

THE ALP REVIEW

Q3 2024

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INTRODUCTION



Welcome to our quarterly newsletter. In this quarter, we focus on the dynamic landscapes of banking, finance, capital markets, energy, natural resources, transportation, technology, media, and telecommunications sectors in Nigeria and across the African continent.

As the heartbeat of innovation and progress, these sectors play pivotal roles in shaping the economic, social, and technological fabric of our societies. Through insightful analysis, industry updates, and expert commentary, our newsletter aims to provide you with a comprehensive overview of the latest trends, developments, and opportunities in these vital sectors.

- ▶ We have compiled the major circulars, letters, guidelines, rules and regulations, exposure drafts, etc., released in the banking and finance sector in Nigeria and across the African continent in Q3 2024.
- ▶ We have compiled the major happenings, notices, and guidelines in the capital markets sector in Nigeria and across the African continent in Q3 2024.
- ▶ We share updates on the major happenings in the energy, natural resources, transportation, technology, media, and telecommunications sectors in Nigeria and across the African continent in Q3 2024.

The ALP Review Q3 2024

Banking and Finance



CBN Discontinues Price Verification System for Form 'M' Applications

On 26 June 2024, the Central Bank of Nigeria issued a circular discontinuing the Price Verification System (PVS), a mechanism used for verifying pricing in Form 'M' applications. Introduced in August 2023, the PVS was part of efforts to ensure accurate pricing for goods and services in the Nigerian foreign exchange market (the FX Market).

However, recent developments in the FX Market have led the CBN to abolish the system.

Effective 1 July 2024, all Form 'M' applications will no longer require a Price Verification Report, thus simplifying the validation process.

Comment: Authorised Dealer Banks and the general public are hereby advised to take note of this update and be guided accordingly.

For more information, please [click here](#).



CBN Approves Revised Guidelines for the Deposit of Foreign Currency by Banks

On 27 June 2024, the Central Bank of Nigeria (CBN) issued new guidelines allowing Deposit Money Banks (DMBs) to deposit their excess foreign currency notes with its Lagos and Abuja branches. This move aims to deepen the foreign exchange market, boost liquidity, and align exchange rates between the parallel and official markets.

DMBs can now deposit foreign currency, including USD, GBP, and EUR notes, within prescribed daily limits, such as USD 10 million in higher bills and EUR 1 million. The process requires banks to provide at least three days' notice, and they must adhere to strict deposit procedures, including the use of CBN-registered Cash-in-Transit (CIT) companies.

The deposits will be credited to the banks' offshore accounts within five business days, and a handling charge of 0.30% will be applied.

Comment: These guidelines offer banks an avenue to manage foreign currency surpluses more efficiently and may help stabilise Nigeria's exchange rates. Banks are therefore advised to take advantage of the guidelines.

For more information, please [click here](#).

CBN Reaffirms Acceptance of Old/Lower Denominations of US Dollars

On 27 June 2024, the Central Bank of Nigeria (CBN) reissued its directive to Deposit Money Banks (DMBs) and authorised forex dealers to accept old and lower denominations of United States Dollar (USD) bills that remain legal tender.

This circular follows continued reports of rejection by banks and forex dealers, despite the existing directive first issued on 9 April 2021. The CBN emphasised that any refusal to accept these bills will result in sanctions.

The circular also cautioned against defacing or stamping USD banknotes, as such notes often fail authentication tests during processing/sorting.

The CBN reiterated its commitment to ensuring compliance among financial institutions, urging banks and dealers to treat all legal tender USD notes equally.

Comment: Banks and forex dealers must review their operational practices to ensure they are not rejecting valid USD notes, as non-compliance could lead to regulatory penalties.

For more information, please [click here](#).



CBN Issues Penalties for the Rejection of Over Circulated/ Mutilated Banknotes by Deposit Money Banks

On 28 June 2024, the Central Bank of Nigeria (CBN) issued a circular stating that there have been multiple instances of Deposit Money Banks (DMBs) rejecting dirty or mutilated Naira banknotes. As a result, the CBN reminds DMBs that the circular dated 2, July 2019, with reference number COD/DIR/GEN/CIR/01/006, which outlines penalties for rejecting Naira banknotes, remains in effect and will be enforced.

CBN further stated that strict sanctions will be imposed on any DMB found rejecting Naira banknote deposits from the public, regardless of the reason.

Comment: All DMBs are advised to comply strictly with this circular to avoid being sanctioned.

For more information, please click [here](#).

CBN Approves Forex Sales to BDCs to Address Retail Market Demand

On 18 July 2024, the Central Bank of Nigeria (CBN) announced the approval of foreign exchange (FX) sales to eligible Bureau de Change (BDC) operators to meet the demand for invisible transactions in the retail market. This directive comes as part of ongoing reforms aimed at achieving a market-determined exchange rate for the Naira. The CBN has observed significant distortions in the retail end of the FX market, contributing to widening gaps in the exchange rate between official and parallel markets.

Under the new guidelines, each eligible BDC will be allocated \$20,000 at a rate of N1,450 per dollar, with a permitted sales margin of no more than 1.5% above the purchase rate.

BDCs are expected to follow proper protocols by submitting confirmation of Naira payments and required documentation at CBN branches in Abuja, Awka, Kano, and Lagos for disbursement.

Comment: This move by CBN is aimed at narrowing the exchange rate gap between the official and parallel markets, while improving liquidity in the retail FX market. BDC operators should ensure compliance with the new rules, particularly in setting prices to avoid regulatory penalties.

For more information, please click [here](#).

CBN Issues Revised Guidelines on Dormant Accounts and Unclaimed Balances

On 19 July 2024, the Central Bank of Nigeria (CBN) issued revised guidelines on the management of dormant accounts, unclaimed balances, and other financial assets held by banks and other financial institutions in Nigeria. These new guidelines, which replace the previous version from October 2015, are part of the CBN's efforts to implement Section 72 of the Banks and Other Financial Institutions Act (BOFIA) 2020.

The revised rules were developed following stakeholder consultations and are aimed at standardising the process for managing dormant accounts and unclaimed assets in the financial sector.

The updated guidelines provide clear procedures for the

administration of dormant balances, unclaimed funds, and other financial assets, including the transfer of such funds to CBN.

Comment: These revised guidelines aim to bring transparency and standardisation to the management of dormant accounts and unclaimed funds, protecting both customers and financial institutions. Care must however be taken to prevent a situation where the proprietary rights of Nigerians are being violated.

In addition, banks and other financial institutions must take immediate steps to align their processes with the new regulations to avoid penalties.

For more information, please click [here](#).

CBN Approves Financial Support for Unity and Providus Banks' Merger

On 6 August 2024 via a press release, the Central Bank of Nigeria (CBN) approved a significant financial support package to facilitate the proposed merger between Unity Bank Plc and Providus Bank Limited. This move is aimed at ensuring financial stability and mitigating potential systemic risks within the Nigerian banking sector. The financial support provided by the CBN will help address Unity Bank's outstanding obligations to the CBN and other stakeholders, reinforcing the post-merger entity's stability and operational efficiency.

The CBN emphasised that this merger is in line with Section 42(2) of the CBN Act, 2007 and reassured the public that no other Nigerian banks are currently in a situation as dire as Heritage Bank, which was recently liquidated.

Comment: This decision by the CBN highlights its dedication to protecting depositors' interests, preserving financial stability, and fostering confidence in the banking system during this period of transition.

For more information, please click [here](#):



CBN Clarifies Foreign Exchange Manual Requirements for Divestment and Repatriation

On 8 August 2024, the Central Bank of Nigeria (CBN) issued a circular to all authorised dealer banks and the general public, providing clarification on the Foreign Exchange Manual, particularly Memorandum 20, Section 2(vi). This clarification pertains to both divestments and repatriation processes related to Certificate of Capital Importation (CCI) transactions, which cover investments in local currency assets like money market instruments, debt securities, and equities.

The CBN emphasised that for any divestment or repatriation, investors must present two key documents:

- i. Evidence of an electronic Certificate of Capital Importation (CCI)
- ii. Evidence of the redemption of their investment in local currency assets.

Comment: This update serves as a critical reminder for investors and financial institutions to maintain accurate documentation of foreign investments and repatriation processes.

For more information, please click [here](#).

Kenya Commercial Banks to Begin Tracking High-Value Transactions

On 8 August 2024, Kenyan commercial banks announced they will start tracking large cash deposits and transfers exceeding KES 1 million. This initiative follows a directive from the Central Bank of Kenya (CBK) issued in October 2023 to combat money laundering and terrorism financing. The directive requires the introduction of “purpose of payment” (PoP) transaction codes, which will enhance transparency in financial transactions and facilitate compliance with ISO 20022 standards.

