Nigeria Industrial Revolution Plan
-NIRP-

...Industry, Wealth, Jobs

March 2014
History shows that no country has ever become rich by exporting raw materials without also having an industrial sector, and in modern terms an advanced services sector. The more a country specializes in the production of raw materials only, the poorer it becomes.

... Industry multiplies National wealth!
"...As Africa celebrates its Golden Jubilee, we must pause and reflect on the future of our continent in the next 50 years.

The questions are: What will be Africa’s place in a world that is increasingly knowledge-driven and inter-dependent? Should Africa be content to remain a mere producer of raw materials and net importer of manufactured products? Indeed, what is Africa’s vision for itself at its centenary?

"...President Jonathan 2013"
Since 2000, Nigeria’s economy grew on average 8.8% per annum, in line with leading emerging markets.
However, Nigeria’s industrial sector contributes only 3% to export revenues but accounts for over 50% of the import burden.

**Source:** UNCTAD
Nigeria currently underperforms its regional and global peers on Industrial Development

**USA**
- Manufacturing is **13%** of GDP.
- Employs **13 million** people
- Percentage of Exports **57%**

**Brazil**
- Manufacturing is **15%** of GDP.
- Employs **15 million** people
- Percentage of Exports **55%**

**China**
- Manufacturing is **30%** of GDP. Employs over **100 million** people
- Percentage of Exports **over 90%**

**India**
- Manufacturing is **14%** of GDP. Employs **30 million** people
- Percentage of Exports **60%**

**South Africa**
- Manufacturing is **15%** of GDP.
- Employs **1.5 million** people
- Percentage of Exports – **54%**

Nigeria
- Manufacturing Contribution to GDP – **4%**
- Number of Jobs – **2 million**
- Percentage of Exports – **3%**
Manufacturing is essential to national development … there is a strong correlation between value-added manufacturing, and the level of national wealth (i.e. as measured by GDP per capita).

...as Manufacturing rises, Nations get wealthier.

The Manufacturing Sector is Nigeria’s Path to Economic Growth.
### Why Industry in Nigeria?

<table>
<thead>
<tr>
<th><strong>Strengths</strong></th>
<th><strong>Weaknesses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Abundant Raw Materials</td>
<td>Infrastructure – Mainly Power and Transport</td>
</tr>
<tr>
<td>Large Market – Nigeria with 167 million people, ECOWAS with 300 million people</td>
<td>Unaffordable Finance</td>
</tr>
<tr>
<td>Strategic Location - Gulf of Guinea</td>
<td>Policy inconsistency</td>
</tr>
<tr>
<td>Abundant Labor – Over 53 million workforce</td>
<td>Weak or no Institutions to drive industrialization</td>
</tr>
<tr>
<td>International Political Clout</td>
<td>Weak or no linkages between industry and Innovation</td>
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<td></td>
<td>Shortage of Industrial Skills</td>
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<td></td>
<td>Inadequate Metrology and Standards</td>
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<td>Weak Competition, and Fair trading</td>
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<td></td>
<td>Tariff Regime</td>
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<td></td>
<td>Consumer Purchasing Power</td>
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<td></td>
<td>Poor Patronage of ‘Made in Nigeria’ goods</td>
</tr>
</tbody>
</table>
Considerations for Industrializing Nigeria

Why Industry in Nigeria?

Opportunities

- Potential to be #1 in Africa (or top 10 globally in many industrial sectors)
- Diversification of Nigeria’s Economy and Revenue
- Build up labor intensive sectors
- Produce locally for domestic consumer market (foreign exchange savings)
- Become the Manufacturing hub for Ecowas and Africa
- Attract investments from East Asia, where labor costs have begun to rise
- Diversify Exports

Threats

- Recent large oil and gas discoveries globally
- Trends of Trade Policies – EPA, CET, FTA, and PTA agreements
- Competition rising as other countries Industrialize – Many countries in the sub region and globally already reforming their industrial sectors.

The time to Industrialize is now!
Nigeria must be strategic in attracting Investments, and needs to have a broad based Industrial and Services Sector to grow FDI

Global FDI is typically used for Industrialization (i.e. manufacturing and services)... and not for raw materials production

Source: UNCTAD 2012
Reforms can be fast-tracked
- make it quick, and the impact immediate

It has taken only 5 years for many countries to transform their industrial sector and grow their manufacturing output

**Manufacturing Percentage of GDP**

- **Thailand** (1984-1988): 11% to 19%, +8%
- **Malaysia** (1986-1990): 16% to 27%, +11%
- **Indonesia** (1984-1988): 17% to 27%, +9%
- **South Korea** (1975-1979): 29% to 36%, +7%

**Source:** McKinsey Analysis

- **Thailand** • attracted investors through monetary and fiscal policy, offered lowcost land, building, labour, and devalued its currency
- **Malaysia** • established industrial estates, grew its infrastructure across three strategic corridors, and offered attractive investment policies.
- **Indonesia** • deregulated its trade and investment, mobilized cost CapEx for industry (e.g., cement, paper, steel), and leveraged its growing domestic market.
- **South Korea** • Focused on heavy metals and engineering. Modernized its production focusing on design and quality, offered investors attractive fiscal and financial incentives, and supported the growth of local industrial giants (“chaebols”).
The Nigeria Industrial Revolution Plan - NIRP

Introducing the NIRP

The NIRP is a programme to industrialize Nigeria. It is our nation’s first comprehensive, integrated, and strategic roadmap to industrialization.

NIRP Goals: focused on Economic and Revenue Diversification

NIRP Industrial Sectors: where Nigeria has comparative advantage

NIRP Supporting Structures (i.e. Enablers): to increase competitiveness, by removing barriers, and raising productivity
NIRP will increase the level of Nigeria’s Industrial output from 4% to 10% of GDP. This will create wealth, create jobs, improve the country’s trade balance, and increase government’s tax revenues.
Why is the NIRP different?

Nigeria has undertaken several initiatives to accelerate its industrial development in the past. What makes the NIRP different from previous efforts … it is the first industrialization roadmap to be simultaneously, strategic, holistic, and integrated.

- **It is Strategic**
  - The NIRP prioritizes the sectors where Nigeria has *comparative* and *competitive* advantage

- **It is Holistic**
  - The NIRP evaluates industries across the *entire value-chain* to ensure the relevant subsectors, related industries, supply & demand conditions, are all in place. It also adopts a coherent framework to *address structural enablers* that increase competitiveness in Nigeria.

