

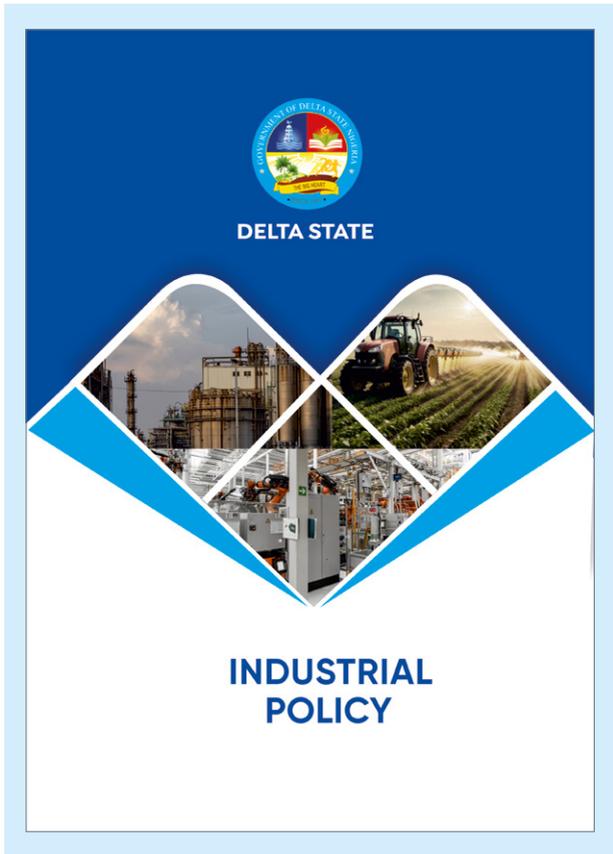


**DELTA STATE**



**INDUSTRIAL  
POLICY**





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# FOREWORD

In the pursuit of progress and prosperity for Delta State, I am pleased to present the reviewed Delta State Industrial Policy. It is a tribute to our commitment to the M.O.R.E Agenda — Meaningful Development, Opportunity for all, Realistic Reforms and Enhanced Peace and Security. This document encapsulates our vision for a thriving industrial sector that not only stimulates economic growth but also ensures inclusive development across all communities.

This agenda serves as our compass, guiding us to harness the abundant resources and talents within our state to create a conducive environment for industrial investment and innovation.

The reviewed Delta State Industrial Policy outlines strategic initiatives aimed at fostering a conducive business environment, enhancing infrastructure, promoting technological advancement, and empowering our workforce with the skills needed for the industries of tomorrow. It underscores our unwavering commitment to attract local and international investors, while also nurturing homegrown enterprises that contribute to job creation and wealth distribution.

As we embark on this transformative path, we recognize the pivotal role of collaboration between government, private sector stakeholders, academia, and civil society. Together, we can realize our vision of Delta State as a hub of industrial excellence, where every citizen has the opportunity to thrive and contribute to our collective prosperity.

I commend the diligent efforts of all those involved in crafting this policy document, which reflects our shared aspirations and dedication to building a brighter future for Delta State. Let us forge ahead with determination and optimism, knowing that by embracing the spirit of the M.O.R.E Agenda, we are laying the foundation for sustained economic growth and inclusive development.

His Excellency,

**Rt. Hon. Sheriff F.O. Oborewori**

Governor of Delta State.



HIS EXCELLENCY  
**RT. HON. (ELDER) SHERIFF F. O.  
OBOREWORU, JP, FICMC, FNIM**  
GOVERNOR OF DELTA STATE

# ACKNOWLEDGEMENT

The path to leadership in the marketplace is never forged alone. At every stage of one's journey, God sends the right people. Every great destiny requires a great team.

I am deeply grateful to the indomitable, diligent, and amiable Rt. Hon. (Elder Sheriff Francis O. Oborewori, the Executive Governor of Delta State. He saw fit to appoint me as the Honourable Commissioner for Trade and Investments. Despite his demanding schedule, he generously guided me to effectively fulfill my responsibilities. Thank you, sir, for taking me under your wing. Your sincerity, boldness, integrity, and humility are qualities I deeply admire.

I extend heartfelt thanks to the talented individuals who supported me throughout this journey. Special appreciation goes to Mrs. Anthonia Ubogu, the Permanent Secretary (PS), my Special Assistant (SA), and all directors across various departments, particularly Mr. Henry Ugbechie, the Director of Industry, for their invaluable assistance.

I am also grateful to the Secretary to the State Government (SSG), Chief Kingsley Emu, whose guidance and ethical principles were instrumental in refining our Industrial Policy in alignment with the MORE agenda. His wisdom and mentorship have been invaluable in my role as Commissioner for Trade and Investments.

To my personal mentor, Chief Fidel Tilije, the Dean of the Delta State College of Commissioners, your paternal support and advocacy for our success have been deeply appreciated. You are more than a mentor; you are a true guardian.

A special debt of gratitude goes to Chief Afam Obiago, whose meticulous review and strategic insights were pivotal in crafting a world-class industrial policy for Delta State. Your contribution is sincerely appreciated.

I must also acknowledge the various Ministries and Agencies whose collaboration and data gathering efforts significantly contributed to the success of the industrial policy review.

Lastly, my deepest gratitude goes to those whose support and intervention made my appointment as Commissioner possible. Your influences have enriched my political journey immeasurably.



**Hon. Samuel  
Oritsejolomisan Oligida**  
Honourable Commissioner for  
Trade And Investment.

# EXECUTIVE SUMMARY

## INDUSTRIAL POLICY

The industrial policy review (2024) is a comprehensive update of the initial policy launched in 2013. This review aims to assess progress, address emerging challenges, and align with global best practices.

The driving force in preparing this Industrial Policy is borne out of Government's desire to move from mere articulation of the potentials of Delta State to putting those potentials to productive uses through a deliberate Policy of value addition.

In order to bring to the fore this cardinal objective, a 10 (Ten) chapter document has been concisely put together to navigate through the investment terrain of Delta State and in particular the opportunities and incentives that abound for discerning investors.

**Chapter 1** x-rays the Profile, locational advantages, Resource endowment and a bird's eye view of literature review of the perspective of Industrial Policies.

**Chapter 2** gives an insight on the Macro Economic Indices, GDP Growth Rate, Sectorial Contributions to GDP, Disaggregated GDP Growth Rate, Population Growth Rate, Unemployment Rate, Real Gross Investment, Inflation Rate, Poverty Rate, Human Development Index (HDI), Trade Balance and Foreign Direct Investment (FDI) in Delta State.

The following **Chapter 3** espouses the Policy Objectives, Goals and Strategies. A Short term, medium and long term panoramic view is dealt with. Privatization and Commercialization efforts as a panacea for accelerating industrialization is thrown up while challenges of finance and skill gap in Small and Medium Enterprises are identified with solutions proffered.

**Chapter 4;** recognizes the role of impacting Ministries, Departments and Agencies of Government and Institutions.

Federal Government of Nigeria, Delta State Government, Local Governments, Non-Governmental Organizations, Donor Agencies are amongst the impacting Agencies whose roles were captured.

**Our Chapter 5** delved into Collaboration in Research and the Utilization of research results for industrial purposes. The pivotal role of Ministry of Science and Technology in Liaison with Raw Material Research and Development Council of Nigeria came under focus. Land mapping effort of Delta State Ministry of Lands for industrialization purposes as a Strategy to ease land acquisition by investors was covered.

**Chapter 6;** embraced the abundant investment opportunities in Delta State in various Sectors. The incentive packages were unraveled in that chapter. Oil and gas, Blue Economy (Marine and Port development, Agriculture, Transport, Power and Energy, Iron and Steel including Commerce and Industry are covered. Market linkages and off takers channels came under focus.

The accompanying **Chapter 7** dealt with Trade and Export Processing Zones with two flagships presented namely; Koko Free Trade Zone and Kwale Free Trade Zone/ Industrial Park.

Special incentives awaiting investors in those zones were detailed.

The Opportunities thrown up by Africa Continental Free Trade Area (AFCTA) on economic integration of Africa was covered and opens a new vista. The elimination of tariff and non-tariff barriers on goods and services between African Countries speak volumes of trade liberalization.

Climate Change challenges are dealt with in **Chapter 8**. Long term alteration of global patterns with the attendant storm, flooding, hurricane and temperature increases have created upsets globally and Delta State is not insulated.

**Chapter 9:** The need for a Monitoring and Evaluation mechanism to track industrialization effort was not lost. Ministry of Trade and Investments is chargers with supervision and interrogation of work plan and timeline on industrialization progress. Performance indicators are to be set and evaluated periodically.

The final **Chapter 10** conclude with noting that in the past five decades efforts of Governments both at the Federal and State levels have been to wane our economy from dependence on oil and gas revenue through diversification.

Indigenization of our economy is also at the heart of Government effort hence the emphasis on small and medium Enterprises (SMEs) as engine of growth.

# LITERATURE REVIEW

## INTRODUCTION

The Delta State Industrial Policy (DSIP) 2013 aimed to promote industrial development, economic growth, and job creation in Delta State, Nigeria. This literature review assesses the policy's effectiveness, identifies challenges, and provides recommendations for future improvement.

Industrial Policy is about the productivity enhancement process that improves the economy. There could be industrial policies for specific sectors e.g. mining, seaports, infrastructure etc. But our industrial policy is a general one covering all sectors.

There could be a protective industrial policy or protectionism after the Second World War, these were done with tariff regimes and taxes.

France and Japan used planning to regulate industrial policy in priority areas. The United States had the strongest industrial policy in the world through an emphasis on financing military hardware using Research and Development Policies.

Korea and Singapore supported state enterprises as an industrial policy. Foreign direct investment was encouraged in sectors where gaps existed e.g. Airport and airplane maintenance. Technology transfer and training of local staff were encouraged in their industrial policy.

Brazil used industrial policy to develop its aircraft manufacturing industry.

- **Demand complementarity (big bush):** Cars are to be manufactured in places where demand exists. Auto factory to be encouraged alongside glass, leather, rubber, machines etc.
- **Externalities:** New industries are given extra subsidies due

to paucity of information in a new sector being ventured into. Research and Development is therefore funded.

- **Capability:** Protection of young industries and encouraging licensing. Technology regulation to avoid dumping by investors.
- **Risk and uncertainty:** Long-term funds for investors, often subsidized loans. South Korean government in 1965 planned steel plants and was looking for funds but the IMF refused because of a lack of raw material. But money from Japan assisted South Korea and it remains thriving in business to date.

Restructuring policy is also an industrial policy instrument e.g. General Motors of USA.

## POLICY DESIGN

Emulate more developed countries. If you are not failing, it means you are not trying hard enough. Industrial policies need to change periodically because change is the only constant.

**Right Political Base:** There is authorization of individual policy by people holding Political powers at any point in time.

## Methodology

This review analyzed:

- i. Stakeholder interviews and surveys.
- ii. Government reports and documents.
- iii. Industry reports and publications.
- iv. Authentication workshop.
- v. Academic journals and research papers.
- vi. News articles and media outlets.

## Key Strategies

Some of the Key strategies outlined in the policy include:

- i. Infrastructure Development: Upgrading transportation networks, energy supply, and other essential infrastructure to support industrial growth.
- ii. Human Capital Development: Providing training and skills development programs to enhance the competitiveness of the local work force.
- iii. Investment Promotion: Offering incentive and support services to attract investors and encourage private sector participation.
- iv. Research and Development: Encouraging innovation and entrepreneurship through research and development initiatives.

### Outcomes and Challenges

While the policy has contributed to some economic growth and challenges persist, which include;

- i. Inadequate funding: Insufficient budgeting allocation slow down the implementation of the policy.
- ii. Limited private sector participation: Private sectors low engagement participation.
- iii. Corruption: Investor are discouraged by perceived corruption and bureaucratic bottleneck.
- iv. Infrastructure deficit
- v. Skill mismatch: Training programs not fully in compliance with industry needs.

### Policy Implementation and Future Directions:

- i. **Enhance Public–Private Partnership:** Collaboration with private sectors to develop infrastructure.
- ii. **Support for SMEs:** Improved support for small and medium-enterprises
- iii. **Monitoring and Evaluation:** Establishing of robust monitoring and evaluation workplan.
- iv. **Enhance Governance:** Reduce bureaucratic bottleneck and corruption by strengthen the institution.

- v. **Skill Development:** Leverage training programs with industry needs.

According to Professor Marco Tommaso, industrial policy is changing individual and collective behaviors to promote societal goals. This is possible with and without financial inducements.

Industrial Policy is about making government better, smaller and manageable.

Successful industrial policy requires great pragmatism, land reform(s) and ideological changes as necessary tools.

Effective policy implementation requires capable hands e.g. lawyers and economists.

Design of good incentive system that rewards performance and punishes failures. E.g. persistent support for sick and ailing industries should be discouraged.

Most developing countries between (1960 - 2010) have gone into premature industrialization meaning that their industries have become ailing shortly after they started because of faulty industrial policy. Industries had no complementary industries developing together. Industrial Policy must create channels for dialogue with the government and key performance indicators established.