The NCBA has already informed customers of these new measures, while other banks are expected to implement PoP code for Real-Time Gross Settlement (RTGS) transactions. This transition aligns with global efforts to standardise financial messaging and improve transaction processing. The Kenya Electronic Payments and Settlement System (KEPSS) reported processing 1.98 million RTGS transactions valued at KES 10.7 trillion (\$82.3 billion) in Q1 2024.

Comment: The implementation of PoP codes represents a significant step towards enhancing regulatory compliance and transparency within the Kenyan banking sector. As banks adjust to these new standards, it will be crucial for them to ensure that their systems are equipped to handle the additional reporting requirements to avoid substantial fines for non-compliance.

For more information, please click [here](#).



CBN Adjusts Asymmetric Corridor for Standing Deposit Facility (SDF)

On 26 August 2024, the Central Bank of Nigeria (CBN) issued a circular adjusting the Asymmetric Corridor for the Standing Deposit Facility (SDF) following the decision of the Monetary Policy Committee (MPC) during its 296th meeting. The new SDF rate has been set at 25.75% for deposits up to ₦3 billion for commercial and merchant banks, and ₦1.5 billion for Payment Service Banks (PSBs). For any excess deposits beyond these amounts, the rate drops to 19.00%. This adjustment is part of CBN's broader monetary policy aimed at managing liquidity within the banking sector.

The change in the Asymmetric Corridor, now set at +500/-100 basis points around the Monetary Policy Rate (MPR), reflects

the CBN's ongoing efforts to balance lending and deposit rates, with the Standing Lending Facility rate set at 31.75%.

Comment: This new directive provides incentives for banks to limit excessive deposits and encourages increased lending within the financial system. Banks must align their deposit strategies with the revised SDF rates to optimise liquidity management.

For more information, please click [here](#).

CBN Lifts Suspension on Standing Lending Facility, Sets New Rate at 31.75%

On August 26, 2024, the Central Bank of Nigeria (CBN) reinstated access to its Standing Lending Facility (SLF), with a revised rate of 31.75%. This decision followed the Monetary Policy Committee's (MPC) 296th meeting, where the upper corridor of standing facilities was adjusted to 5.00% from the previous 1.00% around the Monetary Policy Rate (MPR). Authorised dealers can now access the SLF between 5:00 PM and 6:30 PM via the Scripless Securities Settlement System (S4).

The CBN also clarified that the Intraday Liquidity Facility (ILF) remains available at no cost if repaid on the same day.

However, a 5.00% penalty will apply to those failing to settle their ILF, with the system converting the facility to SLF at a higher rate of 36.75%.

Collateral execution will be reintroduced as per the approved repo guidelines.

Comment: The lifting of the SLF suspension at 31.75% offers a new avenue for liquidity management in the financial system. Banks must navigate the higher penalties for unpaid ILF settlements and adapt to the reintroduction of collateral execution to avoid penalties.

For more information, please click [here](#).

Banks and Fintechs Remain Wary of Crypto Despite New Licenses

On 3 September 2024, Nigeria's Securities and Exchange Commission (SEC) issued its first cryptocurrency licenses to Busha and Quidax, a notable step in the country's evolving cryptocurrency regulation. This follows the Central Bank of Nigeria's (CBN) December 2023 lift on its ban against banks interacting with crypto exchanges, though banks were later instructed to block peer-to-peer (P2P) traders' accounts by May 2024.

Despite SEC's progress, ongoing uncertainties and recent legal actions, such as a high court's refusal to unfreeze a crypto-related account and temporary bans on major fintech's, have led banks and fintech's to remain cautious.

Comment: The issuance of crypto licenses by the SEC is a positive step towards formalising Nigeria's crypto sector. However, the reluctance of banks and fintechs to engage crypto exchanges reflects an underlying regulatory tension between the SEC and CBN.

Until clearer guidelines are issued, legal uncertainty creates potential risks for financial institutions. Companies involved in crypto or related financial services should remain cautious and closely monitor policy developments, as opportunities may arise when regulatory frameworks become more stable.

For more information, please click [here](#).



Zimbabwe Backs its Currency with \$190 Million

In a communication dated 3 September 2024, it was reported that Zimbabwe has allocated \$190 million to strengthen its foreign currency reserves and support its domestic currency, the ZiG, amidst rising import costs, declining export prices, and high inflation.

The Reserve Bank of Zimbabwe has designated 50% of foreign exchange proceeds from exporters to underwrite its new gold-backed currency, including a \$50 million injection into the market in July. The central bank holds approximately \$370 million in reserves and has indicated that market interventions will be a continued and regular practice.

This approach is consistent with measures taken by other African nations, such as South Sudan, Mauritius, Nigeria, and Zambia, which have collectively expended over \$1 billion since July to stabilise their currencies under similar economic pressures.



Comment: These measures are designed to stabilise Zimbabwe's currency and manage inflation, while also reflecting a broader regional strategy among African nations facing similar economic pressures. However, they also pose risks of increased operational costs and potential financial strain.

For more information, please click [here](#).

CBN Mandates Payment Service Providers to Connect to Payment Terminal Service Aggregators

On 11 September 2024, the Central Bank of Nigeria (CBN) issued a circular mandating all Payment Service Providers (PSPs) to route Point of Sale (PoS) transactions through licensed Payment Terminal Service Aggregators (PTSAs).

This directive follows the granting of a second PTSA license to Unified Payment Services Limited (UPSL) in April 2024, in addition to Nigeria Interbank Settlement System Plc (NIBSS), which has held its PTSA license since 2011.

The new regulation aims to ensure flexibility in PoS transactions by allowing Acquirers to select their preferred Processor and PTSA.

In addition, all PoS transactions at merchant and agent locations, whether conducted on physical or electronic terminals, must now be processed through a CBN-licensed PTSA. Monthly returns on PoS activities are required from both Payment Terminal Service Providers (PTSPs) and PTSAs to the CBN.

The circular finally mandates all PSPs to commence regularisation with the PTSAs and confirm compliance in writing to the CBN within 30 days from its date.

Comment: This circular emphasises the CBN's continued efforts to centralise and track electronic transactions, which can improve transparency and oversight within Nigeria's payment system.

PSPs, PTSPs, and Acquirers are therefore advised to ensure swift compliance to avoid potential sanctions. For businesses in the fintech space, this presents both a compliance requirement and an opportunity to optimise transaction routing processes.

For more information, please click [here](#).

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Capital Markets

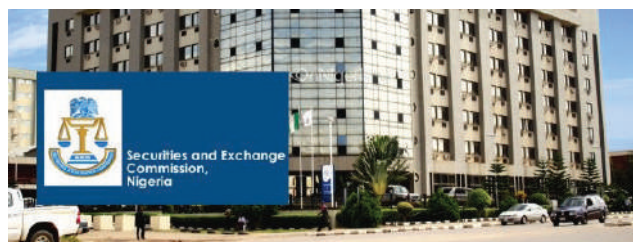


SEC Launches Revamped E-Dividend Mandate Management System Portal

On 2 July 2024, the Securities and Exchange Commission (SEC) launched the revamped e-Dividend Mandate Management System (e-DMMS) Portal, designed to minimise unclaimed dividends and improve investors' experience.

The portal's self-service interface allows investors to electronically mandate their accounts for e-dividend without visiting a registrar or bank. Investors can access the portal via the SEC website or directly through the NIBSS Self Service link. Alternatively, they may contact their registrars or banks to set up electronic dividend collection.

Comment: The revamped e-DMMS Portal is a positive development for the Nigerian capital market, particularly for investors seeking convenience in claiming dividends.



It demonstrates SEC's commitment to addressing the challenge of unclaimed dividends.

Market participants, including listed companies, should seize the opportunity to encourage their shareholders to update their dividend mandates, thereby enhancing investors' engagement and reducing administrative costs.

For more information, please click [here](#).

NGX Group Launches NGX Invest

On 12 July 2024, the Nigerian Exchange Group (NGX Group) launched NGX Invest, a pioneering digital platform aimed at transforming Public Offerings and Rights Issues within the Nigerian capital market. This innovative platform, which has received approval from the Securities and Exchange Commission (SEC), is designed to enhance efficiency, user experience, and transparency in managing primary market transactions.

NGX Invest builds on the success of Nigeria's inaugural digital public offering in 2021, which attracted over 150,000 new retail investors. The launch is well-timed, aligning with the Central Bank of Nigeria's Banking Recapitalisation directive, which has increased the volume of subscription and rights issue announcements by banks.

Comment: The platform is designed to streamline the processes of public offering subscriptions and rights issues, enhancing operational efficiency and boosting investors' confidence.

For banks navigating the CBN's recapitalisation requirements, it provides an essential tool for streamlined capital-raising efforts.

