



Nigerians Face bleak yuletide over Fuel Price Increase and high cost of living.

Nigerians have been groaning over the high cost of fuel which appears to be leading to a bleak yuletide season due to increased transportation and food prices. Many families risk celebrating the approaching Christmas and New Year in hardship due to the hike in the prices of goods and services, and are devising life-changing ways to cut costs. Several families told our correspondents that life had become tougher for them as a result of the economic hardship in the country occasioned by the rising inflation of goods and services

following the continuous increase in the price of Fuel otherwise known as premium motor spirit. The removal of fuel subsidy in May last year at the inception of President Bola Tinubu's administration and subsequent and continuous increment in the price of premium motor spirit has cast a long shadow on the upcoming festivities, creating a situation where the traditional joys of the season seem out of reach for many. The sharp rise in transportation costs, food prices, and other essential goods have left Nigerians grappling with the harsh

economic realities, diminishing the celebratory spirit. Recall that President Bola Tinubu, during his inauguration on May 29, removed payment of subsidy on Premium Motor Spirit, PMS, otherwise known as petrol, thereby hiking the price from N185 to N620 per litre. Since then till date the motor premium spirit has been increased severally to the extent that the product now sells over N1,060 in NNPC Stations and higher in independent marketers outlets. In a swift response to the incessant increase in the cost of fuel ActionAid Nigeria has cried that the persistent increases in fuel prices have brought Nigerians to their knees, and worsening the already dire situations of poverty and hunger in the country, raising the alarm that as Nigerians continue to eke a living with the present situation of things in the country there may be increase in kidnapping, armed robberies, and other violent crimes, Speaking in Abuja, ActionAid Nigeria's Country Director, Andrew Mamedu lamented that the latest series of increases has made life unbearable for struggling families, small business owners, and vulnerable communities who are barely managing to make a living. He said: "We foresee that this economic hardship and hopelessness may likely create a fertile ground for crimes to thrive, with kidnapping, armed robberies, and other violent crimes, especially during the festive season. Transportation costs have also more than doubled, and food has become a luxury that many cannot afford. As it stands, Nigeria's healthcare system is also affected, with recent reports indicating that at least 50% of private hospitals have been forced to shut down, while those that remain are barely surviving due to high operating costs. This has devastating consequences for Nigerians, leaving many without access to proper healthcare services. The government's inadequacies in providing pro-poor policies have created an economic and social crisis that threatens all spheres of our society." Mamedu also lamented that despite a recent drop in global crude oil prices, fuel prices in Nigeria continue to soar due to the naira's persistent decline against the US dollar. He also reiterated that within less than a year, the price of crude oil has reduced from \$80.36 in August 2024 for a barrel to \$74.05 in October 2024. However, Nigerian consumers are not benefiting from this decline due to the country's volatile currency exchange rates ActionAid Nigeria questions the Federal Government's decision to refrain from purchasing petrol from Dangote Refinery, noting that: "In a free-market economy, consumers naturally gravitate toward the most affordable option. So, is Dangote Refinery's fuel truly not cheaper? If so, why? Or are there underlying policies or regulatory factors in Nigeria that inflate the cost of this petrol, making imports more favourable?"

Mamedu further decried that Nigeria's ranking in the 2024 Ibrahim Index of African Governance has dropped to 33rd out of 54 African countries, highlighting the corrosive impact of corruption and poor governance on the country's development, "with alarming scores in

inclusion (47%), equality (43%), and infrastructure (41%), the report underscores the urgent need for institutional reforms. The entrenched corruption and weak institutions perpetuate poverty, affecting 62.8% of Nigerians, while hindering economic growth and undermining national progress." He noted that: "To break this cycle, Nigeria must prioritize transparency, invest in critical infrastructure, and implement social protection policies to address disparities in healthcare, education, and economic opportunities, ultimately unlocking its potential for inclusive growth and development."

The Country Director said: "The nation is witnessing unprecedented levels of poverty, inequality, and hardship. The slow and inadequate response of the Nigerian Labour Union and civil society is also a serious concern. The situation in Nigeria right now is multidimensional, and to address the worsening economic situation, ActionAid Nigeria demands that the federal government makes fuel prices affordable for Nigerians, improves transparency and accountability in the oil sector, and better manages the exchange rate to stabilize fuel costs. We cannot afford to continually endure the Federal Government's lack of pro-poor actions. The government must take concrete steps to alleviate the suffering of Nigerians and ensure that the country's resources benefit its citizens." ActionAid Nigeria is a national non-governmental, non-partisan, non-religious, civil society organisation, and an affiliate member of the ActionAid International Federation with presence in 45 countries. It works in solidarity with people living in poverty and exclusion to achieve social justice, gender equality and poverty eradication towards achieving a just, equitable and sustainable world in which every person enjoys the right to a life of dignity, freedom from poverty and all forms of oppression.

