

MADE IN ANAMBRA EXPORT STRATEGY

December 2023



Requirements



Requirements	
Committee Members	<ul style="list-style-type: none">• Commissioner for Industry• Commissioner for Budget & Economic Planning• Commissioner for Agriculture• Commissioner for Transport• MD Anambra State Investment Promotion and Protection Agency (ANSIPPA);• Manufacturers Association of Nigeria (MAN) Representative• Anambra Chamber of Commerce Representative
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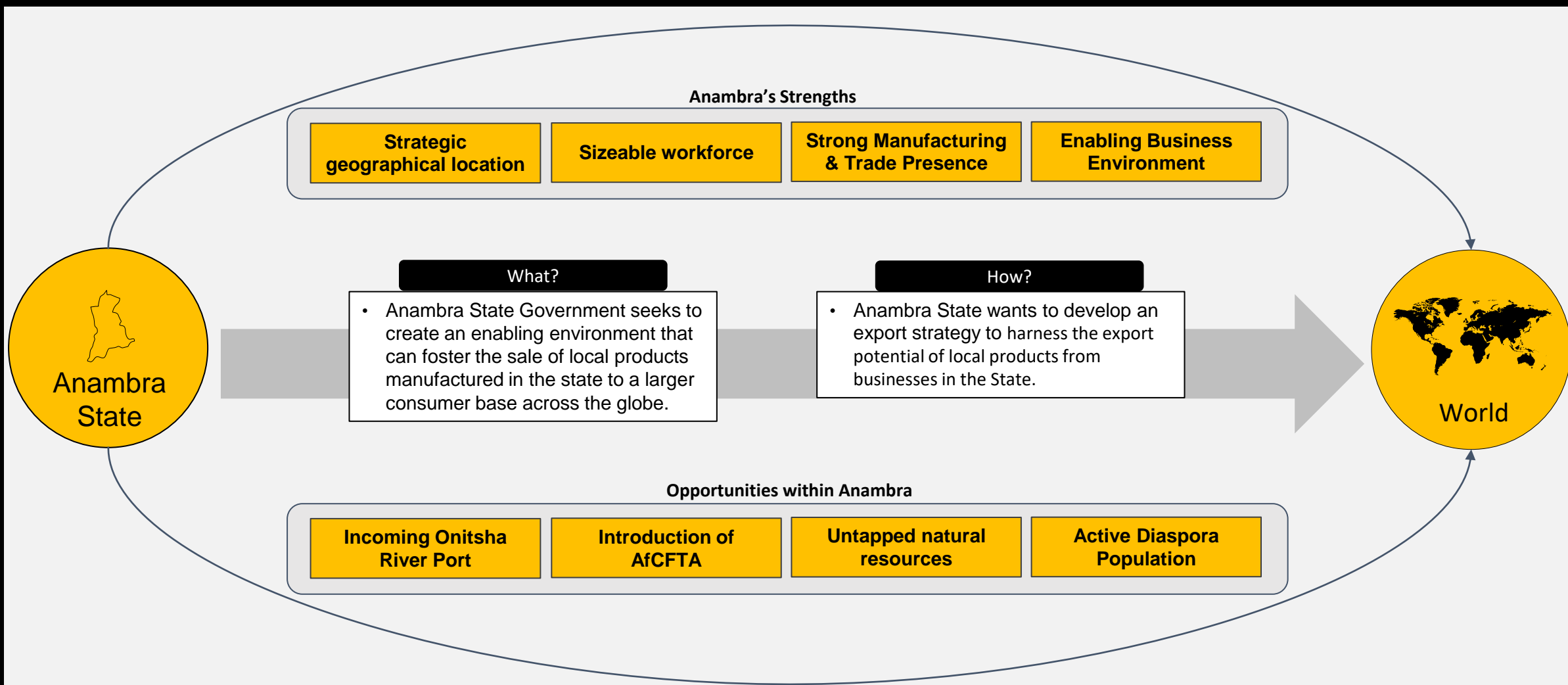
Section 1

Anambra State Export Strategy Executive Summary



Executive Summary

Anambra State wants to export Made in Anambra goods to the world



Executive Summary

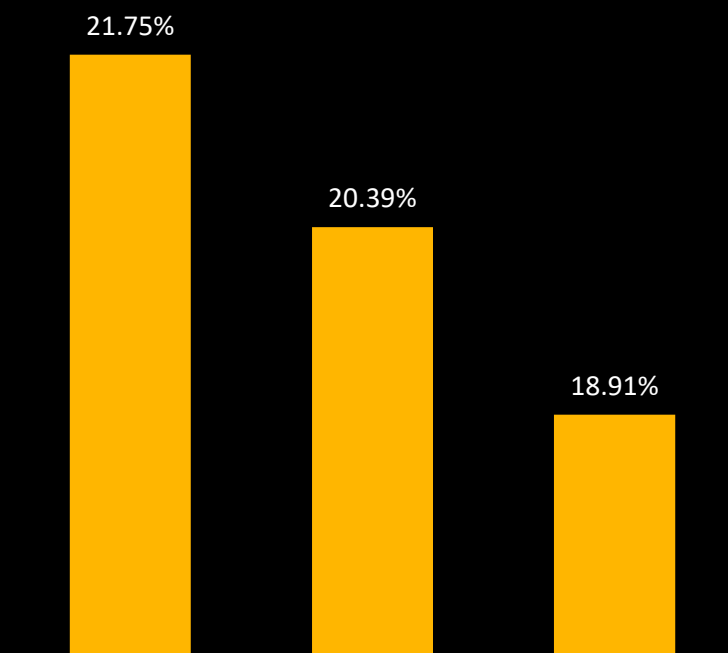
Currently, Anambra's trade sector is the largest contributor to state GDP



Trade

Anambra State is widely known for its large trade and commercial activities in two of its major cities - Onitsha and Nnewi. These cities provide the link for trade and distribution of goods between Northern and Southern parts of Nigeria, and even West Africa.

Trade Sector Contribution to GDP

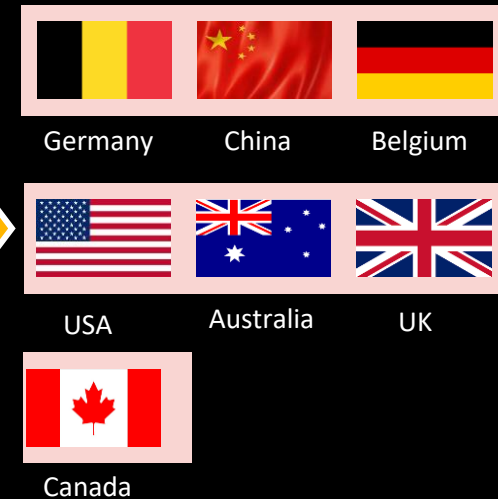


**129
Exporters**

Some Products Anambra currently exports

- Palm Oil
- Vegetables
- Fish
- Cashew nut
- Cocoa
- Yam
- Soyabean
- Cassava
- Beans
- Ginger

Countries made in Anambra Products are exported to



Also, the State has the largest market in west Africa (Main Market) where people come from far and wide to shop. We aim to recreate the market here. The largest shopping mall will organizing the market place for ease of shopping, access and better experience of shoppers in Anambra

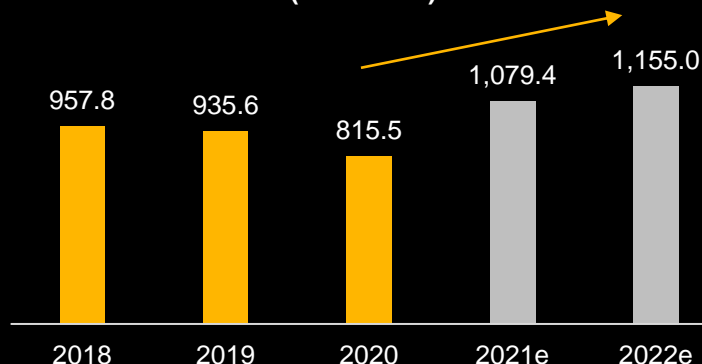
Executive Summary

The State has huge export potentials, evident in its agriculture and manufacturing sectors



Anambra's Agricultural Sector

Anambra's Agricultural Sectorial contribution to GDP (in NGN'bn)

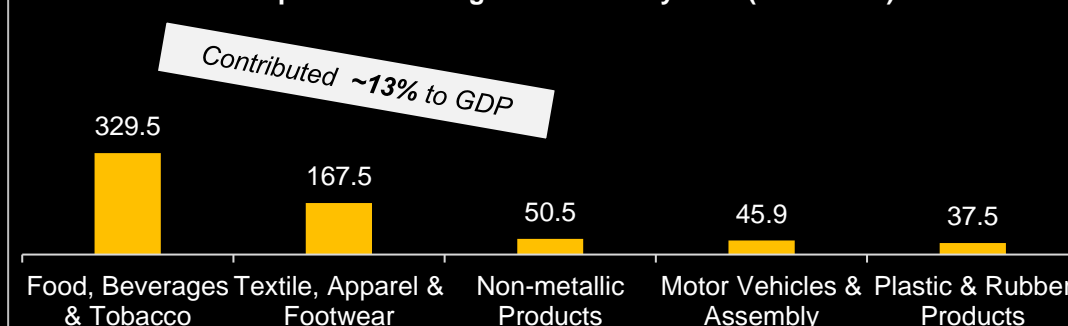


*Anambra's agriculture sector contribution to GDP is expected to grow significantly over next few years. Anambra's favourable soil conditions has enabled the cultivation of major local agricultural-products. Its agriculture strength lies in **crop production**.*

Top five crops produced: Cassava, Yam, Cocoyam, Maize and Rice

Anambra's Manufacturing Sector

Top Manufacturing Subsectors by GDP (in NGN'bn)



Anambra's manufacturing sector contributed an average of 20% to the State's GDP in the last five years. There are about 11 industrial clusters manufacturing a variety of products.

Products manufactured in Anambra: Nylon, Car Lubricants, Spirits and Drugs, Pasta, Spices, Plastics

Key Challenges within both sectors

Limited Availability of Input

- Farmers do not have sufficient access to good quality fertilizers and seeds.
- While many Manufacturers have to import their raw materials, which is costly.
- This affects the volume of yield produced

Poor Physical Infrastructure

- Poor road and Inadequate storage facilities continue to pose a challenge for the movement of products especially for agro-processing and manufacturing businesses.

