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COVID-19 in
Nigeria

Katharina Felgenhauer, 28.04.2020



AHK

Delegation der Deutschen
Wirtschaft in Nigeria
Delegation of German Industry
and Commerce in Nigeria

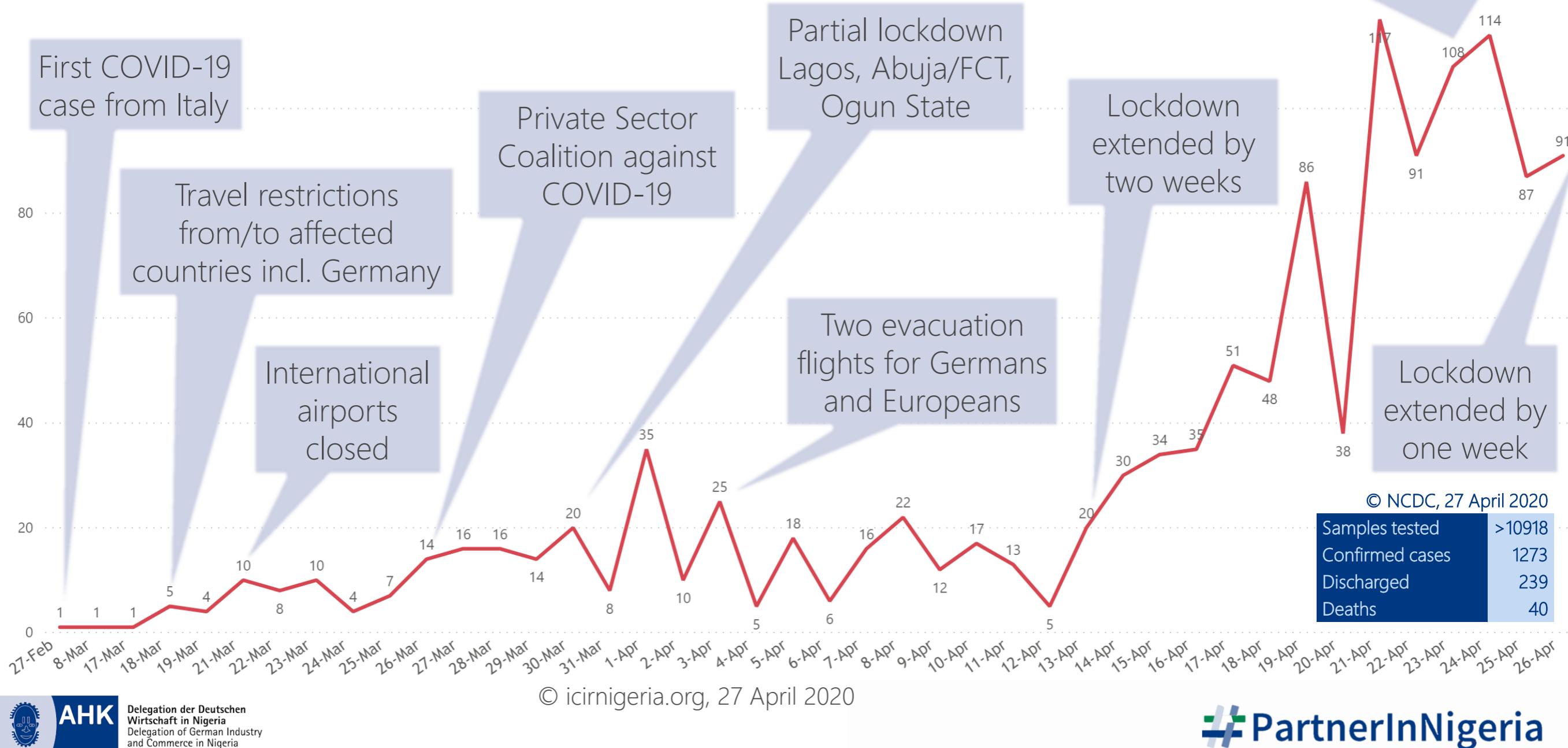
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Nigeria – COVID-19 timeline

