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International Investment Statistics Office (IISO)
Central Bank of Nigeria, Abuja

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Nigeria's Private Foreign Assets and Liabilities, 2014

International Investment Statistics Office (IISO)¹

The survey of foreign assets and liabilities of enterprises in Nigeria was conducted in 2015 to determine the stock of foreign assets/liabilities of Nigerian enterprises as at end 2014. The survey collected relevant information from 740 enterprises while the analysis of survey data was done based on the recipient sectors as well as country of origin of the investments. Survey returns showed that total private foreign liabilities as at end-2014 was ₦15, 046.07 billion, down by 1.4 per cent from its level in 2013. Of this total, 99.8 per cent came in the form of foreign direct investments, while foreign portfolio investments and other capital flows accounted for 0.04 and 0.21 per cent, respectively. About 43.0 per cent of the total foreign liabilities originated from Europe, while 24.8 per cent and 11.8 per cent originated from Asia, and the Middle East, respectively. The manufacturing sector was the highest recipient sector of foreign investment as it attracted 42.8 per cent of the total foreign capital stock, followed by the extractive sector (40.1 per cent). The stock of outward investments as at end-2014 was ₦965.83 billion, representing a decline of 29.3 per cent below its level in 2013. The decline was largely accounted for by the 40.0 per cent drop in foreign assets holding of the extractive sector. European (56.7 per cent) and North Atlantic and Caribbean (31.5 per cent) countries were the preferred investment destination for Nigerian investors as the regions jointly attracted about 88.2 per cent of total private capital outflows from Nigeria, while African countries received ₦25.43 billion (or 2.6 per cent).

1.0 Background

Over the years, the debate on the role of foreign investments in bringing about economic growth has received the attention of policy makers, researchers and international organizations. This is in view of the increasing wave of globalization and the consequent substantial movement of capital across economies, enabled by improved information technology. Thus, substantial efforts are being devoted at different levels towards capturing capital flows data effectively.

According to UNCTAD 2015 World Investment Report, global foreign direct investment (FDI) inflows fell by 16.0 per cent to \$1.23 trillion in 2014, mostly because of the fragility of the global economy, policy uncertainty for investors and elevated geopolitical risks (UNCTAD, 2015). The report further showed that FDI flows to West Africa fell by 10 per cent to \$12.8 billion due to

¹ Statistics Department, Central Bank of Nigeria. The contributions of external stakeholders are greatly acknowledged.

regional conflicts, falling commodity prices and outbreak of Ebola, which affected several countries within the sub-region. FDI flows to Nigeria also declined by 16.0 per cent in 2014, even though the country remained the largest FDI host country in the continent.

Developments in the Nigerian economy was mixed in 2014 as the country's real Gross Domestic Product (GDP), measured in 2010 basic prices, grew by 6.2 per cent in 2014, compared with 5.5 per cent in 2013 (CBN Annual Report, 2014). The non-oil sector, which grew by 7.2 per cent in 2014 remained the driver of the economy with the major contributors to the non-oil growth being services (7.1 percentage points), industry (6.0 percentage points), trade (5.9 percentage points), and agriculture (4.3 percentage points). Inflation rate declined to 8.1 per cent in December 2014 from 8.5 per cent in the preceding year owing to the efficacy of monetary and fiscal policies and increased agricultural production.

However, the country's external sector was under pressure in the year as it recorded an overall deficit of ₦1, 329.3 billion. The stock of external reserves as at end-2014 was US\$34.24 billion, which could finance 6.7 months of imports. The developments that unfolded in the domestic and global economies during the year largely accounted for the movement in capital flows into and out of the country.

The survey of foreign assets and liabilities (SOFAL) of enterprises is conducted annually in Nigeria to collect data on the stock and flows of foreign direct investment (FDI), foreign portfolio investment (FPI) and other capital flows (OCF). Amongst other uses, the data collected from the survey are used for the compilation of Nigeria's Balance of Payments (flows) and International Investment Position (stock) statistics.

The 2015 SOFAL, which was conducted during July/August 2015 implored enterprises' data on their cross border capital flows and stock during the periods 2013 and 2014. The specific objectives of the survey are to measure the size of FDI, FPI and OCF for Nigeria; identify the recipient sectors of foreign investments; and identify the originating economies of foreign liabilities as well as the destination economies of the country's foreign assets.

