



Major Oil Marketers  
Association of Nigeria

# THE WEEKLY POST

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# INDUSTRY DATA SHEET

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Conoil



NNPC



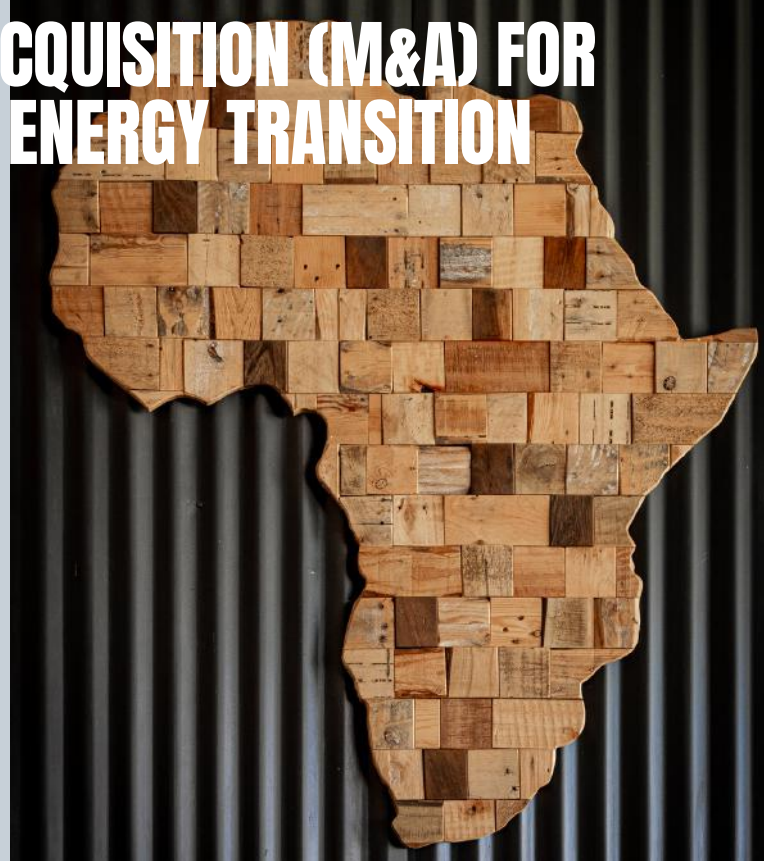
# LEVERAGING MERGER AND ACQUISITION (M&A) FOR SUSTAINABLE FINANCING OF ENERGY TRANSITION PLANS IN AFRICA

*Olushola Oni*

In our data sheet two weeks ago, we enumerated various Financing Sources for Implementing Energy Transition Plans to Ensure Energy Security in Africa. In this follow-up article we shall be discussing more on how each source of financing can be enhanced with a focus on mergers and acquisitions.

Merger and Acquisition (M&A) activities can serve as a valuable tool for financing energy transition plans in Africa.

transition plans in Africa. By exploring M&A opportunities, countries, and energy companies can access capital, technology, and expertise, enabling them to accelerate the transition toward sustainable energy systems. This article delves into how M&A can contribute to sustainable financing in the context of energy transition plans in Africa.



1. Consolidation of Energy Companies: M&A deals enable the consolidation of energy companies, leading to larger and more financially stable entities. Consolidation offers various benefits, including improved operational efficiencies, increased access to capital markets, and optimized resource utilization. By forming stronger and more resilient companies, M&A can facilitate the allocation of financial resources toward financing energy transition projects.
2. Access to Capital: M&A transactions provide opportunities for energy companies to access additional capital for funding renewable energy initiatives. The newly merged or acquired entities may benefit from enhanced creditworthiness, making it easier to attract investment from institutional investors, private equity firms, or venture capitalists. Increased access to capital can significantly support the implementation of energy transition plans.
3. Technology and Expertise Transfer: M&A activities facilitate the transfer of advanced technologies and expertise. For instance, when a renewable energy company is acquired by a larger entity with established technological capabilities, the expertise and knowledge can be effectively shared and utilized to accelerate the deployment of renewable energy projects. This technology transfer enhances the capacity of the acquired company to implement energy transition plans effectively.
4. Diversification of Business Portfolios: M&A transactions allow energy companies to diversify their business portfolios by expanding into the renewable energy sector. Traditional energy companies can acquire or merge with renewable energy developers or utilities, incorporating clean energy sources into their operations. Diversification reduces reliance on fossil fuels and aligns with the objectives of energy transition plans.

