



**THE CHARTERED INSTITUTE OF BANKERS OF
NIGERIA CENTRE FOR FINANCIAL STUDIES
(CIBNCFS)**

**IN COLLABORATION WITH
B. ADEIPE ASSOCIATES LIMITED (BAA)**

**COMMUNIQUÉ ISSUED
AT THE END OF THE
7TH NATIONAL ECONOMIC OUTLOOK:
IMPLICATIONS FOR BUSINESSES IN NIGERIA IN
2021**

VIA ZOOM PLATFORM

DATE: JANUARY 19, 2021

1.0 Introduction

The 7th National Economic Outlook Session: Implications for Businesses in Nigeria in 2021 was held on Tuesday, January 19, 2021 via the Zoom Conference Platform. The objectives of the discourse were, among other things; the Global and Nigerian economic prospects in 2021; Implications of economic and political trends for key business sectors in Nigeria; Monetary, fiscal, trade policy directions and their implications for businesses in 2021; Execution of the 2021 budget and Feasible business strategies and practical avenues for mitigating business risks in the new year. This edition is a notable one as it is the first ever Economic Outlook event to be held virtually. The event was well attended by over 200 participants from three countries.

In his Welcome Address, Mr. Bayo Olugbemi, FCIB, the President/Chairman of Council, The Chartered Institute of Bankers of Nigeria ably represented by Professor Pius Olanrewaju, FCIB, the 2nd Vice President, CIBN stated that, despite the disruptions brought on by the year 2020, the year was also laden with diverse opportunities. He remarked that businesses were forced to rethink their operational and strategic models towards digital transformation and innovation.

He also noted that as we move deeper into the new decade and new year, there are more challenges beckoning for pragmatic solutions. For instance, the race to acquire vaccinations against COVID-19, the implementation of the African Continental Free Trade Agreement, growth of the Nigerian Economy out of the current recession, the implementation of the 2021 National Budget, among many other issues. The carefully selected resource persons cut across the Manufacturing, Agribusiness, ICT, Banking/Fintech and Health Care sectors would share their insights on practical and implementable solutions.

2.0 Keynote Address

The Keynote Address was delivered by Dr. Adedoyin Salami, Chairman, Presidential Economic Advisory Committee & Senior Lecturer, Lagos Business School. Highlights of his address are detailed as follows:

There are three major issues to address:

a. The current state of the economy

International

- The spread of Coronavirus and its effects have been the key event of the year across the globe.
- The health crisis morphed into an economic crisis resulting in humanitarian and in some cases, security challenges.
- The international economic environment deteriorated very sharply in 2020 but recovery is expected in the new year, contingent on the capacity to suppress the Coronavirus through vaccinations.

Domestic Economy

- The COVID-19 shock of 2020 represents the third major shock to the Nigerian economy in 12 years.
- Ahead of the COVID-19 pandemic, the Nigerian economy was contending with a set of pre-existing conditions such as:
 - Macroeconomic Instability
 - Stagflation – stagnant growth and rising inflation
 - Pressure on households in the form of rising inflation, unemployment, and poverty
 - Pressure on corporate margins – weak consumer power and cost pressures
 - Growing fiscal and external imbalances
 - Monetary Policy distortions – the bifurcation of sovereign instruments leading to a distortion of the interest rate term structure
- Economic activity data for the period July-Sept 2020 shows a continuing contraction of economic activity at -3.62 percent.
- Between Jan-Sept 2020, output in the Nigerian Economy shrunk by 2.58 percent.
- At the end of November 2020, overall inflation was 14.8 percent with food prices increasing at 18.3 percent when compared with November 2019.
- The Oil & Gas sector, given lower oil prices, OPEC quantity restrictions on Nigeria output, and longstanding impediments to investment in the sector is a major driver of the recession.
- Agriculture continues to decelerate, growing at 1.7 percent year-to-date.
- Consumer-sensitive sectors like Manufacturing and Distribution continue to contract, the latter in double digits.
- On the fiscal side, Nigeria continues to manage the challenge of inadequate revenue. Nigeria's challenge is the utilization of what is borrowed rather than the act of borrowing itself.
- The Nigerian 2021 budget runs on a deficit of ₦5.1 trillion, which is much higher than the ₦2.7 trillion budgeted in 2020.
- In terms of policy, the biggest challenge facing Nigeria is achieving and sustaining macroeconomic stability.
- Regarding fixed income securities, the yields across various short- and long-term instruments are far below the inflation rate. This implies that the rewards for investments are negative.
- Nigerians are switching to acquisition of stocks rather than fixed income securities due to the low yields. This explains why the Nigerian Stock Exchange was among the best performing in 2020. However, it remains to be seen how sustainable this action is in 2021.

