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Made in Nigeria

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Inside this issue: exclusive interviews with

Yemi Osinbajo
Vice President of Nigeria

Godwin Emefiele
Hadiza Bala Usman
Tunde Fowler

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PAGE 06

Interview

**Professor Yemi Osinbanjo,
Vice President of Nigeria****PAGE 10**

Interview

**Godwin Emefiele,
Governor of CBN****PAGE 11**

Interview

**Hadiza Bala Usman,
Managing Director of NPA****PAGE 12**

Interview

**Tunde Fowler,
Chairman of FIRS****PAGE 13**

Interview

**Waheed Olagunju,
AG Managing Director of BOI****PAGE 14**

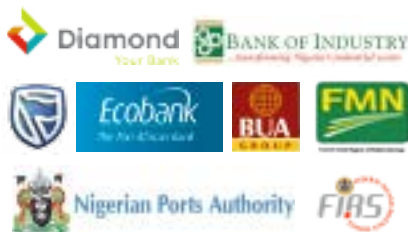
Interview

Bankers Forum**PAGE 16****Building the breadbasket****PAGE 21****The Path to a New Nigeria**

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Reigniting The Nigerian Spirit

BY DANTE DI IULIO

Change begins within and Nigeria is currently adopting this mantra. With plans to increase transparency, diversification, and improve fiscal management, President Muhammadu Buhari has set the country on the right path to future socio-economic development. The 'Made in Nigeria' campaign is a vital part of this master plan, as it focuses on developing the abundant resources available in this country while encouraging the utilization of public and private technological means for the cultivation of these assets. Local business and production does not simply create economic value for the country but rather initiates the concept of shared value, which generates economic growth whilst also addressing social challenges. The 'Made in Nigeria' project aims to reconnect company success with social progress, ultimately by creating, adding, and delivering value for Nigeria and Nigerians.

Many global citizens are much more familiar with Made in Italy/France/China and even the USA. The concept of 'Made in Nigeria' may just seem like a buzzword today, but Nigerian history presents a

vastly different story. During the 6th Century BCE, the Nok society produced elegant and technically accomplished terracotta heads and figures as well as iron tools and weapons. In the south west of Nigeria, the Yoruba had founded Ife, still the spiritual centre of Yorubaland, producing bronze sculptures using the 'lost wax' technique. Regarded as a major contribution to the world's artistic heritage, these natural figures and heads represented great elegance, delicacy, and beauty. Even during the early 20th Century under British rule, a substantial export trade was built on cocoa, groundnuts, leather, cotton, and vegetable oils.

Indisputably, Nigeria's current greatest exports come from Nollywood. A truly local product, played by Nigerian actors, filmed by Nigerians cinematographers, telling Nigerian stories that are then exported around the world. While the Nigerian economy has certainly diversified its production over the past century, its innovative spirit continues from the country's inception. When speaking of production and outputs, people are the first thought that comes

to mind and the Nigerian population is a definite asset. By and large, “Nigerians are very energetic and dynamic people,” said Waheed A. Olagunju, acting managing director of the Bank of Industry (BOI), “However we require some master-chefing, harnessing this raw material and potential to create a fantastic product.” Slowly but surely, an ecosystem is constructing itself within the Giant of Africa. Most western countries prescribe to invest in youth since they are the future. In Nigeria, 60% of the population is below the age of 30. As a mode of acquiring capital, two programs have been started by the BOI as a means to provide funds for those flush with the entrepreneurial spirit. The GEF program lends “NGN2 million for students and young professionals”, while the Youth Entrepreneurship System offers “NGN5 million, and combined, these two programs have launched over 300 Nigerian entrepreneurs with over NGN500 million in funds.”

EMPOWERMENT FOR ALL

For entrepreneurs and medium-sized companies, the ease of doing business is crucial. Tunde Fowler, executive chairman at Federal Inland Revenue Service (FIRS), wants to guarantee this by employing convenience and transparency. “We are deploying more technology to ensure that taxes can be deducted at the source for corporate organisations, and telecommunication and aviation companies. We give free solutions to those sectors. So, when they want to pay their taxes all they have to do is just apply and use what we have given to them.”

Recently, BOI launched an online business application in conjunction with enterprise centres all over the country, including in universities and business schools. To grow its base, they have increased the number of offices over the past year providing electronic customer care and feedback, and will soon build industrial parks to insulate SMEs in the local environment. While these steps are just the beginning, Fowler emphasizes, “We have to change the orientation of the staff. So, that means that they all have to put in 100% dedication, determination and effort



to achieve it.”

Facebook CEO Mark Zuckerberg’s recent visit reignited the passion and enthusiasm of young Nigerians, who are already very busy with innovative work in Lagos and Abuja. Seeing Nigeria as a land of 17 million Facebook users, “I think he was intrigued by the sheer amount of young Nigerians undertaking various forms of innovation, even in animation, graphic design and coding,” says Nigerian Vice President Professor Yemi Osinbajo. Noticing the limited broadband availability presents an interesting initiative for the Facebook founder and an intriguing partnership with the Nigerian government.

“We’ve been working on setting up other technology hubs across the country, like our first one in Abuja,” states Vice President Osinbajo.

“You need a lot of government intervention in the production of infrastructure, so companies like ours,” notes Kabiru Rabi, Group Executive Director, BUA. “are strongly positioned to work together with the government to produce such things.” Increased infrastructure allows sharing of knowledge, skills and resources. “Realistically we will at least be able to do three technology hubs in this cycle,” emphasized VP Osinbajo, “I think that it’s really the way of the future, for Nigeria

and for young Nigerians.”

LOOKING INWARDS FOR SUSTAINABLE GROWTH

“The consciousness to buy ‘Made in Nigeria’ products is widening and deepening among Nigerians... Although there is still so much to be done, I believe that the country is beginning to appreciate itself,” says Godwin I. Emeifele, Governor of the Central Bank of Nigeria.

As a mode of creating genuine sustainable economic growth, the ‘Made in Nigeria’ campaign is organized to showcase everyday products used and produced by Nigerians locally as an alternative to imported products. The intended re-alignment of the government and private sector seeks to establish a new order that emphasizes the important role all Nigerians have in adding and delivering value to their nation. “Nonetheless, there is the need to ensure that local producers do not undermine the quality of their products by cutting-corners, as this will further energize, encourage and convince Nigerians to buy Nigerian-made products,” emphasizes Emeifele.

While Nigerian products and services will ripen and flourish under the ‘Made in Nigeria’ campaign, the largest development in quality will undoubtedly be the Nigerian character and spirit.



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Laying Strong Foundations

INTERVIEW

Vice President of Nigeria Professor Yemi Osinbajo outlines his vision for creating the optimum environment for unleashing Nigeria's potential. The country's second in command explains the solutions and strategies that the government has already implemented to end the culture of impunity that has reigned for too long. He goes on to describe the policies for easing business processes for the private sector, and the role that tech-based startups will have in providing not only opportunities for young Nigerians, but delivering innovation and growth for the generations to come.

What has been the government's biggest achievement in the fight against corruption?

