



INTERACTIONS

Keeping in touch with KPMG in Nigeria Alumni

2022

MAKING IMPACT

in the

**PUBLIC AND PRIVATE
SECTORS**

FEATURING /

**SAM
EGUBE**

WITH INSIGHTS FROM

Azuka Onyia / Johnbul Okpara /
Opeyemi Udoye / Olubunmi Olukoju /
Alfred Olajide



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**CELEBRATING OUR
DISTINGUISHED
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From the Senior Partner

I am thrilled to welcome you as we share insightful contributions from our KPMG people – employees and members of our alumni community – in this edition of KPMG Interactions Magazine.

Though this edition comes at a critical time, as the world is still faced with the disruption caused by the COVID-19 pandemic, we highlight how our unwavering commitment to prosperity has brought opportunities for our community. You can expect to read about the accomplishments of our alumni, the impacts of the 2021 Finance Act on businesses and Environmental, Social and Governance (ESG), which is the watermark that will guide what we do as a firm going forward.

The practice of enriching our community is at the heart of our commitment to 'Inspire Confidence and Empower Change'. This year's edition, as usual, showcases the unique experiences of some of our alumni and provides interesting insights on life after KPMG. We appreciate the contributions of our alumni, from sharing their experiences with us to supporting underprivileged youth through their donations to our corporate social responsibility initiatives. We value these relationships and will continue to celebrate their positive impact in the community.

I invite every KPMG alumnus to be part of what we are doing at the KPMG Alumni Network. We will continue to provide support and valuable insight to our distinguished alumni.



Kunle Elebute
Senior Partner, KPMG Nigeria
& Chairman, KPMG Africa

From the President's Corner

We are delighted to welcome you to the 6th edition of the alumni magazine, Interactions, a yearly publication where we share with you insightful and interesting stories of our Alumni Network, interviews of our esteemed members, and other important developments within the KPMG network.

This year's edition comes with a focus on business and economic recovery, following the disruption the Coronavirus Disease has brought on the health and socio-economic life of individuals, companies, governments and the world at large.

Truly, the global economy has changed due to the pandemic, so much that it will decelerate markedly this year from 5.5 per cent (recorded in 2021) to 4.1 per cent, according to the World Bank, reflecting the continued disruption of COVID-19 among related bottlenecks.

By sharing insights and experiences of our distinguished alumni, who are societal contributors, employers of labour and key industry players as the world looks forward to a post-COVID-19 recovery, this year's edition, indeed, makes for an interesting and refreshing read.

This edition also seeks to honour alumni, and one of our valued professionals, who passed away recently – Seyi Bickersteth, Femi Abegunde, Tony Egbuna, Dotun Bamigbetan and Victor Adegite. We, along with their family and friends, shall miss them greatly.

It is also our utmost pleasure to welcome you to be part of what we are doing by sending us your suggestions on how to improve the KPMG Alumni Network.

Keep safe! Stay safe!! Enjoy reading!!!



Tunde Lemo
President,
KPMG Nigeria Alumni
Association



 **Sam Egube**
Commissioner for Economic Planning
and Budget, Lagos State

Insatiable pine for service to humanity

Lagos State Commissioner for Economic Planning and Budget, Samuel Egube, an honorary senior member of the Chartered Institute of Bankers of Nigeria (CIBN) and associate member of the Nigerian Institute of Management (NIM), obtained his bachelor's degree in Engineering from the University of Benin (UNIBEN), Executive MBA from the International graduate school of management, University of Navarra (IESE), Barcelona, Spain) and Lagos Business School (LBS). He is a member of Nigerian Society of Engineers (NSE), Council of Regulation for Engineering in Nigeria (COREN) and fellow of the Institute of Credit Administration. Even with phobia for elections, the Arthur Andersen 'student' still pines for service in a higher position, especially in the political space.

How did Arthur Andersen impact your career journey?

It made impact in two ways. One is what I would call my esteem. The confidence with which I work, live and the analytical approach to problem solving has its roots in Arthur Andersen. The second is my work ethic. Arthur Andersen, in those days (I am not sure how it is done now), takes one through a rigorous recruitment exercise. We went through almost four stages of interviews, each of them could, of course, throw you out, and then you meet the partner, who was the last person you would speak to. A lot of my colleagues also confirmed this as their experience to me. You wait in the reception and the partner comes down to receive you. The partner Funmi Augusto personally welcomed me, took me upstairs to his office, and began the onboarding process. He explained how challenging it was to get exceptional people like me to join the firm. I did not think I was exceptional, but certainly now felt so. According to him, the firm felt extremely lucky to have me (wow!). With that, he welcomed me into the firm. Then he got up and took me for lunch at the restaurant where he introduced me to other seniors, who received me warmly, telling me how blessed I was to join this great firm.

Everybody in Andersen was viewed as cocky or proud in those days because he had been made to feel exceptional. At the first in-house training, the faculty, who was a senior, walked in and said, "This course would normally take about three weeks; but because you are all exceptional, we would do it in a weekend." I thought it was a joke. I was still trying to grapple with how to switch on a computer, which I was seeing for the first time, when the course was over. On Monday morning, Steve Riddick, a partner at that time, gave me a real-life assignment based on that software. It was for real and throughout I just felt like an important person. If you did not understand something, you would be surprised even at yourself because they tagged you exceptional, which basically gives you the right kind of carriage to discuss at very senior level.

The second thing Arthur Andersen did was to teach me how to work with different methodologies, work programmes and all of that, everything seems well thought out. The work ethic was fantastic. You accounted for every hour of your time in the office. If you did not have a client assignment (chargeable time), you needed to spend the time on training for self-development. That was the height

of discipline. In those days, Arthur Andersen felt they were the best. If you had an assignment or a deadline, you would deliver it. Nobody told you whether you would sleep in the office or not. You knew it had to be delivered. It was just normal. The performance rating mechanism was also very strong. You were rated on every assignment, which meant that you had the opportunity to improve on the next one, and if you did not put in your best performance at the job, the system itself would discriminate against you. The seniors would wonder if you were not a recruitment error. I became senior before leaving Andersen.

Would you run for political office?

When I was in secondary school, I had a phobia for political office. Then I was nominated for Class Prefect, and nobody voted for me. Someone nominated me without my consent. So, I wondered why that person did not vote for me. That was my first lesson in politics. It occurred to me that humans are very treacherous. I thought I was put out, probably as one of the pawns meant to lose for someone else to win. When I did politics on campus, most of the time I negotiated my way till I got a consensus because I could not trust going to the polls.

When you say going into politics, I think I am in politics now. I feel that politics is a combination of elective and appointive positions. At the end of the day, you would be dealing with a wide scope of people, human senses, interests, and paradigms.

I have worked at very senior positions in banks, and I think the politics is not different. Typically, even in corporations, there is a level you get to – it is not just about your technical competence anymore, even in the way the appraisals were done in Arthur Andersen, at some point – consideration will migrate from pure technical competence, which will be assumed after a particular time, to other softer issues such as how you manage relationships, how you manage both internal and external customer relationship, how you contribute to especially the bottom line of the firm. When you come into what people today call politics, different from what I just described in the corporate world, it is still always going to be around value – what the organisation values, what the people value – and you are going to compete and appraise people around that value proposition. The value proposition in the public sector is however slightly different, in certain aspects of it, from what you see in the private sector. So, I am tempted to say that we are all in politics.

What you mean though is whether I am contesting elective positions or not. I am open to doing so, but with a lot of convincing and support from leaders who can move mountains. I do not think, as at today, that I am mentally attuned to going for elective position, but I will say that I am not averse

to it. Today, I am just happy for the opportunity to work in this appointive position and deliver value to the state from this point. It is not necessarily a less important position than an elective position when it comes to the implication for state-wide or national development. I think serving the people right now, for me, is the highest form of calling and whichever way that can be achieved, elections or appointments, I think it suits me.



How has your position as Commissioner for Economic Planning and Budget ignited your political aspiration?

I would not say it ignited it; but I have grown in understanding the way the citizenry think and operates. It looks simple in the private sector, but a bit different in the public sector. There are social considerations you must have a lot of respect for. If I am a corporate institution and I downsize, I may not care whether those affected are okay wherever they are. But as government, it is my responsibility to ensure that they are okay, whether they are with me or out in the streets, whether they like me or hate me, whether they are in the opposition or in my party.

Coming into this position as Commissioner for Economic Planning and Budget begins to bring to the fore how proper planning, correct decision-making, transparency, integrity has a role to play in general national or state-wide development.

I am here in Lagos and can see clearly that I have significant roles to play in the lives of the people of Lagos. This inspires me and endears me to politics.

Beyond that, when the Coronavirus Disease came into Lagos, my mind skipped. I began to see that apart from my responsibility for the people of Lagos, I had a national responsibility. This is because if Lagos does not cage COVID-19, the nation will go belly up. Seventy per cent of air travels come through Lagos and the maritime business is through Lagos, among other aspects of the nation's life. Lagos is home to over 300 tribes of people who call themselves Lagosians and there are only very few people of means that do not have a footprint in Lagos. The big firms all have their positions in Lagos. That tells me that running Lagos well will rub off on the nation. It opened my eyes to what this office can mean working with my colleagues in cabinet to the lives of millions of people across the country. It also showed what it meant to work under someone that is visionary like Mr Governor, Babajide Olusola Sanwo-Olu, because everything I have described about this office can be meaningless, if the governor does not give room for talents to operate or even actively supports the objective of the office. I am

a light to the nation. It is the state of excellence, where excellence is not a destination but a journey. The state has decided to take on audacious projects from the regime of Bola Ahmed Tinubu all the way to Babajide Olusola Sanwo-Olu. We are delivering two rail lines, the Red and the Blue Lines and several infrastructure projects with huge economic and social implications. Seldom do you see a sub-national undertaking rail projects? To get some of the rails in, we had to snatch them from the state of Wisconsin in the United States. Neither the governor who counts his time in days nor the people of Lagos will allow for status quo to exist.

For starters, my ministry is responsible for strategy, resource allocation and management through the budgetary protocols and also for state-wide performance management. We have consistently delivered our budget ahead of the New Year in the last three years. We have constantly performed at an average of 80 per cent of our plans, and that was even through the heart of COVID-19 pandemic. Today, our Gross Domestic Product (GDP) is growing at about 8 per cent ahead of national GDP growth rate. Because of the unique position Lagos holds, we need to continue to run quite faster



more convinced that I can continue to do this if the opportunity persists. I am persuaded that there are a lot of values that can be passed on to citizens if we all have our heads screwed up in the right places.

So in effect, what can you do or what are you doing to change the status quo?

Lagos is not a place where status quo can exist because, from the beginning, it has always been

because if other states do not run as quickly, what you find is that the underperformance in other places export unemployment into Lagos, bringing both people and their cars into Lagos. Since Lagos is a small space and we do not issue visas, urban migration puts a lot pressure on the infrastructure in Lagos making it extremely difficult to keep pace with population growth together with its implication. We therefore have designed and are implementing performance management systems that monitor outcome performance, project execution capability and budgetary performance. That

way executing agencies are always on their toes.

We are working on a 30-year long range development plan, and I do not know of any state that has done that. We are establishing a State wealth fund just as the Sovereign Wealth Fund (SWF) of the federation, so that we can stem future potential shocks. The development plan is unique in many ways. It is not just going to be conceptual; it is going to be a plan that will have initiatives that we will implement. It will also figure out how those initiatives will be funded. To get the people of Lagos and its leaders committed to the implementation of the plan, we undertook very wide range of consultation, which included the private sector leaders, development partners, industry and public sector leader, residents, and subject matter experts. Indeed no one person can figure out Lagos. Lagos will always be a state that grows through consultation and partnership. This consultative approach is also used in putting the annual budget together. It is the reason the governor says if Lagos speaks, Sanwo-Olu would listen.

