

INVESTING IN NIGERIA.

In order to fully tap into the virgin economy of Nigeria, we are taking this medium to reach out to the entire world on the possibilities and benefits of investing in Nigeria. The country which is rich in oil and other numerous natural resources is resolved on the diversification of its potentially rich economy, thereby presenting an opportunity for everyone- be it individual or corporate bodies to explore the attractive opportunities that are readily available within its land and maritime territory.

The Federal government sees the implementation of the United Nation Sustainable Development Goals (UNSDG) *parri passu* with the African Union (AU) 2063 Agenda as formidable programmes for the world, Africa and particularly Nigeria. To achieve these programmes, the country needs to recover from its economic woes and project for sustainable growth. It is in furtherance of this, that the Economic Recovery and Growth Plan (ERGP) was launched. The framework incorporates 60 national development strategies out of which 12 are prioritised from the following three broad strategic goals name;

- I. Infrastructure
- II. Industrial
- III. Power sector development

These three strategic sectors are grouped into 5 main categories

- a) Stabilizing the macro-economic environment
 - align monetary, trade and fiscal policies
 - accelerate non-oil revenue generation
 - drastically cut down the cost of doing business
 - privatize select public enterprises/assets
- b) Achieving agriculture and food security
 - delivering on agricultural transformation
- c) Ensuring energy sufficiency
 - urgently increasing oil and gas production
 - expanding power sector infrastructure
 - boosting local refinery for self sufficiency
- d) Improving transportation infrastructure
 - delivering targeted high priority transportation projects
 - enable private sector financing of infrastructure
- e) Driving Industrialization with particular emphasis on a Small and Medium Enterprises (SMEs)
 - improve the ease of doing business
 - accelerate implementation of the National Industrial Revolution Plan

The ERGP has incorporated the following plans:

- i. National Industrial Revolution Plan
- ii. Nigeria Integrated Infrastructure Master Plan
- iii. Medium-term Expenditure Framework
- iv. 7 Big wind in the oil and gas sector Initiative
- v. Power sector recovery Plan

The Federal Government has reiterated its commitment to the implementation of the National Action Plan (NAP) and the ease of doing business in Nigeria, it is determined to solicit private support for partnership towards achieving its set goals. In furtherance of this, the Presidential Enabling Business Environment Council (PEBEC) was established to review and address all encumbrances in the business environment. The Enabling Business Environment Secretariat (EBES) is being supervised by the Vice President, Prof. Yemi Osinbajo.

Significant Executive Orders have been issued recently, amongst them is the Order 001 meant to demonstrate the government's commitment to ease of doing business in Nigeria. This Order essentially stipulates that entry visas for genuine business and tourism purposes must be facilitated within a period of 24 hours. They could also be issued at the point of entry subject to meeting the requirements as provided on the Nigerian Immigration Service website.

To further guarantee the ease of doing business in Nigeria, the government deemed it imperative to improve the administration of Nigerian ports, which serve as the point of entry of much needed raw materials and machineries for any industrialization effort, as well as point of exit for the exportation of manufactured goods and agricultural produce. About 90 percent of nation's foreign trade is done by sea, meaning that the sector is very important to the life of the Nigerian economy. Nigeria at every point in time remains very competitive.

In order to facilitate international business cooperation, investment and business networking, the government has created Export Processing Zones (EPZs) also known as Free Zones (FZs), these are areas in which businesses are exempt from the normal regime applicable in Nigeria, particularly, with regards to custom duty and tax. In return, the government expects companies operating in the EPZs to boost national exports and sustainable growth.

There are two types of Free Zones in Nigeria; general and specialized to be managed by two bodies, namely; Nigerian processing Zone Authority (NEPZA) for general purpose export and Oil and Gas Export Free Zone Authority (OGEFZA) for the specialized export.

Executive Order 002 mandates all Ministries, Departments and agencies of government to submit their annual budgetary estimates on or before the end of the month of May yearly and to also submit their schedule of revenue and expenditure

estimates for the next three years. This is obviously to aid proper fiscal planning and stimulation of the economy.

It also assures investors of expected sources of revenue and the trajectory of allocation of public funds for good governance and a healthy business environment.

Executive Order 004 deals with tax reforms necessary to boost investors' confidence and robust public Private Partnership collaboration. This Order incentivises genuine investors to consider the vast business opportunities that exist in the country.

Another government strategy aimed at stimulating the economy and attracting foreign direct investment and business collaboration is the deliberate and calculated increase in capital expenditure allocation in the last two annual budgets. The government spent the sum of 1.3 trn. Naira in the year 2016 on capital projects and about 33% of the sum of 4.7trn Naira was made available on capital project in the year 2017. This provides great opportunities for investors to invest in the critical sectors of the economy.

As at last year 2017, Nigeria received commitments of over 60b USD investment from diverse investors around the globe. This is evidence that the commitment by the Nigerian Government are beginning to materialise.

To quickly highlight some of the recent happenings in Nigerian's economy, the followings are few examples of the steps taken by Nigeria to open investment doors to the world:

- Federal Government of Nigeria has concluded plans to inaugurate Working groups for Economy Recovery and Growth Plans (ERGP)
- The Vice president, Prof. Yemi Osinbajo has charged major working groups on the Economic Recovery and Growth Plan to work together as one entity by focusing on getting new investment commitments and to equally help investors to think through implementation
- The Federal government has commenced with action plan which is tag "a 60 day National Action Plan (NAP 3.0)" – from 5th February to 5th April 2018. The objective of this plan is to drive the ease of doing business in Nigeria
- Norfund to support Agribusiness in Nigeria
- Positive reform made in the mining sector
- Infinity Group has launched a solar powered service centre in Abuja
- American Equity firm is investing more than US\$8.5B on Nigerian investment

These are few of the recent happenings in Nigeria and we are here to advice you on the opportunities that await you in Nigeria. The officer on the Economy and

commerce desk at the Nigerian Embassy Berlin is readily available to provide any clarification to any prospective investor willing to explore the business environment in Nigeria. Please contact us for an appointment to discuss your interest on this subject matter.