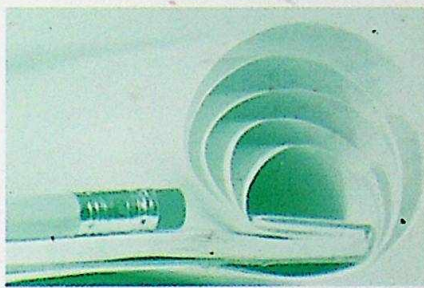


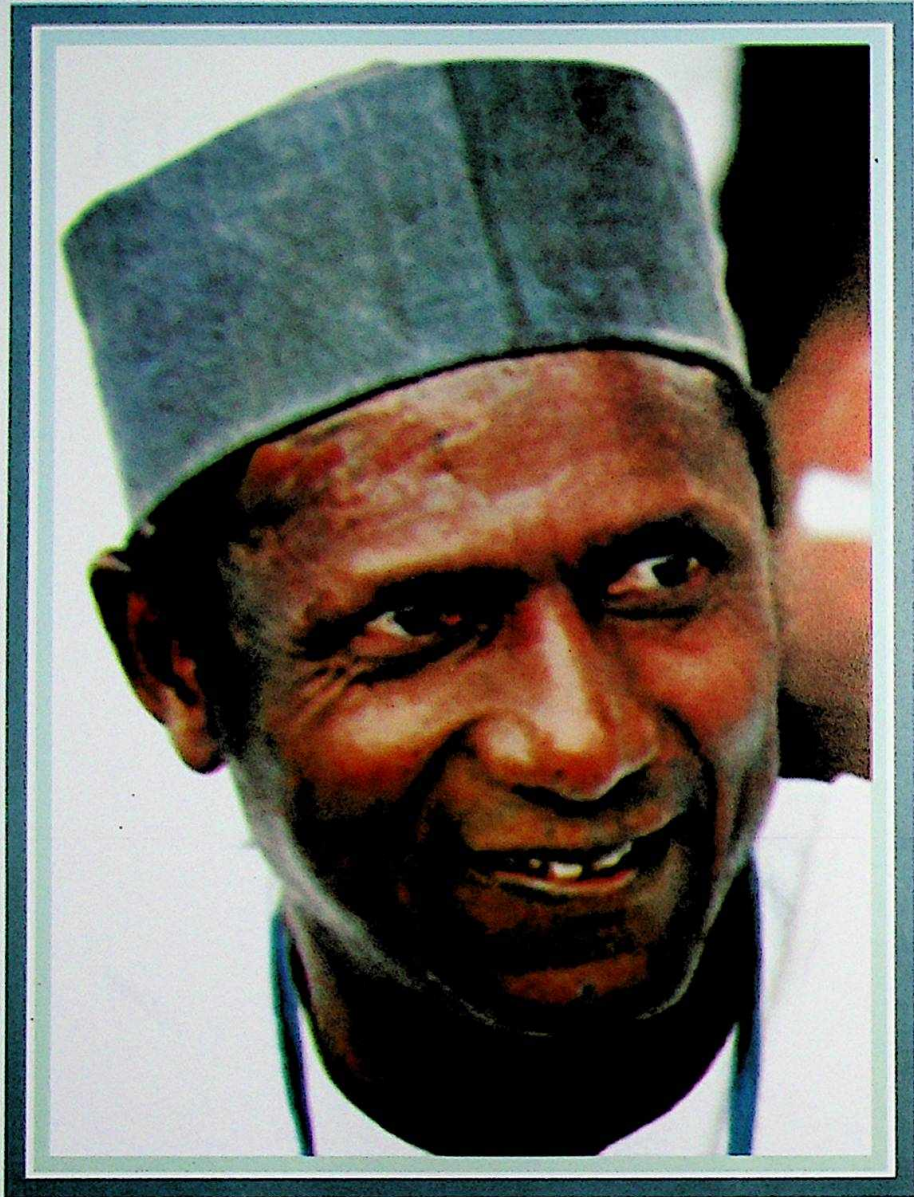
Investment Opportunities



In Kano

Edited by
Ibrahim Ado -Kurawa

Research & Documentation Directorate



His Excellency President Umaru Musa Yar Adua
President of the Federal Republic of Nigeria



**MALLAM IBRAHIM SHEKARAU
THE GOVERNOR OF KANO STATE**

A Publication of the
Research and Documentation Directorate

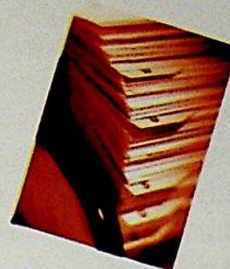
Editor
Ibrahim Ado-Kurawa

Editorial Assistants
Bello Muhammad Sharada

Photographs
Usman Iliasu Dankwano

First Published 2007
© Kano State Government
ISBN978809221-7
Second Edition

Contents



Preface	6
Introduction	7
Kano Economy and Resources	8
Agriculture	10
Commerce	12
Industries	14
Tourism	15
Transportation	16
Water Resources	17
Government's Policies and Investment Opportunities	18
Provision of Infrastructures	20
Investment Policy Objective and Incentives	21
Investment Opportunities	22
Kano Export processing Zone	24
Solid Minerals	29
Conclusion on Survey	32
The Economic City Project	35

Preface

All praises be to Allah, the Cherisher and Sustainer of the Worlds. May His peace and blessings be upon our beloved prophet, his family and his companions.

Kano, apart from being commercial center of Northern Nigeria is also the center of Hausa-Islamic Culture and hence the entire part of the Sudan stretching from the Atlantic coast to the Red Sea. People from this sub region have either religious or commercial affiliation with Kano which is the most populous area of the whole area. The Sudanic Belt stretches from Atlantic Coast to the Red Sea; and Hausa land, which is the center of belt, has Kano as its most important city. The people of this zone have long period of interactions amongst themselves. These centuries old contact was reinforced in the late 1930s during the reign of Sarkin Kano Alhaji Abdullahi Bayero who established very cordial relationship with Sheikh Ibrahim Niass of Kaolack Senegal and people from both locations have traveled to the various stations and engaged in commercial activities. This has enabled Kano's products to reach up to the Atlantic Coast. Kano is the only city in northern Nigeria that has direct commercial flight with the Republic of Sudan where there is a large Hausa population. There is also a road link with that Republic and every week products from Kano are transported to that country. The whole of the over 60million Hausa speakers look up to Kano because it is their most important city and outlet to the world. Kano market is therefore not restricted to the people of Kano State of the Federal Republic of Nigeria but to several others of this vast region as a result of the oldest and continuous commercial tradition in the area.

Since the return of democracy in 1999, the Federal Government of Nigeria has been making efforts to attract investors from all parts of the world. The liberalization of the economy has attracted investors in some sectors. The present Federal Administration under the leadership of President Umaru Musa Yar Adua has continued with the reforms and has initiated the Vision 2020-20 one of whose aims is the encouragement of Foreign Investments by providing the enabling environment.

This publication is a presentation on the available opportunities for investors in Kano State. There is active foreign participation in the manufacturing sector in the state largely because the environment welcomes all productive individuals from any part of the world. This is part of centuries old Kano tradition long before the present deliberate efforts of attracting investors. Kano State Government under the leadership of Mallam Ibrahim Shekarau has restored peace and harmony in the polity through socially responsible policies. This has helped in promoting business and in maintaining the commercial position of Kano in a highly competitive environment. The government is also poised to meet the challenges ahead through policies that have been formulated in the last two and half years which include the Information and Communications Technology Policy as well as the Cottage Industries Loans Scheme. As a democratic government, it has also sought the broad participation of the business community and private intelligentsias in formulation of policies such as the Kano Economic Summit which was planned in collaboration with the private sector. The Government appointed a successful entrepreneur to head the state's Ministry of Commerce, Industry and Cooperatives; for the first time in several years. This publication is part of the innovativeness of the new leadership of the ministry in collaboration with the research and Documentation Directorate. It contains information provided by the ministry and other agencies that could be useful to all those interested in investing in Kano, which is the largest commercial center in northern Nigeria that has abundant human and natural resources.

Ibrahim Ado Kurawa

Director General / Special Adviser

Research and Documentation Directorate

Shawwal 1430/October 2009

Introduction



Kano State of the Federal Republic of Nigeria lies between latitude 13°N in the North and 11°N in the South and longitude 8°W in the West and 10°E in the East. Kano State is made up of the following forty four local government areas: Ajingi, Albasu, Bagwai, Bebeji, Bichi, Bunkure, Dala, Dambatta, Dawakin Kudu, Dawakin Tofa, Doguwa, Gabasawa, Garko, Garun Mallam, Gaya, Gezawa, Gwale, Gwarzo, Kabo, Karaye, Kibiya, Kiru, Kumbotso, Kura, Kunchi, Madobi, Makoda, Minjibir, Kano Municipal, Nassarawa, Rimin Gado, Rogo, Shanono, Sumaila, Takai, Tarauni, Tsanyawa, Tudun Wada, Tofa, Warawa and Wudil. The total land area of Kano State is 20,760sq kilometers it is also the most populous state in Nigeria with a population of 9,383,682 (2006 provisional result).

