ROBUST RESPONSE TO TENTATIVE BUSINESS MODELS IN NIGERIA: ADDRESSING THE CHALLENGES OF DOMESTIC PRODUCTION AND DOMESTIC CONSUMPTION

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ABSTRACT
Despite the nation's slow paced economic resuscitation successes being recorded in the post COVID-19 pandemic lockdown phase, the untamed and deteriorating habit of Nigerian leadership to foreign loans and consequent mismanagement of scarce financial resources as fueled by corruption has no doubt become an inevitable threat to the nation's economy, security and its nationhood existence. The after-effect is a poor revenue generation challenge that has continued to worsen since second quarter of 2015 as import which clearly indicates poor domestic production and domestic consumption skyrockets annually on the economic radar of Nigeria, leading to further strangulation of few existing domestic industrial operations in the country. The consequences have been a geometric rise in food insecurity, price hikes, and severe hunger among the polity. As a result, incidence of terrorism, banditry, the sit-at-home weekly event in the South East, and protest by separatists across the country has continued to witness persistent rise thereby posing severe threat to productive farming, economic and business activities across the six geopolitical zones of Nigeria. Deploying a descriptive approach, the study expressly evaluates sensitive challenges facing businesses in the uncertain and unhealthy business environment prevalent in the COVID-19 pandemic era in Nigeria, with extant emphasis laid literally on feasible robust responses that could be embraced by businesses in Nigeria in their bid to sustain their business continuity image and boost their competitive advantage in the unsafe and tight business environment in Nigeria. Conceptualized schematic business frameworks and widely recognized current statistics were effectively utilized and evaluated to maximally portray realistic opinions that readily serve as practical models for businesses to employ in their effort to survive in the country's ever changing business environment. The study concludes by proposing possible actions (way forward) for policy development purposes towards salvaging the prevailing unfavourable situations engulfing Nigeria businesses and its business environment.

Keywords: business frameworks, corruption, domestic consumption, domestic production, financial resources mismanagement, foreign loans, poor revenue generation, uncertain business environment.

JEL Classification: *D1, G5, H31, J43*

INTRODUCTION

Before the pandemic, the Nigerian government had been grappling with weak recovery from the 2014 oil price shock, with GDP growth tapering around 2.3 % in 2019 (Onyekwena &

Ekeruche, 2020). Confirming this, PWC (2021) observed that in 2015, the economy had slowed sharply as annual real GDP growth declined to 2.7%y/y from 6.2%y/y in 2014. The implication was that by 2016, the economy recorded its first recession since 1991, recording a growth of -1.5%y/y as oil production shortages exacerbated the decline in the oil price.

In February 2020, the IMF revised the 2020 GDP growth rate from 2.5 percent to 2 percent, as a result of relatively low oil prices and limited fiscal space. Accordingly, the country's debt profile continued to deteriorate due to decline in domestic revenue generation and has become a source of concern to PolicyMakers and development Practitioners.

A nation where crop farming among most Farmers most of whom are Subsistence Farmers is seasonal in response to rain fall and not grown all year round, cannot boost of practicing modern and scientific agricultural system. This has limited the production capacity of most Nigerian farmer thereby posing a great revenue and food security constraint to the nation as a whole. And with persistent rise in incidents of terrorism and banditry across the country, safety of lives and properties has been gravely affected, leading to unhealthy fluctuations in productive farming, economic and business activities in the country. A report by the National Bureau of Statistics (NBS) in July 2021 clearly revealed that Nigeria is presently lacking viable industries to produce consumables in sufficient quantity in response to the teaming and growing insatiable demands of Nigerians. As a result, the sum of N40.94 trillion was reportedly spent on the importation of manufactured goods between January 2017 and March 2021 to manageably fill in some gap for the ailing domestic industrial deficiency while N4.22 trillion was earned from the country's export of manufactured goods within the same period (Onwuamaeze, 2021).

It is quite shameful that a big and populous country like Nigeria after more than 20 years of democracy still drags its national identity on global perception index as the poverty capital of the world, with its vast quantum of energetic human resources rarely maximized productively for national economic gain. The reverse has rather become the case where the spate of violence rises daily among the angry youths whose brilliant enterprise ideas lay waste with no proactive reliable steps taken by the government to salvage the same.

In view of these, Nigeria as a country, its people, businesses, political system and national image has come under serious threat and untold hardship. And the question on many lips is where do we go from here? It is against this yardstick that the paper intends to:

1. Concisely evaluate the relevance of envisaged pragmatic responses to the effective salvage of the tentative business environment in Nigeria.
2. Propose possible actions for reliable policies development purposes towards rescuing the prevailing situation in the Nigeria business environment.

LITERATURE REVIEW

Synergy of large Scale Agricultural and industrial productions

Nigeria as a country is heavily dependent on oil as its major revenue source which accounts for about 90% of export earnings and over 70% of total government revenues. Little wonder why

Nigeria's commercial activities were adversely affected when the price of oil in the international oil market declined with the nation's economy contracting by 0.67% and 2.06% in the first and second quarters of 2016 respectively. Further contractions that followed in 2016 led to an annual growth rate of -1.6% in 2016. This was how Nigeria officially ended up with economic recession same year which eventually lasted throughout year 2016 and got exit from the economic menace in the quarter 2 of year 2017. The implication was that Nigeria sole reliance on oil as its major revenue source is quite conservative and risky, and could spell more doom on the nation in the future as international consumers' reliance on oil continues to decline across the globe due to aggressive advancement in technology. This is the reason Agriculture should be reconsidered for viable and large-scale exploration in Nigeria.