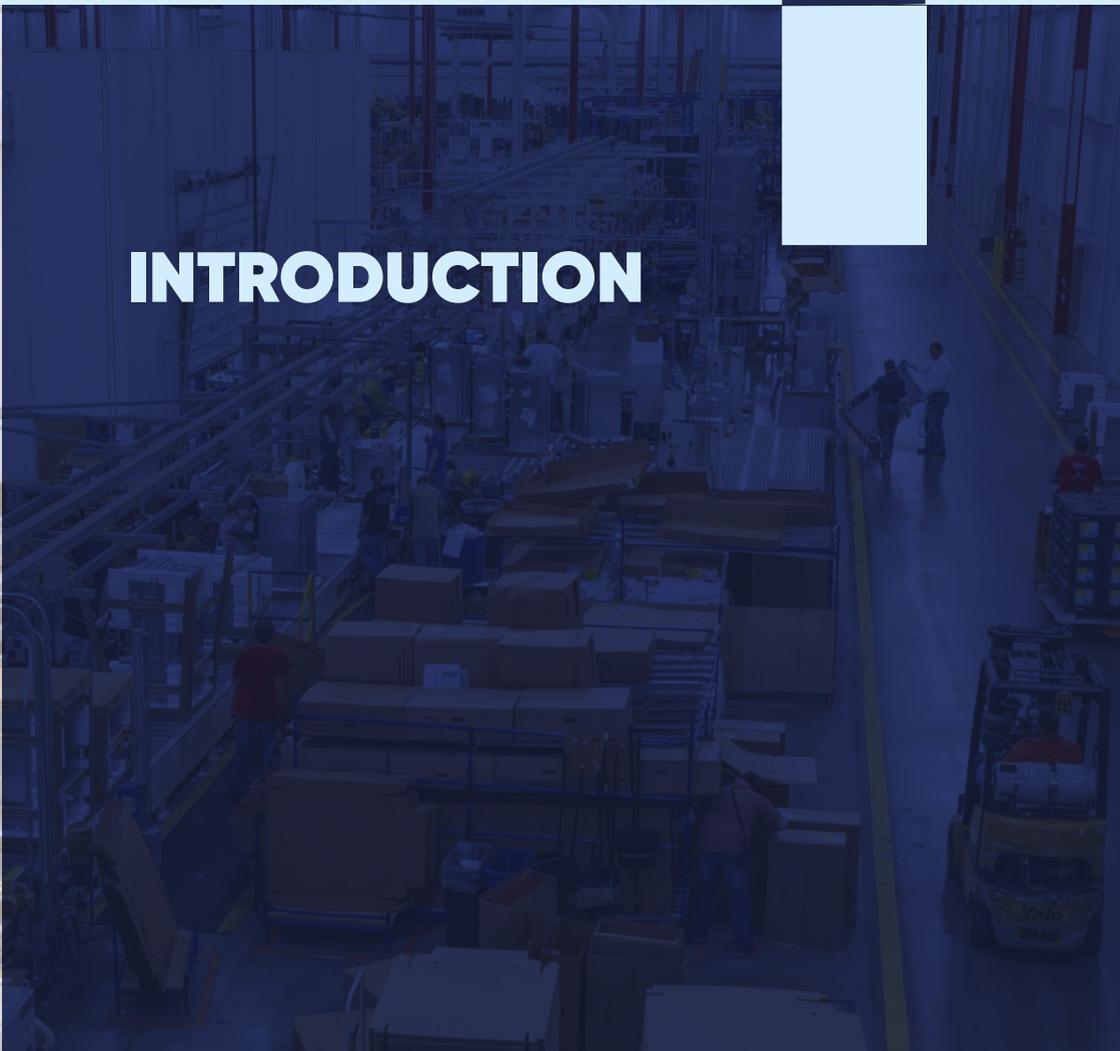
## **Conclusion**

The Delta State Industrial Policy has shown some level of success, but challenges persist. Addressing these challenges with the implementation of the recommendations, there will be drastic improvement of the policy's effectiveness and it will promote sustainable industrial development in Delta State.

CHAPTER



# INTRODUCTION





## 1.1 PROFILE OF DELTA STATE

Delta State is one of the 36 federating states in Nigeria. It was created on the 27th of August 1991 out of the former Bendel State of Nigeria.

In the State creation exercise of 1991, the former Asaba division of the old Benin province was added to Delta province to make up the present Delta State.



## 1.2 LOCATION

Delta State is located in the South-South geo political zone of Nigeria, and lies between longitudes 50.00'E and 60.45'E and latitudes 50 00' N and 60.30'N. It has an estimated total land area of approximately 18,050 square kilometers, with Atlantic Ocean coast line of about 163 kilometers in the South. The land area comprises rain forest 57 percent, mangrove swamp [forest 33 percent and fresh water 10 percent.

Average rainfall ranges from 1.910 mm in the Northern area to 2.670 mm in the coastal parts. Delta State is characterized by flat land in the South and central areas and low-lying plains/undulating terrains with low hills and valleys in the Northern areas.

The vegetation is a mix of mangrove and swamps along the coast to the rain forest in the central areas and a derived savannah in the Northern extreme.



### 1.3 RESOURCE ENDOWMENT

- Coastal State - access to four sea ports (Warri, Koko, Sapele and Burutu)
- Strategically located and accessible to other parts of Nigeria by Land, Rail, Air and Sea.
- Young education and active population.
- Continuous Investment in Security by Government to create a safe and secure environment.
- Focus on industrialization through the communities, and based on comparative advantage (Agro Business) also industrialization through the private sector (MSMEs and Large-Scale Industries)
- Government commitment through provision of intervention funds from financial institutions (BOI) World Bank etc.)
- Recruitment of technocrats to enhance professionalism;
- Emphasis on development of human capital
- Focus on good government to strengthen government institutions, processes, and systems in the areas of public financial management, policy and strategy, public sector management, knowledge management, and monitoring and

evaluation, towards promoting better service delivery.

- Implementation of the fiscal responsibility act and the public procurement law, setting up of public procurement reform committee.
- Establishment of a computerized monitoring and evaluation system.
- Implementation of a robust financial system, SAP, used end to end to ensure adequate accountability for our revenues, expenditures, and debt management.
- Delta State is endowed with many rivers and water ways, the major rivers are the Niger, Forcados, Warri, Escravos, Ethiope, Jamesson, Benin, Ase, Ossiomo, Ime-Omi and Orogodo Rivers.
- Delta State, is one of the major producers of oil and gas in Nigeria. It is located in the oil-rich Niger- Delta region of Nigeria, providing about 30 percent of Nigeria's total oil and gas output.
- It accounts for an estimated 40 percent of Nigeria's total gas reserve of 150 trillion cubic feet.

Administratively, Asaba is the State Capital of Delta State. Asaba, the Capital of the State, it is located on the right bank of the River Niger. Clean with a network of good roads, Asaba also boasts of standard hotels and commercial facilities.

The language groups and nationalities in Delta State are the Urhobo, Igbo, Izon, Isoko, Ukwuani and Itsekiri. They have identical customs, beliefs and culture. This cultural similarity is manifested in their festivals, traditional religions and marriage ceremonies. The system

of traditional administration is similar, so are the folklores, dances, arts, crafts and modes of dressing. There is freedom of worship and a high level of religious tolerance in the State. Christianity, Islam and African Traditional Religions are prevalent and exist harmoniously.

The population of Delta State is estimated at 5.7 million (according to 2006 census with the 2020 estimate of 6.1 million people). Administratively, the state is divided into 25 Local Government Areas, Namely;

<b>S/No.</b>	<b>Local Government Area</b>	<b>Headquarters</b>
1.	Aniocha North	Issele-uku
2.	Aniocha South	Ogwashi- uku
3.	Bomadi	Bomadi
4.	Burutu	Burutu
5.	Ethiope East	Isiokolo
6.	Ethiope west	Oghara
7.	Ika North East	Owa- Oyibu
8.	Ika South	Agbor
9.	Isoko North	Ozoro
10.	Isiko South	Oleh
11.	Ndokwa East	Aboh
12.	Ndokwa West	Kwale
13.	Okpe	Orerokpe
14.	Oshimili North	Akwukwu-Igbo
15.	Oshimili South	Asaba
16.	Patani	Patani
17.	Sapele	Sapele
18.	Udu	Otor-Udu
19.	Ughelli North	Ughelli
20.	Ughelli South	Otu- Jeremi
21.	Ukwuani	Obiaruku
22.	Uvwie	Effurum
23.	Warri North	Koko
24.	Warri South	Warri
25.	Warri South West	Oge-Ijoh

Some of the major towns in the State are; Asaba, Warri, Effurun, Sepele, Ugheli, Agbor, Umunede, Obiaruku, Ibusa, Orhunworun-DSC Township, Bomadi, Patani Burutu, Koko Oleh, Ozoro, Orerokpe, Kwale, Ogwashi Uku, Issele Uku.

There are four (4) Seaports in Delta State and two (2) Airports; one at Osubi near Warri and an International airport in Asaba. There are two petroleum exporting terminals. A railway line under construction, running from northern Nigeria through the northern part of the State down to the southern part.

The economy is largely oil dependent. Various administrations since 1999 have formulated and implemented policies to enable other economic growth drivers. Subsequent to these interventions, agriculture, service and social sectors are beginning to impact strongly on the performance of the economy especially with the fluctuation fortunes of the oil in the international market.

CHAPTER

# 2

**MACRO  
ECONOMIC  
INDICES**



## 2.1 GDP Growth Rate

Delta State has been one of Nigeria's economic powerhouses, largely due to its robust oil and gas industry. In 2013, its economy was valued between \$14.5 and \$15 billion, placing it among the top three in Nigeria. With around 11.5% of the country's oil production coming from Delta, the state's GDP growth has long been linked to the petroleum sector.

However, the state has recognized the need to diversify. By 2010, the non-oil sectors had grown to account for more than half of the state's GDP (51.5%), marking a significant shift from 41.9% in 2013. Key areas of focus for this diversification have been agriculture, light manufacturing, healthcare, tourism, and energy. For instance, agriculture alone represented 13.1% of the state's GDP in 2010, up from 9.5% seven years earlier, illustrating the government's push to boost food production, create jobs, and attract investment.

By 2014, Delta State's economic growth has mirrored national trends, with Nigeria's overall GDP increasing by 3.19% year-on-year in Q1. This growth was primarily driven by the services sector, which also plays a growing role in Delta's economy. The state's long-standing oil and gas base continues to be a vital driver, but the emerging sectors like agriculture and services are gaining ground.

Nonetheless, challenges such as oil price fluctuations and economic pressures on industrial sectors mean Delta's future GDP performance may vary, particularly in the oil-dependent areas. But the state's trajectory remains positive, aligning with Nigeria's broader economic growth.

## 2.2 Sectorial Contributions to GDP

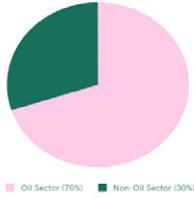
In 2024, Delta State's economy reflects a dynamic mix of sectorial

contributions, highlighting the state's ongoing efforts to diversify beyond its traditional reliance on oil and gas.

- **Oil and Gas:** As the backbone of Delta's economy, oil and gas still account for a significant portion of its GDP. The state remains one of Nigeria's top oil producers, contributing roughly 11.5% to the national oil output. Despite this dominance, the state is strategically positioning itself to reduce dependency on this volatile sector.
- **Agriculture:** Agriculture is emerging as a major player, now contributing about 13-15% of the state's GDP. Key crops include cassava, palm oil, yams, and fisheries, which have seen growth due to government policies focused on boosting food security and reducing unemployment.
- **Services:** The services sector, including trade, real estate, education, and healthcare, has grown substantially and aligns with the broader Nigerian trend where services drive national GDP growth. Delta's service sector is increasingly becoming a core economic engine, especially in urban centers like Warri and Asaba.
- **Manufacturing and Light Industry:** Though smaller, the manufacturing sector is gaining traction, contributing to local employment and GDP. Light industries in food processing, textiles, and construction materials are helping Delta diversify its industrial base.

Overall, the 2014 sectorial contributions underscore Delta State's gradual shift towards a more balanced economy, integrating agriculture and services with its traditional oil wealth.

GDP Composition in Delta State (2013)



**Agriculture's Role**

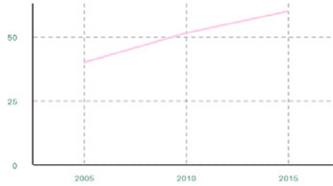
Agriculture has been a key focus in diversification efforts, contributing significantly to the state's GDP and creating jobs.

**Light Manufacturing Growth**

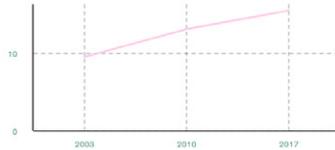
The state has also seen a surge in light manufacturing, contributing to economic diversification and job creation.

**Diversification Efforts**

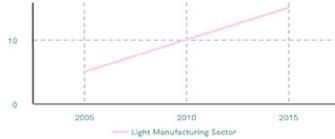
Growth of Non-Oil Sectors in Delta State



Growth of Agriculture Sector in Delta State



Growth of Light Manufacturing Sector in Delta State



**2.3 Disaggregated GDP Growth Rate**

In 2024, Delta State continues to play a crucial role in Nigeria's economy. Known for its vast oil reserves, Delta is also expanding into other sectors like agriculture and manufacturing, making its economy more diverse. By 2021, the state had an estimated GDP of N6.19 trillion (around \$15.33 billion), which ranked it fifth among Nigerian states in terms of economic size. This performance stems from its wealth of natural resources, especially in the oil and gas sector

For 2024, Delta State's financial outlook is promising, highlighted by the government's N714.4 billion budget, called the "Budget of Hope and Optimism." The state has allocated significant funds

to key areas: N150 billion for road infrastructure, N46.55 billion for education, N18.65 billion for healthcare, and N7 billion for agriculture

These investments are set to improve the state's productivity and create more growth opportunities, especially in non-oil sectors.

With a clear focus on improving infrastructure, public services, and economic opportunities, Delta State is aiming to boost growth across all sectors in 2024. Its diverse approach is expected to create sustainable development for the region and its people.

## **2.4 Population Growth Rate**

Delta State's population is growing at an estimated rate of 1.6% per year, which aligns with Nigeria's national trend of around 1.5-3% annually. This steady increase means the state's population is expected to reach about 5.7 million by 2024. Like many other parts of Nigeria, Delta experiences a high birth rate, which, combined with factors like urbanization and migration, continues to shape its growth patterns and demographic shifts

## **2.5 Unemployment rate**

The unemployment rate in Delta State, Nigeria, reflects significant economic challenges, similar to many regions across the country. Delta State, rich in oil and natural resources, still grapples with high unemployment, especially among its youth. Factors contributing to the high unemployment rate include a lack of diverse job opportunities beyond the oil sector, limited access to quality education and vocational training, and economic instability at the national level.

Despite the state's wealth, its reliance on oil has hindered broader economic development, which could create jobs in sectors like agriculture, manufacturing, and services. Additionally, the

infrastructural gaps and governance issues have made it harder for businesses to thrive, further limiting employment opportunities.

Government efforts to address unemployment, such as youth empowerment programs, skill acquisition initiatives, and entrepreneurship schemes, have been introduced. However, the impact of these programs has been mixed, with many arguing that more sustainable, large-scale economic reforms are needed to make a significant dent in the unemployment figures.

