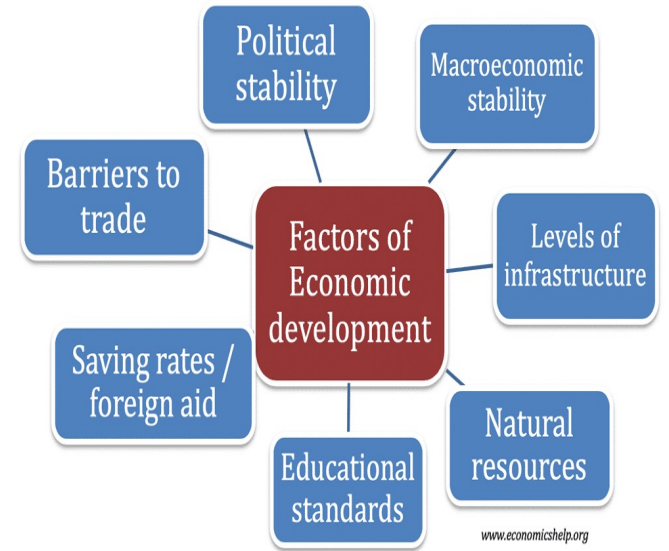


# National Development Plan in Nigeria: Issues and Challenges Trade and Competitiveness



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# Outline of Presentation

- ❖ Introduction
- ❖ Issues in Development Plan in Nigeria
- ❖ Competitiveness in the Development Plan
- ❖ Trade in the Development Plan
- ❖ Conclusion



# Introduction

- ❖ Development of any economy is neither an accident, nor takes place on its own accord, but through a conscious and consistent programs of actions towards desired end
- ❖ That is why Planning is an old endeavor in human history for peace, warfare, politics, administration and the social spheres
- ❖ A **development plan** of a country is seen as a long-term programme designed to effect permanent structural changes through the involvement of government and various relevant stakeholders in and outside the economy
- ❖ Its purpose is to set out the objectives and strategies through which a government wants the economy to be in the future

## Introduction (Cont..)

- ❖ **Thus, planning is deciding what to do, how to do it and who is to do it**
- ❖ It is deciding what actions to be taken in the future for the purpose of achieving envisaged goals
- ❖ It involves thinking ahead by initiating and taking a pre determined course of action and deciding in advance what should be done, how, when and by whom
- ❖ Without planning, activities of (a) organizations, institutions, (b) societies and even (c) nations may well become a series of random actions with meaningless objectives and undesirable outcomes.
- ❖ So, planning, provides a **rational approach** to pre-selected objectives as well as consciously determine courses of action that bridges the gap between where we are and where we want to go.

# A. Issues of Development Plan in Nigeria

- ❖ Apart from the ten-year plan between 1946 and 1956 under Arthur Richard Constitution in the colonial era, development planning in Nigeria can be classified under **three eras**.
- ❖ These are (a) the Era of **Fixed- Term Planning** (1962-85), (b) the Era of **Rolling Plan** (1990-1998), and (c) the era of **Democratic Dispensation** (1999 till date).
- ❖ Immediately after independence the country embarked on series of development plans, namely:
  - the First National Development Plan (1962-68);
  - the Second National Development Plan (1970-74);
  - the Third National Development Plan (1975-80);
  - the Fourth National Development Plan (1981-85); and
  - the several attempts made, beginning from the close of 1984, to prepare a **fifth** National Development Plan (1986-90),

# Issues of Development Plan in Nigeria (Cont..)

- ❖ With the economic crisis during the structural adjustment program (SAP) era, a fixed five- year plan was no longer ideal under the emerging uncertainties and pressing issues that called for urgent solutions
- ❖ An indicative option that will orderly **roll one plan into another** was embraced by the Babangida administration (1984-1993)
- ❖ Such a **perspective plan** which covered three years at a time were subjected to review every year to evaluate our performance and ascertain whether the economy is on course.
- ❖ The main objective of the **1<sup>st</sup> National Rolling Plan** (1990-1992) was to consolidate the achievements made so far in the implementation of the SAP and address the pressing problems still facing the economy; such as the strengthening of the on-going programmes of the National Directorate of Employment (NDE)

## Issues of Development Plan in Nigeria (Cont..)

- ❖ The **2<sup>nd</sup> National Rolling Plan** (1993-1995) focused on tackling the observable lapses and inefficiencies in the operation of monetary and credit instruments, low level of capacity utilization of industries and the rising trends of unemployment.
- ❖ The **3<sup>rd</sup> National Rolling Plan** (1994/96) and the **4<sup>th</sup> Rolling Pan** 1997/99 Rolling Plans had employment generation as their priority programmes, among others
- ❖ With the returned to democratic governance in Nigeria, President Obasanjo's administration started development planning in 1999 with the initiation of a **four-year medium term plan** document, the **National Economic Direction** (1999-2003).

# Issues of Development Plan in Nigeria (Cont..)

- ❖ This first plan under democratic governance was aimed at the development of an economy that is: (a) highly competitive, (b) responsive to incentives, (c) private sector-led, (d) diversified, (e) market-oriented and open, but (f) based on internal momentum for its growth.
- ❖ Thus, the plan had the primary objective of pursuing a strong, virile and broad-based economy with adequate capacity to absorb externally generated shocks.
- ❖ However, despite its being a new plan document under democratic system, its objectives and policy direction were not significantly different from those since SAP era to which the country has followed
- ❖ Thereafter, in his Second Term, President Obasanjo put in place the National Economic Empowerment and Development Strategy (NEEDS) to accelerate growth and reduce poverty.
- ❖ NEEDS was a four-year medium term plan for the period 2003 to 2007.



