



# ERGP Focus Labs Monthly Newsletter

**MINISTRY OF BUDGET AND NATIONAL PLANNING**  
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Welcome to the 8<sup>th</sup> Edition of the ERGP Focus Labs Newsletter, a publication that features progress on investments unlocked and projects facilitated at the Focus Labs.

## Agriculture and Transportation

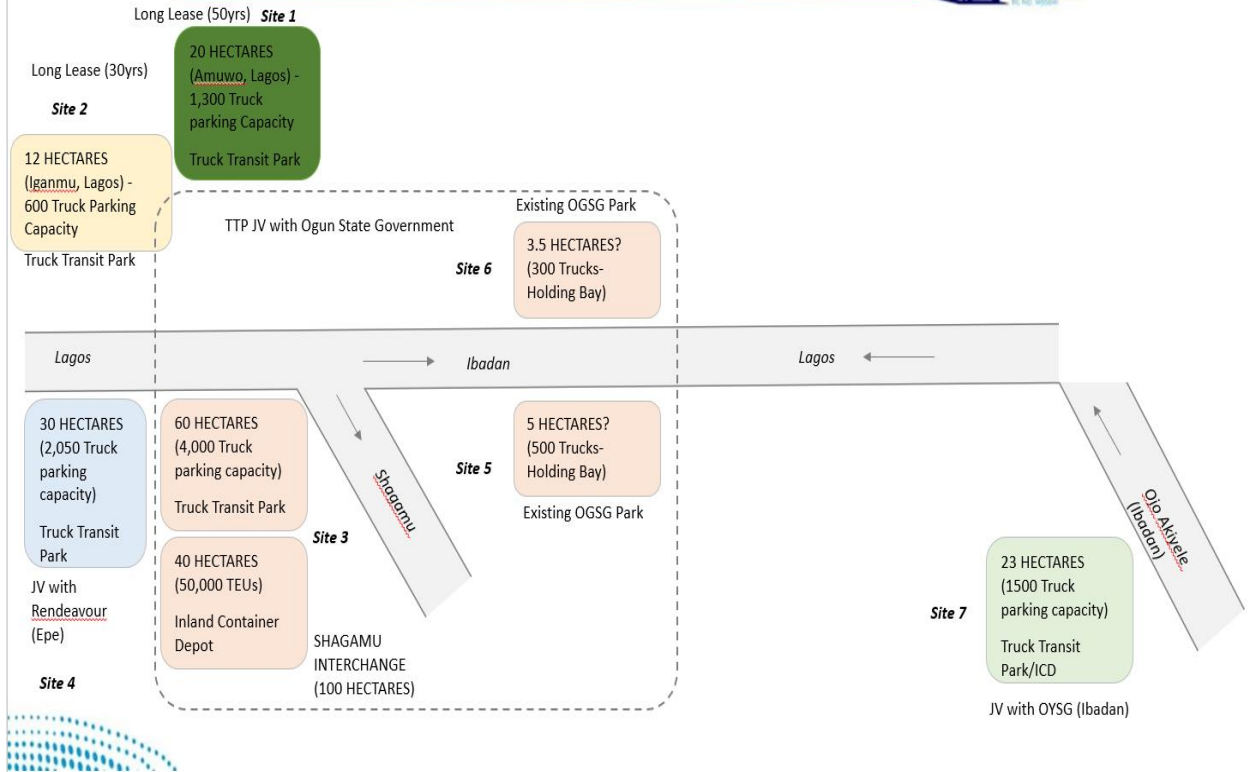
### **Trucks Transit Parks Limited on track to ease Lagos Port Congestion**

**Trucks Transit Parks Ltd** is one of the two companies sponsored by the Federal Ministry of Transportation through the Nigerian Shippers Council to the ERGP Focus Lab to fast-track the development of truck and vehicle transit parks in various regions. Following the conclusion of the Focus Lab, **Trucks Transit Parks Ltd** has recorded several milestones towards easing the truck congestion on the access roads to the Apapa and Tin Can Island Ports.

Following considerable engagement with the Lagos State Government, the Nigeria Ports Authority (NPA) and several other stakeholders, the company has developed a truck movement scheduling platform to enable the State Government manage movement of trucks within the state. The platform is currently ready for deployment if adopted by the State Government, and can be integrated with the proposed callup system by the NPA for port focused traffic.