This report, which is structured into four sections, presents the results of the 2015 SOFAL. Following this introductory section, section two discusses the

institutional, methodological and analytical arrangements for the survey. Section three presents the results while section four concludes.

2.0 Survey Methodology and Management

The 2015 SOFAL was conducted by the Central Bank of Nigeria (CBN) and it encompassed the Coordinated Direct Investment Survey (CDIS), which was inaugurated in 2009, as well as two other components of capital: portfolio investment (stock and flows) and other foreign private capital flows. The survey covered 740 enterprises.

As in the previous years, the overall objective of the 2015 SOFAL remained to, measure the size of private foreign assets and liabilities in Nigeria during the periods 2013 and 2014. Investments made by Nigerian resident enterprises in direct investment abroad is regarded as the country's "foreign private assets", while "foreign private liabilities" refer to investments made by non-resident enterprises in the Nigerian economy. The 2015 SOFAL collected data on three components of capital flows - FDI, FPI and OCF, through the administration of structured questionnaire to qualifying enterprises.

2.1 Scope and Coverage

The business register used for the survey was revised with information from various sources including; Nigeria Investment Promotion Commission (NIPC), Nigeria Export Promotion Zone Authority (NEPZA), Oil and Gas Free Zone Authority (OGFZA) and Federal Inland Revenue Service (FIRS). These enterprises cut across the different sectors of the economy, including: manufacturing; agriculture, hunting, forestry and fishing; construction; transport, storage and communication; financing, real estate, insurance and business services; wholesale and retail trade, catering and accommodation; and extractive (oil and gas) sectors. However, manufacturing and extractive industries sectors received particular attention. Overall, 850 companies were covered out of which returns were analyzed for 740 enterprises, implying a response rate of 87.1 per cent.

The survey period was divided into three parts, namely: lodgment period, during which field officers distributed the survey instruments (survey questionnaire and handbook of terminologies) to the potential respondents; questionnaire completion period, during which the respondents were expected to fill the forms and; retrieval period, during which the enumerators returned

to the enterprises to collect the completed forms. Enterprises' annual financial statements were also collected from which necessary data were extracted to augment and validate the information supplied in the completed questionnaire.

2.2 Stakeholder Sensitization and Mobilization

As part of efforts to enlighten the respondents on the significance and advantages of the SOFAL as well as enhance their understanding of the survey instrument, a stakeholders' forum was held at selected centers in the country during the year. The forum also created a platform for a feedback system which has been useful in the improvement of the SOFAL questionnaire as well as the survey methodology. On the SOFAL project are other relevant agencies such as NIPC, NEPZA, Federal Ministry of Industry, Trade and Investment, and OGFZA. These agencies play different roles in ensuring the success of the 2015 SOFAL.

2.3 Training of Enumerators

The 2015 SOFAL fieldwork was conducted with active collaboration of NEPZA and OGFZA. In this regard, the Statistics Department of the CBN held training sessions for field enumerators of each of the collaborating agencies with a view to enhancing their understanding of the survey instrument. The enumerators were trained on survey etiquettes, objectives of SOFAL and ways of conducting consistency checks on completed questionnaire.

3.0 Results and Discussions

The results presented in this section are based on information collected from 740 enterprises that responded during the 2015 survey. The enterprises covered cut across the different sectors of the economy and were required to supply data on their assets/liabilities (which could be in form of equity, debt or other capital flows) for both 2013 and 2014.

3.1 Private Foreign Liabilities

Survey returns revealed that the stock of foreign investments in Nigeria from the rest of the world amounted to ₦15, 046.07 billion as at end 2014, representing a decrease of 1.4 per cent below the level of ₦15, 254.35 billion recorded at end 2013 (Table 1).