In summary, while Delta State has great economic potential, unemployment remains a persistent issue due to the limited diversification of the economy, infrastructural challenges, and insufficient job creation efforts

## **2.6 Real Gross Investment**

Real Gross Investment refers to the total capital expenditure within an economy, adjusted for inflation. It measures the total value of new capital that is added to the economy, including infrastructure, buildings, machinery, and equipment. For Delta State in 2024, Real Gross Investment plays a crucial role in driving economic growth, creating jobs, and fostering development in various sectors, including agriculture, oil and gas, manufacturing, and services.

Delta State's Real Gross Investment is poised to grow across multiple sectors, with the government and private sector playing crucial roles in driving economic development. Key areas of investment include oil and gas, agriculture, infrastructure, real estate, and technology. While there are challenges, such as security and environmental concerns, the state's focus on creating an investor-friendly environment, improving infrastructure, and diversifying its economy is expected to sustain investment growth. Delta State's strategic position as a resource-rich region with access to major transportation routes also makes it an attractive destination for both domestic and international investors.

## 2.7 Inflation Rate

Inflation represents the general rise in prices of goods and services over time, eroding purchasing power. In Delta State, the inflation rate in 2024 is influenced by several economic factors at both the national and regional levels.

## 2.8 Key Drivers of Inflation in Delta State, 2024

- a. **Fuel Prices:** Delta State, being part of the oil-rich Niger Delta region, is sensitive to changes in fuel prices. Global fluctuations in oil prices, deregulation of the oil sector, and removal of fuel subsidies at the national level may contribute to rising fuel costs, which, in turn, increases transportation and production costs.
- b. **Food Prices:** Food inflation is a major contributor to overall inflation in Delta State. Agriculture, while a key sector, has faced challenges due to issues such as climate change, flooding, and inadequate infrastructure. In 2024, disruptions in food production and supply chains may lead to higher food prices, particularly for staples like cassava, rice, and fish.
- c. **Currency Devaluation:** The depreciation of the Nigerian Naira, influenced by national monetary policy, foreign exchange constraints, and global economic conditions, impacts the cost of imported goods. In Delta State, imported items such as machinery, electronics, and certain food products may see price hikes due to a weaker Naira.
- d. **Public Spending and Subsidy Removal:** The government's fiscal policies, such as capital projects and public sector wage increases, contribute to inflation. Additionally, the removal of subsidies, especially in the

energy and transport sectors, may increase the cost of living for Delta residents in 2024.

- e. **Security and Infrastructure Challenges:** Security concerns in the Niger Delta region and infrastructural deficits can hinder the efficient movement of goods and services, adding to production and distribution costs, which further fuels inflation.

The inflation rate in Delta State for 2024 is expected to remain high, driven by external economic pressures, national fiscal policies, and local factors like agricultural production challenges and infrastructure gaps. However, government efforts to boost agricultural output, improve infrastructure, and stabilize the macroeconomic environment could help mitigate some inflationary pressures.

The overall inflation trend is likely to mirror the national inflation rate, with food prices, transportation costs, and energy prices playing a key role in determining the state's inflation dynamics for 2024.

## 2.9 Poverty Rate

In 2024, Delta State's poverty rate remains a critical socio-economic concern, influenced by factors such as unemployment, inflation, and regional disparities. While Delta State is one of Nigeria's wealthier states due to its significant oil and gas resources, a considerable portion of its population still experiences poverty, particularly in rural areas.

### 2.10 Key Factors Contributing to Poverty in 2024:

- a. **Economic Disparities:** Wealth distribution in Delta State is uneven. Urban centers like Asaba and Warri benefit from industrial and commercial development, while rural areas struggle with underdevelopment, limited infrastructure, and

lower economic opportunities.

- b. **Unemployment:** Despite ongoing investment in sectors like oil, agriculture, and real estate, unemployment remains high, particularly among youth. Job creation has not kept pace with population growth, leaving many without stable incomes.
- c. **Inflation and Living Costs:** High inflation rates, particularly in food and essential goods, continue to erode the purchasing power of lower-income households. Rising costs of living, especially in urban areas, contribute to poverty, as wages do not keep up with inflation.
- d. **Environmental Challenges:** Oil spills and environmental degradation in the Niger Delta have negatively affected local livelihoods, particularly in fishing and agriculture. This has exacerbated poverty in affected communities, leading to displacement and loss of income sources.
- e. **Government Interventions:** The Delta State government has implemented various poverty alleviation programs, including skill acquisition initiatives, agricultural empowerment schemes, and social safety nets. However, the impact of these programs remains limited due to funding constraints and administrative challenges.

### **Conclusion:**

In 2024, despite efforts to reduce poverty, many households in Delta State remain vulnerable, particularly in rural areas. While urbanization and investments offer economic opportunities, addressing structural issues like unemployment, inflation, and environmental degradation will be essential to significantly reducing the poverty rate in the coming years.

## 2.11 Human Development Index (HDI)

The Human Development Index (HDI) is a composite measure used to assess the overall well-being of a population, focusing on three key dimensions: health, education, and standard of living. For Delta State in 2024, the HDI reflects ongoing efforts and challenges in improving the quality of life for its residents.

## 2.12 Key Components of HDI for Delta State, 2024

- a. ***Health (Life Expectancy and Healthcare Access)***
  - **Life Expectancy:** Life expectancy in Delta State has seen a moderate increase due to improvements in healthcare infrastructure, maternal and child health services, and disease control programs. Government investments in health facilities, particularly in rural areas, have enhanced access to basic medical services. However, challenges such as poor healthcare funding, shortage of medical professionals, and outbreaks of diseases (like malaria and waterborne illnesses) still affect overall life expectancy.
  - **Healthcare Access:** Delta State has been working to increase healthcare access, with a focus on providing affordable and quality healthcare through its primary, secondary, and tertiary healthcare systems. The Delta State Contributory Health Commission (DSCHC), aimed at improving health insurance coverage for residents, has made significant strides but still faces gaps in service delivery, particularly in underserved communities.
- b. ***Education (Mean Years of Schooling and Expected***

### ***Years of Schooling)***

- **Primary and Secondary Education:** Delta State has made notable improvements in school enrollment and retention rates, particularly in primary and secondary education. The state government's free and compulsory basic education policy has increased access to education for children, while investments in infrastructure, teacher training, and curriculum reforms are enhancing the quality of education.
- **Tertiary Education:** Delta is home to several higher institutions, including Delta State University (DELSU), contributing to higher expected years of schooling. However, issues such as inadequate funding, overcrowded classrooms, and frequent academic strikes have impacted the quality of higher education.
- **Literacy Rate:** Delta State's literacy rate has improved, particularly among younger generations, thanks to government literacy programs and non-formal education initiatives. Adult literacy programs continue to target older populations, especially in rural areas.

### c. **Standard of Living (Income Per Capita)**

- **Economic Growth:** Delta State's economy, heavily reliant on oil and gas, has experienced fluctuations in income levels due to global oil price changes and local production challenges. Despite these challenges, there has been diversification into agriculture, trade, and small-scale industries, which have contributed to a gradual improvement in household incomes.

- **Poverty Reduction:** The government has launched various poverty alleviation programs and social safety nets, including youth employment schemes, microfinance initiatives, and rural development programs, aimed at improving living standards. Despite these efforts, income inequality remains a concern, particularly in oil-producing communities affected by environmental degradation and lack of access to resources.

### 2.13 Key Challenges Affecting HDI in Delta State, 2024

- **Unemployment:** Youth unemployment remains a major challenge in Delta State, which affects income levels and standard of living. Efforts to promote entrepreneurship and vocational training have been initiated, but more investment is needed to create sustainable jobs for the growing population.
- **Environmental Degradation:** Environmental issues related to oil spills and gas flaring have negatively impacted agriculture, fishing, and overall living conditions, particularly in rural communities. This has, in turn, affected both the economic and health components of HDI.
- **Infrastructure Deficits:** Poor infrastructure, especially in rural areas, continues to limit access to quality education, healthcare, and job opportunities, thereby constraining human development.

Delta State's HDI is projected to show modest improvements across health, education, and income indicators. Efforts by the government to improve healthcare access, expand education opportunities, and promote economic diversification are critical to this progress.

However, persistent challenges such as environmental issues, unemployment, and infrastructural deficiencies continue to hamper the state's ability to significantly raise its HDI ranking. Addressing these challenges will require sustained government commitment, private sector involvement, and community engagement.

## 2.14 Trade Balance and Foreign Direct Investment (FDI)

Trade Balance and Foreign Direct Investment are key indicators of Delta State's economic health in 2024, given its position as a leading oil-producing region in Nigeria and its efforts toward economic diversification.

## 2.15 Trade Balance in Delta State, 2024

### a. Exports

- **Oil and Gas:** Delta State's trade balance is largely influenced by the oil and gas sector, which dominates its export profile. In 2024, crude oil remains the largest export commodity, contributing significantly to the state's revenue. However, global oil price volatility continues to impact the value of exports. Despite these challenges, Delta State benefits from its position as a key exporter of oil and petroleum products through major facilities like the Warri Refinery.
- **Non-Oil Exports:** Delta State has been working to diversify its economy by boosting non-oil exports, particularly in agriculture and manufacturing. Palm oil, rubber, and cassava are among the key agricultural exports, while processed goods from small and medium-sized industries are gradually gaining traction. While non-oil exports are still relatively small

compared to oil, government initiatives to promote agricultural and industrial growth are expected to increase their share of trade in the coming years.

b. **Imports**

- Delta State imports various goods to meet the demands of its population and industries, including machinery, chemicals, and consumer goods. In 2024, the state's reliance on imported refined petroleum products, due to limited refining capacity locally, affects its trade balance negatively.
- **Efforts to Reduce Import Dependence:** The state government is working on increasing local production capacity, particularly in agriculture and manufacturing, to reduce dependency on imports. Investments in infrastructure, such as roads, ports, and energy, are also geared toward improving local production and trade balance.

c. **Overall Trade Balance:**

- **Positive Trade Balance:** Despite fluctuations in global oil prices, Delta State is expected to maintain a positive trade balance in 2024 due to its significant oil exports. However, the trade balance may narrow if oil prices fall or if there is increased importation of industrial goods and consumer products.
- **Potential Risks:** Environmental challenges, such as oil spills and militancy in the Niger Delta, could disrupt oil production and exports, negatively affecting the trade balance.

## 2.16 Foreign Direct Investment in Delta State, 2024

### a. Foreign Direct Investment (FDI)

- **Oil and Gas Sector:** As one of Nigeria's leading oil-producing regions, Delta State continues to attract substantial foreign investment in its oil and gas sector. In 2024, foreign investors are expected to remain interested in oil exploration, refining, and downstream operations. However, global shifts towards clean energy and environmental concerns are leading to increased scrutiny of fossil fuel investments.
- **Diversification into Non-Oil Sectors:** In line with Nigeria's economic diversification strategy, Delta State has been working to attract foreign investment into non-oil sectors, particularly agriculture, manufacturing, and infrastructure. Government policies aimed at promoting ease of doing business, including tax incentives and improved regulatory frameworks, have made the state more attractive to foreign investors.

### b. Key Areas of Foreign Direct Investment

- **Agriculture:** Delta State's rich agricultural resources, including palm oil, rubber, and fisheries, have attracted foreign direct investments aimed at developing agribusiness value chains. In 2024, partnerships with foreign companies in food processing and export-oriented agriculture are expected to increase.
- **Real Estate and Infrastructure:** The growing urbanization of cities like Asaba and Warri has

attracted foreign direct investment in real estate and infrastructure development. Large-scale housing projects, urban planning initiatives, and transportation infrastructure (including ports and roads) are key areas where foreign investors are showing interest.

c. **Challenges to Foreign Direct Investment**

- **Security Issues:** Although Delta State remains a prime destination for foreign investors, security challenges, particularly in the Niger Delta region, continue to pose risks. Militant activities, oil theft, and kidnapping are concerns that could deter potential foreign direct investment.
- **Regulatory Hurdles:** Despite improvements in the business environment, bureaucratic bottlenecks, inconsistent regulatory policies, and concerns about transparency can hinder the flow of foreign direct investment. In 2024, efforts to streamline business regulations and ensure investor confidence will be crucial to maintaining and increasing FDI inflows.

**CONCLUSION**

Delta State's trade balance remains positive, primarily due to its dominance in oil exports. However, efforts to diversify the economy and reduce reliance on imports are ongoing, with gradual progress in non-oil exports and local production capacity. Foreign Direct investment continues to play a significant role in the state's economy, particularly in the oil and gas sector, though there is growing interest in agriculture, real estate, and infrastructure. The state's ability to attract and sustain foreign investment depends on addressing security challenges and improving the regulatory environment.

CHAPTER

# 3

**INDUSTRIAL  
POLICY;  
OBJECTIVES,  
GOALS AND  
STRATEGY**



The strategic thrusts of the Delta State Industrial Policy is to create an operating environment conducive for investments. As captured in the M.O.R.E Agenda which planks are, Meaningful Development, Opportunity for All, Realistic Reforms and Enhanced Peace and Security.

Those are elements that would act as tools for strategic wealth and job creation to be driven by the private sector and facilitated by the government.

3.1. In the short term, the objectives are;

- Boosting the private sector and PPP Ventures by attracting investment and creating employment
- Promotion of Micro, Small and Medium Enterprises (MSMEs)
- Growth facilitation in Agriculture/Agribusinesses
- To maximize local value addition through the utilization of local raw materials.
- To create employment opportunities for the increasing number of residents in the state through the formation of cooperative Societies and Community-Based Organizations (CBOs) and providing them loans through banks for the establishment of SMEs.
- To systematically divest the state of direct investment and majority shareholding in industrial ventures through privatization and commercialization
- To encourage and promote effective collaboration

between local and foreign investors through mutually agreed means.

- To establish or promote as many small-scale industries as possible in the state to support the job creation efforts of the Government.

### **3.2. Medium/Long-term Objectives**

The Medium to Long-term Objectives are;

- To work towards the implementation of the Nigerian Agri-Business and Agro-Industry Development Initiative (NAADI) of the economic reform programs of the Federal Government which seeks to address the challenges and issues in the Agri-Business Subsector.
- To encourage the growth, geopolitical and even spread of industries in the State.
- To formulate policies that will support start-ups, promote scale-ups of businesses and provide a platform for entrepreneurs to keep pace with innovations and the new wave of digital revolution.
- To fund the industrial Parks on a Public-Private Partnership (PPP) basis with private sector management.
- To encourage the renewed gender initiative of the Federal Government as far as support of women's economic activities is concerned.
- To unlock opportunities for the growth of MSMEs through risk mitigation.

