

www.pwc.com/ng

Financial Focus

Journal of Financial Services in Nigeria



Foreword



Sam Abu

Partner & Leader
Financial Services
samuel.abu@pwc.com

Welcome to the Financial Focus: Journal of Financial Services in Nigeria. We are proud to introduce this 2019 edition of the journal with relevant, thought-provoking articles on issues in the financial services sector. This edition builds on previous editions and is devoted to providing insights into strategic, operational and technical issues facing the financial services industry.

A variety of forces has put tremendous pressure on the financial services industry in recent years, leaving many institutions with unsustainable cost-income ratios. And several of these challenging trends — from new regulatory mandates to augmented capital requirements to aggressive fintech competitors — are strengthening. Our feature article [The productivity Agenda: Moving beyond cost reduction in financial services](#) which presents highlights of PwC's 2018 'Productivity in the Financial Services Sector Survey' sheds some light on the imperatives of sustainable productivity improvement for the financial services industry.

The transformation required for productivity to increase will require technology and humans to work together in a fundamentally new relationship. However, this has not been the case with Nigeria's attempts at Mobile money. The article [Friend or foe: How financial institutions should view mobile money service operators](#) draws case study examples from more successful territories and provides insights on how this can be made to work in Nigeria especially with all indication suggesting that mobile money will stay around for the foreseeable future.

Corporate reporting is at a crossroad. There is a growing concern by various stakeholders on whether the current traditional financial reporting model gives a fair reflection of the value of a company. The Integrated Reporting Council (IIRC) created in 2010 seeks to address this by creating a new integrated reporting model that focuses on what is strategically important and material to understanding an organisation's capacity to create and sustain value in the short, medium and long term. Key concepts in the IIRC framework, its benefits and the way forward for financial services organisations is discussed in the article [Business case for Integrated Reporting in Financial Services](#).

In a bid to ensure that players within the Nigerian Financial Services Industry (FSI) more proactively respond to evolving cybersecurity risks, the Central Bank of Nigeria (CBN) in June 2018 released the exposure draft of a risk-based cyber-security framework and guidelines for Deposit Money Banks (DMBs) and Payment Service Providers (PSPs). The final directive released in October 2018 indicated an effective compliance date of January 2019. The article [Leveraging an organisation's Information Security Management System \(ISMS\) for implementing the CBN risk-based cyber-security framework](#) takes a look at the Framework and how players in the sector can ensure easy compliance.

The article [Optimising Value during Distressed Sale – Options & Criteria](#), looks at business rescue processes in Nigeria and how parties involved can get the most value out of the process.

Aggressive tax planning has emerged at the forefront of tax issues for many governments. "Big companies do not pay their fair share of tax" has been a resonating phrase for the last few years. As a result, international cooperation between tax authorities has significantly increased, and tools to help detect aggressive tax planning by multinationals are being rolled out. One of such is a common reporting template referred to as the 'Country-by-Country Report' backed by a 2018 FIRS regulation with an effective date of 1 January 2018. The article [Country-by-country reporting for Nigerian-headquartered financial institutions](#) discusses this new regulation and its implications for Nigerian financial institutions.

In the article [The Case for Open Banking in Nigeria](#), we look at the global momentum towards Open Banking and the need for Nigeria to take the lead in its implementation in Africa. This will however require cooperation between FS stakeholders including regulators, advocacy groups and independent bodies so as to ensure consumers, who have come to appreciate the added convenience of digital services in many aspects of their lives, also enjoy similar experiences from their banks.

Our final article in this edition [Meeting the requirements to report on Internal Controls over Financial Reporting: what you need to know and how you should prepare](#), looks at the Investment and Securities Act (ISA 2007) provision that requires boards of public companies to report on the effectiveness of the companies internal control systems in its annual reports.

I hope that you will find these articles of interest. Please do continue to provide us with feedback on topics you would like to see addressed in future issues. For comments and feedback on any of the articles please email enquiry@ng.pwc.com

Table of Content

Foreword	2
Content	3
The Productivity Agenda: Moving beyond cost reduction in financial services	4
Friend or foe: How financial institutions should view mobile money service operators	9
Business case for Integrated Reporting in Financial Services	12
Implementing the CBN risk-based cyber-security framework effortlessly.	16
Optimising Value during Distressed Sale – Options & Criteria	18
CbCR for Nigerian Financial Institutions	20
The Case for Open Banking in Nigeria	22
Meeting the requirements to report on Internal Controls over Financial Reporting : what you need to know and how you should prepare	26
Contributors	28

The productivity Agenda: Moving beyond cost reduction in financial services



A variety of forces have put tremendous pressure on the financial services industry in recent years, leaving many institutions with unsustainable cost-income ratios. And several of these challenging trends — from new regulatory mandates to augmented capital requirements to aggressive fintech competitors — are strengthening.

This paper presents excerpts of a larger publication with the same title, which detailed the results of PwC's 2018 Productivity in the Financial Services Sector Survey. It's part of a series of thought leadership pieces about important issues and opportunities facing the financial services industry and the ways in which senior executives at the most innovative and successful institutions are responding. Some Nigerian senior-level executives were part of the 150 surveys completed from the 36 territories represented in the survey.

Moving forward with a focus on productivity

Typical cost-cutting measures — reducing personnel cost, automating, offshoring and introducing new technology — haven't done enough to address the impact of the current downturn, which has been uniquely severe. Most institutions have seen whole businesses jettisoned, geographic footprints reduced, and clients 'fired' to the point where the financial services industry has, in essence, de-globalised and become regional and national in nature.

The industry is recognising that it has nearly exhausted its arsenal of conventional cost-reduction tools and that further cutbacks in many businesses are likely to be counterproductive to long-term profitability and sustainability. Organisations also realise that the onslaught of competitive threats and cost pressure is likely to continue, even for institutions that are performing well at the moment. Our clients are asking themselves where to go from here.

As the introduction of new regulatory mandates diminishes and management concentrates on bringing financial institutions' performance in line with investor expectations, organisations increasingly have sufficient capacity and motivation to tackle the productivity challenge — and many of our clients understand that they should. Institutions tend to need help, though, in acquiring the skills and tools needed to boost productivity.

We at PwC have identified six areas where clients are focusing their productivity efforts. In this report, we'll outline the actions you can take within each area to achieve positive results.

1. Better understanding the workforce
2. Rethinking change functions
3. Embracing the platform economy
4. Improving workforce digital IQ
5. Bringing an agile mind-set to the mainstream
6. Mastering digital labour

Outstanding execution and transformation capabilities are critical to overcoming the challenges involved in increasing productivity. And urgency is growing daily as the consequences of inaction become clear.

Better understanding the workforce

The current situation

Most institutions have limited knowledge of what their employees actually do on a daily basis. They understand broad job responsibilities and activities in most cases, but if asked how long it takes to process a trade or how much time a certain employee spent in meetings last month, they typically can't tell you. In our productivity survey, only 27% of respondents said they tracked any employees by task on an hourly basis. For those who did track, the following areas reaped the most productivity benefits from the process (see Figure 1).



Figure 1: Business areas that have reported the most benefits from improved productivity



What needs to happen

The financial services industry is beginning to recognise, though, that some form of consistent time tracking and workflow analysis is needed to better identify productivity opportunities and execute necessary changes. Of the organisations in PwC's survey that didn't track work by hours and tasks, 62% believed such tracking would yield productivity benefits. And change is coming, with 52% of respondents noting that new productivity-based measurements and initiatives would be implemented in their organisations in the coming year. Our experience indicates that by simply tracking hours by task, organisations can improve productivity by 15% to 20%, and the implementation of service catalogues and multi-tier sourcing can bring another 20% improvement.

Steps to take

Creating a 'task catalogue' of key responsibilities specific to particular roles and positions can facilitate disciplined time tracking in areas beyond IT, allow for comparability across employees and locations, and enable financial institutions to better examine the nature of work inherent in various roles and divide work into more efficient bundles. This often makes it possible for institutions to use lower-cost or less experienced workers to accomplish certain tasks.

Also, companies need to address the privacy issues and cultural challenges associated with this type of tracking. This requires a combination of clear communication and a suitable system of rewards for desired behaviour. In addition, companies need to ensure compliance with appropriate laws and regulations.

Rethinking Change functions

The current situation

From our survey, more than 41% of financial institutions are spending, on average, 20% of their entire budget on so-called 'change-the-institution' efforts that are outside of business-as-usual activities. This work includes implementation of new technology and business processes, creation of new products, and mergers and spin-offs.

Unfortunately, many financial institutions struggle with change management. Only 15% respondents said they were satisfied with their ability to execute change. Projects often go over budget, fail to meet timelines and milestones, and leave both regulators and shareholders disappointed. Many organisations respond by relying too extensively on contractors and consultants to fix the problem. Others fail to leverage the assets those third parties bring, such as tools and methodologies that can improve performance across the organisation.

What needs to happen

As with business as-usual functions, organisations typically need to better understand the important tasks involved in change efforts, the composition of the workforce required to execute change and the available sourcing

options. Finally, workforce performance should be comprehensively measured and managed.

Steps to take

The first step is to recognise the importance of the change function and treat the individuals involved with it as people whose roles are critical to the success of the institution. Secondly, it's typically necessary to perform an in-depth skills analysis, comparing the backgrounds and experience of the current team (including contractors and other external resources) to those needed to drive not only the specific projects on the docket but also successful transformations in the modern age. Do you have enough architects and data scientists? Do you need to add people with analytical skill sets or product-specific or other specialist skills in areas such as new regulation, cyber and digital? After doing this evaluation, it's possible to develop a strategy to bridge the skills gap in a cost-effective way. Finally, leveraging technology for time tracking and adding the appropriate program management elements will enable a more efficient and effective change function to support the execution of the organisation's goals.

Embracing the platform economy

The current situation

Airbnb and Uber are two of the most valuable companies on the planet, yet neither owns the primary physical assets used in their businesses. Embracing the platform economy has huge productivity benefits for financial institutions, too. Mutual fund marketplaces have shattered the myth that asset managers have to manufacture all of their own funds. And peer-to-peer lenders have taught us that financial institutions can create effective business models without owning the financial capital as deposits. These businesses derive their value primarily through what PwC calls BeCoN, or behavioural, cognitive and network capital.

As technological innovation accelerates, these three new forms of capital have become critical to creating value. Behavioural capital is developed by tracking ongoing activity, cognitive capital is the value inherent in algorithms, and network capital is made up of the connection points, with people and machines, that an organisation can deploy. Each compounds itself exponentially and reinforces the others' growth.

What needs to happen

One thing organisations can do is use crowdsourcing to innovate. Several platforms are now available that can be used to run challenges that tap the collective brainpower and resources of a crowd, driven by a sense of competition to develop the best response.

Institutions also need to start engaging with the gig economy. According to research firm Wonder, the global gig economy is 77m people strong and growing. One reason the gig economy has gotten so big is the proliferation of platforms such as Wonolo, Fiverr and PwC's own Talent Exchange, which have connected workers with tasks to be completed.

Steps to take

It's critically important to do some basic research to understand what talent and solutions platforms are applicable to your business, and to periodically update this research.

Next, choose an area or a handful of areas where you can make the most of crowdsourcing. Are you looking for a new product design? A logo? Are you planning to improve an existing algorithm or process? Run a challenge and include the crowd.

On the resource side, explore solutions to better acquire talent and apply that talent to specific gigs or tasks that you would normally assign to full-time employees or contractors.

Improving workforce digital IQ

The current situation

Digitisation is an important aspect of improving productivity. And as people live longer and work longer, and unemployment rates remain low, training and retraining of existing workforces is particularly crucial. Despite its importance, research shows that current training and re-skilling efforts are not achieving the desired results. Of the financial services leaders polled in PwC's 2018 CEO Survey, 75% reported they were concerned about shortages of digital skills within the industry.

Digital skills go well beyond just technical aspects, too. Soft skills such as creativity, emotional intelligence, adaptability and the ability to influence and innovate should be developed in tandem with technical know-how.