For more information, please click [here](#).



CAC Releases Guidelines for Banks' Merger, Recapitalisation, and Share Increment in Nigeria

On 29 July 2024, the Corporate Affairs Commission, pursuant to its powers under Section 8(1)(e) of the Companies and Allied Matters (CAMA) 2020, issued new guidelines for the recapitalisation of Banks and Other Financial Institutions. These guidelines set forth the documentary and procedural requirements for new incorporations, capital increases, mergers, and changes in license authorisation.

Key Highlights:

New Incorporation: For the incorporation of a new entity, approved name reservation, sector regulatory approval, a completed online incorporation form, and payment of stamp duty and filing fees must be provided.

Increase in Share Capital: To increase share capital through private placements, rights issues, or offers for subscription, a company resolution, return of allotment, a statutory declaration, verifying full payment of issued share capital, and an amended memorandum of association must be submitted.

Merger: A merger necessitates special resolutions from each merging company, a SEC-approved Scheme of Merger, and certified court orders authorising the Extraordinary General Meetings (EGMs) and the merger scheme. Proof of publication of the court-ordered meeting in newspapers and the Federal Gazette is also required. In addition, annual returns and details regarding persons with significant control must be current.

License Authorisation: No consequential filing is required for the upgrade or downgrade of license authorisations.

Comment: The new CAC guidelines necessitate thorough documentation, strict adherence to regulatory requirements, and proactive management of legal processes. Banks should work closely with solicitors (legal professionals) to ensure compliance and smooth execution of any corporate restructuring activities.

For more information, please click [here](#).

Uganda Joins African Exchanges Link

On 27 August 2024, the Uganda Securities Exchange (USE) officially became the tenth African securities exchange to join the African Exchanges Linkage Project (AELP). This linkage platform allows stockbrokers on participating exchanges to send orders on behalf of their clients to other exchanges for buying and selling shares.

The initiative aims to enhance cross-border investment, collaboration, and capacity building across Africa, ultimately improving liquidity in capital markets and providing wider access to capital for investors.

The project, which started with 7 stock exchanges, now includes 10 from 17 countries, with a goal of reaching 15.

Uganda's inclusion, along with its participation in the East African Community's Capital Markets Integration project, is expected to bolster regional economic growth and support the African Continental Free Trade Area.

Comment: Uganda's inclusion in the AELP marks a significant step towards fostering regional cooperation and economic growth within African capital markets. The initiative is expected to create more opportunities for investors and enhance the effectiveness of the African Continental Free Trade Area (AfCFTA).

For more information, please click [here](#).

SEC Releases Updates on its Accelerated Regulatory Incubation Programme

On 29 August 2024, The Securities and Exchange Commission (SEC) announced that two Digital Assets Exchanges have received “Approval-in-Principle” to start operations under its Accelerated Regulatory Incubation Programme (ARIP).

In addition, five firms have been admitted to the SEC’s Regulatory Incubation (RI) Programme to test their business models and technologies. The ARIP was established to onboard firms that began operations before the release of Virtual Asset Service Provider rules in May 2022. The RI Programme is designed to evaluate the business model of digital asset firms and test their technologies in a regulated environment.

This new cohort focuses on using distributed ledger technology (DLT) for creating and trading crypto assets. The SEC will conduct short-term, small-scale tests and work with participants to ensure robust consumer protections. Approval-in-Principle is a step towards full registration and ensures that appropriate protections and transparency are in place.

The current cohort includes two (2) Digital Asset Exchanges, four (4) Digital Asset Offering Platforms, and one (1) Digital Asset Custodian. Other applications are being reviewed and may receive Approval-in-Principle as they meet SEC requirements.



Comment: Only exchanges and platforms that have received official approval are permitted to conduct crypto trading in Nigeria. Therefore, it is prudent for intending investors to verify the legitimacy of investment service providers through SEC information portals and to avoid engaging with unauthorised operators.

For more information, please click [here](#).

Mahwi Grain Millers Lists Corporate Bond in Rwanda

On 2 September 2024, Mahwi Grain Millers Plc debuted its corporate bond on the Rwanda Stock Exchange (RSE), marking a significant milestone. The initial tranche, valued at RWF 3 billion (\$2.25 million) with a 5-year tenor and a 15% annual coupon, closed on 23 August 2024. The company plans to raise a total of RWF 5 billion (\$3.75 million) through two tranches; the second tranche will be RWF 2 billion, with details on its tenor to be determined later.

The funds will support Mahwi Grain Millers’ expansion efforts, including acquiring equipment and constructing facilities. Specifically, RWF 1 billion will be used for animal feed machinery, RWF 600 million for maize grain silos, and RWF 400 million for a new animal feed factory.



The bond issuance, following a two-year preparation involving various stakeholders, emphasises the role of capital markets in supporting SME growth in Rwanda.

Comment: The bond listing strengthens Mahwi Grain Millers’ financial position and contributes to the growth of Rwanda’s capital market and agricultural sector.

For more information, please click [here](#).

Corporate Bond Boosts Sierra Leone Capital Market

On 3 September 2024, Sierra Leone's emerging capital market marked its first corporate bond issuance as Life Above Poverty Organisation (LAPO) Sierra-Leone, a local microfinance institution, raised SLE 32 million (\$1.4 million) to expand its loan portfolio. The bond, which received approval from the Central Bank of Sierra Leone in December 2023 and closed in June 2024, was primarily funded by the Africa Local Currency Bond (ALCB) Fund with SLE 27 million.

The bond issuance was supported by advisors, United Capital Group and Pennarth Greene, and by Invest Salone with a grant for hedging cost and a limited partial guarantee to local investors.

LAPO SL, serving 33,000 MSMEs with a focus on women, aims to use the funds to enhance its lending capacity to low-income households.

Comment: The successful issuance of Sierra Leone's first corporate bond by LAPO Sierra Leone marks a significant milestone for the country's capital market. This move will expand LAPO's loan portfolio, particularly benefiting MSMEs and low-income women, and highlights the growing maturity of the country's financial sector and will likely spur more corporate bond issuance in Sierra Leone.

For more information, please click [here](#).

The ALP Review Q3 2024

Energy



Nigeria Invests \$2.8 Million In Clean Technology to Address Energy Poverty and Boost Economic Growth

The Federal Government of Nigeria has committed \$2.8 million to advance clean technology, receiving praise from the United Nations Industrial Development Organisation (UNIDO). At the launch of the National Cleantech Innovation Entrepreneurship Ecosystem in Abuja, UNIDO's Oluyomi Banjo highlighted Nigeria's severe energy poverty, noting that 47% of its population lacks access to reliable electricity, which hampers economic development. The economic impact of unreliable power is estimated at \$28 billion as this issue particularly affects the private sector.

Minister of Innovation, Science, and Technology, Chief Uche Geoffrey Nnaji, emphasised the importance of supporting small and medium enterprises (SMEs) in driving economic growth and addressing climate change. He acknowledged challenges SMEs face, such as insufficient policy support and limited financing, and indicated that the ministry aims to strengthen institutional capacities and promote collaboration.

The Permanent Secretary of Innovation, Science, and Technology, Mrs. Esuabana Nko Asanye, noted that the initiative will boost SME capacities, promote clean energy, and reduce reliance on fossil fuels and firewood. The Director General, National Board for Technology Incubation's, Dr. Patricia Chukwu, highlighted the board's efforts to support environmentally friendly production equipment and foster innovative entrepreneurs.

Comment: The Federal Government of Nigeria's \$2.8 million commitment to clean technology aims to address Nigeria's energy poverty, reduce reliance on fossil fuels, and lower carbon emissions. By improving support for small and medium enterprises (SMEs) and fostering stronger institutional frameworks, the initiative could bolster economic development and innovation.

For more information, please click [here](#).

Ghana Unveils Africa's Largest Rooftop Solar Plant, Boosting Renewable Energy in Greater Accra

Ghana's renewable energy ambitions received a boost with the inauguration of a 16.82-megawatt rooftop solar plant in Tema. The plant, owned by LMI Holding Company Limited and costing \$17 million, is the largest single rooftop solar installation in Africa. Spanning 95,745 square meters, it is expected to generate 24.7 GWh of clean energy annually and will supply power to those in the Tema Free Zone Enclave.

The project, financed by the International Finance Corporation (IFC), aligns with Ghana's goals for energy security and provides a sustainable power source for industries. It is also expected to create jobs, offer skills training, and enhance the green credentials of businesses in the Free Zone.

LMI Holdings has acquired 2,300 acres of land in Dawa for further solar development and aims to invest over \$1 billion in the sector toward expanding its renewable energy generation to 1,000 megawatts by 2030.

Comment: The inauguration of the 16.82-megawatt rooftop solar plant in Tema is a major step forward for Ghana's renewable energy sector, with many economic and environmental benefits.

