



# ERGP FOCUS LABS

(A SYNOPSIS)



**Revitalising**  
the national economy

Ministry of Budget and National Planning



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## INTRODUCTION

The idea of adopting the Malaysian Economic Transformation Programme (ETP)-style Labs in fast-tracking the attainment of the strategic objectives of Nigeria's Economic Recovery and Growth Plan (ERGP) is a fall-out of the Federal Government Cabinet Retreat on ERGP Implementation held in Abuja on August 10, 2017 under the theme: "Getting Implementation Right". The ETP helped to fast-track the economic development of Malaysia, a country with similar antecedence as Nigeria.

The Big Fast Results (BFR) 8-Step methodology of the ETP by the Malaysian Performance Management Delivery Unit (PEMANDU), speaks about delivery and implementation through getting strategic direction and alignment amongst the "senior leadership" to fashion out a strategic direction and then conduct a mass crowd sourcing of ideas as well as mobilising resources into focused areas. For the ERGP implementation programme, this project is to further drill down our economic recovery efforts in the initial focused areas of Agriculture and Transportation, Manufacturing and Processing, and Power and Gas.

Basically, Labs are an iterative process that focuses on tackling issues faced by the country through a recursive "trouble-shooting" process. The Labs are billed to hold for several weeks and attended by key stakeholders to develop detailed implementation programmes and identify critical areas of growth through the identification of Entry Point Projects (EPP) that will catalyse the ERGP. Conversations and discussions in the ERGP Focus Labs will primarily be focused around mobilising private sector investments into the focus areas. Participation of both the private and public sectors is therefore critical to ensure that deliberations inside the Labs are well represented by both sides. Conversations shall be guided and facilitated to fast-track and enable private sector investments.

During the course of the preparation of the Focus Labs between now and March 5, 2018 (commencement of the 6-week ERGP Focus Labs), key private sector investors shall be invited and encouraged to an expression of interest, to help identify catalytic EPPs that will spearhead the country's economic recovery and growth. This is because private sector operators are the most critical stakeholders that will shape the future of Nigeria's economy, while the Government will support and facilitate through policy and regulations.

Consultants from PEMANDU are to provide technical assistance on sharing the best practice of Delivery through the adoption of the BFR 8-Step Methodology, and build capacity of the ERGP Implementation Unit (ERGP-IU) to independently conduct future Labs and drive implementation of the ERGP subsequently. The ERGP-IU will be piloting the first phase of the ERGP Focus Labs alongside the consultants. The Consultants will leave after the pilot phase. The ERGP-IU will leverage and adopt the experience obtained through the collaboration, to assist the country in achieving the aspirations and targets of the ERGP by 2020.





**DANGOTE  
NOODLES**

*Enjoy Beta  
Crayfish  
Flavour*

## ECONOMIC RECOVERY AND GROWTH PLAN (ERGP)

The ERGP articulates government's vision for the country for the period 2017-2020, and lays the foundation for long term growth. The underlying philosophy is to optimize local content and empower local businesses.

It focuses on three strategic objectives:

- restoring growth
- investing in the people
- building a globally competitive economy

The thinking and the development of the Plan was driven by several fundamental principles, including:

- Focusing on tackling constraints to economic growth;
- Leveraging the power of the private sector to drive economic recovery and sustained growth;
- Promoting national cohesion and social inclusion;
- Allowing markets to function optimally while strengthening Government regulatory oversight to minimise abuse; and
- Upholding core values that define the Nigerian society as enshrined in the 1999 Constitution, notably discipline, integrity, dignity of labour, social justice, religious tolerance, self-reliance and patriotism.

