

POSITION PAPER

**Developing Nigeria's Light Manufacturing
Sector COVID-19 Response -
Opportunities and Constraints**

Report of a Dialogue Session held on the 30th of March 2021

by

**The Manufacturing Thematic Group
(Manufacturing and Mining Policy Commission)**

The Nigerian Economic Summit Group (NESG)

In collaboration with

**International Finance Corporation Nigeria (IFC)
Foreign, Commonwealth and Development Office (FCDO)
Manufacturers Association of Nigeria (MAN)**

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1.0. EXECUTIVE SUMMARY

In response to the urgency for the development of the light manufacturing industry in Nigeria, which became heightened at the outset of the COVID-19 pandemic, the Manufacturing Policy Commission of the Nigerian Economic Summit Group (NESG) in partnership with the International Finance Corporation (IFC), the Foreign, Commonwealth and Development Office (FCDO) and the Manufacturers Association of Nigeria (MAN) convened key stakeholders to deliberate on the challenges constraining the industry's growth, highlight critical opportunities that can be leveraged, and proffer recommendations that will aid its development.

The COVID-19 pandemic presents an opportunity for the transformation of the light manufacturing industry in Nigeria. The non-existence of linkages to reproduce technology, limited skilled human capital, amongst others, offer opportunities for growth and points to potential investments. The private sector needs to embrace backward integration to bridge gaps between value chains in the industry while also creating room for foreign and domestic investors. Also, the recently signed African Continental Free Trade Agreement (AfCFTA) is timely as it provides a ready-made market for the country's light manufacturing industry players to expand across the continent.

Discussions during the panel sessions beamed a spotlight on some of the challenges confronted by players in the sector while also proffering solutions. The consensus among panellists was the urgent need to address challenges which include high dependence on imported inputs exacerbated by the constrained access to foreign exchange, high level of skills deficit (industrial production technology know-how) and poor infrastructure. Specific recommendations to solve the identified challenges and position the sector on the path of growth include:

- Accessibility and availability of funds and incentives by key financial players that are appropriately priced and with reasonable repayment tenures;
- A coordinated effort to develop shared infrastructure, especially in the area of mobility that goes beyond road infrastructure and includes cargo airports, inland ports, inland waterway, e.t.c;
- The need to create a strategy to aid the gathering and availability of data for the sector.
- The need to improve investment in Research and Development;
- Development of the right skill-set and the provision of continuous training and support for innovation to spur growth in the sector;
- Government-led interventions to improve the competitiveness of local manufacturing;
- The need to build quality systems into the production of pharmaceuticals as a way to boost competitiveness; and
- The need for government and private sector players to pay keen attention to developing the circular economy.

2.0. INTRODUCTION

Globally, the manufacturing sector has been identified as a significant driver of economic growth and development in an economy. The sector has been central to policies and interventions of governments aimed at driving industrialisation and economic transformation. Manufacturing, however, remains largely underdeveloped in Nigeria. Despite its enormous growth potential, the sector contributes less than 15% to GDP even though it has been identified as a strategic sector for the economy's aspirations for development.

Light manufacturing, characterised by labour-intensive activities, which led to the economic transformation of emerging market economies like China, has failed to fully take off in Nigeria. The industry's competitiveness has been constrained by a myriad of challenges which include the high cost of production, as most intermediate inputs are imported. This is further compounded by limited foreign exchange for imports. Nigeria's industrial competitiveness, therefore, ranks below those of comparator economies and its regional peers.

At the outset of the COVID-19 pandemic, the response of the manufacturing sector was inadequate due to several constraints, which included the lack of local inputs (e.g., alcohol for sanitiser production), minimal local installed plant and machinery, and the lack of production cost competitiveness. There was limited opportunity to repurpose the sector's capacity or invest in new equipment to manufacture products like hand sanitisers and personal protective equipment.

In considering its medium-term response to COVID-19, Nigeria has the opportunity to develop a comprehensive and holistic approach towards enhancing its manufacturing sector and boosting the sector's productivity for domestic and international markets. The pandemic and ratification of the African Continental Free Trade Area (AfCFTA) agreement presents an opportunity to urgently address the impediments in the country's regulatory and business environment to build resilience and improve the competitiveness of its manufacturing sector.

This is particularly important because Nigeria is a low economic complexity country, with many of its manufacturing activities currently concentrated in low-skilled, labour-intensive, tradable, and commodity-based regional and domestic processing. As such, Nigeria needs to develop its light manufacturing industry to create conditions that allow for competitive manufacturing, increase the complexity of its production basket and strengthen already existing value chains.

The webinar, therefore, provided a platform for key stakeholders in the manufacturing sector (Government, industry players and development financial institutions) to deliberate on the challenges confronting the light manufacturing industry and map out innovative strategies to improve the sector's competitiveness. The following questions were addressed:

- **Where are we now?** – What are the current challenges of developing the light manufacturing industry in Nigeria?
- **Where can we be in a decade?** - How can Nigeria's light manufacturing sector evolve in this decade? What are the competitive advantages and opportunities that can be leveraged?
- **How do we get there?** - What is required to develop competitive manufacturing in Nigeria?

3.0. STRATEGIC THRUST OF THE EVENT

- To highlight the necessary changes in policy, regulations, and practices required to drive the productivity and competitiveness of manufacturing in Nigeria;
- To discover focus areas in building a solid market position because of the African Continental Free Trade Area (AfCFTA) agreement;
- To explore opportunities inherent in the sector and outline recommendations that are imperative to unlock the binding constraints to growth, development, and expansion; and
- To engage with the relevant Government MDAs for dissemination of information and monitoring of implementation.

4.0. TARGET OUTCOMES

The expected outcomes of the webinar are as follows:

- A position paper on the critical priorities for the competitiveness of the light manufacturing industry in Nigeria;
- Engagement with the Ministry of Industry, Trade and Investment and the relevant policy-making Agencies to follow up with the implementation of recommendations from the event;
- Mobilisation of crucial sector players to move towards changing the sector's narrative; and
- To elicit tailor-made financing model to support innovative development and start-up of nascent industrial and manufacturing enterprise with a strong social impact.

5.0. WEBINAR STRUCTURE

The webinar was delivered on Tuesday, the 30th of March 2021 and specifically focused on light manufacturing. Given the impact of COVID-19 on economies and industries, the overarching theme for the discussion was "Developing Nigeria's Light Manufacturing Sector COVID-19 Response – Opportunities and constraints".