- To attract investment to the non-oil, non-mining sectors of the economy.

### **3.3. STRATEGIES**

The strategy towards achieving the above objectives and goals will include the following;

- Link clusters of producers to market outlets
- Identify large-scale producers and link them to off-takers
- Accelerate ease of doing business by reviewing the regulatory and legal environment with the view of making them business-friendly
- Promote the state's littoral state status with five seaports and encourage investment in the blue economy
- Resuscitating viable ailing industries while establishing new ones.
- Encourage patronage of made-in-Delta products and services

### **3.4. INDUSTRIAL POLICY (MSMEs).**

The objective of the National Policy is to facilitate and sustain a vibrant MSMEs subsector to be the major driver of National Economic Growth and Employment. Empowering MSMEs to become part of global value chains, who are Micro, Small, and Medium Scale Enterprises (MSMEs).

### **3.5. POLICIES OF SMEs.**

- 3.5.1. **Finance** - addressing the challenges of access to finance to establish, operate and or expand viable MSMEs.

- a) The creation of the state MSMEs funding portal that will showcase available funding scheme for the state MSMEs, agencies responsible for funding, criteria to access the funds etc.
- b) Create awareness of MSMEs funding opportunities via several channels including traditional rulers and religious leaders.
- c) Target financial literacy and inclusion programs at MSMEs.
- d) Publicize the names and profiles of different banks and other financial institutions to MSMEs to increase their awareness about these institutions while also creating incentives to encourage such financial institutions to finance MSMEs.

### **3.5.2. Skills Development**

Increase the pool of well skilled small business owners and employees training and re-training of MSMEs entrepreneurs and their workers on improving their skill and talent, polish and improving this skills on all fronts for the purpose of improving their various businesses, profit, marketing, management profit maximization.

### **3.5.3. Institutional, Legal and Regulatory Frameworks**

- a) Motivate MSMEs to formalize their businesses and operations to be able to benefit from the various government incentives that are available to them, such as Corporate Affairs Commission (CAC), Registration of Co-operative Societies etc.

- b) Making the process of registering land property easier and eliminating processes and rules that hinders it and also discriminating against women entrepreneurs.
  - c) Eliminating or reducing disruptive tax incidence and the burden of tax administrators.
  - d) Documenting and publicizing the tax obligations of MSMEs on a regular basis to improve awareness, transparency and predictability of tax obligations while simultaneously minimizing operations for discretionary powers by tax enforcers and collectors. This is also aimed at eliminating double or multiple taxation that is hampering the growth and development of MSMEs,
  - e) To ensure standard and quality regulations, MSMEs are encouraged to comply with National and International Standards thereby achieving global acceptance of their goods and services and also abiding by MSME standards,
  - f) There must be industrial harmony between entrepreneurs, their workers, and industrial policies must be adhered to in order not to create dispute between MSME entrepreneurs, their workers, other industries and Government industrial enforcers.
- 3.5.4. Provide Universities, tertiary institutions and research institutes with special grants for applied research and innovation activities relating to the growth and development of MSMEs especially regarding input sourcing, production technology and methods, product development and market exploration.

- 3.5.5. **Extension Services:** The provision of relevant, timely, accessible and affordable extension services to improve, grow and develop MSMEs on all fronts.
- 3.5.6. **In marketing:** Ensure that MSMEs activities (compared to large enterprises) in local market is enhanced through competitive production processes, improved public sector procurement, strategic alliances and stronger linkage between MSMEs and the large enterprises in value chains. The broader approach is Public-Private partnership (PPP) in harnessing domestic and export markets. And also, to create a good marketing environment for MSMEs to profit from.
- 3.5.7. Establish a conducive environment for enterprises development and operation through the provision and maintenance of infrastructural facilities and services. This will be done by government in consultation and cooperation with the private sector. Such facilities include accessible roads, transportation, power and water supply and other utilities to enhance MSMEs locations, clusters and production output and profit maximization.

## **INDUSTRIAL POLICY THRUSTS AND EXPECTED OUTCOMES**

1. To systematically divest state of direct investment and majority shareholding in industrial ventures through privatization, commercialization, Government shall not hold more than 20% minority equity shares in viable industrial ventures.
2. The new policy is aimed at keying towards the implementation of the Nigeria Agri-business and Agro-Industry Development Initiative (NAADI) being one of the economic reform programs of the Federal Government which seeks to address the

challenges and issues in the Agri-Business subsector.

3. This policy is being formulated with an intention to marry it with the national policy on Start-ups with the view to formulating a frame work that will facilitate and support Start-ups, promote Scale-ups of business and provide a platform for entrepreneurs to keep pace with innovations on new wave of digital revolution.
4. To highlight on the gains of the investment policy of the nation as it will help in attracting and facilitating and retaining Foreign Direct-Investments (FDI) and encouraging domestic investments.
5. It should be in line with the renewed Gender initiative of the Federal Government as it will support women economic activities in the areas of competitive advantage of women activities within the state.
6. The policy must be able to identify opportunities that can unlock growth and investments, provide solutions and mitigate risks for MSMEs across industries.

CHAPTER

# 4

## IMPACTING GOVERNMENT AGENCIES AND INSTITUTIONS



#### 4.0. **IMPACTING GOVERNMENT AGENCIES AND INSTITUTIONS**

To achieve the objectives of the Industrial Policy, the activities of all stakeholders have to be properly and effectively harmonized. The impacting Ministries, Departments and Agencies of Government will need to work in a properly coordinated manner with the private sector.

#### 4.1. **THE ROLE OF FEDERAL GOVERNMENT**

The Federal Government has undertaken several fiscal and monetary policies as well as institutional reforms aimed at reforming Nigeria and making it an industrialized nation and an economic powerhouse in Africa. The Government of Delta State subscribed to and is bound by these policies and reforms as well as the entire industrial policy document of the Federal Government of Nigeria.

Delta State Government rigorously pursues the National Policy of Privatization and Commercialization.

#### 4.2 **THE ROLE OF THE STATE GOVERNMENT**

Like the Federal Government, the State Government focuses on creating an enabling environment for businesses to thrive. In the past, the Government had been involved in holding major equity shares in industrial and commercial concerns.

The government will continue to privatize industries where she has majority equity while encouraging and supporting both indigenous and foreign investments to grow in the State.

To mitigate risk in investments within the State, the Government will hold not more than 20% equity shares either in cash or kind. Particularly;

- a. The Government will refrain from active participation in industrial and commercial ventures in such a manner as to put the Government in a position of a major or controlling equity position. The Government's participation in Agro-Industrial, security and pharmaceutical industries will be an exception.
- b. In playing a promotional role, the Government will continue to assist in the reactivation of ailing industries. Access to financial and advisory services to Small, Medium and Large scale industries will be prioritized.
- c. Financial assistance to small-scale industries will be encouraged by liberalizing the guidance to ensure access to financial assistance.
- d. The State Government in collaboration with the private sector will establish industrial parks and clusters while encouraging Government Agencies to patronize homemade goods and services to promote trade and employment and stabilize the State's economy.
- e. A continuous review of present legal and administrative practices and procedures which impact the ease of doing business will be undertaken.
- f. Providing technical support for local Government to operationalize the Industrial Policy.

#### 4.3. **THE ROLE OF LOCAL GOVERNMENT**

- a. The Local Government in Delta State are the nearest to the grassroots. They should create industrial/investment units to collect, analyses and store information on investment



### Prof. Chike Edozien Secretariat, Asaba

- opportunities and raw materials available in their domain. Such information units should liaise with the Ministry of Trade and Investments from time to time.
- b. Promotion of small-scale entrepreneurs and mobilization of commercial efforts through cooperative societies will be the responsibility of the Local Governments. By so doing, they can obtain funds to invest in profitable activities.
  - c. Local Governments should encourage the formation of local units of the Nigeria Association of Small-scale Industrialists and other similar Associations that will cater for industrialists. Such Associations should maintain a liaison with similar bodies at the State and National levels.
  - d. The Local Government should identify suitable land for the development of industrial estates at various locations and support the efforts of the State Government and its Agencies in providing necessary infrastructural facilities to attract investors.

- e. The Local Government should promote a peaceful environment for industries to thrive. In that way, it will improve the ease of doing business rating of the State.
- f. The Local Government should ensure that farmers and small-scale industrialists in their domain organize into groups and chapters to guarantee the provision of loans, and grants for agricultural implements and other additives like fertilizers, seedlings and fingerlings.

#### 4.4 **THE ROLE OF THE PRIVATE SECTOR**

- a. The private sector is the proverbial engine of growth. It plays a great role in employment generation by converting raw materials into finished products in the production process.
- b. Local content in terms of training and technological development through the creation of an appropriate framework will be undertaken by the private sector. The organised private sector in the State should be actively involved in the investigation of raw materials (agro-allied and mineral-based).
- c. Quality control is a problem in the industry and the private sector should ensure that steps are taken to correct defects where they exist. Manufactured goods in Nigeria should compare favorably both in price and quality with products from other countries of the world. There exist for quality control, such agencies as the National Agency for Food and Drug Administration and Control (NAFDAC), Standard Organization of Nigeria (SON) and Federal Competition and Consumer Protection Commission (FCCPC).

- d. Locational factoring based on complementary industries should be organized by the private sector.

Linkages whereby the end product of some industries would be the raw materials of another industry.

4.5. **NON-GOVERNMENTAL ORGANISATION** (Churches, Mosques, Clubs etc.)

Some non-governmental organizations including faith-based organizations like churches, mosques and clubs should be encouraged to make investments and establish industries being agents of employment and wealth creation.

The role of the above organizations is critical both for information dissemination and opinion moulding.

All social clubs with developmental programs and funding sources will be encouraged to execute projects in the state.

CHAPTER

5

**COLLABORATION  
IN RESEARCH/  
UTILIZATION**



## 5.0 COLLABORATION IN RESEARCH/UTILIZATION

Research in science and technology pushes new frontiers for new products and more efficient procedures for serving even the same products.

Management in internalizing new technology in the transformation of the economy raises the technological level of the economy and leads to growth.



Southern Delta University, Ozoro.

## 5.1. SCIENCE EDUCATION AND RESEARCH

The Delta State Government in establishing its innovative centres, maintains its interest in aggregate net investment in scientific-technological education. The role of these investments is crucial in the transformation process as new skills are needed for increased output in both the private and public sectors of the economy.

- a. The Government has continuously increased the utilization of existing associated capital facilities in universities and other tertiary institutions and research centres.

It is impossible to separate research from the universities and those carried out in the research since both are vital for the expansion of frontiers of knowledge.

- b. Need to increase funding for scientific research. Although most research remains a Federal Government responsibility, the State and Local Governments are encouraged to support this activity in selected areas of interest to them.

Large-scale private sector establishments are firmly encouraged to also significantly participate in Research and Development (R&D) beyond the level of mere tokenism.

The benefits of such an interface include;

- a) Enriching policy-oriented issues
- b) Bringing the tools of science and technology to find solutions, designs and decision-making

- c) Better information sharing
- d) Sinking of foreign exchange on capacity building workshops outside the State.
- e) Progressive augmentation of domestic stocks of knowledge.

The Delta State Government Ministry of Science and Technology plays the above role.

## **5.2. STRATEGIES**

- a) The Delta State Government through the Ministry of Lands and Survey conducts land mapping to determine land availability for industrial purposes.
- b) A liaison has been established between Federal agencies like The Raw Material Development and Research Council of Nigeria for joint raw material mapping.
- c) Communities are encouraged to participate in the investigation of the mineral resources in their locality. The Ministry of Trade and Investment analyses these minerals when found.
- d) The government continues to monitor the activities of illegal miners in the state to check the smuggling of mineral raw materials across our borders.
- e) Such agencies of the Federal Government on the National Technology Development Council (NTDC) shall collaborate with Delta Innovation Centres for information



sharing and synergy.

- f) As a stimulus to higher productivity and industrial development, the State Government accords special recognition to private industries and entrepreneurs that distinguish themselves.
- g) Continuous surveying of all relevant technological developments worldwide and pooling them for adaptation is encouraged by the State Government.
- h) The State Government investigates the underground water belt in Delta State to exploit it for industrial, domestic and agricultural purposes.

### **5.3. RAW MATERIAL DISPLAY CENTRE/RAW MATERIAL RESEARCH AND DEVELOPMENT COUNCIL OF NIGERIA**

The Federal Government established the Raw Material Research & Development Council (RMRDC) under Act Cap R3 Laws of Federation of Nigeria 2003;

- a) To create awareness of the existence of important industrial raw materials locally.
- b) To stimulate interest in the use of these local raw materials as feedstock for new industries.
- c) To focus attention on the result of the ongoing and completed research on the utilization of raw materials and to enhance their commercialization.
- d) To promote research and development activities that will improve the quality and efficiency of the productive capacity of local artisans and indigenous technologies.

The Delta State Government shall establish a complementary centre with similar objectives to support its industrialisation policy.

CHAPTER

# 6

**INVESTMENT  
OPPORTUNITIES  
AND INCENTIVES  
FOR INVESTORS**



## **6.0 DELTA STATE ECONOMY - COMPARATIVE AND COMPETITIVE ADVANTAGES**

### **6.1. AGRICULTURE**

Delta State has 163km Coast Line. About 40% of the land is covered by water bodies/swamp; while 60% dry land is drained by all season rivers including the Niger, Forcados, Warri, Benin, Orogodo, Ramos, Ethiope, etc.

In addition, abundant rain fall, clement weather and favorable soil conditions all make agriculture and aquaculture profitable ventures as the cost of irrigation, if any, is minimized. The state is good for plantation Agriculture (Oil palm and Rubber), arable farming, vegetables cultivation, animal rearing and fish farming.

In view of relatively small Land Mass of 18,050kmsq, the strategy of the state is to engage in Agricultural practices that are of High Economic Impact / High Social impact such as Green Houses, Fish Farming, Oil Palm/Rubber Plantations, Rice cultivation, Cassava, Poultry, Animal Rearing and Agro-Industrial Processing, etc.