- **It is Integrated**
  - The NIRP integrates Nigeria’s *Industrial Policy/Strategy*, Trade Policy/Strategy, and Investment Policy/Strategy. It also develops linkages with other development plans, including – the Gas Master Plan, Agric Transformation Agenda, Mining Plan, Infrastructure Plan etc

- **It is Execution Focused**
  - The NIRP defines clear goals, *governance structures*, monitoring frameworks, and identifies quick-wins for immediate implementation. In-fact, *NIRP execution has commenced*.

- **It Builds Institutions**
  - At the very heart of the NIRP is the drive to *develop strong institutions for industrialization*, to ensure policy is actually implemented.
The Nigeria Industrial Revolution Plan (NIRP) “Transforming Nigeria through Industry”

- Grows and diversifies the Nigerian economy, to make our country one of the largest global economies ... driven by industry
- Makes the Real Sector (the non-oil sector in particular) the center of economic activity
- Positions Nigeria as the manufacturing hub for West Africa and Africa (‘A leader’)
- Enhances Support Structures and Enablers – Infrastructure, Skills, Investment Climate, Innovation, Standards, Local Patronage, and Finance
- Develops metrics to monitor and feel the pulse of industry in Nigeria regularly

The NIRP fits with the philosophy and objectives of Nigeria’s Vision 2020 and the Transformation Agenda

Vision 2020: “… By 2020 Nigeria will be one of the 20 largest economies in the world, able to consolidate its leadership role in Africa and establish itself as a significant player in the global economic and political arena…”

The Transformation Agenda: Thematic areas of the transformation agenda are: (i) Real sector, (ii) Infrastructure, (iii) Human Capital, (iv) Enablers (which include private investment, finance mobilization, external economic relations and diplomacy, etc.) and (v) Monitoring and Evaluation.
By its very nature, Manufacturing integrates with other segments.
- While the Manufacturing sector depends on others for raw materials and assets (as inputs), Manufacturing is however also the critical offtaker of outputs from those sectors (i.e. the key buyer).
The Nigeria Industrial Revolution Plan -NIRP

NIRP has gone through an intensive consultative process to obtain buy-in and refine its key initiatives

✓ Presented, discussed, and obtained inputs from Trade and Investments Commissioners, Permanent Secretaries, and Delegates of the 36 States of Federation at the Trade and Investments Council deliberations in Ibadan.

✓ Presented, discussed, and obtained inputs from all staff of the Ministry of Industry, Trade, and Investments (from the Director level upwards).

✓ Presented, discussed, and obtained inputs from the Manufacturers Association of Nigeria

✓ Presented, discussed, and obtained inputs from key Nigerian Industrialists, Sector leaders, and Stakeholder associations cutting across over 20 different industrial sectors

✓ Discussed with a number of Ministers and MDAs e.g. Science & Technology, Power, Transport, CBN etc.
The Nigeria Industrial Revolution Plan
- Strategic Industry Groups

The NIRP has identified strategic Industry groups where Nigeria already has comparative advantage, with a view to ramp-up capacity and production in the near to mid term.

**NIRP Sector Focus**

Comparative advantage, such as:
- Natural Endowments
- Existing Skills
- Competitive Cost base

**Subsector Potential**

Potential for impact in Nigeria:
- Local Demand (and Regional Demand)
- Labor Intensive Sectors
- Economic & Industrial Linkages

**Sectors Included**

- Agro Allied (NAADI)
  - Food Processing (beverages, packaged foods etc)
  - Textiles/Garments
  - Sugar
  - Palm Oil Processing
  - Leather and Leather Products
  - Rubber Products
  - Cocoa processing

- Metals & Solid Minerals
  - Cement
  - Auto Assembly

- Oil & Gas Related
  - Petrochemicals
  - Fertilizer
  - Methanol
  - Plastics
  - Refineries

- Construction, Light Manufacturing, and Services
  - Housing
  - Light Manufacturing (World Bank GEMS Project)
  - Services (World Bank GEMS Project)

**Selection Criteria**

- Comparative advantage, Such as
  - Natural Endowments
  - Existing Skills
  - Competitive Cost base

**Potential for impact in Nigeria**

- Local Demand (and Regional Demand)
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**Note:**
(i) NAADI is the **Nigeria Agribusiness and Agro-allied Development Initiative**
(ii) ✓ implies NIRP activities have commenced

NIRP is developing detailed sectorial strategies for each area
To achieve real Sectorial reforms
- Each Sector will contribute differently to jobs and economic growth (1/2)

<table>
<thead>
<tr>
<th>Nature of Sector (i.e. typical size)</th>
<th>Medium Scale (Revenues of US$10m to US$20m)</th>
<th>Large Scale (Revenues of US$20m to US$100m)</th>
<th>Ultra Large Scale (Revenues above US$100m)</th>
<th>Job Creation Potential</th>
<th>Target GDP addition (Aggregated value)</th>
<th>Strategy</th>
<th># of transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Food Processing (beverages, packaged foods, rice)</td>
<td>X</td>
<td></td>
<td></td>
<td>High</td>
<td>US$2b to US$5b</td>
<td>~20x</td>
<td></td>
</tr>
<tr>
<td>2 Sugar</td>
<td></td>
<td>X</td>
<td></td>
<td>High</td>
<td>US$0.5b to US$1b</td>
<td>~10x</td>
<td></td>
</tr>
<tr>
<td>3 Palm Oil Processing</td>
<td>X</td>
<td></td>
<td></td>
<td>High</td>
<td>US$1b to US$2b</td>
<td>~10x</td>
<td></td>
</tr>
<tr>
<td>4 Leather and Leather Products</td>
<td>X</td>
<td></td>
<td></td>
<td>High</td>
<td>US$0.2b to US$0.5b</td>
<td>~10x</td>
<td></td>
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<tr>
<td>5 Rubber Products (i.e. Tyres)</td>
<td></td>
<td>X</td>
<td></td>
<td>High</td>
<td>US$0.5b to US$1b</td>
<td>~5x</td>
<td></td>
</tr>
<tr>
<td>6 Cocoa processing</td>
<td>X</td>
<td></td>
<td></td>
<td>High</td>
<td>US$0.2b to US$0.5b</td>
<td>~10x</td>
<td></td>
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<tr>
<td>7 Metals and Solid Minerals</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>7.1 Cement</td>
<td></td>
<td>X</td>
<td></td>
<td>High</td>
<td>US$1b to US$2b</td>
<td>~3x</td>
<td></td>
</tr>
<tr>
<td>8 Auto Assembly</td>
<td></td>
<td>X</td>
<td></td>
<td>High</td>
<td>US$1b to US$2b</td>
<td>~2x</td>
<td></td>
</tr>
<tr>
<td>9 Basic Metals\Steel</td>
<td></td>
<td>X</td>
<td></td>
<td>Medium</td>
<td>US$1b to US$2b</td>
<td>~5x</td>
<td></td>
</tr>
</tbody>
</table>
To achieve real Sectorial reforms
- Each Sector will contribute differently to jobs and economic growth (2/2)