Impact on Business

- Due to the disruptions caused in 2020, higher production costs were passed on to weak consumers in the form of rising prices. Overall, in the aggregate, margin conditions improved, although capped by a weak consumer.

External Sector

- The external sector of the Nigerian economy is largely driven by domestic monetary, fiscal and regulatory policies, international trade, international capital movement and diaspora transfers.
- Nigeria's external imbalances are increasingly precarious, with continuing concern over exchange rate differentials. For example, between Jan and Sept 2020, our cumulative trade deficit amounts to ₦4.6 trillion (equivalent of about US\$12 billion).
- Despite the border closure, Nigeria's national import of food amounted to ₦1.85 trillion between Jan-Sept 2020 – a 62 percent increase over the same period in 2019. This suggests a weakness in food security and raises the need to review intervention policies in agriculture.
- With official payments data showing that approximately \$30 billion (almost 10 percent of our national economy) obtained from sources outside the Central Bank of Nigeria, the gap between the official and other exchange rates is a source for concern.

b. Likely Drivers of The Economy in 2021

i. External Factors

- The international health challenge which has now morphed into an economic challenge and in some countries, humanitarian and security challenges.
- A substantial part of the year 2021 would be shaped by Covid-19 and the responses to it.
- The provision of vaccines would greatly determine the control, given the second wave the virus in the European Union and Asia and in some circumstances the third wave of the virus e.g., Asia.
- Policies of the newly elected Biden administration would no doubt affect Nigeria.

ii. Internal Drivers

- The oil sector would be a major determinant of how the Nigerian economy turns out in 2021.
- In Nigeria, the key concern is the futures market. The prediction for 2021 oil price is \$50 per barrel.
- Determine how much oil Nigeria will be able to produce in 2021, as OPEC has placed restrictions on production by member nations.

c. Outlook for the Nigerian Economy 2021

On the Global Front

- The World Bank sees a weaker recovery in 2021 than previously thought on account of increased COVID-19 pandemic. For example, the 2021 growth projection for Sub-Saharan Africa in June 2020 was 3.1percent percent compared 2.7percent projected in January 2021percent. Meanwhile, the global output projected for 2021 in June 2020 was 4.2percent percent, which was reduced to 4 percent in January 2021.
- As of December, forecasters still expect a very marginal net positive oil demand in 2021

On the Domestic Front

- The Nigerian economy needs massive investment to grow and this is achievable on the back of macroeconomic stability.
- There is uncertainty around foreign exchange rates. In order to resolve this uncertainty, there should be convergence around market-reflective rates and transparent determination mechanism should be pursued.
- A key challenge for 2021 is how to reduce the current inflation rate. Monetary policy should address the issues around the gap between inflation and interest rates.
- Nigeria should adopt an exchange rate that allows the economy to grow. The first key challenge of the exchange rate policy is ensuring confidence. If the movement of the exchange rates can be predicted, confidence can be built around the Nigerian Economy.
- Countries that adopted an unorthodox monetary policy face the challenge of forward guidance about where the monetary authority would go in future.
The oil sector will continue to be very important to the Nigerian Economy. More investments need to be attracted to the sector for greater efficiency.

d. Key Business Risks for 2021

- Due rising inflation, business costs and competitiveness of indigenous products will be under pressure in 2021. More specifically, businesses will face competitive pressure from other jurisdictions where inflation is lower.
- Given the contraction in the Nigerian economy, consumers are also under pressure. In the past 15 years, Nigerian consumers have been seen down trading products for cheaper value brands. This would be further intensified in 2021.
- Consumer-facing businesses will have to deal with households that are under severe pressure from high unemployment and inflation, aggravated by rising poverty and inequality.
- Business-to-Business relationships are under similar strain from the pressure on corporate margins.

- Logistic costs remain under pressure from the in-between, pressure on counterparties – suppliers and route-to-market players.

Recommendations for Businesses in 2021

- The heart of business thinking for 2021 should be innovation. This is because, as inflation rises, the challenge of providing quality products at a cheaper price becomes apparent.
- Businesses should on a yearly basis take a look at their costs and create innovations to cut such costs.
- Businesses should have a granular understanding of their market/consumer. It is no longer sufficient to extract data on consumers as a group. Rather, there should be data on specific buckets of consumers, looking at their characteristics and responding accordingly.

