



National Dialogue on Fuel Subsidy Removal Report



26th & 27th July, 2023

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Name of Activity	National Dialogue on the Subsidy Removal
Location	Hawthorn Suites, 1 Uke St, Garki 2, Abuja, FCT
Date	27/07/2023
Participants	Total: 73, Males: 44, Females: 29, PWDs:7, PWDs males: 4, PWDs Females: 3
Deliverables	Communique/Next Steps and report



Cross-section of participants at the dialogue



EXECUTIVE SUMMARY

The National Dialogue on the removal of fuel subsidy in Nigeria represented a significant endeavor to address the wide-ranging implications of the abrupt policy shift initiated by President Bola Ahmed Tinubu. This removal has triggered extensive apprehensions pertaining to corruption, resource mismanagement, and its profound ramifications on the nation's economy. The resulting aftermath, characterized by escalating prices of essential goods, transportation, and services, has disproportionately affected the most vulnerable segments of society, compounding the preexisting economic challenges faced by the general populace.

The Centre for Transparency Advocacy (CTA), in collaboration with Palladium under the USAID-funded Strengthening Civic Advocacy and Local Engagement (SCALE) project, orchestrated the National Dialogue, which encompassed a pre-dialogue meeting involving Civil Society (CS) representatives and the main National Dialogue featuring participants from various sectors such as law enforcement, government financial and petroleum entities, civil society organizations, women's and disability advocacy groups, private enterprises, industry associations, and media. This dialogue platform facilitated the amalgamation of diverse viewpoints and expertise to formulate sustainable solutions addressing the hardships imposed on citizens due to the removal of fuel subsidy. The recommendations were condensed into a communique aimed at engaging policymakers effectively.

In anticipation of the National Dialogue, the CTA conducted a Vox-Pop and survey to gauge the impact of the Fuel subsidy removal. The feedback collected from these interviews and surveys spotlighted an array of issues that were subsequently shared during the dialogue. The removal precipitated a series of socio-economic challenges, prominently including exorbitant transportation costs, hindering mobility, straining livelihoods, and triggering an escalation of poverty. Both large and small businesses grappled with reduced profitability, leading to widespread workforce reductions and job losses. The recommendations emerging from these interviews and surveys encompassed various strategies such as subsidized transit alternatives, direct financial aid, reassessment of the subsidy mechanism, and wage increases.

Central to the dialogue were the deliberations of both the Pre-Dialogue and the main National Dialogue sessions. Participants, including government officials, Civil Society representatives, private sector stakeholders, security personnel, Persons with Disabilities (PWDs), and subject matter experts, collectively addressed the challenges and intricate repercussions stemming from the subsidy removal. The resulting economic shocks exacerbated inflation, diminished disposable income, and raised concerns about its impact on average households. An overarching consensus emerged regarding the imperative of dismantling the unsustainable fuel subsidy regimen to pave the way for Nigeria's sustained long-term economic growth.



During the Pre-Dialogue segment, stakeholder submissions underscored the shared unease regarding the lack of thorough consultation and the unanticipated consequences experienced by both citizens and government employees alike. Recommendations encompassed enhanced public transportation, heightened government accountability, and the active involvement of grassroots and women-focused organizations in decision-making processes. A strong emphasis was placed on addressing the rationale and transparency behind subsidy removal, complemented by calls for robust market oversight and comprehensive planning.

In conclusion, the National Dialogue provided a comprehensive platform for an in-depth exploration of the multifaceted challenges arising from the removal of fuel subsidy. The recommendations presented a holistic strategy to address immediate, medium-term, and long-term concerns, while concurrently promoting transparency, inclusivity, and sustainable development for Nigeria.



Faith Nwadishi

Executive Director

Centre for Transparency Advocacy (CTA)



INTRODUCTION

Centre for Transparency Advocacy (CTA) in collaboration with Palladium under the USAID-funded SCALE project organized a National Dialogue on Subsidy Removal. The dialogue was to encourage discussions and generate useful suggestions from critical stakeholders in Nigeria regarding the impact of subsidy removal on citizens. The dialogue involved a range of participants, such as government officials, civil society organizations, Petroleum Marketers, community leaders, experts from various fields, the media, and representatives of vulnerable groups. The aim was to promote a positive and transparent conversation that tackles the issues citizens are facing and develop a position paper that would be submitted to the government.

BACKGROUND

The removal of subsidy on Premium Motor Spirit (PMS) in Nigeria was linked to concerns about corruption, mismanagement, and financial implications associated with the subsidy regime while it lasted. Previous attempts to remove the subsidy were unsuccessful due to political considerations and resistance from vested interests. The current administration under the leadership of President Bola Ahmed Tinubu, was able to remove the subsidy, but it led to an increase in the cost of living and no visible plan as to introduce palliative measures that will cushion the negative impacts of subsidy removal.

The removal of fuel subsidy has been a contentious issue due to concerns about corruption and mismanagement of resources. The abrupt termination of the fuel subsidy by President Bola Ahmed Tinubu has led to significant repercussions, including price increases in commodities, transportation, and services, disproportionately affecting vulnerable groups and exacerbating economic challenges for the general population.

In response to these concerns, Palladium supported a pre-dialogue and National Dialogue meeting to convene various civil society organizations and foster constructive dialogue aimed at developing practical recommendations that address the challenges associated with subsidy removal on citizens, including vulnerable groups. The National Dialogue was attended by representatives from various sectors of society, which underscores the comprehensive nature of the dialogue.

We may recall that during the campaigns leading to the Presidential Election in March 2023, all the leading presidential candidates agreed that petrol subsidy was a scam and fraud infested hence they promised to remove it on assumption of office. However, within this period, none of the candidates showed any framework or plans on the “HOW” of the removal and palliative measures. This lacuna is one of the key drivers of this dialogue and conversations by the civil society. One of the of the key outcomes of this dialogue is a positive and transparent conversation that tackles the issues citizens are facing and develop a common position paper that would be submitted to the government.



OBJECTIVE

To convene stakeholders from various sectors, exchange ideas, and collaborate, with the ultimate goal of identifying practical measures that will mitigate the adverse effects of fuel subsidy removal on citizens, especially vulnerable groups. The outcome of the dialogue will be shared with relevant stakeholders, government agencies and citizens. The ultimate goal is that the short term, mid-term and long-term recommendations will be applied by government to reduce the harsh impact of subsidy removal on PMS.

PROFILE OF PARTICIPANTS

CSOs, Media, Women in Extractives, League of Women Voters of Nigeria (NILOWV), PWD groups (Inclusive Friends Association and ISDI), the President, Independent Petroleum Marketers Association of Nigeria (IPMAN), Ministry of Petroleum Resources (MPR), Open Government Partnership (OGP), Federal Ministry of Finance, the Assistant Inspector General of the Nigeria Police Force (NPF), National Democratic Institute (NDI), Extractive Industry Experts, Representatives from the six geo-political zones and Nigeria Extractive Industries Transparency Initiative (NEITI)

Total: 73, Males: 44, Females: 29, PWDs:7, PWDs males: 4, PWDs Females: 3



THE HIGHLIGHT OF THE DELIBERATIONS AT THE NATIONAL DIALOGUE

The National Dialogue had two sessions, plenary and panel discussions. High level representations from Civil Society, Government, Private sector, and vulnerable groups who through their goodwill messages made presentations indicating their commitment to work with citizens in addressing the concerns raised.

The Executive Director of CTA gave a welcome address and remarks were made by the Chief of party of the SCALE project in Nigeria. The keynote address was delivered by Dr. Micheal Uzoigwe, an extractives expert and immediate past Anglophone Africa Program Manager of the Extractive Industries transparency Initiative (EITI).

The overall submissions from both the Pre-Dialogue and the National Dialogue highlight the significant impact of the removal of subsidy on fuel in Nigeria. The dialogue participants, including government officials, representatives from various sectors, and experts, addressed the challenges and consequences of this policy change. The sudden removal of subsidy has led to economic shocks, increased inflation, reduced disposable income, and concerns about its effects on the average Nigerian household. However, there is a consensus that the subsidy regime was unsustainable and that its removal was necessary for the long-term growth of the Nigerian economy.

SUBMISSIONS FROM THE PRE-DIALOGUE MEETING WITH CIVIL SOCIETY ORGANIZATIONS

- The fuel subsidy removal's impact on citizens and the lack of proper consultation before its implementation has affected both government and non-government workers. Recommendations included enhancing public transportation options, such as railway networks and buses, to mitigate increased transportation costs.
- Emphases were on the need for unified positions among Civil Society Organizations (CSOs) and a need for the government to demonstrate accountability and sacrifice. A comprehensive approach that involves critical segments of society, including both organized and informal groups, in decision-making processes should be adopted. The importance of addressing the subsidy removal's basis and transparency through forensic audits was highlighted.
- The importance of considering grassroots perspectives, particularly those of women who are disproportionately affected should be represented in the Negotiation Committee to ensure their voices are heard. Concrete measures for transportation arrangements, community health centres functionality, and the engagement of CSOs and women-based organizations for palliative distribution were suggested.



- Identified increased unemployment, exploitation, and food inflation among the impacts of the subsidy removal. Recommendations included reducing informal taxation, improving public transportation, promoting alternative energy sources, and revitalizing Nigeria's refineries. Transparent market regulation and comprehensive planning were highlighted as crucial to addressing Nigerians' challenges.
- Exploration of greener energy sources and recommended a reduced custom duty on solar panels and broader adoption of renewable energy. The importance of transparent policies and incentives for farmers to transition to renewables was highlighted.
- Emphasized the removal's impact on fixed-income earners and suggested solutions involving transportation provision and addressing Nigerians' mistrust in palliative distribution. The involvement of CSOs and women-based organizations in monitoring palliative distribution was proposed.
- linked corruption to mental health challenges and recommended engaging representatives from various sectors to develop strategies addressing this link. Transparency, accountability, and good governance were emphasized.
- Increased investment in renewable energy and incentives for farmers. This transition would mitigate climate change challenges and energy needs in the long term.
- Involvement of Local Government and Area Council chairmen as part of the Negotiating Committee and to monitor the distribution of the palliatives.
- Suggested short-term measures of forensic audits and price regulation, long-term accountability investigations, and access to funding for industries' growth.

These recommendations were eventually merged with the overall recommendations from the National Dialogue.



WELCOME ADDRESS BY FAITH NWADISHI, THE EXECUTIVE DIRECTOR- THE CENTRE FOR TRANSPARENCY ADVOCACY (CTA)



The CTA Executive Director giving her open remarks.

Madam Faith Nwadishi acknowledged the significant implications of the decision to remove fuel subsidy on the lives of citizens and emphasized the urgency of coming up with sustainable recommendations to mitigate the hardships faced by vulnerable groups in the society. The Executive Director encouraged open and constructive dialogue, stressing the need to embrace transparency, accountability, and citizens participation.

Nwadishi revealed that the Centre for Transparency Advocacy (CTA) as an additional input, will be sharing findings from a survey conducted on the impact of fuel subsidy removal by CTA while she urged participants to actively engage in discussions, listen to one another, and think critically about the challenges faced by the citizens. She concluded by wishing participants a fruitful and engaging dialogue, with collective efforts leading to recommendations and solutions that will alleviate the hardships imposed by subsidy removal and foster sustainable development for all.

