



REPORT

NIGERIA INTERNATIONAL PARTNERSHIP FORUM
Paris, France | 10 November, 2021



THE FEDERAL
REPUBLIC OF
NIGERIA



Theme:

BEYOND THE PANDEMIC

Mobilising International Cooperation for
Nigeria's Post-COVID Development



NIGERIA INTERNATIONAL PARTNERSHIP FORUM

[An Initiative of the Federal Government of Nigeria]

In collaboration with

Africa Business Roundtable (West Africa)

And

The Club Millennium (Paris)

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I. INTRODUCTION

The Impetus for an Initiative – Nigeria International Partnership Forum (NIPF)

Across the world, the outbreak of COVID-19 pandemic has caused several adverse economic impacts. It disrupted global supply chains, slowed international commerce, pushed millions of people into poverty, and, most crucially, reduced economic output. Nigeria suffered a COVID-19 pandemic induced economic contraction in the order of 1.8 percent in 2020, its second recession in the past five years, with a recovery of 2.6 percent projected for 2021. Public policy response to COVID-19 in Nigeria consisted of three prongs: managing the associated health crisis; mitigating its adverse impacts on the citizens, especially on the poor and vulnerable; and enacting policies to restore economic growth through a range of proactive measures.

In particular, the Federal Government of Nigeria intensified its efforts to diversify its economy from dependence on oil, which sharp drop in price led to the recession. In the decades leading up to and including the early 2000s, oil and gas generated 40 per cent of the GDP, 79.5 percent of government revenue and 97 percent of foreign exchange earnings. Today, oil and gas account for 8 percent of GDP, provides about 50 percent of government revenue, and 90 percent of the foreign exchange earnings. Although share of oil in the GDP has declined over the years, nonetheless, it still provides a high share of government revenue and foreign exchange earnings.

A strategy to attract private investment into the non-oil sectors of the economy is simultaneously aimed at growing the economy, creating employment opportunities, and generating more government revenue. As a result, the government has not only long recognised the importance of creating an enabling environment for business to flourish but also deepening partnerships with the private sector. The Nigeria International Partnership Forum (NIPF) is the outgrowth of that effort. A collaborative initiative of the Federal Government of Nigeria, the Africa Business Roundtable (West Africa), the Millennium Club, Paris, NIPF is a vehicle for cultivating, nurturing and sustaining international partnerships with foreign governments and businesses in support of Nigeria's economic growth and development..

The Nigeria International Partnership Forum held its first meeting in Paris on 10th November, 2021 in the margins 2021 Paris Peace Forum convened by the Government of France. NIPF Paris was sponsored by the Federal Government of Nigeria in collaboration with the Africa Business Roundtable, West Africa, and the Millennium Club, Paris. Against the backdrop of the persisting challenges posed by COVID-19 pandemic and the need to overcome them, the theme of the NIPF in Paris was *Beyond the Pandemic: Mobilising International Cooperation for Nigeria's Post-COVID Development*. NIPF Paris provided an opportunity for the government and private sector stakeholders from Nigeria to present to their French counterparts the investment opportunities in various sectors in the Nigerian economy and explain the efforts being made to address the challenges of doing business in Nigeria.

Organisation of the Report

The report is organised around the sessions that were held at the meeting. It presents the summary of the speeches made at the opening session and of the presentations by panelists at the other sessions. There were two formats of presentations -- prepared speeches or power point presentations, which tended to be longer; and those spoke ex-tempore--Davos-style, which were much shorter. The report also provides the highlights of the interactive sessions between the panelists and the members of the audience, which consisted of senior French and Nigerian government officials, high-ranking business executives from Nigeria and France, and Nigerians in the Diaspora, residing in European countries. The report concludes by outlining the conclusions and recommendations from the Paris meeting and for the future orientation of the Nigeria International partnership Forum.

II. OPENNING SESSION

Welcome Statement by H.E. Geoffrey ONYEAMA, Minister of Foreign Affairs of Nigeria

In his welcome statement, Mr. Onyeama said that the purpose of organizing this forum was to reflect on the urgency to launch concrete measures to fast track the inflow of international capital flows into Nigeria, especially in the face of the twin challenge of the COVID pandemic and the slow-down in the global economy. The High-Level Partnership Forum offered space for the business sector to share information, experience and lessons learned in advancing future economic Agenda. The fact that we organized the event in Paris signified the surge of business interest in Nigeria from the host country.

Mr. Onyeama explained that Nigeria's Economic Recovery and Growth Plan (2017-2020) and its 17 interlinked SDGs, could not be achieved without the active participation of all sectors of society, including business and industry. Business is our indispensable partner. You are at the frontline of action. He then outlined the Federal Government of Nigeria's expectations for business and industry in implementation, and how you can engage more. First, the government hoped businesses would show the way on how better to integrate our goals for a sustainable development. Many have a tradition of innovative thinking and practices. Second, as major producers and users of resources, businesses will be the leaders in sustainable consumption and production. Being at the frontline, businesses have major responsibilities toward our planet and our society. Third, the Economic partnership is about coherence, linkages, and integration. It calls for re-thinking of the way we do business. Businesses would also show the way – on how to coordinate, be coherent, and integrate in synergy rather than work in silos.

Mr. Onyeama observed that the era of globalization countries are increasingly interdependent. No country can develop itself in isolation. The zero-sum game won't survive. The old winner-takes-all mentality no longer works. Simply pursuing the maximization of self-interests and the supremacy of national interests will only lead to more conflicts and confrontation. Multilateralism must replace unilateralism, and win-win cooperation will replace winner-takes-all.

Mr. Onyeama emphasised that the new partnership should prioritize three pillars of development, which all work together to form a virtuous cycle of prosperity:

(i)Infrastructure investment, particularly in electricity and transportation, without which business cannot function, is of utmost priority because of its twin outcome of transformative impact as well as a stellar return on investment;

(ii)Partnership with the Nigeria private sector for the development of Nigeria's manufacturing and processing industries to achieve increased local value creation; and

(iii)Investment in Nigeria's youth to create employment and economic opportunity, particularly in Agriculture and Sports.

Mr. Onyeama was confident that huge profits awaited businesses which enter these sectors to create local value internally, instead of shipping raw materials such as oil, cocoa, and gold overseas, where they are processed into high-margin products and often re-imported into Africa. He concluded by expressing the hope that the discussions at the forum would lead to stronger economic ties between business executives and companies in France and Nigeria.

Statement by H.E. Franck RIESTER, French Minister of Foreign Trade and Economic Attractiveness

In his statement, Mr. Riestler welcomed participants to Paris and expressed the appreciation of the French government for choosing France to host the first edition of the Nigeria International Partnership Forum. This was a testimony of the growing dynamism of the French-Nigerian relationship at all levels. He referred to the commitment made by President Emmanuel Macron in 2017, in Ouagadougou, to reinvent the relationship between France and the African continent and build a new partnership, based on long-term commitment, mutual benefit, sustainability and social responsibility. Nigeria, of course, holds a special place on the continent and in France's strategy, because Nigeria is a land of promise and opportunity, as Africa's leading economic power and most populous country.

Mr. Riestler said that France and Nigeria shared many strategic interests, the stability of the Sahel region and the safety of maritime trade routes of the Gulf of Guinea being two important examples. The two countries were committed to deepening their cooperation on these subjects. Just as an illustration, last week, the Nigerian Navy had participated in the exercise Grand

African Nemo, organized by the French Navy. This successful operation underscored the great cooperation potential between both Navies.

Mr. Riester underlined the excellent and growing economic collaboration between France and Nigeria by highlighting a few examples. France, through France Agency for Development (AFD) mainly, is Nigeria's second financial bilateral partner after China, with around 3 Billion Euros of loans to the federal government. Nigeria is also France's number one trading partner on the continent and a very strategic one in the oil and gas sector, since more than 10% of our gas supply comes directly from Nigeria. More than 100 French companies are present in Nigeria whereas almost 20% of French Foreign Direct Investment in sub-Saharan Africa are in Nigeria. In 2019, the France FDI in Nigeria reached the very impressive amount of 9.7 billion Euros.

Mr. Riester also highlighted the longstanding and intense cultural, academic and scientific relations between France and Nigeria, noting that France has eleven cultural centres throughout Nigeria, all dedicated to promote the ties between the two countries. France is also a great supporter of the incredibly vibrant cultural creativity of the Nigerian people, as witnessed for instance during the recent Africa 2020 season. He noted, nonetheless, that trade relations between both countries remain below its true potential. He believed that there much to build together to give bilateral trade a new impetus. Nigerian people's entrepreneurial spirit is also well known, and certainly the most dynamic among their peers in Africa. In this context, he explained how France and its companies contributing to Nigeria's growth. Drawing on his impression during his visit to Nigeria in April, 2021, he acknowledged that Nigeria is a resilient country in which there is a thriving French business community of over 100 companies. French companies are in Nigeria to stay.

Mr. Riester said that "diversification" and "backward integration investments" are not just words for the Nigerian government. They are the backbone of Nigeria's economic strategy. Both French authorities and companies are committed to supporting Nigeria's ambition of turning into a strong industrial country, less dependent on oil and gas, less dependent as well on imports. This is why the French Agency for Development has invested over the last 10 years in multiple sectors such as infrastructure, transports, energy, creative industries, and sport. And this is also why the French Treasury has decided to allocate to Nigerian government a loan of more than EURO 50 Million, which will be the first for the Treasury since 1990 and the first ever French loan in the healthcare sector in Nigeria.

Mr. Riester explained that despite these very promising initiatives, two conditions have yet to be met in order for France to play an even more active role in Nigeria's economic growth and development. First, French companies need Nigeria's government support in realising a predictable and stable business environment for their activities. This entails clear regulations in taxation, customs, import rules and a channel for dialogue with the government. Second, to contribute to a win-win economic partnership with Nigeria, it is important to foster the dialogue between the private sectors of both countries. This was at the heart of the initiative taken by President Macron to create a France-Nigeria business council 3 years ago. It was also the major focus of the New Africa-France Summit held in Montpellier in October, 2021. This dialogue is now up and running, and, together with Chairman Abdul Samad Rabiou of BUA group, I presided

over the last meeting held in June 2021 in Versailles, where CEOs from both countries gathered. He expressed the hope that International Partnership Forum will help to strengthen the economic relations between both countries.

Message by Alhaji Abdul Samad RABIU, Chairman, France-Nigeria Business Council

In his statement, Mr. Rabiu said that he Nigeria Partnership Forum was a timely project and most welcome development – especially for Nigeria and the rest of Africa, considering the increasing global economic uncertainty and challenges caused by the pandemic.

Mr. Rabiu emphasised the importance of a tripartite partnership among Africa’s private sector, governments and finance institutions to fast-track growth and development in Nigeria and the rest of Africa, noting that such a partnership model would help identify sustainable solutions to infrastructure, climate and industrialization issues. Despite the challenges from the global COVID-19 pandemic, African governments must work with private sector across board to develop sustainable policies to aid investments and innovation while financial institutions must move with the times and come up with more innovative approaches to support growth on the continent.

Mr. Rabiu noted that numerous opportunities for global partnerships exist across Nigeria and Africa. Key amongst this is in the infrastructure space. By increasing our investments in infrastructure, creating access between borders, encouraging the free movement of goods and services under the AfCFTA, and opening up the continent, it is expected that supply chains will become more efficient, trade would be bolstered, new industries and industrial bases will emerge while intra-African integration would be enhanced. All of these will ensure that Nigerians and Africans will be better off.

Mr. Rabiu believed that conversations at this important forum will touch on this topic while also challenging our approach towards the future of Nigeria and the African continent. We can all agree that there are challenges but while they may appear numerous, we cannot give up or choose to remain docile in our bid to accelerate development and innovation.

Mr. Rabiu hoped that our financial institutions must move with the times and come up with more innovative approaches to supporting growth on the continent. Governments, on their own part, must work across board to develop sustainable policies that will aid investments and innovation. As investors, we must be willing to share expertise and our experiences with regulators, finance institutions and governments. This will ensure that we can easily replicate what is working and improve upon what is not working. We need to identify quick wins and long-term solutions to the issues of poverty, economic stability, climate, and industrialization and work together in

ensuring that future generations can compete effectively in the global world order. That is our responsibility.

Mr. Rabiu pledged the support of the France-Nigeria Business Council to support both countries' efforts in strengthening the partnerships between the governments and private sectors.

