



# 2020 Nigeria Economic Impact Survey



## About this survey

This survey analyses the economic effect of US companies on the Nigerian economy. It measures changes in business revenue, foreign investment, job creation, gross value added and plans for expansion.

The American Business Council (ABC) in collaboration with the United States Embassy, Verraki, KPMG and PwC, administered this survey. The data and analysis in this report are based on the **responses of 45 US companies** operating in Nigeria who completed the survey.



## Report highlight

US companies' impact on the Nigeria economy in 2019/2020 through gross value added to the nation's economic output, investment, jobs and communities.



Indirect Jobs **over 30k**, a drop from 3M in 2018\*  
Direct Jobs **over 13.1k jobs** decreasing from 18,000 in 2018

01



**1.08 trillion** generated revenue in 2019, a decrease from 1.47 trillion the previous year

02



Spent over **2.57billion** to expand operations in the last 5 years  
**Over 2.37billion** planned investments in the next 3 years

03

\* In 2018, 1 company reported over 3 million indirect jobs from multiple large scale projects

## Ratio of women : men for majority of the US companies

In most of the organisations surveyed, **Less than 1 in 5 board members are women.**



Women are less than **20%** of management



**20-49%** of employees are women



**Over N1.44bn** spent on training in 2019



Total foreign direct investment (FDI) in Nigeria was **934.34 million** in 2019, a 21.8% decrease from 2018. (Nigerian Capital Importation, NBS 2020)



## Gross value added



When assessing the size and growth of the economy, the Nigerian government measures the direct and indirect impact of each individual producer, industry or sector in Nigeria.



**Over 65.12%** of US companies identified Nigeria's as a regional hub for their operations in West Africa.



**64.58%** of the US companies have a local content target, this is reflected in areas such as people, supply chain and input.

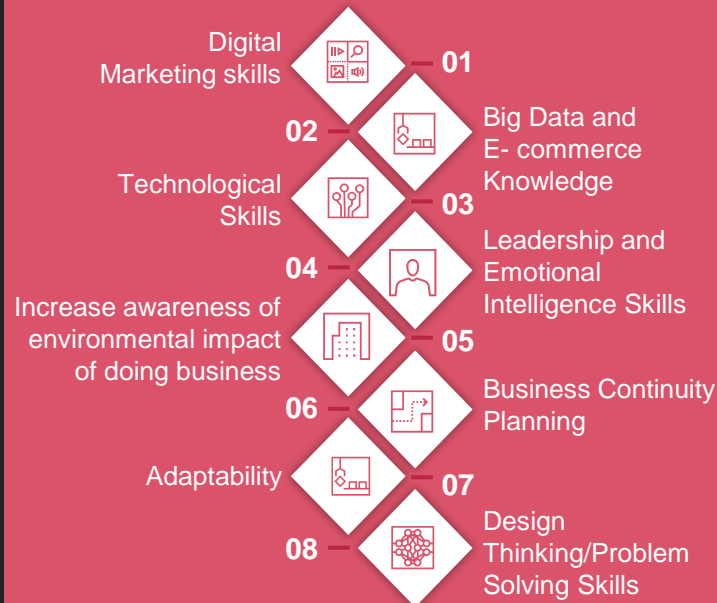
### The top 4 identified issues impacting business in Nigeria are:

- 01 Foreign Currency Access and Policy
- 02 General policy consistency/ implementation/ uncertainty
- 03 Specific Industry Regulations
- 04 Crime and Security



**Over 1.55bn** spent on Corporate Social Responsibility in 2019 Down from 1.9bn in 2018

### Key Skills/Roles regarded as relevant for businesses to thrive



### Recent Corporate Social Responsibility Projects for select companies:

- 5for5 Charity Walk- Aimed at raising funds and awareness for five selected charities.
- Operationalization of EPRON (E-waste Producer Responsibility Organization of Nigeria). A new e-waste Eco-system, working closely with government, importers/ local industry to operationalize the Producer Responsibility Organization (PRO) for green jobs creation and recovery of valuable secondary material resources.
- Construction of Digital Village projects in 64 communities.
- Rehabilitation of Secondary School and Provision of eLibrary at Ogu Community, Rivers State
- Building and engaging a network of farmers to increase their productivity. This was achieved by training the farmers on agricultural practices and increasing their financial inclusion.

### Describe any CSR initiatives carried out during COVID-19 pandemic:

1. 100 Million Naira COVID-19 Intervention, consisting of initiatives targeted at various segments of society, including SMEs, vulnerable households and government.
2. Palliative food & pharmaceutical products (Rice, Oil, Seasoning, Medications) distribution in multiple communities in Lagos and a few other cities in the country.
3. 100 million Naira worth of a humanitarian package donation to support the government in combating COVID-19. This intervention included hygiene products, handwashing stations, and personal protective equipment for frontline healthcare workers in all 36 states and the FCT.
4. Donation of Laptops to schools to aid online education.
5. Sensitization of smallholder farmers on COVID-19 coupled with the distribution of Face Masks and Hand Sanitizers.

### Industrial Differentiation