(See the full speech in the annex)



SPECIAL REMARKS BY MS LYDIA ODEH, CHIEF OF PARTY (COP), PALLADIUM.



Lydia Odeh, the Chief of Party, Palladium – USAID-SCALE rendering her special remarks.

Mrs. Odeh spoke about the significance of the dialogue and how it aligns with the mandate of the project, Strengthening Civic Advocacy and Local Engagement (SCALE). She noted that the dialogue provides a platform for civil society organizations and other critical stakeholders to engage in constructive discussions on the issue of subsidy removal, reflecting the essence and importance of SCALE. She said that most stakeholders are not against subsidy removal, but that government should have taken into considerations the impact the removal would have on the citizens and that there should have been plans on ground to mitigate such negative impacts.

She concluded by saying that the dialogue hopes to engage with the government on the issue of subsidy removal, with the aim of developing practical recommendations that will address the challenges faced by vulnerable groups in the society. She expressed her anticipation for the next steps to be taken in this regard.



SUBMISSIONS OF STAKEHOLDERS AT THE NATIONAL DIALOGUE



THE EXECUTIVE DIRECTOR OF INCLUSIVE FRIENDS ASSOCIATION (A PWD GROUP), MRS GRACE JERR

Impact on Vulnerable Populations:

The removal of subsidy has had a particularly detrimental impact on vulnerable groups, including persons with disabilities (PWDs) and women. Unemployment among PWDs has risen, and they face difficulties accessing transportation services. Women, especially those in rural areas, have also been disproportionately affected.

However, the strong belief is that the National Dialogue and discussions presented a crucial opportunity for PWDs to actively participate and contribute to finding solutions that can alleviate the adverse effects they are facing due to subsidy removal.



Government and Security Agencies



THE DIRECTOR, ECONOMIC RESEARCH AND POLICY MANAGEMENT DEPARTMENT, MRS OGBONNA G.M.

The representative of the Ministry of Finance welcomed all participants, emphasizing the timeliness and relevance of the event. The ministry agrees that the removal of oil subsidy in Nigeria by the current administration has resulted in a series of economic shocks, including increased inflation, pressure, rapidly disposable income, and growing concerns over the impact of the removal on the average Nigerian household.

According to the position of the Ministry, in response to the situation, the National Economic Council recently released a set of palliative measures to mitigate the severest impacts of the subsidy removal. However, it was acknowledged that these measures have not fully addressed the needs of the most vulnerable citizens, necessitating the move to have a more detailed and targeted approach to finding a solution.

The Permanent Secretary expressed hope that the participants' deliberations during the event would result in recommendations that will help improve the well-being of Nigerians.





THE ASSISTANT INSPECTOR GENERAL OF POLICE, AIG YUSUF C. USMAN

Representing the security sector, the Inspector General of Police represented by Assistant Inspector General (AIG) Yusuf Usman admitted that the nation has been grappling with economic hardship, particularly affecting millions of Nigerians living below the poverty level, struggling to make ends meet. This situation has led to soaring inflation rates, especially in essential services like food and transportation, making them unaffordable for many citizens. This also increases security challenges making everyone vulnerable to security risks.

Despite the hardships faced by the people, there is still need for people to go about their lawful businesses, and the role of the police force becomes crucial in ensuring the safety of lives and properties. The citizens have the right to express their opinions through peaceful protests, but these demonstrations must be carried out lawfully and in adherence to the guidelines set by the police authority. Informing the respective state police commands about protest plans and providing necessary security coverage can prevent the infiltration of criminal elements that may disrupt peaceful protests.

The subsidy removal also presents challenges for the Nigeria Police Force, particularly in the areas of.

- funding for patrol vehicles. The high cost of Premium Motor Spirit (PMS) has made it expensive to maintain and deploy patrol vehicles and this is affecting surveillance operations.





THE REPRESENTATIVE OF THE PERMANENT SECRETARY, MINISTRY OF PETROLEUM RESOURCES, MOHAMMAD M.A.

He highlighted that the subsidy was first introduced in response to the global oil price hike in 1973 and further regulated in 1977 through the Price Control Act.

Over the years, the subsidy has provided benefits to Nigerians, but it also became a burden on the government's revenue due to the substantial amounts being paid to marketers. Several successive governments attempted to stop the subsidy regime and redirect funds to other areas of national development without success. However, the current government made the decision to remove the subsidy to generate more revenue and revitalize the Nigerian economy for improved national development.

While acknowledging that the subsidy removal has caused hardship for Nigerians, he stated that the government is working to come up with measures for vulnerable Nigerians and to increase the minimum wage for civil servants which will help cushion its effects.

The Petroleum Industrial Act has provided for the removal of the subsidy and the full deregulation of the oil value chain, allowing pricing to be determined by market forces. which is expected to increase investment in the midstream and downstream sectors of the Nigerian petroleum industry.

The Ministry expressed appreciation for the dialogue and looked forward to receiving the communique, which will aid in necessary actions moving forward.



Perspectives from other Stakeholders, CSOs and the Media.

PANEL SESSION



The session was moderated by; Mr. Ugochukwu Munachi of CiSLAC.

During the session, experts and stakeholders engaged in an in-depth discussion about the multifaceted effects of removing subsidy on various sectors of the economy. They delved into the impact on fuel prices, inflation rates, and the overall cost of living for citizens. Additionally, the panel explored potential interventions and strategies to alleviate the burden on vulnerable populations and foster sustainable economic growth. Through constructive debates and thoughtful exchanges, the session aimed to provide valuable insights for policymakers and stakeholders to make informed decisions and address the challenges posed by subsidy removal effectively.

NIGERIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE (NEITI)

The fuel subsidy removal revolved around posing critical questions and addressing public concerns. The funding of subsidies, sourced from the 445,000 barrels of fuel production, was a central point of discussion. Recognizing the multi-faceted nature of the subsidy problem, NEITI



took a position that aligned with these recommendations to the government, focusing on direct palliatives for those in need to include.

1. Urgent Action by the Government in addressing the fuel subsidy removal issue to mitigate its impact on the populace.
2. Expansion of Social Welfare Programs to support vulnerable segments of society, the government should enhance its social welfare program, ensuring more robust assistance for those in need.
3. Implementation of Alternative Measures to address energy needs, while advocating for the complete removal of subsidies.

THE INDEPENDENT PETROLEUM MARKETERS' ASSOCIATION OF NIGERIA (IPMAN)

The Independent Petroleum Marketers' Association of Nigeria expressed its full support for the dialogue and highlighted its concern on the removal of subsidy on Premium Motor Spirit (PMS) by the government. The Association emphasized that other petroleum products like diesel and kerosene had already been deregulated by previous governments through the Petroleum Industry Act of 2021, so the move to deregulate PMS was long expected.

IPMAN's major concern according to the President Alhaji Debo Ahmed lies in the fact that the price of PMS is now controlled by market forces, dependent on the value of the Naira against the dollar. He believes that if the country's refineries had been revitalized before the subsidy removal, the situation would have been different, and the price of PMS would not be as high as it is now.

Empowerment, Gender Equality, and Inclusivity:

Generally, participants across the stakeholders agreed that the removal of fuel subsidy has had a profound impact on women, particularly those in rural areas and that there is an urgent need for the government to extend support and empowerment to women PWDs and other vulnerable groups, with the aim of alleviating the hardships they have endured due to this removal. This should come by providing targeted assistance so that women and PWDs can be better equipped to cope with the adverse effects of the subsidy removal. Therefore, promoting gender equality and inclusive development at this time has become imperative.



Media

Media reportage and information dissemination should be accurate and backed up with data at this crucial time. Misinformation and disinformation especially from the social media should be discouraged as it has the potentials to create chaos, civil disorder, and security breach. Media practitioners and owners were advised to be circumspect and avoid sensationalism.

It was also mentioned that the removal of subsidy has increased the desperation of migration of young persons from Nigeria. The local parlance called **JAPA** has gained traction and will lead capital and human flight from Nigeria.

Overall, the dialogue emphasized the need for comprehensive strategies to address the challenges posed by the subsidy removal. While acknowledging the difficulties caused by the policy change, participants also recognized the potential for subsidy removal to foster transparency, accountability, and fiscal responsibility if managed effectively. The report highlights the diverse perspectives and proposed solutions from various stakeholders to navigate the complexities of this policy shift.

Generally, participants stressed the need for the implementation of the national policy on energy in Nigeria, emphasizing the importance for the federal government to adhere to it. It was noted that the policy was reviewed in 2023 to ensure its alignment with the well-being of all Nigerians.

Furthermore, the media was urged to reposition itself in the context of national development through research to boost its current operations.



SUMMARY OF RECOMMENDATIONS FROM THE NATIONAL DIALOGUE WITH STAKEHOLDERS

SHORT TERM

1. Mechanism for price regulation and control. This is to establish a system or framework for regulating and controlling the prices of goods or services,
2. Independent panel to give a forensic report on bodies on subsidy management. This is a group of individuals with expertise in forensic analysis and investigation. The panel's main task is to carry out a detailed examination of how subsidies are managed, likely referring to government funds or financial support provided to various sectors or beneficiaries.
3. Government should work closely with traditional, LGAs and Area Council chairman in the disbursement of palliatives.
4. Cash transfers in the form of direct provision of financial assistance or aid to individuals or households, typically in the form of cash payments.
5. Provide basic health care in remote areas especially and render basic health services for free.
6. Employees to provide buses to convey staff especially those who work at the city centres and works in satellite towns and even extended to villages.
7. State governors should be involved in the discussion in the negotiating committee for palliative measures that would be taken.
8. Government to set timelines on measures and actions to be taken in handling the impact of the fuel subsidy removal.
9. Members of the negotiation committee should involve a strong force cutting across various sectors including civil society organizations.
10. Cut down multiple taxations, especially in informal places like markets should be curtailed (tax holidays)
11. Strengthening the public transport system and making it effective and government should roll out more buses.
12. Higher internet penetration and reduced data cost. This is by strengthening broadband based and ensuring everywhere is covered so that people can take advantage of hybrid job.
13. Government needs to reduce the customs duty on alternative energy sources to reduce their cost.
14. Concrete arrangements for transportation for those who work, students, and nursing mothers especially those in the health sector generally. Even how the community health centres coped with their functionality since the impact.
15. Govt, should engage with CSOs, and faith-based and women-based organizations to monitor and anchored the distribution of palliatives.
16. State government should review salaries and increase the minimum wage.
17. Federal government should tell the citizens about their plan for the money that was been saved over the years.



MEDIUM-TERM

1. Increase the use of LPG/CNG as cooking gas.
2. Follow the original plan of FCT to decongest offices that are clustered in the central area to other satellite areas to reduce the cost of commuting to their workplace.
3. Better markets in satellite towns to prevent people spend time commuting and dependency on fuel.
4. There should be a policy that will help to protect immigrants because of the level of desperation to leave the country, especially the youth.

