



## Navigating Currency Depreciation: Strategies for Quantity Surveyors in Nigeria

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### ABSTRACT

Currency depreciation is a decline in a country's currency relative to another's in a floating exchange system. Nigerian quantity surveyors face challenges in navigating this due to volatile exchange rates, oil prices, external debt, political instability, and economic policies. To mitigate this, diversify investments, use derivatives, implement cost control measures, and explore local sourcing. Quantity surveyors play a crucial role in promoting economic stability by estimating project costs, negotiating contracts, controlling expenditures, and managing risks. The Central Bank of Nigeria is making efforts to revive the Naira, but these policies seem to be devaluing the Naira and causing economic hardship. The study explores Nigerian quantity surveyors' strategies for managing currency depreciation, focusing on cost estimation, budgeting, and financial management to ensure project sustainability and financial resilience. The study will employ a structured methodology, including literature review, data collection, case studies, surveys, quantitative and qualitative analysis, and framework development, to investigate currency depreciation strategies for Nigerian quantity surveyors. The depreciation increases inflation (3.15), and tightens the monetary framework (3.12). The coefficient of determination (R<sup>2</sup>) is 0.432015, indicating that 43% of the Quantity Surveyor's Estimate inaccuracy in Nigeria is explained by Naira Depreciation and currency devaluation. This is a significant factor in the Nigerian construction industry, as it leads to numerous variations and claims from both contractor and client perspectives. The study suggests that Nigerian quantity surveyors should monitor exchange rates, diversify procurement, adopt risk management strategies, improve financial management, invest in technology, engage stakeholders, and advocate for policy reform.

**Keywords:** Construction Cost, Currency depreciation, Devaluation, Strategies, Quantity Surveyor Estimate.

### 1. INTRODUCTION

Currency depreciation is a decline in a country's currency relative to another's currency in a floating exchange system. Nigerian quantity surveyors face challenges in navigating this due to volatile exchange rates, oil prices, external debt, political instability, and economic policies. To mitigate this, diversify investments, use derivatives, implement cost control measures, and explore local sourcing. Continuous monitoring and collaboration with financial experts are crucial for successful project execution. Currency depreciation in Nigeria is a result of economic policies that are not in coordination with market conditions and forces, often occurring spontaneously during economic crises. naira was reported to have maintained relative stability, closing at N414.4 per US\$ at the end of December 2021, indicating an increase of 10.2% or US\$43.72 billion [1].

It was reported by [2] that Currency devaluation is a government or a nation's central bank policy to deliberately strategize or intentionally reduce a currency's value to address economic challenges and boost exports. The Quantity Surveyor is a construction cost expert responsible for ensuring accurate and reliable construction costs during currency depreciation. They should use a method of measurement that accurately represents the cost, scope, time, and quality of the project. This includes properly rounded-off quantities, evaluating material components, re-valuing quantities, and avoiding marginal approximations. The use of net measurements is also essential, with deductions for voids and enumerated items being counted. The Quantity Surveyor should ensure proper use of rates, price confirmation based on current market prices from verified suppliers/vendors/distributors, allowances for contingencies, provisional sums, labor rates including notable taxable charges, and the economic basis of cost application considering modified finance acts for business transactions. They play a crucial role in promoting economic stability by estimating project costs, negotiating contracts, controlling expenditures, enhancing productivity and economic performance, and managing risks associated with construction projects.

Contract conditions prepared by the Quantity Surveyor should consider the present economic condition of currency depreciation and allowable modifications to cost sums if there are deeper economic challenges. The contract procurement tender should be designed to favor both parties for the smooth running of the contract, with the contractor's acceptance of variation and fluctuation being crucial. The contract project administrator should have good synergy with the Quantity Surveyor on project time and scope to ensure that the project is scheduled in a way that reflects the construction cost [3]. Properly costed contracts with abnormally scheduled time will lead to unmanageable claims. The project timing and cost work hand in hand and none

can be avoided or put aside in a contract. The effects that falling naira or currency depreciation can have on quantity surveyor cost estimate will be abandoned projects in some instances, unplanned wage rate to workmen, inflation to material procurement, excessive variations, material fluctuations, invaluable contract, poor job planning, un-anticipated taxes, excessive taxes, unfulfilling project financing, un-met project budget, cash flow destabilization, and excessive scope modification. According to [4], Currency appreciation is an increase in the value of a currency to another country's currency. The floating rate is what determines the demand and supply mechanism in the forex market. Some of the factors that lead to currency are effective government policies, increase in export trade, enhanced modification of balance sheet, coordinated interest rate, government repayment of debt burden, and other enhancing factors. Currency appreciation is a factor or condition that every government of a nation aims at to obtain an economic boost. The construction industry as a sector at this time is progressive in revenue and yield.