Table 1: Nigeria's Foreign Liabilities by Category of Capital (N'Billion)

Category of Capital	2013		2014		Annual Growth (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total	
Foreign Direct Investment (FDI)	15,181.66	99.52	15,008.36	99.75	-1.14
Foreign Portfolio Investment (FPI)	11.82	0.08	5.53	0.04	-53.17
Other Capital Flows (OCF)	60.88	0.40	32.18	0.21	-47.14
Total	15,254.35	100.00	15,046.07	100.00	-1.37

A breakdown of the 2014 figure by category of capital showed that ₦15,008.36 billion or 99.8 per cent was in the form of direct investments, while portfolio investments and other capital flows accounted for ₦5.53 billion (or 0.04 per cent) and ₦32.18 billion (or 0.2 per cent), respectively.

A further breakdown of total inward capital by originating economy in 2014 showed that ₦6, 471.20 billion or 43.0 per cent was from Europe (Table 2). This was followed by Asia and Middle East which accounted for ₦3, 730.45 billion (or 24.8 per cent) and ₦1, 776.82 billion (or 11.8 per cent), respectively.

Table 2: Nigeria's Foreign Liabilities by Region (N'Billion)

Region	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Asia	4,288.37	28.11	3,730.45	24.79	-13.01	-3.66
North Atlantic and Caribbean	1,084.69	7.11	1,013.21	6.73	-6.59	-0.47
Central America	0.00	0.00	0.00	0.00	0.00	0.00
Europe	5,973.96	39.16	6,471.20	43.01	8.32	3.26
Middle East	1,664.69	10.91	1,776.82	11.81	6.74	0.74
North America	981.60	6.43	917.34	6.10	-6.55	-0.42
Oceania	0.11	0.00	-0.50	0.00	-547.48	0.00
South America	0.00	0.00	0.00	0.00	0.00	0.00
Africa	1,260.35	8.26	1,136.94	7.56	-9.79	-0.81
Southern Africa	721.68	57.26	539.22	47.43	-25.28	-14.48
West Africa	280.03	22.22	325.60	28.64	16.27	3.62
East and Central Africa	258.76	20.53	272.24	23.94	5.21	1.07
North Africa	-0.12	-0.01	-0.12	-0.01	0.00	0.00
Others	0.59	0.00	0.62	0.00	5.56	0.00
Total	15,254.35	100.00	15,046.07	100.00	-1.37	-1.37

Other regions of capital origin to Nigeria were Africa (7.6 per cent), North Atlantic and Caribbean (6.7 per cent) and North America (6.1 per cent) (Table 2).

Analysis of Nigeria's foreign liabilities (inward investments) by recipient sectors revealed that the manufacturing sector received the highest as it accounted for 42.8 per cent (₦6, 442.24 billion) of the stock of total foreign liabilities in the economy as at end-2014 (Table 3). This was followed by the extractive (oil and gas) sector (₦6, 033.85 billion or 40.1 per cent) and transport, storage and communication (₦1, 235.83 billion or 8.2 per cent).

Other recipient sectors include financing, insurance, real estate & business services sector that attracted ₦ 793.16 billion (or 5.3 per cent) while

wholesale and retail trade, catering and accommodation got ₦ 320.59 billion (or 2.1 per cent).

Table 3: Nigeria's Foreign Liabilities by Recipient Sector (N'Billion)

Sector	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	-1.93	-0.01	-2.23	-0.01	15.87	0.00
Financing, Insurance, Real Estate & Business	685.60	4.49	793.16	5.27	15.69	0.71
of which: Banking	158.19	23.07	200.38	25.26	26.66	6.15
Insurance	2.82	0.41	2.96	0.37	4.79	0.02
Business Services	520.69	75.95	585.64	73.84	12.47	9.47
Real Estate	3.89	0.57	4.19	0.53	7.75	0.04
Extractive (Oil & Gas)	5,432.14	35.61	6,033.85	40.10	11.08	3.94
of which: Upstream	4277.86	78.75	5,016.61	83.14	17.27	13.60
Downstream	608.40	11.20	645.82	10.70	6.15	0.69
Services	545.89	10.05	371.43	6.16	-31.96	-3.21
Construction	392.00	2.57	222.64	1.48	-43.20	-1.11
Manufacturing	6,578.22	43.12	6,442.24	42.82	-2.07	-0.89
Transport, Storage and Communication	1,617.22	10.60	1,235.83	8.21	-23.58	-2.50
of which: Transport	1,015.72	62.81	471.70	38.17	-53.56	-33.64
Communication	601.49	37.19	764.13	61.83	27.04	10.06
Wholesale and Retail Trade, Catering and	551.10	3.61	320.59	2.13	-41.83	-1.51
Global Total	15,254.35	100.00	15,046.07	100.00	-1.37	-1.37