Primarily, our biggest achievement was ending impunity. Those who held positions of power, especially at the federal level, acted completely corrupt with no fear of punishment or loss of power. We have endeavoured to send a strong message that there will be consequences for corruption and we have more or less achieved that objective by ensuring that reported cases of corruption are thoroughly investigated and those whose allegations are found to be strong enough are assessed for prosecution. That is what we have been doing so far and I think the strongest message is that everyone will agree with today is that there will be consequences for corruption.

What steps is the administration taking to improve the power situation to support local manufacturers?

The major problems holding back local manufacturers are infrastructural and some are questions around ease of doing business. Fixing the power problem is at the top of our agenda, and has proven more difficult than expected, particularly because of the bombings in the Niger Delta. As of February 2016, we were producing about 5,000 megawatts of power, which was the highest it had ever been in the history of the country. But, that same February there was a bomb and we lost 40% of the country's gas supply, which is the main fuel source for our power plants. That led to a drastic reduction in power supply and we have been struggling to get back to a normal production level. We are therefore working hard to provide more gas to the power plants and complete transmission projects. One issue surrounding power is the tariff structure. Nobody welcomes an increase in tariffs, but we need a cost-effective tariff in order to pay for the maintenance and development of the value chain.

We are in on-going discussions with the stakeholders to try and improve the liquidity in the electricity market.

There have been a plethora of suggestions and recommendations to lower the barriers to doing business in the country. What strategies has the Federal Government brought to the table?

There are different incentives that we are offering to businesses. We still have pioneer status for those who are starting new businesses and we are working on a more diverse menu of incentives for small businesses in particular. We are looking at reducing taxes for small businesses, especially corporate taxes. Many small businesses complain about how long it takes to get approval from the government for projects. The president therefore approved the formation of a Presidential Enabling Business Environment Council, of which I am the chair. We are strategizing how to make the government an enabling force for the business community.

One of the strategies we are looking at is something called the One Government Approach to Approvals, which means that if you apply to one government department that department is responsible for ensuring that you have fulfilled the conditions required by other relevant departments. Instead of the applicant being responsible for this, the government department will take the trouble to do so.

We are also looking at having a visa on arrival for foreign investors and business people. Access to foreign exchange remains a major problem because we simply do not have the supply that Nigeria had in the past. This is due to the relatively low price of petroleum and the fall in production as a result of the vandalization of pipelines in the Niger Delta.

Breaking down barriers to doing business requires a combination of infrastructure and macro-economic policy. For example, interest rates are quite high, which is a problem for many businesses. We have tried to secure intervention funds from the CBN, which comes at an interest rate of 10%. The banking sector has followed suit and has provided some intervention funds for small businesses.

We are endeavoring to balance the needs of Nigerian businesses with the rate at which Nigeria is borrowing. Intervention funds are the way to do that for the time being, until other macro-economic conditions settle. We expect that when inflation goes down we will be able to reduce interest rates for lending.



“It would be good if we could be the country of choice for investment amongst all of the emerging companies. Topping the list and being the first-place choice for investment, that is what we look forward to doing here.”

There is a lot of excitement about the potential of Nigeria's tech sector, as seen when Mark Zuckerberg visited Lagos. What is the federal government doing to facilitate growth of this industry?

When Zuckerberg visited, he was clearly fascinated by the energy and enthusiasm of our young people, who are already doing a lot of interesting work in Lagos and Abuja. There are 17 million Facebook subscribers here, and there is unimaginable potential in our young population, who are already introducing innovative tech solutions, and

creating specialities in animation for example. One of his subsidiary companies has been an angel investor in one of the Nigerian start-ups. He also has been speaking to the government about initiatives around broadband availability and is looking at introducing some innovative solutions and models for increasing access to internet. He is interested in using Nigeria as a model for innovative ways of creating broadband services for the continent.


What role is the government playing in encouraging and tech-based businesses?

Technology is the way to go. Young people are taking to these innovations and apps like fish to water and it is the most natural thing in the world for them to use these tools to create businesses and innovative solutions to Nigerian problems. Every day you see new ideas popping up in Nigeria, and what we need to do, is to try and tie these ideas to markets and encourage the generation of tech-based business ideas and support them. In line with Zuckerberg's ambitions is our work in setting up other technology hubs. We have one in Abuja and we are trying to build another one, a super-hub, in Lagos. The ambition is to do so in the six geographical zones, to encourage young people to participate in technology, and realistically we will be at least able to do three in this election cycle and intend to bring another three online if we are elected again. That is really the way of the future, for Nigeria and for young Nigerians

How do you intend to reduce unemployment among the younger population?

As part of our social intervention efforts, the government is trying to create volunteer jobs for young graduates. We are taking on board 500,000 graduates to be volunteer teachers, volunteer public health officials, and farm extension workers. To train them, we are using technology to give these graduates the information they will need. This information will be made available through online portals, and we are in the process of organizing a device that contains all of this information and act as a self-education tool for these young people. The devices will also help us to interact with the graduates, to find out where they are, how they are doing, and what more can be done to help them. This initiative is the first of its kind, and we are excited to see the results.

Nigeria is a country of superlatives, what record would you like to see the country breaking next?

I think it would be good if we could be the country of choice for investment amongst all of the emerging companies. Topping the list and being the first-place choice for investment, that is what we look forward to doing here. When you look at where we are in the Ease of Doing Business studies that the World Bank does, it will be quite an achievement but, with all we look forward to doing in the next couple of years, we hope we can move up in the Ease of Doing Business rankings and hopefully, be able to use that as a means of encouraging entrepreneurs and encouraging investors in developing our economy. For me, I think, an interesting achievement will be to be the place of choice for investments in the next two years or so. 

What Does 'Change Begins With Me' Mean For You?

Changing Nigeria for the better is a big task, and one that every single Nigerian has been enlisted in.

FORUM

President Muhammadu Buhari introduced the 'Change begins with me' campaign in September of 2016. The goal is a self-defining one, a clarion call that applies to all citizens. Buhari charged Nigerians not to see the 'change' slogan of his administration only in terms of economic reforms and as the stuff of parliaments and policies, but also in the role that individual citizens must play in actualising change. So we asked leaders of industry what 'Change begins with me' means for them.

Niyi Yusuf, Nigeria Country Managing Director, Accenture

"Change begins with me', is walking what you talk and practicing what you preach. It calls for change, something as simple as obeying traffic laws. It's so simple, yet it's so important, because the traffic that you find on the road is due to the way people drive and it has huge consequences for the cost of transport and logistics. It's a matter of doing the right thing, making that private choice, and affecting change."

Waheed Olagunju, Acting CEO and Managing Director, Bank of Industry

"It means, 'improve your work ethic, your productivity.' Look at the Chinese, why are they doing so well today? They are highly disciplined and productive, and they have a focus. We need to go back to our old values of honesty, dignity of labor, and integrity.

Uzoma Dozie, CEO, Diamond Bank

"Change begins with me means that you have to lead by example. You cannot tell people to embrace technology for example, but if their boss and the people they respect are embracing efficiency, that can inspire change."