Keynote Address by H.E. President Muhammadu BUHARI, President of the Federal Republic of Nigeria

In his keynote address, President Buhari noted that France-Nigeria relations were currently at their best. His administration has capitalized on the strong political and economic ties between countries to deepen trade relations, making Nigeria as France's biggest trading partner in Sub-Saharan Africa. He believed that the robust bilateral engagement fitted into France's plan to re-set and re-balance its foreign policy framework for sustainable and mutually beneficial partnership.

President Buhari referred to his recent trips to attend the 26th session of the Conference of Parties **COP 26** [to the United Nations Framework Convention on Climate Change] in Glasgow, United Kingdom, and the 5th edition of the Future Investment Initiative Summit in Riyadh, Saudi Arabia. At both meetings, he had called for enhanced international cooperation to tackle the challenges triggered by COVID-19 pandemic and regretted the absence of a viable global plan to address the pandemic. He emphasized that investing in humanity is investing in our collective survival. This has prompted Nigeria to incorporate the public-private partnership model in its recovery plan from the COVID-19 pandemic, in order to attract private sector participation in the financing and operations of critical economic and social infrastructure.

President Buhari highlighted the efforts of his administration in combating the COVID-19 pandemic and indicated that the lessons drawn from that experience has prompted the Federal Government to re-double its efforts to mitigate its socio-economic impacts, in particular by increasing investments in capacity building, health, infrastructure, women empowerment, climate change and food security.

President Buhari underlined the importance of security to national development and, in this regard, indicated that the implementation of the Nigeria's updated National Security Strategy in 2019 has contributed to the progress that the government has made in fighting insurgents in the North East of the country. He said that working with international partners, Nigeria was addressing the root causes of crimes and taking measures to prevent and counter violent extremism. Alongside promoting security, the government was also making significant investments in infrastructure, especially in railways, seaports, housing, renewable energy and many other areas attractive to foreign investors. Institutions such as the Nigeria Sovereign Investment Authority and the recently created Infrastructure Corporation of Nigeria are facilitating and supporting investments into the country.

President Buhari referred to the efforts of Nigeria in attracting investment to several sectors of the economy. The government has provided opportunities in the mining sector by simplifying the licensing procedures. To encourage growth in the digital sector, the fastest growing sector in the economy in 2020 and 2021, the government has approved the national policy on the Fifth Generation (5G) network. Nigeria also recently launched the E-Naira, the electronic version of the national currency, which when fully operational, will boost the financial technology (fin-tech) industry in Nigeria, improve efficiency in the banking sector, and strengthen the government's capacity to combat illicit financial flows. The Petroleum Industry Act (signed in August, 2021) will have a liberalizing effect on the oil and gas sector and provide more opportunities for investment in that sector. In the agriculture sector, the Anchor Borrowers Programme for farmers has resulted in the increase in the rice mills in Nigeria from ten in 2014 to forty today. The country has also increased the number of fertilizer plants from less than five in 2014 to more than forty-six today.

President Buhari reiterated the commitment of Nigeria to reducing and ultimately eliminating the various obstacles to retention of Foreign Direct Investment in Nigeria by promoting investment-friendly policies backed by rule of law and enhancing public security. He said that Nigeria was open for partnership and cooperation and invited the French business community to take advantage of the vast investment opportunities in Africa's largest economy, assuring them of the need to stand together in the partnership journey for our [Nigeria-France] mutual interest.

III. THEME OF SESSION: COMBATING PERSISTENT AND EMERGING THREATS TO NATIONAL SECURITY AND REGIONAL STABILITY

There could be no development without peace, and no durable peace without development. Goal 16 of the Sustainable Development Goals recognises that peace, justice and inclusive institutions are essential to sustainable development. Moreover, Nigeria's updated National Security Strategy of 2019, referenced by President Buhari in his statement, identified a plethora of threats to Nigeria's national security, including terrorism and violent extremism; armed banditry, kidnapping; militancy and separatists agitations; pastoralists and farmers conflicts; transnational organised crime; piracy and sea robbery; porous borders; cybercrimes and technology challenges; socio-political threats (electoral malpractices, and demographic surge, in particular youth bulge); fake news and hate speech; environmental threats; and public health and economic challenges

These daunting arrays of threats have to be addressed to create an enabling environment for business to flourish, inasmuch as security is needed to attract and retain investment, investment is needed for growth, and growth is required to achieve sustainable development. The recognition of the inextricable linkage between security, investment and development informed the decision to devote a session to combating persistent and emerging threats in national security and regional stability. The speakers at the session presented their perspectives on issues of

security, governance, nation building and regional cooperation on peace, security and development.

Presentations by Panelists

Babagana MONGUNO, National Security Adviser, Nigeria, drew extensively in his presentation, on Nigeria's National Security Strategy 2019, articulated under President Buhari's administration, and highlighted the experience garnered in tackling the various security challenges identified in the strategy. He noted that African countries faced several threats to national security and regional stability.

Rapid population growth was putting tremendous pressure on states to compete for energy, water and food resources to support life, economic and social development. The growing cyber awakening in which perceptions of inequality and other grievances are magnified, leading to tensions and continuation. A continuation of ideological extremism driven by religious or ethnic differences. Climate change that could prompt shift in agricultural patterns and food production likely to trigger humanitarian crisis. All these global security challenges have the potential to undermine national security and, by implication, national development. The African continent is not immune to these global security threats. This is because most of the regional contemporary security problems are influenced or heightened by external threats in the global environment. Currently, Nigeria is faced with a series of security threats, the most serious being transnational terrorism perpetrated by the Islamic State for West Africa Province and Boko Haram terrorists – a bunch of psychopathic and drug addicted criminals.

Some of the most persistent and emerging threats to national security and regional stability, however, include terrorism and violent extremism; transnational organised crime; climatic change, cybercrimes; public health challenges; porous borders; piracy and sea-robbery; fake news and hate speech; and separatists' agitations. Undoubtedly, these security challenges pose varying degrees of threats to Nigeria and the rest of Africa. The efforts of Nigeria in combating these threats are briefly outlined below.

The threats of terrorism and violent extremism have continued to place a significant burden on Africa, particularly in the Sahel. Apart from Somalia in the Horn, the most prominent acts of terrorism have been perpetrated in the West African region, in particular in Mali and Nigeria. The splintering of Boko Haram terrorist group into the Islamic State of West Africa Province (ISWAP) created an additional stress on Nigeria and the Lake Chad Basin countries. Nonetheless, the comprehensive approach employed under the direct supervision of President Buhari in the country's counter-terrorism operation, since 2015 have continued to significantly degrading the threats.

In recent months, there have been an endless wave of surrender by the terrorists and their sympathisers in the Northeast of Nigeria. Currently over 15, 000 people have been received. The

combination of kinetic and non-kinetic measures largely contributed to this wave of mass surrender. The situation has prompted large scale humanitarian activities to rehabilitate the returnees by expanding the existing Operation Safe Corridor for de-radicalization and reintegration of the ex-combatants into society. The support of Nigeria's neighbours-- Cameroon, Chad, Niger -- under the framework of the Multinational Joint Task Force (MNJTF) consisting of and Nigeria has been very instrumental in the fight against terrorism. Their determination and commitment have been re-assuring. On behalf President Buhari, tribute was paid to the late President of Chad, Marshall Idris Deby Itnu for his selfless, leadership, perseverance and commitment to regional security and in the fight against terrorism, for which he lost his life.

Nigeria has also strengthened international collaboration with France, United Kingdom and the United States of America under the P-3 Partnership Platform. UNICEF and several non-governmental organisations contributed immensely to the improvement of the security situation in the region. Nigeria has also greatly benefited from the support of King Abdullah bin Hussein of the Hashemite Kingdom of Jordan since 2015. His Majesty's support has included giving Nigeria the opportunity to gain from the shared experiences of Jordan in adopting non-kinetic measures similar to the Amman Message as well as the yearly participation in the Aqaba Process a robust and deeply thought-out engagement for countries afflicted by 21st Century security concerns.

Meanwhile, Nigeria's National Counter Terrorism Strategy of 2016 and Policy Framework and the Action Plan Against Preventing and Countering Violent Extremism of 2017 serve as the policy documents to guide the country's counter-terrorism efforts. Therefore, Nigeria shall continue to strengthen regional and international partnerships in tackling terrorism in order to create a more secure regional environment.

Transnational Organised Crimes, such as illicit financial flows, money laundering and small arms and light weapons (SALW) pose major security challenges in the region. While illicit financial flows are a serious concern due to its links to terrorism and other transnational crimes, the proliferation of small and light weapons has been a major challenge facilitated by porosity of borders. As part of the effort to address SALW, Nigeria recently established a National Centre for the Control of SALW in the Office of the National Security Adviser to serve as the institutional framework as well as complement other efforts. In addition, the Central Bank of Nigeria, the Economic and Financial Crimes Commission, the National Financial Intelligence Unit, Interpol and other international agencies are effectively monitoring and tracking illicit financial flows.

The effects of climate change associated with global warming have continued to generate environmental challenges such as desertification, floods and by extension food insecurity in the region. In addition, this is mainly responsible for the shrinking of Lake Chad as well as grazing reserves. This irregularity in temperature has caused the lands to deteriorate thereby negatively affecting the growth of crops while livestock struggle to find water and crops to fail. This in turn has generated conflicts between the nomadic herdsmen and farmers over competition for grazing and framing areas. Nonetheless, Nigeria is making all efforts at mitigating the effects of climate

change through effective environmental policies and international initiatives such as the United Nations Framework Convention on Climate Change (UNFCCC). Nigeria's commitment to UNFCCC is evident by its participation at COP26. Nigeria is also exploring measures to re-charge Lake Chad from River Congo in order to mitigate the effects

The cyber space has become the medium of perpetrating cyber threats globally. The major areas of cyber threats, with significant capability to cause much damage to the national security and the economy, include cybercrime, cyber espionage and cyber terrorism. Africa and indeed the Sahel continue to witness varying degrees of cyber crimes due largely to modernization and technological advancement of the financial industry. Similarly, Nigeria's rapid technological development implies there is more reliance on information and communication technologies and networked capability in quest of national development, thereby creating vulnerabilities to cyber-attacks. Given the use of block chain technologies in the management of crypto currencies and digital money, such as the recently launched E-Naira, the risks of attacks are real and must adequately prepare for them. The promulgation of the Cyber Act of 2015, as the legal framework for cyber security in Nigeria, codifies criminal activities in the cyber space. As part of the provisions of the Act, there the protection of critical national information infrastructure and the operationalisation of the National Computer Emergency Response Team (NG-CERT) are a central to the country's readiness to secure the cyber space. Furthermore, the recently reviewed and launched National Cyber Policy and Strategy of 2021 is aimed at addressing emerging threats in the cyber space, foster international cooperation in cyber security, as part of on-gong efforts to achieve national economic development and promote national security.

The global impact of health challenges has never been so pronounced as with the emergence of COVID-19 pandemic. However, Nigeria's prompt and robust response to Ebola outbreak in 2014, which remain as a hallmark of public health emergency in the world, serves as a basis for the country's level of preparedness and response. Although the Sahel and Nigeria, compared to the rest of the world, have fared well regarding COVID-19 statistics, the inherent challenge is the slow pace of vaccination. As the world reopens and relaxes travel restrictions, new vaccine protocols may restrict unvaccinated persons. This may cause exclusion with attendant security and development implications. Therefore, African countries will need international support to shore up its level of vaccination in the region in order to develop the desired resilience against the virus as well as benefit from international travel protocols regarding vaccinations.

Africa's porous borders remain a major source of concern, as this has aided the smuggling of prohibited items and irregular and other transnational crimes. The issue of human trafficking features prominently among these crimes. Nigeria's extensive land and maritime borders are porous and badly manned. This has placed added responsibility on Nigeria's border security agencies. In this regard, the Nigerian Customs has launched the E-Customs, while the Nigerian Immigration Service has introduced the Integrated Border System. Both strategies place a premium on employing technology to complement other existing physical border security arrangements. As part of the efforts to strengthen border security, a Tripartite Joint Patrol Team comprising Nigeria, Niger and Benin was recently established to curb the scale of transborder

prohibited items and irregular migration across borders. This has greatly reduced the scale of transnational organised crimes. Nigeria is also exploring the possibility of establishing a Border Security Force to secure Nigeria's border areas.