5. Risk Sharing and Mitigation: M&A deals can facilitate the sharing and mitigation of risks associated with energy transition investments. For instance, a merger between a renewable energy developer and a financial institution can distribute the financial risks of project development, reducing the burden on individual entities. This risk-sharing mechanism can attract more investment and accelerate the implementation of energy transition projects.
6. Market Expansion and Scale: M&A transactions provide opportunities for renewable energy companies to expand into new markets. By acquiring companies or assets in different regions, companies can leverage economies of scale, operational synergies, and an expanded customer base. Market expansion and scale allow for greater financial resources to be directed towards energy transition plans, fostering sustainable financing.
7. Access to Regulatory Support: M&A activities can enhance access to regulatory support and incentives for renewable energy projects. Governments often offer favorable policies, tax incentives, or subsidies to encourage M&A deals that contribute to energy transition goals. By leveraging these incentives, merged entities can enhance their financial viability and attract more investments.

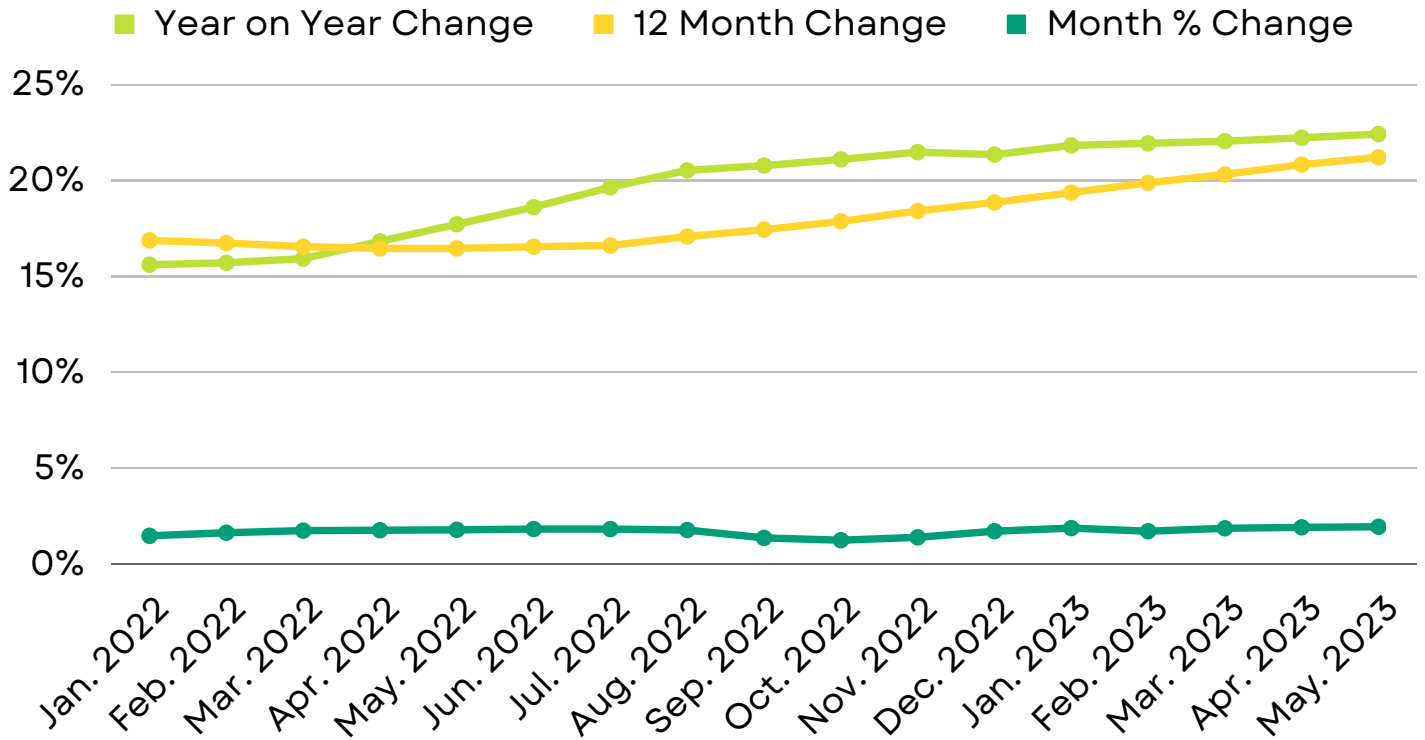
## **Conclusion:**

Merger and Acquisition (M&A) activities have the potential to contribute significantly to sustainable financing for energy transition plans in Africa. Through consolidation, access to capital, technology transfer, risk sharing, market expansion, and regulatory support, M&A can accelerate the implementation of renewable energy projects. By leveraging the benefits of M&A, African countries and energy companies can secure the necessary financing to achieve their energy transition objectives and ensure a sustainable and secure energy future.

