

THEME:

Pathways to Sustainable Economic Transformation and Inclusion

23rd - 24th October, 2023



1.0. Background

Nigeria has entered a new political and economic leadership era, confronting critical challenges that demand equitable and resilient economic development. As we witness the seventh consecutive democratic transition of power, Nigeria stands at a unique juncture to chart a course towards shared prosperity and overcome long-standing obstacles that have impeded our socio-economic progress.

With a predominantly young population and a high debt burden, Nigeria must chart a trajectory that ensures inter-generational and sustainable growth. The nation has encountered various economic and political obstacles in recent years, underscoring the urgent need to redesign its systems and address structural issues.

One of Nigeria's pressing concerns is the need to translate economic growth into improved living standards for all its citizens. Despite experiencing growth, the country grapples with rising unemployment, income disparity, and multidimensional poverty. These challenges are worsened by an uneven allocation of resources, macroeconomic instability, and institutional deficiencies. Data from the National Bureau of Statistics (NBS) in 2022 revealed that approximately 62.9% of the population (i.e., 133 million people) live in multidimensional poverty, threatening the development of a vibrant middle class. With population growth outpacing poverty reduction, Nigeria's current trajectory highlights the critical need to prioritise long-term development and shared prosperity. To prioritise long-term development, the Nigerian government has begun implementing some tough short-term reforms, such as removing the

unsustainable fuel subsidy and unifying the foreign exchange windows, consequently devaluing the Naira.

Nigeria also faces recurring issues of weak institutions and significant infrastructural gaps. Insufficient infrastructure development has hindered economic growth, impeded the ease of doing business, and limited foreign investment and capital inflow.

Corruption, poor transparency, and accountability have plagued the country, hampering effective policy implementation and leading to policy reversals with successive government administrations.

Despite these challenges, Nigeria's future holds promise. The World Bank projects an average annual economic growth rate of 2.9% between 2023 and 2025, underscoring the potential for positive change. Similarly, the African Development Bank (AfDB) projects an average of 3.3% real GDP growth in 2023 - 2024. Technological advancements and their increasing adoption offer glimpses of what can be achieved with the proper reforms. The change in political leadership also brings the opportunity for fresh ideas and the rectification of economic policies that have weakened the fiscal system.

Nigeria's youthful population presents a tremendous opportunity for accelerating national development through entrepreneurship and innovation. With a large pool of creative and ambitious young minds, the country has the potential to foster a vibrant start-up ecosystem and drive economic growth. By leveraging technology and innovation, these creative minds can introduce disruptive solutions, create jobs, and contribute to the overall progress of the Nigerian economy.

About the NES #29

The 29th Nigerian Economic Summit (NES #29) will convene leaders from government, business, politics, development, civil society, and academia in a hybrid Summit format comprising in-person and virtual dialogues to discuss and deliberate on the theme "**Pathways to Sustainable Economic Transformation and Inclusion**". The Summit aims to foster collaboration among key stakeholders from diverse sectors and devise effective strategies to promote good governance at all levels of government. By establishing a robust and enduring economy, the Summit endeavours to address the socio-economic challenges faced by the country and ensure the continuation of valuable ideas, building upon the outcomes of previous economic Summits.

Sub-Themes and Pillars

The discussions at NES #29 will be guided by four fundamental pillars: Strategic Collaborations and Partnerships, Evidence-Based Policies, Data & Metrics for Measuring Impact, and Human Talent Development. These pillars will be interwoven throughout all the sessions at the Summit, with a particular focus on enhancing the role of entrepreneurship, skills and innovation, as well as sub-national and local governments, as drivers of economic growth and development. The ultimate objective is to foster the creation of a more inclusive, sustainable, and equitable economy. The Summit will be structured around five sub-themes, providing a comprehensive framework for addressing key issues and exploring potential solutions:

Stimulating Economic Growth: By optimising resource utilisation, embracing innovative technologies, and enhancing skills development, Nigeria can bolster productivity, improve domestic and global competitiveness, and foster economic growth. It is crucial to attract both domestic and foreign investments, especially in vital areas like infrastructure, education, and healthcare, to stimulate economic expansion, generate employment opportunities, and drive sustainable development. Additionally, strategic trade expansion in non-oil sectors with a focus on exports will diversify external revenue sources, reduce reliance on the oil and gas industry, elevate Nigeria's economic potentiality on the global stage, leverage the potential of the African Continental Free Trade Agreement (AfCFTA), build resilience against external shocks, and forge a more equitable, inclusive, and sustainable economy that benefits all Nigerians.