Not many citizens across the county believe that their governors listen. Listening is a challenge because it is evidenced by your willingness to be accountable for your every commitment. When we had the last Lagos economic summit (Ehingbeti), we had about 10,500 people attending it every day from 60 different countries. This is because, historically, we had executed over 95 per cent of all the recommendations of the past summits. We respond to people when they talk because that is just how Lagos works, making it difficult to imagine maintaining status quo. The Lagos environment is not just conducive for that.

Second, we are bringing in significant amount of transparency in terms of publishing our quarterly performance results to the public through our websites. We show how the state is doing in several regards. It is my belief that with a lot of transparency, accountability and performance monitoring, growth happens naturally. Sometimes, people especially in politics think that transparency means exposure to enemy action. It is however true that the biggest companies in the world are quoted in the stock exchange around the world, and the level of transparency required forces performance. Therefore, if you do not see it negatively, you can benefit from improved productivity, derived therefrom. I just talked about the performance management system that Arthur Andersen used. It just meant that your performance at the end of the year would not surprise you because, at every project, you are evaluated. In a similar way we evaluate execution also in Lagos State; how the Ministries, Departments and Agencies (MDAs)

are executing on their projects under a peer review mechanism supervised by the Deputy Governor, a system that also accounts for inter MDA collaboration.

How would you advise youths who wish to emulate you?

It is not wishful thinking. Life is not a straight course. Young people should not be afraid of failing, but always plan to rise again after failing. It is also about work ethics; hence there are few people at the top of the pyramid. At Arthur Andersen, we used to say that you must be able to walk on water and talk with God or climb mountains and talk with angels because average is not okay, though it is the most comfortable place to be as it removes from your shoulders the burden that performance brings with it. Performance really discriminates. I will ask them to continue to learn and take reasonable risk. We say, work smart; but no matter how smart you work, there is always an element that feels like hard work.

They should also not exclude themselves from what their goals demand and think that the goal is bigger than them. Arthur Andersen did not allow that in my time. I think it is still the same. So, young people must not disqualify themselves from aspiring. It is the reason when you asked me whether I was thinking about politics, the answer would always be yes, because I must let my mind run and dream. That is what I advise our young people to do.

What do you do for fun?

I am a black belt karateka, and it is a way of life; it brings about different forms of discipline. In the dojo where we train, how you feel does not matter; once you get there; you strap your belt and go on the floor, whether you feel sick or injured? Whatever you feel, just get on the floor, and do what you need to do. I am historically a table tennis player. I am generally known for table tennis because I used to be old Bendel State's junior champion in those days. I played table tennis at the competitive level.

I like to swim and look at the sky. When you swim, you just think about inhaling and exhaling air. It helps you remain focused. You are not thinking of too many things. When you come out of the water, you lie down by the poolside and look at the sky. Many times, we do not look at the sky, but we walk and jump from one car to another in our daily hassle, looking at the ground. Many times, you do not look at the birds. Looking at the formation of the clouds also fascinates me.

Nigeria needs to attract diaspora talent

Azuka Onyia

The Chief Finance Officer, Bell Oil and Gas Limited, Azuka Onyia, in this interview, speaks about how her career journey at Arthur Andersen (now KPMG) helped her in the US and why Nigeria needs to attract Nigerians abroad to the country

Who is Azuka Onyia?

Azuka Onyia is a wife, a mum and a finance expert. I started my career in Arthur Andersen, now KPMG, in 1997, precisely December 1997, as a fresh hire, what we call an inexperienced accountant. I did my NYSC in Arthur Andersen, and when I completed my NYSC, I continued my career there. I was in the Audit Division and I specifically worked on clients in the banking and finance industry. From ground up, I started as an inexperienced accountant to a staff accountant and then a semi-senior, a senior and an experienced senior.

I left the firm in March 1999 because I got married and relocated to Los Angeles. I wanted to continue my career with Arthur Andersen in Los Angeles but the firm, the banking and finance division of the firm in Los Angeles at that time, didn't have very big practice in LA; so, I had to make the decision whether to relocate from Los Angeles to Las Vegas but I chose to remain in Los Angeles. And I went to work for Deloitte, a competition with quite a contrast with culture and style of audit but pretty much the same big 4. I was made manager there and in 2000, I left Deloitte. I joined Deloitte in 1997 and in 2000, I left public accounting completely and went to work for CB Richard Ellis. It is a real estate company, one of the biggest in the world and I was there for a while - about a year - and from there, I went to work for Boeing. I worked for Boeing Capital, which is the finance arm of



Boeing, and then I went to the integrated defence system business unit.

I was in Boeing for a total of five years; while I was in Boeing, I went back to school and I did an executive MBA at the University of California, Los Angeles in the Andersen school, and I would work for four days and go to school on the weekends.

When I finished my MBA, by then I was beginning to contemplate on coming back to Nigeria, and I realised that throughout my career thus far, I had worked for very big, large companies and the type of companies I have worked at were not representative in Nigeria; so the career choice I made was to go to smaller, more entrepreneurial companies that would fit more of what we have in Nigeria in terms of revenue size, in terms of culture, in terms of just having to come in there and put systems and processes in place yourself. So, at that time, the internet was gaining ground and a lot of companies were going into ecommerce, and I worked for two ecommerce companies before I came to Nigeria. And I worked for Autobytel, an online car dealership, and LegalZoom, a legal documentation company, and then I came back to Nigeria in 2010.

I worked briefly for the Federal Government; I was the Director of Finance and Accounts at Federal Airport Authority Nigeria overseeing the finance and the accounts of the 22 airports that constituted the FAAN as at that time; I was not there for too long. I went back into private practice. I have done some work in advisory, and I have worked at Mouka as the CFO, and I am currently at Bell Oil and Gas as the CFO. In transitioning from FAAN back into the private sector, one thing that moti-

vated me was working for companies that have PE investments in terms of corporate governance and structure in an economy like Nigeria. It is different when you leave the very big global companies and you have worked for smaller-sized companies; corporate governance is typically an issue. So, my philosophy is only to involve myself in companies where you have PE investments and stay through the investments and transition. So professionally, that's Azuka Onyia.

You obtained a Doctor of Veterinary Medicine degree from Ahmadu Bello University, Zaria; so what prompted your career path to finance?

I did not start out wanting to study veterinary medicine. I was a victim of the quota system. I was raised in the North - my primary school, secondary school and university were all in the North and as at that time, I always wanted to study accounting and finance but my dad felt, "Oh, you are very smart; you should go into the sciences, go and be a doctor." I said I did not want to be a doctor and he said, 'Go and be a pharmacist.' So, I was compelled to take subjects that would lead me into a career in pharmacy.

In Ahmadu Bello University then, they had a school of basic studies, it is like A' Levels, so I had the best results getting into the faculty of pharmaceutical sciences but then like two weeks to when school was going to start, a friend of mine said, "Oh, they have expunged your name from the list and replaced it with someone else's." I am from Anambra State; they replaced my name with the name of somebody else from Anambra State and





so they said, 'Oh sorry, there is nothing we can do; come back the following year.' In Nigeria, you cannot stay at home when all your mates are in school; they would think you failed. My dad said, "Why don't you find somewhere else to stay for a year?." All the other faculties were already full, so the only faculty that had space for like 10 more students was the faculty of veterinary medicine; so, that is how I got in there but after staying there for one year, I knew I did not like it but decided to stay.

When I graduated from vet school, a friend of mine said, 'Azuka, are you still very smart?' She said, 'I know you have always liked finance. Arthur Andersen is recruiting; do you want to take their exams?' I did, and the rest is history. That is how I transitioned from veterinary medicine to finance. The firm was fairly new in the country then, relative to now. They had been around for a couple of years and were expanding; so I went in there and took the aptitude test, and I got hired into the audit division. I just remained there and my dad gave up wanting me to be a pharmacist.

Could you describe your experience at Arthur Andersen?

My experience at the firm was a very positive one. I often think of the firm with a lot of nostalgia. I always tell my husband: If I hadn't married and gone to the US, I would have still remained with the firm up till now. I made some very good lifelong friends in the firm, and the way the firm was structured then, there was a lot of emphasis on training, not just technical training but life skills in general.

As a 21-year-old, the firm was my first experience outside of my home, and I learned a lot. In fact, I tell my friends and my family that 90 per cent of what I know now, almost 20 years after leaving the firm, I learnt from the firm. Feedback was real, prompt and specific; your development was your priority. The manager there was relatively young; so, they could relate to you and there was a great emphasis on work ethics and standards. I have worked in so many places in Nigeria and outside of Nigeria, the standards that were set in Arthur Andersen at that time was second to none - from the very mundane to very complex and the way letters are written, the font size, the font style, the alignment, the headings, the proofreading, and the packaging. We had a whole team we called 'production'; I don't know what they are called now in the firm. When you see an Arthur Andersen document, it was well packaged - no typos, no errors; even the people in production that were not professional staff had an eye for details. You will not see smudges.

We were raised to think quality, very high quality and very high standard, even the way you dressed, the way you spoke, the way you sat; everything was world-class standard. I hear a lot of companies talk about world-class standards but do you know what it looks like and are you willing to put in the effort to get it done? We did all of that then. I don't know how other colleagues of mine may have seen all those things but it builds you up in life. You don't live a careless life or 'anything goes' kind of life. We had fun, so much fun but we had very high standards, and it cut across everything. When you bill your clients, they may say your fee is high but they can see the standards and quality of your output. I learned how to write in the firm. Aside from effective business writing training and all that, the manager would actually sit you down and show you where your punctuation should be, and how to construct your sentences. When I started out as an inexperienced accountant, I would draft a memo and it would come back with so many red lines. I took it in my stride, I learnt from it, I kept every comment and feedback I was given and I would use that to correct the next memo.

Over time, I became very good at writing such that when I went to do my MBA in UCLA, my 'Oyibo' classmates (because I was the only black girl in a class of 70, in my study group; I was the scribe of the group) said I was writing very well. I did not learn that in any school; I learnt that at the firm.

So with all these, how can you describe the impact Anderson made on your career legacy?

Arthur Andersen made a huge impact on my career; when I joined the firm, Dotun Suleiman was our office managing partner then, and he used to have this phrase, 'Think straight, talk straight'.

He was trying to make us understand that we should not allow our judgement to be clouded by things that do not matter, focus on the key issues and when you communicate, communicate professionally; don't beat around the bush. Not everybody will be happy with the things you are saying but as a professional, you need to think straight and you need to talk straight, and so I have carried that in my career.

Depending on the kind of environment you find yourself in, sometimes you could get into trouble thinking straight and talking straight. But overall, I would not trade that for anything but at some point, fact and the truth need to be told. If you are consistent in saying things factually, not with emotions or with bias, ultimately, over time, people are going to have a lot of respect for you. When push comes to shove and they want to hear the fact, you will be the person they will be looking for. I think the experience with the firm has also taught me resilience and hard work pay. We worked hard in the firm, extremely long hours.

Looking back, what is that one thing you learnt at Arthur Andersen that has the greatest influence on your career journey?

There was no one thing. There are a lot of things, like I said, just the work ethics. One of the key things that has helped me in my career which I learnt from the firm is never to personalize anything and to know that work is work and the firm is always bigger than the individual. It is the fact of life, and so the higher you climb in the career ladder, the more you realize that it is very important for you to know that work is work and the firm is ultimately bigger than the individual.

So, when certain decisions are made and certain things need to be done, you do not have to personalize it and get emotional; it is work that needs to be done. I have carried that through. Decisions must always be made in the interest of the firm or the company or a country and so it is not just about any individual. I guess it was the culture of good corporate governance. When we were at the firm, we did not take just any kind of job; we did not take any kind of clients. We were picky for a good reason; there was a template for selecting clients. It was not about the money; it was about the reputation and work. There were certain clients that didn't meet our corporate governance standards in those days; we dropped them. I believe that has had a profound impact on me, and the firm is still standing. Kunle Elebute, Victor Onyeakpa, Tola Adeyemi, Wale Ajayi, Wola Obayomi, Joseph Tegbe, Ayo Othhiwa, Olumide Olayinka, and the rest of them, we were all there together. The firm has grown; it has stood the test of time. It may be uncomfortable or painful in following certain standards but at the end of the day, there is a sustainable bottom-line impact, even in terms of how the firm makes money and

all of that. It has a long-term sustainable impact; you cannot be here today, make so much money and then tomorrow you are gone. Define what you want along with global best practices and stick to it, no matter what. Ultimately, people would know you; it is either they want or they don't but at least you know where you stand and you are consistent. It was a very big takeaway from the firm that has impacted on me throughout my career.

