

SUBSIDY REMOVAL:

Nigerians Groan As Economy Bites Harder



The removal of fuel subsidy was the last thing many Nigerians anticipated to hear during President Bola Tinubu's inaugural speech on May 29, 2023. It was an unpleasant awakening. Prior to the announcement, petrol stations throughout the country had purposefully hoarded their products for obvious reasons. Following the announcement, fuel prices increased immediately by 150 to 200 percent across the country. Many citizens are enraged, and it was expected. However, this is not the first time the Federal government is taking a shot at this issue, even, as it is laced with tissues of controversy. The Goodluck Jonathan administration had attempted to remove the fuel subsidy but perhaps lacked the courage and political will power to do it because of the strong opposition by the masses. In the past, Nigeria's monthly fuel subsidy payments were within the region of a whopping N400bn. But finally, this monster has been done away with. The general consensus, however, is that subsidy removal will help end the syphoning, smuggling, and stealing of Nigeria's Premium Motor Spirit (PMS) to other countries in the African continent. With this continuous theft and illicit trade along the borders, the country bleeds, economically, leaving the entire citizenry in utter impoverishment. While Nigerians are struggling to exactly understand what their economic tide will swing to, the Federal government emphasizes that its present action in removing the subsidy will impact positively on the lives of the people. The resources which would have enriched a few people will be ploughed back into infrastructural projects, public healthcare, funding of the

educational sector and other public services.

Stakeholders, public analysts, as well as the government are of the view that while this policy may be difficult, initially, Nigerian economy will improve as the petroleum sector which had hitherto been under serious monopoly will be free from the claws of the shylocks. Products will become readily available. However, people are quick to argue that aside from fuel theft and subsidy cabal, the mountainous overhead and heavy burden of governance are also bleeding tissues of the economy. Amid all economic permutations, the fate of the common man still hangs in the balance.

The Nigeria Labour Congress under the leadership of Comrade Jude Ajaero in its initial reaction threatened to call out the Nigerian Workers on strike if the pronouncement is not reversed while pointing out that the Nigerian workers and critical stakeholders were not carried along neither was palliative measures put in place to cushion the harsh effect of the subsidy removal on Nigerians before the decision was taken. However, the Federal Government quickly intervened and called for a meeting with Labour to avert the strike which had already been fixed to commence. Thereafter the Federal Government hurriedly constituted a Presidential Committee to work on the demands of labour on all contentious issues and implement the resolutions arising from these demands over the removal of fuel subsidy by Federal Government. The Committee has eight weeks within which it is expected to complete its assignment.

Responding to the removal of a government subsidy, Isa

Sanusi, Acting Director for Amnesty International Nigeria, said "President Bola Tinubu's decision to remove the fuel subsidy has left millions of Nigerians terrified about the knock-on effects that it will have on their daily lives. Many are concerned that they will be unable to meet the costs of education, food and healthcare. The government is yet to suggest any ways to mitigate the impact of this decision for people on low incomes. "While all countries are required to eventually remove all fossil fuel subsidies to meet their human rights obligations in the context of the climate crisis, they should not do so in a way that undermines the ability of people on low incomes to secure their right to An adequate standard of living. It is therefore vital that the removal of the subsidy is accompanied by social cushioning and protection measures. "Nigerians should not have to pay the price of decades of political and economic mismanagement of the subsidy scheme. The authorities must finally respond to longstanding demands by civil society and parliamentarians to investigate the fuel market chain and hold accountable all those involved in smuggling, hoarding and 'subsidy scams' — regardless of rank or status. "The Nigerian authorities must urgently put in place measures to protect the rights of people most affected by the removal of the fuel subsidies and prioritize addressing widespread hunger, higher unemployment and the rapidly falling standard of living." Sadly enough, the generality of Nigerians are not being carried along in the whole process. There are divided opinions for obvious reasons. While those who believe in the policy are ready to exercise patience and see how the development turns out, others are not sure of government intentions and purposes.

These are certainly tough times for the entire citizenry. Prices of foodstuff, services, toiletries are going out of the hands of the ordinary Nigerian. Cost of living has hit the rooftop. Many people can't afford three square meals anymore. Food items that were the staples before and some basic needs are now categorized as luxuries. Public transportation has become so expensive.

The country has recorded the highest inflation rates. While these harsh economic realities will, no doubt, become part of people's lives, the key words on the lips of many Nigerians are survival and adaptation. Their elasticity and resilience have further been stretched. These challenging times are reenactments of the 2020 COVID-19 period. The 'New Normal' is adjustment. What you cannot afford, you must have to let go.

All over the nation, people are adjusting to a new lifestyle. Lagos residents are quick to cut down the excesses of luxury movements from one point to the other. Priority is now given to only things that are very important. You can only go to places that are really important, too. People trek long distances to cut down the expenses of commuting to and from work and from different destinations every day, while others have resorted to working from home having realized that it is more productive to work from home.

Alternative modes of transportation have become a common sight on the roads as people ride bicycles,

motorcycles and tricycles. It is a trend now for car owners to manage to drive their vehicles to a safe neighborhood, park the car and commute in public transport to their place of work or business. Some state governments like Edo and Kwara States have perfected strategies and initiatives to ameliorate the effect of the current hardships and the high energy cost implications faced by their citizens in the wake of the fuel subsidy removal.

The Edo State government has announced the reduction of official working days for civil servants from five to three days a week. Workers will now work from home two days every week. Gov. Godwin Obaseki said his government will stand by the people of Edo State and do everything possible to reduce their sufferings. Apart from that, the plight of parents, teachers and pupils are also in the government radar as their commuting to school will be reduced. The government is working on deepening the EdoBEST@Home initiative to create more virtual classrooms, thereby reducing the cost of commuting on parents, teachers and pupils. The Edo SUBEB will provide details on this initiative in the days ahead. In the same vein, civil servants in Kwara State, rejoiced over the pronouncement by Gov. AbdulRahman AbdulRazaq that they would only be working for three days in a week. All these are the new normal and adjustments towards the current realities. In addition to the reduction of the official working days for civil servants, Governor AbdulRazaq has also approved the deployment of government buses to support movement of students and workers in public tertiary institutions within the Ilorin metropolis and its environs. It is the second phase of the measures being put in place by the Kwara State government to cushion the effects of high energy implications on the people. The government promised that it will continue to offer immediate support for the people of Kwara State in the face of Nigeria's transition to the post-fuel subsidy regime, exploring more avenues to ease the people while growing the economy in a sustainable way. The Borno State Governor Babagana Umara Zulum has since set up a Palliatives Committee that has been distributing food item and other household needs to many distressed citizens of the state at different locations. The Governor ranks among the first Governors to offer fuel subsidy palliatives to ease transportation cost in Nigeria. According to his Special Adviser on Media and strategy, Mallam Isa Gusau the Governor released 80 Buses and pick-up vans. He said that out of the 80 Buses, 50 luxurious buses will be allocated from the fleet of Borno Express Corporation while the 30 pick-up vans will be hired by the state Government to ease the high cost of transportation for farmers.