Kano City has been the capital of Kano State since the earliest recorded time. It is located on latitude 12.00°N and longitude 8.30°E within the semi-arid Sudan savannah zone of West Africa about 840 kilometers from the edge of the Sahara desert. Kano has a mean height of about 472.45m above sea level. Kano City has expanded over the years and has become the third largest conurbation in Nigeria. It is made up of six local government areas: Municipal, Gwale, Dala, Tarauni, Nassarawa and Fagge. Kano's most enduring legacy Gidan Rumfa (Emir's Palace) the seat of Kano's prestigious Sarauta institution (Kingship) built over five hundred years ago is located in the Municipal Local Government Area. The Kano State Government House is located in Tarauni Local Government Area.

The vegetation of Kano State is the semi-arid savannah. The Sudan Savannah is sandwiched by the Sahel Savannah in the north and the Guinea Savannah in the south. In the pre-industrial age the savannah was described as the zone that provides opportunity for optimal human attainment. This was because it was rich in faunal and floral resources, it is suitable for both cereal agriculture and livestock rearing, and the environment is relatively easy for movement of natural resources and other goods. The situation has changed as the savannah has been degraded by human activity and global warming leading to periodic draught. The savannah zones that are landlocked are also disadvantaged because they do not attract as much foreign investments as the coastal regions.

The Kano Economy and Resources



Nigerian economy since the colonial times has been largely driven by export of raw materials.. Northern Nigeria, especially Kano, was a major producer of groundnuts. In fact Kano produced about a half million tons which was about half of Nigeria's groundnut production during peak periods (Abalu 1976: 33-40). Oil replaced agricultural commodities as the main source of foreign exchange and government revenue (Osaghae 1998: 20). The oil boom of the 1970's made the government to neglect agriculture. Many of the rural dwellers rushed to the cities in search of "greener" pastures.

Government at the federal and state levels formulated policies for the revival of agricultural productivity and poverty alleviation because the survival of the society was **threatened**, as Nigeria became an importer of food (Nelson et al. 1972). Among these policies were the operation feed the nation, green revolution, better life for rural women and family economic advancement program. The federal government made attempts to encourage industrialization in Nigeria through several programs and institutions such as NIDB (Nigeria Industrial Development Bank), NBCI (Nigeria Bank for Commerce and Industry) and NERFUND (National Economic Recovery Fund).

The people of Kano have been known for the "extensive initiative and perseverance" (Lovejoy 1908). Kano merchants have been famous in West Africa sometimes even legendary for the late Alhaji Alhassan Dantata who was the wealthiest Nigeria at the time he died. Alhaji Aliko Dangote one of the wealthiest Nigerian industrialists is a great-grandson of the late Alhaji Alhassan Dantata. Kano businessmen, including Dantata pioneered the first textile industry in Nigeria the Gwamaja Textiles established by the Kano Citizens Trading Company (Uwechue 1991). It should be noted that even in the pre-colonial period, Kano "was probably Nigeria's most celebrated textile exporting center". Kano's products were in high demand even in North Africa and it was rightly observed that:

Almost as far as the Nile, and certainly in Southern Morocco, the blue haïques and burnouse of semi-Arab and Moorish tribes are the products of craftsmen in Kano and Sokoto, and this 'country cloth', as, it is called, is worth much more along the coast than any turned out in Manchester (Isichei 1983: 60).

Private investors established most of the industries in Kano. The regional government, during the first republic, established no industry in Kano as it did in Kaduna and Sokoto, which hosted the textile and cement industries respectively.



The Kano Economy and Resources



The Federal Government established only one industry in Kano, the National Truck Manufacturers (NTM), a commercial vehicle assembly plant that was never viable because of its precarious foundation, was closed and later privatized as a result of which it was taken over by a Chinese firm. But in Kaduna, the federal government established a fertilizer plant, a motor assembly plant and a refinery. The last two are all functioning and the refinery is perhaps the most important industry in northern Nigeria.

Most of the industries established in Nigeria during the oil boom era were import substitution-based and with the fall in oil prices, the value of naira crashed, most of them collapsed because they relied on imported raw materials. The worst affected were those in the North especially Kano. This is because the transportation cost from Lagos to Kano skyrocketed. Hence, they could not compete with those in Lagos or Otta and since there is no railway, it will be difficult to restore such establishments. Energy supply to Kano has also remained epileptic. The cost of diesel, which is used by generators, has also skyrocketed, especially in Kano during the last Federal Administration (1999 to 2007) because of the paucity of supply. These and other reasons made many factories to close and render their workers unemployed in the last few years but the new Federal Administration has promised to initiate new policies to address this negative trend.



Agriculture



Agriculture is one of the most important backbones of the State's economy with about 75% of the total working population engaged directly or indirectly in this activity. The principal food crops cultivated in abundance are Millet, Cowpeas, Sorghum, Maize and Rice for local consumption while Groundnuts and Cotton are produced for export and industrial purposes. During the colonial period and several years after the country's independence, the groundnuts produced in the State constituted one of the major revenue sources of the country. Kano State is a major producer of Hides and Skin with over 80% of the tanneries located in the industrial estates of the state producing high quality tanned leather ranked among the best in the world, which are exported.

Mallam Ibrahim Shekarau's administration has recognized agriculture as the most important sector of the economy because it is the most productive. The administration has remained committed to revamping of this sector which has been neglected for several years. The administration has accorded it the highest priority ever by allocating on the average more than 10% of its three consecutive budgets. The Shekarau Administration has also initiated the Special Mass Food Production Program. Under this program Kano State Agricultural and Rural Development Authority (KNARDA) executed various intervention strategies and farmers have been encouraged to establish associations and they have responded, hence more than 10000 farmer groups have been formed. The administration has provided more fertilizer than any other previous administration. It provided 55,000 tons and 60,000 tons for 2004 and 2005 planting seasons respectively at a subsidized price of N1000 per bag.





Agriculture

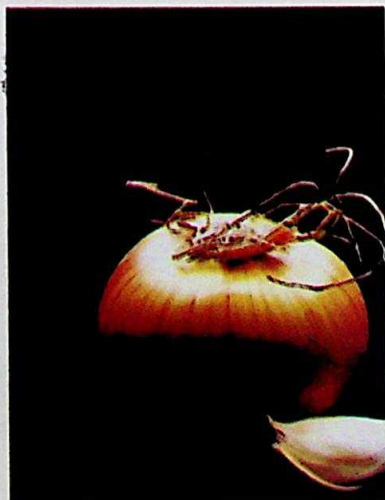
SOME SELECTED EXPORTABLE AGRICULTURAL COMMODITIES GROWN IN KANO.

Crop	Variety	Production Period	Production Area	Hectares Grown	Annual Tones (Average)
Tomatoes	Uc82b Roma Ronita	Sept-March June-Sept.	all over the state	10,301	120,000
Garlic	Ex-Kofa	Sept-March	Southern part	1,067	10,000
Gum Arabic	Acacia Senegalensis	Dec-Jan June-July	North Eastern S	100,000	Negligible
Ginger	Ginger	June-Sept.	Southern Part	Scattered	Negligible

TOTAL CULTIVABLE LAND IN THE STATE 1 Million HECTARES

TOTAL IRRIGABLE LAND IN THE STATE 120,500 HECTARES

SOURCE: Kano Agricultural and Rural Development Authority, (KNARDA)



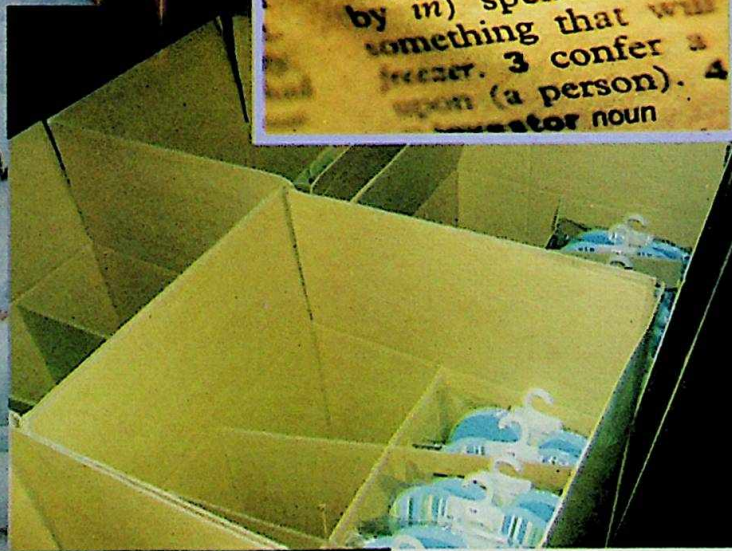


Commerce



Commercial activity in Kano received its first encouragement with the establishment of Kurmi Market by Sarkin Kano Muhammad Rumfa in the 16th century CE. Subsequent leaders made contributions to the emergence of Kano as a leading commercial center in the Sudanic Africa. For example, the first two Emirs of Kano, Sarkin Kano Ibrahim Dabo and Sarkin Kano Sulaiman in the 19th century encouraged traders to move from Katsina because of Maradi raid. This was one of major contributing factors that made Kano the richest province in the Sokoto Caliphate. The Jihad leaders of the caliphate encouraged Kolanut trade and Kano was the greatest beneficiary with an annual turnover of about \$30 million (Lovejoy 1980). Kano merchants were also very innovative and they were able to integrate commerce and craft industry during the pre-colonial period thus making substantial contribution to the prosperity of the province. Kano was producing an estimated 10 million pairs of sandals (Isichei 1983: 73) during that period because of economic harmony. Sarkin Kano Alhaji Muhammadu Sanusi (1953-1963) established the Bompai Industrial Estate which was the first of its kind in the state through a loan guaranty that was later used against him by the Northern Regional Government.