ECOWAS appoints President Buhari COVID-19 response champion



Nigeria – Impact of lockdown



Heavy **interruptions** of business operations and supply chains

Unclear regulation about exempt industries and operations (health/medical, food, power, telecom)

Companies report harassment and **extortion** at police check points



International and domestic **logistics** and public transport widely disrupted



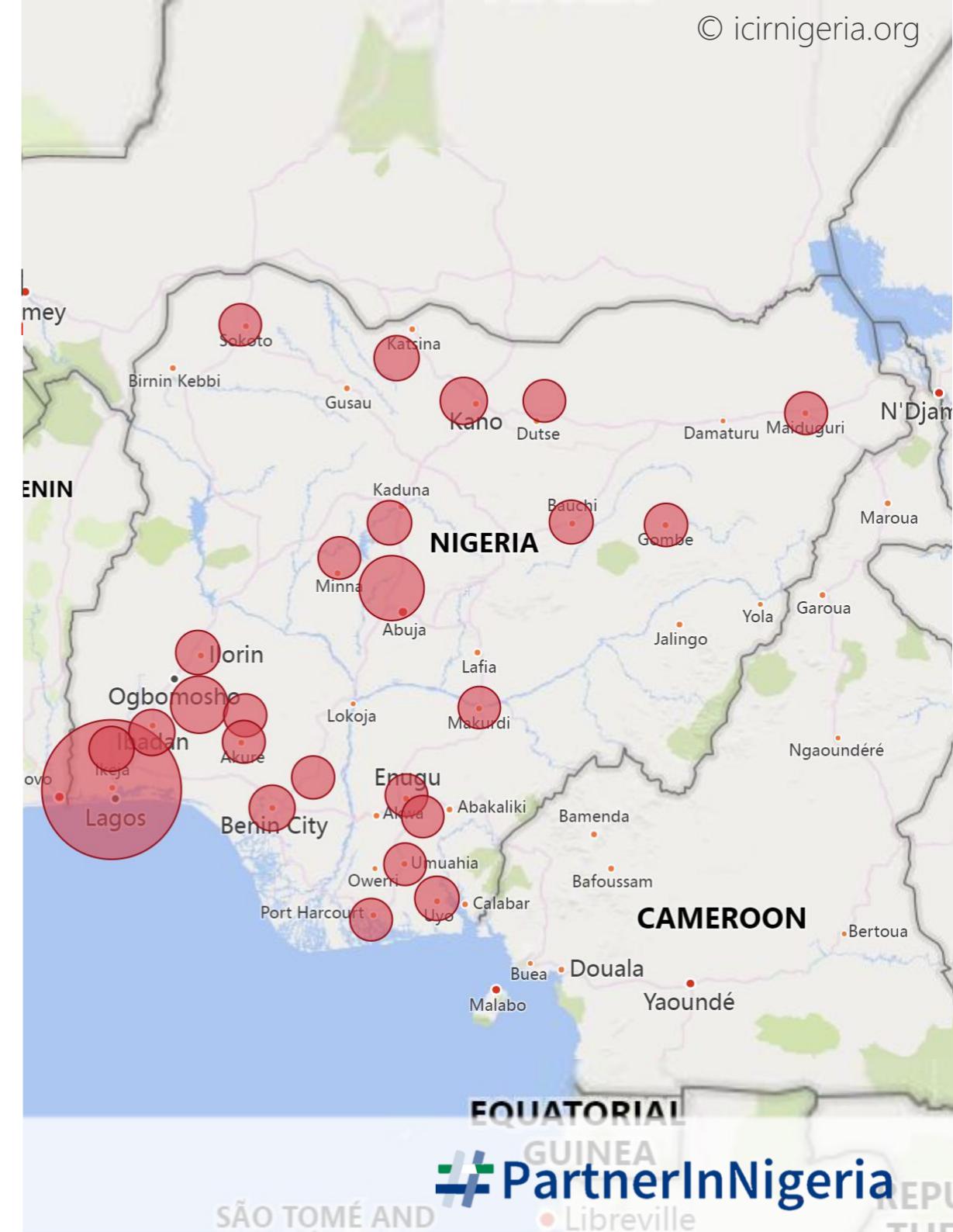
Widespread loss of **livelihood** with high levels of uncertainty



