

AKWA IBOM STATE OF NIGERIA: AN INVESTORS' HAVEN

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Preface

The plan to turn Akwa Ibom state from civil service economy into private sector industrially- driven economy, has been in the agenda of every successive government of the state. It remains the most important challenge facing every administration; yet in nineteen years of its existence as a state, nothing tangible has been done to achieve this goal. This perennial position has continued to plague the state with absolute poverty to the notice of other nations of the world.

Only recently, the indigenes of the state, both within and in Diaspora are realizing that they must all rise up to the challenge, to return the state from Civil Service State into an industrial giant.

In its contribution, Uyo Chamber of Commerce, Industry, Mine and Agriculture, popularly referred to as the “Organized private Sector” (OPS) which represents the “ Voice of Business’ decides to make its little contributions in the form of this documentary, for the industrial development of Akwa Ibom State. Other document designed for the same purpose, have been directed to the government, Bank of Industry and the Embassies etc.

It is hoped the **‘AKWA IBOM STATE OF NIGERIA: AN INVESTOR’ HAVEN’** will serve as a useful and reliable handbook of information to investors, entrepreneurs and financiers, regarding investment opportunities in the State.

This document is dedicated to Arc. (Obong) Victor Attah’s aspiration to become the next president of Nigeria in May, 2007.

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AKWA IBOM STATE: Akwa Ibom State can be located in the South Eastern part of Nigeria. It is globally found between latitudes 4°33' and 5°33' northwards and between longitudes 7°35' and 8°25' eastward. It is locally grouped into the south – south geopolitical zone in Nigeria.

It has 8,412 square kilometers of arable land for agricultural development out of the total land area of 7,245,935 square kilometers that it occupied. Akwa Ibom State has its southern boundary on the coast of the Atlantic Ocean. The climate is tropical with an average temperature of 28°C.

NATURE ENDOWMENT: 'Akwa Ibom State' which literally means 'the Almighty God's State' is christened the 'Land of Promise' and is indeed, a blessed land of fulfillment given the natural endowment in mineral resources and economic trees which abound in the state. Some of these resources include: petroleum oil, limestone, silver nitrate, gold clay, sodium chloride, coal and fine sand. Other agricultural products found in commercial and exportable quantities include rubber, oil palm, palm kernel, gmelina, cocoa, coffee, coconut and citrus fruit trees. Also vigorously cultivated are cassava, yam, maize, banana, plantain, ginger and sugarcane. The wood trees found in the State are: iroko, mahogany, apha-opepe, plerocarpus, abura, limba and mangrove trees useful for all types of furniture-making and carvings.

The Ocean waters and the riverine area provide great marine resources in fishes, shrimps, crayfish and a serene environment for tourism related enterprises.

INFRASTRUCTURAL DEVELOPMENT OF AKWA IBOM STATE:

Government, in recent years, has realized that there can be no meaningful industrial development, without the enabling infrastructural development in the basic areas like water, electricity, communication, good road network, food and recreational facilities. Consequently, the government has put in place, the following infrastructures:

ELECTRICITY SUPPLY:

The provision of Ibom Independent Power Plant (IPP) at Ikot Abasi, for the supply of 60 MW of electric power to the state, is a very important requirement for industrialization. This level of electricity power supply guarantees enough uninterrupted electricity supply for industrial use in the State. We also believe that the Federal Government's promise of an enhanced electricity supply will complement this industrial effort in the next eighteen months from now (September, 2006). The Akwa Ibom Solar energy Plant (**AKWASOL**) will also provide a choice in power usage for investors.

WATER SUPPLY:

The State Government in collaboration with African Development Bank, (ADB) has provided about 200,000 cubic metres of daily water supply in the areas slated as Industrial estates in the state, in readiness for any industrial take-off. There is no part of the state that is currently lamenting about lack of portable drinking water. This is a pass for the state government in areas of water supply.

ROAD NETWORK:

A total of 70% of both the urban and inter-city roads have been tarred and made motorable in the state. Road Construction is on-going since all roads cannot be handled at the same time. The remaining 30% which is mostly local government roads will be given attention with time. There is no part of the state that is cut-off from the rest of the state due to bad road network. This means that the problem of accessibility to farm products and industrial raw materials is history to Akwa Ibom State.

