagos was about the Water Corporation. According to Consumer Y, potable water in her area has become hazardous to residents' health. Most times, it does not flow and when it flows, it's brownish, stinking and slimy. The residents have complained severally to the Water Corporation without any response but your guess is as good as mine about the bill that will show up at their doorstep every quarter.

It is obvious that the billing structure of most utilities have a mind of their own. They just churn out stuff without any correlation to whether the service was delivered satisfactorily or not. All you require to get charged is just for your name to be in their system. Maybe that is what they charge us for because most times, it's not for any service we received. ■



**If government structures can flout the principle of fairness in commercial transactions, who does the consumer report the private sector to?"**



# Still a gold mine

*Despite its moribund nature, NITEL, Nigeria's former telecommunications giant, is still a money spinning machine*

*By Yemi Bamidele*

Over N52.15 million would have flown into Federal Government coffers by the time the bidding process for the resale of the Nigerian Telecommunications Limited, NITEL, is concluded on October 26. Fourteen prospective investors are seeking a stake in the country's former telecommunications monopoly and each

is expected to pay an application fee of \$25,000 (N3.725 million) for the opportunity to participate in the bidding process. The Bureau of Public Enterprises, BPE, said investors who do not pay the non-refundable application fee would automatically be disqualified.

According to Chigbo Anichebe,

head of public communication of the bureau, "some investors would automatically disqualify themselves if they don't pay their \$25,000 non-refundable application fees" while those who have paid are granted access into the data room. Amongst the nine investors that have so far paid up are Etisalat Nigeria, EMTS, Omen International Limited; MTI Consortium, Finetek.Com/Ericsson Consortium, Globacom Limited, MTN Nigeria Communications Limited, Telefonica Consortium, Spain; Brymedia (WA) Limited and Conau Limited. The NCC is however insisting that existing telecom operators like Globacom, MTN and Etisalat that have already paid should not be allowed to participate in the process. Industry watchers believe that the fact that the NITEL offer was able to attract bids from these investors shows that the former national monopoly is still a goldmine. Anichebe said "these nine investors are enough to go on with the bidding process of NITEL, since they all have the minimum evaluation, as the BPE would not extend the deadline again. Usually, three investors are enough, which is the international standard. So, I am doubtful that we will extend the date again," he said.

Prospective core investors that are yet to pay their application fees are Summit Group; Mahanagar Telephone Nigra Limited, MTNL, India; Anas Network Services Limited, Metro PCS Communications Incorporated and Galaxy Backbone Plc. NITEL's assets have been split into six parts, namely SAT-3, domestic fixed line telephony, national fibre-optic transmission backbone, CDMA network, M-Tel - GSM, and Analog System - TACS, to ease the bidding process.

But Spain's Telefonica may be the only one that wants to acquire the entire operations of the pioneer national operator. Industry sources





# FG urged to encourage computer manufacturers

Information Technology, IT, experts have called on the Federal Government to encourage computer hardware and software manufacturers in the country. According to them, such encouragement would boost computer

usage in the country. Vivian Abii, chief executive officer of Computerise Nigeria, urged the government to initiate an electronic programme that would create awareness on the use of computers in homes.

Abii maintained that the IT industry in the country was still growing and that it had shown enormous potential. "If we get the power sector in place, coupled with other required infrastructure, computer usage will certainly get a

big boost in the country," she said.

Jimson Olufuye, president, Information Technology Association of Nigeria, ITAN, noted that although IT awareness had increased in the country, it was yet to reflect on computer usage. He noted that the use of computers was not proportionate to the country's population and called on the government to promote computer usage in the schools system.

Sikiru Shehu, registrar, Computer Professionals of Nigeria, CPN, said Nigeria cannot but begin to adopt computers as an important IT tool since the device has become more effective than man in many ways, stressing the need to make the computer more affordable to Nigerians. ■



Olufuye

hinted that the Spanish operator is looking at getting the whole of NITEL while others, including MTN, Globacom and Etisalat may be interested in only aspects of the company's business units. Under the renewed privatisation plan of the National Privatisation Council, NCP, interested bidders were informed that they could offer to buy NITEL's component business units, including the fixed line, transmission backbone, M-Tel and SAT-3. Market watchers say the interest of local telephony players like NITEL's rival, Globacom and other mobile phone companies like MTN and Etisalat is likely towards key infrastructure of the company like the SAT-3 and the mobile phone arm, M-Tel. These are seen to have market potentials if brought under effective management capable of injecting needed investments to turn them around.

In its request for expressions of interest in NITEL, the government had indicated its preference for companies willing to acquire NITEL's entire operations together. The government also required that companies bidding separately for M-Tel must be ready to make necessary investments to detach M-Tel from NITEL networks. Telefonica already has a foothold in Africa through its investments in Morocco via Meditel. According to its 2008 annual report, the company's strategy for 2009 is to take advantage of the

## CNP opens Africa's largest ICT mall in Abuja

The management of Computerise Nigeria Project, CNP, will launch the biggest ICT Mall in Africa, in Abuja, in the first quarter of 2010. The ambitious project, which commenced last year, and is nearing completion, is designed to sustain the promotion of digital knowledge in the country.

The ICT Mall will place Africa on the digital map of the world following the trail blazed by Mecer of South Africa and Zinox of Nigeria. Corporate Communications Adviser of CNP, Echika Ezuka, said in Lagos that the integrated ICT Mall shall host the best ICT product brands in the world in direct partnership with

developers and manufacturers. The Mall will also host the largest integrated ICT Support Centre in Middle East and Africa so that ICT products users can get instant support for faulty products or upgrades without delay.

According to Ezuka, the presence of the mall will reduce the total cost of the ownership of different ICT products in Nigeria as all details are being finalised with different ICT products manufacturers for direct supply that would make the products cheaper.

The over six floor digital mansion will also be the main communication and knowledge centre in Africa and is expected to host an ultra modern digital auditorium and a precision knowledge research laboratory which will give impetus to the promise of the founder of Computerise Nigeria Project - Leo Stan Ekeh - to place Nigeria solidly on the global digital map. ■



Stan Ekeh





By Oluwatosin OLUWAFEMI, [Oluwatosin@haplotes.com](mailto:Oluwatosin@haplotes.com)

## 15 website elements that attract visitors

State the website's purpose up front and clearly on the site. Do this as quickly as possible. The visitor needs to know immediately if they have landed on the right site. They also need to know "what's in it for me to stay here." If you don't provide this, they are gone. 90% of the sites on the Net don't do this.

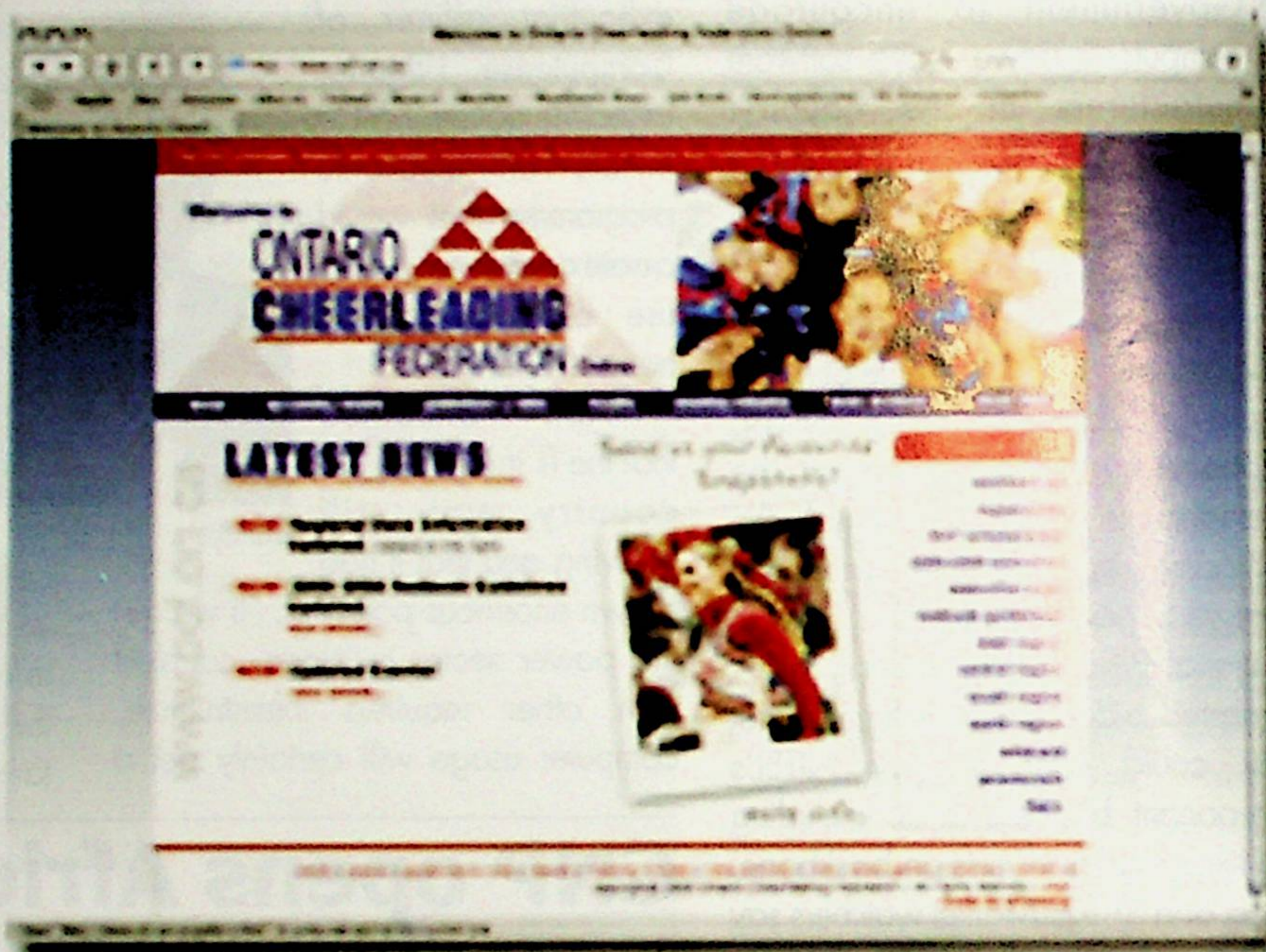
- Give visitors the ability to search for exactly what they are looking for, if they have something exactly in mind. A "site search feature" satisfies this best. Allow the search feature to be prominently displayed and not hidden somewhere. It is best placed in the navigational system so that it shows up on every page. Return visitors and visitors that have something specifically in mind, want the option and ability to find what they want fast. So give it to them.

- Photos allow connection. Especially to people who process visually. Clip art gets them to pay attention, however, it doesn't create much of a connection. Personal photos connect within reason. Keep them less than three to a page. One photo always needs to be in the top portion of the screen on the first page. It doesn't need to be large, but attractive.

- Ways to capture visitors' information wherever possible.

- Place items on the site that keep them lingering. Audio and video are one of these, yet there are other less time-consuming and inexpensive ways to keep them entertained.

- Articles. For solopreneur sites, your own written articles. For other sites, articles with various authors yet on focus.



- Interactive elements. For example: response forms, quizzes

- If you use a shopping cart, it must be fluid, no hiccups. All auto responders must be well written and positive. If someone purchased something, they need the energy of "thank you."

- Give offers that are of value.
- Clear path of where a newcomer can start if it is their first visit.



**Give visitors the ability to search for exactly what they are looking for, if they have something exactly in mind."**

- Newsletter that is consistent with the 80/20 rule. 80% value and 20% marketing.

- E-courses of value.

- Well-written e-books: 50-75 pages, plus valuable information. Length doesn't do more than provide perceptive value. Once purchased and the vastness is only fluff, then your credibility is shot. Complimentary e-books meet the same requirements.

- Give them other ways to receive more the focused information

- Automated referral system. If you want referrals for your products or services, make it easy for you to get them. Set it up so it is as automatic as possible, clear and easy for someone to send you a referral. Be clear in what is your thank you for that referral. ■



# Shell drives Bonga project with \$200m contract

Shell Nigeria Exploration and Producing Company awards a new contract expected to complement the highly successful Bonga offshore project to the Italian firm, Saipem

By Chuks Isiwu

**C**hike Onyejekwe, managing director of Shell Nigeria Exploration and Production Company, SNEPCO, believes last week's award of contract worth over US\$200 million to the Italian company, Saipem, for the subsea development of his company's Bonga North-West offshore project will complement the existing and highly successful Bonga offshore project.

Bonga North-West is part of oil prospecting license 212, including the main Bonga field and Bonga South-West, awarded to Shell in 1993 by the Federal Government. SNEPCO's first deepwater project, the Bonga oilfield was discovered in 1996 and began production in 2005, producing 225,000 barrels of crude oil per day. Oil from Bonga North-West is expected to add to the output from the main Bonga field and boost Shell Nigeria's overall production which had taken a dip in the wake of the Niger Delta crisis.