3.0 Overview of the Economy – Dr. 'Biodun Adedipe FCIB

The Overview of the Economy and the 2021 Economic Outlook was presented by Dr. 'Biodun Adedipe FCIB, the Chief Consultant, B. Adedipe Associates Limited. Highlights of his presentation are as follows:

a. Key Issues Every Organisation Would Contend with in 2021

- **Globalization** – This was significantly truncated in the year 2020.
- **Digital Revolution** - radically accelerated, particularly in the banking sector where the revolution expected in 2025 started occurring in 2020.
- **Geopolitical Rivalry** between America and China has accelerated.
- **Inequality** – The Covid-19 pandemic has further widened the gap of inequality. This is largely attributed to linkage of the four major crises (health, economic, humanitarian and security) experienced in year 2020.
- **Climate Change** – We are unprepared for the occurrence of a low probability, high impact natural disaster.
- **Business Performance**: This is currently being shaped by dislocation of how employees work, consumer behaviour and changes in supply chains.

b. Economic Trends 2020

- Oil generated 90.95 percent of earnings but accounted 9.05 percent of GDP during Q1-Q3 2020.
- Agriculture (30.4 percent), Trade (13.9 percent) and ICT (13.5 percent), Manufacturing (8.9 percent), Mining and Quarrying (8.9 percent) are dominant contributors to the economy, together contributing about 77-82 percent to Nigeria's GDP over the last 8years.
- ICT enjoyed significant growth in Q2 of 2020, contributing 17.8 percent to Q2 GDP.

- The Nigerian economy was projected to dampen by -4.2 percent in 2020 and grow in 2021 by 3.0 percent (NBS), -4.3 percent / 1.7 percent (IMF) and -4.1 percent / 1.1 percent World Bank.
- -6.1 percent dampening in Q2'2020 and -3.62 percent in Q3'2020 is technical recession, coming to -2.48 percent enduring Q1-Q3 2020.
- The interplay between Nigeria's import and export switched significantly in 2020, as imports expanded to exceed exports during Q2 2020. This poses major risks to the external sector. Until there is a change in the nexus between imports and exports in Nigeria, the pressure on the Naira in the foreign exchange market would persist and the Naira will continue to lose value. The key factors that explained the recession in 2016 are still relevant to the current recession due to the defects in the structure of the Nigerian economy. These recession triggers include over dependence on crude oil, government policy inconsistency and misalignment (such as import driven policies), preponderant corruption and rent seeking, overdependence on imports and low national productivity.
- Pre-COVID-19, manufacturing was expanding steadily until December 2020. The PMI expanded steadily from March 2017 to December 2019 and began a gradual decline to lowest of 41.1 points in June 2020.
- The index returned to above 50.0 points in November 2020 but slipped to 49.6 in December 2020.
- With a monthly import bill of ₦1.514 trillion (or \$3.984 billion) for Q1-Q3 2020, current external reserves of \$36.26 billion represents 9.1 months, which is above the minimum threshold of 6 months (it is 11 months for an economy in crisis).
- Nigeria remains an attractive investment destination in Sub-Saharan Africa and holds that prospect post-COVID.
- Nigeria's fundamental challenge in 2021 is not the price of oil, as forecasts indicate above \$50 per barrel, but production is restricted to OPEC allocation.

c. Trends in the Stock Market

- The stock market is a leading economic indicator because stock prices are forward-looking rather than based on what happened in the past (distant or recent).
- The Nigerian bourse racked the best global growth rate (36.75 percent) in 2020!
- For Nigeria, money market rates will remain low and continue to keep domestic investors in the stock market, while foreign investors are likely to be still tentative.
- Growth in Emerging Market and Developing Economies (EMDEs) is envisioned to firm to 5 percent in 2021, but EMDE output is also expected to remain well below its pre-pandemic projection.

e. *Forecast for the Nigerian Economy in 2021*

- GDP Growth: 2.74 percent
- Industrial Production Growth: 2.65 percent
- Consumer Price Inflation: 14.27 percent
- Interest Rates:

- Deposits: 3.82 percent
- Lending: 28.27 percent
- Exchange Rates
 - Official: ₦385/\$
 - Parallel: ₦480/\$
- f. Implications for Businesses**
 - Any company that survives 2020 should regard their survival as profit.
 - Economic activities are happening in every sector of the economy and there are opportunities for people who can identify them.
 - Make the strategy of your business an everyday concern of every staff.
 - Staff should understand the basic foundation of their firm's strategy
 - Who we are?
 - What we are doing?
 - What we want to achieve?
 - Scan the environment and give attention to opportunities not identified by others
 - As a business leader, you should read books that other people don't read in order to find ideas that others don't see.