Three sectors of the economy had higher stock of foreign liabilities as at end-2014 compared with the levels recorded in the previous year. These are: financing, insurance, real estate and business services (15.7 per cent); agriculture, hunting, forestry and fishing (15.9 per cent); and extractive – oil and gas (11.1 per cent). Foreign investments in the construction sector decelerated by 43.2 per cent while transport, storage and communication sector decelerated by 23.6 per cent. Also, wholesale and retail trade, catering and accommodation decreased by 41.8 per cent. In terms of relative contributions to the decline of 1.4 per cent in total foreign liabilities in 2014, the transport, storage and communication sector dominated, contributing -2.5 per cent (Table 3).

3.2 Private Foreign Liabilities by Category of Capital

3.2.1 Foreign Direct Investment (FDI)

As at end-2014, total inward FDI to Nigeria stood at ₦15,008.36 billion representing 99.8 per cent of the total stock of foreign investments (Table 1), with ₦13, 954.09 billion (or about 93.0 per cent) as equity, and ₦1, 054.26 billion (or 7.0 per cent) as debt (Table 4).

Table 4: Nigeria's Inward FDI by Recipient Sector and Instrument Type, 2014 (N'Billion)

Sector	Equity		Debt		Total Foreign Direct Investment	% Share in Total
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	-2.23	-0.02	0.00	0.00	-2.23	-0.01
Financing, Insurance, Real Estate & Business	790.73	5.67	2.43	0.23	793.16	5.28
of which: Banking	199.63	25.25	0.75	30.87	200.38	25.26
Insurance	2.96	0.37	0.00	0.00	2.96	0.37
Business Services	583.96	73.85	1.68	69.13	585.64	73.84
Real Estate	4.19	0.53	0.00	0.00	4.19	0.53
Extractive (Oil & Gas)	5,051.39	36.20	975.67	92.55	6,027.07	40.16
of which: Upstream	4,314.71	85.42	696.37	71.37	5,011.08	83.14
Downstream	373.73	7.40	271.46	27.82	645.18	10.70
Services	362.96	7.19	7.84	0.80	370.81	6.15
Construction	218.78	1.57	3.85	0.37	222.64	1.48
Manufacturing	6,339.01	45.43	72.31	6.86	6,411.31	42.72
Transport, Storage and Communication	1,235.83	8.86	0.00	0.00	1,235.83	8.23
of which: Transport	471.70	38.17	0.00	0.00	471.70	38.17
Communication	764.13	61.83	0.00	0.00	764.13	61.83
Wholesale and Retail Trade, Catering and	320.59	2.30	0.00	0.00	320.59	2.14
Global Total	13,954.09	100.00	1,054.26	100.00	15,008.36	100.00
Memo: % Share in Total	92.98		7.02		100.00	

Further breakdown of FDI liabilities by originating economies revealed that the bulk of investments as at end-2014 came from the European economies (₦6, 470.27 billion or 43.1 per cent) (Table 5). This was followed by Asia (₦3, 725.85 billion or 24.8 per cent), Middle East (₦1, 776.82 billion or 11.8 per cent), Africa (₦1, 136.94 billion or 7.6 per cent), and North Atlantic and Caribbean (₦1, 013.21 billion or 6.8 per cent). Other regions from which Nigeria received direct investments included North America (₦885.14 billion or 5.9 per cent), and “Others” (₦0.62 billion or 0.004 per cent) (Table 5).

A breakdown of total FDI to Nigeria by recipient sectors showed that the manufacturing sector received the largest share with a sum of ₦6, 411.31 billion or 42.7 per cent (Table 6). Other sectors that received FDI were extractive sector (₦6, 027.07 billion or 40.2 per cent); transport, storage and communication (₦1, 235.83 billion or 8.2 per cent); financing, insurance, real estate and business services (₦793.16 billion or 5.3 per cent); wholesale and retail trade, catering and accommodation (₦320.59 billion or 2.1 per cent); and construction (₦222.64 billion or 1.5 per cent).