You worked in Nigeria and abroad; how has the experience contributed to your career success? If possible, I would advise any young person to have the best of both worlds: work in Nigeria and abroad and then come back to Nigeria as I did. I think you will enjoy the full benefits of your career. Starting my career in Nigeria, I tell my kids, we did not have laptops then. We didn't have excel sheets; we had yellow papers. We used it to do our audit and we did all the work there. We wrote with pencils and used coloured pens for emphasis. I started my career, as I said, as an inexperienced accountant and I was the smallest and the youngest of my engagement team, and I would carry our audit box. All our things were in that box - all our files, yellow paper and all our work was in that box. As the youngest member of our team, I had to carry it; it taught me humility. Given that the firm had a culture of hiring people who had first class, about 90 per cent of the people in the firm had first class; just a few people had 2:1. You have





always been put at the top and all of a sudden, you are coming way down; it humbles you.

The respect culture in Nigeria also mattered. The work ethic in Nigeria is one where everybody is competitive. Nobody wants to come last and we go above what the firm provides to increase and improve our knowledge base. When I transitioned from Nigeria to Los Angeles, I had to deal with the America Accounting standards. When I left Nigeria, I think we had 12 accounting standards but when I got to America, they had hundreds. I was not intimidated because of the culture of hard work I had imbibed in Nigeria. The Americans used to wonder how quickly I already knew all the rules. I was like, 'You guys really have a database here and you have internet here; all you can do is to search.' We didn't have any of that in Nigeria. In Nigeria, if I could remember correctly, we had a library in the firm on Gerard road. If you need something, you just carry a book, unlike typing anything to search for anything.

The work ethics gained from Nigeria, when you go abroad, you are just a star. I gained diversity working abroad with different people. Coming back to Nigeria with such broad experience, there is a lot that can be done here. We have the human capacity to achieve a lot in this country but we can start from somewhere. Interacting with the average American on a daily basis, looking at the way they live, looking at the way they think and how they execute is different from the way we do it here. Everybody rolled up their sleeves. The office manager or the country managing partner could go and make his own coffee; it is not a big deal. It does not stop him from being the boss and everybody can just jump in and get stuff done. There wasn't that hierarchical thing or 'I am too big for that, and I am not doing it'. So, bringing back to Nigeria the whole attitude, people see you and say, 'She is the CFO but she carries that file; she puts her stuff away neatly.' When the cleaners come, I don't let them trash my things. When I give people work, I tell them this is what I am going to do myself, and I deliver on time.

I will tell you, my staff, "could you please proof-read my work.' And they would be like, 'Madam, no.' I need a second pair of eyes so that when I review your work and I give you feedback too, you will recall that I took your feedback, and we learn from each other. Listening, getting people's feedback, involving them, that is what I took from living abroad; they will listen to anybody as long as you are making sense. It doesn't matter how old you are, it doesn't matter how young you are, it doesn't matter whether you are coming from Banana Island or Mushin, they will listen to you. They will give you the platform, the opportunities. In fact, it is a competition; they want to see who is making sense and who has the best ideas. People get creative and are rewarded. Also, in most of the companies I worked with abroad, when staff members make honest mistakes, , they do not get

penalized; it is the cost of doing business. They learn from it; nobody labels you as the guy that bungled that job. They actually take your mistakes, teach others and learn from them. So, there were so many things that I learnt living and working abroad that I incorporate into what I do here as well. Like I said, I have the best of experiences and I will recommend that for any young person, if you have the opportunity, you don't just jump into a boat and go abroad, go and apply for a visa, go there legitimately, learn but please come back because we have only one country; nobody is going to help us.

If given the opportunity, what policy would you implement to make Nigeria better?

There are so many. A lot of Nigerians in the diaspora desperately want to come back to Nigeria, but they are not encouraged to come back to Nigeria to help build the nation. We need to strengthen our labour laws. There is a lot of disparity between how expatriates are compensated and how their equivalent Nigerian local talents are compensated for the same or similar jobs. It doesn't happen in the US, for instance. A lot of Nigerians want an honest life; they don't want to cut corners in order to do this or do that. But when they come here and see what they will be paid, they prefer staying abroad. So, for me, I know that Nigeria has a diaspora commission and with the sort of talents we have, I know we can turn this country around. I am not saying that everything should be specifically carved out for people in the diaspora but since you have a diaspora commission, you need to protect people that are coming from the diaspora.

Nigeria has lost lot of talents. We need to attract them back; we need to have specific, targeted policies. We have a lot of smart people that can help us. They are out there making waves all over the world. I would look for a way to create a policy and an enabling environment so that they can come with their children. I think as a country, we have some very talented people that come from this country but they are not just here, and we need to bring them back.

What do you do for fun?

What do I do for fun? I am a sports fan; I love sports. If I am not working or doing my volunteer work, I love to watch soccer and I love to watch tennis; those are my two popular sports. My TV is constantly on the sports channel; so I follow all the major leagues' matches and all the major tennis tournaments, even when I travel abroad. I try to catch up and even when there is no game; I just go to their stadium, which is part of sightseeing to me. I love sports.

The Petroleum Industry Act Host Communities Development Trust

Transforming the Host Communities

Crude oil exploration in Nigeria started in 1908 when Nigerian Bitumen Corporation commenced exploration around Okitipupa in the Western region. Half a century after, Shell-BP discovered oil at Oloibiri in the Eastern Niger Delta region. Following this discovery, exploration rights in onshore and offshore areas adjoining the Niger Delta were extended to other foreign companies.

Crude oil has since been the major source of revenue and foreign exchange earnings for Nigeria, displacing agricultural (cocoa, rubber, etc.) production and exportation. As Africa's largest oil producer and seventh largest oil producer in the world, one would assume that the oil-rich communities in Nigeria would reap the benefits that come with oil production in their states. Paradoxically, while Nigeria (as a whole) 'benefits' from the billion-dollar investments in the oil and gas industry, exploration activities have led to deplorable living conditions in host communities in the Niger Delta region. These host communities are plagued by environmental pollution caused by oil spills and gas flaring, unemployment, loss of livelihood and lack of basic social amenities like hospitals, schools and clean water.

In response to pressures from various interest groups, the Federal Government and the oil producing companies have instituted intervention programmes to address the negative impact of oil exploration activities in the Niger Delta region.

Interventions in the Niger Delta Region

The history of the Nigerian capital markets can be traced back to 1946 when a £300,000-pound bond was floated by the then colonial government to implement its 10-year development plan. In 1960, the Lagos Stock Exchange (LSE) was founded, and it began operations on 25 August 1961 with 19 securities listed for trading. The LSE was subsequently christened as the Nigerian Stock Exchange (NSE) in 1977.

By 1998, the NSE had only experienced marginal growth, with the All-Share Index (ASI) hovering around 6,000 points. Thus, in a bid to deepen the Nigerian capital market and attract the domestic and foreign direct investment required to accelerate the country's economic development, the Federal Government re-characterised gains arising from the disposal of "Nigerian government securities, stocks and shares" as non-chargeable gains, effectively exempting such gains from Capital Gains Tax (CGT).

This change, which was introduced by the Finance (Miscellaneous Taxation Provisions) Decree No. 19 of 1998, catalysed the growth of



Uzo Obienu
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Tax, Regulatory & People Services



Opeyemi Osunsan
Senior Manager
Tax, Regulatory & People Services

the NSE and can be said to have achieved its purpose, as the bourse's ASI has grown almost tenfold since 1998, and its market capitalisation is currently in excess of NGN25 trillion. On the other side of this tangible growth, however, was the unrestrained exit of foreign portfolio investment and the associated tax revenues foregone by the Nigerian government on such transactions.

Interventions in the Niger Delta Region

The Federal Government, under various administrations, continues to implement several interventions to ameliorate the impact of the environmental issues in the Niger Delta region. Some of these include:

1. 13% Derivation Fund – This is a direct provision of the 1999 Constitution. Specifically, Section 162 (2) of 1999 Constitution states that:

*“the President, upon the receipt of advice from the Revenue Mobilisation Allocation and Fiscal Commission, shall table before the National Assembly proposals for revenue allocation from the Federation Account, and in determining the formula, the National Assembly shall take into account, the allocation principles especially those of population, equality of States, internal revenue generation, land mass, terrain as well as **population density; provided that the principle of derivation shall be constantly reflected in any approved formula as being not less than thirteen per cent of the revenue accruing to the Federation Account directly from any natural resources”.***

The Fund is a financial incentive that is distributed to oil producing communities, to encourage them to create an enabling environment for more production of crude oil and gas.

It is reported that eight oil-producing states received a total of about N9.6 trillion from the 13% derivation fund from 2000 to 2018.

2. Niger Delta Development Commission (NDDC) Fund – the NDDC was established, under the Olusegun Obasanjo administration by the NDDC Act, 2000, (amended in 2017). The objective is to offer a lasting solution to the socio-economic difficulties in the Niger Delta Region and to facilitate the rapid and sustainable development of the Niger Delta. The NDDC Fund is financed by statutory contributions from the Federal Government and Oil producing/gas processing companies. Based on the NDDC Act, 2017, the Federal Government contributes 15% of the total monthly statutory allocations due to member states from the Federation Account to the Fund, while the oil producing/gas processing companies contribute 3% of their total annual budget to the Fund. In addition, 50% of monies due to member States of the Commission from the Ecological Fund is paid to the NDDC Fund.
3. Ministry of Niger Delta Affairs (MNDA)- the Ministry was set up in 2008 to coordinate efforts

aimed at tackling the challenges of infrastructural development, environmental protection and youth empowerment in the Niger Delta.

The MNDA serves as the primary vehicle for the execution of Government's plans and programmes for rapid socio-economic development of the Niger Delta region. It is expected to formulate and execute plans, programmes and other initiatives as well as coordinate the activities of the Agencies, Communities, Donors and other relevant Stakeholders involved in the development of the Niger Delta Region.

The MNDA, like other Ministries, receives allocation for both capital and recurrent expenditure which is aimed at improving the lives and infrastructural development in the Niger Delta.

4. Global Memorandum of Understanding (GMOU)– oil producing companies typically sign a GMOU with their host communities to ensure a mutually-beneficial relationship. The GMOU, which differs per community per company, spells out the terms under which both parties will relate, including projects that will be executed in the community. Under the terms of a GMOU, the host communities decide the development they want while the oil producing companies provide stable and reliable finances to the host communities for the implementation of their community development plans.
5. Other regulatory and development agencies including:
 - The Niger Delta Basin Development Authority (NDBDA), a Parastatal of the Federal Ministry of Water Resources, charged with the responsibility for comprehensive development of surface and ground water resources, flood and erosion control etc in Bayelsa, Delta and Rivers States.
 - The Petroleum Trust Fund (PTF) established in 2015 by the Sani Abacha military regime, to provide for the identification, funding and execution of projects in various sectors such as road and road transportation, education, health etc.
 - The Oil Minerals Producing Areas Development Commission (OMPADEC) was established by decree No, 23 of July, 1992 to rehabilitate and develop the Oil Mineral Producing Areas of Nigeria which had been subjected to the devastating effects of ecological destruction and environmental pollution.

These regulatory and development agencies, at one point or the other, have funded infrastructural development in the Niger Delta.

Despite these intervention programmes and

significant revenues deployed to the Niger Delta, the host communities have not achieved the expected level of development. This has therefore, raised questions about the effectiveness of the intervention programmes.