Nigerian youths have shown ingenuity in different capacities in order to meet the challenges of the 21st century and shape the future. There are records of several innovative skills in different spheres of human endeavour. It ranges from mechanical fabrications to medical discoveries and others. People have been known to fabricate motor cars, building aero-planes from metal craps. Sadly, these efforts do not often see the light of the day or go further than the creative radius for lack of



enabling environment or government support. About 10 months ago, in Borno state, a young University dropout, Mustapha Gajibo successfully manufactured electric vehicles to the admiration of former governor Zulum who donated 5 mini-buses and some financial aid to him. With this feat, Gajibo became the first to produce such vehicles in Nigeria and Africa. Leadership Newspaper reported that the young entrepreneur who started this venture in 2017 also builds tricycles and generating sets, all made locally.

Few days ago, the internet was awash with a video of a young Nigerian man who has successfully converted a fuel-powered generator to use cooking gas. The man (@kingsolya) revealed that a 2kg cylinder of gas would power the generator for 12 hours. With sincerity of purpose to combat these current challenges in the face of the subsidy removal and quest for renewable energy, this is a clarion call for the government to harness these potentials, harvest the inherent benefits and shake-off shackles of technological weakness.

Nigerian masses have always paid the price for any government policy. From arbitrary tax increase to high cost of transportation and everything indicated by market forces. The people often bear the brunt. Whether we like it or not, the fuel subsidy removal policy has come to stay. Whether the government ploughs the proceeds back to infrastructural development for the betterment of the citizens is a different ball-game entirely or whether there is policy summersault is also a story for another day. No previous government has ever had the courage and political will to reduce the huge baggage of expenditure from the bourgeois size of official portfolios leaving the economic implications on the door steps of Nigerian tax

payers. Consequently, the recurrent expenditure of the federal government currently stands at over N8 trillion, according to details of the 2023 budget resulting in over 400 per cent increase in nine years. In the budget, the National Assembly got an allocation of N168 billion. Available data shows that the cost of running the government will take a large chunk of the N10.4 trillion revenue of the federal government for the year 2023.

Little wonder, Dr. Akinwumi Adesina, president of the African Development Bank (AFDB), in his speech at the inauguration lecture, implored the Tinubu administration to look critically at the cost of governance, saying "it is way too high and should be drastically reduced to free up more resources for development. Nigeria is spending very little on development." Much is being seen in terms of sacrifices from the people. The question is, what will the government and political class pay as their own price? Even though Dele Alake, the media aide to President Tinubu had promised that the present administration will "cut down the huge cost of governance."

Ekeoma Phillip, a Calabar-based civil engineer recalls how disappointed people were recently in Calabar when they saw a member of the newly inaugurated cabinet on the streets of the state capital in a convoy of about 12 luxury vehicles. "I personally felt like stoning them. You can imagine the quantity of fuel being used by 12 big vehicles, all for one person. It is sad. We are talking about the high cost of living and that our people are suffering. It is obvious that these politicians do not feel for the masses and it is sad. In fact, government officials should reduce their expenses. They are killing the people," he said.

Fabian Okpambo, a quantity surveyor says: "Is it only the masses that would pay the price for the economic growth

of the nation? So far, the government has regaled Nigerians with how well they can sacrifice to move the country forward. "Are government officials and the politicians not part of this journey? You cannot be a leader without making sacrifices to win the war. The situation we are in currently is like war. All hands must be on deck to win the war. Our politicians need to cut down their life of luxury. Their salaries and allowances are enough to pay millions of Nigerian workers' salaries. It's unfortunate how they bleed this nation dry.

Beside the immediate removal of the fuel subsidy, another confusion orchestrated by the new President is his imposition of a single exchange rate for Nigeria. At the direction of the President, the CBN abolished its hitherto multiple exchange rate windows and collapsed them into the business-based investors and exporters (I and E) window. The immediate consequence of this pronouncement of devaluation of Naira is that on June

17th 2023, Nigeria's currency hit a record high N791/&1 USD. A pound sterling is over a thousand Naira. This happened only a week after Tinubu, using the Department of State Services, arrested the CBN governor. Curiously, after nearly a month in detention, it has emerged that Mr. Godwin Emefiele has been charged for possession of fire arms and ammunition. This ridiculous charge is at variant with the earlier allegations of sponsorship of terrorism made against him by DSS. As if these cocktails of confusion are not enough, Tinubu who cancelled fuel subsidy because he claims that a lot of money is wasted, then went on to announce that he has saved N400 billion from the withheld fuel subsidy. On the same day he announced that he will spend N500 billion as palliatives to cushion the pains of withdrawal of subsidy on petrol. According to the National Coordinator of HURIWA Comrade Emmanuel Onwubiko, "This does not make any logical sense. Why do you suspend a policy, then saved N400 billion but you are distributing N500 billion to



cushion the effects? Someone said it's like selling a dog to buy a monkey.

He said that this is just like robbing Peter to pay Paul when we even consider that the parliamentarians in Abuja will pocket N70 Billion allowances which are not approved legally. "We will return to this illegality. First let us dwell on the fact that the Federal Government is basking in the euphoria of saving over N400 billion since it scrapped the fuel subsidy regime, but has injected more cash for palliatives. Funny enough, the Tinubu administration said that it would transfer N8,000 to 12 million poor and vulnerable households for six months to absorb the economic shocks triggered by fuel subsidy removal. Is this N8k for Agbado, ewedu or for what? This so-called palliative would be funded from an anticipated \$800 million World Bank loan designed for the national social safety net programme. According to the analysts, the phrase "vulnerable Nigerians" has become a cliché used by dubious government officials to siphon intervention funds under a wonky Conditional Cash Transfer (CCT) template. They argued that CCTs have never been a potent solution to addressing social needs of the masses, as over 133 million Nigerians (60 percent of the population) sank into multi-dimensional poverty in 2022, despite billions of naira reportedly spent on various CCT programmes by the Federal Ministry of Humanitarian Affairs, Disaster Management and Social Development. The truth is that anger has continued to trail the decision by the National Assembly to earmark N70bn for its members out of the N819bn federal supplementary budget passed by the legislature last week. The lawmakers had said the N70bn was earmarked to support "the working conditions of National Assembly members." But many Nigerians have described the N70bn budgetary allocation for lawmakers as insensitive while the majority of Nigerians are grappling with economic hardship heightened by the removal of fuel subsidy.