Kano State is the most important and largest commercial centre in Northern Nigeria. With about 10 million people, it provides a stable and continuous market for both manufactured and semi-processed goods. The volume of trading activities conducted on daily basis in the markets, notably Muhammadu Abubakar Rimi Market (Sabon-Gari), Kwanar Singer, Kantin Kwari, Kurmi and Dawanau signify the state's great potentials as a market for various products.





Commerce

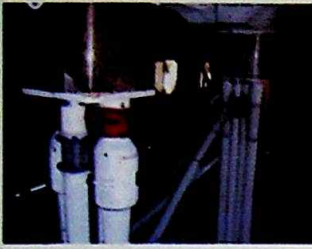


In addition to the large and unique markets, Kano is also blessed with plentiful and various kinds of agricultural products which provide huge raw materials for Agro-Allied industries. Agricultural products like Maize, Guinea Corn, Rice, Cotton and Groundnut are readily available to serve as raw materials for oil milling, flour and textile industries. Other agro based raw materials are Gum Arabic, Livestock, Hides and Skin, Cowpeas, and Citrus fruits.

Similarly, the second Export Processing Zone (EPZ) in the country has been approved by the federal government and the state government is making efforts for its actualization. It is expected to provide additional impetus to both local and foreign investors. Furthermore, the state is one of the three states in the Northern part of the country that serve as a dry port and Inland Container Depot (ICD) to serve the import/export activities of the hinterland shippers.

The impressive infrastructural facilities such as the International Airport, (Mallam Aminu Kano) road links to other parts of the country and as well as the excellent road network within the state provide unique opportunities for the steady growth of commercial activities. There are over 100 branches of major banks in Kano, including numerous branches of the major such as the Union Bank, First Bank, United Bank for Africa, Afribank and Unity Bank. Similarly, there are several branches of insurance companies and brokerage firms making Kano the leading financial center of Northern Nigeria.

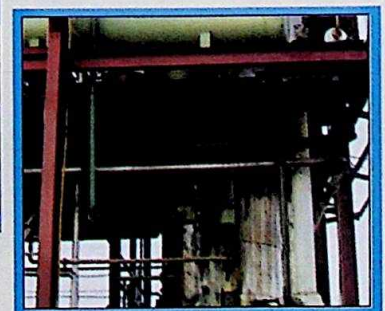
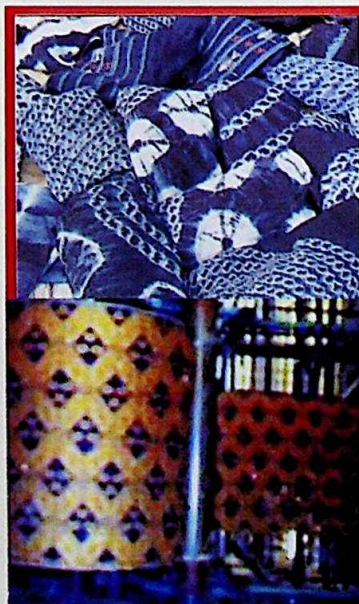
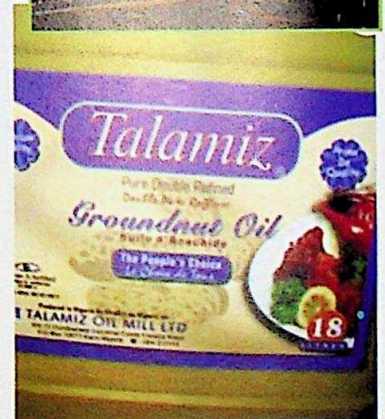
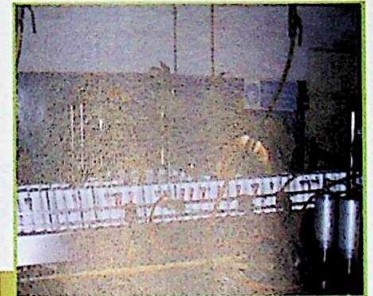
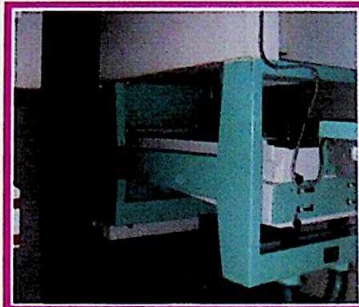




Industries

Kano State is the second largest industrial center in Nigeria and the largest in the northern Nigeria. There are over 400 privately owned medium and small scale industries in the state producing various items, such as textile materials, tanned leather, foot wears, cosmetics, plastics, enamel ware, pharmaceuticals, ceramics, furniture and bicycles. Others include agricultural implements, soft drinks, food and beverages, dairy products, vegetable oils, animal feeds, etc.

The strategy put in place by the State Government to boost the growth of industries was to provide large industrial areas such as Sharada industrial areas (Phase I, II, and III) the Challawa Industrial Area and Tokarawa Industrial layout. More of such industrial estates are being envisaged in the very near future. The Shekarau administration is offering opportunities for joint ventures and also the plan for cottage industries loan scheme has reached advanced stage.



Tourism

Kano is blessed with abundant tourism resources which include historical monuments and sites, as well as unique places of great interest, such as Kurmi Market established in the 15th century is in the heart of Kano City, the centuries-old city wall with some of its gates still standing. The Gidan Rumfa (Emir's Palace) is the oldest and largest traditional palace in Nigeria. It is also the oldest continuous site of the authority in Nigeria. It was established by Sarkin Kano Muhammadu Rumfa (1463-1499) and it has been in continuous use since that time. Although the Sarkin's authority has been transformed to community leadership, his influence is still profound and everyday common people seek solace in his leadership for his intervention in some of their predicaments. The famous Kano Mosque, a modern architectural masterpiece constructed by Sarkin Kano Abdullahi Bayero (1926-1953) at the site designated by Shaykh Abdullahi Danfodio (Ado-Kurawa 1989) is also close to the palace. It was a tourist attraction in the 1960s and 1970s when there were few such mosques in Nigeria. Other places of interest for relaxation and picnicking abound in the state. They include the Rock Castle, strategically located, overlooking the famous Tiga Dam, Rurum Tourist Lodge, Kano Zoological Garden, Gidan Makama Museum, etc.

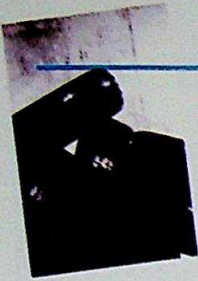
Tourists to Kano should not miss witnessing the Durbar, unique in the world because it is the largest procession of colorful horses and also portrays the Emir's Regalia which is one of the most impressive dating back to Sarkin Kano Muhammadu Rumfa (Yahya 1985). This Durbar is held during the both Eid-el-Fitr at the end of the Holy Month of Ramadan and Eid-el-Kabir which is an event marking the 10th Day of the 12th Month of the Islamic Calendar "DHUL HAJJ." The Emir leads the Durbar with over 1000 participants categorized according to the *Hakimai* (Chiefs) or titleholders of the Emirate who are fifty two in number.

The Kano State Tourist Camp, located just near the Central Hotel is an important transit point for European trans-Saharan visitors, a central venue for students and cultural groups. It offers affordable accommodation for tourists who prefer not to lodge in the many luxurious hotels in the city.

The marketing and promotion department of the Tourism Board situated at the Tourist Camp provides visitors with both written and oral information on Kano City and its surroundings, as well as all information on tourism in the State.

Package tours can also be arranged by the Tourism Board, ranging from 3-hour city tour to an all-inclusive tour to places of interest within the state such as Rurum, Tiga and Falgore Game Reserve, as well as outside the state to places such as Yankari Game Reserve the largest in West Africa. The Kano State Tourism Board has an advantage because of its experience in handling international travelers.





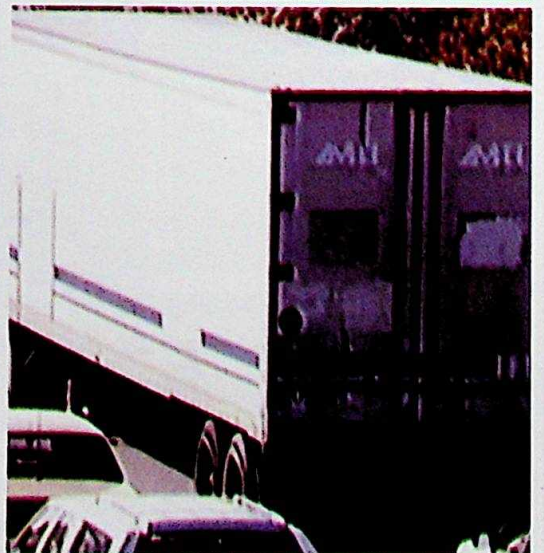
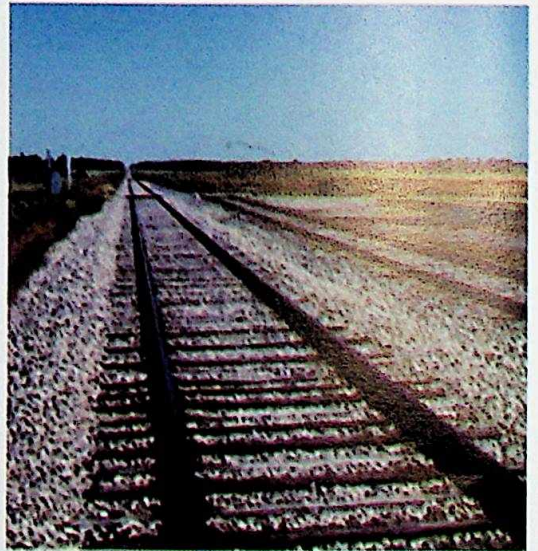
Transportation

Kano State has good road network linking it with major cities and towns in Nigeria. Most of the urban and rural centers of the state are linked with roads. The Shekarau Administration has also committed resources for roads development and rehabilitation in the 2006 Budget which was tagged 'Roads and Water Infrastructure Development Budget'. Roads in Kano metropolitan are also being rehabilitated under a special program carried out by a task force from KNUPDA (Kano Urban Planning and Development Authority).