The following organisations organised the industry meeting:

- International Finance Corporation (IFC)
- Foreign, Commonwealth and Development Office (FCDO)
- Manufacturers Association of Nigeria (MAN)
- The NESG's Manufacturing Thematic Group (Mining and Manufacturing Policy Commission)

The Session was structured as follows:

- Welcome address delivered by the President of the Manufacturing Association of Nigeria & Private Sector Co-Chair, Manufacturing and Mining Policy Commission, Nigeria Economic Summit Group, Engr. Mansur Ahmed
- Opening remark delivered by Country Manager, IFC Nigeria Ms Eme Essien Lore
- Keynote address delivered by the Honourable Minister of Industry Trade & Investment; His Excellency, Otunba Niyi Adebayo
- The context of the webinar was set through a presentation delivered by Partner, Core Business Operations Deloitte & Manufacturing Thematic Lead NESG, Mr Bernard Orji

Panel Discussions

The webinar had two panel sessions focused on discussing the theme from the point of view of different industry players, including regulators, DFIS, trade unions and manufacturers. Each panel addressed the topic *“Developing Nigeria’s Light Manufacturing Sector COVID-19 Response – Opportunities and constraints.”*

6.0. IDENTIFIED ISSUES AND CHALLENGES

- **Import Dependency**

The manufacturing sector in Nigeria depends heavily on imported raw materials and intermediate goods. Players in this sector are therefore confronted with the challenge of constrained access to foreign exchange to source their inputs from the international market. The precarious situation of foreign exchange shortage is further exacerbated by the multiple exchange rate framework adopted in the country.

- **Inadequate Funding**

Although the manufacturing sector requires long term financing at appropriate pricing to thrive adequately, loans are mainly subject to double-digit interest rates with short repayment tenures. Furthermore, the total asset of the banking system is estimated at N47 trillion, which is insufficient to meet the funding gap of the sector estimated at N60 trillion. In some cases, where funds are available, they are not released in a timely manner due to bureaucratic constraints. This limited access to funding stifles local manufacturers and restricts healthy competition.

- **Skillset Gap**

It is widely averred that Nigeria’s manufacturing workforce does not have the sufficient skills and knowledge required for the sector’s growth. There is also a short term mindset among the workforce who do not see a career path in the industry or have the rigour required for its operations. This has resulted in foreigners being employed for jobs intended for local workers.

- **Deficiency in Infrastructure and High Cost of Raw Materials**

There is a significant scale deficiency in the stock of infrastructure required to stimulate manufacturing activities in the country. A case in point is the lack of integrated transport infrastructure that has impeded the country’s success of free trade zones. Also, the high cost of energy (with energy accounting for almost 50% of the total cost of production) is a significant constraint to competitiveness in the sector. Furthermore, the inefficiency in customs operations, characterised by bottlenecks in service delivery, has resulted in the high landed cost of raw materials.

- **Lack of Data**

The lack of data across the different segments of the manufacturing value chain prevents investors from making informed investment decisions. There is also a dearth of data on the depth of players in the industry.

- **Poor Research and Development Utilization**

There is inadequate funding to support research and development in the industry. There is also insufficient utilisation of R&D output generated. Even when research is carried out, the research

results remain unused by industry players because of the disconnect between the research conducted in Universities and what the industry requires.

- **The Constraint of the Pandemic**

The pandemic stifled domestic consumption and the attendant lockdown constrained mobility, which adversely affected the manufacturing sector, especially since manufacturing activities cannot be undertaken remotely, unlike activities in the service sector.

- **High Informality**

Some light manufacturing activities like recycling are fragmented and heavily reliant on the informal sector. This poses a significant challenge to the development of such activities within the industry.

- **Policy Constraint**

Policy inconsistency and the failure of policymakers to effectively implement policies that will spur the growth of light manufacturing activities is a significant constraint to growth in the sector.

7.0. RECOMMENDATIONS AND PROPOSED SOLUTIONS

- **Promote the Growth of the Pharmaceutical Industry**

Considering the impact of the pandemic, the government should develop and implement a pharmaceuticals development strategy. Also, there is the need to develop Nigeria's petrochemical industry which will enable domestic access to related pharmaceutical inputs as well as packaging materials. This will reduce the cost of production through the reduction of imported raw materials. Finally, the government should ensure the availability of funds to support the pharmaceutical sector to scale up and meet the domestic demand for pharmaceuticals.

- **Ensure the Availability of Funds**

In supporting the light manufacturing sector and its long-term sustainability, all key players in the financial industry need to collaborate to facilitate the availability of funds in adequate amounts, with appropriate pricing and tenure. In addition, to make the sector more buoyant, interest rates on loans must be single-digit and inclusive of all fees charged. Also, a blended approach could be adopted (matching funds) where the private sector and government match funds to provide financing for the entire value chain.

- **Develop a Skilled Workforce**

The development of a skilled workforce is key to the advancement of the manufacturing industry. Manufacturers should invest in aggressive capacity building of their workforce through training and education. To "catch them while they are young", universities and schools of technology should integrate the required knowledge of the manufacturing sector, logistics, production, warehousing etc., in their respective curriculums. Younger employees should also be made aware of the career path and opportunities available in the manufacturing industry.

- **Improve Investment in Research and Development**

Government, multinationals, donors and the private sector must improve their investment in research and development to stimulate domestic production and global competitiveness. Industry

¹The Triple Helix Framework describes the collaboration between the industry, academia and government working together at the nexus of competitiveness and development. According to OECD, the Triple Helix brings together three stakeholders who hold the key to unlock national competitiveness and growth.

and government partnerships with the academic community to advance research and development in the manufacturing sector should be increased and operationalised. The triple helix model should be adopted to allocate the role of industry, government and academia in advancing R&D. This should be facilitated by improving investment in education. In addition, the government should incorporate circular science or circular economy into higher education curriculum to elicit the interest and research of students in recycling. It is also crucial for the government to invest in collecting data to inform policy-making for the manufacturing sector and make visible the opportunities in the sector. More so, the government should establish a strong link between R&D and products being manufactured. This link can be facilitated by fast-tracking the activities of the Nigeria Triple Helix Roundtable, which is a collaboration between academia, industry and government. A quadruple helix could also be encouraged, with the community being at the centre of the arrangement.

- **Ensure Policy Consistency**

The government's commitment towards industrial development and the implementation of industrial policies should be consistent, unwavering and visible. Consistency of policies and regulations would safeguard investment in the sector and support its growth. Moreover, policies should seek to encourage the exploitation of domestically available raw materials. The labour intensiveness of light manufacturing is a prime avenue for Nigeria to reduce unemployment. Government policy should include structural adjustments that improve infrastructure (e.g. electricity supply, port and transport) and allow for low sustainable low interests and foreign exchange availability.

- **Formalise Informal Players across the Value Chain**

Government should seek to incorporate Nigeria's prominent informal manufacturing value chain players into the formal sector to address the fragmentation of markets. In addition, the government should seek out ways to integrate informal workers like waste pickers into the formal sector to dignify their craft and work.