4.0 Panel Discussion

4.1 Facilitators

The Panel Session was moderated by Mr, Yomi Olugbenro, Partner & West Africa Tax Leader, Deloitte Limited, and facilitated by the following panelists:

1. Mr. Patrick Akinwuntan, FCIB, MD/CEO, Ecobank Nigeria
2. Ambassador Ayoola Olukanni, Director-General, Nigerian Association of Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA)
3. Mr. Akinyinka Akintunde, Vice-President, Financial Markets, AFEX Commodity Exchange
4. Mr. Akeem Lawal, Divisional Chief Executive, Interswitch
5. Mr. Johnson Seinde Samuel, MD/CEO, Infinity Paint International Limited
6. Ms. Afolakemi Bolanle, Chief Operations Lead, MedicinesHub Pharmaceuticals & Health Consulting Limited

4.2 Highlights and Recommendations

a. Highlights

- The creation of the Covid-19 Survival Fund was a notable step taken by the government to control for effects of the pandemic
- Businesses that want to succeed must familiarize themselves with the Nigeria Economic Sustainability Plan (NESP) and review areas for possible implementation.
- NACCIMA is currently sensitising its members on the modalities of the NESP and equipping them with strategies on how to identify areas of opportunity.

- With the support of the government, the private sector has the capacity to implement the NESP.
- Further support should be given to Nigerian Steel Production and the burgeoning Nigerian Coffee industry.
- The Nsukka Chamber of Commerce is currently collaborating with farmers to produce Nsukka Yellow Pepper. About 300 farmers are looking to access funds to produce and export.
- There are also opportunities in the textiles industry. For example, the Ogun State Government recently released the Adire Ogun Digital Market Place in an effort to support and encourage the use of the local fabric.
- Banks should develop mining portfolios as the mining industry has great potential to develop the Nigerian Economy. The Mining industry significantly boosted the Australian Economy.
- The AfCTA is an important development which businesses should take advantage of. NACCIMA recently launched a Dialogue Series to sensitize members on its benefits.
- In September 2020, the Central Bank of Nigeria released the Intervention Facility for the National Gas Expansion Programme worth ₦250 billion. The aim of the Facility is to help stimulate investment in the gas value chain and spur its use in transportation as an alternative to fuel-powered cars. Businesses can intimate themselves with the modalities of the programme and identify areas for implementation.
- The global pandemic made it clear that economic activities and healthcare are both interdependent.
- Due to the restrictions in movement of goods globally, it has also become clear that African economies are interdependent as the trade among African countries increased during the pandemic period. There is a need for countries in Africa to trade more closely with one another. During the onslaught of the pandemic, the transatlantic trade routes were shut, thereby hampering Africa's ability to export to the global markets.
- Global dislocation in trade necessitates a focus on Africa as a common market.
- Despite the effects of the pandemic, the government has remained supportive of Nigerian businesses. For example, the Central Bank of Nigeria came up with key policies to support businesses at the height of the pandemic lockdown.
- Cost of funds to businesses reduced considerably in 2020. As a result of Covid-19 intervention programmes, there was a shift towards the single digit interest rate.
- The total credit from the banking sector to the economy was estimated at ₦3.3 trillion as at June 2020.
- The CBN intervention funds rate reduced from 9percent to 5percent at the peak of the pandemic. Several banks were participants in the disbursement of these funds to businesses.
- There should be a consistent effort in moving Nigeria from a consumptive to productive economy. To achieve this, Nigeria needs to become more export-based to further create entrepreneurship and employment opportunities.
- Electronic banking transactions recorded 42percent growth in 2020. This is equivalent to ₦60 trillion worth of transactions.