Despite government's intensified campaign and emphasis on Agriculture through various initiatives such as Agriculture Promotion Policy (APP), Nigeria–Africa Trade and Investment Promotion Programme, Presidential Economic Diversification Initiative, Economic and Export Promotion Incentives and the Zero Reject Initiative, Reducing Emission from Deforestation and Forest Degradation (REDD+); Nigeria Erosion and Watershed Management Project (NEWMAP); Action Against Desertification (AAD) Programme, growth in the sector has witnessed a low-single-digit fluctuating performance level. Okafor, Aluko, and Asaolu, (2020) attributed this to the chronic underfunding of agriculture in Nigeria by the government. United Capital Research (2020) lamented that although the agricultural sector grew by 2.2% in quarter 1 of 2020, it subsequently fell to 1.4% in quarter 3 of same year (2020) due to reasons mainly linked to unabated incidence of flooding and insecurity in many parts of the country. Before year 2020, incidence of flooding that has seen the wash off farmlands and plants, has persistently led to low harvest yields. The situation is believed to have been aggravated by the COVID-19 pandemic outbreak in Nigeria in quarter 1 of year 2021, thereby impeding Agricultural output growth that saw over 85.0% of the sector's activities brought to a halt.

However, a report by FAO (2021) indicated that contrary to speculations, the Agricultural sector between January and March 2021 contributed 22.35% of the total Gross Domestic Product in Nigeria. This perceived improvement which is better than the performance recorded in quarter 3 of year 2020 is attributable to the engagement of over 70 % of Nigerians in the agriculture sector. Yet, this progress has remained at the subsistence level of agricultural practices and no doubt, readily undermines the sector's expected efficiency and productivity amid increased food imports (that can be produced domestically) due to population rise and declining food sufficiency to meet the rising demands of the consuming Nigerian population on daily basis.

This ailing part of the agricultural sector in Nigeria is believed to have far reaching consequences on the growth of most players/farmers and their consequent expansion into full-blown large-scale farming. Statistically, the Food and Agricultural Organisations of United Nations in her 2021 report noted that between 2016 and 2019, Nigeria's cumulative agricultural imports stood at ₦3.35 trillion; a figure that is considered four times higher than the country's agricultural export totalling N803 billion within the same period. Similar and recent report by the National Bureau of Statistics (2021) in July puts money spent on the importation of manufactured goods between January and March 2021 at ₦40.94 trillion while ₦4.22 trillion was earned from the country's export of manufactured goods within the same period. This is a clear export of scarce capital fund totalling N36.72 trillion.

A situation whereby a country's rice production could rise from 3.7 million metric tons in 2017 to 4.0 million metric tons in 2018 yet witnesses lots of consumption of imported/foreign rice (that is to say that 43% of the 6.7 million metric tons of rice consumed in Nigeria annually are foreign imported ric**e**. Only 57% of total annual rice consumption are locally produced) is quite worrisome. This means that about 3 million metric tons of rice are either imported or smuggled into the country illegally. How well managed is agriculture subsectors such as oil palm farming, cocoa, rubber, groundnut, wheat, millet, cotton wool et cereta in Nigeria?

How can a country so blessed with enormous land mass, so rich and suitable for agricultural purposes, realize its dream to boost food export and escape food insufficiency with over 70% of its agricultural activities operating at subsistence level of production? As at 2017, Nigeria was acclaimed as the world's largest producer of Cassava (produced 59 million tons which is approximately 20% of global production), yet an average Nigerian family cannot afford a painter of processed garri in the market today (A painter of garri currently sells for between ₦800 – ₦1,200 in September 2021 against ₦350 – ₦450 a painter in December 2020).

