

2019 Nigeria Digital Economy Trade & Investment

Concept Note

Globalisation of the internet and the flow of data across borders have led to the digitisation of economies, with every sector of the economy now relying on the internet, big data and analytics to conduct business. Governments, Business, and Civil society in the developed and developing world are starting to use these technologies to boost economic growth, create new jobs, improve public service delivery, strengthen social and economic inclusiveness, and improve governance.

The globalisation of the internet and the ability to move data across borders is also transforming the nature of international, regional and local trade.

This is happening in five key areas:

- Businesses can use the internet (particularly digital platforms) to export. This is a particular opportunity for small and medium-sized enterprises (SMEs) and businesses in developing countries to use these platforms—and the comprehensive set of ancillary services they provide—such as online payment mechanisms, to reach consumers both nationally and globally.
- Services can be increasingly traded online, particularly IT, professional, financial, and education services. New digital services such as cloud computing have also been developed and are becoming crucial business inputs. Data collection and analysis is allowing new services (often also provided online) to add value to goods exports.
- Global data flows underpin global value chains. The growth of digital technologies such as 3D printing and M2M communications is further complicating the nature of trade transactions, with implications for regulatory co-operations and changes to established trade related principles like rules of origin.

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In 2016, the global digital economy was worth some USD 11.5 trillion, equivalent to 15.5% of the world's overall GDP. The digital economy is expected to reach 25% in less than a decade, quickly outpacing the growth of the overall economy – [WorldBank Report](#).

However, Nigeria is currently capturing only a fraction of this growth and need to strategically invest in the foundational elements of its digital economy to keep pace. Nigeria is the most populated country in Africa, with a population of approximately 197 million, accounting for 47% of West Africa's population and has one of the largest populations of youth and women in the world.

For many years was viewed as the most dynamic and innovative economy in the region. However, despite relative stability, it could be viewed that Nigeria has not lived up to its obvious potential with regard to the digital revolution. At current GDP growth, subdued oil prices and increased population growth, there is a need to reimagine how Nigeria Government invests, & utilizes digital developments to increase relevant foreign direct investment in emerging industries and achieve cost effective public service delivery.

With a population that is set to grow by 250 Million, reaching 450 Million by 2050, thus making her the 3rd most populous country ahead of the United States, and with an average age of 18 years. Nigeria is at what could be described as a major cross road. How does Nigeria take on the challenge of transitioning to and excelling in this Fourth Industrial Revolution – The Digital Economy

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