Our investigation revealed that many Nigerians are complaining about the high cost of living occasioned by the recent hike in the pump price of petrol. An economic expert, Dahiru Garba, said that the fuel price hike from N897 per litre to N1, 030 per litre will push more Nigerians into poverty. Garba said that the sudden increase in the pump price of petrol by the Nigeria National Petroleum Company Limited and marketers was beyond a simple fuel price adjustment. He said that it would have a far-reaching impact on Nigeria's private sector, trade and the already suffering Nigerian masses. He said that without government interventions, the economic and social repercussions of the price hike would be severe and long-lasting, pushing more people into poverty. "What we will witness is the immediate high cost of transport, which will lead to higher cost of food, businesses will suffer, some may fold up and inflation will rise. "In the long term, it could pose challenges for small and medium-sized enterprises (SMEs) and the agricultural sector," he said. He urged the Federal Government to acknowledge these implications and consider measures to reduce the impact. He suggested targeted incentives for energy efficiency, a halt to wasteful

expenditure, and reducing the cost of governance. “Without such interventions, the economic and social repercussions of this price hike could be severe and long-lasting, pushing more people into poverty,” he said.

As a result, many of the people who spoke to our correspondents said the Yuletide season would be low-keyed, adding that they might not make the usual trips to their hometowns as a result of the high cost of transportation and rising inflation. According to official data, 63 per cent of Nigerians or 133 million people are currently living in multidimensional poverty. A recent United Nations report stated that over 40 million households in the country were poor. Nigerians from different walks of life, who spoke to our correspondents, revealed that they had resorted to borrowing, selling some of their valuables and adopting other cost-cutting measures as a result of the drastic increase in the cost of living. Several experts have opined that if nothing is done to arrest the drift, millions of Nigerians will fall below the poverty line. The National Bureau of Statistics in its Customer Price Index for October revealed that the headline inflation rate increased to 27.33 per cent relative to the September rate of 26.72 per cent. This indicates that the country is facing its worst cost of living crisis in about 20 years.

Our correspondents who visited markets across Lagos and Ogun states report that a bag of rice now sells for over N105, 000, as opposed to N90, 000 in October. A frozen food seller in Utako Market in Abuja, who identified herself simply as Mrs Sarah, disclosed that the prices of frozen fish, chicken and turkey had more than doubled in the last few months. Many traders also anticipated that the prices would rise further before the peak of the festive season. Sarah said, “I sold a bottle of palm oil last week for N1, 600. As of Friday this week, it had increased to N1, 800. Before the end of next week, it may get to N2, 000, or even higher because the yuletide season. “As for rice, I was able to buy a bag for N95, 000 a few weeks ago. As of yesterday (Thursday), when I reached out to my supplier, he said it was now N102, 000 for the long grain and N105, 000 for the short grain.” Another trader, Mr Aloysius Nwakama, said a carton of tomato paste that was sold for around N6, 500 in November was now selling for N8, 500. He said, “A bucket of powdered pepper now sells for N6,



500 from N2, 500. A carton of stockfish (panla) now sells for N42, 000 from around N15, 000, which it sold for last month. “A bucketful measure of egusi (melon), which sold for around N9, 000 last month, now goes for N15, 500. A bucket of onion, which used to be N5, 000, is now N11, 000. “A carton of chicken now ranges between N80, 000 and N95, 000 as opposed to N32, 000, which it sold for in September and October. “Turkey now sells for N95, 000 for a carton as opposed to N55, 000 in October. “Chicken wings now sell for N55, 000 a carton. Five litres of palm oil now sells for N58, 000 from around N25, 000 in October. “A paint bucket of yellow garri is now N6, 000 as opposed to N200 two months ago. A carton of gizzard is now between N68, 500 and N75, 000, and I can tell you that it will increase. As for rice, it may sell for N120, 000 before Christmas.”

According to him, as food prices soar, many families may not be able to afford to celebrate the festive season as they should. Nwakama said “I doubt people will come out to buy much this year because the prices of items have tripled. A pack of spaghetti we were selling between N7, 000 and N8, 000 is now N18, 000. Rice is now food for the rich. A bag of beans is now N420, 000; whereas before now, it was N250, 000. Customers are always asking us for cheaper protein alternatives like shawa (herring fish) and eggs, as well as ponmo (cow hide).”

Another trader in the Wuse, Mrs Esther Oguji, who sells wholesale, lamented that the Yuletide season was not reflected in her sales. “It doesn't even seem as if we are preparing for Christmas. Around this time last year, many people were coming to buy bags of food items. We all know what is happening now. We only appeal to the government to put the economy in shape so that people will celebrate the season with joy. It is so disturbing that the amount you buy today will be different from what you will get for tomorrow,” she said. On her part, another trader, Getrude Okpanachi, noted that a portion of tomatoes sold before at N300 was now selling for N500, while pepper increased to N500 from N220 for a portion of five balls. Speaking on the increase in the prices of food items, a foodstuffs seller in Lugbe, Mrs Margaret Akpan, explained that a bag of potatoes, which sold for between N5, 000 and N4, 000 about few months ago, currently sells for N15, 000.

