



Impact of Covid-19 on US-Africa Trade & Economic Cooperation: The Way Forward

Country Report - Nigeria

Agenda

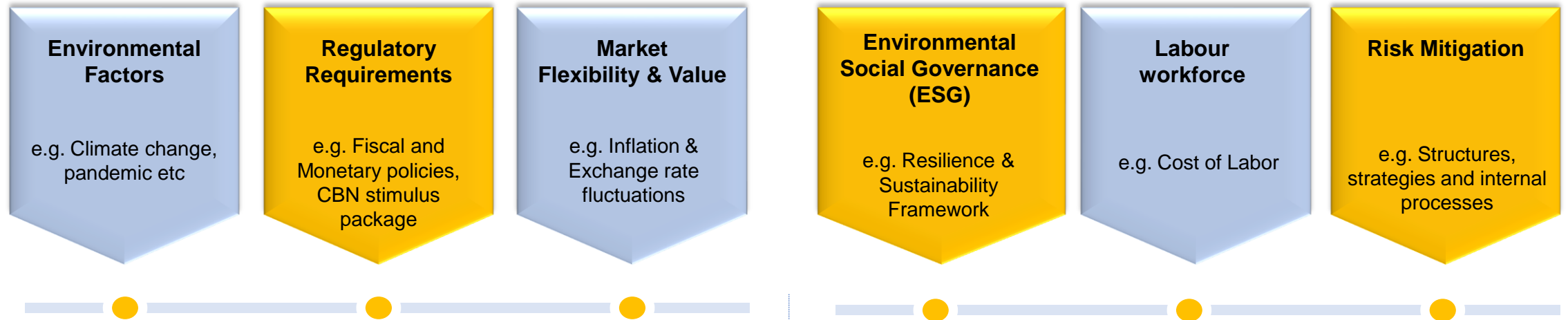


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Background



- Advent of Covid -19 heightens consciousness of SMEs towards the impact of macro & micro economic factors on ease of doing business



Covid-19 is an existential threat to business;



- Business Risk
- Financial Risk
- Regulatory Risk

Covid-19 is an opportunity for businesses to;



- Integrate technological innovation & best practice
- Optimize brick & mortar model using digital marketing tools to enhance export competitiveness
- Establish virtual brand identity and presence as a gateway to facilitate global transactions

NACC Activity Road map



Pre - 2020



NACC

Maximising the prospects of AGOA and Prosper Africa

May '20



USAID

Export document under AGOA FDA Registration
Food Labelling Registration

June '20



NACC

Using technology to boost export competitiveness and domestic trade in the post Covid-19 era

November '20



NACC

Access to Finance for AGOA Export Competitiveness

Q1 2021



USAID

Co-investment Funding

AGOA Capacity Building & Technical Sessions

AGOA National Strategies



- ✓ Prioritisation of Agriculture Schemes for **Food Security**, **Job creation** for Youths, **Women Empowerment**, **Financial Inclusion** and **Agro-Allied Programmes**



- ✓ Dedicated **land mass** areas to Agriculture by all 36 state governments



- ✓ Provision of **machineries** and **labour reduction technology** for small holder farmers

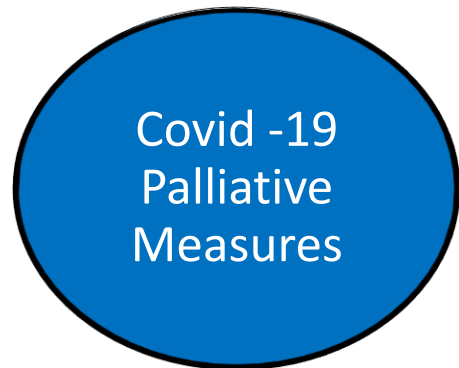


- ✓ Expanding the net to incorporate and **integrate private sectors** and **financial institutions** (inc. credible Agro-focused fintech companies e.g. Agropartnerships, Farmcrowdy)
- ✓ Broad scale advocacy of Agriculture as the next frontier



- ✓ Fiscal policy – **Zero duty** on all export & importation of Agricultural machinery
- ✓ Export Expansion Grant (EEG) for SMEs on export proceed repatriation

Government Incentives



Single digit loan facilities for SMEs

Robust tax exemptions for SMEs generating < NGN 25m turnover p.a.

50% reduction of Minimum Tax

Donation of Food and Covid-19 protection kits

Individual level low income earners – Personal Income Tax exemptions

Deployment of NEPC Export Expansion Facility Program

Recommendations



1. Federal Government

- Spearhead Public Private Partnership (PPP) initiatives with strategic private sector stakeholders in line with AGOA strategy
- Harmonization of monetary, fiscal and structural policy to aid SME growth agenda
- Zero interest lending rate to SMEs
- Revisit economic fundamentals – Inflation, stable business environment, infrastructure investment in roads and transport networks etc.

2. State Government

- Flawless execution of AGOA mandate at state level
- Provision of land, timely fund & equipment release, security to safeguard farmers and cattle rearers
- Grassroot implementation of PPP initiatives
- Prioritise educational advocacy programs for SMEs, farmers associations, cooperatives, rural communities etc

3. SMEs

- Maintain good credit history
- Business model must be bankable
- Deploy digital technology to develop online brand presence and to tap into wider markets
- Implement efficient internal risk identification and management systems to cushion the effect of any unforeseen crisis

Thank You!