Combating piracy and sea-robbery is of crucial importance to Africa. Gulf of Guinea, The Gulf of Guinea has been identified as a dangerous sea route for merchants, oil tankers and fishing vessels due to the threats of piracy. This important route for sea-trade has been plagued by maritime insecurity in the last two decades. The frequency of the incidents has resulted in the negative global assessment of maritime concerns. The Nigerian Navy, in collaboration with other maritime security agencies has significantly curbed the scale of piracy and sea-robbery in the Gulf of Guinea, largely due its naval operations which have sustained aggressive patrols, including leveraging maritime domains awareness assets, namely Falcon Eye and Maritime Awareness Capability. These assets have facilitated the interception of maritime criminal activities and improved security for sea-borne commerce. This is complemented by the Harmonised Operation Procedures for arrest, detention and prosecution persons and vessels in Nigerian maritime environment. As a result, there was no case of piracy and sea-robbery in the third quarter of 2021, compared to three incidents in the second quarter of 2021. The International Maritime Bureau Global Piracy Report released 14 July 2021 noted the Gulf of Guinea witnessed, in 2021, indicated the lowest number of armed attacks against ships and piracy in 27 years. This report was corroborated the Defense Web in its report on Maritime Security of 15 October, 2021 which noted major decline in attacks on against ships. The Nigeria Navy has been conducting sea exercises and drills with regional and international partners, particularly the United States of America and the United Kingdom and other countries in the region, to ensure security of Nigerian maritime environment

The threat of fake news and hate speech has emerged as a significant global and regional concern. Fake news spread quickly, due to its mode of propagation, thus constituting a threat to national security, particularly, when used to incite conflict or violence. In Nigeria, these twin problems-- of fake news and hate speech – have become ready tools of mischievous persons to disrupt social cohesion and mislead the populace, especially during electioneering activities and conflicts. As part of a communication strategy, the Office of the National Security Adviser, in collaboration with the Federal Ministry of Information and Culture and The National Orientation Agency, has employed appropriate strategies to address the propagation of fake news and hate speech to create insecurity in the country. Separatists' agitations in some parts of the region continue to gain global attention due international sympathy. For example, the activities of IPOB in Nigeria and Ambazonia in Cameroon have attracted sympathies mainly from the sympathisers in the Diaspora. Nigeria has never prevented the freedom of expression or peaceful agitations. However, violent confrontations and engagements with security forces usually The National Orientation Agency, the Ministry of Information and the translate to fatalities and other grave consequences. While it will continue to use dialogue as the main medium for resolving disputes, Nigeria remains committed to discharging its responsibilities of protecting the lives and property of Nigerians from the criminal acts of by IPOB and other separatist groups. Nigeria has shown the capacity to tackle its domestic challenges and acting in concert within the African Union and ECOWAS. The Buhari administration has demonstrated the capacity to tackle the tripod of

challenges it promised at its inception: security, growing the economy, and combating corruption.

Babagana KINGIBE, Nigeria's Special Envoy to the Lake Chad Basin Commission, said that nation-building and the search for security, stability and prosperity have been at the heart of the African experience since independence. The task of each generation is to tackle the persistent challenges, while managing the new and emerging threats to national security and regional stability. Among the persistent challenges, he listed environmental degradation, population growth, and integrity deficit of leadership. New threats included the rise in international criminal and terror networks. The recent pace of technological change has brought hope and fear in equal measure. COVID-19 pandemic has highlighted a different kind of challenge that requires collective action.

Nigeria's experience in nation building mirrors that of many countries in Africa, marked by unresolved tensions from the colonial era, casting a difficult shadow over independence. In the 1960s, Nigeria fought a brutal civil war to keep the country together. After Nigeria emerged from that conflict, it used its wealth and influence to support justice and freedom in southern Africa - just as we continue today to support democracy and the rule of law across Africa. Nigeria has also come to appreciate that regional organizations are at their best when they rally to common causes. They are weakened, in their capacity for collective action, when leaders put personal ambition above due process and the constitutional order.

In the 1990s, the end of the Cold War saw diminished strategic interest by the developed countries in the continent. This led to the collapse of several one-party states, the rise of multiparty democracy, and the end of proxy wars in Africa. Nigeria understood the destabilizing impact of the vacuum created by the waning of international interest in Africa. This prompted Nigeria to lead multinational efforts to restore the constitutional process which collapsed in Liberia and Sierra Leone. Collective diplomatic - and, where necessary - military action remain at the foundation of Nigeria's regional security architecture.

The new century has thrown into sharp relief new risk factors such as violent extremism, organized crime and pandemics. But it has also witnessed the emergence of new technologies, exemplified in mobile communications in the 1990s, which has heralded an unprecedented boost to inclusivity and democracy, as well as opening up economic opportunity and new investments. The newer technologies foreshadow even more radical change: at its best, it offers the potential for innovation, including helping to enfranchise an emerging generation; and it worst, allows extremists hitherto on the fringes to come into the mainstream, wreak havoc on the integrity of institutions such elections, and give new advantages to disruptive forces.

Prosperity and closing the gap between rich and poor remain the most effective guarantee for peace and security. In this respect, Africa's progress has been remarkable. Many African countries experienced some of the highest GDP growth rates in the world. An emerging middle class was on the rise. The continent became an increasingly attractive investment destination. This economic pace was complemented with the launch of the AU's Africa Continental Free

Trade Area in 2019. This created the largest free trade area in the world, connecting 1.3 billion people. Then suddenly, the COVID-19 pandemic slammed the breaks and everything changed. Its adverse impacts have been on all fronts; health, socio-economic, political and security. Millions of people in Africa and the world lost their lives, and their livelihoods. Sadly, even the preventive and mitigation measures taken by countries globally, including in Africa, such as lockdowns, quarantines and travel bans, resulted in more economic hardships, uncertainties and vulnerabilities. Many countries went into recession. Urgent measures needed to be taken to forestall the potential for social unrest in some of the vulnerable African states. But our response to the COVID pandemic is also an African success story. It also speaks more broadly to the lessons for security that have been learnt along what has been a long and sometimes difficult journey.

International perception of Africa, including Nigeria, in the last 20 years have been through the lens of insecurity. African governments and businesses can show they are serious about peace and security by assigning a top priority to understanding and assisting the emerging tech ‘Start-Ups’. Nigeria is fast becoming a global capital of FinTech. A Nigerian Fin-tech start-up, Flutterwave, was recently valued at US\$ 1 billion. Many other Start-Ups are poised to emerge from incubation. We should harness this creative energy of our youths as a catalyst for propelling Africa out of poverty and insecurity. Technology is a great equalizer. It is already re-channeling the restiveness and exuberance of our youths into a productive, enterprising generation, with the “can do” spirit. This is the Africa that is now emerging, and it is time the international community pays serious attention. Africa has consistently shown the ideas and the courage to meet the ever-changing nature of the security challenges we face. He expressed confidence optimism that Africa shall continue to do so in the future

Isa Ali PATAMI, Honourable Minister of Communications and Digital Economy, Nigeria, explained the growing importance of digital technology in every economy, highlighted the threats posed by use of digital technology, and the efforts being made the federal government of Nigeria to address many of those challenges. About 3.5 billion people around the world are in cyber-space. This exposes every person online to the risks of cyber-attack and cybercrime because cyber criminals need no passport, visa or immigration background check to launch attack from any part of the world.

The degree of that risk was highlighted in a Hewlett Packer report, published some time ago, which showed that a new malware is released into cyber-space every 4.2 seconds. The nefarious activities of cyber criminals have also been displayed by the ease with which they have hijacked oil pipelines and health systems in some countries. Moreover, Accenture, the strategy and consulting firm, has estimated that the world could lose about \$5.2 trillion annually due to cyber-attacks, that is the equivalent of 173 percent of the GDP of all African countries. Cyber-attacks, therefore, represent a major global threat to economic prosperity and security.

Nigeria, as the geographic and economic centre of Africa, presents huge opportunities for investment in the information and communication technologies sector. Nigeria is the gateway to

the West Africa and lies in close proximity to the Central Africa region. The West Africa and Central African regions have a population of 550million. Any technology investor in Nigeria automatically has access to this large market. Youth are the “digital natives” and the population of Nigeria is heavily skewed towards the youth. Nigeria has the fourth largest youth population in the world.

In the past five years, the federal government of Nigeria has launched several initiatives to protect Nigerians in the cyber-space, while expanding the opportunities to deliver online services safely to its citizens. Nigeria has introduced the National Identity Number (NIN), similar to the Social Security number in the United States of America, the National Identity in France, and the National Insurance Number in the United Kingdom. NIN is now a prerequisite for obtaining such government services/cards as Drivers’ License, national passport and the Bank Verification Number. Over 67 million have already obtained NIN.

Nigeria has also launched a National Digital Economy Policy which has eight pillars. Pillar 6 relates to promoting cybersecurity of Nigerians. The work in that pillar has included cleaning the database for mobile communications, removed improperly registered or non-registered users from the GSM registries. Also, as part of the work in that pillar, the federal government has established Cyber Security Team and Cyber Response Team, and promulgated Data Protection Regulation as well as created the National Centre for Artificial Intelligence and Robotics which is entrusted the task of forecasting trends in cyber activities and promoting cyber innovation solutions. The efforts of the federal government in promoting cyber security in support of economic prosperity is consistent with the provisions of section14 (1) 2b of the 1999 Amended Constitution which states that “the security and welfare of the people shall be the primary purpose of government”.

Bankole ADEOYE, AU Commissioner for Political Affairs, Peace and Security, explained the changing dynamics of regional security in response to the persistent threats, noting that contemporary threats to peace and security cannot be localized. There is need to recognize that the issues of bad governance, exclusion, mismanagement of diversity, corruption, violent extremism, terrorism, and the negative effects of climate change are not necessarily limited to any one region or even one continent. They may be amplified in certain contexts much more than others, but they are not peculiar to any one region or continent. Available evidence points to increased terrorist tacks on the continent. During the first half of 2021, 950 terrorist attacks were recorded, in Africa, 83 more cases than the same period in 2020. Even though there was an increase in violence, there was a decline in terrorism-related deaths within the period. Whereas 4,558 deaths were recorded from January-June 2020, the same period in 2021 recorded 3,883 deaths.

Africa has witnessed the rapid spread of terrorist activities from the Sahel region to the coastal states of West Africa, sustained attacks in East Africa and recently emerged in Southern Africa. The multifaceted nature of the threat posed by terrorism calls for effective multilateralism. The African Union has supported the formation of coalitions of the willing to counter terrorism and

violent extremism. Nigeria plays a vital role both at the sub-regional and continental level. At the sub-regional level, mainly through ECOWAS, it continues to play very active roles in the security governance of West Africa including through launch of regional actions in cases of crisis; develop normative frameworks for security governance; and to promote conflict prevention measures and democracy.

Nigeria has also provided funding for sub-regional coalitions towards providing security with the recent contribution of USD 100 million to the counter-terrorism fund. Nigeria has supported the continental effort in other ways as well, including deployment to peace-keeping and peace support operations since the 1960s, including contemporaneously the Multinational Joint Task Force in the Lake Chad Basin. Nigeria remains fully engaged and committed to the Africa Peace and Security Architecture (APSA). It has contributed to African missions like the AU Mission in Sudan (AMIS), AU Mission to Somalia (AMISOM) and although never deployed, Nigeria initially committed troops to the AU Mission in Burundi (AMIB). Nigeria, has also taken the lead in supporting the creation of a permanent ECOWAS Standby Force (ESF), a raid response and multidimensional team, which is in the process of being fully implemented as part of the African Standby Force (ASF) mandated within APSA.

Nigeria has a long and distinguished record of mediating several border disputes between African countries and most recently contributed to that effort within the framework of the ECOWAS Mediation and Security Council. Nigeria has also contribution to promotion of peace and development in Africa by supporting the fight against cross border crimes and transnational organised crimes and combating the proliferation of Small Arms and Light Weapons; by support for consolidating democracy through its financial assistance to contribute to the Electoral Assistance Trust Fund at the African Union; offering training support for African militaries through its Nigerian Army Training Assistance (NATAG); and advancing regional economic integration in particular through support to sub-regional infrastructure including road, rail (the Lagos/Accra line, with a future plan to connect Abidjan and Dakar), shipping (ECOMARINE project), airline (ECOAIR project), power (the West African Power Grid Project) among others.