Tunde Fowler, Executive Chairman, Federal Inland Revenue Service (FIRS)

For me it's simple. You cannot talk about Nigeria as a country without talking about the people in it. It's the people that make up the country. So, when we say Nigeria needs a change, then the change has to come from everyone in Nigeria. So, the change starts with an individual. Once that individual decides to change, he'll make his neighbour and family change. Once we all change and start doing the right thing then Nigeria will change.

Yinka Sanni, CEO, Stanbic IBTC

"It means that every Nigerian needs to take some responsibility, because it is easy to blame the leadership. Every Nigerian needs to take some responsibility, including being proud of our country. I am very, very proud of my country. I wouldn't exchange my passport for any other."

Professor Yemi Osinbajo, Vice President of Nigeria

"I think the biggest achievement is first that we've been able to end impunity. We have tried to send a strong message that there will be consequence for corruption by ensuring that reported cases of corruption are thoroughly investigated and those whose allegations are found to be strong enough are assessed for prosecution."

Aliyu Abbati Abdulhameed, Managing Director, Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)

"In the past, when there was a problem, a fund would be created and money would be thrown at the problem, and people would hope things would change, and get better. This is the point of departure from that model."

Hadiza Bala Usman, Managing Director, Nigerian Ports Authority

“If you apply yourself, you will find that you are able to move in leaps and bounds and put your life and career on a trajectory that is progressive for you. You need to perform, irrespective of your gender, beyond tokenism or concessions. Apply yourself and you will thrive and flourish.”

Charles Kie, Managing Director, EcoBank

“We have to be confident on the ability of this country to take the right economic direction, to affirm its leadership position and to ensure that it effectively offers its population an environment where wealth is generated within a diversified industry base and that wealth is properly shared across the country. The only thing that remains to be done is to turn the ‘ifs’ into ‘when’. When that is done, this country is going to be completely different.”

Alhaji Kabiru Rabi, Group Executive Director, BUA Group

“This is very important. We always tell people that we believe the government does not have to do everything. Making Nigeria better is a collective effort. Everybody has to do their bit. As a person and as a company we are doing our bit. If you look at it from a business point of view there are a lot of things

that you can do to help make Nigeria better, in the sense of job creation, wealth creation and make money at the same time. For example, to help the farmers and help the country we need strong fertilizer production. It’s an opportunity to help but also an opportunity to make sense. When you look at it holistically you see that it’s an effort where everybody needs to do his or her bit, both the private sector as well as the government.”

Paul Gbededo, Managing Director, Flour Mills

“You have to start the future today. You have to start creating your future, and you have to start now. That’s the change. You don’t wait for things to happen, you have to make them happen. When we started over 55 years ago we had one mill. Today we have become the second biggest flour mill industry in the world. That shows vision, the ability to change, the ability to be flexible, the ability to lead and that is what possibly the president is saying, and that change starts with you. It has to start with individuals, because you get nowhere by talking about what others are doing, what about what you yourself are doing. I work in my world and I can change my world, that is what I have been doing, guiding the company in a sustainable direction that will lead the company to greater levels and heights. I think it’s a mantra that everyone should try to imbibe.”

The advertisement features a blue sofa with a white logo on the backrest against a yellow background. A grid of nine icons represents various financial services: Bank, Pension, Asset Management, Capital, Stockbrokers, Trustees, Insurance Brokers, Vendors, and Investments. The Stanbic IBTC logo is in the top right corner. Text on the right reads: "Let's help you make real progress / Our expertise can put you on the right path". Below this, it says: "We have the expertise to support you in growing your finances with our professionally sound businesses that help you in making progress real". At the bottom, it says "Stanbic IBTC - Moving Forward" and "A member of Standard Bank Group".

A Stronger Performance

INTERVIEW



“The FX restriction has already boosted domestic production with an added advantage of lowering and unemployment and poverty while fine-tuning the indigenous skill base.”

**GODWIN I. EMEFIELE,
GOVERNOR OF THE CENTRAL
BANK OF NIGERIA**

Godwin I. Emeziele, CON, governor of the Central Bank of Nigeria talks exchange reserves, diversification, and job creation.

How have the import restrictions helped bolster foreign exchange reserves, and have they helped spark economic diversification in the way you expected?

This policy was forced on us in the aftermath of the significant drop in oil revenues. Our reserves crashed from a peak of US\$62 billion in 2008 to \$37 billion in 2014 and to less than \$24 billion in 2016. Today, this restriction and other policies have led to gradual increase in our FX reserves, which now stands above \$30 billion. The FX restriction of 41 commodities has already boosted domestic production with an added advantage of lowering unemployment and poverty while fine-tuning the indigenous skill base. We do not delude ourselves that this policy is sufficient by itself to jumpstart Nigeria's manufacturing base without policy support from arms of government and more policies from the CBN itself. Hence, the Bank has intensified its development finance activities with considerable results. Our Anchor Borrowers' Programme has succeeded in bolstering the indigenous production of rice and in a few years Nigeria will reverse the hitherto dependence on imported rice and become a net exporter. We have noticed increased ingenuity and enthusiasm in the domestic production of a number of other commodities in the list, such as tomatoes.

What strategies do you have for supporting big businesses and corporations as well as smaller SMEs?

The CBN is mindful of the need to balance its objective of price stability with the realities of growth stabilization and job creation. I deeply believe that it will be totally counterproductive for central banks in developing countries to ignore the need of output stabilization and job creation. At the CBN we consider ourselves agents of development. While we use both our traditional policies (monetary and exchange rate) to support the structural rebalancing of the Nigerian economy, our development finance initiatives are targeted

at directly boosting domestic productive capacity and creating jobs. The CBN has intervened at various times by providing finance and logistic supports for various sectors and ventures especially in agriculture, manufacturing, power, aviation, education, and MSMEs. We are working closely with a number of agencies across finance, agriculture, and industry to ensure comprehensive implementation of some of these policies.

The President charged the Central Bank with blocking leakages back in 2015. What progress been made on that front, and has it helped improve Nigeria's reserve position?

The CBN is a very responsible, intuitive and proactive organization. We are well aware that the perverse dynamics of the FX market are driven by unscrupulous activities. We have taken a number of measures to curtail historic abuses. For instance, the licensing of IMTOs to sell proceeds to BDCs; moderating the use of ATMs abroad; wide-ranging management of LCs; restricting 41 commodities from the FX market; simpler but water-tight documentation of allocations for school fees, PTA, etc. These and others have contributed to blocking leakages, and have aided the recent accretion to our FX reserves.

Your time at the CBN has created a narrative of “strength from within”, reducing reliance on imports and foreign aid, pursuing genuinely sustainable economic growth. Do you think that narrative has changed the way country sees itself?

Of course! The consciousness to buy ‘Made in Nigeria’ products is widening and deepening among Nigerians. Today, we see an increasing number of Nigerians prefer local rice over imported ones while extolling its taste vis-à-vis that of the nearly expired imported rice. We see stores like Shoprite brandish made in Nigeria products to attract patrons. Though there is still so much to be done, I believe that the country is beginning to appreciate itself. There is nonetheless the need to ensure that local producers do not undermine quality of their products by cutting-corners. This will further energise, encourage and convince Nigerians to buy Nigerian-made products.