Bonga FPSO

SNEPCO said the award of the over \$200 million contract to Saipem Contracting Nigeria limited, the local arm of the Italian company, followed a competitive tender. Under the terms of the contract, Saipem will design, fabricate, install and pre-commission a 13-kilometre subsea flowlines that will convey crude oil from the Bonga North-West's wells to existing production facilities. It will also install production manifolds, umbilicals and subsea controls distribution units.

According to Tony Okonedo, Shell Nigeria's Corporate Media Relations Manager, the Bonga North-West project involves the drilling of 12-wells in 1,200 metres water depths and provision of associated facilities to tie into the existing Bonga Floating Production and Storage, FPSO, facility. The initial phase of the project comprises the drilling of five subsea

wells.

Onyejekwe said of this development: "We have chosen a highly qualified contractor for this assignment and our expectation is that the work will be executed safely and within the terms and conditions of the contract. We remain convinced that as a team, we have what it takes to execute this work and

deliver a project which will complement the existing and highly successful Bonga offshore project."

Yves Inbona, chief operating officer, Offshore Business Unit of Saipem, on his part, remarked: "For Saipem, it is a new milestone as well as another opportunity to demonstrate our dedication to safety. Saipem Contracting Nigeria holds the best safety record in the entire Saipem Group. This comes as a result of dedication and training by safety experts both in the group and in Nigeria who have a strong commitment to safety in onshore, offshore and in green projects." He said his company had been investing in facilities and that the Shell contract offered a technical challenge as well as an opportunity to deploy the company's "tested technology" with the local partners.

SNEPCO said it had earlier this year, awarded contracts for other aspects of Bonga North-West to encourage Nigerian content. The front end engineering design, FEED, and detailed design of topsides facilities were undertaken by the National Engineering and



Onyejekwe



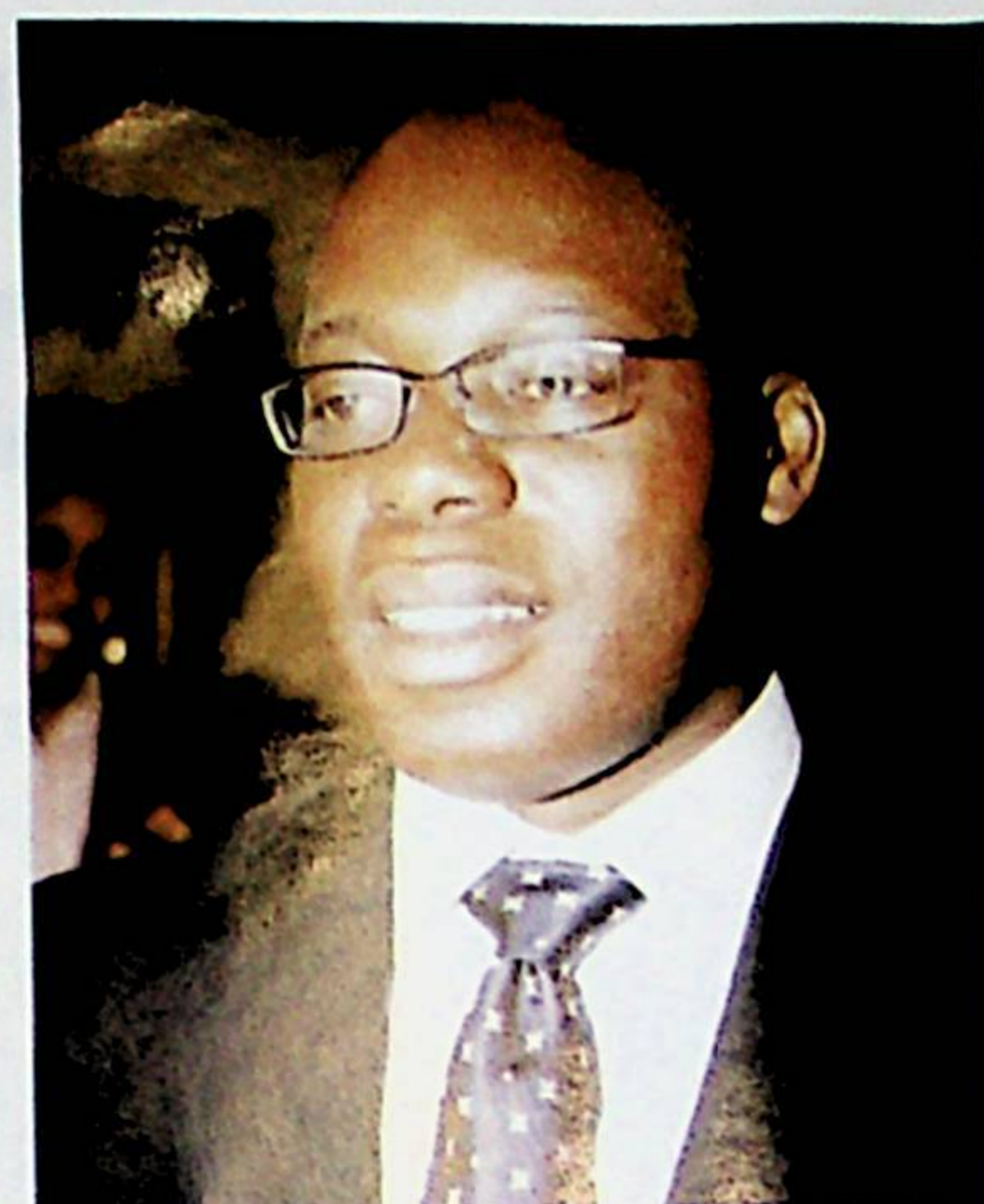
## Oando teams up with Gazprom

Oando Plc says it is teaming up with Russia's Gazprom to develop oil and gas assets in Nigeria. This follows the companies' signing of a memorandum of understanding to collaborate in building the infrastructure and pipelines for the distribution of gas in Nigeria.

"The Gazprom partnership will provide the leverage to further accelerate our gas development programme, with us providing local technical expertise ... whilst Gazprom brings its wealth of experience as Europe's largest gas

operator," said Oando's Chief Executive Officer, Wale Tinubu.

Oando, Nigeria's largest fuel retailer and gas distributor, did not specify which projects would fall under the new alliance. The deal came after Gazprom signed an agreement in June with the Nigerian National Petroleum Corporation, NNPC, to invest at least \$2.5 billion in a new joint venture to develop the energy sector. ■



Tinubu

## Angola to explore for oil in Ecuador

Angola's Sonangol Group is interested in investing in oil blocks 28 and 29 in Ecuador's Amazon region, the head of the state-owned Petroecuador, Luis Jaramillo, has said.

Angola's oil minister and Organisation of Petroleum Exporting Countries, OPEC, president, Jose Maria Botelho de Vasconcelos, is expected to travel to Ecuador at the end of October to discuss Sonangol's



de Vasconcelos

investment in the country.

Jaramillo said if there was an agreement with Sonangol, the company would assume the risks for exploration, and if there was oil to extract, Sonangol

and Petroecuador would form a joint venture.

According to Jaramillo, Petroecuador would have the majority of shares.

Minister of economic policy coordination, Diego Borja, said Angola is interested in investing between \$1.5 billion and \$3 billion in different areas, including oil and energy. "We are talking about the investments," Borja said. "They are interested in several sectors, but the main interest is the oil sector." ■

## OPEC foresees boost in oil demand



Rilwanu Lukman, Petroleum Minister

The Organisation of Petroleum Exporting Countries, OPEC, says world demand for its oil will be stronger than expected next year, the latest sign that a more positive economic outlook will boost oil consumption.

The forecast by the 12-member group follows similar forecasts in the past week by the International Energy Agency and the US government's Energy Information Administration, lifting the group's oil demand estimates.

Demand for OPEC crude will average 28.39 million

barrels per day next year, a 300,000 barrels per day rise on its previous forecast, the group said in its monthly report. "The world economy now appears to be entering into a new phase, moving from a period of containing the crisis to one of economic recovery," the report said.

OPEC also raised its forecast for world oil demand growth in 2010, seeing an increase in world oil use of 700,000 barrels per day, up 200,000 barrels per day from the previous estimate. ■

Technical Company Limited, NETCO - a subsidiary of the Nigerian National Petroleum Corporation, NNPC, in conjunction with SNEPCO engineers, while Weltek Limited is executing the topsides modification work, including procurement, onshore fabrication, offshore installation and hook-up.

Recently, SNEPCO took delivery from NETCO of detailed engineering design for a project that will

put out gas flares in three fields in the Western Niger Delta, another project awarded to the local company as part of Shell's drive at local content development. NETCO won the contract in December 2007 for design of the Associated Gas Solution project for Otumara node, which covers Otumara, Saghara and Opuama

fields. The project involves the collection of gas from the three fields to a central processing facility at Otumara, which will treat and send it for domestic use through the Escravos-Lagos Pipeline System. ■



## Shell to invest in three FLNG units

Oil giant, Shell, may order at least three floating liquefied natural-gas, FLNG, plants for about \$5 billion each as Europe's biggest energy producer seeks to be first in the race to tap so-called stranded deposits using the untested technology.



Jeroen van der Veer, Shell CEO

"There will be a minimum of three units and maybe more," said Bernard di Tullio,

chief operating officer of Technip, hired by Shell along with Samsung Heavy Industries to build the ships. "We could see the first ones floating within four or five years," he added.

Floating LNG vessels are designed to chill natural gas to a liquid from distant offshore fields that lack pipelines and

onshore processing plants, and would otherwise be uneconomic to develop. Earlier this month, Shell said it will deploy the first model - the biggest ship in the world - at the Prelude and Concerto fields off Western Australia. ■

## Eni may put gas plans in abeyance

Italian giant, Eni, may be forced to put a number of natural gas projects in abeyance as prices for the fuel continue to slump, company boss, Paolo Scaroni, has said.

Crude oil prices may be showing signs of recovery but natural gas prices will stay depressed for years, he said, adding: "Gas prices are going to stay low for a considerable time - the next three to four years." The grim outlook could force energy companies to rethink some investments in new gas projects.

Scaroni maintained that poor economics may prompt Eni to shelve a plan to double capacity at the Damietta liquefied natural gas plant in Egypt. He said he did not foresee the gap between oil and gas prices closing any time soon. ■



Scaroni

## Norway's TGS expands seismic activities off Liberia

Norwegian seismic player, TGS-Nopec, is set to start the next phase of a regional multi-client 3D seismic shoot off Liberia. The new 2000 square kilometre 3D programme expands the existing 9000 square kilometres of 3D coverage that TGS initiated in late

2008.

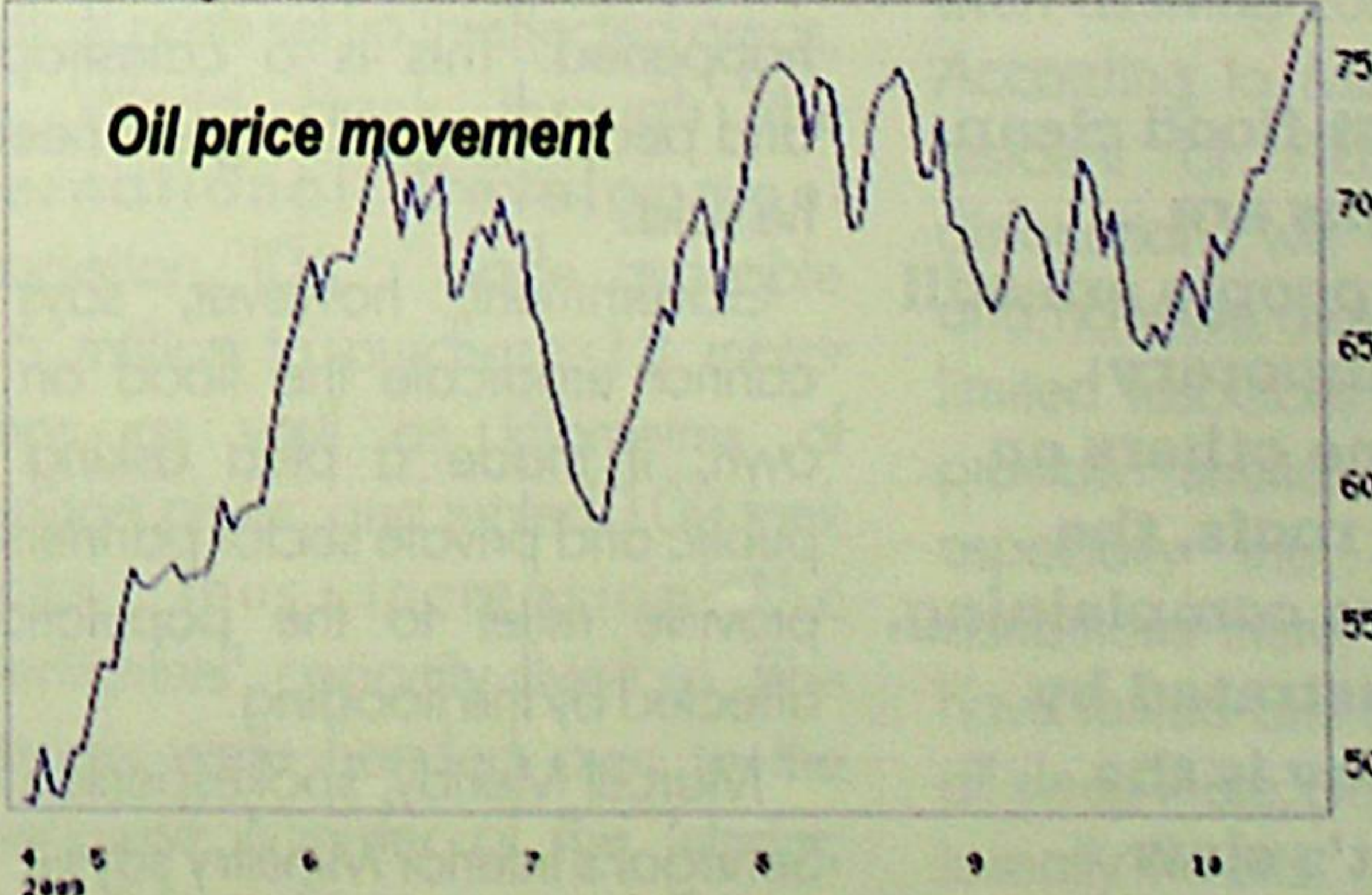
TGS expects preliminary data to be available in the third quarter of 2010.