The consensus is that existing interventions have not fully addressed the needs of the host communities. It could be inferred that the failure of these interventions may be traced to political interference, poor corporate governance, corruption, mismanagement of funds, and poor project supervision. It is against this backdrop that the Petroleum Industry Act (PIA) dedicated a full chapter to the issues of host communities.

The PIA HCDT

On 16 August 2021, President Muhammadu Buhari signed the Petroleum Industry Act (PIA). The PIA introduces the Petroleum Host Community Development (PHCD) with the following key objectives:

- To foster sustainable prosperity within the host communities;
- To provide direct social and economic benefits from petroleum operations to host communities;
- To enhance peaceful and harmonious co-existence between licensees or lessees and host communities; and
- To create a framework to support the development of host communities.

The HCDT framework

Section 235 of the Act requires a settlor or a group of settlers under a joint operating agreement to incorporate a Host Community Development Trust (HCDT). The PIA defines a settlor as a holder of interest in a petroleum prospecting license or petroleum mining lease whose area of operations is in or appurtenant to any community or communities. The Trust is to aid the development of the economic and social infrastructure of the communities within the petroleum producing area. The HCDT may cover a cluster/group of host communities.

Based on the PIA, each operator/settlor is required to conduct a formal needs assessment in the host communities and prepare a host community development plan to address identified needs. The needs assessment is to be evaluated from social, economic, and environmental perspectives, and should be in consultation with women, youths and community leaders. The Host Community Development (HCD) plan is required to be filed with the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). It is expected that the NUPRC will issue regulations for the set-up and operations of the HCDT.

The PIA provides the following timelines for the incorporation of HCDT:

Timeline for Incorporation

- 01** for existing OMLs, within 12 months from the effective date of the Act
- 02** for existing oil prospecting licences, prior to the application for the field development plan
- 03** for petroleum prospecting licences and petroleum mining leases granted under the PIA, prior to the application for the field development plan
- 04** for existing designated facilities, within 12 months from the effective date of the PIA
- 05** for existing new designated facilities under construction on the effective date, within 12 months from the effective date
- 06** for licensees of designated facilities granted under the PIA, prior to commencement of commercial operations



It appears that the initial objective of the PIA was to require midstream operators to set up an HCDT based on the above (items d to e) and the many references to the Authority in the law. However, the strict definition of a settlor has ruled this out. The PIA requires the settlor to appoint and authorise a Board of Trustees (BoT), which will be registered with the Corporate Affairs Commission. The Settlor will determine the following administrative activities of the BoT:

- the selection process, the procedure for meetings, financial regulations and administrative procedures;
- the remuneration, discipline, qualification, disqualification, suspension, and removal of members of the BoT; and
- other matters, other than the above, relating to the operation and activities of the BoT.

The BoT

The PIA has clearly defined the Terms of Reference ('ToR') for the BoT and these are very similar to that of the Board of Directors of a company. Settlers are required to incorporate the BoT within 12 months of commencement of PIA for existing operations/ before application or commencement for new operations. The BoT members shall elect a Chairman from among themselves and are to have a four-year, renewable tenure.

Management committee

The Act requires the BoT to set up a Management Committee ('ManCo') to run the HCDT

The ManCo is to consist of executive members, who are professionals, and one non-executive member who is an indigene of the host community. The responsibilities of ManCo include preparation of annual budget, management of contracting process, supervision of projects execution etc.

The ManCo is to have a four-year tenure, which is renewable.

Advisory committee

The PIA also requires ManCo to set up a Host Communities Advisory Committee ('Advisory Committee'). The Advisory Committee is to consist of representatives of each host community under the HCDT.

The Advisory Committee is required to nominate non-executive member of ManCo, articulate community development projects to be transmitted to ManCo, monitor on-going projects, advise ManCo on activities that will lead to improvement of security of infrastructure and peace within the communities etc.

The Trust Fund

Each HCDT is to have a Trust Fund, comprising one or more accounts, funded with 3% of the Settlor's prior year annual operating expenditure, donations, gifts, grants or honoraria.

The Settlor would set up and run the administrative structures of the Trust Fund, and account to the BoT for the 5% dedicated to administrative costs. Also, 75% of the annual trust fund should be applied to capital projects, while 20% reserve fund should be saved and reinvested, by a fund manager, for host communities. On cessation of operations by the Settlor/Operator, the reserve fund will be used for the benefit of the beneficiaries.

The general concern on the HCDT is whether the financial contribution to the fund (i.e., 3% of the settlor's prior year annual operating expenditure) would be sufficient to address the socio-economic issues in the host communities. In fact, many have compared the funding of the HCDT to the funding of the Frontier Exploration Fund which is 30% of NNPC Limited's profit oil and profit gas in the production sharing contracts (PSCs), profit sharing and risk services contracts. Such arguments have largely focused on the percentage of the contribution instead of the 'base', as a critical analysis of the base would indeed reveal that 3% of the operating expenses of all the companies in the upstream sector would be higher than NNPC Limited's share of Profit Oil (i.e., what comes to NNPC after Cost and Tax Oil have been deducted) in PSCs, profit sharing and risk services contracts.



Beyond the funding, the HCDT provisions ensure a robust governance, transparency, and host community participation. The separation of roles of the BoT, ManCo and Advisory Committee ensures that there is no abuse of powers, increases the board's independence from the settlers, and reduces conflict of interests. The HCDT governance framework may address the issues of political interference and poor governance which plagued previous interventions.

The PIA requires the financial activities of the HCDT to be recorded and audited on an annual basis. The settlor is required to submit an annual report of the activities of the HCDT, together with its audited accounts, to the NUPRC on an annual basis. It is expected that the public disclosure of the HCDTs' financial activities would enhance transparency that was lacking in previous interventions.

Furthermore, the PIA clearly outlines the objectives of the HCDT and requires settlers to provide a matrix for the distribution of trust funds to each of its host communities. The HCD plan is to be based on the distribution matrix. Unlike previous interventions where development plans for host communities were defined by the intervention/regulatory agencies, the development plan for host communities under the PIA is defined by a host community needs assessment carried out by the settlor. It is expected that the HCDT will address the needs of host communities by ensuring the following:

- transfer of direct control of funds by host communities,
- project selection, execution and ownership is transferred to host communities; and
- protection of oil facilities/infrastructure in exchange for funds.

Conclusion

Over the years, the Federal Government has established various intervention programmes to tackle environmental issues and underdevelopment in the Niger Delta region. However, there is still a significant gap in the socio-economic transformation needed in the host communities.

The PIA HCDT appears to be well thought out as it adopts a more transparent and participatory framework with clear responsibilities for both the oil companies and the host communities. It also establishes an elaborate corporate governance framework and details out the use of funds which should ensure that the resources are judiciously expended. However, the jury is out on whether this is enough to resolve the socio-economic crisis in the region.





Celebrating Exploits

We recognise the recent appointments of some of our people. Kudos to you all. We wish you the very best in your new roles.



Adebisi Lamikanra
Non-Executive Director
(Standard Chartered
Bank, Leadway Assurance
Company Limited, etc)



Ajibola Ponnle
Commissioner, Lagos State
Ministry of Establishments,
Training and Pensions



Alfred Olajide
Managing Director, Coca
Cola Nigeria



Ayo Olowookere
Managing Director/CEO,
Imperial Mortgage Bank



Dapo Okubadejo
Commissioner for Finance,
Ogun State Government &
Chief Economic Adviser to
the Governor



Dr Gbenga Fapohunda
Regional Chief Financial
Officer – Nigeria, Dangote
Cement Plc



Ehile Adetola Aibangbee
Non Executive Board Member,
Federal Inland Revenue Service
(FIRS)



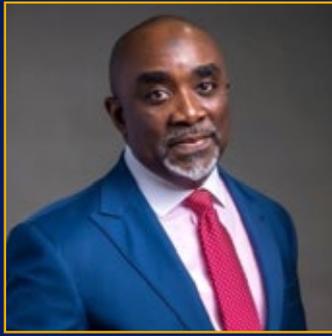
Emeka Onwuka
Chief Financial Officer,
Seplat Energy



Ganiyu Musa
Chairman, Nigerian Insurers
Association (NIA)



John Okonkwo
Executive Director and
Chief Operating Officer, VFD
Group Plc



Kamar Bakrin
Head of Delivery Team, Federal
Ministry of Industry, Trade and
Investment (FMITI)



Lynda Madu
Associate Director,
Corporate Development,
NestOil Group



Marilyn Maduka
People Director West Africa,
AB-InBev



Okey Enelamah
Chairman, African Capital
Alliance



Opeyemi Udoye
Managing Director/Country
Manager, Twinings Nigeria
Limited



Phoebe Obi
Chief Financial Officer,
Berger Paints Limited



Ross Oluyede
AG. Managing Director, The
Infrastructure Bank Plc



Sam Egube
Commissioner for Economic
Planning and Budget, Lagos
State



Uwa Michael
Director, Human Resources &
Legal Services, Promasidor



 **Johnbull Okpara**
Chief Accounting Officer and Controller
at Citigroup

The more you learn, the more you earn

Johnbull Okpara

The Chief Accounting Officer and Controller at Citigroup, Mr Johnbull Okpara, in this interview, highlights the importance of continuous learning and building strong relationships to career success

Who is Johnbull Okpara?

I have been asked that question many times in both media and job interviews, but I will answer it from both professional and personal standpoints. Professionally, I have been called an inspirational and caring leader and a change agent. I am a mentor who is dedicated to giving back through coaching or just connecting with and motivating junior executives across the firms where I have worked. Personally, I am a husband, a father, a brother, an uncle and a cousin who is passionate about his family and his faith and who believes in making everything and everyone he touches better.

Currently, I am an executive officer with the world's most global bank, Citigroup, serving as the Chief Accounting Officer and Controller. I have a career that spans over 30 years across multiple industries, geographical locations and functions. I am a Nigerian-American who is truly a global citizen, having lived in Lagos, London, New York and travelled and worked in different parts of the world - in fact, across five continents.

You obtained a B.Sc in Applied Chemistry from the University of Jos; how has that discipline contributed to your career in finance?

My applied chemistry training in Jos was as exciting and challenging as it was rewarding. As you may know, most Nigerian families want their child to be a doctor or a lawyer or some derivative; you can imagine my parents wanted me to be a doctor. Anyway, I was always studious, always good in math and science and had started to develop my analytical skills early. Even though I was always

first in my class at Holy Ghost college, Owerri, my parents, especially my mom always told me I could do better. At University, a lot of the courses I took enabled deep analytical thinking, problem solving, relational analysis, a lot of statistical maths and the ability to read and digest large volumes of information. So, these are the same attributes that you need for success in corporate finance, especially on Wall Street. In my finance career so far, I have led teams to build complex models, I have overseen valuation specialists, I have worked on deep financial forecasting and analysis, I have designed and transformed processes, and I have driven mergers and acquisitions in a myriad of transactions. These roles really demand a lot of analytics and strong quantitative modelling as well as problem-solving skills - so very naturally fitting in terms of the preparation that I got from applied chemistry. I must tell you that going to UNIJOS was a blessing now that I look back. Back then, to get access to certain books I had to queue in the library or pull on special connections; so, I tell you looking back now, that was a blessing in disguise, in learning how to deal with the adversity of not having all the resources you need. I think both finance and chemistry have rules and they have boundaries; for example, in chemistry, you must balance positives and negatives, and in accounting, you require balancing between debits and credits. That's some similarity there.

Could you tell us more about your career journey?