<table>
<thead>
<tr>
<th>Nature of Sector (i.e. typical size)</th>
<th>Economic Potential</th>
<th>Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medium Scale</td>
<td>Large Scale (Revenues of US$20m to US$100m)</td>
<td>Ultra Large Scale (Revenues above US$100m)</td>
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<tr>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Metals &amp; Solid Minerals (Continued)</td>
<td>Aluminum</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Chemicals</td>
<td>X</td>
</tr>
<tr>
<td>Oil &amp; Gas Related Industries</td>
<td>Petrochemicals</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Fertilizer</td>
<td>X</td>
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<tr>
<td></td>
<td>Methanol</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Refineries</td>
<td>X</td>
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<tr>
<td>Plastics</td>
<td>X</td>
<td>High</td>
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<tr>
<td>Construction, Light Manufacturing, and Services</td>
<td>Housing</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Light Manufacturing</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Services</td>
<td>X</td>
</tr>
</tbody>
</table>
NIRP is adopting the Cluster Approach
-E.g. The Sugar Industry

Macro Framework – Policy, Legal, and Regulatory

Government Bodies e.g.
- SURMIC, NSDC, States

Nigerian
Sugar Master Plan (NSMP)
- Policy and Incentives

Bulk Distributors
(i.e. wholesale buyers)

Large Industrial Consumers – Food Cos, Beverage Cos, Pharmaceuticals etc.
(usually have unique sugar specifications)

Consumer Packaging and Retail Distribution

Electric Power Transmission\ Distribution Infrastructure
(Sugar producers are net producers of energy)

Supply \ Inputs

Land
(sugarcane cultivation is land intensive).

Field Machinery & Equipment
(e.g. cane cultivators, harvesters etc)

Factory Equipment
(e.g. crystallizers, centrifuges etc)

Ancillary Assets
(e.g. Distilleries for Ethanol, Turbines for Power)

Agricultural Inputs & Services
(e.g. Fertilizers, Agrochemicals)

Factory Inputs (e.g. Process Chemicals, Lab Chemicals)

Sugar cane Corporate Farmers & Outgrowers

Sugar Refineries

Nucleus and Greenfield Sugar Estates

Ethanol
(Industrial grade, food grade, fuel grade)

Animal Feed Production

Power Production
(Net generator of energy)

Research & Development Institutes –
(cane varieties, processing tech)

Specialized Inbound Logistics
(e.g. cane trains)

Storage Infrastructure and Services
(for sugar refiners only)

Financing & Insurance
- Long Term loans
- Working Capital
- Flood Insurance

Support Sectors

Demand \ Markets

Note: Cluster Methodology by Prof Michael Porter (Harvard University)
Nigeria’s Resources
-NIRP will facilitate investments around the resources in each State of the Federation

- Hides - Leather Products
- Sugar Cane - Sugar
- Cocoa beans - Cocoa Processing
- Oil Palm - Palm Products
- Oil, Gas - Petrochemicals, Methanol, Fertilizer, Refineries
- Solid Minerals - Basic Metals, Steel, Cement, Chemicals
- Agro Products - Food Processing
- Rubber - Rubber Products

Note
- Light Manufacturing, Housing, and Services (targeted at Major Cities i.e. Lagos, Kano, Port Harcourt, Kaduna, Aba, Abuja etc.)
- Auto Clusters to remain in 3 clusters Kano-Kaduna, Enugu-Anambra, Lagos-Oyo
- Aluminum likely to remain in coastal cities to get access to imported raw materials
- Textiles all over the federation because Cotton is available in many States

This map is indicative only. Details in complete NIRP assessment.
### NIGERIA (population 167 million, GDP US$270 billion)

- **Bank Assets** – US$1.4 billion
- **Loans per year** - ~US$300 billion

### BRAZIL (population 201 million, GDP US$2.4 trillion)

- **Bank Assets** – US$300 billion
- **Loans per year** - US$80 billion

### Industrial Development Agency

- **Mandate** – To develop Industrial hubs
- **Industrial Cities** – Major ones: Santa Marina industrial Park; Manaus Free Zone; Sao Paulo aerospace; Recife High-tech City etc.

### Benchmarking some of our Institutions

<table>
<thead>
<tr>
<th><strong>(Providing Finance)</strong></th>
<th><strong>Bank Assets</strong> – US$1.4 billion</th>
<th><strong>Bank Assets</strong> – US$300 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loans per year</strong> - ~US$300 million</td>
<td><strong>Loans per year</strong> - US$80 billion</td>
<td></td>
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<table>
<thead>
<tr>
<th><strong>(Building Industrial Infrastructure)</strong></th>
<th><strong>Does Not Exist</strong></th>
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</thead>
</table>

<table>
<thead>
<tr>
<th><strong>(Skills Development)</strong></th>
<th>NIGERIA</th>
<th>BRAZIL</th>
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<tbody>
<tr>
<td><strong>ITF</strong></td>
<td># of Alumni – &lt;1 million</td>
<td># of Alumni – 55 million (since inception)</td>
</tr>
<tr>
<td></td>
<td># of annual enrolments- ~350,000 people (in 2012), 16,000 people (2011).</td>
<td># of annual enrolments – 2.5 million</td>
</tr>
<tr>
<td></td>
<td><strong>Ownership</strong> – Public Sector</td>
<td><strong>Ownership</strong>- Joint Private\Public</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th><strong>(Standards and Quality)</strong></th>
<th>NIGERIA</th>
<th>BRAZIL</th>
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</thead>
<tbody>
<tr>
<td><strong>SON</strong></td>
<td><strong>Mandate</strong> – Setting standards, quality assurance</td>
<td><strong>Mandate (Abnt)</strong> – Responsible for setting national standards</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>(SME support)</strong></th>
<th>NIGERIA</th>
<th>BRAZIL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SMEAN</strong></td>
<td># of SMEs – 20,000 reached per year</td>
<td># of SMEs – 1.6 million reached per year</td>
</tr>
<tr>
<td></td>
<td><strong>Footprint</strong> – 71 Development Centers</td>
<td><strong>Footprint</strong> – 788 Development Centers</td>
</tr>
<tr>
<td></td>
<td><strong>Org Structure</strong> - Operational (e.g. Strategy, Inspectorate, Promotion etc.)</td>
<td><strong>Org Structure</strong> – Customer focused (e.g. access to finance, market access etc)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>(Local Content)</strong></th>
<th>NIGERIA</th>
<th>BRAZIL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Local Patronage Framework</strong></td>
<td><strong>Policy</strong> – The Nigerian Public Procurement Act 2007, provides some preferential clauses on local goods (but this needs to be broader and enforced)</td>
<td><strong>Policy</strong> – The federal, state, and municipal governments, as well as related agencies and companies, follow a “Buy National&quot; policy. 25% of all Government procurement must be with SMEs</td>
</tr>
</tbody>
</table>