### **6.2. OIL AND GAS**

Delta State is a leading oil and gas producer in Nigeria and accounts for about 40% of gas reserves in the country. The State produces over 30% of the Country's oil output having about 52% of the 149 oilfields comprising of 1,482 oil wells in the country. Delta State oil production currently accounts for a significant amount of Nigeria's foreign exchange earnings and government revenue. Oil and Gas Assets abound in all three Senatorial Zones and are found on-shore making the cost of



Warri Port.

access, production and marketing to be low and competitive.

The state is home to the Escavos and Forcados Oil Terminals, Warri Refinery and Petrochemical Complex, Nigeria Gas Company and numerous gas processing.

### **6.3. MARINE AND PORTS FACILITIES (BLUE ECONOMY)**

The State is the home to most of the ports constituting “Delta Ports” comprising Warri, Sapele, Koko and Burutu Ports. There are other port facilities located in Oghara and Premier Steel and Mines Limited (former Delta Steel Complex, Owian-Aladja). Warri port is the second largest port in Nigeria, next in size only to Tin Can Island Port in Lagos.

Warri Port is considered to be second largest Port in Nigeria

after Tin Can Island Port. Sapele Port is currently being used by the Nigerian Navy and this affords extra security to investment assets and marine vessels in the area.

Historically, Warri and Sapele Ports were used for the exportation of Primary Produce comprising Palm Produce, Rubber and other agricultural products from the North before the Oil era. All the Ports are located close to Oil and Gas producing assets and suitable as points for the exportation of Petroleum Products. The state has two oil export terminals which are located at Escravos and Forcados.

#### **6.4. MULTI - MODAL TRANSPORT FACILITIES**

Delta state has a good multi modal transport network system comprising- roads, airports, railway and ports/jetties which make the movement of goods and passengers to be competitive and efficient. The major roads comprise many well paved high ways such as the East West Road, Warri - Benin high way, Ugbenu - Koko Port Road, Ughelli-Ozoro-Kwale-Asaba Road, Benin-Asaba-Onitsha Expressway, etc.

There are two Modern Airports at Osubi, near Warri and Asaba International Airport for passenger and cargo. Benin City, Owerri, Enugu and Port Harcourt Airports are within 1 hour 30 minutes away from the state.

The numerous ports and jetties in the state serve to move goods and passengers within the state and for export of goods abroad. There is a railway line from Ajaokuta in Kogi State to Aladja near Warri in Delta State that is operational.

## **6.5 IRON AND STEEL INDUSTRY**

Delta State has a viable Iron and Steel industrial sector and many steel fabrication yards and workshops.

## **6.6. POWER AND ENERGY**

The state has abundant crude oil and natural gas resources for the production of fuel and electricity. There exist many all season rivers for Hydro-electric power, adequate sunshine for solar energy as well as plants and animal wastes for bio-fuel. Presently there is an Electricity bill in the Delta State House of assembly to regulate the electricity of the state.

## **6.7. COMMERCE AND INDUSTRY**

There exist facilities for Import and Export Trade, Warehousing, Manufacturing under license and Outsourcing due to the availability of sea and airports in the State.

## **6.8. NEARNESS TO MARKET**

Delta State has the estimated population of 6.25 million as at 2022 (projected at 2.61% growth rate from earlier projection published in 2017), most of whom enjoy higher per capita income and standard of living than their counter parts in other States. The population therefore presents a reasonably large domestic market for investors. Moreover, by virtue of the suitable location of Delta State, it has access to the rest of the country as follows: Onitsha, Aba and Enugu in Eastern Nigeria; Benin City in Edo State and Northern parts of Nigeria; Bayelsa, Rivers states and the rest of South-South region; Ondo, Lagos, Ibadan, rest of

South West Nigeria; and Overseas markets through Delta Ports, Lagos Ports and by Air.

## 6.9 TOURISM

There is great potential for the development of tourism based on abundant rivers, beaches, vegetation, festivals and historical sites. The State Government has recently commissioned the newly established Maryam Babangida Leisure Park and Film Village at Asaba. These investments will further boost the position of Asaba as the home of the burgeoning Nollywood Film Industry in Nigeria.



Nana Olomu National Museum at Koko.

### 6.10. HUMAN CAPITAL DEVELOPMENT

There is available pool of well-educated and skilled labour and the existence of numerous secondary schools, technical colleges, polytechnics, many universities and other tertiary institutions in the State.

### 6.11. PEACE AND SECURITY

Delta State government has successfully established certain security measures and passed laws which have effectively promoted peace, security and minimized to the incidence of communal clashes and violent crimes in the state.

### 6.12. INVESTMENT OPPORTUNITIES

Due to the strategic location of Delta State in the oil rich Niger-Delta Region of the Country, it provides the operational base for local and multinational oil companies. The State Government is committed to diversify and strengthen the State's economic base without neglecting oil and gas natural resources.

### 6.13 OIL AND GAS

Immense investment opportunities abound in both upstream and downstream sub-sectors of the industry as shown below:

**Upstream:** With regards to crude oil and gas, we have upstream investments in surveying, mapping and reserve investigation, development of crude petroleum assets including drilling, and construction works.

**Downstream:** Under downstream there are investment opportunities as follows:

#### **Oil.**

- Establishment of modular refineries and petrochemical plants.

- Establishment, Construction and Maintenance of storage tanks for refined products.
- Transportation of refined products.
- Marketing of refined products.

**Gas.**

- Establishment of gas treatment plant for domestic and industrial use.
- Production of CNG/LNG/FLNG.
- Establishment of gas powered generating plants.
- Establishment of Petrochemical including fertilizer plants
- Exportation of gas.
- Domestic marketing.
- Construction of gas pipeline
- Pipe laying.

**6.14. ELECTRICITY GENERATION:**

Electricity remains a critical factor in the economic development of the State and Country. There is presently a huge electricity supply gap from PHCN, even as a substantial part of the State is not connected to the National grid. Investors are invited to participate in power generation, off-grid transmission and distribution. A wide area of investment potential is open to core investors in the critical sector of power generation, transmission and distribution. For a State that is at the forefront of the generation of thermal electricity in Nigeria, added impetus has been given to the establishment of independent power generation through Public-Private Participation (PPP). It is a well-known fact that power drives socio-economic activities of any society and ultimately accelerates its holistic development. In view of the above, the State Government is willing to partner with investors in the following areas: Solar Energy, Gas, Bio-fuel, Wind and Hydro-powered.

### 6.15 PETRO-CHEMICAL INDUSTRIES:

Investors are also invited to exploit the abundant oil and gas resources by building modular refineries and petrochemical/ pharmaceutical industries, as well as the manufacturing of inorganic fertilizer for which there is a huge market in Delta State and Nigeria.

### 6.16 INFRASTRUCTURE:

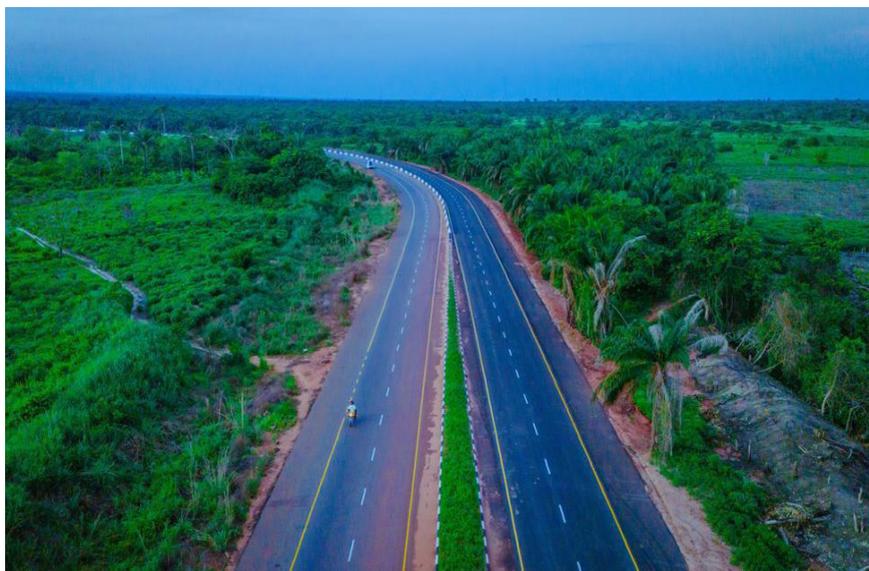
The State is encouraging investments to address infrastructure deficit in the State by creating a multi-modal transportation structure that makes movement of goods and people easy and cost effective. Investors can partner with the State Government to provide the following infrastructural facilities either on BOT or Contractor finance basis.

#### i) **Roads:**

Osubi-Abraka-Agbor Highway connects Warri to the Northern parts of the country through Edo State.



Ongoing construction  
of Warri/Effurun  
Flyover



Dualisation of Ughelli-Asaba Road

ii) **Sea Port and Maritime Development:**

Delta State has the advantage of having a coastline of over 163Km. As already stated above, the State has four inland Ports comprising Burutu, Warri, Sapele and Koko as well as many Jetties most of which are located on the Benin River. The State Government is seeking investors to partner in the establishment in a Marine & Jetty Terminal Authority which shall be responsible for dredging and maintenance Benin River Channel from Escravos Break Waters through Koko and Oghara to Sapele.

iii) **Airport Facilities:**

The State Government has already concessioned Asaba International Airport. However, there are opportunities to seek partnership with the operators of Osubi Airport near Warri which is billed for upgrade to an international status through the construction of 4.2km additional runway together with other airport facilities.

## **6.17. HOUSING:**

It has been recognized that there is a need to provide over 400,000 housing units across the State over the next 10 years. Investors are invited to participate in housing development and waste management leading to the production of organic fertilizer/electricity. Housing development opportunities exist for investors at: Delta State capital Asaba, Local Government Area headquarters especially those towns hosting universities and polytechnics including other tertiary institutions.

## **6.18. MANUFACTURING:**

There is an abundance of the following solid mineral deposits in the State viz: industrial clay, silica sand, lignite, kaolin, tar sand, decorative rocks and aggregates (Granites gabrosynite) and quartzite Marble, Gypsum, Iron ore, oil and gas. Investors are required to use the above raw materials for the following and other industries: refineries, liquefied natural gas, fertilizers, petrochemicals, brick making, ceramics, bottle manufacturing, sheet glass manufacturing, chemical/insulators production, chalk manufacturing, cosmetics, sanitary wears, decorative stone cutting and quarrying.

## **6.19. AGRICULTURAL PROCESSING INDUSTRIES**

There are numerous opportunities to invest in agriculture and agro-processing industries. The crops produced in the State include cassava, yam, plantain, oil palm, rubber, tomato, pineapple, rice, maize, okra, raffia palm and citrus. The enablers of agriculture in the state include the following:

- Extensive land mass that is considerably fertile.
- Expansive rainforest ecology that favours oil palm, rubber and plantain production.
- Large water bodies for fisheries activities.
- Rich flood plains with fertile alluvial deposits.
- A lot of mangrove forest and swamps that have potential for development of fish and rice production and timber development.

The State Government's policy is to partner with investors by providing suitable land for crop cultivation and facilitate

the engagement of out-growers in order to ensure adequate supply of agricultural produce for processing. The broad policy objectives include:

- Investment in agriculture shall involve the whole value chain from farming/production processing, packaging and marketing to ensure sustainability of operations and value added.
- Attainment of food security in basic food commodities and Increase production of agricultural raw materials for the industry using improved technology.
- Generating employment, improving income and thereby improving the quality of life of the rural dwellers.
- Optimum utilization of agricultural land, water and human resources which are in abundance in the State.
- Protection of agricultural land and water resources from degradation.

## **6.20. AQUACULTURE DEVELOPMENT:**

Aquaculture, particularly fish, is one of the priority commodities for agricultural value chain development and economic diversification in Delta State. By its rich and extensive endowment of surface water in the forms of coastal waters, rivers, streams, etc., Delta State has considerable comparative advantage in fish production. Developing the fish economy from fish farming/production, processing, packaging/preservation and

marketing holds great potentials for job creation and economic diversification, as situation reinforced by the large unmet domestic market. Despite the bright economic and market prospects for fish commodity, fish production and processing are still largely undeveloped, as evident in low fish yields, poor market linkages and unplanned fish clusters.

Investors are invited to establish high-grade world-class fish production and processing facilities that are efficient, viable and sustainable in creating jobs and wealth.

## **6.21. AGRICULTURE AND AGRIBUSINESS:**

### **Oil Palm**

Delta State is a leading Palm Oil producer in Nigeria. Palm oil from Delta State used to be exported as a primary produce, making the area part of the “Oil Rivers”.



But the increase in local consumption and undue reliance on petroleum production, as the major revenue earner, led to the decline of this sector. However, the State is working hard to reverse this trend and become a net exporter of Palm Produce through focused accelerated oil palm development strategies.

Delta State has several Oil Palm estates comprising Oil Palm Company (OPC) plantation of 3,307 Hectares leased to IMC Ltd, Cowan Estate with 2,500 Hectares leased to Presco Nig. Ltd and several small holdings in the following Farm Settlements- Utagba Uno FS with 148n Hectares, Mbiri FS with 557 Hectares and Okunigho FS with 50 Hectares, etc.

The State plans to increase Oil Palm cultivation up to 40,000Ha, rehabilitate 10,000Ha small holdings and increase the yield of fresh fruit from 1 -20 mt per Ha through its accelerated oil palm production strategy under the CBN programme.

Investors interested in large scale oil palm plantation and processing into vegetable oil and industrial by-products used for soap, cosmetics, confectionery and palm kernel cake/animal feeds are needed.

## **Rubber**

Delta State used to be a leading Rubber producer in Nigeria. Historically, rubber production, marketing and management were under the defunct Rubber Board with majority of the rubber plantations under private small holdings, except Pamol rubber plantation and Jathomas Rubber Estate, etc. Rubber used to be produced and exported in large quantities with most of the rubber processing factories in the country located in Delta State. In the recent years, the rubber trees have become old and are being cut down to allow replanting to take place.



## RUBBER

There has been renewed private sector interest in rubber leading to the cultivation of large hectares of Rubber plantations by Dafinone and Pamol. Rubber export is still ongoing in the state. There are about 25,000 hectares under cultivation as plantations, over 150,000 hectares of farm land available for cultivation, availability of improved disease resistant and early maturing seedlings from the Rubber Research Institute, Iyanomo, near Benin City in Edo State and opportunities for replanting and rehabilitation of old rubber plantation exist. Investors are invited to establish new rubber plantations and processing industries.