What needs to happen

To motivate the workforce to up-skill, we have found it's important to not let anyone opt out of developing digital skill sets. Make it a two-way trade. For those who train hard, offer specific rewards. We'd also say it's crucial to focus on not just the tech side of the equation, but also the interplay between business, experience and technology, which we call BXT. The ability to drive digital transformation depends on understanding new business models, appreciating the art of the possible from a customer experience perspective and integrating both with leading-edge technology.

It's also important that this be made to feel easy and fun. Gamification as well as testing and scoring create a competitive dynamic that drives both

individual and group behaviours. As with video game scoreboards and personal health apps, people compare scores and set specific goals, putting organisations on the path to a real workforce transformation.

Steps to take

Getting leadership support is the foundation of any successful workforce digitising effort. The transformation approach must be appropriately tailored to suit the institution's culture and workforce characteristics. For example, lifetime employment-based workforces are not motivated by the fear of losing their jobs, so gamification and other positive aspects of becoming digital must carry the day.

Another important step is to put in place a management process and technology infrastructure, along with discipline and clear metrics. Lastly, creating a sense of momentum and accomplishment, including the publishing of 'success stories' that show how improved digital skills result in important achievements (e.g., new clients and better customer experience), is critical to reinforcing desired learning behaviours.

Bringing an agile mind-set to the mainstream

The current situation

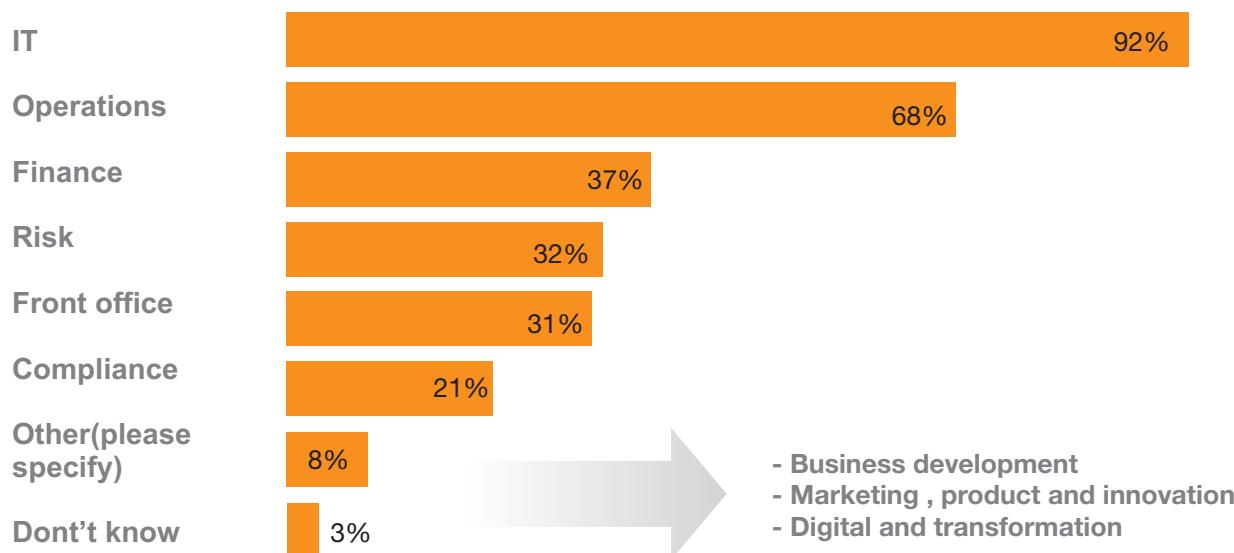
To be competitive in tomorrow's financial services industry, banks and insurers must be able to rapidly deliver a simple, seamless and instant customer experience at a competitive cost. Financial institutions also have to confront new disruptive technologies that are developing at an exponential pace, new forms of regulation, the continuous rise of fintechs and the threat of 'bigtechs.' To keep up with leading incumbents and digital-only competitors, institutions recognise that they should employ productivity-boosting agile techniques, with 77% of survey participants saying they use agile in some way throughout their organisations.

The agile management approach, draws from a broad set of practices, including; scrum, extreme programming, DevsecOps, lean, human-centered design and continuous improvement. And when organisations employ these techniques across the company, we call it 'enterprise agility.'

What needs to happen

Most organisations don't have a lot of enterprise agility. They concentrate their agile efforts in IT and Operations departments and not including other parts of the institution (see Figure 2).

Figure 2: Where is agile being used?



Survey question was, "In what areas of your organisation is agile being used?"

Source: PwC Productivity in the Financial Services Sector Survey report, November 2018

Interestingly, though, survey respondents who were using agile methods in other areas reported the most benefits from using the techniques in the front office (81%) (see Figure 3).

We're not surprised to see benefits in business areas that might not normally be associated with agile techniques. And we've found that organisations with a high level of enterprise agility tend to demonstrate a time-to-market advantage over their peers, have clients who love their

brand and have become ambassadors, continuously disrupt their own business model and can attract the best digital talent from the market. They are also flexible and cost-efficient.

Institutions need more enterprise agility to adapt quickly, move fast, learn rapidly, embrace dynamic career demands from the workforce of the future and continuously reinvent themselves.

Figure 3: Areas that benefitted from agile approaches



Responses indicate those surveyed who "have a personal experience of the benefits of agile" in these departments.

Number of respondents per area: Front office (29), Finance (32), Risk(28), Compliance(18), IT(62), Operations(44).

Source: PwC Productivity in the Financial Services Sector Survey report, November 2018

Interestingly, though, survey respondents who were using agile methods in other areas reported the most benefits from using the techniques in the front office (81%) (see Figure 3).

We're not surprised to see benefits in business areas that might not normally be associated with agile techniques. And we've found that organisations with a high level of enterprise agility tend to demonstrate a time-to-market advantage over their peers, have clients who love their brand and have become ambassadors, continuously disrupt their own business model and can attract the best digital talent from the market. They are also flexible and cost-efficient.

Institutions need more enterprise agility to adapt quickly, move fast, learn rapidly, embrace dynamic career demands from the workforce of the future and continuously reinvent themselves.

Steps to take

As we've stated, agile is best implemented in financial institutions when it's viewed from the enterprise level versus from the perspective of a single business or support area.

It is critical that this implementation be a C-suite-level (preferably CEO) issue and have the full support of the management team. Having said that, agile is a journey that can and should be divided into parts. The best way to do this is to identify the key end-to-end processes in an institution and determine those that would most benefit your customers by adopting the agile approach. Is it new product development? Customer service? Underwriting? System development? Whichever it is, it's best to prepare for the long term, because these transformations typically take several years to complete.

Mastering Digital Labour

The current situation

Robotic process automation (RPA) is a common first step for most of our clients in incorporating digital labour into their businesses. But most institutions haven't moved forward from RPA. On the other end of the

digital labour scale, artificial intelligence (AI) — which organisations typically explore after implementing simpler technologies like RPA — has been called the most important development in computing since the creation of the Internet. It also has unprecedented potential to improve productivity by not only further automating tasks performed today by humans but also performing tasks that no human could conceive of executing.

Leading institutions are now rapidly incorporating AI into business functions such as robo-advising, credit scoring and customer support. Leveraging AI has substantially improved client experience, reduced cost and, in some cases, created new products and services. Regulators have begun to take notice. Increasingly, there are concerns that AI is creating new 'black boxes,' where humans are unable to understand the nature of the algorithms and their implications.

What needs to happen

Organisations should start with a system to classify various types of digital labour and understand the unique benefits and challenges of each.

Steps to take

The first step is to understand what's out in the market and familiarise yourself with relevant use cases. A technology such as RPA is pretty well understood, and there are a few leading vendors now in the market, but something like deep learning is nascent and some would say unproven.

Creating a COE (Center of excellence) within an organisation is an important next step. Why? Because things like tool selection, maintenance of case studies, methodologies and models should be handled in one place and accessible to the rest of the organisation. Insight can be more easily shared, and each subsequent deployment of digital labour benefits from the experiences that preceded it. Otherwise, knowledge tends to be diffused, and multiple tools, technologies and methodologies typically lead to a suboptimal implementation experience. Lastly, taking the time and effort to model end-to-end processes allows for sophisticated 'what if' analyses, which, in turn, facilitate the optimal placement of digital labour.

Final thoughts

Sustainable productivity improvement is imperative for the financial services industry, but it will be difficult to implement. The transformation will require technology and humans to work together in a fundamentally new relationship, one in which machines take over routine manual tasks but also assist humans in better executing their roles, creating new opportunities for institutions and their employees. To do this, the employees themselves must be 'digital,' and organisations must better leverage the crowd. There's no one right way to approach the productivity

challenge, but concentrating on these six areas is a great place to start the journey.

To get things rolling, CEOs should ask themselves whether they are taking productivity seriously or if they are just cutting costs to meet quarterly earnings goals. What are they doing in these six areas? And maybe, just maybe, we've arrived at the moment when it's time for the naming of chief productivity officers to drive the productivity agenda for the industry.





Friend or foe: How financial institutions should view mobile money service operators



Richard Ansong
Associate Director,
PwC Ghana
richard.ansong@pwc.com

Introduction

Mobile money services in Nigeria is still in developmental stage. In this article, we explore how territories like Ghana and Kenya were able to successfully roll out a vibrant mobile money service driven culture. We further share our views around how this important sub-sector can work in Nigeria.

Mobile money was introduced in Ghana by MTN, the country's largest mobile network operator (MNO), in 2009. Initially, there was resistance by commercial banks to the development of mobile money banking by MNOs but the Bank of Ghana (BoG) overcame this by implementing regulations that allowed MNOs to set up subsidiaries to engage in the business of mobile money, independent of their core operations. Since then, mobile money has generated steadily increasing cash flows and is currently a force to reckon with in the financial services space.

The Bank of Ghana reported that the volume of mobile money transactions registered a growth rate of 737.4% from 2012 to 2016. It further grew by 52.9% to GH¢655 million in the first half of 2018 (2017: GH¢428.5 million). The value of transactions was GH¢104.6 billion compared to GH¢68.2 billion in the first half of 2017, representing an increase of 53.3%. The balance on float increased from GH¢1.8 billion in the first half of 2017 to GH¢2.2 billion in the first half of 2018, representing an increase of 21.1%.

Mobile money subscribers have reached almost 30 million as of June 2018. This is more than the country's current population of 29 million and suggests that mobile money participants demonstrate a high level of awareness and trust in the service and users are holding multiple accounts to take advantage of its benefits.

How mobile money is winning

Evidence suggests that 98% of digital payments in Ghana currently is from mobile money transactions. Perhaps the greatest strength of mobile money services is that it extends financial services to the informal sector and rural areas, which forms a large proportion of most economies. The service has the added benefits of creating new employment opportunities and being fast, convenient and accessible. With required technology and access to a wide customer base, MNOs are reaching sectors that banks have failed to serve in the past. The persistent growth of mobile money services has affirmed its relevance in attaining financial inclusion.

Some stakeholders however have mixed feelings about mobile money's success story. PwC's 2016 Ghana Banking Survey report shows that while bankers perceive mobile money service as an opportunity to be explored, they also perceive it as a potential threat to traditional banking services especially as this service is largely provided by non-banks at a lower cost to consumers.

“Bank-led” or “MNO-led”

The service is either “bank-led” or “MNO-led”, a distinction which in itself may be contributing to how the banking sector perceives the service.

Kenya- an “MNO-led” service

The commonly accepted strategy for increasing financial inclusion is to allow service providers who already serve a particular geographical space to use this access to provide financial services. This has been Kenya's approach with the M-Pesa, a mobile money service operated by Safaricom, a local MNO. A reported 93% of the adult population are registered for M-Pesa with 60% actively using the service.

Interestingly, some recent reports suggest that the success of M-Pesa does not appear to have taken opportunities away from other financial service providers. Since M-Pesa launched in 2007, the number of bank accounts in the country has reportedly increased from 4 million to 20 million. Banks in Kenya are leveraging M-Pesa for loan disbursements and repayments and savings mobilization. By partnering with financial institutions, M-Pesa has contributed to the rapid growth of banks.

