



ANNUAL REPORT & ACCOUNT

2020

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OUR VISION

To become Nigeria's leading private sector think-tank committed to the development of a modern globally competitive, sustainable and inclusive Nigerian economy



OUR MISSION

To promote and champion the reform of the Nigerian economy into an open, inclusive, sustainable and globally competitive economy

AS A THINK-TANK, THE NESG PERFORMS FOUR KEY STRATEGIC ROLES

DIALOGUE PARTNER

Driving policy change through public private dialogue platforms and engagements

CONNECTOR

Driving policy change through networks and influence (G-2-G, G-2-B, G-2-C, G-2-B-C)

Government-2-Government, Government-2-Business, Government-2-Consumer, Government-2-Business-2-Consumer

INTERVENER

Driving policy change through interventions, monitoring, influential evaluation and reporting

WATCHDOG

Driving policy change through research and evidence-based engagement



OUR GUIDING PRINCIPLES

1

Commitment to a free market economy

2

Encouragement of private sector investment

3

Creation of an enabling environment

4

Governance in the national interest

5

Commitment to the rule of law

6

Establishment of economic foundation
for democracy

7

Dedication to socioeconomic inclusion
and shared prosperity

Chairman's Report

2021 Annual General Meeting



Distinguished Members, Partners, Captains of Industry, Guests, Ladies, and Gentlemen. I welcome you all to the 26th Annual General Meeting of the Nigerian Economic Summit Group (NESG).

On behalf of my colleagues on the Board of the NESG, I wish to convey our gratitude to you all for your immense and laudable contributions to the work of the NESG over the last 27 years. During this period, with your support, we have contributed extensively to policy proposals, formation, reform and public sector advisory. We have also provided technical support to governments at different levels to ensure that we are able to walk our talk. We remain extremely grateful to our founding fathers for their vision in establishing the NESG and to our members' network of volunteers and experts for staying committed to our mission. We thank, most sincerely, our partners in the public sector, especially the Federal Ministry of Finance, Budget and National Planning for their commitment to the partnership.

The Nigerian Economy in 2020

The year 2020 ushered in a unique set of circumstances which reverberated across all world economies, regardless of the level of development or technological advancement. The outbreak of COVID-19 shaped the direction of many economies and reversed positive economic outlooks. Commodity prices, major currencies, and investment inflows took a hit as the spread of the Coronavirus across the world suppressed demand and disrupted global supply chains.

According to the World Bank, the global economy was projected to contract by 4.3% in 2020, resulting from economic recession in many countries. In Nigeria, the twin effects of the pandemic and the resulting global crash in oil prices exposed Nigeria's weak macroeconomic fundamentals. In Q3-2020 Nigeria slipped into a recession, the 2nd in five years. The country's real GDP contracted by 6.1% and 3.6% in the second and third quarters of 2020 and the economy contracted cumulatively by 2.7% in the first three quarters of 2020.

Despite this downturn, Nigeria's economic performance was comparatively better than the outcomes in some advanced economies such as the United States, the United Kingdom, Germany, and Japan, which contracted by 3.8%, 10.6%, 5.8%, and 5.9% respectively in the first nine months of 2020. Even fellow oil-producing countries like Saudi Arabia and Russia contracted by 4.2% and 3.3% respectively, while South Africa contracted by 7.8%. However, China, recorded a growth of 2.3% in the year 2020.

Nevertheless, the structural challenges in the Nigerian economy cannot be understated; inflation rate trended upward and year 2020 closed at an inflation rate of 15.8%, up from 12.1% in January 2020, and the official exchange rate depreciated as our foreign currency reserves dwindled. Furthermore, our socio-economic conditions worsened as unemployment rate rose to 27.1% in Q2-2020 from 23.1% in Q3-2018, and poverty headcount increased by about 8.6 million.

The consequences of lower oil prices and the lockdowns to combat the virus spread, created a severe strain on fiscal activities. Government realized revenue fell short of budgeted revenue by 27%, as expenditure rose due to government's efforts at cushioning the effects of the pandemic on businesses and households, resulting in the ballooning of our fiscal deficit and government debt stock.

With the possibility of several pandemic waves and new virus variants, the year 2021 could also be characterized by uncertainties. It is our belief that Government in collaboration with the private sector and civil society will continue to work assiduously to address the challenges thrown up by these uncertainties.

Our Activities in the Year

COVID-19 Incidence and Response Tracker and Dashboard

At the beginning of the COVID-19 pandemic, the Nigerian Economic Summit Group and the private sector swung into action by providing financial and technical support to governments at all levels, to help detect and control the spread of the virus as well as cushion the economic and social impact of the pandemic.

The NESG undertook series of engagements, interventions and initiatives with the private sector and other stakeholders which led to different coalitions such as the Coalition Against COVID-19 (CACOVID), which has risen to support the Nigerian Government efforts in the fight to curb the spread of Coronavirus in Nigeria. From its inception, CACOVID mobilised private sector resources to support government efforts, increase general public awareness and provide direct support to the public healthcare system's ability to respond to the crisis.

In addition, the NESG in collaboration with the Africa Initiative for Governance (AIG) designed the COVID-19 Incidence and Response Tracker and Dashboard. The Dashboard primarily tracks the resource requirements to combat the pandemic across the 36 states of the Federation and the Federal Capital Territory so as to enable the federal and state governments as well as local and international donors to identify needs and gaps that exist in the three critical priority areas: testing; treatment and isolation; and contact tracing and tracking.

The Presidential Task Force on the Control of COVID-19 adopted the Dashboard as part of its Transparency Initiative and the NESG has maintained its collaboration by supporting the current roll-out of COVID-19 vaccine administration.

The 26th Nigerian Economic Summit

The 26th edition of the Nigerian Economic Summit ("NES #26") was held on the 23rd and 24th of November 2020 at the Transcorp Hilton Hotel, Abuja with the theme 'Building Partnerships for Resilience'.

The Summit was structured around five sub-themes: Mapping the Future; New Trends, New Opportunities, New Horizons; Embracing Technology and Innovation; Building Resilience; and Charting the Path to Recovery.

It convened national and global policy makers, business leaders, development partners, and scholars

who led and participated in sessions focused on building strategic partnerships and cooperation between governments, businesses and the civil society for resilience.

At the core of deliberations at the Summit were the effects and consequences of the COVID-19 pandemic including the far-reaching health, social and economic consequences; the restiveness of Nigeria's vast youth population; and the issues around having a population growth rate that exceeds our rate of economic growth and development.

The Summit combined physical and virtual dialogues to carefully and deliberately reflect on the state of the Nigerian economy and thereby rethink the country's economic fundamentals. These discussions were spread across 8 Plenary Sessions, 6 High-Level Panels, 5 Design Workshops, 4 CEO Roundtables and 14 Pre-Summit Events.

CEO Roundtables

Our other activities in 2020 included:

Medium-term National Development Plans and Nigeria Agenda 2050

As the subsisting National Development Plan, Nigeria Vision 20:2020 and the Economic Recovery and Growth Plan (2017-2020) both expired in December 2020, the Federal Government of Nigeria (FGN) through the Ministry of Finance, Budget and National Planning commenced the process of developing successor medium-term National Development Plans for 2021-2025, and 2026-2030. The Ministry has also simultaneously embarked on a 30-year visioning for the country through the development of 'Nigeria Agenda 2050'.

In true commitment to the standing partnership between the FGN and the NESG (representing the private sector), the Federal Ministry of Finance, Budget and National Planning worked with the NESG to provide the required private sector input in the National Development Planning process.

NGF-NESG Economic Roundtable (NNER)

The Public Policy Intelligence and Reform Management unit of the NESG continued engagements with the Nigeria Governors' Forum (NGF) to operationalise the NGF-NESG Economic Roundtable (NNER). The Roundtable is a sub-national platform expression of the Nigeria Governors' Forum and the NESG partnership, aimed at promoting sub-national competitiveness to catalyse sustainable economic growth and development. The Technical Committee of the NNER was inaugurated on the 14th of September 2020.

NASSBER

NASSBER continued to utilize its unique structure to enable collaborative solutions between the National Assembly, the civil society and the organised private sector to carry-out and build consensus on the reform of the Nigerian business environment. The Company and Allied Matters Act (CAMA) 2020 and the Plant Variety Protection Bill (HB68) 2020, which are two of the Roundtable's priority Bills, were passed by the 9th Assembly and the CAMA was assented into law by the President in 2020.

Fiscal Policy Roundtable with the Bill and Melinda Gates Foundation

The Fiscal Policy Roundtable (FPR) held its virtual close-out event on June 21, 2020, to off-board the Roundtable's efforts on Nigeria's Fiscal Sustainability and to also, appreciate all the stakeholders who contributed to the successful implementation of its work plan and set goals. The close-out event was also an opportunity to formally announce the Roundtable's transition into the "Fiscal Planning and Policy Thematic Group" of the Trade, Investment and Competitiveness Policy Commission. The platform will continue the advocacy efforts of the Roundtable on Nigeria's fiscal sustainability.

NiRER

Since the establishment of NiRER in 2017, the Roundtable has established itself as a mainstay on issues concerning Renewable Energy (RE) in Nigeria. It has, particularly, emerged as an action-oriented

partnership of relevant stakeholders committed to resolving the issues and bottlenecks which limit the expansion of the on-grid and off-grid renewable energy market in Nigeria.

For the year 2020, the activities of NiRER were geared towards developing a legislative framework to address the myriad of challenges that inhibit the utilisation of renewable energy to bridge Nigeria's electricity supply gap.

NESG Bridge Fellowship

The Bridge Fellowship is a project of the NESG, in collaboration with LEAP Africa, to train and equip young visionary leaders with leadership, research, and policy advocacy skills to contribute to policy reform in diverse policy areas. The NESG Bridge Fellowship Programme kicked off on July 4, 2020, and the Bridge fellows were assigned as Technical Anchors to the Federal Government's Thematic Working Group (TWG) on the National Development Planning Process and assigned mentors to provide professional guidance.

Policy Innovation Unit (PIU)

The NESG Board approved the formal establishment of the PIU. Full operations of the PIU are expected to commence in 2021.

Policy Commissions

The Policy Commissions (PC) remained very active in 2020 despite the pandemic and the resulting lockdown through the various digital platforms created by the NESG. The Policy Commissions hosted 14 Pre-Summit events. Other key engagements during the year included;

The Circular Economy Thematic Group of the Sustainability PC engaged with Unilever on product packaging. The Supply Chain and Logistics Thematic Working Group was created as a new Thematic Group under the Trade, Investment, and Competitiveness PC (TICPC). While the Fiscal Policy Roundtable closed out and was transitioned into the Fiscal Policy and Planning Thematic Group of the TICPC. The Mining Thematic Working Group of the Mining and Manufacturing Policy Commission and the Nigerian Geological Survey Agency (NGSA) explored a partnership to drive the National Integrated Mineral Exploration Project (NIMEP) with stakeholders in the sector. The Digital Economy Policy Commission was created to serve as a platform for dialogue between Public and Private sector leaders towards the advancement of the Nigerian Digital Economy. The Human Capital Development Policy Commission was unbundled into two Policy Commissions: Education and Health. The Measuring Performance Thematic Working Group (MPTG) of the Governance and Institutions Policy Commission (GIPC) and the Africa Initiative for Governance (AIG) partnered to assess the applicability of the International Civil Service Effectiveness (InCiSE) Index Methodology to Nigeria's federal civil service. The Power Thematic Group of the Energy Policy Commission (EPC) held a dialogue session with the Manufacturers' Association of Nigeria (MAN) on Re-Engineering Grid Power Supply to Industrial Clusters in Nigeria. A Position Paper was issued by the Agriculture and Food Security Policy Commission (AFSPC) to assess the effects of the COVID-19 pandemic on the Nigerian agriculture and food security ecosystem with suggested mitigation and adaptation strategies for policy consideration. The Draft National Sports Industry Policy (NSIP) by the Sports Industry Thematic Group of the Tourism, Hospitality, Entertainment, Creatives and Sports (THECS) Policy Commission was officially presented to the Honourable Minister of the Federal Ministry of Youth and Sports Development (FMYS), Mr. Sunday Dare. The Policy prescribes mechanisms for a viable, government-backed, private sector-led and driven Nigerian Sports Industry. The Infrastructure Policy Commission (IPC) collaborated with WaterAid on water sanitation and hygiene (WASH) and with the UN Global Compact (UNGC) on the CEO Water Mandate in Nigeria.

Research and Advocacy

The NESG Research Department continued to collate, review and analyse topical socio-economic issues and published articles on these issues. We believe that these publications influenced activities that shaped government policies, and were often issued in collaboration with policy stakeholders,

including government ministries, departments and agencies, the Nigeria Governors Forum (NGF), and international financial and development institutions.

In response to the impact of COVID-19 on the Nigerian economy, the Research Department was engaged in a series of research projects, which involved the publication of several reports and the development of strategic documents for the NESG's engagement with the government and other stakeholders.

In executing these tasks, the Department had to update the NESG Macroeconomic and Computable General Economic (CGE) models to capture more recent data as well as recent trends in the Nigerian economy. This exercise implies that the NESG has the most updated economic model in Nigeria and perhaps, on the African continent.

Conclusion

As the world continues to grapple with the impact of the pandemic, there is a need to re-energise the steps initiated by the Federal Government to lift 100 million Nigerians out of poverty through labour-intensive job creation in high elasticity sectors that have the most significant potential to eradicate multidimensional poverty.

We must be more determined and focused on creating an enabling business environment that attracts the investments we require to deliver accelerated growth, job creation and poverty reduction across the country. We must incentivise private sector investments into strategic sectors and reposition our governments to be more efficient and effective. We acknowledge all the work being done by our governments at different levels, but a lot more needs to be done in areas of security, policy consistency, rule of law and dispute resolutions, attracting and encouraging local and foreign investment, fiscal discipline and the provision of key infrastructure. It is critically important to prioritise public investments and expenditure at a time of declining revenues and huge demand for targeted investments in the social sector like in our public health and education systems. Too many of our people die needlessly and far too many of our children are out of school.

I would like to thank all of our distinguished NESG Founding Fathers, Past Chairmen and CEOs, current and past serving Board members, Corporate Members and our Volunteers who have continued to passionately serve and support the cause in the national interest. The NESG could not have accomplished what it has accomplished over the years without your dedication, diligence, and commitment. I also wish to express our gratitude to our Directors who exited the Board in 2020: Mr. Paul Gbededo, Mr. Christos Giannopoulos, Mr. Mauricio Alarcon, Mr. Adesola Adeduntan, Mr. Kennedy Uzoka and Mr. Abubakar Suleiman, for their selfless service. I thank all our partners, the gentlemen of the press, expert networks and the business community at large for their continuing interest in and support for the work we do.

To the current Chief Executive Officer, Mr 'Laoye Jaiyeola and the management and staff of the NESG, I thank you for remaining focused on the NESG mandate and striving to help achieve it, and for the immense sacrifices, regardless.

God bless the NESG, God bless the Federal Republic of Nigeria.
I thank you all.

Asue Ighodalo



Chairman, NESG

Chief Executive Officer's Report

2020 Annual General Meeting



Distinguished Board Members, Members, Invited Guests, Ladies and Gentlemen

Welcome to the 2020 Annual General Meeting of the Nigerian Economic Summit Group. Thank you all for your commitment and support to the Group in 2020, a year characterised by significant headwinds triggered by the COVID-19 pandemic and the #EndSARS protest.

I am pleased to report that the quality and independence of our watchdog, dialogue partner, connector and intervener role proved very significant in providing the needed technical support and intervention during the pandemic. Following the COVID-19 pandemic and its impact on both the global and Nigerian economy, the NESG had to revise its Macroeconomic outlook for the year 2020, and as a result, published a technical report on "COVID-19, Global Oil Price and The Nigerian Economy - 4-Year Macroeconomic Impact Assessment and Optimal Policy Response". We also went further to distil the impact on sectors and proffered optimal policy recommendations to mitigate the headwinds.

Weeks and months of in-depth research with the Federal Ministry of Finance, Budget and National Planning culminated into the development of a Macroeconomic Framework for the National Development Plans for Nigeria using the NESG Computable General Equilibrium (CGE) Modelling Framework. In particular, the NESG

completed and presented the 2021 Budget Macroeconomic Framework projections and the development of macroeconomic frameworks for the Medium-Term National Development Plan (MTNDP) 2021-2025 and 2026-2030. The team is working on the macroeconomic framing and modelling for the long-term vision titled "Nigeria Agenda 2050".

The outbreak and subsequent global spread of the coronavirus disease shaped Nigeria's economy's trajectory in 2020. The fragile recovery of the economy from the downturn witnessed in 2016 was interrupted by a sharp contraction in economic activity in the 2nd quarter of the year. As headwinds from the virus spread continued to weaken economic activity and heighten uncertainties, aggregate output remained in the negative growth territory in the 3rd quarter despite the Government's easing of lockdown measures. The Nigerian economy was therefore dragged into its second recession within just five years.

The NESG, despite these severe disruptions, leveraged technology to bring together stakeholders from both the public and private sector to deliberate on the COVID-19 policy responses to various sectors to mitigate the impact of the pandemic.

For the first time in our Summit history, the planning process was disrupted twice by the COVID-19 outbreak and the #EndSARS protests with an accompanying pivot in the agenda to reflect the socio-economic realities and emphasise the vital need to build partnerships for resilience, especially in the post-pandemic economy and also actively involve the Nigerian youth. We successfully launched the NESG App, which enabled us to host NES#26 as a hybrid event with over 6000 people in attendance.

We also successfully launched other projects and interventions during the year, one of which is the NESG Bridge Fellowship Programme, jointly organised with LEAP Africa to equip the next generation of leaders with the requisite skills to champion the reform of the Nigerian economy into a globally competitive, sustainable and inclusive economy. The NESG was also involved in deploying the COVID-19 Incidence and Response Tracker and Dashboard with the COVID-19 Predictive Analytics Platform.

We were only able to play these critical roles with the immense support of our partners, members and volunteers, and for this, we are most grateful.

As we take stock of our advocacy efforts in 2020, we look forward to working closely with you in the new year to consolidate our achievements even as we endeavour to break new grounds.

This Report provides highlights of the Group's stewardship in the year 2020. I hope this will spur you to remain committed in 2021 as we continue to perform our strategic roles, all in the national interest.

OUR ROUNDTABLES AND POLICY COMMISSIONS

In response to the COVID-19 pandemic and as part of efforts to ensure the effectiveness of the NESG Policy Commissions, the Secretariat unbundled the Human Capital Policy Commission into two Policy Commissions: Health Policy Commission and Education Policy Commission.

