

ADDRESS BY AMBASSADOR O.A. ASHIRU, HIGH COMMISSIONER
OF THE FEDERAL REPUBLIC OF NIGERIA TO SOUTH AFRICA,
AT THE DINNER TO MARK THE LISTING OF OANDO OIL
ON THE JOHANNESBURG STOCK EXCHANGE
ON 25TH NOVEMBER 2005.

Your Excellencies,
Distinguished Ladies and Gentlemen,

On behalf of the Federal Government of Nigeria, I wish to express gratitude to the Management of the J.S.E. for taking the laudable decision of approving the secondary listing of Oando Oil Plc on Africa's largest stock exchange. I also want to congratulate the Board, Management and especially the Chief Executive Officer of Oando Plc for being the first African company to have a dual listing on both the Nigerian Stock Exchange and the JSE. I also congratulate the Board of Oando on its recent winning of licenses to undertake exploration in three oil blocks in Nigeria, and for winning the quoted company of the year award of the Nigerian Stock Exchange on Tuesday, 22 November 2005

With a market capitalization of about \$500 million Oando Oil is seeking to expand aggressively from oil retailing to oil refining and power generation in order to exploit Nigeria's vast reserves of oil and natural gas. The company is listing on the JSE, among other reasons, to acquire funds for its expansion into the Power sector and to facilitate direct investment in Oando by South Africans.

Ladies and Gentlemen,

For Africa, like elsewhere, the private sector remains the engine of economic growth. The future of Africa lies in a private sector that looks beyond the complacency of public sector patronage to embrace the best practices and norms comparable to the private sectors in other parts of the world. The future lies in the hands of determined companies like OANDO that are dynamic and innovative to challenge existing business style which hitherto restrict African entrepreneurs into their little national comfort zones little risk, little profit and when the national economy goes bad - the companies go under.

The trailblazing inroads by OANDO into the oil retailing market in several West African countries and now through today's listing in the JSE is a major milestone in strategic positioning. Africans must not only develop a more objective appreciation of the vast opportunities in the continent, but also be prepared to explore them. This is in line with the new imperatives for Africa's socio-economic progress championed by the New Partnership for Africa's Development (NEPAD), that Africa must take ownership and leadership of the development process. This requires that African should mobilise its indigenous efforts and resources before it calls on or rely on others for support. Through its trans-border activities, OANDO has demonstrated, not only this spirit but also shows that it is also exciting and profitable to do so.

Today's event reflects that true outward-looking spirit of African-reliant partnership, of a Nigerian company partnering with South African resources to move forward its activities around the continent. In addition, with the pioneering multi-country activities by companies like OANDO, product needs are met along with the job-creating and wealth-creating opportunities they provide in those parts of Africa.

The claim that Africa with high transaction costs and poor regulatory framework presents unacceptable business risks flies in the face of the tremendous business being done by OANDO beyond its borders. It also shows that with greater direct trans-border investments in Africa by Africans who understand the terrain, the earlier-mentioned market constraints dissolve into insignificance as new vibrant markets are created. With the increasing development and expansion of capital markets in Africa, I see possibilities of multiple listings in various countries by strong companies like OANDO. This enables the strengthening of a formidable capital base and expansion of their business activities, while their African stakeholders are in turn empowered to be part of the new wealth creation in Africa.

I am not a soothsayer. But I am seeing, with today's listing, and with OANDO joining companies like South Africa's MTN, aggressive beginnings of Africa's own home-grown global multinationals. And without trying to tempt OANDO's management to disclose its plans, let me hope that in the not-too-distant future, my car can pull up for service at a South African petrol station with the OANDO label.

I salute the vision and the effort that has brought OANDO to the JSE and I wish the company success in its endeavours that will provide the additional momentum to propel it to greater heights. Distinguished Ladies and Gentlemen,

At this juncture, permit me to say that I am not unaware of the cautious optimism that prevails within South African Business circle with regards to investments proposals from Nigeria, which is due largely to misconceptions. I wish to assure potential investors present here tonight that Nigeria has turned a new leaf in corporate governance. President Olusegun Obasanjo's Government has entrenched the principle of transparency, accountability and Due Process in the polity. The current comprehensive reforms in the public sector and economic reform programme have started yielding dividends. The financial and banking sector have also been reformed with the emergence of very strong banks with commendable level of capital base.

While commending the Management of JSE for the foresighted decision on Oando, I wish to urge JSE, as Africa's foremost financial House, to take a leadership role in the establishment of a Pan African Exchange to facilitate international capital flows into the African continent. As we rejoice with Oando Oil, I wish to urge Oando and the JSE to explore the maximum benefits presented by the listing to the mutual benefits of both countries. I also hope other Nigerian companies would follow the pioneering move by Oando to also list on the JSE.

In conclusion, I wish to invite you all to please rise and join me in proposing a toast to the prosperity of Nigeria-South Africa Relations and the progress of Oando and the JSE.

I thank you.