

Manufacturing Africa is a regional programme that aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO).

## Newsletter – Nigeria – February 2022



### Our impact in Nigeria

**+200** Deal Pipeline

**£246** Million sought in deal value

**4400** Jobs potentially created or protected

**5** Technical Assistance projects

**9** Investment Transactions supported

### Sectors supported so far:



Recycling



E-mobility



Industrial Park Development



Renewable Energy



Health Care



Agri-processing

### Highlights of our recent work:

#### Local Manufacturing of Renewable Energy Technology

A greenfield project in the Calabar Free Trade Zone, in Cross River State is aiming to catalyse the assembly and manufacture of equipment for the renewable energy sector. The business has four components including: manufacturing, equipment repair services, channel partnership and bay leasing.

MA supported the company with a suite of Transaction Facilitation services including reviewing and improving the company's existing financial model, helped them develop a business concept note, a cost structure model, and a go-to-market strategy. MA worked collaboratively with the company on a high-level overview of strategic design choices to inform the company's future business planning.

Furthermore, MA identified credible sources of capital and facilitated introductions between the company and several investors and capital providers.



#### Quote by company representative

We appreciate MA's support because it has helped us make tremendous progress in taking what was an idea into a practical and implementable business plan. The support has given us a clear picture of the entire supply chain and the financial model necessary to make the business sustainable.



#### Powering Solar Energy in Nigeria



Nigeria's 'Energy for All: Solar Power Strategy' has been designed and developed by the Federal Government. The strategy seeks to support the almost 50% of Nigerians who have limited or no access to the national grid.

MA supported the implementation of the strategy by identifying levers required to accelerate the local assembly and manufacturing of Solar Home Systems (SHS). In collaboration with the Nigerian Rural Electrification Agency (REA), MA mapped the local SHS market landscape, developed a roadmap with actions for government to scale local manufacturing and identified specific companies and transactions that MA could support through Transaction Facilitation.

Off the back of the market landscaping, MA developed a robust pipeline. The support also helped to create linkages between a number of firms in the sector and launched transactions that MA supported through Transaction Facilitation.



## UK Smart Meter Company Targeting Nigeria Market



A UK venture-backed Internet of Things (IoT) technology company that produces smart meters for the energy sector enlisted MA support in carrying out a market assessment to determine the possibility of producing a “Made in Nigeria” meter for the on-grid market.

MA’s assessment helped the company understand the regulatory landscape for their product. As a result of the MA generated market intelligence, the company concluded that they would need to adjust their strategy to focus on supporting other critical components of electricity supply in Nigeria.



### Your questions answered

- 1. What are the required criteria for a company to qualify for MA support?** MA supports manufacturing - or manufacturing-enabling businesses - across sectors to raise international finance. MA typically works with firms seeking to raise more than \$10 million. It particularly seeks opportunities which could transform a sector or have a high social, environmental, or economic impact - be they greenfield, expansion, diversification opportunities or efforts to improve the country’s carbon footprint.
- 2. Can MA help me obtain regulatory approvals for my manufacturing activities?** MA can provide information on the set of regulatory approvals required for your sector and offer guidance on the necessary steps to obtain the approvals.
- 3. Does FCDO provide funding?** Not to firms directly. Instead FCDO funds the MA programme – which provides Transaction Facilitation that helps firms seek funding. It also provides Technical Assistance to help enhance the investment environment.
- 4. Will MA speak to investors on my behalf?** MA will help identify a suitable set of investors that you/your company can engage.
- 5. How does MA collaborate with development partners?** MA partners with a range of organisations including development finance institutions whom we provide deal support in the form of neutral investment advisory services, valuation, market assessment etc. We also partner with other social development organisations to ensure that the businesses we support integrate social impact considerations such as ethics, environmental stewardship, gender and social inclusion into their business operations.



## MA Nigeria in the News

### UK Supports E-Mobility Start Up in Nigeria

- <https://theeagleonline.com.ng/uk-supports-nigerian-startup-to-assemble-electric-vehicles/>
- <https://www.youtube.com/watch?v=-nlj0AYxPIU>

### Obaseki Assures of Sustained Devt, Favourable Policies to Attract Investors in Edo State

- <https://thisnigeria.com/obaseki-assures-of-sustained-devt-favourable-policies-to-attract-investors/>

Manufacturing Africa (MA) is the UK government’s flagship manufacturing programme for Africa. MA aims to drive inclusive economic transformation by supporting investors and investees in the manufacturing sector and engaging stakeholders to help address challenges that are unique to industry.

MA is designed to be a one-stop shop providing transaction facilitation (TF) services to investors, manufacturing businesses and technical assistance (TA) to government agencies, investment promotion agencies and other public institutions to attract anchor investments.

In Nigeria, MA works with important stakeholders in the manufacturing ecosystem including development finance institutions, donor organisations, multilateral agencies, federal government agencies, investment promotion agencies, chambers of commerce, business associations as well as a host of manufacturing firms.

We are excited about the tremendous collaboration we have had with companies in Nigeria so far and invite more investors and manufacturing businesses interested in working in Nigeria to reach out to us for support.

We look forward to working with you to achieve economic transformation in Nigeria!

**Are you a Nigerian manufacturing company seeking access to capital or are you an investor looking for new investment opportunities in the manufacturing sector in Nigeria?**

**For more information on how we can support please reach out to:**

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**Visit our website:** [www.manufacturingafrica.org](http://www.manufacturingafrica.org)

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