## Issues of Development Plan in Nigeria (Cont..)

- ❖ While NEEDS was a federal government plan, it expected the states and local governments to have their counterpart plans as:
  - The State Economic Empowerment and Development Strategy (SEEDS); and
  - the Local Government Economic Empowerment and Development Strategy (LEEDS).
- ❖ However, NEEDS as a Poverty Reduction Strategy Program (PRSP) suffered from the shortcomings and inadequacies such as:
  - weakness on poverty diagnostics;
  - cosmetically descriptive rather than analytical approach; and
  - weakness in the setting of economic targets.

# Issues of Development Plan in Nigeria (Cont..)

- ❖ As many African leaders toed the initiative of their counterparts to address numerous problems through the opportunity provided by the Millennium Development Goals (MDGs) for solving them; President Yar'Adua administration joined them by inserting the MDGs into the major policy focus of his administration as well, when he took over in 2007
- ❖ He therefore floated the **seven-point agenda** as the major policy thrust of his government.
  - Critical Infrastructure;
  - Niger Delta;
  - Food Security;
  - Human Capital Development;
  - Land Tenure and Home Ownership;
  - National Security and Intelligence; and
  - Wealth Creation

# Issues of Development Plan in Nigeria (Cont..)

- ❖ The follow-up **transformation agenda** of President Jonathan was thereafter designed for **continuity, consistency and commitment** popularly referred to as the “**3cs**”.
- ❖ The agenda was expected to (a) facilitate effective coordination of fiscal and monetary policies, (b) create jobs , (c) improve public expenditure management, (d) maximize the benefit the entire Nigerian citizenry derives from good governance, and (e) instill proper financial management and fiscal prudence.
- ❖ Others are to (i) improve the judicial system, (ii) improve our foreign policy by inserting the principles of *Economic Diplomacy* and funding our foreign mission properly and (iii) improve the legislature for optimal and proactive performance.
- ❖ However, the agenda was challenged by the rising insecurity, unemployment, inequality and poverty

# Issues of Development Plan in Nigeria (Cont..)

In his address at inaugurating the Steering Committee for the **Development of Nigeria Agenda 2050 and the Medium-Term National Development Plan 2021–2025**, President Buhari stated that:

- ❖ The Development Agenda 2050 is the Successor Plans to the Nigeria Vision 20:2020 and that of the Economic Recovery and Growth Plan (the “ERGP”) 2017–2020.
- ❖ While the ERGP was for: (a) restoring and sustaining growth; (b) investing in Nigerian people; and (c) building a globally competitive economy, it equally shared similar ideas with the 20:2020 vision in terms of its articulation of the long-term intent to launch Nigeria onto a path of sustained social and economic development.
- ❖ However, to ensure **continuity and efficiency** to both 20:2020 and the ERGP (both of which lapse in December 2020); the Successor Plans have its main objective, among others, to lift 100 million Nigerians out of poverty within the next 10 years

# Issues of Development Plan in Nigeria (Cont..)

For this reason:

- ❖ Annual budgets are to be derived from national development plans to foster discipline towards the plan in successive years.
- ❖ Federal government would henceforth deepen consultations with sub-national governments to ensure that the planned discipline is nationally entrenched to make the desired changes in the economy.
- ❖ The federal government is committed to making the Plan truly Nigerian by engaging the grassroots stakeholders, including private sector, States and the Local Government Areas
- ❖ The Plan would be sufficiently comprehensive with the capacity to accelerate the attainment of various regional and global agendas, including the African Union (AU) Agenda 2063, phases of ECOWAS economic integration Agenda and the Sustainable Development Goals 2030 of the UN.

## Issues of Development Plan in Nigeria (Cont..)

- ❖ Most development plans strategies adopted for use in Nigeria, over the years, are similar, with (a) slight differences in their objectives, but (b) the same nomenclature
- ❖ However, most of them aspired to achieve their objectives through the use of short term, medium and long term plans
- ❖ One question that remained unanswered is ***why the economy remained at the same point or even regressing, while nations that came into international scene few years back had been able to sought themselves out by overcoming the challenge of underdevelopment***