In addition, discussions are ongoing for additional financing with Afrexim, International Finance Corporation, First Bank and Sterling Bank. The additional funding, once secured would help in completing three immediate initiatives. First is the activation of 3 strategic truck parks to mop up a traffic of 1,700 trucks around the Lagos port area. Second is the lease of a 50-acre private property for development of a 1,300 capacity truck park within Lagos State. Third is the joint development of a truck transit park in conjunction with a co-developer of the Epe Free Trade Zone, in Lagos, to serve that Free Trade Zone, Dangote Refinery and Deep-Sea Port - a proactive project to prevent truck congestion in Epe.

## TTP PROPOSED LOGISTICS NETWORK (SOUTH WEST)



## Manufacturing and Processing

### Steel production company invests over N1.8 billion in Nigeria. Employs over 200 people

Don Mac Limited, a steel production company in Edo state, sought to set up its power plant to augment power supply from the national grid. As the company was unable to obtain gas, either from the Gas Aggregation Company of Nigeria (GACN) or private sources, it approached the Focus Labs to facilitate the processing of its request for gas supply in order to power its IPP.

During its participation in the ERGP Focus Labs, the ERGP team organised meetings between the directors of Don Mac and the senior management of GACN with directors of the Federal Ministry of Industry Trade and Investment superintending. Through these sessions, the company was able to make presentations on its requirements for gas, demonstrate its capacity, and obtain the necessary commitments. Don Mac Ltd also benefitted from the presence of private sector options for the supply of gas who were present in the Power and Gas work stream of the Focus Labs. This level of comfort has allowed Don Mac

to forge ahead with its plans.

The Front-End Engineering Design and Detailed Engineering design of the power plant have since been completed and site preparations have commenced. Don Mac is working with GACN to secure relevant commitment from the private operators for the supply of 20mmmscfd of gas to fire the power plant, after which full construction activities will commence.

The company also needed the ERGP-IU's intervention in obtaining land to build a factory, as well as the necessary certificates from the Department of Petroleum Resources (DPR) and the Nigerian Content Development and Monitoring Board (NCDMB) certificates for its manufacturing operations. Edo state is one of 8 states to which HE the VP signed letters to encourage support for projects that the Focus Labs had identified as having the capacity for investment and job creation.

So far, Don Mac has commenced the construction of the plant which has the capacity to produce **3000 gas cylinders per day** (various sizes - 6.25kg, 10kg & 12.5kg). The factory is expected to commence production in 2019.

In addition, it has obtained the NCDMB certificate for its Pressure Vessel Manufacturing Plant, which is currently operational, with on-going expansion for Industrial Parts Machining & Production.

The ERGP team also worked with Don Mac to convince the Edo State Government on constructing an access road to its factory sites. As a result of this intervention, the company is also pleased to report that the Government has recently awarded the contract for the dualisation of the Benin-Abraka road.

The manufacturing strategies of the ERGP seek to accelerate the implementation of the Nigerian Industrial Resolution Plan, and encourage the development of resource-processing industries. The Implementation Unit will continue the problem solving efforts to assist the achievement of project completion for projects in this category. To date the Don Mac company has employed over 200 people and invested over \$5 million in Nigeria.

### **Cassava company secures CBN Commercial Agriculture loan**

Psaltry International Limited (PIL) was part of the cassava cluster of projects which came to the Focus Lab requesting support with accessing the Commercial Agriculture Credit Scheme (CACS) Loan. The CACS is a N200 billion fund established by the Central Bank of Nigeria (CBN) and the Federal Ministry of Agriculture to fast track the development of the agricultural sector in Nigeria by financing medium and large-scale commercial agricultural enterprises.

While the Focus Labs were not held to directly resolve funding issues, the team was able to work with Psaltry Limited to address the bottlenecks involved in accessing the credit scheme, resulting in a successful loan application which is

helping the company to expand production, thereby creating more jobs.

The CACS facility is supporting companies like Pсалtry with loans at single-digit interest rates, to increase output, generate employment, diversify the revenue base, increase foreign exchange earnings and provide input for the industrial sector on a sustainable basis.



*PIL will use the CACS loan to expand production*

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