Limited Access to Finance

- Lack of affordable credit to support business growth.
- Farmers have limited access to funding required to procure inputs for production and likewise, manufacturers.

Lack of Product Standardisation

- Most farmers do not adopt best production practices leading to poor yield, and product quality.
- While some manufacturers do not adhere to standard requirements for their products.

Lack of automation

- The slow adoption of technology in the agricultural sector has reduced the quality of products.
- Lack of automated systems/modern equipment lower production rate and productivity of manufacturers.

Executive Summary

To harness the potential, the state is developing an export strategy with the following themes



Vision

“To make products manufactured in the state, marketable and accessible to a wider consumer base globally. ”

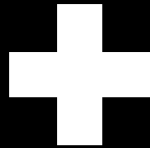
Anambra Export Strategy - Themes and Theme Results



A

Ease of Doing Business

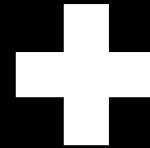
We will create a conducive environment to enable companies do business seamlessly in Anambra



B

Supply Capabilities

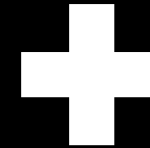
Deploying our resources (talent, platform, processes, relationships, and alliances etc.) for best performance



C

Market Entry

Improving ease of access to market through partnerships and policy reforms



D

Exceptional Product Quality

We will deploy the necessary tools, processes or capability required to ensure that all made in Anambra goods are of best quality

1 Executive Summary

The Strategy hinges on five key objectives



Anambra must put in place certain strategic measures that stimulate the State's competitiveness and guarantee that the State's effective participation in the global trade market. To improve the State's competitiveness, the government must identify, invest in, and provide support for crucial products that the State will need to build competitive advantages in. Other strategic action plans includes:

S/N	Objectives	Objectives commentary	Objective Results
1	Develop Strategic Partnerships	Establish the right partnerships with key stakeholders (i.e. manufacturers, agro-processors, regulators etc.) who will focus on developing and growing Anambra's export operations.	Alliance with productive partners across export destinations
2	Enhance State's export capabilities	Invest in resources to improve the business' ecosystem in the State	Sustainable export model
3	Accelerate Innovation using Technology	Develop the technology capability and systems required to improve product aggregation, storage, standardisation, as well as enable cross border payments, expedite and fulfil export orders at minimal operational cost	Increased efficiency and expand offering
4	Improve processes	Drive the continuous improvement of operational systems or processes required to ensure smooth running of export	Improved export time
5	Improve product quality	Ensuring that the required standards for exporting local products (including quality, appearance, texture, delivery etc) are consistently maintained and adhered to.	"Getting it right the first time"



Anambra State export strategy is poised on policies, partnerships and institutional asset to making the state and its industrial goods and services to be most competitive with tremendous advantages in mobilising available resources for wealth creation in multi-domestic markets, international markets and global markets. Leveraging on existing natural export policy, world trade rules, international institutions and strategic partnerships, Anambra aims to lead in export market development and to secure a share of world market.

Anambra State Export Strategy has 3(three) high points namely:

- **Anambra Multi-domestic Market Strategy:** Focused on seating the largest share of markets in 36 states of Nigeria plus the FCT for Anambra State industries, goods and services
- **Anambra International Markets Strategy:** is focused to target a specific third country for bilateral trade relationships with a view to establish competitive edges for goods and services being exported for consumption in the destination market to earn foreign exchange by increased sales.
- **Anambra Global Market Strategy:** Anambra exports is focused to target the world as one single market for all goods and services **Made in Anambra** for competitive growth by establishment of mutual beneficial platforms for market access, market penetration, market deepening for growth and creating partnership for shared prosperity and shared future, and anchored on shared universal values of sustainability.

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Section 2

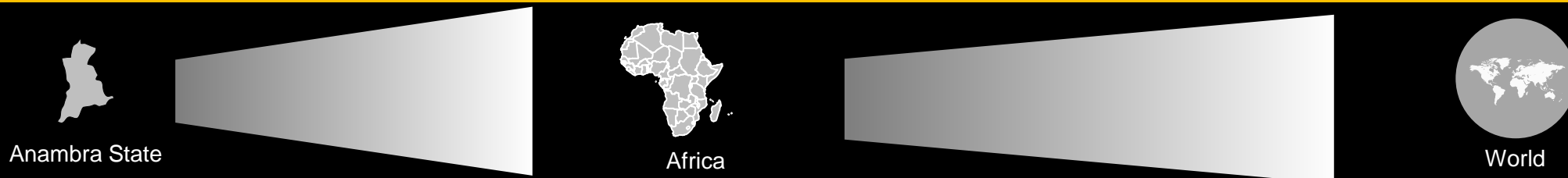
Introduction

Background, Objectives, scope, methodology, limitations



a Background

- Anambra State is one of the most endowed States in Nigeria, known for its agricultural prowess, business acumen, and manufacturing capabilities, as well as an abundance of natural resources such as petroleum, natural gas, iron ore, limestone, coal, fine clay, marble, silica sand, lead, and zinc.
- The State has the potential of becoming one of the most socio-economically viable States in the country, with a vision of being recognized as one of the world's biggest trading hubs.
- The State seeks to harness this potential to support the growth of made-in-Anambra products, build the largest shopping mall in Africa where these products will be displayed and sold as well as from which these made-in-Anambra products can be exported to the world.

The Export - Anambra State to the World

The concept of Anambra State to the World aims to make products manufactured in the state, marketable and accessible to a wider consumer base locally and globally.

b Objectives of the Export Strategy

- Increase export sales from Anambra State.
- Increase the State GDP and internally generated revenue.
- Increase awareness and the sale of Made-in-Anambra products within Nigeria and globally and support in improving the brand image of the State.
- Improve the growth and profitability potential of businesses in Anambra State
- Increase economic activities that will contribute to improving the quality of lives of Ndi Anambra.
- Catalyse growth in the manufacturing sector, hereby increasing the manufacturing value add of the State.
- Create job opportunities for Ndi Anambra.

c Scope of Export Strategy

- The document is designed to intervene at the legal, policy, technical and institutional levels, private sector and the society in general. The scope is to provide basic structure and state-wide guideline to improve export in the state and attract more investment. The proposed investment is envisage to contribute to improving the ease of business specifically for export and generally the ease of doing business

d Methodology Adopted for the Export Strategy

- The document was developed in consultation with both internal & external stakeholders in the state to form deeper view of the current state of play in the state and to identify areas of potential improvement. We reviewed and validated the State's external environment – macroeconomic analysis and sectoral analysis with focus on sector peculiarities, industry trends, challenges and opportunities.
- The team worked with key stakeholders to validate / co create key elements that will feed into the State's export strategic plan
- The document covers the "Statements of Intent viz. Vision, Mission, Core Values, Themes, Objectives and initiatives

e Limitation in developing the Export Strategy

- Time was a major limitation.
- The state is evolving its industrialisation and export strategy, hence, this is a working document and subject to future updates.

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Section 3

Economic Overview of the State's Economy



Political Stability

- Nigeria has had a relatively stable political environment and peaceful civilian-to-civilian transitions since 1999 ensuring the continuity of a democratic system of Government.
- Anambra State political environment has also been relatively stable. However, there have been various incidence of insecurity that have negatively impacted activities in the State. For example, commercial activities and artisanship.
- However, the current administration has strengthened the State's security architecture and engaged various stakeholders to address the state of insecurity to build confidence in investors and businesses to establish and operate in the State.

Government Policies / Initiatives / Programmes

- Anambra State government is focused on building the export capacity of the State through enabling businesses and supporting with market entry and development.
- Some initiatives which have been taken to further improve the State's export capacity are:
 - The launch of export development programmes in order to empower indigenous firms and increase their export capabilities. These programmes include efforts such as training, capacity development, and mentorship to provide entrepreneurs with the required skills and expertise to engage in international commerce.
 - The creation of the Import- to- Export Department in ANSIPPA to assist traders to forge durable and profitable partnerships with their overseas partners.
 - The state government recently completed the Anambra International Cargo and Passenger Airport at Umueri. This infrastructure project intends to increase air connection and ease the transit of commodities, allowing firms to export their products more effectively.

Implication

- Relative political stability and successful civilian – to – civilian transition since 1999 ensuring the continuity of government assures investors of a stable political and favourable business environment for doing business.
- The State commitment to grow the export capacity of businesses and facilitate export activities would encourage local businesses and attract investors to the State.