AIRPORT: The Mallam Aminu Kano International Airport serves as a gateway to the Northern States from the outside world. With the recent commissioning of rehabilitation work on the Airport, it is believed that more international air traffic for both passenger and cargo will utilize the airport as a gateway to Nigeria.

RAIL: The Kano-Lagos, Kano-Nguru and Kano-Port Harcourt Rail lines are the major and oldest routes in Nigeria, which are still being used for movement of people and large consignment of goods linking Kano to the Southern parts of the country by rail.

URBAN MASS TRANSIT: The Shekarau Administration has committed more resources to urban mass transit than most previous administrations. Urban mass transit is a necessity in a commercial city where there are several commuters in a day moving from the peri-urban residences to the markets in the central business districts and to factories in the industrial estates. The Shekarau Administration has so far provided 100 buses and 1500 tricycles for the urban mass transit scheme operated by the Kano State Transport Authority (Kano Line).



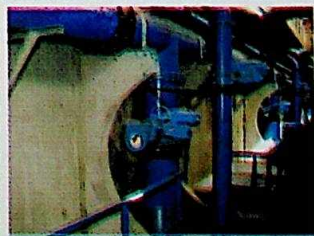
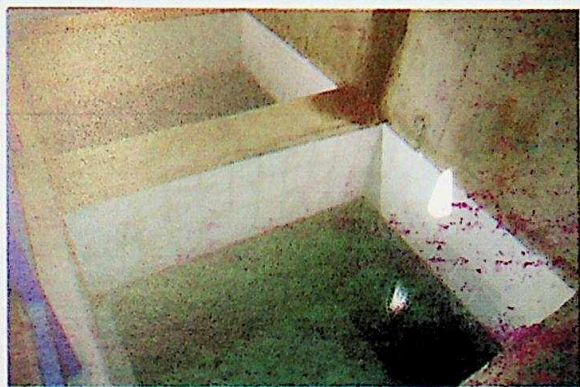


Water Resources



Kano State is blessed with abundant water resources. Dams were constructed all over the state as part of the government's effort to utilize the abundant water resources for dry season farming and potable water supply to urban and rural areas.

At present, the available water resources in the state, if properly harnessed, could irrigate over 400,000 acres and could produce nearly two million tons of crops that include vegetables such as tomatoes, onion, pepper, etc, annually. The most important irrigation projects are the Kano River Project and Hadejia Valley Project, both of which depend upon Tiga Dam for their water supply. Other Dams located in the State supplement that of Tiga by supplying water to increase total cultivatable land under irrigation, thus facilitating production of several thousand tons of wheat and rice annually.





Government's Policies & Investment Opportunities

Since assuming office in May 2003, the Shekarau Administration has been committed to fostering the development of Kano into a modern and peaceful commercial center. It realized that it is only through the restoration of social harmony that there would be peace and economic vibrancy leading to more prosperity. This could only be achieved if most of the aspirations of the people are met with the hope that the future is brighter. The greatest aspiration of the people is to live by the teachings of the Shari'ah. The Shekarau Administration has been able, in the last two and half years, to implement the universally applicable teachings of the Shari'ah. This has led to governance reforms and the government is now more accountable. The people have guaranteed freedom of expression in the media without any harassment unlike during the period 1999 to 2003 when there was high handedness. In terms of general implementation of economic reform program, Kano State was ranked in the last benchmarking exercise amongst the fourteen states (out of the thirty six states of the Federation) that have scored above average by the development partners and the National Planning Commission (*Daily Trust* March 17, 2006 p. 17). It should be noted that the Shekarau Administration took off with a reform agenda in 2003 without any external input whereas the Federal Reform Agenda received positive recognition only during the second term of President Olusegun Obasanjo (Lyman 2004). Amongst the reforms initiated by the Shekarau Administration include projects monitoring which was restored after a neglect of almost two decades and a Projects Monitoring Bureau headed by a Permanent Secretary and assisted by Engineering Consultants was established. In this second term of the Administration it has been upgraded to a Directorate headed by a Commissioner with an Executive Council status. In the area of communications, the Appropriations Law is now regularly published for the public to be aware of government projects and programs; this is also the first time in several years because through out the period 1999-2003 no such law was ever published. Similarly, the social welfare packages of the Administration have helped in alleviating poverty and lessening social tension. The Government has employed more people than ever before with over 10000 full time workers added to the state payroll and additional 20000 as casual workers and Hisbah Guides. All the pension arrears accruing for over 25 years have been settled and paid by the Shekarau Administration. Peace is now prevailing in Kano State unlike most states of the Federation and there was no riot despite several intimidations at the beginning of the year 2006 while other cities were burning. Dr. Kabiru Dandago has summarized the achievement thus:



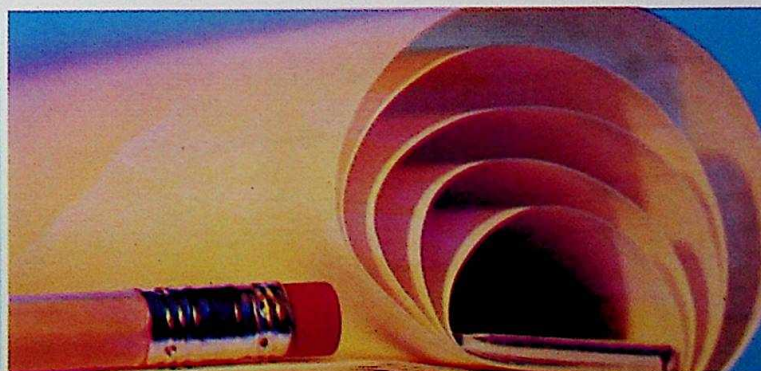
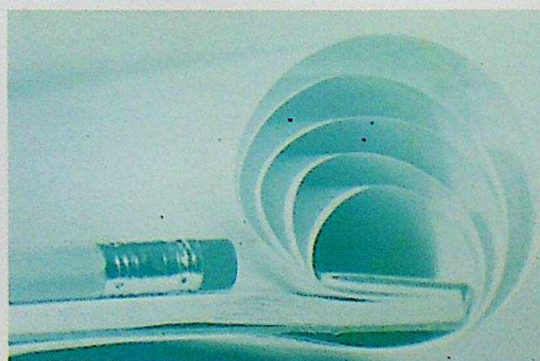
Government's Policies & Investment Opportunities



The administration has put in place laudable programmes for developing human resource (intellectually and spiritually) through the provision of qualitative education (all levels) effective health care delivery, food security, **enabling investment environment**, social security, facilities for the rehabilitation and integration of Qur'anic and Islamiyya schools, opportunities for women participation in relevant developmental projects (Dandago 2005: 19).

Several factors attract investors to Kano. One of the most important factors is the access to the market because the city has developed a tradition of networking with traders from various parts of the northern Nigeria and West Africa for several centuries. Many traders come to Kano to buy from the Muhammadu Abubakar Rimi, Kantin Kwari and Kurmi markets. Another factor is the availability of large labor force attracted from various parts of northern Nigeria and other parts of West Africa. The central location of Kano in northern Nigeria is an advantage for sourcing of raw materials especially cotton for the textiles and oil seeds for the numerous oil mills. This advantage has also contributed to the flourishing of the tanneries in Kano because of the availability of hides and skins brought from all parts of northern Nigeria as a result of the networking established by hard working Kano merchants such as Alhaji Baba Nabegu, the late Alhaji Baballe Illa and late Alhaji Sule Galadiman Garo.

