

MINISTERIAL BRIEFING TO MEMBERS OF
THE NIGERIA GOVERNOR'S FORUM
SECRETARIAT

BY

HONOURABLE COMMISSIONER
MINISTRY OF COMMERCE,
INDUSTRY AND TOURISM
SOKOTO

ALH. MAI'AKWAI MU'AZU LAMIDO

© 2010

INTRODUCTION.

The Statutory Function of the Ministry is to design and implement programmes for Industrial and Commercial expansion of the State, in addition to executing Government policies on Hotels and Tourism.

In its quest to improve commerce and industrial ventures in the State, this Ministry has mapped out both short and long term strategies to attract foreign investment and to create the needed enabling environment for grooming the local industries for exports. Infrastructural facilities including Roads, Electricity and Drainages are given the priority needed to facilitate rapid industrial development of the State.

The Council of the State Chambers of Commerce was reconstituted and Government is closely working with the Chamber in an effort to boost Commercial and Industrial promotion. Two trade missions to the United Arabs Emirates and South Africa have been sponsored by the State Government to open the needed exports trade windows to the indigeneous businessmen of the State.

The Ministry consists of four functional departments and two supporting units making a total of six, these are:-

- (a) Commercial Department
- (b) Industrial Department
- (c) Hotel and Tourism Department
- (d) Personnel Management Department
- (e) Planning Unit
- (f) Finance and Supply Unit

It is my honour and privilege to State that some significant achievements have been recorded in all sectors under this Ministry as would be detailed hereunder.

1.0 COMMERCIAL DEPARTMENT AND EXPORT PROMOTION

- a. **REGISTRATION OF BUSINESS PREMISES:** The Ministry of Commerce in its effort to enhance the revenue drive of the State has embarked upon the classification and registration of all types of business premises in the State. The exercise when completed would provide data base for long range developmental plan for economic policy reviews. The edict No 16 of 1979 was aimed at giving legal backing on the operation and location of all business premises existing in the State. The Companies have been categorized as follows:-

- i. Limited Liability Companies
- ii. Partnership
- iii. Individual Entrepreneur

The record of Revenue Generation so far is as follows:

2005	-	N1,000,000.00
2006	-	N1,200,000.00
2007	-	N1,500,000.00
2008	-	N1,780,000.00

At this point the State Government contracted the services of Revenue Consultant to enhance Revenue collection in the State.

b. TWO BILLION NAIRA LOAN TO THE BUSINESS COMMUNITY

The administration of His Excellency Alh. Dr. Aliyu Magatakarda Wamakko realized that since the Sokoto Central Market fire disaster, commercial activities and the springing of industrial ventures have drawn back drastically and therefore promised the traders that he will source an interest free loan for them during his campaign in which he directed this Ministry to map out strategies to address the issue. The Ministry was then, directed to negotiate with the management of the Oceanic Bank (Nig) Plc to loan out the sum of N2 billion to trade groups, associations and businessmen that were allocated shops in the renovated Sokoto Central Market. The loan is to provide easy source of working capital for the traders and would be repaid within 24 months interest free.

The loan was categorized into two. The first group is for the individuals across the State, while the second group is for trade associations. So far the break down of the loan is as follows:-

S/N	AMOUNT	NUMBER OF BENEFICIARIES.	MONTHLY PAYMENT
1.	N5,000,000.00	69	N238,095.00
2.	N4,000,000.00	7	N190,477.00
3.	N3,000,000.00	14	N142,858.00
4.	N2,500,000.00	4	N119,047.00
5.	N2,000,000.00	124	N95,239.00
6.	N1,500,000.00	20	N71,428.00
7.	N1,000,000.00	354	N47,620.00
8.	N500,000.00	522	N23,810.00
9.	N300,000.00	113	N14,290.00
10.	N250,000.00	100	N11,904.00
11.	N200,000.00	1005	N9,525.00
12.	N150,000.00	75	N7,142.00
13.	N100,000.00	2418	N4,762.00
14.	N50,000.00	1254	N2,381.00
	TOTAL	6079	

As His Excellency the Executive Governor of Sokoto State, Alh. Dr. Aliyu Magatakarda Wamakko said during the launching ceremony that the loan is interest free, the three month moratorium given is part of the 24 month repayment period, as such beneficiaries are expected to repay within 21 months starting from November, 2008 to July, 2010.