The Policy Commissions also convened stakeholder dialogues on COVID-19 responses related to their various sectors and presented Position Papers with policy recommendations. Full details of Policy Commission engagements

can be accessed in the section of this Report titled "Review of 2020 Activities".

As a member of the NESG, you are invited to lend your voice to public policy issues through the platform provided by the NESG Roundtables and Policy Commissions. Beyond the payment of membership dues, engagement at these platforms confers on you the ability to: "influence" the big-ticket agenda items for shaping the Nigerian economic and business landscape; "drive" policy reforms across sectors of the economy; plan and take your business to the next level as a result of "insight" gained from stakeholder engagements and "Access" to networks you can leverage on.

MEMBERSHIP

In 2020, nine (9) new corporate members joined the Group despite significant disruptions to business activities and the poor performance of most sectors of the economy due to the COVID-19 pandemic. Efforts to ensure the mobilisation of a critical mass of stakeholders, who will lend their voices to public policy issues through active engagement at the Policy Commissions, will continue in 2021.

PARTNERS

We have maintained relationships with our network of non-state actors to improve NESG's capacity for research and support economic reform initiatives. Relations have continued with the United Nations Global Compact (UNGC), Foreign, Commonwealth and Development Office (FCDO), World Economic Forum (WEF), the World Bank, Lagos Business School, the Nigerian Bar Association Section on Business Law (NBA-SBL), Heinrich Böll Stiftung (HBS), All On, Bill and Melinda Gates Foundation (BMGF), Africa Capital Alliance Foundation (ACAF), Africa Initiative for Governance (AIG), the Open Society Initiative for West Africa (OSIWA), and the Alliance for a Green Revolution in Africa (AGRA).

We are deeply grateful to all our partners for their unwavering support in 2020 and look forward to their continuous support in the year 2021.

I am pleased to note that beyond these organisations, conscious efforts were made in 2020 to cultivate new partnerships that have given rise to some other projects that are being

driven by the NESG.

CONCLUSION

While the distribution of vaccines could result in improvement in economic growth in 2021, pre-existing vulnerabilities in the economy are positioned as headwinds to economic growth if appropriate policy responses remain lagging. This reinforces the urgency of sound macroeconomic policies to attract massive high-end investment underpinned by bold reforms across key sectors of the economy.

In our 2021 Macroeconomic Outlook, we highlighted 4 priority areas that should be pursued to drive private investment and restore Nigeria's economy to the path of inclusive and sustainable growth in 2021 and beyond. These priority areas include macroeconomic stability, policy and regulatory consistency, sectoral reforms and human capital development. The overall goal is to provide a favourable business environment that attracts investment into critical sectors of the economy capable of generating the needed growth outcome that will support job creation and poverty reduction.

Governments at all levels, working in close collaboration with the private sector, must embark on bold reforms to attract investments into key sectors of the economy. This forms the basis for our best-case scenarios. Anything short, as is the "business-as-usual scenario", will result in poor performance in economic growth and undesirable socio-economic outcomes – rising unemployment rate, widening income inequality and increasing poverty rates.

My sincere appreciation goes to the Board of Directors and the Board of Patrons for their unrelenting support in 2020. You have been a source of inspiration and hope from which the Secretariat draws its strength. I appreciate your support always and look forward to working closely with you in 2021.

'Laoye Jaiyeola

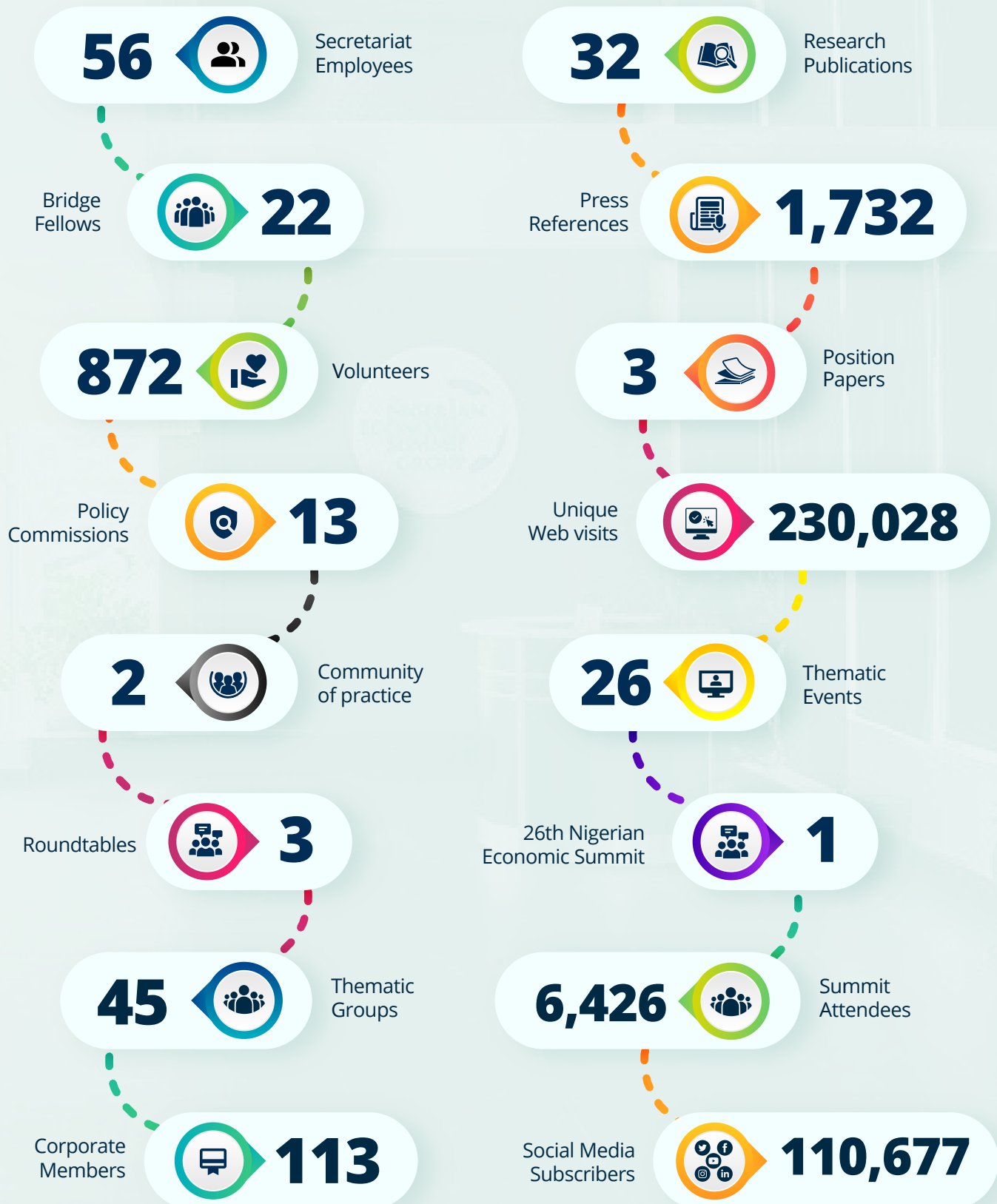


CEO, NESG



CONNECTOR |

— A FEW KEY FIGURES —





Introducing NESG Radio

The NESG Radio is a traditionally syndicated podcast that will factually and effectively inform Nigerians with curated localized content. Our weekly podcasts will help communicate critical information such as economic policies, ideas, health information, trends, and interventions to Nigerians.

For enquiries and partnerships, contact us: radio@nesgroup.org

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**Episodes are syndicated to radio stations across local communities in Nigeria*



DIALOGUE |
PARTNER

26TH

NIGERIAN ECONOMIC SUMMIT



THE 26TH NIGERIAN ECONOMIC SUMMIT

This year's Summit was characterised by several 'firsts': the first hybrid Nigerian Economic Summit; the first Summit that was delivered from multiple locations; the first Summit to be postponed by a month at the zero hour; the first Summit planning process that was disrupted twice by COVID-19 outbreak and #EndSARS protest; the first truly global Summit with several high-profile international speakers joining from different continents and different time zones; the first Summit that actively engaged with the Nigerian Diaspora; and, even more importantly, the first Summit with a clear and elaborate focus on the Nigerian youth.

As stakeholders convened for the 26th Nigerian Economic Summit (NES #26), the unprecedented turmoil unleashed by the global COVID-19 pandemic and the aftermath of the #EndSARS protests by Nigerian youth was paramount in their minds. There was optimistic anticipation that NES#26 was a suitable platform to deliberate on the emerging pathways to the future for the country's economy. The theme of the Summit, "Building Partnerships for Resilience", was considered to be appropriate in shaping the big conversation for action. Participants also agreed that the Summit Pillars – collaboration, execution and impact – were central to the successful implementation of NES #26 recommendations. The discussions were structured around five sub-themes: Mapping the Future; New Trends, New Opportunities, New Horizons; Embracing Technology and Innovation; Building Resilience; and Charting the Path to Recovery.

For two days, national and global policymakers as well as business leaders, development partners and scholars converged in 8 Plenary Sessions, 6 High-Level Panels, 5 Design Workshops and 4 CEO Roundtables to deliberate on the Summit Theme and continue the conversations that had commenced in 14 Pre-Summit Events. After extensive and robust deliberations, participants made far-reaching recommendations across 5 Thematic Outcomes.

Ensuring a Resilient Economic Recovery.

Participants agreed that there is a fierce sense of urgency to get Nigeria on the path to recovery. They urged the federal and state governments

to focus on sound economic policies required to push back the macroeconomic headwinds and get on a trajectory of high, sustained, inclusive and resilient economic growth. This will be achieved by restoring macroeconomic stability, allowing greater flexibility and unification of foreign exchange rates into a single, market-driven window, ensuring better policy coordination, aggressively focusing on attracting foreign direct investments, embarking on petroleum industry reforms through the passage and assent of a Petroleum Industry Bill that will unlock private investments and engender transparency as well as prioritising public investments in critical sectors, especially the social sector to drive up pro-poor investments while encouraging more private sector participation in other sectors of the economy.

Strengthening Partnerships.

NES#26 emphasised the importance of collaboration as critical to achieving resilience and highlighted several areas of national development that require stronger collaboration to produce tangible results. They include achieving policy alignment; removing barriers to ease and cost of doing business; especially on multiple regulations and taxes across States that hurt businesses; management of technical and vocational education; bridging the data and digital gap, management of primary healthcare centres; investing in research and development; attracting foreign investments; ensuring that Nigeria is keeping up with cutting edge developments in the workplace and engaging more robustly with Nigerians in Diaspora.

Unlocking Sub-National Competitiveness.

The Summit emphasised that sub-nationals must be the frontiers for economic growth and development. However, participants recognised that there are certain actions that States and Local Governments should undertake to unlock their competitiveness. To this end, NES #26 called for the immediate operationalisation of the NGF-NESG Economic Roundtable (NNER); an urgent review of the Nigerian Constitution to remove impediments to subnational competitiveness, with emphasis on identifying and developing subnational factor endowments; marketing their competitive advantages to



attract foreign investments; encouraging ongoing attempts by Nigerians in Diaspora to invest in STEM and WASH in their various communities; implementing industrial policies to deliver quick wins in generating jobs; promoting exports and enhancing revenues; working with the private sector to create economic corridors along existing national transport corridors, and increasing investments in infrastructure to drive the growth of rural and subnational economies in critical sectors.

Meeting the SDGs by 2030. The Summit acknowledged that much work had been done to ensure that Nigeria meets the prioritised Sustainable Development Goals but recognised that stronger multi-stakeholder effort would be required to ensure that Nigeria meets the global goals. To meet the SDGs by 2030 requires stronger collaboration through the establishment of a High-Level Forum on SDGs to monitor progress by each stakeholder and actively track and report Nigeria's SDG scorecard over the next ten (10) years. In addition, the Federal Government must ensure the global goals become the centrepiece of development planning between 2021 and 2030, especially the ongoing Medium Term Development Plans (2021 – 2025 and 2026 – 2030), while the states and local governments must also focus on them in the development agenda integrating the SDGs into their plans and programmes. Also, companies are required to adopt a business-driven approach to sustainable development as investments that are positive for achieving sustainable revenues, while national and subnational governments should deploy policy incentives to encourage companies that are committed to the Sustainable Development Goals.

Empowering Nigerian Youth. Since half of the country's population is 18 years or younger, the Summit concluded that

empowering the Nigerian youth must be an urgent imperative for national and subnational governments. Participants commended the Federal Government for the N75 billion Youth Investment Fund but made recommendations to tackle youth unemployment, underemployment, employability, and entrepreneurship as well as reskilling and upskilling, transitioning from informal to the formal economy and boosting participation in the gig economy. Some of them include the need for an impact assessment of previous youth empowerment programmes and intervention funds for national and subnational governments to identify the gaps and design strategies to improve the structure and implementation of future programmes, partnerships between governments and the private sector to co-create investment funds designated for empowering young people. They also recommended reviewing the curriculum in schools to include entrepreneurship as well as implementing clear and deliberate policies that will open new markets to transform the productive potential of Nigerian youth in technology, talent, creativity, and innovation. Summit participants advocated that the Federal and State Governments should support scaling up the formal apprenticeship programmes and encourage informal apprenticeship schemes through accreditations and certifications as well as deliberately engaging and embedding young people in policy and governance.

At this tipping point in our Nigeria's 60-year history, NES #26 was an ample opportunity to not only influence the post-pandemic trajectory of the country's economy by emphasising the role of subnational governments but also establish multi-stakeholder alliances between governments and business in co-creating a national strategy that will usher Nigeria into the decade of action to meet the Sustainable Development Goals by 2030.



| S/N | Pre-Summit Events | Date held |
|-----|---|------------|
| 1 | Rethinking Approaches to Investment in Agribusiness Ecosystem in Nigeria | 25/08/2020 |
| 2 | Increasing Opportunities and Sustaining Resilience through Circular Economy (CE) in Nigeria (<i>Series 1</i>) | 28/08/2020 |
| 3 | The Pandemic and Nigerian MSMEs: Impact, Priorities and Strategies | 3/9/2020 |
| 4 | Digital identity as a Foundation for a Digital Economy and Achieving SDGs (DEPC) | 10/9/2020 |
| 5 | Increasing Opportunities and Sustaining Resilience through Circular Economy (CE) in Nigeria (<i>Series 2</i>) | 14/9/2020 |
| 6 | Re-categorization of Sports as a Business Sector of The Economy: Partnership Imperatives | 17/09/2020 |
| 7 | The "New Normal" – Opportunities for the Nigerian Mining Industry | 17/9/2020 |
| 8 | Investment Opportunities in Nigeria's Blue Economy | 18/09/2020 |
| 9 | Positioning Nigeria's Aviation Industry for Global Competitiveness | 24/09/2020 |
| 10 | Healthcare Financing in Nigeria: Realities, Impediments and Opportunities | 24/09/2020 |
| 11 | Optimal Productivity in Nigeria's Agribusiness: Achieving the Goal of Seed Security | 24/09/2020 |
| 12 | Domestic Gas Utilization and Commercialization: Implementing the NDC Sectoral Action Plan for Energy | 25/09/2020 |
| 13 | Launch of the CEO Water Mandate in Nigeria | 06/10/2020 |
| 14 | NES #26 Innovation Workshop | 22/11/2020 |

POLICY COMMISSION ACTIVITIES

In response to the COVID-19 pandemic and as part of efforts to ensure the effectiveness of the NESG Policy Commissions, the Secretariat unbundled the Human Capital Policy Commission into two Policy Commissions: Health Policy Commission and Education Policy Commission. Further, the various Policy Commissions also convened stakeholders to dialogue on COVID-19 responses and presented Position Papers with recommendations for adoption by the Government. Activities of the Policy Commissions are highlighted below.

Sustainability Policy Commission (SPC)

The Policy Commission remained very active in 2020 with a series of engagements:

- The Circular Economy Thematic Group held a meeting on the 24th of July, 2020, with Unilever to discuss packaging weights, specifically dimension and sizes and ultimately encourage the standardisation of package for organisations.
- The Policy Commission also hosted four (4) NES #26 Pre-Summit Events that held virtually due to the COVID-19 social distancing restrictions. Two (2) of these Pre-Summit events, which held on the 28th of August and the 14th of September respectively, centred on Nigeria's Circular Economy (CE) with the theme "Increasing Opportunities and Sustaining Resilience through Circular Economy (CE) in Nigeria". The objective of the two-part series event was to drive Circular Economy (CE) policies and create a pathway for CE's success and practice in Nigeria. Key Priorities and Action Steps from deliberations at the event include:
 - *The imperative to accelerate the adoption of circular economy models for increased opportunities. Stakeholders recommended that the Government (with initiatives led by the Ministry of Environment and NESREA) must learn from other African countries' experiences in designing a CE roadmap*

- *to chart a course for CE activities in the country. On the other hand, the organised private sector is expected to foster partnerships to fast-track Nigeria's transition to a CE model. The need to promote CE policies for environmental resilience and carbon emission-free CE. Government-led initiatives are expected to be driven by the Ministry of Environment, working closely with other relevant MDAs to achieve a cleaner environment and carbon emission-free CE while the NESG, representing the private sector, is expected to provide a platform for dialogue for further discussions on the modalities of a strategic plan to achieve environmental resilience and carbon emission-free CE.*
- The third Pre-Summit event themed "Investment Opportunities in Nigeria's Blue Economy" held on the 18th of September, 2020. The event convened stakeholders to share expert information that will highlight opportunities for boosting Nigeria's Blue Economy and proffer lasting solutions to shortfalls, using the Blue Economy Strategy of the African Union Agenda and others as key guides. Key Priorities and Action Steps from deliberations at the event include:
 - *The imperative to develop a roadmap for the involvement of stakeholders in the blue economy. An essential action step is for the Government (with initiatives led by the Federal Ministry of Transportation and NIMASA) to create an avenue for dialogue with relevant stakeholders in developing a road map for the blue economy in Nigeria. On the other hand, the organised private sector with initiatives led by the NESG is expected to provide the platform for dialogue between the Government and relevant stakeholders on the development of the road map.*

- *Long-term financing for the blue economy. The Government, through the Federal Ministry of Transportation and NIMASA needs to create an enabling environment to stimulate private sector investment in the blue economy.*
- The SPC held a fourth Pre-Summit Event on the 24th of September, 2020, with the theme “Domestic Gas Utilisation and Commercialisation: Implementing the NDC Sectoral Action Plan for Energy”. Key Priorities and Action Steps from deliberations at the event include:
 - *Harmonisation of taxes and other regulatory requirements. The Federal and State Governments need to initiate the process for reviewing all taxes at Federal and state levels and harmonise all relevant taxes applicable to the gas market. With initiatives driven by the NESG, the organised private sector needs to facilitate a dialogue between private sector players in the Gas industry and relevant government agencies in this regard.*
 - *A dedicated gas industry legislation. The Federal Government should work with the National Assembly to prepare a dedicated bill for the gas industry while the NESG through NASSBER is expected to initiate the discussion on the proposed Bill and contribute to its drafting process.*

Trade, Investment and Competitiveness Policy Commission (TICPC)

- The Supply Chain and Logistics Thematic Working Group was created as a new Thematic Group under the Trade, Investment and Competitiveness PC, and a Thematic Lead for the Thematic Group was appointed to coordinate its activities.
- The Fiscal Policy Roundtable closed out and transitioned into the Fiscal Policy and Planning Thematic Group of the TICPC, with a thematic lead appointed to coordinate its activities.
- After an extensive engagement on

the Africa Continental Free Trade Agreement (ACFTA) with the Federal Government, the ACFTA was finally ratified by the President on the 11th of November, 2020. The trade agreement is expected to take effect on the 1st of January, 2021. The Facilitator and Anchor of the Policy Commission were members of the Committee that worked on the ACFTA Impact Assessment and Readiness Report adopted for the engagement.