LONG TERM

1. wholistic investigation of government agencies and parastatals who have been involved in the contract of renovating the refinery.
2. the government should investigate MDAs on their policies and effectiveness in discharging their duties.
3. At least one of our refineries should be functioning.
4. Invest in renewable energy and make it accessible to all especially the poor.
5. Provide grants and loans for informal sectors to help empower them and create jobs.
6. Provision of a railway from satellite towns and even from remote areas to the city centers

GENERAL RECOMMENDATIONS

1. The government must:
 - a. conduct an independent forensic audit of the subsidy regime and refinery rehabilitations and ensure speedy prosecution of those found wanting.
 - b. demonstrate the same sacrifice that they are demanding from citizens, by cutting governance costs and the consideration of the Oronsaye Report.
 - c. Ensure comprehensive and inclusive planning, implementation and monitoring of collectively proposed measures.
 - d. Account for and be transparent in planning for and utilizing savings from the subsidy removal.
 - e. Consider tax incentives targeted at low-income earners, and small businesses and consider the suspension of import duties on food, fertilizer, and agricultural inputs, temporarily.



2. Speedy construction of new and rehabilitation of existing railways within cities and inter-city rail lines in big cities like Abuja, Lagos, Kano, Port Harcourt etc. to ease movement.
3. State and local governments should:
 - a. make buses available in remote areas to help convey farmers and their produce from their farms to the market to reduce wastage.
 - b. Provide free and/or subsidized transit buses to convey people along major city routes across Nigeria.
4. Concrete arrangements for free transportation for those who work, students, nursing mothers, and the elderly in critical sectors like health and education.
5. Government should engage with CSOs, faith-based and women-based, and community-based organizations to monitor and anchor the distribution of palliatives.
6. Federal and State governments should review salaries immediately.
7. CSO representatives must be a part of the negotiation committee of government.



NEXT STEPS / ACTION POINTS:

1. Release communique to media by organizing a media roundtable/press conference.
2. **Policy Advocacy and Engagement:**
Collaborate with policymakers, legislators, and relevant government agencies to promote the adoption of the recommendations. Advocate for the creation of a clear roadmap and timeline for subsidy removal, ensuring that preparatory measures are in place to mitigate potential adverse effects on vulnerable populations.
3. **Public Awareness Campaigns:**
Develop targeted campaigns to educate the public about the rationale behind subsidy removal and its potential benefits in the long term. Address common misconceptions and emphasize the importance of equitable distribution of resources and social interventions. Strongly recommend a step-down of this dialogue at regional and state levels. Leveraging on CSOs at those levels to achieve it.
4. Make a case for the government to engage with the CSOs to be part of representation in the Negotiation Committee
5. **Strengthening Accountability Mechanisms:**
Advocate for the establishment of robust monitoring and evaluation mechanisms to ensure that funds saved from subsidy removal are channeled into initiatives that directly benefit the most vulnerable segments of society. This includes transparent management of funds allocated for palliatives and other social programs.
6. **Research and Data Collection:**
Commission further research to provide evidence-based insights into the socioeconomic effects of subsidy removal. Use this data to inform ongoing advocacy efforts, policy discussions, and implementation strategies. Initiate research to determine the actual volume of PMS consumed by Nigerians daily including costs across the six geo-political zones of Nigeria.
7. **Capacity Building:**
Organize training sessions and workshops for civil society organizations, advocacy groups, and community leaders. Enhance their capacity to engage effectively in advocacy, policy dialogue, and monitoring of subsidy-related initiatives.
8. **Continuous Engagement:**
Maintain an open and ongoing dialogue with stakeholders, including government representatives, civil society organizations, private sector entities, and academia. Regularly review progress, address emerging challenges, and adapt advocacy strategies as needed. Seek for and explore opportunity to engage the Negotiation Community



CONCLUSION

In retrospect, the journey of the Centre for Transparency Advocacy (CTA) in advocating for the removal of fuel subsidy began over a year ago. The Executive Director (ED) of CTA highlighted the proactive efforts undertaken by the organization, engaging with presidential candidates from major political parties through Town Hall meetings with Channels TV. These engagements unveiled a consensus among the candidates regarding subsidy removal, although the intricacies surrounding the implementation timeline and methodology remained unresolved leading up to the election.

While the removal of the subsidy maintains its desirability, a series of concerns have emerged, chiefly centered around the absence of preparatory measures. Research findings underscored a critical point – the subsidy disproportionately benefits the well-off more than the underprivileged, prompting fundamental questions about its fairness and efficacy.

In the aftermath of the subsidy removal, several pertinent issues arose. Doubts were raised regarding the credibility and inclusiveness of the government's proposed social register for palliative distribution, as many communities were uninformed about its existence and the individuals enlisted within. Moreover, the removal of the subsidy inadvertently imposed a sort of double taxation, increasing the tax burden on Nigerians who now pay more for the fuel they consume. This situation consequently sparked a resounding call for government accountability and transparency.

The comprehensive array of recommendations provided by stakeholders during the National Dialogue encapsulates a wide spectrum of challenges generated by the fuel subsidy removal. These recommendations, spanning various dimensions and timeframes, hold the potential to construct a comprehensive framework to tackle immediate, medium-term, and long-term concerns. It is our hope that the outcomes of this dialogue, coupled with the synthesized recommendations, will pave the way for a holistic approach, fostering transparency, inclusivity, and sustainable development for the Nigerian populace.

As the nation traverses this transformative period, it is imperative for all stakeholders – from policymakers to civil society organizations, private sector entities to grassroots advocates – to work collaboratively, ensuring that the transition away from fuel subsidy reliance ushers in a new era of equitable prosperity and growth. Through concerted efforts and unwavering dedication, Nigeria has the potential to turn this challenge into an opportunity for positive change and enduring progress.



APPENDICES

1. AGENDA
2. WELCOME SPEECH BY THE EXECUTIVE DIRECTOR OF CTA
3. GOODWILL MESSAGES/SUBMISSIONS FROM STAKEHOLDERS
4. KEYNOTE PRESENTATION BY DR MICHAEL UZOIGWE
5. SUMMARY OF FEEDBACK FROM THE VOX POP
6. ANALYSIS OF SURVEY ON IMPACT OF FUEL SUBSIDY REMOVAL
7. COMMUNIQUE
8. MEDIA LINKS
9. PICTURE GALLERY
10. ABOUT CTA

1.0 AGENDA

DATE: 26/07/2023

ACTIVITY: PRE-DIALOGUE MEETING WITH CSOs ON THE FUEL SUBSIDY REMOVAL

TIME: 11:00 am

VENUE: CTA, CONFERENCE HALL, HOUSE A, PLOT 696/8 UBIAJA CRES, GARKI 2, ABUJA

S/N	TIME	ACTIVITY	PERSON RESPONSIBLE
1	10:30 am - 11:00 am	Arrival and Registration of Participants	CTA Secretariat
2	11:00 am - 11:05 am	Opening Prayer (2 nd stanza of the national anthem)	Participants
3	11:05 am - 11:15 am	Self-introduction by participants	Mr MacDonald Ekemezie/Participants
4	11:15 am - 11:30 am	Welcome Address by the ED- CTA	ED, CTA
5	11:30 am - 11:40 am	Special Remarks	Palladium, USAID
6	11:40 am - 12:00 pm	Presentation (presenting the concept of the dialogue and the vox pop and setting the tone)	CTA
7	12:00 pm - 01:00 pm	Interactive Discussions	CSOs
8	01:00 pm- 01:30 pm	Next steps and recommendations for Day 2	CSOs
9	01:30 pm- 01:40 pm	Vote of thanks/Closing remarks	Mr. MacDonald Ekemezie
10	01:40 pm	LUNCH	All participants

AGENDA

DATE: 27/07/2023

ACTIVITY: NATIONAL DIALOGUE MEETING ON THE FUEL SUBSIDY REMOVAL

TIME: 10:00 am

VENUE: Hawthorn Suites, 1 Uke Street, Garki 2, Abuja, FCT

S/N	TIME	ACTIVITY	PERSON(S) RESPONSIBLE
1	10:30 am - 11:00 am	Arrival and Registration of Participants	CTA Secretariat
2	11:00 am - 11:05 am	Opening Prayer (2 nd stanza of the national anthem)	Participants
3	11:05 am - 11:20 am	Self-introduction by participants	Mr MacDonald Ekemezie/Participants
4	11:20 am - 11:30 am	Welcome Address by the ED- CTA	ED, CTA
	11:30 pm- 01:40 pm	Remarks by Palladium	Palladium representatives



5	11:40 am – 12:00 am	Goodwill messages	
6	12:00 am – 12:30 am	Keynote address	Dr Michael Uzoigwe
7	12:30 am – 01:00 am	Paper Presentation on Fuel subsidy removal and proposing recommendations for palliative measures	NEITI
7	01:00 pm	Tea break	
8	01:15 pm - 02:00 pm	Other Presentations - Survey findings – By CTA team - Oil and gas Expert - - CSO presentation of their recommendations	Representatives
9	02:00 pm - 02:20 pm	Panel session	
10	02:20 pm – 03:00 pm	Breakout session – Based on groups	By participants
11	03:00 pm – 03:30 pm	Lunch	All participants
12	03:30 pm – 04:00 pm	Presentations by Groups from the breakout session	Group representatives
13	04:00 pm – 04:20 pm	Presentation of the communique and recommendations	
14	04:20 pm – 04:30 pm	Vote of thanks/Closing remarks	Mr. MacDonald Ekemezie

2.0 ED CTA’s speeches

2.1 OPENING SPEECH ON DAY 1

WELCOME REMARKS BY THE EXECUTIVE DIRECTOR, CENTRE FOR TRANSPARENCY ADVOCACY AT THE CSO LEADERS PRE-NATIONAL DIALOGUE ON SUBSIDY REMOVAL SUPPORTED BY PALLADIUM, SCALE AT CTA CONFERENCE ROOM, ABUJA ON 26TH JULY 2023

Dear colleagues,

A warm welcome to you and media representatives to this pre-National dialogue meeting on Fuel Subsidy Removal. It is an immense pleasure to have all of you here today, representing various civil society organizations, and bringing your expertise and insights to the table. Your presence and active participation in this meeting are crucial as we embark on this collective journey to develop meaningful recommendations for the upcoming National Dialogue on Subsidy Removal.

As leaders of civil society organizations, we play a pivotal role in amplifying the voices of the most vulnerable members of our society and advocating for their welfare. Today's meeting is a unique opportunity to leverage your collective insights and experience towards addressing the challenges faced by Nigerians in the wake of the subsidy removal.

The removal of the fuel subsidy has had far-reaching implications on the lives of our people. It is evident that vulnerable communities have borne the brunt of the hardship caused by this policy change. As leaders at the forefront of societal change, it is our responsibility to craft concrete and evidence-based recommendations that address these challenges and advocate for effective palliatives to alleviate their burden.



During this meeting, we will engage in thoughtful discussions, brainstorming, and collaborative problem-solving. Together, we will explore sustainable solutions that ensure transparency, accountability, and citizen participation in decision-making processes. Your expertise and insights are invaluable in shaping the course of this dialogue and driving positive change for the benefit of all.

Let us remember that our collective goal is to contribute to the well-being and livelihoods of the most vulnerable among us. By fostering inclusivity and embracing diversity, we can ensure that our recommendations are truly representative of the needs and aspirations of our fellow citizens.