- **Create an Enabling Environment that Stimulates the Growth and Improves the Competitiveness of the Local Manufacturing Sector**

In order to stimulate growth and improve competitiveness in the domestic manufacturing sector, it is imperative to enhance the ease of doing business in the country. This would involve enhancing transparency in the administration of tax collection (tax regulation enforcement), getting electricity for production (with transparent tariffs), access to credit, removing bottlenecks in customs services, e.tc. Also, the provision of incentives would enable the sector to grow exponentially. Furthermore, the pandemic emphasised the need for the adoption of technology in manufacturing. Manufacturers must put quality management systems into the manufacturing process to ensure that outputs are of high quality as this would aid competitiveness in both domestic and international markets. Finally, the government should fully transition from

- **Advance Nigeria's Circular Economy**

Nigeria must seek to unlock the opportunities and value of the circular economy as wastage and environmental degradation is unsustainable. Citizens should be sensitised to proper waste management practices to enable the production of quality recycled products. Furthermore, the government should encourage the domestic manufacturing of waste collection tools and equipment

to add value to Nigeria's recycling industry. There is also the need to incorporate circular science and engineering into the Nigerian education curriculum to elicit students' interest in the circular sector and drive research and innovation in recycling.

- **Foster the Generation of Home-Grown Data**

Generation of home-grown data on the manufacturing sector is required to provide market entry intelligence for investors. With home-grown data on the various levels of the value chain and the depth of players in the industry, investors will make informed investment decisions.

- **Ensure a Holistic Approach to the Development of the Manufacturing Sector**

All value chains in the manufacturing sector should be regarded as an ecosystem. Reinforcement of upstream activities ensures that the required raw materials flow into downstream operations, which ultimately reduces the importation of raw materials. Heavy financing of the upstream sector with clear cut initiatives will bridge the gap in raw material supply.

- **Fast Track the Development of Shared Infrastructure**

Government should look towards partnerships that fast track the development of shared infrastructure such as roads, cargo airports, inland ports, inland waterways etc. which is critical to the development of the light manufacturing industry. Free enterprise zones, for instance, require well functional infrastructure to drive productivity.

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Key Priorities, Action Steps, Responsibilities and KPIs

Key Priorities	Government Driven		Private Sector Driven	
	Responsibility	Action Step and KPIs	Responsibility	Action Step and KPIs
<ul style="list-style-type: none"> Ensure Policy Consistency 	<ul style="list-style-type: none"> Federal Ministry of Industry, Trade and Investment (FMITI) Federal Ministry of Mines and Steel Development (FMMSD) 	<ul style="list-style-type: none"> Commit consistently and unwaveringly to industrial development and the implementation of industrial policies. Guarantee the safety of investments. 	<ul style="list-style-type: none"> NESG 	<ul style="list-style-type: none"> Leverage the NESGs convening power to bring together key public and private sector stakeholders to dialogue on critical areas of policy inconsistency and agree on action steps towards solving them.
<ul style="list-style-type: none"> Create an Enabling Environment that Stimulates the Growth and Improves the Competitiveness of Local Manufacturing Sector 	<ul style="list-style-type: none"> Federal Ministry of Works and Housing Federal Ministry of Labour and Employment (FML&E) Federal Ministry of Finance, Budget and National Planning (FMFBNP) Federal Ministry of Industry, Trade and Investment (FMITI) 	<ul style="list-style-type: none"> Provide tax reliefs and other incentives to enable the growth of the manufacturing sector. Encourage the exploitation of domestically available raw materials. Incorporate Nigeria's large informal manufacturing value chain players into the formal sector to address the problem of fragmentation of markets 	<ul style="list-style-type: none"> Manufacturers Association of Nigeria (MAN) 	<ul style="list-style-type: none"> Manufacturers should put quality management systems into the manufacturing process to ensure that outputs are of high quality as this would aid competitiveness in both domestic and international markets.
<ul style="list-style-type: none"> Advance Nigeria's Circular Economy 	<ul style="list-style-type: none"> National Orientation Agency (NOA) Federal Ministry of Industry, Trade and Investment (FMITI) National Universities Commission (NUC) Federal Ministry of Education 	<ul style="list-style-type: none"> Organise sensitisation programmes on proper waste management practices to enable the production of quality recycled products. Encourage the manufacturing of waste collection tools and equipment domestically to add value to Nigeria's recycling industry. Incorporate circular science and engineering into the Nigerian education curriculum to elicit students' interest in the circular sector 		

Key Priorities	Government Driven		Private Sector Driven	
	Responsibility	Action Step and KPIs	Responsibility	Action Step and KPIs
		and drive research and innovation towards recycling.		
<ul style="list-style-type: none"> Improve Investment in Research and Development 	<ul style="list-style-type: none"> Federal Ministry of Industry, Trade and Investment (FMITI). Federal Ministry of Education National Universities Commission (NUC) National Bureau of Statistics 	<ul style="list-style-type: none"> Government, multinationals, donors and the private sector should improve investment in research and development to stimulate domestic production and global competitiveness. The triple helix model should be adopted to facilitate the joint role of industry, government, and academia in advancing R&D. Invest in the collection of data to inform policy-making for the manufacturing sector and make visible opportunities in the sector. 	<ul style="list-style-type: none"> NESG 	<ul style="list-style-type: none"> Operationalise the Triple Helix Roundtable to foster collaboration between academia, industry and government in advancing R&D.
<ul style="list-style-type: none"> Promote the Growth of the Pharmaceutical Industry 	<ul style="list-style-type: none"> Federal Ministry of Health Federal Ministry of Industry, Trade and Investment (FMITI) Bank of Industry (BOI) 	<ul style="list-style-type: none"> Develop and implement a pharmaceuticals development strategy. Revive Nigeria's petrochemical industry to enable domestic access to related pharmaceutical inputs as well as packaging materials. Ensure the availability and accessibility of funds to support the pharmaceutical sector to scale up and meet the domestic demand of pharmaceuticals. 		
<ul style="list-style-type: none"> Build Capacity of Workforce 	<ul style="list-style-type: none"> National Universities Commission (NUC) Federal Ministry of Science and Technology Federal Ministry of Labour and Employment 	<ul style="list-style-type: none"> Inculcate knowledge of the Manufacturing Sector in school curriculums Roll out skill development initiatives to support the manufacturing sector. 	<ul style="list-style-type: none"> Private Sector Manufacturers 	<ul style="list-style-type: none"> Invest in training and education of employees