## Yam



## YAM

Yam is mostly cultivated in Delta North, predominantly in Ika North East, Ika South, Aniocha North and South axis of the Delta State with estimated 85,500ha available for cultivation. The average yield per hectare is 12.5 metric tonnes.

Opportunity to expand production and value addition through the establishment of yam processing mills for the conversion of yam into flour. Investors are needed in the area of yam cultivation and processing the tubers into flour.

### **Plantain/Banana**



## **BANANA**

Estimated 980 hectares under cultivation but in small farm holdings ranging from 2-5Ha. Average yield per hectare is 28 Metric tonnes. Need to cultivate plantain/banana in plantations in order to increase yield. Need for the establishment of plantain/banana processing mills into plantain flour for local cuisine such as amala, banana juice, flavours and cream.

### **Rice**

Delta State is suitable for the cultivation of both swamp and upland rice depending on the soil type, weather conditions and nearness to water bodies. The State is promoting all season rice production as a sustainable enterprise. There are many private sector investors who have established rice farms by taking advantage of Federal Government incentives and financial support.



## RICE

It is estimated that 1500Ha of land is under rice cultivation and current production level of rice in Delta State is 5,250MT with an average yield of 3.5MT/Ha. Over 100,000Ha available for rice cultivation across the abundant flood plains, mangrove swamps, and uplands suitable for rice production.

Delta State has ecological support for rice cultivation and can grow both upland and low land rice. Investors are needed for large scale commercial rice farming and opportunities exist for the establishment of modern rice processing mills/de-stoners.

### **Cassava**

Delta State is suitable for the cultivation of Cassava which takes place in all communities in the State. Cassava is processed into Garri, Fufu, Starch, Cassava flour and chips.

There is available land to cultivate up to 10,000 Ha and the state is distributing high yielding (15ts/Ha to 30ts/Ha) and disease resistant variety of cassava cuttings to farmers.



## CASSAVA

There is huge domestic and foreign demand for industrial cassava starch and chips which cannot be met presently. Investors are needed to fill the cassava starch and chips supply gap.

### **Maize**



## MAIZE

Maize is a cereal crop grown throughout the 25 Local Government Areas of Delta State. It is grown in two (2) planting seasons per year; the early season maize is grown around March-June, while the late season maize is cultivated between August and October. It is estimated that the total area of 90,000 hectares is cultivated annually. In the Delta South Zone, maize is majorly planted as an intercrop; while in Central and

North Zones, maize is planted as a sole crop. The average yield per hectare is 2 Metric Tonnes; while estimated average annual production is 182,000 Metric Tonnes.

Maize is either eaten directly or processed into flakes, pap, flour and as an additive in compounding Livestock feeds and also for pharmaceutical production. Opportunities exist for investments in Maize cultivation, drying and processing.

## Tomato



## TOMATO

Tomato is a fruit vegetable grown everywhere in Delta State. It is cultivated in commercial scale in the Igbodo, Ekwuoma, Umunede axis of Delta North senatorial zone of the State. The varieties cultivated within the State are Roma VF, Ronita and UC82B, Ibadan local etc.

About 8,000 Ha land is cultivated annually with average yield per hectare estimated at 25 tonnes/ha. Tomato is a multipurpose crop that has a lot of promising value added products such as establishment of cottage industries for tinned tomato. There is a huge market for tomato production and processing in Delta State.

Opportunities for massive tomato production in Green Houses and processing for both domestic and export markets exist in the State.



Mbiri Green House

## Fisheries



## FISHERIES

Delta State is endowed with adequate ecology for capture and culture Fisheries. The State has an effective mid-water surface area estimated at about 80,437 hectares and inland fresh water resources from the lower Niger Basin which has tributaries for fresh water aquaculture and shrimps' production. It has an expanse of mangrove swamps estimated at 347,032 Hectares which is available for brackish water culture of fin and shell fish.

The fisheries sub-sector has a value chain made up of essentially production, processing and ancillary services, to which it gives priority in order to attain desired self-sufficiency and possible export. The production category involves fish seed production, fish rearing, fish feed production, brood stock production, fish farm management including farm supplies. Annularly activities include storage, packaging, marketing, haulage, warehousing, distribution and all export related activities.

Fish farming is one of the prioritized agricultural value chain development activities in Delta State. There is need for Public-Private Partnership (PPP) in fish production and processing industries for export and fish feed mills across the State. Areas of investments include:

- Jetties and ice plants for use by sea bound vessels and other artisanal fisher folks operating mechanized craft in coastal waters.
- Establishment of cluster Fish farms or Fish Estates in the State with the potentials to increase production to Seventy-eight thousand metric tonne table size fish in the State.
- Establishment of fish processing and packaging plant in the State to extend shelf life of smoked and dried fish that is sold to the end-user (customer).
- Establishment of preservation facilities such as cold rooms and industrial smoking kilns which will help prevent about 20% of fish losses daily and get them in value added forms to the consumer.
- Establishment of fish feed mill across the State to reduce cost of production of feeds for the fish farmer which will in turn make fish accessible.

## LIVESTOCK SECTOR

### **Poultry and Piggery:**

There are many big private poultries and pig farms. Annual production level estimated at 5,000,000 and 200,000 for birds and pigs respectively. The following investment opportunities exist in the State.

- Meat Processing and Storage facilities across the State.
- Animal Feed mills.
- Breeder Farms and Hatcheries.



### **Meat Processing:**

There is a huge and expanding market in processed meat in the State and beyond that will stimulate local livestock production intensively as against the extensive (nomadic) rearing. Delta State currently consumes an estimated 109,575 herds of cattle, 44,575 goats and sheep and 14,458 pigs annually with a huge unsatisfied demand.

Business opportunities in partnership with the Delta State Government for the establishment of Cattle Ranch and meat processing abound in the State. Other ancillary businesses includes:

- Bone meal processing and packaging,
- Blood meal processing/packaging,
- Meat packaging and distribution,
- Meat shops, and
- Skins and hide collection and processing.

Cane-rats, snails and bees can be successfully reared in the State. There is extension service for their establishment and management which are available in the Delta State Agricultural Development Programme (ADP). These are highly profitable businesses with great demand in the State.

### **AGRICULTURAL MECHANIZATION**

There is mechanized agriculture through the provision for agricultural land deployment of machinery for increased productivity. However, the Government requires more investment in earth moving equipment for land preparation, pond construction, processing and storage facilities.

Investors interested in Public-Private Partnership (PPP) are needed in the provision of tractors, heavy land clearing machinery such as bulldozers, low loaders, swamp bogey, tree pushers and root rakes which are best suited for our peculiar ecology.

## 6.22 SOLID MINERALS

Delta State has abundant investment opportunities in the solid minerals sector. The State has rich deposits of minerals for commercial exploitation and processing. A number of studies have been undertaken by the Raw Materials Research and Development Council (RMRDC), an agency of the Federal Government, on their uses and application.

**Bentonite** - With proven reserves of more than 10 billion MT of Bentonite in Nigeria, and proofs that our local clay meets the current A.P.I Standard by beneficiation, it's sad to know that the sodium



Bentonite is still stereotyped as a temperate mineral, and rather unfortunate that both the steel, oil and gas companies in the Niger Delta and Africa still import this rare mineral. There are currently no Bentonite Production plants in Africa and 100% of the mud used in drilling oil wells in Nigeria and all over Africa are imported mostly from the United States. A lot of revenue could be generated annually and thousands of jobs created especially in Delta State where major deposits have been found.

The State Government seeks investors to participate in the establishment of this landmark project as pioneers. The plant will enjoy pioneer status, which will translate into significant benefits to the investors, Government and people of Delta State, and Nigeria in general. It is envisaged that the plant will in less than five years be a dominant supplier of Bentonite to oil and gas companies and other companies operating in Nigeria and Africa at large.

**Clay** - Large deposits of variegated clay mineral types abound in most parts of the State. The volume of this mineral is such that about 55% of the entire land mass of Delta State is clay.



Only a minor percentage of this resource however is presently being utilized. Clay mineral is a group of important hydrous aluminum that contains significant amounts of iron, alkali, metal and or alkaline earths. It is useful for drilling in petroleum extraction and as catalyst in petroleum refining and as a decolorizing agent in the processing of minerals and vegetable oils. Other industrial purposes for which the mineral can be used include the manufacture of Refectory products, Insulators, Pottery, Brick, Paving stones and Slabs, drainage and sewage pipes amongst others. With about 55% of the entire land mass of the State being underlain by industrial clay, the occurrence cuts across several Local Government Areas (LGA) in the State. With availability of natural gas in clay bearing areas, investors have the advantage of producing clay products with clean and relatively cheaper energy.

**Silica** - This mineral which is useful in pottery and glass making is available in large deposits in most parts of the State. The mineral is currently being used in the manufacture of glass by Beta Glass Company, Ughelli. The entire State is well-suited for silica related ventures such as the production of bottles



and glass sheets, bulbs, fuse, mirror, headlamps as well as abrasive and temperature resistors. Vast deposits occur at Ughelli North and South, Udu and Warri North and Warri South West LGAs where there are incidentally huge gas reserves for energy and heating.

**Lignite** - Lignite deposits are situated in a number of locations within the State. Principal deposits of this mineral however are found in Obomkpa, Ogwashi-Uku in Aniocha South Local Government Areas and also in Okpanam in Oshimili North Local Government Area.



The proven reserve of this brown coal from the State is over 175 million tonnes. The deposit beds lie close to the surface thus making it easy to excavate at low cost. Since dry lignite contains about 60 to 75 percent carbon, it could be put into most carbon related ventures as raw materials. Besides, it is also used for power generation.

**Kaolin** - Huge deposits of this mineral exists in the State (over 124.4 million tons in various part of the State). Kaolin usage in Delta State is insignificant as only few paint manufactures besides the locals who use is for medicinal purposes and decorations.



This mineral is a raw material for the manufacture of ceramics wares, pharmaceuticals, Dento-ceramics, Electro-ceramics, Sanitary Wares, Table Wares, and Tiles. It is also used in the production of paints,

paper, Filter in plastics, Chalk, porcelain wares, and insulators amongst others. Vast deposit of Kaolin occurs at Ozanogogo in Ika South Local Government Area; Ubulu-uku in Aniocha South Local Government Area and Okwunzu in Aniocha North Local Government Area.

### 6.23. CULTURE AND TOURISM

The State is rich in tourism potentials, with destinations that offer an exciting mix of scenic landscape, long sandy beaches and a



Maryam Babangida Leisure Park, Asaba

diversity of wildlife and cultures. The people are warm and friendly, known historically for their exceptional culinary skills. There is an attractive variety of natural landscapes, offering breath-taking views across the State. Various kinds of tourism for which Delta State has potentials are cultural heritage, rivers, sports, religious and business tourism.

The State is rich in culture and has traditional institutions that date back to many centuries ago. The State is home to scores of aesthetically fascinating palaces, tourist attractions, sites and monuments of very ancient pedigree, birth places of famous men and women, traditional festivals and masquerades, art and craft centres.

Investors are required in the development of a thriving tourism industry. As a first step the State Government has established the ultra-modern Leisure and Film Village at Asaba. Investors are invited to participate in the following tourism areas:

- i. Hospitality Industry (Hotels, Resorts and Restaurants) and
- ii. Medical Tourism.

Investment opportunities exist in the development of the tourist sites and monuments listed below:

- Ethiope River Source, Umuaja.
- Bible Site, Araya.
- Lander Brothers Anchorage, Asaba.
- Nana (Living History) Palace, Koko.
- Asaba Beach.
- Abraka Beach.
- Mungo Park House, Asaba.

- Obi's Palace, Idumuje-Ugboko.
- The Turf, Abraka.
- Songhai- Delta Centre, Sapele.
- Adane-Okpe Square, Orerokpe
- Ojife Monument, Asaba
- Ekumeku Monument, Asaba
- Chief Bekederemo's Palace, Kiagbodo
- Slave Trade Relics, Aboh
- Ozomona Manor House, Onicha-Olona
- Okpe Bead Museum, Orerokpe
- Eni Lake, Uzere
- Okpuzu Falls, Ibusa. Etc.

Investments in tourist attraction events include the following:

- i. Cultural festivals.
- ii. Regattas.
- iii. Sports.



Ethiophe River Source, Umuaja.



McCarthy Beach, Abraha.



Lander Brothers Anchorage, Asaba.