Offshore Liberia has received significant interest in recent months due to the excitement generated by new oil discoveries in both the Gulf of Guinea and Sierra Leone. "It is exciting to have data in a trend that has recently produced significant oil discoveries in offshore Africa," commented Kim Abdallah, TGS' vice president of new ventures in Africa and the Middle East. "Our coverage of this emerging oil play will now be more than 14,000 kilometers of multi-client 2D data and 11,000 square kilometers of 3D data." ■



Ellen Johnson-Sirleaf, Liberia president

BRT - Daily



### Crude oil spot prices (21 October, 2009) -- USD/bbl

Crude brand	Price	Change	%	Prv Cts	1wk	4wk	3mths	1yr	3yrs
Brent Blend	75.71	-1.16	-1.53	76.22	71.16	69.61	64.90	67.86	57.59
Tapis	77.22	-0.84	-1.09	77.79	74.46	71.03	67.55	73.33	64.31
Alaska N/Slope	76.66	-0.88	-1.15	76.67	70.78	68.95	63.42	68.75	53.55
Dubai 1M	75.96	-0.61	-0.80	75.86	70.86	67.69	65.70	62.33	57.12
Louisiana Sweet	79.05	-1.10	-1.39	79.40	73.90	70.05	65.70	73.54	59.30
Urals	75.20	-1.07	-1.42	75.62	70.41	69.06	64.35	65.31	54.49
WTI	78.84	-0.63	-0.80	78.54	73.24	69.74	63.56	71.90	58.55
Oman 1M	75.65	-0.71	-0.94	75.93	71.66	69.58	66.50	64.51	58.13
Minas	76.12	-0.89	-1.17	76.87	72.74	68.58	66.35	72.73	56.39
Forties	75.44	-1.23	-1.63	75.82	70.51	69.76	64.25	67.11	58.29
Bonny Light	76.54	-1.03	-1.35	77.02	71.96	71.16	65.35	71.11	59.34





# Flood eats up Senegal's landscape

*Faced with a life-threatening situation, Senegalese are looking to roof tops and schools for rescue*

*Chinelo Obi, with agency reports,*

"I don't have anywhere else to go, when the water came, we moved the bed and our possessions onto the roof where we have been staying. I'm constantly worried that my son will fall into the water and I will lose him," Mme Sall, who has been living on her roof when the flood took over her house, laments. Moussa Lo, another citizen who was affected by the flood explains. "The rain fell so heavily and rose so quickly we were forced to leave our houses. We went to the local school where we're now staying. We have to relocate now that the academic year has begun. I don't have where to go. I'm waiting for the authorities to help me."

The rains that came down in Senegal from July to September has been declared the heaviest to hit the country in two decades, affecting about 180,000 people and forcing at least 50,000 people to abandon their homes in the nation's capital, Dakar. As the academic year begins in Senegal,

over 60 schools are still flooded and people displaced during the rains are still sheltering in at least another 18 schools.

Though post-flood clean-up operations are underway, people are still living in temporary houses, some others on top of their roofs, the residents are complaining, they are frustrated by what they say is the government's slow response. "The

state comes and writes a lot of notes, but there is zero action," said Seynabou Niass, who is living in a flooded two-room house in Darou Rahmane. Most of her belongings have been ruined. Abdoulaye Faye, president of the flood response committee in the Wakhinane Nimzatt neighbourhood, said he had hoped for more from the government. "The major actions we expected have not happened. This is a catastrophe and people are still in great need," he said.

Government, however, says it cannot eradicate the flood on its own; it made a plea asking its public and private sector partners to provide relief to the populations affected by the flooding.

Marcel Mendy, spokesperson for Senegal's Interior Ministry says it is currently under a US\$4.5- ▶▶

**Though post-flood clean-up operations are underway, people are still living in temporary houses, some others on top of their roofs, the residents are complaining, they are frustrated by what they say is the government's slow response."**



## China car output breaks record

Chinese annual car production has topped 10 million for the first time as carmakers boost output to meet growing demand. The 10 millionth car produced this year rolled off the First Automobile Works Group assembly line in Changchun.

Despite the downturn and falling sales at most global carmakers, demand for cars in China is booming. State incentives, such as tax cuts on small cars, have boosted sales. Many other governments around the world, China has also introduced subsidies to trade in old vehicles.

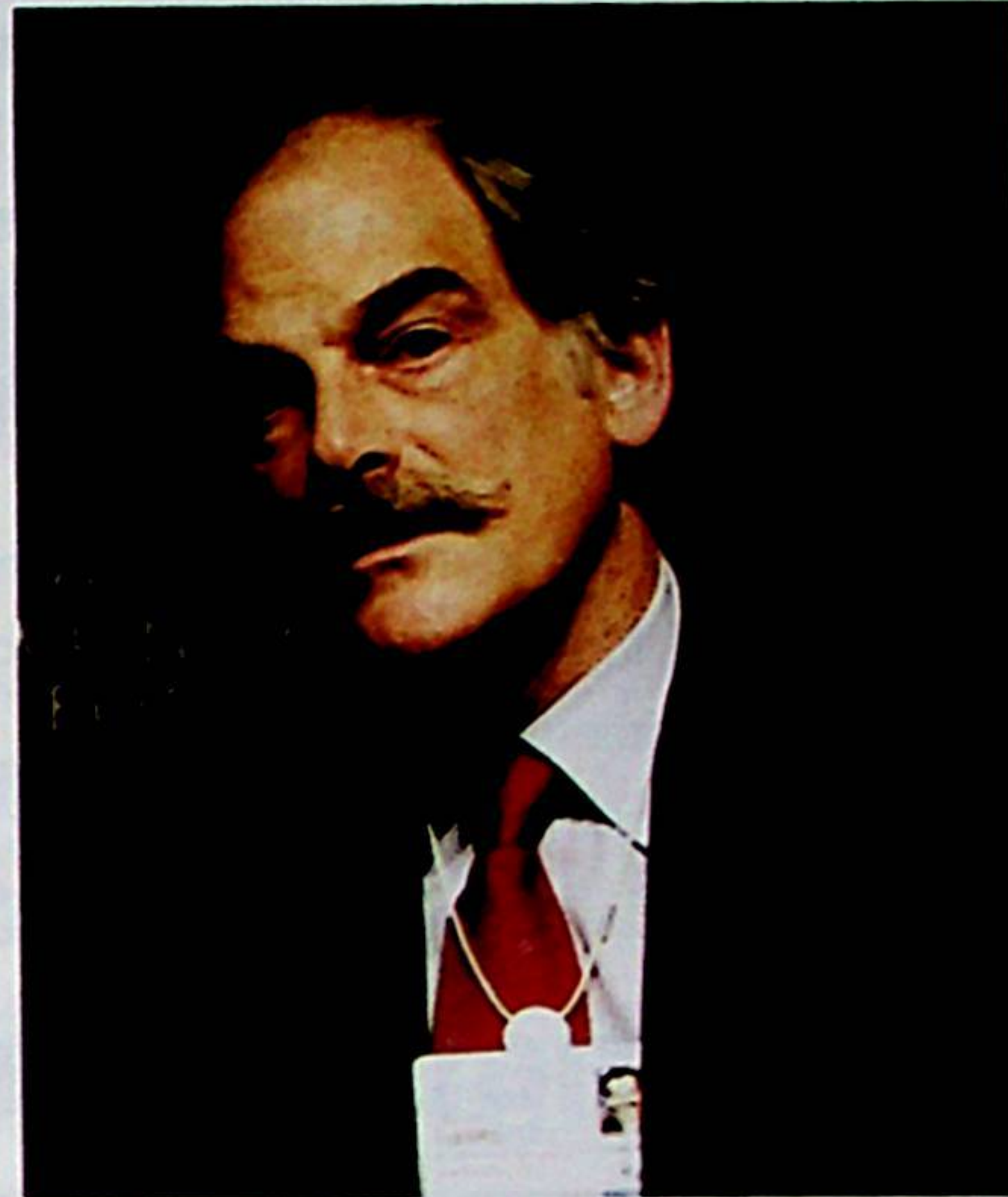
Previously, only the US and Japan had produced 10 million cars in a single year. Domestic Chinese car sales overtook those in the US for the first time in December last year, and this trend has continued. Global car makers are now increasingly targeting China as a key growth market. ■

“million emergency plan in which government is working to pump water from flooded zones, rid standing water of mosquito larvae and provide free health services at medical posts set up in affected areas. The World Bank through the International Development Association, IDA, made available \$3.5 million to purchase 18 motor pumps as well as kilometres of drainage pipes, and rented 100 tank trucks, thus increasing the waterfighters' capacity five-fold. The materials were handed over to the Senegalese Minister of the Interior, Cheikh Tidiane Sy.

## IMF warns Asia over stimulus spendings

The International Monetary Fund, IMF, has warned Asian nations not to withdraw their stimulus spending too soon. With Japan out of recession and China seeing signs of a recovery, some observers have suggested that spending can be cut back.

“However, these plans should proceed cautiously until the recovery seems assured,” deputy IMF managing director, John Lipsky, said. Lipsky said “the principal near-term risk” was the



Lipsky

recovery stalling, adding: “This could occur if private demand does not pick up and replace the policy stimulus and inventory re-stocking that have recently been the key drivers of growth.”

Separately, the Indian government said its economy would grow 6.5 per cent over the year to March 31. The outlook is higher than the central bank's prediction of six per cent in July. Last fiscal year, India's growth dropped sharply to 6.7 per cent, after averaging 8.8 per cent over the previous five years. ■

## S'African farmers rent land in Congo

The Republic of Congo has signed an agreement to lease 200,000 hectares of land to South African farmers. Congo's agriculture minister said it would bring expertise to the country and reduce its dependence on imports.

In spite of the increased water pumps, the people are still dissatisfied. The flood and resultant displacement, residents complain, has led to increase in cost of living even as living condition deteriorates. According to Mame Diarra Mar, a resident of Pikine, “before the dislocation, we were already poor and now we are forced to spend our limited resources on rent in order to provide shelter for our families, especially the children, and the conditions there are deplorable, we have rented one single room and we all sleep there, parents and children, it is really the pits.” Even the best pumps

South African farmers' union, Agri SA, which signed the deal, said the African National Congress, ANC, government's land policy was forcing white farmers to seek land abroad. The ANC is seeking to transfer some farms, overwhelmingly white-owned, to the black majority population.

Under the terms of agreement, South African farmers will lease the land in Congo for 30 years to produce food and fibre mainly for the domestic market. Congolese officials say the land is made up of abandoned farms that the state used to operate. “We import lots and it's not normal that with the resources at our disposal we remain food insecure,” said Congo's Agricultural Minister, Rigobert Mabundu. ■

will not meet all the population's needs, say Abdou Diouf, programme manager at ENDA-Graf, an organisation working on community development in Dakar's suburbs. “As an actor on the ground, I can say that we need more than just water pumps. We need humanitarian action; these communities need food aid and assistance in disinfecting their neighborhoods,” he said. ■



## Microsoft unleashes new Windows

Personal computers are about to get a makeover with the launch of the latest Windows operating system. Microsoft is hoping the successor to Vista will be more of a hit with users following its launch on October 22.