Getting It Right

INTERVIEW

Hadiza Bala Usman, Managing Director of the Nigerian Ports Authority (NPA), discusses the on-going upgrades of the maritime infrastructure that will support products coming in and out of the country for years to come.

What role does Nigeria's port infrastructure play in the wider African economy?

Nigerian ports are a gateway to the economy, and they are key to growing our economy. The role of the government and the Ports Authority is therefore to strengthen the position of Nigeria's ports and make ourselves competitive. One of the two approaches to achieve this is to have a competitive pricing and tariff regime. We are therefore conducting a study to determine respective tariffs and pricing regimes across the region and will review our strategy once the study is complete. We also need to be operationally efficient, which means ensuring that we are ready for vessels, that our channels are free of debris, and that any ship that is coming to berth in Nigeria has access to the necessary infrastructure and equipment. We are also reviewing our concession agreements after 10 years. Within that review there will critical issues around equipment deployment, infrastructure deployment, improvement in ensuring that operationally our terminals are efficient and are able to provide the service required. We have identified gaps in our infrastructure, and have allocated budget so that funds can be deployed to improve our set-up over 2017.

How are tech-based practices assisting in the drive for greater efficiency?

We need to work on instituting a single payment window, which is a platform that enables an importer to make all the required payments through one portal. It is an integral part of developing our operational efficiency. We are currently working with the Nigerian customs service, co-sharing the implementation of a national single window.

How are you developing your ports to cater for Nigeria's forthcoming increase in exports?

The NPA, through our terminal operators, are

prepared to take on any increase in volume, be that inbound or outbound. Typically, vessels leaving Nigeria tend to go with 3% of their capacity taken up by Nigerian products, which questions our current export strength as a nation. We have therefore worked on supporting the export of agricultural produce and have developed a standard operations procedure that prioritises the export of agricultural produce. We are also working on an operations procedure to prioritise and enhance the export of solid minerals.


How has violence in the southeast affected the export of oil and gas?

That sector has had its recent downturn in the same way the oil industry has a downturn. Our operations and revenue projections coming from the eastern ports is lower than we anticipated due to the activities in the Niger Delta region. We appreciate the effort that the government is doing. We also have been supportive in as much as we can to provide support in ending that concern. We have invested tremendous amount in our resources, through atomization in the development of the Honor terminals and once the problems are solved, we expect those investments to be paid off by increased traffic.

How is Lekki Deep Sea Port progressing?

The new port is an on going project. We are shareholders of 20% and can say that the project will be making substantial progress in 2017. We have made a payment of about 5% of our equity contribution and are currently working with the technical partner to see how the project could be completed as soon as possible.

How do you see the future of Nigeria?

My dream for Nigeria is a Nigeria that consumes 'Made in Nigeria' products, to be self-sufficient in agriculture and services. A Nigeria that is able to use its population as a positive thing to improve on the livelihoods of Nigerians. We have huge capacity for agricultural produce. Our population is high. So, we need to harness what we have to make our country great. I believe that this can be achieved, with the tremendous strides that this administration has taken. I believe we will be able to achieve that within the shortest period. 



“We also need to be operationally efficient, which means ensuring that we are ready for vessels, and that any ship that is coming to berth has access to the necessary infrastructure and equipment.”

HADIZA BALA USMAN,
MANAGING DIRECTOR,
NIGERIAN PORTS AUTHORITY

The Time Of Change

INTERVIEW



“When you are a tax administrator in the times when the economy is slow, it becomes even more important to do your job well.”

**BABATUNDE FOWLER,
EXECUTIVE CHAIRMAN OF
FEDERAL INLAND REVENUE
SERVICE (FIRS)**

Collecting tax revenue in Africa’s biggest country by population is a Herculean task and one that falls on the shoulders of an experienced man. With a combination of technology and common sense, Tunde Fowler intends to change the culture of tax to fund all tiers of government and serve Nigeria.

How has your experience as Executive Chairman of Lagos Internal Revenue Service helped you in your current position as head of the country’s internal revenue service?

I became the first permanent secretary, executive chairman of Lagos Internal Revenue Service and during my 10 years of tenure we were able to increase the average monthly IJA from about 3.6 billion per month to about 23 billion. The president appointed me executive chairman of the Federal Inland Revenue Service, and our mandate is to fund all tiers of government, because FIRS revenue collection is shared with local, state, and federal government. It is a big project and comes with a lot responsibility. Lagos is important, but now I am responsible for funding the country’s coffers, and if we do not deliver, there is a lot of people who will be disappointed.

The economy has slipped into a recession in the past year. How has that affected your ability to generate revenue for the state?

When you are a tax administrator in the times when the economy is slow, it becomes even more important to do your job well. Many people were outside the tax net and our first imperative was to expand our net. Leveraging technology, we are able to access about 700,000 corporate accounts and reawaken dormant accounts. We are also deploying more technology to ensure that taxes can be deducted at source for corporate organisations. We provide free solutions so when someone wants to pay their taxes all they have to do is apply and use the tools we have given to them, at no cost to taxpayers. We realise that we have to do things differently to get different results.

How have you managed to achieve 99% of coverage for corporate taxpayers?

Taxation comes with certain principles that you have to apply. One is fairness, another is convenience, and the final one is accountability. We had to expand our tax net in order to ensure that nobody was being left out, leaving the tax burden to others. We established a unit called FEETT (Federal Engagement and Enlightenment Tax Teams). They crosscheck companies that are visible, find out whether they are registered for tax and register them if they are not. We held a meeting with all the state revenue boards, the six states, and the FCT and agreed to share our databases and find unregistered accounts. We also looked at the Capital Affairs Commission’s list of companies and the untaxed transactions. We have worked hard to erect systems that reduce the opportunities for tax avoidance.

How do you incorporate the informal economy into that tax infrastructure?

Key to this is convenience and transparency. We are deploying more technology to ensure that taxes can be deducted at source for corporate organisations, telecommunications and aviation. A large number of small businesses owners do not have bank accounts. There is no law saying that people have to keep their capital in a bank account. Therefore, in areas such as electronic transfers, the federal government, through the Central Bank, has established certain stamp duty charges on transfers. We are therefore able to capture that revenue at the appropriate time. Another aspect is to make the process simple and for this we have provided free solutions to sectors. For example, in the airline industry, when you pay for a ticket the VAT portion or any taxes that are supposed to be deducted can be deducted and credited to the federation account, and the same applies to the telecoms and power sector. This solution is provided at no extra cost to the tax payer, and ensures transparency.

All The Right Ingredients

INTERVIEW



“At this particular point in time, we need our development partners more than ever before, for Nigeria’s sake and for the sake of the international community.”

**WAHEED OLAGUNJU,
ACTING MANAGING
DIRECTOR AND CEO,
BANK OF INDUSTRY**

Waheed Olagunju, Acting Managing Director and CEO of Bank of Industry (BOI), on the bank’s historic role in developing the financial infrastructure to support the nation’s industrialisation agenda.

How has the Bank of Industry developed over the years and what has been your role in BOI?