Kenya's experience with mobile money services holds an important lesson for other countries on the need for partnership to exploit the opportunities in this area.

Ghana- a collaborative approach

The Ghanaian mobile money experience has been collaborative, with BoG and the National Communications Authority (NCA) working together with other industry participants.



Mobile money interoperability

Ghana launched the country's first Mobile Money Interoperability System through the Ghana Interbank Payment and Settlement Systems Limited in May 2018. This means that customers will be able to send and receive money across networks and also transfer funds between mobile money accounts and bank accounts.

This has the following benefits for participants:

1. Increased convenience and security;
2. Reduced transaction costs as third party service providers would be eliminated;
3. Ease of funds transfers and payments; and
4. 24/7 access to services.

All the above benefits would have the effect of increasing mobile money participation and further enhancing financial inclusion.

Factors contributing to the success of mobile money in Ghana

Stakeholders in several economies are realizing the positive relationship between electronic payment methods and economic growth, and Ghana is no different. This is because cashless societies eliminate the costs, risks and inefficiencies that come with cash transactions. Electronic payments minimise instances of fraud, money laundering and tax evasion.

The following are some factors contributing to the success of mobile money in Ghana.

Provider type

MNOs have been more successful in developing and delivering digital financial services than traditional financial services providers. This is supported by findings from The Global System for Mobile Communications (GSMA) which concluded that services launched by MNOs obtained an average of almost 635,000 active mobile money accounts against 165,000 for non MNO-led services within five years of launch. The study also found that within five years, the average MNO-led service reached 2.83% of the target market while a non MNO-led service reached only 0.53%.

Regulatory environment

The Central Bank implemented regulations favourable to the operation of mobile money services. Notable among these is the accrual of interests on accounts.

The Bank of Ghana's interest on cash flow from mobile money platforms issued guidelines which instructs banks to pay interest on cash flow from mobile money platforms to the MNOs, so that the MNOs can in turn pay out 80% of that interest to their mobile money customers. BoG approved interest levels of between 1.5% and 7%, but it was up to each MNO to negotiate with partner banks on the preferred percentage within the given range.

Demand conditions

There was a large unbanked population in Ghana and more than half of the transactions in the economy were conducted in cash. This allowed mobile

The aim is to facilitate economic growth, improve financial transmission mechanisms and signals, and promote financial inclusion objectives. The services offered on the mobile money platform include inland remittances, bill payment as well as point of sale payments for services. Some of the functions traditionally offered by banks are now offered by mobile money operators at a lower cost.

In the 2016 PwC Banking survey, the Ghana Association of Bankers presented the view that, mobile money services could improve profitability of banks. There is increased mobilization of cheap deposits via mobile money wallets of users which are kept with the banks. This has a lower interest cost as compared to mobilizing these deposits from traditional corporate institutions which demand higher returns. Additionally, transaction fees and commissions related to keeping and maintaining these accounts for the e-money issuers and agents will contribute to the profitability of banks.

money services to bridge the gap between supply and demand for payments and financial services products.

Support industries

Ghana's booming smartphone market, availability of low cost infrastructure like near field communication readers and a network of mobile money merchants are part of the factors that are supporting the growth of mobile money.

Mobile money in Nigeria

The mobile money service in Nigeria has been predominantly bank-led. Unfortunately, the Nigerian mobile money market is not growing at the same pace as its two African neighbours for a number of reasons.

First, banks were not motivated to develop the mobile money service as this service typically targets lower income earners compared to the middle to high-income earners targeted by banks.

Second, the Central Bank adopted a protectionist approach and placed a number of restrictions on MNOs providing mobile money services. These have had the effect of reducing financial inclusion. The percentage of Nigerians with access to financial services reduced from 44% in 2014 to 40% in 2017, a poor performance compared to the inclusion rates in other African countries; 84% in Kenya, 78% in Uganda and 58% in Ghana.

In October 2018, in a bid to revamp the financial inclusion of the Nigerian populace, the CBN called on all its major stakeholders to establish Payment Service Banks (PSBs) that will operate mostly in the rural centers and unbanked locations. These PSBs will establish ATMs in these areas, operate through banking agents (in line with the CBN's Guidelines for the Regulation of Agent Banking and Agents Banking Relationships in Nigeria), be technology-driven and shall conform to best practices on data storage and integrity.

These PSBs are however not permitted to grant any form of loans, advances and guarantees; underwriting insurance, trade in the foreign exchange market and establish any subsidiary except as prescribed in the CBN Regulation on the Scope of Banking and Ancillary Matter, No 3 2010.

How it can work in Nigeria

A number of factors have contributed to the shortfall of the Central Bank's target for financial inclusion. Some of these factors include low awareness, the reach of these mobile money products and lack of trust. Awareness and understanding however remain important drivers of mobile money uptake and usage. Customers need to be fully aware of the mobile money service and understand how it could be beneficial to them. To ensure mobile money and agent banking services get the best visibility possible in Nigeria, operators need to consider a wide variety of marketing strategies and options. The Central Bank as well as mobile money operators (MMOs) should engage in awareness programs and campaigns through local influences to educate the public on the benefits of mobile money.

Additionally, taking a cue from Ghana and Kenya, the Central Bank of Nigeria should engage the telecommunication companies to provide mobile money services. It is believed that they are better suited to provide services that would be widely accepted because of the nationwide reach of these telecommunications companies. Recruiting agents would also be easier for the telecommunications companies than any other mobile money provider because of their flexible and easy alternative channels for reaching remote areas and rural hinterlands.

Conclusion

The reality is that whether mobile money is bank-led or MNO-led, the two industries are interdependent and must co-operate for the service to be successful.

For banks to win in this era, they have to perceive this disruption as more of an opportunity rather than a threat. Certain banks have partnered with MNOs and enjoyed benefits such as increased deposit receipts from mobile money payments and service charges for the use of mobile money services on their platforms.

Mobile money is neither at its peak nor at the start of a decline. It appears it will stay around for the foreseeable future, bankers should therefore position themselves to enjoy the ride.

Figure 4: Four key take-aways on operability of mobile money services





Business case for Integrated Reporting in Financial Services



Marilyn Obaisa-Osula
Manager
marilyn.obaisa-osula@pwc.com

Introduction

Corporate reporting has evolved significantly in the last decade to be more transparent, relevant and fit for the expectations of varying types of readers. There is a growing concern by various stakeholders on whether the current traditional financial reporting model gives a fair reflection of the value of a company. In the most recent S&P stock market index of the top 500 publicly traded companies in the United States, the market value of stock was traced largely to intangible assets. For example, while the contribution of intangible assets to market value was less than 20 percent in 1975, it grew to over 80 percent in 2015. This reflects the fact that intangibles such as intellectual and human capital are becoming very critical in determining the ability of an organisation to create value overtime. However, the current financial reporting model does not do enough to capture and communicate this non-financial information to stakeholders.

Growing regulation in countries mandates companies to include non-financial information in their reports; however, these information is most times presented in a form that does not communicate a clear link between how it impacts the performance and strategy of the company across its economic, social and environmental actions.

Improving the quality of disclosures and an organisation's social accountability has led to the need for a tool that serves the purpose of communicating how a Company seeks to create value for its stakeholders without depleting resources of any kind, whether natural, social, human or financial. Stakeholders are and will increasingly look for information on how organisations connect their business strategy with their financial and non-financial performance.

The International Integrated Reporting Council (IIRC) seeks to address these needs by creating a new integrated reporting model that focuses on what is strategically important and material to understanding an organisation's capacity to create and sustain value in the short, medium and long term. The intended change requires in-depth understanding of all the building blocks of the value creation process of business, to enable organisations to develop a reporting model, which gives an insightful picture of its performance and is considered sufficient to assess the quality and sustainability of their performance.

This paper attempts to define the key concepts in the IIRC framework, explain the value creation process and how organisations can align this process with the Sustainable Development Goals (SDGs). It shall also highlight the potential benefits of implementing integrated reporting and discuss the way forward for organisations yet to adopt the reporting model based on the current global trends in corporate reporting.

Definition of concepts

The primary purpose of an integrated report is to explain to providers of financial capital how an organization creates value over time. It therefore contains relevant information, both financial and other. An integrated report benefits all stakeholders interested in an organization's ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers. Integrated reporting goes beyond producing an additional report as it requires a new way of thinking about what the organisation does and how management thinks it will do in the future.

Integrated Reporting involves the consideration of the integration and management of the important capitals used or affected by the organisation. Integrated thinking enhances understanding of the implications of business activities on the important capitals

• Integrated thinking is the active consideration by an organisation about connections of resources and relationships, how they connect to the different functions, departments and operations in the organisation, and getting the organisation as a whole working together in achieving its strategic objectives.

Integrated decision-making considers all the capitals available to an organization, how the organisation impacts these capitals today and their future availability, quality and affordability. The board decides on the integrated strategy and strategic objectives, which should then be filtered down by senior management to employees. Integrated thinking requires a mindset change away from a short-term, singular financial focus to one that considers all important capitals over the short, medium and long term.

Integrated reporting reinforces an organisation's efforts to embed integrated thinking and change corporate behaviour. The benefits of integrated thinking include:

- Increased internal awareness of key environmental, social and governance matters
- Breaking down of internal silos and promoting sharing of information in the organisation
- Improved knowledge-management processes
- Focused integration of key performance indicators (KPIs), risks, and strategic objectives within the context of the six capitals
- Clear depiction of the business model articulates and increases understanding of how value is created over time
- Greater alignment of internal and external reporting, i.e. one version of the truth
- Succinct and connected reporting which is easier to interpret and analyse
- Improvement in balanced reporting and transparency through: Inclusion of both positive and negative information, addressing both historic performance and future outlook
- A strategic focus
- Improved quality of communication between the organisation and stakeholders

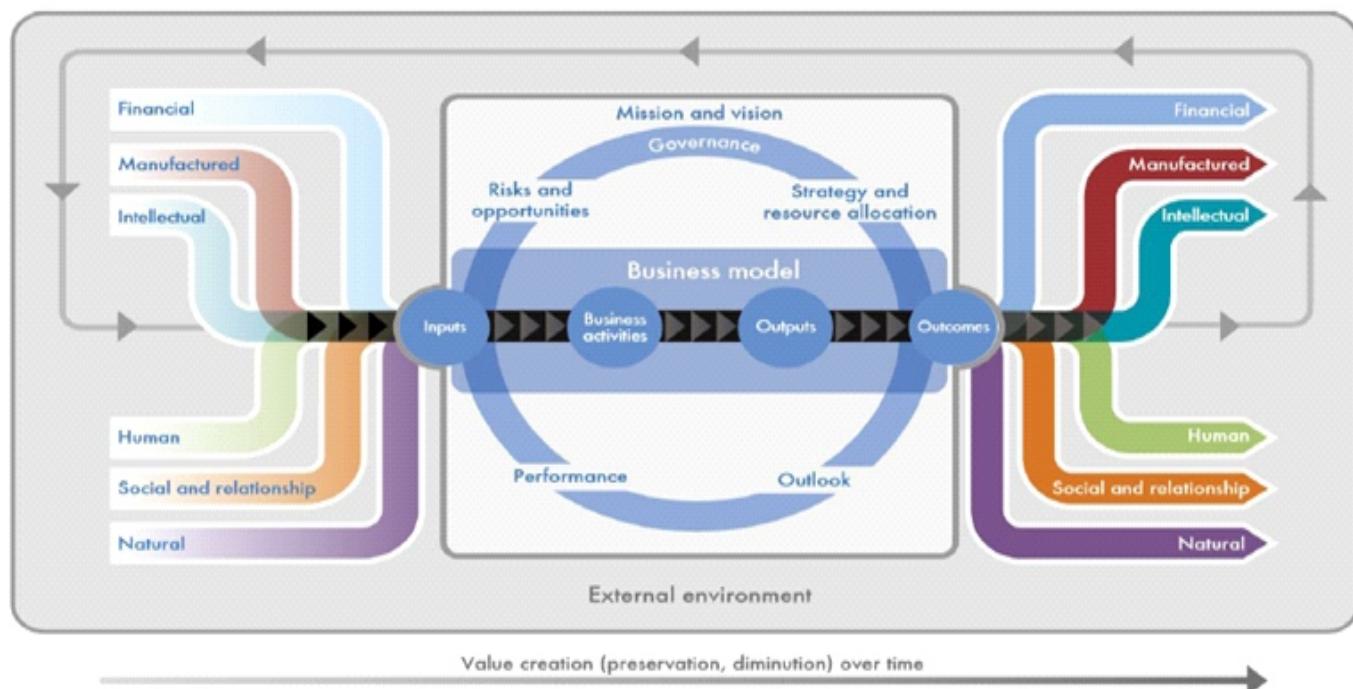
An Integrated report should be a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term. Value is not created by or within an organisation alone but is influenced by the external environment, created through relationships with stakeholders and dependence on various resources.

