Katharina Felgenhauer
Delegierte der Deutschen Wirtschaft in Nigeria
Nigeria – COVID-19 timeline

First COVID-19 case from Italy

Travel restrictions from/to affected countries incl. Germany

Private Sector Coalition against COVID-19

Partial lockdown Lagos, Abuja/FCT, Ogun State

Two evacuation flights for Germans and Europeans

Lockdown extended by two weeks

ECOWAS appoints President Buhari COVID-19 response champion

Lockdown extended by one week

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Samples tested >10918

Confirmed cases 1273

Discharged 239

Deaths 40
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

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

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*Source: McKinsey & Company, April 2020

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*Percentage-point change.

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

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

**Virtual Dragon’s Den**
Presenting your innovative ideas and securing funding/investments

**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**

**September**
More info: [www.wacee.net](http://www.wacee.net)

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

Register via bit.ly/3cSSAsk

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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