- The Fiscal Policy and Planning Policy and Planning Thematic Group has an ensuing institutional engagement with the World Bank Economic Team in Nigeria, after a session with the umbrella Policy Commission on:
 - *Domestic resource mobilisation;*
 - *Transfer pricing;*
 - *Curbing tax avoidance amongst the top 1% of the Nigerian taxable population;*
 - *Restructuring tax thresholds to avoid taxing poverty;*
 - *Reviewing investment incentives and ensure that they are organised and rationalised;*
 - *Strengthening the increasing awakening to e-tax and reviewing the adequacy of the operationalisation of the e-tax system by the regulators, to curbing inefficiency and corruption;*
 - *Driving-up tax efficiency, which is currently at about 10% in the subnational level and around 3-4% at the national level;*
 - *Continue advocacy for streamlining tax multiplicity to identify major sources of tax revenue as PAYE, CIT, and a select few others.*

- The TICPC entered into an MoU with the Federal Ministry of Industry, Trade, and Investment (FMITI) in July 2020 to provide technical and advisory support to the Ministry across all its functional priorities; trade, investment promotion, enterprise development and industrialisation drive.

Mining and Manufacturing Policy Commission (MMPC)

- In the first quarter of the year, the Mining Thematic Working Group of the Mining and Manufacturing

Policy Commission engaged in an exploratory session with the Nigerian Geological Survey Agency (NGSA) for the initialisation of an agreement between the NGSA and the Policy Commission to drive the National Integrated Mineral Exploration Project (NIMEP) with stakeholders in the sector.

- The Mining Thematic Group also held a group meeting in the second quarter of the year with the aim of restructuring the working group to focus on the broader mining sector. At this meeting, the African Mining Vision was adopted to drive the Group's activities. Deliberations at the meeting resulted in the Thematic Group's total restructuring with new thematic areas identified and subgroup leaders appointed.

As part of the Manufacturing Thematic Working Group's restructuring process, a new Thematic Lead was appointed to head the Thematic Group.

- In the third quarter of the year, the Mining Thematic Working Group held an exploratory session with the Council of Nigerian Mining Engineers and Geoscientists (COMEG) for the initialisation of an agreement between the COMEG and the PC to drive knowledge, reforms and mineral reporting agenda.
- The Thematic Group conducted a post-COVID-19 webinar on the 18th of June 2020 with the theme "Post COVID-19 Nigeria – Impact and Opportunities for the Mining Industry." The outcome of the webinar was a sector-wide Position Paper. Key Priorities and Action Steps from deliberations at the event include:
 - *A Tailored Financing Scheme for the Mining Industry: The Federal Government, through the Ministry of Mines and Steel Development and the Nigerian Geological Survey Agency (NGSA), is expected to facilitate the development of a tailored financing programme for the mining industry, particularly for Artisanal*

and Small Scale Miners (ASMs) while the Private Sector, NESG and Development Agencies are expected to collaborate with and mobilise sector players to drive the scheme.

- *The imperative for the development of the Mining Equipment and Technology Services (METS) sub-sector: The Federal Government, through the Federal Ministry of Mines and Steel Development, needs to facilitate the development of a METS sub-sector while the private sector, working through the NESG, is expected to drive collaboration between the Government, private sector, academia, and technology companies to adopt innovation and creativity required to develop and sustain the growth of a METS sub-sector in Nigeria.*
- The Mining Thematic Group also held a Pre-Summit Event on the 17th of September, 2020, with the theme, "New Normal – Opportunities for the Nigerian Mining Industry". Key priorities and Action Steps from deliberations at the event include:
 - *Review of the mining, metallurgical and geoscience curriculum: The Federal Ministry of Mines and Steel Development is expected to collaborate with COMEG and the Federal Ministry of Education to initiate the process for the review and update of the curriculum for mining, metallurgical and geoscience courses while the Council of Nigerian Mining Engineers and Geoscientists and the Miners Association of Nigeria (MAN) are expected to provide guidelines on evolving industry practices and skills.*
 - *Institutionalising a new mineral reporting standard: Government-led initiatives, driven by the Federal Ministry of Mines and Steel Development should initiate the process for developing a new reporting standard for mining, metallurgical and geoscience activities in Nigeria while the Council of Nigerian Mining Engineers and Geoscientists; Miners Association of Nigeria (MAN) needs to provide a guideline on evolving and global mining industry best practices and the NESG is expected to facilitate the collaboration between public and private sector*

stakeholders to achieve this goal.

- The Policy Commission is also providing support for the National Development planning process.

Digital Economy Policy Commission (DEPC)

- As part of the restructuring process of Policy Commissions to enhance the effectiveness of the NESG's advocacy efforts, the Digital Economy Policy Commission was constituted to serve as a platform for dialogue between Public and Private sector leaders towards the advancement of the Nigerian Digital Economy.
- A Policy Commission Facilitator was appointed, and some new volunteers were onboarded to join the PC.
- Four (4) Thematic Groups have been formed, namely:
 - *Digital Skills Innovation and Entrepreneurship;*
 - *Digital Platforms and Digital Financial Services;*
 - *Digital infrastructure and Technology Sector Financing;*
 - *E-Governance, Policies and Regulations.*
- Thematic Group (TG) leads were appointed to coordinate the activities of each TG to achieve the objectives of the Policy Commission.
- The DEPC is presently reviewing all policy documents related to the Digital Economy in Nigeria. As the Digital Economy cuts across all Nigerian sectors, some policy documents were also selected from other sectors. The policy documents reviewed include:
 - *National Digital Economy Policy and Strategy Document*
 - *The Nigerian E-Government Inter-Operability framework*
 - *Nigerian National Broadband plan*
 - *CBN Financial Inclusion Policy*
 - *World Bank Diagnostic Report*
 - *Nigerian E-Government masterplan.*
- The DEPC hosted a Webinar on the

28th of May 2020 themed "Assessing the Impact of COVID-19 on the Nigerian Digital Economy and Post Pandemic Strategies". The webinar provided the platform for the Minister of Communications and Digital Economy and other government executives, national stakeholders, leaders of academia and captains of industry to discuss the current state of the Digital Economy, the newly launched National Digital Economy Policy and Strategy (NDEPS) document and the impact of COVID-19 on the Digital Economy and the Nigerian economy at large.

- The webinar was a culmination of a series of strategic workshops that held two (2) weeks before the Policy Dialogue to analyse the Nigerian Digital Economy Policy and Strategy Document commissioned by the Ministry of Communications and Digital Economy.
- As one of the webinar session outcomes, the Digital Economy Policy Commission of the NESG accepted the Honourable Minister's proposal to partner and work together towards developing the Nigeria Digital Economy.
- The DEPC published a Position Paper containing the outcomes and recommendations from the webinar session and has since been circulated among Public and Private Sector actors. Key Priorities and Action Steps from Position Paper include:
 - *Establishment of a Digital Economy Industry Working Group comprised of private-sector experts as well as public sector representatives, tasked with the responsibility of creating a Digital Economy Transformation Roadmap, replicating the triple-helix model.*
 - *Engage NITDA on policies regarding making Nigeria's ICT more competitive globally.*
 - *Establishment of the Nigeria Digital Economy Enterprise Portfolio (or Programme) Management Office with a performance Monitoring and Evaluation Dashboard.*

- The PC hosted a Pre-Summit Event themed “Digital Identity as a Foundation for Digital Economy and Achieving the SDGs” on the 10th of September, 2020, in preparation for the 26th Nigerian Economic Summit (NES#26). The event had the following objectives:
 - *To critically examine the strategies proposed to drive the National Digital Identity and how this can be achieved through the private sector and sub-national partnerships.*
 - *To help drive policy dialogue and development of action plans to ensure digital identification for Nigerians as a foundation for Nigeria becoming a top global digital economy.*
- A key action step from the webinar is the need to amend the NIMC Act to allow for the licensing of private sector players to capture data in line with the data protection and privacy laws.
- The DEPC has concluded plans for a showcase project (Public Comments Platform) - A concept note has been drafted for the project and details of its implementation will be included in the DEPC 2021 work plan.
- The Federal Ministry of Communications and Digital Economy invited the DEPC to submit a memorandum at the 8th National Council on Communications and Digital Economy held in Owerri on the 27th of November - the 1st of December, 2020. Volunteers from the Policy commission were at the event to represent the NESG.
- The Policy Commission is presently working towards constituting its Steering Committee.

Financial Markets and Inclusion Policy Commission (FMIPC)

- The Financial Markets and Inclusion Policy Commission was restructured in the year with a new facilitator appointed.
- A new Thematic Lead was also appointed

for the Financial Market Thematic Working Group.

- A Policy Commission Leadership Orientation and Onboarding meeting was held on the 14th of August, 2020. Education Policy Commission
- The Human Capital Development Policy Commission was unbundled into two Policy Commissions: Education and Health.
- The Education Policy Commission is currently being constituted.

Health Policy Commission (HPC)

- The Health Policy Commission (HPC) was constituted after the PC restructuring process that resulted in the Human Capital PC's unbundling into two distinct Policy Commissions:

Health and Education Policy Commission.

- A facilitator was appointed for the HPC, and two Thematic Working Groups were formed, Health as a Business and Public Health, with Thematic leads appointed.
- The Health Policy Commission hosted a workshop on the 12th of May, 2020, with the theme “Post COVID-19 Transformation of the Healthcare Sector in Nigeria.”
- PC Leadership meetings held regularly in the year with the objective of articulating HPC's 2020-2021 Work Plan.
- The Policy Commission hosted a NES #26 Pre-Summit event with the theme “Healthcare Financing in Nigeria: Realities, Impediments and Opportunities” on the 24th of September, 2020. The dialogue session's objective was to focus on the healthcare system in Nigeria and ask the hard questions about how to raise dedicated public funds for health, the role of private sector investments, and the realistic standard of healthcare that Nigeria can afford to offer at scale to achieve UHC. Key Priorities and Action

Steps from the Dialogue Session include:

- Government through the Federal Ministry of Finance, Budget and National Planning and the Federal Ministry of Health is expected to explore innovative options for raising revenue to fund healthcare. This can be achieved by cutting down on tax incentives to other sectors of the economy and the elimination of energy subsidies.
- Government also needs to create enabling policies that will shape partnerships with the private sector for increased investment in the health sector.

Governance and Institutions Policy Commission (GIPC)

- The Measuring Performance Thematic Working Group (MPTG) of the Governance and Institutions Policy Commission (GIPC), in conjunction with the Africa Initiative for Governance (AIG), hosted a workshop on the 13th and 14th of February 2020 on the Assessment of the Applicability of the InCiSE Index Methodology to Nigeria.
- Two New Thematic Leads were appointed by the Policy Commission in the year. A Thematic Lead was appointed for the Supporting Public Institution Reform Thematic Working Group in July 2020 and another for the Measuring Performance Thematic Working Group on the 3rd of December, 2020.
- The Policy Commission also held its 2nd Quarter Steering Committee meeting on the 10th of September, 2020. A technical sub-committee was created at the meeting to determine the scope of the Measuring Performance Thematic Work plan. That Committee met on the 7th of May, 2020.
- The Measuring Performance TG also had two technical working committee meetings on the 9th of October and the 20th of November, 2020.

Energy Policy Commission (EPC)

- The Power Thematic Group held a dialogue session with the Manufacturers' Association of Nigeria (MAN) on Re-Engineering Grid Power Supply to Industrial Clusters in Nigeria.
- Subsequent to the dialogue with MAN, the Secretariat disseminated questionnaires to over a hundred firms across six industrial clusters for the first phase of the grid re-engineering initiative. However, we have had minimal cooperation from firms in providing the needed data despite several attempts by the Secretariat to elicit support.
- The Renewable Energy Thematic Group held a series of meetings to continue work on the Renewable Energy Legislative Reform Project. The Technical Committee and Technical Working Groups met frequently to review/develop the renewable energy electricity bill.
- The Renewable Energy Legislative Gap Analysis report was developed.
- In line with the Legislative Reform Project, a series of meetings were held with stakeholders and the Technical Committee to review and validate The Renewable Energy Electricity Bill and other supplementary documents.

Agriculture and Food Security Policy Commission (AFSPC)

- In the second quarter of the year, the Policy Commission developed a Position Paper that assessed the effects of the COVID-19 pandemic on the Nigerian agriculture and food security ecosystem and suggested mitigation and adaptation strategies for policy considerations.
- The Policy Commission hosted two NES #26 Pre-Summit Events. The first Pre Summit Webinar themed "Rethinking Approaches to Investment in Agribusiness Ecosystem in Nigeria: through the Country Agribusiness

Partnership Framework (CAP-F)” held on the 25th of August, 2020. The session had the following objectives:

- *Operationalise the CAP-F programme in Nigeria to enable a sustained, coordinated private sector investment, agribusiness policy advocacy and development interventions;*
- *Build synergy between government Ministries, Departments and Agencies (MDAs) such as the Federal Ministry of Agriculture and Rural Development (FMARD), Nigeria Investment Promotion Commission (NIPC), Federal Ministry of Industry, Trade and Investment (FMITI), other relevant MDAs and the private sector;*
- *Provide a platform for engaging the sub-national and the private sector to foster public-private dialogue with a view to harmonising investment mobilisation in the agriculture sector;*
- *Articulate clear and concrete short- and medium-term recommendations for the Government, private sector, and other stakeholders to consider in accelerating sustainable growth and development in Nigeria's agribusiness ecosystem.*
- A key outcome from the dialogue session is the need for agriculture to be treated not only as a development project but as a business. As a development project, government interventions in agribusiness should be well targeted with appropriate monitoring and evaluation (M&E) mechanisms established to ensure implementation effectiveness. As a business, financial institutions should dedicate a substantial amount of their resources to support agribusinesses, employing the most innovative de-risking mechanism.
- The second Pre-summit webinar themed “Optimal Productivity in Nigeria’s Agribusiness: Achieving the Goal of Seed Security” held on the 24th of September, 2020. A Key Priority and Action Step from the dialogue session is the need for Government, through the Ministry

of Agriculture and Rural Development and the National Agricultural Seeds Council, to engage with key stakeholders in the seed industry to shape the policy direction in short to medium-term and fast-track the domestication of regulations, especially the creation of a seed fund.

- Post-Summit Partnership Event: GAIN-NESG Governance and Accountability Strategy (GAS) Roll Out on compliance with Large Scale Food Fortification in Nigeria: The Global Alliance for Improved Nutrition (GAIN), through its Large-Scale Food Fortification (LSFF) program, has been working with a range of food fortification stakeholders to ensure that adequately fortified food products get to the consumers. Under the Strengthening African Processors of Fortified Foods (SAPFF) project, GAIN, in collaboration with TechnoServe and with funding from the Bill & Melinda Gates Foundation (BMGF), has developed a Governance & Accountability Strategy (GAS) document as a possible solution to the above-stated problem.
- The GAS is premised on taking a third-party advocacy approach. The approach involves identifying and onboarding consumer rights organisations, champions and nutrition enthusiasts as advocates for fortification compliance. The strategy aims to take advantage of the third-party platforms in engaging a wider audience, using several tactics to firmly advocate on behalf of consumers for more accountability on industry compliance and the enforcement of regulatory measures.
- NESG has been recognised by GAIN as a strategic ally towards advocating for fortification compliance. GAIN would like to commence the first-level implementation of the GAS by collaborating with the NESG. The collaboration will involve leveraging NESG’s stakeholders’ platform through the signing of an MOU for a 12-month

- advocacy project and engaging with NESG-AFSPC private-sector members, specifically the ones affiliated or in the business of food production.
- The GAS Launch held on the 2nd of December, 2020.
- The Policy Commission is also represented in the Agriculture and Food Security Thematic Working Group of the National Development Planning Process. This is to ensure that the interests of the private sector are duly represented in the national development plans.

Tourism, Hospitality, Entertainment, Creatives and Sports (THECS) Policy Commission

- The overarching objective of the Sports Industry Thematic Group of the THECS Policy Commission in the period under review was to deliver a robust National Sports Industry Policy for a viable, government-backed, private sector-led and driven Nigerian Sports Industry.
- The Sports Industry Working Group (SIWG) was inaugurated on the 20th of February, 2020, in line with the Terms of Reference and Recommendations in the IMTS (Inter-Ministerial Technical Session) Preliminary Report.
- The Sports Industry Thematic Group hosted Six (6) Stakeholder Engagement Sessions (Media & Entertainment (the 11th of February, 2020), Educational Institutions (the 13th of February, 2020), Financial Institutions (the 19th of February, 2020), Trade & Professional Groups (the 24th of February, 2020), Donor Agencies Multilaterals and Multinationals (the 27th of February, 2020) & Federations (the 6th of March, 2020)) with participation from the public, private and social enterprise sectors towards the National Sports Industry Policy Dialogue. This resulted in the development of the six (6) Stakeholder Engagement Sessions Report.
- The Sports Industry Thematic Group held a Post COVID-19 webinar on the

- 7th of May, 2020, to assess the pandemic's impact and opportunities for Nigeria's sports sector.
- A Policy Drafting Committee was also appointed to draft the National Sports Industry Policy (NSIP). This occurred between April to June 2020.
- The Draft National Sports Industry Policy (NSIP) was officially presented to the Honourable Minister of the Federal Ministry of Youth and Sports Development (FMYSO), Mr Sunday Dare, on the 28th of July, 2020.
- The Report of the General Public Review and Validation Process of the Draft National Sports Industry Policy was presented to the Honourable Minister in August 2020.
- The Policy Commission hosted a NES #26 Pre-Summit event on the 17th of September, 2020, with the theme: "Re-categorisation of Sports as a Business Sector of the Nigerian Economy: Partnership Imperatives." Key Priorities and Action Steps from the event include the need to review the laws that underpin the sports sector to ensure that they enable the sector's viability as a business and the imperative to re-orientate and sensitise Nigerian financial institutions on the potentials of the sports industry to unlock funding for the sector.
- The Creative and Entertainment Industry Thematic Group (CEITG) of the THECS Policy Commission appointed a new thematic lead to drive the working group's focus.