Value creation process

An integrated report is based on understanding value creation and the capitals utilized to create this value. The process of value creation results in the increases, decreases or transformations of the capitals caused by the organisation's business activities and outputs.

REF: *The International <IR> Framework glossary*.

Figure 5: Showing the IIRC Value creation process (REF: The International Reporting glossary)



The IIRC value creation process illustrates how value is created through the business model of an organization. The organisation takes inputs from the capitals and transforms them through business activities and interactions to produce outputs and outcomes. Over the short, medium and long term, these outputs and outcomes create or destroy value for the organization, its stakeholders, society and the environment. REF: IIRC, Background Paper for <IR>, Value creation.

In narrating the value creation process, the integrated report provides insight about:

- The external environment that affects an organization
- The resources and the relationships used and affected by the organization, which are referred to collectively as the capitals: Financial, Manufactured, Intellectual, Human, Social and Relationship, and Natural
- How the organization interacts with the external environment and the capitals to create value over the short, medium and long term

The stock of capitals is not fixed overtime. There is a constant flow between and within the capitals as they are increased, decreased or transformed. The extent to which organisations are building up or running down their various capitals can have an effect on the availability, quality and affordability of these capitals, the long term viability of the business model as well as their ability to create value overtime.

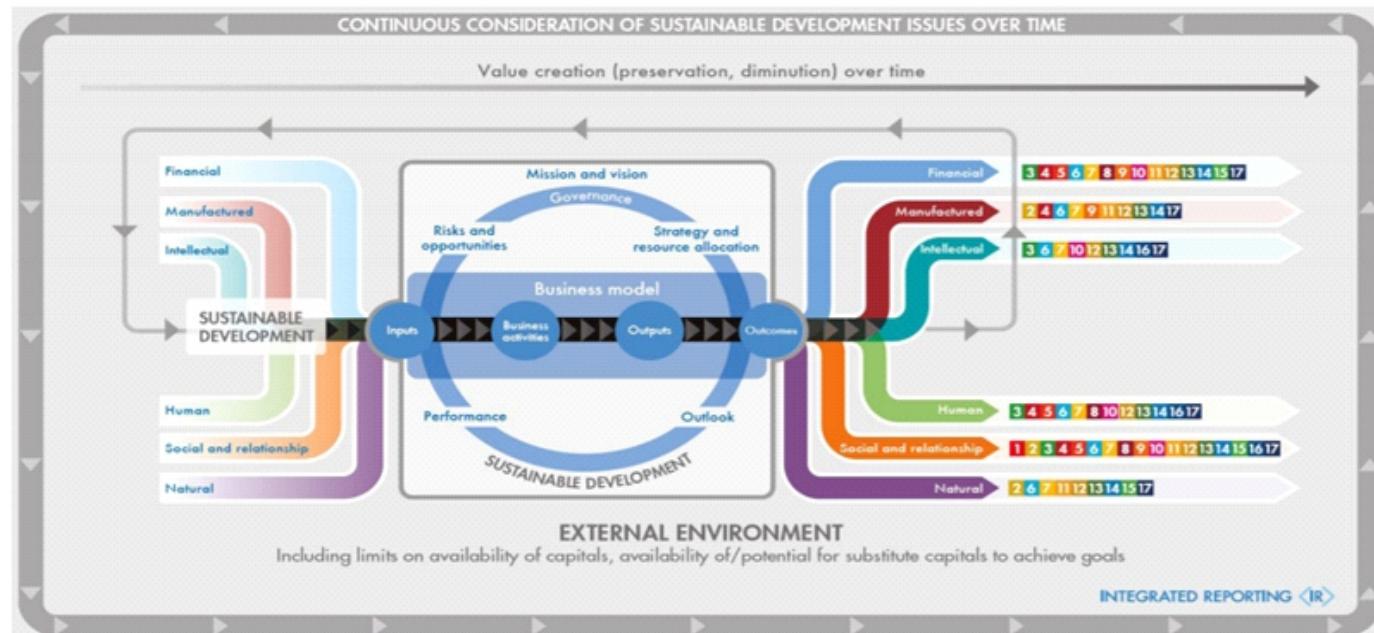
- Financial capital** consists of the funds available to an organisation to produce goods or services such as debt, equity or funds generated through operations
- Manufactured capital** consists of the manufactured physical assets available to an organisation to produce goods or services (including buildings, plants and equipment)
- Intellectual capital** consists of knowledge-based intangibles including intellectual property, such as patents, copyrights, software, rights and licenses and brands
- Human capital** consists of people's skills, abilities, experience, motivation, intelligence, health and productivity.

- **Social and relationship capital** includes key relationships, clients, government, regulators, and suppliers
- **Natural capital** consists of all renewable and nonrenewable resources and processes that provide goods and services that support the organisation's past, present and future prosperity, including air, water, minerals, forests, biodiversity and ecosystem health.

Aligning the Sustainable Development Goals (SDGs) to the value creation process

The UN SDGs cover broad challenges such as economic inclusion, diminishing natural resources, geopolitical instability, environmental degradation and the multifaceted impacts of climate change. They define the agenda for inclusive economic growth through to 2030 and were developed with inputs from business, academia and nonprofit organizations globally.

Figure 6: Alignment of SDGs with the value creation process



Benefits of implementing integrated reporting

An organisation that implements integrated reporting stands to benefit in the following ways:

- Greater access to and transparency of information from a wide range of both internal and external information sources, through integrated processes and the standardisation of information
- Break down departmental silos in the organisation
- Help communicate a more relevant and coherent information about performance to stakeholders to enable better decision-making
- Improve the quality of organisation's dialogue with providers of capital and other stakeholders
- Better allocation of capital and other resources
- Better access to capital markets and business partners
- Gain competitive advantage through cost savings, operational efficiencies and differentiation.

However, it is important to point out here that the roadmap to realising these benefits is not necessarily a simple one. It requires a good understanding of the company's strategic drivers, identifying the key stakeholders and their specific expectations, and implementing processes to obtain the information necessary for an integrated approach to managing the business.

In contributing to the SDGs, financial institutions and other organisations are likely to increase or decrease the availability of the various capitals. For example, increasing reliance on renewable energy sources and improving diversity in the work force can enhance natural and human capital, which may in turn contribute to the achievement of SDGs 5, 7, 10 and 13. The sustainable development issues which gave rise to SDGs (such as environment, natural resource consumption, food security and gender inequality) may pose limitations on the availability of capitals on which businesses rely. "It is through efforts to transform the capitals to create value for themselves and for others that organisations will make a material contribution to the SDGs" (Carol A. Adams). The diagram below depicts the alignment of the SDGs within the value creation process:

Next Steps in implementing Integrated Reporting

The International Federation of Accountants (IFAC) "considers integrated reporting as the way to achieve a more coherent corporate reporting system, fulfilling a need for a single report that provides a fuller picture of organisations' ability to create value over time". The body believes that the integrated report can be used as an "umbrella" report for an organisation's broad suite of reports and communications, thereby enabling greater interconnectedness between different reports. Although there are a range of different standards, frameworks and regulations available, The Integrated Reporting approach offers a holistic view at an Organisations value based model either in creating or destroying it. The accounting body also suggests an assurance of an integrated report, in accordance with International Assurance standards

During the World Economic Forum meetings held in Davos in January 2011, it was agreed that the current corporate reporting system has to change if the growing trust deficit is to be reversed. Many countries around the world are taking concrete steps to make integrated reporting a reality. For example, over 1,600 organisations in over 60 countries have advanced their journey towards Integrated Reporting. The Securities and Exchange Board of India has called on the top 500 Indian companies to adopt Integrated Reporting. In Japan, integrated reporting is becoming mainstream while in Malaysia and the Philippines, companies are now required to adopt Integrated Reporting in line with their corporate governance codes. In May 2018, the New Zealand's code of corporate governance was updated to include a reference to integrated reporting, as

a number of businesses began to adopt the new reporting model. The UK Task Force on Climate-related Financial Disclosure upheld the principles of integrated reporting, recommending that organisations should adopt the reporting model. Also, the High-Level Expert Group on Sustainable Finance, established by the European Commission, issued its final report in January 2018. The Group stated that “the ultimate ambition has to be convergence or integration of financial and non-financial (i.e. sustainability) information and integrated reporting supports this convergence qualitatively through reporting that links sustainability factors with company strategy”.

Within Africa, the Integrated Reporting Committee for Africa was launched by the Pan-African Federation of Accountants during their AGM held in Uganda in May 2017. The Committee which is an initiative of PAFA and the World Bank has the mandate to promote the implementation of integrated reporting in African countries. The Johannesburg Stock Exchange has mandated South African companies to adopt integrated reporting as contained in the Kings code.

Conclusion

It is commendable that a number of Banks in Nigeria have been preparing sustainability reports in accordance with the GRI Standards and CBN's Nigerian Sustainable Banking Principles (NSBPs) on an annual basis. There is still room for more robust communication of value creation by leveraging

the IIRC guidelines for Integrated Reporting. This serves as a key tool to communicate to a myriad of stakeholders including not only investors but growing new stakeholder groups. These stakeholder groups have specific needs and want to see how companies are creating value in a social and environmental sense as well as how effectively these issues are integrated into the overall company strategy. Integrated reporting brings a more holistic view to how companies are using their capitals and generating value over the short, medium and long term.

Growing foreign collaborations and investment will also play a critical role in defining the approach for reporting in the future, however it is safe to assume that an Integrated Report will answer the questions posed by these stakeholders. As with new developments specifically in the Sustainability space, it is key to build an understanding internally and drive the operationalisation of Sustainability across organisations before embarking on the Integrated Reporting Journey.



Implementing the CBN risk-based cyber-security framework effortlessly.



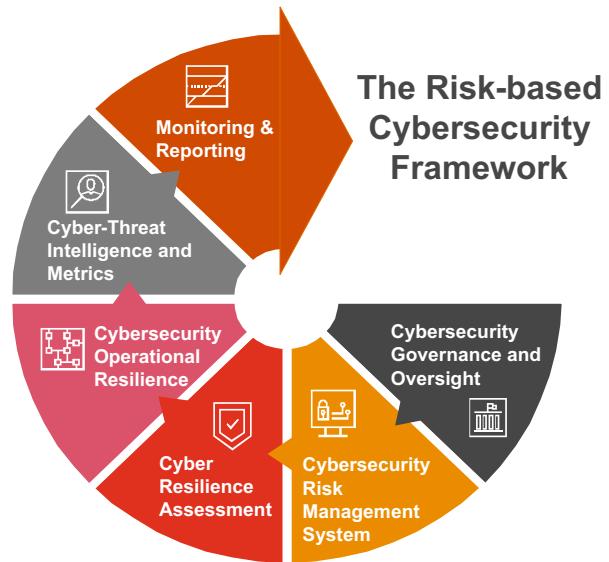
Nkiru Aimienoho
Senior Manager
nkiruka.aimienoho@pwc.com

In an era of ubiquitous cyber threats, rapid digital transformation, and the proliferation of data; cybersecurity has become a priority for many organizations. Recent reforms in the Nigerian Financial Services Industry (FSI), have led to various regulations laser-focused on curbing the cybersecurity challenges traversing the industry. However, how can these institutions seamlessly comply with the myriad rules badgered at them? By building on existing protocols.