### 2 key agencies

- **ABNT**
  - **Mandate (Abnt)** – Responsible for setting national standards
  - **Footprint** – 71 Development Centers
  - **Org Structure** - Operational (e.g. Strategy, Inspectorate, Promotion etc.)

- **INMETRO**
  - **Mandate (Inmetro)** – Certifying conformity, quality, and standards, in the areas of products, processes, services and personnel (metrology)
  - **Footprint** – 788 Development Centers
  - **Org Structure** – Customer focused (e.g. access to finance, market access etc)
How we are executing
-Supporting Structures – Industrial Cities

Industrial Cities will be operating hubs (or delineated areas) where manufacturers have the required infrastructure and support to succeed.

Key NIRP Actions:
#1: Establish or assign agency to promote Industrial Development in Nigeria
#2: Develop Industrial Cities in Nigeria
#3: Power to dedicated Industrial Cities, and existing manufacturing areas (22/7 input)
#4: Work with NPC Infrastructure Master Plan to ensure execution meets Trade and Industrial Requirements

Why Industrial Cities?
- Industrial Cities have been used worldwide to accelerate economic growth and diversification.
- NIRP will promote development of 8 Industrial Cities in Nigeria in its first phase (in addition to other specialized clusters). 23 IDCs to become Industrial Parks.
- Combined land size between 6,000 to 10,000 hectares, and 100 MW to 300MW of captive power capacity to be developed in each city (target is to have 22/7 power in the industrial Cities).
- Creation of an Industrial Investment & Holding Company to mobilize private capital to develop Industrial Cities (more details under “Finance”)
- Industrial Cities will have the following features:
  (i) Scale- at least 1000 hectares each
  (ii) Infrastructure- captive power and internal roads
  (iii) Support Services – e.g. Financing, Standards etc.
  (iv) Target Investors – To locate production plants

Possibilities for Industrial Cities
1. Akwa Ibom Industrial City (Akwa Ibom)
2. Abuja Industrial City (Abuja)
3. Enugu Industrial City (Enugu)
4. Eko Atlantic, Heavy Industry and Services City (Lagos)
5. Ogidiigbe Petrochemical Industrial City (Delta)
6. Olokola Industrial City (Ondo)
7. Kano Industrial City (Kano)
8. Niger Industrial City (Niger)

Our Benchmark
- Saudi Arabia – SABIC\MODON
Industrial Cities are central to the Nigerian Industrialization agenda

Typical infrastructure and incentives provided include:

- **Energy**: Power or gas supply sometimes at reduced rates
- Rail and road network **linkage to the market** for raw materials and finished products
- Easy **access to sea ports and / or airports** for import of raw materials and export of finished goods
- Minimal or **no restrictions on flow of funds** into and outside of the host country (**optional feature**)
- **Concessionary regulatory requirements** (e.g. business registration) and tax incentives
- Enforcement of regulations leading to **higher standards and quality** of the finished goods.

Industrial cities provide enabling facilities (through Government or PPP arrangements) to create, support and grow industries in support of the economic objectives of the nation.
Nigeria’s Industrial Cities will be situated close to natural gas pipelines (for power generation), and to the national rail network (for transportation). In addition, other midsized industrial parks/clusters will be created around the country along transport corridors.

Main Considerations
- Power
- Transport

Note: Map does not include full list of smaller specialized manufacturing clusters.
Countries that invest more in technical and vocational education (TVET), tend to have lower youth unemployment rates.

**Youth Unemployment and Level of TVET (European Countries)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Unemployment</th>
<th>TVET Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>28.4</td>
<td>42.9</td>
</tr>
<tr>
<td>Ireland</td>
<td>26.9</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>26.8</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>25.2</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>24.7</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>22.5</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>21.5</td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td>20.4</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>20.6</td>
<td></td>
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<td>EU-15</td>
<td>19.7</td>
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<tr>
<td>Great Britain</td>
<td>18.9</td>
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<td>Portugal</td>
<td>12.0</td>
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<td>Denmark</td>
<td>11.3</td>
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<td>Germany</td>
<td>10.3</td>
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<tr>
<td>Austria</td>
<td>10.2</td>
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<tr>
<td>Norway</td>
<td>9.1</td>
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<tr>
<td>Netherlands</td>
<td>7.7</td>
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<tr>
<td>Switzerland</td>
<td>5.3</td>
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</tr>
</tbody>
</table>

**Investment in Skills will generate returns for Government**

- **Investment in Skills**
  - Government allocations to developing technical and vocational education (e.g. can be taken as a percentage of oil revenues; and a percentage of wages earned by existing workers, such as the ITF scheme)

- **Return on Skills**
  - *Taxes on wages* earned (by new workers)
  - *Taxes on products sold* by company (due to new workers)
  - *Taxes on products procured* (by new workers)

**A Payback Scenario:**
If the Nigerian government commits 3% of oil revenues in 1 year as a onetime upfront investment on industrial skills (~US$2.3 billion). This investment will develop 600 world class industrial training institutes, train 5.8 million people, and payback the investment in 7 to 8 years, from the 1% payroll tax alone!
How we are executing
-Supporting Structures – Skills (Contd)

NIRP will link skills development to real jobs, so Nigerians develop competence in areas they can put to immediate industrial use

Key NIRP Actions:

1. Transform the Industrial Training Fund (ITF) – i.e. its governance model, skills focus, operations etc.

2. Public \ Private implementation of Industrial skills gap analysis and planning, to match trainings to actual jobs

Matching Skills with Jobs

- Governance and Delivery – NIRP will create Skills Development Boards at the National Level, and in each of the 36 States.