Impact on Proposed Export



Low

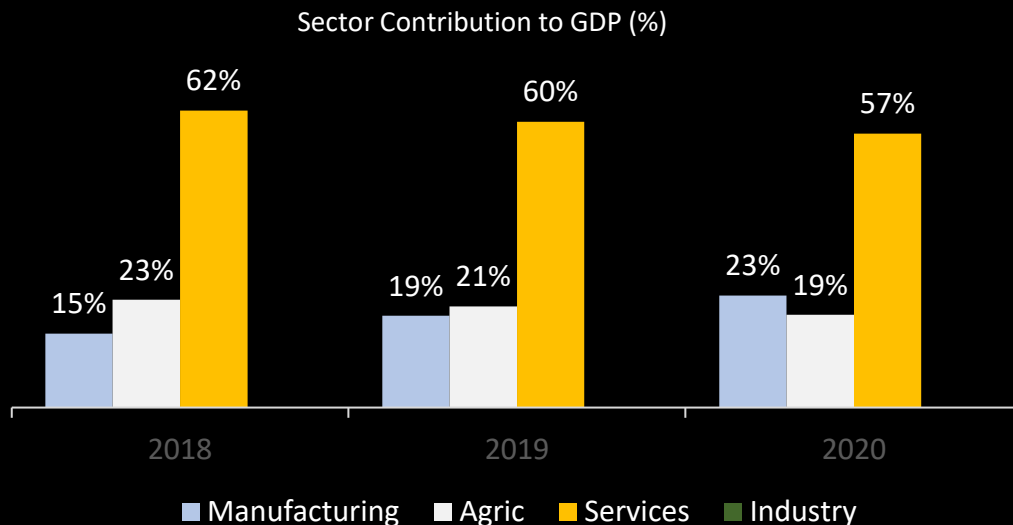
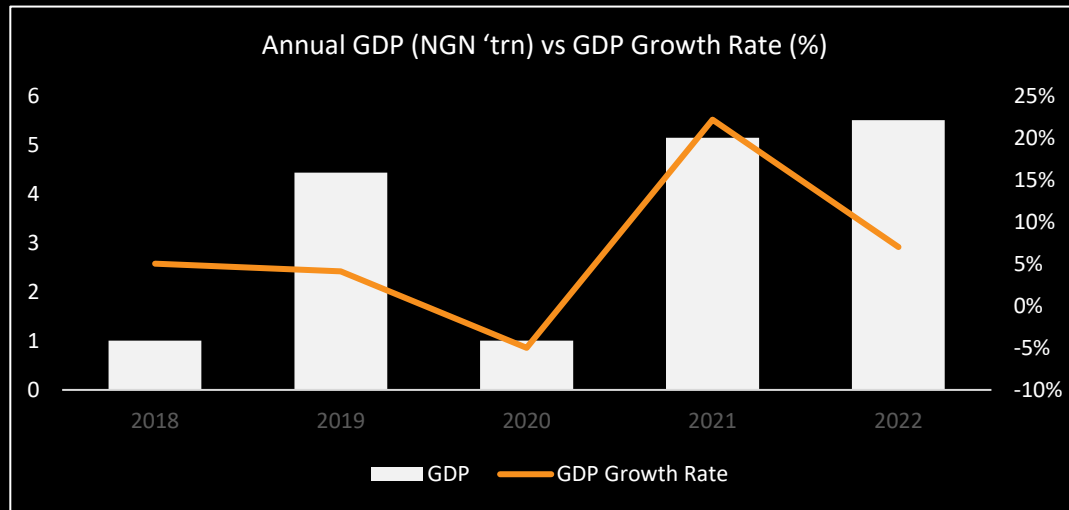
Medium

High

Rating Scale & Criteria

1. Assessment of the impact of the trend – Positive (P), Neutral (Nu) and Negative (Ng)
2. Assessment of the potential disruption to the export proposition where Low – 1 (little to no disruption) Medium - 2, High – 3 (huge disruption)

Economic Overview of Anambra State – Macro Analysis



- Anambra has the 6th largest economy in Nigeria with an estimated GDP of N5.14 trillion in 2022. Anambra State's GDP and GDP growth rate contracted in 2020 due to COVID-19 but has rebounded following the resumption of economic activities in the country and globally.
- The State experienced an average GDP growth rate of 22% in 2021 and 7% in 2022 with the contribution of the manufacturing sector increasing year-on-year.
- The manufacturing sector contribution accounted for 15% of the State's GDP in 2018 amounting to approximately NGN 657.82 billion. This has grown by 62% and in 2022, the manufacturing sector is estimated to have contribution 19% to the total GDP value of NGN 5.5 trillion.
- This growth in the manufacturing sector is driven by activities in the Food, Beverages and Tobacco; Textile, Apparel and Footwear; and the Construction subsectors.
- The services sector has consistently contributed almost 60% to the State's GDP. This contribution is driven by three major subsectors: Trade (~20% annually), Telecom and Information Services (~7% annually) and Technical Services (~6.5% annually).
- The agriculture sector has contributed an average of 20% to the State's GDP annually in the last five years with the Crop Production subsector accounting 95% of the agriculture sector's contribution to GDP.
- Mining and Quarrying is the least contributor to the State GDP, with less traction in the exploration or natural gas, crude oil and metal ore mining.

Implication

- The manufacturing, trade, and agriculture sectors has significant growth potential. This would ensure a more reliable supply of products to be exported and contribute to the GDP growth and development of the State

Impact on Proposed Export



Low

Medium

High



Technology Adoption

- A rise in the application of technology and internet infrastructure over the last 5 years has led to an introduction of 2,000km of passive fibre ducts to ensure last mile connectivity for the emergence of a smart mega city in Anambra.
- The number of smart phone users in Anambra was 5.79 million as at Q4 2020. Also, the number of active internet subscribers increased by 28% from 3,055,645 in 2018 to 3,929,891 in Q4 2021. This is projected to increase considering the proposed investments in fibre ducts and government efforts to upskill youths through the digital tribe initiative.
- The Export retail market will leverage the availability of technology infrastructure and human capital in the State to ensure the seamless operation of the .

Implication

- Anambra State has the skilled human capital who can support in the development of a digital retail store and can boast of a high percentage of digitally literate population who would be able to use the digital market place to sell their products and order for products.

Impact on Proposed Export



Low

Medium

High

Environmental Analysis

- The environmental situation in Anambra State is one of its existential threat. Anambra State experiences one form of disaster yearly. The linkages between natural hazards and human disasters caused by distressing environmental and humanitarian situations are visible in Anambra State.
- Some of the causes of the current environmental challenges in the State includes the poor waste management culture, failure of the Government to set and uphold minimum standards in urban and city planning as well as provide basic facilities in the past. However, the current administration is working towards a clean green and sustainability initiative to improve environmental situation in the State.

Implication

- The environmental threat if not managed could impact the quality and quantity of made-in-Anambra products available for export, especially agricultural products

Impact on Proposed Export



Low

Medium

High

Economic Overview of Anambra State – Barriers to Export



Infrastructural Challenges

Nigeria's export operations are plagued by infrastructural deficiencies (frequent power outages, limited logistics facilities and poor maintenance of infrastructure) that affect business productivity and the production and movement of export goods.

Bureaucracies at Ports

Slow port operations due to cumbersome documentation processes, role duplication of regulatory/security agencies, multiple shipping charges etc., cause unnecessary delays in export operations.

Limited Export Production Capacity

Most local businesses struggle to meet demand for their products. Issues such as shortage of inputs/raw materials, obsolete infrastructure, high production losses, inefficient logistics etc., continue to weaken their production capacity, especially for exports.

Inflation and Risk of Recession

Rising energy prices coupled with the hikes in prices of essentials such as food, may trigger inflation and recession in some countries. This will result in lower spend on imports, impacting export operations.

Disruptions in Global Supply Chain

Geopolitical tensions, trade sanctions and wars etc., continue to cause disruptions in the global trade industry. This may disrupt production, cause logistics delays and impact Anambra's ability to trade in some countries.

Poor adherence to International Standards

Most local businesses do not adhere to international export standards, making their products unsuitable for export i.e. from 2018 – 2022, Mexico banned hibiscus flower exports from Nigeria following pest infestation (*this led to ~US\$140 million loss in revenue*).

Limited export production capacity

Global and Local Drivers of Exports

New Digital and Technology Developments

- Growing technology adoption coupled with rapid innovation has spurred the creation of digital solutions across key sectors including trade.
- This has helped enhance the efficiency of supply chain/manufacturing processes and digital marketplace solutions required to scale up trade across the globe.
- It is expected that these technology developments will continue to foster global export activities.

Migration

- Nigeria is presently experiencing high internal and external migration due to harsh economic climate, and limited access to socio-economic opportunities.
- This has led to a wider displacement of Nigerians across several parts of the globe. Many of such Nigerians in diaspora have very limited access to their local products upon migration.
- This trend provides Anambra with opportunity to fulfil demand for made in products in foreign markets.

Globalisation

- The process of integrating national economies into one global economic system has facilitated the growth of trade between countries.
- Today, countries are able to exchange final products as well as intermediate inputs – especially areas that once had limited access to international transport systems.
- This process of integration will give rise to future disruptive trends that will change the way countries interact with each other.

Economic Diversification Agenda





- There is increased focus on shifting the nation's dependency on high risks sectors (oil) to non-oil sector through export incentives and programmes.
- The intent is to provide opportunity for growth to companies in the non-oil sector as well as diversify FX earnings from Oil & Gas Sector.
- The agenda will present the Export with multiple industry or export incentives and programmes that it can benefit from.

Trade Liberalisation

- Continued efforts by countries to adopt enabling trade policies and agreements to ease trading efforts with other nations.
- These policies and agreements i.e. Africa Continental Free Trade Agreement, African Growth and Opportunity Act amongst others, is expected to ease Anambra's access to international markets.
- This will drive the growth of the Export in the long run.

Introduction of the Africa Continental Free Trade Area Agreement (AfCFTA)

- The African Continental Trade Area Agreement (AfCFTA) was ratified by the Federal Government of Nigeria in 2020.
- The aim of the AfCFTA is to create a single continental market for goods and services, with free movement of business persons and investments.
- The AfCFTA will provide the Export with access to markets across Africa, facilitate easy movements of goods and people.