Key Priorities	Government Driven		Private Sector Driven	
	Responsibility	Action Step and KPIs	Responsibility	Action Step and KPIs
<ul style="list-style-type: none"> Ensure the Availability of Funds 	<ul style="list-style-type: none"> State and Federal Governments Federal Ministry of Finance, Budget and National Planning Federal Ministry of Industry, Trade and Investment Bank of Industry (BOI) 	<ul style="list-style-type: none"> Provide matching funds for the development of the manufacturing industry Heavy financing of the upstream activities to ensure availability of raw materials for the downstream 	<ul style="list-style-type: none"> Financial institutions 	<ul style="list-style-type: none"> Collaborate to provide long term financing at single digit interest rate for manufacturers
<ul style="list-style-type: none"> Provide Adequate infrastructure 	<ul style="list-style-type: none"> State and Federal Governments Federal Ministry of Finance, Budget and National Planning Federal Ministry of Industry, Trade and Investment Federal Ministry of Works and Housing 	<ul style="list-style-type: none"> Provide required infrastructure that ensures the growth of the industry Commit to fixing the challenge of inadequate infrastructure confronting players in the light manufacturing industry. 		
<ul style="list-style-type: none"> Establish a strong link between R&D and Manufactured goods 	<ul style="list-style-type: none"> TETFUND National Universities Commission (NUC) Federal Ministry of Science and Technology 	<ul style="list-style-type: none"> Strengthen the Triple Helix Roundtable and ensure mutual trust 	<ul style="list-style-type: none"> NESG 	<ul style="list-style-type: none"> Strengthen the Triple Helix Roundtable and ensure mutual trust

Addendum

I. Welcome, Address by Engr. Mansur Ahmed; President, Manufacturers Association of Nigeria and Private Sector Co-Chair, Manufacturing & Mining Policy Commission of the NESG

Thank you very much, Moderator. Let me recognise and welcome the Honourable Minister of Industry, Trade and Investment and welcome the Deputy High Commissioner of the British High Commission. Let me also welcome all our distinguished guest speakers and participants. Let me also thank the NESG, the Manufacturers Association, the FCDO and IFC for joining hands to put together this very valuable webinar when I think it is most needed. Let me, first of all, suggest that what the organisers, I believe, have tried to do is to bring up panellist speakers to discuss both from their experiences and their knowledge and hopefully also from their expectations as we go forward in this challenging environment of what we need to do in this country to strengthen and deepen our light manufacturing sector and to bridge the gap between manufacturing and the heavy manufacturing that we need so desperately to give our economy the resilience that it requires.

I think we are all aware that light manufacturing has always been a key early stage of industrialisation for most economies. The reasons for this are obvious at the beginning of the industrialisation process. First of all, there's no sufficient capital that can be mobilised to build the heavier industries required. Secondly, generate the demand for consumer goods, consumer items that, of course, come out of the factories of light manufacturing investment. Thirdly, there has always been, until perhaps recently, a perception of the commanding heights economy, a theory that says the public sector or the state should be responsible for investing in the commanding heights of the economy while the private sector will deal with the downstream or the light manufacturing sector.

I believe it is consistent with this that the Nigerian industry grew first in the light manufacturing sector, and indeed, I remember after my graduation in the early 70s. There is undoubtedly a very real and robust light manufacturing sector in the country. I grew up in Kano, where there are at least two major industrial hubs that represent a very robust, very active manufacturing sector in the economy. I'm sure it's the same in other key hubs in the country; Lagos and probably Port-Harcourt, and so on. For most successful growing economies, there is a point at which you begin to transit not only transit but to grow backwards, away from not only into the manufacturing sector but also into the higher industry investments. For industries for economies that grow and become more resilient over time, the movement across from light to heavy manufacturing to capital goods manufacturing creates the integrated economic, industrial process that gives economies the resilience they require to continue to grow sustainably.

Unfortunately, I think in Nigeria, this did not happen. Sometimes in the early 70s, the huge flow of oil wealth and the military intervention into the politic created conditions where the public sector took over everything, even in light manufacturing. There was a time when the vast majority of light manufacturing activities were indeed either government-owned or perhaps significantly had government participation. I think the oil flow of the oil wealth blinded us to the need for us to begin to backwards integrate and create the conditions for our manufacturing sector to grow sustainably by integrating the heavy manufacturing of the Light manufacturing sector, by incorporating agriculture with the industry, with manufacturing that will give us the sort of resilience that we are indeed quite capable of developing. Perhaps it's not for me to go into the details of that. I'm sure the panel members will deal with this very effectively.

I believe that the COVID 19 brought out this issue into sharp relief. The light manufacturing sector was brought to its knees because it depends largely not only on imports of inputs, particularly raw materials, spare parts and so on, but also it depended heavily on the availability of foreign exchange to import these things. Therefore, the COVID, along with the oil price collapse, indeed compounded the problem so that at one point, many of our manufacturers were almost grounded. So, this highlights the challenges that the light manufacturing sector faces today. To a certain extent, it also highlights the opportunities available for those in the sector and those who want to invest in the light manufacturing sector, as we know that COVID highlights the huge dependence on imports of foreign raw materials.

At one point, in our pharmaceutical sector, which depended heavily on the import of the essential ingredients, the APIs were almost brought to stand still, and some of the basic items we require we couldn't produce in-country. So clearly, this creates an opportunity, but we also know that because of our heavy manufacturing and the linkages that create space for the development of technology in terms of production technology, we are absent. We also face a high level of deficit of skills and industrial production technology. The result was that overall our economy became less resilient. Indeed, the fact that we couldn't at the beginning of the COVID even meet the fundamental low-level requirements for COVID like face masks and so on indicated the problem. It also, therefore, brings out some of the opportunities. We now have the opportunity to look at backward integration. We need investors to invest in the production of basic materials in the light manufacturing sector. We need investors to bridge the gap between the various value chains in the sector that still exist. These are available opportunities both for domestic investors as well as foreign investors. But in addition to the opportunities highlighted by COVID, we also had another open window for great opportunities for our manufacturing sector.

This is created by the recently signed African Continental Free Trade Area Agreement, which seeks to integrate the African market to create a huge market, going to about 1.2 billion people for all manufacturers and indeed for all service providers, and to create the opportunity for linking the various value chains in our manufacturing across the continent instead of now each country trying to grow its various value chain. I think we can now do so across the continent, which creates the opportunity for production at scale. And I believe that particularly for manufacturing in today's highly competitive and integrated world scale is a key issue. If we continue to produce small scale, we are likely going to miss tremendous opportunities. We are likely also going to remain very, very small players in the overall global market. With the African Continental Free Trade Area (AFCTA), we have the opportunity to create a larger scale in manufacturing and processing and indeed in other value chains that we need to build our value chain to meet the requirements of this very extended market and indeed to position Africa and African economies to now play an even greater role in the global market and global economies. I believe that for Nigeria, this offers a very, very attractive opportunity. Because despite everything, Nigeria remains the largest in the largest economy in Africa, our industry is perhaps among the top five in terms of the scope of the industrial sector, and our manufacturing still has the opportunity now to expand into the other African market as we've seen it happen in some sectors like cement and so on.