I encourage each of you to actively participate, engage in open dialogue, and share your perspectives freely. This is a safe space for constructive discussions and collective learning. I also urge us to collaborate with one another, leveraging the strength of our organizations to develop recommendations that resonate with the broader civil society and grassroots communities.

As we deliberate today, let us keep in mind that our efforts have a broader impact. The recommendations we put forth will shape the conversations at the National Dialogue on Subsidy Removal, influencing policies and paving the way for positive change.

Thank you once again for your commitment and dedication to this critical cause. Your presence here today reflects your unwavering dedication to promoting the welfare of our fellow citizens. Let us work together with a sense of purpose and unity as we embark on this transformative journey.

I extend my deepest gratitude to the Chief of Party of USAID-SCALE project and her team for supporting this dialogue, and all of you for your presence and commitment to this vital cause. Your expertise, insights, and dedication are instrumental in shaping the outcome of our submission. I also express my sincere appreciation to my colleagues, the CTA organizing team for working tirelessly behind the scene to ensure the success of this engagement...

I wish you all a fruitful and engaging meeting, and I eagerly anticipate the recommendations that will emerge from our collective brainstorming. Together, let us come up with a united voice in contributing to a more equitable and sustainable future for all.

Thank you.

Faith Nwadishi

ED, CTA



2.2 DAY 2

WELCOME REMARKS BY THE EXECUTIVE DIRECTOR, CENTRE FOR TRANSPARENCY ADVOCACY AT THE NATIONAL DIALOGUE ON SUBSIDY REMOVAL SUPPORTED BY PALLADIUM, SCALE AT HAWTHORN SUITES, ABUJA ON 27TH JULY 2023

Distinguished Guests, Honourable resource persons, Esteemed Participants,

Good morning and welcome to the National Dialogue on Removal of Fuel Subsidy. It is an honor to stand before you today as we gather to address one of the most pressing issues of our time – the hardships imposed by the removal of fuel subsidy. I extend a warm welcome to each one of you, representing various sectors and bringing your invaluable expertise to this important dialogue.

The decision to remove fuel subsidy have had significant implications on the lives of our fellow citizens. It has resulted in increased costs of living, affecting transportation, essential goods, and services. As we gather here today, it is imperative that we recognize the urgency of coming up with sustainable recommendations to mitigate the hardships faced by vulnerable groups in our society.

This dialogue is not just a platform for discussion; it is an opportunity for all of us to take ownership of the process and contribute to the provision of concrete recommendations. We have brought together a diverse group of stakeholders, each with unique perspectives, experiences, and expertise. It is through your active participation and engagement that we can collectively craft solutions that address the challenges at hand.

The center for transparency Advocacy will be sharing the findings from a survey conducted on the impact of the fuel subsidy removal, coping mechanisms of Nigerians and recommendations for palliatives. Yesterday, some Civil Society leaders met at the conference room of CTA and agreed on some recommendations which will be shared at this meeting.

In the spirit of inclusivity, we encourage open and constructive dialogue throughout the course of this event. Let us share our experiences, knowledge, and best practices, recognizing that together we have the power to create positive change. By fostering collaboration and cooperation among stakeholders, we can develop practical recommendations that will inform policy reforms and interventions.

To achieve meaningful outcomes, it is crucial that we embrace transparency, accountability, and citizen participation. The voices of those directly affected by subsidy removal must be heard and considered. We must strive to ensure that our recommendations are rooted in the needs and aspirations of our fellow citizens, particularly the most vulnerable among us. This dialogue serves as an opportunity to amplify their voices and champion their cause.

As we embark on this deliberation, let us keep in mind the goal: to make recommendations that if implemented; will alleviate the hardships faced by our fellow citizens and contribute to sustainable



development. I urge each of you to actively engage in the discussions, actively listen to one another, and think critically about the challenges we face. Let us work together to identify practical, evidence-based solutions that will pave the way for a brighter and more inclusive future.

The recommendations and report of this dialogue will be shared with the Subsidy removal/palliative joint committee of the federal government and relevant government agencies.

I extend my deepest gratitude to the United State Agency for International Development (USAID), the Chief of Party of Palladium-SCALE project and her team for supporting this initiative, the speakers and panelists who have done this pro-bono, all the participants for their presence and commitment to this vital cause. Your expertise, insights, and dedication are instrumental in shaping the outcome of this dialogue. I also express my sincere appreciation to my colleagues CSOs leaders who spent time yesterday, brainstorming on our submission and the CTA organizing team for their tireless efforts in facilitating the dialogue.

I wish you all a fruitful and engaging dialogue. May our collective efforts lead to recommendations and solutions that will alleviate the hardships imposed by subsidy removal and foster sustainable development for all.

Thank you.

Faith Nwadishi

ED, CTA



3.0 GOODWILL MESSAGES/SUBMISSIONS FROM STAKEHOLDERS

3.1 The Nigeria Police Force

**RE: INVITATION TO THE NATIONAL DIALOGUE
ON SUBSIDY REMOVAL**

National Discussing or Dialogue on Subsidy Removal has become imperative as the nation is faced with far ranging consequences, viz:

- (i) Economic hardship due to the facts that millions of Nigerians are leaving below poverty level and as such struggling to make ends means.
- (ii) It has contributed to more high inflation rate in the country as food prices, transportation and other essential services has rose in cost coupled with the meagre income of most citizens has made it difficult to afford them.
- (iii) Despite the hardship being experienced by the citizens, they still need to go about their lawful businesses and the Police Force is assuring the populace the safety of their lives and properties.
- (iv) The Police Force is at the centre of the situation like this where citizens will like to express their opinions through peaceful protest, but they must be guided by the law.
- (v) The citizens should know that before embarking on any protest lawfully, the police authority of respective state commands must be informed the full information of the date, time and duration of protest to provide the necessary security coverage to prevent infiltration of criminal elements who may disrupt the lawful protest.



Challenges of the Nigeria Police Force:

The challenges of the subsidy removal is also felt by the Force in the following areas:

- (i) The fuelling of vehicles on patrol had become expansive due to the high cost of PMS as most of these patrol pick-ups and van runs on PMS.
- (ii) It has affected deployment of vehicles as only few vehicles are now being deployed for patrols and surveillance operations.
- (iii) The Problem of inadequate funding for fuelling of vehicles and now couple with petroleum high pump prices.

Solutions:

The following solutions are hereby proffered to help mitigate the above challenges.

A. Short Term:

- (i) Provision of adequate funding to meet up with the rising cost of PMS;
- (ii) Key into the Federal Government on Auto-Gas policy fully to enable police vehicles be converted to Auto-gas (CNG and LPG).
- (iii) Provision of local sources of getting adequate Auto-gas at affordable prices.

B. Long Term:

- (i) Provision of Auto-gas refuelling station and conversion kits and diagnostic tools to enable the Force convert and maintain Auto-gas vehicles;



- (ii) Provision of standards workshops for the maintenance of these vehicles and training and retraining of specialized technicians as it was carried out in year 2021 during the Auto-gas policies implementation and in which the Force use the opportunity to trained officers on professional Auto-gas conversion technicians (mechanics and electricians).
- (iii) Provision of sustainable Auto-gas (LPG and CNG) in large quantities and effective logistics process to handle distribution of the products to reach all the state and area of operation.



3.2 PWD:

Recommendation on Mitigating the Adverse Effects of Fuel Subsidy Removal Policy on Citizens, Especially Persons with Disabilities (PWDs)

We, the members of the Accelerate Disability Inclusion in Emergencies (ADIE) Forum – a coalition of Civil Society Organisations (CSOs) and Organisations of Persons with Disabilities (OPDs) – working to ensure Political, Accountability, Inclusivity, and Resilience Support (PAIRS) for persons with disabilities and a robust and inclusive post-Covid19 recovery response;

Emphasising that the Discrimination Against Persons with Disabilities (Prohibition) Act, 2018 (“the National Disability Act”) seeks to ensure the full participation and integration of persons with disabilities into society and mandates stakeholders, particularly the government to pursue policies that engender inclusive social protection and community support for persons with disabilities;

Acknowledging that fuel subsidy removal has been a subject of intense debate due to its wide-ranging implications;

Recognising that while the removal of fuel subsidy aims to alleviate economic challenges and promote sustainable development, it is crucial to examine its potential impact on Nigeria’s vulnerable populations, particularly persons with disabilities, and provide recommendations to mitigate the adverse effects;

Mindful that persons with disabilities often rely on private vehicles and public transportation systems adapted to their needs and that lack of accessible public transportation exacerbates their profound reliance on personal vehicles;

Recognising that the removal of fuel subsidy has led to a surge in transportation costs, making it harder for persons with disabilities to access essential services, education, employment, and healthcare;

Recognising that limited access to affordable transportation options has affected the mobility and dependence of persons with disabilities. The increase in fuel prices has compelled most persons with disabilities to limit their movements and forego necessary trips, resulting in social isolation, decreased productivity, and participation in community activities;

Acknowledging that persons with disabilities in Nigeria already face numerous employment challenges, including discrimination and limited opportunities. Higher transportation costs resulting from fuel subsidy removal will impede their ability to commute to workplaces or attend job interviews, exacerbating unemployment rates among the community of persons with disabilities;

Recognising that fuel subsidy removal has impacted access to healthcare and rehabilitation services for persons with disabilities. Increased transportation costs may discourage individuals from seeking timely medical care, resulting in worsened health conditions. Additionally, healthcare facilities might face higher operational costs, potentially affecting the availability, costs, and quality of service delivery;



We, hereby, make the following recommendations;

1. The representatives of Civil Society Organisations (CSOs) and Organisations of Persons with Disabilities (OPDs) should be made members of the joint federal government and labour negotiating committee on fuel subsidy removal and incorporated into the planning, implementation, and monitoring of development initiatives, especially those setup to manage savings from the fuel subsidy removal policy, and the World Bank Finance Cash Transfer Scheme.
2. The federal, state, and local governments should introduce an affordable public transportation system that is accessible to Persons with Disabilities (PWDs) by August 2023. And implement a targeted transport subsidy program specifically designed for PWDs. This program should provide discounted or free transportation vouchers, passes, or dedicated transportation services to ensure affordable and accessible transportation options. Accessible transportation should include buses with adjustable ramps and handrails for wheelchair users, signage and electronic display for directions with audio announcement for the benefit of the deaf and the blind.
3. The federal and state governments should initiate a stand-alone social protection intervention for PWDs, including establishing food banks for an equitable distribution of palliative care among persons with disabilities across the country, disability allowance to be paid to unemployed and employed PWDs to take care of extra disability cost, and initiating a disability grant or establishing targeted financial assistance programs to provide grants or subsidies to persons with disabilities for transportation-related expenses. These programs should consider the specific needs and financial circumstances of persons with disabilities, ensuring they can afford transportation without compromising their overall well-being.
4. The federal government should undertake a downward review of the Value Added Tax (VAT) from 7.5 percent to 5 percent to increase the purchasing power of citizens by August 2023. And The federal government should halt further increases in tariffs for the next one year to cushion the enormous effect of fuel subsidy removal policy on Nigerians, especially PWDs.
5. Government should conduct awareness campaigns to educate the public about the challenges faced by persons with disabilities, emphasizing the importance of inclusive transportation and the adverse effects of the fuel subsidy removal on the community of persons with disabilities. These programs should promote empathy, respect, and understanding to foster an inclusive society.
6. Government should ensure full implementation of the National Disability Act, particularly the 5 percent employment quota for PWDs. And encourage and incentivize private and public sector employers to implement workforce inclusion initiatives for persons with disabilities. This can include work-from-home options, flexible schedules, accessible workplaces, and accessible transportation assistance.