Bank of Industry (BOI) was originally incorporated in 1959 as ICON Ltd, mainly by British and Nigerian investors. After independence, the Federal Government realized it needed to set up an institution that would lend to the industrial sector, in order to mobilize funding from domestic and foreign sources. ICON Ltd. was later reconstructed into the Nigerian Industrial Development Bank (NIDB) in 1964. In 2001, it was restructured into the Bank of Industry, when its memorandum and articles of association were amended to incorporate defunct banks. The organisation was making losses at inception, but by 2004 it began turning over and has remained profitable while impacting positively on Nigeria’s economic development. Since then, it has lent almost one-trillion Naira to thousands of enterprises across the country while creating more than five million jobs in the process. During my last 27 years, I was blessed to have worked with five different departments at BOI before being promoted to Executive Director in 2012. Fortunately, I’ve been an integral part of BOI’s Senior Management team that has been driving the bank’s highly impressive performance, turnaround and transformation into one of Africa’s best Development Finance Institutions (DFI). As a result, BOI has earned the confidence of its domestic and foreign development partners, rating agencies and stakeholders in general. Under my management of the SME Directorate, the bank increased its annual lending to SMEs to N5.6 billion in 2015, which represented 205% increase over the average annual lending in previous years.

Who are the key players in Nigeria’s economic development?

The prime movers of development in any country are mainly the government at all levels because they are responsible for creating and sustaining the environment. The other catalysts are the private sector, international development partners and community-

based organisations. Businesses do not exist in a vacuum; therefore the vitality of an enterprise depends on the ease of doing business. Under the Land Use Act, if you need a piece of land for your business, you require title documents - which are required for bank loans - and these can only be issued by State Governors or the Minister of the Federal Capital Territory. Access to suitable finance is another factor. No economy can thrive sustainably with double-digit market determined interest rates, which is why Development Financial Institutions are established to grant long-term loans at low interest rates on concessional terms. DFIs are policy-based institutions that are set up to intervene in sectors of the economy where market-based financial institutions would not operate. In a nutshell, governments provide the environment with which investors usually take cues from while allowing the international development community to help with loans, grants or foreign direct investments.

How can the international community help this process?

The international community has always helped Nigeria, from independence to current day. BOI itself is a product of international cooperation, courtesy of its precursor institution, that was jointly promoted by the Federal Government and the International Finance Cooperation. Nigeria is one of the 12 countries in the world with population above 100 million, which presents huge market opportunities for the provision of goods and services for any sound businessman.

What challenges lay ahead of Nigeria’s industrialisation drive?

Industrialisation is an inter-disciplinary process that requires input from different sectors. We need to domesticate our production capacity to drastically reduce Nigeria’s heavy dependence on imported plant and machinery as well as raw materials. We need to place considerable emphasis on adding value to our vast agricultural, solid minerals and petroleum endowments in line with the UN’s Economic Commission. Our educational system also needs to be revamped to ensure that our youth are equipped with necessary vocational skills. On a final note, I am an incurable optimist regarding Nigeria’s prosperity and highly confident that Nigeria will emerge as an industrialised country sooner than later.

Banking On The Future

Nigeria's biggest banks have different strategies and methodologies, but their goal of supporting growth is the same.

INTERVIEW

Delivering Nigeria's ambitions will require sound financial support. These leaders in the country's banking sector discuss the role their respective institutions will play in backing the genesis of a strong SME sector, and delivering the wider promises that Nigeria deserves.

How did your banks find their respective *raison d'être*?

Uzoma Dozie, Group Managing Director and Chief Executive Officer of Diamond Bank PLC: Diamond Bank began 25 years ago as a commercial bank that targeted the middle market. At that point in time, small business traders were not being served, so it created a value proposition for this sector. Leveraging technology we provided them with real-time solutions, so instead of carrying their money across Nigeria to do trade clients could deposit it in a bank in Lagos and collect it from Kano. Twenty five years later, that is exactly what we are still trying to do; using new technologies to support working people and provide them with cost-effective banking services.

Yinka Sanni, Chief Executive Officer of Stanbic IBTC Holdings PLC: Stanbic IBTC Bank PLC is structured into three business lines. We are in corporate and investment banking, personal and business banking, and in wealth management. This structure was adopted in September 2012, when I became the chief executive of the bank. It's a company that has values that are in line with my own personal principles and standards. We try, as much as possible, to do things transparently and openly. We are very proud being Nigerian and we believe very great things come out of Nigeria and that Stanbic IBTC represents one of such great things.

Charles Kie, Managing Director of Ecobank Nigeria Limited: Our role is to make sure that we effectively play a key role in supporting the economy in this country, but also ensuring that we have the right returns to our shareholders. The way we're looking at it is actually again twofold. We are trying to do as much as we can in terms of the financial inclusion and facilitating the payment schemes. This is where some of the innovation that we are bringing to the market is meant to support these SMEs in going the extra mile, as opposed to sticking to the traditional *modus operandi* of banking. We are transforming to make sure that we will significantly improve our profitability, customer experience, and the environment in which our employees work and showing that we can also deliver very strong returns to our shareholders.

What strategies do you have to support the SME sector, and what benefits do you imagine a more robust SME infrastructure bringing to the economy?

Uzoma Dozie: The future of Nigeria is in small businesses, the government cannot afford to be the primary employer of labor. We are enabling small business, strengthening their capacity to enable them to employ more people, and generate more revenue for the government. There are over 17 million businesses in Nigeria that are unbanked – by bringing them into the fold we can improve their businesses, provide advisory services, and help them manage their finances. We target a range of sectors, the more diverse our customer base, the stronger the bank. This emphasis on the importance of diversifying the Nigerian economy is not a government story; everybody needs to diversify, from the banks to the individuals. The more small businesses that are successful, the more employment opportunities they provide, and the more they employ, which means more wage earners in the economy. Doing this means that manufacturers can invest in machinery and plant. This is what generates GDP. 100 companies cannot make a difference in Nigeria, but 17 million can have a huge impact, and everybody has a part to play in making this narrative the narrative of Nigeria.

Yinka Sanni: SMEs constitute a significant percentage of GDP, so we have dedicated funds for SMEs, and we have received funding from multinational institutions like the African Development Bank, who have given us a line specifically for SMEs. We have a large spread, with over 180 physical locations across the 36 states.



“We believe the country needs to get the masses employed and that would come with agriculture, so we are looking for opportunities in agriculture.”

YINKA SANNI,
CEO OF STANBIC IBTC



“The future of Nigeria is in small businesses, the government cannot afford to be the primary employer of labor.”

UZOMA DOZIE,
CEO OF DIAMOND BANK



“When you look at the opportunities in the Nigerian Market, you cannot find them anywhere else on the continent.”

CHARLES KIE,
MANAGING DIRECTOR OF ECOBANK

We leverage that footprint to find SMEs and provide them with support. Broadly speaking, the local market is a huge market and we have a wealth of non-oil resources. We have the capacity to be self-sufficient, and it is possible. For example, this country used to import cement, until the government decided to invest and support the industry, and today we are net exporter of cement. If we select a handful of industries and support them and their value chains, devoting energy and focus, we can create self-sufficiency. We are also aligned in terms of future industries. Again, with Nigeria’s young population, we believe that information technology and innovation-based industries will play a big role in the future of the country, so we are also looking for opportunities in those spaces.