 Strengths	 Weaknesses	 Opportunities	 Threats
<ul style="list-style-type: none"> • Strategic geographical location Anambra is the gateway state into the South East, and also shares boundaries with North and South-South States. • Sizeable Workforce Anambra is estimated to be 10th most populous state with the 2nd highest population density in the country, and a literacy rate of 88%. • Strong Manufacturing & Trade Presence Nnewi and Onitsha cities in Anambra are well-known for their large industrial and commercial operations • Enabling Business Environment Anambra currently ranks 7th in the country and 1st in the South East region on EoDB. • Presence of good Transportation system Anambra has relatively fair road connectivity and network and the state has a cargo airport very close to the proposed location 	<ul style="list-style-type: none"> • Prone to Environmental Hazards Anambra has over 900 active erosion sites and is prone to natural disasters such as flooding and landslides. This could affect the availability of agricultural products to be sold in the and exported • Inadequate socio-economic Infrastructure Limited transportation infrastructure, which can make it difficult to transport goods to ports and other export destinations. Abysmal power supply and technology systems. lack of requisite technology infrastructure such as poor broadband connectivity, inadequate access to digital devices, lack of steady power etc. 	<ul style="list-style-type: none"> • Completion of the Second Niger Bridge The second Niger Bridge will ease traffic flow and connect the South East with other parts of the nation. • AfCFTA Opportunity to lead the trade sector in Nigeria trading by leveraging existing trade policies and agreements such as AfCFTA. • Presence of natural resources Anambra has a number of agricultural and natural resources (crops, iron ore, oil & gas etc.); which remain largely untapped but can serve as inputs for manufacturing products. • Presence of an active Diaspora Population Anambra's domestic and external Diaspora population remits more than US\$1 billion per annum to Anambra • Commencement of the Onitsha River Port The Onitsha River Port will enable the direct movement of cargoes to and from the South-east. 	<ul style="list-style-type: none"> • Insecurity Insecurity issues especially in areas around the outskirts/boundaries of Anambra and political instability can hinder trade and investment. • Unstable Economic Conditions Fluctuating global fiscal and socio-economic conditions such as changes in oil prices, exchange rates and trade policies can hinder trade and export opportunities. • Non-compliance with fair trade regulations and sustainability practices can affect the demand and competitiveness of made in Anambra products in international markets • Lack of continuity in the implementation of the initiative with a change in administration

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Section 4

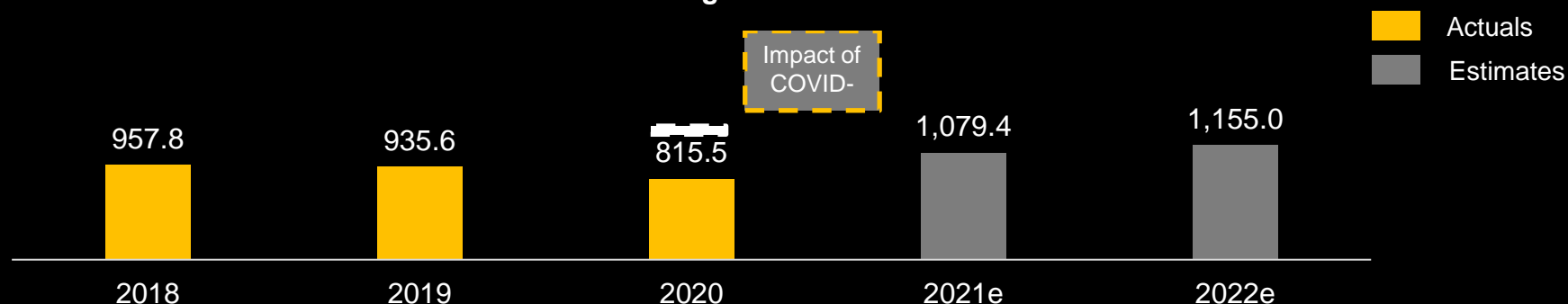
Sectoral Analysis



Anambra's Agriculture & Agro-processing

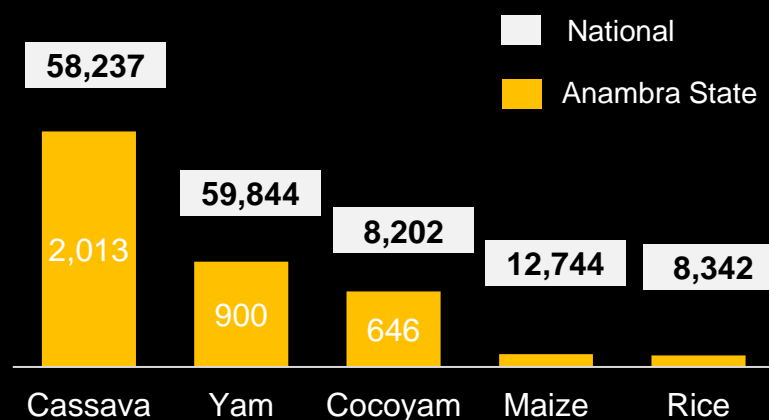
Anambra's agriculture strength lies in its crop production, however it needs to shift its focus to commercial farming and develop the relevant infrastructure (warehouses, processing factories, etc.) to enhance its agriculture value chain, boost its production volume and increase its food supply to other nations.

Anambra's Agriculture Performance



- Anambra's favourable soil conditions has enabled the cultivation and processing of major local agricultural-products.

Crop Production volume (in '000 MT) as at 2021



Storage Capacity as at 2021

Grain Reserves Capacity (in MT)*

	State Owned	Federal
Anambra	5,090	25,000
Imo	34,170	100,000
South-East	60,260	150,000

58% of these farmers practice subsistence farming, others are commercial...

....while **84%** of registered farmers are into crop production.

210,582

Crop Class	Major Crops	Top Producing Locations
Cereal Grains	Rice	Ayamelum, Omor, Ufuma, Oba-Ofemili
	Maize	Aguata, Oyi
Roots and Tubers	Yam	Ihiala, Anam,
	Cassava	Ihiala
Vegetables	Cocoyam	Ihiala
	Bitter leaf	Nimo, Orakwe, Abatete, Uke
	Scent leaf	Atani, Ogbakuba, Osommili
	Okra	Ifite ogwari, Umumbo, Umunlom, Ezira, Anam, Umunze, Omasi
	Uziza lead	Nnobi, Ichida, Utu
	Utazi leaf	Nnobi, Igboekwu, Ichida, Ukpok, Utu, Isuofia
	Water leaf	Ezira, Umunze, Okiliozuzu, Ogbakuba, Nnobi
	Chilli pepper	Ichida, Abatete, Uke, Ideani, Isulo, Ezira, Eziagu, Nawfija
Others	Ukwa	Oba, Ekwuluobia, Oraukwu, Iseke, Uli, Okija, Osumugho, Azia, Lilu, Utu, Ogboji, Umueze, Ezira
	Plantain and Banana	Ifite Ogwari, Umueze, Anaku, Nimo, Adazi Nnukwe, Adazi-ani, Akwaeze, Azia, Lilu, Osommali, Umueze, Ogboji, Umuchu, Akpo, Akpu
	Oil palm	Igbariam, Achalla, Umueze Ogboji Akpo, Akpu, Ufuma, Ndiowuo, Aguluezechukwu, Ndikeliohu, Nando
	Cashew /Cashew Nut	Owelle Ezukala, Umueze, Nnobi/Alor, Ihiala, Ugbenu
	Castor oil seeds	Umueze, Ezira, Eziagu, Igboekwu
	Coconut	Ihiala

Annual revenue from the semi-products/finished products of selected crops

Yam



NGN 4 trn

Cassava



NGN 675 Bn

Palm Produce



NGN 610 Bn

Rice



NGN 163 Bn

- Anambra State produces over 20 different crops spread across the 21 local government areas of the State.
- The State also has numerous agro-processing plants where these economic crops are transformed to semi-finished and finished goods such as cassava flour, cassava chips. Corn flour, yam chips, pounded yam, and fufu.
- Anambra generates about 1.58, 1.41, 0.256, and 0.348 million metric tons of semi-finished and finished products of Cassava, Yam, Rice and Maize annually.
- Although Anambra produces more semi-finished and finished products from Cassava (1,580,000 metric ton) per annum, revenue from the sale of semi-finished and finished products from Yam (1,407,000 metric ton) surpasses revenue generated to the manufacturers of these products by over 5 times. .

Agriculture clusters in Anambra State

Anambra West

Mmiata-Anam, Umueze-Anam, Nzam

Anambra East

Igbariam Farm Settlement, Otuocha, Ikem-Ivite, Umuoba-Anam, Nando

Ogbaru

Atani, Ogbakuba, Ossomala, Umunankwo

Ihiala

Lilu, Orsumoghu, Ubuluisuzor



Warehousing facility in Anambra State

S/N	Location of warehousing facility	Quantity
1	Igbariam Astrac Warehouse - Anambra East LGA	2
2	Ministry of Agriculture ADP Building Awka - Awka South LGA	1
3	Awka North LGA	1
4	Ogbaru LGA	2
5	Oyi LGA	1

- There are eight major agriculture clusters in Anambra State. These clusters provide feedstock to the nine agro-processing plants in the State.
- Farmers in these clusters experience significant post-harvest loss due to shortage of storage facilities. The production volume across these clusters could significantly increase by investing in storage infrastructure to reduce post-harvest losses.
- There are only seven major storage facilities across the State with major agriculture hubs devoid of any storage facility. The exception is storage infrastructure in the rice crop as the rice value chain attracts significant private sector investment. Similarly, the agro-processing plants engage in rice processing and diversifying to other crops will be essential to support the State's export goal.

Agriculture Value Chain	Challenges	Implication for the Export	Recommendations
Inputs (Seedlings, Fertilizers etc.)	<p>Farmers have limited access to inputs.</p> <p>Lack of funding to procure inputs.</p>	<p>Lower volume of inputs increases the risk of lower production output.</p> <p>Lower production volume for exports</p>	<p>Sustain government programmes that support supply of subsidized inputs to farmers.</p> <p>Promote Research & Development activities for best agricultural inputs and practices. This can be achieved through partnerships with Universities across the State.</p>
Production (Crop or Livestock Production)	<p>Slow adoption of mechanised farming.</p> <p>Low yield and poor adoption of best production practices.</p> <p>Limited access to funding to mechanise farming process.</p> <p>Poor weather and environmental conditions</p>	<p>Slower production turnaround time due to manual farming methods.</p> <p>Lower yield and high post-harvest losses will result in lower production output</p> <p>Issues such as flooding and erosion have resulted in the damage of crops, livestock and even infrastructure, which lower production output.</p>	<p>Provide credit facilities to support farmers in the acquisition of modern agricultural equipment and tools.</p> <p>Sensitise and train farmers on best agricultural practices to improve yield.</p> <p>Adopt best environmental practises such as mulching, tillage practise, drainage systems etc. to reduce the impact of environmental issues.</p>
Aggregation & Processing (Aggregation, Agro-processing, Packaging etc.)	<ul style="list-style-type: none"> Inadequate logistics (storage, transport etc.) and processing facilities Difficulty in product aggregation due to poor product quality and disorganized farming clusters 	<p>This may result in high post harvest or manufacturing losses which will significantly lower volume of export products.</p> <p>Product quality may not align with international standards leading to export rejection or bans</p>	<p>Develop required facilities for logistics and processing i.e. consider establishing an agro-industrial park to cater to the facility needs</p> <p>Partner with regulators and other standard organizations to standardize product quality and enforce adherence</p>