Ms. Grace Jerry,
ED, Inclusive Friends Association
Co-chairperson, ADIE Forum

Mr. Christian Agbo
ED, Qualitative Magazine



Co-chairperson, ADIE Forum

List of members of ADIE Forum (Coalition) and signature of EDs/Representatives



3.3 IPMAN

**GOODWILL MESSAGE BY THE NATIONAL PRESIDENT,
INDEPENDENT PETROLEUM MARKETERS ASSOCIATION OF
NIGERIA (IPMAN), ALHAJI DEBO AHMED ON THE OCCASION
OF A NATIONAL DIALOGUE ON SUBSIDY REMOVAL.**

PROTOCOLS

I will begin by introducing our association, Independent Petroleum Marketers Association of Nigeria (IPMAN). We own at least, 80% of the Petrol filling stations nationwide. Independent Petroleum Marketing came into existence through a proclamation of an act by the then Military President Olusegun Obasanjo in 1978. Before then, Petroleum Products Marketing were restricted to the then major oil marketing companies who refused to locate their stations far from the city centres because of the foreign ownership of those companies as at that time. With the approval to grant lifting of Petroleum Products directly from the NNPC to indigenous oil companies, a lot of traders started building petrol stations in all the nooks and crannies of this country and licenses were issued to them to operate 'Independent' of the Major Oil Companies in 1979.

This association therefore came into existence when these owners of petrol stations who were duly licensed to lift petroleum products directly from NNPC came together and formed IPMAN in 1983.

IPMAN has remained a key player and critical stakeholder in the downstream sector of this economy right from its formation till date. We are all witnesses to the type of modern petrol stations we construct these days with its attendant provision of employments.



It is also on record that we have always supported government policies that promote our businesses and well being of the citizens of this country.

The objectives of my goodwill message are to express our full support for this dialogue and provide some information that may help alter the present cost of petroleum products due to the total deregulation of downstream petroleum industry.

On this note, may I say that the current policy of this present government of President Ahmed Bola Tinubu by removing subsidy on Premium Motor Spirit (PMS) did not come to us as a surprise. Other Petroleum Products like Diesel (AGO) and Kerosene (DPK) have since been deregulated by previous governments.

With the passing into law in 2021 of Petroleum Industry Bill into Petroleum Industry Act (PIA, 2021), we knew that it will not be long, the effect of this law will begin to change the entire operations of the downstream sector where we do our business.

Our major concern right now is that the price of this PMS is controlled by the market forces that depend on the value of Naira against the Dollar. For us, we had thought that the four (4) refineries in the country would have been allowed to start full operation before this removal. The present situation we have found ourselves would have been different as I know for sure that the price of PMS would not have been this high.

We, therefore reiterate that the Federal Government should quickly expedite action on the revamping and bringing back to life, our 4 refineries to help refine PMS for local consumption. *and export.*



Secondly, all the modular refineries presently functional in the country should be assisted to expand their system for refining of PMS. *Other product Crude oil and other refined product should also take priority.*

LPG
Also, alternative sources of energy like the Compressed Natural Gas (CNG) should be allowed to flourish by government support to the local vehicle manufacturers to convert their present brands of vehicles to operate with CNG while the Federal, State and other government agencies should patronize them so that the pressure on demand for PMS can drastically reduce.

We have started encouraging our members to begin to construct CNG stations and conversion centers as addition in our petrol stations for easy availability of the product for vehicles operating with CNG.

It is my believe that at the end of this dialogue, a lot of information would have been garnered for immediate action by the Federal Government. I wish you success in this program and fruitful deliberations.

Thank you.

ALHAJI DEBO AHMED
National President, IPMAN
Abuja.



3.4 From the Federal Ministry of Finance, Budget and National Planning.

GOODWILL MESSAGE FROM THE PERMANENT SECRETARY, FEDERAL
MINISTRY OF FINANCE, DELIVERED BY THE DIRECTOR (ECONOMIC
RESEARCH AND POLICY MANAGEMENT DEPARTMENT AT THE
NATIONAL DIALOGUE ON SUBSIDY REMOVAL, HELD AT HAWTHORN
SUITES ABUJA ON 27TH JULY, 2023

Protocols:

It is with great pleasure that I welcome you all to this timely and relevant National Dialogue. Since the removal of fuel subsidy in Nigeria by the current administration, the economy has experienced a series of shocks ~~and upheavals~~, as the resulting fuel price hike has led to increased inflation ~~rates~~, rapidly diminishing disposable income and growing concerns over the impact of the removal on the average Nigerian household. Recently, the National Economic Council (to whom my Ministry had made several recommendations) released a raft of palliative measures to help cushion the severest impacts of the subsidy removal. However, the fact remains that the most vulnerable citizens require a more detailed approach to finding a solution, something that can be operationalized in the short-term for a quick win. Some of these include, but are not limited to:

- i. Refurbishing of existing refineries;
- ii. Robust Social Safety Nets at the State and Federal Levels;
- iii. Direct Cash Transfers to the most vulnerable individuals and groups;
- iv. Public Transportation Enhancement for the most vulnerable groups;
- v. Agricultural Support/ Subsidies for Essential Commodities;
- vi. Support for Small and Medium-Sized Enterprises (SMEs); and
- vii. Renewable Energy Investments.

I ~~pray~~ ^{hope} that all participants in this event enjoy fruitful and productive deliberations that will hopefully form a basis for policy recommendations and improve the lot of Nigerians nationwide.

*Happy deliberations and
Thank you for listening.*

*Abiyi Ahmed fdc
PSF*



3.5 FROM MINISTRY OF PETROLEUM RESOURCES (MPR)

GOODWILL MESSAGE PRESENTED BY THE PERMANENT SECRETARY, MINISTRY OF PETROLEUM RESOURCES, AMBASSADOR GABRIEL T. ADUDA, AT THE NATIONAL DIALOGUE ON SUBSIDY REMOVAL ORGANIZED BY THE CENTRE FOR TRANSPARENCY ADVOCACY IN COLLABORATION WITH PALLADIUM USAID, HELD AT HAWTHORN SUITES, ABUJA ON 27TH JULY, 2023

Fuel subsidy was first introduced by the General Yakubu Gowon Military Government as response to the global oil price hike in 1973 and in 1977, the General Olusegun Obasanjo regime introduced the Price Control Act which controlled and regulated prices of commodities, including petroleum products.

2. Since the introduction of fuel subsidy, Nigerians have been enjoying the benefits of the subsidy while government revenue from the oil has reduced due to the substantial amount being consumed by the subsidy payment to marketers. Successive governments over the years wanted to stop the subsidy regime and channel the revenues to other areas of national development without success. However, it was this current government that stopped the subsidy in order to generate more revenue to revitalize the Nigerian economy for improved national development.



3. It is very clear that the removal has caused some hardships to the Nigerian people but the government is working assiduously to cushion the effect of the oil subsidy removal by announcing palliatives to vulnerable Nigerians and to increase minimum wage to civil servants. We urge Nigerians to support the government as it is working hard to reduce the suffering of Nigerians.

4. The Petroleum Industry Act PIA, has provided for the removal of fuel subsidy and for full deregulation of the oil value chain by allowing pricing mechanisms to be determined by market forces as this will increase Investments in the midstream and downstream subsectors of Nigerian Petroleum Industry.

5. I may not go into further detail as this dialogue will do justice to the issue of subsidy removal and proffer solutions which will help government and other stakeholders to cushion the effect of the subsidy removal.

6. At this juncture, I wish to convey the good wishes of the Permanent Secretary and the Ministry of Petroleum Resources to the organizers and participants at this discourse for their recommendations on the chosen topic. The Ministry will



appreciate to receive the Communique of the dialogue for further necessary action.

7. Thanks and God bless you all.



3.5 From Abel Adejor from Northwest zone:

POSITION PAPER SUBMITTED BY THE COALITION OF ASSOCIATIONS FOR LEADERSHIP, PEACE, EMPOWERMENT & DEVELOPMENT (CALPED) AT THE TWO-DAY TOWN-HALL MEETING ON HOW BEST CITIZENS CAN BENEFIT FROM GOVERNMENT FUEL SUBSIDY SAVINGS AND OTHER FG POLICIES, ORGANIZED BY PARTNERSHIP FOR AMPLIFIED VOICES (PAV) SUPPORTED BY THE WORLD BANK, IN KANO STATE

On May 29, 2023, the President, Bola Ahmed Tinubu, during his inaugural speech announced that the subsidy on premium motor spirit (PMS) was gone. The categorical policy statement generated immediate reactions with an increase in the price of liters of fuel leading to inflation of the cost of transportation as well as goods and services. The decision is coming at a time when inflation, particularly food, electricity tariff and multidimensional poverty are at an all-time high. The impact of this decision, which took many by surprise, has thrown an already impoverished population and struggling businesses into more hardship.

Nonetheless, there is widespread unanimous consensus that fuel subsidy has over the years been a cankerworm that has continued to fester into the financial resources of the country. Particularly, that there have been various levels of allegations of corruption and fraud in the subsidy regime running into hundreds of billions by a few powerful vested interests. This has limited the capacity of the government to meaningfully invest in critical areas such as human capital and infrastructural development. Thereby throwing millions of Nigerians in unemployment, hunger and abject poverty.

Kaduna, one of the North-West states, like others has also been hit hard by the effect of the fuel subsidy removal due to the already high level of poverty. According to the Multidimensional Poverty Index Survey, 2022, by the National Bureau of Statistics (NBS), the State, though ranked in the middle of the ladder, has, in terms of number, 8.04 million multidimensionally poor, only second to Kano State with 10.51 million, in Nigeria.

Now that subsidy has been removed with the resultant hardship being experienced and savings being made by the government, the Coalition of Associations for Leadership, Peace, Empowerment & Development (CALPED) hereby contributes to the public debate on how best citizens can benefit from government policies.

The resultant removal of fuel subsidy has thrown many in Kaduna State into untold hardship with:

1. hundred percent hike of cost of transportation, energy and general inflation without concomitant increase in wages or household income;
2. household income and consumption, due to devaluing of the naira, reducing at an alarming rate;



3. out-of-pocket expenditure for social services such as healthcare increasingly becoming unbearable for the residents;
4. businesses, especially micro and small enterprises, gradually grinding to a halt due to high cost of doing business; thereby exacerbating the rate of unemployment and underemployment, at 44% and 22% respectively; and
5. farmers, especially smallholder women and youth farmers, finding it difficult to procure farming inputs leading to fear that it could worsen the existing food insecurity challenge.