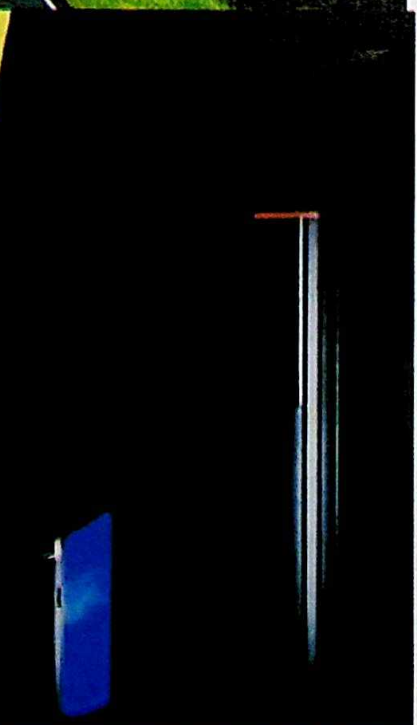
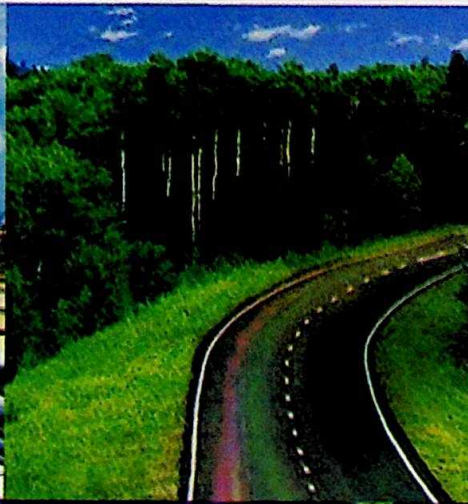
Kano has attracted several investors from various parts of the world, especially Europe and Asia. Most of the largest factories in Kano are owned by foreigners who have now become indigenes of Kano amongst those factories are those owned by the Lee Group that have combined labor force of over 8000 workers. The foot wear factory of the Lee Group exports \$1 million worth of products every month and it is located in Jogana at the outskirts of Kano. Angel Spinning in Sharada Industrial Estate has over 2600 workers, similarly African Textile Manufacturers employs over 4000. Fata Tanneries which is the largest tannery in operation is a foreign direct investment of over \$40 million dollars. Nigerian Spanish Engineering is the only functional steel mill in northern Nigeria that has been operating for more than two decades. Amongst the buoyant agro-allied industries are the Nigeria Oil Mills, P. S. Madrides Oil Mills, Dangote Flour Mills and Northern Nigeria Flour Mills (of the Golden Penny Group). These factories are flourishing because of the business atmosphere in Kano.



Provision of Infrastructure



In its effort to encourage the inflow of investment, the State Government has intensified the provision of infrastructural facilities like pipe borne water, electricity, healthy environment and good roads to facilitate movement of goods and speedy provision of services. As we enter into the new millennium, Kano State Government is well positioned to provide enabling environment, additional infrastructures and incentives to achieve accelerated industrial development and growth. The Shekarau administration has provided electricity to many towns and villages under the rural electricity program, and will continue in this spirit until the rural areas are transformed. Within the urban centers, Government will continue to create and provide infrastructures to the industrial layouts.





Investment Policy Objectives and Incentives



The main thrust of Government's industrialization policy is to ensure a balanced distribution of industrial establishments in rural areas. To achieve the desired objectives, government has outlined a package of incentives to attract entrepreneurs to invest in rural and semi urban areas.

Already, necessary facilities have been provided in many such areas. The incentive packages include:-

- .. The Provision of free industrial plots in rural and semi urban centers.
- .. Provision of free land for the construction of Housing Estate for workers.
- .. 5-year tax exemption.
- .. Extension of Government patronage.

THE POLICY OBJECTIVE IS AIMED AT ACHIEVING THE FOLLOWING:-

- Ö Rapid development of the industrial sector with emphasis on projects utilizing local raw materials.
- Ö Promotion of small and medium scale industrial projects requiring low capital investment and simple technology.
- Ö Encouraging the promotion and development of agro-allied ventures so as to enhance the provision of basic raw materials.
- Ö Encouraging the promotion of export trade in basic materials and manufactured goods.
- Ö Facilitating speedy exploitation and utilization of solid mineral resources which are abundantly found in different locations throughout the state.

The Kano State investment potentials show that the state has all the bountiful opportunities required by foreign investors. The availability of human and material resources as well as the peaceful co-existence of the people of Kano, living in harmony with others attests to the advantages to be gained in setting up industrial and commercial activities in the state.



Investment Opportunities



The strategic commercial and industrial position of Kano State in Nigeria offers unique opportunities for both domestic and international investors. The state is blessed with abundant human because it is the most populated state and material resources partly because of its rich soil that has supported agriculture producing several crops for centuries.

Investors are welcome to the state to explore opportunities in the following areas and many others:

COMMERCE

- Ö Investment in the Kano Export Processing Zone
- Ö Establishment of Commercial activities in the rural areas.
- Ö Joint venture with the State Government.
- Ö Lease or purchase of Government owned enterprises like Daula Hotel. Magwan Water Restaurant, Investment Building etc
- Ö Partnership with local entrepreneurs.
- Ö Fast food centers.
- Ö Shopping complex in urban centers.

INDUSTRY

- Ö Textiles
- Ö Tannery
- Ö Automobile spare parts.
- Ö Pharmaceuticals
- Ö Bicycle plants
- Ö Perfumes and cosmetics

TOURISM

- Development of 5 Star Hotels
- High Class Restaurants.
- Travels and Tours
- Recreation facilities
- Tourism Training Centres.



Investment Opportunities

SOLID MINERALS

Ö Geo-physical surveys, Exploitation, Exploration.

Agriculture Related

Agricultural Equipment/Implements

Irrigation

Agro Allied

Meat Canning

Flour Milling

Food and Beverages

Vegetable Oil

Tomatoes processing and canning

Sugar production

Fish canning

Poultry Production

Animal husbandry

Fertilizer

Animal and Poultry feeds

Spices (Garlic)





Kano Export Processing Zone

The Export Processing Zone foundation laying ceremony was presided over by the President of the Federal Republic of Nigeria in 2002.

The Zone is located at two places, namely Panisau just near the Mallam Aminu Kano International Airport and Kanye village in Kabo Local Government Area.

Functions and Objectives of the Zone

The zone was established with the aim of providing appropriate enabling environment that will encourage development and growth of Export oriented industries particularly those relating to the non-oil sector of the economy.

Amongst the objectives of establishing the zone are to:

- Attract local and foreign investors
- Ensure maximum utilization of the abundant raw materials available in the state.
- Encourage diversification of the state's and Nigeria's revenue base.
- Provide opportunities for employment.

Benefits of investing in the Export Processing Zone

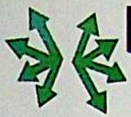
Investors who establish export-oriented industries in the Zone enjoy certain advantages and incentives apart from location advantages such as proximity to International Airport, hence to major foreign markets. Investors have also the following incentives:

- Exemption from Federal, State and Local Government taxes. Rates and custom duties.
- No Import or Export licenses required for raw materials and finished goods respectively.
- Rent free land during construction of factory buildings.
- Repatriation of capital and profit permitted to foreign investors.
- Sale of up to 25% of production in the domestic market permitted.
- Provision of infrastructural facilities such as Warehousing, Electricity, Water, Sanitation, Built-up factories, Catering, Transportation etc.
- 100% foreign ownership allowed.

Investment Procedure Within Kano Export Processing Zone: A company or a group of individuals wishing to establish in the zone uses the prescribed form of the EPZ to apply for setting up an activity in the zone.

The application form shall be accompanied by a feasibility study of the Industry/Industries to be established showing description of project, market survey,





Kano Export Processing Zone



funding proposal and financial projection. On submission of the application form;

- The Authority shall notify the applicant in writing its decision of approval or otherwise.
- An approved applicant shall then
- Apply for company registration

If outright purchase of built up factory space is made, the investor pays

- 10% of the cost within 3 months.
- 30% payment of rent at the end of the 5th year
- 30% payment of rent at the end of the 10th year.

Lease of service plots attracts a down payment of 40% on completion of factory building and subsequent payment of 30% at the end of the 5th year and 30% at the end of the 10th year.

Other Procedures

Building plan shall be submitted for approval and contracts should be completed within a period of one year extendable by another 6 months. On completion of the factory building, investors shall perform the following:

- Remittance of investment capital through banks in the zone. The bank will then issue the investor with certificate of capital incorporation.
- As soon as the factory building is ready, the investor could install machineries, employ factory workers and commence production.
- An investor wishing to sell 25% of total production in the domestic market shall notify the authority for necessary documentations and payment of application fees.

TYPES OF INDUSTRIES PERMITTED IN THE EXPORT PROCESSING ZONE

- Biscuits and Confectionary
- Chemical Products.
- Communication materials and Equipments
- Cosmetics.
- Educational Materials and Equipments
- Electrical and Electric Products
- Handcrafts



Kano Export Processing Zone



- Leather crafts
- Leather products
- Food Processing
- Metal Products
- Machineries
- Medical kits and instruments
- Optical instrument and Appliances
- Paper materials
- Pharmaceutical Products
- Plastic Products
- Petroleum Products
- Rubber Products
- Printed Materials, Office Equipments
- Sport Equipment
- Textile Products.
- Wood Products
- Any industry not shown above can be considered on its own merit.