Many of the features take into account multimedia applications and the fact that users are beginning to store their data on the internet. In UK, PC World opened its flagship store on

London's Tottenham Court Road at midnight on 21 October to sell the operating system. It said technical support staff would be on hand to answer queries about installing the software.

The formal launch took place over several days in New York at a series of events that saw appearances by Microsoft boss,

Steve Ballmer, and other senior executives. The launch of Windows 7 also coincides with the opening of the first Microsoft retail store in Scottsdale Arizona that will showcase and sell Microsoft compatible goods. ■

## Peugeot sales figures disappoint

Sales in Peugeot Citroen, Europe's second-biggest carmaker, have fallen seven per cent after the company reported lower-than-forecast third-quarter sales.

Sales fell 7.7 per cent from a year earlier to 11.8 billion euros (\$17.7 billion; £10.8 billion).

Sales in Europe were boosted by various government-backed scrappage schemes, which helped sales of smaller models in particular. However, this was offset by a steep drop in sales in Russia, Eastern Europe and Latin America.

Inventories of unsold vehicles, which were a major concern for carmakers when the crisis hit last year, decreased by 36 per cent to 400,000



vehicles compared with 628,000 at the start of the year. Peugeot Citroen's disappointing figures are indicative of the wider troubles that continue to affect the car industry, with companies outside of Europe being

especially badly hit.

Last week, Russia's largest manufacturer of cars, Avtovaz, said it could have to file for bankruptcy because of a collapse in sales and massive debts. The company has already shed more than 25,000 of its 100,000-strong workforce to try to keep afloat. ■

## US bank, Morgan Stanley, returns to profits

Morgan Stanley has returned to profit after three quarterly losses in a row, with net income of \$757 million (£457 million) in the July to September period. Its investment banking division did well, it said, with underwriting revenues up 74 per cent from 2008 levels.

At the same time, the country's fourth-largest bank, Wells Fargo, reported a record \$3.2 billion profit for the quarter. Wells Fargo, which bought Wachovia last year, said revenues from mortgages and consumer credit had surged.

Morgan Stanley announced its results two days after agreeing to sell its retail asset management business to investment manager, Invesco, in a deal worth \$1.5 billion.

The sale of the loss-making division will allow it to focus more on its institutional clients. Morgan Stanley's third-quarter profit followed a loss of \$159 million between April and June. ■

## BAA to sell Gatwick Airport

UK's BAA has agreed to sell Gatwick, the UK's second busiest airport, to Global Infrastructure Partners, GIP, for a fee of £1.51 billion. BAA said the proceeds of the sale would be used mainly to repay part of its debt, which stood at £9.6 billion in June.

Investment fund GIP already owns a 75 per cent stake in London City Airport. BAA was ordered to sell Gatwick after an inquiry found that customers were suffering from a lack of competition between airports. It has also been ordered to sell Stansted and one of Glasgow or Edinburgh, but is appealing against the decision.

"BAA is changing and today's announcement marks a new beginning for both Gatwick and BAA," said Colin Matthews, BAA chief executive officer and added: "We wish Gatwick well for the future and are confident that the airport will flourish under new ownership." ■



Matthews



## Why life insurance is very important

There are many different types of insurance cover that are designed to give adequate protection to the insured, their loved ones, and even their properties and unless you understand the basic principle, there is the tendency that you may opt for many types of policy at a time, not knowing that streamlining your choice of cover could mean a little strain on your finances.

These days, the insurance industry is making a huge fortune from consumers that are keen to try and cover every eventuality when it comes to finances.

However, while there are varied forms of insurance policy you can settle for, one hugely popular type of insurance cover that is really worth having is the life insurance. This is the only insurance cover that provides peace of mind and protection for the family of the policyholder in the event that the policyholder dies unexpectedly during the term of the policy. If the policyholder passes away due to a reason other than those listed as exclusions in the policy, then the family or beneficiary will receive a lump sum payment.

Life insurance is particularly important if the policyholder is also one of the main or major income earners, and this is because the death would not only mean grief for those left behind, but would also mean the loss of a main income, which could otherwise result in those left behind being unable to cope financially. This in



turn could lead to real financial hardship, and could even result in the family losing some of their prized assets like their home due to being unable to keep up with repayments.

There are a number of options available when it comes to getting life insurance cover, and the two main types of cover are: term life insurance and whole of life insurance. The first one is the cheaper option, and there are some very competitive deals on offer with term cover. As the name suggests, this form of cover provides protection for a specified term, which could be fifteen years or a little more,



**These days, the insurance industry is making a huge fortune from consumers that are keen to try and cover every eventuality when it comes to finances."**

depending on the provider. Once the term expires, the insured will no longer be covered and the payments will cease. To enjoy the privilege and services again, you will have to look at taking out a fresh cover again. Often, people opt for this type of cover because it is the cheaper option and very straightforward, no complexities and no ambiguities.

Whole of life cover will suit those who are able to pay a little more to enjoy the increased security of having cover in place for the whole of their lives. However, this type of cover is more expensive, and therefore, you will need to determine whether you can afford the additional premiums in order to stay under the extra level of cover. Whole of life cover is also available with an investment element, and like term cover. In this policy though, there are a number of exclusions to note, so you should ensure that you read the small print carefully before you make any commitment.

There are a number of things that you need to bear in mind when you are looking for any type of life insurance cover. The first is to ensure that you take out an adequate level of cover, as the payout will need to provide financial stability to those left behind and therefore, needs to be for an adequate amount. Also, remember that the cost of cover can vary from one provider to another, so make sure that you compare different policies from a range of providers to get the best deal at an affordable price. ■



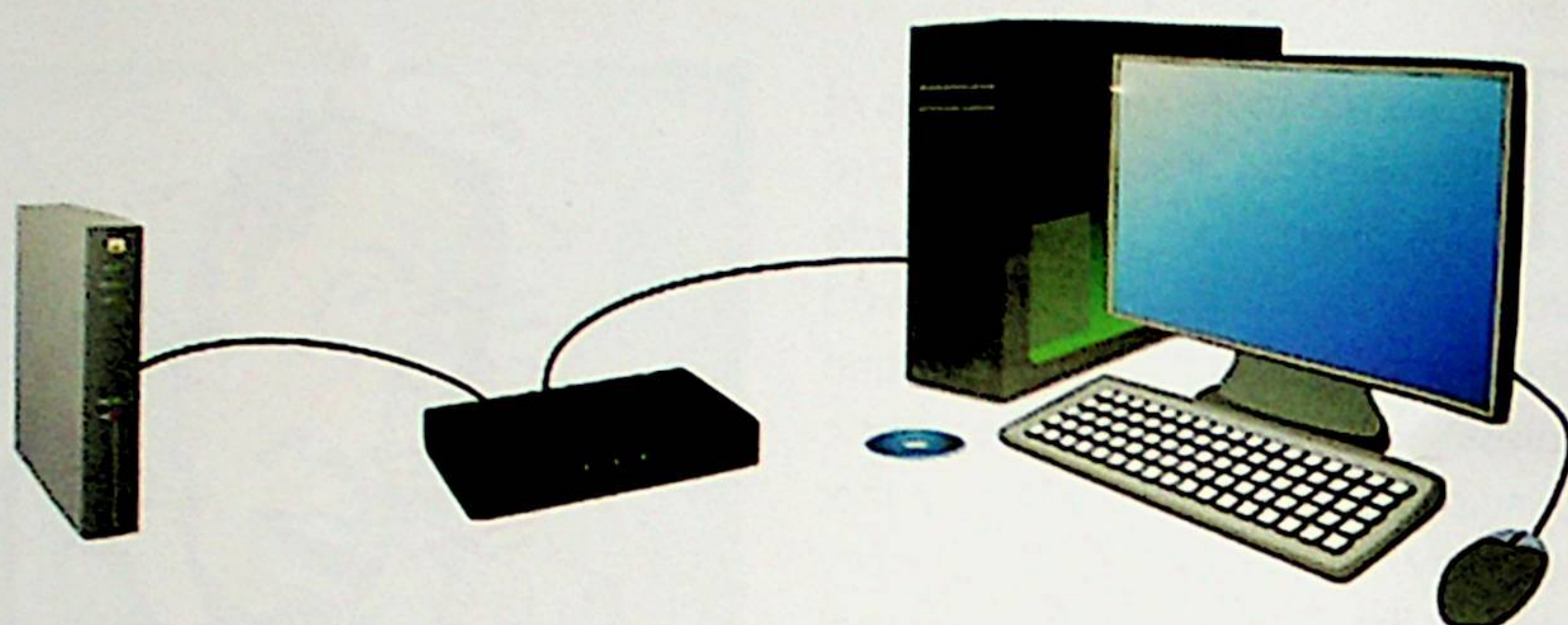
## Eight cost-effective marketing strategies

Every business owner understands how important marketing is in driving sales or attracting new businesses but not many business owners know the several marketing strategies that can be deployed to achieve these. Recent research reveals that most business owners rely on just two or three marketing strategies to attract new business. However, there is a multitude of ways to drive new business to your door and create more opportunities, here are a few:

**Networking:** Networking is perhaps the most commonly used approach by small business owners. However, it is often poorly executed. Many people attend a networking function and take the wrong approach by trying to meet as many people as they can. They bounce from person to person, handing out business cards like it is an Olympic event and they are vying for the gold medal. They fail to realize that the most effective way to network is to cultivate relationships and give referrals to other members first.

**Referrals:** This marketing strategy places a close second in preferred methods of generating new business leads. The key here is to ensure that you take a proactive approach rather than a passive one. Instead of assuming that a satisfied client will refer someone to you, ask for that referral. Tell people who your ideal client is and ask for their help in finding these types of clients. Take for instance, the real estate agent who represented the seller in a mortgage deal and sends a card every year and reminds the clients that she loves referrals. It is not pushy, does not sound like she's begging, and I'm confident it helps generate new leads.

**Writing:** This often under-utilized marketing strategy is an excellent way to become recognized as an industry expert. Every industry has trade magazines and most are hungry for good content. The Internet is also filled with websites and e-zines looking for material to send to their subscribers and customers. You can, as part of your marketing strategy, write at least one article every month and send it to many publications. This marketing strategy alone is known to have helped drive more traffic to



many websites more than anything else. It is sometimes challenging to come up with ideas and to write an 800 word article but the investment of time and effort is definitely worth it.

**Newsletters:** This is another powerful marketing strategy to keep your name in front of your customers and prospects. Provide key insight into business challenges and offer solutions to them. In other words, help your prospects and customers solve problems. Some newsletters are nothing more than advertising, so be sure to provide valuable information to your customer. Although it is less expensive to send a newsletter electronically, you can issue it in paper format.

**Cold calling:** Without a doubt, this is usually the most challenging way to market a business - I know very few people who actually enjoy cold calling. However, it can be a good way to uncover qualified prospects in a relatively short period of time. Be sure to start your conversation with a good opening to capture the other person's attention.

**Give free information:** At a recent marketing workshop, the facilitator suggested giving information to interested prospects. If you use this marketing strategy on your website, you could quadruple the number of subscribers to your newsletter in one year. You do not need to give away all the information relevant to your product or service. Instead, offer information that will help your target market with their problems.

**Offer a guarantee:** A concern many people have when changing suppliers is the risk associated with the change. They may not be completely satisfied with their existing supplier but the risk of choosing a supplier who may be worse can prevent them from changing. Eliminate this concern and offer a guarantee.

**Advertising:** This can be a great marketing strategy if you know how to create a good advertisement. The best marketers know that great sales copy is what makes the difference. Glance through the advertisements in your trade magazine and you will quickly notice that most of them focus on the company's product features instead of on the customer's problem. Create a great advert by concentrating on the problem you can solve.

