

THE PUNCH

Angry Wenger
hits back at
Mourinho
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the Year nominees
emerge on Monday
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Iran invests in Nigeria's oil sector

Iran and Nigeria will soon conclude a contract for oil exploration operations in the West African country, British Broadcasting Corporation has reported.

This is coming as Larsen and Toubro Limited an India firm said it was exploring options to enter newer markets including Iran and Nigeria.

In its bid to expand overseas operations, Iran's Oil Exploration Operation Co has submitted a number of international bids among which the contract for oil exploration operations in Nigeria has been finalised, a source from the Iranian company said.

The exploration operation of the contract is valued at \$100m and, if successful, the development operation contract will also be given to the Iranian project developer.

Meanwhile, the Chairman of L & T, Mr. A. M. Naik, told reporters while announcing the results of the company that, "We are already in Gulf and Middle East and have selected East Africa and Botswana. The company is exploring various new locations including Iran and Nigeria."

"We would have to assess a lot of factors including risks involved in setting up operations which would be done over the next one to two years," he added.

Global Fleet acquires VGC for \$100m

Chijama Ogbu,
Everest Amaefule
and Jonah Iboma

In what appears to be the biggest takeover of any local telecommunications firm ever in Nigeria, Global Fleet Group has acquired VGC Communications Limited in a deal worth \$100million.

Investigations by our correspondents showed that discussions between Globe

Holdings, owners of VGC Communications, and Global Fleet has been ongoing for sometime now and both parties only reached agreement just a few days ago.

Sources close to the firms said that the transaction involved a complete acquisition of the firm and its assets, hence the seemingly high value of the deal.

The takeover agreement,

which was sealed last Friday, also led to the resignation of the firm's General Manager, Mr. Gbenga Adebayo, who had been at the helm in the past five years.

According to our source, officials of Global Fleet formally took control of the company located at the Victoria Garden City on Tuesday.

Global Fleet is said to be particularly interested in

VGCC following its gradual rise in the telecommunications industry, especially in the last three years, which resulted in its emergence as a respectable telecommunications operator.

When we contacted the Chairman, Global Fleet, Mr. Jimoh Ibrahim, on phone on Tuesday night, he confirmed the development.

He said that his company

staked in VGC in a move to diversify its business.

Under a management team led by Adebayo, an Electrical and Electronics engineer, VGCC transformed within five years from a community service operator providing telecommunications service for Victoria Garden City to a national wireline service provider with operations in Lagos, Abuja, and Port Harcourt.

In year 2000 VGCC had only one licence, but the company could boast of holding and operating on five different licences, including Internet Services, domestic and international VSAT gateway services.

One of the major factors that seemed to have played a major role in the acquisition is the takeover of the assets of Virgin Technologies Limited, an international gateway operator, by VGCC, a development that made VGCC a full one-stop service provider with its own international gateway.

Before the takeover, parts of ongoing plans by VGCC included, the securing of licences to operate in five states and the coverage of most of the Lagos metropolis with optic fibre.

Our source revealed that the deal is considered attractive to the owners of VGCC and this informed the decision to transfer the company to the new investors.

"We are very proud and excited about our success and modest achievements in the industry. The successes make us very attractive to the new investors. We are happy, that there is a fair reward for our achievement," the source said.



•L-R: Deputy Governor, Central Bank of Nigeria, Mr. Tunde Lemo; Associate Director, Centre for Value in Leadership, Mrs. Jonathan Ichover, and National Coordinator, National Poverty Eradication Programme, Dr. Magnus Kpakol, at the Global Micro Entrepreneurship Award, in Abuja ... on Tuesday.

NNPC, partners to spend \$21bn on FPSOs

Michael Faloseyi,
Clara Nwachukwu,
Abuja

The Nigerian National Petroleum Corporation and its joint venture partners will spend \$21 billion on construction of seven floating production storage off take vessels within the next 10 years, the Group Managing Director of NNPC, Mr. Funsho Kupolokun, has said.

He spoke at the inauguration of an Inter-Ministerial Committee on Deep Water Port Project Implementation in Abuja on Tuesday.

Kupolokun represented the Minister of State for Petroleum Resources, Dr. Edmund Daukoru, who is attending a meeting of the Organisation of Petroleum Exporting Countries in Vienna, Austria.

In his speech, Kupolokun said that the storage vessels belonged to some of the

ongoing offshore oil fields like Erha, Bonga South West, Usan, Bozi and Yoho. Some of the oil fields are slated to start productions before 2015.

He said that substantial portions of the FPSOs, especially the topsides, would be constructed in Nigeria in line with the government's target of attaining 45 per cent local content by 2007 and 70 per cent by 2010.

Meanwhile, an estimated 70 per cent of work volume on the seven FPSOs or \$14 billion in money terms would be handled in Nigeria.

The government, according to him, took the decision in realisation of the local content objective and to provide thousands of direct and indirect job opportuni-

ties to Nigerians.

Besides, he said that the government had directed that beginning from 2006, top-side fabrications of FPSOs, like the jacket, fixed platforms, piles, anchors, buoys, jackets, bridges and flare booms, should be handled in the country.

He noted that the absence of a deep-water port could hamper the realisation of that target, a development that had informed the inauguration of the inter-ministerial committee to work on establishment of port.

He said that the construction of the port would position Nigeria as the hub of FPSOs topsides in the Gulf of Guinea, especially in countries like Angola, Cameroon and Equatorial

Guinea with high prospects for deep-water crude oil exploration.

The inter-ministerial committee within the next six weeks determine a suitable location for the port, identify supporting facilities required for optimal functioning, prepare the regulatory framework and attract private sector participation.

The 12-man Committee is under the chairmanship of the Nigerian Port Authority while organisation like the Nigerian Maritime Authority, Budget Office of the Federal Ministry of Finance, Nigeria Customs Service, Nigeria Export Promotion Zones Authority are represented on the committee.

Exchange Rates as at November 1

Guinea	Fish (Local Airport)	Buying	Selling
\$		141	143
£		249	252
Euro		159	171
S&P		108	110
Riyal		38	40
Rand		20	22
CFA		0.258	0.260

Ajami Bureau De Change

Zone 4, Wuse, Abuja	Buying	Selling
\$	144	146
£	265	268
Euro	180	181
CFA	0.268	0.270

Hambaka Bureau De Change

Zone 4, Wuse, Abuja	Buying	Selling
\$	144.50	147
£	266	268
Euro	180	182
CFA	0.270	0.272

Central Bank of Nigeria

(October 31)	Buying	Selling
\$	128.5300	129.5300
£	228.5520	230.3302
Euro	154.9301	156.1355
US\$	1.1081	1.1167
US\$	0.2252	0.2352
US\$	34.2655	34.5321
WAUA	184.6509	186.0875
S&P	100.1402	100.9194

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