So there is indeed an opportunity created by AFCTA for sustained growth of the light manufacturing sector. It is only right that the participants at this seminar, this webinar, would explore these opportunities and highlight the way that both the public and the private sector should move to capture these opportunities, to generate a more resilient, more diversified and indeed more robust economy, not only for Nigeria but across Africa. I would like to use this opportunity again to thank

all of your participants for this; we should look forward to a very robust discussion on this and very valuable resolutions and recommendations to the government. I am familiar with the effort that is already being made by the Federal Government of Nigeria, especially through the Ministry of Industries, Trade and Investment, which indeed seems to be more prepared today to put in place the right policies and the right environment for manufacturing to grow. I hope during this discussion, we will indeed come up with solid, robust and very valuable recommendations for this to happen. Let me thank you for the opportunity, and let me again welcome you all to this very useful discussion and conversation. Thank you.

II. Transcript of the Technical Presentation by Mr Bernard Orji; Partner, Core Business Operations Deloitte & Manufacturing Thematic Lead NESG

The discussions will be around Nigeria's light manufacturing sector; we would like to draw from the Morocco automotive industry's experience and look at the lessons that we can pick up from the Morocco automotive experience. However, it's a less capital intensive activity. It's more consumer-oriented, meaning that the products and the goods that come out from the light manufacturing sector are available or suitable for use or consumption by consumers immediately. It is not an intermediate product that goes into all the manufacturing activities. The other key feature of manufacturing is that it is labour intensive. So, it employs a lot of people within that sector. It has relatively lower material inputs, and it's also more environmentally friendly. Typical industries that operate in the light manufacturing space are industries around agro-allied and processing, textile manufacturing, leather manufacturing, consumer electronics and automotive.

Now, the importance and the impact of light manufacturing on setting economies, particularly the Asian economies, over time, we see how the Asian economies have grown, and the bedrock has been the light manufacturing sector. So if you look at the likes of Bangladesh, Vietnam, Philippines, India and China, just to mention a few, you find out that the light manufacturing sector has contributed a lot to the GDP growth, brought in lots of Foreign Direct Investment, impacted the total exports and has also employed a lot of people. For instance, in Bangladesh, we look at their garment and leather light manufacturing sector, we see that in terms of GDP contribution in 2018, it contributed about 12 per cent to GDP, brought in over five hundred million dollars worth of FDI and employs up to four million workers. So that just gives you the importance of enhancing and paying attention to the light manufacturing sector.

So for Nigeria, for instance, in the 70s, we had light manufacturing hubs in the north, in the east, in the south. We need to go back and pay more attention to light manufacturing so that we can get benefits where it is contributing significantly to the GDP, attracting a lot of FDI and also employing a lot of workers.

Let's focus a little bit on Morocco automotive industry, the industry started as far back as in the 60s, and they began as a small cluster. Today, however, that same industry is now the second-largest car-producing cluster in Africa, behind South Africa, and has about 35 per cent market share. They have key automotive players like Renault's, the Nissan group, Peugeot, BMW, Volkswagen, Honda, who are operating in that country. You will find out that Morocco is exporting, assembling, and producing cars to Europe, the Middle East, and Africa. So it has grown from a small cluster in and 60s to the second-largest automotive economy in Africa. And we are seen in productions as high as a hundred and sixty thousand cars that will happen in 2022. Currently, they produce cars in the region of about 80000 vehicles per annum. More so, their local content or local integration is expected to get to about 60 per cent in 2022.

During the welcome address Engineer, Mansur talked about the need to exploit the covid-19 pandemic and look internally, strengthen our value chains and backwards integrate, and see how we can also use our local raw materials.

Finally, let's consider the values of the export. The Morocco automotive industry has seen about a 10.5 billion dollars' worth of exports. This is something Nigeria needs to look at, particularly as we go into the AFCTA regime, where we need to go out into the other African markets.

The question is, what has led to the success of the Morocco automotive industry? Three big pillars have enabled growth. These are:

- Policies and Regulations - Government's commitment in terms of reforms that was done in 1983, government's commitment in terms of the policies that were set in 2009 to 2015, their policies around, you know, the national pact for industrial development, clear industrial plans. However, governments' commitment must be visible and unwavering, giving confidence and assurance to the private sector.
- The other enabler is the partnerships and agreements that the government also went into. It had several free trade agreements with various countries, like the United States, Turkey and the UAE. It also had bilateral agreements with the EU. It's also tried to get into many economic blocks, e.g. tried to get into ECOWAS in 2017 to ensure that there is enough support, there's enough in a bilateral partnership for the sector to grow.
- The infrastructure - what the government did was to ensure that there was enabling infrastructure. It attracted the likes of the Renault Nissan group, Peugeot and then the BYD group from China. So they were able to set up manufacturing plants, and these manufacturing plants gave the basis for growth. They also set up functional ports; their proximity to Europe enables them to export to Europe and get a lot of technical support from Europe. There was also growth along the value chain. What the government did was to ensure that they had tier one, tier two and tier three OEM ecosystems in ensuring that the original equipment manufacturers were able to come in and set up supporting facilities. E.g. stamping metal and stamping ecosystem, wiring ecosystem in-battery ecosystem and the various ancillary sectors that support the automotive sector.

Lessons Learnt

- Policy consistency- It started in 1960, and there's been that consistency of policy has not wavered as governments change. It's been there, and it gives you that comfort and assurance to the private sector that the investments they make will always be protected.
- There's also the sectoral integration - You find out that the policies that government enacted were kind of you know, it's grounded, and it's aligned with the private sector, it led to value chain growth,
- Geostrategic location for Morocco- their proximity to Europe has been very, very useful for the growth. It's given them technical support and opened up the market for them as well. But even for us in Nigeria, our location is also critical. We are in ECOWAS. We can also go up into the Sahara, and then we can also go down into Central Africa. So we also have a very good geostrategic location.

- The export-led growth- there was an emphasis on exportation. The emphasis was on letting the private sector lead to the development, and then the government provides the enabling support through policy.
- The skill-based- Morocco automotive sector had many clear training programs to ensure that people are trained. I think in Nigeria, our challenges have been the low skill capacity of people in the manufacturing sector.

III. Opening Remark by Mrs Eme Essien Lore; Country Manager, IFC Nigeria

Good morning, everyone. It's a pleasure to be here this morning. Thank you so much for taking time out of your schedule to join us. I am going to stand on existing protocols, but in particular, I thank the honourable minister for joining us today to get into a conversation around how to move the light manufacturing sector in Nigeria forward. We at IFC are pleased to be able to partner with NESG, with the Foreign Commonwealth and Development Office, with the Manufacturers Association of Nigeria. Thank you, Engr. Ahmed Mansur, for your remarks. It's been great to collaborate with these organisations because we have a very shared sense of perspective about the issue at hand. And so what I'd like to say first, and I'm just going to take a couple of minutes here, is to emphasise that, you know, we think this is an urgent conversation.