- There is reduction in the cost of banking transactions such as ATM withdrawal cost, POS collection cost, among others which is geared to support productive economy.
- Nigeria should have a sustained and consistent focus on some fundamentals. For example, Cote D'Ivoire selected cocoa-led agro-economy and Benin focused on Cotton and Cashew nuts agro-economy. These economies operate on a single digit inflation and low interest rate. Nigeria should also focus on developing sectors or products with highly competitive advantage.
- Nigeria should strive for single-digit inflation rate.
- There is need to reduce the import of certain Agricultural products. For example, rice, cassava and particularly Ethanol that is imported as an ingredient for various beverages consumed in Nigeria. We should identify and focus local manufacturing on the production of substitutes to replace such imports.
- The Fintech industry should leverage the strong Nigerian Telecoms space to maximise opportunities. Ecobank has created a platform for Fintech Companies to leverage as a springboard to dominate the African market. The platform is an opportunity to empower Nigerians to earn significant foreign exchange through this technology.
- The Central Bank of Nigeria created a significant opportunity where over \$20 billion earned by Nigerians in diaspora can be received in foreign currencies in Nigeria. This foreign currency is immune to forex discrepancies.
- There must be a national consciousness to produce indigenous fabrics and develop creative industry which has the capacity to reduce unemployment in Nigeria.
- AfCTA is a good development for the manufacturing sector because it offers a platform to trade across Africa. Discount on trade tariffs as a result of the Agreement is also a big boost to production and export across Africa.
- The Government should incentivize capacity building to enhance local productivity. The manufacturing sector contracted by 0.43 percent in Q1 2020, -8.78 percent in Q2 and 1.51 percent in Q3.
- Beyond capacity, the government should resolve the present challenge of unstable forex rate, which is a dysfunction for the manufacturing industry, as Nigeria is import dependent for both raw materials and finished goods.
- The government should commit more resources to the protection of lives and property To minimize the impact of insecurity on the manufacturing sector
- Unemployment remains a threat to the manufacturing sector as evidenced at the peak of the EndSars protests.
- Infrastructural challenges also adversely affect the sector. The Siemens Nigeria plan to expand Nigeria's electricity capacity is a welcome development, which all things being equal, should impact manufacturing before end-2021.
- The volume of electronic transactions grew in 2020 despite the disruptions to the economy.
- There was collapse in the disbursement of microcredit to SMEs and individuals in the first half of 2020. This is only beginning to improve in 2021.
- Adverse effects on SMEs have also affected employment rates as such businesses had to reduce their workforce or go out of business completely in the first half of the year.

- On the other hand, 2020 saw a significant acceleration in online commerce, which in turn drove the creation/growth of an ecosystem of support services. SMEs leveraging on e-commerce facilities grew their businesses and created networks of support services such as packaging and logistics for their products.
- There was a dramatic increase in the use of agent banking networks in 2020. Over a million participants have been engaged as agent bankers, creating economic activities to sustain themselves and the economies around them driving employment in 2021.
- Organizations are also now taking advantage of skills developed by young Nigerians to attract foreign currency revenue. This is particularly significant given the current brain drain experienced in key sectors of the Nigerian economy.
- Only 7 percent of trade in Africa is with other African countries. There are technologies which would facilitate expansion. For example, technology can solve the problem of currency convertibility. As the AfCTA takes effect, over the course of the year, there would be new solutions to solve the challenges in trade.
- Banks are beginning to digitize processes used to evaluate credit risk. This development has resulted in significantly reduced costs and made loans more accessible to customers
- Digitalization should be extended to government intervention funds to ensure that the manner in which funds get to the end-users is done in such a way that eliminates inefficiencies.
- Businesses operating in 2021 and beyond should consider the digitization of their business models in order to thrive. Statistics show that businesses that have digitized processes are more likely to outperform competitors.
- As businesses further leverage on technology to grow, they should also invest in cybersecurity for the protection and safety of operations.
- African governments should create a platform for the exchange of African currencies to avoid dependence on foreign currencies for trade within Africa.
- The Nigerian government should create an enabling environment and motivate citizens to be more engaged. For example, the gridlock at Nigeria's ports (Apapa, Lagos in particular) should be addressed.
- Nigeria's exports are in high demand but low productivity and inadequate infrastructure prevent from getting traction internationally.
- Agriculture is one of the highest contributing sectors to GDP and also a high hire of labour. Yet, less than 10 percent of commercial bank assets are dedicated to the agricultural sector.
- Productivity in the Nigerian agricultural sector is comparatively well below that of other countries that produce the same crops. More investments should go towards improving value chains in this sector. For example, further investment in crops such as cocoa and sesame seeds could see exports rise by 60 percent.
- Further investment in agriculture could translate into improved value of the local currency and less pressure on external reserves.
- According to a survey on crop production in 2020 conducted by AFEX Commodity Exchange, local production was greatly reduced by the impact of COVID-19.