It has been over 31 years that I graduated from the University of Jos. I was there from late 1986 to 1990, and my professional experience since grad-



uating has been marked with diversity. The academic variety obviously started with that degree in Applied Chemistry. In Nigeria, obviously, you have to go through the National Youth Service Corps; so, I served in Kano. In Bayero University, I was a graduate assistant in the Chemistry department; that was a good experience, and then I moved to Lagos where I joined Arthur Andersen back in the day. It was an arduous recruiting process - a very competitive process to join the firm; an aptitude test and lots of interviews, and when I look back to the class that joined with me that year in 1992, I feel so proud. I obtained my Chartered Accountancy in Nigeria, taking the exams over a course of two and a half years. After 3 years at Arthur Andersen, I worked for 2.5 years as Financial Controller for an Oil Services Company. When I moved to the states in 1998, I re-joined Arthur Andersen in New York in their Risk Consulting practice, where I covered clients like Moody's, Cartier, Bristol Myers Squibb and also worked on a number of M&A Transaction Advisory engagements supporting Financial buyers. I obtained my Certified Public Accountant (CPA) qualification in Pennsylvania and got my MBA at New York University, Stern School of Business, majoring in finance and management, while working at Andersen. After the Enron debacle in 2001, I joined Ernst & Young's Business Risk Services practice. I later joined American Express in 2003, where I spent a combined 6 years in New York and slightly less than four years in London in various financial management and controller roles. I moved back to the US, still with American Express, where I oversaw M&A & Divestitures activities for the Finance Division, and later joined Capital One as a Deputy Controller. My last stop before my current role was at Morgan Stanley, the large investment bank, where I was the head of financial planning and analysis for the firm as well as CFO for the infrastructure group.

So, my career so far has really been a progression of roles in different functions, firms and geographies. I usually encourage young folks to diversify their career and learn different things even while working with the same company. The more rooms you occupy in the house of your profession, the more opportunities to progress and broaden to become a leader in that organisation.

What do you look forward to most in your job?

The opportunity to lead large and diverse groups of highly talented professionals; I love developing people, I like helping employees maximise their strengths and grow their career. My legacy everywhere I have worked is really around the folks that I have helped, coached, mentored and developed to get to the next level; so, that is important for me. I also look forward to the opportunity to help drive change and transformation of business processes and culture and really helping to move the franchise - any franchise - forward. I also welcome the chance to learn and work with highly talented colleagues and leaders.

You started your career with Arthur Andersen (now KPMG) Nigeria; how would you describe your experience at Andersen?

To expand on what I said previously, I would say my days at Arthur Andersen were amongst the most memorable in my career - which is why I have maintained lifelong friendships and connection with my colleagues from those good old AA days. It was really competitive to get into Arthur Andersen, so you felt special from the start. It was distinguished to be joining Arthur Andersen at the time. For some of us just coming out of University, you felt you were literally on top of the world. The place was competitive and demanded excellence and the highest quality of work from you.

I learnt so much and honed my ability to get up the learning curve quickly with new clients and new client processes, systems, and issues. Learning from my colleagues and my clients was a constant. It was a learning environment. I always say to younger folks, the more you learn now, the more you can earn later. The learning at Arthur Andersen and the friendships really helped me in my career and has stayed with me.

What impact has working with Andersen made on your career journey?

It is a variation of the prior question but like I said, working at Arthur Andersen was foundational for me. It was my first real job after youth service; so, I credit that time as one of the most crucial building blocks of my career today. My experiences at Arthur Andersen in Lagos and subsequently in New York have made me expect the highest level of excellence in all facets of my corporate activities from recruiting the best and the brightest to providing the most superior training to my team and delivering at the highest level to both internal and external clients and stakeholders.

You have a flourishing career in the finance industry; what sets you apart in the industry?

A lot of things. Obviously, if anyone tells you that they have been successful just on their own, they are not being totally transparent because I have had help along the way; I have had good mentors, good coaches, good advisers, friends, and my family supporting me. As a person of faith, I have been blessed; people say luck but I have been blessed. If you ask me, my versatility and constant learning have been a difference maker. As you get really senior, a lot of roles in finance demand versatility - that you understand IQ and EQ, be a good leader, a good analytical professional and so on. So, being well rounded has been the hallmark of my career, and my love for learning and my ability to dive into new spaces and learn, practise and master complex areas has been important. I also focus on building strong relationships, and I think as you move up in your career, it is important to get to know people up and down the chain, and sideways - knowing them more than just being transactional, more than how it relates to the job, and building trust with folks you work with. And trust comes from people getting to know you and you getting to know them.

As a Nigerian working abroad, what advice would you give to young Nigerians starting their career in finance, at home or abroad?

Like I said, the more you learn, the more you can earn. I would start with when you are starting your career; do not focus on how much money you are making. That is important; don't get me wrong but focus more on how you learn and how much growth

that role or job is going to afford you. Learning to me is as important as anything.

At the start of your career, it is important to stick to jobs and assignments where you are going to learn laterally, vertically, and horizontally and develop your leadership skills, your soft skills as well as your technical skills. The second thing is to treat feedback as a gift. I was once chatting with the former CEO of American Express, Ken Chenault, at a lunch meeting he organised for high potential employees, and he asked me what feedback I was getting, and I said everything was great, and that everybody said I was doing a great job. He said, "Listen, if people are telling you that you are perfect, then they are lying to you because if you are, you should be the CEO and even beyond the CEO, perhaps retired already." If people are telling you the truth and giving you feedback on things you can work on, that is a gift. I encourage young folks to seek feedback, take it on board and leverage and work on it. I actually call it 'feed-forward,' which is 'What am I going to do next time?' It is more important than 'What did I do wrong the last time?' Feedback is indeed a gift.

As you move up, especially towards the middle of your career, it is important to deliver meaningful outcomes for your stakeholders. So, understanding what your stakeholders really want - your senior leadership, your board of directors, shareholders, your colleagues - is important. Be clear on your objectives and always try to deliver results that matter.

Lastly, the workplace is an institution of people; so, getting that connection going and getting to know the folks you work with is very important. Like I said earlier, try to be in a position where you are able to interact with your key stakeholders outside of your normal transactional day-to-day work.

When you are not working, what do you do?

I like to spend as much time with my family as possible. My wife, Jacklyn and our four children - two girls (Chidimma and Chinonso) and two boys (Chisom and Chinedu); they keep me busy. The boys play basketball, and I love helping them develop and grow and enjoy watching their games; the girls play tennis, and I travel across the US for their tournaments when I can. I also enjoy running; and I read a lot. Those are the things that keep me busy outside of work - my family, my exercise and reading.



 **Opeyemi Udoye**
Managing Director/Country Manager, Twinings
Nigeria Limited

Hungry, humble, KPMG-moulded professional

Opeyemi Udoye is a passionate, yet calm person with a strong desire to make a difference and add value in any space she has the privilege to serve. She is currently the Managing Director/Country General Manager of Twinings Ovaltine Nigeria Limited. She started her career 20 years ago at Arthur Andersen (later KPMG). Passionate about personal integrity, leading change and driving continuous improvement in organisations while maintaining a Great Place To Work for employees. Udoye is an advocate for women in leadership, work-life integration and holistic living. This amazon, who sees herself as 'ambassador in the marketplace', is married to Osita Udoye, a Fellow of the Institute of Chartered Accountants of Nigeria, and they have three boys.

You obtained a Bachelor of Technology degree in Computer Science from the Federal University of Technology, Akure. Why did you pursue a career in finance?

I studied Computer Science and was working towards a career in Systems Analysis or Programming. My finance career could almost be described as accidental. While in my final year at FUTA, two ladies that had graduated from my school visited. As I interacted with them, I got the feeling that something had changed about them; they seemed more confident and had a positive aura that I admired. During the conversation, I got to know that they had started working at Arthur Andersen. They shared a few details about life as an Andersen person. It all sounded good to me. So, that was it! I decided to be an Andersen person. As soon as I completed my final exams in school, I applied to Arthur Andersen and took the test.

When I was offered employment at Andersen, I expected to be deployed to Information Technology Security or Consulting. But after Local Office Basic Accounting, I was deployed to Audit department. Initially, I tried to get a redeployment, but I was advised to complete the year in audit and make the change in my second year. Before that year was over, I fell in love with auditing and started my professional exams.

Could you describe how your knowledge in Computer Science has contributed to your career journey in this IT age?

First, let me say that there are always skills that one can transfer from one profession to another, regardless of how different we believe they are. In my case, the analytical and problem-solving skills I developed while studying Computer Science in school proved to be invaluable in my career journey. Furthermore, my knowledge of Programming and System Analysis made me very comfortable with different accounting systems that I have worked with over the years. It also came in handy when I had oversight over the IT department in my former role.

You were with KPMG for five years; how would you describe your stay with the company?

When I got into KPMG, my perspective were that the first few years was a continuation of school. I felt I had a lot to learn; so my objective in the first three years was to learn and grow.

The journey started at the induction program in August 2000. There, I was brought together with other people in my cohort. It was great to meet and get to know the people. The program was intense, but I would say it laid a good foundation for the time at Andersen.

The five years in Andersen/KPMG brought me a lot of exposure professionally and otherwise. The trainings and how we worked really made a difference. In my days, we worked in project teams on different assign-



ments; that meant that one worked with several people on different engagements. Working with all the amazingly intelligent people that I met in Andersen/KPMG challenged me to be my best.

Interacting with clients taught me to prepare and think things through. I remember how many times my in-charge would send me back after an interview with a client. I would go in and ask a question and rush back to my in-charge with what I thought was a perfect response, only to find out that I didn't get the full picture. So, I would be sent back to complete the conversation. I also remember how, with one question from the manager, you quickly realise that you didn't have the full picture on the caption you were auditing, and you had to start again. That meant erasing your yellow papers until they almost turned white (In those days, we used yellow papers and red pencils (lol)).

Overall, when I look back, all of that plus great relationships that I still cherish made it a period of my life that I still thank God for.

How has your time at KPMG influenced your career journey?

Like I mentioned before, my time at Andersen/KPMG laid the foundation for the rest of my career. Working with different engagement teams meant that I learnt to work with almost anyone, no matter their character and background. We also worked really hard, maybe too hard! We were almost consistently closing late. The good side to that is, it helped me develop a strong work ethic. Not many people could work the way we did in those days, but it stays with one. Though I advocate

holistic living and discourage consistently working late hours, the focus on delivering result to a high standard is something that has stayed with me.

Further, my time at KPMG ensured that I became a well-grounded accountant. If I had my way, every accountant would start their career in an audit firm like KPMG. I believe I learnt in each year that I was in KPMG what might have taken me three years to learn working as an average accountant in the industry.

The core values of the firm also just became the values that I have continued with through my career. Integrity, professionalism and respect for the individuals all became my personal values.

What is your most significant encounter at KPMG?

They are too many, but there is one that I have often shared with my protegees. I remember how one of my first audit projects as a greenhorn ran into crisis, when the most senior person on the team resigned and the back-up had to move to another project. It was about my first audit job and I knew next to nothing about wrapping up an audit and preparing financial statements. But I took it on.

A combination of hunger and desire to achieve the team's objectives meant that I did late hours, chased people up to show me what to do and how to do it etc. I remember when I presented the job to my partner; he was so surprised at how far I had taken it. It was a stretch provided by unexpected circumstances. Filling that gap really accelerated my growth.

As the MD of Twinings, how would you describe your journey thus far?

I took up my current role in late 2019, at that time, the company was facing some challenges and as we were heading towards a resolution of that, COVID lockdown kicked in, then the Forex crisis etc.

At the end of my first completed financial year leading the company, I sat with my team and made a list of all the major challenges that we had tackled in that year and our list was more than a dozen. Each of these had the potential to derail our business. Despite that, we had delivered very strong double-digit growth and exceeded all our KPIs (including people engagement). That's the nature of doing business in Nigeria – You are consistently faced with Volatilities, Uncertainties, Complexities and Ambiguity. We top the VUCA business environment, not to talk of the escalation of the situation by COVID.

What has helped in the face of all these challenges is a strong focus on strategy, culture and developing needed capability.

What key values made your career a success?

I recently came across this framework by Pat Lencioni, where he described the qualities of a good team player as Hungry, Humble, Smart. When I came across it, I just connected with it because it articulated some of the principles/attributes that have either been with me or been developed through my career. Lencioni developed the framework with teams in mind, which is perfect because when you are working in a corporate environment, it's completely a team sport – there is no way of doing it on your own.