I believe it was Winston Churchill who said that never waste a good crisis. That's one of my favourite mantras, and COVID has been a crisis of epic proportions, particularly for Nigeria, because, as we know, Nigeria entered the COVID crisis quite weak and so just coming out of the 2016 recessions. GDP growth was still quite low in Nigeria today has GDP per capita, which is at levels that we've seen in the 80s. So the GDP per capita situation has declined over the past several years.

So Nigeria has come into this crisis in a very disadvantaged position relative to its peers, and we recognise that. Now, Nigeria is facing the African continent, a free trade area agreement. It can be an opportunity, as was articulated, but also a challenge. We all know that Nigeria's industrial competitiveness ranks below those of competitor countries and regional peers. And we know that there is low in-country capacity utilisation. We also know that Nigeria, the sector, the manufacturing sector in general, is heavily import-dependent. The National Bureau of Statistics reported that the level of localisation has been falling over time as well.

We know that most of Nigeria's manufacturing activity is currently occurring in low skilled, labour intensive, tradable and commodity-based processing. And we know that this translates to a low level of economic complexity. It's important to have high levels of economic complexity as it correlates very highly with high GDP. We also know that this can change with the right coordination and the right policy, which is what this conversation is about. We know that Nigeria would benefit if it aims to increase its production of capital intensive and regionally produce goods that are medium skill and globally competitive. We know that the sectors such as machinery and transportation and electrical products, and a host of others fit into this category.

We know that if Nigeria develops special economic zones, it will offer a tremendous opportunity to produce more sophisticated goods and build more regionally and globally competitive firms. And finally, we cannot overstate the role that this sector of the manufacturing sector can play in addressing Nigeria's challenging unemployment and underemployment issues. So we at IFC are looking forward to partnering with counterparts in government, in the private sector and the civil society. This is an urgent issue, and we hope that when you're coming here today to have this

conversation, we're not doing it in vain. We're doing it because we have something that we need to work together to address collectively. There will be trade-offs, though, and there will be a need. We need to prioritise. And those are never easy decisions to make in a large, complicated economy. So I think we have to recognise that in a large economy like Nigeria, it is very complicated to make certain decisions around prioritisation. But the only way this works is if there is some sense of how do we prioritise certain sectors. These certain areas can lead towards increasing the role that the light manufacturing sector plays in Nigeria's development agenda. So I'll say again, never waste a good crisis. This is an opportunity. We do view this crisis as an opportunity to shift the dynamic in Nigeria.

We have to compare Nigeria to Malaysia and Indonesia, two big economies that were first commodity-based economies like Nigeria, but they successfully industrialised. In both countries, there was a crisis that forced them to make tough decisions, and COVID can be that crisis for Nigeria. We're excited, I think, to start this conversation. It's been ongoing. MAN has been having this conversation, and NESG has been having this conversation for many years now. I think the opportunity now is really to bring it together to advocate and use all of the other development partners that are also equally interested in this issue to come up with an agenda that we can all get behind and push and recognise that if we focus on some of those outcomes, we can see a significant impact in terms of how Nigeria does industrialise and use this particular sector as a way to address the many development challenges that we see in the country. So I want to commend everybody here that there will be concrete steps from this event at IFC. We will work very closely with our counterparts here to make that happen. And we invite you all to make sure that we're all pushing in the right direction. And we're taking action after the conversation we have today. Thank you very much.

IV. Keynote Speech by the Honourable Minister of Industry Trade & Investment; Otunba Niyi Adebayo

Thank you very much. Good morning, your excellences, distinguished ladies and gentlemen. It gives me great pleasure to give the keynote address at this important dialogue session on developing Nigeria's light manufacturing sector COVID-19 response opportunities and constraints. The topic I've been asked to focus on is the strategic priority for manufacturing competitiveness in light of the AFCTA role of government. First, I would like to express my appreciation to the Manufacturing Thematic Group of Nigerian Economic Summit Group (NESG) and the International Finance Corporation (IFC), the Manufacturers Association of Nigeria (MAN) and the Foreign and Commonwealth and Development Office FCDO for organising this dialogue and played an instrumental role in advocating for sustainable strategies that will enhance growth and development of our economy. The themes of this dialogue could not have come at a better time because the manufacturing sector is projected to shape Africa's competitiveness in the next century. In a sense, this aptly Captures Nigeria's industrialisation agenda, which amplifies the need to improve our production capabilities enhance our products and service quality and provides a platform for prosperity to our citizens through job creation. With a great population in Nigeria, demand for light manufactured goods has increased over the years. Fields of consumer goods like electronics, home appliances and personal care products are on the rise. The manufacturing sector contribution to GDP with that 13 per cent, our target is to reach 20 per cent by 2023 and for jobs created in the manufacturing sector to grow by one million over the current five million.

Overall, the manufacturing sector has been facing a myriad of challenges, ranging from influx of imported goods, sometimes over cheaper nature and lower quality. Access to raw materials required for certain consumer goods needs to be imported into the country, thereby driving up the prices

of finished and assembled goods produced locally. Inadequate innovation: Consumer goods in the light manufacturing sector are characterised by customers' changes, new models, and frequent releases from international competitors. In order to compete globally, the local industry will need to develop its marketing, research and development capabilities to stay ahead of the pack and meet evolving customer stage. Counterfeiting and intellectual property, consumer and home goods require the development of brands at a competitive intellectual property that needs to be addressed to promote more investment in consumer goods and product counterfeiting. Industrialisation is pivotal to Nigeria's long term development, and broadening and deepening the manufacturing sector will build a more resilient economy. The Africa continental free trade area offers an opportunity to boost industrialisation across Africa through numerous manufacturing opportunities, such as agro-processing, clothing and automotive assembly. Distinguished participants, it is important to build a vibrant manufacturing sector that will benefit from the regional integration of the AfCTA drive-by improved competition, investment flows, economies of scale, technology transfer, and improve productivity. It is also imperative that we encourage investment to improve our product quality as it is desirable for competitiveness, fund research to drive innovation, create partnerships for value chain development, and protect investor rights and through intellectual property policy development.

Ladies and gentlemen, this administration is eager to support the manufacturing sector in playing a key role to ensure that we earn the actual value of our raw materials by developing our value chains. Permit me to highlight some of the few initiatives the authorities would try to ensure our manufacturing sector benefits from the opportunities provided by the AfCTA. The success of the AfCTA depends to a large extent on addressing Africa's huge infrastructure deficit and low quality of trade logistics.