The problem statement is that Depreciation has markedly escalated the prices of construction materials, equipment, and services thus affecting project budgets and financial viability in the Nigerian construction industry by extension there influencing the functions performed by quantity surveyors in project cost estimation and management. Due to unstable government policies, varying inflation rates, and economic instability, Nigeria's quantity surveyors may lack complete risk strategies that can be used to curb the effects of currency depreciation on construction projects. The currency risk management and availability of financial instruments for hedging against currency fluctuations remain a challenge mainly because of a lack of knowledge, and practical skills. Consequently, the safety or profitability of construction projects in Nigeria might be in jeopardy particularly due to excessive costs, delays, and possible termination resulting from currency depreciation. The research thus investigates Nigerian quantity surveyors' strategies to manage currency depreciation effectively, focusing on cost estimation, budgeting, and financial management to ensure project sustainability and financial resilience.

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## 2. LITERATURE REVIEW

### **Naira Depreciation and Construction Industry**

The Nigerian Naira's depreciation has had a significant impact on the construction industry in Nigeria, due to factors such as fluctuating global oil prices, economic instability, political uncertainties, and weak fiscal policies. This leads to increased costs of imported construction materials, equipment, and machinery, disrupting project budgets and profitability. The depreciation also increases inflationary pressures, affecting the purchasing power of construction firms and consumers. The government has implemented policies to manage depreciation and risk management strategies. Nigeria's economy has been devalued since 1986 due to its embrace of dollar transactions for oil export refining [5]. The introduction of a second-tier foreign exchange market (SFEM) by the International Monetary Fund (IMF) to the Ibrahim Babangida Administration led to a spike in the dollar's exchange rate, prompting the emergence of the Bureau de Change to ease transactions and make the dollar more accessible for use. According to [6] reported that Naira's Depreciation continues, to drop to N1416/\$1 at the official window and N1,450 in the parallel market which has raised worry amidst transaction needs and reflects economic uncertainty. It further stated that the earlier daily turnover recorded an increase of 89.5 percent to \$ 160.77 million compared to \$84.83 million earlier recorded.

Economic and financial analysts are requesting and seeking the need for economic policies to be re-evaluated to safeguard the Naira, the Central Bank of Nigeria is making serious efforts and putting measures in place on how to revive the Naira but the policies seem not to be thought thoroughly to meet expected breakthrough. Instead of the measures yielding results, it seems to be devaluing the Naira as well as causing more economic hardship. A suggestion from [7] opined that shifting towards a managed float system allows flexibility so that thought-out initiatives can boost foreign exchange reserves. In boosting the economy sectors such as Agriculture, boosting oil production, encouraging infrastructure development, and utilizing borrowed loans effectively, Infrastructural growth is the measure that can handle unemployment. Incentivizing foreign remittances is one of the notable measures to put in place as well [8].

The construction industry is a sector that is made up the building construction, civil engineering works, mechanical installation, electrical installation, and the environment. This sector reacts to the policies of the government as well as other sectors for it to function effectively through every stage of its process. Construction pre-planning, mobilization, execution, and post-construction require finances to plan and manage [9,10,11]. When this planning around finances is not working favorably it affects its output and its growth. Naira devaluation is a deliberate attempt to lower the value of Naira with other countries' currencies to maintain a fixed exchange rate system. The effect of this devaluation often causes destabilization in the balance of payment and balance of trade issues as well as cash flow problems for any nation practicing it [12, 13]. The devaluation has affected the construction industry; high interest rates making construction finance difficult for banks, cost of purchasing construction materials and tools, a spike in unemployment as this development often discourages investors in the construction industry sector, construction project disputes and arbitration as a result of budget problem against actual, cash flow turn-out and poor infrastructure development as more money is channeled to currency stabilization than development [14, 15].