Beyond application to teams, I have found those to be critical to building a successful, long-lasting and effective career. Most of us are stronger in one or two of these attributes, but we must be above acceptable level on all of them to be successful. We need to open our minds to our strong points as well as be alert to the area that may be limiting us.

I discovered 'hungry' and 'humble' as my strongest points. I have always had the drive, passion and desire to go the extra mile. I am always hungry to learn something new. I am also always focused on the greater good. I would not mind extending myself and taking on more, just to ensure we meet the overall objective. That's what Lencioni described as humble.

The last is 'smart'. This is not referring to brilliance, but being people-smart – usually referred to as emotional intelligence. It includes ability to understand what others feel and express that understanding and ability to demonstrate your interest in others and connect, having a healthy dose of self-awareness, so that you know how your actions or even lack of them are received and interpreted by others.

As an introvert, this is the most difficult for me. When I want to make a sentence, only half of it comes out; the other stays in my mind. How do

you even begin to understand me? I had to learn. I learnt and I am still learning. Developing in this area has been one of the biggest leaps in my career.

Another thing I like to talk about is how I measure myself. I always ask myself these questions when I am evaluating whether I have had a successful period: the first is, am I developing myself? Then, am I developing my people? Finally, are we delivering the business objectives? If I assess that I am doing well in these three factors, then I praise myself for a good run.

The above three questions are individually equally important, but I prioritise number one because I can't give what I don't have. If I don't develop myself, I create a lid on the business.

Career development starts with having a career plan and taking the lead on your own development. You, not your manager, has the primary responsibility for your development. Gone are the days when you sit back and wait for Human Resources to announce trainings for people on your level. You've got to take charge, have a plan and seek help to understand what it will take to achieve it and engage those that can support you along the way.

In 2012, as a finance manager, I worked on my career development plan and decided not to fully go the Chief Financial Officer route, but a Chief Executive Officer role. I worked out what will be needed and started to engage my manager accordingly. I knew I needed more than finance, so I asked for permission to join marketing meetings, positioning workshops, to sit on commercial calls etc. All these happened while I was still ensuring that I deliver on my role because that's where the credibility came from. So, it was a stretch; but it paid off.

You must develop people. First, it is sad that people work with/for you and not get better. Second, you will struggle to achieve your objectives alone. A senior businessman once said, "It might seem bad to invest in people and then they leave your organisation; but it's worse if you don't develop them and they stay." Some people think they are more valuable when they are the only one that can do the job. But that is not wise. I recall a conversation with a Financial Controller that just started a new job. While discussing with his team, he soon realised that the entire department revolved around a certain fellow. The fellow took on the job of all his reports and was the Know-It-All of the department. But think about it, if he was that valuable, why did the company employ an external candidate as FC? I just pleaded with the FC to help him untangle all that he had roped around himself; otherwise, he would be stuck and would not be able to move up.

When I master something, I find a way to cascade that knowledge and skill to my team and then move on to find something else that the business/organisation needs that no one in the team is covering. Help your team to understand the vision, objectives and targets. Give them the right tools



and resources to support and create a Learn-and-Grow culture.

Finally, delivering the business objectives should start with clarity on what is required. Sit down with your boss to understand and align the expectations and deliverables. A young man once told me that his boss wanted him to focus on a goal, but he was not delivering on that goal. However, he was doing other things well so he felt that should count for something. I asked him, "if you are sent to Ibadan and you decide to face Abuja, would you arrive at the right place?" Even though going to Abuja from Lagos costs more and takes longer than going to Ibadan, you would still be off the mark. So, I sent him back to his boss to realign his objectives. If he doesn't understand the reasons behind them, he should ask more questions, engage the boss to align, and seek regular feedback. Have a clear plan to deliver on the objectives, focus on delivery and carry your boss/other relevant stakeholders along, including when things are not working according to plan.

As a role model to young women, what success principles do you prescribe for young women in Nigeria?

I have observed a few things. One is that, often, we underrate ourselves. There has been a lot of discussion about this, but the issue persists. Women often lack trust in their abilities, thinking that there are certain things they cannot attain or should even aspire for. So, we limit ourselves. We need to consistently break that circle of thinking and build a support system for ourselves to help in tackling this. Every woman should have some people in their life that will help reset her thinking and remind her of who she is and what she is capable of. It would be great if women go all out to support one another in this way.

I also think we need to first look within. The Scripture says that you should recognize the good things in you. What are those good things that are in me? Sit and write them down, bring them to the forefront, work on them, know that you are good and capable of achieving greater things. You should also be at the table because you could have a voice at the table. I usually like to sum this up in what I personally describe as the triple D – Discover, Develop and Deliver.

My second observation is that we undermine ourselves by the way we act. We sometimes fit ourselves into defined stereotypical expectations. One of them is that immediately you get into a team, you align yourself to the 'kitchen affairs'. That is not why you are there! In one of my roles, I was the only lady in the team, I discovered that whenever there was a need to organize food, arrange cleaning or other similar jobs that in some people's perception, was meant to be handled by women, they would reach out to me. Although I could support the team in that way, I made up my mind that I was not going to do it. So, I tactfully refused to take it on, and we jointly found other solutions. I have discovered that some women don't mind doing these things, but I am very conscious of the image and perception this creates

in people's minds. You want people to know that, even as a woman, you are equally important in the business and focused on delivering on your primary assignment in the organisation. You will be surprised that the 'sweet thing' you are doing could distort people's perception of you.

Another problem is lack of preparation and not pulling ourselves together in a way that commands respect and communicates competence. Some-time ago, I went for a market visit with my commercial team, and I had to meet with the Ovaltine salespeople in the market. The supervisor had to send a lady back because she was wearing slippers. Get the picture, the men were nicely dressed in their shirts, well tucked in, looking smart but the lady was coming into a meeting to meet the MD in slippers. While this situation happened with a lower-level staff, we should all reflect on how we prepare and show up.

Finally, I know that, sometimes, it is tough; there is this stereotype about how women must behave and how women should talk. If you are assertive, it can be regarded as aggressive; if you are not, it counts against you. So, you are always trying to maintain a difficult balance. Should I not talk? Should I talk? That is a tough one for a lot of ladies to deal with, and there are skills we need to develop and continue to manage. First, be yourself, be authentic and self-aware then learn certain communication skills; learn how to address people and still be firm and assertive without seeming aggressive. This is one of the challenges that we face as women, but you have got to do your job, so you need to find the best way to make it work.

What do you do when you are not at work?

When I am not at work, it is family first. I like to take frequent vacations because I know that trying to fit everything that the family needs into the daily routine is not always perfect. Sometimes I take two days here or three to four days there. I take frequent vacations to give the family some focused time. It is usually a very short vacation somewhere or even at home. That is definitely one thing that takes a lot of my time. The other one is catching up with friends and extended family. Many of the people closest to me say, "Yemi, I know you are always busy." So, when I have the opportunity, I like to create and spend some time with my close friends and relatives.

I am also very involved in the women's ministry and marriage counselling unit of my church. Marriage counselling is something my husband and I do together, and we take it very seriously because we think there is a lot we can do to help people. There are many things militating against a good marriage; so, we always want to share, coach and counsel and find ways to support.



Finance Act, 2021:

What it is about and how it may impact you

The implementation of efficient and dynamic fiscal policy measures is essential to the growth and development of any country's economy. This is especially important in the current globalized, VUCA environment that businesses and countries operate in.

Nigeria is no exception: Over the past two years, the country has suffered economic shocks substantially due to the COVID-19 pandemic, increased levels of inflation, and instability in commodity prices. These shocks have resulted in significant budget deficits and increased government borrowing, and underscore the relevance of Finance Acts as a means of mobilising tax revenues to augment oil revenue in financing the Federal Government's Appropriation Acts. The Finance Act, 2021 (hereafter referred to as "Finance Act" or "FA 2021") is the third in a series of annual legislative instruments signed into law by the President Muhammadu Buhari-led administration. The Act makes changes to 13 key legislation with a view to growing the economy, expanding the tax net, and harmonizing the Nigerian laws with international best practices.

We have highlighted below, some of the key amendments introduced by the Finance Act.

Introduction of capital gains tax on share disposals

The history of the Nigerian capital markets can be traced back to 1946 when a £300,000-pound bond was floated by the then colonial government to implement its 10-year development plan. In 1960, the Lagos Stock Exchange (LSE) was founded, and it began operations on 25 August 1961 with 19 securities listed for trading. The LSE was subsequently christened as the Nigerian Stock Exchange (NSE) in 1977.

By 1998, the NSE had only experienced marginal growth, with the All-Share Index (ASI) hovering around 6,000 points. Thus, in a bid to deepen the Nigerian capital market and attract the domestic and foreign direct investment required to accelerate the country's economic development, the Federal Government re-characterised gains arising from the disposal of "Nigerian government securities, stocks and shares" as non-chargeable gains, effectively exempting such gains from Capital Gains Tax (CGT).

This change, which was introduced by the Finance (Miscellaneous Taxation Provisions) Decree No. 19 of 1998, catalysed the growth of the NSE and can be said to have achieved its purpose, as the bourse's ASI has grown almost tenfold since 1998, and its market capitalisation



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Associate Director
Tax, Regulatory & People Services

is currently in excess of NGN25 trillion. On the other side of this tangible growth, however, was the unrestrained exit of foreign portfolio investment and the associated tax revenues foregone by the Nigerian government on such transactions.

It is against the above backdrop that Section 2 of FA 2021 amended Section 30 of the CGT Act to impose CGT on gains arising from the disposal of shares of Nigerian companies where the gross proceeds arising from such disposal in any 12 consecutive months exceeds NGN100 million. The Finance Act, however, provides a proportionate waiver from CGT where the whole or part of the disposal proceeds are reinvested in the acquisition of shares in the same company or other Nigerian companies within the same year of assessment. It is also important to note that gains arising from the disposal of Nigerian government securities and qualifying share transfers in regulated securities lending transactions will continue to enjoy CGT exemption.

Consequently, going forward, it would be important for individual and corporate investors to evaluate the Nigerian tax implications of their equity transactions in public as well as private Nigerian and foreign companies.

Changes to the Personal Income Tax (PIT)

Section 33 of the PIT Act specifies certain statutory deductions that are claimable by individuals in determining their PIT or Pay-As-You-Earn (PAYE) tax position. One of such reliefs is the annual amount of any premium paid by an individual during the preceding tax year to an insurance company in respect of his life or the life of his spouse, **or of a contract of deferred annuity on his life or the life of his spouse.**

Unfortunately, the highlighted phrase has been severely abused by taxpayers in recent years, with many individuals enjoying tax benefits from engaging in disparate forms of contracts of deferred annuity that were, in substance, saving schemes. Consequently, FA 2021 has now deleted the highlighted provision from Section 33(3) of the PIT Act. This implies that premiums paid on contracts for deferred annuity will no longer qualify as an allowable deduction for PIT or PAYE tax purposes.

Increase in Tertiary Education Tax (TET) rate and activation of “new” levies

As previously stated, revenue mobilization was one of the focal points of the Finance Act, 2021. The Act, thus, made a few important changes to the income tax regime in Nigeria.

Firstly, the Act increased TET rate from 2% to 2.5% of the assessable profits of Nigerian companies, and reduced the timeline for TET payment from 60 days to 30 days after the Federal Inland Revenue Service (FIRS) has served a notice of the assessment on a company.

The Finance Act also introduced changes to the National Agency for Science and Engineering Infrastructure (NASENI) Act. The NASENI Act was enacted in 1992 to establish the NASENI as an agency to manage the research and development of capital goods, production, and reverse engineering to enhance local mass production of standard parts, goods, and services required for the nation’s technological advancement. However, since its enactment, the funding provisions of the Act – which include a levy of 0.25% on the income or turnover of commercial companies and firms with turnover of NGN4 million and above – had not been fully implemented, and had been the subject of significant controversy in the last two years. Thus, FA 2021 amended the provisions of the NASENI Act to reduce the levy to 0.25% of profit before tax, limit the application of the levy to companies or firms operating in the banking, mobile telecommunications, ICT, aviation, maritime and oil and gas sectors that earn an annual turnover of at least NGN100 million, and specify the FIRS as the agency responsible for the collection of the levy. The Finance Act did not specify the timeline for the collection of the levy. However, we expect that it should be from 1 January 2022.