Infrastructure Policy Commission (IPC)

- In collaboration with WaterAid, the Infrastructure Policy Commission held a Stakeholder Roundtable on WASH on the 12th of March, 2020, with the theme "Nexus Between Wash and Business". The event highlighted the state of WASH in Nigeria and its impact on businesses and the economy, showcased efforts by Development partners, WaterAid and the Government of Nigeria and identified areas for

collaboration with the private sector towards improving WASH supply chains for a sustainable environment.

- The Aviation Thematic Group of the Infrastructure Policy Commission held a Pre-Summit event on the 24th of September, 2020, with the theme “Positioning Nigeria’s Aviation Industry for Global Competitiveness.” Key Priorities and Action Steps from the event include:
 - *The need for Government, through the Federal Ministry of Aviation and the Nigerian Civil Aviation Authority (NCAA), to leverage the benefits offered by intra-regional agreements, particularly The Single African Air Transport Market (SAATM) and the African Continental Free Trade Area (AfCFTA).*
 - *Government, through the Federal Ministry of Aviation, is also expected to work towards the enforcement of key elements*

in Nigeria’s Aviation Roadmap. On the other hand, private-sector efforts led by the NESG should be focused on intermediating the dialogue process among stakeholders on better ways to implement the Aviation Industry Roadmap.

- In conjunction with the United Nations Global Compact Nigeria (UNGC), the Infrastructure Policy Commission held a Pre-Summit event on the 6th of October, 2020, to launch the CEO Water Mandate in Nigeria. The main objective of the Water Mandate launch in Nigeria was to establish a private sector-led platform focused on the management of water resources. The platform is expected to replicate other UN Global Compact supported platforms in other countries.



NESG COMMUNITIES OF PRACTICE

The NESG repositioned its Policy Commissions, and as part of that process, stand-alone platforms were created for three key, but easily marginalised groups: Micro Small Medium Enterprises (MSMEs), Gender-related issues and Youths so that they can together as communities of practice have a voice to champion and promote advocacy based on thematic areas of focus.

Community of Practice on MSMEs

- Thematic Group activities and conversations within the Community of Practice commenced in February 2020, leading to a virtual meeting in April to onboard the newly appointed thematic leads.

- The community of practice held a series of meetings in the year to develop a Work-Plan for 2020/2021.
- To address the Nigerian entrepreneurship ecosystem’s challenges that the COVID-19 pandemic has intensified, the MSMEs Community of Practice hosted a Pre-summit event on the 3rd of September, 2020 themed “COVID-19 and Nigerian MSMEs: Impact, Priorities, and Strategies”. Key Priorities and Action Steps from the event include the need to facilitate access to markets for goods produced by MSMEs and the imperative for the formalisation of MSMEs through tax relief and other incentives.

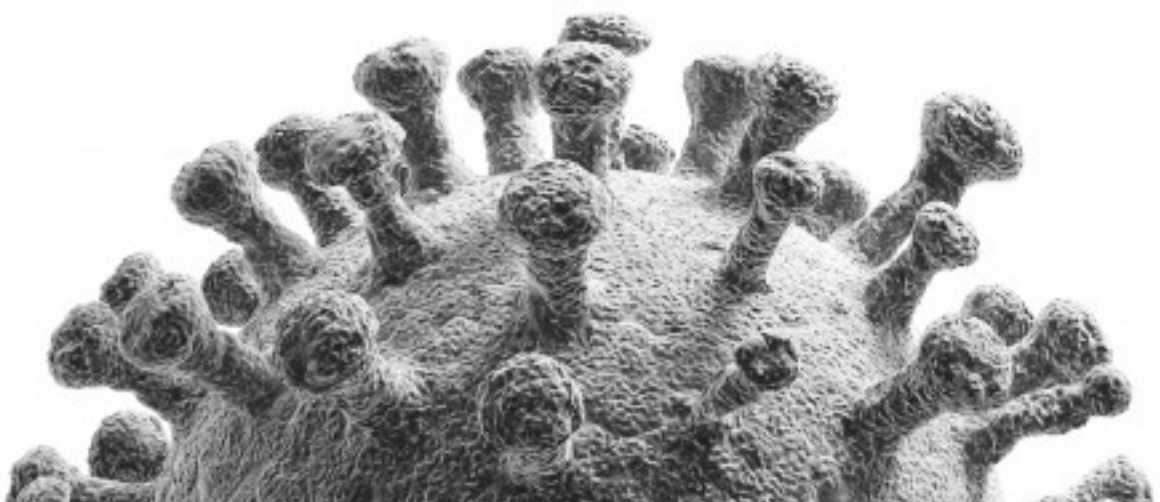


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THE NESG's COVID-19 RESPONSE

The NESG's response to the challenges posed by COVID-19 to institutions was based on the following set of strategies:

- 1. The NESG Staff:** The Secretariat adopted work-from-home and Social Distancing Policies and Strategies to minimise disruptions to the NESG's operations.
- 2. The NESG Network:** There was a move to digital platforms. The secretariat built highly robust and competent digital platforms to sustain and deepen engagement thus ensuring that there was no advocacy vacuum.
- 3. Policy Commission Engagement:** Policy Commissions were supported to pivot their approach from in-person engagements to online engagements and leveraged the NESG's digital channels for Public-Private Dialogues.
- 4. Streamlined Lockdown Engagement:** To ensure that the NESG Connector Mandate was not weakened by the limitations of COVID-19, critical economic and health policymakers and target decision-makers were identified, and an aggressive direct engagement strategy was adopted.
- 5. COVID-19 Economic Response:** The NESG also provided Policy Advisory and Diagnostic Support. A total of five (5) Scenario briefs (3 economic scenarios and framing reports and two policy advisory notes) were used to engage the Presidency, Economic Advisory Council and Key Economic Ministers.
- 6. COVID-19 Health Response:** The NESG was involved in developing and deploying a COVID-19 Nigeria incidence, response, and predictive analytic platform for capturing the state of response across all 36 states and FCT.
- 7. COVID-19 Non-Health Response:** The NESG facilitated 120 critical passes for telecommunications, power, food and beverages, logistics and health essential private sector services during the lockdown. The NESG also provided leadership in the hunger response to reach 30.7million in food insecurity.
- 8. COVID-19 Private Sector and Citizen Response:** The NESG was involved in an action-based citizen task force focused on rapid innovation across the COVID-19 response work-streams.



Nigeria COVID-19 Incidence and Response Tracker and Dashboard & Nigeria COVID-19 Predictive Analytic Tool

- Following continuous engagements with the Secretariat of the Presidential Task Force (PTF) on Control of COVID-19, the NESG deployed the COVID-19 Incidence and Response Tracker and Dashboard, the Platform, which was funded by the Africa Initiative for Governance (AIG) was officially launched on the 27th of August, 2020, by the Secretary to the Government of the Federation, Mr Boss Mustapha.

- The NESG COVID-19 Incidence and Response Tracker and Dashboard and the ONE UN COVID-19 Response Basket Fund Dashboard were both launched as part of the

PTF's Transparency Initiatives. The PTF adopted the dashboard in the distribution of COVID-19 supplies across states.

- The COVID-19 Predictive Analytics Platform went through several iterations between the NESG team and the Secretariat of the Presidential Task Force (PTF) on COVID-19 before it was finally deployed to aid predictions of the spread of COVID-19 within Nigeria. The aim is for the short-term forecasts to aid immediate planning geared towards curbing the spread of the virus, while more long-term predictions will aid policy response by the Government.



To access the PTF-COVID-19 Incidence and Response Dashboard, please visit <https://covid-19response.ng/dashboard>

COVID-19 Response Webinars, Surveys and Position Papers



- The Sports Industry Thematic Group held a Post COVID-19 webinar to assess the pandemic's impact and opportunities for the Sports sector in Nigeria. The webinar with the theme "Post-COVID Nigeria – Impact and Opportunities for the Sports Sector" held on the 7th of May, 2020. The webinar's objective was to assess the impact and opportunities of the pandemic on the Sports sector in Nigeria. The outcome of this webinar was a Position Paper, which was used to further engage the Honourable Minister on Youth and Sports Development.
- The Nigeria Triple Helix Roundtable held a webinar with the theme "Fostering economic diversification through University-Industry collaboration" on the 21st of May, 2020. The second leg of the event held on the 25th of June, 2020, to examine "How Innovation Drives Economic Development", especially in light of the pandemic. The need to equip research institutions to help resolve market and system failures, which have hindered innovation in Nigeria, was emphasised.
- The Digital Economy Policy Commission hosted a webinar with the theme "Assessing the Impact of COVID-19 on the Nigerian Digital Economy and Post Pandemic Strategies" on the 28th of May, 2020. The webinar provided a platform for key stakeholders to dialogue on the current state of the Digital Economy, the newly launched National Digital Economy Policy and Strategy (NDEPS) document and the impact of COVID-19 on the Digital Economy and the Nigerian economy at large. A key outcome from the webinar was the acceptance of the Honourable Minister's proposal to partner and work with the PC towards developing the Nigeria Digital Economy. A Position Paper containing the outcomes and recommendations from the webinar session was presented to the Minister and published.
- The Mining Thematic Group hosted a post-COVID-19 Response webinar on the 18th of June, 2020, with the theme "Post COVID-19 Nigeria – Impact and Opportunities for the Mining Industry." The outcome of which was a sector-wide Position Paper that contained recommendations from the event. Key Priorities and Action Steps include a tailored financing scheme for the Mining Industry and the imperative for developing the Mining Equipment and Technology Services (METS) sub-sector.
- A survey was conducted in partnership with The Education Partnership (TEP) Centre to assess the efficacy of education interventions/innovation during COVID-19 with recommendations for adoption.
- A survey on the assessment of the impact of COVID-19 on MSMEs was carried out, led by FATE Foundation.
- A Survey on the Impact of COVID-19 Lockdown on Households in Nigeria was carried out by the NESG Bridge Fellows.

National Assembly Business Environment Roundtable (NASSBER)



NASSBER has used its unique position to enable collaborative solutions between the National Assembly, the civil society and the organised private sector to carry-out and build consensus in the process of reforming Nigeria's business environment by broadening participation, engagement and the quality of output to the nation's legislative process. By ensuring steady advancement of business environment legislation through the National Assembly, NASSBER has over the years played a crucial role in securing the passage and signing into law of several key legislations aimed at improving the business environment. It has also facilitated the progress of many other legislations through engagements with the legislators and bureaucracy of both chambers of the National Assembly.

- **Companies and Allied Matters Act:** On the 7th of August, 2020, President Muhammadu Buhari signed the Bill for an Act to repeal the Companies and Allied Matters Act (CAMA) 1990 (CAP C20, LFN 2010) and enact the Companies and Allied Matters Act 2020. The CAMA had been in operation for 30 years without being amended. Over the years, the extant Act had become outdated and presented obstacles to the ease of conducting business in Nigeria, especially for Micro, Small and Medium Enterprises (MSMEs). The Act is one of NASSBER's priority legislations considering the imperative for pursuing reforms that will reposition the law and align it with today's business needs and realities.

- **Business Environment and Competitiveness Bills:** NASSBER also tracked and reviewed the NASSBER Business Environment and Competitiveness Bills in the 9th Assembly.

- **NASSBER Brochure:** NASSBER drafted a brochure to provide information about its engagements, the strategy for the 9th Session

of the National Assembly and the NASSBER Website.

- **Post COVID-19 Legislative mapping:** The NASSBER team carried out a Post COVID-19 mapping of the following broad areas: Economic Recession; Fiscal Sustainability; Impact on Business; Structural Unemployment; Movement of People and Goods Across (Local and National) Borders; Supply Chain Disruptions; Management of Health Systems and Digital Infrastructure to expand the scope of its agenda.

- **Courtesy visit to the Attorney General of the Federation:** On the 17th of March, 2020, the NASSBER made a courtesy visit to the Attorney General of the Federation to intimate him of the work of NASSBER and seek his support to ensure the passage and signing into Law of NASSBER's key legislations and explore areas of collaboration.

- **Webinar on the Infectious Disease Bill:** NASSBER held a webinar to review and deliberate on the provisions of the Control of Infectious Disease Bill in June 2020.

- **Technical Working Group for Infectious Disease Bill:** NASSBER further established a Technical Working Group to review the Control of Infectious Disease Bill. The outputs of the TWG is a Technical Report and a 'Clean' Bill.

- **Technical Committee Public Sector Members:** NASSBER also welcomed into its Technical Committee, Public Sector members from the office of the AGF, the Special Adviser to the President on Legislative matters and from NILDS.

- **Appointment of Thematic Leads:** The NASSBER Secretariat worked with the Thematic Leads to select the priority Bills for their thematic areas.

- **Webpage and Bill Tracker:** NASSBER also worked with the NESG Communications department to develop and upgrade the NASSBER webpage and Bill tracker.

- **Local Content Bills:** NASSBER also participated in a virtual stakeholder consultative Summit by the National Assembly Committee on Local Content on September 16 and 17, 2020. This was a pre-public hearing stakeholder engagement to review the following bills:

- *Nigerian Local Content Development and Enforcement Bill 2020;*
- *Nigerian Local Content Development*

- *and Enforcement Commission Bill 2020 and Nigerian Oil and Gas Industry Content Development (Amendment) Bill 2020.*

- **Collaborative Meetings:** NASSBER also held collaborative meetings with the National Institute for Legislative and Democratic Studies and the Civil Society Legislative Advocacy Centre (CISLAC) to explore possible areas of partnerships.

The Nigerian Renewable Energy Roundtable (NiRER)



Since the establishment of NiRER in 2017, the Roundtable has established itself as a mainstay on issues concerning Renewable Energy (RE) in Nigeria. It has particularly emerged as an action-oriented partnership of relevant stakeholders committed to resolving the issues and bottlenecks that limit the expansion of the on-grid and off-grid renewable energy market in Nigeria.

For the year 2020, the activities of NiRER were geared towards developing a legislative framework to address the myriad of challenges that inhibit the utilisation of renewable energy to bridge Nigeria's electricity gap. Key activities in the year include:

- **Stakeholder Mapping and Engagement Framework:**

A critical and extensive mapping of the key stakeholders was conducted, and stakeholders were duly engaged on the principles of equitable and optimal public and private sector representation using the NiRER platform. In addition to the workshops and meetings, semi-structured interviews with sector players from the public, private and civil society have been conducted.

- **RE Position Paper:** The first draft of the renewable energy position paper was developed by the consultant enlisted by the NESG. A hybrid of a physical and virtual meeting that recorded about 30 participants was held on the 11th of February, 2020, to review the renewable energy position paper. The meeting culminated in the implied need for a RE legislative Gap analysis.

- **Legislative Gap Analysis:** Following the outcome of the deliberations in the RE Paper Review Meeting, it was evident that a legislative gap analysis was imperative to highlight the need for renewable energy legislation by identifying the gaps in existing legislation recommend actions to address the gaps. A RE Legislative

Gap Analysis Validation Meeting was conducted to ensure that the RE stakeholders agree with the output of the legislative gap analysis. Stakeholders expressed their satisfaction with the legislative gap analysis and agreed that there was a need for a dedicated RE legislation to facilitate the implementation of Nigeria's electricity vision. The validation meeting held on the 9th of June, 2020, with over 50 stakeholders in attendance.

- **Renewable Energy Bill Review Technical Committee Onboarding Meeting:**

The Roundtable on-boarded Technical Committee members on the 9th of July, 2020, to set the premise for the review of the Renewable Energy Bill. Subsequently, the Technical Committee was subdivided into four thematic working groups to enhance efficiency in the Bill's review.

- **Thematic Working Groups Review Meetings:**

The four thematic working groups (TWG) constituted were: Local Content Development and Research, Institutions and Governance, Finance and Incentives and Licensing, Regulations and Standards. All the TWGs met from August 4-14, 2020 to discuss and debate the Bill's provisions as it relates to their focus areas. Recommendations from these review meetings were noted and consolidated into the Bill during a series of working sessions between the project consultant, the team from the Secretariat and volunteers from GEP Law and Renewable Energy Association of Nigeria (REAN).

- **Validation of the Final Draft of the Renewable Energy Electricity Bill by the Technical Committee and Stakeholders:**

The Renewable Energy Electricity (REE) Bill was debated and validated by the Technical Committee on the 2nd of October, 2020 and subsequently on the 9th of October, 2020 by a broader stakeholder audience.

Fiscal Policy Roundtable with Bill and Melinda Gates Foundation

The Fiscal Policy Roundtable (FPR) held its close-out event (virtually) on the 21st of June, 2020, to off-board the Roundtable's efforts on Nigeria's Fiscal Sustainability and to also appreciate all stakeholders that contributed to the successful implementation of its work plan and set goals. The close-out event was also an opportunity to formally announce the Roundtable's transition into the "Fiscal Planning and Policy Thematic Group" of the Trade, Investment and Competitiveness Policy Commission, the platform that will continue the advocacy efforts of the Roundtable on Nigeria's Fiscal Sustainability.

NGF-NESG Economic Roundtable (NNER)

- The Public Policy Intelligence and Reform Management Unit continued engagements with the Nigeria Governors' Forum (NGF) to operationalise the NGF-NESG Economic Roundtable (NNER). The Roundtable is a sub-national platform expression of the Nigeria Governors' Forum and NESG partnership aimed at promoting sub-national competitiveness to catalyse sustainable economic growth and development.
- The NESG officially communicated the list of private sector members of the Steering and Technical Committees of the NNER to the NGF. Members of the Steering Committee as nominated by the NESG consist of 6 Captains of Industry. These members represent leaders across different sectors of the economy: Agriculture, Solid Minerals, Manufacturing, Services/Knowledge-Economy, Infrastructure, and Technology. The NGF equally nominated 6 Governors from the six geo-political zones to the Steering Committee.
- The Technical Committee of the NNER was inaugurated on the 14th of September, 2020.
- Following the reaffirmation of the robust partnership between subnational governments and the private sector

made by the Chairman of the Nigeria Governors' Forum (NGF) at the 26th Nigerian Economic Summit, the NGF, at its meeting held on the 2nd of December, 2020, the 2nd of December 2020 resolved to inaugurate the Steering Committee of the NNER in Q1 2021.