The aim of the loan is to reduce the rate of unemployment, poverty and idleness that has become pervasive in the economy of the State. So far about 6079 individuals and 214 trade groups benefited from the scheme and as at now repayments have already started.

c. TRADE FAIRS

In this administrations effort to encourage regional trade between Sokoto and her neighbouring States. This Ministry relentlessly participated in trade fairs of the strategic zones of the nation. The Ministry has fully participated in the following trade fairs:

1. 31st Kaduna International Trade Fair
2. 8th Niger National Trade Fair Minna
3. 5th Odua Int'l Trade Fair Oshogbo
4. 14th North-East Joint Domestic trade fair Bauchi
5. 29th Kano Int'l trade fair

Sokoto State's participation in Trade Fairs encourages regional trade relations in cash crops such as Beans, Gum Arabic, Sorghum, Bambara nuts and Rice. Cattle, hide and skin and animal husbandry which traders of Sokoto State have comparative advantage to trade with prominent regions of the nation.

d. COMMERCIAL PROMOTION AND BUSINESS DIRECTORY

In order to provide comprehensive information to the potential investor, the Ministry reviewed and updated data on the economic potentials to open windows of invitation to international and local investors. The books are named "the essentials of the Sokoto State Chamber of Commerce, Industry, Mines and Agriculture" and "the Sokoto State's Investors Guide". The sum of N3,500,000.00 have been expended in their publication and their circulation to Ministry's, Parastatals and Agencies have started in earnest.

e. SOKOTO STATE'S TRADE MISSION TO SOUTH AFRICA

Sokoto State participated in the recent 1st Nigeria-South Africa investment network forum under the leadership of the former Nigerian Ambassador to South Africa Amb. Shehu Malami OFR. CON (Sarkin Sudan). The meeting was held in the western cape town and Johannesburg between 5th -19th November, 2008 to attract the South African investors in the areas of Agriculture, Mining, Solid minerals and

solar energy. Series of meetings have been held between the visiting team from Sokoto and the South African Government Agency (Western Cape Investment Agency – WESGRO) to streamline the necessary requirements for ensuring that Sokoto State and the Western Cape province of the South Africa develop their Export Capacities for the mutual benefits of the two Countries, The areas for exploitation includes;-

- i) Leather products exploitation
- ii) Large scale Agricultural exploitation and irrigation
- iii) Sesame seeds Exports to South Africa
- iv) Water treatment and management and host of other areas

f. **PROCUREMENT OF PERBOILED RICE**

With the current changes in the Global food crises the Sokoto State Government under the able leadership of His Excellency the Executive Governor, Alh. Dr. Aliyu Magatakarda Wamakko has initiated to procure 13,000.00 metric tones of Thailand parboiled Rice which is 260,000.00 bags of 50kgs each to the tune of N1,794,000.00 billion to be distributed across the State, at subsidized rate. The Ministry has started receiving the consignment.

2.0 **INDUSTRIAL PROMOTION AND DEVELOPMENT DEPARTMENT**

Since the advent of this administration, efforts have been intensified towards achieving set targets of enhancing the prospects of industrializing the State. In this circumstance therefore, efforts were made to ensure that all policy pronouncements on the physical establishment of industrial projects in the State became a reality. Accordingly, the department has recorded the following achievements of this administration and these are as follows:-

a. **SUPPLY OF 20 UNITS OF COMPLETE SMALL SCALE RICE MILLING MACHINES WITH POLISHERS & GENERATORS**

In its effort to assist the Rice small scale entrepreneurs to boost their small scale enterprises, the State Government has procured 20 units of complete small scale rice milling machines with polishers & generators from Messrs OSHEKA LIMITED to the tune of (N93,600,000.00). The machines have been delivered. One machine has just been assembled at SOSSCO premises for demonstration.

b. **PURCHASE OF 40% SHARE HOLDING OF LATE A. K. FAWAZ BY SOKOTO STATE GOVERNMENT IN SOKOTO FURNITURE FACTORY LIMITED (SFFC)**