- The production and distribution of agricultural products is time-bound. As a result of the pandemic and the ensuing lockdown, inputs for production could not be moved across the country.
- Physical infrastructure captures only 1 percent of total production of agricultural commodities in Nigeria. In South Africa, the figure is 85 percent and in the United States, 95 percent. An expanded production capacity of agricultural products in Nigeria will serve both nationally and regionally.
- Infrastructure required for adequate distribution of inputs for farmers should be put in place to avoid disruption to agricultural activities. This can be achieved through public-private-partnerships.
- There is a significant uptick in financing going to the agricultural sector and therefore, product innovation in the sector is likely to increase.
- The Nigerian healthcare system is severely underfunded. The portion of funding going to the health sector in the 2020 national budget was 3.83 percent. This is far less than the 15 percent advocated for over the years to support health facilities in Nigeria.
- Due to Covid-19, there were interventions from the monetary authority to the tune of ₦100 billion credit targeted at indigenous manufacturing firms in favour of research and development in the healthcare sector.
- The pharmaceutical market is estimated to be between \$600 million and \$1.2 billion worth as of 2020. (Pharmaceutical Manufacturing Association of Nigeria).
- Service delivery in the Nigerian pharmaceutical sector has been poor due to poor funding. For example, there are approximately 457 doctors per 100,000 people and 30 nurses per 100,000 people in Nigeria, which is considerably poor.
- Service delivery is also hindered by mass emigration of doctors and nurses to countries where their skills are better rewarded.
- The number of available doctors and nurses has also reduced due to the loss of lives of many frontline healthcare workers during the coronavirus outbreak.
- The 2021 Budget indicated that 40 million doses of the Covid-19 vaccine would be procured. This is not enough, considering a population of over 200 million Nigerians.
- The government should further support the National Drug Distribution Guidelines endorsed by the Ministry of Health and the Manufacturers' Association of Nigeria. This would help manage the issues around distribution and the creation of counterfeit and illegal drugs.
- There is need to create enabling environment for the manufacturing of Active Pharmaceutical Ingredients which will reduce importation of pharmaceutical products.

b. Recommendations

At the end of the session, the roles of different stakeholders in revamping the Nigerian economy were identified as follows:

i. Government

- A key challenge for 2021 is how to reduce the current inflation rate. Monetary policy should address the issues around the gap between inflation and interest rates
- Have a set of policies that are internally coherent and consistent to reduce the inflation rate and enhance economic growth.
- Adopt an exchange rate policy that allows the economy to grow and to boost confidence in the Nigerian Economy.
- Expand the capacity of production of agricultural products in Nigeria.
- Adopt public-private-partnership to provide the infrastructure required for adequate distribution of inputs for farmers to avoid disruption to agricultural activities.
- Encourage more investments to improve the value chains in this sector. percent
- Create an enabling environment and motivate citizens to be more engaged in productive activities by decisively resolving the gridlock at Nigeria's ports.
- Commit more resources and strategic actions to resolve insecurity.
- Adopt policies that attract more investments to the oil sector for greater efficiency, especially through the passage of Petroleum Industry Bill.
- Provide further financial support to Nigerian steel production and the burgeoning Nigerian coffee industry.
- Extend digitalization to government intervention funds to ensure efficient disbursement to intended beneficiaries.
- Create a platform for the exchange of African currencies.

ii. Banks

- Develop mining portfolios to boost the mining sector.

iii. Businesses

- Adopt continuous innovation as a way of life.
- Evaluate costs and create innovative solutions to cut such costs.
- Familiarize with the Nigeria Economic Sustainability Plan (NESP) and explore areas of opportunities in its implementation.
- Digitize business processes to effectively compete.
- Invest in cybersecurity for the protection and safety of operations.
- Have a granular understanding of the market/consumers.
- The Fintech Industry should leverage the strong Nigerian telecoms space to maximize opportunities.

5.0 Conclusion

The aim of the National Economic Outlook event is to engage all stakeholders in key sectors of the Nigerian Economy and elicit implementable government policies. The Forum also typically discusses topical and emerging issues in the banking industry and economy as well as their

implications for businesses in the coming year. The Nigerian economy is expected to grow modestly in 2021. However, this growth is subject to both external and internal influences.

To boost the growth of the Nigerian economy, it is proposed that the government further invest in key sectors of the economy to facilitate more activities in those sectors. More attention to the protection of lives and properties by security operatives is also important.

Businesses are expected to take definite steps to grow in 2021. Such steps include digitization, capacity building and mapping the opportunities expected from the African Continental Free Trade Agreement, among others.

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