Lastly, the Finance Act, 2021 has activated the Nigeria Police Trust Fund (NPTF) levy, which is payable at the rate of 0.005% of the net profit of companies operating in Nigeria. The NPTF (Establishment) Act was enacted in June 2019, but no guidelines or regulations regarding the payment of



the levy or administration of the NPTF have been issued. Thus, in practice, companies have merely been booking provisions for the levy, but have been unable to remit the funds. However, this position is expected to change this year, as FA 2021 has now specified the FIRS as the tax authority empowered to assess, collect, account for, and enforce the payment of the NPTF levy.

Taxation of the Digital Economy

Finance Act, 2021 introduced two key changes to the tax framework that affects the digital economy in Nigeria. The first of these changes relates to the widening of the FIRS' power under Section 30 of the Companies Income Tax Act to enable it to assess non-resident digital service providers (e.g., e-commerce companies, music and video streaming companies, etc.) with customers in Nigeria, to tax on a fair and reasonable percentage of their Nigeria-sourced turnover, where it appears to the FIRS that the non-resident company has reported no assessable profits or assessable profits that are lower than expected. The FIRS has a longstanding practice of assessing the turnover of non-resident companies that is attributable to Nigeria to tax at 6%. It can, therefore, be safely assumed that FIRS will apply this rate to affected non-resident digital service providers. However, it is possible for affected companies to challenge this deemed tax rate, if they can demonstrate that it is not fair and reasonable based on their peculiar situation.

The second change made by Finance Act, 2021 to the taxation of the digital economy in Nigeria, relates to the empowerment of the FIRS to appoint any person as an agent to collect or withhold VAT and remit same to the government. Based on the amendment, the FIRS can appoint non-resident service providers as VAT aggregators, and such non-resident service providers would be required to charge and collect VAT on transactions with Nigerian customers and remit the tax to the FIRS. This change effectively closes the tax leakage on Business-to-Consumer transactions where the local service recipients (individuals) have generally not been self-accounting for VAT as required by the VAT Act. Thus, Nigerian customers can expect to pay Nigerian VAT at 7.5% on their Apple Music, Netflix, Spotify, Microsoft 365, Zoom, LinkedIn, iROKOTV, and other digital service subscriptions going forward.

Imposition of excise duty on non-alcoholic, carbonated and sweetened beverages

According to the International Diabetes Federation (IDF), approximately 537 million adults between the ages of 20 and 79 years are living with diabetes. The IDF projects that this figure will rise to 643 million by 2030 and 783 million by 245 – and that low- and middle-income countries will be the epicentre of the disease. The data published by IDF notes that the disease has triggered a spend of approximately \$1 billion in health care expenditure globally.

According to health experts, the most influential risk factors leading to Type 2 diabetes are lifestyle behaviours such as consumption of unhealthy foods (sweetened foods), inactivity and a sedentary lifestyle. The World Health Organisation (WHO) has, therefore, recommended the implementation of policies to combat health hazards associated with the excessive intake of sugar-rich beverages.

In view of the potential impact of an uptick in Type 2 diabetes on public health and health-related expenditure, Nigeria, like several other countries, has responded to the WHO's recommendations by imposing a "sugar tax" in the form of an excise duty of NGN10 on every litre of non-alcoholic, carbonated and sweetened beverages. It is expected that the duty will be remitted in line with existing Nigeria Customs Service regulations, which require manufacturers to enter a bond or make cash deposit to pay excise duty on their excisable products based on production volumes. Importers of non-alcoholic, carbonated and sweetened beverages will, however, be required to pay the applicable excise duty at the point of importing the goods into Nigeria.

¹IDF Diabetes Atlas 2021 (Tenth Edition)



Tributes

With heavy hearts, we remember members of the alumni and KPMG family who passed away recently. As we celebrate accomplishments, we cannot escape the fact that you are greatly missed by family members, colleagues and friends. Farewell.



Seyi Bickersteth

1978 – 2016
(AA/KPMG Timeline)



Femi Abegunde

1989 – 2003
(AA/KPMG Timeline)



Tony Egbuna

1985 – 1990
(AA/KPMG Timeline)



Dotun Bamigbetan

2006 – 2014
(AA/KPMG Timeline)



Victor Adegite*

2007 – 2020
(AA/KPMG Timeline)

*At the time of Victor's passing, he was an Associate Director in the Transfer Pricing Unit of Firm's Tax Practice.



Olubunmi Olukoju
Chief Financial Officer of Ikeja Electric

Result-driven career woman

Optimistic, thorough-bred finance professional with over 20 years' experience in the energy sector, Olubunmi Olukoju has demonstrated leadership in driving strong financial oversight, integrity and operational excellence. She boasts a solid track record of building trust at board and C-levels, and confident in her abilities and set goals.

Tell us about your educational background?

I graduated from the University of Ilorin with a bachelor's degree in Geology, which gave me a strong footing when I joined the Oil and Gas Audit Team of Arthur Andersen (now KPMG) in 2000 to train as a chartered accountant. I bagged an MBA from the University of Manchester in 2012 and attended Harvard Business School's Advanced Management Program in 2019.

You spent 10 years working at KPMG; how would you describe your journey with the company?

I had an exciting time at KPMG. I joined with enthusiasm and eagerness to learn. As a non-accounting graduate, I was a bit nervous when I assumed duty. But my initial fear evaporated as soon as I concluded the LOBAC training. That programme bolstered my confidence and encouraged me to continue to have an open mind and be eager to learn. I was also encouraged by my dad (who was the Finance Director of Carnaud Metal Box Plc) and my fiancé (now husband), who is also a professional accountant.

At KPMG, I had access to both local and international training, which positively enhanced my

skills and knowledge, gave me opportunities to network with colleagues and helped me to stay up-to-date on emerging issues. I always remember two iconic training programmes I attended at Andersen/KPMG. The first is the new hire training in The Netherlands and the other is the Executive ICAN class. The ICAN Executive class was a game-changer. Beyond the quality of what we were taught and the commitment of the lecturers, it made us feel very special among other students and clearly separated us from the pack.

Every opportunity to learn something new made me feel so good. The opportunity to be amid highly intelligent people kept me on my toes. I learnt to research on issues before consulting my superior for guidance. I had the opportunity of building strong and long-lasting professional relationship in the firm. In summary, KPMG prepared me greatly for the journey ahead and the values of integrity, professionalism and respect for individuals ingrained in my DNA. At the point of exiting in 2011, I knew I was ready to face the next phase of my career.

You are the Chief Financial Officer of Ikeja Electric; how did your time at KPMG prepare you for this position?

Apart from my technical competencies that

were honed at KPMG, I learnt to be keen and meticulous in everything I do. KPMG really prepared me to be a contemporary CFO. Traditionally, CFOs were saddled with preparation of financial statements and treasury responsibilities. But the job description has been broadened in recent times; CFOs are now tackling much larger challenges such as digital transformation, cognitive computing, advanced analytics and even cloud computing. Chief executives increasingly lean on their CFOs to take on wide-ranging tasks. CFOs are becoming change agents in many organisations, while still being held to the highest standards of any executive in the organisational chart. The training I got at KPMG helped me to be fully prepared for the afore-mentioned roles of a contemporary CFO.

So far, how would you describe your journey as CFO of Ikeja Electric?

My journey as the CFO of Ikeja Electric provided me a different experience and some unexplainable lessons. This is because the power sector is dealing with retinue of challenges that sometimes appear to defy logic. The technical and soft-skills training I got at KPMG and the extensive training my current employer gave me prepared me for the rigour of being a contemporary CFO and the capacity to thoroughly understand the sector. So, I am home and dry.

What do you look forward to achieving the most in your job?

Excellence. Although I am the CFO, I have always seen myself as a business partner and a solution provider. I always looked beyond my professional remit to secure a better understanding of the peculiar needs of the business, making effort to be more commercially exposed and a valued partner in developing and deploying solutions. This has also broadened my role and involvement both at the operating company and the holding company levels.

What are your career anchors?

Over the years, I have experienced many anchors. But at this point, technical competence, general managerial competence and sense of service are pre-eminent. The desire to excel in my work, consistently hone my craft and undertake work, which embody values, are important to me.

What principles have contributed to your career success?

So many principles contributed to what I have achieved so far. To start with, I was brought up as



an Omoluabi (a well-brought up child) and I have learnt very much from my professional colleagues and mentors. I learnt that no matter how much you prepare yourself, you will one day face hardship. Your values and principles will ultimately dictate how you react and adapt when these challenges rear their heads. I was taught to be hardworking and to have self-confidence, but be kind and empathetic to others. All these values and principles have truly helped me to see the world through other people's lenses. I was taught to take responsibilities and be accountable to all my actions. My upbringing and professional exposure taught me to be honest and act with integrity, implement and respect boundaries, trust myself, even when others do not, honour my instincts, pursue my desires, consistently believe in my potential, stay true to my passion and, above all, make provision for quality time with my family.

As a successful career woman, what advice would you give to aspiring career women?

Aspiring career women should not shy away from asserting their expectations and desire for more opportunities and responsibilities. There is no crime in letting the people you are working with know your career aspirations. It is extremely important to match their aspirations with track record of excellent performance and progressive

achievement, and doing otherwise will make them a laughing stock. Aspiring career women should figure out what they want to do, plan to do it and execute it by making tactical shifts as needed. I also advise them to embrace change, never be afraid to take on new challenges before their skills and experiences go to waste, take criticism seriously but not personally because there may be truth or merit in the criticism, which may possibly provide another opportunity to continue to learn. I urge them to carve time out for themselves, invest in themselves, effectively delegate the things they do not need to touch, so they can concentrate their energy on important things. As ridiculous as this may sound, I urge them to strike a balance between work priorities/ambition and personal life/happiness. They should not wait too long to find the balance.

How do you unwind?

I deeply enjoy walking with my husband daily between 5am and 7am, except on Sundays. This is an experience I look forward to everyday and really miss when I am either not in town or my husband travelled. In addition, I swim quite regularly during weekends because it is therapeutic. I also enjoy travelling with my family to cool off.





Alfred Olajide

Vice-President/Managing Director,
Coca-Cola Nigeria

Young professionals should believe in the Nigerian project

KPMG Alumni and present Vice-President/Managing Director of Coca-Cola Nigeria Limited, Mr Alfred Olajide, says young Nigerian professionals should not just focus on what is wrong but invest in self-development to take advantage of opportunities the country offers.

Can you tell us something about yourself, including your educational background?

My name is Alfred Olajide. I am currently the Vice-President/Managing Director of Coca-Cola Nigeria, overseeing its business in Nigeria, working closely with our bottling partner Nigerian Bottling Company to continue to refresh our consumers across the country.

I am a thoroughbred Nigerian having had most of my education here with the exception of my postgraduate study which I had at the University of Leicester in the United Kingdom.

How would you describe your journey to the Managing Director position of Coca-Cola Nigeria Limited?

This is an interesting question. I would say that a couple of things combined to influence my journey so far. The first is having clarity of ambition. The second is being aware of my strengths and areas to develop in the context of where I want to be. Third is being very open to learning and welcoming challenges.

I had a couple of ambitions as a child I wanted to be a military officer and I also wanted to be a medical doctor. However, life has a way of orchestrating one's journey and I eventually studied agriculture for my first degree. Of course, I put in my best and ended up graduating with a first-class degree from the University of Ibadan.

Being a courageous and adventurous young man, I did not limit myself to that course of study, which prompted my going into the banking sector when I saw the opportunity. I had a short stint in the banking sector and subsequently left for a consulting job with KPMG in Lagos, where I spent a couple years, which were foundational to my understanding of the businesses environment. When I left KPMG, I joined Honeywell Group Limited, where I was saddled with the responsibility of ideating and developing business opportunities for the organisation to pursue.