In a statement recently, an advocacy group, Socio-Economic Rights and Accountability Project urged the Senate President, Mr Godswill Akpabio, and Speaker of House of Representatives, Mr Tajudeen Abbas, "to drop the scandalous plan to spend N40bn on 465 exotic and bulletproof cars for members and principal officials, and N70bn as 'palliatives' for new members."

Femi Falana, a Senior Advocate of Nigeria, in a statement on Sunday, said, "Out of sheer insensitivity coupled with impunity, the members of the National Assembly, regardless of political affiliation, conspired to breach the relevant provisions of the Constitution of the Federal Republic of Nigeria, 1999 by padding the Supplementary Appropriation Bill, 2023 to provide the so-called palliative of N70bn for 306 newly-elected members. "While the masses of Nigeria are groaning under the excruciating economic pains unleashed on them by the ruling class, the National Assembly has awarded N228.7m to each of the newly elected legislators. As if that is not enough, the members of the National Assembly have earmarked N40bn to purchase 465 Sports Utility

Vehicles and bulletproof cars for principal officials and members. However, the legislators approved the sum of N500bn for 12 million indigent people in a country where the National Bureau of Statistics has said that '62.9 percent of people (133 million) are multidimensionally poor'."

In a latest twist the Nigerian National Petroleum Corporation Limited NNPC has just introduced a new pump price of petrol by jerking the price of petrol to N617 per litre in the Nation's Capital and N620 in kano. This according to the Corporation was attributed to the market forces. But in a swift reaction the NLC President, Comrade Joe Ajaero, described the increment as "insults our collective intelligence." In a statement, he said: "The proposal to pay N8,000 to each of the so-called 12 million poorest Nigerian households for a period of six months insults our collective intelligence and makes a mockery of our patience and abiding faith in social dialogue which the government may have alluded to albeit pretentiously. "If the government does not want to stop these fortuitous actions that it is pursuing in the name of palliatives, we will be forced to constructively review our engagement with the government on this vexatious issue and take matters into our own hands." However, in a statement on Tuesday night, Dele Alake, presidential spokesperson, said Tinubu had ordered the immediate review of the proposed N8,000 conditional cash transfer to Nigerians, meant to cushion the effect of the petrol subsidy removal. The President also directed that the whole gamut of the palliative package of government be unveiled to Nigerians. "That the N8,000 conditional cash transfer programme envisaged to bring succour to most vulnerable households be reviewed immediately. This is in deference to the views expressed by Nigerians against it," the statement read.

The latest outrageous hike in the pump price of fuel has been condemned as toxic, despicable and absolutely intolerable, just as Civil Rights group:-HUMAN RIGHTS WRITERS ASSOCIATION OF NIGERIA (HURIWA) predicted that Nigerians will start eating grass as edible due to economic hardship if they do not publicly protest peacefully and demand immediate halt to this heartless incessant hike in price of petrol. The price of Petrol has increased to about N617 per litre, according to the Rights group- HUMAN RIGHTS WRITERS ASSOCIATION OF NIGERIA (HURIWA) in a statement by the National coordinator Comrade Emmanuel Onwubiko dated July 18th 2023. A visit by HURIWA to an NNPC filling station in the Central area of Abuja confirmed that the fuel price has now been adjusted from N539 to N617 per litre even as another Customer who confirmed this development simply said "It is true, I just bought at N617 per liter," HURIWA asserted that the immediate reason could not be ascertained but it is not unconnected to the recent projections by oil marketers that fuel price will hit N700 per litre soon. Besides, the media reports that the Nigeria Midstream and Downstream Petroleum Regulatory Authority

(NDMPRA) is yet to officially inform Nigerians about this unwarranted imposition of hardship. Reacting, HURIWA stated that unless and until Nigerians become active citizens and embrace the constitutional challenge by peacefully protesting on the streets of Nigerian cities and townships against these sets of harsh economic policies which offends a plethora of fundamental rights provisions enshrined in the Constitution of Nigeria. HURIWA is also accusing President Ahmed Bola Tinubu of 15 (5) which provides thus: The State shall abolish all corrupt practices and abuse of power". And 16 (2) which states that: "The State shall direct its policy towards ensuring: (a) the promotion of a planned and balanced economic development; (b) that the material resources of the nation are harnessed and distributed as best as possible to serve the common good; (c) that the economic system is not operated in such a manner as to permit the concentration of wealth or the means of production and exchange in the hands of few individuals or of a group;...". HURIWA said: "The silence of

amid soaring food prices occasioned by the removal of subsidy on Premium Motor Spirit commonly known as petrol. Nigeria's Consumer Price Index (CPI) rose to 22.79% in June from the 22.41% recorded in May 2023. This is according to the latest CPI report released by the National Bureau of Statistic (NBS) on Monday. The CPI measures the rate of change in prices of goods and services. "In June 2023, the headline inflation rate rose to 22.79% relative to May 2023 headline inflation rate which was 22.41%. Looking at the movement, the June 2023 Headline inflation rate showed an increase of 0.38% points when compared to May 2023 headline inflation rate," the Bureau stated. The report also showed that food inflation spiked to 25.25% on a year-on-year basis which is higher than the 20.60% recorded in June 2022. For the month under review, food prices rose to 2.40%, which is 0.21% points higher compared to the rate recorded in May 2023. The year-on-year basis rate showed a 4.19% higher compared to the 18.60% rate recorded in June 2022. "On a year-on-year basis, the Headline inflation rate was 4.19%



Nigerians in the face of cocktails of toxic and elitist economic measures by the newly inaugurated President Ahmed Bola Tinubu will inevitably lead the masses to 'economic Golgotha' meaning that the next best meals Nigerians will resort to so as to survive the devastating and excruciating absolute poverty is to eat grass like goats or cows. HURIWA Condemns the current administration for continuously inflicting economic hardships on Nigerians through many thoughtless and anti-poor policies whereas the salaries of public office holders have been reviewed upwards and the National Assembly has just been allocated N110 Billion as palliatives to cushion the effects of the withdrawal of fuel subsidy whereas over 130 million multidimensionally poor Nigerian households are abandoned to a cruel fate of constant upward reviews of the pump price of fuel which inevitably affects the costs of foodstuffs and leads to spiraling inflationary trends. HURIWA, quoting official government reports stayed that the rise in inflation comes

points higher compared to the rate recorded in June 2022, which was 18.60%. This shows that the Headline inflation rate (year-on-year basis) increased in June 2023 when compared to the same month in the preceding year (i.e., June 2022)." HURIWA is therefore urging Nigerians to rise up in unison and reject the attempts by President Ahmed Bola Tinubu to push them into the eventual consumption of grass just like irrational animals in the wild. HURIWA said the plea by President Tinubu that Nigerians should exercise patient in the face of the avalanches of extremely toxic and painful economic policies of the government does not make any rational and believable sense because the consequences is that hundreds of thousands of Nigerians may die due to these economic problems unleashed on the masses by the current administration.