### **Factors Necessitating Quantity Surveyor's Cost Estimate**

Quantity surveyors play a crucial role in the construction industry by providing accurate cost estimates for building projects. They aid in project planning, budgeting, risk management, resource optimization, contract negotiation, client communication, regulatory compliance, and performance evaluation. Accurate cost estimation guides stakeholders in allocating resources effectively. Risk management involves analyzing potential risks like material price fluctuations, labor shortages, regulatory changes, and unforeseen site conditions [16]. Quantity surveyors help project teams anticipate and mitigate financial uncertainties by incorporating these factors into cost estimates. Resource optimization maximizes project efficiency and minimizes waste by evaluating material quantities, procurement strategies, and construction methods [17]. Cost estimates also serve as the basis for negotiating contracts with contractors, suppliers, and subcontractors. Clear and transparent communication with clients and stakeholders is essential for successful project delivery.

Compliance with regulations prevents delays, penalties, and legal issues. Cost estimates serve as benchmarks for assessing project performance and progress, enabling corrective actions and improved cost-control measures for future projects. Quantity Surveyor's cost estimate has different types of estimates for different types of construction projects and different levels of construction work estimate [18,19]. Some of the cost estimates Quantity Surveyor produces for different construction projects are approximate cost estimates, elemental cost estimates, Preliminary estimates, feasibility estimates, substantive estimates, Bottom-up estimates, parametric estimates, analogous estimates, and detailed estimates [20]. Quantity Surveyor's base rates are often generated using historical data, cost research, and expert knowledge. These are subdivided into sub-parameters for cost generation, including material cost, labor cost, waste, profit/overhead, and tax [21]. Material cost is determined through market surveys, vendor lists, bidding prices, and past project material costs. It is deeply affected by naira depreciation and economic uncertainties and is the basis for determining other sub-items. Labor cost is another crucial factor in determining the total cost. It is often obtained from construction professional fees, skilled worker's work rates, and unskilled labor rates. This is further estimated in terms of the gang required for the work execution from start to finish and the assigned timeframe required for work start and work finish [22]. This rate is often been classified based on regional or national. Inflation and economic welfare status affect the rate from time to time and have often been reconciled with the gang or workmen before a certain known rate can be used as a basis for estimation. Labour rates often react to economic certainties or uncertainties and are often rounded off to a whole number to ascertain the actual.

Construction materials often come with off-cuts, and waste is considered for reuse or disposal. Profit is the total realizable sum for the contractor to execute the work, while overhead is the combination of head office expenses and maintenance. Variable charges and levies can cause unknown sums paid due to unforeseen taxes. Quantity Surveyors should include taxes in their cost estimation to arrive at a firm cost. The Quantity Surveyor's Bill of Quantities provides a detailed description of a construction project, including the required quantity, unit, rate, and total amount required.

### **Modifying quantity surveyors' cost estimate**

According to [23], there are two types of rates which are classified as fixed exchange rate and floating exchange rate which result in the upward price of construction material with a correlation on price discrepancies and inconsistency. In Nigeria, construction materials are often imported through the use of foreign currency which is a reflection of what material prices and cost will react to. The alternating exchange rate makes cost estimation difficult in some instances and creates a wide gap in construction variation backed up with lots of claims. The presentation of material procurement receipts to the Quantity Surveyor by the contractor is a validation of material price proof and price rate cost. These noticed changes have led to loss and expenses and disputes between client and contractor which often frustrate Quantity Surveyor valuation of work and cause a wide range of total construction cost differences. Dispute and project abandonment is often the worst scenario of this material fluctuation change as a result of a wide gap in the exchange rate.

Inflation Rate was later opined by [24] Punch Newspaper Publication, 17<sup>th</sup> March (2024) reported that on a month-on-month basis, the inflation rate in November 2023 was 2.09 which is higher than the rate recorded in October 2023. This shows a high rate of rise that will affect the construction industry and frustrate the quantity surveyor's cost estimates and tender bids sum earlier presented for the construction project for the client project. The inflation rate as of December 2023 shows a climb to 28.9 percent of the inflation rate which will alter contract negotiations for different work packages of the construction industry. It will lead to a difference in contract negotiation in terms of rate for advance payment, project mobilization terms, project delivery timelines, procurement conditions, dry cost to rates, total construction contract, Liquidated and Ascertain damages discussions, bonds to performance, and contract type to adopt.