Crime and violence on the rise



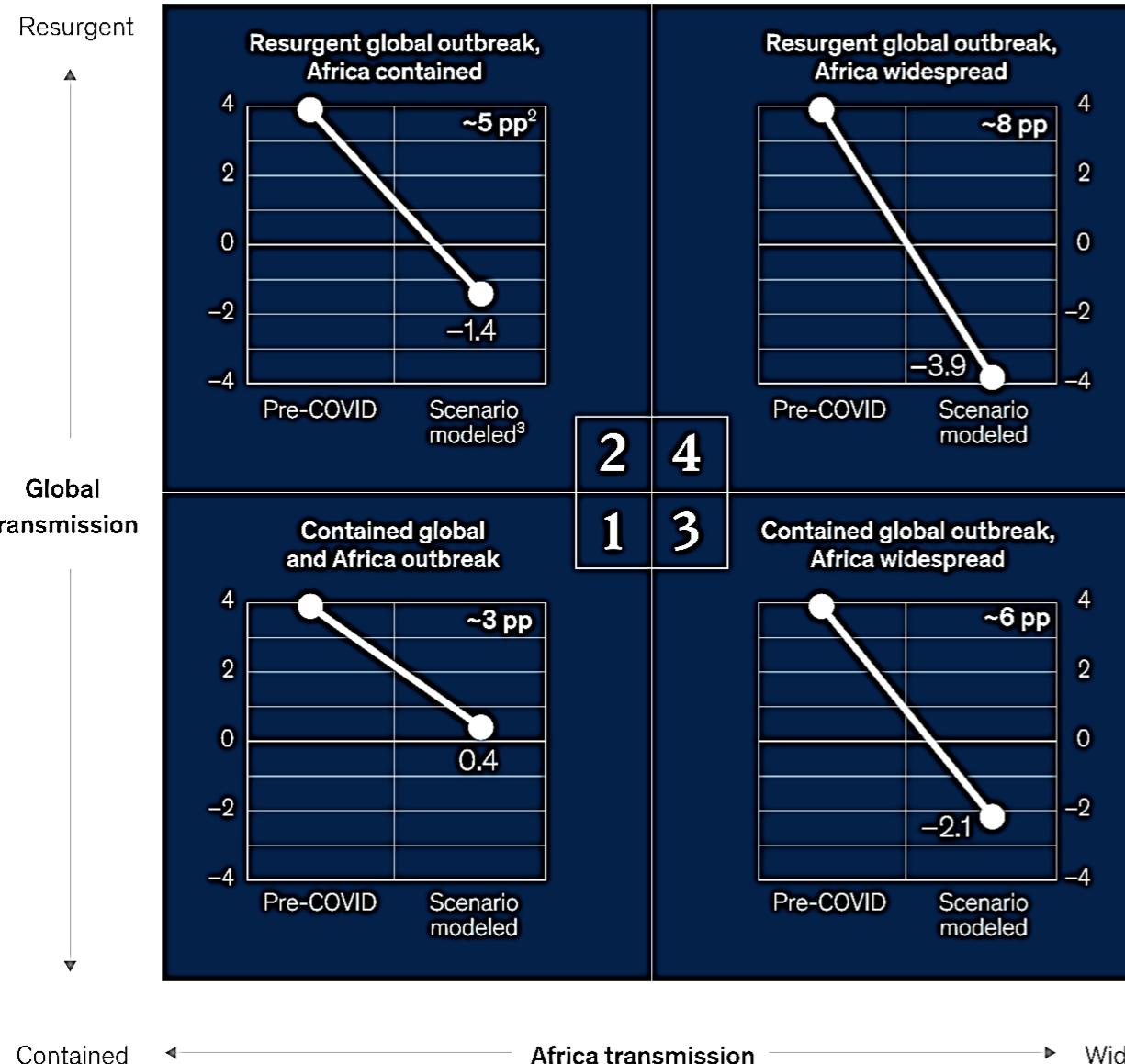
Lockdown enforcement caused at least 18 **deaths***