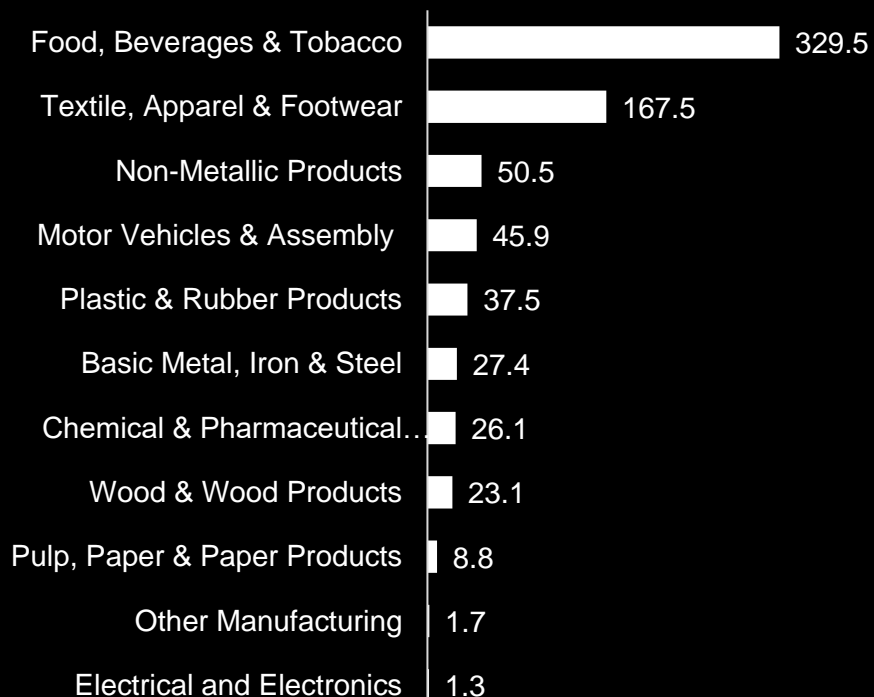
4 Sectoral Analysis – Manufacturing



Manufacturing

- Anambra's manufacturing sector contributed an average of 20 percent to the State's GDP in the last five years. The food, beverages & tobacco and the textile, apparel & footwear subsector have consistently been the major driver to the contribution of the sector. The motor vehicle and assembly subsector has received traction in recent times with significant investment from the private sector. This led to a 0.81 percentage point increase between 2018 and 2020.
- The State government has also commenced activities to build a pharmaceutical industrial cluster with the goal of increasing the value add of this subsector to the economy through job creation, export, and the provision of quality medications for Nigerians.

Top Manufacturing Sectors (by GDP) in NGN 'bn



Contributed
~13% to GDP

Products manufactured in Anambra State

- | | |
|--|----------------|
| • Nylon (Poly and Allied Based Products) | • Vehicle |
| • Engine oil (lubricants) | • Pasta |
| • Groundnut and palm oil products | • Animal feeds |
| • Diapers | • Cable |
| • Spirits and drugs | • Shoes |
| • Chemicals | • Plastics |
| • Tissues | • Spices |

Production Volume (MT) for selected goods



Manufacturing

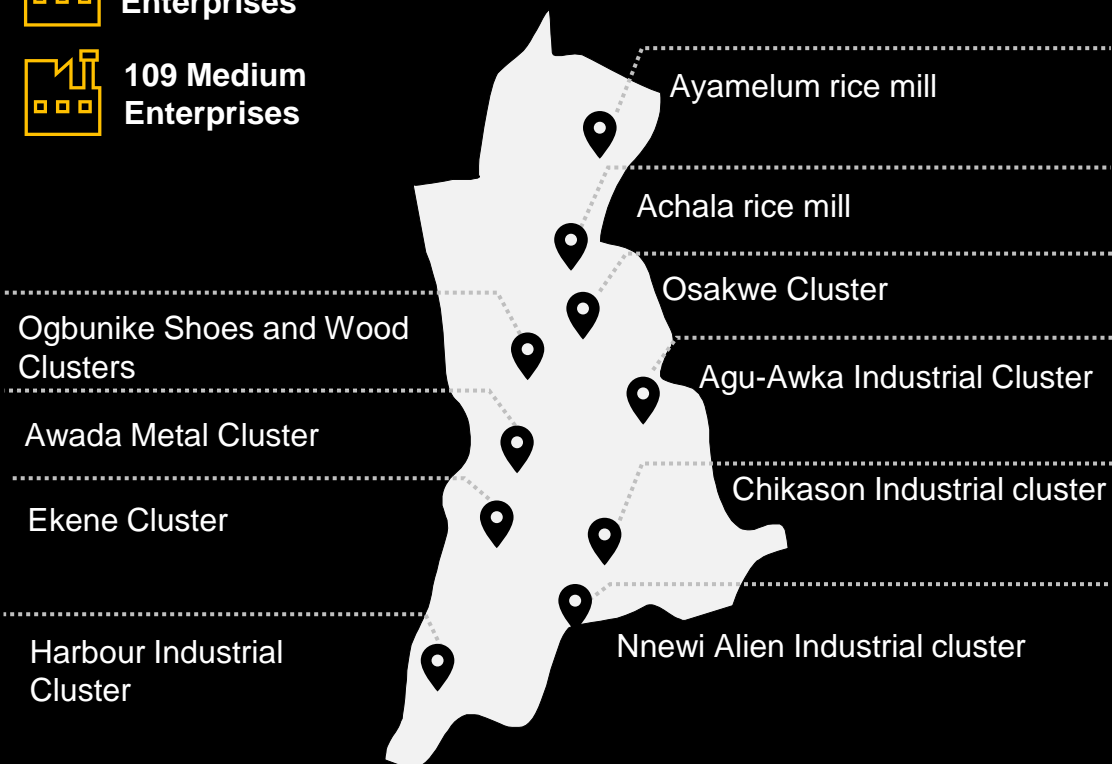
Existing Clusters in Anambra State



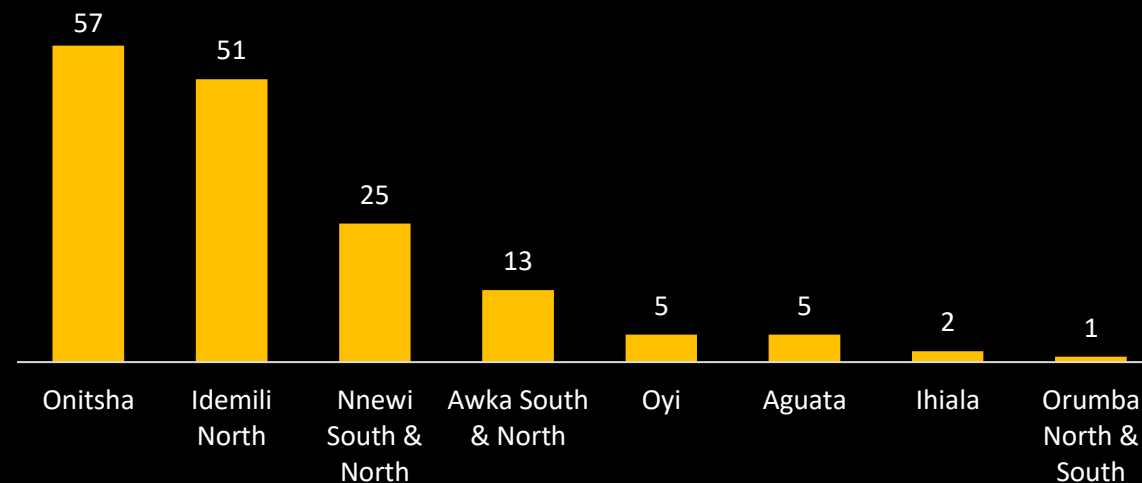
53 Small Enterprises



109 Medium Enterprises



Top 7 Zones with the Highest Number of Manufacturing SMEs



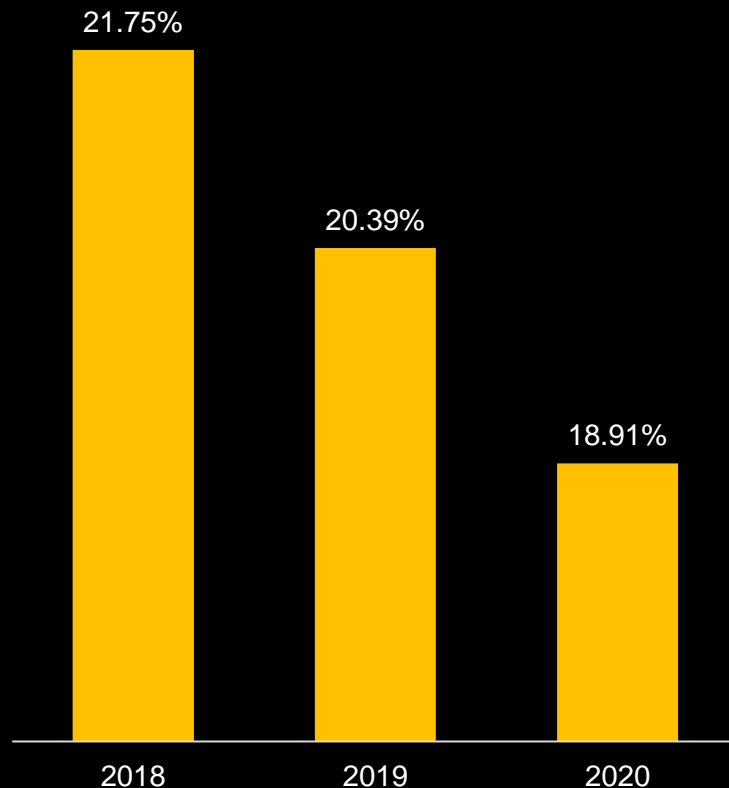
Proposed Clusters in Anambra State

- | | |
|---|--------------------------------|
| • Metal Cluster | • Wood Cluster |
| • Legal Garment Cluster | • Polythene and Aliens Cluster |
| • Idemili Manufacturing Cluster (Cosmetics) | • Ozubulu Cluster |
| • Amawbia Cluster | • Idemili Cluster |
| • Obosi Cluster | • Akwaihedi Cluster |
| • Ogboji Pharmaceuticals Hub | |

Trade

Anambra State is widely known for its large trade and commercial activities in two of its major cities - Onitsha and Nnewi. These cities provide the link for trade and distribution of goods between Northern and Southern parts of Nigeria, and even West Africa.