This \$17 million project enhances the country's clean energy capacity, supports industrial competitiveness, and showcases local expertise. The planned \$1 billion investment and additional projects backed by IFC funding highlight a strong commitment to sustainable growth and could attract further investment in the sector.

For more information, please click [here](#).



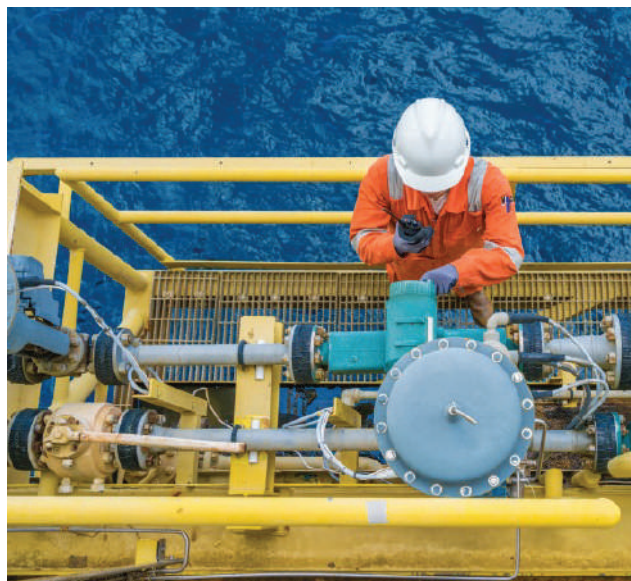
TotalEnergies Exits South Africa's Gas Discoveries

TotalEnergies SE has exited its gas-condensate discoveries off the coast of South Africa, including the Brulpadda and Luiperd fields, citing economic challenges in developing and monetizing these discoveries. This decision impacts South Africa's plans to increase gas use for power production and feedstock for PetroSA's gas-to-liquids plant.

Despite investing over \$400 million and encountering promising reserves, TotalEnergies has found the projects commercially unviable. The company is also withdrawing from an oil block off Cape Town but will retain interests in other areas, including those near Namibia.

Comment: TotalEnergies' exit from its gas-condensate discoveries off South Africa may impact the country's plans to reduce coal use and boost gas for power generation. The withdrawal could impact investor confidence, delay the development of PetroSA's gas-to-liquids plant, and necessitate a reassessment of South Africa's energy policies.

For more information, please click [here](#).



Veolia and NORFUND Partner to Drive Ecological and Energy Transformation in Africa's Industrial Sector

Veolia, a French environmental services group, has partnered with the Norwegian Investment Fund for Developing Countries (NORFUND) to create an investment platform aimed at supporting ecological transitions in Africa.

This new venture will focus on industrial companies and falls within Veolia's €2 billion GreenUp program, which seeks to drive ecological transformation in the industrial sector.

The investment platform will provide integrated solutions, including design, construction, operation, and financing, to improve carbon footprint reduction, water cycle optimization, and sustainable waste management.

It will oversee projects ranging from €3 million to €50 million, offering turnkey solutions and performance-based contracts to resource-intensive industries such as food and beverage, materials, chemicals, and mining.

NORFUND, already active in renewable energy across Africa, will use this partnership to diversify into water reuse and energy efficiency projects. The fund's portfolio in sub-Saharan Africa and other regions is valued at \$3.6 billion.

Comment: The partnership between Veolia and NORFUND will accelerate ecological transformation in Africa's industrial sector by enhancing water reuse and energy efficiency. This initiative could stimulate economic growth, strengthen Veolia's regional presence, and diversify NORFUND's investment portfolio. It also sets a potential precedent for future international collaborations focused on sustainable development.

For more information, please click [here](#).



Coral Sul FLNG Reaches 5 million Tons of LNG Production, Boosting Mozambique's Global Energy Profile

Italian oil and gas giant Eni, along with its partners such as ExxonMobil, celebrated the production of 5 million tons of LNG from the Coral Sul FLNG project in Mozambique's Rovuma Basin. Since starting production in October 2022, the Coral Sul FLNG has exported several cargos of LNG and condensate, contributing to Mozambique's economic growth and positioning the country as a significant player in the global LNG market.

This project's technical success stands to play a strong role in advancing Mozambique's gas resource development and sustainable energy transition.

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For more information, please click [here](#).

Global African Hydrogen Summit to Drive Investment in Green Energy Projects Across Africa

An inaugural Global Africa Hydrogen Summit took place between 3 and 5 September 2024. The summit aimed to encourage investment in green energy projects across Africa. With over 600 million Africans lacking electricity, there is a need to double electricity generation by 2040.

The summit intends to positively contribute to efforts in meeting the growing demand by focusing on securing capital for sustainable energy initiatives, including hydrogen and renewables. Under the patronage of the Namibian government, the summit will feature project investment roundtables. The exclusive meetings will facilitate direct interactions between project developers and investors, covering sectors like hydrogen, wind, solar, hydro, geothermal, agriculture, mining, and more.

To attract investment, projects must meet specific milestones and undergo thorough risk assessments, including Environmental and Social Impact Assessments (ESIA).

The Summit aims to enhance the credibility of African green energy projects and accelerate financing and partnerships. It received project proposals from bankable African green energy projects until 12 July 2024, after which the summit's investor board will review submissions and pair developers with investors to undertake meetings toward deal signings.

Comment: The Global African Hydrogen Summit is likely to boost investment in green energy projects across Africa, addressing the continent's electricity access challenges and accelerating the development of sustainable energy infrastructure. By emphasizing bankability and thorough risk assessments, the Summit will enhance the credibility of African projects, attract global investors, and drive economic growth and job creation in the renewable energy sector.

For more information, please click [here](#).



Federal Government Threatens to Shut Down Independent Petrol Stations Over High Prices

Pump prices for Premium Motor Spirit (PMS) increased to more than ₦1,000 per litre at independent petrol stations. However, it is reported that this surge contrasted with the prices at Nigerian National Petroleum Company stations.

The Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) expressed concern over the high prices at independent stations and has warned that any station found selling at exorbitant rates will face closure. NMDPRA spokesperson, George Ene-Ita, stated that the regulator had received conflicting reports regarding depot prices, which are reportedly different from what independent marketers are charging.

He emphasized that independent marketers are expected to adhere to fair pricing principles and that stations violating these will be targeted for shutdown.

Comment: By enforcing regulations on fair pricing, the government aims to curb profiteering and reduce price discrepancies. However, this could also lead to shortages and longer queues at regulated stations. The FG's intention to shut down these stations is supported by laws such as the Petroleum Act and regulations from agencies like the Nigerian Upstream Petroleum Regulatory Commission (NUPRC).

For more information, please click [here](#).

REA'S DES Project Set to Electrify 17.5 million Nigerians, Boosting Rural Access, and Economic Growth

The Rural Electrification Agency (REA) has announced plans for its Distributed Energy System (DES) project to bring electricity to 17.5 million Nigerians. During the presentation of the 2023 Capital Project Implementation Report by REA's Managing Director/CEO, Abba Aliyu, it was revealed that the agency's projects in 2023 have already benefited about 1.4 million underserved Nigerians.

The DES project, which is the world's largest public sector-funded off-grid initiative, has received funding of about \$550 million which is about to be fully utilised and an additional \$750 million has been secured for its implementation. The project aims to electrify Nigeria using various methods, including mini-grids and solar home systems.

Mr. Aliyu emphasized the importance of diverse funding sources, including the national budget and international agreements. The REA's approach includes community engagement to ensure sustainability and job creation.

The 2024 budget has been increased, promising even greater impacts. The agency's funding strategy also includes affordable tariff payments regulated by the Nigerian Electricity Regulatory Commission to ensure long-term viability.

Comment: The DES Project is likely to improve quality of life, stimulate economic growth, and foster community development. The focus on sustainability highlights a commitment to long-term impact, while increased budget allocations promise even greater advancements. This initiative will enhance access to electricity, support local economies, and ensure affordable services for rural areas.

For more information, please click [here](#).

NNPC Expands LNG Shipments to Japan and China, Enhancing Global Market Presence

The Nigerian National Petroleum Company Limited (NNPC) has expanded its global footprint by starting Liquefied Natural Gas (LNG) shipments to Japan and China. This milestone, which was achieved using the Delivered Ex-Ship (DES) method, is an advancement of NNPC's position in the international energy market. The DES method, which involves the seller handling shipping and insurance until delivery, is more complex than the Free on Board (FOB) system.

The first successful DES LNG cargo was delivered to Japan on 27 June 2024, with subsequent deliveries to China. NNPC, which began LNG trading in 2021, has now traded over twenty cargoes to European and Asian markets. The DES system provides financial benefits and enhances NNPC's position in the LNG sector, helping to increase market share and build brand recognition.