Charles Kie: Today, we have more than 8,000,000 customers, and we want to fortify these customers with the technology and finance to drive the financial services industry. The backbone of the country’s GDP is all these small entities that, unfortunately, have not yet moved into a formalised framed environment. We are trying to do as much as we can in terms of the financial inclusion and facilitating payment schemes. Key to this is the flexibility to go the extra mile. We need to make sure there is proper funding made available to them and, of course when it comes to funding because Ecobank has an impressive and healthy balance sheet, we can combine this with our technological capacity and support these entities and play a bigger role in supporting the sector. At the same time, we should be selective in the way we actually approach the various actors that can be instrumental in making effective change. This is where our funds come into play, because dedicated funds, by their very nature, can effectively be what brings some of the response. So, it will not be only one actor but a combination of things that will effectively yield the result the country wants and needs.

What role will your respective banks play in the future of Nigeria?

Uzoma Dozie: This is the go-to market in Africa. This is the market that connects Europe to other parts of Africa. It’s very

simple. It’s a 180 million market. But, it’s not just 180 million people. It’s a young market. Five percent of the people are under the age of 30. This is also a country that has diverse natural resources. We are an agri nation. From an infrastructure perspective, there’s a lot of work to be done. We have very good communications platforms, from a voice and data perspective. If we all come together, private and public sector, we can leapfrog and save a lot of costs and attain our rightful place. For us, this is the place to be and we believe that what we are doing from a retail perspective is what is actually going to make Diamond Bank one of the key contributors to the development of Nigeria.

Yinka Sanni: At Stanbic IBCT we believe in the long-term future and fortune of Nigeria. So, we are aligned with the country and looking for sectors that would be part of the upturn when things change. Nigeria’s 180 million people need a huge amount of infrastructure. So, as part of a very big successful African banking group, we are helping there. We believe the country needs to get the masses employed and that would come with agriculture, so we are looking for opportunities in agriculture. We are also aligned in terms of future industries. With our young population information technology-based innovation will play a big role in the future of Nigeria’s economy.

Charles Kie: I couldn’t dream of a better time to be in Nigeria, because the banking environment is tough, the context is difficult. But, at the same time, when you look at the opportunities in this market you can find it nowhere else on this continent. I spent four years in South Africa, where there was almost 90% of people already banked, so how do you grow? Here, the potential is just massive. So, it’s just about getting a strategy right. The only way we can survive in this market and the only way we can be a leading bank in the next five years is to completely transform. The means introducing new products, becoming a more nimble organisation, being customer focused, and disciplined in the execution of our strategy. The main thing is to make sure that we do not lose track of the direction that we have set and to ensure that we execute decisions in a focused manner. The objective for us is to be one of the leading banks in this market in the next five years.

Building The Breadbasket

With changing weather patterns alongside growing population figures, the world is looking to the underdeveloped fields of Nigeria to plug the food gap.

BY GEORGIE BAKER

Agriculture has long been hailed as the silver lining to many of Nigeria's problems. It has the potential to eliminate the country's high import bill, to develop complex value chains, and provide employment for millions.

"No sector has the absorptive capacity that agriculture holds," says Aliyu Abbati Abdulhameed, Managing Director of the Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL). From his point of view, like many others, agriculture has not only the capacity to feed the nation, it creates jobs for a country facing the intimidating challenge of finding employment for the hundreds of millions of Nigerians who will be born in the next few years.

According to Abdulhameed, "It [agriculture] takes the illiterate. It takes the professor. Anybody can do it. But, the question is what kind of agriculture, what production model will prevail."

In his opinion, the subsistence model is not enough; Nigeria needs to adopt the modern technological-driven investment-heavy model. It's time for a historical departure.

Collectively, we need to stop looking at Nigeria as purely an economy of 182 million consumers, and tackle the realities of what this means. A market of unproductive consumers creates little transformative wealth, and will do little to feed the people. Foreign investors need to be able to see tangible potential to make profits.

As, Waheed Olagunju, managing director of Bank of Industry (BOI), explains, "The investors will ask what is there for them, for example if the government wants to develop housing, a smart investor would go and start dealing with those things."

With the Central Bank's summer 2016 directive to halt the import of 41 it equally opened up the board for players keen to develop in-country provision for Nigeria, by Nigeria. The projections are undeniably impressive, the estimation is that by 2030 Nigeria will be home to 400 million people. However, Nigeria is at the moment producing enough food to feed Rwanda, a country of 12 million people, and there is much opportunity for

growth.

The Central Bank's Anchor Borrower's Programme has gone some way to bolstering rice production already. Godwin Emezie, governor of the Central Bank, explained to us, "I can assure you that in a few years Nigeria will reverse the hitherto dependence on imported rice and become a net exporter of rice. We have also recorded significant improvement in the production, preservation, and processing of tomatoes in the country mainly due to the inclusion of the commodity on the not-valid for FX list. Today, many firms including Dangote Farms Ltd, Erisco Foods, Tropical General Investments, Savannah Integrated, Vegefresh Company are taking advantage of the policy to restore Nigeria's tomato industry with increased production and processing in the country.

Nigeria constitutes 84 million hectares of arable land, and at the moment, only 1% of that is farmed. The average producer produces two tons of produce per year, but the land has the richness to produce seven tons per hectare, twice a year. And, what's more, Nigeria has a dozen river and dam basins, providing enough water to irrigate all of this greenery."

But at the same time, the Central Bank, cannot jumpstart Nigeria's manufacturing industry. Modern agriculture is a huge industry; a nine-headed Lernaean Hydra requiring import and exports, logistics, as well as agronomists, fertilizer, manufacturers of chemicals as well as machinery, seed suppliers, and buyers, and storage facilities, and insurers, as well as the markets and shelves on which wares can be sold. These value chains provide not just an opportunity to help but also an opportunity to make money.

All of this however, requires large amounts of capital, and that is not coming from the farmer. One legal legacy that has retarded the development of the sector is the issue of land ownership. According to the country's Land Use Act, land is owned by the state, not the resident, no matter how long one has lived there. Farmers are therefore temporary occupants of land owned by the state and consequently, land cannot be used as collateral for credit, which is what drives entrepreneurship. That is why 70-80% of production is done by smallholder farmers, because there

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is not enough capital to graduate into a mid-sized farmer.

Abdulhameed explains some of the barriers; “Bringing private sector finance into the agriculture sector is like mixing oil and water. The perception of agriculture is that it is risky, especially sub-Saharan Africa agriculture, which is smallholder driven. So, private finance is afraid of putting money in, not to talk of banks or other sources of finance.”

There are however, some impressive examples of Nigerians who have bucked the trend. Paul Gbededo, Managing Director of Flour Mills, sat down with us to explain how one flour mill can develop into the second biggest cassava flour miller in the world.

“We are acting as a pool of agri-produce from the farmers and that is helping the farmers, because if the farmer knows he has a ready-made market that guarantees at least a minimum price for him, he will pay attention to harvest improving practices. We are not the only ones as other companies are doing the same. But, at least, for us that is what we have done in the last few years of taking agri-produce so we can add value to it, create jobs and create wealth along the value chain.”

