



Nigeria to deregulate fuel retailing market

Nigeria's Government has hinted to a possible deregulation of the downstream fuel sector, announcing it would abandon its price fixing policy from this week.

After months of fuel scarcity across the African country, the Federal Government seems to have finally decided in favour of a deregulation of the fuel market. If the measure went through operators would be allowed to resume importation and set their own prices, reported The Street Journal.

The Nigerian National Petroleum Corporation (NNPC) has been the sole importer of fuel during months, forcing independent marketers to complete dependence and to implement the official fuel prices. Numerous sanctions to gas stations and a wide spread fuel scarcity in Nigeria have driven the country to a critical situation.

Experts believe Africa's largest producer of oil would benefit from a fuel retailing market more open and competitive. Although fuel prices are expected to go above the current N86.50 after the deregulation, the government hopes it will help reduce the fuel scarcity problems the country suffers.