

# WHO IS AFRAID OF GODWIN EMEFIELE?



HE'S NOT EVEN SNEEZING AND  
THEY ARE CATCHING THE COLD!

# STATEMENT BY FRIENDS OF GOVERNOR EMEFIELE

In the past few weeks, there have been media reports on the purported interest of the Governor, Central Bank of Nigeria (CBN), Mr. Godwin Emefiele, in the 2023 presidential race, leading to stampede by interested parties and vested interests who are resorting to all sorts of blackmail, sponsored articles and choreographed comments on social media targeted at tainting Godwin Emefiele's image, impugning his character and legacy.

Clearly, the negative attacks are being sponsored by those who see Emefiele as a major threat to their political ambition. Truth is Godwin Emefiele has not confirmed to anyone he is running for President even as he is constitutionally qualified to do so; he has been under pressure in the past few weeks as different groups have been putting up unsolicited campaign for his candidacy. Only yesterday, as the speculation became widespread, a group of his friends under the aegis of **FRIENDS OF GODWIN EMEFIELE** met with him to clarify his position.

Here is what he told us -

1. That he remains focused on his job and will continue supporting the President Muhammadu Buhari-led Federal Government's economic recovery drive;
2. That in his career trajectory, right from his days as a young banker, he never asked, nor lobbied for a job- he was invited by the Board of Directors to be the Chief Executive Officer/Group Managing Director of Zenith Bank as he was an integral part of the team, led by founder Jim Ovia, that transformed Zenith Bank from a start-up to one of Africa's largest banks with subsidiaries in Ghana, Sierra Leone, Gambia, South Africa, Dubai, China and the United Kingdom;
3. In 2014, President Goodluck Jonathan tapped him to be the CBN Governor, a job he didn't lobby for and in which his name was not among those being considered at that time. He was not even from the geo-political zone that most people thought the job would go to as the president then was from same geopolitical zone with him;
4. Today he remains humbled by President Muhammadu Buhari's decision to grant him an unprecedented second term as CBN Governor- again without lobbying. Thus he will continue to remain loyal to him and the Federal Republic of Nigeria.
5. Mr. Emefiele told us that he believes it's the prerogative of President Muhammadu Buhari to plan his succession in line with global best practices for good governance for the continuing peace and progress of the Federal Republic of Nigeria, as such he will play his part to stabilise the economy for an orderly transition.
6. And given that it's God that anoints leaders, he will leave his faith firmly in the hands of God.
7. With these fundamental questions settled, it is imperative to address some of the lies and utter falsehood being peddled by blackmailers and political jobbers, who see Godwin Emefiele as a threat to their ambition.

## **FROM BEGINNING AS CBN GOVERNOR**

Indeed, when Emefiele assumed the position of the CBN Governor in June 2014, his task was huge, the challenges seemingly insurmountable. Today despite huge headwinds, he has calmed the waters and put Nigeria back on the path of growth.

## **SHARP FALL IN CRUDE OIL PRICE**

As you will recall there was a sharp fall in crude oil prices from 2015, which led to significant revenue shortfalls in Nigeria where crude oil represents about 95 per cent of Nigeria's export revenue. This created major shock for the Nigerian economy, leading to a 13-month recession in 2016. In comparison to the previous years before Emefiele became the CBN governor, the average price of crude oil from 2010 to 2014 was over \$100/barrel and this fell to some \$30 / barrel with high production costs of some \$25/barrel. Despite these challenges Emefiele's monetary policies supported the Buhari administration and all 36 State governments, ensuring salaries were paid and much more was done, with much less, in infrastructure, steering Nigeria away from much worse outcomes while many oil producers like Kuwait, Russia, Angola and Brunei had longer lasting recessions between of 20 – 60 months.

## **COVID-19 INDUCED GLOBAL RECESSION**

Critics must also understand that the second recession the country entered into in 2020 was as a result of the COVID-19 pandemic. Then, the global economy (Nigeria inclusive) was plunged into recession because of the pandemic which was unprecedented. It led to declines in economic activities and lockdown across the world. Countries like the USA had GDP falling in 2020 by MINUS 31% in Q2, UK by MINUS 19.4% in Q2, EU by MINUS 14.1% in Q2 and Nigeria, with deft response of the CBN had MINUS 6.1% in Q2. As we all know the CBN supported fiscal authorities in the following areas.