LIST OF EXPORTABLE ITEMS/PRODUCTS FROM KANO STATE

Agro-Allied

1. Groundnuts:
 - a. Shelled
 - b. Unshelled
 - c. Hand Picked
2. Cotton:
 - a. Cotton lint
 - b. Cotton Seeds.
 - c. Seed Cotton
3. Shea Nuts
4. Cashew-Nuts
5. Cowpeas (Beans)
6. Soya-Beans
7. Ginger
8. Beniseeds
9. Gum Arabic



Kano Export Processing Zone



10. Vegetable Oil
11. Fruits and Vegetables
 - a. Fresh Mangoes
 - b. Fresh Tomatoes
 - c. Fresh Lettuce
 - d. Paw-Paw
 - e. Fresh Melons
 - f. Fresh Carrots
12. Onions
13. Red Pepper
14. Capsicums
 - a. Chilly
 - b. Red Chilly
15. Hide and Skin (Unprocessed)
Semi-processed skin, wet blue.
16. Natural Honey
17. Leather and leather Products.
 - a. Bags
 - b. Shoes
 - c. Leather Carpets
18. Cigarettes
19. Animal Feeds.
 - a. Groundnut Cake
 - b. Cottonseeds Cake
20. Hand-woven Materials
 - a. Woven Cloth
 - b. Pottery etc.
21. Handcrafts
 - a. Carpets
 - b. Rough Carpets
 - c. Decorated Calabash
 - d. Horn Curvings.
 - e. Leather Crafts

Manufactured Products

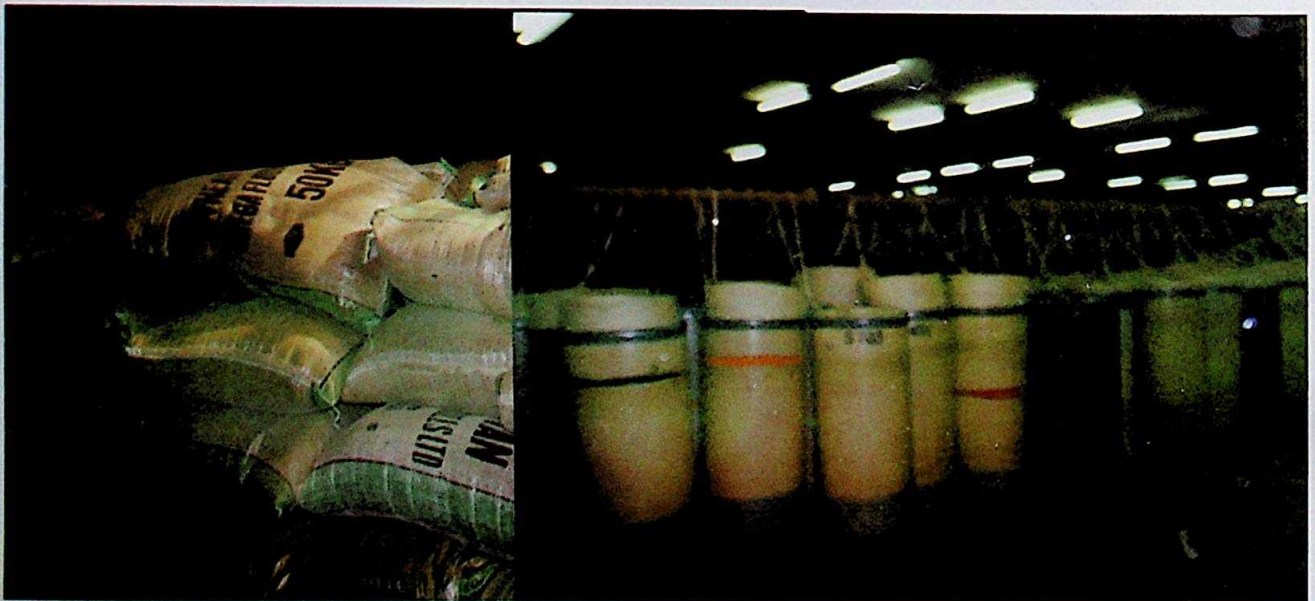
1. Asbestos



Kano Export Processing Zone



2. Textile Materials
 - a. African Print
 - b. Guinea Brocade
 - c. Singlet and Pants
 - d. Blanket
 - e. Children wear and underwear
3. Ceramic Products
4. Plastic Products
5. Aluminum Products
6. Mattresses and Foam
7. Carpet & Rugs
8. Towels
9. Candles & Matches
10. Burnt Bricks
11. Furniture
12. Insecticide
13. Leather & foot wear
14. Nails
15. Soap and Detergents
16. Wire Products
 - a. Barbed Wire
 - b. Fencing Wire.
 - c. Wire Netting
17. Fiber (Praying) Mats
18. Confectionaries.



Solid Minerals



Kano State is endowed with bountiful solid mineral resources some of which are in commercial quantities that can be exploited and utilized for industrial purpose and as a means of earning foreign exchange.

A comprehensive geological survey of some parts of the state was initiated by the State Government in conjunction with experts with a view to ascertaining the availability and commercial quantities of solid minerals existing in the State.

The Riruwai mining area in Doguwa Local Government has large deposits of columbite, granite, copper, zinc, lead and uranium.

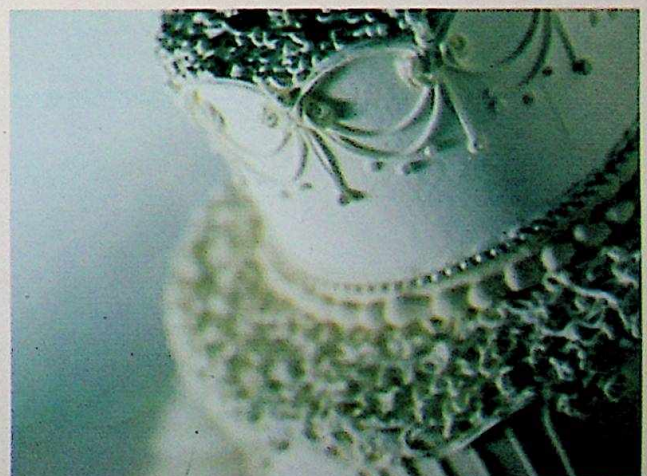
The following techniques were employed in the survey:

- Satellite imagery (Landstat, Solar and air photo interpretation for regional geology and structural mapping).
- Field mapping of target areas.
- Sampling of rocks and soil for mineral prospects by grab/channel sampling techniques of surface outcrops of primary mineralization.
- Photographic and mineralogical analysis.
- Geochemical analysis for major and trace elements was carried out by the Activation Laboratories Ltd, Lancaster Ontario, Canada.
- Physical and Chemical analysis of Kaolin samples

The surveyed areas were categorized into five axes:

1. Sitti-Rimi-Kibiya-Rano axis
2. Riruwai –Falgore axis
3. Karaye-Gwarzo-Shanono axis
4. Kano-Bichi-Tsanyawa axis
5. Bebeji-Kafin-Maiyaki-Tudun-Wada axis.

There are evidences of Gold, Quartz, Kaolin, and Mica in Sumaila, Karaye and Shanono Local Government areas. There are also vast deposits of Silica sand in Makoda Local Government certified to be one of the finest in the world for glass making.





Solid Minerals

The survey covered parts of the following Local Government Areas:

1. Bichi
2. Bebeji
3. Dala
4. Doguwa
5. Dambatta
6. Dawakin-Tofa
7. Garko
8. Gwarzo
9. Karaye
10. Kibiya
11. Shanono
12. Sumaila
13. Nasarawa
14. Gwale
15. Tarauni
16. Rano
17. Kiru
18. Tudun-Wada
19. Tsanyawa
20. Ungogo

Conclusion Of The Survey

1. Sitti-Rimi-Kibiya-Rano Axis

There is huge deposit of granite, and laterite traces of gold which could be further ascertained from the Rimi-Kamfani old gold mine.

2. Riruwai – Falgore Axis

There is huge mineral deposit of economic importance, comparable to similar well known base metal deposits in the world. There are huge deposits of Niobium, Uranium, Tin, Silver, Lead, Zinc, Copper, and Lithium.

Five million tons of mineral ore reserves containing Tin and Zinc have been identified in the Riruwai area by the Gold and Base Metal Ltd. and the Nigerian Mining Corporation. Proven huge potential for Niobium and Uranium estimated at over 200 million tons of rock containing over 0.5 million tons of Uranium exist in the Kaffo granite of Rirurai. Of considerable economic importance are Lead, Zinc, Copper and Melybedimum deposits at Zarara hills. While the Niobium-Uranium resources in the Kaffo granite had been established to be worth over 1 billion Pounds in 1952

3. Karaye – Gwarzo – Shanono – Tsanyawa Axis

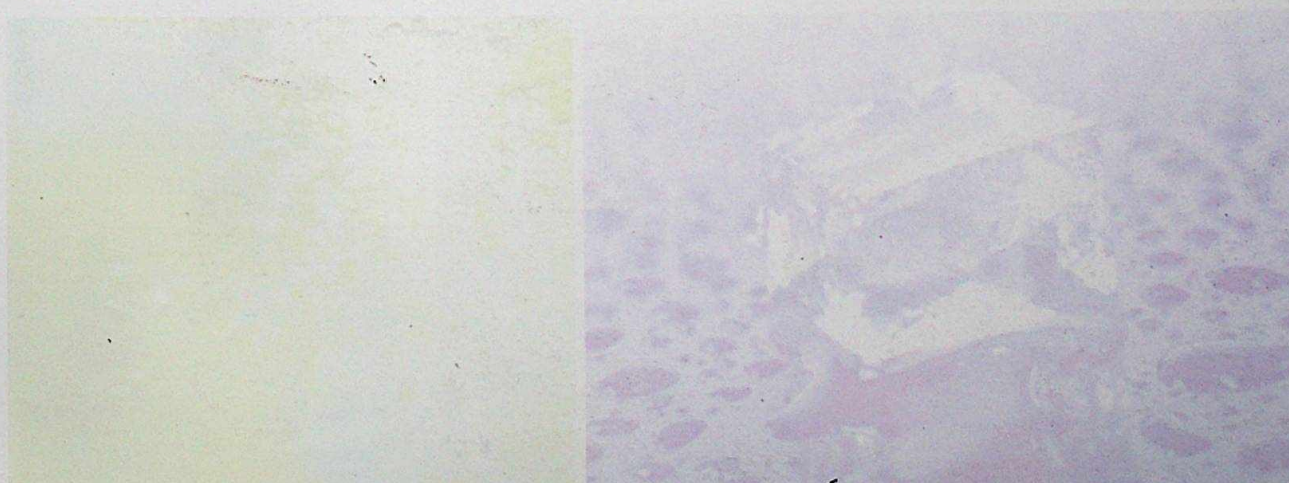
This is the Kaolin resource axis of the state. Total estimated resources of over 4 million tons of Kaolin deposit exist at Getso, Dambakoshi and Tsanyawa. Feldspar deposits exist at Karaye worth over 5 million tons and they have great economic potential.