There are many other ways to market your business and generate new business leads but those discussed above could produce a multiple of results if well applied. ■



**You can, as part of your marketing strategy, write at least one article every month and send it to many publications."**



# Common errors in business succession planning

**T**he pride of every business owner is to ensure that the business survives him/her. However, this is something that should not be taken for granted as there are several landmines that would ensure that the dream does not get beyond the dreamer. The way to prevent this is to try and avoid the following mistakes in business succession planning:

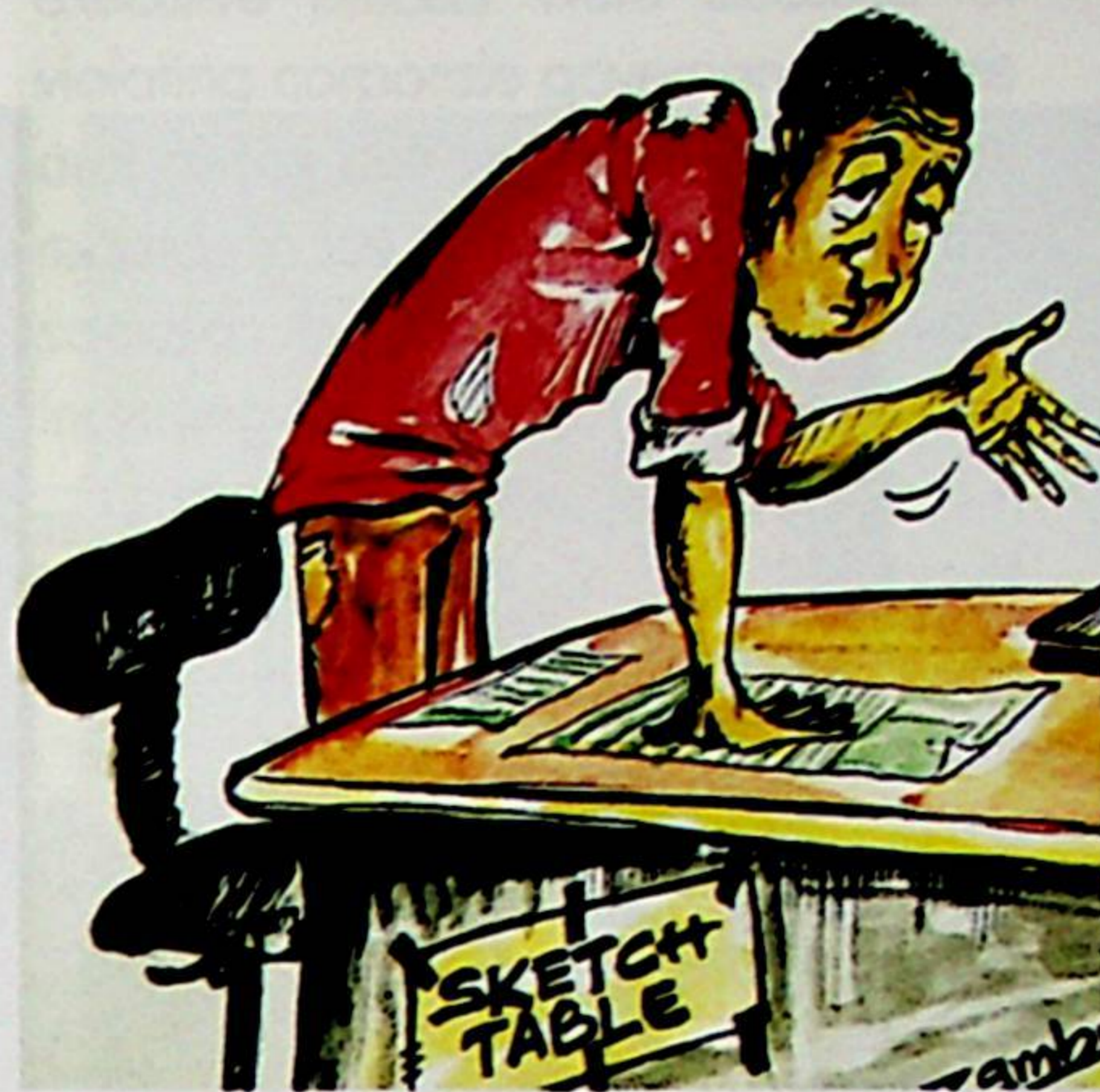
## **Failure to plan or procrastination**

How many years prior to retirement should there be a plan? How about right now! There is no reason you cannot start preparation now with a series of plans at any point in the life of the business or even before the business even begins. The way to overcome this is by ensuring that you put in place a succession arrangement that will ensure the continued survival of your business even at short notice.

## **Improper business valuation**

Because your business succession plan will likely involve selling the business or passing it to your heirs, it is important to know what the appropriate sales price or inheritance value of a business is, so that plans for its purchase for paying estate taxes can be made accordingly.

It is a wise strategy to have an updated valuation of the business on hand and have that information communicated to your family or intended successors. Should the business have to be sold in an unexpected circumstance, rather than passed on, the known valuation of the business keeps an awareness of the valuable areas of the business, as well as the loans or debts owed. This makes clean up of the financials an easier process.



## **Indecision about succession team**

This often involves a tough analysis of whether family members have the skill set to run the business or whether your key succession candidates are non-family-members who may have been working in the business.

## **Failure to integrate business succession plan into estate plan**

Many small business owners think that they can simply leave the business to their spouse or heirs when, in fact, the business comprises virtually all of their net worth. By leaving the business to one person, you have excluded all other heirs from inheritance.

## **Failure to plan for disability**

It is important to incorporate disability planning and insurance into your business succession plan. What is your fall-back plan if you are injured

and unable to work for four to eight months? Who would run the business? Make decisions? You want to protect your present and future income.

## **Key employee factor**

Failure to identify key employees who may have concerns with your succession plan is a serious challenge. Ensure key employees remain with the business during any succession transfer by sharing your plan with them. This helps make certain that everyone involved with the plan is on the same page.

## **Indecision**

If the business is a closely held business, treating it like the family rather than as a business involving family is usually problematic. It is important when the business is closely held in the family to separate the family dynamic from the business dynamic as much as possible and to recognize that these different dynamics are at work.

## **Failure to diversify the business owner's net worth from the business as a whole**

Many business owners hold virtually all of their net worth in their business and find themselves in a difficult situation in a business downturn. After they are gone, their heirs may be forced to sell the business when the market for it is poor.

## **Failure to plan for contingencies**

If you have decided to leave your business to an adult child, what will happen if that adult child predeceases you? Though it is not a scenario any business owner wants to consider, it should be included in your plan. For example, keeping the business within the family by passing it to a son or daughter may allow the surviving spouse to rely on the business for his or her ongoing income. However, unforeseen circumstances may alter the plan, so consider alternative strategies ... just in case.

Planning can be the difference between mortality and immortality of your business and the goals you set for it. With proper planning, your business will survive you and continue your legacy for years to come. ■



**If you have decided to leave your business to an adult child, what will happen if that adult child predeceases you? Though it is not a scenario any business owner wants to consider, it should be included in your plan."**



# Discordant tunes

*The Central Bank of Nigeria and the Federal Ministry of Finance sing discordant tunes on the fate of the eight banks which executive management teams were sacked in the recent banking sector cleansing*

By Semiu Salami



Folayan Ggolahan MD, ETB



Sanusi



Mukhtar

Besides swearing with the Holy Qur'an, Sanusi Lamido Sanusi, governor of the Central Bank of Nigeria, CBN, appears to have done everything he could to convince Nigerians that selling the eight banks which chief executives were recently sacked in an industry-wide cleaning exercise was not his agenda. On several occasions, since the now famous August 14 Tsunami, the CBN governor has had to offer explanations, justifying the apex bank's action and assuring that selling the banks to a predetermined buyers was not his preoccupation.

Despite his several denials, however, many Nigerians still believe the Kano born risk expert is not saying all he knows yet. What perhaps makes the doubt and suspicion more pronounced is the discordant tunes coming from his tribesman, Mansur Mukhtar, the finance minister who has again blown the whistle over the desire of the Federal Government to commence an earnest search for investors to purchase the eight troubled banks. Mukhtar who spoke

at a joint press conference of African Finance Ministers at Istanbul, Turkey recently, said that the government expects that shareholders of the affected banks will be given time to recapitalize, stressing that "we are also looking for new capital injection from investors from both local and foreign banks just like we would expect the creation of an asset management company to remove some of the toxic assets and boost liquidity."

The minister said that the government expects that if in the

event that banks cannot be saved, "we want an orderly exit. That would protect the depositors and the shareholders. And we will also consider government ownership as an interim arrangement depending on the time we are able to get buyers. So these are all options under consideration," he said.

Mukhtar assured that efforts are being made to strengthen regulation and supervision, to focus on risk management as well as to foster greater coordination among all the regulatory authorities. The minister stressed that the central bank governor has the "strongest possible backing from Mr. President and the core economic team. We've had a series of meetings on this. We are coordinating our efforts. We have a strategic perspective on this issue," he said. Mukhtar stressed that the government and its "core economic team"



**Despite his several denials, however, many Nigerians still believe the Kano born risk expert is not saying all he knows yet."**



comprising himself, chief economic adviser to the President, Tanimu Kurfi and Shamsudden Usman, the National Planning minister have endorsed the measures that have been taken to restore confidence in the system and are working very closely to ensure that "going forward, we're able to ensure a smooth transition once these issues now in terms of addressing the fiscal costs".

The CBN had in August this year effected changes in the administrative structures of five banks: Intercontinental, Oceanic, Union, Finbank and Afribank, whose chief executive officers were accused of violating corporate governance issues and giving out credit facilities without regards to lay down rules. Four of the sacked bank chief executives, including those of their subsidiaries as



well as non executive directors of Intercontinental Bank were arrested by the Economic and Financial Crimes Commission, EFCC and they are currently facing wide ranges of charges in

the courts. Two weeks ago, the CBN hammer also fell on Bank PHB, Spring Bank and Equatorial Trust Bank in the last phase of the industry wide cleansing exercise that saw the CBN and the Nigerian Deposit Insurance Corporation examiners combing the books of the 24 licenced banks in a stress test initiated by the CBN to properly reposition the banking industry.

Long before now, there had been speculations that the CBN had tinkered with three options to recapitalise the first five troubled banks after its initial plans to have the N420 billion injected into them converted to tier two capital failed. The CBN governor had earlier in a letter to the affected banks indicated that the N420 billion was part of their tier-two capital but was forced to revert it to long-term loan from the expanded discount window to be paid back over a long period of time. The apex bank was said to have initially considered Rights Issue — in which it hopes to execute a rights issue, converting the tier two capital (the amount injected) to 80 per cent stake in the affected banks' shareholding, leaving the other shareholders with 20 per cent. This option was said to have been dropped because of its legal implication as the CBN does not have the legal backing to execute a rights issue.

The other option which the bank was said to have considered at a point was getting the Securities and Exchange Commission, SEC and the Nigerian Stock Exchange NSE, to do a "Scheme of Arrangement" which will not involve a legal means of bringing shareholders of these banks to an extra-ordinary General Meeting to agree to a merger or acquisition arrangement. The consideration for this option, sources say, may have informed the series of stakeholders meeting the CBN governor had with operators and regulators of the capital market last month.

The last of the three options was the one that could have led to the acquisition of some of the troubled banks by one of the big banks to be backed up by statutory powers.

For now, it's not certain where the pendulum will swing but should the government make good its intention to sell or "nationalize" some of the banks, like some have suggested, it's almost certain that the decision may ignite a serious legal fireworks by the shareholders of some of the banks. ■

## STOCK MARKET AS AT TUE, 20 OCT 2009

### Gainers

AP	(N31.97)	(0.04%)
Flour Mills	(N25.09)	(0.04%)
Diamond Bank	(N7.74)	(0.04%)
ETI	(N15.80)	(0.04%)
Oando	(N93.99)	(0.04%)
Zenith Bank	(N14.35)	(0.02%)
Nig. Breweries	(N57.00)	(0.01%)
UACN	(N37.00)	(0.00%)
Nestle	(N215.00)	(0.00%)

### Losers

Redstar Exp	(N2.28)	(-0.05%)
Pha-Deko	(N4.97)	(-0.05%)
Eterna Oil	(N11.20)	(-0.05%)
SpringBank	(N2.17)	(-0.05%)
C&I Leasing	(N2.36)	(-0.04%)
Dangote Flour	(N4.85)	(-0.03%)
AIICO	(N3.40)	(-0.03%)
7Up	(N29.00)	(-0.03%)
RTBriscoe	(N7.88)	(-0.01%)

Volume: 653.822 million

Value: N5.153bn

Deals: 7,036

Index: 22,758.77

Mkt Cap: N5.369tn



## Still a vibrant brand

*Even in the face of global economic recession and its resulting harsh business environment, Guinness Nigeria Plc has continued to make headway, posting impressive results amidst rumours of its planned relocation from Nigeria*

*By Bola Adeyemi*

Last week, the management of Guinness Nigeria Plc was forced to issue a denial to the alleged planned relocation of its operations to Ghana. Kingsley Uranta, Corporate Communications Manager of the company said in a release that with "almost 50 years of doing business in this country, with a strong heritage and great brands that are admired and preferred by generations of Nigerians, Guinness Nigeria is firmly rooted in Nigeria and is a very significant player in the nation's economy"

Uranta said that Guinness Nigeria is a firm believer in Nigeria, its people and its future, adding that "this is what has driven the continued investment by the company in manpower development and infrastructure. Guinness Nigeria Plc is committed to this country, and is going nowhere."

The denial is coming on the heels of a recent media report which alleged that the brewing giant may have concluded arrangement to relocate its business to Ghana in view of that country's better operating environment and robust infrastructure. But like Uranta said, the financials of the company appears not to suggest any rationality for relocation.