# Issues of Development Plan in Nigeria (Cont..)

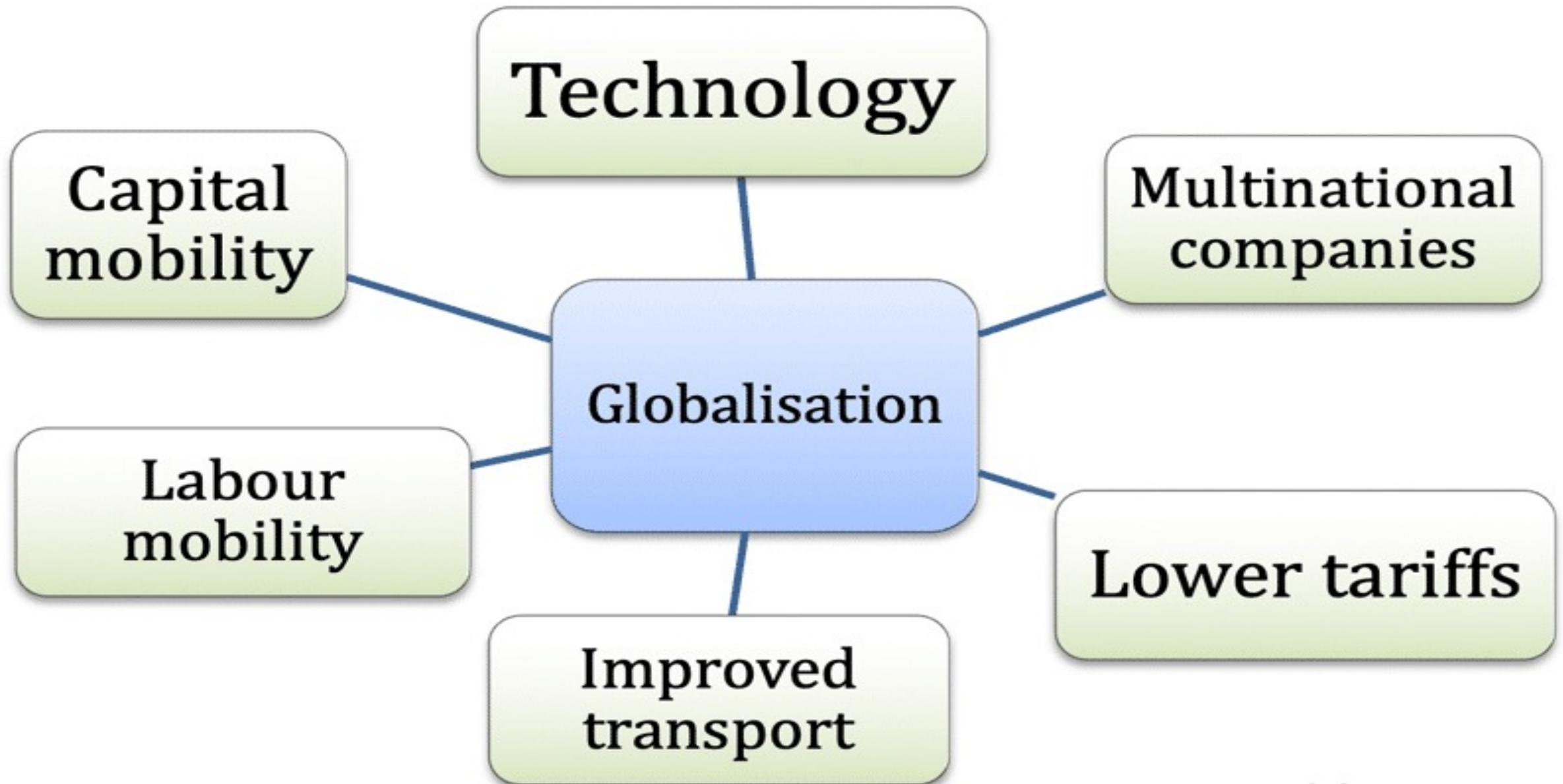
- ❖ One thing is clear, development planning in Nigeria has, over the years, been constrained by the failure of the Nigerian leadership to properly envision true development and place same on the agenda in addition to the following negative sundry factors: (i) misplacement of priorities, (ii) poor plan discipline, (iv) lack of self-reliance, (v) ineffective executive capacity and public sector inefficiency, (vi) system corruption and (vii) inappropriate public/private partnership; all which have made genuine development paths in the country somewhat illusory.
- ❖ Therefore, actualization of sustainable development plans based on **realistic data in Nigeria** will therefore require (a) clear development vision, (b) genuine commitment to the development agenda, (c) public sector efficiency and discipline, (d) public/private sector synergy and collaboration, as well as (e) national attitudinal change.
- ❖ My presentation will look into mainstreaming Trade and Competitiveness, among others, into the current Plan 2021-2050

## B. Competitiveness in the Development Plan

- ❖ Currently, there is the growing interdependence of countries resulting from the increasing integration of trade, investment, finance, people, and ideas in global marketplace known as **globalization**
- ❖ International trade and cross-border investment flows (capital mobility) are two main elements of this global integration (**Figure 1**).
- ❖ Since no single nation has: (a) enough the natural resources, (b) optimum infrastructure, and (c) human capital in sufficient quantity and quality to realize the desired standard of living; trade freedom appears to be the best economic strategy.
- ❖ However, the major economic benefits of free trade derive from the differences among trading partners, which allow any country a chance to **compete** with others in the global market according to its fundamental economic strengths (**competitive and comparative advantages**).