- Skill Gap Analysis - ITF to work with Skills Development Boards’ Councils to identify current and future industry gaps and develop programmes to close these gaps. (“Match training to actual jobs”)

- Jobs Groups – Develop Industrial skills depth in fewer critical areas to match current and planned investments within the Nigerian economy.

- Certifications and Experience - Build capacity with a few internationally accredited or recognized certifications (Public \ Private training delivery). E.g. ITF already working with Brazil on Auto Skills Centers.

- Progressive Qualifications/training – Milestone skills programmes recognizing increased proficiency

- Private Sector Skills Centers – Government to leverage private sector skills development centers and encourage private sector participation.

The Boards’ Councils are constituted of...

1. Private Sector Educationalists
2. Private Industrialists Associations
3. Public Sector Stakeholders (MITI, Education etc)
4. The Industrial Training Fund
5. Organized Labor
How we are executing - Supporting Structures – Finance

It is tough to obtain appropriate financing in Nigeria … our total volume of commercial lending is insufficient, and interest rates are still abnormally high.

Source: McKinsey Analysis
NIRP will implement initiatives to increase capital availability to Industry... and also work with other agencies to make financing affordable.

**BOI should grow...and improve**

<table>
<thead>
<tr>
<th>Original Plan</th>
<th>Actuals</th>
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</thead>
<tbody>
<tr>
<td>NGN 100 billion (i.e. US$ 600 m)</td>
<td>NGN 1.1 trillion (i.e. US$ 6.8 billion)</td>
</tr>
<tr>
<td>Debt -NGN50 billion (i.e. ~US$300 million)</td>
<td>Disbursements till date</td>
</tr>
<tr>
<td>Equity -NGN50 billion (i.e. ~US$300 million)</td>
<td>NGN 138 billion (i.e. US$800 million)</td>
</tr>
</tbody>
</table>

**Commitment at Outset (2001)**

- Actual Commitment Received
- Estimated Annual Demand (based on 2012)
- Total disbursements over last 12 years

**Market Demand**

- NGN 45 billion (i.e. US$ 280 m)
- NGN 138 billion (i.e. US$ 800 million)

**Availability**

- Insufficient capital available for industrial development (equity, debt)
- Low Domestic Credit as % of GDP - Nigeria is 35%, Brazil 110%, China 155%, South Africa 80%.
- (loan tenures too short, Venture capital weak etc)

**Affordability**

- Credit is too expensive – typically well above 20%
- Caused by different reasons – high govt treasury rates, high inflation, infrastructure inefficiencies etc

**Issues**

- Increasing Mobilization
  - an Industrialization and Investment Holding Company
- Private Eq\ Venture Cap
  - a clear legal and policy framework for funds
- New Risk Sharing Products
  - through commercial banks
- Scaling up existing DFIs – BOI

**Actions Required**

- Channeling more funds through DFIs e.g. BOI, Wholesale banking
- Monetary Policy
  - handled by CBN
  - Improve Loan to deposit ratio
  - Interest rates vs Exch rates
- Fiscal Policy
  - handled by MoFI
- Commercial Banks – e.g. Ways to improve efficiency

**Part of the funding shortfall has been bridged by development initiatives with partners e.g. State SME Funds, Dangote etc.**
How we are executing
-Supporting Structures – Finance (Contd)

We are developing a comprehensive plan to address constraints in the entire Financing Value-Chain in Nigeria

Figure – Company Lifecycle and Financing Value-Chain

1. Infrastructure
2. Skills
3. Finance
4. Investment Climate
5. Innovation
6. Standards
7. Local Patronage

1. Venture Capital
2. Private Equity (Growth Equity)
3. Overdraft Financing \ Revolvers (for Liquidity)
4. Term Loans
5. Private Equity (Late Stage Financing)
6. Public Equity (Stock Exchange)
7. Public Debt (Fixed Income Markets)
8. Corporate Mergers and Acquisitions (M&A)
How we are executing
-Supporting Structures – Finance (Contd)

Actions for Nigeria

✓ Unlocking new sources of Capital:
  - Pension Funds – currently over NGN 3 trillion (~US$20 billion).
  - Capital Markets – for both equity and fixed income securities (i.e. NSE)
  - Leveraging Existing FG assets – Using governments assets to mobilize more capital

✓ Basic Rules to Guide Capital Allocation:
  - Introduce regulations to ensure statutory buyers of govt bonds, must also allocate funds to government backed industrial\infrastructural projects (and not just government treasuries)

✓ Strategic use of the FG Balance sheet:
  - Focused use of FG guarantees for milestone industrial and infrastructural projects (within acceptable contingency risk limits).
  - For instance, on key transformational projects, guarantees provided to Pension Funds (combined with interest drawbacks) protects the Pension downside, maintains their risk appetite, and unlocks low cost high-value funding for major projects

✓ Commercial Bank Balance sheet:
  - Develop standard framework to help banks refinance loans and free-up balance sheet. Encourages banks to provide long term facilities, knowing exit options exist down the line.

✓ Financing Value-Chain:
  - Different solutions needed for different segments of the financing chain – equity, term loans, overdraft, revolving facilities etc. (Planning a “Nigerian Summit on Real Sector Financing”)

✓ Development Finance:
  - Review Funding Sources for BOI. Emphasis must be on raising low cost funding for this institution (i.e. 3% to 5%). Low rates can then be passed on to industry.

Source: Discussions between MITI and CBN
How we are executing
-Supporting Structures – Finance (Contd)

A national **Industrial Investment & Holding Company** will industrialize and diversify the Nigerian economy by mobilizing capital into strategic sectors and economic zones.

### Other Countries with Industrial Holding Companies

<table>
<thead>
<tr>
<th>Country</th>
<th>Industrial Vehicle</th>
<th>Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malaysia</td>
<td>Khazanah Nasional</td>
<td>US$30 billion (Net Asset Value)</td>
</tr>
<tr>
<td>Singapore</td>
<td>Temasek</td>
<td>US$193 billion (Total Assets)</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>Saudi Basic Industries Corporation (SABIC)</td>
<td>US$85 billion (Total Assets)</td>
</tr>
<tr>
<td>Abu Dhabi</td>
<td>Mubadala Development Company</td>
<td>US$55 billion (Total Assets)</td>
</tr>
</tbody>
</table>

### About the “Industrialization Holding Company”

- **What other Countries have done** –
  - Several countries have moved to consolidate their investment holdings under a single State Industrial/Investment Holding Company.