You may recall that Sokoto Furniture Factory is a joint venture between former Sokoto State (comprising Sokoto, Kebbi and Zamfara States) and Mr. A. K. Fawaz (Late) and some private industrialists. It

was incorporated in 1973 with late A. K. Fawaz having 60%. However, with promulgation of 1977 indigenization Decree, based on that Mr. Fawaz was compelled to relinquish 20% of his shares to indigenous partners. The ownership structure of the company as at then is as follows:

i.	Mr. A. K. Fawaz	-	40%
ii.	Sokoto State Govt .	-	17.82%
iii.	Kebbi State Govt.	-	14.85%
iv.	Zamfara State Govt.	-	11.88%
v.	Other (I.E.T, Late ZubaruTela, Late Tunau Mafara etc.)	-	<u>15.44%</u>
			100.00%
			=====

The families of Late A. K. Fawaz indicated their willingness to sale their 40% share holding to Sokoto State Government, and offer price of N85m (Eighty-five million Naira) as negotiated with the Board of Directors. Sokoto State had a total number of 1,782,500 million shares, while Late A. K. Fawaz had 4,000,000 shares. Presently with the purchase of Late A. K. Fawaz shares Sokoto State Government's shares is increased from 1,782,500 shares to 5,782,500 shares representing about 57.825%.

C. TECHNOLOGY INCUBATION CENTRE

This is a Centre that was established by Federal Ministry of Science and Technology in collaboration with Sokoto State Government. The Centre is aimed at nurturing small scale entrepreneurs who could lead to industrial expansion of the State and also promote economic diversification through the creation of dynamic enterprises in the agro-allied, information technology and manufacturing sectors, which will help in reducing country's dependence on oil as a source of revenue. The Centre also facilitates the commercialization of research results from universities and other research institutes. The Centre has 7 vibrant entrepreneurs namely:-

i.	Mufan Global Venture	-	Table Water
ii.	Victor Engineering	-	Solid minerals processing
iii.	Mai Koli-ventures	-	School Chalk
iv.	R. MA NIG. Ltd.	-	Washing soap production and candle production
v.	AINU NIG. ENTREPRISES	-	Car wash, apple fresh
vi.	Annuri international	-	Leather works
vii.	BELADEN PRODUCTS	-	Groundnut oil

As part of Sokoto State Government responsibility to provide infrastructural facilities i.e. suitable complex with enough warehouses to serve as an incubation units, as well as provide electricity and access roads to the centre, Sokoto State Government has recently approved the sum of **N2,950,000.00** for the provision of borehole and overhead tank as well as utility vehicle to the centre. This is in order to maintain the spirit of partnership between the Federal Ministry of science and Technology and the State Government. N4.47 million for general renovation, purchase of Computer etc. was approved by the State Government in November, 2008.

d. **SHAMROCK FERTILIZER COMPANY LIMITED**

The company is a joint venture between Sokoto State Government and Messrs SUPA Engineers Nig. Ltd. It is established in the ratio of 60:40 in favour of SUPA Engineers. The total cost of the project is N280 million. The Company produces NPK 20,10,10, this is in view of the strategic need and importance of the fertilizer to agricultural development. Unfortunately, the company is out of production. It was shut down as a result of the death of the Chairman of the Company Mr. Igweh, the abscondment of the Executive Director of operations of the company as well as the faulty parts of machines.

Already the new M. D of SUPA Engineers Mr. Okechukwu has expressed his desire and willingness to continue the spirit of joint ventureship. He has also communicated to the manufacturers about the faulty parts and we are waiting for the response from the manufacturers.

e. **SOKOTO BUSINESS SUPPORT CENTRE**

This Centre was established as a result of Memorandum Of Understanding with Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) for the establishment of Business Support Centre in the State. If you may recall SMEDAN was established by the Federal Government through the SMIDA Act of 2003 to promote and facilitate the development of programmes in the SME sub-sector of Nigerian Economy. It is also responsible for starting and growing micro, small and medium enterprises in Nigeria. The Centre is aimed at providing a comprehensive business information service that aids critical business decision, also to establish networks and strategic linkages with relevant institutions and agencies of government to help small business to overcome bureaucracy and red tape in business registration and formalization. Also to provide capacity building training for micro, small and medium enterprises (MSMES) in effective entrepreneurship skills in areas such as book-keeping and accounts, budgetary and financial control, business management, information technology as well as quality control etc.