Medium-Term National Development Plans and Nigeria Agenda 2050

- As the subsisting National Development Plans, Nigeria Vision 20:2020 and Economic Recovery and Growth Plan (2017-2020), both come to expiration in December 2020, the Federal Government of Nigeria (FGN) through the Ministry of Budget and National Planning have since the first quarter of the year commenced the process of developing successor medium-term National Development Plans for 2021-2025, and 2026-2030. The Ministry has also simultaneously embarked on a 30-year visioning for the country through the development of "Nigeria Agenda 2050".
- In true commitment to the standing partnership between the FGN and the NESG (representing the private sector), the Federal Ministry of Finance, Budget and National Planning has relied on the NESG to provide the much-needed private sector participation in the National Development Planning process.
- The President of the Federal Republic of Nigeria officially inaugurated the National Steering Committee of the National Development Plan on the 9th of September, 2020. Prior to the Steering Committee's inauguration, the Honourable Minister of State, Budget and National Planning had inaugurated 26 Technical Working Groups and the Central Working Group on the 11th of June and the 3rd of July 2020, respectively.
- The private sector and the NESG have adequate representation in the three tiers of the institutional structure to

deliver the MTNDP (2021-2025 & 2026-2030) and Nigeria Agenda 2050. Acting on behalf of the private sector, the NESG nominated 60 subject matter experts as members of the 26 Technical Working Groups, which cut across every sector of the economy. The NESG Research department also supports the Technical Working Group on Macroeconomic Framework and Growth Diagnostics.

- The NESG went a step further to support the process by deploying 23 members of the NESG Bridge Fellowship programme as Technical Assistants to provide adequate technical support to the work of the TWGs.
- The institutional arrangement as designed by the FGN to develop the National Development Plans and the Long-term Agenda is set to deliver the MTNDP (2021-2025) by December 2020; the MTNDP (2026-2030) by March 2021; and Nigeria Agenda 2050 by July 2021.

NESG Bridge Fellowship

The Bridge Fellowship is a project of the NESG, organised in collaboration with LEAP Africa, to train and equip young visionary leaders with research, leadership, and policy advocacy skills to contribute to policy reform in diverse policy areas. The programme kicked off on the 4th of July, 2020, with an onboarding session on the History, Evolution, Mandate and Strategy of the NESG and the Future of Advocacy.

- Due to the COVID-19 lockdown and social distancing restrictions, the proposed one (1) week onsite orientation programme was restructured into a 2-month virtual programme which held twice every week, on Tuesdays and Thursdays. The orientation programme came to an end on the 8th of September, 2020. The Bridge fellows were also introduced to the NES planning process as rapporteurs.

- The Secretariat facilitated a series of Fireside Chats through the 2-month orientation programme to educate the fellows about the NESG and its strategic mandate. The facilitators/guest speakers centred their discussions around their personal and professional journey, their contributions through the NESG while also discussing relevant policy issues of interest.
- The Bridge fellows were then assigned to serve as Technical Assistants to Thematic Working Groups (TWG) on the National Development Planning Process and have been working directly with their respective TWG coordinators. Fellows were also attached to mentors who would assist and guide them through the fellowship year in their areas of interest and specialisation.
- The fellows also participated in a survey on the impact of COVID-19 on households in the country. This culminated in the preparation of a report titled "Assessing the Impact of COVID-19 Lockdown on Households in Nigeria", which has been published.
- The fellows also participated at the 26th Nigerian Economic Summit (NES#26), which held between November 23 - 24, 2020, serving as rapporteurs at sessions, with two fellows speaking as panellists at a Summit Plenary Session on the "Power of the Youth."



Policy Innovation Unit (PIU)

The Board approved to institutionalise the PIU in the NESG, and operations are expected to commence in 2021. However, during the year 2020, some activities were embarked upon in the build-up to the full operations of the Unit:

- The PIU secured some expressed interest from the World Bank in connection with addressing tax apathy and tax compliance issues, for which the Ministry of Finance was willing to initiate a request for the technical assistance of the PIU through the World Bank. This was part of the sustainability plan for the just concluded NESG-BMGF Fiscal Policy Roundtable (FPR) Priorities of Tax Compliance, which stalled due to the pandemic.
- The PIU is leading the behavioural design of the UNGC Poverty Alleviation Intervention Programme for female-headed households in Nigeria, with considerations for mainstreaming women living in poverty into the value chain of UNGC stakeholders.
- There are ongoing programme designs, proposal development and engagements to forge strategic partnerships with McArthur Foundation and BMGF-sponsored human capital development project coordinated by AERC, for which the NESG is chosen as a national implementing partner,



Debt Management Roundtable

- The new NESG-OSIWA Debt Management Roundtable (DMR) Project draws attention to the primary need to grow domestic revenue, with low-hanging priorities of blocking leakages due to corruption and ensuring tax compliance. These priorities hold behavioural opportunities for the PIU to take-on under the broader project expected to start in the first quarter of 2021.



WATCHDOG |

Research Outputs and Engagements

- In response to the impact of COVID-19 on the Nigerian economy, the research department was engaged in a series of research projects, which involved the publication of several reports and the development of strategic documents for the NESG's engagement with the Government and other stakeholders.
- In executing these tasks, the department had to update the NESG Macroeconomic and CGE models to capture more recent data as well as recent trends in the Nigerian economy. This exercise implies that the NESG has the most updated economic model in Nigeria and, perhaps, in the continent.
- Following the impact of COVID-19 on the economy, the research department had to revise its Macroeconomic outlook for the year 2020, resulting in the publication of a technical report on "COVID-19, Global Oil Price and The Nigerian Economy - A 4-Year Macroeconomic Impact Assessment and Optimal Policy Response".
- The research department also prepared a report on the Sectoral Impact Assessment of COVID-19 and the drop in global oil price on the Nigerian economy, and the Government's optimal policy response.
- The department also provided technical support for the development of a Macroeconomic Framework for the National Development Plans for Nigeria. In particular, the department completed the 2021 Budget Macroeconomic Framework projections (which has been submitted to the Ministry) and the development of macroeconomic frameworks for the Medium-Term National Development Plan (MTNDP) 2021-2025 and 2026-2030. The final Report has been presented to the Technical Committee on MTNDP. The team is working on the macroeconomic framing and modelling for the long-term vision titled "Nigeria Agenda 2050".
- The department also provided weekly economic reviews to the Presidential Economic Advisory Council, developed strategic documents for NESG's engagement with Government and other stakeholders, as well as published several economic alerts.
- In the period under review, the research department completed a report on "Fourth Industrial Revolution (4IR) and Future of Youth Employment in Africa" and sector-focused 4IR briefs (on Agriculture, Cottage industry, Social and the Services sectors).
- Other research activities and engagements by the team include the NESG-OSIWA Debt Restructuring and Social Financing Programme, the 2021 Macroeconomic Outlook Report, and the publication of the Economic and Policy Review Journal.

2020 NESG MACROECONOMIC OUTLOOK



Nigeria in a New Decade: Priority for Accelerated Growth, Job Creation and Poverty Reduction



Sectoral Impact Assessment and Optimal Policy Response

COVID-19, Global Oil Price and The Nigerian Economy

MAY
2020



Macroeconomic Outlook Update: COVID-19, Global Oil Price and The Nigerian Economy



Economic & Policy Review

January - June 2020

Volume 18 No 1



ADVANCING NIGERIA'S INCLUSIVE GROWTH EDITION

CALL FOR PAPER



Towards the 2021 NESG Economic and Policy Review's upcoming release, the NESG seeks well researched and written contributions. Ideas must be communicated in a style that business managers and policy makers can comprehend.

Guidelines

Manuscripts should:

- Be insightful, persuasive, original, and constructive with evidence-based analysis;
- Be relevant to current and future economic issues facing the country;
- Range between 1500 to 2500 words;
- Adhere to the following structure: Executive Summary - Introduction - Body - Policy Recommendation and Conclusion.

Only manuscripts that adhere strictly to the stated guidelines will be considered.

For more information and paper submission, visit www.nesgroup.org/research

Submission closes soon



LIMITED BY GUARANTEE



ACCOUNTS

Corporate information

| | | |
|---|--|--|
| <i>Directors</i> | Mr. Asue Ighodalo Mr. Olaniyi Yusuf Mrs Onyeche Tifase Mr. Laoye Jaiyeola Mr. Frank Aigbogun Mr. Foluso Phillips Dr. Adedoyin Salami Mrs. Wonu Adetayo Mr. Tony Attah Mr. Osagie Okunbor Mr. Yinka Sanni Mr. Adekunle Elebute Mr. Udemé Ufot Mr. Segun Ogunsanya Mrs. Juliet Ehimuan-Chiazor | <ul style="list-style-type: none">- Chairman- Vice-chairman- Vice-chairman- Chief Executive Officer |
| <i>Company's secretary</i> | Olaniwun Ajayi LP | |
| <i>Registered office</i> | 6, Oba Elegushi Street Ikoyi Lagos | |
| <i>Principal place of business</i> | 6, Oba Elegushi Street Ikoyi Lagos | |
| <i>Independent auditors</i> | Crowe Dafinone Chartered Accountants 15, Elsie Femi Pearse Street Victoria Island Lagos | |
| <i>Bankers</i> | Access Bank Plc Fidelity Bank Plc First Bank of Nigeria Limited Stanbic IBTC Bank Plc Sterling Bank Plc United Bank for Africa Plc | |
| <i>RC No.</i> | 303317 | |

Report of the directors

The directors present their annual report together with the audited financial statements for the year ended 31st December, 2020.

Principal activities

The Nigerian Economic Summit Group is an independent non-partisan not for profit organisation limited by guarantee, committed to fostering open and continuous dialogue on Nigeria's economic development and growth.

Results for the year

The results for the year are shown on page 54

Future developments

The Organisation intends to continue fulfilling the objectives stated in its Memorandum of Association.

Dividend

The nature of the Organisation's legal structure does not permit the distribution of any of the surplus of income over expenditure to the guarantors.

Property, plant and equipment

The property, plant and equipment values are shown in note 12 to these financial statements.

Directors

The directors who served the Organisation during the year under review and up to the date of signing of the financial statements are as stated on page 48.

| | |
|---------------------------|---------------------------------|
| Mr. Paul Gbededo | - (Resigned, June 25, 2020) |
| Mr. Christos Giannopoulos | - (Resigned, June 30, 2020) |
| Mr. Mauricio Alarcon | - (Resigned, August 4, 2020) |
| Mr. Adesola Adeduntan | - (Resigned, September 9, 2020) |
| Mr. Kennedy Uzoka | - (Resigned, September 9, 2020) |
| Mr. Abubakar Suleiman | - (Resigned, September 9, 2020) |

Responsibilities of the directors

The Companies and Allied Matters Act, 2020 requires, where the Organisation is registered under the Act, that the directors prepare financial statements, in respect of each financial year, so as to give a true and fair view of the state of affairs of the Organisation at the end of the year and of the surplus or deficit generated by the Organisation for the year.

In preparing these financial statements, the directors:

- selected suitable significant accounting policies which were consistently applied;
- made judgments and estimates that were reasonable and prudent;
- ensured that the applicable International Financial Reporting Standards have been followed, and in the case of any material departures, that it has been fully disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis, since it was appropriate to assume that the Organisation will continue to exist.
- The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy, at any point in time, the financial position of the Organisation, and enable them to ensure that the financial statements comply with the Companies and Allied Matters Act, 2020.

Report of the directors (continued)

Responsibilities of the directors (continued)

The directors are also responsible for ensuring that the financial statements so prepared comply with the relevant International Financial Reporting Standards as adopted by the Financial Reporting Council of Nigeria. The directors are also responsible for the safeguarding of the assets of the Organisation, and therefore, for taking all and any reasonable steps for the prevention and detection of fraud and other irregularities.

Employment of physically challenged persons

It is the Organisation's policy to give equal consideration to all applications for employment, including those that are physically challenged, after taking cognisance of their special aptitudes or disabilities. Employees who become physically challenged during the course of their employment are given reasonable alternatives, having regard to their disability. There were no physically challenged people in the employment of the organisation throughout the year under review.

Health and safety at work for employees

Health and safety regulations are in force within the Organisation and are displayed on various notice boards for the employees' benefit. The Organisation has engaged the services of medical practitioners to treat the illness or accidents, which may arise in respect of any employee, from the operations of the Organisation. The cost incurred on this for the year amounted to ₦ 11.6 million (2019: ₦ 9.3 million).

Employee involvement and training

The Organisation encourages its employees to improve on their performance and development through on-the-job training and where necessary, by attending both internal and external courses. The cost incurred on staff training during the year under review amounted to ₦ 13.8 million (2019: ₦ 21.5 million).

Donations

The Organisation did not make any charitable donations during the year under review (2019: nil).

Research and development activities

The Organisation contributes towards research and development activities in the industry by creating a forum for members in the industry to discuss and exchange ideas.

Impact of COVID -19

Our finances were impacted as Membership subscription dropped by 9%. Due to limited physical attendance to the Summit in compliance with COVID 19 guidelines and the effect of COVID-19 on our Sponsors, the Summit Income also dropped. However, with the effective implementation of the strategies and budget review, we were able to keep our expenses within income and return surplus and also witness growth in the financial position.

Independent auditors

Messrs Crowe Dafinone, Chartered Accountants, having indicated their willingness to continue in office, shall do so, in accordance with Section 401(2) of the Companies and Allied Matters Act, 2020.

By order of the Board



Olaniwun Ajayi LP
Organisation Secretary
FRC/2013/00000000001615
Lagos, Nigeria
16th February, 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Opinion

We have audited the financial statements of Nigerian Economic Summit Group (Limited by Guarantee) which comprise, , statement of profit or loss and other comprehensive income, statement of financial position as at 31st December, 2020, statement of changes in equity, statement of cash flows for the year then ended, other explanatory notes, statement of value added and the five year financial summary. These financial statements are set out on pages 54 to 86 and have been prepared using the significant accounting policies set out on pages 61 - 68.

In our opinion, the financial statements give a true and fair view of the financial position of the Nigerian Economic Summit Group as at 31st December, 2020 and of its financial performance and its cash flows for the year ended on that date, and comply with the applicable International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act No. 6, 2011 and the Companies and Allied Matters Act, 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) in the manner required by the Nigerian Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors responsibilities for the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate so as to provide a reasonable basis for our audit opinion.

Independence

We are independent of the Nigerian Economic Summit Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for professional Accountants (IESBA) code. We have fulfilled our other ethical responsibilities in accordance with the IESBA code.

Information other than the financial statements and auditors' report

The directors' report and other information contained therein are the responsibility of management. Our opinion does not cover these reports and accordingly we do not express any form of assurance conclusion thereon. It is our responsibility to read the other information and in doing so, consider whether the information is materially inconsistent with the financial statements or with the knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work we conclude that there is material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE) (continued)

Responsibilities of directors and management for the financial statements

The directors and the management are responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards in the manner required by the Financial Reporting Council of Nigeria Act, No.6 2011. These responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate significant accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, management and the directors are responsible for assessing the Organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error and to issue an auditor's report that include our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate so as to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of the significant accounting policies used and the reasonableness of the accounting estimates and related disclosures made by management.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE) (continued)**

Auditors' responsibilities for the financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in the manner that achieves fair presentation.

We communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal controls that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with Section 407 (1) of the Companies and Allied Matters Act, 2020 we confirm that the financial statements are in agreement with the accounting records, which have been properly kept.

In accordance with Section 407(2) of the Companies and Allied Matters Act, 2020, we confirm that we received all of the information and explanations that were required for the purpose of the audit.

***Lagos, Nigeria
16th February 2021***



***Omolola Samuel
Engagement partner
FRC/2012/ICAN/0000000358
For: Crowe Dafinone
Chartered Accountants***



THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Statement of profit or loss and other comprehensive income for the year ended 31st December, 2020

| | Note | 2020 ₦ | 2019 ₦ |
|---|------|----------------------------|----------------------------|
| Revenue | 7 | 358,475,972 | 330,014,001 |
| Other operating income | 8 | 31,383,747 | 2,650,369 |
| Administrative expenses | 9 | (416,615,456) | (397,315,057) |
| Finance income | 10 | 45,659,475 | 92,196,912 |
| Surplus before tax | | 18,903,738 | 27,546,225 |
| Income tax expense | 11 | - | - |
| Surplus for the year | 23 | 18,903,738 | 27,546,225 |
| Items that will not be reclassified to income and expenditure: | | | |
| Other comprehensive income: | | | |
| Fair value gain/(loss) on financial assets at fair value through other comprehensive income | 13.1 | 4,104,550 | (8,550,819) |
| Total comprehensive income for the year | | 23,008,288 ===== | 18,995,406 ===== |

The general information, the significant accounting policies and the notes on pages 58-81 form an integral part of these financial statements.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Statement of financial position as at 31st December, 2020

| | Note | 2020 ₦ | 2019 ₦ |
|---|------|----------------------|----------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 12 | 446,055,219 | 470,255,773 |
| Financial assets at fair value through other comprehensive income | 13 | 27,872,629 | 27,162,208 |
| Total non-current assets | | 473,927,848 | 497,417,981 |
| Current assets | | | |
| Financial assets at amortised cost | 14 | - | 713,245,920 |
| Prepayments | 15 | 23,716,080 | 19,960,732 |
| Trade and other receivables | 16 | 9,334,051 | 41,636,248 |
| Cash and cash equivalents | 17 | 1,122,717,025 | 311,967,666 |
| Total current assets | | 1,155,767,156 | 1,086,810,566 |
| Total assets | | 1,629,695,004 | 1,584,228,547 |
| Equity and liabilities | | | |
| Equity | | | |
| Accumulated fund | | 1,033,414,043 | 1,000,477,565 |
| Capital development fund | | 485,101,418 | 485,101,418 |
| Fair value reserve | | (11,006,481) | (1,078,291) |
| Total equity | | 1,507,508,980 | 1,484,500,692 |
| Current liabilities | | | |
| Deferred income | 18 | 49,312,200 | 73,869,657 |
| Trade and other payables | 19 | 70,373,824 | 23,758,198 |
| Accruals | 20 | 2,500,000 | 2,100,000 |
| Total current liabilities | | 122,186,024 | 99,727,855 |
| Total liabilities | | 122,186,024 | 99,727,855 |
| Total equity and liabilities | | 1,629,695,004 | 1,584,228,547 |

The financial statements were approved and authorised for issue by the board of directors on 16th February, 2021 and were signed on its behalf by:

Mr. Asue Ighodalo
Chairman
FRC/2015/NBA/00000010680

Mr. Yinka Sanni
Chairman Board Finance Committee
FRC/2013/CISN/00000001072

Mr. Laoye Jaiyeola
Chief Executive Officer
FRC/2013/MULTI/00000001579

The general information, the significant accounting policies and the notes on pages 58-81 form an integral part of these financial statements.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Statement of changes in equity for the year ended 31st December, 2020

| | Accumulated fund ₦ | Capital development fund ₦ | Fair value reserve ₦ | Total equity ₦ |
|--|-------------------------------|-------------------------------------|------------------------------|-------------------------------|
| As at 1 st January, 2020 | 1,000,477,565 | 485,101,418 | (1,078,291) | 1,484,500,692 |
| Income and expenditure: | | | | |
| Surplus for the year | 18,903,738 | - | - | 18,903,738 |
| Other comprehensive income: | | | | |
| Derecognition of fair value gain (note 13.1) | 14,032,740 | - | (14,032,740) | - |
| Fair value changes | - | - | 4,104,550 | 4,104,550 |
| As at 31st December, 2020 | 1,033,414,043 ===== | 485,101,418 ===== | (11,006,481) ===== | 1,507,508,980 ===== |
| As at 1 st January, 2019 | 972,931,340 | 352,376,418 | 7,472,528 | 1,332,780,286 |
| Income and expenditure: | | | | |
| Surplus for the year | 27,546,225 | - | - | 27,546,225 |
| Other comprehensive income: | | | | |
| Capital development fund | - | 132,725,000 | - | 132,725,000 |
| Fair value changes | - | - | (8,550,819) | (8,550,819) |
| As at 31st December, 2019 | 1,000,477,565 ===== | 485,101,418 ===== | (1,078,291) ===== | 1,484,500,692 ===== |

The general information, the significant accounting policies and the notes on pages 58-81 form an integral part of these financial statements.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Statement of cashflows for the year ended 31st December, 2020

| | Note | 2020 ₦ | 2019 ₦ |
|---|------|----------------------|----------------------|
| Cash flow from operating activities | | | |
| Surplus for the year | | 18,903,738 | 27,546,225 |
| Adjustments for non-cash items: | | | |
| Depreciation | 12 | 26,993,841 | 28,962,677 |
| Gain on disposal of investment | 8 | (1,289,921) | - |
| Loss on disposal of property, plant and equipment | 9 | 421,292 | - |
| Reclassification of property, plant and equipment | 9 | 1,413,849 | - |
| Cash inflows before working capital changes | | 46,442,799 | 56,508,902 |
| Working capital changes: | | | |
| (Increase) in prepayments | | (3,755,348) | (17,960,732) |
| Decrease in trade and other receivables | | 32,302,197 | 25,778,820 |
| Increase in trade and other payables | | 46,615,626 | 7,823,460 |
| (Increase)/decrease in accruals | | 400,000 | (4,146,946) |
| Net cash inflows from operating activities | | 122,005,274 | 68,003,504 |
| Cash flow from investing activities: | | | |
| Purchase of property, plant and equipment | 12 | (4,628,428) | (29,432,938) |
| Financial assets at amortised cost | 14 | 713,245,920 | (158,526,182) |
| Proceed from sale of investment | | 4,684,050 | - |
| Net cash Inflow/(outflows) from investing activities | | 713,301,542 | (187,959,120) |
| Cash flow from financing activities: | | | |
| Grant received in advance | | (24,557,457) | (16,049,983) |
| Members' contribution to capital development fund | | - | 132,725,000 |
| Net cash (outflow)/inflows from financing activities | | (24,557,457) | 116,675,017 |
| Net increase/(decrease) in cash and cash equivalents | | 810,749,359 | (3,280,599) |
| Cash and cash equivalents as at 1 st January | | 311,967,666 | 315,248,265 |
| Cash and cash equivalents as at 31st December | 17 | 1,122,717,025 | 311,967,666 |
| Represented by: | | | |
| Cash in hand | | 3,798,250 | 1,036 |
| Bank balances | | 1,118,918,775 | 311,966,630 |
| | | 1,122,717,025 | 311,967,666 |

The general information, the significant accounting policies and the notes on pages 58-81 form an integral part of these financial statements.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020

1.0 General information

1.1 Reporting entity

The Nigerian Economic Summit Group was incorporated as a private limited Organisation by guarantee on 8th November 1996, as an independent, non-partisan, not-for-profit organization with a mandate to promote and champion the reform of the Nigerian economy into an open, private sector-led globally competitive economy through its advocacy efforts. It commenced business immediately on the same date.

1.2 Principal activities

The Nigerian Economic Summit Group is an independent non-partisan organisation, committed to fostering open and continuous dialogue on Nigeria's economic development and growth.

1.3 Basis of preparation

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Financial assets at fair value through other comprehensive income are measured at fair value through other comprehensive income.

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market condition, regardless of whether that price is directly observable or estimated using another valuation technique.

1.4 Composition of financial statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Issued by International Accounting Standard Board in the manner required by the Financial Reporting Council Act No.6 of 2011. The financial statements comprise:

- Statement of comprehensive income
- Statement of financial position
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements.

It also includes statements required by local legislation but not prohibited by IFRS. These are:

- Statement of value added
- Five year financial summary

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

1.0 General information (continued)

1.5 Financial period

These financial statements cover the financial year ended 31st December 2020, with comparative amounts for the financial year ended 31st December 2019.

1.5.1 Frequency of reporting

The Organisation had maintained a 31st December year end (i.e. 12 months) as there was no change in accounting date for the periods covered by these IFRS financial statements.

1.6 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") in the manner required by Financial Reporting Council of Nigeria Act No. 6, 2011.

1.7 Functional and presentation currency

These financial statements are presented in Nigerian Naira which is the Organisation's functional currency. Except otherwise indicated, financial information presented in Naira have been stated in absolute figures.

1.8 Use of estimates and judgments

The preparation of the financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Areas where critical estimates are made are referred to in note 4.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

2.0 New standards, interpretations and amendments

2.1 New and revised IFRSs in issue but not yet effective

A number of new standards, interpretations and amendments were issued for the first time for periods beginning on (or after) 1st January, 2021. The Organisation has elected not to adopt them in these financial statements. The nature and effect of each new standard, interpretation and amendment yet to be adopted by the Organisation are as detailed below.

| Pronouncement | Nature of change | Effective date |
|---|---|----------------|
| <i>IFRS 17 Insurance contracts</i> | <p>IFRS 17 was issued in May 2017 as replacement for IFRS 4 <i>Insurance Contracts</i>. It requires a current measurement model where estimates are re-measured each reporting period. Contracts are measured using the building blocks of:</p> <ul style="list-style-type: none">• discounted probability-weighted cash flows• an explicit risk adjustment, and• a contractual service margin (“CSM”) representing the unearned profit of the contract which is recognised as revenue over the coverage period. <p>The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9. An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.</p> <p>There is a modification of the general measurement model called the ‘variable fee approach’ for certain contracts written by life insurers where policy holders share in the returns from underlying items. When applying the variable fee approach the entity’s share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model.</p> <p>The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.</p> | 1 January 2021 |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3. Significant accounting policies

3.1 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition, except for transaction costs relating to financial assets or financial liabilities at fair value through profit or loss, which are recognised immediately in profit or loss.

3.1.1 Recognition and measurement

(a) Financial assets

Financial assets are initially recognised at fair value plus directly attributable transaction costs. Subsequent remeasurement of financial assets is determined by their designation that is revisited at each reporting date.

The classification of financial assets depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. The company's financial assets comprise of 'financial assets at amortised cost', 'cash and cash equivalents' and 'other receivables'.

At each reporting date, the company assesses whether its financial assets have been impaired. Impairment losses are recognised in the statement of profit or loss and other comprehensive income where there is objective evidence of impairment.

Financial assets are classified generally based on the business model in which they are managed and its contractual cashflow characteristics. They are classified in the following categories, measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss.

Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- a financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments on principal and interest on the principal amount outstanding.

Financial asset at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3. Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.1 Recognition and measurement (continued)

a) Financial assets (continued)

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. However, the company may make an irrevocable election at initial recognition for particular instruments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

The company recognises as financial assets loans and receivables on the date when they are originated and debt securities on the date when they are acquired. All other financial assets are recognised initially on the trade date at which the company becomes a party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. A provision for impairment for trade receivables is established when there is objective evidence that the Organisation will not be able to collect all the amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 365 days overdue) are considered indicators that the trade receivable is impaired

The amount of the provision is the difference between the assets' carrying amount and the recoverable amount net of any costs that may be incurred in recovering the debt. The recoverable amount, if the receivable is more than one year is equal to the present value of expected cash flows, discounted at the market rate of interest applicable to similar borrowers. The amount of the provision is recognized as an expense in profit or loss.

Bad accounts shall be written off when there is no possibility of recovery.

Subsequent recoveries of amounts previously written off are credited against administrative expenses in profit or loss.

Other receivables are other loans and advances that are neither loans and advances and cash and cash equivalents. They comprise of advance to suppliers, employee loan and other receivables. They are initially recognised at fair value when there is evidence that the contractual cashflow in the asset will flow to the company.

Cash, cash equivalents and bank overdrafts

Cash and cash equivalents shall comprise cash, bank current accounts, and bank deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

For the purpose of the Statement of cash flows, cash and cash equivalents comprise of: cash in hand, cash at bank, short term bank deposits, domiciliary account balance and bank overdraft.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.1 Recognition and measurement (continued)

a) Financial assets (continued)

Derecognition of financial assets

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, or when it transfers substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit or loss and other comprehensive income.

b) Financial liabilities

Financial liabilities are initially recognised at fair value when the company becomes a party to the contractual provisions of the liability. Subsequent measurement of financial liabilities is based on amortised cost using the effective interest method. The company's financial liabilities include trade and other payables, bank overdraft, short and long term borrowings.

Financial liabilities are presented as if the liability is due to be settled within 12 months after the reporting date, or if they are held for the purpose of being traded. Other financial liabilities which contractually will be settled more than 12 months after the reporting date are classified as non-current.

(i) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(ii) De-recognition of financial liabilities

The company derecognises financial liabilities when, and only when, the company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss and other comprehensive income.

(iii) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest rate; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.1 Financial instruments (continued)

3.1.2 Impairment of financial assets

The Organisation assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result an event that occurred after the initial recognition of the asset and that loss event has an impact n the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtor is experiencing financial difficulty, default in interest or principal payments, or the probability that they will enter bankruptcy and where there is an indication of a decrease in the estimated future cash flows.

For loans and receivables, the amount of the loss is measured as the difference between the carrying amount and the present value of the estimated future cash flows. The carrying amount is reduced and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

3.1.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

3.2 Fair value hierarchy

Fair values are determined according to the following hierarchy:

Level 1: Quoted market prices- financial assets and liabilities with quoted prices for identical instruments in active markets.

Level 2: Valuation techniques using observable inputs- quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial assets and liabilities valued using models where all significant inputs are observable.

Level 3: Valuation techniques using significant unobservable inputs- financial assets and liabilities valued using valuation techniques where one or more significant inputs are unobservable. The best evidence of fair value is a quoted price in an active market. In the event that the market for a financial asset or liability is not active, a valuation technique is used.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.3 Property, plant and equipment

Property, plant and equipment and other tangible assets are stated at historical cost except for building at revalued amount, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values on a systematic basis over their estimated useful lives. The average useful lives are expressed in years as follows:

| Assets | Estimated Useful Lives (Yrs) |
|---|-------------------------------------|
| Land | Over the lease period (99 years) |
| Buildings | 40 |
| Library books | 4 |
| Office furniture, fittings and fixtures | 5 |
| Office equipment | 5 |
| Motor vehicle | 4 |
| Plant and machinery | 5 |

The Organisation's land is part of the Government's 99 year initiative and is depreciated over the remaining period of the lease.

Each part of an item of office equipment, furniture and other property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The asset's residual values, useful lives and depreciation method are reviewed on an annual basis, and are adjusted if appropriate. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The carrying amount of asset replaced is derecognized before recognizing the cost of replacement.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.4 Employee benefits

3.4.1 Pension fund obligations

A defined contribution plan is a pension plan under which the Organisation pays fixed contributions into a separate entity. The Organisation has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current year and prior periods.

For defined contribution plans, the Organisation pays 10% while employees pay 8% of annual gross salary as contributions to an administered pension plans in accordance with the Pension Reform Act, 2014. However, additional voluntary contributions are allowed. The Organisation has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

3.4.2 Short-term employee benefits

The cost of short-term employee benefits (those payable within 12 months after service is rendered) such as paid vacation, leave pay, sick leave and bonuses are recognised in the period in which the service is rendered and is not discounted. The expected cost of short-term accumulating compensated absences is recognised as an expense as the employees render service that increases their entitlement or, in the case of non-accumulating absences, when the absences occur. The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Provisions for leave pay and bonuses are recognised as a liability in the financial statements.

3.5 Taxation

The Organisation is exempted from income tax in accordance with the Companies Income Tax Act as amended. It however has obligation to deduct and remit withholding tax at source from suppliers and contractors payments.

3.6 Provisions

Provisions are liabilities of uncertain timing or amount, and are recognised when the Organisation has a present obligation as a result of a past event, and it is probable that the Organisation will be required to settle that obligation.

Provisions are measured at the directors' estimate of the expenditure required to settle that obligation at the end of each reporting period, and are discounted (at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability) to present value where the effect is material.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business net of VAT and other related sales taxes.

3.7.1 Membership subscription and summit income

Subscriptions are due on the first day of January of each year; summit income is reported in the year when the summit takes place. Other income is recognized on accrual basis.

By a policy effective 1st January 2015, not less than 50% of the membership subscription is accounted for as capital development fund, except in extenuating circumstances whereby it can be suspended. In the last board meeting held in December 2020, it was agreed that no amount will be transferred to capital reserve in the year 2020 due to the extenuating circumstance of COVID-19.

3.7.2 Interest and dividend income

Interest income and expense are accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Dividend income is recognized when the Organisation has a right to receive such dividend which is usually when the dividend is approved by the investing Organisation.

3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and other short term highly liquid investments that are convertible to a known amount of cash which are subject to insignificant risk of changes in value, all of which are available for use by the Organisation unless otherwise stated.

3.9 Foreign currency transactions

In preparing the financial statements of the Organisation, transactions in currencies other than the entity's presentation currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

3.10 Grants

Grants are not recognized until there is reasonable assurance that the Organisation will comply with the conditions attached to them and that the grants will be received.

They are recognized in comprehensive income on a systematic basis over the periods in which the Organisation recognized as expenses the related costs for which the grants are intended to compensate. Specifically, grants whose primary condition is that the Organisation should purchase, construct or acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to comprehensive income on a systematic and rational basis over the useful lives of the related assets.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

3.0 Significant accounting policies (continued)

3.10 Grants (continued)

Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Organisation with no future related costs are recognized in comprehensive income in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.11 Related party transactions

Related parties include the related companies, the directors, their close family members and any employee who is able to exert significant influence on the operating policies of the Organisation.

Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. The Organisation considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there is a related party transaction with the Organisation, the transactions are disclosed separately as to the type of relationship that exists with the Organisation and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

3.12 Capital development fund

A capital development fund was set up with effect from 1st January, 2015. The fund is to be used for capital development projects. It is funded by 50% of the membership contributions received except in extenuating circumstances whereby it can be suspended. The Board of directors agreed that no amount should be transferred to the fund in 2020.

4.0 Critical accounting estimates and judgements

The Organisation makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience as other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

4.1 Allocation of land cost

At the date of adoption, the Organisation separate the cost of the land from the building. The amount allocated to land was based on the best estimate of fair value of land within Ikoyi environment of Lagos State, Nigeria.

4.2 Annual estimation of useful lives and residual values

The estimates of useful lives and residual values of property, plant and equipment impact on the annual depreciation charge. The useful lives and residual values are based on management experience and the condition of the assets. Consideration is given to management's intended usage policy for the assets in the future and potential market prices of similar assets.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

5.0 Financial risk management

5.1 The Organisation is exposed through its operations to the following financial risks:

- Liquidity risk
- Reputation risk
- Credit risk
- Equity price risk

In common with all other businesses, the Organisation is exposed to risks that arise from its use of financial instruments. This note describes the Organisation's objectives, policies and processes for managing those risks and the methods used to measure them. There have been no substantive changes in the Organisation's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

5.2 Principal financial instruments

The principal financial instruments used by the Organisation, from which financial instrument risk arises, as well as their carrying amounts are as follows:

| | 2020 N | 2019 N |
|------------------------------|---------------|-------------|
| Financial assets | | |
| Trade and other receivables | 9,334,051 | 41,636,248 |
| Cash and cash equivalents | 1,122,717,025 | 311,967,666 |
| | <hr/> | <hr/> |
| | 1,132,051,076 | 353,603,914 |
| | ===== | ===== |
| Financial liabilities | | |
| Trade and other payables | 70,373,824 | 23,758,198 |
| | ===== | ===== |

5.3 General objectives, policies and processes

The Board has overall responsibility for the determination of the Organisation's risk management objectives, policies and processes. Whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Organisation's Operating Function. The Board receives monthly reports from the Organisation Chief Executive Officer (CEO) through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The Organisation's Chief Executive Officer also reviews the risk management policies and processes and reports their findings to the Board.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Organisation's competitiveness and flexibility.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

5.0 Financial risk management (continued)

5.4 Credit risk

Credit risk is the risk of financial loss to the Organisation if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Organisation is mainly exposed to credit risk from cash and cash equivalents held with banks and financial institutions. Banks with good reputation are accepted by the Organisation for business transactions.

The maximum exposure of financial assets giving rise to credit risk is as follows:

| | 2020 ₦ | 2019 ₦ |
|---------------------------|----------------------|--------------------|
| Trade receivables | - | 38,871,962 |
| Other receivables | 9,334,051 | 2,764,286 |
| Cash and cash equivalents | 1,122,717,025 | 311,967,666 |
| | <u>1,132,051,076</u> | <u>353,603,914</u> |
| | ===== | ===== |

The credit quality of trade receivables that are neither past due nor impaired is assessed by management with reference to customer credit reports and the historic payment track records of the customer and majority of it being owed by donors.

The age analysis of trade receivables at reporting date is as follows:

| | 2020 ₦ | 2019 ₦ |
|---------------|-----------|------------|
| Below 30 days | - | 38,871,962 |
| | ===== | ===== |

As at 31st December, 2020 there were no impairment losses recognized in the financial statements as there was no trade receivables during the year, the trade receivable balance of ₦38.8million as at 31st December, 2019 was fully settled in January, 2020. ₦4.7million was settled on 10th February 2021 out of the other receivables balance.