The African Union is committed to inclusive and collective African approaches in its work in peace and development. AU is collaborating to build stronger synergy with Nigeria and other worthy partners towards a secured region and Africa as a whole. The AU Commission is also poised to develop and integrate counter-terrorism modules in pre-deployment training for Peace Support Operations (PSOs) taking into cognizance the specific needs and priorities of Member States in building resilience to insecurity. The economic outlook of Africa is promising. Despite emerging persistent threats to regional peace and security, the AU Member-States have continued to show resilience stepping up necessary measures. These efforts should provide a modicum of assurance to foreign investors of the safety of their investment in Africa

Cheikh Tidiane GADIO, President, Institute for Pan-African Strategies, Dakar, lauded the initiative in holding the first edition of the NIPF in Paris, the capital of the Francophonie. Africans are first and foremost Africans before they were made to wear the tags of

anglophone, francophone and lusophone. Africa has progressed passed the competition and rivalries of the beginning of the new millennium between the big guys of the African continent:

After the launch of the African Union and the NEPAD, Nigeria has emerged as the undisputed leader of the African continent. This new status of brings first and foremost huge responsibility and moral obligations on the shoulders of the Federal Republic of Nigeria. This has prompted many Pan-Africanist to ask the question : Is Nigeria going to be up to the challenge, up to the task or is Nigeria going to be scared to sit on the driver's seat and lead Africa to a new era of pride, economic recovery, implementation of political unity, common currency, new common defense and security policies, common diplomacy (including an immediate permanent seat at the united security council with veto rights, seat to be occupied by Nigeria with an African union mandate while awaiting the united nation reforms started 20 years ago?

In terms of a new common defense and security policies, there is no more task for Africa than putting together an extraordinary military force to combat and defeat the terrorist offensive in our land. Like a vicious cancer they have spread now from North Africa, to the Sahara/Sahel regions, Lake Chad Basin, Somalia, Kenya, Uganda, Northern Nigeria, Northern Cameroon, Eastern Democratic Republic of Congo, Northern Mozambique and they plan to move to the coastal countries of West Africa such as Benin, Côte D 'Ivoire or Senegal. Harking back to Kwame Nkrumah advocacy for a continental army, Nigeria should help out together a Regional Military Force of 1 million out of the region's 1.3 billion people. Out of which 100,000 should constitute a special force highly trained in counter-terrorism, intelligence and counter-insurgency operations to lead the fight against the terrorists which are bent in taking over Africa's countries.

The G-5 Sahel Joint Task Force consisting of Burkina Faso, Chad, Mali, Niger and Mauritania was formed in 2017 as military cooperative effort to fight terrorism. But the G5 ought to have included Algeria, Cameroon, Cote D'Ivoire, Morocco, Nigeria and Senegal at its inception. These eleven countries will not beg for funding of their urgent military operations.

The Institute of Pan-African Strategies has always advocated for the international community and the UN Security Council to help fund, under Chapter 7, Africa's counter-offensive aimed at stopping the deadly terrorist attacks against our innocent civilian populations and the devastation of several regions of the continent where 1000 schools are closed in some areas, rural farmers are executed when found working in their fields, millions of displaced, women are suffering all kinds of aggressions, and our youth are more and more hopeless.

At the same time, the private sector in African should contribute to the war effort against the huge terrorist threat in the continent. Today, terrorism poses an existential threat to Africa, in particular to its growth and development. Defeating terrorism is the most important challenge facing the region and Nigeria should commit to leading that effort in order to achieve a prosperous and peaceful Africa.

Interactive Session

Two questions and one comment dominated this interactive session. First, why does it take investors so much time to connect with the right people (in government) who can help facilitate investment transactions? Second, what is the federal government doing to overcome the barriers placed in the way of Nigerians abroad in obtaining the NIN? The comment was that contrary, to the rosy picture of Nigeria's leadership role in Africa, it may have not displayed the qualities of a regional leader.

It was acknowledged that there are challenges in doing business in Nigeria, but the progress in overcoming them is illustrated by the significant improvement in Nigeria's ranking in the Ease of Doing Report, where it jumped by 15 places from 146 in 2019 to 131 in 2020 worldwide. This mainly due to such as actions as granting tax holidays in fifty lines of business, improving processing of visa, in particular being to obtain vis at the airport on arrival, and online registration of businesses. A few years ago, there were 1,600 centres for processing NIN, today there are over 6,000 such centres, with two in most foreign countries, including France.

In so far as Nigeria's role in African affairs is concerned, successive governments have provided leadership in within ECOWAS and African Union. More importantly, Nigeria has made tremendous progress in combating terrorism and maritime insecurity – essential prerequisites for a peaceful, stable and prosperous country needed for regional leadership. In the last six months, many terrorists have surrendered, largely the result of kinetic and non-kinetic measures. The Naval programmes, Falcon Eye and Domain Awareness, have played important roles in improving maritime security. The security challenges of the 21st century are different from those in the 20th century in that the former cannot rely mainly on kinetic measures, a smart combination of both kinetic and non-kinetic actions are required to succeed.

IV. THEME OF SESSION: NIGERIA'S ECONOMIC OUTLOOK: RETHINKING INDUSTRIALISATION, DEVELOPMENT AND FINANCIAL INCLUSION IN NIGERIA

Nigeria has witnessed two recessions in the past six years – in 2016 and in 2020. In response to the first recession, the government articulated the Economic Recovery and Growth Plan (2017-2020) to restore growth and overcome many of the challenges associated with that recession. Though the growth performance during that period was below the annual average target of 4.62 percent, the implementation of the plan helped to push the economy on the right path. Then in 2020, the economy experienced another recession which was brought on by a combination of COVID-19 pandemic and a sharp fall in oil prices. In response to the second recession, the government adopted an Economic Sustainability Plan aimed at mitigating the adverse impacts of COVID-19 on the people, while enacting policy measures to exit the recession.

The IMF reported that Nigeria economy contracted by 1.8 percent in 2020, estimated to recover by 2.6 percent in 2021 and projected to grow by 2.7 percent in 2022. Meanwhile, Nigeria's

National Development Plan (2021-2025) -- which was under preparation at the time the NIPF in Paris was held and released in December, 2021 -- set a target of 4.7 percent annual growth over the plan period. The private sector, including foreign businesses, have ample opportunities to contribute to Nigeria's next stage of development, in particular through support for industrialisation and broader effort in development financing.

Presentations by Panelists

Godwin EMEFIELE, Governor, Central Bank of Nigeria, noted that prior to the outbreak of COVID-19 pandemic, the Nigerian economy had been on a positive growth trajectory, having witnessed twelve consecutive quarters of positive growth following the 2016/2017 recession. Prior to COVID-19 the GDP grew by 1.95 percent in the first quarter of 2018 rising to 2.55 percent in the fourth quarter of 2019. Inflation fell from 18.7 percent in the first quarter of January 2017 to 11.8 percent in the last quarter of 2019. Foreign Reserve hovered between \$48 - 50billion in the second quarter of 2018. An Investor and Exporters (I & E) Window in the foreign exchange market was created after the 2016/2017 recession and daily volume of transactions hovered between \$250-300million.

Then, the COVID-19 pandemic hit in the first quarter of 2020, which adversely impacted the global economy, leading to sharp fall in the price of oil, the major source of Nigeria's export income and government revenue. In April, 2020, the price of barrel of oil fell to \$20, well below its cost of production. Daily transactions in the I & E Window fell to \$50million. To mitigate the impact of the COVID-19 induced recession on Nigeria, the monetary and fiscal authorities enacted several short-and- medium term measures to overcome the loss of the means of livelihoods of the citizens. The Central Bank advised commercial banks to reduce interest rates from 9 percent to 5 percent, created targeted Credit Facility to support households, raising the allocation to that facility from N100billion to N300billion; created a Health Intervention Fund of N100billion to support pharmaceutical companies and health institutions to increase their output; and allocated N1trillion to companies in the manufacturing and agricultural sectors to support their production. The combination of these measures helped to boost consumption and investment expenditure and generated economic recovery in the order of 2.9 percent in 2021.

The recovery in 2021 provides the backdrop for positive economic outlook. The government projects economic growth of about 3 percent in 2021, with the IMF and the World Bank projecting real GDP growth of 2.6 percent and 2.4 percent respectively. Several factors are contributing to this positive outlook. Oil price is hovering above \$80 per barrel. The Economic Sustainability Plan launched to address the challenges of COVID-19 have contributed to rebuilding the manufacturing sector. The confidence in the business environment index which stood at 36.67 percent in the middle of 2021 is projected to rise to 57.6 percent in middle of 2022. Foreign reserves have risen to \$41billion, as a result the repatriation of dividends by foreign investors will become much easier.

Intensified efforts at diversification of the economy, especially by increasing agricultural output has been one the major priorities of the Buhari administration. A principal aim of that policy

orientation is to encourage Nigerians to eat what they produce, thereby also reduce pressure on foreign exchange. At the same time, in an effort revive the textiles industries which had become moribund over the years and also increase agricultural production, the government has made it easier to access long term loans – with ten years maturity and two years grace period--- at single digit interest rate. These policies have led to improvement in various facets of agriculture sector, while improving movement of agricultural products from farm to market.

Opportunities for foreign investment abound in many sectors of the Nigerian economy. In the gas sector, there is much scope to produce gas both for the domestic and foreign markets, in particular producing petrochemicals products such as propylene and propanthelene. Other sectors include refineries, transportation and logistics. The size of the Nigerian market, with a population projected to be 450million by 2050, speaks to its great potentials. Africa is the best frontier for investment and Nigeria, as Africa’s largest economy and most populous country, is the best place for investors to locate their production. With the coming into force of the Africa Continental Free Trade Area (AfCFTA), Nigeria is the best place for investors to be.

Mohammad M. ABUBAKAR, Honourable Minister of Agriculture and Rural Development, Nigeria. He explained that the federal government is committed to economic diversification away from the oil and gas sector, with both the Economic Growth and Recovery Plan and Economic Sustainability Plan placing a special emphasis on agriculture as an alternative to oil for revenue generation, job creation and food security. The national Agricultural Technology and Innovation Plan (NATIP) is designed to promote technology adaptation, research and innovation in agriculture, extension service delivery, funding, agriculture insurance, climate smart and organic agriculture, land productivity enhancement and creating an enabling environment for investment. As a result of federal government’s various initiatives, much progress has been made in the sector. In 2017, Nigeria ranked first in cassava and yam production, fourth in palm oil ; and fourteenth in maize production.

The Nigerian private sector has made significant investment in agriculture, encompassing fertilizer manufacturing, large scale rice production, mango processing, sugarcane planation, shrimps farming and inland fisheries aquaculture. As a result, Nigeria now have a wide range of exportable agricultural commodities. Nigeria earned over Naira 270 billion in 2020 from its top traded commodities, including sesame seeds, fermented cocoa beans, natural cocoa butter, cashew nuts, ginger, frozen shrimps, prawns and cotton. There are many areas of investment opportunities in the agriculture sector in Nigeria, These include production of farm inputs such as fertilisers; storage; processing; marketing, research and bio-fuel development (ethanol and biodiesel).To attract investors into agriculture, the federal government has enacted a wide-range of policies including agribusiness tax free; plant and equipment enjoy enhanced capital allowance of up to 50 percent; 100 percent tax free period of 5 years for projects in processing of agriculture produce; up to 75 percent guarantee for all loans granted by commercial banks for agricultural production; expatriate quota and resident permits; personal remittance quota for expatriate personnel; and zero percent duty on agricultural machinery and equipment.

There are also many practical considerations that should motivate investment in Nigeria’s agriculture sector. Notably, these include availability of arable land; favourable weather

conditions; well mapped out soil characteristics; supportive government policy; huge market, highly diversified agro-ecological conditions and broad scope for investment in transportation infrastructure. Looking ahead, the government is committed to enhancing the role of agriculture in the economy. It aims to double the rate of agriculture sector by increasing its contribution to the GDP; significantly reducing imports; facilitating food security, food safety, and quality nutrition; integrating agricultural commodity value chains into the broader supply chains of domestic and foreign industries, thus driving job growth and increasing the contribution of agriculture to wealth creation and economic growth.

Timipre SYLVA, Honourable Minister of State for Petroleum Resources, Nigeria, noted that Total Energies, France's largest energy was already investing in Nigeria's oil and gas sector. This was his first trip abroad after the COP26 in November, 2021 in Glasgow, United Kingdom and after the signing into law of the Petroleum Industry Act (PIA) on 16 August 2016. The focus of his presentation was to explain the key features of the PIA and explain the linkage between the PIA and the climate change commitments.