Trade Sector Contribution to GDP

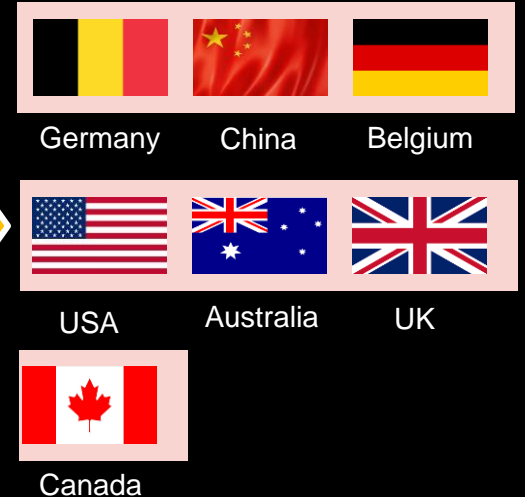


129
Exporters

Some Products Anambra currently exports

- Palm Oil
- Vegetables
- Fish
- Cashew nut
- Cocoa
- Yam
- Soyabean
- Cassava
- Beans
- Ginger

Countries made in Anambra Products are exported to



As at 2017, Anambra State Investment Promotion and Protection Agency (ANSIPPA) ranked Anambra State as 1st and 3rd in the South-east and Nigeria respectively, by commercial trade volume. Since then, there has been a decline in the trade sectors contribution to state GDP which can be attributed to harsh economic realities coupled with the impact of COVID-19 on movement of people and goods across the globe. Despite these challenges, Anambra State has the potential to further expand its trading activities by improving its agro-processing and manufacturing value chain especially for products that it has comparative advantage.

Sectoral Analysis – Challenges with Manufacturing and Trade Industry



	Challenges	Implication for the Export	Recommendations
Inbound Logistics (Supply of Raw Materials)	<ul style="list-style-type: none"> Access to limited volumes of raw materials Delays in logistics operations due to issues such as dilapidated roadways, limited storage infrastructure and capacity which can lead to delivery delays and/or product losses. Foreign exchange volatility 	<ul style="list-style-type: none"> Lower production volumes from manufacturers means lower exports Delays in logistics operations 	<ul style="list-style-type: none"> Facilitate vertical linkages between large corporates and local aggregators, committees or businesses to improve their production capacity and quality. Rehabilitate existing logistics infrastructure or develop new ones, where relevant, for efficient supply chain processes
Processing & Manufacturing	<ul style="list-style-type: none"> Many manufacturers are burdened with the cost of supplying power required for business operations. Lack of automated systems/modern equipment which lower production rate and productivity of manufacturers. Poor adherence to product standardization, lack of awareness of standard requirements for their products. Lack of affordable credit to support business growth. 	<ul style="list-style-type: none"> Higher production costs result in higher pricing for manufactured goods Lower production rate means lower availability of goods for export Products losses as may be returned, banned or even destroyed. Limited funding hampers business activities. 	<ul style="list-style-type: none"> Develop shared facilities for manufacturing businesses in existing clusters. Develop Industrial areas with relevant infrastructure (power supply, warehouses etc.) to enable businesses thrive. Collaborate with Development Partners and other stakeholders to provide subsidized state-of-the-art equipment for manufacturers. Develop standards for local products in line with international market standards and needs, in collaboration with regulatory bodies (SON, MAN). Sensitise local manufacturers on product standards. Collaborate with financial institutions (Bank of Industry etc.) to provide affordable financing options to manufacturers.
Trade	<ul style="list-style-type: none"> Poor regulatory control 	<ul style="list-style-type: none"> Sub-standard products may be smuggled in for export, which may create a negative perception of the made in Anambra brand. 	<ul style="list-style-type: none"> Design appropriate export regulatory policies and processes to curb smuggling.

Anambra's Transport & Logistics



Airways

Presence of a functional passenger & cargo airport in Umueri.



Roadways

Good road connectivity, ongoing rehabilitation of roads across the State and strong presence of mass transit services.



Inland Waterways

Presence of traditional and obsolete water transport systems i.e. open boats, canoes etc.

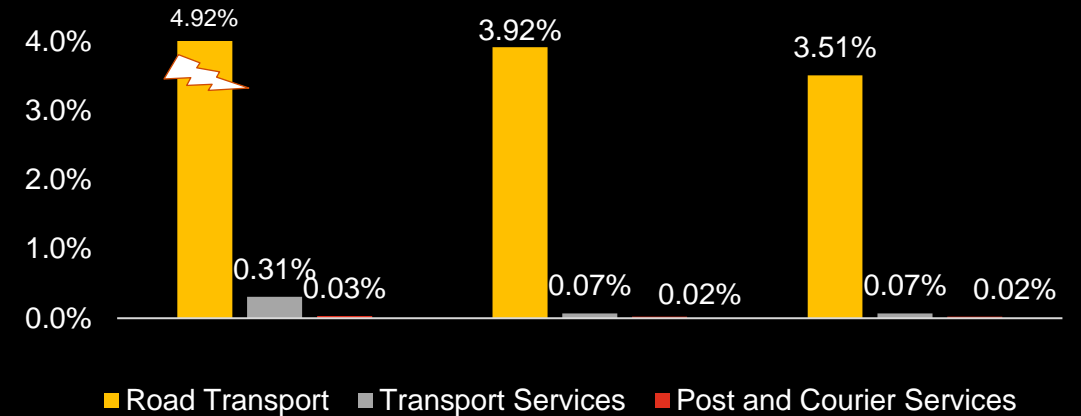


Railways

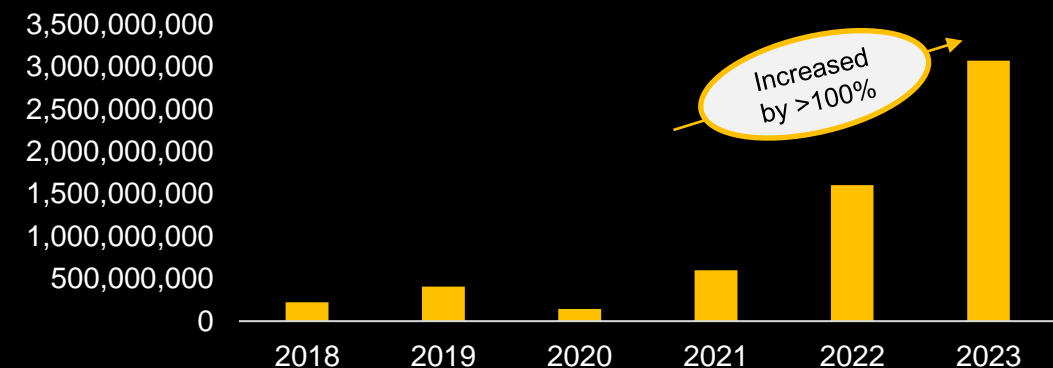
No existing rail infrastructure in the State, however there ongoing plans to implement a light rail.

- Anambra's airport majorly hosts passengers coming from different parts of the nation. *Anambra may need to expand or develop additional airway infrastructure to accommodate cargo planes for export.*
- Although Anambra State is working to ensure that key roads linking agricultural communities are fixed, it is imperative that Anambra develops a railway system that can support existing road infrastructure in aiding the transfer of goods and services.
- Most agricultural communities/hubs in Anambra are located in riverine areas and are only accessible through canoes or boats. *Anambra needs to develop its inland water transport system (inland ports, jetties, ferries, barges etc.) to ease movement of goods and people to and from riverine communities.*

Transport & Logistics Sector Contribution to GDP (in NGN)



Budget Allocation for Transportation (in NGN)



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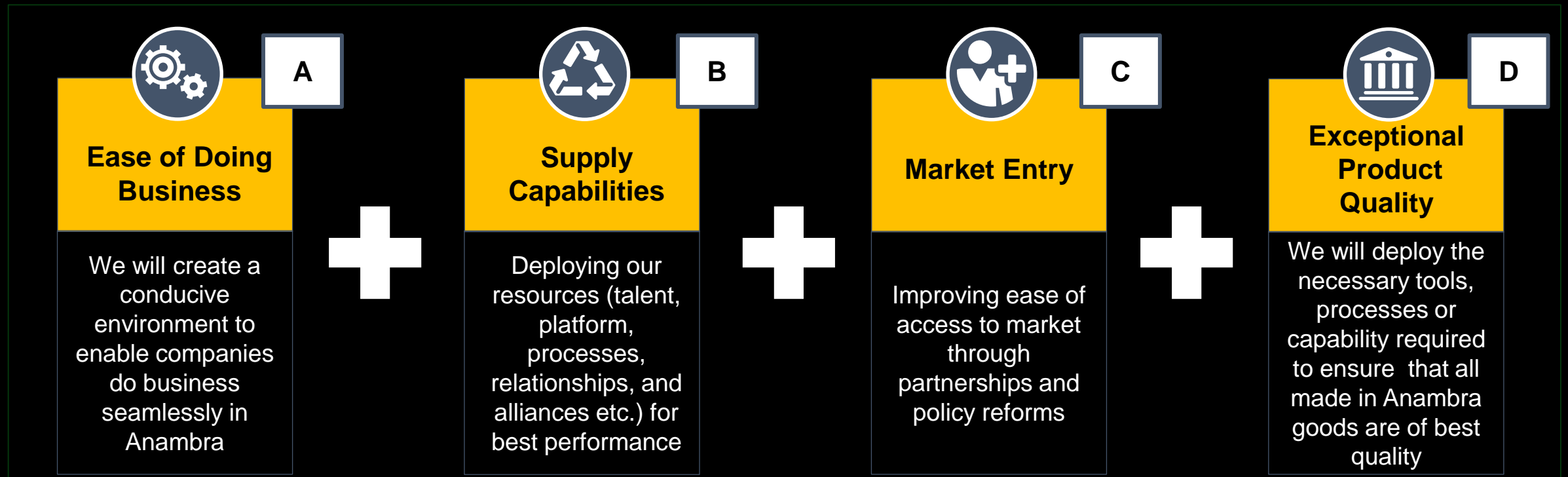
Section 5