Table 5: Nigeria's Inward FDI by Region (N'Billion)

Region	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Asia	4,277.75	28.18	3,725.85	24.83	-12.90	-3.64
North Atlantic and Caribbean	1,084.69	7.14	1,013.21	6.75	-6.59	-0.47
Central America	0.00	0.00	0.00	0.00	0.00	0.00
Europe	5,972.77	39.34	6,470.27	43.11	8.33	3.28
Middle East	1,664.69	10.97	1,776.82	11.84	6.74	0.74
North America	920.71	6.06	885.14	5.90	-3.86	-0.23
Oceania	0.11	0.00	-0.50	0.00	-547.48	0.00
South America	0.00	0.00	0.00	0.00	0.00	0.00
Africa	1,260.35	8.30	1,136.94	7.58	-9.79	-0.81
Southern Africa	721.68	57.26	539.22	47.43	-25.28	-14.48
West Africa	280.03	22.22	325.60	28.64	16.27	3.62
East and Central Africa	258.76	20.53	272.24	23.94	5.21	1.07
North Africa	-0.12	-0.01	-0.12	-0.01	0.00	0.00
Others	0.59	0.00	0.62	0.004	5.56	0.00
Total	15,181.66	100.00	15,008.36	100.00	-1.14	-1.14

With the exception of construction; wholesale and retail trade, catering and accommodation; transport, storage and communication; and manufacturing all the other sectors had higher FDI stock when compared with the levels recorded in 2013. Thus, agriculture, hunting, forestry & fishing; financing, insurance, real estate and business services; and extractive sector; recorded increased inward FDI of 15.9, 15.7 and 11.2 per cent, respectively. Total direct investment into construction sector decelerated by 43.2 per cent to ₦222.64 billion (Table 6).

3.2.2 Foreign Portfolio Investment (FPI)

The stock of FPI in Nigeria as at end-2014 stood at ₦5.53 billion, representing a decrease of 53.2 per cent below the 2013 level and about 0.04 per cent of stock of inward foreign capital to the country (Table 1). Survey returns showed that the extractive (oil & gas) sector was the preferred sector for FPI as it received ₦5.53 billion or 99.98 per cent of the total FPI at end 2014. Other sector that received FPI included manufacturing accounting for about 0.02 per cent (Table 7).

Table 6: Nigeria's Inward FDI by Recipient Sector (N'Billion)

Sector	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	-1.93	-0.01	-2.23	-0.01	15.87	0.00
Financing, Insurance, Real Estate & Business	685.60	4.52	793.16	5.28	15.69	0.71
of which: Banking	158.19	23.07	200.38	25.26	26.66	6.15
Insurance	2.82	0.41	2.96	0.37	4.79	0.02
Business Services	520.69	75.95	585.64	73.84	12.47	9.47
Real Estate	3.89	0.57	4.19	0.53	7.75	0.04
Extractive (Oil & Gas)	5,419.17	35.70	6,027.07	40.16	11.22	4.00
of which: Upstream	4,266.05	78.72	5,011.08	83.14	17.46	13.75
Downstream	607.82	11.22	645.18	10.70	6.15	0.69
Services	545.30	10.06	370.81	6.15	-32.00	-3.22
Construction	392.00	2.58	222.64	1.48	-43.20	-1.12
Manufacturing	6,518.50	42.94	6,411.31	42.72	-1.64	-0.71
Transport, Storage and Communication	1,617.22	10.65	1,235.83	8.23	-23.58	-2.51
of which: Transport	1,015.72	62.81	471.70	38.17	-53.56	-33.64
Communication	601.49	37.19	764.13	61.83	27.04	10.06
Wholesale and Retail Trade, Catering and	551.10	3.63	320.59	2.14	-41.83	-1.52
Global Total	15,181.66	100.00	15,008.36	100.00	-1.14	-1.14

Table 7: Nigeria's Inward FPI by Recipient Sector (N'Billion)

