Nigeria – The Final frontier

Investing in Africa’s Nos.1 Economy!!

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Federal Republic of Nigeria

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Nigeria: Where we are and what’s on offer....

- Located in West Africa
- Nigeria is located on 923,768 square kilometers of land
- A rich diverse culture with more than 250 ethnic groups
- Made up of 36 states with Abuja as the Federal Capital Territory
- The third tier of government consists of 774 local government areas

Energy

- 10th largest producer of crude oil globally with 37 billion bbls of proven reserves, Nigeria has a capacity of 3.0mm bpd and is the largest producer of crude oil in Africa
- 11th largest oil reserves in the world and 8th Largest Gas Reserve
- Major player in the gas market – reserves of 187 trillion cubic feet

Mining

- Geological Survey Agency of Nigeria records 44 exploitable minerals in commercial quantities

Agriculture

- 84 million hectares of Arable Land with just 40% utilized

The large market and strong work force

- Nigeria has a population of about 170 million people (3x the population of South Africa) – 7th largest country in the world with an average age of 18.6 years
- By 2050 Nigeria will be the 6th largest country in the world.
- 2070 Nigeria will have the world’s 3rd largest population (with a population of 433 million) after India and China and above the US.
- A growing middle income which currently stands at 23% - Post rebasing GDP per capita estimated at $2,689 up from $1,555
- The population provides a ready market for telecommunications, IT, consumer goods, agriculture, manufacturing, hospitality & entertainment, automobile, construction and housing.

- Nigeria is well placed to exploit the potential offered by the ECOWAS market, which has a population of over 300 million of which Nigeria makes up 60%. Nigeria also accounts for 77% of the ECOWAS GDP and over 50% of the ECOWAS manufacturing capacity.
Strong Economic performance…

In 2013

BRICs

High Income

Average GDP Growth Rate: 2004 - 2012

In Q2 2014, GDP growth is 6.54%

ECOWAS STATES GDP (Billion US$)

Nigeria’s GDP growth on average was 7.1%

“Rebasing” confirms that Nigeria is the largest economy in Africa

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<thead>
<tr>
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<tbody>
<tr>
<td>Nigeria (rebased)²</td>
<td>510 billion</td>
<td>6.4 %</td>
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<td>South Africa</td>
<td>354 billion</td>
<td>2.7 %</td>
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<td>Egypt</td>
<td>262 billion</td>
<td>1.9 %</td>
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<tr>
<td>Algeria</td>
<td>216 billion</td>
<td>3.0 %</td>
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<td>Angola</td>
<td>124 billion</td>
<td>4.9 %</td>
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<tr>
<td>Morocco</td>
<td>105 billion</td>
<td>4.3 %</td>
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<tr>
<td>Sudan</td>
<td>52 billion</td>
<td>-0.4 %</td>
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<tr>
<td>Tunisia</td>
<td>48 billion</td>
<td>1.5 %</td>
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<tr>
<td>Ethiopia</td>
<td>47 billion</td>
<td>4.9 %</td>
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<tr>
<td>Ghana</td>
<td>46 billion</td>
<td>4.4 %</td>
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<tr>
<td>Kenya</td>
<td>45 billion</td>
<td>4.1 %</td>
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<tr>
<td>Cameroon</td>
<td>29 billion</td>
<td>4.9 %</td>
</tr>
<tr>
<td>Côte d’Ivoire</td>
<td>28 billion</td>
<td>6.7 %</td>
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<tr>
<td>Uganda</td>
<td>23 billion</td>
<td>10.2 %</td>
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<td>Sierra Leone</td>
<td>22 billion</td>
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1. Economic data for some countries in 2013 estimated by the International Monetary Fund (IMF).
2. Data for Nigeria rebased GDP are based on basic prices, the headline figure used by the National Bureau of Statistics.
Nigeria: Where we are and what’s on offer....

With a Debt-To-GDP of 12.5% Nigeria has large fiscal space to operate within.

In 2013 Nigeria entered single digit inflation territory!!

In 2013 the NSE rose by 47%
Nigeria: Growing investor confidence.

UNCTAD named Nigeria as a top 3 destination for investment in Africa in 2013.

Wall street journal’s Frontier Market Sentiment Index (FMSI) tracks investment interest amongst major companies globally – Nigeria ranked 1st in 2014 amongst the 200 US and EU multinational companies.

Introducing the NIRP

The NIRP is a programme to industrialize Nigeria. It is our nation’s first comprehensive, integrated, and strategic roadmap to industrialization.

NIRP Goals: focused on Economic and Revenue Diversification

NIRP Industrial Sectors: where Nigeria has comparative advantage

NIRP Supporting Structures (i.e. Enablers): to increase competitiveness, by removing barriers, and raising productivity.
Investment Opportunities – comparative advantage

### Investment Opportunities

#### Areas of Competitive and Comparative Advantage

<table>
<thead>
<tr>
<th>Agriculture</th>
<th>Mining</th>
<th>Oil and Gas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agribusiness and Agro-Industries</td>
<td>Solid Mineral Processing and Related Industries</td>
<td>Downstream Oil, Industries, Petrochemicals and Oil and Gas Services</td>
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<tr>
<td>Food processing</td>
<td>Iron and Steel Development</td>
<td>Refineries</td>
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<td>Sugar</td>
<td>Aluminum</td>
<td>Petrochemicals</td>
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<td>Textiles and Garments</td>
<td>Automobile</td>
<td>Pharmaceuticals</td>
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<td>Leather and Leather products</td>
<td>White products</td>
<td>Gas transmission and processing</td>
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<tr>
<td>Palm oil refinery</td>
<td>Electronics (Tantalum)</td>
<td>Fertilizer production</td>
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<td>Cement</td>
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Investment Opportunities – comparative advantage

### Investment Opportunities

#### Other Key Investment Areas

- **Power**
  - Gas/Hydro/Coal Production
  - Power feedstock: Gas supply, coal supply
  - Expansion of Transmission network
  - Renewable Energy

- **Infrastructure (Rail, Roads, Aviation and Ports)**
  - National Rail Network
  - Greenfield and Brownfield Airport Projects, Airline operation
  - Expressways, Toll roads and bridges
  - Development of New ports and refurbishment of existing ports

- **Real Estates Development**
  - Commercial Housing
  - Real Estate Investment Trust Schemes
  - Housing Infrastructure Development
  - Roofing sheets, woodwork, fittings and Paint Industry

- **Information and Communication Technology**

- **Banking, Finance and Insurance**

- **Maritime and Shipping**

- **Free Trade Zones Industrial Parks and Clusters**

- **Healthcare and Pharmaceuticals**

- **Entertainment**
Tell me this: which part of the world has seen its number of democracies increase nearly eight-fold in just two decades? Eastern Europe? No, it’s Africa.

Which continent has six of the ten fastest growing economies in the world? Asia? No, it’s Africa.

Which country is predicted by some to have the highest average GDP growth in the world over the next 40 years? You might think Brazil, Russia, India or China. No. Think Africa. Think Nigeria.

David Cameron
Prime Minister, United Kingdom
Thank you