The National Economic Council (NEC) towards ameliorating the hardship recently resolved that State governments to enumerate/update beneficiary register for cash-transfer, cash-award policy for public servants for six months, payment of outstanding arrears (pension and gratuity), funding support for SMEs, food security, among others. From various interactions with residents of the State, there are suggestions that the government should alleviate the hardship occasioned by new policies of fuel subsidy removal, electricity tariff hike by:

1. expansion of the Ad-hoc Committee on Palliatives to include wider stakeholders especially civil society accountability mechanisms;
2. engaging widespread and robust citizens' consultation to seek the inputs and partnership in formulating and implementing the proposed the palliative measures;
3. development of a comprehensive implementation plan in alignment with the National and State Social Protection policy using a multi-sectoral and stakeholders approach;
4. cleaning and updating the Social Register to ensure credible targeting of poor and vulnerable households;
5. strengthen the financial inclusion communities of practice to accelerate capturing of the unbanked poor and vulnerable households;

Subsidizing the cost of farming input, storage and processing for especially smallholder farmers;

6. investing massive in mass transit in collaboration with National Union of Road Transport Workers and other transport unions or groups, to protect and create jobs in the sector, to check the high cost of transportation; and

Extend subsidy on electricity tariff until households stabilize from the effects of fuel subsidy removal.

In view of the above and in order for citizens to optimally benefit from subsidy savings the following are recommended:

1. the citizens while being very vigilant should give the government the benefit of doubt as the roll-out of the palliative measures and reallocate savings from the subsidy removal;



2. leverage the Open Government Partnership (OGP) principles and commitments to demand for participation, transparency and accountability in the entire budget process to ensure proper utilization of subsidy savings and implementation of palliative measures;
3. strengthen State and Local Government - level accountability mechanisms to deepen social accountability in public service delivery, especially in ensuring proper utilization of subsidy savings, implementation of palliative measures and other ongoing social investment programmes;
4. leverage innovation and technology to increase participation, transparency and accountability; generate evidence to name and shame officials, induct into the hall-of-shame, State and non-State actors involved in diversion and corruption in the utilization of subsidy savings and implementation of palliative measures; and
5. engage both Federal and State legislators demand for proper representation, oversight and audit of public accounts to ensure optimal utilization of subsidy savings.

In conclusion the proper utilization of subsidy savings and implementation of palliative measures will depend on political will of the leadership at the three tiers of government as well as an informed and engaged citizens. A strong social accountability mechanism driven by an unbiased, uncompromising and incorruptible civil society group will be key in ensuring the citizens optimally benefit from the fuel subsidy removal savings.

Signed

Yusuf Ishaku Goje,

Head of Leadership, Governance and Advocacy

Coalition of Associations for Leadership, Peace, Empowerment & Development (CALPED)

calped.connect@gmail.com /greatnessygoje@gmail.com

C17, Kachia, adjacent Dambo School, Kaduna



4.0 KEYNOTE PRESENTATION

TRANSPARENCY AND ACCOUNTABILITY: KEY PILLARS IN THE MANAGEMENT OF SUBSIDY SAVINGS FOR THE BENEFIT OF ALL

A KEYNOTE PAPER PRESENTED BY DR MICHAEL UZOIGWE ON THE OCCASION OF THE NATIONAL DIALOGUE ON SUBSIDY REMOVAL ORGANISED BY THE CENTRE FOR TRANSPARENCY AND ACCOUNTABILITY (CTA) HELD AT THE HAWTHORN SUITES, ABUJA ON 27TH JULY 2023.

Protocol

Good morning, distinguished participants. I wish to join the Executive Director of CTA, Ms Faith Nwadishi and her team to welcome you all to this national dialogue on fuel subsidy removal.

Introduction

I feel greatly honoured to be invited to participate in this dialogue, and more so be invited to present this keynote address. My role is to attempt to set a brief background to the discussions that we will be having shortly. Today's event presents yet another platform for stakeholders to engage in constructive dialogue and develop practical recommendations to address the challenges thrown up by the 'big bang' subsidy removal policy of the new government led by President Bola Ahmed Tinubu. This is a no mean task, particularly considering that the new policy is yet to be fully accepted by Nigerians and in fact it is still being opposed or contested by some critical stakeholders.

Following the new government's decision, pump price of Premium Motor Spirit (PMS) jumped from about N197 in late May 2023 to N617 in July 2023. There are speculations that it would go higher in a matter of weeks, if not days, as the global price of gasoline continues to soar. Government's decision to overlook scheduled and gradual removal of subsidy and rather opt for an abrupt and total removal has triggered a chain of consequences including the socio-economic pressures that it mounts on poor people, especially the estimated 143 million people living in multidimensional poverty (according to NBS). On the streets, in the markets and other public places, among workers and business owners, reactions range from despondency, and anguish to anger. The rising harsh conditions and government's delay in developing, communicating and implementing a clear strategy for alleviating the impact of subsidy removal have engendered a tense atmosphere which pervades the entire country.

Despite its unpalatable consequences, many stakeholders argue that fuel subsidy removal was long overdue. Successive governments since 1999 have attempted to remove fuel subsidy without success. Each attempt was met with strong resistance from the masses. The huge financial burden that the subsidy regime imposed on the growth of the Nigerian economy over the years is often cited as a major justification for its removal. There is mounting evidence that subsidy payments



exert enormous strain on government revenues. A study conducted in 2018 across Latin America and Caribbean countries found that it cost an average of \$12 to transfer \$1 of income to households in the poorest quintile. This cost may be higher in the case of Nigeria. According NEITI Oil and Gas Industry reports, Nigeria spent N13.7 trillion (\$74.3862 billion) as subsidy payments in the period from 2005 to 2021. This amount is equivalent to the combined budgets for health, education, agriculture and defence in the last 5 years. The sum of N4.39 trillion was spent on fuel subsidy in 2022 alone, and President Muhammadu Buhari administration allocated N3.6 trillion, which is approximately 18% of the total budget, to fund subsidy in the first 6 months of 2023 only.

In addition to the debilitating impact on government revenues, there is a long list of arguments often proffered to support subsidy removal. For instance, it is argued that fuel subsidy removal will restore efficiency in the PMS market – consumers will pay for what they consume, reduce wasteful consumption, and there will be no incentive for smuggling. It is reported that as much as 40% of PMS claimed to be imported into the country and for which subsidy payments are made, end up in neighbouring countries. There were reports of protests by consumers in some neighbouring countries openly voicing their displeasure with fuel subsidy removal in Nigeria. There is also the argument that the wasteful consumption of fossil fuels, which fuel subsidy encourages, is detrimental to global efforts to curb the emission of greenhouse gases (GHG) and reduce global warming. There has been sustained pressure (from international organisations) on countries such as Nigeria to remove fuel subsidy. It is indeed astonishing that the subsidy regime lingered for as much it did.

However, while there is little or no dispute that the subsidy regime was unsustainable and should be stopped, the debate over when, how, and other measures that should accompany its removal were never resolved. The Buhari administration might have hinted on the ‘when’ by making budgetary provisions for subsidy payments only for up to June 2023. The new government took the decision to end the subsidy regime one month earlier than that. This decision and the manner of its implementation has no doubt imposed some pains and burden on the masses, especially the poor and vulnerable.

Expectedly, the strategic imperative for government presently is how to cushion the socio-economic effects of fuel subsidy removal on citizens. However, there is a concern that the fundamental problems that underlie the failure of the subsidy regime in Nigeria may yet be ignored. Fuel subsidy failed to achieve its intended outcome in Nigeria because its administration was flawed and characterised by lack of transparency, mismanagement and corruption. It is important to recognise that the essence of fuel subsidy removal is not to make more revenue available to government, which will be subjected to the same systemic inefficiency that drained government revenues and denied the poor the full benefits of fuel subsidy. There are many layers of entrenched inefficiency in Nigeria’s political economy. Most of these layers can be linked to the endemic lack of transparency and accountability in our public institutions. My opinion is that government should prioritise strengthening transparency and public engagement now more than ever before. Therefore, I would like to highlight the following six posers for consideration in our deliberations today:



1. Will PMS consumption in the country be demystified? Many stakeholders do not believe that the total consumption figures often quoted by NNPC Ltd and its partners, on which basis subsidy payments were made in the past, are indeed correct. The figure has been quoted to be as high 68 million litres per day. The Nigeria Extractives Industry Transparency Initiative (NEITI) shares the same concern about the bogus consumption figures and is currently seeking to conduct a study that could provide a more accurate estimate. The mystery behind petroleum importation should be unravelled without further delay. Public knowledge of the total daily consumption figures would enhance a better understanding of the actual revenue loss due to inefficiency in the subsidy administration system.
2. Will there be consequences for bad behaviour? There seems to be a consensus that the fuel subsidy regime failed due to corruption and inefficiencies in its administration. There should be a concerted effort by government and sustained demand from accountability actors for a thorough review of the system, with punishment and sanctions meted to those found answerable. Without a strong signal on fighting corruption, there is no guarantee that the potential savings from subsidy removal would be safe or appropriately utilized. Government should disclose plans for repositioning critical accountability institutions for improved performance and delivery of their mandates.
3. Will the system and process for determining pump price be transparent? Since the removal of fuel subsidy the pump price of PMS has been increased twice. These price adjustments were probably made to reflect changes in some or all of the components that constitute the determination of the pump price of fuel including crude oil price, refining costs, exchange rate, transportation cost, etc. In a no subsidy regime, the template for determining the pump price should be made publicly available rather than what still appears like a random and arbitrary allocation.
4. Will there be commitment and sincere effort to reduce cost of governance? Government at all levels and all tiers will need to considerably reduce the cost of governance. The sacrifice required to salvage the country's struggling economy cannot be made only by the poor and vulnerable. The annual salary and benefits of a Nigerian senator come to about N350 million while those of a minimum wage earner are less than N400,000. The Oronsaye Report recommended merging and scrapping of some parastatals and agencies to reduce their burden on scarce government revenue. There is no better time to implement the recommendations of the report than now. Government should clearly demonstrate sincerity, sensitivity and commitment in order to earn the trust of citizens. Nigerians are sceptical and suspicious of the real intentions of government and this is based on the experience from past administrations.
5. Will there be an inclusively and transparently developed broad-based plan on how the savings from subsidy removal will be utilised in the short to medium term? Government should carry out widespread stakeholders and public consultations, engagements and enlightenment for the purpose of developing a plan for the utilisation of the savings from fuel subsidy, and on its



strategy for cushioning the impact of subsidy removal. The plan should include a robust accountability framework that enables public monitoring and scrutiny.

6. Will the relief plan or strategy be targeted and based on accurate data? What is often stated as the number of multidimensional poor people in Nigeria may have significantly changed from the day that subsidy removal was announced, and may continue to change as the impact of high cost of PMS continues to exacerbate. It is important to determine the rate at which this change in the poor and vulnerable group occurs and to further stratify this group possibly in quintiles. The level of vulnerability of each quintile or category of the poor in Nigeria to fuel price hikes differs, and each quintile would require specific approaches/policies for alleviating the impact of subsidy removal. It is incorrect to assume that the poor in Nigeria is a homogeneous group. It would be useful to identify the channels through which households are directly and indirectly impacted by price increases for PMS, in order to provide insights into how poor households could be compensated for potential welfare loss due to subsidy removal.

I would like to conclude this keynote address with Albert Einstein's quote that "in the midst of every crisis, lies great opportunity." Subsidy removal seems to have raised the consciousness of Nigerians to a level comparable to that of pre-2023 general elections period. Can the current level of consciousness of Nigerians present an opportunity for accountability actors to push for disruptive and transformational changes in the patterns of public engagement on critical policy issues? Subsidy removal can play a similar role as taxation in strengthening the fiscal social contract between a government and its citizens. There is the potential that the high level of citizens' consciousness created by subsidy removal can trigger increased public demand for transparency and accountability, if properly harnessed.