The material spike hike was quoted by [25] to be at 200% based on the latest inflation rate as published by the National Bureau of Statistics (NBS) which has thus increased construction costs unilaterally. It is further reported that the noticed inflation is a result of the removal of fuel subsidies and the devaluation of Naira coupled with a raised interest rate. This material cost with a combination of interest rates which has also been raised had equally made accessing of construction loans to procure construction materials difficult [26]. This has not only caused material cost increase but has also created a wide gap in unemployment of skilled construction workers as most clients are no longer willing to embark on construction projects due to scarcity of finance as well as hike in material cost. Quantity surveyor at this point is resorting to giving their tender bill of quantity a timeline to its validity in some wider consent they have resorted to assigning a large percentage to a provisional sum to cater for works yet to be ascertained in terms of scope and timeline for its execution [27].

### **Challenges Faced by Quantity Surveyors Due to Naira Depreciation**

According to [28] increased project cost as a result of naira depreciation has sent shockwaves through the country's economy. The construction industry has experienced increased unemployment due to contract cancellations, fluctuating claims, site closures, and contest abandonment. Material procurement has been halted due to increased taxes and charges for import and export, and naira devaluation. This has made investors cautious about floating exchange rates, making construction financing inaccessible. Quantity surveyors' cost estimates and construction bills are no longer reliable and certain, leading to inconsistency and variability. This destabilization has led to quantity surveyors requesting frequent valuations from contractors to firm up costs based on executed work and material on site, allowing for adequate cost freezing as construction projects progress.

Cost estimation is crucial to understanding the Work Breakdown Structure and the material and labor costs involved [29]. Different estimation methods exist, but the chosen method should provide a cost benefit to the client. A detailed cost-benefit analysis is necessary to provide a reasonable, attainable, and reliable cost. Quantity surveyors must have a thorough understanding of the work, define criteria, eliminate variation factors, discuss material fluctuation conditions, and make provisional sum allowances based on certainties. Naira depreciation has increased the workload for quantity surveyors, requiring more knowledge of every work stage. Therefore, they should ensure validity in their bill of quantities to ensure a cost that can execute a project.

Thus [30] suggests that project planning and execution should be based on the project's total cost and strict timeline, with delivery anticipation and a Quantity surveyor cost estimate. This will ensure adequate monitoring, evaluation, and planning. Meta-data analysis should be used to evaluate factors affecting construction costs. Prioritizing construction drawing coordination is crucial for cost estimate workability, as uncoordinated drawings can lead to excessive claims and alter the construction timeline. Naira depreciation can also impact project completion due to material fluctuation and unstable exchange rates. Risk management is crucial in managing naira depreciation risks, which can lead to cost overruns, unpredicted schedules, and low work quality. It involves identifying and managing identified risks at every project stage to ensure a workable process. By ascertaining and known risks, cost estimation can be made workable, and uncertainties can be eliminated to enable firmness. A threshold should be set for cost estimation and risk related to rates to accommodate certainties and uncertainties [31, 32]

### **Strategies to Mitigate the Effects of Naira Depreciation on Cost Estimation**

**Currency Hedging:** Currency hedging is a strategy used by quantity surveyors to limit the impact of Naira depreciation on project costs. It involves using financial instruments like forward contracts, options, and futures to lock in exchange rates for future transactions [33]. This strategy aims to boost investment and ensure positive feedback and returns. It is often used in construction projects to manage material fluctuations and ensure early procurement delivery. Financial and economic analysts advise the government to adopt this strategy during challenging economic times. By hedging against currency fluctuations, construction firms can stabilize costs and reduce uncertainty in project budgets, ultimately reducing the impact of Naira depreciation on project costs [34].