Twenty years elapsed between proposing the petroleum industry bill and its enactment into law in 2021. The Petroleum Industry Act is designed to overhaul the oil and gas sector and open up new opportunities for investment in that sector. The PIA has investor-friendly features. It has reduced the royalties and taxes in the oil industry, incentivized the growth of the mid-stream sector and would help to curb most of the problems that have plagued the relations between the oil companies and host communities. The Nigerian Liquefied Natural Gas company offers a striking example of a profitable mid-stream company operating in the country's oil and gas sector. Nigeria has 200 trillion cubic feet of proven gas reserve with an upside of 600 trillion cubic feet. Gas offers a pathway in the transition to the global climate change commitment of net-zero emission. By establishing Host Community Development Fund, the PIA would much to improve the relations between the oil companies and the host communities in the oil producing areas.

Nigeria's goal is to increase oil production from 2million to 4 million barrels per day, with a lot of room for further growth. The question that growth target raises is, why investment in oil and gas when the rest of the world is pushing ahead with decarbonization? Realism suggests that oil and gas will continue to an essential part of energy mix in the next 20-30 years. There is, therefore, no contradiction between net zero emissions commitment and investment in oil and gas in that time horizon. Indeed, oil producing countries like Nigeria, need the resources from oil and gas to support the diversification of their economies. Nigeria needs the financial resources from oil and gas to establish fertilisers plants to serve agriculture, manufacturing plants for petrochemicals, and electric power to meet the growing agricultural, commercial, industrial and residential needs. Oil and gas will continue to play a pivotal role in the Nigerian economy in the foreseeable future.

Zainab Shamsuna AHMED, Minister of Finance, Budget and National Planning, Nigeria (via Video). The theme of the Minister's presentation was review of the strategies that Nigeria

adopted to overcome the 2016 and 2020 recessions and Nigeria's economic outlook. The Nigerian economy is a strong and sustainable recovery mode following the 2016 and 2020 recessions, which had placed considerable strains on the country's economic performance. The 2020 COVID-19 pandemic induced recession had been more consequential than the 2016 recession, which was due largely to the sharp fall in oil prices in 2015-2016.

Nigeria's exit from the 2020 recession was driven largely by gradual recovery of the non-oil sector through the application of fiscal stimulus and selective use of fiscal policy to protect struggling businesses, while simultaneously growing revenues. The non-oil sector grew by 6.6 percent on year-on year basis, compensating for the deterioration in the oil sector in the order of 12.7 percent 2021 over the same period. The key sectors driving growth in the second quarter in 2021 included transportation, storage, trade, information technology, insurance, manufacturing, construction and real estate. Based on the growth of the service sector, the diversification of the Nigerian economy is real and the recovery has gained momentum and expect the economy to resurge.

While recovery remains fragility. However, through coordinated policy actions, including the implementation of the Economic Sustainability Plan, the passage of the 2020 and 2021 budgets, and their implementation helped to reduce the length and depth of the 2020 recession. Specifically, the federal government introduced key initiatives to mitigate the impact of COVID-19 pandemic recession, including the establishment of the N500 billion COVID-19 Crisis Intervention Fund; the creation of public work programmes to provide employment; credit support to households and industries, and several the monetary policy measures to aid small and medium enterprises. The financial act, which accompanies the annual federal budgets, has become an important instrument for effecting rapid and responsive fiscal policy change through legislative amendments. In the financial acts of 2019 and 2020, specific interventions were introduced to support private sector activities and these include tax exemption for SMEs and loans for xxxxxx[**not complete. Get the speech and add.**]

Olukayode PITAN, Managing Director/Chief Executive Officer, Bank of Industry, Nigeria, noted that Nigeria's population size is a great asset, offering a huge market for investment in any area. The coming into force of the Africa Continental Free Trade Area amplifies those investment opportunities, judging by the amount that African countries spend annually on importing good services. African countries current spend \$504billion on goods and \$162billion on services. As Africa's most populous country and largest economy, Nigeria has many areas that beacon for investment. These include opportunities in the sectors where Nigeria has huge deficits, a good example being the infrastructure. Nigeria needs \$100billion annually for investment in its infrastructure. This amount is equivalent to 189 percent of the federal government's 2021 budget. Price Waterhouse Cooper also estimates a financing gap of N617billion for the Small and Medium Enterprises (SMEs) sector, indicating much scope for financial investment in that sector.

The Bank of Industry (BOI) is 62 years old -- the oldest Development Finance Institution in Nigeria and an important policy bank, owned jointly by the Central Bank of Nigeria and the Ministry of Finance. BOI currently has a balance sheet of \$5billion. The BOI is well positioned to support all prospective investors in Nigeria. It can do so in three ways: (1) through subsidised lending [it lends at 8-9 percent, even though inflation currently hovers around 16 percent] and (2) by helping in filling financing gaps, taking advantage of its triple A rating by Fitch –the crediting agency. BOI had several successful bond sales in the international capital market. As a result, BOI is ready to support and partner with any prospective investors in Nigeria.

Lai MOHAMMED, Honourable Minister of Information and Culture, Nigeria, had as the theme of his presentation “*Exploiting Africa’s Largest Creative Industry*”. He explained that Nigeria is Africa’s media and entertainment capital, with huge television market, internet connection and movies production. Nigeria has 25.4 million TV households and is presently embarked on migrating from analogue to digital television – a process called Digital Switch Over (DSO). The DSO has many benefits: it will free up more spectrum for telecommunication companies, yielding revenue in the order \$2billion; create more TV channels; and encourage production of more content.

Nigeria’s 200 million population consists of about 100 million people in rural areas and 98 million people in urban areas. The 25.4 million households consist of 20million households in urban areas and 5.4 million households in rural areas. The DSO would be manufacturing of Set-Up Boxes, creating of Content and adoption of new technology, all of which would create jobs. Presently, the annual revenue from TV subscription stands at \$80million. The biggest revolution, however, will come in advertisement revenue which will rise from \$490million in 2020 to \$1.47billion annually—a threefold jump. Nigeria has Africa’s largest internet users (104million) social media users (33million).

Nigeria has huge growth potentials in the media and entertainment industry, which is projected to grow at annual rate of 12.1 percent. The beneficiaries of this growth will be the producers, writers, directors and content owners. Plans are underway to make these categories of stakeholders to take about n 80 percent of the earnings from the industry. Nollywood and Afrobeat are the pride of Nigeria’s movie and music industry. Nollywood produces about 2000 movies annually and its earnings from that sector will grow exponentially in the years ahead. Investment opportunities beacon in the entertainment sector industry in Nigeria.

Interactive Session

Several questions were asked and comments offered during this session. The questions included: What explains the phenomenal growth of Nigeria’s entertainment industry compared to other African countries? What is the state of negotiations between the Federal Government of Nigeria and Twitter over the latter’s ban in Nigeria? Given the convergence between the media and the information and communication technology, why the Ministry of Information not just sell the spectrum and use the money to fund its

activities? What risk mitigation strategies have been adopted by the Ministry of Agriculture and Rural Development in response to commitments made under UNFCCC? What are the opportunities for green investment and growth in Nigeria? Some banks and non-governmental organisations in the developed countries are advocating for ending financial investment in the fossil fuel industries, what is Nigerian government's view on that matter?

The thriving creative industry in Nigeria was attributed mainly to the ingenuity of individual Nigerian producers and actors and partly to supportive policies of the federal government. The government's support is highlighted in its initiative in 2012 to establish a Presidential Committee on the Digital Switch Over (DSO) – a process stimulated by the decision of the International Telecommunications Union (Geneva) in encouraging countries to migrate from analogue to digital TV in order to free up spectrum for telecommunications companies. To promote the DSO, the government licensed thirteen Set-Box companies, two Signal Distribution companies, and one Software Collator company. These entities were initially heavily subsidised. As a result of the DSO, multiple TV channels were created and which, in turn, led to the growth of content producers in movies and music industries.

Twitter was not banned in Nigeria, rather it was suspended. The reason for Twitter suspension had nothing to do with deletion of one of the tweets of President Buhari. Instead, Twitter suspension was because it had become a platform for propagating separatists' agitations in Nigeria. The correspondence between the federal government and Twitter have reached an advanced stage, with ten out of the twelve conditions having been met by Twitter. The few remaining issues will be resolved to the mutual benefit of both parties. [Nearly two months after the meeting in Paris, the federal government lifted the suspension of Twitter on 12 January, 2022].

The Ministry of Information and Culture does not have authority to sell spectrum. The power to sell spectrum is vested in the National Frequency Management Council (NFMC), which was created in the National Communications Act of 2003. NFMC is comprised of the National Communications Council (under the Ministry of Telecommunications and Digital Economy), National Broadcasting Commission (under the Ministry of Information and Culture), Office of National Security Adviser, Ministry of Aviation and Ministry of Science and Technology.

Climate mitigation measures in the agriculture sector in Nigeria are led by various research institutions. In particular, the research institutions under the Ministry of Agriculture and Rural Development are working on producing crops that are resistant to the adverse impact of climate change and the possibility of increasing crop yields. In parallel, and part of the effort to promote green growth, the Central Bank of Nigeria is extending financial support for increasing renewable sources of energy in the country's energy mix. In particular CBN is supporting investors who are engaged in the production of solar panels. The creation of the Infrastructure Corporation of Nigeria, which Board of Directors has been constituted, holds much promise in addressing the infrastructure deficits in Nigeria.

The Federal Government of Nigeria is not against the adoption of renewable energy, as part of the transition to net zero emissions. Indeed, President Buhari announced, at COP26 in Glasgow, Nigeria's commitment to net zero emissions by 2060. There are many pathways to clean energy

transition and these are not necessarily incompatible with the production and use of oil and gas in the short to medium term. Oil and gas will remain part of the energy mix in the foreseeable future. If oil and gas are prematurely eliminated from the world's energy mix, there is a very high risk that the world would suffer a major energy crisis.

V. THEME OF SESSION: CONVERSATION ON MAKING FINANCE WORK AND NIGERIA'S INVESTMENT CLIMATE AND MARKET

At a time when Nigeria's debt burden is on the rise, there is a growing recognition that non-debt creating financial flows (equity and portfolio investment) can play an important role in supporting the country's economic recovery and growth. The UNCTAD 2021 World Investment Report indicated that FDI flows to Nigeria were in the order of \$2.4bn in 2020, a slight improvement over \$2.3 bn in 2019. The rather paltry FDI flows to Nigeria, in recent years, are attributable to several factors, including, macro-economic instability, difficulty in repatriating dividends, inadequate infrastructure, growing insecurity, and tough business environment -- notwithstanding the improvement in Nigeria's ranking in the Ease of Doing Business.

This session brought together business leaders from Nigeria and head of a major government company (Nigeria National Petroleum Company Limited) and head of the AFREXIM Bank to dialogue with the French business community and, in so doing, highlight the opportunities for investment in Nigeria and explain the efforts to overcome challenges in the business environment.

Presentations by Panelists

Adesola ADEDUNTAN, Managing Director/Chief Executive Officer, First Bank Group of Nigeria, had as the theme of his presentation: *Scaling Up Business Financing and Nigeria's Industrial Competitiveness a Post-COVID World*. He provided an overview of the Nigerian economy, explained the supporting government regulation and policy reforms, outlined the features of the growing business financing in Nigeria, and highlighted the investment opportunities in Nigeria.

The Nigerian economy had many attractive features to both international and domestic investors. The country has largest economy and the most populous in Africa. Lagos, the commercial capital, is ranked as the best city for technology startups and is home to three Technology unicorns. There is strong collaboration between the public and private sectors. The government offers pioneer status incentives, zero import duties for import of agricultural equipment. Fueled by enabling government policy initiatives and reforms, the manufacturing sector is poised to drive the Industrialisation of the country, with the sector 's contribution having growing steadily to 9 percent. Leveraging advancement in technology to transform the economy, the information and communication technology has witnessed rapid growth, contributing 14.6 percent of GDP in 2020.