- In addressing our infrastructure deficit, we are currently engaged with the presidency to fast track the development of productive infrastructure by directing the further ease of participation by the private sector in the road infrastructure development and refurbishment investment tax credits, which will help in improving funds to the factory to market networks as a scheme, would enable and encourage private sector participation in road construction and refurbishment.
- The Federal Ministry of Industry Trade and Investment lets secure agricultural commodities, transport and storage corridor. That policy is another initiative designed to facilitate the movement of agricultural commodities through a safe and secure corridor to three critical points domestic, industrial and export markets. It is a panacea to the inefficiencies, inherent logistics, trade and financing of commodities route to market operations in Nigeria.
- We also recognise that the full implementation of the AfCTA deal may not lead to industrialisation expected unless appropriate complementary policies are put in place to enhance competitiveness within the manufacturing sector.
- We are currently revamping two special economic zones and developing four others. We are also developing special agro-processing zones across the 36 states of the federation, including the federal capital territory.
- In addition, as part of industrialisation, several industrial policies are expected to be finalised this year, including the cotton textile and government policy, the oil palm policy, and the passage of the automotive industry development bill. This will lay out strategies, including an incentive to ensure self-sustainability in critical sectors.

- We are engaging with the Ministry of Foreign Affairs to properly establish the Nigeria Economic Diplomacy Initiative, an online matchmaking platform where local business entities that showcase their products to the world, leveraging the strength and opportunities of Nigeria's one hundred fourteen foreign mission. This would ease access to foreign trade, attract foreign direct investment, enhance job creation and promote international trade.

The federal executive council approves the National Quality Infrastructure Policy and NQIP. Despite being one of the largest economies in Africa, Nigeria, a larger, internationally recognised NICQP, which provides the best quality assurance framework to ensure safety, integrity and marketability of goods and services and the removal of the technical barriers to local, regional and international trade.

Furthermore, we recognise that funding is an essential enabler to be the sustainability. Hence, the ministry has been implementing initiatives that expand facilities available to micro, small and medium enterprises by improving the access and cost to finance provided shared facilities for the operation. In addition to supporting MSMEs by providing single digit interest rate credit facilities, we have also done the following.

- We created a 75 billion MSMEs survival fund to cushion the impact of covid-19 on MSMEs while also positioning them for future growth. The fund comprises the following components; payroll support, which aims to support the payroll obligations of all MSMEs by paying between Thirty Thousand to Fifty Thousand Naira to employees with a target of 500,000 beneficiaries.
- Accident and transport grants, which support self-employed accident and transporters targeting three hundred thirty-three thousand individuals to each receive a one-off payment of thirty thousand nine, a general MSME grant, which will provide one hundred thousand MSMEs with one of the grants of fifty thousand Naira each and a guarantee off take scheme, which will engage approximately one hundred thousand businesses across the country to produce items identified by the state targeting three hundred thousand beneficiaries.
- In addition, the federal government through the Central Bank of Nigeria has provided a one trillion-naira intervention fund for the manufacturing sector, which will ensure a more resilient and self-reliant economy by ensuring funds are available to build the base of high-quality infrastructure.

We are also actively engaged with the presidency on issues of fast-tracking, issuance of licenses and resolution of issues in the power sector eligible cultural framework. We believe this will help improve power supply as manufacturers and industry will be able to buy power directly from generation companies. We believe that such supportive policies and the effective implementation of the Africa continental free trade area can boost industrialisation and development in our manufacturing contribution to the economy. Finally, we will continue to seek strategic collaboration from the organised private sector, which has consistently shown a high level of support to this administration. And on our part, we will continue to provide the relevant intervention to justify investment into our economy. Once again, I would like to express my appreciation to the organisers for putting together this dialogue session at this auspicious time, even though we have quite a long way to go. We are heading in the right direction to increase the contribution of the manufacturing sector to GDP. On this note, I wish all the speakers and participants a very successful event. I thank you all for listening, and may God bless the Federal Republic of Nigeria. Thank you very much.

V. AGENDA

Time	Activity	Responsibility
10:00am - 10:05am	Welcome Address	Engr. Mansur Ahmed ; President of Manufacturing Association of Nigeria & Private Sector Co-Chair, Manufacturing and Mining Policy Commission, Nigerian Economic Summit Group.
10:05am - 10:20am	Opening remarks	Eme Essien Lore ; Country Manager, IFC Nigeria Christopher Pycroft , Head of FCDO Nigeria Laoye Jaiyeola ; CEO, Nigerian Economic Summit Group
10:20pm - 10:30pm	Keynote Speaker	Otunba Niyi Adebayo , Honorable Minister of Industry, Trade & Investment
10:30am - 10:45am	Setting the context	Mr Bernard Orji- Partner , Core Business Operations Deloitte & Manufacturing Thematic Lead NESG
10:45am - 11:20am	Panel Discussion 1: <i>"Developing Nigeria's Light Manufacturing Sector COVID-19 Response - Opportunities and Constraints"</i> Moderated by Nasir Yammama - Co-Founders MPM Company SAS	Panellists: <ul style="list-style-type: none"> • Ms Olufunto Boroffice - Managing Director /Chief Executive Officer, Chanja Datti Co. Ltd • Taiwo Oluleye, FCIS - Ag. Managing Director, Peugeot Automobile Nigeria Ltd • Dr Okey Akpa, - MD/CEO, SKG Pharma Limited • Mr NAE Mohammed-Registrar, Pharmacists Council of Nigeria (Pharma) • Dr Dikko Umaru Radda, Director General/Chief Executive Officer of the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) • Professor Mojisola Adeyeye - Director-General of the National Agency for Food, Drug Administration and Control (NAFDAC)
11:20am - 12:00pm	Panel Discussion 2: <i>"Developing Nigeria's Light Manufacturing Sector COVID-19 Response - Opportunities and Constraints"</i>	Panellists: <ul style="list-style-type: none"> • Dr Innocent Ifediaso Chukwuma, OFR, - The Chairman of Innoson Group of Companies Limited • Mr Afam Mallison Ukatu- CEO, NISPO Nigeria Limited • Mr Pavan Gwalani- MD/CEO, Poly Products Nigeria Limited
	Moderated by Adebola Adefila - Chief Operating Officer Banrut Rolls Nig Ltd	<ul style="list-style-type: none"> • Mallam Farouk Salim- Director- General (DG) and Chief Executive of the Standards Organisation of Nigeria (SON) • Mr. Olukeyode A. Pitan - MD CEO, Bank of Industry
12:00pm - 12:15pm	Q&A Session by the Moderator	<ul style="list-style-type: none"> • Nasir Yammama - Co-Founders MPM Company SAS • Adebola Adefila - Chief Operating Officer Banrut Rolls Nig Ltd
12:15pm - 12:30pm	Closing Remarks	IFC Representative - Mr. Musonda Chipalo ,

VI. Profile of Hosts, Collaborators and Conveners

1. About the International Finance Corporation

IFC is a sister company to the World Bank and a member of the World Bank Group. IFC is the largest global development institution focused on the private sector in emerging markets. IFC offers investment, advisory, and asset management services to encourage private-sector development.

As of June 2020, Nigeria ranked 5th globally amongst IFC's largest country exposures - \$1.961 billion with 46 projects. 67% in terms of volume are in financial markets, 25% Manufacturing, 5% Infrastructure and 3% Disruptive Technologies Fund.