**Local Sourcing and Procurement:** Construction firms can reduce their reliance on imported materials and components by exploring local sourcing and procurement opportunities. Quantity surveyors can identify locally-produced alternatives and negotiate contracts with domestic suppliers. This can mitigate the effects of Naira depreciation on procurement costs and minimize exchange rate risk. Different types of suppliers, including domestic and international, can be used in construction projects. Discussions about inflation stages, currency value impacts, and exchange rates should be conducted for both domestic and international suppliers to express their concerns and mitigate risks [35]. The project budget and price adjustment mechanism should be the top priority of contract negotiation to ensure that strict clauses are adopted in the contract condition to protect the Quantity Surveyor cost estimate and proffer adequate mitigation processes such as ways of handling change order processes and procurement timeline with adequate cash flow forecast.

**Price Escalation Clauses:** Mitigating the effects of Naira depreciation on project costs can be done by incorporating price escalation clauses in construction contracts. These allow for contract price adjustments according to variations in costs of particular inputs like materials and labor. Quantity surveyors can bargain for special conditions for price increments with suppliers and contractors to maintain flexibility and responsiveness of project budgets to changes in currency value [36,37]. **Cost Contingency Planning:** Inserting provisions for contingency costs when making estimates can help prevent unexpected surges in project costs because of a reduction in the value of naira. Quantity surveyors can establish the effect of varying exchange rates on project finances and set aside supplementary funds as an emergency budget. Such an emergency kitty offers financial defense against any extra expenses and helps reduce the implications presented by a negative change in exchange rates [38].

**Long-Term Contracts and Agreements:** Longer-term contracts and agreements with suppliers and contractors are one way to reduce the impact of short-term currency fluctuations on project costs. Quantity surveyors can facilitate multiyear agreements based on a fixed price or inflation-adjusted payment for cost predictability and stability. These contracts enable cost certainty throughout project implementation by minimizing short-term exposure to volatility in currencies [39]. **Diversification of Revenue Streams:** Building companies can cope with the repercussions of the Naira loss of value by making sure that their income comes from various places and entering those territories that are less likely to experience currency variations. Just like anyone else, land measuring experts should identify chances of having alternate places to get their income and this may include entering into other businesses whose demand is unchanged. Diversification in income helps minimize dependency on the internal market and increase capacity to endure [34].

**Continuous Monitoring and Risk Assessment:** Quantity surveyors should constantly monitor exchange rate movements to assess their impact on project costs. This helps construction firms anticipate changes in procurement costs and adjust cost estimates accordingly. Regular risk assessments enable proactive decision-making and ensure project budgets align with market conditions. Cost estimates are often monitored and re-evaluated to ensure working cash flow and budget alignment. Provisional sum allowances are assigned based on known project history, with percentages to cover fluctuations. Work definitions and descriptions should be intensive and fully defined to eliminate claims. The quantity of work to be executed should be well measured and ascertained by the Quantity Surveyor [40].

**Collaboration with Financial Experts:** To develop effective strategies for mitigating the effects of Naira depreciation on cost estimation, quantity surveyors can involve financial experts as well as advisors. Currency market insights are the key role of financial professionals in addition to recommending hedging strategies and assisting with financial modeling and risk analysis. Through the use of financial experts' knowledge, construction organizations can improve their capacity to manage currency risk while maximizing project results. **Alternative Material Selection:** Construction materials often require frequent change order requests to maintain a defined timeline. They are subject to price hikes, government policies, budget overruns, import charges, and increased taxes. Material alternation is best handled with architect or engineer approval. Quantity Surveyors often seek architect input for material changes to mitigate currency depreciation or naira devaluation impacts. Material alternation is best managed with the architect's approval.

Moreover, measures of dealing with the problem of the depreciation of the Naira against construction expenditure include engaging in a combination method of currency hedging, buying locally, putting in clauses in quoted prices for variations in sachet value, setting aside funds that cater for future unforeseen events, engaging in long-planned agreements in the construction project, other sources of income henceforth, and many more which are

discussed below. Such measures would see this industry becoming less susceptible to economic uncertainties, as well as increase its adaptive capabilities to enhance its growth.

### 3. METHODOLOGY

The research on currency depreciation and strategies for quantity surveyors in Nigeria will use a structured methodology, including literature review, data collection, case studies, surveys, quantitative analysis, qualitative analysis, and framework development. Primary data will be used to collect opinions and evaluate objectives, while secondary data will be used to separate variables. The framework will be validated through peer review and documented in a comprehensive report. The study aims to understand theoretical frameworks, historical exchange rate movements, inflation rates, construction project costs, and procurement practices.