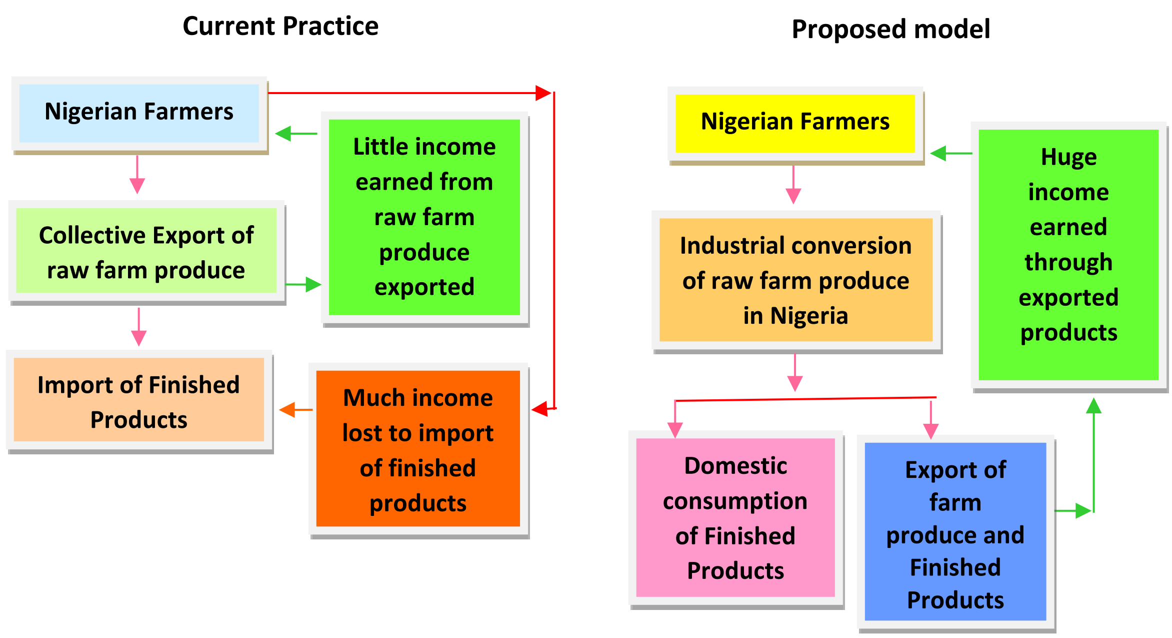
Other viable and rising areas of Agricultural practices in Nigeria such as animal production in the form of goat, cattle, sheep, ram, chicken, snail, piggery rearing et cetera; aquaculture (fishing) and forestry development, if commercially explored, will readily make Nigeria the agriculture/food hub of the world. FAO (2021) noted that fisheries and aquaculture are among the fastest growing subsectors in the country.

Apparently, the manufacturing sector is an important criterion in assessing a nation's development. Subsistence farming is insufficient to meet the challenges of the industry including rising cost of supplies, labour shortages, reduced productivity, and changes in consumer preferences (Perchstone & Graeys, 2021). Venturing into commercial agriculture in this context entails adopting both large scale agricultural production and consequent industrial processing of raw farm produce into packed, durable and quality finished goods fit for export and domestic consumption. This way, the industrial base of Nigeria, if given the deserved attention, is bound to rekindle sustainable life into the economy amid commendable creation of paid jobs to reduce the alarming rate of youth unemployment in the country. This will also help dose off the rising tension among angry youths and in the country in general, especially when food is sufficiently available, affordable and accessible by an average poor Nigerian. Perchstone and Graeys (2021) noted with regret that Nigeria has lost up to US$10 billion in annual export opportunities from groundnut, palm oil, cocoa and cotton alone due to continuous decline in the production of those commodities.

Where the government feigns ignorance to such sensitive initiative as this, Stakeholders in the private sector can come in collectively to salvage the situation. Imagine a situation whereby more than 50% of Nigeria Farmers operate at commercial farming level that is well complemented with industrial conversion of agricultural farm produce into finished durable quality products for export and domestic consumption. The country, with this, will be talking about industrial and economic sustainability, not economic recovery. Unfortunately, the reverse appears to be the case in Nigeria. Lending voice to the above views, Onwuamaeze (2021) stated that a July 2021 report of NBS had shown that the total value of the Nigeria's export between January and March 2021 was ₦67.30 trillion of which ₦4.22 trillion was earned from the country's export of manufactured goods. Proceed from sale of crude oil amounted to N49.31trillion. This shows that 93.73% of such export comprised solely non-manufactured or raw produce (only about 6.27 % of total export earnings were from manufactured goods). The manufacturing sector had contributed about 8.60% to the nation's gross domestic product (GDP) in quarter 4 of year 2020. This feat is lower than the 8.74% recorded in quarter 4 of year 2019. Supporting this, CSL Research (2021) reported that the real GDP growth of the Manufacturing sector has been dismal in the past five years with only 0.8% growth recorded in 2019.

It also goes to show that creating an enabling environment for and attaining large scale agricultural practices without a viable industrial base to maximize the agricultural raw produce will regrettably lead to waste or loss of such agriculture farm produce especially the non-durable ones and consequent export of earnings/profits to foreign countries that should have been retained in the country. This way, the country will continue to import the industrial output of foreign countries which in some cases actually originated from farm produce earlier exported by Nigerian Farmers, thereby loosing revenue and scarce income to foreign countries and frustrating the value of Naira at the international market.

Figure 1: Present and proposed future Agricultural practices in Nigeria



Source: Authors Concept, 2021.

Salvaging the system from Funds mismanagement and Corruption

The achievement of commendable economic recovery in Nigeria has been largely frustrated by corruption and bad leadership style currently in place in the country. Ranked 152 out of 157 countries in the human capital index and 149th by the Transparency International on its 2020

Corruption perception index, the picture in Nigeria readily depicts the prevalence of non-transparency, high profile mismanagement of public and loan funds, and poor governance in the State.

