



FEDERAL REPUBLIC OF NIGERIA

Keynote Speech

by

Senator Udoma Udo Udoma, CON
Honourable Minister
Ministry of Budget and National Planning

At the 49th Annual National Conference of Chartered Institute
of Personnel Management, Nigeria (CIPMN) held at the
International Conference Centre, Abuja

Tuesday, October 31, 2017

Protocol

It gives me great pleasure to be here with you on this occasion of the 49th Annual National Conference of the Chartered Institute of Personnel Management, Nigeria (CIPMN). I have been informed that the Institute has, over the years, strived to positively develop, sustain and transform professional excellence in the Human Resources profession. I urge you to keep up the good work. As a Government of Change, we are happy to associate with an organization that also sees itself as a change agent.

2. Let me express my appreciation to the President and Governing Council of the Institute for inviting me to be part of this conference and to deliver this Address.

3. I am informed that this year's conference seeks to focus on the three imperatives of innovation, empowerment, and engagement, in the hope of drawing useful lessons that will further benefit us as a country. I have been asked to speak on the topic: **The Nigerian Economic Recovery and Growth Plan (ERGP), 2017-2020: People as a Critical Success Factor.**

4. Distinguished Ladies and Gentlemen, let me begin by giving us a brief background to the ERGP – why it was developed, how it was developed and what it sets out to achieve. It will be recalled that when campaigning for the 2015 elections, President Muhammadu Buhari promised three things. He promised to fight corruption; he promised to restore security; and thirdly, he promised to fix the broken economy. The

Economic Recovery and Growth Plan is the blueprint the Administration intends to use to fix the broken economy.

5. The Buhari Administration inherited a very challenged economy – an economy that is overly dependent on one commodity – petroleum - over 70% of government revenues and 90% of our foreign exchange earnings come from crude oil. Thus, with the collapse of oil prices from over US\$110 in 2014 to as low as US\$30 in January, 2016 and with no fiscal buffers, the economy has been on a downward spiral. The economy was further weakened by the wide-spread corruption of the previous Administration, the disruption of oil production in the Niger Delta region, and the gradual loss of confidence in the economy by local and foreign investors. These developments resulted in a sharp decline in government revenues, slowing down of GDP growth, rising levels of inflation, weakening balance of payments, rising public debts, weak capital market, rising unemployment and declining foreign reserves.

6. To stop this slide and put the economy back on the path of sustained growth, the first thing we did was to craft an expansionary budget for 2016, dedicating a minimum of 30% of the Budget to capital. We did this in order to inject some fiscal stimulus to reflate the economy and stem the downward spiral that we were faced with. We put together a Strategic Implementation Plan (SIP) alongside the 2016 Budget. The SIP was a compendium of interventions in key priority areas aimed at tackling the most urgent economic challenges we inherited

7. We followed this up with the development of the Economic Recovery and Growth Plan (ERGP). This is our comprehensive medium term plan and it runs from 2017 to 2020. The ERGP is a product of an

extensive consultative process with stakeholders across the country, including the National Assembly, the State Governments, our development partners, academia, top economists and development experts, and, most importantly, the private sector. It builds on the SIP and sets out government policy direction for the economy. The Plan was intended, not just to get us out of recession, but to put us on the path of a strong, diversified, inclusive, and sustained growth.

8. The Plan is driven by five principles which support this fundamental focus. The five principles are: (i) removing the constraints to growth, particularly supply constraints in fuel, power and foreign exchange, (ii) allowing the market to function to drive optimal behavior amongst market participants, (iii) leveraging the power of the private sector by harnessing the dynamism of business and entrepreneurial nature of Nigerians, from MSMEs to the large domestic and multinational corporations, (iv) promoting and strengthening national cohesion and social inclusion, and (v) upholding our core values of discipline, integrity, dignity of labour, social justice, religious tolerance, self-reliance and patriotism.

9. The ERGP is designed to achieve three broad objectives. The first is to **restore growth** to a positive path and sustain it to, at least, 7% by 2020. And this growth must be one that generates jobs for Nigerians and widens economic opportunities for all our people. To achieve diversified growth the Plan focuses on agriculture, Micro Small and Medium Enterprises (MSMEs), manufacturing, construction, services and ICTs. It is key to our rapid development that will promote our

indigenous technologies and support our local entrepreneurs. Hence the importance of our *Made-in-Nigeria* campaign

10. The second objective is to **invest in our people** and improve their living standards by ensuring that the poorest and vulnerable members of the society are adequately supported; the youths are empowered; jobs are created; and the human capital base of the nation is significantly improved. The third is to **build an economy that is globally competitive**, which requires investing in critical infrastructure and tackling other obstacles that impede the ease of doing business in the country.