*National Human Rights Commission, 14 April 2020

Nigeria – COVID-19 effect on economy

2020 GDP¹ and projections according to the four COVID-19 transmission scenarios



Nigeria

Least worst-case scenario*:

GDP declines by **-3.4 %** in 2020 (from 2-2.5 %), i.e. by approx. USD 20 billion, mainly driven by oil-price effects

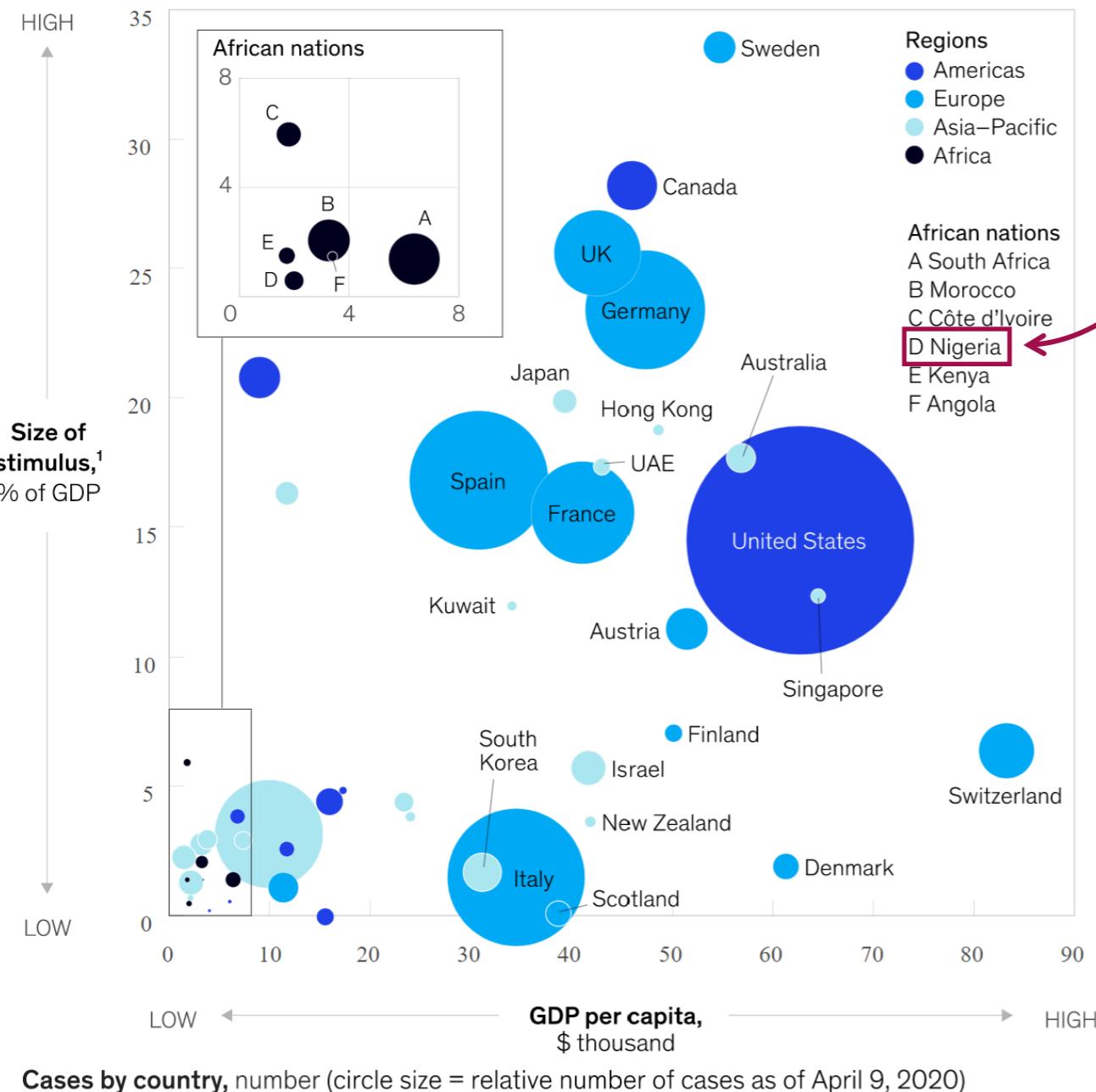
Worst-case scenario*:

GDP could fall by **-8.8 %**, i.e. by approx. USD 40 billion, mainly driven by reduction in consumer spending

World Bank:

5 million Nigerians will be pushed into extreme poverty in 2020 due to COVID-19

Nigeria – Fiscal stimulus packages



Nigeria has announced fiscal stimulus of only ca. 1 % of GDP so far

Central Bank of Nigeria (CBN): NGN 1 trillion for local production and manufacturing

CBN: NGN 50 billion for SMEs and households

Cash transfers, food aid, health equipment

European Union: EUR 50 mio relief package

Germany: EUR 5.5 mio for Northern Nigeria

Nigeria requests USD 3.4 billion from IMF, USD 2.5 billion from the World Bank and USD 1 billion from African Development Bank

Nigeria – Further challenges

Despite improvements in ease of "Doing Business", Nigeria remains a challenging but potentially rewarding target market for German companies and business partners.

Government and private sector are working together to foster an enabling environment for business and investment.



Oil price dependency, currency instability, inflation

Infrastructure development is lagging behind, esp. in electricity, road construction / maintenance, etc.

Corruption remains an everyday experience and affects business plans and bottom lines

Perception and awareness of **insecurity** affect business planning and investors' confidence

2020 DB Ranking	
Rank	Difference
Starting a business	105/ 190 +5
Dealing with construction permits	55/ 190 +94
Getting electricity	169/ 190 +2
Registering property	183/ 190 +1
Getting credit	15/ 190 -3
Protecting minority investors	28/ 190 +10
Paying taxes	159/ 190 -2
Trading across borders	179/ 190 +3
Enforcing contracts	73/ 190 +20
Resolving insolvency	148/ 190 +1

Source: Nigerian Investment Promotion Commission 2019,
World Bank "Doing Business 2020"

Nigeria – Opportunities

COVID-19 exit plan seeks to open business under restrictions of movement or assembly and health protection requirements.

Rapid population growth bears opportunities as well as challenges, especially with GDP growth rates slowing down.



Diversification incl. agriculture, manufacturing, services, manufacturing, ICT



Young, talented **labour force** with population growth at ca. 2.5 % (i.e. +5 mio pax p.a.)



Natural resources are abundant, incl. land, timber, minerals, oil, gas



Investment-promoting policies, trade liberalization, infrastructure, skills development



Our support

AHK Nigeria is upgrading our service portfolio for you :



Information, training and **peer exchange**, e.g. AHK Pulse Checks, COVID-19 Roundtable

Improved **representation**, e.g. with partner chambers of commerce, German Consulate

Remote **business development** services, e.g. company representation, online B2B meetings

New **services** and formats, e.g. webinars, virtual trade fairs, new partnership models

Ongoing **innovation drive** within AHK Nigeria and AHK/IHK network worldwide



New services

Contact us for tailor-made solutions :



Remote Business Representation

Market entry support during lockdown and travel restrictions

Digital Business Development

Market research, business partner search, virtual B2B meetings

Online skills development

Online trainings and certification for technical and vocational skills



Partnerships

Upgraded partnership and advertising bundles

Live Webinars and web conferencing

Providing timely expert advice for partner companies



Agriculture Seminar Series

A platform for ideas exchange and networking

COVID-19 Roundtable

C-level Roundtable on the impacts of COVID-19 on businesses operating in Nigeria and coping mechanisms.

Save the dates

AHK Nigeria is moving key activities online:



August/September

More info: bit.ly/34RrtuX



September

More info: www.wacee.net



September

More info: AHK Nigeria, Afrika-Verein der deutschen Wirtschaft

Up next

Register via bit.ly/3cSSAsk



Delegation der Deutschen
Wirtschaft in Nigeria
Delegation of German Industry
and Commerce in Nigeria



WEBINAR

The New Nigeria: Positioning your business for post COVID-19

THURSDAY 30.04.2020
11 AM WAT



Register here:
bit.ly/3cSSAsk
nigeria.ahk.de

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