Records from the Debt Management Office (DMO) reveal that Nigeria's total debt a month after President Muhammadu Buhari's assumed office, precisely as at June 30th, 2015 (the country's Corruption perception index in year 2015 was 136 out of 176 countries which it also maintained in 2014) was ₦12.12 trillion. By December 31, 2020, the country's debt portfolio had geometrically risen to N32.92 trillion. As at March 2021, the country debt statistics stood at ₦33.10 trillion. (Adebowale, 2021)

He noted that most of the debts were incurred within the last six years by the federal government of the Muhammadu Buhari administration. As at December, 2020 when country's debt portfolio stood at ₦32.92 trillion, the federal government's share of the same totalled N26.91 trillion, with the 36 State governments and the Federal Capital Territory picking the balance which summed up to N6.01 trillion. The implication is that about 83.78% of Nigeria's debt stock during the period was solely taken by the federal government, leaving 16.22% to all State governments in Nigeria and the Federal Capital Territory to split with little or no reasonable revenue yielding capital or infrastructural development project in sight. Today, federal roads/routes of economic significance lay waste in terrible shape with no attempt being made by the government to remedy the situation as a commendable boost to interstate and intrastate trade and business activities in Nigeria. The deplorable state of federal roads in the South East readily speaks for itself. Sad enough, corruption has been reported as one of the core problems confronting Nigeria's economic, political and social stability. Economic corruption in Nigeria has eaten into the fabric of the national resources to the extent that it has adversely led to the increase in the level of insecurity in the country.

Investment in infrastructure is very important. The infrastructure we have, cannot pave sustainable room for the achievement of commendable level of industrial and economic growth so desired or earmarked for achievement by the country as a whole. This entails that a different model approach that permits the installation of the state-of-the-art infrastructures by the private sector in line with government blueprint should be holistically embraced. The government should rather get busy with creating the needed enabling environment for the private sector to thrive effectively.

The federal government expenditure of 98% of its revenue on debt servicing between January and May 2021 is quite worrisome. The above statistics is up from the 83% recorded in year 2020. This is more as the government had projected to spend N17.8 trillion on servicing debt between 2021 and 2024. Insight from Adebowale (2021) was more disturbing when he stressed that federal government of Nigeria is in a mess with debt servicing. According to him, the federal government recently admitted spending N1.8 trillion on debt servicing from its N1.84 trillion revenues in the first five months of 2021 (January - May). This puts the federal government's debt-to-revenue ratio (a key measure of debt sustainability) at 97.8% for that period. Recall that the federal government's debt service to revenue in 2016 was only 44.6%. By year 2020, debt service-to-revenue had grown to 84.8%. These are far cry from the World

Bank's suggested 22.5% for low-income countries like Nigeria. Does this not appear scandalous?

Amid all these, the federal government through the President has officially reached out to the Senate on September 14th, 2021 stating its intention to picked yet another debt amounting to US$4.054 billion to bring Nigeria's foreign debt stock to US$45 billion. It is important to note that with this development, the total approved foreign borrowings in year 2021 alone totaled US$12.3 billion. With this, the country's external loan stock will have risen by 366% since year 2015, making debt servicing a serious burden to Nigeria and Nigerians. No nation can attain and sustain development with this kind of humongous debt settlements.

The questions that quickly come to mind are what are the repayment plans of the federal government? How realizable are such repayment plans? Of what economic benefits are these foreign loans to the country, its industries and the economy? How has the utilization of these foreign borrowings benefited the Nigeria business environment over the years? What useful capital projects of economic significance have been started and completed with these foreign debts in the past 7 years? How much revenue has been contributed so far by such capital projects so completed, commissioned and currently being utilized by Nigerians? Until bias and sentiment-free answers are provided to these questions, the country as whole could be heading for worst doom days ahead than was experienced during the COVID-19 pandemic nationwide lockdown in Nigeria. Affirmatively, the problem with Nigeria is not non-availability of finance or scarcity of funds, it is the mismanagement of budget and loan funds as well as bad governance.

Timely Rescue from Food Insecurity

Accordingly, issue of food insecurity is not excluded. Even before COVID-19 pandemic struck in Nigeria, leading to reduction of incomes and disruption of supply chains, incidence of chronic and acute hunger were already prevalent and on the rise due to various factors that includes conflict, (World Bank, 2021), insecurity arising from activities of bandits, terrorists, unknown gun men, Fulani herdsmen extremists' et cetera, socio-economic conditions, natural hazards such as flooding, climate change as late rainfall and outrageous increase in pests attack. This means that Nigeria was already facing food security crisis before the onslaught of COVID-19 which compounded the situation and its effects on the food value chain in the country. USAID (2021) opined that the pandemic has significantly disrupted already fragile value chains across the country, including the ability of businesses and the people to produce, process, and distribute food in the country. Perchstone and Graeys (2021) fear that as the rest of the world moves into a stage of economic recovery, countries that are unable to set up functional infrastructure and leverage technology to improve agricultural production and food supply chains will undoubtedly become more susceptible to difficult times ahead.

World Bank (2021) emphasized that the Agricultural Commodity Price Index has remained near its highest level since 2013, and as of July 16, 2021, was approximately 30% higher than in January 2020. Prices of farm commodities such as Maize, wheat, and rice were about 43%, 12% and 10% above their January 2020 levels. Amid consistent price rise and consequent reduced income among businesses and the people, the primary risks to food security entails that more and more households will suffer from inevitable cut on the quantity and quality of food consumption.