Future plans include at least two more LNG deliveries to Asia by November 2024, with expectations for additional orders. The collaboration between NNPC LNG Ltd and NNPC Shipping Ltd has strengthened the company's position and improved its global shipping capabilities.

Comment: NNPC's expansion of LNG shipments to Japan and China enhances its global market presence, offering financial and strategic benefits.

The use of the DES system demonstrates increased expertise and capacity, while the collaboration with NNPC Shipping Ltd strengthens industry partnerships and sets the stage for further growth and market expansion.

For more information, please click [here](#).



South Africa Launches Groundbreaking Carbon Capture Pilot Project to Combat CO₂ Emissions

South Africa has officially launched its first pilot Carbon Capture, Utilisation, and Storage (CCUS) research site in Leandra, Mpumalanga, toward implementing the country's climate strategy. The project, led by the Council for Geoscience (CGS) with support from the government and the World Bank, aims to reduce carbon dioxide (CO₂) emissions, especially given South Africa's heavy reliance on fossil fuels. The site, following geological studies, is capable of storing up to 34 gigatonnes of CO₂.

The initiative, inaugurated by Minister of Mineral and Petroleum Resources Gwede Mantashe, is tied to South Africa's efforts to mitigate CO₂ emissions. Mantashe and CGS CEO Mosa Mabuza emphasized the need for collaboration between the government, industry, and local authorities to ensure the project's success.

A Memorandum of Understanding was signed between CGS and the Mpumalanga Department of Economic Development to support further CCUS research and development.

Comment: The launch of South Africa's first carbon capture pilot project is a positive step toward reducing CO₂ emissions in one of the world's highest-emitting countries.

This development could drive technological innovation, attract public-private partnerships, and position South Africa as a leader in climate solutions in Africa. If successful, it will reduce reliance on fossil fuels while enhancing the country's climate strategy and fostering local and global collaboration.

For more information, please click [here](#).

Botswana Advances Rural Electrification with New Village Connections and Infrastructure Upgrades

Botswana has made progress in its village electrification efforts under the Transitional National Development Plan (TNDP), with 447 of 565 gazetted villages now connected to the national grid. Minister Lefoko Moagi reported that the country has achieved 81.9% electrification and aims to reach 86% by the end of the financial year. 19 additional villages are set to be connected by the end of the month and efforts will focus on areas like Mokubilo and Mmatshumo, though some projects may face delays due to resource constraints. The need for additional transformers in several villages has been highlighted, and slower progress in remote regions is being addressed with off-grid solutions.

Comment: The progress in Botswana's electrification efforts, with a current achievement of 81.9% and a goal of 86% by year's end, indicates a substantial advancement in national development. The planned addition of 19 more villages to the grid and ongoing infrastructure improvements, despite challenges in remote areas, reflect a commitment to enhancing energy access.

The focus on off-grid solutions in slower-progress areas highlights a strategic shift to address geographical and financial limitations, potentially influencing future development plans and resource allocation.

For more information, please click [here](#).

SparkMeter Partners With Somali Utilities to Modernize Electricity Grids and Boost Efficiency

SparkMeter has partnered with two Somali utilities providers to modernize the country's electricity grids, addressing high costs and revenue losses. In Galmudug State, SparkMeter's digital solutions have already reduced system-wide losses and improved revenue collection for Caabudwaq Electric Company (CECO), which is now seeking investment for new clean energy projects.

A pilot program with Blue Sky Energy and a broader rollout with the National Energy Corporation of Somalia (NEC-SOM) are also underway, aiming to further reduce losses, improve billing accuracy, and enhance financial stability. SparkMeter's technology supports smart grid management, flexible billing, and efficient operations, with a goal to close the energy access gap in emerging markets.

Comment: The partnership between SparkMeter and Somali utilities is a major step towards modernizing Somalia's electricity infrastructure. By addressing high costs and inefficiencies, SparkMeter's digital solutions are expected to reduce system losses, enhance revenue collection, and improve billing accuracy. This modernization will likely boost financial stability for utilities, support clean energy initiatives, and potentially lower electricity prices.

The successful implementation of these technologies may also set a precedent for further advancements in energy management across the region.

For more information, please click [here](#).

The European Bank for Reconstruction and Development Approves €12.5 Million Loan for Two Solar Power Plants in Tunisia

The European Bank for Reconstruction and Development (EBRD) has approved a €12.5 million (\$13.7 million) loan to fund the construction of 260 MW solar power plants in Tozeur and Sidi Bouzid, Tunisia. Developed by Scatec and Aeolus, these projects will enhance Tunisia's energy security, support its green transition, and reduce annual carbon emissions by up to 108,000 tons.

The financing package also included contributions from the Clean Technology Fund and the Global Environment Facility.

This initiative is part of EBRD's broader support for Tunisia's renewable energy sector, reflecting ongoing investments and partnerships to boost the country's solar energy capacity.

Comment: The EBRD's financing of solar power plants in Tunisia likely indicates a major boost to the country's renewable energy sector, enhancing energy security and contributing to its green transition. This investment will not only reduce carbon emissions but also demonstrate international support for Tunisia's sustainable development goals.

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For more information, please click [here](#).

Ghana Secures \$250 Million Loan for Energy Sector Recovery and Enhanced LPG Access

Ghana's Parliament has approved a \$250 million loan from the World Bank's International Development Association for the Energy Sector Recovery Programme (ESRP). The funding aims to reduce electricity costs, improve financial management at the Electricity Company of Ghana (ECG), and enhance access to liquefied petroleum gas (LPG). The loan will support the National LPG Promotion Programme, targeting a 50% LPG access rate by 2030.

Initially rejected due to concerns about consultancy costs, the loan was revisited after clarification on the consultancy costs. The ESRP will fund two main components: Programme for Results, and Investment Project Financing. The program will focus on reducing power system costs, improving ECG's performance, and expanding clean cooking solutions.

Comment: The approval of the \$250 million loan for Ghana's Energy Sector Recovery Programme is likely to have a strong impact on both the energy and LPG sectors. It will help reduce electricity costs, improve the financial health of the Electricity Company of Ghana, and advance access to LPG, supporting Ghana's goal of 50% LPG access by 2030.

This funding will also bolster efforts to enhance clean cooking solutions and strengthen the overall energy sector, promoting sustainable development and improving energy accessibility in the country.

For more information, please click [here](#).

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Natural Resources



Helios Clear Fund Secures \$200 Million To Drive Climate Solutions Across Africa

The Helios Climate, Energy Access, and Resilience (CLEAR) Fund has raised approximately \$200 million to invest in African businesses focused on climate mitigation and adaptation. Managed by Helios Investment Partners, the Fund aims to become the largest Africa-focused climate fund in Africa, targeting \$400 million.

Initial backing came from InfraCo Africa and the Foreign, Commonwealth and Development Office (FCDO) of the United Kingdom (UK) through the flagship Mobilising Institutional Capital Through Listed Product Structures (MOBILIST). Six other leading climate investors joined in the first close, including British International Investment, The European Investment Bank, The Emerging Markets Climate Action Fund, The Dutch Development Bank, and The Swiss Investment Fund for Emerging Markets.

Gilles Vaes, CEO at InfraCo Africa, highlighted the fund's significance for African growth businesses and infrastructure addressing climate change, aligning with the Private Infrastructure Development Group (PIDG) strategy launched in 2023. Christopher Chijiutomi from British International Investment, emphasized the Fund's role in supporting Africa's green transition and innovation.

Helios, Africa's largest private investment firm, will start investing the capital immediately, focusing on green energy solutions, climate-smart agriculture, green mobility and logistics, recycling and resource efficiency, and digital and financial climate enablers.

Research by MOBILIST suggests that there is a potential \$193 billion investment opportunity in sub-Saharan Africa's renewable energy market, although Africa currently attracts only 3% of global energy investment. Ross Ferguson of the FCDO noted the need to bridge Africa's climate financing gap and the importance of global financial system reform. UK Minister for Development Anneliese Dodds emphasized the UK's commitment to climate leadership and the role of the CLEAR Fund in mobilizing climate finance for Africa to address climate crisis challenges and foster resilience.

Comment: The \$200 million raised by the CLEAR Fund will significantly boost investment in climate solutions across Africa, supporting the growth of green businesses and enhancing climate resilience. This increased funding is expected to attract further investment, address financing gaps, and contribute to global climate goals, positioning Africa as a key player in sustainable development.

For more information, please [click here](#).