11. Distinguished Ladies and Gentlemen, the ERGP lays out 60 strategies deemed necessary for implementation over the plan period and assigns responsibility to appropriate agencies for their successful execution. Amongst these five have been prioritized. These are: Stabilizing the macroeconomic environment; Achieving agricultural and food security; Ensuring energy sufficiency in power and petroleum products; Improving transport infrastructure; and Driving industrialization with a strong focus on Micro, Small and Medium Scale Enterprises (MSMEs). There is no doubt that the aspirations in the ERGP are very ambitious. However, given where we currently find ourselves as a country we have to drive ourselves hard if we are to create the Nigeria of our dreams. A Nigeria where we take most of our people out of poverty and become an agricultural and industrial powerhouse.

12. In short, this Administration is determined to fundamentally change the way we have been operating as a nation. Our aim is to change Nigeria from a nation with high import dependence to one that produces the things it consumes; from a nation that relies on a single commodity

for survival to one that runs on multiple engines of growth, such as agriculture, manufacturing, construction, solid minerals and services. Our aim is to change Nigeria from a nation of consumers to a nation of producers. As Mr. President has said, the ERGP is this Administration's blueprint aimed at building a new Nigeria where *“we grow what we eat, consume what we make and produce what we use”*

13. As we continue the implementation of the ERGP, we intend to achieve an economy that is less dependent on imports for the basic things we consume; we intend to create at least 15 million jobs for our people; we must be able to refine sufficient petroleum products to meet our needs and be a net exporter of petroleum products. By 2020, we should be able to achieve at least 10GW of electricity generation, reduce our inflation rate to single digit and curtail the rising trend of unemployment.

14. Distinguished Ladies and Gentlemen, to ensure that we do not fail, we have, amongst other things, set up an implementation unit to focus on the actualization of the priority execution areas of the Plan. We have virtually concluded arrangements to engage consultants to help us in organizing Malaysian styled focused labs on some of these areas. The labs will involve stakeholders from the public and private sectors working together in a single environment to think out practical and workable solutions for delivering the kind of results we want. Very soon, we will be inviting some of you, captains of industries, to participate in these labs. This is because we realise that Government alone cannot fund the ambitious programme required to deliver on the ERGP. The central objective of the labs we are about to conduct will be to bring in private capital to finance projects across the country.

15. Distinguished Ladies and Gentlemen, the good news is that the change we seek is already happening. We are already seeing early positive signs that our strategy is working. The NBS numbers indicate that in the 2nd Quarter of this year we achieved a positive GDP growth of .55%. This means we are now officially out of recession. Our inflation rate is gradually and consistently easing up since the beginning of this year; external reserves and FDIs have improved following the continuous stabilization of the exchange rate market; and the industrial sector growth has turned positive after recording nine consecutive quarters of contraction.

16. But more work, much more work needs to be done to sustain the positive momentum. And this work will require our using our best talents and tapping into the entrepreneurial spirit of our people. This is where your organization, the Chartered Institute of Personnel Management, Nigeria (CIPMN), has a role to play.

17. As the foremost personnel management institution in the country, managing people is what your members do. I challenge you, individually and collectively, to develop templates and modules of capacity development that can improve the productivity of our people. The whole aim of the ERGP is to achieve a massive and sustained increase in our national output. And as we know to increase national output we must improve the productivity of our people. And as personnel managers your job is to develop management schemes that improve the productivity of your workforce. I challenge you to bring your expert personnel management skills to bear on the nation's low productivity

levels. Ultimately, the greatest wealth of a nation is not in its natural resources, but its human resources.

18. So, as you all gather on this occasion of the 49th Annual National Conference of the Chartered Institute of Personnel Management, Nigeria (CIPMN), I draw your attention to the ERGP. This is a Plan that will drive our country on to a path of sustained, diversified and inclusive growth. A Plan that will change our country in a fundamental way. As the President Muhammadu Buhari said, through the implementation of the ERGP, we will make Nigeria a self-reliant country in which ‘we grow what we eat and consume what we make’. We intend to build a country that is an industrial and agricultural power house. A country where poverty is reduced and prosperity enhanced. I invite all of you to work with us, and play your role in this exciting journey.

19. On this note, I wish you a very successful conference. I thank you for listening.