Aside the flooding of the Nigerian market space with fake, expired, counterfeit or incompletely/poorly processed food items unchecked by the government, the unnecessary hoarding of quality food items to create partial scarcity that leads to further price inflation of food items remains a deteriorating challenge in Nigeria in recent times. A situation whereby demand outweighs supply of essential goods and services, indicates that the country is experiencing under production of essential goods and services. Okafor, Aluko, and Asaolu (2020) further stressed that the looting of secretly sited warehouses across the country by many hungry Nigerian youths during the ENDSARs protest equally attests to Nigeria's pervasive poverty and food insecurity. This is more as surging prices readily indicate that strong demand is rarely complemented by supply, amid weather uncertainties, macroeconomic conditions, and supply disruptions.

Re-engineering existing Technologies for efficiency and embrace of Contemporary Innovations to boost domestic Revenue Generation

In 2016, the global digital economy was worth about USD 11.5 trillion; an equivalence of 15.5% of the world's overall GDP. The digital economy is expected to reach 25% in less than a decade (Siegfried Zottel & Neto, 2019). According to them, Nigeria is currently capturing only a fraction of this growth and needs to strategically invest in the foundational elements of its digital economy to keep pace. This is more as the Digital Economy for Africa (DE4A) Initiative which forms part of the World Bank Group's support for the African Union's Digital Transformation Initiative for Africa, desires to see every African individual, businesses, and governments been digitally enabled by year 2030.

The Electronic National Agriculture Market (eNAM), for instance, is an online pan-Indian trading platform for agricultural commodities which was set up to connect all farm markets. The platform connects all Small-Scale Markets (SSM) with consumers to support the food-chain and ensure that the goods are promptly available to the right consumers. The market facilitates online trading in commodities between Farmers, Traders and Buyers to boost better price discovery and provide facilities for smooth marketing of farm produce. Trading is enhanced through the use of trading computers or the eNAM mobile application which houses Farmers, Traders and mobile payment gateways (Perchstone & Graeys, 2021). Several other like channels have since evolved in Nigeria and are currently thriving in the ever-growing market in Nigeria. To this end, businesses in the country could conveniently embrace one or more of such mediums for reduced cost marketing purposes, or better still, develop its own channel/platforms that is ideal to the business, its business environment and its culture.

It is pertinent to say that the operations of businesses, markets and industries in developing countries like Nigeria would have been minimally affected during and by the COVID-19 pandemic lockdown if they had a robust digital infrastructure in place.

Obviously, Nigeria's domestic revenue mobilization has been one of the lowest in the world (Obayomi, 2020). A 2019 report of Revenue Statistics in Africa from the Organisation for Economic Co-operation and Development (OECD) showed that Nigeria's tax-to-Gross Domestic Product (GDP) in 2017 was 5.7%. When compared to similar performance of 26 African countries (including Ghana and Botswana) who all recorded an average tax to GDP ratio of 17.2% (11.5 basis points higher than Nigeria's ratio), it became obvious that Nigeria's tax revenue generation was significantly low for the level of economic activities in the country. When the government creates a functional, safe and sustainable environment for businesses to operate and complements the same with corruption-free regulatory/monitory measures, more unique business ideas will be realized into full grown businesses thereby making the issue of tax payment by enterprises and poor tax revenue generation in Nigeria a thing of the past.

It is inevitable and important that corporate organizations proactively plan and re-strategize to remain competitively afloat in order to actively prepare for and respond to new realities in the ever dynamic COVID-19 pandemic era in Nigeria in order to efficiently remain relevant in the nation's corporate environment.

Facing the new phase of cyber crimes

With millions of people across the globe working remotely, the risk of cyber threat such as phishing attacks and business email compromises has substantially increased (Luis, 2020) as these cybercriminals intensify effort to take advantage of the opportunity the COVID-19 pandemic offered. A greater number of cyber-attackers now have access to multitude of individual and organizational social media accounts through which accounts of well-respected persons within the international community (Boismenu, Elbanna, Ben Rejeb & Farrag, 2020) are used to circulate misleading information so as to add credibility to the false information being spread across different platforms.

Despite about USD4.5 trillion being recorded annually as fraud losses coupled with the financial and reputational implications stemming from fraud losses, Luis (2020) noted that fraud risk may not be considered a top priority by Management of businesses in critical challenging economic downturn as this. While most organizations may have resorted to cutting expenses, laying off employees, embracing robotic technologies, and encouraging employees to work remotely, the combination of these adverse conditions on employees' psyche appear to weaken employees' morale, thereby heightening the risk of corporate fraud.

With salary cuts and reductions currently ravaging the welfare of employees and the consequent elimination of bonuses and other forms of compensation, employees will be forced to find alternative means of replacing these wage-lost in order not to give room to further deterioration of their standard of living. In other words, having adequate and reliable insight into the relationship between fraud and the prevailing business model of a corporate organization in economic downturns is considered very essential for rapid result-oriented response purposes.