Thank you for listening.

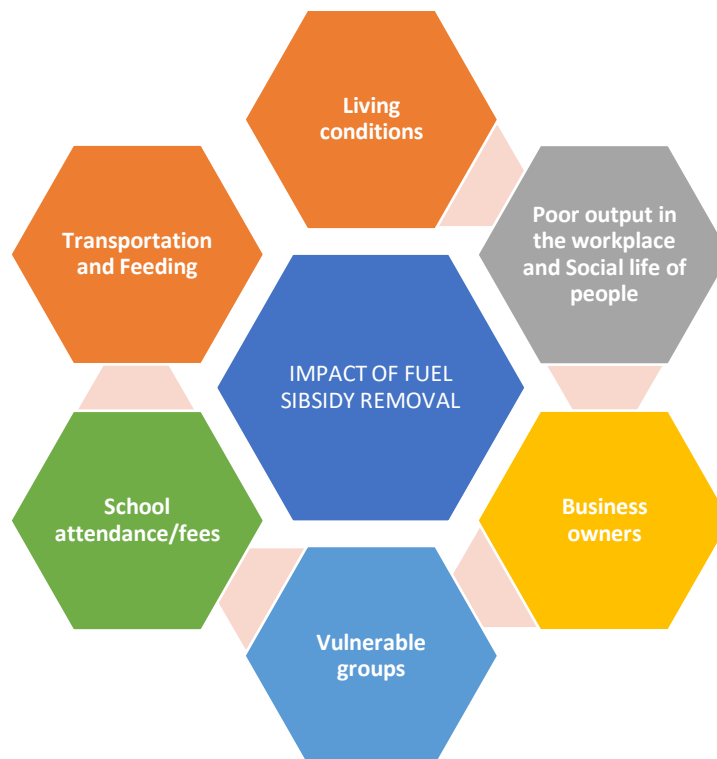


5.0 Summary of feedback from the Vox Pop interview on the impact of subsidy and recommendations that were brought forth.

Link to the vox pop

https://drive.google.com/drive/folders/1oOcy6vqdUkrmcnOTvoj8CFejX1_EpLJR?usp=share_link

IMPACT ON THE REMOVAL OF SUBSIDY BY RESPONDENTS



Impact

1. The removal of fuel subsidy has resulted in various socio-economic challenges in Nigeria. The increase in transportation costs by up to 150-200% has made it difficult for many citizens to move around, especially those who rely on public transportation.
2. The elevated standard of living has made it difficult for people to afford basic necessities, leading to reduced purchasing power and increased poverty levels.
3. The restriction of movement has made it challenging for people to carry out their daily activities, especially those who live in rural areas.



4. The poor business turnovers have affected both small and large businesses, leading to reduced profitability and job losses.
5. The high cost of goods and food in the market has made it difficult for many Nigerians to afford basic necessities, leading to increased poverty levels.
6. The removal of fuel subsidy has resulted in an increase in unemployment as many people have lost their jobs due to the closure of businesses and downsizing by companies.

SUGGESTIONS FOR PALLIATIVE MEASURES BY RESPONDENTS

Respondents were able to proffer measures, actions, or interventions that will help alleviate or reduce the effect of the sudden fuel subsidy removal at different levels. This has been merged with the final recommendations from the National Dialogue.

6.0 ANALYSIS OF SURVEY ON IMPACT OF FUEL SUBSIDY REMOVAL

See attached at end of document



7.0 COMMUNIQUE ISSUED AFTER A ONE-DAY NATIONAL DIALOGUE ON FUEL SUBSIDY REMOVAL HELD ON JULY 27TH, 2023 AT HAWTHORNS SUITE, AREA 11 CONVENED BY CENTRE FOR TRANSPARENCY ADVOCACY WITH SUPPORT FROM PALLADIUM

INTRODUCTION

1. BACKGROUND

Fuel subsidy has been described by many concerned Nigerians as a conduit through which our commonwealth from our natural resources is frittered away by few Nigerians. It is important to note that the call for the discontinuation of fuel subsidy has been a significant and persistent concern due to the high incidence of corruption. However, the abrupt termination of fuel subsidy by President Bola Ahmed Tinubu has significantly impacted Nigerians, resulting in an increase in commodity prices, transportation, general services and disproportionately affecting vulnerable groups even when majority of Nigerians have become vulnerable to the harsh realities of the economy.

In acknowledgement of the above, a National dialogue was organized and attended by array of CSOs, the representatives of the Inspector General of Police, Permanent Secretary Federal Ministry of Finance, Permanent Secretary Ministry of Petroleum Resources, the Executive Secretary of Nigeria Extractive Industry Transparency Initiative; and the Chief of Party Palladium, President of the Independent Petroleum Marketers' Association of Nigeria (IPMAN), Civil Society Adviser of the Nigeria Open Government Partnership Secretariat, and civil society representatives from the six geopolitical zones, Women in Extractives, Inclusive Friends Association, League of Women Voters in Nigeria, National Women Society, Albino Foundation, Persons With Disability, the National Democratic Institute, the media, community persons and other diverse stakeholders

The specific objective of the Dialogue was to:

Provide a forum for civil society organizations to engage in inclusive dialogue, exchange perspectives, and share experiences regarding the fuel subsidy removal and its impact on citizens in general and vulnerable groups in particular, with a view to harmonizing a unified CSO position with practical and evidence-based recommendations.

DELIBERATIONS AND KEY TALKING POINTS

- That the removal of subsidy was ill-prepared and there was no consultation with the people although stakeholders admitted that fuel subsidy was a cancer to our economic liberation.
- Stakeholders acknowledged that the government had expended N13.6 trillion in subsidy payments between 2005 and 2021, and over \$19 billion on repairing the country's four



refineries in the past 8 years without commensurate results. This amount is equivalent to the combined budgets of education, health, and security in the last five years.

- Ordinary citizens have remained the ultimate burden-bearers of the subsidy regime and its removal.
- There is no clarity on the post-subsidy fuel pricing computation, savings, and regulation.
- Considering the expository reports from reputable organizations like the Nigeria Extractive Industries Transparency Initiative (NEITI), stakeholders believe that the current administration should invest time and resources to probe the alleged fraudulent subsidy regime and refinery rehabilitations.
- Ineffective communication of proposed government policies and interventions that drives public distrust.
- Non-inclusive approach in proposition of government policies and interventions and constitution of its negotiation committee and similar platforms.
- There is no holistic implementation plan and inclusive framework for the above propositions.
- There has been no genuine demonstration of the sacrifice demanded from citizens by the government and the political elite who still go about their normal business in high fuel consumption automobile convoys.
- Nigeria remains the only oil-producing nation without a functional refinery and the only privately owned refinery with considerable support from the government remains inoperative with its production date reported to begin in 2025.
- That the issue of paying 8,000 naira to some households in Nigeria is mere cosmetic and unsustainable considering the high cost of goods and services across the nation; the timeline of 6 months and poor monitoring framework to promote transparency/accountability in the process to avoid pitfalls that other social intervention schemes experienced.
- There are no clear timelines and implementation plans on what the government intends to do and no signs of inclusive process that will involve critical segments of Nigerians.
- How well constituted is the negotiation committee? What interests are represented? (Representation of all classes of Nigerians must be taken into consideration e.g., youth, women, PWDs)
- The cost of energy has increased alongside fuel cost with direct impact being redundancy.
- Little or no investment in renewable/green energy to provide alternative energy sources.
- That corruption creates hardship which in turn triggers mental health challenges.
- Issue of desperate migration occasioned by economic hardship can lead to vulnerability of citizens falling prey to VISA racketeers who take advantage of this desperation.



Participants noted the following impacts.

1. Astronomical increase in cost of living with knock-on effect on prices of goods and services in general, transportation, and fuel-related expenses, in particular.
2. Food inflation and high cost of living expenses.
3. Unemployment and Job loss (Many have resigned from their jobs) due to expenditure outweighing income.
4. Increase in sexual and gender-based violence due to frustrations among families who are unable to provide for their families.
5. High cost of business operations for businesses- industries, MSMEs and informal sector operators, with an attendant effect on employment and cost of goods and services.
6. Increased poverty and widening inequality with a significant impact on lives and livelihoods of vulnerable and marginalized segments of society, especially persons with disability, the informal sector, and the rural populace, resulting from increased inflation, unemployment, and reduced household income.
7. Increased security concerns arising from growing poverty and desperation among citizens and inability of security agencies to fuel their patrol vehicles.

SUGGESTED MEASURES IN CUSHIONING THE NEGATIVE IMPACTS

After extensive deliberations, stakeholders concluded that the impact of the subsidy removal is far reaching as such the expectations of citizens are broad and can be categorized into short-, medium- and long-term expectations.

SHORT TERM PALLIATIVE

8. The government must out of necessity and urgency cut down multiple taxations especially in the informal places like markets should be curtailed (tax holidays). This is important as Nigeria is a largely informal economy although government interventions/palliatives are often benefitted by those in the organized labour (public/private).
9. The government needs to strengthen the public transport system across board (Federal, State and Local) making it effective with immediate roll out of public mass transport buses to cushion the immediate impact and distribution of transport vouchers.
10. Government should increase investment in ICT infrastructure in Nigeria to strengthen and deepen Internet penetration and cost of data. Strengthen broadband bases and ensure everywhere is covered so that people can take advantage of remote jobs and opportunities.
11. The cost of solar panels is still very high – government need to reduce the custom duty on alternative energy sources.
12. Cash transfer is important for people in the village.
13. Provide basic health care.
14. Price stabilization mechanism to reduce the cost of food and other essentials.
15. Institute Independent Panel for independent forensic report on subsidy fraud over time.



16. Establish price regulation (mechanism for control)

Medium-term

17. Decentralize administrative offices and commercial hubs clustered within the city centre that mandates heavy human and vehicular movement across cities to suburbs and satellite town, establish better markets in satellite towns and spend less time on commuting and dependence on fuel.
18. Increase investment in training for alternative use of LPGs/ CNG in areas of automotive fueling.
19. Deliberate and intentional diversification of Nigeria's economy beyond Oil in other critical areas such as agriculture, ICT, Tourism etc.

Long-Term

20. At least one out of the four refineries should be operational in the next 1 year and more private refineries should be licensed to operate.
21. Invest in renewable energy.
22. Improve local economy through incentives.
23. Government should give Grants and loans for informal sectors to help empower them to create jobs.
24. Local Government Areas should become more accountable and work towards improving the lives of the rural populace.
25. Access to funds like the bank of industry to encourage infant industries and others.

GENERAL RECOMMENDATIONS

1. The government must:
 - a. conduct an independent forensic audit of the subsidy regime and refinery rehabilitations and ensure speedy prosecution of those found wanting.
 - b. demonstrate the same sacrifice that they are demanding from citizens, by cutting governance costs and the consideration of the Oronsaye Report.
 - c. Ensure comprehensive and inclusive planning, implementation and monitoring of collectively proposed measures.
 - d. Account for and be transparent in planning for and utilizing savings from the subsidy removal.
 - e. Consider tax incentives targeted at low-income earners, small businesses and consider the suspension of import duties on food, fertilizer, and agricultural inputs, temporarily.