Another trader in the Wuse, Mrs Esther Oguji, who sells wholesale, lamented that the Yuletide season was not reflected in her sales. “It doesn't even seem as if we are preparing for Christmas. Around this time last year, many people were coming to buy bags of food items. We all know what is happening now. We only appeal to the government to put the economy in shape so that people will celebrate the season with joy. It is so disturbing that the amount you buy today will be different from what you will get for tomorrow,” she said. On her part, another trader, Getrude Okpanachi, noted that a portion of tomatoes sold before at N300 was now selling for N500, while pepper increased to N500 from N220 for a portion of five balls. Speaking on the increase in the prices of food items, a foodstuffs seller in Lugbe, Mrs Margaret Akpan, explained that a bag of potatoes, which sold for between N5, 000 and N4, 000 about few months ago, currently sells for N15, 000. According to her, a medium-sized tuber of yam now sells for between N1, 000 and N1, 500 instead of between N500 and N700 earlier in the year, noting that the increase in prices of commodities had led to a reduction in patronage. She also stated that transportation fare had increased from what it used to be especially the cost of bringing of farm produce to the market. Margaret said, “I don't have many people patronizing me like before because of the bad economy. I should have gone to buy more goods last week, but you can see that I still have many tubers of yam, which I bought four days ago. If it was last year, they would have finished in two days. People are now opting for potato instead of yam because it is cheaper.” “A basket of tomatoes is now N50, 000 but it was N25, 000 before, while the small bag and the big bag sold for N25, 000, but now it is between N70, 000 and N80, 000. A bag of onions

that we bought for N20, 000 and N30, 000 before is currently sold for between N130, 000 and N230, 000. The government should pity us. Customers are complaining and they always lament when they come here.” A mother of five, Madam Uka Osondu, said her family had dumped chicken and turkey from their meals since July.

“We now eat ponmo, Shawa and Kote fish. We eat eggs sometimes but not all the time. We eat more of jollof rice and not rice and stew because we have found out that it is cheaper. This Christmas will be bleak for us; it is not looking like Christmas at all. My children have been complaining but there is nothing we can do about the situation,” she said. For a young lady based in Edo State, Favour Aliu, the economic hardship has forced her to reduce her daily meal consumption level from thrice to once. Lamenting the situation, she said, “When I take N10, 000 to the market before, it would afford me rice, beans and some packs of spaghetti, with ingredients to cook them. “But now, that amount can barely afford two paint buckets of rice. I now take garri in the afternoon. “As for the aspect of cooking gas, it has compounded my woes. I will soon start using firewood if the price does not reduce because I cannot afford to buy a kilogram of gas for N1, 500. “I can't even use an electric cooker because there is no stable electricity. My prayer is for God to help us. It has become so difficult. The government should do something to calm the rising inflation and general hardship in the country.”

A mother-of-two, Mrs Odelami Elizabeth, said her family had stopped stocking foodstuffs, adding that she now purchases items in bits whenever the need arises because of the cost of the items. Another Edo resident, a mother of

four, Mrs Omosi itemhe, said, “Everything has worsened. I didn't believe it would be this bad. Did you know that I took garri with water yesterday night when I realised that the money with me would not be enough for what I planned to do today? I had no other option. “I use a sachet of tomatoes twice whenever I cook rice. I only cook soup on weekends to cut costs. On weekdays, I don't even cook most times because of the cost of gas.”

A housewife, who wanted to be identified only as Mrs Haruna, said she had to borrow from money lenders to be able to augment the monthly feeding money she gets from her husband. “Before now, my family's monthly upkeep money was N15,000 and it was more than enough to feed me, my husband and three kids, but now it can barely feed us once every day for two weeks. “The general increase in the prices of fuel and other commodities is not so favourable.

Some economic experts have noted that the inflation rate in the country will continue to rise if the government continues to implement policies that are inimical to growth, adding that most of these policies so far reeled out by the Federal Government were ill-timed. They also noted that inflation would affect the Yuletide, as many Nigerian families might not be able to celebrate as they should.

A developmental economist and tax expert, Mr Shobayo Adeleke said the ever-rising inflation was an effect of combined economic woes. He stated, “Nigeria barely produces anything that can be exported. We rely wholly on imports, even for things that we can produce. The

environment for small businesses and other entrepreneurs is not conducive. Many businesses have closed down as a result. There is no respite. “When these things are added to the confusion in the forex market where \$1 is over N1, 600 as we are observing today it is obvious why the prices of goods and services will continue to rise.” He advised the government to set up a policy implementation team that would look at, not just the textbook advantages of policies, but fashion out ways to make sure that Nigerians did not suffer because of one ill-implemented economic policy or the other.