5.5 Liquidity risk

Liquidity risk arises from the Organisation's management of working capital. It is the risk that the Organisation will encounter difficulty in meeting its financial obligations as they fall due. The Organisation's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it ensures that commitments are made according to cash inflow, excessive borrowing from financial institutions are avoided, low level of liabilities are maintained and keeps enough cash balance in bank to meet expected requirements. The liquidity risk of the Organisation is managed centrally by the Organisation's Chief Financial Officer.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

5.0 Financial risk management (continued)

5.5 Liquidity risk (continued)

The table below summarises the maturity profile of the Organisation's financial liabilities based on contractual undiscounted payments:

| | Carrying amounts N | Contractual cash flows N | Less than 1 year N | 1-2 years N | Above 2 years N |
|--------------------------|--------------------------|--------------------------------|--------------------------|-------------------|-----------------------|
| 2020 | | | | | |
| Trade and other payables | 70,373,824 | 70,373,824 | 70,373,824 | - | - |
| 2019 | | | | | |
| Trade and other payables | 23,758,198 | 23,758,198 | 23,758,198 | - | - |

5.6 Reputational risk

Reputational risk is the risk of loss caused by a decline in the reputation of the Organisation or any of its specific business units from the perspective of its stakeholders - staff, business partners or the general public. Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

5.7 Equity price risk

The Organisation has portfolio investments managed by Stanbic IBTC Stockbrokers Limited and mutual funds managed by ARM Investment Limited. These investments are held in quoted equities which are exposed to market price changes. The investments are regularly monitored through a properly diversified equity-mix for risk-return strategy.

5.8 Capital management

The Organisation manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholder through optimization of an ideal mix of capital structure. The capital structure of the Organisation consists of accumulated funds and reserves as detailed in statement of changes in equity.

The Organisation is not subject to any externally imposed capital restrictions.

6.0 Determination of fair values

6.1 Fair value hierarchy

A number of the Organisation's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. For financial reporting purposes, fair value measurements are categorized into Levels 1, 2 or 3 based on the degree to which the inputs to fair value measurements observable and the significant of the inputs to the fair value measurement in its entirety, which are described as follows:

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

6.0 Determination of fair values (continued)

6.1 Fair value hierarchy (continued)

- Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable for the asset or liability.

When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair values have been determined for measurement and/or disclosure purposes by the Organisation based on the following methods.

6.2 Trade and other receivables/payables

The fair value of trade and other receivables and trade and other payables approximates to the carrying values due to the short-term maturity of these instruments.

6.3 Financial assets through other comprehensive income

The fair values of equity and debt securities are determined by reference to their quoted closing bid price at the reporting date. The financial assets through other comprehensive income financial instruments are quoted equities on the Nigeria Stock Exchange with readily available market price.

6.4 Cash and cash equivalents

The fair value of bank balances and cash and bank overdrafts approximates to the carrying value due to the short-term maturity of these instruments.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

| | Level 1 | Level 2 | Level 3 |
|---------------------------------------|---------------|---------|---------|
| | N | N | N |
| 31st December, 2020 | | | |
| Assets | | | |
| Cash and cash equivalents | 1,122,717,025 | - | - |
| | ===== | ===== | ===== |
| 31st December, 2019 | | | |
| Assets | | | |
| Cash and cash equivalents | 311,967,666 | - | - |
| | ===== | ===== | ===== |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|-------------------------------|-------------|-------------|
| 7. Revenue | | |
| Membership fees (note 7.1)* | 240,650,000 | 132,725,000 |
| Net summit income (note 7.2) | 54,981,558 | 147,368,731 |
| Net project income (note 7.3) | 62,844,414 | 49,920,270 |
| | <hr/> | <hr/> |
| | 358,475,972 | 330,014,001 |
| | ===== | ===== |

| | | |
|----------------------------|-------------|-------------|
| 7.1 Membership fees | | |
| Corporate elite | 191,000,000 | 111,925,000 |
| Corporate enhanced | 40,000,000 | 15,750,000 |
| Corporate standard | 8,750,000 | 4,500,000 |
| Individual members | 900,000 | 550,000 |
| | <hr/> | <hr/> |
| | 240,650,000 | 132,725,000 |
| | ===== | ===== |

*By a policy effective 1st January 2015, not less than 50% of the membership subscription is accounted for as capital development fund, except in extenuating circumstances whereby it can be suspended. In the last board meeting held in December 2020, it was agreed that no amount will be transferred to capital reserve in the year 2020 due to the extenuating circumstance of COVID-19.

| | 2020 ₦ | 2019 ₦ |
|--|--------------------|--------------------|
| 7.2 Summit income | | |
| Income | | |
| Participation fee (note (a)) | 25,474,443 | 29,348,004 |
| Sponsorship | 177,800,000 | 440,829,860 |
| | <hr/> | <hr/> |
| Summit income | 203,274,443 | 470,177,864 |
| | <hr/> | <hr/> |
| Expenditure | | |
| Hotel and other related expenses | 85,199,328 | 185,323,575 |
| Courier, travelling and other expenses | 5,065,907 | 10,535,026 |
| Publicity and publication expenses | 58,027,650 | 126,950,532 |
| | <hr/> | <hr/> |
| Summit expenses | 148,292,885 | 322,809,133 |
| | <hr/> | <hr/> |
| Net summit income | 54,981,558 | 147,368,731 |
| | ===== | ===== |

(a) Due to Covid-19 and social distancing restrictions, the number admissible to the venue was capped and virtual attendance was introduced instead.

| | 2020 ₦ | 2019 ₦ |
|---------------------------|-------------------|-------------------|
| 7.3 Project income | | |
| Income | 364,774,033 | 365,965,316 |
| Expenditure | (301,929,619) | (316,045,046) |
| | <hr/> | <hr/> |
| Net project income | 62,844,414 | 49,920,270 |
| | ===== | ===== |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|----------------------------------|--------------|-------------|
| 8. Other operating income | | |
| Exchange gain | 61,093,826 | 3,264,668 |
| NESG fellowship fund (note 8.1) | (31,000,000) | (9,890,519) |
| Service charge * | - | 9,176,220 |
| Other income | 1,289,921 | 100,000 |
| | <hr/> | <hr/> |
| | 31,383,747 | 2,650,369 |
| | ===== | ===== |

*This represents a 5% administrative fee charged from the total grant of ₦ 183,524,400 (\$ 509,790)) received from Bill and Melinda Gates Foundation in 2019 in respect of the roundtable on Nigerian Fiscal Policy for Revenue Growth Project.

| | 2020 ₦ | 2019 ₦ |
|---------------------------------|---------------------|--------------------|
| 8.1 NESG fellowship fund | | |
| Income | | |
| KPMG | - | 16,499,959 |
| Flour mills | - | 10,000,000 |
| | <hr/> | <hr/> |
| | - | 26,499,959 |
| | <hr/> | <hr/> |
| Expenditure | | |
| Salaries and wages | 29,000,000 | 33,609,440 |
| Accommodation | 2,000,000 | 2,775,000 |
| Bank charges | - | 6,038 |
| | <hr/> | <hr/> |
| Expenses | 31,000,000 | 36,390,478 |
| | <hr/> | <hr/> |
| Deficit | (31,000,000) | (9,890,519) |
| | ===== | ===== |

At the Board meeting of the Nigerian Economic Summit Group Ltd/Gte held on 8th December 2015, the Organisation was authorised to develop and commence an Internship and Fellowship programme. This is a platform where professionals are employed and seconded by NESG to work with Federal Government parastatals in order to support Nigeria Economy.

In furtherance of the programme a dedicated account was opened with Zenith Bank for the purpose of lodging funds to be utilised in connection with the programme. An initial fund of ₦ 25 million was appropriated from the Organisation's reserve into NESG fellowship fund account. This account warehouses the funds received from sponsors and expenses incurred in connection with the programme. As at the end of the year, there was no sponsorship received from anywhere and as stated in the minutes of meetings held in September 2020, A Bridged fellowship was introduced in 2019, these are specialised technical volunteers selected based on required skills, experience e.t.c. They are trained and used to execute the group assignments and projects. The fund had a deficit of income over expenditure of ₦ 31 million (2019: ₦ 9.89 million) which was funded from the operating income of the group as no specific call for support was made given the impact of covid-19 on most sponsors.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|-----------------------------------|-------------------------------|-------------------------------|
| 9. Administrative expenses | | |
| Directors' remuneration | 34,977,521 | 34,977,521 |
| Salaries and wages | 161,011,540 | 133,659,843 |
| Repairs and maintenance | 6,775,554 | 7,090,457 |
| Printing and stationeries | 5,823,908 | 5,056,466 |
| Transport and travelling | 14,042,542 | 26,104,644 |
| Postage and telephone | 15,000,726 | 19,331,387 |
| Utilities | 4,530,569 | 4,328,750 |
| Entertainment | 10,944,879 | 13,801,083 |
| Insurance | 3,661,279 | 6,103,336 |
| Staff recruitment and training | 13,815,303 | 21,517,071 |
| Donations and gifts | 5,066,550 | 3,491,700 |
| Subscriptions | 3,874,432 | 1,460,000 |
| Medical | 11,592,372 | 9,261,171 |
| Depreciation | 26,993,841 | 28,962,677 |
| Audit fees | 2,000,000 | 2,000,000 |
| Pension contribution | 18,114,391 | 15,030,834 |
| Electricity | 8,279,405 | 11,109,385 |
| Rent and rates | 20,511,225 | 11,557,377 |
| AGM expenses | 150,500 | 778,180 |
| Newspapers and periodicals | 477,833 | 393,100 |
| Security expenses | 4,972,155 | 4,603,357 |
| Office expenses | 5,141,667 | 13,148,472 |
| Bank charges | 646,578 | 889,295 |
| Research and development | 24,126,300 | 13,527,972 |
| Information technology | 12,904,033 | 1,600,000 |
| Exchange loss | 759,062 | 7,530,979 |
| Loss on disposal of asset | 421,292 | - |
| | <hr/> 416,615,456 <hr/> ===== | <hr/> 397,315,057 <hr/> ===== |
| 10. Finance income | | |
| Interest income | 44,715,850 | 91,387,063 |
| Investment income | 943,625 | 809,849 |
| | <hr/> 45,659,475 <hr/> ===== | <hr/> 92,196,912 <hr/> ===== |

11. Income tax expense

The Organisation's income received from members and donor are exempted from companies income tax and this is in accordance to Companies Income Tax Act 2007 Section 23.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

12. Property, plant and equipment

| <u>Cost</u> | Land ₦ | Building ₦ | Motor vehicle ₦ | Furniture fittings & fixtures ₦ | Office equipment ₦ | Library books ₦ | Plant & machinery ₦ | Total ₦ |
|---|--------------------|--------------------|-----------------------|--|--------------------------|-----------------------|---------------------------|--------------------|
| As at 1 st January, 2019 | 220,469,170 | 260,471,211 | 13,320,250 | 47,725,557 | 39,982,598 | 1,010,599 | 4,308,000 | 587,287,385 |
| Additions | 6,232,988 | - | - | 11,742,000 | 11,457,950 | - | - | 29,432,938 |
| As at 31st December, 2019 | 226,702,158 | 260,471,211 | 13,320,250 | 59,467,557 | 51,440,548 | 1,010,599 | 4,308,000 | 616,720,323 |
| Additions | - | - | - | 161,890 | 4,466,538 | - | - | 4,628,428 |
| Reclassification* | - | - | - | - | (2,204,749) | - | - | (2,204,749) |
| Disposal | - | - | - | - | (1,976,850) | - | - | (1,976,850) |
| As at 31st December, 2020 | 226,702,158 | 260,471,211 | 13,320,250 | 59,629,447 | 51,725,487 | 1,010,599 | 4,308,000 | 616,167,152 |
| <u>Depreciation</u> | | | | | | | | |
| As at 1 st January, 2019 | 15,359,601 | 38,745,092 | 6,453,823 | 29,729,407 | 22,164,818 | 1,010,599 | 4,038,533 | 117,501,873 |
| Charge for the year | 2,725,391 | 6,511,780 | 2,645,063 | 8,876,097 | 8,062,746 | - | 141,600 | 28,962,677 |
| As at 31st December, 2019 | 18,084,992 | 45,256,872 | 9,098,886 | 38,605,504 | 30,227,564 | 1,010,599 | 4,180,133 | 146,464,550 |
| Charge for the year | 425,202 | 7,380,019 | 2,302,563 | 9,140,558 | 7,639,634 | - | 105,867 | 26,993,843 |
| Reclassification* | - | - | - | - | (790,900) | - | - | (790,900) |
| Disposal | - | - | - | - | (1,555,558) | - | - | (1,555,558) |
| As at 31st December, 2020 | 18,510,194 | 52,636,891 | 11,401,449 | 47,746,062 | 34,729,840 | 1,010,599 | 4,286,000 | 171,111,935 |
| <u>Carrying amount</u> | | | | | | | | |
| As at 31 st December, 2020 | 208,191,964 | 207,834,320 | 1,918,801 | 11,883,385 | 16,204,797 | - | 22,000 | 446,055,219 |
| As at 31 st December, 2019 | 208,617,166 | 215,214,339 | 4,221,364 | 20,862,053 | 21,212,984 | - | 127,867 | 470,255,773 |

Impairment of property, plant and equipment

There are no indications of impairment at the end of the reporting period, thus, the directors are of the opinion that allowance for impairment is not required, and as such, no impairment is recognised during the year.

* This represents the reclassification of project assets to the project account.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|--|-------------------|-------------------|
| 13. Financial assets at fair value through other comprehensive income | | |
| Fair Value | 27,162,208 | 35,713,027 |
| Fair value change (13.1) | 4,104,550 | (8,550,819) |
| Disposal | (3,394,129) | - |
| | <u>27,872,629</u> | <u>27,162,208</u> |
| | ===== | ===== |

13.1 Fair value reserve

| | | |
|-----------------------------------|---------------------|--------------------|
| As at 1 st January, | (1,078,291) | 7,472,528 |
| Derecognition of fair value gain* | (14,032,740) | - |
| Fair value change | 4,104,550 | (8,550,819) |
| As at 1 st December, | <u>(11,006,481)</u> | <u>(1,078,291)</u> |
| | ===== | ===== |

* This represents the transfer of the fair value gain on the long outstanding BGL shares, which has been fully provided for in previous years, to the accumulated fund account.

| | 2020 ₦ | 2019 ₦ |
|---|-----------|-------------|
| 14. Financial assets at amortised cost | - | 713,245,920 |
| | ===== | ===== |

Investments in treasury bills whose maturity are over 3 months are designated as financial assets at amortised cost. Included in these treasury bills in 2019 is an amount of ₦ 467,793,133 which represents monies set aside for the purpose of endowment fund together with accumulated interests thereon. The amount was reinvested in Sterling fixed deposit and deposited in bank current accounts after its maturity during the year due to the negative interest rate of capital market on treasury bills.

| | 2020 ₦ | 2019 ₦ |
|------------------------|-------------------|-------------------|
| 15. Prepayments | | |
| Prepaid insurance | 2,506,394 | - |
| Prepaid rent | 11,085,376 | 11,085,376 |
| Prepaid expenses | 10,124,310 | 8,875,356 |
| | <u>23,716,080</u> | <u>19,960,732</u> |
| | ===== | ===== |

16. Trade and other receivables

| | | |
|--------------------------|------------------|-------------------|
| Trade receivables (16.1) | - | 38,871,962 |
| Staff advances | 4,650,000 | 2,764,286 |
| Other receivables* | 4,684,051 | - |
| | <u>9,334,051</u> | <u>41,636,248</u> |
| | ===== | ===== |

* This was fully settled on 10th February, 2021.

16.1 Trade receivables

| | | |
|---------------------------------|--------------|-------------------|
| As at 1 st January, | 38,871,962 | 50,257,099 |
| Additions during the year | - | 38,871,962 |
| Receipt during the year | (38,871,962) | (50,257,099) |
| As at 31 st December | <u>-</u> | <u>38,871,962</u> |
| | ===== | ===== |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|--------------------------------------|----------------------|--------------------|
| 17. Cash and cash equivalents | | |
| Cash in hand | 3,798,250 | 1,036 |
| Local currencies in bank | 290,927,316 | 15,506,887 |
| Foreign currencies in bank | 58,780,256 | 76,871,202 |
| Fixed deposit* | 769,211,203 | 219,588,541 |
| | <u>1,122,717,025</u> | <u>311,967,666</u> |
| | ===== | ===== |

* This represents fixed deposit held with Sterling Bank Plc as at year end with interest rate ranging from 2.25% to 4.00%.

| | 2020 ₦ | 2019 ₦ |
|---|-------------------|-------------------|
| 18. Deferred income | | |
| Open Society Initiative for West Africa (18.1) | 41,812,200 | - |
| Bill & Melinda Gate Foundation (18.2) | - | 31,763,880 |
| Membership fee received in advance (18.3) | 7,500,000 | 29,100,000 |
| Alliance for Green Revolution in Africa (AGRA) (18.4) | - | 13,005,777 |
| | <u>49,312,200</u> | <u>73,869,657</u> |
| | ===== | ===== |

18.1 Open Society Initiative for West Africa

This grant is to fund the implementation of the project titled 'Debt restructuring and social financing in the ECOWAS region: providing a pathway to fiscal responsibility.' The term of the grant is for 15 months commencing on the 15th November, 2020 and ending on the 15th March, 2022, subject to automatic renewal of 6 months if any term of the activities remain uncompleted. Payment shall be disbursed in two instalments of \$116,105 and \$71,960 respectively.

18.2 Bill and Melinda Gate Foundation

This represents the grant received from Bill and Melinda Gate Foundation to support an independent roundtable focused on revenue generation towards development in Nigeria. To influence fiscal policy and strategy through research driven engagement, evidence based advocacy, polling and public framing interventions to improve tax revenue and domestic resource mobilisation to drive Nigeria's development agenda. This project was completed during the year 2020.

| | 2020 ₦ | 2019 ₦ |
|--|------------------|-------------------|
| 18.3 Membership fee received in advance | | |
| Banwo & Ighodalo | - | 750,000 |
| Capital Alliance | - | 3,000,000 |
| Citibank Nigeria Limited | - | 1,500,000 |
| Corona | - | 750,000 |
| C & I Leasing | - | 750,000 |
| Daraju Industries | - | 300,000 |
| Flour Mills | - | 3,000,000 |
| ICAN | - | 1,500,000 |
| Julius Berger | 3,000,000 | 3,000,000 |
| KPMG Professional Service | - | 3,000,000 |
| Mediterranean Shipping | - | 300,000 |
| Polaris Bank | - | 1,500,000 |
| Prime Atlantic | - | 3,000,000 |
| Seven-up | - | 3,000,000 |
| Stanbic IBTC | 3,300,000 | - |
| Standard Chartered Bank | - | 3,000,000 |
| Total Health Trust | - | 750,000 |
| Tropical Africa | 1,500,000 | - |
| | <u>7,500,000</u> | <u>29,100,000</u> |
| | ===== | ===== |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

18. Deferred income (continued)

18.4 Alliance for Green Revolution in Africa (AGRA)

This represents the grant received to advocate for the passage of the Fertiliser Quality Control bill, the Nigeria Independent Warehouse Regulatory Agency bill and Presidential Assent of the Nigeria Seed Council bill and its implementation. This project was completed in 2020.

| | 2020 ₦ | 2019 ₦ |
|---------------------------------------|-------------------|-------------------|
| 19. Trade and other payables | | |
| Trade payables | 59,896,000 | 11,396,000 |
| Lagos State Internal Revenue | 3,189,375 | 3,189,375 |
| Other payable (19.1) | 7,288,449 | 9,172,823 |
| | <u>70,373,824</u> | <u>23,758,198</u> |
| | ===== | ===== |
| 19.1 Other payable | | |
| Value added tax | - | 13,700 |
| Withholding tax | 7,288,449 | 8,904,397 |
| Pension payable | - | 254,726 |
| | <u>7,288,449</u> | <u>9,172,823</u> |
| | ===== | ===== |
| 20. Accruals | | |
| Accrued expenses | 2,500,000 | 2,100,000 |
| | <u>2,500,000</u> | <u>2,100,000</u> |
| | ===== | ===== |
| 21. Related party transactions | | |

Parties are considered to be related if one party has the ability to control the other party or exercises significant influence over the other party in making financial or operational decisions.