Mungo Park House, Asaba

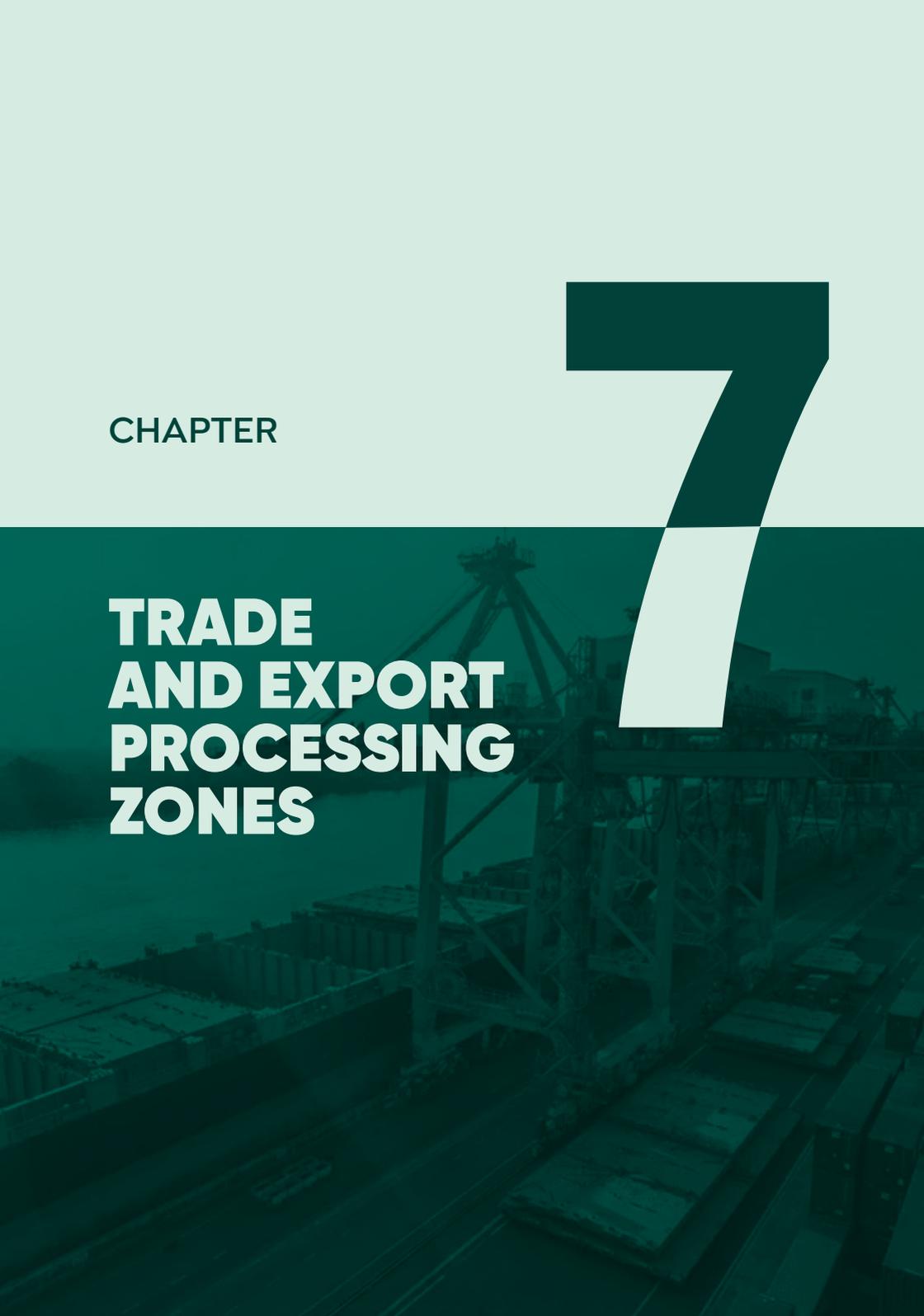
S/NO	Then name or title of incentive measure	Description of Incentive Benefits	Year Incentive Introduced	The name of the legal document (legal reference instrument)	Incentive Duration	Sector	Federal level / State Level	Implementing Agency or Competent Authority	Eligibility or Qualification criteria (description)	Awarding Agency or Authority in charge of Allocation
1	Grant of waivers from payment of tenement rates, fees, levies and other charges.	Grant of waivers to new investors after the commencement of operations	2015	State Executive Council Approval	5 Years	All sectors	State Level	Ministry of Lands	A new investor after the commencement of operation	Ministry of Lands/ Survey or general
2	De-risking of investment	De-risk investments and take equity contribution up to 20% of the total Authorized Share Capital.	2015	State Exco & DSHA	Initial year of start-up	All sectors	State Level	MDAs	Investment duly approved	NIDA initiating/ sponsoring investment
3	Assistance with land acquisition	Assist to acquire land and easy one stop-documentation process	2015	Delta State Exco.	Initial year of start-up	All sectors	State Level	Ministry of Lands and Survey	New investors/ Existing investors	Ministry of Lands/ Survey or general
4	Tax holiday	Tax holiday for "pioneer" industries Pioneer status to industries located in economically disadvantaged area of the Federation	NIPC Act/Fiscal Policy	2016 Fiscal Policy	7 Years	All sectors	Federal/ State Level	NIPC	New investors	NIPC
5	Provision of pre-industry study	These pre-industry studies include Market Shares (involving Delta State, Nigeria and West African Sub-Region.	2017	DIDA Law 2016	Once for all	All sectors	State Level	DIDA	Prospective investors	DIDA
6	Manpower resources	Helping investors with appropriate pool of manpower resources	2017	DIDA Law 2016	As required	All sectors	State Level	DIDA	Prospective and new investors	DIDA
7	Intermediating between investor and the host community	The intermediating function includes that between the Traditional Rulers, Community Leadership and Associations, as well as Youth Leaders, Groups and Market Women and other stakeholders	2017	DIDA Law 2016	As required	All sectors	State Level	DIDA	New investors/ Existing investors	DIDA under one-stop shop

7	Intermediating between investor and the host community	The intermediating function includes that between the Traditional Rulers, Community Leadership and Associations, as well as Youth Leaders, Groups and Market Women and other stakeholders	2017	DIDA Law 2016	As required	All sectors	State Level	DIDA	New Investors/ Existing investors	DIDA under one-stop shop
8	Conflict resolutions	Resolution of conflict involving new or existing investors and their host communities.	2017	DIDA Law 2016	As required	All sectors	State Level	DIDA/Ministry of Justice	New investors/ Existing investors	DIDA/ Ministry of Justice
9	Access to the State Government facilities	Investors are allowed access to State Government facilities during the course of their business start-ups.	2017	DIDA Law 2016	As may be required	All sectors	State Level	DIDA/MDAs	New investors/ Existing investors	DIDA/MDAs
10	DTSG Subsidized cost of manufactured products and infrastructure	Subsidies are paid on manufactured goods and infrastructures to act as support for off takers.	2017	DIDA Law 2016	As may be required	All sectors	State Level	MDAs	New investors/ Existing investors	DIDA/MDAs
11	Delta State anti-kidnapping law	The Delta State Anti-kidnapping Law came into existence to curb the incidence of kidnapping.	2016	Delta State Anti-kidnapping Law 2016	Applicable to all	Applicable to all	State Level	Ministry of Justice	Applicable to all	DIDA/Ministry of Justice
12	Public and private properties protection	This law was passed by the State Government to curb the excesses of miscreants from collecting frivolous levies a.k.a. "Deve" more than one person, use of fire arms to disrupt developers, illegal use of fire arms to disrupt developers, vandalization, encroachments etc.	2018	Public and Private Properties Protection Law 2018	Applicable to all	Applicable to all	State Level	Office of the public and private properties protection	Applicable to all	Office of the public and private properties protection, Governor's office.

CHAPTER

# 7

**TRADE  
AND EXPORT  
PROCESSING  
ZONES**



## 7.0. TRADE AND EXPORT PROCESSING ZONES

Delta State has two Free Trade Zones namely:

- Koko Free Trade Zone and
- Kwale Free Trade Zone.

These zones fondly called “Delta Special Economic Zones” are established to harness the abundant mineral, agricultural and other resources to encourage export-oriented businesses, create employment, enhance economic development and generally improve the welfare of Deltans.



Kwale Free Trade Zone/Industrial Park

### **7.1. KOKO FREE TRADE ZONE (FTZ)**

Koko Free Trade Zone FTZ is situated in the main Koko town in Warri North Local Government Area. It has about 2,200 hectares of land, approximately 90km to Osubi Airport and 80km to Warri Sea Port. It is 15 minutes' drive to Koko Sea Port.

### **7.2. KWALE FREE TRADE ZONE/INDUSTRIAL PARK**

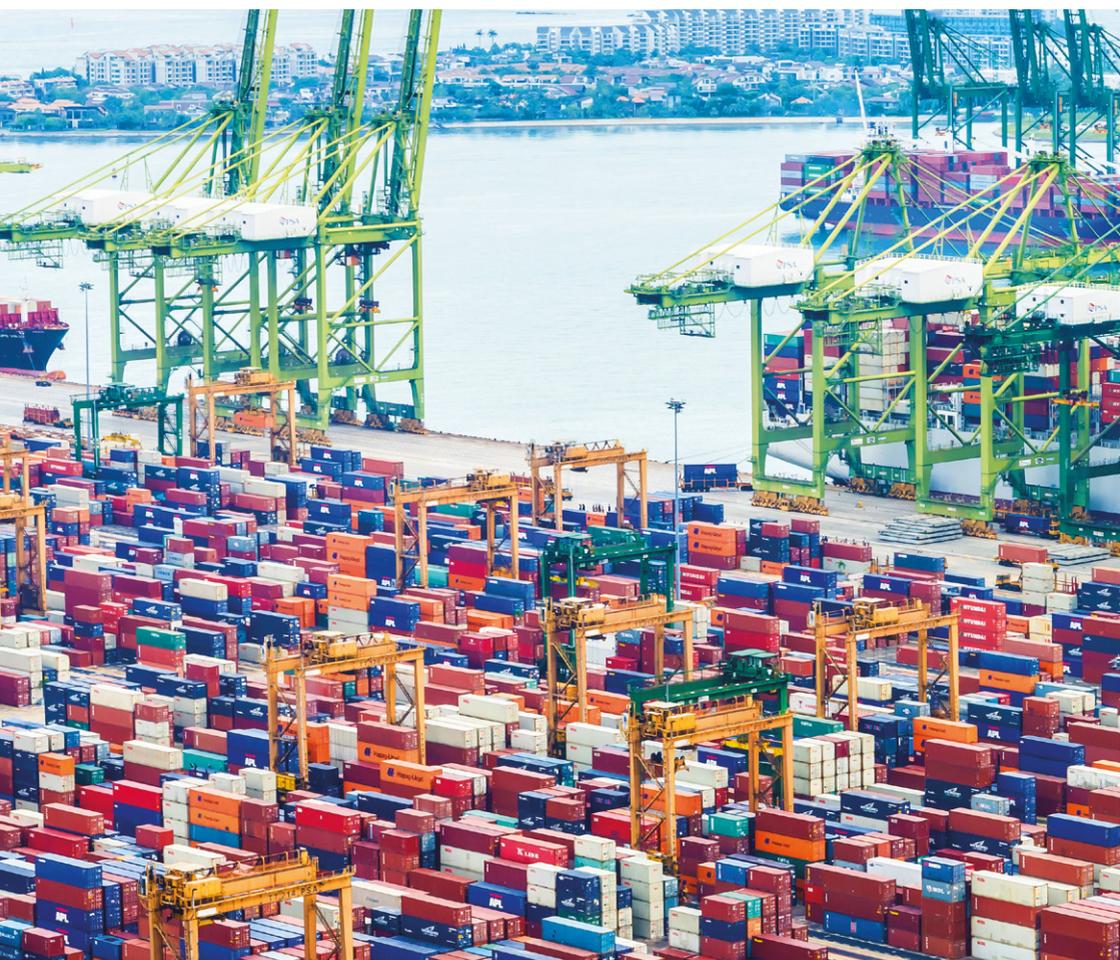
Kwale Free Trade Zone is in Ndokwa West Local Government Area and about 1 hour drive from Asaba the State capital and 40 minutes to Warri the Industrial hub of Delta State. Kwale Free Trade Zone is almost equidistant between Asaba Airport, Osubi Airport and Warri Seaport with 100km between them from Kwale Free Trade Zone.

The Kwale Free Trade Zone is made up of multifunctional zones namely; Delta Special Agro-Industrial Processing Zone (SAPZ) covering 200 hectares, Kwale Industrial Park covering 150 hectares while approximately 550 hectares is reserved for other investors. The Kwale Zone has a huge concentration of natural gas. The Zone has a good topography and a novel location for investment.

#### **7.3.0. SPECIAL INCENTIVES**

- a) Complete holiday from all Federal, State and Local Government Taxes, Rates and Levies.
- b) Duty-free importation of capital goods, machinery/ components spare parts, raw materials and consumable items in the zones.

- c) 100% foreign ownership of investments.
- d) 100% repatriation of capital, profits and dividends
- e) Waiver of all import and export licences.
- f) Waiver of all expatriate quotas.
- g) One-stop approvals for permits, and operating license incorporation papers.
- h) Permission to sell 30% of goods into the domestic market (however when selling into the domestic market, applicable customs duty on raw materials shall apply).
- i) Minimise delays in the movement of goods and services.



### 7.3.1. ADDITIONAL INCENTIVES OF OPERATING IN THE DELTA SPECIAL ECONOMIC ZONE (KOKO AND KWALE FTZs)

#### A) Koko Free Trade Zone

The Koko Free Trade Zone is located in the NATURE endowed Koko community of Delta State. The Koko Free Trade Zone currently sits on a vast expandable land area of over 2,200 hectares that opens up to the sea.



Some of the comparative advantages of Koko Free Trade Zone includes;

- i. Proximity to Oil and Gas Deposits/Terminals
- ii. Proximity to Sea Port
- iii. Proximity to 3 Airports (Asaba International Airport, Osubi Airport & Benin Airport)
- iv. Proximity to Water Resources
- v. High Potentials For Quick Returns On Investment
- vi. Availability of highly skilled manpower
- vii. Proximity of rail lines
- viii. Proposed Deep Sea Port
- ix. A peace loving and very accommodating community

## **B) Kwale Free Trade Zone**

The Kwale Free Trade Zone is located in the peaceful boisterous town of Kwale. This Zone sits on an expanse of approximately 2,000 hectares of table land. It is acclaimed to be one of the closest to huge gas deposits and thus has the potential of becoming an enthralling energy hub which will undoubtedly support a highly competitive ecosystem.

Some of the comparative advantages of the Koko Free Trade Zone includes;

- i. Proximity to oil and gas deposits/terminals/distribution manifold
- ii. Proximity to raw materials and market
- iii. Proximity to Warri airport & Asaba international airport
- iv. An exciting and peaceful host community
- v. High potentials for quick returns on investment
- vi. Proximity to arable land
- vii. Set to become largest gas and chemical

- manufacturing hub within the region
- viii. Presence of highly skilled manpower.

#### **7.4. PROGRAMS, OBJECTIVES & POLICIES OF THE AFRICAN CONTINENTAL FREE TRADE AREA AGREEMENT (AFCFTA).**

##### **Introduction:**

The African Free Trade Area Agreement (AFCFTA) was implemented by the Member States of African Union in a decision of the Assembly of Heads of State and Government during its Eighteenth Ordinary Session held in Addis Ababa, Ethiopia from 29th - 30th January, 2012. It is to serve as the framework for fast tracking the establishment of the African Continental Free Trade Area and the action plan for Boosting Intra-African Trade. The launching of negotiations for the establishment of the African Continental Free Trade Area was aimed at integrating Africa's markets in line with the objectives and principles enunciated in the 'ABUJA TREATY' during the Twenty-Fifth Ordinary Session of the Assembly of Heads of State and Government of the African Union held in Johannesburg, South Africa from 14th - 15th June 2015. The 'ABUJA TREATY' means the Treaty Establishing the African Economic Community of 1991.