*Figure 1 Agents of Globalization*



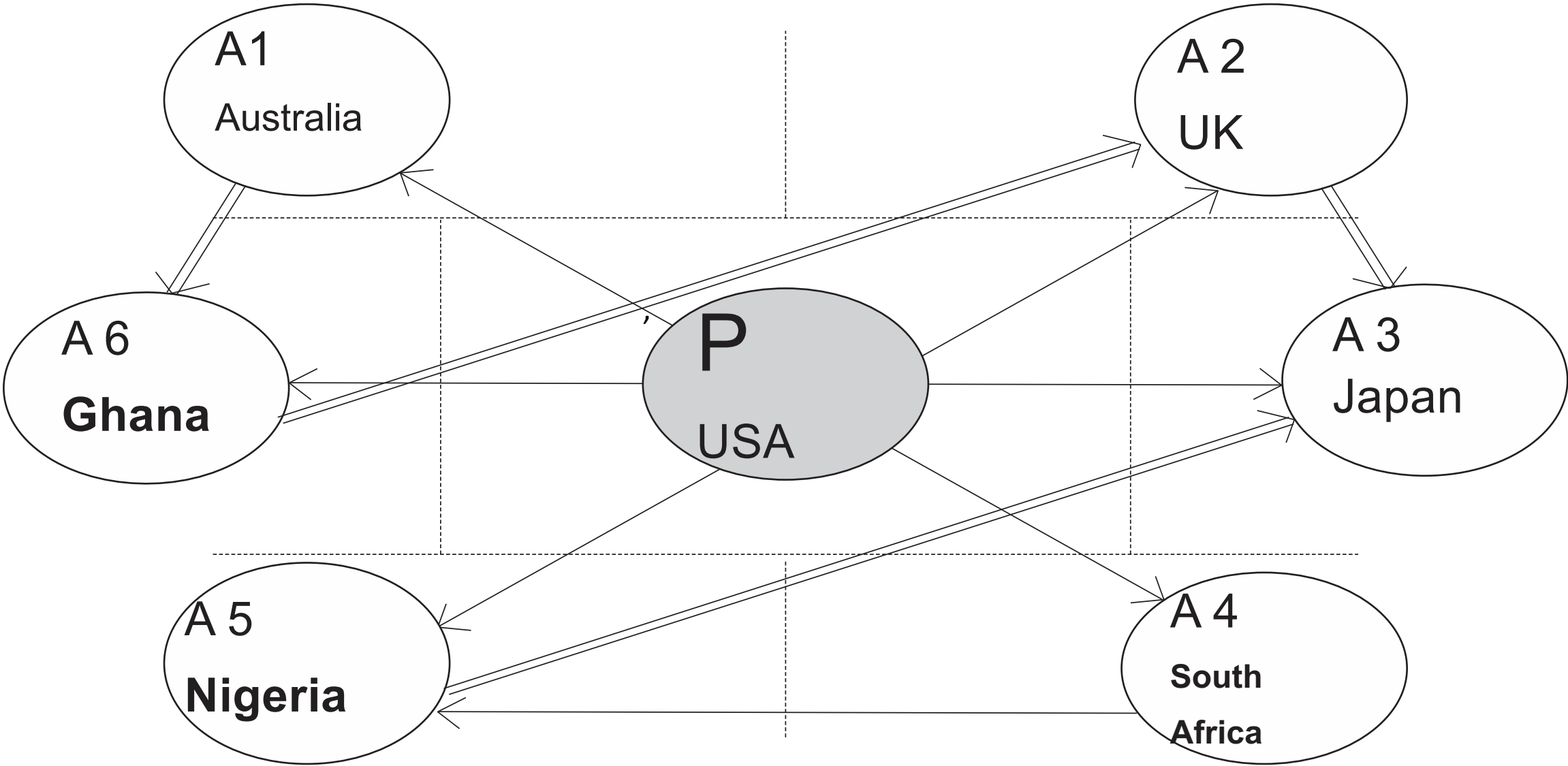
## Competitiveness in the Development Plan (Cont..)

- ❖ Low wage costs, access to cheap capital, a highly skilled workforce, and other fundamental variables all play a role in determining what **comparative and competitive advantages** a country has over other countries in the global marketplace
- ❖ In other words, successful participation in the global economy will be increasingly determined by (a) whether a country maintains high quality and reliable trade infrastructure; (b) whether competition is permitted to flourish in various economic activities in the economy, and (c) whether the regulatory environment is conducive to the relatively frictionless movement of goods and services through the supply chain.
- ❖ However, such successful growth in trade in any economy would never come about by accident; but a result of good **development plan** by visionary leadership; **implying that to compete well, planning is it**

# 1.What is National Competitiveness?

- ❖ In general, the *competitiveness of firms* can be defined as their ability to produce (both in terms of price and quality) competitive products and/or services in such a way as to command a recognition in the market than their counterparts in the industry
- ❖ Contrary to the above definition of a firm's competitiveness, *national competitiveness* is heavily mixed up
- ❖ While on the one hand, it is related to economic development of the country, on the other hand its has a lot to do with the competitiveness of enterprises in such a country as well
- ❖ This is because under the current globalization process and worldwide networking of transnational corporations (TNCs), the very competitiveness of firms is not any more a local or micro-economic issue, rather it is understood with reference to **economic complexity index (ECI)** of the country of those firms
- ❖ That is, how much the competitiveness a country is depends to a large extent on its productive sector at home, and abroad (i.e TNCs (**Figure 2**))