This proactive approach of being a partner to the producer has evidently yielded results for Flour Mills. They have invested capital in building roads, providing and then educating farmers about the use of fertilisers. Now the company is trying to provide producers with more diverse sets of seeds, reducing the chance of a mass failure of one particular breed.

Other, more diverse conglomerates have taken on the risk themselves. Alhaji Kabiru Rabiu, Group Executive Director of BUA explained to us, “We decided to produce what we were importing – cement, rice, edible oils and so forth.”

Today, Nigeria eats 7 millions tons of rice per annum, BUA Group alone produces 2 million. Rabiu explained that this is not even the tip of the iceberg, “Between the upper and lower Niger River basins lies over 1 million hectares of low arable land, perfect for rice production that is capable of yielding five tons per hectare, given that there were two rice harvests per year, that

area alone can produce 10 million tons of rice.”

The government is doing impressive work, considering the sheer scale of the landmass that they have to care for. At the moment, Nigeria loses over 40% of its agri-produce post-harvest due to poor infrastructure, and in some cases lack of infrastructure from storage to logistics. Already, some players are working hard to find the funding, and to de-risk projects, in a bid to speed up the development of infrastructure. That is one of the finding principles of NIRSAL, as Abdulhameed explained when we sat down with him, “The idea was to set up an institution that would be sufficiently financed to serve as the de-risker of the agricultural value chain. Just not the difference – the entire value chain, all the way to the shelves, all integrated... What does de-risking mean? It means you have got to step in there, take the risk and absorb it and give confident guarantees to the investor, ninety percent of our effort goes into the de-risking work.”

NIRSAL goes beyond that, offering incentives in terms of rebates of up to 40% for interest on bank-based capital. It is also working with the insurance industry to create insurance products that are tailored to the sector, again helping to de-risk the sector.

What is so refreshing about this approach is that it does not see the problem of feeding 200 million people and throw money at it. No, it represents a professional, commercial, intelligent response to what is essentially a question of supply and demand. There are no more dollars to import the tomato paste, or the rice and vegetables. Nigeria has to think out of the box, tool up, and move to put food on these people’s plates, and from there, start feeding the rest of the world.

If Nigeria can convert this potential, if it can really embrace the ‘Made in Nigeria’ and ‘Change begins with me’ mantras, Nigeria’s agriculture sector will not just be a triumph in putting food on plates, it will provide a model that can inspire a continent. And that is a goal of building a stronger future, that is a goal worth working for.

Nigeria's Agric Game-Changer: Fixing The Financing Challenge

The Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) is Nigeria's policy tool for de-risking agriculture and encouraging private sector investment into the sector in order to boost agricultural production, food security, and overall economic development. NIRSAL MD and CEO, Aliyu Abbati Abdulhameed throws light on the vision, mission and track record of the unique financial institution.

What is the strategic relevance of NIRSAL to Nigeria's agriculture?

NIRSAL was set up by the Central Bank of Nigeria as a strategic tool for de-risking the agricultural value chain and facilitating agribusiness development in Nigeria. It is an innovative and practical response to the African agricultural financing conundrum. For most African governments, Nigeria inclusive, the budgetary provisions are not sufficient.

For agricultural development to take place, the private sector must take the lead in raising finance while governments provide the right enablers. NIRSAL's objective is therefore to augment agricultural financing by mobilizing commercial bank funding and private sector investment into agriculture through incentives, guarantees, technical backstopping and insurance.

Please provide a quick update of NIRSAL's progress so far.

NIRSAL is kicking off full operations this year, 2017. During the first three years of its existence, NIRSAL was a small, 12-staff project implementation office within the Central Bank of Nigeria's Head office. Within this period, NIRSAL boosted financial sector lending to agriculture by an additional credit of US\$308 million. Similarly, \$3.765 million was paid out as interest rebate to borrowers who were in good standing to encourage good repayment behavior thereby minimizing the risk of default.

Also, over 240 officers on the agricultural finance desks of banks received training on agricultural value chain finance as well as cash flow based financing of agricultural projects. In the same period, NIRSAL trained 185,000 farmers and 201 extension workers in some pilot states across the



“Nigeria has the right regulatory framework in place, a government that is ready to protect foreign investors and a variety of government agencies to support them to set up shop in Nigeria.”

country. NIRSAL also collaborated with the Federal Ministry of Agriculture under the Growth Enhancement Scheme (GES) to realize a significant increase in agricultural production by 21m metric tons between 2011 and 2014.

How does the NIRSAL financing model work?

NIRSAL's innovative financing model has set a sustainable growth path for agricultural mechanization. For example, working with tractor equipment manufacturers, banks, insurance companies, tractor owners and farmers, we facilitated the purchase of about 300 tractors for small holder farmers in pilot states across the country under a fee-for-

service business model. We also launched a Farm to Market scheme to fix inter-regional transport and logistics challenges in the agricultural value chain. The historic launch of the transportation of cattle by rail from the northern to the southern part of the country is the first stage of this program.

What role do small farmers play? How do you support them?

Smallholder farmers are key to the execution of our mandate. They are responsible for up to 80% of primary agricultural production in Nigeria. As a result, 50% of our effort is targeted at getting them visible to formal finance and their de-risked projects acceptable for bank credit. That is why our credit risk guarantee coverage to this segment of the value chain, considered as high risk, is as high as 75%.

What message do you have for those interested in investing in Nigeria?

My message to investors is that Nigeria has the right regulatory framework in place, a government that is ready to protect foreign investors and a variety of government agencies to support them to set up shop in Nigeria. What we are looking for are investors who are willing to carry out direct investment into projects along the value chain. NIRSAL can organize the entire primary production system and fix all bottlenecks along entire commodity value chains. This is to enable investors to come in with confidence with the necessary financial investment, technology and required capital equipment. We have strong systems and institutions in place to protect investors' assets - whether capital equipment or liquid assets.

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Niyi Yusuf, Nigeria Country Managing Director of Accenture, explains; "Sectors succeed when there is innovation and competition. The media, banking, and more recently the telecoms industries provide the clearest examples."

In the finance sector, Accenture was there for the inter-switch payment platform and again played a key role in introducing out-of-branch ATMs to the country. Riding the crest of the wave of innovation and harnessing the power of technology is one of the company's key strategies. Today, Accenture is working on a shared-service platform for the banking industry.

"Technology has become a major cost item for the banking sector, therefore we are working with them to create shared financial services network, increasing the resilience of the sector as a whole and reducing the cost of connectivity by more than half," notes Yusuf.

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biggest companies in Nigeria tackling the principal problems facing players from a range of industries.

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Technology is playing an increasingly central role in the strategies for the power, manufacturing, and insurance sectors, with different methodologies required for all.

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The Path To A New Nigeria:

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BY DANTE DI IULIO

I'm an incurable optimist when it comes to Nigeria's prosperity, because not many countries are as blessed as Nigeria is with the mixture of ingredients for development – highly talented manpower, huge market, and sea access," grins Alhaji Kabiru Rabiū, Group Executive Director of BUA.