Subsidy: Using Torchlight in Broad Daylight

BY OWEI LAKEMFA



There is a country called Nigeria. For three decades, its coffers were daily looted in the guise of fuel subsidy. The looters are known by name and some are known faces. The companies they use in looting are registered and have addresses. Rather than bring the criminals to book, government decided to remove the subsidy. Thus, the people are forced to pay astronomical prices for fuel, while the subsidy looters keep their loot and are free to forage for other things to loot. This is the truth. There is also the lie; that fuel subsidy has now been removed. The truth is that it is impossible to remove fuel subsidy no matter how much the people are visited with high fuel prices. This is because there are two basic variables over which the people have no control. First, is the continuous and steady devaluation of the Naira; every devaluation of the currency creates a fuel subsidy gap. It is like digging a hole to fill another hole. The craziness in this is that the first hole continues to widen. The second subsidy-inducing variable is the cost of crude oil at the international market. Since Nigeria is not refining the crude oil it produces, it is condemned to buying refined petroleum products at international market prices. When you add to this, the cost of refining abroad, freight, insurance, taxes and demurrage, the price of a litre would have swelled. Futurologists say when the Dangote refinery comes on stream, this second variable would be taken care of and prices would come down or crash. I am a person of little faith in economic speculators who since 1981 have told us the same thing, then preach that we should have faith in a bright economic future.

On Dangote, it is about a businessman said to be building the largest refinery in Africa, and our economists and money managers like brother Godwin Emefiele speculating on his motives. Some claim he would earn so much foreign exchange for the country that the Naira will appreciate. In a country famed for inadequate regulation, supposing Dangote decides to charge so-called international prices for his products, or in fact, decides to sell to foreigners to the exclusion of Nigerians, will he be committing a crime?

Aliko Dangote is like a man holding a bird in his hand, and our economists and leaders are speculating on the colour of the bird; some say it is purple, some black, others say it is green, white, green. This is witchcraft economics. So, President Bola Tinubu needs to be cautious of experts who repackaged the disastrous and ruinous Structural Adjustment Programme, SAP, of the military regime as fresh ideas. He needs thoughtful patriots like Odia Ofeimun who have the welfarist, programmatic and developmental mind of an Obafemi Awolowo.

It is understandable that President Tinubu has to give political jobbers appointments. But it is also necessary for him to have people who can look him in the eye and tell him the truth. Such people can also constantly remind him that he is in office for two basic reasons: the security and welfare of the people. Any other matter is fashion which comes and goes. At the end of his tenure, his government and legacy will be assessed based on how he fared on security and the people's welfare.

The half a Kobo wisdom I have which I can share with him is that all his programmes should be subjected to those twin tests. Let us take, for instance, his decision to introduce student loans in our tertiary institutions. I like learning from history. So I expect the President to

reflect and tell Nigerians why the student loan system was scrapped decades ago while the scholarship and bursary schemes were retained.

Secondly, what logic is it in us resurrecting the student loan scheme when the same scheme is collapsing in the United States, Canada and Western European nations with these countries desperately trying to get out? Some of the basic problems of the student loan scheme is mass unemployment with people being unable to repay. Even where some get jobs, the wages are so low that they are merely surviving.

In the US, the loan debts is now over \$1.6 trillion with over 45 million Americans trapped in it. This means that one in three young American adults with some three million above the age of 60, are trapped in the debt peonage. Over one million Americans default with the rate of defaulters this year estimated at 40 per cent. The debts have become so much a liability that some American youths decided neither to get married nor raise a family until they have been able to repay the loans which can take decades. The Biden administration this May, decided to give some of the defaulters some breathing space by cancelling \$66 billion in student debt. This has snowballed into a crisis as the Senate voted to shoot down the Biden plan and the American President responded by vetoing the legislation. If the Tinubu administration goes on with its Student Loan Act, our situation is likely to be worse than the Western situation because we have a worse unemployment crisis, lack basic social protection, very poor statistics and have far higher rate of inflation; these are unlikely to change in the next 8-24 years when the loans should be repayable. While the Americans tend to remain in their country, I foresee Nigerian youths 'japaing' (fleeing abroad) just to escape the debt prison.

Also, although government says it does not intend to introduce tuition fees or increase fees in the tertiary institutions as a result of the student loan scheme because the institutions are not financially independent, it means that fees can be increased just by declaring tertiary institutions financially independent. Education is crucial to the country's future. So, if government says there are not enough funds to sustain the current funding system, it needs to first calculate how much tertiary education costs. Tell us how much is available and the cost gap that exists. Then we can answer the next logical question: how do we fund the difference? For instance, can we save money by scrapping the House of Representatives and transferring the trillions of Naira spent legally and illegally on it? Its functions can be transferred to the trimmer and much more representative Senate. Also, can we ensure that the Tertiary Education Fund of 2.5 per cent of company profits are largely collectable and accountable? The Tinubu administration has no need to use torchlight searching for solutions to the myriad of problems in the country; the broad daylight is enough; it is more a question of choices and priorities.

FUEL SUBSIDY WAHALA: **Remove the Lifestyle Subsidy of Public Servants**

By Victor Anazonwu



The list of obnoxious subsidies crippling the Nigerian economy is endless: welcome packages, severance packages, housing allowances, transport allowances, medical benefits, executive fleets, endless convoys, security votes, forex allocations, estacodes and life-long entitlements for public officers who served only a few years. The difference between lawful allowances and corrupt appropriation of public funds is blurred in Nigeria by greed and conspiracy. Public office holders conspire to pay themselves much more than their lawful benefits by cooking the books and exploiting loopholes in the system. Since the gatekeepers are involved, no one is held accountable. A Mafia code of silence protects all beneficiaries.

The sums budgeted annually to run the National Assembly, the Presidential Villa and their equivalents in the states can run several economies around Africa. These are the real subsidies holding down public finance in Nigeria. Not the pseudo-subsidy on petroleum products that end up in the private pockets of the same people now preaching the Gospel of Subsidy Removal. A video currently trending shows a young Sierra Leonian woman on the streets, walking to work alongside the Dutch Prime Minister. No convoys. No aides. No overzealous security details. In a genuine republic, leaders live within the same socioeconomic bandwidth as the led. It keeps their feet on the ground. It helps them know where the shoe pinches and focus on finding solutions.