*Figure 2 .National Competitiveness and Structure of TNCs*



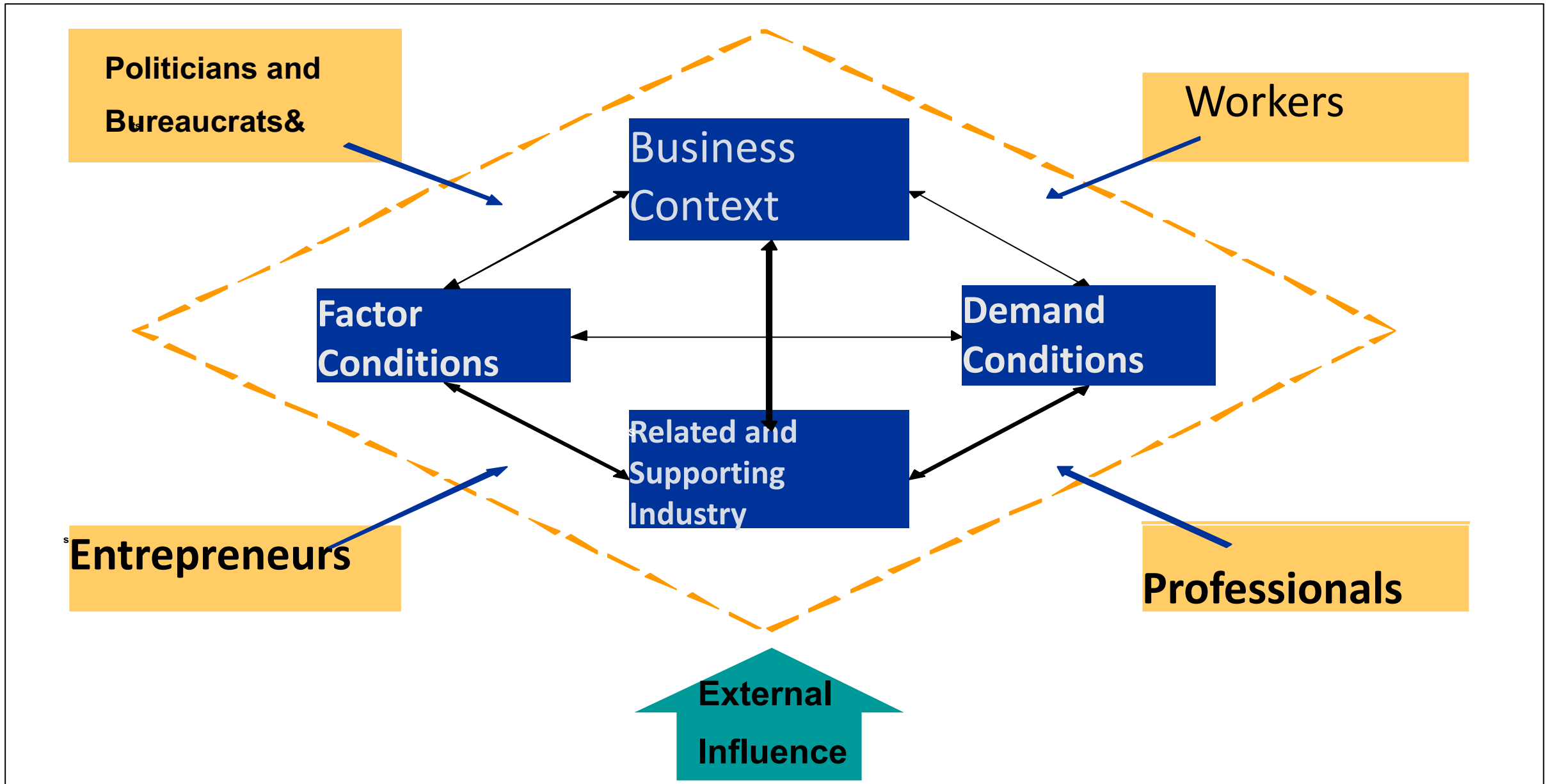
# What is National Competitiveness?(Cont..)

- ❖ In **Figure 2**, all the affiliates of a TNC are directly connected to the parent company (denoted by **P**) and in some cases to other affiliates by variety of cross – national transfers of products, capital management and technology located in different countries of the world
- ❖ Affiliate **A1** may manufacture and transfer its products to affiliate **A6** which uses the products as inputs.
- ❖ As a marketing strategy, affiliate **A4** may transfer certain finished goods to affiliate **A5** to be sold in domestic market of the importer.
- ❖ Technology may be transferred to affiliate **A2** through the parent company from any of the affiliates to assist in the expansion drive; while the unsold stock in affiliate **A2** may be diverted to affiliate **A3** where strong and effective demand for the product exist.
- ❖ Host government policies in affiliate **A2** may force affiliate **A1** to sell its output to affiliate **A2** only through affiliate **A6**.
- ❖ **Company P** has added to the competitiveness of USA, its home country

## What is National Competitiveness?(Cont..)

- ❖ A 9-Factor Model (developed by Cho and Moo, 2005) was used to explain the various factors in the competitiveness of a country (**Figure 3**)
- ❖ First, are the **human factors** (workers, politicians and bureaucrats, entrepreneurs and professionals-including scientists and managers); and second are **physical factors** (comprising factor conditions, demand conditions, related and supporting industries and business context).
- ❖ **External influence** (such as the impact of TNCs) is added to these eight internal factors to make a new paradigm.
- ❖ All of these 9 factors interact in order to determine a nation's competitiveness and consequently development.
- ❖ This model shows that “national prosperity is created, not inherited;” thus becoming an evidence that people are the major spur behind obtaining national competitiveness by arranging and combining the physical factors in a productive way through effective planning.

*Figure 3. 9-Factor Model in National Competitiveness*



# What is National Competitiveness?(Cont..)

- ❖ Therefore, a nation's competitiveness can now be defined as a nation's relative competitive position in the international market among the nations based on human and physical factors at its disposal and some level of external influence.
- ❖ It is upon this understanding that we in the BETCPS premised our report believing that Nigeria's competitiveness .