Unlike Dunlop, Michelin and others that have since fled the country, Guinness Nigeria Plc has remained a very prosperous company, churning out impressive financial results. The company's third quarter result which grew turnover by over 29 per cent to over N64 billion as against the N49.5 billion of the corresponding period in 2008 is a test in case. Guinness also recorded over 44 per cent increase in its pre tax profit as it increases to N16.08 billion from N11 billion in the corresponding period of 2008. With an increase of 42 per cent in tax provision to N5 billion from N3.55 billion in 2008, the company



Savage

declared a post tax profit of N11 billion, a 46 per cent increase when compared to the over N7 billion of 2008.

The company had in its full year ended June 30, 2009, announced a turnover of N89 billion as against the N69 billion declared the previous year. There was, however, a slight increase in negative 'extraordinary items,' which stood at N1.3 billion, up from N1.2 billion in the corresponding full year of 2008. After deducting operating cost, the management declared profit before tax and extraordinary items of about N19 billion; an increase of 11.1 per cent over the

**Unlike Dunlop, Michelin and others that have since fled the country, Guinness Nigeria Plc has remained a very prosperous company, churning out impressive financial results."**

N17 billion reported at the end of last financial year. Analysts say the company is becoming more cost efficient in view of its current profit margin and that based on the working capital position; Guinness may not have difficulties in meeting its current obligations as they fall due.

Prompted by what it calls a move towards modernisation, expansion process as well as investing in future growth, the company had earlier this year, offered for sale the Ikeja brewery plants which had remained fallow for about 15 years and was only serving as distribution centre to the company's customers.

This move perhaps was what fuelled the speculations that Guinness Nigeria Plc is planning to relocate to Ghana on the claims of unfavourable business climate. Babatunde Savage, Guinness' managing director had said then that the decision to sell off its Ikeja factory was further prompted by the difficulty faced by trucks coming in and out of the company due to the demarcation of the road. The company is engaged in brewing, packaging and marketing of Guinness Foreign Extra Stout, Guinness Extra Smooth, Malta Guinness, Harp Lager Beer, Gordon's Spark, Smirnoff Ice and Satzenbrau Pilsner Lager brands.

Guinness which also engages in farming was incorporated in 1950 and became a listed company on the Nigerian Stock Exchange in November, 1965. ■





By Philemon Adjekuko, [padjekuko@yahoo.com](mailto:padjekuko@yahoo.com)

## A game of economic death

The game has no rules. But there is a rule book and all players must know the rules by heart. The referees and linesmen are also expected to know the rules and be prepared to recite them without hitch at any time they are called upon to do so. Before the game begins, the participants are strongly reminded on the need to always remember the rules and adhere to them. However, once the unusual game begins, the rules become meaningless.

Moreover, players may not know their real opponents until the game is over. Why so? Sometimes those who did not participate in the game may emerge as winners. Referees and linesmen are at liberty to take side with any team during the game without losing their status even though they might not be present when the game is played. They may also be called upon later to justify the fairness of the game when petitions from dissatisfied teams or players flood the office of the organisers of the game.

I have heard of the deadly game of drinking the witches' brew and playing the Russian roulette. But there is nothing comparable to this game which is a cocktail of vicious activities that shock men with little or no amount of virtue. The game represents everything wicked and crooked. It is a game developed in tatarus and exported to leaders of countries who crave perpetual darkness and underdevelopment for their people.

This is the soul of our political system. And it is an indescribable stench. There is no shame or honour. Those who are cheated in one place cry foul and ritualistically chant the need for a level playing field. Yet, they move on to find another place to cheat those who are weaker on the

chain of self deceit.

Our politicians in their self delusion have come to believe that this minatory game is an integral part of the democratic process. They say it is needed to strengthen the foundation of our democratic experience and deepen it. That eventually we shall have a pure-breed home grown democracy, the pride of Africa. Meanwhile, all actions, septic as they may be help to deepen our democracy. But I fear that soon, we may be drowned in our own uncanny version democracy.

The ruling People's Democratic Party, PDP, may consider the venomous game they are playing in Anambra state as entertaining. But it is not. And no serious-minded Nigerian should be amused over the puckish manner in which the PDP is going about its business in that state. Embedded in the Anambra infantile political paralysis is the script of our lives, our failures, our psychotic beliefs, our pharisaic prodivities and our unbounded pursuit of failure. Let it be on record that the economic fortune of any country is entwined with its socio-political and cultural heritage. Let it be on record that no economy flourishes when its cultural, political and social genes are markedly subnormal in structure. Gregory Clark, an economic historian made that point very clear in his 2007 book: *A Farwell to Alms - A Brief Economic History of*

the World.

Why then do we joyfully continue to defraud ourselves into believing that we can budge our socio-political and cultural processes and miraculously expect (which is all we do these days) that our economy would on its own gravitate towards a supra normal equilibrium or Pareto optimality? Why then do we continue to bewitch ourselves into drawing up grandiose plans about year 2020 when we are incapable of changing our soiled diapers at forty-nine? Why then do we continue to luxuriate in our disreputable pranks believing that our democracy is just in its teething stage?

Quote me, we are not going anywhere. You may call me a pathological disbeliever or a man without faith. But I am neither. It is just that I have seen enough not to believe that a rosy future will emerge from the current political putrefaction.

I must say also that I am immensely disappointed that President Umaru Yar'Adua presides over this grimy affair. The argument that he is hampered by the fact that he is also a beneficiary of a sneaky process does not hold water. If Mr President is a true patriot who is genuinely interested in pushing away this cloud of decadence that has almost whelmed the country, he has not demonstrated it in any observable way. We have heard of rapists who come back from jail to become advocates against rape. We have heard of convicted drug dealers who get out of jail to partner with enforcement agents to fight the peddling of drugs.

Therefore, nothing should stop Mr President from taking on the political pathogens in his party and the economic pathogens that are threatening the survival of our country. To pretend that all is well or that it will be well

(phrases that now lower the threshold of our normal response to grievous stimuli) is to bring the highly prophesied doomsday even closer. For now, I take consolation in John Milton's melancholic lines, "Farewell remorse! All good to me is lost; Evil, be thou my good." ■



**If Mr President is a true patriot who is genuinely interested in pushing away this cloud of decadence that has almost whelmed the country, he has not demonstrated it in any observable way."**



# Disaster waiting to happen

*Unless the government takes urgent steps to stem an impending doomsday, Nigeria risks the danger of acute drought and its attendant food scarcity. Can Nigerians stand the consequences of famine?*

*By Nick Uweru/Abuja*



by our January weather forecast, I'm not sure NIMET made any input that led NEMA to reach such conclusion," Ukeje told The Business Eye in Abuja last week.

So on what basis could NEMA have made its forecast? Charged with management of emergency situation like draught, flooding, building collapse, fire disaster and so on, NEMA, in what it termed as exercising its oversight function on these matters, told the public that 11 states in the Northern part of the country should brace up for drought on account of the early cessation of rain. In a press briefing last week, Mohammed Audu-Bida, a former air vice marshal of the Nigerian Air Force and director general of the agency said that the need to make the information public arose from a quarterly meeting of zonal coordinators of the emergency management agency.

NEMA says that states like Sokoto, Zamfara, Kebbi, Jigawa, and Kano from the North West will be affected while Borno, Yobe, Gombe, Bauchi and Adamawa states are within the catchments of where the draught will strike. The NEMA boss said that the alert came just as cessation of rainfall is being witnessed in some parts of the country. Shuaibu Yishau, spokesman for NEMA told the magazine that the agency is adequately equipped to make the projection. "We have been on constant alert in this matter and we hope that the authorities concerned can take adequate precaution," he said. Audu-Bida added that the 11 eleven states prone to the drought have been sent warning letters detailing the local governments that will be affected by the long drought. "The warning alert about

In several other aspects, the National Emergency Management Agency, NEMA may not have performed creditably well. Its recent alarm bell of a possible drought that has the tendency of unleashing a serious hunger on Nigerians may have won it many admirers. But then, rather than look at the significance of the message with a view to draw out emergency action plans to tackle the threat posed by the likelihood of drought as raised by NEMA, the agency is being branded as alarmist, with desperate moves to undermine its report.

While acknowledging the fact that weather forecast is serious business, the fact that the recent alert, based primarily on weather forecast did not emanate from the Nigerian Meteorological Agency, NIMET, appear to be the only reason why the NEMA alert could not have been true. NIMET

believes NEMA's prediction of drought in 11 Northern States was a serious gaffe that should draw ire, outrage and sanction. NIMET says it stands by the earlier weather prediction it made in January that stated that there are no significant factors to show that there is early cessation of rain in this part of the country yet to warrant a drought threat as raised by NEMA.

Anthony Anuforum, NIMET's director general insisted last week that "dates of onset, cessation and length of raining season are expected to be near normal," the position corroborated by Joyce Ukeje, acting director, applied meteorological services and drought expert in the agency. "As a matter of fact, we stand





Audu Bako, NEMA DG



Anthony Anuforom

the drought became necessary as a precautionary measure to guide the states to make adequate planning, including sensitization of the farmers, contingency stockpiling and networking with focal institutions for effective mitigation on likely negative consequences of the climate condition," he said.

By the end of last week, the news had caused some measure of disquiet across the country, especially because of its effect on food items. This is because early cessation of rain will not only impact on farmers, food supply across the country and the sub-region will be affected. Even so, property, especially in the areas of construction and power generation, will be affected. As recalled, the federal government has since promised to hit a 6,000 megawatt of power generation by December. Much of this projection is hinged on adequate rainfall to increase water flow to the various dams.

By NEMA's projection, trouble lies ahead. But IMET insisted last week that all may not be as NEMA puts it. Weather and climate forecast are determined by natural interplays that do not even subsist within the

country's vicinity. Meteorological experts, for instance, trace rainfall prediction for the country in 2009 to the monsoon flow, regional weather phenomena and the influence of El-Nino and La-Nina, two Pacific Ocean systems. ElNino is associated with drought while La-Nina brings about rainstorm. In between these two phases from the pacific is the neutral. NIMET had predicted that there will be a transition from La-Nina to neutral phase which, at the worst implies spells of dry periods in the south west of the country and flood in other parts. The forecast business essentially depends on international networking among meteorological agencies. This is because climatic factors are not predicated on weather conditions



**Early cessation of rain will not only impact on farmers, food supply across the country and the sub-region will be affected. Even so, property, especially in the areas of construction and power generation, will be affected."**

within a locality. A weather condition may begin in Spain and have ripple effect in Nigeria. But with the agencies working in cooperation, vital information on climate reading and forecast is shared among the agencies. This in a way might limit NEMA's access to sufficient data to make predictions.

But NEMA's Yishau said that his agency has acquired state of the art equipment which allows it to make predictions on disaster prone areas. At the moment though, NIMET's applied meteorological service unit has decided to collate data on the 11 states predicted to be prone to drought. Ukeje told the magazine that it would re-evaluate the data to see if it would back NEMA's projection.

Shadrack Madlion, executive director, Admiral Environmental Care Services Limited believes the whole anxiety over NEMA's drought alert might stem from the worry over climate change. "With global warming concern rising across the globe, stakeholders may well be envisaging its onset in the country. This may well have informed NEMA's position on the 11 states," said Madlion.

But then, the controversies between NEMA and NIMET notwithstanding, there are sufficient reasons to be apprehensive about the NEMA alert. Sokoto State governor, Aliyu Wamakko said last week that the state loses about two kilometres of land to desertification annually. The governor who made the observation shortly after inspecting the shelter belt projects in Wamakko, Dange/Shuni and Tureta local government areas of the state described the situation as "very obnoxious" and said that the state government was doing everything humanly possible to redress it.

Indeed, fears on climate change has been an ongoing concern among agricultural and environmental experts. With the threatened effect of climate change such as drought and flooding, Food and Agriculture Organisation, FAO forecast indicates that the global food commodities market is also likely to remain volatile "in the foreseeable future".

Many developing countries, it is predicted, will increasingly be dependent on food importation due



► to change in climate, the situation that made Ako Amadi, an environmental specialist with the Canadian International Development Agency, CIDA to suggest the need for an urgent steps to be taken by the government to stop drought in the country to forestall the negative consequences especially on food production. "Most of the crops eaten in the country are grown in the North and any drought will definitely affect food production which will in turn affect the nation's population. The way out of this is to use irrigation on the farms and plant drought resistant seedlings. Without this, the country will be plunged into food crises," he said.

Truly so, most of the food items like cereals, grains, fibre and animals (livestock such as goats and cows) eaten in the country come from the North, specifically from the 11 States mentioned as possible targets of the impending drought.

Already, the effect of climate change is being felt across the globe as prices of food commodities have been on an increase. A report by FAO last week suggested that the price of food commodities is likely to stay high in the medium term with a repeat of the 2007-2008 price spikes seen as a realistic possibility. The price of food items began rising across the world in 2006 and reached a peak in developed countries last year. It is still on the rise in developing countries and this has led to riots and hunger in many countries.

While the possible effect of the drought is frightening enough in Nigeria, analysts say the outbreak of drought in any of the 11 northern states categorized by NEMA as drought-prone and the attendant crop failure and food deficits could have catastrophic impact on the region because half of all the cereals produced by all 15 member countries of the Economic Community of West African States, ECOWAS, come from there.