4. Kano – D/Tofa – Bichi – Dambatta Axis

There are reserves of 3 million tons of high quality glass sand. There was a discovery of rare earth elements of the lanthanide sub-group near Rimin Kebe of Kano metropolis which has the average grade of 0.4% rare earth element deposit. This is probably the first reported occurrence of economic grade rare earth element in Nigeria. There are also evidences of this element around Dawanau.

5. Bebeji – Kafin Maiyaki – T/Wada Axis

Further exploration in this axis revealed occurrence of tantalite, columbite and tin in economic quantities.



The Major Markets of Kano



The Kano State Ministry of Commerce, Industry and Cooperatives, has published a booklet on the major markets of Kano State and it served as a major source for this section which serves as a prelude to the main section on the new project of Kanawa Trade Center. These markets are categorized into mono and multi-product markets by the ministry. The mono product markets are Dawanau, Kara, Mariri, Kwari, Singer, Wapa, Yan Awaki, Yan Kaba, Yan Mata and Yan Lemo while most of the markets in the state are multi-product the prominent ones include Kurmi, Sabon Gari (Muhammadu Abubakar Rimi), Rimi, Sharada, Ladin Makole, Kachako, Kofar Wambai (Shaykh Nasiru Kabara) Garko, Wudil and Dambatta.

Kurmi

This is one of the legacies of Sarkin Kano Muhammadu Rumfa who established it as the central market of Kano in 1463. It flourished as a result of the Trans Saharan trade it became vibrant in the 19th century as a result of the decline of Katsina and emergence of Kano as the leading economic nerve center of the Central Sudan and the Sokoto Caliphate which was the most prosperous confederation in Tropical Africa.

All the successive regimes after Sarki Muhammadu Rumfa gave attention to this market including the colonial authorities under Fredrick Lugard. But with the establishment of Sabon Gari Market it began to loose its influence and it gradually became associated with traditional products. It has now become famous for the availability of horse paraphernalia, Islamic and Arabic books (thus attracting traders from all of West Africa), spices of different flavors, traditional leather wares, textiles and other crafts. It is also a major tourist attraction especially it's centuries-old slave shades and stalls.



Kwari

This market began to evolve in the early 1930s in the Pakistani style in form of shops at ground floor and residences at the first storey in its present location at Fagge ta Kudu. Various nationalities including Lebanese, Syrians, Yemenis, Indians and Sudanese converge to transact business and become shop and property owners in this highest premium commercial location in Kano metropolitan. The Chinese are also gradually becoming more prominent in this market where Chinese products are now dominant.

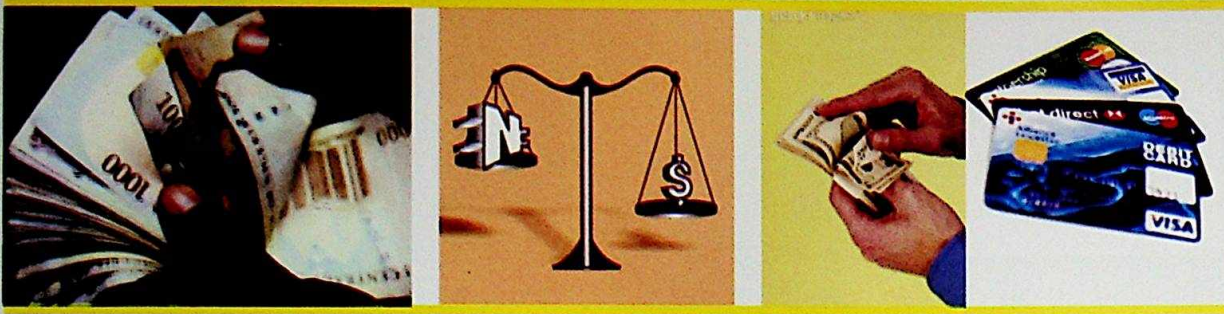
This market is reputed to be the largest textile market in the West Africa Sub region. It was the nerve center of the dealers of Nigerian textile industry when it was buoyant but now imported items are dominant. It provides direct and indirect employment to over half million people. Merchants from all over northern Nigeria and neighboring West African countries patronize this market. In recent years some traders from a neighboring northern state have settled in the market and have earned prominence in their business transactions because of their integrity and hard work.

Sabon Gari (Muhammadu Abubakar Rimi)

This multi purpose market was established by the Kano Native Authority during the colonial rule in the Sabon Gari area which was designated as an area of the non-indigenes based on the colonial policy of community segregation. The market has witnessed growth, expansion and innovations as a result of Government development initiatives in the last fifty years more especially from 1985. In order to accommodate more traders it was redesigned and some other specialties were transferred to other locations. The concept of public private developers' partnership arrangement was initiated to actualize this vision and now many traders are accommodated in the market. It was later named Muhammadu Abubakar Rimi as a limited liability company owned by the state government and the six metropolitan local government councils.

As a multi-product market it is also the leading market of the state and it signifies the cosmopolitan nature of Kano State because all ethnic groups of the Nigerian nation are represented in this market.





Singer

This market emanated from the wholesaling activities of multi-national companies located in the central business district of Niger Street, Bank and Post Office Roads. The market developed along this area in Ado Bayero Road close to the Sabon Gari Market. The traders of the market are mostly distributors of the multi-national companies dealing in household products. The companies at the initial stage were UAC divisions (GBO, AJ Seward etc), Lever Brothers, PZ, John Holt, Cadbury, W. J. Bush and Chattlas Brothers. Recently products of other companies have assumed prominence in the market they include those of Dangote Group, Procter and Gamble, Flour Mills Plc, Nasco, BUA, Gongoni and Northern Nigerian Flour Mills.

The market has acquired the reputation of producing wealthy traders who have assumed prominence as community leaders and philanthropists. It has expanded rapidly leading to traffic congestion. This led one of the previous administrations to set up committee under the chairmanship of Alhaji Aminu Ahmed Maiturare (Zannan Kano) one of the wealthy community leaders of the market to suggest ways of decongesting the area. The Shekarau Administration also instituted another committee under the chairmanship of Alhaji Kassim Musa Bichi (OON). The reports of both committees formed part of the impetus that led to the concept of the Kano Economic City Project.

Dawanau

It is located in Dawakin Tofa Local Government Area along Kano-Katsina Road. It is reputed to be the largest grains market in the West Africa Sub-region and hence it is designated as the spot market of the Abuja Securities and Commodity Exchange Market. It became a market when the traders were moved from Sabon Gari Market to decongest it as well as to reduce the occurrences of fire incidences which plagued Sabon Gari in the 1980s.

The availability of space to construct warehouses facilitated the growth of the market, which is very dependent on warehousing facility. This market is a major source of raw materials for agro-allied industries of Kano and other parts of Nigeria. Similarly merchants from neighboring West African countries, Libya and Central African countries are attracted to the market. It has become a

The **ECONOMIC** CITY Project



This center is to be located at Dangwauro. According to the design proposed by the architects it is expected to occupy 121.2 hectares of land at a stretch of 1 kilometer along each of the Kano - Zaria Road and Kano-Maiduguri Road at the Eastern by-pass round-about Naibawa Quarters. It is to have two access routes from these roads with a small stream, which transverses its Northern end. It is about eight kilometers from Silver Jubilee Square Kano.

The project components are:

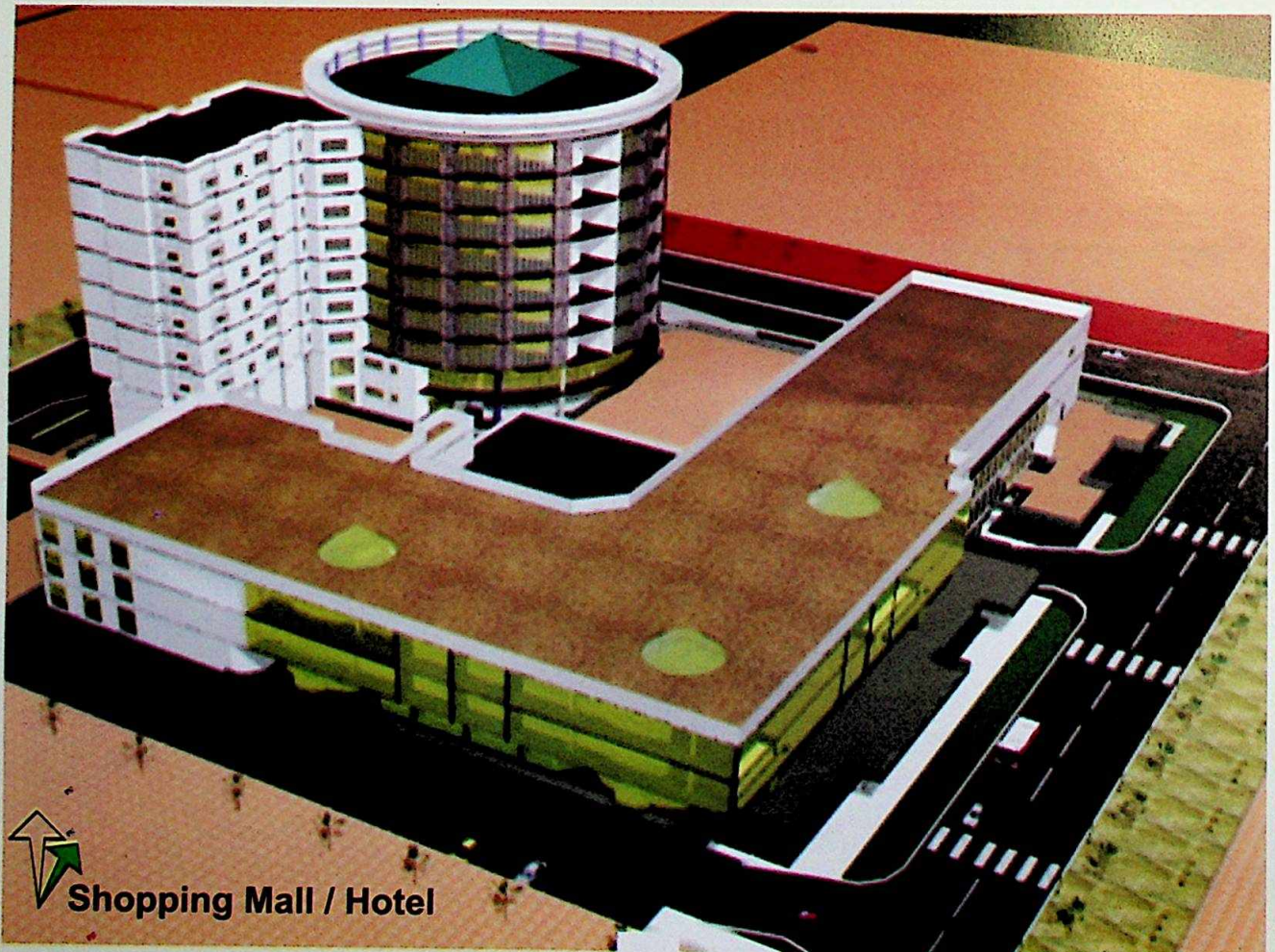
The architects considered the following while designing this center:

- Unobstructed traffic circulation pattern and effective parking control with adequate parking facilities
- Maximum possibility of interaction among market users
- Provision and full utilization of support facilities
- Efficient goods handling
- Pleasant ambience, attractive and comfortable environment
- Energy efficiency and ease of maintenance
- Design must meet minimum development standards for health, safety and environmental standards.

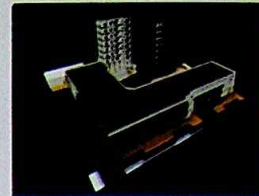


The following facilities are contained in the design proposal:

1. Administrative building
2. Lettable commercial spaces
3. Retail market
4. Ancillary services
5. Social and recreation facilities
6. Adequate infrastructure provisions
7. Shopping mall
8. Offices
9. Restaurant and coffee shops
10. Boutiques
11. Hotel
12. Conference facilities
13. Two cinema halls (allow for possible conversion to theater)
14. 5,500 units of lock-up shops
15. 3,000 units of open shops



The Economic City Project



16. Large warehouses
17. Medium warehouses
18. Small warehouses
19. Mosques
20. Clinics
21. Banks
22. Central square
23. Fire stations
24. Police station
25. Motels

This project is Public Private Sector Partnership between the Kano State Government and Integrated Development and Investment Services Limited. An agreement was signed on the 20th of October 2006 for the construction of the center on BOOT basis. In the





instrument signed by the Kano State Government which is the client and Integrated Development and Investment Services Limited which is the developer it was stated that:

The purpose of this agreement is for the developer to use its funds to develop the property by building the Public Market in accordance with the specifications and design in the Technical proposal. The Developer shall recoup its investment and reasonable profit shall be made as indicated in the financial proposal.

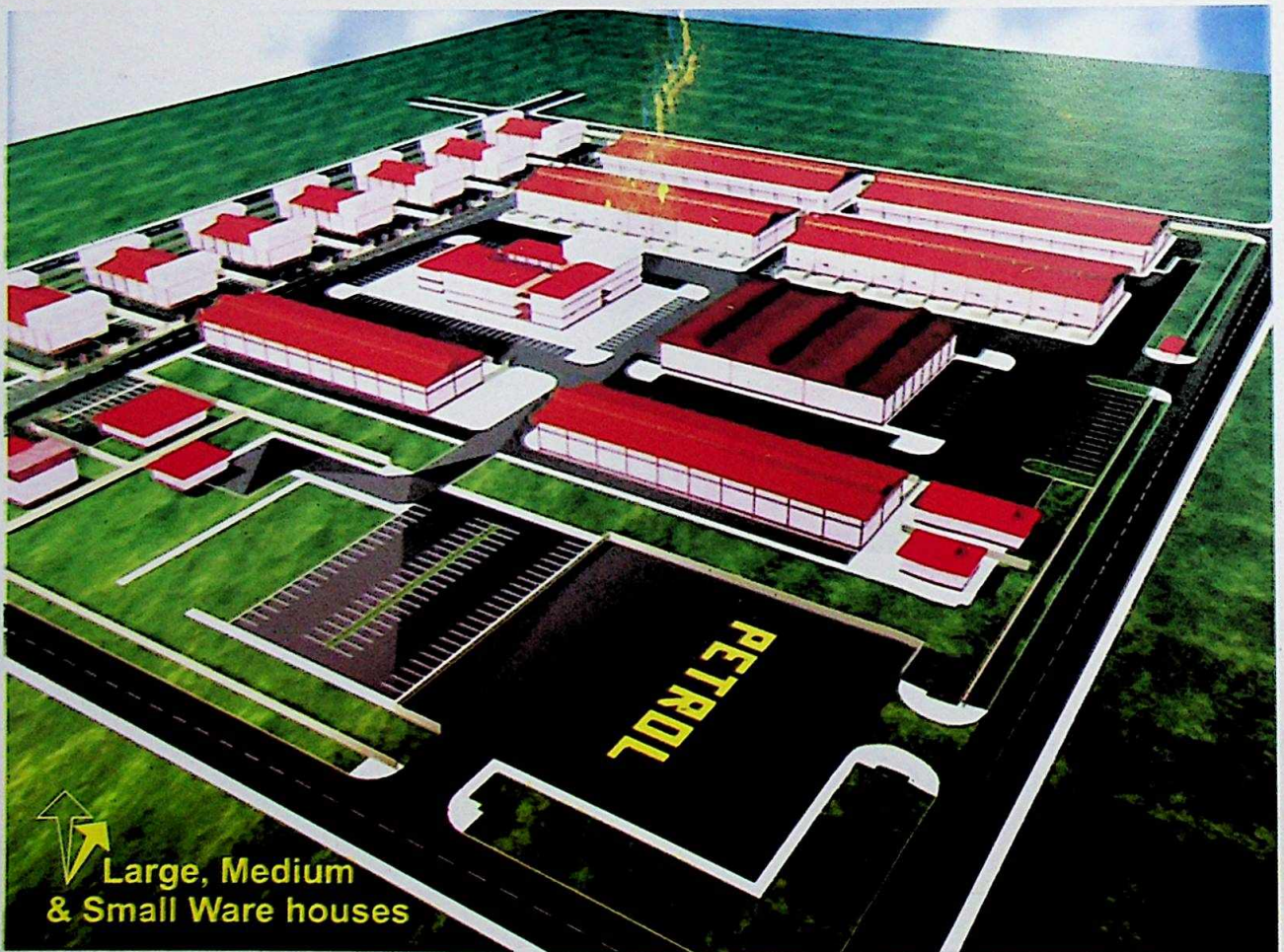
To facilitate this objective, the client has agreed with the Developer for a fix term of twenty five (25) years free of any encumbrances

Upon completion of the construction of the project the developer shall directly through its authorized agents operate and manage the Market as facility managers for the period of their interest and to ensure High Standards

The property with all the improvements and appurtenances shall the expiration of the period of reversion, which is pegged at 25 years, revert to the client and the parties shall henceforth be discharged of their obligations under this agreement.

The developer covenant with the client is as follows:

The total cost for the execution of the project including all infrastructure at the site





for the new Singer Market stands at =N=15.2 Billion (Fifteen billion two hundred million naira only)

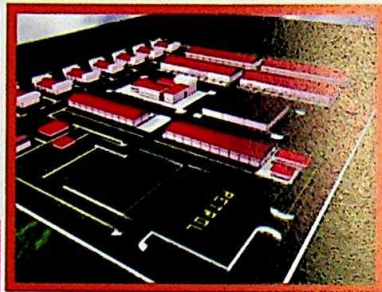
The period of the construction of the project shall be a total of 72 weeks commencing from the handover date i.e. (Commencement date)

Any adjustment of the period of construction shall accordingly be construed as an adjustment of the period of Reversion;

Shall on the commencement date take possession of the property and immediately commence the construction of the project

Shall properly landscape so as to have a healthy and user friendly environment by planting trees, shrubs, flowers and grasses such as Royal Palm, Masquerade Trees, Umbrella Trees Croton and the likes in the open spaces;

The agreement is mutual and subject to adjustments and reviews as agreed by both parties whenever the need arises.



KANAWA 
Trade CENTER:

The Kano ECONOMIC CITY PROJECT



Africa's Investment Destination