- **An Industrial Holding Company to drive industrial development** –
  - A **Nigerian Industrialization Holding Company** will drive industrial development in Nigeria. The entity will be under a designated Cabinet Member and accountable to Mr President.

- **Benefits of such a Strategic Investment Vehicle**–
  - The Company will diversify our economy by fast tracking key projects with private partners
  - Partnerships with credible international and domestic investors for cutting edge projects

---

**Our Benchmark**

- Saudi Arabia (SABIC) / Malaysia (Khazanah)
Investment Climate reforms are addressed using a multi-pronged approach

Key NIPR Actions:
#1: Continuously Benchmarking Nigeria’s industrialization policy with ‘peer countries’
#2: National Competitive Council of Nigeria (NCCN)
#3: The Doing Business Committee of the NIPC
#4: World Bank\DFID\OECD Business Climate Reform Programmes

National Industrialization Policy
- **Globally competitive public policy** - NIPR will continually benchmark Nigeria’s policies with ‘peer countries’ to ensure competitiveness

National Competitiveness Council (NCCN)
- **A Public\Private Council** - mandated to facilitate a business environment which attracts domestic and foreign investments. NCCN has representation from MITI ICT, CEAP, Media, Industrialists, Banks etc

NIPC
- **The Doing Business Committee**, an inter-ministerial group focused on improving Nigeria’s ease of doing business indicators.

World Bank\DFID\OECD Programs
- **Business Climate Reforms** – Business registration (CAC); SME Collateral reform; Legal and Regulatory review etc.
- **OECD PFI** – Evaluating Nigeria’s ability to attract local and foreign investments.
- **Justice For All Program** – Review of existing legal landscape to ensure investment friendly laws
- **Subnational** - An emphasis on State Reform.

1. Infrastructure
2. Skills
3. Finance
4. Investment Climate
5. Innovation
6. Standards
7. Local Patronage
How we are executing
-Supporting Structures – Investment Climate (Contd)

The NIRP and NEDEP* (the flagship MSME program) will jointly broaden National Development across the country

**Geographic View** -- NIRP Sectorial Policies with special provisions to facilitate Industrializing less wealthy States

**Absolute Poverty in Nigeria**
(Darker shades have higher poverty rates)

*Note: NEDEP is the National Enterprise Development Programme; also implemented by MITI*
Innovation needs a strong partnership between government, academia, and industry.

The Interaction Model (Triple Helix Model)

* Adopted by the Federal Ministry of Science and Technology

- Government (Fed, State, Local)
- Universities & Research Institutions
- Industry

Key NIRP Actions (with Ministry of Science and Technology):

#1: Implement Triple Helix with Ministry of Science and Tech

- Laws
- Intellectual Property
- Fiscal Incentives
- Venture Capital
- Administration
- Counterpart Funds \ Loans
- Annual Innovation targets per Sector

- Research
- Capacity Building
- Infrastructure
- Technology Incubators
- Knowledge Networks

- Production and Testing
- Marketing
- Research & Development
- Venture Capital
- Commercialization
- Production Infrastructure
- Backward Engineering

The Federal Ministry of Industry, Trade, and Investments will partner with the Federal Ministry of Science and Technology in implementing the Triple Helix Model for innovation.

The Model ensures Government, Industries, and Universities\Research institutions interact to leap-frog technology creation in Nigeria, even as each maintains its primary role and distinct identity.
How we are executing
-Supporting Structures – Innovation

Innovation needs a strong partnership between government, academia, and industry

Nigeria’s first ever “Industrial Innovation Week”
will hold in Q2 2014

- A joint venture between the Federal Ministry of Industry, Trade, and Investments and the Federal Ministry of Science & Technology.
- Nigerian Industrialists meet Research and Academia
- Will set direction for Nigerian research work and ensure it meets the needs of Industry
- Highlights promising locally developed technologies that can be commercialized by Industry
- Will initiate Knowledge Networks to keep Industry, Academia, Research, and Government in engaged
How we are executing
-Supporting Structures – Reinforced Standards

Standards will be used as the stamp of approval for ‘Made in Nigeria’ goods

Key NIRP Actions:
#1: Nigerian Standards and Quality Policy
#2: Developing Capacity in Metrology
#3: Strategic Partnerships with Standards Organizations in 10 target export markets

Using Nigerian Standards to ensure quality, align procedures, and promote exports

- **A Nigerian Standards and Quality Policy:**
  - A policy to encapsulate Nigeria’s goals on standards, how to use standards to promote local industry, exports, and protect consumers.

- **Standards Harmonization:**
  - Harmonizing standards in critical industries (e.g. oil and gas service providers) to ensure Nigerian companies can compete on major domestic projects.

- **Metrology and Quality Enforcement:**
  - Develop industrial and legal metrology capacity, to provide internationally recognized services to the Private Sector.

- **International Partnerships and Accreditation:**
  - Partnerships with Standards Organizations in 10 foreign markets (to stop re-certifications at their ports).

- **Private Sector Inclusion:** Open up the industry for private sector players to build and operate independent industrial laboratories
How we are executing
-Supporting Structures – Local Patronage

Federal, State, and Local Government expenditure account for at least 30 kobo of every 1 Naira spent in the Nigerian economy... we cannot ignore public procurement in driving industry.

Buy Nigeria!
Local Patronage of domestic goods and services is critical to building scale and capacity in Nigeria’s industry. Only after the local market is penetrated, can our industry export credibly.