All over Europe, prime ministers and presidents earn significantly below what top executives in the private sector earn. In Nigeria, it is the exact opposite. Public office holders pay themselves to live like kings (in and out of office) over an impoverished country. It's a mismatch. It's immoral. Remove these real subsidies which finance opulence at public expense; pay public office holders on a similar scale as civil servants (no slush funds and hidden allowances); let fuel (and other petroleum products) find their prices according to forces of demand and supply. The Nigerian economy will find a healthy natural balance. For now, we are robbing the people to pay politicians.

Organized Labor must not fall into the trap of thinking that if it negotiates a major pay rise, then all is well. Even if government manages to pay, how about the private sector? Especially micro, small and medium scale enterprises which employ the bulk of the workforce. They will now be saddled with significantly higher operating costs amidst collapsed demand and struggling revenues. Not to mention that inflation (or stagflation) will quickly wipe out any imaginary gains of a pay rise.

So, one pre-condition for talks on "subsidy removal" should be to insist on a drastic and verifiable reduction in the cost of

governance. In the new dispensation, no serving government official should be allowed to travel abroad for medicals or train their children in foreign schools. These measures will serve to eliminate the gap between the reward systems for public

office holders and other sectors of the economy. They will also ensure that public policy is well reasoned and has a uniform impact on all segments of society. Expectedly, the fat rats in government will resist this by all means. But Labor and the rest of Nigeria must stand their ground. Those who are not prepared to serve Nigeria while living like Nigerians should stay away from public office. They can finance their own lavish lifestyles from private enterprises and pockets. Public office is for public service, not for self-enrichment at the expense of the public.

The petrol subsidy removal saga is proof that politicians have decided to throw the people under the bus in order to have more money to fund their profligate lifestyles which are now somewhat threatened by an empty treasury. In truth, it cannot cost more than N150 - N200 to obtain a liter of petrol refined from Nigerian crude in a Nigerian refinery within Nigeria today. That estimate includes a decent profit margin for all players in the value chain. To ship the same crude abroad for refining and ship it back on the excuse that Nigeria's refineries are not working is to subsidize inefficiency, subvert incompetence and reward corruption.

All other refineries built around the world at about the same time as the Warri, Port Harcourt and Kaduna refineries are still operating in good order. To ignore this fundamental truth and be debating a fictional subsidy or a fuel tax in disguise is a symptom of the inherent insincerity and shallowness that rules the Nigerian state.

After eight years of mindlessly chasing revenues and failing to build a healthy, organic economy, the Buhari Administration has run Nigeria aground. Half of Nigeria's daily oil output is stolen at source. Many businesses have folded up. People are poorer. Without businesses and people to pay taxes, government revenues are sliding. Government is borrowing to pay recurrent expenses. Lenders are no longer willing. So, government is using "Ways & Means." That's a secret code for printing unearned money to pay its bills! If Nigeria was a private enterprise, it would have closed shop a long time ago. We've never had it so bad in the name of leadership.

Victor Anazonwu, an author and communication expert, writes from Lagos.

More Nigerians will go below the poverty line if.... *World Bank warn*

The World Bank has stated that Nigeria has one of the highest inflation rates, which pushed an estimated four million people into poverty between January and May 2023. This was disclosed during the launch of the June 2023 edition of the Nigeria Development Update in Abuja. The Washington-based lender also said about 7.1 million poor Nigerians would become poor if the Federal Government failed to compensate or provide palliatives for them, following the removal of fuel subsidy.

According to World Bank data, 89.8 million Nigerian were poor as of the beginning of this year. The lender noted that additional four million Nigerians became poor between January and May this year, raising the figure to 93.8 million. Latest projection means the number of poor Nigerians will rise to 100.9 million if the government fails to compensate vulnerable citizens for fuel subsidy removal.

The World Bank Nigeria Development Update report noted that Nigeria's inflation has risen to a 17-year high, and has been driven by a number of factors, such as CBN funding of budget deficit, previous multiple exchange rates, devaluation, and trade restrictions. The report read, in part, "Consumer price inflation has surged and is currently one of the highest globally, which is related to Nigeria's fiscal imbalance and points to the urgency of reform efforts. Inflation in Nigeria has been high for many years due to structural factors, but it escalated in 2022, to the point where consumer prices increased at their fastest pace for 17 years. "The consumer price index further accelerated in 2023 through May, up to 22.4 percent y-o-y. High inflation has been driven by the monetization of the fiscal deficit by the CBN, multiple exchange rates and exchange rate depreciation in the parallel market, and intensified trade restrictions, exacerbated by the spike in global food and energy prices. "The CBN implemented measures to control rising inflation, including raising the monetary policy rate by 700 basis points, but these proved ineffective and monetary policy remained loose overall in the first half of the year. The loss of purchasing power from high inflation has increased poverty in the short-term, pushing an estimated 4 million Nigerians into poverty between January and May 2023." The National Bureau of Statistics recently disclosed that inflation in the country rose to 22.41 per cent in May, which is the highest in about 19 years. Also, the NBS, in its National Multidimensional Poverty Index report, disclosed that 133 million Nigerians are multidimensionally poor. The NBS said 63 per cent of Nigerians were poor due to a lack of access to health, education,

living standards, employment, and security. The Multidimensional Poverty Index offered a multivariate form of poverty assessment, identifying deprivations across health, education, living standards, work, and shocks.

In its new report, the Washington-based bank noted that the loss of purchasing power increased the poverty headcount rate by an estimated 2 percentage points or 4 million people. This may mean that the total number of poor people in the country has risen to 137 million this year. The World Bank added that the number of poor people in rural areas increased by an estimated 4 percent, while in urban settings, there was an estimated increase of 11 per cent. The Brenton Woods institution further noted that with the removal of fuel subsidy, about 7.1 million people are at risk of becoming poor if no form of compensation is provided by the government.

The report read, "In the immediate term, the removal of the petrol subsidy has caused an increase in prices, adversely affecting poor and economically insecure Nigerian households. Petrol prices appear to have almost tripled



following the subsidy removal. "The poor and economically insecure households, who directly purchase and use petrol as well as those that indirectly consume petrol, are adversely affected by the price increase. Among the poor and economically insecure, 38 percent own a motorcycle and 23 percent own a generator that depends on petrol. Many more use petrol dependent transportation. "The poor and economically insecure households will face an equivalent income loss of N5,700 per month, and without compensation, an additional 7.1 million people will be pushed into poverty. The World Bank warned that many newly poor and economically insecure households will likely resort to consequential coping mechanisms, such as "not sending children to school, or not going to the health facilities to seek preventative healthcare or cutting back on nutritious dietary choices." The bank stressed the need for adequate compensation, noting that compensating transfers will be essential in helping to shield Nigerian households from the initial price impacts

of the subsidy reform. The lending institution further applauded the removal of the subsidy and FX management reforms, which are crucial measures to begin to rebuild fiscal space and restore macroeconomic stability.