The government has implemented several initiatives and reforms to support the growth of the economy and an enabling environment for businesses to flourish. Notably these include the enactment of the Finance Act, the Companies and Allied Matters Act, and the Startup Bill as well as the adoption of the National Broad Band Plan. The cumulative impact of these policies has been the improvement of Nigeria's ranking in Ease of Doing Business, jumping from 146/190 in 2019 to 131/190 in 2020. The federal government has also established several government agencies dedicated to delivering business finance, such as the Bank of Agriculture, Bank of Industry, Development Bank of Nigeria, Nigeria Export and Import Bank, and Small and Medium Enterprises Development Agency SMEDAN). The Central Bank of Nigeria has also rolled massive development interventions to support agriculture, manufacturing and small and medium enterprises, namely, SME Credit Guarantee Scheme, Agri-business/SME Investment Scheme, and Targeted Credit Facilities. The Nigerian Investment Promotion Commission serves as a one-stop shop for meeting the needs of investors.

Potential investors have a surfeit of high impact and high growth areas that they can invest. These include health care and health technology; telecommunications. media and education; information technology software and platforms; agriculture, agro-allied and agro-processing; manufacturing; logistics and transportation. In addition, there are many key incentives for investors in the agriculture, industry and services sectors. Nigeria not only has a large internal market for good and services but also highly entrepreneurial population with an adaptive and innovative mindset.

Mele KYARI, Group Managing Director, Nigeria National Petroleum Company, Limited, had as the theme of his presentation: *Building Excellence for the Future of Nigeria's Petroleum Industry, Reforms, Results and Road Ahead.* The NIPF provided an opportunity to share accomplishments, incentives within the industry which enhance Nigeria's investment value proposition. The oil and gas sector in Nigeria faces challenges but also hold profound opportunities. The challenges include managing post-fuel fossil energy transition in response to commitments at COP26 Conference.

At the same time the enactment of the Petroleum Industry Act (PIA) has created many creating many opportunities. It has strengthened the legal, regulatory, fiscal and governance framework of the petroleum sector; enhanced the Nigerian petroleum industry's reputation, provides the pathway to new investments; consolidated Nigeria's ability to play a significant role in meeting the world's growing demand for energy and would assist in increasing oil and gas production to provide clean and efficient energy; and support global endeavour to alleviate energy poverty in line with United Nations' Sustainable Development Goal 7. The PIA also sets out a fiscal regime that encourages investment in order to monetise existing reserves in the short to medium term, and generous incentives to enable development, distribution, penetration and utilisation of gas.

President Buhari confirmed Nigeria's commitment to net-zero by 2060 at **COP26** Conference in Glasgow. This requires sustained financial assistance, technology transfer and capacity building

from international partners willing and able to assist us in this regard. Nigeria will still depend on fossil fuel as its baseload energy source to address energy poverty and power supply. This presents investment opportunities given the oil and gas reserves which can be commercialized. There also a number of enablers and initiatives which support the realization of the full potential of the gas sector - the development of critical infrastructure and systems - OB3 pipeline, Ajaokuta-Kaduna-Kano (AKK) pipeline and the Nigerian Gas Transportation Network Code.

International Oil Companies (IOCs) have indicated their intention to rationalise several oil & gas portfolios across their global operations, including Nigeria. This divestment presents investment opportunities and must retain aggregate value to Nigeria, guarantee Government revenue, preserve investment attractiveness and sustain stakeholders' confidence. An exit/transition framework based on principles of sustainability, transparency and responsibility, especially with respect to existing obligations shall guide the process of divestments of their investments as proposed. To ensure that the Niger Delta provides a peaceful and investment-friendly environment within which oil and gas operations can be safely and harmoniously undertaken, PIA mandates the creation of host communities' development trusts which will be funded by 3% of the operating costs incurred by the operator in the preceding year. The Law also stipulates how these monies are to be utilized to ensure that the prosperity value proposition to the host communities is achieved. Nigeria continues to actively seek investments in the renewable space and is willing to work with interested partners in that area.

Abdul Samad RABIU, Chairman, BUA Group and Chair, France-Nigeria Business Council, provided an overview of the opportunities for foreign investment in four sectors, drawing on his experience as a stakeholder of many enterprises in diverse sectors of the Nigerian economy. The sectors were agriculture, mining, infrastructure and power. Starting with agriculture, Nigeria has a population of over 200 million and the country needs to feed itself. There is much scope commercial agriculture to meeting the food and agricultural needs of the country's large population. Nigeria, along with Cameroon, Cote D'Ivoire, and Ghana produce 75 percent of the world's cocoa but earned paltry sums from the unprocessed cocoa beans that it exports. Instead, much of the gains of the cocoa industry go to Belgium, Germany, Switzerland and United States that turns the cocoa into chocolate produce 75 percent of the world's chocolate.

Nigeria has abundant mineral resources, including limestones the key raw material for cement manufacturing, one of the lines of business of the BUA Group. Nigeria has 4-5 billion tons of limestone which are meeting the needs of the cement plants in the country, including the four cement plants that form part of the BUA Group and are located in Cross River, Edo, Ogun and Sokoto states. The Sokoto plant exports to Niger Republic and could also supply Burkina Faso. Nonetheless, weak transport infrastructure is a major constraint to trading within Nigeria. For example, it cheaper to transport a container from China to Lagos than from Lagos to Kano. This implies that infrastructure is an area of major investment opportunities.

Power supply is also another area where investment opportunities beacon. Nigeria's power supply has stagnated at 5,000-6,000 MW over the years. By contrast Egypt has added 15,000MW in the past six years by investing Euro 8.2bn. Inadequate power supply has led closure of some factories in Kano. There

is hope that when the Ajaokuta-Kaduna-Kano Gas pipeline is completed, it will increase power supply for industrial and commercial use.

Jim OVIA, Chairman, Zenith Bank, focused his presentation on two major issues: the importance of information and communication technology in leapfrogging the Nigerian economy into the 4th Industrial Revolution and reforms in the finance and banking sector in Nigeria. The transition to 5G telecommunications technology holds much promise for the Nigerian economy with significant scope for making profits in the relevant enterprises.

In 2001, when the GSM technology was introduced into Nigeria, there were Nigerian investors able to fully meet the requirements to participate in that area. Foreign investors from Zimbabwe formed ECONET, which has morphed to Airtel. As a result of the introduction of GSM into the Nigerian economy, the country's tele-density is 100 percent and Broad band deployment is 40 percent about 70 million more than the population of France. The Nigerian economy has gained from the introduction of GSM. Before GSM, the size of the economy was \$200billion. Today, the GDP is over \$400billion and it will witness phenomenal growth after the introduction of 5G.

Today, the growth and stability of the finance and banking sector in Nigeria is attributable strong and effective regulation by the Central Bank of Nigeria. These measures have increased confidence in the Nigerian banking system. Banking stocks in the Nigerian Stock Exchange (NSE) are the among the most actively traded stocks and account for about 50 percent of the stocks quoted on NSE. In addition, the introduction of Bank Verification Number (BVN) and National Identity NIN (NIN) for citizens have made possible to have basic information on depositors into, and borrowers from, banks. Even so, there challenge remains to bring more people into the baking system. There is a huge unbanked segment of the citizens, estimated at about 50 percent of the population. Hopefully Mobile Wallet and Agency Banking will help address the problem of un-banking by about half of the population.

Wale TINUBU, Chief Executive Officer, Oando Group, illustrated the scope and scale for investment by noting that Nigeria annually imports \$10 billion worth of food and agricultural items and still generates much less electric power relative to its population. On that last point, South Africa with a population of 50 million generates 45,000 MW. While Nigeria with a population of over 200 million generates about 6,000MW.

Although Nigeria is generally perceived as corrupt, it is one country that has much scope and scale for investment in various sectors. The opportunities are embedded in the gaps that persist. 70 percent of Nigerian roads are untarred. Nigeria needs investment in the order of \$45 billion to achieve 5,000 Kwh per capita electrical energy consumption. Nigeria imported cement 7-10 years but local investors have taken advantage of the huge quantities of limestones in the country to launch major effort in cement production and export.

Strong public-private partnership is one of the defining features of the Nigerian economic landscape. Government allows the private sector to seize opportunities in the economy. For example, as many international oil companies began to exit on-shore oil exploration and

production (upstream activities), indigenous companies stepped into breach. Nigeria offers much opportunities for foreign investment. If they are not already in the Nigerian market, foreign investors need to look into investment in Nigeria. If an investor is not in the Nigeria, it is not in Africa.

Benedict ORAMAH, President and Chairman of the Board of Directors, AFREXIM Bank, had as the theme of his presentation: *Prerequisites for Africa to Move Up the Global Value Chain*. He explained the nature of the problem constraining Africa's ability to move the value chain; drew several the lessons of history from that experience; underlined the imperatives for the transformation of African Trade; and highlighted the efforts by AFREXIM Bank in supporting Nigeria's Industrialisation efforts, including other ongoing initiatives in Nigeria.

Africa's trade has historically been characterised by two inter-related features: very high concentration in the export of primary commodities and very low levels of intra-African trade. Commodities account for over 70 percent of Africa's merchandise exports and in Nigeria the figure is even higher. Meanwhile, Africa's share of world trade has declined from over 6 percent in the 1960s to 2.1 percent in 2020 and its share of global output has stagnated at 3.5 percent, despite accounting for 17 percent of the world's population. At the same time. Africa's share of global manufacturing value added has declined from the early 1980s (about 10 percent in 1982) to less than 2 percent today.

The situation that Africa finds itself today has its roots in its colonial experience. During that period, African countries developed the trade pattern of exporting primary commodities in exchange for importing manufactured goods from the colonial powers. That syndrome persists till today, with other parts of the world as well. For example, while the share of Asian-African trade rose 21 percent in 1995 to 44.4 percent in 2020, commodities accounted for 90 percent of Africa's exports and manufactures accounted for 76 percent of its imports. The impact of dependence on commodities or manufactured goods is starkly illustrated by South Korea (a country barely the size of Kenya) which depends mainly on manufactured goods has export value in the order of US\$512 bn annually which equivalent to all the combined value of the exports of all African countries.

Africa's short-term challenge is to combat the COVID-19 pandemic but its long goal is to promote structural transformation through industrialisation. AFREXIM Bank is committed to helping on both fronts. To combat COVID-19 pandemic, AFREXIM Bank introduced Pandemic Trade Impact Mitigation Facility, Advance Procurement Commitment Guarantee Facility, Africa Medical Supplies Platform, and Support the African Union African Vaccine Task Team (AVATT) through a No Default Compensation Scheme. To create an enabling environment to support intra-Africa trade to promote industrialisation, AFREXIM Bank has launched a number of flagship initiatives to facilitate the emergence of unified continental market and cross-border trade under the African Continental Free Trade area (AfCFTA). These include Pan-African Payment and Settlement System, Trade Information Portal, Trade Regulations Portal, Customer Due diligence Repository System, and AfCFTA Adjustment Facility. It is also piloting African

Collaborative Transit Guarantee Scheme and has launched a biennial Intra-African Trade Fair in partnership with African Union and AfCFTA Secretariat.

AFREXIM Bank offers financial support for a wide range of programmes pertinent to Nigeria's industrialisation and other initiatives. Prominent among these are the facility for capacity expansion for the manufacturers Association of Nigeria, support for 12 banks through the AFRIEXIM Bank Trade facilitation, for the indigenous oil and gas companies and for Nigerian Telecommunications and Aviation industries. AFRIEXIM Bank has also extended support for promoting industrial parks/export processing zones; for establishing African Medical Centre of Excellence in Abuja; and for the creation of an African Quality Assurance Centre in Ogun State to promote and comply with standards for exports.

Interactive Session

Participants raised several questions and offered a few comments on the presentations by the panelists. These questions included: What was the federal government of Nigeria doing to address the challenges encountered in importation of goods to the country, especially at the ports? Why was the government spending about \$2.5 billion annually importing steel when it had an Ajaokuta Steel Mill? How was the government supporting the transition of informal sector firms into the formal sector of the economy? And whether AFREXIM Bank had any specific initiatives aimed at promoting women inclusion in trade.

Concerning the difficulties still encountered by importers at the ports, in particular in Lagos, it was explained that government has intensified its efforts in reducing the red tape as well as embarked on the expansion of other sea ports in the country, so that the congestion at the Lagos ports can be eased. It was further clarified that ports are an integral part of the infrastructure and typically infrastructure expansion tend to lag growth and development. Infrastructure expansion usually occurs in response to the needs of economic growth and development. The lack of adequate infrastructure is precisely an opportunity for investment

In so far Ajaokuta Steel Mill is concerned, it was not originally designed as an integrated steel plant. Moreover, the raw material for the steel plant -- iron-ore – is found about 300 miles away from the plant, making access to the raw input heavily dependent on transportation. To over that challenge, a rail line has had to be constructed to from Itakpe to Ajaokuta. Lack of regular power supply for the Ajaokuta Steel Mill has also been a problem. The federal government is making effort to overcome these challenges plaguing the functioning of the Ajaokuta plant.