COMMUNICATION NETWORK:

With the introduction of Global System of Mobile communication in the state, communication with any part of the world can be done in a split second. All the 31 Local Government Areas (L.G.A.) have since, been linked up with the G.S.M communication network, making the state reachable anywhere in the world. The state is not left out in the modern information and communication technology (ICT). The Ibom Science Park and the Victor Attah Digital Centre, offer the requirements of the investor in terms of information and Communication Technology (ICT).

The era of going to another state to board aircraft will soon be a thing of the past. With the commissioning of the on-going International Airport project, the state is going to be linked by air for direct flight to any part of the world. This airport is of great importance when one considers the fact that Akwa Ibom State lies within Nigeria's number one Export Processing Free Zone (EPZ).

RECREATIONAL OUTFIT

The five-Star Hotel at Nwaniba, which is about forty-minutes-drive from Uyo Capital City, is designed to carry a world class 18-hole golf course, which overlays the Atlantic Ocean. The ocean water provides low tide cruising as a form of relaxation in the evenings. This serene atmosphere beckons on investors to come in, enjoy and invest in our dear State.

These facilities and more to come, make Akwa Ibom State an investors' haven, creating a lifelong regret for those who may not be opportune to be here. This is the only peaceful state in the Niger Delta region, and the second largest crude oil producer in Nigeria. These antecedents explain why many foreigners prefer to live in this state and travel daily to other states for their official, primary engagements.

AVAILABILITY OF FOODSTUFF:

The State grows a lot of yam tubers, cassava, plantain and potatoes. Vegetable and cereal crops like maize are grown all the year round. Fruits like pineapple, oranges, apples and pears are available also.

VITAL AREAS OF INVESTMENT IN AKWA IBOM STATE

Taking a look at the available natural resources that abound in the state, we shall attempt to consider those industries that can utilize these natural endowments as raw material inputs for immediate industrialization of the State.

(1) PETROLEUM OIL:

The exploration of petroleum oil and its refineries definitely go with the production of other items. It is also possible, to produce some polyvinyl chloride (PVC) and the associated items alongside Petro-chemical compounds. This can definitely bring about some downstream industries for the State.

(2) **FOUNDRY PLANT:**

Some of these products require MELTING of certain compounds and filling some MOULDS to harden them into useful end-products like plastic tables, chairs, plastics vessels and containers. There is no high caliber foundry in Akwa Ibom State and its presence, could mark the beginning of manufacturing in the State. It will also be useful in the melting of iron and moulding them into useful products.

Foundry plant will also assist in the manufacture of small machines that can recycle polythene materials such as plastic bottles for pure water and other medicinal containers. Such cottage industry can assist in the reduction of poverty in the society.

(3) **FINE SAND FOR PRODUCTION OF SODIUM SILICATE**

Fine sand is used in the glass manufacturing. It is also melted up and mixed other chemicals to produce sodium silicate which is used in the manufacturing of detergents. This investment requires very simple machines and can create employment for over four hundred persons. Beyond this level, there is the production of glass and some laboratory glass wares using proper moulds e.g. test tubes. This is one industry that a single entrepreneur can start up and make millions quietly without notice. The cost of the project is low.

(4) **ELECTRIC CABLES:**

The Aluminum Smelting Company of Nigeria (ALSCON) located at Ikot Abasi, should attract investors to think of putting of this aluminum product into electric cables of diverse sizes. This opportunity has not yet been tapped by any investor.

(5) **PAPER RE-CYCLING:**

This is one industry in which the raw-materials are readily available at the spot. With the Nigeria Newsprint Manufacturing Company at Oku Iboku in Akwa Ibom State and its large Gmelina Estate, a little cottage paper re-cycling plant can form an income spinning venture for a family. Gmelina is also useful in the manufacture of matches.