Nigeria's \$1 Billion Iron Ore to Steel Project: A Major Leap in Local Value Addition and Economic Growth

The Nigerian Federal Government has endorsed a \$1 billion iron ore to steel project in Kogi State, in recent efforts toward local value addition within the solid minerals sector. The Minister of Solid Minerals Development, Dr. Oladele Alake, praised the initiative by Chart and Capstone Integrated Limited of Nigeria and SINOMACH-HE of China, which was discussed during President Bola Ahmed Tinubu's visit to China.

Dr. Alake highlighted the project's alignment with the federal government's shift from exporting raw minerals to focusing on local processing of natural resources. This strategy aims to enhance job creation, skills transfer and Nigeria's trade balance. He indicated that the government now requires mining license applicants to include information on plans regarding local processing as part of the considerations prior to the grant of mining licenses or permits.

SINOMACH-HE, with extensive experience in mining and steel production, will lead the project. Their role includes engineering, procurement, installation, and training. The initiative is expected to positively impact Nigeria's economy by fostering industrialization and improving the trade balance.

Comment: The \$1 billion iron ore to steel project in Kogi State is likely to impact Nigeria's economy and mining sector. By establishing a local steel production facility, the project will reduce Nigeria's reliance on imported steel, stimulate industrial growth, and create job opportunities, especially for the youth. The shift towards processing raw minerals locally will improve Nigeria's trade balance and increase foreign exchange earnings. Additionally, the initiative supports the Federal Government's policy of local value addition, potentially attracting more foreign investment and enhancing the overall efficiency and capacity of Nigeria's mining industry.

For more information, please [click here](#).

Rwanda and Rio Tinto Partner to Boost Lithium Exploration and Mining Sector Growth



Rwanda has partnered with Rio Tinto to explore and develop lithium and other minerals, aiming to boost its mining sector and support the global green energy transition. The collaboration, following high-level meetings between Rio Tinto executives and Rwandan officials, is vital for unlocking Rwanda's \$150 billion mining potential.

The partnership keys into Rwanda's goal of making mining a major economic driver. In 2023, Rwanda's mining export revenues increased by 45.6% to \$851.6 million. The focus will be on regional exploration using advanced technologies, blending local expertise with Rio Tinto's global experience to modernize the sector and enhance Rwanda's position in the global mining industry.

Comment: The partnership between Rwanda and Rio Tinto should enhance Rwanda's mining sector by attracting advanced exploration technologies and global expertise.

This collaboration could accelerate Rwanda's economic growth through increased mining revenues and strengthen its role in the global mining industry. Additionally, it supports the country's goal of contributing to the green energy transition and modernizing its mining practices, potentially positioning Rwanda as a key player in the global market for critical minerals.

For more information, please [click here](#).

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Transportation



Minister Orders Grounding of Arik Airline Following Court Ruling on Debt Settlement

The Minister of Aviation and Aerospace Development, Festus Keyamo, SAN on 3 August 2024 ordered the grounding of Arik Airline's operations. This decision follows a court judgment aimed at preventing the airline's aircraft from being taken out of the country. The sale of Arik Air's assets, including several aircrafts, had been ordered by court to offset debts owed to Arthur Eze and others. The Nigerian Airspace Management Agency (NAMA) explained that this move is consonance with a Supreme Court ruling that dismissed Arik Air's appeals.

Arik Air, currently under receivership by the Asset Management Corporation of Nigeria (AMCON), criticized the grounding, stating that it negatively impacts passengers, employees, and the economy. They argued that the decision disregarded ongoing judicial processes and sets a dangerous precedent. However, it has been reported that the airline has resumed flight operations after resolving the \$2.5 million debt dispute with Atlas Petroleum.

Comment: Arik Airline has since resumed operations a few days after the grounding by the minister. However, the grounding caused some disruptions in air travel. The legal ramifications may set a precedent for handling financial disputes involving major assets.

For more information, please click [here](#).



Court Nullifies Nigeria Air Agreement with Ethiopian Airlines, Impacting National Carrier Project

The Federal High Court in Lagos, presided over by Justice Ambrose Lewis-Allagoa, has invalidated the agreement between the Nigerian government and Ethiopian Airlines, which had handed over the management of Nigeria Air to the foreign airline. The court also ordered the revocation of the Air Transport Licence (ATL) issued to Nigeria Air and mandated a new, transparent bidding process that includes Indigenous Nigerian Airline Operators.

The claimants, comprising several Nigerian airlines, argued that the bidding process was unfairly biased in favour of Ethiopian Airlines, a state-owned entity, and that they were wrongfully excluded from participating. Although the court granted most of the reliefs sought, it declined to award ₦2 billion in damages, stating that the airlines had not proven that they suffered damages requiring compensation.

Comment: The court's ruling to void the Nigeria Air agreement with Ethiopian Airlines delays the national carrier's launch, raises concerns about transparency in government deals, and may deter foreign investment.

It could benefit domestic airlines by offering them a fairer chance to participate, while also setting a legal precedent for challenging government contracts on fairness grounds.

For more information, please click [here](#).



NITT And PCNGI Partnership Set to Reduce Fuel Costs and Emissions in Nigeria's Transport Sector

The Nigerian Institute of Transport Technology (NITT) signed an agreement with the Presidential CNG Initiative (PCNGI) to collaborate on converting vehicles to Compressed Natural Gas (CNG). This partnership aims to reduce emissions, ensure energy security, and lower fuel costs in line with the government's objectives.

During a meeting at NITT's Abuja office on 15 July 2024, the Director General of NITT, Dr. Bayero Salih Farah, highlighted the Institute's role in supporting the transport and logistics industry and its involvement in the Autogas project. He expressed satisfaction with the collaboration, noting NITT's readiness to contribute through its nationwide CNG conversion centres.

Ms. Hadiza Lawal, CFO of PCNGI, emphasized that this partnership would provide Nigerians with cheaper transportation alternatives. The event also featured a demonstration of vehicle conversion at one of NITT's centres.

Comment: The collaboration between NITT and PCNGI on CNG vehicle conversions is likely to have a positive impact on Nigeria's transportation sector by reducing fuel costs, lowering emissions, and enhancing energy security. This initiative is part of the government's push for cleaner energy and could lead to wider adoption of CNG as an alternative fuel, ultimately making transportation more affordable for Nigerians.

For more information, please click [here](#).

Nigeria and Tunisia to Launch Direct Flights in 2026, Strengthening Economic and Cultural Ties

Nigeria and Tunisia are set to begin direct flights in 2026 as part of efforts to strengthen bilateral relations. The Tunisian Ambassador to Nigeria, Moshen Antit, announced that the direct flights will enhance business, political, and cultural ties between the two countries, improving travel for both businesspeople and tourists. Currently, flights between the two nations are operated mostly by non-African airlines, with only Morocco's Royal Air Maroc offering direct flights.

Ambassador Antit emphasised the importance of cultural exchanges and business collaborations, noting that a Tunisian delegation of over twenty businessmen will visit Nigeria for a multisectoral economic forum. The forum will create opportunities for face-to-face business interactions between Nigerian and Tunisian investors, further boosting economic ties. Both countries see great potential in strengthening cooperation in various economic sectors.

Comment: The introduction of direct flights between Nigeria and Tunisia in 2026 will improve travel to enhance economic, diplomatic, and cultural relations between the two nations. It will facilitate easier travel for businesspeople and tourists, opening more opportunities for trade, investment, and collaboration.

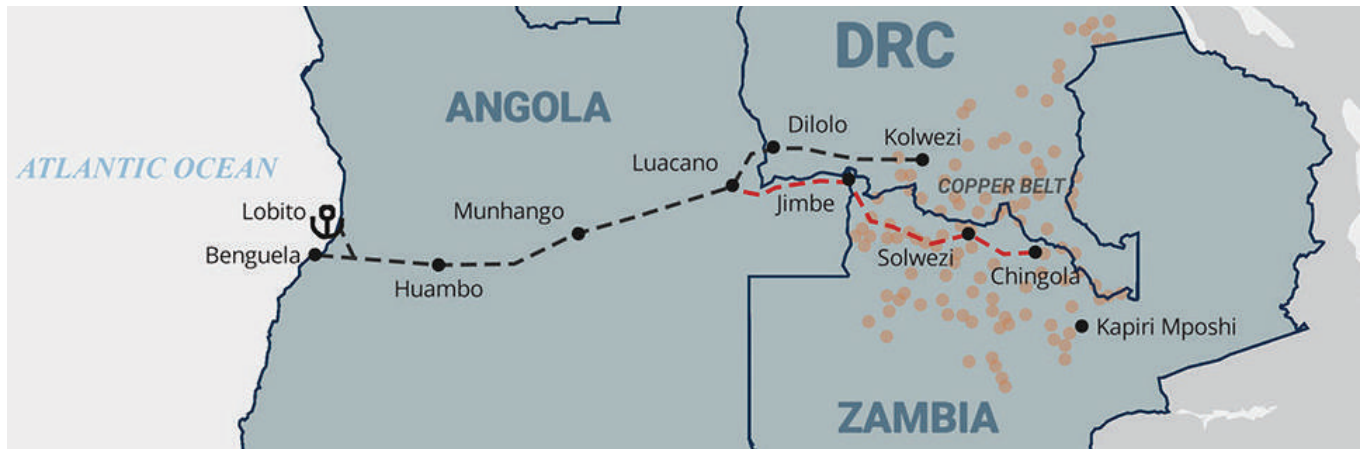
The planned economic forum and business interactions could further strengthen ties, fostering mutual growth in key sectors. Additionally, improved air connectivity may boost tourism and encourage greater cultural exchanges, contributing to a deeper bilateral relationship.