The IFC in Nigeria focuses on investments in sectors (Agribusiness, Light Manufacturing, Energy, Chemicals, Financial Institutions, and the Digital Economy) that can deliver on Nigeria's key development needs: (i) diversified growth, (ii) inclusion, (iii) sustainability and job creation.

2. About the Foreign, Commonwealth and Development Office (FCDO)

The Foreign, Commonwealth and Development Office (FCDO), through its policies, programmes, and partnerships, is working with the federal government, state governments and the private sector for a more resilient, stable, healthy and prosperous Nigeria. We believe that an improved economic and business environment will create the conditions for more sustainable trade and investment, particularly in the manufacturing sector.

FCDO's Manufacturing Africa is one of its flagship programmes that aim to increase foreign direct investment into manufacturing by supporting firms and relevant institutions in providing technical assistance and transaction facilitation to attract and retain investment and to develop the manufacturing sector. A stronger industrial base will be essential in generating inclusive and sustainable growth, enhancing economic transformation and diversification, and laying the foundation for more and better jobs, including for women.

3. About Manufacturers Association of Nigeria (MAN)

The Manufacturers Association of Nigeria (MAN) is a Business Membership Organization established in May 1971 as a company limited by guarantee with a registered office at 77 Obafemi Awolowo Way, Ikeja, Lagos. The establishment of the Association was inspired by the desire to have a focal point of communication and consultation between the industry, on the one hand, the government and the general public on the other.

At the time of its establishment, there was no institutional organ whose main focus was to give meaning to the interest, problems and aspirations of the manufacturing sector. Hence the vision "To be the main voice of manufacturers in Nigeria" and the mission "To promote in close cooperation with its members, other organs of the Organized Private Sector (OPS), the government and other stakeholders in the economy, an enabling environment for industrial development, growth and prosperity of the society at large."

The establishment of the Association was therefore seen as a forum for the private sector to formulate and articulate policy suggestions that would be complementary to the government's efforts at policy formation.

The Manufacturers Association of Nigeria is in business to create an atmosphere of opinion where manufacturers can operate efficiently and profitably for the benefit of all. The establishment of MAN was to promote and protect manufacturers' collective interests as the voice of manufacturers in the country. Hence the objectives of the Association include but are not limited to:

- Provide for manufacturers all over Nigeria the means of formulating, making known and influencing general policy regarding industrial, labour, social, legal, training, and technical matters;
- Develop and promote the contribution of manufacturers to the national economy through government and otherwise, whose work may affect directly or indirectly the interests of manufacturers;
- Encourage the patronage of members' products by Nigerians and by consumers in foreign countries; etc.

In the pursuit of these objectives, the Association hopes that members would be helped to play their full part in creating wealth on which national economic prosperity and social progress depend. In all, the task of MAN is to help to promote policies for a more stable and buoyant economy without which industry cannot be efficient and financially healthy. To achieve this, the Association endeavours to put across its viewpoints at national, state and local levels. Such viewpoints are the products of research and the collective experience of member companies. The basic philosophy of the Association is to ensure the well-being of its members on which the livelihood of their management, workers, customers and suppliers depends.

The Association has, since its establishment in 1971, made giant strides in the areas of policy advocacy, business information and development, as well as outright direct intervention. In the management of the economy, the relevance of MAN has been appreciated through invitations to serve on many committees set up by the government and other organisations.

Some major interventions and the remarkable achievement of the Association are in the areas of Industrial Incentives; Fiscal Policy Incentives; Monetary Policy Intervention; and Specific Intervention on members' challenges.

Over the years, MAN has gained wide recognition from the government and other stakeholders (National and International). It has successfully cultivated and nurtured relationships with many international agencies such as United Nations Development Programme (UNDP), United Nations Industrial Development Organisation (UNIDO), International Finance Corporation (IFC), World Bank, etc.

Outside the shores of the country, the Association has gained itself to become the Leader of the newly established Pan African Manufacturers Association (PAMA) with the President of MAN as its Pioneer Chairman and the Director-General as Co-Secretary with Ms Joyce Njogu of Kenyan Manufacturers Association. It is also playing a huge role to ensure a successful implementation of the African Continental Free Trade Agreement (AfCFTA) by ensuring that all issues of concern to manufacturers in Nigeria are given fair consideration if not completely resolved.

4. About the NESG Manufacturing & Mining Policy Commission

The Manufacturing & Mining Policy Commission (MMPC) focuses on finding more efficient ways of strengthening the policy and business environment to promote an integrated, fast-tracked and sustainable development of both the Manufacturing and Mining sectors while building capacity to drive the required change in the sectors.

The overarching objective of the MMPC is to act as a public-private dialogue platform for the manufacturing and mining sector with a view to fast-tracking manufacturing and mining growth and contribution to the economy.

The core objectives include:

- To analyse and determine key policy and reforms issues for private sector development in manufacturing and mining, which will be reviewed through various discussion series to establish consensus on the most appropriate policy options, implementation strategy/ framework and performance evaluation mechanism.
- To enable and support the agreed priorities, policies, implementation and performance evaluation framework into a long-term process aimed at achieving a defined vision for the Solid Mineral and Manufacturing sectors and to support policy implementation for MDA within the sectors.
- To provide a platform for public-private sector dialogue on manufacturing and mining issues at the highest level possible, thus creating a partnership and collaborative process for private sector players.

The Policy Commission provides a platform for members to convene– as action-oriented partnerships, working to remove the bottlenecks, identify viable opportunities and develop effective frameworks to expand and scale the manufacturing and mining industry. The core mandate of the MMPC is to facilitate the adoption of various Nigerian Economic Summit recommendations with a view to fast-tracking the growth and development of the economy.

The leadership of the Manufacturing and Mining Policy Commission (MMPC) engage relevant ministries, departments and agencies as well as private sector players across the entire energy industry, both locally and internationally. This also includes manufacturer and mining associations, professional groups, academia, research centres, development partners, members of civil society organisations and the media.

The MMPC leadership includes the Co-Chairs (one each from the public and private sectors), a Facilitator, the Thematic Leads and Technical Anchor (NESG staff). The membership of the MMPC comprises stakeholders from the public and private sectors, civil society groups, other non-state actors and development partners. The MMPC is designed to comprise of the leadership and membership, which shall be working before, during and after summits.

The MMPC works across (2) Thematic Areas:

1. Manufacturing
2. Mining

Each of the 2 Thematic Areas works within various Sectoral Working Groups.

The Manufacturing Thematic Group has four sub-working groups:

1. Upstream linkages working group
2. Downstream linkages working group
3. Spatial linkages working group
4. Knowledge (building human and institutional capacity) and side-stream linkages working group.

The MMPC facilitates regular meetings to fast-track the adoption and implementation of the various recommendations advanced by the Thematic Areas. It is expected that the Policy Commission will work with relevant MDAs on the implementation of recommendations using the deliberative process.

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