Claude Jibidar, deputy regional director of the World Food Programme, WFP for West Africa was quoted to have said shortly before NEMA's warning that a deficit in cereals production in Nigeria would have dire consequences. "That could represent a major food security risk for lots of countries in the region, starting with Niger not to mention Mali and even



Saayad Abba Ruma, Min. of Agriculture

Mauritania," said Jibidar.

Already, in neighbouring Niger, late, irregular and unequal distribution of rainfall has disrupted the country's mainly rain-fed agricultural production; the situation which the Niger Association for the Defence of Human Rights, ANDDH warns could create a significant shortfall in cereal production in several parts of the country. There are fears that the situation in Niger, ranked bottom of the United Nations development index, could be "catastrophic" if authorities in the West African country do not intervene urgently to guarantee food security. An outbreak of drought in Nigeria could worsen the situation. "Already, many able-bodied persons have deserted their villages for urban centres and neighbouring countries," said ANDDH. In 2005, a severe food crisis

in Niger affected 3.6 million people, among them 800,000 children as a consequence of drought and locust invasion.

Whether this alert would be taken seriously this time is yet to be ascertained. Audu-Bida expressed regrets that only few states took the advice of the agency when an alert was sent earlier in the year to warn the Northern governors about the likely flooding before the commencement of the raining season. The lack of action by the government, he said has badly affected cities and towns in coastal areas where floods have rendered over 150,000 Nigerians homeless and properties worth millions of Naira lost, he said.

In a country where most food items, with the exception of garri, corn and oil palm are largely from the North, an outbreak of drought there would no doubt have debilitating effect on the nation. This is even made worse by the near absence of sustainable storage facilities in the country. For the strategic grain reserve project designed by the Federal Government to preserve grains for national emergencies such as the one staring the country in the face, less than a quarter of the 26 Silos expected to be build throughout the country are completed.

For now, it is not certain how the Federal Government intends to address the challenges posed by the NEMA reports. Saayad Abba Ruma, Agriculture and Water Resources minister could not be reached last week but reliable sources told the magazine that all the affected state governments are not treating the alert with kid gloves. "Long before NEMA alert, we have always known that we are vulnerable and that is why we have continued to work round the clock to minimize the effect when it eventually occurs," said an official of one of the states who preferred anonymity last week. ■



**With the threatened effect of climate change such as drought and flooding, Food and Agriculture Organisation, FAO forecast indicates that the global food commodities market is also likely to remain volatile "in the foreseeable future."**



# Keyamo, Olajide and the Customs boss

By Sylvester Ikhonde

Events in the past few weeks, particularly with regards to the controversy generated by the certificate forgery allegations involving one Ibrahim Oyewole Olajide and the Lagos lawyer, Festus Keyamo on one hand and Alhaji Dikko Abdullahi, the new Comptroller General of the Nigeria Customs Service, NCS on the other is rather amusing. The matter came to the fore recently when Keyamo, acting on information allegedly supplied by Olajide petitioned President Umaru Yar'Adua to remove Abdullahi as the Customs boss. The Keyamo-Olajide's grouse was that the Customs' boss allegedly forged his secondary school certificate as well as that of the Nigerian Institute of Management, NIM.

As the story goes, Olajide was said to have confided in Keyamo that he helped the customs boss forged the two certificates. In an affidavit he swore to at the Lagos High Court dated September 1, 2009, he claimed that he was doing the compulsory one year National Youth Service Corp, NYSC, with the NIM in 1995-1996 when he committed the alleged crime. Olajide was also said to have claimed to have, alongside two unnamed officials of the Association of National Accountants of Nigeria, ANAN, to write the qualifying exams for the customs boss.

Curiously, however, all the claims appear to have fallen on their face and Keyamo and his client's case fast crumbling like

pack of cards. This is even more poignant, given fresh revelations thrown up by the Police team investigating the matter. The police investigations show that the NIM has denied that Olajide neither did his NYSC nor worked with it. The institute also said there was nobody with that name in its employ over the years. The police request came on the heel of a criminal case of robberies instituted against Olajide in Abuja.

Perhaps, more worrisome was why the learned counsel chose to plunge himself into a case of a man destined for self destruction. Several



**Perhaps, more worrisome was why the learned counsel chose to plunge himself into a case of a man destined for self destruction."**

times in the past, Olajide was said to have apologized to Alhaji Dikko allegedly for blackmailing him. Indeed, in his statement of confession to the Federal Capital Territory, FCT Police Command of January 14, 2007, Olajide was said to have admitted that he used the blackmail to extort money from the customs boss: "I only blackmail him to get money from him. I am begging for forgiveness. I did it out of cowardice," he was quoted to have said in the said police report. It is instructive to note that a year before this confession to the police,

specifically on February 15, 2006, Olajide had written an apology letter to Alhaji Dikko where he sought for his forgiveness. "I hereby apologise to Alhaji Dikko for recent development that ensued between me and him and henceforth, regret, whatsoever, embarrassment I might have caused to his person. Finally, I pray to Almighty Allah to forgive me and also Alhaji Dikko to forgive me."

Given these facts as it were, it then beats imagination that a man of Keyamo's standing could get himself embroiled in such a messy situation. From the emerging facts, it may just be right to conclude that Keyamo, perhaps, in a hurry to register his name in another controversial issues like the ones he had been variously involved in, lost sight of the need for him to do proper due diligence on his client's claim.

Since Keyamo and his client were sure of the facts at their disposal, why did they prefer a petition to the president seeking the removal of the NCS boss rather than pursue the matter in a law court? Was Keyamo a victim of what Senator Ibrahim Mantu recently aptly described as Nigerians' penchant to crucify people first without asking for the facts of a crucial matter and that when they know the facts, they apologise or plead ignorance?

It is certainly unlikely that Keyamo forgot the fact that ignorance is no defence, especially in a highly contentious issue like this. May be the least Keyamo could have done was to have investigated the various spurious claims made by Olajide before rushing to crucify Alhaji Dikko in what is fast turning out to be a case of the hand of Esau but the voice of Jacob. As things stand, it may not be inappropriate to agree with the position of some who believe that the present crisis is being fanned by some powerful interest that lost out in the race for the top Customs job. ■



## Wheat grass juice: A deviation from the common

By Yemi Bamidele

**W**heat grass is now becoming an ultimate life saver for most people who are looking for ways to heal and to be relieved from their health problems. It is a widely used supplement globally.

According to studies and researches, wheat grass contains the natural ingredients needed by the body to promote natural healing within organs and cells. It contains chlorophyll which is considered as the vital material needed by plants. Wheat grass is for life, it contains everything you need to have to grow healthy.

Wheat grass is a deviation from the common benefits that other medicinal plant can offer. Among people suffering from drug addiction and smoking, many of them found relief of taking wheat grass. It has been proven that drinking the



juice helps to dissolve scars and damages in the lungs brought about by drugs and smoke.

Here are other intriguing benefits



derivable from wheat grass juice:

1. Increased red blood cell count
2. Cleanses the blood and other organs of the body
3. Cleanses internal tracts from toxins
4. Stimulates metabolism
5. Blood pressure reduction
6. Kindles the thyroid gland
7. Corrects obesity and aids digestion
8. Restores alkalinity
9. Reduces acidity
10. Relieves internal pains
11. Treats peptic ulcer
12. It is a powerful detoxifier
13. Protects the body from carcinogens
14. Strengthens the cells
15. Fights tumours and neutralises toxins
16. Heals wounds and cut easily
17. Eliminates itching
18. Soothes sunburn
19. Acts as a disinfectant
20. Can relieve scalp problems
21. Promote healing even to infected wounds, open tumors and ulcers and other lesions.
22. Aids sleep
23. Enhances the body's oxygen level. ■

### Alternative therapy

#### How to diet successfully

**M**illions of adults have been on diets at some stage of their lives. Millions are at this very moment, and thousands attempt to start a diet each day. But thousands also go wrong.

##### Why many diets don't work

Boredom is one of the main reasons that people give up on their diets. Most diets have to do with little food and other uninteresting things. No wonder they are hard to stick to. The basic thing to remember is that to lose weight is to consume fewer calories. Remember that fat contains more calories per gram than carbohydrates. Cut down on fat and you will cut down on calories. So eating occasional sweet snacks, instead of crisps or fatty snacks will help.

And then to loss weight, you need to be patient! Dramatic results cannot be achieved healthily in the course of a week and should not be expected. Remember to exercise - start off gently at first and always consult your doctor if in any doubt, but a healthy lifestyle will help contribute to a

healthy and lean body. Again remember to cut down those calories. Discover where you can cut back on the calories in your diet but without starving and having unimaginative food - wherever possible replace fats with sugars. So, instead of having butter on your bread, have jam. Have leaner meats instead of red meat. If you reward yourself with fish and chips or something similar, do not feel guilty! ■





## AmPlug VOX mini guitar amp



**E**ven with its ultra-compact size, the amPlug perfectly reproduces the complex and warm distortion that is distinctive of a vacuum tube, as well as the powerful high gain produced by a large amp stack.

Using all new analog modeling technology, the amPlug delivers full-fledged amp sound. There is even a jack for an external audio source which mixes with whatever you're playing on your guitar, perfect for practicing.

Three different models give you the specific sound you are looking for. The "AC30" emulates the AC30 top boost sound of a vintage VOX AC30 Amp, "Classic Rock" gives you the great high-gain sound of a UK-made 100W amp while "Metal" delivers the explosive roar of US high-gain metal sound. All have independent tone and gain knobs to tailor the sound to your liking.

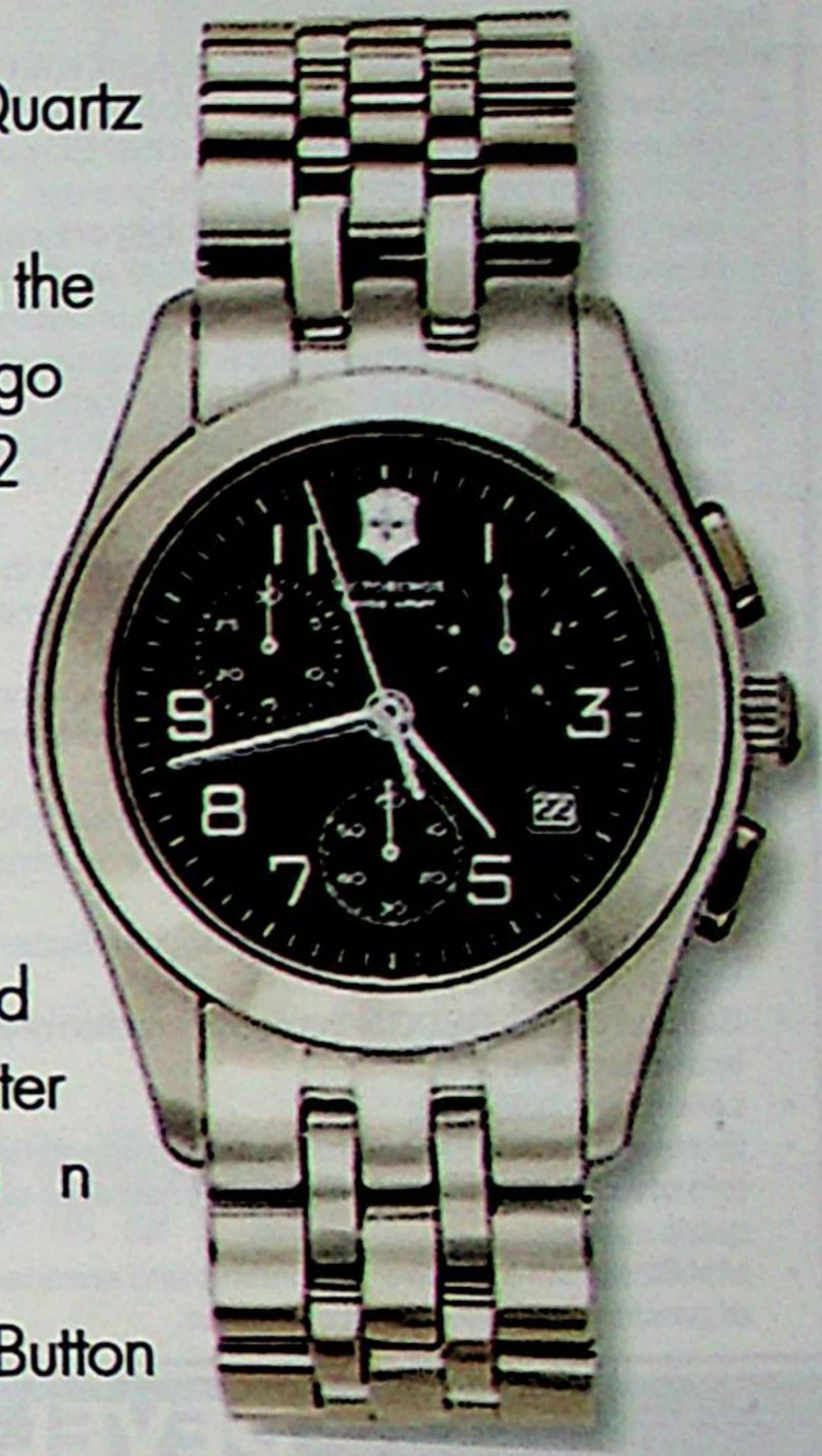
### Features

- Pocket size guitar amp delivers authentic tube-amp sound
- Plugs directly into your guitar/ bass - a great-sounding headphone guitar amp that gives you serious sound fast
- Available in three styles: VOX AC30, Classic Rock, and Metal
- AUX in jack lets you jam along with your CD/MP3 player
- 100% analog circuit faithfully simulates the response of the original amps
- AC30 emulates the AC30 top boost sound of a vintage VOX Ac30
- Classic Rock gives you the great high-gain sound of a UK-made 100W amp
- Metal delivers the explosive roar of US high-gain metal sound
- Up to 15 hours of battery life with two Alkaline AAA batteries (included)
- Quick and easy setup! Just connect amPlug to your guitar and enjoy serious sound
- Dimensions (W x D x H): 86 x 80 x 31 (mm), 3.39" x 3.15" x 1.22" ■