It stressed that the opportunity should be seized to take further necessary policy reform steps. The report added, "Following a bold start with the recent PMS subsidy reforms and FX reforms, the urgency remains for Nigeria to seize the opportunity to chart a new course with ambitious and comprehensive reforms to raise long-term growth prospects." In his remarks, the governor of Oyo state, Seyi Makinde, said the reforms of the new administration are a step in the right direction.

However, he said there is a need to ensure that social safety nets are put in place because other than the local disruptions, there are also global headwinds that affect Nigeria as well. "Social protection programs must be taken with a systemic approach towards long-term objectives," he said. Abia State Governor Alex Otti stressed the need for deregulation in the oil sector in order to maintain the reforms in this sector. "What is important is not that the subsidy is removed, but the ability to sustain that removal, and the only way to do is moving from regulation to deregulation," he said. He further stressed the need for a sustainable cash transfer programme and other programmes that are well-targeted to the poor affected by the reforms in the country. The Resident Representative for Nigeria of the International Monetary Fund, Ari Aisen, noted that the current reforms of the new administration are expected to have side effects. He said, "There were so many distortions accumulated in the past, it is naturally that when these policies are implemented, you have some side effects. We should all expect that." Aisen added that inflation will likely keep rising, and stressed the need for policies that would curb inflation. "Here, inflation is the main culprit in the room. We have seen inflation already high before the implementation of these policies. Inflation

is likely to increase further. In our view, it is going to be critical to tailor macroeconomic policies to reduce inflation," he said. The IMF Representative further said that there is a need for further tightening of the monetary rates, which he said, remain loose. He added that the IMF hopes to continue its long-term relationship with Nigeria, supporting the country with capacity building, policy advisory, and financing.

The Director General, Debt Management Office, Ms Patience Oniha, noted that although the government can borrow from the Central Bank of Nigeria through the Ways and Means Advances, it is important to stick to the limit. She further stressed the need for urgent support from multilateral organisations in addressing the tough time Nigerians are going through. Oniha said, "These are tough times because the policies have all been introduced now. In what ways can we get real support? We do appreciate all the concessional funding that we get from the multilaterals. In this short time, in what way can we get that assistance?"

The Special Adviser to the President, Bola Tinubu, on Monetary Policies, Wale Edun, said that other than the \$800m loan from the World Bank, there may need for additional financing to ensure the sustainability of the bold reforms under the administrations. "We have identified some sources of funding, but we are going after many more," he said. The World Bank Country Director for Nigeria, Shubham Chaudhuri, further disclosed that Nigeria is the biggest beneficiary of concessional financing from the World Bank, with over \$10.5bn since February 2020. The World Bank lead economist for Nigeria, Alex Sienaert, during a presentation at the event, said that Nigeria is projected to save up to \$5.1bn (N3.9tn) in 2023 alone after the removal of fuel subsidy and reforms of its foreign exchange market. Sienaert also said that the gains from these policies are expected to reach over N21tn between 2023 and 2025.



The Systemic Rot in Nigeria

The real subsidies are not for the poor, but the rich

Femi Falana, SAN

Globally, subsidies, whether for food, transportation, energy or housing, are part of good governance. So, the issue is not subsidies but who benefit from them. In Nigeria, subsidies are primarily of the rich, by the rich and for the rich. I will highlight a few, how they are being manipulated and how huge sums of money can be recovered not just to subsidize fuel but also provide funds for development.

Diversion of N40 billion from Federation Account

A company, Continental Transfert Technique had been hired by the Ministry of Interior to collect the Combined Expatriate Residence Permit and Alien Card (CERPAC) Fee

of \$2,000 per annum from every expatriate in Nigeria. The revenue from 2019 comes to an average of N40 billion per annum. This collection which violates Section 162 of the Constitution and provisions of the Immigration Act 2015, is then shared on percentages of Federal Government, 30, Interior Ministry, 7, Immigration Service, and Continental Transfert Technique, 58 per-cent. We challenged this illegality at the Federal High Court and won the cases. The court directed the NIS to collect the funds henceforth and remit same to the Federation Account. But the contractor and the federal government appealed against the judgment and have continued to share the N40 billion per annum.

Additional Revenue of \$1.5 billion payable to Federation Account

In July 2015, I drew the attention of the Federal Government to the fact that the 15-year fiscal incentives given to the oil and gas companies operating under the Deep Offshore and Inland Basin Production Sharing Contracts Act had expired in June 2014. When the Federal Government ignored our request, we drafted a Bill for the amendment of the law. The Bill which was adopted and sponsored by Senator T. Orji scaled the first reading in the Senate but was not passed before the dissolution of the 8th National Assembly. However, the same Bill was modified and passed by both houses of the 9th National Assembly and assented to by President Buhari on November 4, 2019. In justifying the passage of this Bill, Senate President Ahmed Lawan announced that the new law would increase the revenue of the nation by not less than \$1.5 billion per annum.

Outstanding royalties of \$62 billion

In campaigning for the amendment of the Deep Offshore and Inland Basin Production Sharing Contracts Act, I requested the Federal Government to collect outstanding royalty's payable by



the International Oil Companies under the Act. The Federal Government admitted that the country had lost a whopping sum of \$60 billion. But my demand for the collection of the huge fund was ignored. The governments of Rivers, Akwa Ibom and Bayelsa States then approached the Supreme Court which on October 20, 2018 ordered the Federal Government to collect the royalties for the past 18 years. The Federal Government confirmed that the outstanding royalty withheld by the IOCs is \$62 billion but has refused to collect it.

Federal Government denied revenue of \$500 million by a group of corrupt public officers

The international Cargo Tracking Note

Scheme to protect international shipping and prevent the movement of dangerous cargo and arms shipments was introduced into Nigeria in 2010 via an agreement between the Nigerian Port Authority and TPMS, a private company. Barely a year later, the agreement was suspended. When our attention was drawn to the illegal suspension of the Cargo Tracking Note system, we protested and the suspension was lifted on May 28, 2015 only to be suspended again in 2016. In 2022, President Buhari issued an executive order which authorized a company to operate the Cargo Tracking Note. But 5 companies sponsored by top government functionaries overruled the President and hijacked the contract. The company that won the contract has since sued the federal government at the Federal High Court. Meanwhile, Nigeria has lost at least \$500 million while the security of the nation has been compromised by a bunch of corrupt public officers.

