



**Trevor Ward**  
MD: W Hospitality  
Group

# An Eye on West Africa

**A** recent report from the Lagos State government said that Lagos had a record December, with spending of more than NGN50 billion (that's about US\$140 million, or US\$4.5 million each day) in the hospitality and entertainment sector, mostly over the Christmas and New Year holidays.

This was spent by residents of the city, as well as by an estimated three million people entering the state to have fun during the month. Several hotels offered special rates, and the multitude of bars, restaurants, nightclubs, cinemas, shopping centres, event centres... all benefited from this exceptional spending.

What other city in Nigeria, indeed what city in West Africa, can boast such an entertainment offering, except Lagos? It seems that a new bar or restaurant opens every week. Sure, some close down too, but the scene is infinitely better than it was 10 years ago. We have some seriously good coffee bars, too! And to boost the "normal activity", there was the One Lagos Fiesta, and concerts by the likes of Davido, Wizkid, Burna Boy, Adekunle Gold and Rhythm Unplugged.

It just shows that the perception of Nigeria as a homogenous country is wrong – we're a huge country, with 200 million people, and the country stretches from the Sahara in the north to the Atlantic Ocean in the south. Lagos is a city of around 20 million people, and is quite, quite different from Abuja, the nation's capital, and Kano, the capital of the north. The city government claims that the economy of Lagos State on its own is the fifth largest in Africa, after Egypt, South Africa, Algeria and Nigeria as a whole.

Lagos certainly does considerably better than the Nigerian average in many respects, but we are of course 'joined at the hip' with the national policy. In that respect, we join the group of countries such as the UK, the USA and South Africa that face quite considerable uncertainty in 2019.

The four-year cycle of elections is upon us, with the presidential elections to be held on 16 February, and the gubernatorial elections (for the governors of the 36 States, including Lagos) on 2 March.

Whilst both dates are incredibly important (and visitors should note that there is a ban on movement on the streets during the day – stock your fridge and watch the rugby), it is the presidential election that will set the tone in the country for the next four years. According to INEC, the election commission, there are more than 70 presidential candidates! That's going to be a long ballot paper. There are two frontrunners, the incumbent Muhammadu Buhari of the All Progressives Congress, and the challenger, Atiku Abubakar from the People's Democratic Party.

I'm not taking sides (I don't have a vote), but suffice to say that every research paper I have read so far says that things are in the balance, and that the future of Nigeria's economy, as well as socio-economic and socio-demographic progress, depends entirely on who wins in February. Uncertainty reigns, and will continue – if the PDP win, the change of government won't be until the end of May, with the year almost half gone.

We have to wait and see, and in March there will be the same battle in Lagos with the PDP looking to unseat the incumbent APC State Government – except that, even if the APC win, and there is continuation of the party in power, the present governor is not standing for election, so whatever happens, there will be change.

But Lagos has demonstrated time after time its ability to carry on regardless. The hotel industry in the state had its best year in 2018 since 2013, despite the political uncertainty (electioneering started ages ago) and the anaemic economy. December was good in terms of occupancy, and general managers are reporting that 2019 has started well.

How the year turns out depends, again, on the outcome of the elections, the impact of the results, the action (or inaction) of the winners and losers, and on investor confidence.

We're not expecting too many new hotels opening in 2019. There's very little on my radar in Lagos, just the 76-room Mantis Providence in Ikeja, and possibly the 250-room Marriott, also in Ikeja. Elsewhere in Nigeria we could see the opening of the 146-room Four Points in Ikot Ekpene, in Akwa Ibom State (making that the second Four Points hotel in Nigeria), the Grand Mercure with 115 rooms in Abuja and the Best Western in Enugu (76 rooms).

Other potential openings in West Africa in 2019 include the 220-room Ascott in Accra's Osu district, the 84-room Ramada Encore in Cotonou, and Africa's first Hyatt Centric, 152 rooms in Dakar. And by the way, there are presidential elections in Senegal and Guinea Bissau this year, too, and parliamentary elections in Benin.

Some action then, but as ever the likelihood of these hotels actually opening this year is... uncertain. Most were expected to have opened last year, if not before. In Africa, whether it's the elections or the opening of new hotels, we are (and have to be) very good at 'wait and see'. ■

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