To achieve the objectives of the ERGP, the key execution priorities are:

- stabilizing the macroeconomic environment.
- achieving agricultural transformation and food security
- ensuring energy sufficiency (power and petroleum products)
- improving transportation infrastructure
- driving industrialization, focusing on Small and Medium Scale Enterprises

## SECTOR/FOCUS LABS

Labs are problem solving tools, designed to tackle complex challenges, by bringing together all stakeholders facilitated through a structured process of identifying the root cause of the challenges and crowd-sourcing ideas and resources to solve them. It is an inclusive process for addressing difficult issues and accelerating solution development in selected areas (e.g. to attract new investments).

The major outputs of Labs are:

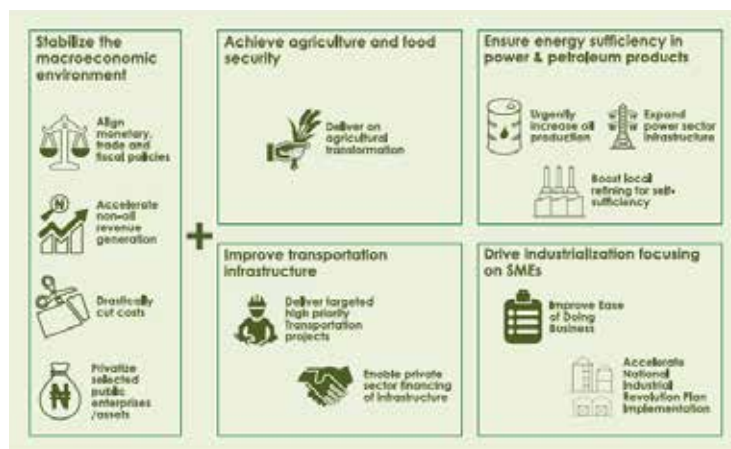
- detailed implementation programmes, with the total required funding required from both the public and private sectors, and
- selecting persons responsible/accountable for the line item, and timelines attached to each and every one of the implementation plan.



## THE ERGP LABS

*The Federal Government has chosen to conduct Focus Labs in 3 selected areas to deliver quick and fast results on investments and job creation.*

### Key Execution Priorities



### ERGP Focus Labs

**Labs intend to achieve two main objectives:**

- New investments for critical projects
- Resolution of complex inter-agency problems that inhibit private sector investment

1

**Agriculture and Transportation**

2

**Manufacturing and Processing**

3

**Power and Gas Supply**

Source: ERGP 2017-2020. Federal Government Cabinet Retreat on ERGP Implementation held in Abuja 10<sup>th</sup> August 2017  
"Getting Implementation Right"

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Key performance indicators (KPI) will be developed in the Labs, and later on assigned to the respective accountable lead Ministers, and jointly held accountable by the Central Steering Committee. Therefore, the ERGP labs will focus on:

- unlocking investment potential that are stranded/stalled due to red-tapes and bureaucracies,
- fast tracking these projects to enable investors mobilise their investments,
- fast tracking committed and planned investments from the private sector from both foreign and domestic direct investment.
- identifying catalytic Entry Point Projects (EPPs) that would mobilise private investment projects to spearhead the investment and job creation in the specific sectors, and driving the economy towards achieving the ERGP targets by 2020; and
- delivering quick and fast result to the citizens by identifying actionable projects and removing their roadblocks as well as developing an enabling framework for the sector

## MAIN OBJECTIVES

- Unlock private investments that are stalled/stranded to tap into the potential of the private sector resources to drive economy, while government creates a conducive environment for businesses to thrive
- Drive new investments for critical/catalytic projects
- Resolve complex interagency problems that inhibit private sector investments

Future phases of the ERGP Labs are to be directed at other sectors including entertainment, services, sports, tourism etc. The first phase is to lay a solid foundation for other sectors build upon.



