

Thema: Die Auswirkungen des Coronavirus (COVID-19) auf die Außenwirtschaft

Topic: The impact of the Corona virus (COVID-19) on foreign trade activities

Länderbericht / Country Report: Nigeria

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- 1) Wie schätzen Sie die Gesamtsituation in Ihrem jeweiligen Land ein?
How do you assess the general situation in your respective country?

As of April 27, 1,337 confirmed Corona cases in Nigeria, with Lagos and Abuja recording the highest numbers of infections. Currently, 255 recovered cases and 40 deaths were confirmed. As a response to the Corona outbreak, Lagos, Abuja and Ogun state introduced a total lockdown only allowing essential services to operate. While other states may have not introduced full lockdowns, curfews and regulations on mandatory masks are now widespread. Additional to the obvious challenges of reducing economic activity, oil-exporting Nigeria is also facing economic turmoil due to the drastic decline in oil prices. As the leading oil and gas producer in Africa, current commodity price drops heavily affect Nigeria's economic situation. On April 27, president Buhari announced the gradual easing of lockdowns in Lagos and Abuja, while ordering nationwide night-time curfews and mandatory masks. Furthermore, a lockdown for Kano state was imposed after a high number of deaths without known cause in the area was confirmed.

- 2) Was sind die aktuellen Auswirkungen auf die Wirtschaftspolitik, Konjunktur und Branchenentwicklungen?
What is the impact on the overall economy and specific sector developments?

There are different scenarios Nigeria could face. The GDP is expected to decline in any case. The least worst case scenario (estimated by McKinsey, April 2020) would mean a 3.4% decline due to oil price effects. The worst case scenario at this moment would mean that the GDP would decrease up to 8.8%. Further, businesses and logistics are interrupted and supply chains are affected. Despite several challenges Nigeria faces especially due to the dependence on the oil price, the infrastructure and insecurity in these times, Nigeria also has some advantages. The labour force is young, a high amount of natural resources is available and some policies which facilitate investments are in place.

- 3) Welche Maßnahmen sind von der jeweiligen Regierung vorgenommen worden, um die Folgen der Corona-Epidemie einzudämmen?
Which government responses exist to contain the Corona epidemic?

A lockdown for Nigeria was implemented and prolonged for one week on the 27 April.

From the 4th of May, there will be slow relaxations of the lockdown with the following stringent rules put in place to be observed over the next two weeks before further review.

- All companies can operate between 9.am and 2.pm with maximum of 60% staff capacity in the office.
- Schools, clubs, malls and places for public gathering remain closed.
- Every individual must wear a mask when outside.
- The curfew of 8.pm to 6.am must be obeyed by everyone.

4) Ihre Empfehlungen für BVMW-Mitglieder / Unternehmen mit Geschäftsaktivitäten in Ihrem Zielmarkt?

Your advices for BVMW members / companies with equivalent business activities in your target market?

- Remain positive and observe the market closely for progress, imminent opportunities, and potential disruptions.
- Where possible, continue operations at the lowest risk to the business.
- Maintain realistic expectations of the market to guide strategic business decisions over the next months and after the pandemic attenuates completely.

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