It could benefit domestic airlines by offering them a fairer chance to participate, while also setting a legal precedent for challenging government contracts on fairness grounds.

For more information, please click [here](#).



U.S. To Extend Lobito Corridor Railway Through Tanzania, Boosting African Trade and Connectivity



The U.S. government plans to extend the Lobito Corridor, a railway project that currently runs from Angola to Zambia via the Democratic Republic of Congo (DRC), to Tanzania, connecting African countries to global markets through the Indian Ocean. This extension aims to enhance regional trade, lead to economic growth and reduce transportation times.

The project, financed by \$250 million from the U.S. International Development Finance Corporation, is supported by the U.S., the European Union, and African governments. However, there were concerns about adopting the colonial approach of exporting raw materials without adding any value. The railway extension is expected to be completed by 2029 and could improve African trade networks and private sector development.

Comment: The likely implications of this news include enhanced regional trade and economic growth in Africa, improved transportation networks, and stronger connections to global markets. It could reduce transportation costs and time, boosting intra-African trade.

However, the model of raw material export without value addition, could limit the potential benefits for African economies. The project may also foster U.S.-Africa economic relations and infrastructure development.

For more information, please click [here](#).

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Technology

A futuristic robotic arm, rendered in a metallic blue tone, is shown reaching upwards. The background is a deep blue with a complex network of glowing white and blue lines and nodes, resembling a digital or neural network. The overall aesthetic is high-tech and futuristic.

WhatsApp Considers Exit from Nigeria Amid \$220 Million Fine and Data Privacy Demands

WhatsApp, owned by Meta, is considering suspending its operations in Nigeria following a \$220 million fine imposed by the Federal Competition and Consumer Protection Commission (FCCPC) for data privacy violations.

FCCPC's additional demands include halting the sharing of user data without consent and providing detailed data collection information. WhatsApp argues these demands would make it impossible to operate due to reliance on Meta's infrastructure. Legal and industry experts have questioned the fine's validity and proportionality.

Comment: The potential exit of WhatsApp from Nigeria could impact communication and business operations for many users and SMEs. It may also set a precedent for data privacy enforcement in Nigeria, influencing how other tech companies approach compliance. Additionally, Meta could face legal and financial consequences, impacting its regional operations and investor confidence.

For more information, please click [here](#).

Lagos State Introduces New Tax Policies for Digital Economy to Boost Revenue and Achieve N5 Trillion IGR Goal

The Lagos State Government has announced new tax policies targeting remote workers, digital influencers, and the broader digital economy to boost revenue. This initiative, part of a broader strategy to generate ₦5 trillion in internally generated revenue (IGR), aims to collect ₦200 billion annually from approximately two million residents. The plan includes implementing a Resident Global Digital Citizen Tax Management System and advanced digital solutions to improve tax collection.

Additional revenue will be generated from the property sector, informal sector, and circular economy, with specific initiatives such as a fintech hub, software development centre, and partnerships for a Digital Service Tax (DST).

The overall strategy seeks to embrace technology, broaden the tax base, and enhance tax administration, with the digital economy expected to contribute ₦750 billion to the IGR target.

Comment: Lagos State's new tax policies targeting the digital economy are likely to significantly increase revenue by expanding the tax base to include remote workers and digital influencers. This could drive innovation in tax administration but may also place additional financial burdens on individuals and businesses within the digital sector, potentially affecting their operations.

For more information, please click [here](#).

Internet Restrictions in Tanzania Signal Escalating Political Control and Threat to Civil Liberties

Tanzania has restricted access to X (formerly Twitter) amid growing political tensions. The internet observatory Netblocks confirmed the outage, which trails the recent arrests of opposition figures, including politician Tundu Lissu and members of the Chadema party. Authorities accuse the opposition of planning disruptions via Zoom meetings. In response, Tanzanians are using VPNs to bypass the ban and express frustration.

This is part of a wider trend of internet control in the region, with recent shutdowns also seen in Kenya and Senegal. Such restrictions often disrupt communication and commerce, sparking criticism from international human rights groups over violations of free speech and access to information.

The developments highlight concerns over democracy and freedom of expression in Tanzania.

Comment: The restriction of access to X and the arrests of opposition leaders in Tanzania signal a tightening of governmental control, likely leading to further political unrest. The move raises concerns about the suppression of free speech and access to information, potentially undermining democracy, and civil liberties. This could damage the country's international reputation and exacerbate internal divisions, while also setting a precedent for further internet controls in response to dissent.

For more information, please click [here](#).

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Media



Minister Advocates for Chinese Media Collaboration to Combat Fake News in Nigeria

The Nigerian Minister of Information and National Orientation, Mohammed Idris, has called for a partnership between Chinese media outlets, Nigeria, and other international partners to combat fake news and misinformation. The Minister made this appeal during the launch of a television documentary titled “Traverse China with Me,” a collaboration between the Nigerian Television Authority (NTA) and the China Media Group (CMG) at the China Cultural Centre in Abuja.

The Minister emphasized the crucial role of media in fostering societal guidance, mutual understanding, and development. He praised the documentary as a means to strengthen ties between Nigeria and China, enhance cultural exchange, and positively impact social and economic development. The Minister also highlighted the importance of balanced news reporting to inspire hope and growth.

Additionally, the Minister urged Chinese media to expand their presence in Nigeria by including local languages like Hausa, Igbo, Yoruba, and Pidgin, which would help convey messages more effectively and provide job and training opportunities for Nigerians.

He also noted the detrimental impact of fake news on Nigeria's youth and called for greater collaboration to curb this issue. CMG's Director for Hausa Language, Kande Gao, commended the close relationship between China and Nigeria, noting the popularity of the documentary in Hausa-speaking regions of Nigeria.

Comment: The Minister's call for a partnership with Chinese media to combat fake news could strengthen ties between Nigeria and China, and promote cultural exchange.

However, this collaboration may also raise concerns about media influence and control, particularly regarding the balance between accurate reporting and potential government narratives. Expanding Chinese media presence in Nigeria could lead to more diverse content but might also impact local media dynamics and public perception.

For more information, please click [here](#).

TikTok Launches First Sub-Saharan Africa Safety Advisory Council to Enhance Regional User Protection

TikTok has established its first Safety Advisory Council for Sub-Saharan Africa, introduced at the #SaferTogether summit in Nairobi. This council, consisting of eight diverse members from various fields, aims to enhance user safety on the platform by providing localised insights and recommendations. The council will focus on refining TikTok's Community Guidelines to better align with African cultural contexts and social realities. Members will serve for at least a year and will be compensated for their contributions.

The council's formation highlights TikTok's commitment to a collaborative approach to platform safety and regional responsiveness. This initiative is part of TikTok's broader global safety strategy, which includes regional and global advisory councils and partnerships with organisations like the African Union Commission to promote digital literacy.

This move sets a new standard in social media safety and aims to foster a more secure online environment in Africa.

Comment: The establishment of TikTok's Safety Advisory Council for Sub-Saharan Africa appears to be a proactive effort to address regional safety concerns and tailor content moderation to local contexts. This move is likely to enhance user trust and safety on the platform, improve community guidelines to better reflect African cultural nuances, and set a precedent for more localized and responsive social media governance. Additionally, it may strengthen TikTok's position as a leader in platform safety while fostering greater digital literacy across the region.

For more information, please click [here](#).

The ALP Review Q3 2024

Telecommunications



World Bank Commits \$100 million To Boost Zambia's Digital Infrastructure and Narrow Digital Divide

The World Bank has committed US\$100 million to the Digital Zambia Acceleration Project (DZAP) to enhance Zambia's digital infrastructure and reduce the digital divide. The project, announced by World Bank MD Zhang Wengcai during his visit to Zambia's Technology and Science Minister Felix Chipota Mutati, aims to expand broadband access and deploy digital public infrastructure to boost efficiencies in both public and private sectors. Additionally, DZAP will support the development of digital skills in key sectors.