**N100 billion health sector credit facility for operators in the sector. Today, Nigeria boasts of two world-class cancer centres in Lagos and medical tourism has reduced.**

- **A one-year extension of a moratorium on principal repayments for CBN intervention facilities;**
- **The reduction of the interest rate on intervention loans from 9 percent to 5 percent;**
- **Strengthening of the Loan to Deposit ratio policy (i.e. stepped up enforcement of directive to extend more credit to the private sector);**
- **Creation of N400 billion target credit facility for affected households and small and medium enterprises;**
- **Granting regulatory forbearance to banks to restructure terms of facilities in affected sectors;**
- **Improving FX supply to the CBN by directing oil companies and oil servicing companies to sell FX to the CBN rather than the Nigerian National Petroleum Corporation;**
- **Additional NGN100 billion intervention fund in healthcare loans to pharmaceutical companies and healthcare practitioners intending to expand/build capacity;**
- **Identification of few key local pharmaceutical companies that will be granted funding facilities to support the procurement of raw materials and equipment required to boost local drug production.**
- **N1 trillion in loans to boost local manufacturing and production across critical sectors;**

## **DEVELOPMENTAL-ORIENTED CENTRAL BANKER**

But despite the challenges, the CBN under Emefiele has in the last seven years maintained a developmental-oriented approach in supporting the Federal Government to address challenges across various sectors of the economy and has initiated far-reaching reforms.

## **RICE PYRAMID**

One issue the critics have continued to raise is the issue of the rice pyramid which was recently unveiled in Abuja. But these arm chair critics have failed to understand that through the Anchor Borrowers' Programme (ABP), an initiative that was introduced by the Emefiele-led CBN, the lives of a lot of rural farmers have been transformed. The rice pyramid which had taken place previously in Minna, Kebbi, Gombe, Ekiti and Abuja, showed how Emefiele has used agriculture to support the federal government's wars on insecurity. The rice pyramids were build bag by bag in all the states the programme had been launched since December 2020, when it was first launched in Minna, Niger State. The programme held last month to unveil the world's largest rice pyramid in Abuja was also an initiative of the Rice Farmers Association of Nigeria (RIFAN).

## **ANCHOR BORROWERS' PROGRAMME**

The ABP has been described as a major agricultural breakthrough and a source of pride to the country, as farmers, especially rice farmers, have continued to count gains under the scheme. The programme has increased banks' finance to the agricultural sector and enhanced capacity utilisation of agricultural firms. From an average yield of 1.8 metric tonnes per hectare in the pre-ABP era, the initiative has increased the country's average yield per hectare for rice paddy and maize to about five metric tonnes per hectare.

## **REDUCTION IN IMPORT BILL**

Additionally, there has been a significant reduction in the country's rice import bill, from a monstrous \$1.05 billion prior to November 2015, to the current figure of \$18.50 million, annually.

## **TAMING COVID-19**

The disruption caused by the COVID-19, which also contributed to the significant drop in the price of crude oil exposed the economy's weak underbelly. In Nigeria, the Emefiele-led CBN acted swiftly, almost when the first case broke out in the country, by unveiling a raft of policy initiatives aimed at reducing the adverse impacts of the COVID-19 pandemic on the economy.

## **CACOVID**

Emefiele also spearheaded the creation of the Coalition Against COVID-19 (CACOVID), an initiative that brought all the private sector business leaders under an umbrella in the fight against the spread of the pandemic. This was why in its latest Article IV Consultation released in February 2022, the International Monetary Fund praised Nigeria's effort in fighting the spread of the virus.

## **OTHERS**

There are many other measures announced by the CBN Governor which will be detailed in due course like the support to Technology, Digital innovation, the Creative Industries and the 15 Trillion Infrastructure corporation recently launched.

## **•CONCLUSION**

Apparently, those behind the sponsored negative reports are afraid of Emefiele's towering personality and service to Nigeria. But they must understand that he cannot be stampeded any way. He is focused on delivering the mandate of the Central Bank; he is rebuilding the economy of the country through import substitution policies and using agriculture to create a new rural middle class from ground up. Those who continue to criticise the rice pyramid are too ashamed of giving glory to whom it is due. Emefiele is focused on his unfinished job and should not be distracted.

Signed  
Friends of Godwin Emefiele