The informal sector in Nigeria plays a significant role in job creation, especially for women and youth. The transition of informal sector into the formal sector is aided through the various the intervention funds that the Central Bank has offered to assist Micro-Small and Medium Enterprises (MSME).

AFREXIM Bank promotes several programmes which help the disadvantaged and vulnerable segments of society. AFREXIM Bank's Border Markets programme and Creative Industries

programme providing striking illustrations of its efforts to help women in trade matters, even though they are not formally designated as women inclusion programmes. The Association of Textiles Manufacturers in Portugal are supporting the Creative Industries programme.

A comment was made regarding the lack of reference to investment in life-sciences in the various presentations. The participant asserted that the development of life-sciences could have a major impact on the growth and development of the Nigeria economy, noting that Switzerland with a population of 8.6million, which has huge investment in life-sciences, has a GDP of \$795billion; while Nigeria with a population of over 200 million, whose economy is dominated by agriculture and oil and gas, has a GDP of about \$450billion.

VI. THEME OF SESSION: BRIDGING NIGERIA'S INFRASTRUCTURE GAP: REFORMS, RESULTS AND THE ROAD AHEAD.

Inadequate infrastructure is among one of the frequently cited explanations for Nigeria's poor economic performance. The parlous state of infrastructure is attributable partly to the poor maintenance of existing stock of infrastructure and partly to underinvestment in building new infrastructure. One recent notable effort at estimating the magnitude of financial investment to meet Nigeria's infrastructure was released in November, 2020 by Moody's Investors Service (the credit rating agency). It estimated that Nigeria needed about \$3 trillion for 30 years to close its infrastructure gap. Though recent years have witnessed an increase in financial allocation to infrastructure, the amount of investment pales besides the order of magnitude proposed in the Moody Investors Service report.

The Moody's estimates are consistent with those spelt out in the National Integrated Infrastructure Master Plan (NIIMP), which set out priorities for 30 years to 2043, and estimated \$3 trillion investment is required over 30 years to close the infrastructure gap, which equates to an annual spending rate of above seven per cent of GDP. This suggests that more needs to be done to scale up investment in infrastructure and also points to opportunities for foreign investment in the various sectors such as transportation, energy, digital economy and science, technology and innovation.

Presentations by Panelists

Aliyu D. ABUBAKAR, Honourable Minister of Power, Nigeria noted that the quality and availability of a country's infrastructure is an important determinant of the well-being of its citizenry, especially in today's technology driven world. Improving infrastructure is therefore a key goal for Nigeria in its mutually beneficial partnerships with comparatively advanced countries like France. Looking back at the national development plans of the 1970s, it was clear successive governments were determined investing in infrastructure that impacted the wellbeing

of its citizenry. However, in the last three decades investments infrastructure did not keep pace with growth in Nigeria's population, expansion of economic activity and trade, and the rising expectations of Nigerians. This challenge was further compounded by the gradual deterioration of existing infrastructure.

The present administration has put structures in place to boost investor confidence, evolve the right legal and regulatory frameworks to secure investments and deliver the right incentives to investors. In particular, it is reforming its policies, laws and regulations to create an enabling environment to make infrastructure investments attractive to local and international investors and partners. The Road Infrastructure Tax Credit Scheme has enjoyed patronage with a unique blend of Public-Private- Partnership (PPP). Roads are being constructed across the nation, especially in Lagos, Obiajana, and many more all over the Country. The concept is to build the infrastructure by the participating firms and enjoy a commensurate tax credit Just recently, Government approved over N600B for the reconstruction of twenty-one (21) selected Federal Roads covering 1,804KM through the same scheme.

The Power Sector has particularly enjoyed various interventions that are geared towards increased availability, electricity stability, boosting liquidity and investor confidence. These programs and reform initiatives, including the Presidential Power Initiative (PPI) will, on the long run, provide stable electricity to metered homes across Nigeria. We are using this opportunity to invite partners to invest in the Power Sector across the value chains. The Ministry of Power is confident that investing in the power sector will provide comfortable returns on your investments. This Government is creating the enabling environment for investors to see their investments grow with Return on Investment (ROI). The Federal Government will continue to play the very vital and decisive role of providing security, strengthen our law enforcement agencies and continuously manage the micro and macroeconomic indicators that point to growth and recovery. The Economic Recovery and Growth Plan (ERGP), National Integrated Infrastructure Master Plan (NIIMP) and the National Development Plan 2021-2025 all aim to promote infrastructural growth.

According to the Moody Report, Nigeria requires \$3 Trillion over 30 years period to bridge the infrastructural gap. This position is further buttressed by the Nigerian National Integrated Master Plan which says Nigeria will require \$150 Billion annually in the next ten (10) years to bridge the infrastructure gap. Of these amounts, the organized private sector is expected to contribute 56% while Government will contribute 44% to make the 100% investment required to bridge the gap. A Presidential Infrastructure Development Fund has been established, which is being managed by the Nigeria Sovereign Investment Authority (NSIA). The Lagos-Ibadan Express Way is funded from this structure; the Abuja-Kaduna-Kano Express Way and the second Niger Bridge are also funded from this structure. The Nigerian Government has also raised Three Hundred and Sixty-Two Billion Naira (N362Billion) from the Nigerian Capital Market through issuance of Sukuk Bonds, to fund more than forty-four roads and bridges construction and rehabilitation contracts across Nigeria. Some of the roads have started to impact positively around the country. The capital, technology and man-power needed to close the infrastructure

gap in rea-sonable time is beyond the capacity of the Federal Government of Nigeria acting alone. This clearly presents an investment opportunity.

Godswill AKPABIO, Honourable Minister for Niger Delta Affairs, Nigeria, explained that the responsibility of Ministry of Niger Delta Affairs covers the nine states that make up the Niger Delta region: Abia, Akwa-Ibom, Bayelsa, Cross Rivers, Delta, Edo, Imo, Ondo, and Rivers. Each of these states has oil and there are enormous opportunities for investment in that sector. Before the 1960s, agriculture was the mainstay of the Nigerian economy and three regions of the country produced different agricultural products: The North produced cotton and groundnuts; the West Coca; and the East palm oil. Earnings from these agricultural products funded infrastructure (roads and other facilities), including radio and television stations and stadiums.

Since the discovery of oil in the Niger Delta in 1956, oil has become the mainstay of the Nigerian economy, although Nigeria is also endowed with a lot of mineral resources. For example, the Zamfara/Nasarawa Zone has more gold than South Africa. The decision to start mining oil resources rather than sold minerals, such as gold, was predicated on the recognition that it was easier to scoop oil than gold. The Niger Delta also produces a variety of agricultural products, including cocoa in Ondo, palm oil in parts of the South-South and South east, indeed, the Abia-Imo-Akwa Ibom Belt is a major palm oil producing area. The little quantity of palm seedlings taken from the Nigerian Institute for Oil Palm Research (NIFOR) to grow in Malaysia has enabled that country to become the largest palm oil producing country in the world today. The rising prices of cocoa and palm oil in the international commodity markets offer enticing prospects for investment in those crops.

Nigeria is looking beyond oil and the COVID-19 pandemic. As such, the country aims to create an enabling for business through building excellence infrastructure, as part of its economic reforms, to attract investment in a wide range sector of sectors. Even so, there is general recognition of the importance of the Niger Delta region both as a source of oil and blue economy resources. For example, oil and gas will remain a major part of the energy mix, as it will take 30-50 years to complete the transition from fossil energy resources. In terms of the blue economy, the Niger Delta has huge potentials for sea ports development outside Warri, Port Harcourt and Bonny. There are opportunities for investment in sea ports development. As part of that strategy, the government is committed and encouraging the building new and efficient transshipment ports that could serve West Africa, Sao Tome and Principe and Equatorial Guinea. In addition to promoting value addition in the oil, gas and agricultural products, tourism is another area in the Niger Delta that investment is welcomed. The people in the Niger Delta display a lot entrepreneurialism and ingenuity.

Today, the Niger Delta is the safest part of Nigeria. This is mainly due to the promulgation of the Amnesty Programme by the Yar'Adua administration in 2009. This brought peace to the area, so much that the waterways are safe and there is no more kidnapping and militancy in that region of Nigeria. As the Amnesty Programme is brought to an end, it will be important to create industries that can create employment opportunities not only for ex-militants but also other youth

that will be entering the job market. Peaceful environment, large waterways, growing railways network and efficient road network and electric power supply are powerful incentives for investors to consider Niger Delta as the preferred destination for investment. The experience of Shell (UK-Dutch) and Total Energies (France) –which are among the international oil companies that have stayed very long in Nigeria – illustrates the scope for a mutually beneficial and profitable relationship.

Gbemisola R. SARAOKI, Honourable Minister of State for Transportation, Nigeria, had as the theme of her presentation “*Building Excellence for the future of Nigeria’s Transportation System: Reforms, Results and the Road Ahead*”. The aim of her presentation was to shed light on Nigeria’s efforts in modernizing its transportation systems and highlighting the opportunities that abound within the sector. Africa still lags behind the rest of the world in coverage of key infrastructure, including road, rail transportation and water systems. Closing the continent’s huge infrastructural deficit is vital for the continent's economic prosperity and sustainable development as improved infrastructure would facilitate increased intra-regional trade, reduce the cost of doing business, enhance competitiveness, create employment, and reduce the tide of illegal migration. According to African Development Bank, an estimated \$170 billion Dollars per year by 2025 will be required to finance Africa's infrastructural needs with an estimated gap of about \$100 billion yearly. The Economic Recovery and Growth Plan (ERGP) -2017-2020 focused on non-oil sectors such as agriculture, transportation, industrialization, science, technology, and innovation (STI).

With respect to transportation sector, the federal government has embarked on various initiatives to actualize the potential in that sector, covering the sub-sectors of rail, maritime, road, and air. The renewed commitments to railway transport as a key component for socio-economic transformation is reflected in the 25-year Strategic Plan targeted at the rehabilitation of all the existing narrow gauge rail lines, construction of new standard gauge lines, connection to all sea ports, state capitals, mining and agricultural clusters and technological hubs by rail, as well as their operation and maintenance in the country. This has led to some success stories such as the commissioning of the Abuja -Kaduna; Warri – Itakpe and the Lagos – Ibadan rail lines, as well as the Wagon Assembly plant in Ogun State. The Port Harcourt – Maiduguri; Kano – Maradi in Niger Republic and Kaduna -Kano are already at the commencement stage. In an effort to reposition and achieve effective management and efficient service delivery, the Nigeria Railways Corporation has been unbundled into four subsidiaries namely: **regulatory**; **infrastructure** (network creation, upgrade and maintenance); **operations** (network operations); and **services** (the rolling stock operations, rolling stock creation and procurement and rolling stock maintenance).

Nigeria has the second longest length of waterways in Africa, covering about 853km extensive coastline, 10,000km of Inland Waterways and an Exclusive Economic Zone of 200 Nautical Miles and in the process of an additional 150 Nautical Miles of Continental Shelf. As a maritime nation, Nigeria plays important role through its relevant Agencies to check the menace of maritime insecurity and other safety challenges in the Nigerian Maritime Domain and in the Gulf

of Guinea (GoG) region. As a response to these challenges, the Ministry introduced an integrated Maritime Safety, Security Waterways and Environmental Protection Strategies. One such example is the Deep Blue Project that involves provision of Satellite and Communication Equipment, patrolling Assets and Capacity Building for the enforcement/intervention teams. The International Maritime Bureau has severally commended this initiative and in one of its reports it noted that the number of kidnapping and robbery in the Gulf of Guinea in the second quarter of 2021 is the lowest since 2019. Another success story is the coming into being of the Suppression of Piracy and other Maritime offences (SPOMO) Act, 2019 which aimed at securing timely prosecution of maritime offenders. Since the promulgation of the Act, 12 cases have been successfully prosecuted and 10 convictions were secured.