*“ is the degree to which it can, under free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously expanding the real incomes of its citizens. Thus, competitiveness at the national level is based on relative superior productivity performance of the country vis-a-vis .*



# What is National Competitiveness?(Cont..)

Five key questions attracted our attention at BETCPS in our report for Nigeria's Competitiveness preparing our part of the Development Pan, 2021-2025; 2026-2030; and 2031-2050:

- ❖ *What are the strategic objectives of national competitiveness, at both private and public sectors of the Nigerian economy?*
- ❖ *What are key policy targets in making Nigeria competitive?*
- ❖ *What are the respective roles and legislative reforms at the Federal, State, Local Government levels; as well as the private sector in enhancing national competitiveness?*
- ❖ *What specific policies and institutional reforms for private sector for enhancing national competitiveness program?*
- ❖ *What are the necessary conditions for success?*

## 2.Strategic Statements for Competitiveness in the Development Plan

- ❖ To reengineer the productivity of the Nigerian economy and make her to be among the top 50 most competitive countries in the world by the year 2050.
- ❖ To reengineer the productivity of the Nigerian economy and make her be among the top 75 most competitive countries in the world by the year 2030.
- ❖ To reengineer the productivity of the Nigerian economy and make her be among the top 100 most competitive countries in the world by the year 2025.

### 3. Strategic Objectives, Legislative Reforms and Key Results and Targets

#### a) Institutional Reforms

##### *(i) Objective*

- ❖ Strengthen Institutions

##### *(ii) Legislative Policy Reform*

- ❖ Assert legislative independence and work solely for the good of the nation
- ❖ Provide productive oversights to strengthen institutions of government

##### *(iii) Key Results and Targets*

- ❖ Develop institutional capacity in budgeting, planning and policy analysis etc.
- ❖ Institutionalize performance management practices
- ❖ Provide incentives to promote results-based management in public service.

## **b) Better Infrastructure**

### **(i) Strategic Objective**

- ❖ Develop infrastructure

### **(ii) Legislative Policy Reform**

- ❖ Provide legislative supports for the achievement milestones in the Nigerian Integrated Infrastructure Master Plan
- ❖ Provide productive oversight to guarantee quality of infrastructural projects

### **(iii) Key Results and Targets**

- ❖ Provide connected infrastructure
- ❖ Leverage a sustainable and alternative mix of funding for critical infrastructure projects
- ❖ Strengthen the infrastructure network across ECOWAS and Africa

## **c)Macroeconomic Performance**

### **(i) Strategic Objective**

- ❖ Enhance performance of macroeconomics policy objectives of Nigeria

### **(ii) Legislative Policy Reform**

- ❖ Assure a thorough scrutiny of budgets and make sure they deliver excellent services to the citizenry
- ❖ Ensure reasonably speedy passage of budgets
- ❖ Scrutinize all requests for borrowing and ensure borrowed money is used for what it's meant for
- ❖ Harmonize monetary and fiscal policies

### **(iii) Key Results and Targets**

- ❖ Assure a more stable macroeconomic climate conducive to growth and productivity
- ❖ An improved Debt-GDP ratio
- ❖ Well execution of the annual budgets with the development plans

## **d) Develop Information and Communication Technology**

### **(i) Strategic Objective**

- ❖ Grow ICT ecosystem

### **(ii) Legislative Policy Reform**

- ❖ Enact enabling laws supporting effective implementation of National Digital Economy Policy and Strategy
- ❖ Provide productive oversight for the implementation of The Smart Nigeria Digital Economy Project

### **(iii) Key Results and Targets**

- ❖ 50 folds increase in public and private sector investment in ICT infrastructures.
- ❖ 70% of the population (including adults) use internet for productive activities
- ❖ 50 folds increase in the number of specialized technology parks/hubs in all states of the country.

## **e) Skill Development**

### **(i) Strategic Objective**

- ❖ Build skills for future work

### **(ii) Legislative Policy Reform**

- ❖ Enact enabling laws for all our education institutions on the national and subnational level to include digital literacy in its curriculums
- ❖ Enact laws with incentives for jobs that drive social solutions using technology.
- ❖ Enact laws that support the growth of the broadband and digital

### **(iii) Key Results and Targets**

- ❖ Reduce to level of unemployment to less than 10%
- ❖ 100 percent allocation releases for all job creation projects
- ❖ Improve broadband access to 90% across Nigeria

## **f) Improvement in Healthcare System**

### **(i) Strategic Objective**

Expand access to healthcare

### **(ii) Legislative Policy Reform**

- ❖ Develop and enact a public health bill that is line with global practices
- ❖ Ensure that all enabling laws support a sustainable health care system
- ❖ Ensure that we implement laws that supports partnerships in the health care system
- ❖ Make laws enabling NYSC students to serve in critical sectors e.g health & Agriculture

### **(iii) Key Results and Targets**

- ❖ Scale up at least 50 Primary Health Cares (PHCs) in each state
- ❖ World class health care centers in each state
- ❖ All states must have a state health insurance scheme and it must be mandatory for all citizens.