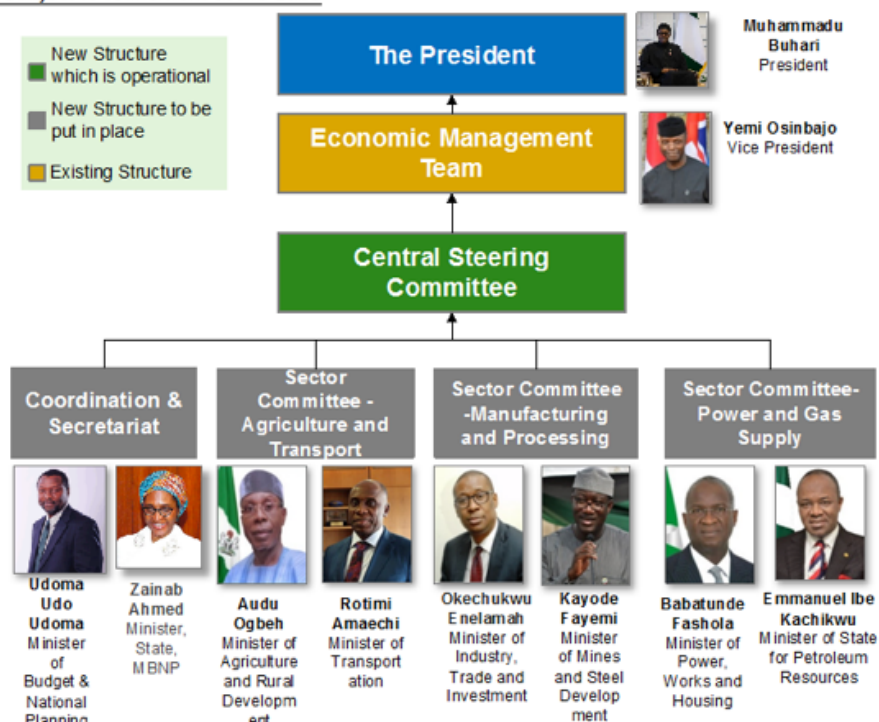


## STRUCTURE OF THE ERGP LABS

*The Labs are only the beginning. A clear ERGP Governing structure needs to be developed to ensure the continuous monitoring of the EPPs.*

### needs to be develop to ensure the continuous monitoring of the EPPs

Subject to refinement at the Labs



- Currently a Central Steering a monthly Committee has been set up and is operational.
- It comprises of:
  - HM Budget and National Planning
  - HM Agriculture
  - HM Transport
  - HM Industry, Trade and Investment
  - HM Power, Works and Housing
  - HMS Petroleum Resources
  - Representatives of HE VP (x2)
- The Central Steering Committee would present reports on a monthly basis to the Economic Management Team
- Sector Committees to be set up to monitor progress of EPPs and provide support

## Composition and Role of the Core Working Groups (CWG)

- Hon. Ministers as Co-Chair
- Coordinators from ERGP Implementation Unit (as Secretaries)
- Sector Permanent Secretaries of the Ministries
- Selected Heads of Agencies within the Core Ministries
- Selected Directors within the Core Ministries, including DPRS
- Change Champion within the Core Ministries
- Senior Staff from the Ministry of Budget and National Planning

The Core Working Groups (CWGs) for each of the Labs are co-chaired by the respective sector Ministers

### The duties of the CWGs include:

- Provision of necessary data & information
- Rendering technical perspectives and support
- Driving institutional memory
- Building of institutional capacity
- Giving of authority and making critical decisions within their powers, amongst others

The CWGs consist of an average of 20 persons per Lab

Six Ministries were selected and prioritised to pilot the first phase of the Labs. The ministries are adjudged to be the highest contributors to economic recovery and growth at this phase of economic development. The ministries were then grouped into three (3) Lab sectors.

The Minister of Industry, Trade and Investment and Minister of Mines and Steel Development will co-chair the Manufacturing and (minerals) Processing Lab; the Minister of Agriculture and Rural Development and Minister of Transportation will co-chair the Agriculture and Transportation Lab while the Minister of Power, Works

and Housing and Minister of Petroleum Resources will co-chair the Power and Gas Labs.