##### **What AFCFTA is all about?**

The Africa Continental Free Trade Area (AFCFTA) is the first stage of economic integration in Africa aimed at liberalizing and facilitating the movement of people, investment and business, as well as create a single market for goods and services across the continent. Other stages include custom union, common market, Economic union, monetary union and full economic union.

### **Policies & Objectives of AFCFTA:**

The key objective of AFCFTA is to boost intra-African trade through progressive elimination of tariffs and non-tariff barriers to trade in goods and liberation of trade and services.

The agreement also involves cooperation on investment, intellectual property rights and competition policy. More specifically, the state parties shall progressively eliminate tariffs and non-tariff barriers, progressively liberalize trade in services, intellectual property rights and competition policy cooperate on all trade-related areas, Cooperate on customs matters and the implementation of trade. The local network of the AFCFTA was established for the purpose of highlighting and upholding the implementation of Intra-Africa trade with its pillars of trade partnerships, economies of scale, linkages, food security, accelerated economic activities and infrastructural development.

### **Trade Policy:**

Trade Policy also known as “Commercial policy” is an umbrella term that describes the regulations and policies that dictate how companies and individuals in one country conduct commerce with companies and individuals in another country, commercial policy is sometimes referred to as “Trade Policy” or “ international Trade Policy”.

### **Foreign Trade Policy (2023):**

Is a policy document which is based on continuity of time-tested schemes facilitating experts as well as a document which is nimble and responsive to the requirements of trade, it is based on the principles of “trust and “partnership” with exporters. (31<sup>st</sup> March, 2023).

**Common Trade Policies:**

The common trade-policy covers the trade of goods and services, as well as issues such as the trade aspects of intellectual property, public procurement and foreign direct investments.

**Objectives of AFCFTA for Nigeria:**

The AFCFTA will make Nigeria Businesses more competitive on the African market. The expanded markets and the projected demand for Nigerian-Made goods across sectors will lead to the establishment of new Businesses and expansion of existing ones to meet the projected demand, AFCFTA will give Nigerian-Made goods easier access to a larger market of just under 200 Million people.

**7.5. NIGERIA POLICY ON AFCFTA:**

The country's tariffs are determined by the ECOWAS 2015-2019 Common External Tariff (CET). The tariff has five (5) bands;

1. 0% Duty on capital goods and essential drugs.
2. 5% Duty on raw materials.
3. 10% on Intermediate goods.
4. 20% on finished goods.
5. 35% on import into strategic sector.

**Who Cordinates the Implementation of AFCFTA in Nigeria:**

The National Action Committee on All African Continental Free Trade Area (NAC-AFCFTA) was inaugurated by President Muhammadu Buhari to implement AFCFTA for Nigeria.

The National Action Committee (NAC) is responsible for the

management and implementation of the AFCFTA agreement and strategic collaborations including stakeholders' engagement and resources mobilization for the implementation of the AFCFTA agreement in Nigeria, as such NAC provides technical support, policy coordination support, readiness strategies and market intelligence information.

#### **7.6. DISPUTE SETTLEMENT:**

- Dispute settlement mechanism was established and shall apply to settlement of dispute arising between State parties.
- Dispute settlement mechanism shall be administered in accordance with the protocol on rules and procedures on the settlement of disputes.
- The protocol on rules and procedures on the settlement of dispute shall establish, (inter alia) a dispute settlement body.

CHAPTER

# 8

**CLIMATE CHANGE  
AND CONTROL  
OF THE  
ENVIRONMENT**



## 8.0. INTRODUCTION

Climate change is the change in global weather patterns. Long term alteration in global patterns, especially increases in temperature and storm activity is regarded as a potential consequence of greenhouse effect.

As long as nations increase their fossil fuel consumption, the concentration of greenhouse gas in the atmosphere will continue to rise.

Rising sea levels will flood coastal areas around the world.

## 8.1. RISE IN GLOBAL TEMPERATURE

We are beginning to have the full blown impact of climate change in recent years. This has translated in the form of;

- Rise in sea level and consequent flooding of low lying areas all over the world.
- Warming sea level; making storm surges more destructive.
- Frequent catastrophes, Hurricanes in different part of the world.

### **Delta State Scenario**

As a coastal State and vulnerable to control erosion and sea level rise;

- About one-third of Delta land mass was adversely affected by flood.
- Over two hundred communities were displaced.
- Increase in diseases and appearance of strange air and water pollution.

- Loss of agricultural crops leading to food insecurity.
- Retreat of beaches.
- Salt water intrusion into aquifers and estuaries threatening water supplies.

## **8.2. MITIGATION STRATEGIES**

An anti-pollution law to be enacted by the State to check pollution. Some quick win projects are being emphasized in the State namely;

- Solar Boreholes, treatment plants and solar water heaters in health care facilities
- Tree planting exercise
- Installation of biogas digester to produce gas for domestic cooking.
- Construction eco-store with coal and charcoal enabling loss emission.
- Installation of solar street lights
- Master plan on reduction of gas flare and gas utilization

## **8.3. SECTORIAL ACTION PLAN**

### **8.3.1 TRANSPORTATION:**

Account for 20% of CO<sub>2</sub> emissions that goes into atmosphere. This is done by;

- a) Vehicles that ply our highways.
- b) Motor bikes and private cars.

### **Sanitation and Waste Management**

Establishment of an Integrated Solid Water Management facility to;

- a) Sort waste

- b) Treat river and stream water
- c) Compositing
- d) Recycling
- e) Employment generation
- f) Reduction of emission of greenhouse gas (methane)
- g) Clean and healthy environment.

Delta State Government will upscale low carbon emission for quick win project that will earn a lot of carbon credit.

CHAPTER

# 9

## MONITORING AND EVALUATION



## 9.0. MONITORING AND EVALUATION

The Government through the Ministry of Trade and Investments will undertake a Census of all industries in the State. This will be reviewed every three years.

The monitoring units of industries and SME departments of the Ministry of Trade and Investments will regularly monitor the industries in the State. The aim will be to know their products, raw materials being utilized, safety precautions in place, waste disposal systems, perceived industrial accidents, problems (technical, administrative etc.) and proffering solutions.

The recommendations of the Monitoring Executives will be made known to the concerned industry and if it fails to comply, relevant sanctions will apply.

The Government will ensure that all industries operating in the State and new ones coming into the State registers with the Ministry of Trade and Investments either in the Ministry's respective L.G.A offices or the headquarters at Asaba subject to three years review.

The Delta State Monitoring and Evaluation (M&E) Framework plays a critical role in tracking the implementation of the state's development programs. It serves as an essential tool to ensure that the state's development goals are achieved efficiently and effectively by monitoring progress and evaluating outcomes.

**Key MDAs Involved in M&E:** The M&E framework in Delta State involves several Ministries, Departments, and Agencies (MDAs) working collaboratively to ensure effective tracking and reporting. These include:

- Ministry of Economic Planning: Coordinates the M&E

activities, ensuring that sector-specific objectives align with the state's broader economic and development goals.

- Ministry of Budget and Economic Planning: This Ministry plays a central role in budgeting and the allocation of resources, with M&E systems ensuring that funds are used appropriately.
- Ministry of Finance: Supports the framework by overseeing financial allocations and ensuring transparency in resource usage.
- Ministry of Agriculture and Natural Resources, Ministry of Education, Ministry of Health, and Ministry of Environment: These sectoral ministries are responsible for tracking progress within their respective sectors based on the defined M&E indicators Ministry of Information UNDP

Policies and Legislation: Delta State's M&E framework is supported by policies that guide its implementation. These include:

- The Delta State Economic Development Policy, which lays out the broad development agenda for the state.
- Sector-Specific Policies: Each ministry has developed policies and strategies aligned with the state's broader M&E goals, such as the Delta State Agricultural Policy and the Delta State Education Policy.
- The Medium-Term Development Plan (2020-2023): This plan outlines the strategic objectives for the state and the framework for tracking progress UNDP

**Penalties for Default:** The framework includes provisions for holding MDAs accountable for non-compliance or poor performance in M&E reporting. Penalties may include:

- Disciplinary actions against responsible officers for neglecting reporting duties or failing to meet M&E targets.

- Suspension of funding or allocations to MDAs that do not adhere to established reporting schedules.
- Legal implications in severe cases where default results in misallocation of public funds or inefficient project execution

### **Ministry of Information UNDP**

These measures help ensure transparency, accountability, and alignment with the state's long-term development goals

#### **9.1. STATE COUNCIL ON INDUSTRY (SCI)**

The State Council on Industry (SCI) as the highest policy-making body on industrial matters in the State would monitor and evaluate the industrial progress of the State. It provides a forum where the Commissioner of Trade and Investments meets with the Local Council Chairman of the State as well as the other stakeholders in the public and private sectors to review the issues relating to the industrial development of the State.

#### **9.2. MONITORING TOOLS**

A 'work plan' and a 'progress review' will be used for monitoring.

#### **9.3. THE WORK PLAN WITH KEY PERFORMANCE INDICATORS**

The work plan will indicate the expected start-up time and completion of the industry and activities described in the scheduled sequence about the immediate objective including commencement and completion dates and what challenges are encountered.

#### **9.4 PROGRESS REVIEW**

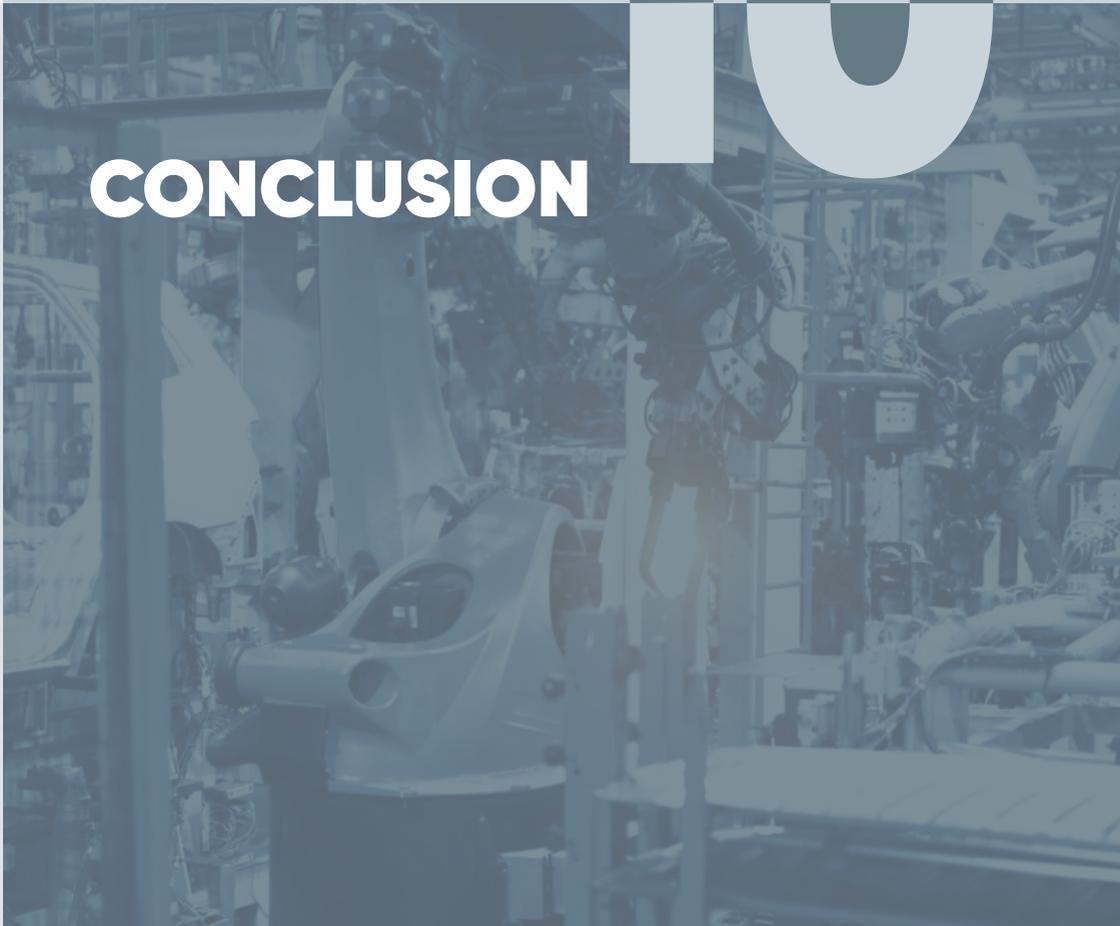
The progress review will show whether;

- Funds and raw materials are available as planned
- Activities are carried out according to the work plan.
- Products and services are according to schedule.
- Problems or difficulties were encountered and possible solutions.

CHAPTER

# 10

**CONCLUSION**



## **10.0. INTRODUCTION**

Historically, the enclave economy created by the oil boom years of the military has left policymakers searching for a real domestic economy. Industrial Policy in the last fifty (50) years has made attempts to create an economy beyond oil and gas. By decrees and later through legislative exercises, policies have focused on creating a sustainable Indigenous Nigeria albeit Delta State Economy.

The Indigenization Industrial Policy of the 1970s and the Privatization and Commercialization Enterprise Policy was followed by various visioning policies (Vision 2010, Vision 2020). Delta Beyond Oil, SMART Agenda, Stronger Delta and now M.O.R.E Agenda all have as their underlying objective the creation of Sustainable Economic growth, employment and a better standard of living while nipping poverty and its indices from their root.

The truth is that oil and gas investments create activities outside Nigeria by furnishing international industries with raw materials while leaving the domestic economy deprived of any applicable real link with the oil sector.

### **10.1. POLICY DISCONTINUITY**

The lack of Industrial Policy continuity creates its drawbacks.

Some of the drawbacks are;

- a) Disruption and confusion in implementation
- b) Delays and higher cost to investors

- c) Economic backwardness
- d) Policy unpredictability

In Delta State however, there has been stability in the Industrial Policy and adaptability to change as changes that have occurred so far has been progressive in the sense that they release the energies and imaginations of the populace towards greater productivity, especially as they evidently promote general welfare and a sense of societal development and growth.

The Industrial Policy of a State remains an organic document that shall be made adaptable to changes in various sectors of industry.