## **g) Develop National Product Policy Space**

### **(i) Strategic Objective**

Develop product space

### **(ii) Legislative Policy Reform**

- Enact laws which support backward integration and scaling up local production
- Enact laws which support women owned businesses
- Strengthen laws that penalize illegal production of good and services

### **(iii) Key Results and Targets**

- All goods exported must have GAAP certification
- Manufacturing index should double in the next five years
- Non-oil exports should be higher than oil imports
- Non-oil exports should double with three years
- Improve the National Economic Complexity Index

## **h)Improvement in the Financial System**

### **(i) Strategic Objective**

- ❖ Make funds available and accessible to private sectors

### **(ii) Legislative Policy Reform**

- ❖ Enact enabling law establishing State Financial Center
- ❖ Enact enabling law establishing State MSME Growth Fund

### **(iii) Key Results and Targets**

- ❖ 50 folds increase in domestic credit to private sector
- ❖ 50 folds increase in available and accessible funds for new venture and MSMEs
- ❖ 79% sound banks by all important benchmarks

# **i)Development of Labor Market**

## **(i) Strategic Objective**

- ❖Build a competitive workforce

## **(ii) Legislative Policy Reform**

- ❖Exercise productive oversight to ensure transparent and merit-based employment
- ❖Review existing laws to give legal backing to fair and productivity-enhancing reward system

## **(iii) Key Results and Targets**

- ❖75% transparency in hiring at both public and private organizations
- ❖Culture of fair play in firing workers in all organizations
- ❖Well-developed and evenly enforced labor market policies
- ❖75% Merit-based recruitment system across the country
- ❖75% Merit-based promotion and incentive system across the country.

## **j) Promote Made in Nigeria Products**

### **(i) Strategic Objective**

- ❖ Leverage large market

### **(ii) Legislative Policy Reform**

- ❖ Restore competitiveness of traditional exports at the SNG level
- ❖ Identify & address constraints with non-oil goods that can be developed into new higher value products for exports and domestic consumption.

### **(iii) Key Results and Targets**

- ❖ NEPC have 100% in registration for exporting made in Nigeria products
- ❖ Improved ECI for the country

# **k)Improve the Doing Business Ranking of Nigeria**

## **(i) Strategic Objective**

- ❖Build a supportive business environment and positive entrepreneurial attitude

## **(ii) Legislative Policy Reform**

- ❖Approve budgetary allocation to support the establishment of State Enabling Business Environment Council (SEBEC)
- ❖Approve budgetary allocations for the establishment of Campus-based Startup/Innovation Hubs in state-owned universities

## **(iii) Key Results and Targets**

- ❖50% reduction in cost, time and procedure for starting a business
- ❖25% of students of higher educational institutions running profitable businesses
- ❖50 folds increase in the number of high value startups
- ❖40% MSME survival rate
- ❖30% of private companies' products and services not more than 5years old
- ❖Increase applications of innovative ideas and systems in the management of public offices

# I) Promotion of Research and Innovation

## (i) Strategic Objective

- ❖ Enhance innovation capacity

## (ii) Legislative Policy Reform

- ❖ Approve generous budgetary provisions to establish fully resourced clusters for researching and developing products and services the state has comparative advantage in.
- ❖ Advocate for more financial assistance for state-owned universities to participate in and improve performance in the Nigerian University Competitiveness and Prominence Ranking.

## (iii) Key Results and Targets

- ❖ 30 folds increase in the number of value chain clusters across the country
- ❖ 30 folds increase in R & D expenditure in both private and public organizations
- ❖ 10 of the country's universities among the top 500 in the world

## C. Trade in the Development Plan

- ❖ It is widely recognized that trade is a key driver of economic growth and development.
- ❖ No country has sustained high level of economic growth and enjoyed significant increases in per capita income without a corresponding of expansion its trade and diversification of its trade structure.
- ❖ In effect, the world's richest countries have achieved their developed status by taking advantage of trade-enhancing opportunities offered by more open and increasingly integrated world markets.
- ❖ It is this general trend which suggests that trade should be regarded as a central part of the economic growth and thus a critical factor in any National Development Plan

# Trade in the Development Plan Cont..)

❖ Our TWG discovered that the potential contributions of trade to economic growth and development of Nigeria are many and varied including:

- *Allowing the country to exploit her comparative and competitive advantages.*
- *permitting producers in the economy to sell to customers in any country, as well as enabling consumers to source goods and services from the suppliers worldwide.*
- *providing more and better jobs for Nigerians,*
- *raising household incomes and thus reducing poverty in the country.*
- *providing positive externalities to the rest of the economy and thus stimulating economic growth*

❖ So what we gain from trade is the ability to import the goods and services we want: consumer goods for consumption and capital goods for enhancing factor productivity; using the foreign exchange earned from export



# Trade in the Development Plan (Cont..)

- ❖ Nigeria's overall objectives of engaging in external trade derive from two primary goals of:
  - *promoting rapid, equitable and sustainable growth of the country, and*
  - *diversify and develop the economy (that is towards a better ECI) by encouraging the efficient production and distribution of goods and service for both domestic and international markets.*
- ❖ Nigeria's trade policy stance will be guided by the need to diversify the structure and direction of its trade (i.e imports and exports).
- ❖ She will still continue to pursue the goal of establishing a liberal trade regime that is vital for promoting efficiency and international competitiveness of her domestic industries as well

# 1. Pillars of Trade in Nigerian Economy

❖ In addition, the country will engage the use of trade policy instruments and other complementary policy measures that are consistent with the country's statutory obligations in the World Trade Organization (WTO), African Union (AU) the Economic Community of West African States (ECOWAS), as well as other applicable trade agreements and trade-related treaties.