The funding will combine national and International Development Association (IDA) funds with \$20 million in unguaranteed commercial financing. While awaiting World Bank Board approval in March 2025, a Project Preparation Advance of US\$6 million will be used for preliminary activities. A project implementation unit will be set up within the Smart Zambia Institute.

Despite widespread mobile phone usage, about 40% of Zambia's population remains without internet access, and fixed broadband is limited to around 99,000 users.

Challenges include frequent load shedding by the state-owned power utility ZESCO, affecting mobile operators' service quality.

Comment: The World Bank's \$100 million investment in the Digital Zambia Acceleration Project (DZAP) is expected to improve digital access and economic growth in Zambia by expanding broadband infrastructure and developing digital skills. This project aims to boost efficiencies in both public and private sectors and enhance public services through better digital infrastructure. However, challenges such as frequent power outages may hinder implementation. The combination of different funding sources and alignment with government priorities suggests strong support and sustainability for the project. Immediate steps, including a Project Preparation Advance and the establishment of a project implementation unit, indicate a well-structured approach to the project rollout.

For more information, please click [here](#).

NCC Mandates Telecom Operators in Nigeria to Limit Tariff Plans for Enhanced Transparency and Fair Competition

The Nigerian Communications Commission (NCC) has directed all telecommunications operators in Nigeria to limit the number of available tariff plans to a maximum of seven per operator. This directive, part of new tariff guidelines aimed at enhancing transparency, consumer understanding, and fair competition, also limits the number of bundles to one hundred per operator. While there are no limits on the number of Add-ons, operators must inform subscribers of their current Add-ons at the point of purchase.

The NCC has mandated full disclosure of all tariff components and conditions, requiring telcos to simplify and clearly present their offerings. Operators must develop detailed migration plans to transition subscribers to new tariff plans smoothly, without service quality loss, and obtain prior approval for promotional elements, which must be standalone products with clear terms.

The directive takes effect from 29 July 2024, and operators are required to submit comprehensive reports on all active tariff plans, bundles, promotions, and quality metrics. Despite these new regulations, operators have denied any approval for tariff increases, insisting that rates remain unchanged.

Comment: The NCC's directive to limit tariff plans is likely to enhance consumer transparency, simplify choices, and promote fair competition among telecom operators in Nigeria. However, operators may need to streamline their offerings and adjust marketing strategies to comply, potentially affecting customer options and requiring careful management to avoid service disruptions during the transition.

For more information, please click [here](#).

Uganda's Utel Secures \$225m Investment from Dubai's RCC to Drive Telecom Modernization

Uganda's state-run Uganda Telecommunication Corp. (UTel) is set to undergo a major transformation following a \$225 million investment from Dubai-based Rowad Capital Commercial (RCC) LLC. RCC will acquire a 60% majority stake in UTel, marking a milestone for the company, which was established in 2021 after acquiring assets from the financially troubled Uganda Telecom Limited (UTL).

This investment follows discussions that began after a meeting between Uganda's President Yoweri Museveni and RCC in October 2023. The partnership aims to modernize Uganda's telecommunications infrastructure, with RCC's capital expected to enhance UTel's services and network expansion.

UTel, currently owned by Uganda's Finance and ICT ministries, will undergo a change in ownership structure due to this investment. The deal is also aligned with Uganda's regulations requiring telecom firms to list on the stock exchange, a step UTel is expected to take within the next two years.

This strategic partnership is seen as a crucial move in driving Uganda's digital transformation and economic growth, with stakeholders closely monitoring its impact on the telecommunications sector.

Comment: The \$225 million investment in UTel by Dubai's RCC is expected to enhance Uganda's telecommunications infrastructure, leading to improved services and expanded network coverage. This will likely increase competition in the market, challenging established players like MTN Uganda and Airtel Uganda. The investment is also poised to drive economic growth and digital transformation in Uganda by boosting the country's digital infrastructure. Additionally, UTel will need to comply with regulatory requirements to list on the stock exchange, which could enhance transparency and public involvement. The partnership may also lead to job creation and skill development within Uganda's ICT sector.

For more information, please click [here](#).

Democratic Republic of Congo Launches First Tier-III Data Centre to Drive Digital Transformation



The Democratic Republic of Congo (DRC) has taken a step in its digital evolution with the launch of its first Tier-III certified, open-access, carrier-neutral data centre, named OADC TEXAF Digital. A joint venture between Open Access Data Centres (OADC) and TEXAF, this state-of-the-art facility is designed to foster a dynamic digital ecosystem, supporting a wide range of digital services and infrastructure for businesses and individuals across the country. Located in Kinshasa, the data centre offers colocation, interconnect, and peering services, and is powered by hydro generation, emphasizing sustainability.

OADC TEXAF Digital aims to enhance digital connectivity in the DRC, attracting major national and international carriers, with the banking sector leading in adoption. The centre's carrier-neutral approach is expected to boost competition, reduce internet costs, and contribute to the growth of the DRC's digital ecosystem. The launch of this facility marks a milestone in the DRC's digital journey, promising to accelerate digitalization, improve ICT capabilities, and lay a solid foundation for future technological advancements in the country.

Comment: The launch of the OADC TEXAF Digital data centre in the DRC is likely to boost the country's digital infrastructure, leading to enhanced connectivity and increased competition among service providers. This could lower internet costs for businesses and individuals, accelerate the digitalization of various sectors, and support economic growth by attracting more investments and technological advancements in the region.

The facility's focus on sustainability and its carrier-neutral approach are also poised to improve efficiency and drive the expansion of the DRC's digital ecosystem.

For more information, please click [here](#).

Botswana's SmartBots Free WIFI Program Expands Internet Access and Economic Opportunities

In Botswana, the high cost of internet data has led to the adoption of the SmartBots free Wi-Fi program, introduced in 2019. The initiative, which provides free internet via routers in public spaces like clinics, schools, and traditional courtyards, has grown to serve over 1.6 million users. Internet penetration has risen from 42% in 2019 to 77% in 2024, largely due to SmartBots, which offers speeds of up to 10Mbps and is used daily by over 130,000 people.

The program aims to expand connectivity to more villages and isolated farming areas. While it has been beneficial for diverse users, including students and job seekers, there are concerns about cybersecurity due to the open network's lack of password protection. Despite these risks, the program is highly valued for its accessibility and impact on increasing internet use across the country.

Comment: The SmartBots free Wi-Fi program is likely to enhance digital inclusion and economic opportunities in Botswana by increasing internet access for low-income groups. However, the lack of password protection raises cybersecurity concerns, which could pose risks to users. The program's success may also inspire further expansion and similar initiatives, transforming connectivity infrastructure and digital access across the country.

For more information, please click [here](#).



Liquid Intelligent Technologies Enhances Cross-Border Connectivity with Upgraded Fibre Route Between Kenya and Uganda

Liquid Intelligent Technologies has upgraded its 1,300km fibre route from Mombasa, Kenya, to Busia on the Ugandan border, boosting regional connectivity with increased multi-terabit capacity and enhanced resilience. This expansion improves digital connectivity and service reliability, offering 99.99% uptime and supporting digital transformation across East Africa. The upgrade forms part of Liquid's vision of a digitally connected Africa, complements Kenya's digital transformation efforts, and provides critical infrastructure for regional economic development and digital services.

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Comment: The upgrade of Liquid Intelligent Technologies' fibre route enhances digital connectivity between Kenya and Uganda, increasing service reliability to 99.99% uptime. This advancement will likely boost regional economic development, support digital transformation, and contribute to the broader goal of a digitally connected Africa, aligning with Kenya's digital initiatives and improving infrastructure for business sectors across East Africa.

For more information, please click [here](#).



Nigerian NCC Launches Device Management System to Enhance Mobile Security and Combat Phone-Related Crime

The Nigerian Communications Commission (NCC) has launched a new Device Management System (DMS) designed to enhance mobile security and regulatory compliance. The DMS, a central equipment identity register (CEIR), will track and regulate mobile devices across Nigeria's communication networks by registering their International Mobile Equipment Identity (IMEI) numbers. This system aims to prevent issues such as phone theft, fraud, and the use of counterfeit devices.

By integrating with international IMEI databases, the NCC-DMS will maintain a comprehensive registry of devices and blacklist stolen or illegal phones, which will be blocked across all networks in Nigeria. All mobile network operators in the country are required to connect to the system, which will also involve a registration fee. This initiative supports the NCC's goals to curb counterfeit devices, enhance national security, protect consumers, and increase government revenue.

Comment: The introduction of the Device Management System (DMS) by Nigeria's NCC should improve mobile device security and crime detection in the country. By creating a central registry for tracking and managing mobile devices, the DMS aims to reduce phone theft, combat the use of counterfeit devices, and prevent fraudulent activities.

For more information, please click [here](#).

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