Mobilising Finance for Sustainable Development is crucial in addressing urgent social and environmental challenges while fostering economic growth. It requires a comprehensive agenda that includes deepening national financial systems by expanding access to finance across high-growth sectors through facilitation and intermediation of innovative sources such as private equity, development finance, digital financial inclusion, and microfinance. Additionally, efforts should focus on domestic revenue mobilisation through expanding the tax net and improving collection efficiency, promoting broad-based investment, packaging, onboarding, and retention of both domestic and foreign direct investments in critical high-growth sectors. Nigeria can leverage a compelling portfolio of competitive investment-grade projects and social investment programmes to access and deploy financial resources in support of sustainable development initiatives. Promoting innovative financing mechanisms, strengthening public and private financial institutions, and enhancing public-private partnerships are essential for mobilising the necessary funds. Hence, it is crucial to shift Nigeria from a predominantly government-led funding approach to a private sector-led investment-driven economy, while also improving transparency, efficiency, and accountability in public revenue and expenditure.

Harnessing Human Capital: Knowledge, skills, abilities, and health of citizens, is a critical resource that drives productivity, innovation, and sustainable development. Nigeria faces significant barriers to effectively harnessing its human capital. These include limited access to quality education due to inadequate infrastructure, insufficient funding, and a shortage of qualified teachers. The healthcare system also suffers from challenges such as insufficient funding, limited access to facilities, and a shortage of healthcare professionals, leading to poor health outcomes. High levels of unemployment, particularly among young people, hinder the utilisation of human capital and contribute to economic underperformance. Gender inequality persists in access to education, employment, and decision-making roles, limiting the contributions of women and girls. The emigration of highly skilled professionals seeking better opportunities abroad, known as brain drain, deprives the country of valuable human capital. Additionally, limited investment in research and development constraints innovation and technological advancements necessary for leveraging human capital for economic growth. Addressing these barriers

requires comprehensive efforts to improve education, healthcare, employment opportunities, gender equality, and research and development investments.

Reforming Public Institutions: The state of Nigeria's public institutions plays a crucial role in driving socioeconomic growth, but several challenges need to be addressed for effective reform. Widespread corruption remains a major obstacle, impeding the efficient functioning of public institutions and eroding public trust. Bureaucratic bottlenecks, outdated systems, and limited human resources further hinder the timely and effective delivery of public services, hindering socioeconomic progress. Additionally, inadequate inter-agency cooperation and coordination lead to fragmentation, duplicated efforts, inefficiencies, and policy inconsistencies. To overcome these challenges, sustained efforts, political will, and a comprehensive approach to reform are necessary. Strengthening transparency, improving efficiency, promoting coordination, and investing in human capital are essential steps to enhance the capacity of Nigeria's public institutions. By establishing effective and responsive governance systems, equitable resource distribution, citizen participation, and decision-making can be fostered, ultimately building public trust, attracting investments, and driving sustainable development.

Promoting National Cohesion and Inclusion: Promoting a strong national vision, identity, and shared values that serve as the foundation for social contracts and compacts is essential for fostering a sense of belonging, ensuring equal rights and opportunities for all citizens, and addressing social divisions. It is crucial to address critical issues that drive social exclusion, stigmatisation, and marginalisation based on factors such as tribe, ethnicity, religion, race, sex, and age. Recognising that the Nigerian Gender Gap is the most significant dimension of exclusion, achieving social inclusion necessitates gender inclusion. Overcoming barriers to the freedoms of girls, young women, and women requires more than traditional policy tools and approaches; it calls for deep social reengineering led by gender-intelligent and competent organisations. Challenging and understanding social norms that allow diversity to be politically and culturally weaponised is paramount. National mechanisms must be established to ensure the efficient and effective delivery of public services to all Nigerians, regardless of social status, state of origin, or place of residence. It is imperative to implement peace-building

mechanisms that address the root causes of communal conflicts and geopolitical discontent, paving the way for sustainable peace and shared prosperity. By building a cohesive society where every individual feels valued and has a stake in the nation's development, Nigeria can foster an environment of inclusivity, leading to sustainable peace and shared prosperity for all.

Summit Objectives

The **Pathways to Sustainable Economic Transformation and Inclusion** in Nigeria lie in innovative policies, robust institutions, strategic investments in infrastructure, upskilling our human capital, encouraging entrepreneurship and innovation, and leveraging digital technology. Through targeted reforms, increased transparency, and strengthened governance frameworks, Nigeria can unlock its immense economic potential, attract foreign investments, equip our youth with the skills and resources they need to leverage the opportunities of this digital era, and improve the quality of life for its citizens. By fostering inclusive growth and empowering marginalised communities and categories of our population, the country can bridge the gap between economic development and social well-being, ensuring a prosperous future for all Nigerians.

Hence, the 29th Nigerian Economic Summit seeks to:

- Inspire confidence in the Nigerian economy to drive job creation, economic growth and the fulfilment of Nigeria's economic potential on the global stage;
- Collectively design and prioritise strategies to unlock untapped potential, foster sustainable economic transformation and promote shared prosperity for the nation;
- Cultivate a people and technology-centred approach to addressing emerging trends, shaping a future of inclusive and sustainable economic growth for Nigeria;
- Facilitate the implementation of reforms to promote investor confidence, attract FDI, and provide incentives for private sector participation in economic and social development; and
- Facilitate discussions and actions towards attracting capital to support sustainable economic development initiatives.

Agenda

The Agenda of the Summit will be curated in different sessions that are structured in various formats.