Sale of public assets and enterprises

Successive regimes have been selling assets and enterprises owned by the Federal Government to members of the ruling class in the name of privatisation. The buyers turned around to engage in asset stripping. According to the Bureau of Public Enterprises, between 2004 and 2002, the federal government sold 142 public enterprises to members of the ruling class. The 10 per cent shares reserved for the staff of every privatised enterprise have been cornered by the so called "core investors" contrary to the provision of section 5(3) of the Privatization and Commercialization Act.

\$7 billion fixed in 14 banks

Sometime in 2006, the CBN yanked off \$7 billion from the nation's foreign reserves and fixed it in 14 commercial banks in Nigeria. The deposit and the accrued interests were not recovered from the banks. When I reported the matter to one of

the anti-graft agencies, the CBN claimed that it had forgiven "the forbearance".

Sale of Heritage Bank, Keystone Bank, Union Bank and Polaris Bank by CBN

The CBN took over Heritage Bank, Keystone Bank, Union Bank and Polaris Bank, spent trillions of Naira to revitalise them only to turn around to sell them under the table. For instance, CBN invested N1.3 trillion in Polaris Bank but sold it for N50 billion!

Theft of Crude oil

The Nigerian Extractive Industries Transparency Initiative (NEITI) has revealed that Nigeria lost 619.7 million barrels of crude oil valued at N16.25 trillion (\$46.16 billion) to crude oil theft between 2009 and 2020. Immediate past National Security Adviser, General Babagana said that Nigeria might lose \$23 billion in 2023 to crude oil theft.

Theft of gold and other solid minerals

The theft of the nation's mineral resources is not limited to crude as solid minerals are equally smuggled out of the country by highly placed criminal elements. Former Minister of State for Mines and Steel Development, Dr Uche Ogah recently disclosed

the loans with trillions of Naira provided by the CBN. AMCON has not been able to recover the loans of N5.4 trillion from about 370 corporate bodies.

Indiscriminate import duty waivers

A few privileged members of the business community buy dollars at official rate while they are allowed to import all manners of goods into the country. In the last 5 years, import duties worth N16 trillion were waived for them.

Effort to track and monitor tankers conveying fuel sabotage by NNPC

On August 8, 2018, the Federal Executive Council (FEC) approved the installation of technology monitoring schemes and structures under the Petroleum Equalisation Fund (PEF) for N17 billion. The technology which was designed to track and monitor tankers conveying fuel and other petroleum products was not acquired while the N17 billion approved for it was diverted.

N10 trillion diverted by CEOs of Government enterprises —

The Buhari government revealed on December 19, 2018 that government enterprises including the CBN owed about N10 trillion in unremitted operating surplus as at August 2018. The details were provided. The said sum of N10 trillion remains unpaid.

"I am told the figure sometimes rise to as high as 90 or over 100 million litres. I don't know how that happens. At this rate, I have said if anyone is looking at a criminal enterprise, look no further than the fuel subsidy." The criminal enterprise ought to be probed by the Bola Tinubu administration. It is crystal clear from the foregoing that members of the ruling class are heavily subsidized by the peripheral capitalist system while the masses are subjected to excruciating economic pains. We are therefore compelled to call on the Nigeria Labour Congress and Trade Union Congress as well as the progressive extraction of the civil society to mount pressure on the federal government to stop the dollarisation of the national economy, indiscriminate grant of duty waivers, theft of crude oil, gold, and other mineral resources and recover the nation's looted wealth. In other words, these 'subsidies' should be recovered while the nation's refineries are fixed so that the country can provide genuine subsidies that can make life livable in Nigeria.

N6 trillion unpaid ground rents by buyers of Government properties

On March 29, 2023, the Senate noted that since 1992, over two million houses across the 36 states and the FCT had been built and allocated to beneficiaries by the federal government without evidence of payment of ground rent on the properties. Consequently, the Senate set up an Ad Hoc Committee to recover over N6 trillion unpaid ground rents from property owners in the country.

Stolen crude oil valued at \$29.17 billion

A group of lawyers engaged by NIMASA confirmed that 60.2 million barrels of crude oil valued at \$12.7 billion of crude oil was stolen and illegally exported to the United States of America between January 2011 and 2014. This has not been recovered. Also, the House of Representatives investigated and confirmed that undeclared crude oil worth \$17 billion was exported to global destinations during the same period. The affected companies are known but government seems to lack the will to bring them to book and recover the sum of \$29.7 billion being the value of the stolen crude.

Oil theft of N16.25 trillion

The Nigerian Extractive Industries Transparency Initiative

that private jets are being used by the rich for gold smuggling in Nigeria. He stated this at an investigative hearing on \$9 billion annual loss to illegal mining and smuggling of gold organised by the Senate Committee on Solid Minerals, Mines, Steel Development and Metallurgy. During his contribution at the hearing, Senator Orji Uzor Kalu disclosed that Nigeria lost close to \$54b from 2012-2018 due to illegal smuggling of gold.

AMCON is owed N5.4 trillion by the rich

A few years ago, commercial banks were going to collapse due to toxic loans taken by members of the ruling class. To prevent the impending economic doom, the Federal Government set up the Asset Management Corporation of Nigeria (AMCON) to buy off

(NEITI) revealed that between 2009 and 2020 Nigeria lost 619.7 million barrels of crude oil valued at N16.25 trillion (\$46.16 billion) to oil theft. The security forces have not been able to stop the stealing and smuggling of crude oil from Nigeria. However, Tantita Security Services Nigeria Ltd (TSSNL), a private company discovered pipelines through which crude oil was being diverted from a 40,000 barrel per day Forcados pipeline to the high seas for export. The indicted oil companies including an IOC involved in this grand theft are yet to be prosecuted.

Deduction of collection costs by FIRS & NCS

The Federal Inland Revenue Service and Nigeria Customs Service are allowed by their enabling laws to deduct percentages of the taxes and duties collected by them as collection costs. Thus, the FIRS between 2016 and 2020 made N533.39 billion deductions while Nigeria Customs Service withdrew N128.64 billion as cost of collection in 2022. The laws which allow agencies of the Federal Government to deduct collection costs are ~~contrary and inconsistent with section 162 of the~~ Constitution which provides that all revenues collected by the Government of the Federation shall be paid into the Federation Account.