❖ Accordingly, the FMITI has the Four (4) Pillars of Trade in Nigeria as follows:

➤ *Implement the Nigerian Industrial Revolution Plan (NIRP);*

➤ *Support the growth of micro, small and medium scale enterprises (MSMEs);*

➤ *Accelerate investment in Nigerian economy; and*

➤ *Facilitate trade and establish forward looking trade agreements*

## 2. Strategic Statements for Trade in the Development Plan

- ❖ To transform Nigeria from import-dependent into an export-driven economy by 2050, and thus capture at least 25% share of global trade in 10 non-oil products where the country is currently rated as top-20 highest producers
- ❖ To make Nigeria to command at least 20% of continental trade (AfCFTA), 15% share of world trade in 10 non-oil products, as well as 40% contribution to national GDP by 2030
- ❖ To achieve a 100% digitization of Nigeria's trade in goods and services by 2025; and non-oil export contribution to national GDP at 25% as well as have a good Trade Policy and negotiation strategy that suits Nigeria's sustainable development efforts by 2025

# 3.Strategic Objectives, Legislative Reforms and Key Results and Targets

## a) Trade Reforms at National, Regional and Multilateral Levels

### (i) Strategic Objective

- ❖Initiate a trade reform and facilitation agenda with ECOWAS, AU and at WTO

### (ii) Legislative Policy Reform

- ❖Domesticate AfCFTA Treaty into
- ❖Conclude the ECOWAS Common Trade Policy with Member States
- ❖Put in place appropriate legislation for trade reforms and coordination in Nigeria

### (iii) Key Results and Targets

- ❖Develop institutional capacity in the implementation of protocols on trade in goods and services in AfCFTA across relevant stakeholders in private and public sectors
- ❖The various phases of ECOWAS economic integration well negotiated and documented for effective implementation
- ❖International Trade Commission Act of Nigeria passed

## **b)Improving Negotiating Positions on Trade Matters**

### **(i) Strategic Objectives**

- ❖Strengthen Nigeria Office of Trade Negotiations (NOTN) and other Trade Support institutions

### **(ii) Legislative Policy Reform**

- ❖NOTN Act passed by the National Assembly
- ❖Trade Remedies and Malpractices Act
- ❖ECOWAS Common Trade Policy Negotiated
- ❖Issues enhancing further negotiation at AU and WTO levels are domesticated

### **(iii) Key Results and Targets**

- ❖NOTN becomes very effective in negotiating and re-sequencing of Nigeria Trade Agreements at all levels
- ❖Trade infractions, deflections and other malpractices drastically reduced
- ❖Trade Negotiation at regional and multilateral levels well negotiated and appropriately sequenced

## C) Review and Sequence Existing Trade and Investment Agreements

### **(i) Strategic Objective**

- ❖ Review existing trade and investment agreements, in line with NIRP

### **(ii) Legislative Policy Reform**

- ❖ Enact enabling laws supporting effective review of existing regional and international trade agreements
- ❖ NOTN to review existing trade agreement for review and sequencing

### **(iii) Key Results and Targets**

- ❖ Nigerian Trade Agreements are in line with the national macroeconomic policy objectives and in conformity with WTO, AfCFTA and ECOWAS Common Trade Policy
- ❖ NOTN is very effective in negotiation, re-negotiation and sequencing of Nigeria regional and multilateral trade agreements

# d)Support the Growth of MSMEs in Nigeria

## Strategic Objective

- ❖Promote MSMEs in Nigerian economy

## **(ii) Legislative Policy Reform**

- ❖Strengthen SMEDAN in its operational activities
- ❖Engage NASME, NASSI, NACCIMA in programs to enhance their penetration into regional and continental markets
- ❖States and Local Governments enact relevant legislations to support MSMEs

## **(iii) Key Results and Targets**

- ❖FMITI has more programs and funding for SMEDAN as well as support to other MSMEs across the country
- ❖Organize private sector are able participate better in ECOWAS and AfCFTA programs
- ❖Development partners have increasing interest in assisting MSMEs activities in Nigeria

## D. Conclusion

- ❖ May I end this presentation by saying that the inclusion of trade and competitiveness issues, among others in NDP frameworks does not guarantee success.
- ❖ Their inclusion in the national document is only a first step that must be complemented with effective implementation of action plans to ensure that expected outcomes are realized.
- ❖ There is also the need for continuity in the way trade and competitiveness are addressed in future budgets and plans as well.
- ❖ Therefore, Nigeria must to develop a much more systematic and holistic approach to mainstreaming trade and competitiveness into national development strategies to ensure that they achieve desired results from the process through the following:



# Conclusion (Cont..)

- ❖ **First**, policy coordination is crucial if trade and competitiveness, among other issues are to be mainstreamed into the Plan; and this requires: (a) their being coherence in the design and implementation with other economic and social policies; and (b) proper policy coordination across and within government Ministries, Departments and Agencies (MDAs).
- ❖ **Secondly**, the social impacts of trade and competitiveness policies have to be addressed to enhance the capacities of the country to fully reap the potential of both of them through: a conscious effort to incorporate the social impact of trade and trade related issues in the design and implementation in the NDP.
- ❖ **Thirdly**, there has to be national ownership of the process , in which all relevant stakeholders at all levels of governance and private sector have to be involved in the process of trade and competitiveness mainstreaming if it is to be effective in the NDP of Nigeria.
- ❖ **Lastly**, capacity building needs to be integrated for the understanding of issues of trade and competitiveness in the NDP



**THE  
END**

thank you all!