To ensure financial services players respond effectively to cybersecurity risks, the Central Bank of Nigeria (CBN) brought into force on the 1 January 2019, the risk-based cyber-security framework and guidelines for Deposit Money Banks (DMBs) and Payment Service Providers (PSPs) giving financial players, autonomy to manage cyber threats by using effective and cutting-edge measures while maintaining accountability to the Apex bank.

The 65 paged framework provides a risk-based approach to managing cybersecurity risks with minimum requirements aimed at securing critical information assets and customer information.

Figure 7: The Risk-based Cybersecurity Framework
The six parts of the framework



The stipulated guidelines prescribe adherence to the following standards:

1. Board of directors shall have oversight and total responsibility for the organizations' cybersecurity program and policy documents (e.g., strategy).
2. There must be compulsory cybersecurity budgetary allocations.
3. It is mandatory to establish an information security steering committee must to govern the cybersecurity program and appoint a qualified Chief Information Security Officer.
4. Financial players must ensure independent reviews of the cybersecurity program.
5. A risk management system must be adopted to preclude significant impacts on the organization.
6. Organizations must strengthen their cyber defenses through the implementation of cybersecurity operational resilience, cyber-threat intelligence, and cybersecurity resilience assessments that evaluates the organization's defense posture and readiness for cybersecurity risks.
7. Organizations concerned must establish metrics; monitor, and report on compliance annually to CBN,

Organizations with an existing and robust Information Security Management System (ISO 27001:2013) can leverage on it to seamlessly comply with the CBN cybersecurity framework using the table below

Mapping ISO 27001:2013 to the CBN Cybersecurity framework

CBN Cybersecurity Framework (Parts / domains)	Applicable ISO 27001 Program requirements (clauses and controls)
Part 1: Cybersecurity Governance and Oversight	<ul style="list-style-type: none">Leadership & Commitment 5.1Information security roles and responsibilities A.6.1.1
Part 2: Cybersecurity Risk Management System	<ul style="list-style-type: none">Actions to address risks and opportunities 6.1Information security risk assessment 6.1.2Information security risk treatment 6.1.3
Part 3: Cyber Resilience Assessment	<ul style="list-style-type: none">Technical compliance review A.18.2.3Independent review of information security A.18.2.1Management of Information security incidents and Improvement A.16.1
Part 4: Cybersecurity Operational Resilience	<ul style="list-style-type: none">Access Control A.9Asset management A.8Operations security A.12Technical vulnerability management A.12.6
Part 5: Cybersecurity threat Intelligence and metrics	<ul style="list-style-type: none">Logging and monitoring A.12.4
Part 6: Metrics, Monitoring and Reporting	<ul style="list-style-type: none">Management review 9.3Monitoring, measuring, analyzing and evaluation 9.1

Bringing it all together

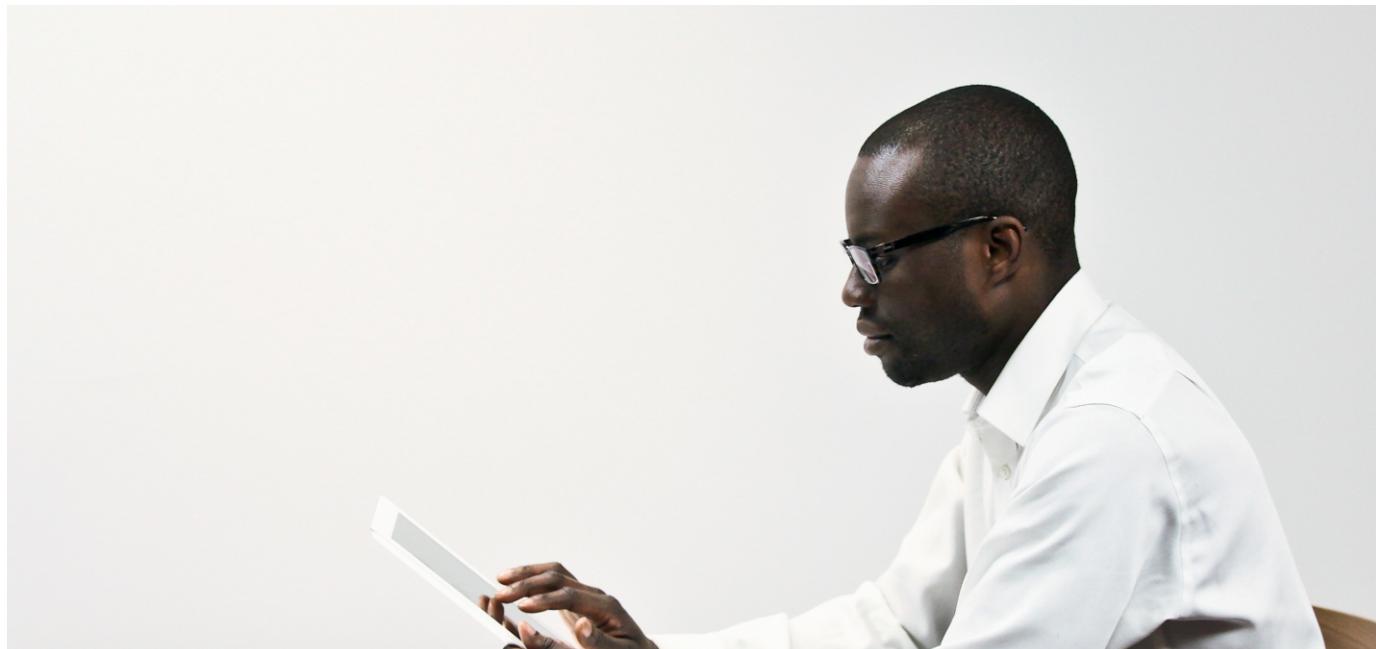
Daily headlines of cyber intrusions and its accompanying rife, pervasive, and ever-increasing impacts have led to the uptick of regulations and the growing concerns for C-suites. Organizations can incorporate and harmonize the cybersecurity guidelines into its existing information security program rather than adopt a disparate arrangement for its implementation – a daunting approach for the teams saddled with maintaining compliance.

How can we help?

PwC Nigeria's Cybersecurity consultants provide capabilities across all domains of cybersecurity with in-depth subject matter expertise, in embedding a mature cyber resilient culture, providing assurance, improving and managing existing cybersecurity capabilities.

Our key differentiators

- Cybersecurity services tailored to your peculiar needs
- A dedicated team with experience handling multi-faceted cybersecurity projects
- Global cybersecurity team with a strong presence across Africa, helping clients solve difficult problems.
- Portfolio of leading cyber risk practices and a vibrant track-record across multiple sectors and countries..





Optimising Value during Distressed Sale – Options & Criteria



Ibiyemi Odufuwa
Senior Manager
ibiyemi.odufuwa@pwc.com

The years 2017 and 2018 were challenging years for many businesses in Nigeria. A number of companies discontinued operations fully while some had to downscale operations due to various factors including significant financial debt, poor working capital management, high cost structure and poor management of operations. Some examples include Abu Dhabi-based telecommunications operator Etisalat, which terminated its agreements with its Nigerian arm in 2017, following the company's failure to renegotiate its loans with its lenders. In 2018, Intercontinental Hotel Group exited the Nigerian market, after the property was placed in receivership due to unpaid debts to its lenders.

In times of crisis, some shareholders and senior management may believe they have a good understanding of the business and challenges faced. Often times, they do not engage the right stakeholders and professionals to support in designing and implementing effective strategies to resolve issues faced by the company. When a business becomes financially distressed, business rescue proceedings help preserve value and shareholders interest - in most instances, this may include capital injection from existing or new investors.

Business Rescue Proceedings

The Companies and Allied Matters Act (Repeal and Re-enactment) Bill 2016 ("CAM Bill") defines Business Rescue and sets out the process for Business Rescue proceedings in Nigeria. The CAM Bill places priority on business rescue above liquidation and receivership. The Bill was passed by the House of Representatives in February 2019.

In comparison to other developed markets, our business rescue proceedings and insolvency laws are still at nascent stage. The Companies Act No. 71 of 2008 within South African law provides more structure on how to deal with business rescue and compromises with creditors. This legislature is considered to be one of the advanced processes for business rescue proceedings globally.

According to analyst review of Companies and Intellectual Property Commission ("CIPC")'s report on the status of business rescue proceedings in South Africa, business rescues have garnered 10% to 12% success rates when compared to the 5% global success rate since enacted in South Africa. Locally, insolvency practitioners have called and are still calling for reforms at par with best practice. The CAM Bill is part of legislative efforts to improve the existing legal framework for corporate insolvency.

Typically, business rescue professionals in Nigeria are left with no option other than to dispose the business and/or its assets to settle outstanding debts. To understand the disposal process for a distressed entity, it is important to understand factors that may lead to financial distress in entities.

Financial distress may be caused by a myriad of reasons including but not limited to:

- Highly leveraged business, cash flow and liquidity shortages which leads to the company's inability to meet outstanding debt obligations;
- inefficient working capital management;
- Mismatch in sources and use of funds;
- Decline in the industry / market growth; and
- Significant drop in demand due to obsolete products and or services.

Commercial banks have typically focused on disposal of businesses and/or assets pledged as security to reduce Non-performing loans (NPLs) on the books. However, we think that it may be time for lenders to rethink the disposal process. More careful considerations should be directed towards strategic fit, legal issues regarding the disposal/acquisition and regulatory requirements when unbundling assets and businesses in order to maximize value from their disposals.

Rethinking the Sales Process

Packaging and selling a business refers to the reallocation and transfer of ownership rights, rewards, privileges and risks from one individual to the other. In so doing, it usually keeps the business operations intact. The sale can be achieved through either a piecemeal or wholesale business sale.

In a wholesale disposal, the company sells majority stake in the business and/or its assets while trading continues, hence the sale is done on a "going concern" basis. This typically occurs in extreme pressurized situations where funds are urgently required to settle creditors and/or lenders and the promoters of the business are unable to raise funds to settle aggrieved creditors.

Both approaches can be carried out via a distressed merger and acquisition (M&A). Key success factors in completing either option includes the following:

Brand name / Franchise value:

The Intangible value ascribed to a company's brand is usually key in fostering the sales and purchase of the business. Rival companies may be tempted to take an easier option to buy an established competitor who is struggling. This provides a cheap outlet to the competitor's customers and may increase its market share easily. Buyers are typically averse to identifying with businesses that have been found guilty of fraud or a public scandal.

Strategic fit:

Entering a new market may be tricky and pose as challenging for new entrants, specifically where knowledge of operations, legal and regulatory environments in such markets are cumbersome and prevents easy route to playing

in such markets. Purchasing a distressed business presents an opportunity for companies looking to take advantage of new markets through strategic partnerships.

Economy and industry knowledge:

Without adaptability and flexibility, some industries suffer more than others during recessionary periods. This is evident in the number of companies that folded up during sustained periods of economic slowdown or downturns. Between 2016 and 2017, a number of companies in Nigeria exposed to foreign exchange debt and foreign currency line of credits, suffered huge financial losses. It may be advisable to approach a business sale on the merits of the industry and the recovery of the sector/economy from current conditions.

Type of assets:

Large manufacturing companies usually require specialized assets for operations. In most cases, these assets are bespoke and have long, production lead-time. This maybe viewed as a high-risk asset for the company and maybe a deterrent in completing the purchase transaction.