As part of its commitment, to promote the spirit of collaboration in the development of Micro, Small and Medium Enterprises (MSMES) in the State, as well as to create opportunities for MSMES to acquire information and appropriate business capacity that are imperative for successful and sustainable entrepreneurial activities in the State. Sokoto State Government has approved and released the sum of **N8,686,757.20** for utility vehicle, installation of independent internet server, personnel cost and sensitization Tour.

f. **OVERHAUL OF INFRASTRUCTURE AT RAW MATERIALS DISPLAY CENTRE**

Raw Materials Display Centre was established by Sokoto State Government and Sokoto Raw Materials Research Development Council (RMRDC) IN 1992. The Centre showcase the economic potentials of the State to visitors who have come to visit the State. The Centre is being used by students, researchers and academicians. It is located at Waziri Junaidu History Bureau. Sokoto State Government has approved and released the sum of N2.1 million for the overhaul of the Centre.

GEOLOGICAL SURVEY (N27.5 MILLION)

Survey/evaluation of limestone deposits of Kware, Dange and Tambuwal local areas preparatory to the establishment of Premier Cement Company in the State was approved recently. Work is in progress, amount approved is N27.5 million.

g. **SOKOTO PHOSPHATE PLANT**

This is a joint venture company that was established by Raw Materials Research and Development Council (RMRDC) in conjunction with Sokoto State Government. It crushes phosphate rock into milled phosphate for the manufacturing of phosphate fertilizer, animal feeds, phosphoric acid as well as chemicals and detergents. The project was established in 1990, but had series of modifications because the machineries of the company were fabricated locally as you know Raw Materials Research and Development Council promotes research & development as well as encouraging indigeneous technology.

The company is completed and is being test-run. Sokoto State has released the sum of N1.9 million for the test run and repairs of the 3rd line of the machineries. The company is yet to be handed over to the State Government fully to manage. The idea of the agreement is that the company be managed and after sometime the RMRDC would disengage and sell off its shares to interested buyers.

h. **PURCHASE OF RIGHT OF ISSUES FROM CCNN**

Sokoto State share holding with the Cement Company of the Northern Nigeria (CCNN) stood at 8,215,026 and 11,614,967 shares totaling 19,826,993 shares. The CCNN issued a right of issue of 1,314,404 and 1,858,394 totaling 3,172,798 at the cost of N28,555,182. The Government has fully paid.

i. **PROPOSED CEMENT FACTORY IN THE STATE**

The Executive Governor of Sokoto State Alh. Dr. Aliyu Magatakarda Wamakko is looking into the possibility of State Government participation in the establishment of a Cement Factory in collaboration with Foreign Technical Partners in the State. The plant, when established will assist massively in the reduction of unemployment among our youth and improve the living standard of the populace in the State.

3.0 **HOTELS AND TOURISM PROMOTION**

a. **HOTELS**

In the area of Hotels development, the Magatakarda Administration is undertaking some repairs and replacements of some of the equipments in Giginya Hotel. A contract of N132,195,400.00 was awarded for the purchase and installation of six Lift Elevators, repairs of Central air-conditioning system and provision of good portable drinking water. In the same vein a plan is under way for the comprehensive rehabilitation of the two Hotels ie Giginya and Shukura to raise them to a 5-star Hotel in which when completed, Sokoto will conveniently host any category of visitors from any part of the world.

b. **TOURISM DEVELOPMENT**

Tourism has been recognized as one of the key areas of revenue generation the World over today. Due to growing global importance of Tourism as the largest revenue earning industry in some Countries, the Ministry has already set all the necessary machinery in motion to identify the blessed Tourism potential across the State which is contained in a draft Blue print.

The document will take a look at tourism industry in perspective and determine its potentials, identify centres of tourist attraction and take stock of the existing infrastructural facilities and work-out strategies of their development.

The identified attraction includes Surame Historical Ruins the capital city of Muhammadu Kanta the ancestors of the present rulers of Kabi, Hubbaren Shehu, Alkalawa, Satiru Battle ground to mention but a few.

CONCLUSION

In conclusion this Ministry is fully committed to ensure the full exploitation of all areas of Commerce, Industry and Tourism to ensure their full utilization towards creating job opportunities, reduction of Poverty and improving the general living standard of the society. Let me use this opportunity to invite investors within and outside the State to come and exploit our abundant and untapped natural resource for the establishment of relevant industries.

Finally, I wish to thank His Excellency, the Executive Governor of Sokoto State Alh. Dr. Aliyu Magatakarda Wamakko for his untiring support and commitment to the Ministry of Commerce, Industry and Tourism.

Thank you and God bless you.