



Okechukwu E Enelamah

# Steady improvements

Okechukwu E Enelamah, Minister of Industry, Trade and Investment, on creating an ideal business environment

## What obstacles do manufacturers face in Nigeria?

**ENELAMAH:** The biggest challenge is definitely infrastructure, in one form or another. In addition, manufacturers need more access to sustainable, affordable and reliable power – that's our first priority as a government and as a ministry. Most manufacturers determine what they buy in Nigeria and what they buy abroad, so we need to integrate the country in the global value chain. Clearly there is an important need – given the size of the population and the need for value-added production – to make sure we source more things locally. Another challenge we are working on is reducing the overall cost of doing business. Trade facilitation, both internally and externally, is important from a distribution point of view. Nigeria just signed a trade facilitation agreement with the World Trade Organisation, which is a real milestone. Each of these areas represents an opportunity to take the country higher and to fulfil our potential.

## Where have you seen the greatest success in terms of import substitution?

**ENELAMAH:** Agro-processing is the sector gaining the most from localisation in Nigeria. We are now giving the sector a level of attention that was previously neglected and including incentives to create the environment that our producers require, particularly going beyond primary production to more value-added products. For our industrialisation and localisation aspirations, we are working towards a more rigorous implementation of existing policies; among them, the Nigerian Industrial Revolution Plan. Producers need assurance that if they produce locally their products will enter the local value chain, and we have created the conditions for that. We are also working to avoid dumping as entrepreneurs that are producing high-quality products cannot compete with imports that are cheaper and of lower quality; this is particularly true in agri-business. Institutions such as the Standards Organisation of Nigeria and the National Agency for Food and Drug

Administration and Control need to focus on quality control while the government increases attractiveness in terms of tax breaks, export incentives and finance. Industrialisation will take several years but the key to its success is systematic implementation. We are making sure we establish the right conditions locally alongside creating a competitive environment. We are putting in place an industrial council to ensure these policies are continuously and systematically implemented while working symbiotically with the private sector.

## How is Nigeria handling partnership talks with the EU and other economies?

**ENELAMAH:** Our relationship with the EU is very important and strategic. The EU is trying to deal with us on a regional basis through ECOWAS, but the latter itself is not a monolith. In fact, Nigeria is the biggest economy within ECOWAS, and other economies expect leadership from us. The situation needs to be clarified and we hope to eventually reach a strategic free trade agreement based on mutual interests. We have to also consider Brexit. The UK wants to trade with the same countries that it has historical ties with, and we need to understand what impact Brexit will have on our relationship with them. Our experts are currently studying the situation, and we need to understand the impact better in order to shape enhanced outcomes.

## How has foreign direct investment in Nigeria's industrial sector evolved over the past year?

**ENELAMAH:** There is a lot of interest in Nigeria but also a series of obstacles. We want to improve the supply of foreign currency through funding programmes that will bring billions of dollars into the economy. We are working with different sources of supply including the World Bank and eurobonds. We are also reorganising and revamping the Nigerian Investment Promotion Commission. Ultimately, we are aiming to create the confidence that investors need to come to Nigeria.