The onus lies more with business organizations to evaluate and assess areas of its operations that are most vulnerable to fraud as a result of numerous changes that has occurred in the global and domestic corporate environments in response to the COVID-19 pandemic outbreak, getting to know their employees better towards understanding possible avenues or operations that could motivate them into unethical financial actions or wrongdoings. Although Hushpuppi may have been arrested in the United States of America, this does not negate the fact that his likes may have been recreated four hundred (400) fold across the globe since his arrest. The implication is that businesses internet/corporate firewalls are no longer considered safe in this era of uprise of sophisticated technologies.

Business organizations need to understand the current situation of the business while figuring out major drivers in the organization mostly impacted on by the after-effect of the COVID-19 pandemic. Prevalent situation such as failure of Management to meet financial target for two to three quarters in 2021, top management's prioritization of organisation's operations and financial performance at the expense of fraud risk mitigation, continued decrease in periodical profit margin of the organization especially where Executive Directors compensation is tied to such performance, persistent decrease in organizations annual budgets, et cetera are equally pressing but dominant post COVID-19 pandemic factors currently engulfing many organizations globally. Adequate knowledge of these will also enable business organisations to identify with ease, indicators of possible fraud occurrence. And this helps improve such organisation's performance of fraud controls and effective risk management processes.

Development and Embrace of Off-grid private sector-oriented Alternative Energy Sources

The state of Nigeria's energy sector today is certainly not in the best interest of businesses and industries. The vision to achieve commendable industrialisation in Nigeria can only be nursed but not pursued, as long as the energy sector remains inefficient and ineffective. Although successive administrations in Nigeria have invested trillions of Naira in the sector over the years, the power sector in Nigeria rarely meets the growing demand of the country's energy consuming population let alone businesses. The issue of uninterrupted and reliable electricity in Nigeria can only be read from the pages of editorials and nothing more. As much as the federal government has evolved plans to improve electricity services in Nigeria from 45% to about 90% by year 2030, its inability to maximally put to use the installed capacity of 12,500 megawatts (MW) with a daily operational average near 4,000 MW that are derivable from about 23 grid-connected generating plants in the country raises much doubt as to the possibility of it realizing the year 2030 goal.

Until the Nigerian electricity industry from power generation to distribution is holistically privatized, the present challenges in the power sector will persist. Aside feeble state of the system in Nigeria which is largely marred by corruption, observations over the years has shown that the government, despite having the requisite expertise at its disposal, lacks the competence and will to manage the power sector. This is more as there is imminent need for maximum explore of other alternative but vital sources of energy such as the renewable energy sources comprising solar energy, biomass et cetera.

This leaves the country with the private sector as the only alternative for the resuscitation and full maximization of various energy sources in Nigeria. It is high time stakeholders in the private sectors strive to relieve itself of this venom and from the high cost of diesel and fuel energy generation for production and business operation purposes. The need for the prompt development and installation of high-capacity energy infrastructure in Nigeria in this regard cannot be overemphasized.

Installation of contemporary transportation infrastructure

Nigeria's railway currently has eight lines that are slightly more than 2,000 miles long collectively. These railways require major rehabilitation, modernization, and expansion. Lagos State government is taking the lead in this area in Nigeria. Installation of cargo and locomotive trains will be a welcome development towards reducing the burden on Nigeria roads. Beside existing railway system in Nigeria, the federal government through its railway plan for Nigeria has reiterated its commitment to building new rail lines and conclude those under construction already in major cities across Nigeria.

However, observations show that many of these projects have not received adequate and deserving financial response by the government due to underlying corruption issues in the procurement process and public sector infrastructure funding. This is probably why FAO (2021) maintained that Lagos-Abuja line, the Kaduna-Abuja passenger line and the Kaduna-Abuja line are the only three operational lines to date.

The inability of the government to install railway system in commercial cities of economic significance (based on the quantum of its contribution to the nation's GDP) to Nigeria calls for concern. As much as commendable efforts has been made by the current administration in this respect, it is important to stress that the installation of railway infrastructure in regions of less economic significance to the country amounts to waste of scarce financial resources.

The use of cargo planes will also serve as a unique complement to movement of goods by sea/cargo vessels. However, it should be noted that of the twenty-two (5) airports in Nigeria, only five (5) such as Lagos, Kano, Port Harcourt, Enugu, and Abuja, currently receive international commercial flights (FAO, 2021). This no doubt, is a challenge to Tourists and international business mogues and captains of industries.

Hopes of CAMA 2020 (Amended) for Nigeria Businesses

The new business law (CAMA 2020 as amended) has also been viewed as a booster to ease of business creation and operation in Nigeria. Passed into law in August 2020 by the National Assembly, the new business law in totality comprises 870 sections that have been categorized into 7 Parts. Accordingly, CAMA 2020 is popular for some unique innovations and introductions into the Nigeria business atmosphere which include:

1. Introduction of a single (one person) shareholder for private companies as captured in Sec. 18(2) of the new law. The current provision negates prior statutory practice of a minimum of two (2) shareholders as in CAMA 1990 as amended in 2004. This readily increases the chances of having more businesses coming on board into the Nigeria corporate environment to boost competition, increase productivity, polarize prices of goods and services at meaningful affordable rate, reduces possible incidence of hoarding sensitive consumable goods by few monopolistic companies to create scarcity, and the creation of more jobs to reduce unemployment rate in the country.
2. Section 237(1) of the new CAMA 2020 provides that registered small companies or companies having a single shareholder are not required (now voluntary) to hold an Annual General Meeting.
3. On voluntary terms as captured in the company's Articles of Association, small companies and companies having a single shareholder may, under section 240, have their statutory Annual General Meetings outside Nigeria. Private companies may also hold its general meetings electronically provided that such meetings are conducted in accordance with the articles of the company.
4. Small companies are now exempted from having the minimum of two Directors. The new CAMA 2020 equally prohibits a person from being a Director in more than five (5) public companies at the same time.
5. Under section 330(1), small private companies are now exempted from requirement to appoint a company secretary.
6. Existing mandatory restriction of private companies from transfer of its shares has been lowered and made optional in Sec. 22, as private companies may now at their own discretion chose to or not to transfer its shares. This makes it very much easier for Lending Institutions to take over shares or securities of defaulting borrowers.
7. The new business law has changed the clause 'authorised share capital' to 'minimum share capital'. What it means is that companies can now exceed their existing maximum capital level initially recognized as authorized capital by issuing and increasing their share capital from time to time as needed by the company. Section 27(2)(a) further required that companies shall now maintain a 'minimum share capital' which shall not be less than N100,000 for private companies and N2,000,000 for public companies. This unique innovation equally serves as a bail out medium to businesses towards boosting their solvency capacity.
8. Under section 33 of the new business law, the Minister is empowered to prescribe different model Articles of Association as default for different companies, especially for private companies who prefer not to issue one.
9. CAMA 2020 restricts a company to act or operate only within the objects stated in its Memorandum of Association, and views operations or acts carried out outside the objects as ultra vires (beyond its legal power or authority). This outrightly negates prior provisions that accord Directors of businesses the power to operate beyond the business

objects where such was not specifically restricted in the company's Articles of Association.

10. The new CAMA law has increased the ease of registering or incorporating new businesses in Nigeria by replacing the 'declaration of compliance' clause with a 'statement of compliance'. The implication is that under the 'statement of compliance' the applicant or his agent can now sign to attest that the requirements for registration have been met. This negates initial practice under the 'declaration of compliance' clause where only a legal practitioner can sign such document. With this present move, government could come up with a move to have all large, medium and small businesses in Nigeria registered and authenticated with the issue of certificate of incorporation. This will also strengthen the Federal and State Governments chances of achieving an effective electronic filling and taxing (e-filling and e-taxation) regime in Nigeria that will boost their internally generated revenue capacity.
11. Use of common seal, previously mandated by CAMA 1990 as amended in 2004, is now optional for business owners in Nigeria to use. Sections 98 and 101 of the new business law allow companies to decide whether or not to have for use, a common business seal in the execution of deeds by companies. Company documents or proceeding requiring authentication can now be signed by designated Director(s), Secretary, or other authorised officer(s) of the company. Section 102 of the new business law now recognizes a company document as a deed without the need to affix the common seal of the company once it is either:
    i. executed in the presence of a Director of the company and the company secretary, or
    ii. by at least two Directors of the company, or
    iii. by a Director of the company in the presence of at least one witness and delivered as a deed.
12. The Repealed CAMA requires that a situation where shares were improperly issued or allotted, the court could validate the issuance or allotment upon being satisfied that it is just and equitable for the company to so allot the shares applied for. However, the situation under Section 148 of the new CAMA 2020 takes a look at it differently as the company itself can now validate the issuance/allotment within 30 days of application made by a Holder, Mortgagor or Creditor of such shares by way of a special resolution, without the need to resort to the court. This notwithstanding, the new CAMA allows an affected party to apply to the court where the company fails to comply to the above.
13. Disclosure of the remuneration of Managers at the Annual General Meetings (AGM) as part of the ordinary businesses to be transacted at such meeting is now a mandatory requirement for companies under Sections 257 and Section 238 of the new CAMA 2020. Before now, notice of company's Annual General Meeting usually capture its purpose to depict 'to transact the ordinary business of an Annual General Meeting

(AGM) without including or separately presenting ‘disclosure of remuneration of Managers’ as part of the purpose of the AGM.

14. The new CAMA 2020 introduces the concept of netting into Nigerian law. It, under section 721, provides that a netting agreement is enforceable in accordance with their terms, including against an insolvent party, and, where applicable, against a guarantor or other person providing security for a party and shall not be stayed, avoided or otherwise limited by. It simply means that a company indebted to its Creditors can enter into financial agreements to devise means of settling the debts. This will go a long way to enhance and increase financial stability and Investor confidence in the Nigerian Financial Sector as well as all sectors of the economy
15. Public companies are now required to keep their audited accounts displayed on their websites by virtue of Section 374(6).
16. Section 402(1)(b) of CAMA 2020 provides that small companies and companies other than Insurance companies, Banks or any other company that have not carried out business since incorporation are exempted from the audit of their accounts.
17. CAMA 2020 provides for a Limited Liability Partnership (LLP) under a new Part C in section 726 – 745. The new CAMA 2020 defines a limited liability partnership as a body corporate formed and incorporated, and has a legal entity separate from the partners. The LLP must have at least two partners with one resident in Nigeria. The new business law also provides that every LLP must have two designated partners who are individuals. A designated partner is responsible for doing all acts, matters and things as are required to be done by the LLP in respect of compliance- this includes filling of any document, return statement and other report under the new CAMA and as may be specified in the LLP agreement. And is also liable to all penalties imposed on the LLP for contravention of those provisions.