Tax and other potential liability exposures:

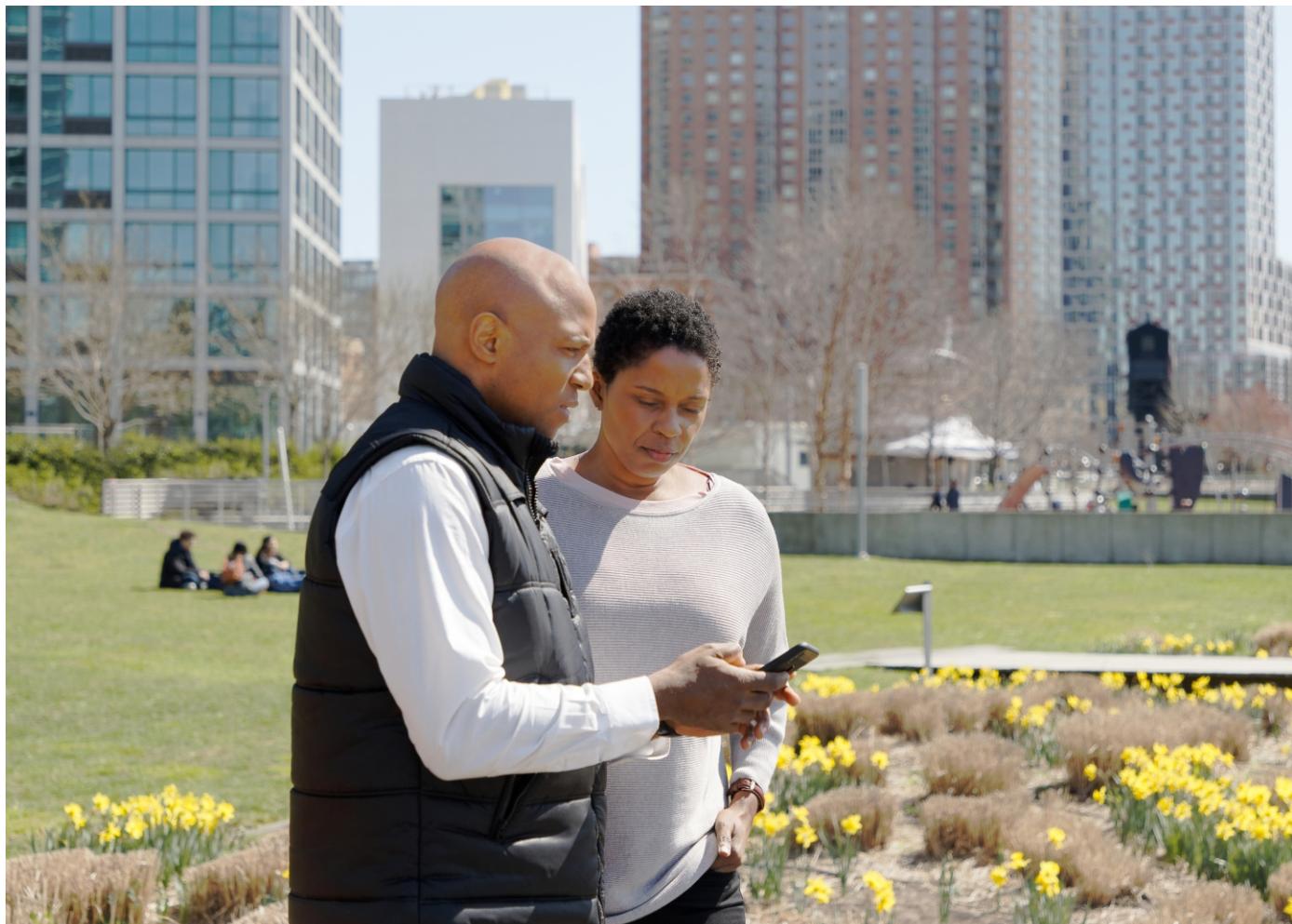
Tax represents a key issue when negotiating for the sale of a business. Most potential buyers do not want to assume tax obligations of the target as well as other known and unknown future possible obligations. It is important to ensure tax

liabilities are reduced or non-existent to increase attractiveness of the business / asset for sale.

A wholesale business sale maybe more beneficial to the acquirer if the brand name of the company is intact and the purchaser is able to realize goodwill from the target company. In cases where there are several liabilities (e.g. tax and/or outstanding, specialized debt) a piecemeal sale maybe a more appropriate option for the seller.

Conclusion

Business managers face significant challenges during the course of running their business. Lenders usually adopt a fire brigade approach to selling some of these assets. This is sometimes understandable as lenders want to avoid legal infractions that may result in a prolonged legal process, loss of time and value. Lenders are typically focused on recoveries that could optimize potential value to be realized from the business or asset. In such instances, shareholders / senior management should ensure they work with professionals experienced in restructuring of distressed companies to maintain value within the business.





Country-by-country reporting for Nigerian-headquartered financial institutions



Seun Adu
Partner
Transfer Pricing
seun.y.adu@pwc.com



Tiwa Otufale
Senior Manager
Transfer Pricing
tiwalade.otufale@pwc.com

From years of relative obscurity, aggressive tax planning has emerged at the forefront of tax issues for many governments.

"Big companies do not pay their fair share of tax" has been a resonating phrase for the last few years largely due to the perception that Multinational Enterprises (MNEs) are not paying the right amount of tax in jurisdictions where the economic activities generating the profits are performed. As a result, international cooperation between tax authorities has significantly increased, and tools to help detect aggressive tax planning by multinationals are being rolled out.

At the forefront of these efforts is the Organisation for Economic Cooperation and Development (OECD). In 2013, the OECD and G20 countries developed an action plan set out to tackle base erosion and profit shifting (BEPS) - a term which refers to strategies employed by multinationals to exploit gaps in tax rules. Action 13 of the 15 BEPS actions focuses on transfer pricing and recognises that providing tax administrators with adequate information to assess transfer pricing risks (i.e. tax transparency) is crucial to addressing BEPS. As a result, a common reporting template referred to as the 'Country-by-Country Report' was introduced.

Since the release of Action 13, many jurisdictions including Nigeria have established the necessary legal and administrative framework to meet the required standards of the OECD with respect to Country by Country Reporting. In June 2018, the Federal Inland Revenue Service (FIRS) released the Income Tax (Country by Country Reporting) Regulations 2018 with an effective date of 1 January 2018. Below we examine the objectives of the Regulations, the compliance requirements and the impact for multinational financial institutions headquartered in Nigeria.

What is Country-by-Country reporting?

A Country by Country report (CbCR) is a template for reporting certain specific financial, tax and other non-financial information about an MNE group, on a tax jurisdiction by tax jurisdiction basis.

This will include permanent establishments and foreign branches as well as information on both active and dormant entities in the group.

Country-by-country reporting is a new reporting obligation which requires MNEs that meet certain conditions to prepare and file the CbCR annually either through the ultimate parent entity of the group or a designated member of the group.

What are the new CbCR Regulations supposed to achieve?

The express objective of the CbCR is to enable tax authorities assess high level transfer pricing (TP) and other BEPS-related risks. This is because the data to be captured in the template alongside other transfer pricing documentation such as the Master file and Local file will provide tax administrators with the relevant information necessary to conduct a transfer pricing risk assessments as an essential part of tackling BEPS.

The main aim of the data is to provide tax administrators with useful information which guide decisions about where audit resources can be most effectively deployed, and in the event of an audit, provide preliminary information to begin audit enquiries.

The information is intended to make it easier for tax administrators to identify whether MNE groups have engaged in transfer mispricing or other practices that could be regarded as artificially shifting profits into tax advantaged jurisdictions.

Automatic exchange of CbCR

An important objective of BEPS Action 13 was to increase tax transparency by providing tax administrators in each of the countries where MNE groups operated with adequate information (financial and otherwise) on the global activities of MNEs operating in their jurisdiction. This meant that beyond compelling MNEs to prepare the relevant CbC reports, a mechanism was required to ensure that tax administrators could have access to the information. To address this, the OECD introduced a CbC Reporting implementation package which consists of competent authority agreements to facilitate the exchange of the CbCR by tax authorities. One of the agreements is the Multilateral Competent Authority Agreement on the exchange of Country-by-Country Reports (CbCR MCAA).

On 27 January 2016, Nigeria signed up to the CbCR MCAA which (subject to certain conditions) would allow the Federal Inland Revenue Service (FIRS) to automatically exchange CbCRs with other jurisdictions who are signatories to the agreement.

CbCR obligations in Nigeria

The Income Tax (Country-by-Country) Reporting Regulations 2018 took effect from accounting years starting on or after 1 January 2018. A Nigerian taxpayer is required to comply with the CbCR Regulations for a particular year if it is (i) a member of an MNE group; and (ii) if the MNE group's total consolidated revenue in the year preceding the reporting year exceeds NGN160 billion.

The reporting year is an accounting period commencing on or after 1 January 2018. This means that for an entity which is part of an MNE group with a 31 December year end, the consolidated group revenue for the year ended 31 December 2017 will be compared to the revenue threshold of NGN160 billion to determine if the entity has a CbCR obligation for the 2018 reporting year.

Companies that have a compliance obligation under the CbCR Regulations will be required to first file a CbCR notification with the FIRS and in some instances, subsequently file a CbC Report with the FIRS.

CbC notification

If a compliance obligation exists, each Nigerian resident member of the MNE group is required to notify the FIRS of the entity responsible for filing the CbCR, otherwise referred to as the reporting entity.

The notification must be done by the end of the accounting year for which the CbCR relates using the format prescribed by the FIRS. Based on the example above, an entity in Nigeria will be required to notify the FIRS by 31 December 2018 for its 2018 reporting year.

These notifications will need to be made annually provided the company continue to meet the conditions that create the CbCR compliance obligation.

CbC Reporting

In addition to the CbCR notification, there could also be an obligation to prepare and submit a CbC Report to the FIRS. Below is a summary of the obligation for different categories of companies.

1. Nigerian headquartered MNEs
Based on the Nigerian CbCR Regulations, a Nigerian headquartered MNE (i.e. an MNE whose ultimate parent entity is resident in Nigeria) must file the CbCR with the FIRS no later than 12 months from the end of the accounting period of the group.

Therefore, an MNE group with a December year end will be required to prepare and file the CbCR by 31 December 2019 for the 2018 reporting year. The Headquarter Company should normally file the CbCR. It may however be filed by another entity designated to file on behalf of the group.

2. Non-Nigerian headquartered MNEs

Nigerian members of MNE groups headquartered outside Nigeria will ordinarily not file the group's CbCR with the FIRS. The FIRS should get the CbCR (through the automatic information exchange mechanism) from the tax authority of the country where the Headquarter Company of the group is located.

There are however certain circumstances where the Nigerian member of the group will be required to file the CbCR in Nigeria. These are:

- Where the ultimate parent entity is not obligated to file a CbCR in the jurisdiction where it is tax resident; or
- Where the jurisdiction in which the ultimate parent entity is resident, has no qualifying or active information exchange agreement in place with Nigeria at the time the obligation to file the CbCR falls due; or
- Where there is a failure with the automatic information exchange system between the jurisdiction of the ultimate parent entity and Nigeria.

Non-compliance

There are penalties for non-compliance of the CbCR obligations.

Late filing of the notification to the FIRS attracts a penalty of N5 million in the first instance and N10,000 for every day the default continues. Late filing of the CbCR attracts a penalty of N10 million in the first instance and N1 million for every month the default continues. Filing a CbCR with incorrect information or false declarations will attract a penalty of N10 million.

As at the date of printing of this article, the FIRS has started issuing penalties to qualifying entities for failure to notify.

Implication for financial institutions

CbC reporting is one of the means by which tax authorities aim to obtain information about the

operations of MNEs across the world. The intention is that with CbC Regulations implemented, countries will be able to more accurately gauge the risk inherent in intra-group transactions and take appropriate, targeted action against multinationals. However the CbCR also opens wide a window of opportunity for MNE groups. Used creatively, CbCR will allow MNEs detect their own TP and other BEPS-related risks, as well as address these risks proactively.

A number of Nigerian banks and other financial institutions have grown into large multinational groups and as such will be required to comply with the new CbC Regulations. Such organisations must immediately plan to meet their CbCR obligations in Nigeria and other countries (if applicable) to avoid penalties. This may require modifying current systems or putting in place new systems to enable the relevant data to be gathered for the reporting process.