Sector	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	0.00	0.00	0.00	0.00	0.00	0.00
Financing, Insurance, Real Estate & Business	0.00	0.00	0.00	0.00	0.00	0.00
of which: Banking	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00
Business Services	0.00	0.00	0.00	0.00	0.00	0.00
Real Estate	0.00	0.00	0.00	0.00	0.00	0.00
Extractive (Oil & Gas)	11.82	99.99	5.53	99.98	-53.17	-53.17
of which: Upstream	11.80	99.90	5.53	99.89	-53.17	-53.12
Downstream	0.00	0.00	0.00	0.00	0.00	0.00
Services	0.01	0.10	0.01	0.11	-50.85	-0.05
Construction	0.00	0.00	0.00	0.00	0.00	0.00
Manufacturing	0.00	0.01	0.00	0.02	-2.70	0.00
Transport, Storage and Communication	0.00	0.00	0.00	0.00	0.00	0.00
of which: Transport	0.00	0.00	0.00	0.00	0.00	0.00
Communication	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale and Retail Trade, Catering and	0.00	0.00	0.00	0.00	0.00	0.00
Global Total	11.82	100.00	5.53	100.00	-53.17	-53.17

An analysis of FPI by originating economies revealed that significant amount of investments came from Asia (N4, 596.08 million or 83.1 per cent) and the Europe (N924.15 million or 16.7 per cent). These were followed by the North America (N13.71 million or 0.3 per cent) (Table 8).

Table 8: Nigeria's Inward FPI by Region (N'Million)

Region	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' m)	% Share in Total	(N' m)	% Share in Total		
Asia	10,617.42	89.84	4,596.08	83.05	-56.71	-50.95
North Atlantic and Caribbean	0.46	0.00	0.42	0.01	-8.27	0.00
Central America	0.00	0.00	0.00	0.00	0.00	0.00
Europe	1,188.74	10.06	924.15	16.70	-22.26	-2.24
Middle East	0.00	0.00	0.00	0.00	0.00	0.00
North America	11.02	0.09	13.71	0.25	24.45	0.02
Oceania	0.00	0.00	0.00	0.00	0.00	0.00
South America	0.00	0.00	0.00	0.00	0.00	0.00
Africa	0.00	0.00	0.00	0.00	0.00	0.00
Southern Africa	0.00	0.00	0.00	0.00	0.00	0.00
West Africa	0.00	0.00	0.00	0.00	0.00	0.00
East and Central Africa	0.00	0.00	0.00	0.00	0.00	0.00
North Africa	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	11,817.65	100.00	5,534.37	100.00	-53.17	-53.17

3.2.3 Other Foreign Capital Flows (OCF)

Survey returns showed that the stock of inward OCF as at end 2014 amounted to N32.18 billion, representing 0.2 per cent of total foreign liabilities in the country and a decrease of 47.1 per cent below its level in 2013 (Table 9).

Table 9 shows that the manufacturing sector received N30.92 billion or 96.1 per cent of total OCF (inward) stock in the country at end-2014. This was followed by the extractive (oil and gas) sector with (N1.25 billion or 3.9 per cent).

Of the stock of N1.25 billion OCF in the country's extractive sector, the downstream sub-sector received the largest share (N633.59 million or 50.5 per

cent), while the balance of ₦620.69 million or 49.5 per cent went into oil servicing sub-sector (Table 9).

Table 9: Nigeria's Inward OCF by Recipient Sector (N'Million)

Sector	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' m)	% Share in Total	(N' m)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	0.00	0.00	0.00	0.00	0.00	0.00
Financing, Insurance, Real Estate & Business	0.00	0.00	0.00	0.00	0.00	0.00
of which: Banking	0.00	0.00	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00	0.00	0.00
Business Services	0.00	0.00	0.00	0.00	0.00	0.00
Real Estate	0.00	0.00	0.00	0.00	0.00	0.00
Extractive (Oil & Gas)	1,153.00	1.89	1,254.27	3.90	8.78	0.17
of which: Upstream	0.00	0.00	0.00	0.00	0.00	0.00
Downstream	582.43	50.51	633.59	50.51	8.78	4.44
Services	570.57	49.49	620.69	49.49	8.78	4.35
Construction	0.00	0.00	0.00	0.00	0.00	0.00
Manufacturing	59,722.00	98.11	30,924.00	96.10	-48.22	-47.31
Transport, Storage and Communication	0.00	0.00	0.00	0.00	0.00	0.00
of which: Transport	0.00	0.00	0.00	0.00	0.00	0.00
Communication	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale and Retail Trade, Catering and	0.00	0.00	0.00	0.00	0.00	0.00
Global Total	60,875.00	100.00	32,178.27	100.00	-47.14	-47.14

Available data from survey returns revealed that ₦32, 178.27 million (or 100.00 per cent of total OCF in 2014) originated from North America. When compared to its level in 2013, the stock of other capital inflows from the region declined by 47.1 per cent (Table 10).