Responding to the Dangers of Insecurity

Apparently, the scale of insecurity, killings, chaos and war in Nigeria, before the pandemic, had heightened and was quite terrifying, as no day elapsed in the country without ugly news of boko harem killings, Fulani herdsmen maiming, banditry, ethnic wars, and social conflicts making the news headlines and national dailies. Economic motivated inter State travels has reduced drastically due to increasing armed robbery and activities of bandits and unknown gun men on major highways across the country while fears of going to farmland engulfed Farmers. Security agents have become so terrified that most found it apprehensively difficult to cope with the insecurity situation in the country. Flourishing of bandit groups whose members display automatic weapons on daily basis, terrorising herders’ settlements, farms, villages and the highways is indeed appalling.

While the outcry of security forces in Nigeria to the federal government for proper equipment with the state-of-the-art Arms and Ammunition could be mistaken for prevalence of fear and demoralization, the immediate effect of this on the citizenry and people readily leads to loss of confidence in the existing security apparatus of the country. As a result, there has been several calls to the people to defend themselves and rely less on the government who may have proven incompetent in this regard.

Call for the immediate reorganization of community Policing could be a better option when compared to the request for licensing of guns to individual Nigerians for self-defence. It is in the interest of all stakeholders in the Nigerian corporate/business environment to reach a consensus on the best security framework for the sustainability of trading and secure of trading routes within Nigeria. Until the business environment in Nigeria is perceived safe, foreign and domestic Investors may not give positive consideration to inter country, inter State and intra State business investments as a worthwhile business risk in the COVID-19 pandemic era.

WAY FORWARD/PROPOSED ACTIONS FOR POLICIES DEVELOPMENT

Equitable promotion of mechanized farming in effort to actualise large scale agricultural farming among more than 50% of Nigerian Farmers across the six geopolitical zones, is worth the attention and commitment of the Federal and State governments. This is as about 90% of Nigerian farmers, who operate mostly at the subsistence level of farming, use manual or crude farming methods. Increasing mechanized farming in Nigeria will no doubt enhance agricultural productivity towards reducing food insecurity. It is incumbent upon the federal government to facilitate the use of contemporary technologies and innovations to boost agriculture as a means to speed up the economic recovery. Major technology innovations have emerged in the agricultural industry including vertical farming, automation and robotics, precision agriculture and artificial intelligence, blockchain, cloud farming and so on.

While the attainment of large-scale agriculture has become imminent for more businesses opportunities to be created in the country, it is pertinent to state that the creation of enabling environment for industrial oriented businesses to be created and thrive is of great and equal importance as the former. Until Nigeria as a nation begins to experience the processing of over 90% of its raw farm produce into finished products for exports in the international market, the country’s revenue generation capacity through export from other sources other than oil will remain stunt and small. There is immediate need for private sector Stakeholders in Nigeria to think in this direction.

The need for available, accessible and affordable energy or power among Nigeria businesses and its consequent effect on the creation of new businesses, their growth, profitability, and survival cannot be ignored. While the successive Federal and State governments led administrations in Nigeria have found this sector of the economy a hard nut to crack for more than six decades, it is important that the government steps aside completely (100%) for the private sector to solve this riddle once and for all.

Federal government need to cut administrative cost of governance among the Executives and the Legislative arms of government in Nigeria. Commendable check should be placed on recurrent expenditure in Nigeria towards achieving reasonable reductions so as to achieve a commendable increase in capital expenditure-to-total budget ratio. To this end, more emphasizes should be laid on the installation of capital infrastructures that will create the needed enabling environment for businesses and industries to thrive. This would help the federal government boost non-oil revenue generation through agricultural exports while readdressing the negative attitude of Nigerians on domestic consumption of made-in-Nigerian products. This would also help promote the initiative to drive businesses and people into tax payments and tax remittances when businesses observe that their business environment has become quite condulsive and secure to operate in. As a matter of urgency, there is imminent need for the federal government to reduce debt servicing-to-revenue ratio by driving an economy that is economically productive and revenue oriented. And increasing the nation's tax-to-GDP ratio is just one such means.

The federal government can also increase its revenue for robust investment in infrastructural installations and developments to make Nigeria an attractive business environment to foreign and domestic investors by genuinely tackling diversions of revenues and corruption in revenue-generating agencies. This country should have no business taking loans to fund its budget if the revenue-generating Ministries, Departments and Agencies (MDAs) are subjected to strict managerial oversight. There should be a more rigorous system of accountability for revenue-generating agencies of government such as Customs, Federal Inland Revenue Service, Nigeria National Petroleum Corporation, Department of Petroleum Resources, National Communication Commission et cetera.

With good governance structure, sense of decency and patriotism as well as outright respect for the rule of law in place, prevalence of corruption, mismanagement of national treasuries and ineptitude will be tamed effectively.

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