The first phase of the ERGP Labs will focus on mobilising private sector investments into the three sectors of the Lab areas. The lead Ministers for the ERGP Focus Areas shall then cascade the targets and responsibility of delivering the results down to the Permanent Secretaries of the respective lead ministries and KPIs will be developed for the respective Ministries, Departments and Agencies (MDAs) to enable tracking of implementation and performance throughout the implementation.



## SCOPE

- 1

**Agriculture and  
Transportation**

  - Lab will look to increase private sector investments in selected crops and products (agro-business)
  - The necessary transportation infrastructure will be looked at to boost the projects and the sector as a whole
- 2

**Manufacturing and  
Processing**

  - Lab will look to increase private sector investments in:
    - selected manufacturing subsectors and products
    - the processing of selected solid minerals in Nigeria
- 3

**Power and Gas**

  - Lab will look to increase private sector investments in:
    - the power sector i.e. electricity generation across its value chain and energy mix
    - the gas industries including expansion of domestic market

**Kindly note that as the government gathers input from the relevant private sector and associations, the current scope maybe modified**

**FOCUS**

*The ERGP Focus Labs are not meant to replace existing sectoral roadmaps and plans but to identify entry projects to act as showcase to bring back investor confidence to Nigeria.*







- The Labs aim to establish joint accountability between the public sector and the private sector, to shoulder the responsibility of the development of the country's economic recovery and growth.
- The overall ERGP programme is to be coordinated by the ERGP Implementation Unit.
- The labs will serve as an effective tool for ensuring robust engagement between the public and private sectors to resolve challenges within a specified sector.
- They are intended to bring all the relevant stakeholders in the public and private sectors into weeks of intensive working sessions to brainstorm on practical steps to overcome any identified challenges in the selected areas, through breaking down of silos.
- Also meant to identify quick delivery with impactful outcomes within the ERGP focus areas, to mobilise and to fast track private investments in these focus areas. And,
- To provide an interactive environment for enhancing both local and foreign direct investments

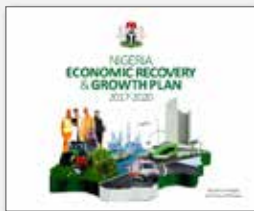
The ERGP Focus Labs are meant to mobilise private investments into the existing roadmaps and master plans, it is not meant to replace existing sectoral roadmaps and plans but to identify entry projects to act as showcase to bring back investor confidence to Nigeria.

## ASPIRATIONAL TARGETS OF THE ERGP FOCUS AREAS

The total private and public investments required to achieve the ERGP targets by 2020 is US\$ 245.13 billion (US\$195.98 billion and US\$ 49.15 billion (5:1 ratio) respectively); and to create 15 million new jobs.

*The Economic Growth Recovery Plan was launched to address the situation. However, it requires USD 245 billion to implement.*

### The Economic Recovery & Growth Plan 2017 - 2020



- **Medium-term Plan for 2017-2020**, developed through an extensive consultative process
  - Builds on previous Plans (e.g. the SIP, NIRP, NIIMP, etc), including sectoral Plans
- Vision: **Sustained inclusive diversified growth** aimed at achieving **maximum welfare for the citizens**
- Places **emphasis on implementation, monitoring and evaluation**
- **Principles of the plan:**
  - Tackling constraints to Growth
  - **Leveraging the Power of the Private Sector**
  - Allowing markets to function
  - Promoting national cohesion and social inclusion
  - Upholding core values

# USD 245.13Bil

required to implement

## 5:1

Private Sector investment (USD 195.98 Bil) to  
Government Investment (USD 49.15 Bil) Ratio

## 3

Pillars

## 6

Priority  
Sectors

## 5

Execution  
Priorities

## 15mil

Jobs to be  
created

## 60

Strategies across 80+ MDAs & State  
Governments

Source: Nigeria Economic Recovery & Growth Plan 2017-2020; National Bureau of Statistics Nigeria; Nigerian Investment & Promotion Commission (NIPC)