The entity made transactions to/from its related parties during the year 2020. These transactions were conducted on an arm's length basis in the ordinary course of business. The transactions made during the year were:

- Capital development fund: The Organisation set aside 50% of membership contribution with effect from 1st January 2015 as capital development fund. This fund is to be used for capital development project. In the last board meeting held in December 2020, it was agreed that no amount will be transferred to Capital reserve in the year 2020. The balance in this fund account as at 31st December, 2020 is ₦ 485.1 million.
- Nigerian Economic Summit Group Fellowship Fund: This fund is set aside for internship and fellowship programme and separate bank account is maintained. This is to support government and the economy. The initial fund of ₦ 25 million was provided by the Organisation while subsequent funds were generated from various sponsors. Details of the fund has been disclosed in note 8.1.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

22. Transactions with key management personnel

- Key management staff are those persons who have authority and responsibility for planning, directing and controlling the activities of the Organisation. Key management includes directors (executive).

The compensation paid to key management for employee services is shown below:

| | 2020 N | 2019 N |
|---|----------------------|----------------------|
| Salaries and other short term benefits | 34,977,521 ===== | 34,977,521 ===== |
| 23. Surplus for the year | 18,903,738 ===== | 27,546,225 ===== |
| This is stated after charging/(crediting) | | |
| Depreciation | 26,993,841 | 28,962,677 |
| Auditor's remuneration | 2,000,000 | 2,000,000 |
| Director's emoluments | 34,977,521 | 34,977,521 |
| Exchange gain | (61,093,826) | (3,264,668) |
| Exchange loss | 759,062 | 7,530,979 |
| Employee costs (24.1) | 204,533,606 ===== | 179,468,919 ===== |

24. Information regarding employees

24.1 Employee costs

| | | |
|--------------------------------|----------------------|----------------------|
| Salaries and wages | 161,011,540 | 133,659,843 |
| Medical | 11,592,372 | 9,261,171 |
| Pension costs | 18,114,391 | 15,030,834 |
| Staff recruitment and training | 13,815,303 | 21,517,071 |
| | 204,533,606 ===== | 179,468,919 ===== |

Number

Number

The management staff compensation included in the employee costs is ₦ 62,746,958 (2019: ₦ 57,226,375).

| | Number | Number |
|---|----------|----------|
| 24.2 Employees remunerated at higher rates | | |
| ₦ 900,001 - ₦ 1,000,000 | 2 | 2 |
| ₦ 1,100,001 - ₦ 1,600,000 | 6 | 10 |
| ₦ 1,700,001 - ₦ 1,800,000 | 5 | 2 |
| ₦ 2,100,001 - ₦ 2,200,000 | 8 | 4 |
| ₦ 2,200,001 - ₦ 3,500,000 | 4 | 4 |
| ₦ 3,600,001 - ₦ 5,000,000 | 9 | 6 |
| ₦ 5,000,001 - ₦ 8,000,000 | 8 | 8 |
| ₦ 7,500,001 - ₦ 10,000,000 | 2 | 2 |
| | 44 == | 38 == |
| 24.3 Average number of employees during the year | | |
| Administration | 16 | 16 |
| Research | 6 | 4 |
| Programmes | 15 | 12 |
| Publications & IT | 7 | 6 |
| | 44 == | 38 == |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Note to the financial statements for the year ended 31st December, 2020 (continued)

25. Contingent liabilities

As at the year end, there were no known contingent liabilities that have not been provided for in these financial statements (2019: nil).

26. Capital commitments

There were no capital commitments as at the date of these financial statements (2019: nil).

27. Events after the reporting period

The outbreak of Corona Virus (Covid-19) that occurred towards the end of 2019 caused disruption of business activities and affected individuals and organisations in various ways. However, the ability to adapt and remain relevant has helped NESG to remain stable.

The Organisation is responding specifically with a set of strategies which includes working at home, social distancing policies, moving to digital platforms for our Policy Commission and other engagements, economic, health, private sector and citizen responses, without grounding NESG operational capabilities.

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Statement of value added for the year ended 31st December, 2020

| | 2020 | | 2019 | |
|--|---------------|-----|---------------|-----|
| | ₦ | % | ₦ | % |
| Revenue | 358,475,972 | | 330,014,001 | |
| Operating income | 31,383,747 | | 2,650,369 | |
| Finance income | 45,659,475 | | 92,196,912 | |
| | <hr/> | | <hr/> | |
| Bought in goods and services - local | 435,519,194 | | 424,861,282 | |
| | (150,110,486) | | (153,905,940) | |
| | <hr/> | | <hr/> | |
| Value added | 285,408,708 | 100 | 270,955,342 | 100 |
| | ===== | === | ===== | === |
| Applied in the following ways: | | | | |
| To pay employees: | | | | |
| salaries, wages and other benefits, including directors' emoluments | 239,511,127 | 84 | 214,446,440 | 79 |
| To provide for the maintenance of assets and expansion of operations: | | | | |
| Depreciation | 26,993,843 | 9 | 28,962,677 | 11 |
| Surplus for the year | 18,903,738 | 7 | 27,546,225 | 10 |
| | <hr/> | | <hr/> | |
| | 285,408,708 | 100 | 270,955,342 | 100 |
| | ===== | === | ===== | === |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Five year financial summary

| Year ended 31 st December | 2020 ₦ | 2019 ₦ | 2018 ₦ | 2017 ₦ | 2016 ₦ |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Statement of financial position | | | | | |
| Non-current assets | 473,927,848 | 497,417,981 | 505,498,539 | 531,526,282 | 526,743,460 |
| Current assets | 1,155,767,156 | 1,086,810,566 | 939,383,071 | 729,943,734 | 554,469,942 |
| Current liabilities | (122,186,024) | (99,727,855) | (112,101,324) | (102,203,359) | (35,930,714) |
| Net assets | 1,507,508,980 | 1,484,500,692 | 1,332,780,286 | 1,159,266,657 | 1,045,282,688 |
| Capital employed | | | | | |
| Accumulated fund | 1,033,414,043 | 1,000,477,565 | 972,931,340 | 909,486,021 | 893,152,674 |
| Capital fund | 485,101,418 | 485,101,418 | 352,376,418 | 234,176,418 | 147,538,918 |
| Fair value reserve | (11,006,481) | (1,078,291) | 7,472,528 | 15,604,218 | 4,591,096 |
| Total equity | 1,507,508,980 | 1,484,500,692 | 1,332,780,286 | 1,159,266,657 | 1,045,282,688 |
| Profit or loss | | | | | |
| Revenue | 358,475,972 | 330,014,001 | 309,006,074 | 241,148,122 | 138,474,725 |
| Surplus before income tax | 18,903,738 | 27,546,225 | 63,445,319 | 29,705,343 | 38,826,994 |
| Income tax | - | - | - | - | - |
| Surplus for the year | 18,903,738 | 27,546,225 | 63,445,319 | 29,705,343 | 38,826,994 |
| Other comprehensive income: Fair value gain/(loss) on available for sale financial assets at fair value through other comprehensive income | 4,104,550 | (8,550,819) | (8,131,690) | 16,410,238 | 250,300 |
| Total comprehensive income | 23,008,288 | 18,995,406 | 55,313,629 | 46,115,581 | 39,077,294 |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Schedules to the financial statements for the year ended 31st December, 2020

| Membership contribution | 2020 N | 2019 N |
|--|-----------|-----------|
| (i) Corporate Elite | | |
| Aiteo Group | - | 4,000,000 |
| Africa Foundries Ltd | 4,000,000 | - |
| Axa Mansard Insurance Plc | 3,000,000 | 3,000,000 |
| BUA group | 3,000,000 | 3,000,000 |
| Capital Alliance Nigeria Limited | 3,000,000 | 3,000,000 |
| Central Securities Clearing Systems | 3,000,000 | 3,000,000 |
| Chevron Nigeria Limited | 3,000,000 | 3,000,000 |
| Coca Cola Nigeria Ltd | 3,000,000 | 3,000,000 |
| Commercio Partners Ltd | 4,000,000 | |
| Coronation Merchant Bank | 3,000,000 | 3,000,000 |
| Dangote Group Nigeria Ltd | 3,000,000 | 3,000,000 |
| Deloitte | 3,000,000 | 3,000,000 |
| Ecobank Plc | 3,000,000 | 3,000,000 |
| Exxon Mobil (Mobil Producing Nigeria Unlimited) | - | 3,000,000 |
| FBN Quest Merchant Bank | 3,000,000 | 3,000,000 |
| Fidelity Bank Plc. | 3,000,000 | 3,000,000 |
| First Bank of Nig. Limited | 3,000,000 | 3,000,000 |
| First City Monument Bank | 3,000,000 | 3,000,000 |
| Flour Mills Limited | 3,000,000 | 3,000,000 |
| FMDQ OTC Plc | 3,000,000 | 3,000,000 |
| Friesland Campina WAMCO Nig PLC | 3,000,000 | 3,000,000 |
| Fsdh Merchant Bank Limited | 3,000,000 | 3,000,000 |
| GE International Operations (Nigeria) | - | 3,000,000 |
| GIG Group of companies | - | 4,000,000 |
| Google | - | 1,500,000 |
| Habanera Ltd | 3,000,000 | 4,000,000 |
| Heritage Bank | - | 3,000,000 |
| IBM West African Ltd | 3,000,000 | 3,000,000 |
| IHS Nigeria Ltd | 4,000,000 | |
| Investment One Fin. Service Ltd. | 3,000,000 | 3,000,000 |
| Julius Berger Plc | 3,000,000 | 3,000,000 |
| Keystone Bank | | 4,000,000 |
| KPMG Professional Services | 3,000,000 | 3,000,000 |
| Lafarge Africa Plc | 3,000,000 | 3,000,000 |
| Lagos free trade zone | 3,000,000 | 4,000,000 |
| Levene Energy Group | 4,000,000 | |
| MTN Communications Nigeria Limited | 3,000,000 | 3,000,000 |
| Nestle Nigeria Plc | - | 3,000,000 |
| Nig. Inter bank Settlement System | 3,000,000 | 3,000,000 |
| Nigeria NLG | 3,000,000 | 3,000,000 |
| Nigeria Breweries Plc | 6,000,000 | - |
| NIRSAL | 3,000,000 | 3,000,000 |
| North South Power Coy. Limited | 3,000,000 | 3,000,000 |
| OCP Amca Fertilizer Nig. Ltd | 4,000,000 | |
| Oando | 3,000,000 | 4,000,000 |
| Olam Nigeria Limited | 1,500,000 | 3,000,000 |
| Ports & Terminal Multisery Ltd | 3,000,000 | 4,000,000 |
| Pricewater House Coopers | 3,000,000 | 3,000,000 |
| Prime Atlantic Limited | 3,000,000 | 3,000,000 |
| Procter & Gamble Nigeria Ltd | 3,000,000 | 3,000,000 |
| PZ Cussons Nigeria Plc | 3,000,000 | 3,000,000 |
| Rand Merchant Bank Nig. Limited | 3,000,000 | 3,000,000 |
| Securied Nigeria Ltd | 3,000,000 | 4,000,000 |
| Seplat Petroleum Development Organisation Plc | - | 3,000,000 |
| Seven-Up Bottling Co. Plc | 3,000,000 | 3,000,000 |
| Shell Petroleum Development Organisation Limited | 3,000,000 | 3,000,000 |
| Siemens | 3,000,000 | 3,000,000 |
| Stanbic IBTC Bank Plc | 3,000,000 | 3,000,000 |
| Standard Chartered Bank | 3,000,000 | 3,000,000 |
| Ster MC/Nig ECN Summit 1794870 | - | 3,000,000 |
| Sterling Bank Plc | 3,000,000 | 3,000,000 |
| Total E & Nigeria Limited 2017 | - | 2,000,000 |
| Total E & Nigeria Limited 2018 | - | 3,000,000 |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Schedules to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|---|-----------------------------|-----------------------------|
| Membership contribution | | |
| (i) Corporate Elite (continued) | | |
| Total E & P Nigeria Limited 2019 | - | 3,000,000 |
| Toyota Nigeria Ltd | - | 4,500,000 |
| Transnational Corporation Plc | 3,000,000 | 3,000,000 |
| Transf IFO ecn summit | - | 3,000,000 |
| UBA Plc group finance | - | 2,850,000 |
| Unified Payment Services | 1,500,000 | 3,000,000 |
| Union Bank of Nigeria Plc | 3,000,000 | 3,000,000 |
| United Bank for Africa Plc | 3,000,000 | 3,000,000 |
| Unity Bank Plc | 3,000,000 | 3,000,000 |
| Unilever Nigeria Plc | 3,000,000 | 3,000,000 |
| Venture Garden | 3,000,000 | 4,000,000 |
| VEROD Capital Management | 3,000,000 | 3,000,000 |
| Walter Smith Petroman Oil Ltd | 3,000,000 | 3,000,000 |
| Wema Bank Plc | 3,000,000 | 3,000,000 |
| Zenith Bank Plc | 3,000,000 | 3,000,000 |
| Grand total | 191,000,000 ===== | 223,850,000 ===== |
| Analysed as follows: | | |
| Membership fees | 191,000,000 | 111,925,000 |
| Capital development fund | - | 111,925,000 |
| | 191,000,000 ===== | 223,850,000 ===== |
| (ii) Corporate enhanced | | |
| Airtel Networks Limited | 1,500,000 | 1,500,000 |
| British America Tobacco | 1,500,000 | 1,500,000 |
| CIBN | 1,500,000 | 1,500,000 |
| Citibank Nigeria Limited | 1,500,000 | 1,500,000 |
| Citi Trust | 2,500,000 | - |
| CRC Credit Bureau Limited | 1,500,000 | 1,500,000 |
| De United Foods Industry Limited | 1,500,000 | 2,500,000 |
| Ernst & Young | 1,500,000 | 1,500,000 |
| Google Global Service | 1,500,000 | - |
| ICAN | 1,500,000 | 1,500,000 |
| Monaccrep (Chartered Institute of Mgt. Accountants) | 1,500,000 | 1,500,000 |
| NBC | 1,500,000 | 2,500,000 |
| Next Cash and Carry | 1,500,000 | 1,500,000 |
| Page Credit Limited | 1,500,000 | 1,500,000 |
| Philips Consulting | 1,500,000 | 1,500,000 |
| Polaris Bank | 1,500,000 | 1,500,000 |
| Repton | - | 2,500,000 |
| S. O & U Ltd | - | 1,500,000 |
| Saro Africa Int'l Ltd | 1,500,000 | 1,500,000 |
| Signa Alliance | 2,500,000 | - |
| Tee Lad Ind. Ltd | 2,500,000 | - |
| The Nigeria Stock Exchange | 1,500,000 | 1,500,000 |
| Toyota Nigeria Limited | 1,500,000 | - |
| Tropical General Investment (Nig.) Limited | 1,500,000 | 1,500,000 |
| Verraki | 1,500,000 | - |
| Zedcrest Capital Ltd | 2,500,000 | - |
| | 40,000,000 ===== | 31,500,000 ===== |
| Analysed as follows: | | |
| Membership fees | 40,000,000 | 15,750,000 |
| Capital development fund | - | 15,750,000 |
| | 40,000,000 ===== | 31,500,000 ===== |

THE NIGERIAN ECONOMIC SUMMIT GROUP (LIMITED BY GUARANTEE)

Schedules to the financial statements for the year ended 31st December, 2020 (continued)

| | 2020 ₦ | 2019 ₦ |
|-------------------------------------|-----------|-----------|
| (iii) Corporate standard | | |
| Accion Microfinance Bank Ltd | 750,000 | 750,000 |
| Aluko & Oyeboode | 750,000 | 750,000 |
| Banwo & Ighodalo | 750,000 | 750,000 |
| C & I Leasing | 750,000 | 750,000 |
| Corona Schools Trust Council | 750,000 | 750,000 |
| First Trust Mortgage Bank | 750,000 | - |
| Jaiz Bank Plc | 750,000 | 750,000 |
| JMG Limited | - | 750,000 |
| Olaniwun Ajayi | 750,000 | 750,000 |
| Promasidor Nigeria | 750,000 | 750,000 |
| S. O & U Ltd | 500,000 | - |
| Total Health Trust | 750,000 | 750,000 |
| Trustbond Mortgage Bank Plc | - | 750,000 |
| Udo Udoma | 750,000 | 750,000 |
| | <hr/> | <hr/> |
| | 8,750,000 | 9,000,000 |
| | ===== | ===== |
| Analysed as follows: | | |
| Membership fees | 8,750,000 | 4,500,000 |
| Capital development fund | - | 4,500,000 |
| | <hr/> | <hr/> |
| | 8,750,000 | 9,000,000 |
| | ===== | ===== |
| (iv) Individual members | | |
| Daraju Industries Limited | 300,000 | 300,000 |
| Mediterran Shipping (Nwankwo Chuma) | 300,000 | 300,000 |
| Senantra (Bioye Davies) | 300,000 | 300,000 |
| Sola Oyetayo & Co. | - | 200,000 |
| | <hr/> | <hr/> |
| | 900,000 | 1,100,000 |
| | ===== | ===== |
| Analysed as follows: | | |
| Membership fees | 900,000 | 550,000 |
| Capital development fund | - | 550,000 |
| | <hr/> | <hr/> |
| | 900,000 | 1,100,000 |
| | ===== | ===== |

A woman with curly hair and a man are looking at a smartphone together. The woman is wearing a black shirt with white polka dots and a black headband. The man is wearing a dark suit jacket over a light blue shirt.

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