Table 10: Nigeria's Inward OCF by Region (N'Million)

Region	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' m)	% Share in Total	(N' m)	% Share in Total		
Asia	0.00	0.00	0.00	0.00	0.00	0.00
North Atlantic and Caribbean	0.00	0.00	0.00	0.00	0.00	0.00
Central America	0.00	0.00	0.00	0.00	0.00	0.00
Europe	0.00	0.00	0.00	0.00	0.00	0.00
Middle East	0.00	0.00	0.00	0.00	0.00	0.00
North America	60,875.00	100.00	32,178.27	100.00	-47.14	-47.14
Oceania	0.00	0.00	0.00	0.00	0.00	0.00
South America	0.00	0.00	0.00	0.00	0.00	0.00
Africa	0.00	0.00	0.00	0.00	0.00	0.00
Southern Africa	0.00	0.00	0.00	0.00	0.00	0.00
West Africa	0.00	0.00	0.00	0.00	0.00	0.00
East and Central Africa	0.00	0.00	0.00	0.00	0.00	0.00
North Africa	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	60,875.00	100.00	32,178.27	100.00	-47.14	-47.14

3.3 Nigeria's Private Foreign Assets

The total stock of outward investments as at end 2014 stood at ₦965.83 billion. Of this amount, ₦597.26 billion (or 61.8 per cent) was in the form of debt while the balance of ₦368.57 billion (or 38.2 per cent) was invested in the form of equity (Table 11).

Table 11: Foreign Assets by Instrument Type (N' Billion)

Year	Equity		Debt		Total Foreign Assets
	(N' b)	% Share in Total	(N' b)	% Share in Total	
2013	320.13	23.43	1,046.37	76.57	1,366.51
2014	368.57	38.16	597.26	61.84	965.83

Outward FDI remained the dominant component of total outward investments stock as at end-2014, accounting for ₦965.83 billion or 100.0 per cent of total private foreign assets (Table 12). When compared to the level in the previous year, FDI assets decreased significantly from ₦1,366.51 billion to ₦965.83 billion representing a deceleration of 29.3 per cent (Table 12).

Table 12: Nigeria's Foreign Assets by Category of Capital (N' Billion)

Category of Capital	2013		2014		Annual Growth (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total	
Foreign Direct Investment (FDI)	1,366.51	100.00	965.83	100.00	-29.32
Foreign Portfolio Investment (FPI)	0.00	0.00	0.00	0.00	0.00
Other Capital Flows (OCF)	0.00	0.00	0.00	0.00	0.00
Total	1,366.51	100.00	965.83	100.00	-29.32

Analysis of total private foreign assets by region showed that ₦547.60 billion or 56.7 per cent was invested in Europe (Table 13). Other notable regions that attracted investments from Nigeria included: North Atlantic and Caribbean (₦304.38 billion or 31.5 per cent), North America (₦77.31 billion or 8.0 per cent), Africa (₦25.43 billion or 2.6 per cent), Oceania (₦8.44 billion or 0.9 per cent) and Middle East (₦2.66 billion or 0.3 per cent).