To assist with tax authorities with assessing the necessary risks, the OECD has issued a CbCR Handbook on Effective Tax Risk Assessment which discusses some specific tax and TP risk indicators whilst also highlighting certain ratios which are indicative of TP and other BEPS-related issues. It also advises tax authorities what insights to draw from those ratios.

Consequently, affected financial institutions are encouraged to carry out a risk assessment exercise to understand how their global allocation of income across jurisdictions vis a vis the economic activities in such jurisdictions is likely to be perceived by the tax authorities. This will allow such institutions to address transfer pricing risks identified as well as complex operating structures which may be challenged by the tax authorities.



The Case for Open Banking in Nigeria



Damola Yusuf
Partner
damola.yusuf@pwc.com

Nigerian financial service providers have made huge strides in their digital transformations in recent years. They have invested heavily in new technologies that help them serve their customers better, while making sure they have the risk management, cybersecurity and governance practices in place to enable them successfully execute on their innovation plans.

Amidst all the progress, several forces are combining to take the innovation push to the next level. Competition is increasing, as technology players of all sizes seek to make their mark on the financial services industry. Consumers, who have come to appreciate the added convenience of digital services in many aspects of their lives, are now expecting similar experiences from their banks. And with concern about private breaches on the rise, customers are looking for more control over their data. Enter Open Banking. It lets customers have increased control over their data, while supporting the innovation everyone wants to see more of.

The global momentum towards Open Banking is clear and Nigeria needs to take the lead in its implementation in Africa. Cooperation between FS stakeholders including regulators, advocacy groups and independent bodies is important and required to make Open Banking a reality.

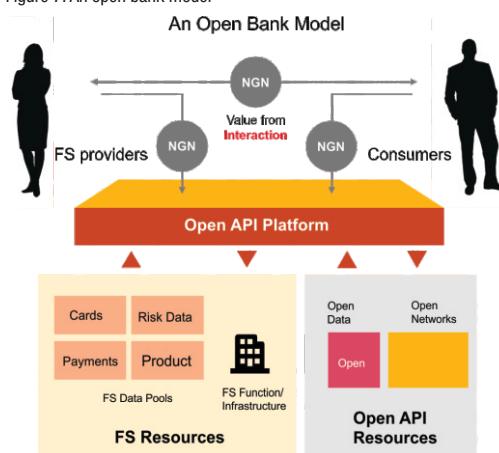
For regulators and the government, the importance of open banking in improving the ease of operating businesses in Nigeria and attracting foreign investments cannot be overemphasized. Nigeria will need to develop standards to suit our local financial system, while leveraging on the methodologies, successes and failures of implementing Open Banking in the West.

What is Open Banking?

Open Banking is a blanket financial services (FS) term used to describe the use of open technologies by third-party providers (TPPs) to build services and applications around financial institutions. It provides guidance on how TPPs can access and utilize customer bank data in a standard format to provide more open, transparent and competitive banking services.

To put it in a more straightforward term, Open Banking means that no matter how many accounts and financial products a customer has, he/she can view and manage them from a centralized position. Data is power, and Open Banking has the potential to revolutionise the FS landscape for all stakeholders from customers to traditional banks and even the regulators. It is a fundamental shift from a closed model to one in which data is shared between different members of the banking ecosystem with authorisation from the customer.

Figure 7: An open bank model



A key enabler for an efficient Open Banking landscape is the Application Programming Interface (API). An API is a simple and standardised means by which technology platforms from different vendors or locations communicate with each other. It allows for the controlled yet seamless flow of data between systems.

APIs have become the world's most popular means of integrating software systems. However, the beauty of APIs is only appreciated when companies agree on common standards. Standards, such as SMTP that drives emails, has made life easy for all. Irrespective of the phone or email platform used, emails will deliver rapidly to the recipient anywhere in the world.

Another critical example, especially within the financial industry, is the debit card. Though the card may be issued by a Nigerian bank, it is universally accepted at ATM/PoS terminals around the world. It is evident that standards ensure that localised initiatives work seamlessly across the globe.

Why Open Banking?

According to the World Bank, four percent (4%) of all unbanked adults in the world in 2017 resided in Nigeria. With statistics that show that 10 percent of the unbanked population have access to a mobile phone and internet, there is considerable room for financial providers to reduce the unbanked population in the country.

Despite concerted efforts by the FG to improve the ease of doing business and financial inclusion in Nigeria, innovative financial services technology firms (FinTechs) face increasingly difficult barriers to providing services and applications to consumers. Beyond the widespread issues such as shortage of qualified human resources, irregular power supply and scarcity of affordable loans, a major challenge remains the complicated integration process with traditional banks. For instance, based on our experience working with banks and anecdotal evidence, it takes considerable effort and weeks to integrate with a third party service, negatively affecting the time to market.

Our increasingly digital world makes the need for cooperation between the FinTechs and traditional financial institutions only more important to provide more effective and efficient financial services through the linkage of the various financial networks.

Around the world, organisations are entering into agreements to share financial data through channels including APIs. For instance, in the United States of America (USA), Wells Fargo Bank announced a partnership with Xero2 (Financial Software Provider) to share all transactions performed in the bank account with the accounting software. Singapore has also launched a large Fintech market built largely around APIs to regulate banking activities.

In Nigeria, however, integrating to banks and the financial network has been difficult. Anecdotally, as much as 90% of all integration projects with banks either fail or are significantly delayed rendering them obsolete. Currently, startups have to integrate with each bank, which could last months or even years.

Even in the case where two banks use the same software, such as Finacle or Flexcube, the technical approach poses a barrier due to the uniqueness of customised elements within each implementation.

With all these challenges, it becomes imperative for a common standard and language for financial services providers to converse. This is where Open Banking comes in.

PwC's Perspective on Open Banking

Many ideas behind Open Banking have been around for a long time and FS players have clamoured for a simpler means of connecting to and transmitting data within the ecosystem.

In addition, the successful implementation of the Central Bank of Nigeria's financial inclusion goal and the recently released guidelines for the creation of Payment Service Banks(PSB) relies heavily on the smooth connectivity between the PSB and third party providers.

There are three schools of thought regarding implementation of Open Banking:

- The threat school sees Open Banking as a new cost expense and not revenue driven. Moreover, the new level of competition stimulated by open banking is expected to mainly require a tactical response, perhaps in the form of lower prices, to defend the customer interface.
- The wait-and-see school views Open Banking as a not-yet-ripe chance to better serve customers and extend market reach. In this school, it is too early to tell how open banking can be used to create value. Most players in Nigeria currently subscribe to this school of thought.
- The catalyst school sees Open Banking in the broader context of the fundamental disruption that is under way across the global financial sector. This school believes that the time for responding is at hand — indeed, some say it is already passing.

At PwC, we see that Open Banking can take many forms depending on several factors such as risk appetite for FS players including consumers, regulatory input, applicable products (e.g. loans vs. transactional accounts) and existing technology capabilities. Three of the leading open banking instances are:

- Open Data: Involves the use of APIs to allow verified third parties to access customer data
- Open Process: Involves leveraging open APIs to access bank systems and initiate transactions for customers
- Open Products: Refers to the ability of third parties to create financial products or for customers to move accounts between financial providers.

API connectivity is not new and many organisations today integrate and share data with Software as a Service (SaaS) providers using APIs. Using APIs can specifically reduce the cost, time, and complexity for banks to connect third-party solutions with their core systems. However, that connection is usually bi-directional and not published publicly meaning it is not truly "open." The next phase will likely be a broader open architecture that provides more consumer choice in financial solutions and encourages third parties to develop new services on top of bank platforms and data.

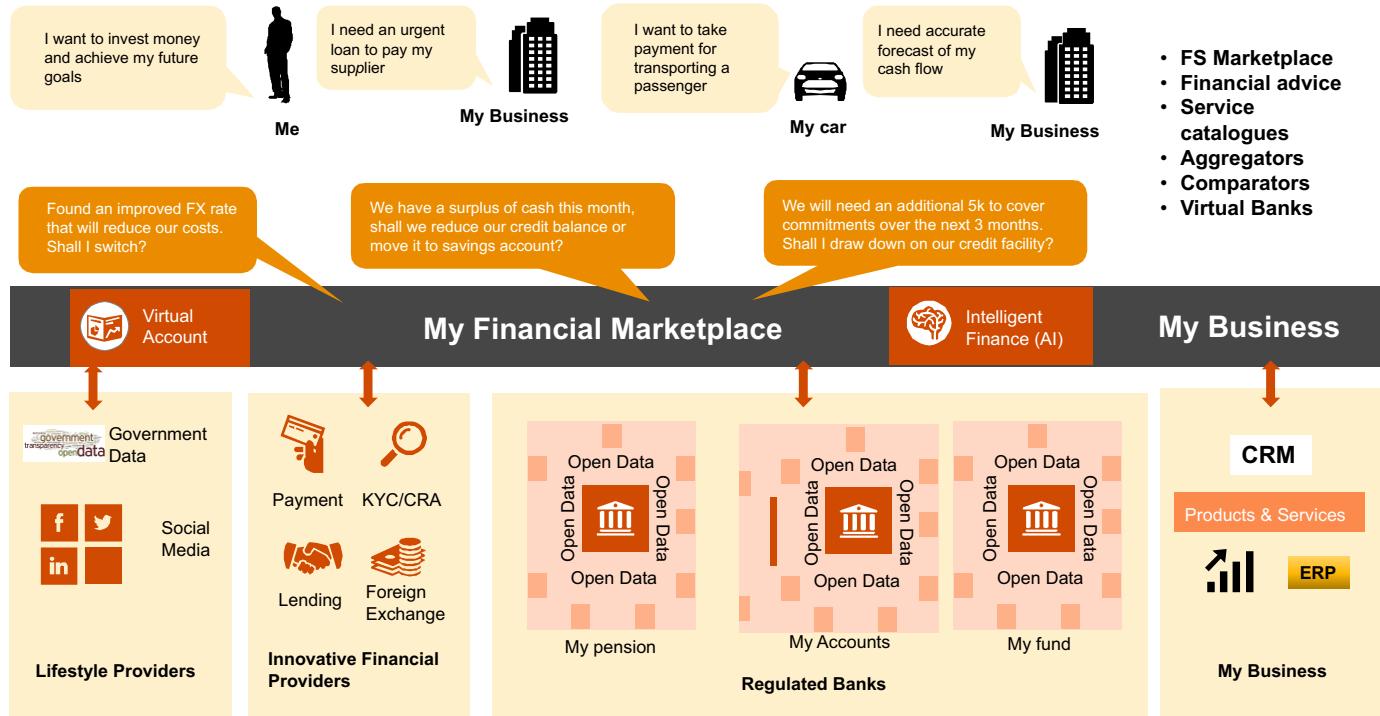
The case for Open Banking in Nigeria

Today, banks operate in a closed ecosystem where customers leverage digital channel offerings of their banks. Banks communicate with one another over trusted/closed payments networks and bureaus, and innovators are locked out. In future, Open Banking will dramatically change the landscape, as innovators will become part of the ecosystem.

By making data and systems available to third parties, financial institutions can expand their addressable market, achieve product diversity, and commercialize core systems.

For FS players, there is reason to be uncertain of any strategy that involves the sharing of data, which is a valuable organisational asset. It is hard to imagine an organisation sharing confidential sales activity or personal individual transaction data—and harder yet to imagine exposing this data to potential competitors. Nevertheless, this is the premise of Open Banking, which means financial services companies need to consider whether and how to share consumer data with commercial parties and distribute third-party products with bank customers.

Figure 8



With the UK and EU releasing regulations requiring banks to share data and Australia passing Open Banking measures, there is increased awareness of the potential benefits and challenges of open banking in the global Financial Services sector.

Open Banking has the potential to provide considerable benefits to all players in the financial services sector in the following ways:

- Using data, organisations are better placed to understand consumer financial behavior and trends. Businesses, including banks and other financial services firms, can use data to assess a borrower's likelihood of repaying loans, financial position and goals and purchasing preferences.
- Consumers can also use data to understand their own behavior and interests. Empowering consumers to make better decisions is appealing both to help protect consumers' interests and to drive more robust competition.
- Greater bank data availability could also help drive innovation. Service providers may develop innovative ways of understanding and improving financial behavior and outcomes.