From there, I saw an opportunity with Coca-Cola Nigeria, a company that I had always loved and admired growing up. My favourite brand as a kid was Sprite. Interestingly while growing up, I had been opportune to do some menial jobs in the Cola-Cola factory that was close to my house at the time. Therefore, when an opportunity for working in the

organisation cropped up in 2012, I wholeheartedly embraced it and joined the Nigeria business as the Strategy Lead for the market.

Fast forward from that, I took on additional responsibilities in the company with different roles across functions and across the continent, working closely with our network of partners and building my capability to drive growth in the dynamic continent of ours. In 2021, I returned to Nigeria to lead the business here, and that is where I am today.

What do you consider as the most challenging part of your job?*

It is a demanding job. It is so because it requires you to set an ambitious long-term vision for accelerating the business in the market, with the consumers right at the centre of this vision. It involves staying very close to our consumers, understand their evolving needs, and continuously innovating to enrich their moments of refreshment in their daily lives with our wide range of beverage offerings. It also involves a deliberate focus on driving inclusive growth for the wider stakeholders, particularly the communities in which we operate, and this is consistent with the Coca-Cola Company's purpose to "refresh the world and make a difference". My job also requires me to deliberately focus on building the capability of our people and growing the next generation of leaders so that our talent can continue to grow and assume increasing



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levels of leadership into the future.

These, among others, are always top of mind for me every time I am in the office. In truth, these challenges give me the fuel - the energy and the passion, as it were - in my job on a daily basis.

What role has KPMG played in your career journey?

In my personal experience, KPMG was a good incubation ground for me, and I was opportune to work with a crop of smart, highly driven talent that were hungry to learn and add value to their clients. The firm provided great opportunities for me to learn more about the key sectors in the country through cross-industry project experience and I believe this contributed to a solid foundation for my growth later on in my career. For me, I say KPMG is a good environment for any youth or any aspiring talents in Nigeria as such an environment provides opportunities for people to build critical skills to accelerate their capabilities into the future. When you consult for a client, you will need to understand their business, their challenges to be able to provide meaningful recommendations. The undercurrent is that you need to stretch your thinking to be able to complement whatever they have and come up with solutions that will work for them.

I also learnt a lot on the value of diversity, collaboration and teamwork as typically get to work with different associates on different projects. If you look at the way the world is going now, nobody has a monopoly of answers to the ever-evolving challenges, hence diversity and teamwork is critical to thrive and be successful. I mean the world is fast changing, challenges are getting more and more complicated and as such you need to work with people of diverse opinions and experience to surmount them.

In all these, what are the values that are driving your career?

For me, it is about discipline. Discipline simply means do what you say you will do and commit yourself to it. Of course, discipline brings a level of focus and sets one up for success.

Second is hard work. This is an essential attribute of a successful life.

The third one is learning. My life and my journey have been that of learning. I mean from a first degree in agriculture to banking and other spheres of life. Having a learning mindset is one characteristic that I believe pushes one to greater levels of success.

You were one of the panellists at the 27th Nigerian Economic Summit. How would you describe that experience?

It was an interesting experience because it was the first summit I would attend. Again, it came at the point where I was just reintegrating back to the Nigerian business environment. I mean 2021 was my first full year back in the country; first one year in my current role and it was an opportunity to meet different stakeholders who one way or the other influence the dynamics in the industry.

It also offered me an amazing opportunity to see the commonality of interests, especially among stakeholders seeking a prosperous Nigeria. So, I found that very interesting and it came out in the kind of dialogue that we had – the openness and frankness in our deliberations.

Indeed, it was a good opportunity to rub minds with opinion moulders and I look forward to more of such kinds of engagement to enable us drive inclusive growth for all stakeholders.

What advice do you have for young Nigerian professionals who are just starting their careers?

The first is that they should believe in the Nigeria project. Although we have our fair share of challenges typical of a developing nation, we have many more reasons to be positive about our outlook as a nation. We are the most populous black nation in the world and the largest economy in Africa with vast natural resources and human capital. Where one is able to look beyond the current challenges, there is usually a bigger picture with great opportunities. The appeal would therefore to continue to do what we can, within our spheres, to contribute our quota to the building of the nation we desire and also deserve.

The second one is for people to stand on what is right; to continue to observe rules and regulations, thereby building and reinforcing the strength and dignity of character, and foundational tenets that enforce the right ways of doing things; cutting corners is not the elixir for success. Disobeying rules and regulations is not the leeway to development. The truth remains that we need to continue to strive to do what is right always in order to drive the right behaviour in the country.

The third is that as youths, we should continually focus on investing in our capacity and capability. What is your vision in life? What capabilities do you need to build such that even when you have employment or you become an entrepreneur, you have the right skills set to take advantage of opportunities that present themselves?

Lastly, I equally think it is very important for people to believe and respect the process just as we need to continue to trench the value of patience and development in ourselves.

So when you are not working, what do you do?

I try to be physically active as much as possible as such when I am not working, I am probably working out or spending time with my family; meeting with interesting people; people I can learn from; people I can share ideas with. I do so because no one is an island.

During my rest periods, I read a lot of materials and invest a great deal of time and energy trying to learn more about my environmental landscape.



Environmental, Social and Governance (ESG)

A trend you should not ignore

The ESG Concept

Environmental, Social and Governance (ESG) refers to a framework to integrate environmental, social and governance risks and opportunities into a company's strategy to build long-term financial sustainability and value creation.

It is common to see many organisations refer to ESG as Corporate Social Responsibility (CSR) or Health Safety and Environment (HSE). While HSE and CSR are commendable business practices, they both form part of ESG.

ESG goes beyond CSR and HSE and has become the go-to term for responsible business practices, ESG is required to be integrated into organisation's core strategy.

Key Drivers Accelerating ESG

ESG is now an imperative metric when looking at a company's future potential. This decade has been predicted to likely bring a new wave of shareholder-driven accountability from the world's largest companies. Some of the main drivers of ESG are discussed below:

Climate change and the United Nations sustainable development goals (SDGs):

The effect of Global Warming and Climate Change activism is becoming common knowledge. From the Kyoto protocol in 2005, the Paris agreement in 2016 and the release of the United Nations SDGs to COP 26; the pressure on public and private sectors to take action towards people, planet and responsible profit making has been on the rise. This pressure has led countries to declare their commitments to minimizing negative environmental and developmental impacts. In addition, regulations that are both ESG related are emerging globally and locally. For example, Nigeria recently issued the Climate Change Act 2021, to guide the reduction of our carbon emissions.



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Regulation:

As new regulations requirements emerge globally; Nigeria is not left out. The Nigerian ESG regulations and guidelines include the **Nigerian Code of Corporate Governance, the NSE Sustainability Disclosure Guidelines, CBN Nigerian Sustainable Banking Principles, Climate Change Act (2021)**. All of these regulations call for ESG identification, assessment, measuring and reporting for public and private entities in Nigeria. The demand for disclosure is growing so is the demand for accountability and transparency: More regulatory bodies are requiring companies to not only disclose but, in some cases, obtain assurance on their disclosures. It becomes imperative that forward-thinking organisations will need to report and deliver on their sustainability claims; otherwise, they face reputational damage – given the increased transparency, there will be no escape

Navigation of risks:

Beyond economic factors, Environmental, Social and Governance (ESG) factors are now more than ever. ESG risks have taken center stage as emerging risks organisations should watch out for, according to the World Economic Forum (WEF), Global Risk Report, 2021-2022). The WEF report postulates that over the

next 10 years the most severe risks will stem from environmental and social concerns such as climate action failure, biodiversity, extreme weather etc.

Investor and other stakeholder pressure:

Investors and customers are recognising their ability to impact corporate activities and to hold corporates accountable for not managing ESG risks. Investors are also increasingly recognising that ESG risk equals long-term investment risk. This will trigger a fundamental reshaping of finance with fossil fuel and other high-carbon heavy businesses experiencing higher costs of capital. Customers and other extended pool of stakeholders are now demanding for organisations to be ESG responsible and compliant. For example, in 2019, millions of children & activists across 150 countries took part in climate change strikes sparked by the actions of 19-year-old Swedish activist, Greta Thunberg.

COVID-19:

The pandemic has placed greater scrutiny on the ethical performance of businesses and highlighted the value for resilience over efficiency. The transformation to the New Reality is an unprecedented opportunity to embed ESG at the core of organisational purpose.

ESG and Value Creation

ESG presents several benefits when embraced. Some of the benefits of incorporating ESG are enumerated below. These benefits are vital to creating long-term value and strengthening corporate performance.



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Benefits of increasing companies' focus on ESG issues:

- 52% Enhance corporate reputation and brand image.
- 52% Reduce waste and costs from improved operational efficiencies.
- 49% Improved risk management and monitoring of long-term risks

Business Leaders think ESG focused companies:

- ↑ 46% Tend to have a higher value
- ↓ 12% Tend to have a lower value

Blackrock CEO, **Larry Fink**, says **“it is not woke for organisations to think beyond profit”**. Excerpts below from Larry Fink’s 2022 annual Letter to CEOs, The Power of Capitalism.

<p>Blackrock was able to attract asset donors worth over \$10trn from deepening stakeholder management</p>	<p>Putting your company’s purpose at the foundation of your relationships with your stakeholders is critical to long-term success</p>	<p>Make no mistake, the fair pursuit of profit is still what animates markets; and long-term profitability is the measure by which markets will ultimately determine your company’s success.</p>	<p>Companies with strong ESG purpose have more profitability long term</p>
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KPMG’s Global ESG Strategy

- KPMG recently launched a multi-year program to accelerate global solutions for Environmental, Social and Governance issues. The plan is to spend more than US\$1.5 billion to focus on the ESG change agenda
- This new ESG strategy is designed to support KPMG firms’ clients in making a positive difference. The collective investment will focus on training and expanding KPMG’s global workforce, harnessing data, accelerating the development of new technologies, and driving action through partnerships, alliances and advocacy.
- The primary focus of the ESG strategy is on five key and priority areas:
 1. Solutions
 2. Talent
 3. Supporting developing nations
 4. Collaborations and alliances
 5. Listening and taking actions
- KPMG firms are working with clients across the world to support clients in decarbonizing their businesses and supply chains and embedding ESG in everything they do. Launched earlier this

year, KPMG IMPACT brings together KPMG firms’ expertise in supporting clients to address the biggest challenges facing our planet, with the aim of delivering growth with purpose and achieving progress against the United Nations Sustainable Development Goals (SDGs).

The consideration of ESG (Environmental, Social and Governance) factors has become critical to the success of businesses across all sectors. Customers, employees, shareholders, lenders, rating agencies and regulators are demanding companies consider how their business impacts the world, their contribution to society and how they conduct themselves.

Stakeholders are pushing for increased transparency and it’s working. New mandatory reporting standards are fast emerging and, where it’s not mandatory, lenders and investors are still withdrawing funding from, and voting against, businesses not considering ESG.

ESG isn’t a hygiene factor for today. Its impact is already profound and it’s a critical factor for businesses that want to be ready for further fundamental changes coming down the track. **ESG is no longer a choice; it is an imperative.**





Events in Pictures

1. Annual visit to National Orthopaedic Hospital, Igbobi
2. Sponsorship of the 2021 Ikoyi Club Nigeria Cup Golf Tournament
3. KPMG Family For Literacy (KFFL) Nigeria - A Global KPMG Initiative, founded to combat childhood illiteracy

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KPMG

2021 KPMG Secondary School Debate Competition.

Introducing the Participating Students

<p>Legos State Senior Model College, Kaduna State</p>  	<p>Salisbury Maccabey Junior Secondary</p>  	<p>O'Key College</p>  	<p>Domgas Private Academy</p>  	<p>Top Grade Secondary School</p>  
<p>Greening School</p>  	<p>Whitehead School</p>  	<p>Atlanta Hall School</p>  	<p>Methodist Girls High School</p>  	<p>St. Camillus International School</p>  

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