Key NIRP Actions:
#1: Operate the Local Patronage and Participation Monitoring Unit
#2: Industrial Participation Program
#3 ‘Buy Nigeria Campaign’

Local Patronage and Participation Monitoring Unit within MITI
- The unit will address challenges from low implementation of Government’s policy to buy local.
  - Responsibilities will include:
    1. Monitor and ensure compliance localization plans
    2. Work with agencies to improve quality of Made in Nigeria goods
    3. Ensure adequate reporting on local content achievements, and
    4. Work with Bureau of Public Procurement to ensure local content provisions are within tenders

Industrial Participation Program
- Leverage specific large Government purchases or Projects where foreign content is high

“Buy Nigeria Campaign”
- The Ministry is re-launching the National campaign targeted at the general public and private sector procurements.
- Private sector encouragement
- Local patronage Policy for SMEs
NIRP is leveraging a number of partners

<table>
<thead>
<tr>
<th>S/n</th>
<th>Partner</th>
<th>Programme</th>
<th>Area</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>DFID</td>
<td>GEMS3</td>
<td>Support Structure-</td>
<td>Business Environment reform programme</td>
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<tr>
<td></td>
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<td>Investment Climate</td>
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<td>2</td>
<td>World Bank</td>
<td>GEMS</td>
<td>Sector-</td>
<td>The Growth and Empowerment programme</td>
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<td></td>
<td></td>
<td></td>
<td>Light Manufacturing, Services</td>
<td></td>
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<tr>
<td>3</td>
<td>UNIDO \ Afrexim</td>
<td>NAADI</td>
<td>Sector-</td>
<td>Nigeria Agribusiness and Agro-allied Development Initiative</td>
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<td></td>
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<td></td>
<td>Agro Allied Industry group</td>
<td></td>
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<tr>
<td>4</td>
<td>UNIDO</td>
<td>Standards</td>
<td>Support Structure-</td>
<td>Strategic initiative with the Standards organization of Nigeria (SON)</td>
</tr>
<tr>
<td></td>
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<td>Standards</td>
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<tr>
<td>5</td>
<td>UNIDO</td>
<td>ITF Programme</td>
<td>Support Structure-</td>
<td>Long term industrial skills gap assessment in Nigeria</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Skills</td>
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Will work with other development institutions as needed e.g AfDB, USAID, GIZ, AFD etc.
NIRP will Integrate with Nigeria’s Trade Policy and Strategy

Nigerian Trade Strategy (Imports)

Some Guiding Principles

1. Institutionalization of the Tariff Setting Process:
   - Inter-ministerial tariff setting council.
   - Linking Tariffs to Industrial Policy/Plan.

2. Empirically driven Tariff Modelling:
   - Quantitative assessments of Tariffs as a strategic tool to drive industry

3. Ecowas (i.e. regional dynamics):
   - Cooperating with Ecowas for CET and EPA to meet regional industrial needs.

4. Substituting imports in areas of Nigeria’s comparative advantage:
   - Strategically substituting imports within Nigeria, and regionally within Ecowas.

5. Strategic liberalization of capital goods imports:
   - Equipment/technology for production

Nigerian Trade Strategy (Exports)

Some Guiding Principles

1. Enhancement of Export Platforms:
   - NEPC to build new internal capabilities in NIRP target sectors
   - Collaboration with NEXIM on facilitating exports in strategic sectors
   - Port Reform, and Cross border trade
   - Better and targeted use of Export Expansion Grants (EEG)

2. Target Markets:
   - Market Blocs – Ecowas, SADC, EU, and NAFTA
   - Trade Schemes – AGOA

3. Target Export Products:
   - Textiles/Apparel, Leather Products, Rubber, Plastics, Processed Palm Oil, Petrochemicals, Fertilizer
   - Ecowas Specific – Auto Products, Cement

4. Trade Facilitation:
   - Coordination with target country agencies – e.g. for Standards
   - Market Access – RITOs in foreign embassies

Nigeria will be cognizant of its regional and international trade obligations.

NIRP (Industrial Production)
The Outcomes so far

Industrial Policy

Sectors

Agro Allied
Metals & Solid Minerals
Oil & Gas Industrial Activities
Construction, Light Manufacturing, and Services

Support Structures

Infrastructure
Skills
Investment Climate
Innovation
Standards
Local Patronage
Financing

Policy and Strategy completed; currently in implementation
Policy advanced; NIRP team inaugurated
NIRP team inaugurated, Leather Summit held
Auto measures developed, and approved by FEC
Internal Review Commenced
Policy in advanced stages
NIRP team inaugurated
Internal Review Commenced
Internal Review Commenced
Internal Review Commenced

Sugar
Textiles
Leather
Auto Assembly
Aluminum
Basic Metals
Cement
Petrochemicals
Plastics
General Services

Identified high probability sites for Industrial Cities
Providing support in creation of Ogidigben Gas City
Prepared Blueprint for ITF reform; Collaboration with SENAI Brazil
Created NCCN, OECD evaluation, Legal Landscape
Agreed framework with Min Science&Tech (Triple Helix). Jointly planning Nigeria’s first “Industrial Innovation Week”
Commenced Nigeria’s first Standards, Quality, and Metrology policy
Local Patronage Strategy completed (Memo to soon be submitted to FEC)
Financing options for BOI in review; operating model for Industrialization Holding Company in development
The Outcomes so far
- E.g NIRP: Sugar Cane to Sugar

Implementation of Nigeria Sugar Master Plan— Our vision to produce 1.7 m tons of Sugar, 411 MW of Electricity, and save US$350m to US$500m in foreign exchange

✓ Over US$ 2.5 billion of Sugar Investments commenced (in 2013)

Key Sugar Projects Planned in Nigeria:

- Dangote Sugar 2.2 mt pa
- Golden Sugar 260 k tpa
- BUA Sugar 250 k tpa
- Confluence Sugar 200 kpta
- Crystal Sugar 60 kpta
- Unikem 80 kpta
- Honey Gold 200 kpta

Projects Successfully Commenced
Project Pipeline 2014\2015
The Outcomes so far
- E.g NIRP: Sugar Cane to Sugar

Sugar Commitments

- **Dangote Group** – to invest $2 billion on projects in six States to produce 1-1.5 mmt sugar/annum

- Commenced substantial expansion of its Savannah Sugar Numan from current 6,500 ha to 21,000 ha to produce 100,000 tonnes sugar annually.
Sugar Commitments

- **FMNL/GSR** – to produce 60,000 tonnes sugar annually from its 13,500 ha farm in Sunti, Niger state (AdecoAgric Group)

- **HoneyGold Group** – to invest $300million on 2 sites in Adamawa State to produce 200,000 tonnes sugar annually (Costas Negocios)
The Outcomes so far
- E.g NIRP: Sugar Cane to Sugar

Sugar Commitments

- **Crystal Sugar Mills** – to invest $30 million to expand its operations to 60,000 tonnes sugar/annum from its recently acquired 1,500 TCD Sugar plant at Hadejia, Jigawa State

- **Confluence Sugar Coy** – to invest $240 million in Kogi State to produce 200,000 tonnes sugar/annum on about 37,000 ha of land at Ibaji (*American Trans-International Oil*)