2. Speedy construction of new and rehabilitation of existing railways within cities and inter-city rail lines in big cities like Abuja, Lagos, Kano, Port Harcourt etc. to ease movement.
3. State and local governments should:
 - a. make buses available in remote areas to help convey farmers and their produce from their farms to the market to reduce wastage.
 - b. Provide free and/or subsidized transit buses to convey people along major city routes across Nigeria.
4. Concrete arrangement for free transportation for those who work, students, nursing mothers, elderly in critical sectors like health and education.
5. Government should engage with CSOs, faith based and women-based, community-based organizations to monitor and anchor distribution of palliatives.
6. Federal and State governments should review salaries immediately.
7. CSO representative to be a part of the Negotiation Committee of government.

Conclusion

The pre-dialogue and National Dialogue sessions were robust and all-encompassing covering the observations, concerns, effects, situations of Nigerian citizens due to the subsidy removal and recommendations to cushion the abrupt impact in the short-, medium- and long-term and call for prudent micro and macro-economic management of the proceeds and gains from the subsidy removal. The dialogue agreed that the government needs to do more in terms of communication and stakeholders' consultation across all levels and provide comprehensive compensation measures to cushion the effect of the subsidy removal to all segments of the society.

Signed by the following organizations and persons:

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29	Kichime Goyang Gotau	Development Expert	get2kich@gmail.com



8. MEDIA

8.1 MEDIA PRESENCE

- CAN News
- New Telegraph
- Al-Jazirah
- Trust TV
- Nation
- NTA
- AIT
- Galaxy TV
- Daily Independent
- Daily Trust
- Guardian
- KISS FM
- Wazobia FM
- MITEI
- Qualitative Magazine

8.2 Media links

- <https://www.instagram.com/p/CvKp-LJt6k6/?igshid=MzRIODBiNWFIZA==>
- https://m.facebook.com/story.php?story_fbid=264934286338808&id=100084667156777&mibextid=ZbWKwL
- https://twitter.com/Cta_Abj/status/1684246269949009920?t=V4H222Ykc9eBLTrEUrje9Q&s=19
- <https://www.youtube.com/watch?v=S98Q8qPcD5A> (AIT)
- <https://www.instagram.com/p/CvNcpfntTVu/?igshid=MzRIODBiNWFIZA==>
- https://m.facebook.com/story.php?story_fbid=265529909612579&id=100084667156777&mibextid=ZbWKwL
- https://twitter.com/Cta_Abj/status/1684628095620247553?t=4zC-NF8fRmRwm3telzv4hA&s=19



- <https://independent.ng/subsidy-removal-stakeholders-convene-national-dialogue-proffer-short-long-term-solutions/>
- <https://www.youtube.com/watch?v=xggUbLqx3YQ> (CNA)
- <https://tribuneonlineng.com/subsidy-removal-csos-stakeholders-convene-to-brainstorm-solutions/>
- <https://tribuneonlineng.com/fuel-subsidy-removal-nigerians-are-dying-cso-tells-tinubu/>
- <https://newtelegraphng.com/subsidy-engage-nigerians-now-people-are-dying-cso-tells-govt-politicians/>
- <https://www.vanguardngr.com/2023/07/subsidy-removal-explore-workable-solutions-that-ll-mitigate-hardship-cta-tells-govts/>
- <https://en.aljazeera.com/subsidy-removal-stakeholders-brainstorm-on-cushioning-long-short-term-effects/>
- [28-07-2023 Nigerian Tribune\[1\].pdf](#)

<https://nigerianpilot.news/2023/07/28/subsidy-removal-involve-csos-nigerians-in-dialogue-for-palliatives-fg-told/>

- <https://www.youtube.com/watch?v=y-4eMV7sesU> (AIT)
- <https://elanzanews.ng/subsidy-stakeholders-experts-convene-national-dialogue-proffer-short-long-term-solutions/>
- https://www.youtube.com/watch?v=nUN4vSU_4RA (NTA)
- Four Radio stations news audio (Kiss FM, Wazobia ...)
-



Subsidy removal: CSOs convene national discourse, proffer solutions

Christian Appolos | Abuja

THE social crisis triggered by the subsidy removal policy of the Federal Government, got a number of Civil Society Organisations (CSOs) and other relevant stakeholders brainstorming on Thursday, trying to explore ways out of the quagmire the country has found itself.

The stakeholders who gathered in Abuja, under the platform of a national dialogue on subsidy removal, which was facilitated by United States Agency for International Development (USAID) and Palladium, took turns to review the policy which took effect on May 29 and came to the conclusion that more proactive actions were required on the part of government and the citizens

to ameliorate its effect.

One of the participant at the national dialogue, Dr Micheal Uzoigwe, argued that it was of strategic importance for government to cushion the socio-economic effects of the subsidy removal on citizens.

According to him, there is a concern that the fundamental problems that underlined the failure of the subsidy regime in Nigeria may yet be ignored.

Uzoigwe noted that fuel subsidy failed to achieve its aim in Nigeria because its administration was flawed and characterised by lack of transparency, mismanagement and corruption.

He also opined that it is important to recognise that the essence of fuel subsidy removal was not to make more

revenue available to government, which will be subjected to the same systemic inefficiency that drained government revenues and denied the poor the full benefits of fuel subsidy.

"I would like to highlight some posers for consideration in our deliberations, will PMS consumption in the country be demystified? Many stakeholders do not believe that the total consumption figures often quoted by NNPC Ltd and its partners, on which basis subsidy payments were made in the past, are indeed correct.

"The figure has been quoted to be as high as 68 million litres per day. The Nigeria Extractives Industry Transparency Initiative (NEITI) shares the same

concern about the bogus consumption figures and is currently seeking to conduct a study that could provide a more accurate estimate.

"The mystery behind petroleum importation should be unravelled without further delay. Public knowledge of the total daily consumption figures would enhance a better understanding of the actual revenue loss due to inefficiency in the subsidy administration system.

Corroborating Uzoigwe's position, executive director of Centre For Transparency Advocacy (CTA), Faith Nwadihi advised politicians and government at all levels to urgently engage Nigerians to find workable solutions that would mitigate the hardships trailing the removal of subsidy.

Overall good of our media and our...
...as professional heads of their...
...Nigeria, it was later returned...
...between media owners and the...
...and housing...
...and public service.

Stakeholders Suggest Solutions To Ease Hardships Trailing Subsidy Removal

INNOCENT OWEN
ABUJA

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alties and sanctions need to be issued as a result.

"Without a strong signal on fighting corruption, there is no guarantee that the potential savings from subsidy removal would be suitably or appropriately utilised. Government should disclose plans for repositioning critical accountability institutions for imposed performance and delivery of their mandates.

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"In a no subsidy regime, the template for determining the pump price should be made publicly available rather than what still appears like a random and

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"Will there be commitment and sincere effort to enhance cost of governance? Government at all levels and all tiers will need to considerably reduce the cost of governance. The sacrifice required to salvage the country's struggling economy cannot be made only by the poor and vulnerable. The colossal salary and benefits of a Nigerian senior cadre to about N300 million while those of a minimum wage earner are less than N400000.

Corroborating Uzoigwe's position, Executive Director of Centre For Transparency Advocacy (CTA), Faith Nwadihi, advised politicians and government at all levels to urgently engage Nigerians to find workable solutions that would mitigate the hardships trailing the removal of subsidy.

She argued that besides infrastructure to kick development in the country the hasty removal of subsidy has led to worse deaths as a result of the suffering and

instability of many people to meet up with the high increase in transportation, goods, services and other basic needs needed for survival.

According to her, in the spirit of transparency, accountability and citizen participation, it has become critical for government and the political class to engage the people whom they have owed to serve, to first of all their specific problems, needs and how best they could be addressed, as the voices of those directly affected by the subsidy removal must be heard and considered.

She said, "The decision to remove fuel subsidy has had significant implications on the lives of our fellow citizens. It has resulted in increased costs of living, affecting transportation, essential goods, and services. As we gather here today, it is imperative that we recognise the urgency of coming up with sustainable mechanisms to mitigate the hardships faced by vulnerable groups in our society".





9.0 Picture Gallery:

9.1 FROM THE PRE-DIALOGUE MEETING WITH CIVIL SOCIETY ORGANIZATIONS (CSOS)



A cross-section of participants at the meeting



Mr. MacDonald Ekekezie, setting the tone for participants to dialogue



Mr. Ugochukwu Munachi, from CISLAC giving his recommendations



Mrs Irene Awunah from NILOWV from Makurdi, Benue State





The Hipcity Executive Director, Mr Bassey Bassey, speaking on the impact of subsidy removal on the masses



Mr Micael Oche from the Nigeria Pilot News gives the perspective of the media on the issue

9.2 PICTURES FROM THE NATIONAL DIALOGUE MEETING WITH VARIOUS STAKEHOLDERS



Cross-section of participants at the dialogue meeting



The CTA Executive Director gave her open remarks.



The Chief of Party, Palladium – USAID SCALE rendering her special remarks



Mrs Loveth Ibu, CEO, ISDI, speaking about the issues of the PWDS





Mrs Grace Jerry, Executive Director, Inclusive Friends Association speaking about the issues of the PWDS



The Director, Economic Research and Policy Management Department, Mrs Ogbonna G.M. from Ministry of Finance, Budget and National Planning



The Assistant Inspector General of Police, AIG Yusuf C. Usman



The ACPE, Engr Hozana O. from the Ministry of Petroleum Resources,





Dr Mike Uzoigwe delivering his keynote



During the panel session



10.0 About CTA

CTA PROFILE

The Centre for Transparency Advocacy (CTA) formerly known as the Independent Service Delivery Monitoring group (ISDMG) was founded in 2005 but registered as a Non-Profit, Non-Governmental and Non-Religious organisation under the Corporate Affairs Commission (CAC) in Nigeria in 2012. Our mission is to promote the benefits of transparency and accountability in public service and to cause a reawakening in the society to imbibe the tenets of transparency and accountability in Nigeria. One of its key roles is advocating for transparency in the value chain of the extractive sector as well as to monitor service delivery as rendered by government and agencies to conform to global standards and best practices. CTA is privileged to work with a large repertoire of media partners.

Importantly, the covenant of CTA is premised on advocating openness in running government business, assessing, and verifying on- going and completed physical projects and ascertaining the quality-of-Service Delivery by Federal, State and Local Governments, Ministries/Departments and Agencies (MDAs). CTA works towards achieving reforms in the extractive industry and community interventions that support contract transparency, Zero Gas Flare, and beneficial ownership reforms as well as working to mitigate unintended consequences arising from the extractive industry resources.

CTA equally operates as a critical watch dog in the electoral value chain and is involved in election observation in Nigeria. We enjoy strategic partnership with other organisations notably, Women in Extractives, Koyenum Immalah Foundation, Network on Good Governance, Contract Transparency Network, the Media, and other Civil Society Organisations.

CTA is also a member of the Open Government Partnership (OGP), the Executive Director, Faith Nwadishi is a member of the Steering Committee of the OGP in Nigeria.