(6) **CASSAVA PRODUCTION:**

The Presidential Task Force on Cassava Production has turned most farmers into cassava production. The truth about this lavishly – funded cassava production is that it will soon flood the country with raw cassava tubers. The wise state government will plan to avert the disastrous effect of raw cassava price fall as a result of this increase production. Such a state government will step forward to take advantage of raw cassava flooding and buy them at cheap prices, then quickly acquire the necessary processing machines to process the raw cassava into exportable forms for the desired foreign currency. In other words, those states that do not have processing facilities to add value to its raw cassava products, will have no alternative, but to sell the raw tubers to those that can process them into exportable form since cassava cannot be exported in raw form. When value is added to it, the export earnings will be much higher than the price of raw cassava. The exporting states will definitely earn more than the traders on raw cassava. The export farmer will end more than the raw cassava seller. It is wise for the state to quickly acquire the processing facilities as done in Kwara State, and enhance higher income from cassava farming. It is pertinent to state that the foreign importers of cassava require very large quantity, such as cannot be found in a single state of Nigeria; hence the need for producers to

come together and raise that quantity required by importers of cassava. Another area of advantage will be the packaging of the processed cassava to meet the needs of importers. This alone can form another industry of its own. We can venture into it now.

(6) PALM OIL, PALM KERNEL/SHELVES:

Palm oil can be processed into vegetable oil for food, margarine, butter, cosmetics and medical ingredients. The shelf which is used as fire wood now, can be ground and mixed with glue to produce sole for shoe industry. There is now no sustainable industry which utilizes these raw materials from palm produce.

(7) SUGARCANE PRODUCTION

Sugarcane is a good source of ethanol for use in the form of gasoline in mechanical automobile for driving.

(8) COCOA, PINEAPPLE, GINGER, CITRUS AND COCONUT:

These farm products have been brewed into very delicious wine products for human consumption. None of these conversion industries exist in Akwa Ibom State. Given proper attention, this wine or drink industry can out-class all other popular soft drink industries in Nigeria.

(9) FOAM MATTRESS:

This industry is available in most states in Nigeria. It is classified as family cottage industries in Lagos, Ibadan and Benin, but there is none in Akwa Ibom. This means that all the foam mattresses used in Akwa Ibom is transported from other states. The vast market existing in Akwa Ibom should attract investors to move down to the state and establish the foam industry.

(10) HOUSEHOLD WASTES:

It is possible to process our household waste into wealth, by turning these wastes into farm manure for the cultivation of crops or as feeds for animal rearing. The refuse dumps littered all over our urban roads and streets can turn out to be raw materials for the much needed manure/fertilizer for farming.

(11) MARINE PRODUCTS

The extensive ocean waters bordering the state harbour a lot of marine products, like fish, crayfish, shrimps and crabs which are useful components of animal feeds. The introduction of fish trawlers can be a useful venture for an investor.

(12) COLD, SALT, LIMESTONE, COAL AND SILVER NITRATE

These are economic mineral items which are yet to be given attention in Akwa Ibom State. Any investor wanting to explore these mineral items for commercial and economic purposes will be given a red carpet reception.

(13) HIDES AND SKINS

In Isolo, Lagos State of Nigeria, there exist textile industries, though the raw material is grown outside Lagos State. In Akwa Ibom State, a lot of Hides and skins are brought in from the North and used for human consumption without nutritional value to the body. If a tannery, with only three machines, is established to turn these hides and skins into leather, it will result in shoe and leather products industry.

There is enough technical manpower in the state and chemical inputs are locally sourced from Tannin-bearing plants in Nigeria.

(14) NO STAPLING PIN FACTORY IN NIGERIA

Every office in Nigeria uses stapling machines with the accompanying STAPLING PINS in various sizes, yet very pin used in imported. This great market for a simple machine product should attract an investor to come and open a factory in Akwa Ibom State.

(15) MAIZE STARCH

Both cassava and maize can be processed into industrial starch for commercial use. It is also a component of poultry feeds etc. We can go on forever; the list is inexhaustive, on possible small and medium scale industries that can utilize the existing raw materials available in Akwa Ibom State. We believe that investors will take advantage of this great market in Akwa Ibom State and come in to invest.

For further information, please contact

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