Export Support Strategies



	<i>Strategic Elements</i>	<i>Description</i>
	Vision	“To make products manufactured in the state, marketable and accessible to a wider consumer base globally. ”
	 Vision Outcome	This will improve the State’s export scale of operations and competitiveness in the global market through new product development and market expansion

Anambra Export Strategy - Themes and Theme Results



Anambra must put in place certain strategic measures that stimulate the States's competitiveness and guarantee that the State's effective participation in the global trade market. To improve the State's competitiveness, the government must identify, invest in, and provide support for crucial products that the State will need to build competitive advantages in. Other strategic action plans includes:

S/N	Objectives	Objectives commentary	Objective Results
1	Develop Strategic Partnerships	Establish the right partnerships with key stakeholders (i.e. manufacturers, agro-processors, regulators etc.) who will focus on developing and growing Anambra's export operations.	Alliance with productive partners across export destinations
2	Enhance State's export capabilities	Invest in resources to improve the business' ecosystem in the State	Sustainable export model
3	Accelerate Innovation using Technology	Develop the technology capability and systems required to improve product aggregation, storage, standardisation, as well as enable cross border payments, expedite and fulfil export orders at minimal operational cost	Increased efficiency and expand offering
4	Improve processes	Drive the continuous improvement of operational systems or processes required to ensure smooth running of export	Improved export time
5	Improve product quality	Ensuring that the required standards for exporting local products (including quality, appearance, texture, delivery etc) are consistently maintained and adhered to.	"Getting it right the first time"

Objective 1**Develop Strategic Partnerships**

	Key Actions for Achieving the Objective	Responsible Government Parties for Implementation
	<ul style="list-style-type: none"> Strengthen partnership with regulatory institutions like the Standard Organization of Nigeria (SON), National Agency for Food and Drugs Administration Control (NAFDAC), the National Agricultural Quarantine Services (NAQS) etc. that would ensure proper monitoring and enforcement of quality of export products Partner with core industry players to identify areas to focus energy to access the highest prospective market for export of specific products using defined criteria for ease of export to the target market. 	<ul style="list-style-type: none"> Commissioner for Industry Commissioner for Budget & Economic Planning Commissioner for Agriculture Commissioner for Transport Commissioner for Justice

Objective 2**Enhance State's export capabilities**

	Key Actions for Achieving the Objective	Responsible Government Parties for Implementation
	<p>An investment to develop the State infrastructure quality is essential to the success of the State. It helps to facilitate the smooth flow of goods and services, create a conducive business environment, contributes to the reduction in production time and cost of produce and cost to export.</p> <ul style="list-style-type: none"> • Make significant investment in infrastructural development that would reduce the cost of business and facilitate the evacuation of Made in Anambra products to the border post for export purpose. Key infrastructural drive would be needed in power, railways, roads, distribution and storage systems etc 	<ul style="list-style-type: none"> • Commissioner for Industry • Commissioner for Budget & Economic Planning • Commissioner for Agriculture • Commissioner for Transport • Commissioner for Power and water • Commissioner for works and Infrastructure

Objective 3**Improve the use of Technology**

	Key Actions for Achieving the Objective	Responsible Government Parties for Implementation
	<ul style="list-style-type: none"> Embrace technology to increase operational efficiency at the State, improve customer experience, expand their reach, and gain a competitive advantage, leading to increased sales and long-term profitability. Manage cross border transactions and taxes as well as ensuring the timely payment of producers is essential for their businesses to thrive and the sustainability of the entire value chain. The use of technology (payment gateways, etc.) to enable easy payment will become paramount Encourage innovations through fiscal incentives to drive productivity, potentially diversifying access to the market such as online trading platforms etc. Anambra to compete favourably with other countries with relatively robust trading system. 	<ul style="list-style-type: none"> Commissioner for Industry Commissioner for Budget & Economic Planning Commissioner for Agriculture Commissioner for Transport MD, ICT Agency

Objective 4**Improve processes**




	Key Actions for Achieving the Objective	Responsible Government Parties for Implementation
	<ul style="list-style-type: none"> • Enact policies and regulations both at State and Federal level to encourage export, the operations of the export , and the survival of key sectors will be instrumental to the success of the proposed export . This will include tax laws and incentives, export laws, and other legal requirements to engage in export related activities. • Commence review of available export policies with a view to realigning it for improved export process. Deliberate efforts need to be made to proactively drive the recalibration of Nigeria's export and import strategies that dismantles inherently rife structural barriers to trade • Invest in a robust supply chain management process/systems. Managing order levels, ensuring appropriate documentation, and insurance are all crucial. 	<ul style="list-style-type: none"> • Commissioner for Industry • Commissioner for Budget & Economic Planning • Commissioner for Agriculture • Commissioner for Transport • Commissioner for Justice

Objective 5**Improve product quality**

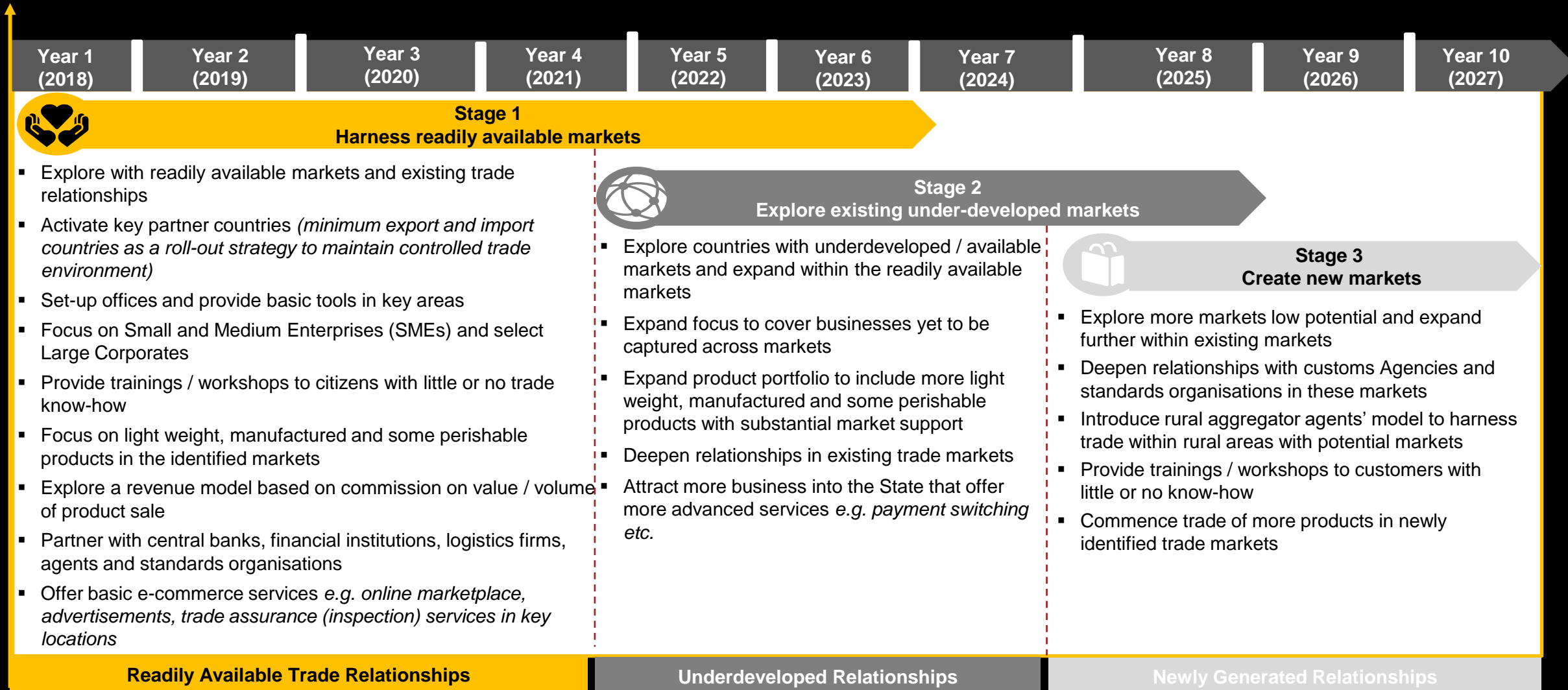
	Key Actions for Achieving the Objective	Responsible Government Parties for Implementation
	<ul style="list-style-type: none"> Products exported to other countries would be expected to meet the standards of the importing countries. Supporting SMEs to attain the relevant products certifications and standardisation could play a significant role in securing customers and remaining globally competitive Ensure differentiation of Made-in- Anambra product by either cost, service, product, etc. differentiation will be necessary for businesses across the export value chain and the to remain competitive in the volatile, uncertain, complex, ambiguous business landscape 	<ul style="list-style-type: none"> Commissioner for Industry Commissioner for Budget & Economic Planning Commissioner for Agriculture Commissioner for Transport

Strategies to Export products to Target Market



	 Description	 Benefits	 Limitations
Direct Sales to Customers	The handles the end-to-end sales process directly for all its customers. The will need to establish its own agents, logistics services etc. in target countries.	<ul style="list-style-type: none"> • It allows direct engagement with customers which gives better insights to their product needs. • Higher profit margin for the ; controls the entire value chain • Better control over the end-to-end export process. 	<ul style="list-style-type: none"> • It requires more resources (personnel, time, cost etc) to fulfil last mile delivery. • Limited market coverage. • Higher export risks due to inexperience and limited understanding of the market.
Partner with Buying Agents	The will partner with export buying agents (local/foreign) who are representatives of large foreign wholesalers or retailers in the target markets.	<ul style="list-style-type: none"> • Better market coverage as the agents have better understanding of the target market. • No impact on cost, as agents are paid commission by the wholesalers/retailers. • Lower export risks as buyers work based on demand. 	<ul style="list-style-type: none"> • Less engagement with individual, wholesale and retailer type customers.
Partner with Trading companies	Partner with independent trade companies in foreign countries who will represent the to sell to wholesalers and retailers. .	<ul style="list-style-type: none"> • Trade companies usually have strong and diverse experience in export services. 	<ul style="list-style-type: none"> • Higher export cost as the trading company will require commission from the . • Less engagement with individual and retailer type customers.
Leverage Export Trade Houses	The can leverage existing local export houses established by NEPC in the target market to export its products.	<ul style="list-style-type: none"> • Access to existing storage or warehousing facilities in target market. 	<ul style="list-style-type: none"> • Local Export Trade Houses are very few and may not be located in selected countries. • Less engagement with individual and retailer type customers.