Table 13: Nigeria's Foreign Private Assets by Destination Region (N' Billion)

Region	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Asia	10.27	0.75	0.01	0.00	-99.89	-0.75
North Atlantic and Caribbean	634.49	46.43	304.38	31.51	-52.03	-24.16
Central America	0.00	0.00	0.00	0.00	0.00	0.00
Europe	604.77	44.26	547.60	56.70	-9.45	-4.18
Middle East	6.47	0.47	2.66	0.28	-58.82	-0.28
North America	81.46	5.96	77.31	8.00	-5.09	-0.30
Oceania	8.65	0.63	8.44	0.87	-2.34	-0.01
South America	0.00	0.00	0.00	0.00	0.00	0.00
Africa	20.40	1.49	25.43	2.63	24.63	0.37
Southern Africa	0.19	0.92	0.56	2.19	196.77	1.81
West Africa	14.56	71.39	17.82	70.07	22.33	15.94
East and Central Africa	5.65	27.69	7.05	27.74	24.84	6.88
North Africa	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	1,366.51	100.00	965.83	100.00	-29.32	-29.32

The regions that contributed to the 29.3 per cent decline in Nigeria's foreign private assets were North Atlantic and Caribbean with relative contribution of (-24.2 per cent), Europe (-4.2 per cent), Asia (-0.8 per cent), North America (-0.3 per cent), Middle East (-0.3), and Oceania (-0.01 per cent).

Table 14: Nigeria's Foreign Assets by Sector (N'Billion)

Sector	2013		2014		Annual Growth (%)	Relative Contribution (%)
	(N' b)	% Share in Total	(N' b)	% Share in Total		
Agriculture, Hunting, Forestry and Fishing	0.00	0.00	0.00	0.00	0.00	0.00
Financing, Insurance, Real Estate & Business	80.66	5.90	94.43	9.78	17.07	1.01
of which: Banking	80.55	99.87	94.02	99.56	16.72	16.70
Insurance	0.08	0.10	0.08	0.09	0.00	0.00
Business Services	0.03	0.03	0.33	0.35	1110.49	0.38
Real Estate	0.00	0.00	0.00	0.00	0.00	0.00
Extractive (Oil & Gas)	1,082.46	79.21	649.15	67.21	-40.03	-31.71
Construction	190.75	13.96	205.79	21.31	7.88	1.10
Manufacturing	10.74	0.79	15.65	1.62	45.67	0.36
Transport, Storage and Communication	0.00	0.00	0.00	0.00	0.00	0.00
Wholesale and Retail Trade, Catering and	1.90	0.14	0.82	0.08	-57.01	-0.08
Global Total	1,366.51	100.00	965.83	100.00	-29.32	-29.32

As at end-2014, a breakdown of total outward investment from Nigeria by investing sectors showed that the extractive sector invested the largest share with a sum of ₦649.15 billion (or 67.2 per cent of total). This was followed by construction with an investment stock of ₦205.79 billion (or 21.3 per cent). The banking sub-sector accounted for 99.6 per cent of the financing, insurance, real estate and business services sector's total foreign assets (Table 14).

Three sectors of the economy had higher foreign assets at end-2014 compared with the 2013 levels (Table 14) with the manufacturing sector having the highest growth of 45.7 per cent. This was followed by financing, insurance, real estate and business services sector (17.1 per cent), and construction sector (7.9 per cent).

4.0 Summary and Conclusion

Survey returns show that the stock of inward investments in Nigeria declined by 1.4 per cent in 2014 from the level of ₦15,254.35 billion recorded in 2013. The relative contributions of: transport, storage and communication; wholesale and retail trade, catering and accommodation; construction; and manufacturing sectors to the decline were -2.5, -1.5, -1.1 and -0.9 per cent, respectively. In terms of sectoral distribution of inward investments, the manufacturing sector of the Nigerian economy dominated as it received ₦6,442.24 billion (or 42.8 per cent of the total). This was followed by the extractive sector, which received 40.1 per cent. In terms of the category of capital stock, FDI dominated, accounting for about 99.8 per cent of the total.

A further breakdown of the total inward capital stock by originating economies as at end 2014 showed that ₦6,471.20 billion or 43.0 per cent was from Europe. This was followed by Asia, and Middle East which accounted for ₦3,730.5 billion (or 24.8 per cent) and ₦1,776.82 billion (or 11.8 per

cent), respectively.

On the other hand, the stock of outward investments, which stood at ₦965.83 billion as at end 2014, represented a decline of 29.3 per cent below its previous year's level. This was driven largely by the decline of 40.0 per cent in the foreign assets holdings of the extractive sector. In terms of movements in regional distribution of foreign assets, Africa recorded an increase of 24.6 per cent while the other sectors witnessed declines.

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