## Victorinox swiss army 24080 alliance mens watch

### Features

- Precision Swiss Quartz Movement
- Large numerals with the Official Swiss Army logo at the 12
- Date at 4 O'clock position
- Chronograph times in hours, minutes and seconds
- Solid Titanium case and bracelet is 1/3 lighter than stainless steel



- Bracelet has Push-Button Deployment Clasp
- Screw-In Caseback
- Center Second Hand
- Sapphire crystal is virtually scratch-proof
- 100 Meters Water Resistant. ■

## Walkie talkie goggles

**T**he Walkie Talkie Goggles Communicate over distances of up to 120ft. Push to talk function with great audio quality and enables easy communication without using hands.

### Features:

- Communicate over distances of up to 120ft
- Includes batteries
- Great audio quality. ■





## PROJECT OFFICER FOR GENDER AND ELECTION

**Location :** Juba, SUDAN  
**Application Deadline :** 27-Oct-09  
**Type of Contract :** SSA  
**Languages Required :** Arabic English  
**Starting Date :**  
 (selected candidate is expected to start) 01-Nov-2009  
**Duration of Initial Contract :** 1 year

### Duties and Responsibilities

- Strategic Positioning on National Policies and Plans:
- Undertake strategic and inclusive approaches in coordinating the elections programme at all levels and ensure UNIFEM demonstrably and substantially contributes to engender the electoral process;
- Identify, enlist and contribute to capacity of local implementing partners on elections at states level as per UNIFEM elections programme.
- Analyze and contribute to the continuous contextual analysis and trends to assist UNIFEM to shape its elections programme,
- With the support of the PS-GEDG contribute to the documentation of the election process from a women's empowerment and gender equality perspective.
- Oversight in project implementation:
- Contribute to provision of technical support to the High Committees at the GoSS and in the ten states to ensure effective implementation and management of the UNIFEM supported elections programme.
- Review the election programme implementation plan to have clear targets, indicators and deliverables and ensure these are achieved within the time frame for each deliverable,
- Undertake effective monitoring and assessment to ensure effective coordination amongst key actors in the implementation of the election programme.
- Assist in the coordination of the Southern Sudan Gender Elections Working Group (SSGEWG),
- Support the PS-GEDG in the documentation of the experiences/lessons learnt/best practices.
- Leveraging Activities:
- Ensure that UNIFEM establishes a strong network of partners to strengthen the role of women in the election and to ensure the proper implementation of the quota system.
- Mobilize an all-inclusive partnership and advocacy / lobby for the achievement of gender sensitive electoral process.

- Ensure that effective programme implementation increases additional resources to support programme expansion and sustainability.
- Contribute to inputs for donors reporting, and the provision of timely, regular and quality donor briefs and reports as may be required from time to time.
- Perform any other duties as may be assigned by the PS-GEDG and the Southern Sudan UNIFEM Programme Manager.

### Competencies

- Ability to assess, supervise and coordinate technical work in elections.
- Excellent political, contextual and trend analysis and awareness of local conflict dynamics.
- Experience in conducting gender needs assessment and programme design/monitoring.
- Ability to adhere to UNIFEM's programming principles of impartiality and neutrality in a complex environment.
- Excellent networking, interpersonal and teambuilding skills.
- Excellent communication (spoken and written) skills, including the ability to draft / edit a variety of written reports and communications and to articulate ideas in a clear, concise style in both English and Arabic;
- Familiarity with UN rules and procedures including modelling the UN's values of ethical standards, commitment to UNIFEM's mandate, mission, vision, values and strategic goals.
- Displays cultural, gender, religion, race and age sensitivity and adaptability.
- Demonstrates hands-on experience in development, monitoring the implementation and the evaluation of development projects and resource mobilization.
- Experience in the usage of computers and office software packages, experience in handling of web based management systems.
- Experience in result-based management including monitoring and evaluation will be an added advantage

### Required Skills and Experience

- Advanced degree in Political Science, Social Sciences, which may include but not limited to International Relations, International Development Studies, Gender / Women's studies, Law, Sociology or other related fields.
- Minimum 3 years of professional working experience in governance, elections and gender related work.
- Fluency in English and Arabic
- Knowledge of Juba Arabic will be an added advantage

## DEVELOPMENT AND COORDINATION OF GENDER EQUALITY AND WOMEN'S EMPOWERMENT

**Location :** Addis Ababa, ETHIOPIA  
**Application Deadline :** 27-Oct-09  
**Type of Contract :** SSA  
**Languages Required :** English  
**Starting Date :**  
 (selected candidate is expected to start) 01-Nov-2009  
**Duration of Initial Contract :** 4 months

### Duties and Responsibilities

- Conduct in-depth interviews with members of the Joint Programme Drafting Committee to get clarification on roles, existing and planned activities and strategies, key stakeholders and other essential background information build a consensus to set up the UN Joint Programme Working Group on Gender
- Based on the above, develop a weekly workplan for the first three months with timeline for each activity
- Setting up the UN Joint Programme Working Group consisting of a member each from the participating agencies and setting up weekly coordination mechanism
- Developing ToRs of the members of the UN Joint Programme Working Group, the group and all other structures as created; getting them approved and signed by the heads of the agencies and RC
- Setting up planning coordination mechanism involving weekly working sessions
- Gender and women relevant national plans, strategies, needs assessment documents,
- UNDAF and gender assessment of the UNDAF, UNDAF Midterm Review Report,
- Draft Gender Statistical Handbook
- Country strategies of the participating agencies and any other as relevant
- Results Matrix based on RBM principles
- Road map to the full development of the joint programme
- Programme logic model
- Workplan for the full duration of the joint programme
- Inception work plan for 3-6 months if needed,
- Annual work plan for the year one,
- Monitoring and evaluation plan with indicators and responsibilities assigned,
- Process documents with full analysis and details of the JP development process for learning purposes,
- Programme document narrative
- Joint Programme budget
- A powerpoint presentation on the JP and key results and a powerpoint presentation on the workplan of the joint programme
- Management and coordination plan document for the JP
- Review and finalization of the all the MoUs to be signed for the AA, participating

organizations and between the donor and the AA

- UN Joint Programme Working Group set up and working session and coordination frequency for implementation agreed
- Consultations with the heads and programme heads of the participating agencies, the government, key civil society and others held
- Mapping report of ongoing gender and women related activities of the participating agencies
- A thorough assessment of the risks and assumptions underlying the programme document must be provided.
- The final results matrix should have outputs and sub-outputs that respond directly to relevant UNDAF outcomes, the analytical findings and consensus-building efforts undertaken in the preparation of the Joint Programme.
- The proc and all other documents to closely adhere to UNDG Guidelines

### Competencies

- Demonstrated understanding of Results Based Management, logic frameworks and models
- Knowledge of applying international norms and standards of gender equality (CEDAW, Beijing Platform for Action, CRC, EU standards) to national and local contexts
- Proven experience of working on UN Joint Programme formulation, monitoring and evaluation.
- Good knowledge of the political, economic and social contexts of Ethiopia would be an asset.
- Excellent knowledge on capacity development strategies required; knowledge on advocacy strategies and capacity building design highly desirable.
- Experience of working with a variety of different stakeholders, including the public sector, donor community and civil society.
- Experience and skills in networking, coordination and knowledge management.

### Required Skills and Experience

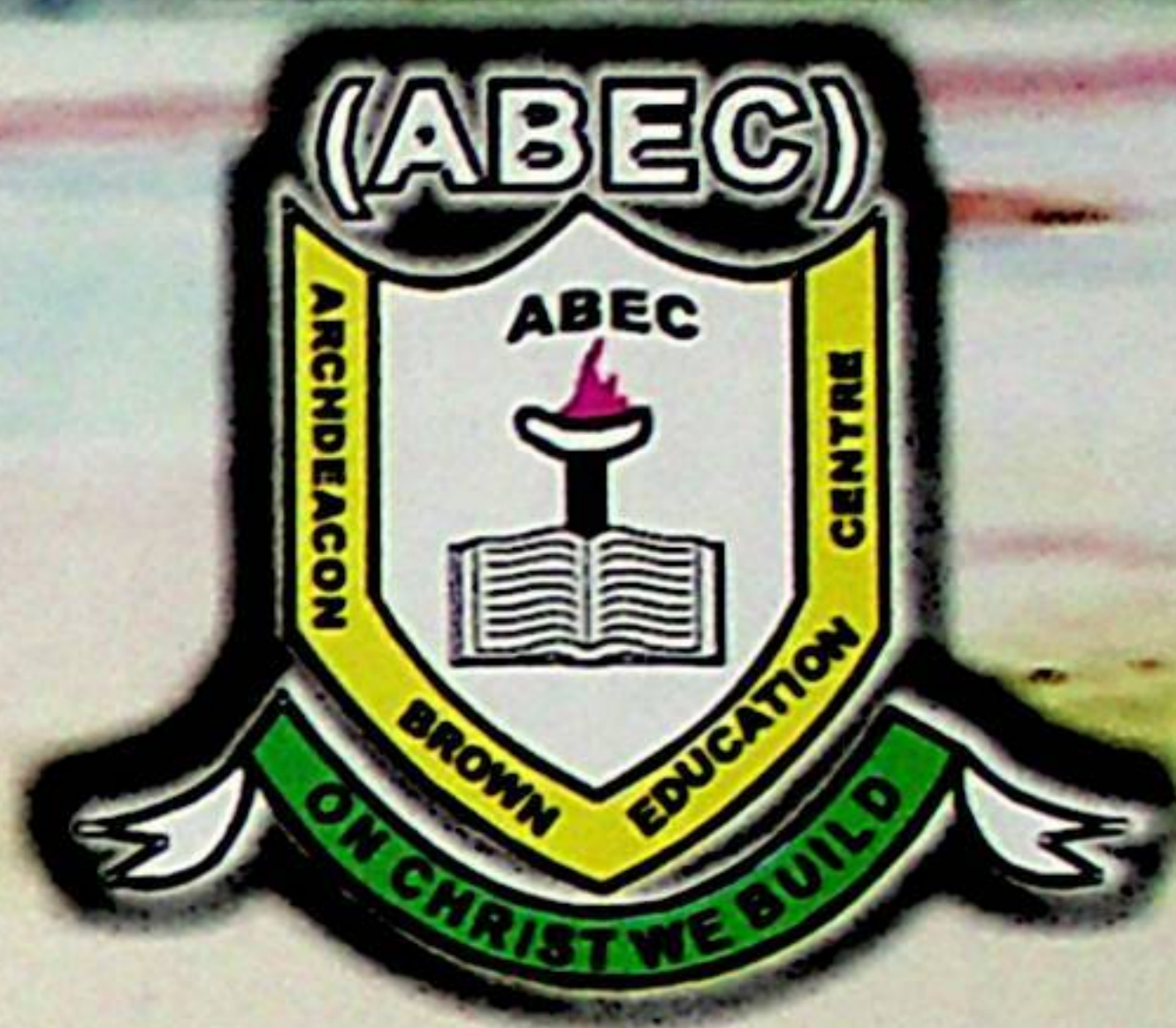
- The international consultant will not only provide technical expertise to the team but also serve as team leader. Successful candidates are expected to possess the following qualification:
- Postgraduate Degree in Social Sciences with a focus on gender issues and at least 7 years of work experience relevant to the assignment;
- Good understanding of the UN, UN Reforms and Gender architecture reform,
- Thorough understanding of the Joint Programmes
- Excellent written and spoken English. Fluency in Amharic an advantage.

For more information visit Google search - job.undp.com





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