The Federal Road network is 35,000 km representing about 17% of the national road network of 200,000km. However, they are strategic routes that carry 70% of road traffic in Nigeria and connect major cities in the six geopolitical zones of the country, making it a major enabler in the Nigerian economy. The Presidential Infrastructure Development Fund (PIDF) is investing over a billion dollars in three flagship projects: the Lagos-Ibadan Expressway, the Second Niger Bridge, Abuja-Kaduna-Zaria-Kano Expressway. Executive Order 7 seeks to mobilize private investment into the development of key roads and bridges like Bodo-Bonny in Rivers and the Apapa-Oshodi-Oworoshonki-Ojota in Lagos. The Highway Development and Management Initiative (HDMI) is also a public-private partnership program to mobilize, in its first Phase, over One Trillion Naira in private investment into the development and maintenance of 12 key roads of about 2,000 kilometers in length. The Federal Ministry of Transportation recently embarked on the Road Transport Transformation Programme to revamp the Sub-Sector thus enabling it create millions of jobs, contribute immensely to GDP growth, and enhance environmental sustainability.

In the air sub-sector, bilateral Air Agreements are now being restored; more domestic airlines are coming up with newer and modern aircraft in their fleets. A plan to establish Nigeria's National Carrier through a Public-Private Partnership (PPP) is being vigorously pursued. There is a plan to Concession the four (4) major International Airports namely, Murtala Mohammed International Airport, Lagos; Nnamdi Azikiwe International Airport, Abuja; Mallam Aminu Kano International Airport, Kano; and Port Harcourt International Airport, Port Harcourt. Other Areas for Aviation Investment include: Maintenance, Repair and Overhaul (MRO) Centre; Development of Cargo/Agro-Allied Terminal; Establishment of an Aviation Leasing Company, Establishment of Airport Cities (Aerotropolis) in our International Airports. The ratification of the African Continental Free Trade Area Agreement (AfCFTA) has created the opportunity for Nigeria to leverage its geographical position, large domestic market, and industrial capacity to become the Transportation Hub for Africa.

The Nigerian Transportation Sector is working to align with Global Best Practices and promote policy, legal and institutional reforms. These include incorporating the use of Intelligent Transport System, ensuring full automation of its Ports and other Mobility processes. Similarly, the Transportation Ministry advocates for Public-Private Partnership (PPP) in developing infrastructure and operations under a Sustainable Environmental condition in all modes of

Transportation with a culture of timely maintenance of Transport Infrastructure. For Investment and partnership to happen, prospective partners must show mutual respect, desire for justice and equity in the pursuit for oneness. In a world where prosperity of all nations is inextricably linked, the federal government of Nigeria assures investors to work with them to attain the country's ambition of growth and sustainability.

Arthur EZE, Chairman, Atlas Oranto Petroleum Ltd, indicated his very short presentation would focus on advising the government and people of France to take steps to reclaim their influence in Francophonie Africa. Travelling across Africa, he had noticed that China has virtually taken over the Francophonie countries. The Chinese government and banks funding for Chinese companies to invest in Africa. France should take steps to reclaim their influence in Africa by investing in Nigeria and other African countries. Nigeria is open for investment in many sectors and the French companies should into the country and seize the opportunities.

Mike SANGSTER, Managing Director, Total Energies, Nigeria, had as theme of his presentation "*Gas and the Role of Infrastructure in the Development of Gas*". He began by noting that Total Energies has been in Nigeria for 60 years and is the only integrated oil company operating in Nigeria, covering conventional shallow waters, deep off-shore, downstream and upstream areas. Total has 77 service stations in the 36 states of Nigeria and Abuja. Total has been actively involved in the deep-water exploration projects in Nigeria, helping to develop the last three major deep-water projects in 2008, 2012 and 2018. Despite COVID-19 pandemic, Total has invested a new deep-water project which will start in 2022 and supported the development of the Bonny Liquefied Natural Gas Plant, including the award of the EP Contact for the Train 7 development. Total was also involved in the articulation of Decade of Gas Initiative, launched by President Buhari earlier in 2021, which is expected to play an important role in Nigeria's National Climate Change Policy.

Gas has important role to play in the energy transition to net zero emission, as it emits half as much carbon as coal, when used for power generation. Gas will, therefore, make a big contribution in reducing global carbon emissions. It will complement renewable energy inasmuch as gas powered plants are easier to start and shut off. Nigeria is endowed with abundant gas reserves, in the order of 200 trillion cubic feet and is well positioned to benefit from the energy transition.

Development of gas requires a lot of infrastructure. Unlike oil which is produced and transported for sale anywhere, gas has to be piped from the point of production through a complex web of infrastructure consisting of Trunk lines (like the Ajaokuta-Kaduna-Kano pipeline); Gas processing plants; and Gas Distribution networks. Domestic demand for gas is high in Nigeria and its supply has to built around domestic pipelines and distribution networks. This calls for significant investment in the gas sector. Total is an important supplier of gas in the Nigerian domestic market, providing gas to fertiliser plants, and LNG plants. Total has been a partner with the Nigerian National Petroleum Corporation and that will carry over to newly incorporated

Nigerian National Petroleum Company Limited. Total welcomed the enactment of the Petroleum Industry Act, which has provided greater clarity in oil policy and offered more attractive fiscal terms for oil investors. With the right infrastructure, gas will play a major role in Nigeria's energy transition and in the economy.

Mounir ALHOZ, Director, Country Office, Business France-Nigeria, explained that Business-France Africa is not focused on infrastructure projects but on facilitating trade between Nigeria and France. Established in 2016, Business France -Nigeria operates from the Consulate of France in Ikoyi, Lagos. The group helps to support French companies doing business in Nigeria, individually or collectively, by providing tailored-made services and organising missions to explore opportunities in Nigeria. For example, the group organises sequence of sectoral events for French companies in Nigeria. In September, 2021, the group organised an event in Lagos in which 20 French companies in the Wines and Spirits sector, including Cognac and Champagne held a toasting event for Nigerian Wine importers and distributors.

Business France-Nigeria also organises for Nigeria companies in France. In October, 2021, 60 Nigerian companies participated at the French annual Livestock Summit. 40 Nigerian companies were invited to the annual Ambition Africa Business Event between France and African countries. French companies are operating in several sectors of the Nigerian economy: industry, agriculture, cosmetics, health, technology and logistics. One French company is involved in the construction and development of infrastructure of the new Lekki Deep Port and another is involved in the construction of the rail line connecting Nigeria to Niger Republic.

Lack of adequate infrastructure is one of the reasons for high cost of production in Nigeria and for the long delays in clearing goods in Apapa Port. These constraints tend to discourage potential foreign investors. But Nigeria can count on French companies to help bridge Nigeria's infrastructure gap. French companies understand that Nigeria is the market of the future, as it has immense investment opportunities. Indeed, during the pandemic, the demand for the services of Business France-Nigeria remained strong. The group is ready for business in Nigeria.

Philippe HOEBLICH, CEO/Founder Paygas, indicated that the purpose of his presentation was to explain an initiative that Paygas had jointly undertaken with Total Energies ENP in Cabo Delgado, North Mozambique – the region that is gripped by terrorist violence. The initiative aimed to address the question: How could you bring peace through climate change infrastructure development? This required tackling two problems simultaneously – overcoming deforestation brought on by using charcoal for cooking; and curbing terrorist violence in that region of Mozambique.

To address the question of heavy reliance on charcoal for cooking, Paygas and Total Energy have created Micro-gas Filling stations, where people can buy gas in smaller units that cost 25Cent rather than \$25 per cylinder. To address the question of resettling former fighters, while also luring current fighters away from terrorist violence, Paygas and Total Energy have pioneered the establishment of Micro-Gas Filling Stations and offering franchises to former fighters and those that abandoned insurgency. Those granted franchises stand to earn between

\$2000-4000. This initiative will help bridge the energy infrastructure gap at the grassroots level and also create jobs for former and current fighters, thus helping to reduce the attraction to participate in terrorist violence. The Micro-Gas Filling Station initiative, which was initially applied to former gang members in South Africa and now being offered to ex-fighters in North Mozambique, is being discussed with Total Energies, Nigeria for implementation in Nigeria.

Interactive Session

Several questions were raised and comments made on the presentations by the panelists at this session. The questions included: Does Nigeria have plans to scale up its investment in clean cooking gas, given that 90 percent of Nigerian population still rely on charcoal compared to 10 percent who use clean gas? Does Nigeria have a One-Stop Shop that can help investors in promoting public-private partnerships arrangement, which help potential investors identify local experts in areas of legal advice, feasibility studies, and financial arrangements?

It was explained that the Buhari administration launched an Energy Policy in 2016 which aim to generate by 2030 30,000MW, of which renewable energy is expected to contribute 30 percent of the energy mix. Several projects are being executed to achieve that target. These include Kasimbila, which will produce 40 MW and Katsina Wind Mills, 10 MW as well as Dacha Kowa (40MW) and Zungeru (700 MW), both of which are hydro-based. The Zungeru plant would be commissioned in December, 2021. The federal government has also decided to take some ministries, departments and agencies from national power grid to reduce the load on. For example, the headquarters of the Ministry of Works will be removed from the national power grid and rely on 1.5MW solar voltage.

The comments underlined the need both to invite honest investors to Nigeria and to produce power to meet the needs of Nigeria's growing population. Concerning the former. It was emphasised that Nigeria needs genuine business partners and not investors that engage in exploitative practices. The plans and prices should be well vetted. As regards the generation of power supply, the government should focus on the development of renewable energy, tapping on such sources as wind, Sun, rivers, artificial lakes and artificial dams –the latter two sources will help harvest water for energy generation. Foreign investors bring their financial resources and technical expertise to bear on those areas.

The final comment involved calling attention again to the improved security situation on the Niger Delta and to emphasise the need to invest in that region. Factors that have contributed to the prevailing peaceful situation in that region include the continuation by the Buhari administration of the Amnesty Programme, which was initially launched in 2009; the clean-up of the despoiled environment, especially in the Ogoni area of Niger Delta; and the creation of the Host Community Development Fund in the Petroleum Industry Act signed on 16 August, 2021, which will improve oil companies-host communities' relations. The forensic audit of the Niger Delta Development Commission (NDDC), that is being conducted, will help re-position that organisation to better respond to needs of the people in the Niger Delta.

VII: CONCLUSIONS AND RECOMMENDATIONS

This first edition of the Nigeria International Partnership Forum held in Paris showed that this nascent initiative holds much promise in cultivating, broadening and promoting international support for Nigeria's development. Coming as it did on the eve of the release of Nigeria's new National Development Plan, 2021-2025; NIPF Paris offered Nigeria an important platform to showcase the investment opportunities in Nigeria. The discussions were marked by much candour on both sides.

The decision, for example, to include a session on, indeed to devote the first session of the forum to, the theme of *Combating Persistent and Emerging Threats to National Security and Regional Stability* provided a striking illustration of the resolve of the federal government of Nigeria not only to present the investment opportunities in Nigeria. But also, to explain to an international audience the security challenges confronting Nigeria at the national and sub-regional levels, and the efforts being made to overcome them. This signaled that the government is as much aware of international risk perception of the country, as result of its security challenges, as it is determined to attract investors to key sectors of the economy.

The discussion at the forum showed that the goodwill towards Nigeria is matched by high expectations for Nigeria to overcome its domestic challenges, while continuing to play a lead role in African security, political and economic affairs. At the same time, there is much awareness on the part of the France business community of the the economic opportunities in Nigeria, based on the experience of France companies which already operate in Nigeria.

Looking ahead, it will be important to reflect on the use of the NIPF as an instrument of Nigeria's economic diplomacy and economic development, both of which are mutually reinforcing. These are matters worthy of inter-departmental deliberations, bringing together, under the leadership of the presidency, a few selected relevant federal government ministries, departments and agencies in collaboration with the Millennium Club, Paris and the Africa Business Roundtable (West Africa). Such reflections would necessarily focus on lessons learned from the planning for, and organising of, the NIPF-Paris and the implications for the future editions of the NIPF.

Even so, one issue that bears special consideration is how often the Federal government will convene NIPF each year. While the frequency of convening NIPF has to be decided on case-by-case basis, it will be important that NIPF is closely linked to state visits by, or other important bilateral international engagements of, the President of the Federal Republic of Nigeria. Convening NIPF in any foreign country should serve a signaling function, that Nigeria is ready

to cultivate or deepen bilateral economic relations with that particular country. In other words, NIPF has to be used as a strategic tool for promoting bilateral economic cooperation.

ANNEX: REVISED PROGRAMME