### 4. FINDINGS

#### Effect of naira depreciation

Construction materials often have off-cuts, and profit is the total realizable sum for contractors. Quantity Surveyors should include taxes in cost estimation, as depreciation can cause inflation.

**Table 1:** Ranking of the Effects of Naira Depreciation

S/N	Effects of Naira Depreciation	F	SA-----SD					ΣFX	X̄	Rank	DECISION
			W	4	3	2	1				
1	It affects business by an increase in inflation.	F	103	70	35	17	225	3.15	1 <sup>st</sup>	ACCEPTED	
		WF	412	210	70	17	709				
2	It reduces the purchasing power of the citizens.	F	100	65	38	22	225	3.08	3 <sup>rd</sup>	ACCEPTED	
		WF	400	195	76	22	693				
3	Increase in unemployment.	F	101	61	34	29	225	3.04	6 <sup>th</sup>	ACCEPTED	
		WF	404	183	68	29	684				
4	It tightens the monetary framework of the nation.	F	98	70	42	15	225	3.12	2 <sup>nd</sup>	ACCEPTED	
		WF	392	210	84	15	701				
5	It allows a degree of flexibility in the exchange rate.	F	98	65	40	22	225	3.06	4 <sup>th</sup>	ACCEPTED	
		WF	392	195	80	22	689				
6	Increase the price of domestic goods.	F	95	70	37	23	225	3.05	5 <sup>th</sup>	ACCEPTED	
		WF	380	210	74	23	687				
7	Higher exports relative to imports can also increase the aggregate demand which can also lead to inflation.	F	90	68	33	34	225	2.95	7 <sup>th</sup>	ACCEPTED	
		WF	360	204	66	34	664				