With proximities to the biggest economy in the world plus their own and neighboring countries' markets, Nigeria has not even reached half of its full potential. While most economists will say that oil or tech services are the nation's biggest resource, they would be misled. Human capital, in terms of resources, manpower, and the market, is Nigeria's greatest resource.

While the entrepreneurial spirit is currently thriving in Nigeria, a renewed emphasis on local manufacturing has emerged that presents interesting opportunities to foreign investors. Nigeria currently spends vast sums importing rice, wheat, and sugar and to counteract this, President Buhari's government is offering competitive incentives for local milling, processing, and production.

However, "the government cannot do it alone," said BUA's Rabiū, "It has to be done together in consult with the private sector. We believe that, strategically, we are strongly positioned to be able to take advantage of such."

As Nigeria looks inwards in terms of food production, its private sector is adopting innovative strategies to produce in the most efficient manner to help reduce its imports from other countries.

Looking inwards has helped several companies tap the vast potential of Nigeria's marvelous and abundant natural resources.

"We are really confident, as far as Nigeria is concerned, we are going to continue to be very bullish about our investment,"



notes Rabiū. "We are very committed to the market and believe that this is the best place to invest. I believe that Nigeria will be able to serve at least the West African market. We have no business importing." It is in the best interest of all Nigerians to make this project succeed because a successful and viable country benefits all of its citizens. For farmers, education is as crucial for a budding economy as seeds and fertilizers are paramount for future growth.

Paul Gbededo, Managing Director of Flour Mills believes in giving agronomic support to farmers "to let them know how to get the best yield out of their farms; not just through fertilizer but also through seeds... that is what we have done in the last few years in the agri-produce chain so we can add value to it, create jobs and create wealth along the line."

Developing employment opportunities is just a part of the process, as Nigeria requires a systemic and sustainable change. Aliyu Abbati Abdulhameed, CEO of Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL) embodies this thought. He explains, "The whole idea is that we need to have an agriculture sector that feeds a large and growing population on the scale of Nigeria. This is not purely about creating food security, but employment for this growing young population. Developing away from the subsistence model is the point of departure towards a production model that is technologically driven and investment ready."

The 'Made in Nigeria' campaign aims to encourage diversification away from the environment of low priced crude oil and it may turn out to be a blessing in disguise.

“Nigerians will always say necessity is the mother of invention. The longer that Nigeria does not have the money from crude oil, the better, as it is forcing us to look at other areas, where we can potentially earn more revenue,” says Niyi Yusuf, Nigeria Country Managing Director at Accenture.

While Nigeria’s economic potential is usually associated with big business and industries of oil and cement, this campaign assists in re-purposing the pride and motivation that the SMEs, the backbone of the nation, take in their work. For these business owners, they see this moment as an opportunity to create fundamental change for their people.

So, how does this change begin? President Buhari preaches that, ‘Change begins with me’. For Accenture’s Yusuf, “Change means walking the walk and practicing what you preach.”


For FIRS’ Fowler, “the change starts with the individual. Once that individual decides to change, they will make their neighbour

and family change. Once we all change and start doing the right thing then Nigeria will change.”

According to Dr. Yahaya, Chairman of the Development Bank of Nigeria (DBN), “It’s vital that it’s not just a campaign but is part of an effort to diffuse this policy at all levels of the Nigerian economy and certainly at the institutional level, so it’s something that can be sustained.” While ‘Made in Nigeria’ will certainly benefit Nigerians at first, its self-advancement and promotion should spread throughout the sub-Saharan like wildfire. Just like the cinema of Nollywood, all of Africa awaits the next scene in Nigeria’s on-going film.

In life, change is the only constant, and Nigeria knows this perfectly well. As a country, it has gone through several ebbs and flows and has now reached the full realization that the future belongs to its people. Whether with local companies or foreign investors, partnerships are absolutely crucial for the continued development of the nation. Vice

While most economists will say that oil or tech services are the nation’s biggest resource, they would be wrong. Human capital, in terms of resources, manpower, and the market, is Nigeria’s greatest resource.

President Professor Osinbajo puts this best, “We want Nigeria to represent a model emerging economy, and the first place investors look to as a choice for investment. That is our overarching aim.” Ultimately, the ‘Made in Nigeria’ campaign will reunite the Nigerian people with their land, ignite their entrepreneurial spirit, and allow the world a chance to experience the vast beauty that encompasses the Giant of Africa. 

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FMN - Feeding the Nation

FMN has transformed to become Nigeria's leading Food and Agro-Allied Business with a vision of expanding its leadership across Africa. We are transforming lives of millions across the Nation through our Food and Agro-allied investments and our over 11,000 dedicated employees. Our aim is to achieve food security, self-sufficiency and create wealth for millions from our Nation's land. We will continue our commitment and focus on the long-term growth and profitability of our Businesses.

WHEN YOU PAY VAT YOU ARE MAKING A CONTRIBUTION TO YOUR PROGRESS!



VAT is a tax on consumption of specified Goods and Services.

- It is your duty as a provider of goods and services to collect VAT on behalf of the government.

You are **BREAKING** the law:

- If you are not registered with the Federal Inland Revenue Service (FIRS), the general agency in charge of VAT
- If you are not charging VAT on all taxable transactions at the rate of 5%.
- If you are not keeping transaction records.
- If you are not filing VAT returns with the FIRS.
- If you are not remitting VAT collected to government accounts with the bank closest to you within 21 days of collection.

Items Exempted From VAT

All medical and pharmaceutical products, basic food items, books and educational materials, baby products, fertilisers, locally produced agricultural and veterinary medicine, farming machinery and farming transportation equipment, all exports, plant machinery and goods imported for use in export processing zones and free trade zones. VAT IS COMPULSORY FOR ALL OTHER GOODS AND SERVICES.

PLAY BY THE RULES. REGISTER FOR VAT. THAT IS THE LAW.

For information on VAT registration, visit the FIRS office closest to your or visit www.firs.gov.ng



...it pays to pay your TAX

Transforming Nigeria's Industrial Sector Viably...

As the **Bank of Industry** continues to be driven by its core values in pursuit of its Vision, Mission and Mandate, international and domestic rating agencies upgrade and affirm BOI's ratings.

	2016	2015
FitchRatings	AA+	AA+
MOODY'S	Aa1	Ba3 (In consonance with Nigeria's sovereign rating)
Agusto&Co.	AA-	A+

CORE VALUES

Service | Professionalism | Passion | Integrity | Resourcefulness | Innovation | Team Spirit

VISION

To be Africa's leading Development Finance Institution operating under global best practices.

MISSION

To transform Nigeria's industrial sector by providing financial & business support services to enterprises.

MANDATE

Providing financial assistance for the establishment of potentially viable large, medium, small and micro enterprises as well as expansion, diversification and modernisation of existing ventures and rehabilitation of ailing ones.

The Bank of Industry's Domestic and Foreign Development Partners that are drawn from the Public and Private Sectors include Federal Government Agencies, State Governments, International Institutions, Community Based Organisation, High Net Worth Individuals and Eminent Traditional Rulers.

