

Update on States' GDP Computation in Nigeria

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1.0 Introduction

- Process for the computation of States' GDP commenced about two years ago in Nigeria
- SGDP computation project is to allow for further disaggregation of Nigeria's GDP
 - As is the case with advanced nations such as United States and Australia
- Exercise is being coordinated by the NPC, working closely with the NBS
- Financial support derived from Federal, States and Development Partners
- The computation and subsequent publication of data on States' GDP is expected to pave way for evidence-based decision making at the subnational level
 - Allow citizens to rate the performance of States
 - Information useful for rating agencies such as S&P and Fitch
 - Guide investors in making investment decisions on relevant States
 - Allows for healthy competition among the respective States

1.0 Introduction (Cont'd)



- Computation of States' GDP in Nigeria is being done in 3 phases
 - First phase of 7 pilot States cuts across the six geopolitical States
 - Second phase of 23 States + FCT [States that have paid their contributions]
 - 3rd phase of the remaining States [that pay contributions later]
- Recognised the support from members of the JPB and NCDP to the NPC & NBS towards the realization of this objective
- Implication of the results of GDP rebased estimates for Nigeria on SGDP
 - The States GDP are expected to take account of the rebased figures and the peculiarities of the new structure of their respective States economies

2.0 Where are we Today?



(a) States' GDP Computation

- Significant progress has been made in the implementation of the project over the last 2 years
- Pilot phase of the project is completed
- Results of the seven pilot States are ready, namely:
 - Lagos
 - Kano
 - Cross River
 - Rivers
 - Anambra
 - Gombe
 - Niger
 - South West
 - North West
 - South South
 - South South
 - South East
 - North East
 - North Central
- The results currently being validated by States Governors and their Executive Council.
 - Process being led by the Hon. Minister, NPC
 - In accordance with the directives of Mr. Vice President at the meeting of NEC.

2.0 Where are we Today? (Cont'd)



- Due to scheduling problems, the validation exercise has taken a longer time than expected
- The results of only 3 States have so far been presented namely:
 - Cross River
 - Anambra
 - Niger
- Steps are currently being taken to validate the results of the remaining States of Gombe, Kano, Lagos and Rivers
 - This is expected to be concluded before end Dec. 2014
- The second phase of the programme commenced in March 2014
 - With 23 States + FCT who have made their financial contribution to the SGDP project

2.0 Where are we Today? (Cont'd)



- The NBS is currently working closely with the 23 States' Statistical Agencies/Bureaux + FCT towards actualizing the task

(b) Needs Assessment Survey of States' Statistical Agencies and Planning Commissions

- The Needs Assessment survey of States' Statistical Agencies and Planning Commissions is a key component of the road map for ensuring effective delivery of States' GDP computation programme in Nigeria
 - The essence is to have credible manpower and infrastructure to facilitate the production of SGDP on a sustained basis

2.0 Where are we Today? (Cont'd)



- 1st pilot phase of 12 States covering six geopolitical zones of the country and FCT have been concluded and results validated and forwarded to the respective State Governments
 - The key message from the survey is that there are skills/ manpower and infrastructure deficit which must be addressed to facilitate the production of States GDP at the States level
 - State Governments will need to take steps towards addressing the issue
- Today, we do not know the extent to which States have implemented the recommendation arising from the report
 - NPC stands ready to provide technical support.
- Arising from the report, States that have established State Bureaux of Statistics have increased from less than 10 before the assessment to 22.

2.0 Where are we Today? (Cont'd)



- They are: Adamawa, Abia, Anambra, Cross River, Delta, Edo, Ekiti, Enugu, Gombe, Imo, Kaduna, Kano, Kwara, Lagos, Niger, Ogun, Ondo, Oyo, Plateau, Rivers, Sokoto and Zamfara.
- States that are yet to establish the Bureau are urged to do so as a matter of priority.
- The second phase of the exercise covering 12 additional States that have made their contribution to the project commenced in May 2014

2.0 Where are we Today? (Cont'd)



- The States involved are:
 - Benue, Oyo, Ondo, Bauchi, Jigawa, Nasarawa, Bayelsa, Akwa Ibom, Imo, Ebonyi, Yobe and Zamfara
- The exercise is being anchored by the CMD
- The inception report has been submitted and evaluated
- Next step is for the report to be presented to the National Steering Committee
 - Stakeholders will subsequently validate the report before they are forwarded to the States concerned.

2.1 States Participation and Funding



- 13 out of 36 States are yet to make their contributions to the State GDP project
 - Abia & Imo (SE); Edo (SS); Plateau, Benue, Nasarawa & Kwara (NC); Kaduna, Kebbi, Zamfara & Katsina (NW) and Adamawa & Borno (NE)
- Amount to be paid by the State is N14.1 million
- The support of the Hon. Commissioners and Perm Secs of States' Planning Commissions of the affected States needed
 - To ensure that their States remit their contributions to the project account

3.0 Near Term Outlook, Opportunities and Downside Risks



- The near term outlook for the States are very bright if the States' GDP computation project is effectively implemented
 - With results published
 - Especially as the States computed GDP are to take account of the Rebased GDP estimates
 - This is expected to bring alot of opportunities to the States
 - Foreign investors will be able to take decisions on where to channel their investible resources
 - The multiplier effect of such investments is the further leap frogging of the economies of the States
- And by extension, Nigeria

3.0 Near Term Outlook, Opportunities and Downside Risks (Cont'd)



- The downside risks are:
 - SGDP computation project stands the risk of not being concluded on time, if the States who are yet to make their financial contribution do not do that urgently
 - Non implementation of the report on the Needs Assessment survey of States' Statistical Agencies and Planning Commissions may hinder sustainability of the SGDP computation project
 - Broadening of the size and scope of exercise has a potential of enhancing the overall cost of the project

4.0 What Role for the JPB and NCDP members?



- Sustain their current political support and buy-in on the project
- Members from states that have not made their financial contribution of the SGDP computation project should facilitate such payments before end December 2014
- To ensure effective implementation of the report of the first 12 pilot States survey of States' Statistical Agencies and Planning Commissions
 - The support of the JPB/NCDP members are critical for success



Thank You