- **UNIKEM** Industries Ltd establishing 80,000 tonnes sugar/annum plant in Dangerri, Kogi State
The Outcomes so far
- E.g NIRP: Sugar Cane to Sugar

**Sugar Industry metrics are Strong**

- Sugar prices – *all time low*
- Sugar smuggling – *virtually non-existent*
- Refinery capacity utilization – *up from 60% to 75%*
- Total national demand – *up from 1.5-2.0mmt*

**Land allocations - Well advanced engagements with State Govts**

- **Adamawa** – Guyuk (18,000ha), Mayo Ine (12,5000ha)
- **Kogi** – Ibaji (35,000ha) Dangerri (10,000ha), Mozum (5000ha), Oguma (25,000ha), Ajaokuta (20,000) etc.
- **Niger** - Search for 3 project sites on-going
- **Nasarawa** – meeting proposed
- **Edo** – request letter, awaiting response
- **Ogun** – request letter, awaiting response
The Outcomes so far
- E.g NIRP: Auto Sector

The Auto Revolution has started...
- Nissan Global announcement on Nigerian assembly
- Toyota indicates willingness to join Auto programme
- GAC Gonow Auto Company and Xiamen Golden Dragon Bus Co. Ltd of China to expand with Innoson Auto
- Major tyre manufacturers consulting to resume manufacturing
- Japanese companies including Messrs Marubeni and Mitsubishi reviewing policy
- Ogun State has provided 100ha for a World class Auto Supplier Park
... And Much More
The Outcomes so far
- *E.g NIRP: Leather*

**Leather is Big in Nigeria!**

- Largest non-oil foreign exchange earner for Nigeria
- Export of finished leather N108b. (Peaked in 2010 at N486b)
- Finished leather goods valued at N160b with potential to grow multiple folds
- Estimated employment in the sector over 1 million Nigerians and growing

**But we are growing it further...**

- Leather Transformation Committee in place
  - To audit all tanneries
  - Enhance Leather Standards
  - Broaden Export Markets (through NEPC)
Industry - E.g NIRP: Skills

- National Industrial Skills development project (NISDP) – Developing skills in 1,000 youths within each State and FCT (i.e. a total of 37,000)

- Technical skills development project (TSDP) - ITF partnership with Nigeria Employers Consultative Association. Over 1,500 professionals trained to meet NECA needs.

- Reforming ITF - Implementing Senai (of Brazil’s) model for vertical skills development, and German model for Nigerian internship programme
The Outcomes so far
- *E.g* NIRP: Standards

- **Committee on the National Quality policy inaugurated** - on the 29th September 2013

- **Upgraded Testing Labs** - Completed renovation of the food\chemistry labs in Lekki and the Enugu Engineering lab is completed
Where we are in the NIRP process

Current Position Assessment

- Completed assessment of barriers to Nigeria’s industrialization
- Consulted with stakeholder groups - external consultants, industrialists, and public sector
- Prepared roadmap for execution

Implementing Quick-Wins

- Inaugurated Sector teams for key industries e.g. Sugar, Cement, Textiles, Leather, and Auto
- Commenced execution for critical support structures e.g. - Local Patronage monitoring unit, Supporting Ogidigbe Gas City, Investment Climate Reforms etc

Presidential Launch & Institutionalization

- Require Mr President’s approval and launch for larger roll-out
- Need to institutionalize the NIRP steering committee and Programme office
- Ensure broader participation by other Ministries and MDAs

We are here!

Continuous Refinement of ‘NIRP Thinking’

- Continuous engagement with Stakeholders – mostly with private sector groups

Measurement of Industrial Metrics

- Implement regular Industrial Performance Reporting

Next Steps

Large-Scale Roll Out

- Inaugurate all other sector teams – e.g. Petrochemicals, Services, Downstream Steel etc.
- Inaugurate Support structure teams – Investment Climate, Skills, Innovation, Finance etc.
- Start Governance meetings and implementing reporting requirements
- Ensure States play leading role
- Reform of Institutions - NEPZA, ITF etc.
- Continuous engagement with Stakeholders – mostly with private sector groups
NIRP is strongly focused on engaging Investors (Domestic and Foreign)

...there’s no success until money is invested in Nigeria...
Nigeria Industrial Revolution Plan- NIRP (Implementation)

President Goodluck Jonathan (GCFR)

Members of Steering Committee
- Hon Minister FMITI (Chair)
- Hon Minister of State FMITI
- Permanent Secretary FMITI
- Rep from Agric Ministry**
- Rep from ICT Ministry**
- Rep from Mining Ministry**
- Rep from Ministry of Petroleum Resources**
- Rep from Ministry of Power Resources**
- Rep from Ministry of Science & Tech**

Quarterly Reporting

Steering Committee
- Rep from Transport Ministry**
- Rep from Works Ministry**
- Rep from Finance Ministry**
- 3 Commissioners of Industry & Trade (most industrialized States)
- CBN Rep**
- Rep from Ministry of Petroleum Resources**
- Rep from Ministry of Power Resources**
- Rep from Ministry of Science & Tech**

Project Office
- Key FMITI Staff
- External Consultants
- Development Partners

Sectorial Teams
1) Textiles
2) Palm Oil (Processed)
3) Automobiles
4) Basic Materials and Metals
5) Petrochemicals
6) Plastics and Rubber
7) Sugar
8) Others to be created subsequently

Support Structure Teams
1) Financing
2) Infrastructure
3) Skills
4) Business Climate
5) Innovation
6) Reinforced Standards
7) Local Patronage

Investment Promotion

Ad-hoc teams setup as needed

Support Structure

NIRP Organization and Facilitation
- Proposed Governance Model

Note
- All key Ministry’s will have NIRP focal points to facilitate work program
- ** DG level Steering committee members

Subnational Implementation
Each MITI State Commissioner leads **NIRP Subnational Implementation** within their respective States
Our Vision
- This is possible in Nigeria

“...A Picture is worth more than a thousand words...”

*Picture- Where:* Jubail industrial City; Saudi Arabia; over 100,000 employees
Next Steps

- **NIRP Presidential Launch** scheduled for January 2014

- Inauguration of the **NIRP Execution Steering Committee**, which will have representation from key Ministries and MDAs (the *programme office and other structures* to also be simultaneously inaugurated)

- Inauguration of the **NIRP Advisory Committee**, which will be constituted mostly of leading Industrialists, private sector leaders, and key Ministries in Nigeria (the advisory committee will be majority private sector)
Thank you