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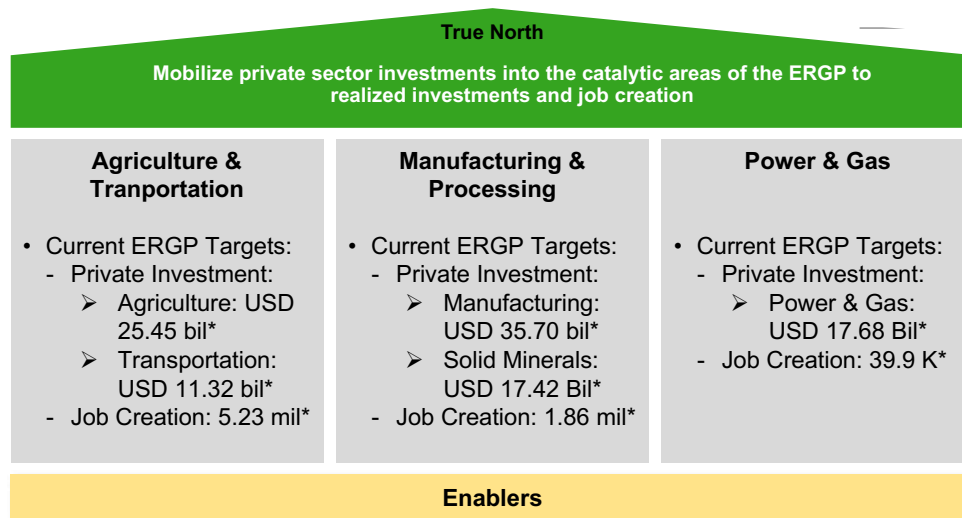
The targets and aspirations of the first phase of the labs will be to catalyse the mobilisation of both private and public sector investments into the priority areas of the respective ERGP focus areas; to mobilise US\$ 107.58 billion private investments and to create 7.14 million new jobs by 2020.

The breakdown of the Focus Labs is as follow:

- Agriculture & Transportation: Mobilise a total of private investment of US\$ 36.7 billion and create 5.2 million new jobs by 2020
- Manufacturing & Processing: Mobilise a total of private investment of US\$ 53.1 billion and create 1.8 million new jobs by 2020
- Power & Gas Supply: Mobilise a total of private investment of US\$ 17.6 billion and create 39.9 thousand new jobs by 2020

## SPECIFIC OUTCOMES

*The ERGP will focus on mobilising private investment to meet the USD 107.58 billion investments and 7.14 million job creation targets by 2020.*



**Kindly note: the ERGP focus labs are meant to drive catalytic Entry Point Projects into the Sectors.**

*The Labs cannot guarantee the fulfillment of the total target due to:*

1. Scope of the lab is not the whole scope of the ERGP;
2. Scope of the individual sector lab does not cover the whole sector
3. The Entry Point Projects are to jump start the economy and to boost investor confidence

**\* Further detail figures are pending from NBS**

Source: Nigeria Economic Recovery & Growth Plan 2017-2020; National Bureau of Statistics Nigeria; Nigerian Investment & Promotion Commission (NIPC)

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- Identification of projects which will drive catalytic growth and impact that will contribute in increasing private investments and create new jobs for Nigeria;
- Clear 3-feet implementation plans for each Entry Point Projects (EPPs) with identified budget, key individuals responsible for these activities and accountable lead ministers along with key performance indicators
- Breakdown of silos to harness private-public partnerships
- Alignment of stakeholders to execute the plan
- Emphasis is to unlock Entry Point Projects (EPPs) with private sector funds that will catalyse the economic recovery and growth of the Nigerian economy.



**DURATION OF THE LABS**

**Lab activities & timeline:**  
The ERGP Labs will take place in three phases over 12 weeks with the Labs commencing on 5<sup>th</sup> March 2018



The initial labs will run for about three months in three separate phases (pre-laboratory, laboratory and post laboratory).