Diversion of \$6.065 billion approved for turn-around maintenance of refineries

Between 1993 and 2016, successive regimes spent, through the NNPC, about \$6.065 billion on the so-called turn around maintenance and rehabilitation of the four refineries at various times. It is public knowledge that the turn-around maintenance of the refineries was not carried out. Therefore, the contractors should be invited by the EFCC and compelled to refund the said sum of \$6.025 billion.

Investment in Dangote refinery and rehabilitation of 4 refineries

The Federal Government has invested \$2.7 billion in Dangote Refinery while the NNPC will supply the refinery with 300,000 barrels of crude oil per day. Furthermore, the Government has awarded the contracts for the rehabilitation of the two refineries in Port Harcourt for \$1.5 billion, as well as Kaduna and Warri refineries for \$1.4 billion. We are compelled to call on the Nigeria Labour Congress and Trade Union Congress to monitor the ongoing rehabilitation and upgrade of the 4 refineries.

Special salaries for top public officers, security votes, and pension for governors

Top public officers have illegally taken themselves out of the general salary structure. For instance, contrary to section 70 of the Constitution which provides that the salaries and allowances of legislators shall be fixed by the Revenue Allocation Mobilization and Fiscal Commission the members of the National Assembly are paid emoluments ranging from N13 million to N15 million per month. In addition to their salaries the 36 State Governors are paid security votes running into hundreds of millions per month. The largesse has since been extended to all senior public officers, including heads of ministries, departments, and agencies of the federal and state governments, as well as local government chairmen. The security votes paid to senior public officers are about N241 billion per annum. As if

such subsidy is not enough, state governors have been placed on scandalous pension of billions of Naira. But due to public criticisms, the Lagos State Government has halved the pension for ex-governors while the Governments of Kwara, Imo, and Zamfara States have abolished the payment of the outrageous pension to former governors and deputies. We call on all other state governments to emulate the example of the aforementioned 3 state governments.

Diversion of dividend and feed gas of \$33 billion by NNPC

Nigeria LNG Limited is jointly owned by Nigeria and the OICs. The 49% shares of Nigeria in the joint venture were paid for from the Federation Account in 1989. On March 29, 2021, former President Buhari disclosed that the Nigerian Liquefied Natural Gas (NLNG) had generated \$114 billion in revenues, paid \$9 billion in taxes, \$18 billion as dividend and \$15 billion in Feed Gas Purchase to the Federal Government. However, rather than pay the fund into the federation account as constitutionally directed, the \$33.9 billion dividend and feed gas was diverted by the NNPC.

Diversion of trillions of Naira through fuel subsidy fund

Notwithstanding the allocation of 445,000 barrels of crude oil to NNPC per day for domestic consumption, it has been confirmed that the figures for fuel importation in Nigeria between 1999 and 2023 are as follows:

1. 1999-2006 = N813 billion;
2. 2007-2009 = N794 billion;
3. 2010-2014 = N3.9 trillion;
4. 2015-2023 = N11 trillion.

Not too long the Chief Executive Officer of the Nigerian National Petroleum Company Limited (NNPC), Mr. Mele Kyari stunned the nation when he said that the federal government still owes the company N2.8 trillion in fuel subsidy payments. But the monumental fraud that has characterized the fuel subsidy scam has been confirmed by the Buhari regime. Thus, on March 27, 2022, former Minister of State for Petroleum Resources, Mr. Timipre Sylva publicly lamented the controversies surrounding the amount of petrol that the nation consumes daily, said the subsidy regime encouraged criminal activities like smuggling, which in turn impact negatively on the nation's oil resources. He said that, "I am told the figure sometimes rise to as high as 90 or over 100 million litres. I don't know how that happens. At this rate, I have said if anyone is looking at a criminal enterprise, look no further than the fuel subsidy." The criminal enterprise ought to be probed by the Bola Tinubu administration. It is crystal clear from the foregoing that members of the ruling class are heavily subsidized by the peripheral capitalist system while the masses are subjected to excruciating economic pains. We are therefore compelled to call on the Nigeria Labour Congress and Trade Union Congress as well as the progressive extraction of the civil society to mount pressure on the federal government to stop the dollarisation of the national economy, indiscriminate grant of duty waivers, theft of crude oil, gold, and other mineral resources and recover the nation's looted wealth. In other words, these 'subsidies' should be recovered while the nation's refineries are fixed so that the country can provide genuine subsidies that can make life livable in Nigeria.

Supreme Court damaged trust, public respect in Lawan's ruling – EU Says

The European Union Election Observation Mission has said that the Supreme Court ruling that reinstated former President of the Senate, Ahmad Lawan to the Senate even when it was clearly known that he did not participate in the All Progressives Congress (APC) primaries, has become as a major contributing factor to its loss of public trust, respect and the negative perception surrounding the apex court. The EU which stated this while reviewing the ruling of the Supreme Court in pre-election cases, strongly condemned the Nigeria's apex Court for its judgement. It stressed that the development has significantly brought the reputation of the Supreme Court in Nigeria to an all-time low just as it severely damaged its public image, stressing that it was sad that the Supreme Court reinstated Lawan, who did not participate in the primaries of the APC for the Senate position. These were contained in the EU's recently released final report titled; 'Election Observation Mission Nigeria 2023', in which it stressed that; "The Nigerian Supreme Court continues to suffer from a negative perception following its decision to reinstate Senator Ahmed Lawan, who never took part in the Senate primaries. "Both the High court and the Appeal Court judgments were against this action".

During the Senate's valedictory session, Rochas Okorochoa took a humorous jab at Lawan regarding the circumstances surrounding his return to the Senate without participation in the APC's senatorial primary. Okorochoa had said; "I

didn't run for the Senate this time. I only ran for the office of the president. You are a very clever politician. How you managed to come back to the Senate is another chapter in our political history that we need to discuss. "I was out there in the field with you, running for president. I never knew how you were able to navigate your way, leaving some of us behind. Next time, you must teach me your tricks".

Lawan had contested for the presidential ticket of the APC but came a distant 4th but, after losing the Party primary, he quickly moved secure the senatorial ticket of his district from Bashir Machina who won the Senatorial party primary. Machina, who won the Party primary refused to surrender his APC ticket for the Yobe North senatorial district and moved to the Court to validate his mandate. But, the leadership of the APC led by Senator Abdullahi Adamu bowed to pressure and conceded to remove Machina for Lawan by writing to the Independent National Electoral Commission (INEC), to replace Machina with Lawan as its candidate for the Yobe North senatorial district for the 2023 elections. Curiously, the Supreme Court ruling catapulted Lawan back to the Senate after a long battle by Machina at the High Court and Court of Appeal. The controversial February 6, 2023 Supreme Court judgement that favoured Lawan took many legal luminaries by surprise just as it attracted public condemnation.