Another economic expert and development researcher, Dr Abubakar Usman, said the government should declare a state of emergency on the economy. He added that Nigerians were suffering in the face of the already battered economy left by the immediate past administration and some of the policies of the incumbent. Usman said, “For every policy that a government makes, there is a ripple effect. This effect could be positive or negative, or a mix of both. The ability of a government to manage this effect is what makes it a thinking one. “The Federal Government must show leadership in the way that it runs the affairs of the state. The economy cannot be this bad and we have such a bloated system. Food inflation is nearing 30 per cent. This is something that used to be in single digits in the past. When it hit 15 per cent, everyone thought it was too bad. Now, it has almost hit 30.

“In a country where the minimum wage is N70, 000 and there are over 133 multi-dimensionally poor people and over 40 million poor households, how are they expected to



cope with the new prices of food, transport, fees and other basics? This is a recipe for disaster. By the time it gets to the festive season proper many household may not be able to afford basic food. He also criticized the Minister of Finance and Coordinating Minister of the Economy, Mr Wale Edun, who he quoted to have said many investors were not ready to bring Foreign Direct Investment to Nigeria. "If the economy is friendly and attractive, investors will flood in. We don't want to be hearing about the problems and challenges all the time. Nigerians need to know what the government is doing to make the economy livable for its citizens. That is the primary responsibility of the government," he added. "The CBN must continue to work on strengthening the exchange rate to be able to reduce the cost of imports of raw materials for industries."

On his part, a professor of Financial Economics and Dean, School of Business and Entrepreneurship, American University of Nigeria, Leo Ukpong, enjoined the government to prioritize infrastructure development to tackle the impact of high inflation. According to him, the

really affecting us negatively. Assuming customers were buying these things at a cheaper rate; people would have been buying more. The only thing I will beg of President Tinubu is to bring down the price of fuel. "If there is no increase in fuel price, everything won't go up like this because I believe that fuel for Nigeria is like water, and without it, we cannot survive". "Things are costly, we are not making profit. As a result, people are leaving the country because the pressure and harsh economic conditions of Nigeria are becoming unbearable. "If I were to directly talk to Tinubu, I would ask him to reverse the removal of fuel subsidy and crash the prices of food items. That's the only way he can show that he cares for the poor masses." "How many Nigerians do you think can afford a bag of rice at this period when the minimum wage is N70,000 and that amount cannot even afford a bag of Rice for an average family? "The economy is bad and nothing is working. It's unfortunate that this government only knows how to visit hardship on the people". Majority of Nigerians lament the impact of the continuous increase in the price of fuel on their lives, especially the rising cost of transportation, with queues in filling stations

"If the economy is friendly and attractive, investors will flood in. We don't want to be hearing about the problems and challenges all the time. Nigerians need to know what the government is doing to make the economy livable for its citizens. That is the primary responsibility of the government," he added. "The CBN must continue to work on strengthening the exchange rate to be able to reduce the cost of imports of raw materials for industries."

current inflation is driven by several factors, of which the primary ones are shortage of fuel and shortage of foodstuffs due to insecurity in the agricultural belt of our country. He added that the high cost of importation which demeaned indigenous production, the depreciation of the naira, the high cost of borrowing faced by businesses, and bad economic policies had continued to worsen the country's situation. Many Nigerians are used to travelling home every end of the year for Christmas and New Year celebrations. The Yuletide provides people with the opportunity to unite with their families and loved ones. However, the continuous increase in the cost of premium motor spirit has resulted in astronomic increases in transport fares and food items, among others, have made it extremely difficult for many people to travel during this period. The high cost of living and other economic issues have combined to worsen the current situation. Many people are hungry and cannot afford the basic things of life like food, clothing, etc. According to the National Bureau of Statistics, 133 million Nigerians are multi-dimensionally poor out of over 200 million citizens. "It is

growing daily, while motorists are abandoning their vehicles at home and commuting with public transport for lack of fuel. The few stations that sold petrol, including the Nigeria National Petroleum Corporation, NNPC, and depot were flooded by motorists with queues extending up to three kilometres.

According to Mr Adewale Adejumo an economic analyst "It is due to Government's inefficiency, the reason Nigerians suffer from fuel scarcity. The Government is not sensitive to the plight of the average citizen. The activities of cabals and criminals who manage our Oil resources are serious cause for concern. Despite the huge resources expended on all our refineries the cabals refuse to allow them to work. This is high level of betrayal and sabotage as this has only aggravated the problem we have in the country. Also, survival is impaired, the economy is hard already, and every indicator shows that things are going in the wrong direction", he stated.