VI= Very Important

LI= Less Important

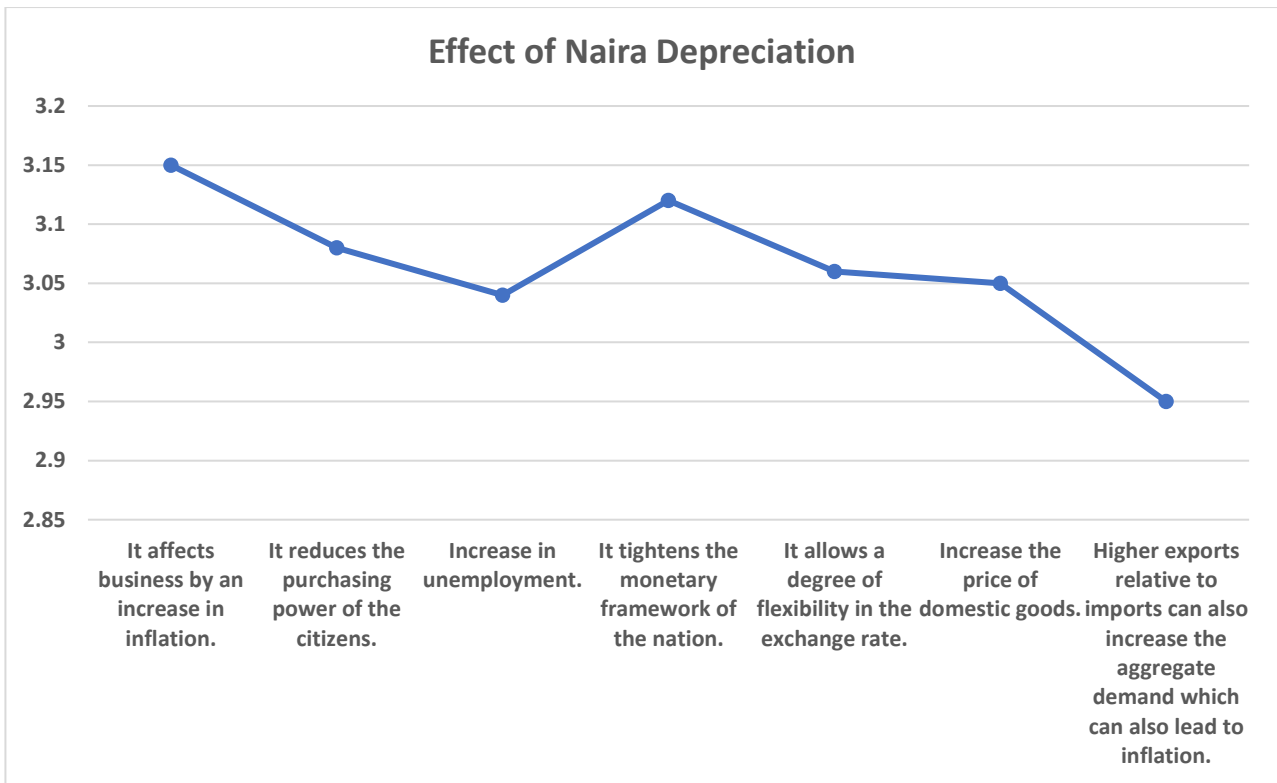
X̄ = Mean

ΣFX= Sum of all the mean

WF= Weighted Frequency of the response

F= Frequency of the response

Table 1 and Figure 1 show the rank of 7 Effects of Naira Depreciation. All the effects as seen in the table were accepted after they all had a mean value that is greater than 2.5. It affects business by an increase in inflation was ranked as first while its impact on the nation’s framework was rated 2<sup>nd</sup>. All the effects are significant as also reflected in the previous research by [9,12, 16].



**Fig. 1: Effects of Naira Depreciation in Nigeria**

**Table 2:** The Impact of Naira depreciation on Quantity surveyors' estimate for Construction Projects

Dependent Variable: QSE

Method: Least Squares

Date: 31/05/24 Time: 11:10

Sample: 7

Included observations: 7

Variable	Coefficient	Std. Error	t-Statistic	Prob.
QSE	41317903	1.50E+08	0.113233	0.5273
ND	0.236175	0.643415	0.212876	0.5892
R-squared	0.432015	Mean dependent qua		7175105
Adjusted R-squared	0.351673	S.D. dependent qua		2.37E+08
S.E. of regression	2.21E+08	Akaike info criterion		32.49569
Sum squared resid	3.05E+14	Schwarz criterion		51.66833
Log likelihood	-103.4185	Hannan-Quinn criteria.		25.23190
F-statistic	0.013211	Durbin-Watson stat		1.213164

Prob (F-statistic)	0.428814
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**Source: Eviews8 Computation**

**Where,**

X= ND = Naira Depreciation (Independent variable)

Y= QSE = Quantity Surveyors Estimate (dependent variable)

The result of the coefficient of determination ( $R^2$ ) is given as 0.432015. This implies that 43% of the Quantity Surveyor's Estimate inaccuracy in Nigeria is explained by Naira Depreciation as well as currency devaluation. This is part of the reason why there are lots of variations and claims in the Nigerian construction industry to resolve both from the contractor and client perspective.

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## 5. CONCLUSIONS

Currency depreciation in Nigeria is a significant challenge for quantity surveyors in the construction industry, affecting project costing, procurement, financial management, and overall project viability. To mitigate this, surveyors can adopt strategies such as understanding the economic context, conducting thorough risk assessments, implementing robust risk management strategies, adjusting cost estimation and pricing strategies, optimizing procurement strategies, effective financial management, and continuous professional development. These strategies can help mitigate the impact of currency depreciation on construction projects, ensuring successful project delivery despite economic uncertainties. Solutions include diversifying investments, using derivatives, implementing cost-control measures, and exploring local sourcing. Quantity surveyors should also adopt available financial laws when estimating material and labor rates, and conduct thorough investigations into economic policies, reforms, and laws related to inflation and foreign exchange fluctuations. The work recommends that Nigerian quantity surveyors should monitor exchange rates, diversify procurement sources, adopt risk management strategies, enhance financial management, invest in technology, engage stakeholders, and advocate for policy reform to manage currency depreciation effectively in construction projects.

### Contribution To Knowledge

The study analyzes the impact of Naira Depreciation on the construction industry, highlighting the need for mitigation plans and pre-informed decisions to avoid delays. It also advises quantity surveyors to provide cost estimate validity timelines. The study emphasizes robust risk management practices, capacity building, and professional development to enhance resilience and professionalism in the construction industry.

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