What happens if the Nigerian financial sector adopts the same API standard for integration?

The Nigerian banking industry, under the regulation of the Central Bank of Nigeria, has a history of collaboration to create impactful standards across several banking activities. Examples include the Nigeria Uniform Bank Account Number (NUBAN), Bank Verification Number (BVN) and NIBSS Instant Payment (NIP).

These standards have driven the expansion and security of the payment ecosystem, landing Nigeria a position in the top five attractive countries for foreign direct investment in Africa. As noble as these efforts have been, the integration standard between banks has not been addressed leading to a complex integration landscape across the industry.

If banks adopt a uniform API standard, there would be more seamless integration with the Fintechs leading to cheaper operating costs and enhanced customer experience.

What are the opportunities for existing FS players?

Open Banking has the potential to lead to wide disruption in the FS landscape and all players need to be aware of the potential changes to their business models and revenue streams.

- FS Marketplace
- Financial advice
- Service catalogues
- Aggregators
- Comparators
- Virtual Banks

Traditional Banks:

They have strong brands and are trusted to look after customers' money, identities and data. They already have large established customer bases, and Open Banking provides a way of enriching the functionality and experiences that they can offer. This would typically be through better use of analytics and personalisation, combining data already held by the bank with data gathered from other institutions and sources.

However, Open Banking could lead to weakening of customer relationships as customers could decide to deal directly with FinTechs/TPPs. There is also the reputational risk associated with data breaches, even if the breach did not directly occur on their platform.

The key differentiator for banks will be their ability to understand the data they currently have and utilize it in a customer-centric approach.

Digital Banks

Open Banking is a core concept for many digital banks, who have built their systems with customer centricity, partnerships and continuous innovation in mind, and whose platforms have modern, modular architectures that lend themselves to API-based sharing. In Africa, we are seeing an uptick in Banks either launching digital only banks (e.g. Tyme Bank in South Africa and Kudi Bank in Nigeria) or creating a separate digital unit within their existing structure (e.g. Alat by Wema Bank in Nigeria). While digital banks do not need Open Banking to succeed, their business model means that they are natural champions of an API sharing world and it provides an even bigger pool of services and opportunities to their customers.

FinTechs and Payment Providers

As FinTechs are fundamentally focused on providing financial solutions, access to financial data is critical for them to create new solutions and to prove their value to prospective users. Open Banking, therefore, provides a big opportunity to scale up their customer base and products. They can expect to face increased competition from incumbent banks scaling up their digital offerings and new entrants to the FS landscape. Payment providers in Nigeria currently provide innovative products to their customers such as payment through USSD, phone number and social media. They can nonetheless realise significant opportunities through open banking by enhancing the services they provide to customers and speeding their time to market for new products.

New Business Channels:

Open Banking provides opportunities for new and diverse business offerings such as comparison sites and centralized KYC management. While they are not prevalent in Nigeria due to the lack of public information such as loan rates, current account returns and fixed deposit rates, open banking provides the opportunity for this type of business to kick off strongly in the country.

So, what next?

With the rapidly evolving banking sector, Open Banking is set to transform the previous ways of working. Nigeria needs to be adequately prepared to pioneer this promising initiative in Africa, with support from the government and other stakeholders.





Meeting the requirements to report on Internal Controls over Financial Reporting : what you need to know and how you should prepare



Obioma Ubah
Partner
obioma.n.ubah@pwc.com

Introduction

The Investment and Securities Act 2007 (ISA 2007) requires that the board of directors of a public company to report on the effectiveness of the company's internal control system in its annual report (section 61 (2)). ISA section 63 also require the Auditor of the public company, in his audit report to the company, to issue a statement as to the existence, adequacy and effectiveness or otherwise of the internal control system of the company.

The CBN code of corporate governance requires that the External Auditors of banks to render reports to the CBN on the bank's risk management practices, internal controls and level of compliance with regulatory directives (section 5.2.10).

Section 7(f) of Part 1 of Financial Reporting Act of 2011 requires management assessment of internal controls, including Information Systems controls with Independent attestation.

These requirements are designed to strengthen financial reporting in corporate Nigeria and create an environment of quality in the application of internal controls over financial reporting.

Following the enactment of the ISA 2007 and subsequent issuance of the CBN code, there was very little compliance due to the absence of a framework or guidance to reporters and practitioners on the practical application of the requirements.

Draft Guidance for use by Practitioners was exposed for comments by the Institute of Chartered Accountants of Nigeria in April 2016. The stated objective of that draft Guidance is to assist an assurance practitioner (including those serving as auditors), in designing, planning, performing and reporting upon an assurance engagement on controls over financial reporting.

Whilst comprehensive Guidance for both Practitioners and Reporters has not yet been issued by the appropriate authorities, it is important for reporters to be aware of the related requirements so that they can begin to prepare internally.

Which companies are affected by the requirement to report on internal controls over financial reporting?

The ISA 2007 applies to public companies while the CBN code applies to Banks.

How is this requirement different from previous reporting requirements?

Previously, the Directors issued the financial statements, while the Auditor issued an opinion on those financial statements.

In addition to the responsibilities above, Securities & Exchange Commission (SEC) requires the directors and external auditors of public companies to report on effectiveness of internal controls over financial reporting. The CBN code also imposes a requirement on the Auditors of banks to review compliance with policies and internal controls put in place to manage and mitigate the institution's risk.

What are the implications for Reporting Businesses and Practitioners?

For reporters

The management and the board of directors of a company are responsible for ensuring that the entity's internal control system meet the requirements of a recognised internal control framework such as COSO. Where there are gaps between existing controls and the internal control framework (such as COSO), they would need to seek for ways to address the gaps and consider the cost implications and resources necessary to comply with the requirements.

For auditors

Where the auditor is performing the controls assessment at the same time as a financial statement audit, he/she would need to consider the impact of the requirements on the cost and timing of the audit, and incorporate it in his/her planning process.



What are the key challenges and considerations for stakeholders?

Based on our experience from working with Nigerian companies who are required to comply with similar requirements as a result of group reporting requirements to other jurisdictions, we anticipate that a number of companies will face some challenges in their readiness efforts. Some of the challenges are highlighted below:

Inadequate involvement of senior level management and board oversight:

Without adequate involvement from the leadership, there would be a high risk where internal control efforts will be aimed at meeting compliance requirements, with little or no benefits to the business. For instance, managers may document the 'evidence' of control execution, purely to leave an 'audit trail', focusing on form rather than the substance of internal controls.

Inadequate skills: There would be a shortage of man power with the necessary skills to achieve these requirements both for the reporters and the auditors. There would be need for extensive training to facilitate understanding of the requirements.

Strengthening entity level control components: This is often challenging because it deals with qualitative issues such corporate culture and ethics. These components take time to embed into a company, and cannot be implemented in a day.

What are the key success factors?

- Ability to leverage current control infrastructure.
- The existence of a strong and risk-based internal audit function.
- Early engagement of all stakeholders.
- Effective communication between management, auditor, board of directors and the regulator.

How PwC can help:

This reporting requirement will challenge reporters including organisations with sophisticated governance structures, strong and financially supported infrastructures, and mature control environments. Moreover, recognising that regulators and the public are serious about enhanced corporate responsibility, companies are increasingly viewing compliance with internal controls over financial reporting as core for larger corporate governance initiatives. As a result, globally we are often called upon to help. We believe that in our environment companies may require our support in one or more of the following areas:

- Documenting and assessing internal controls
- Understanding regulatory requirements and developing an effective compliance infrastructure
- Enhancing the internal audit function to comprehensively support management's assessment of internal control effectiveness
- Supporting audit committee, board and senior executive compliance
- Designing and implementing internal controls
- Enhancing financial closing and internal and external reporting processes
- Establishing effective antifraud programs and controls
- Improving data management and security

Contributors

Editors

Patrick Obianwa
p.obianwa@pwc.com

Chioma Obaro
chioma.obaro@pwc.com

Ibrahim Lawal
ibrahim.lawal@pwc.com

Sylva Ifedigbo
sylva.ifedigbo@pwc.com

Authors

Damola Yusuf
damola.yusuf@pwc.com

Seun Adu
seun.adu@pwc.com

Obioma Ubah
obioma.n.ubah@pwc.com

Richard Ansong
richard.ansong@pwc.com

Nkiru Aimienoho
nkiruka.aimienoho@pwc.com

Ibiyemi Odufuwa
ibiyemi.odufuwa@pwc.com

Tiwa Otufale
tiwalade.otufale@pwc.com

Marilyn Obaisa-Osula
marilyn.obaisa-osula@pwc.com

Lanre Banjo
olanrewaju.banjo@pwc.com

Omonye Ukpoma-Ajiten
omonye.ukpoma@pwc.com

Special thanks to:

Nurudeen Odehyina
Stephen Okwechime

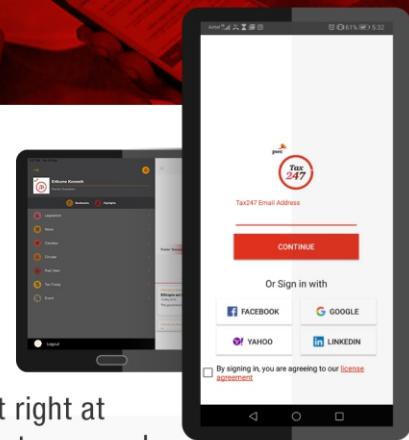






Why Tax247?

Tax247 is your one stop shop for tax content right at your fingertips. It's reliable, convenient, easy to use and not to mention, hassle free!



What are the offerings?

Features	Access
Nigerian and International tax and business news	Free
Tax legislations	Free
Nigerian tax treaties	Free
Personal Income Tax calculator	Free (Upgrade to Premium for total access)
Notable Tax calendar and events	Free
Decided tax cases	Free
Global search	Premium
PwC alerts and Circulars	Free
Bookmarks	Premium
Smart cross reference	Premium
Highlights	Premium



To upgrade to the premium version, please find the pricing

Monthly	NGN 2,200
Quarterly	NGN 5,500
Bi-Annual	NGN 11,200
Annually	NGN 19,900

Download the app for free today on Google Play Store and iOS store



Contact us :
Kenneth Erikume
kenneth.y.erikume@pwc.com

Olufemi Odumosu on
olufemi.o.odumosu@pwc.com



PwC Nigeria offices

Lagos
Head Office
Landmark Towers
5B Water Corporation Road
Victoria Island
P.O.Box 2419
Lagos, Nigeria
T: +234 1 271 1700
F: +234 1 270 3108

Annexe
17 Chief Yesufu Abiodun Way
Oniru Estate
Victoria Island, Lagos
T: +234 1 271 1700
F: +234 1 270 3108

Abuja
Second Floor, Muktar El-Yakub's Place
Plot 1129 Zakariya Maimalari Street
Opposite National Defence College (War
College)
Central Business District, Abuja
T: +234 9 291 9301 - 4, 291 4588
F: +234 9 461 3747

Port-Harcourt
35 Woji Road
GRA Phase II
Port-Harcourt, Rivers
T: +234 84 571 513
F: +234 84 237 959

Email: enquiry@ng.pwc.com
Website: www.pwc.com/ng
Twitter: @PwC_Nigeria
Facebook & LinkedIn: PwC Nigeria
Instagram: @PwC_NG





Experience Centre



PwC Experience Centre

3rd floor, CCP Place,
17 Chief Yesufu Abiodun way,
Oniru, Victoria Island.
Phone: +234 (1) 277 7150

#PwCExperienceCentreLagos

About PwC

At PwC, our purpose is to build trust in society and solve important problems. We're a network of firms in 158 countries with more than 250,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more by visiting us at www.pwc.com/ng



© 2019 PricewaterhouseCoopers Limited. All rights reserved. In this document, PwC refers to PricewaterhouseCoopers Limited (a Nigerian limited liability company), which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.