# MARKETS WATCH



## INFLATION



## EQUITIES MARKET UPDATE

SECTOR	Jul. 7	Jul. 14	Weekly Change	WTD	MTD	QTD	YTD
NSE 30	2288.19	2278.03	-10.16	-0.44	3.49%	3.49%	23.64%
Consumer Goods	892.77	872.37	-20.40	-2.29	-2.50%	-2.50%	48.13%
Oil & Gas	831.59	843.48	11.89	1.43	8.72%	8.72%	82.38%
Banking	708.77	607.29	-101.48	-14.32	-5.91%	-5.91%	45.46%
Industrial	2546.73	2776.30	229.57	9.01	11.44%	11.44%	15.52%
Insurance	279.10	246.91	-32.19	-11.53	-10.89%	-10.89%	41.61%



# MARKETS WATCH



## FOREX RATES - INTERBANK I & E MARKET

NGN	Jul. 10	Jul. 11	Jul. 12	Jul. 13	Jul. 14
Minimum	701.00	768.00	742.00	-	690.26
Maximum	792.00	800.00	805.00	-	805.00
Interbank Official Closing (FX Rate (\$/N))	757.78	759.19	783.06	-	772.21



CENTRAL BANK OF NIGERIA



## FOREX RATES - PARALLEL MARKET

NGN	Jul. 10	Jul. 11	Jul. 12	Jul. 13	Jul. 14
USD					
GBP					
EURO					

abokiFX

# INDUSTRY WATCH

## AVERAGE EX-DEPOT PRICES (NAIRA/LITRE)

10-JUL-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	496.75	496.25	496.67	491.80	491.00	491.50
AGO	586.25	605.00	595.00	552.60	557.20	573.60
DPK	610.00	N/A	N/A	585.00	589.00	585.00

11-JUL-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	495.60	494.20	495.38	490.40	490.75	490.50
AGO	593.75	605.00	592.50	555.00	549.40	567.60
DPK	610.00	N/A	N/A	577.00	577.00	577.00

13-JUL-23

Product	Warri/Oghara Hub	Calabar Hub	PHC Hub	Satellite Hub	Ibafon/Tincan Hub	Apapa Hub
PMS	490.40	494.80	493.00	490.40	490.50	490.00
AGO	595.00	605.00	620.00	550.00	547.80	568.40
DPK	610.00	N/A	N/A	575.00	575.00	544.00

# INDUSTRY WATCH



## AVERAGE WEEKLY PRICES



Available on the [Argus Publications App](#)

Combined Description	Gasoline Eurobob Delivered West Africa \$/t	Jet/Kerosine Delivered West Africa \$/t	Gasoil Diesel 1000ppm Delivered West Africa \$/t
Week 21 2023	878.03	764.50	712.20
Week 22 2023	842.70	748.69	704.44
Week 23 2023	865.24	775.00	730.45
Week 24 2023	842.12	765.05	728.80
Week 25 2023	857.15	778.70	742.80
Week 26 2023	837.32	783.25	724.05
Week 27 2023	847.31	815.15	739.95
Week 28 2023	875.79	846.95	770.60

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# INDUSTRY WATCH

## WEST AFRICAN PUMP PRICES

GlobalPetrolPrices.com



PMS		
Country	USD/Litre	Naira/Litre Exchange rate of 1USD = 825.00 NGN)
Nigeria	0.69	568.00
Cameroon	1.25	1032.90
Benin	1.11	917.40
Sierra Leone	1.09	901.73
Togo	1.20	988.35
Burkina Faso	1.45	1199.55
Ivory Coast	1.39	1150.05
Ghana	1.13	932.25
Guinea	1.39	1144.28
Mali	1.48	1222.65
Senegal	1.69	1397.55
Liberia	0.95	781.28

AGO		
Country	USD/Litre	Naira/Litre (Exchange rate of 1USD = 825.00 NGN)
Nigeria	0.79	655.63
Cameroon	1.24	1018.88
Benin	1.20	988.35
Sierra Leone	1.09	901.73
Togo	1.33	1093.95
Burkina Faso	1.16	952.88
Ivory Coast	1.12	924.83
Ghana	1.14	942.15
Guinea	1.39	1144.28
Mali	1.48	1219.35
Senegal	1.29	1065.90
Liberia	0.99	820.05

### Note:

#### PMS Pump Prices

- All USD per litre prices are sourced from Globalpetrolprices.com EXCEPT for Nigeria.
- Naira per litre price for ALL was calculated by MOMAN using exchange rate 1 USD = 825NGN.

#### AGO Pump Prices

- All USD per litre prices are sourced from Globalpetrolprices.com EXCEPT for Nigeria.
- Naira per litre price for ALL was calculated by MOMAN using exchange rate 1 USD = 825NGN.