Go to market strategy

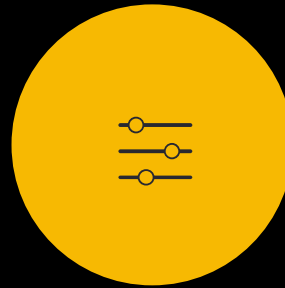


5 Institutional Mechanism – Strategic Partnerships



Strategic Partners / Alliances	Responsibility
<ul style="list-style-type: none"> Product Regulators Regional / In-country Quality Organisations 	<ul style="list-style-type: none"> To provide relevant information on standards and requirements for trade operations To provide regulation and standards for tradeable products
<ul style="list-style-type: none"> Border Control / Revenue Authority 	<ul style="list-style-type: none"> To facilitate goods clearing and forwarding process To certify compliance with border documentation (<i>tax remittances</i>)
<ul style="list-style-type: none"> Financial Institutions Switching Companies 	<ul style="list-style-type: none"> To provide financing to exporters and importers To provide settlement and clearing services To facilitate currency conversion To enable funds movement
<ul style="list-style-type: none"> Aggregators 	<ul style="list-style-type: none"> To facilitate trade activities via the electronic platform in locations of key markets
<ul style="list-style-type: none"> Private Sectors and Chambers of Commerce 	<ul style="list-style-type: none"> To promote a sustainable business environment for commerce, trade and investment and facilitate local production and self-sufficiency
<ul style="list-style-type: none"> Quality Inspectors 	<ul style="list-style-type: none"> To ensure goods meet the required standards of customer and quality organisations
<ul style="list-style-type: none"> Logistics Companies (<i>Transportation, Freight Forward, Warehousing / Inventory Management</i>) 	<ul style="list-style-type: none"> To supervise the flow of goods from warehouse to destinations / buyers To facilitate clearing and forwarding at the borders To provide facility for good storage To manage warehouse inventory

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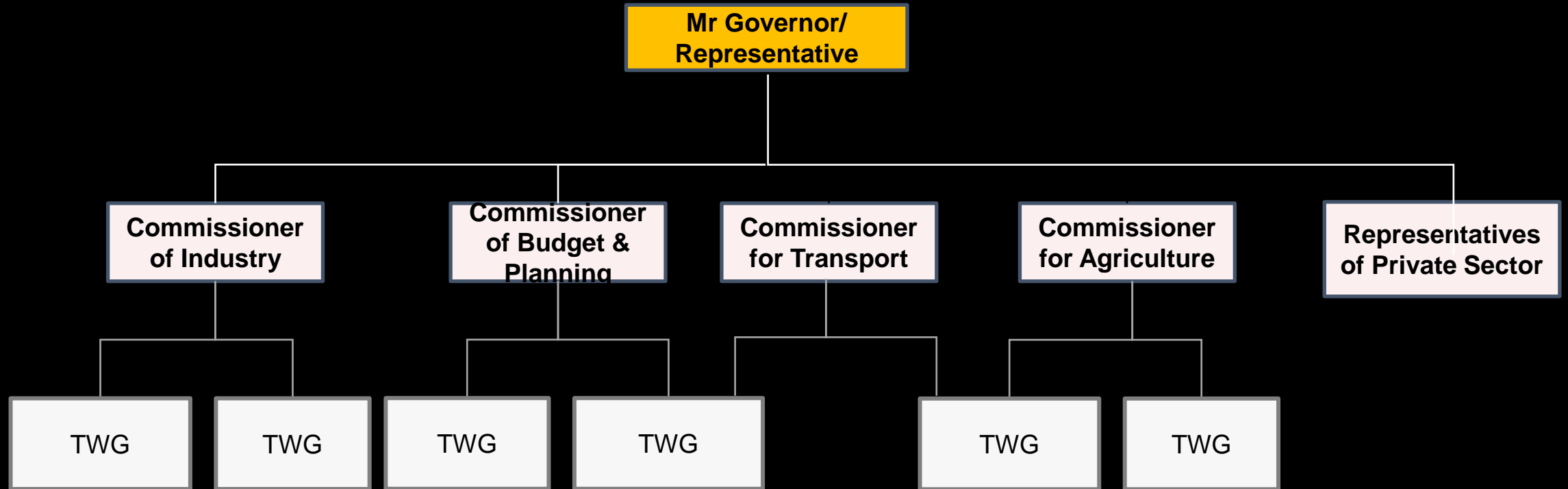


Section 6

Institutional Mechanism & Activities









Nigeria Customs Service

- The Nigeria Customs Service is a federal government agency saddled with core functions of revenue generation, through Import and Export excise duties, and prevention of smuggling
- Other responsibilities include Trade Facilitation, implementation of Government Fiscal Measures, and Implementation of bilateral agreements.
- The Customs service also collaborates with NDLEA, SON, NAFDAC, CBN and FIRS.



Nigeria Export Promotion Council (NEPC)

- NEPC is the Federal Government of Nigeria's apex institution for the promotion, development and diversification of exports.
- Its responsibilities include coordinating and harmonizing export development and promotion activities in Nigeria, while interfacing international trade agencies on cooperation and capacity building.
- The agency's strategy aims to diversify the productive base of the Nigerian economy through exports product development.



Nigeria Ports Authority (NPA)

- NPA aims to be the maritime logistics hub for sustainable port services in Africa. It governs and operates 6 ports in Nigeria
- Some of its oversight functions include offering cargo handling and storage services, providing safe and navigable channels for exportation and policy formation of basic marine infrastructure.
- Notable services performed include Harbour services, Cargo Handling, Marine services, Engineering & Technical services, Commercial services and Safety services



Standards Organization of Nigeria (SON)

- SON was established to promote consumer confidence and global competitiveness of Nigerian product and services through standardization and quality assurance.
- The core mandate of SON lies with the provisioning of standards – a document that provides for common use, rules, guidelines or characteristics for products and services related to process or production methods, aimed at achieving an optimum degree of order.



NAFDAC

- The National Agency for Food and Drug Administration & Control (NAFDAC) was established to regulate and control the manufacture, importation, exportation, distribution, sale and use of food and regulated products.
- An oversight function details the support of food safety programs by ensuring food facilities adhere to best practices to sustain desired quality.
- NAFDAC consists of a Ports Inspection Directorate, Food Safety and Applied Nutrition Directorate,.

Key regulatory requirements for establishing an Export

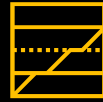
Registration



Export organizations require the completion of stipulated procedures for seamless operations. Some of the key procedural requirements predetermined by regulators include:

- NEPC Registration certificate
- Relevant certificate of quality issued by designated agencies
- Bill of Lading, Bill of Exit
- Proforma invoices and completed **excise duty forms**

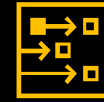
Certification



Export organizations are required to observe all applicable **regulatory and governance standards** as may be prescribed by the NEPC, SON and other export regulatory authorities in Nigeria, such as:

- **Product Certificate**
- **SON Conformity Assessment Programme (SONCAP)**
- **Pre-Arrival Assessment Report (PAAR)**
- Routine quality tests as mandated by federal agencies such as SON and NAFDAC towards validating the quality of products.

Exporting



The State government (Export) will be **required to provide MSMEs with access to the applicable technologies and strategies to boost production and export opportunities**. Some of the requirements include:

- Strong logistics capabilities and distribution networks will be required in meeting export demands.
- Warehousing facilities at selected hubs, as products stored run the risk of damage overtime.

Licensing



The State government will be required to get accredited with a **direct or indirect exportation license for the Export** .

- SON issues a **MANCAP certification** for locally manufactured products and PRODUCT-TYPE certificate for export products.
- A **Combined Certificate of Value and Origin (CCVO)** will be required to prove the value and origin of goods for customs clearance

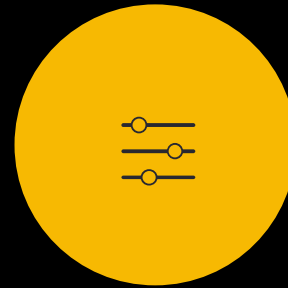
Ownership



Investment and share capital ownership of the Export will be required to be made public for accountability and tax audit purposes. This requirement is necessary towards obtaining a Tax Identification Number for an exporting organization including the following;

- **Certificate of Incorporation**
- **Statement of share capital**
- **Memorandum & Articles of Association (MEMART)**

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Section 7

Intervention for Capacity building and Sensitization

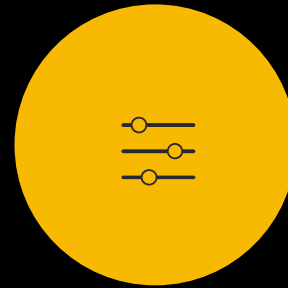




Intervention for Capacity building and Sensitization

- Export process Re-engineering and automation of services, licenses certificates and approvals
- Recognition, listing and incentives for Anambra Exporters.
- Promoting Export from the local governments, Industrial clusters, and Economic free zones, mixed use industrial cities
- Streamlining FGN and Anambra Export policies, and strategic collaborations with NIPC, NEPC, and MITI.
- Facilitating Export for E-Commerce Entrepreneurs
- Duty free import of raw materials for Export Orientated Industries

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Section 8

Conclusion



Export Monitoring & Evaluation

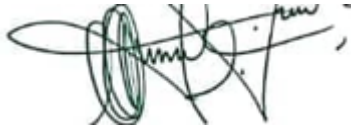


Anambra State Government through the Ministry of Industry, Chambers of Commerce, Manufacturers Association (MAN), Nigeria Export Promotion Council (NEPC), Nigeria Investment Promotion Council (NIPC), Nigeria Ministry of Trade and Investment will harmonize national export monitoring and evaluation systems for remedial actions and sustainable development for unlimited prosperity through exports.



Anambra State Export Strategy is designed to create strong Strategic partnerships with all stakeholders in order to stimulate product development and market expansion.

Reviewed and Approved by



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22nd December 2023