



**ONDO STATE**

**EXPORT STRATEGY AND GUIDELINES  
(ODES&G)**

**DECEMBER, 2023**

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## **Annexes**

### **FORWARD**

Ondo State was created on February 3, 1976. Located in the lush of the tropical and mangrove regions of the South Western Nigeria, between longitude 4°30' and 6° East of the Greenwich Meridian, 5°45' and 15° North Equator, the state bordered by Ekiti/Kogi State, Edo State, Oyo/Ogun State and the Atlantic Ocean north, east, west and south respectively. The state occupies a land area of 14,788.723 square kilometres with an estimated population of 475,286 as at 2023. Ondo State experiences tropical wet and dry or savannah climates, with the wet season spanning a period of eight (8) months (March-October) and the dry season lasting for four months (January, February, November and December). Rainforest climate, characterized by distinct wet and dry seasons.

Ondo State is abundantly endowed with natural resources such as vegetation, land and aquatic organisms and mineral resources of high economic importance. Of a potential blessing to the state is its coastline being the longest in Nigeria, covering about 180 kilometres. Ondo State is predominantly an agrarian state, although with springing waves of industrialization. Its largest population that was initially engaged in subsistent farming have switched and scaled up crop and animal husbandry for commercial purpose. Among the crops cultivated in the state are cocoa rice, yams, maize, cassava, oil palm, kola-nut, cashew, plantain and tomatoes. The abundant crude oil, natural gas, bitumen, kaolin, granite amongst others, makes the state a great export potential.

The current global technological and economic dynamics that are compelling gradual reduction in the demands for crude oil, such as alternative energy sources, have become a pointer to the need for economic diversification, as well as harnessing the vast untapped natural and mineral resources for manufacturing and exportation. It is about time to begin to reduce our age old overdependence on crude oil and look into other sectors of the economy that will enable our state stand tall with economic viability and stability in the country. It is on this premise that the development of comprehensive Export Strategy and Guidelines calls for urgent attention.

Ondo state, as one of the sub-nationals with pragmatic approach, stands ready to seize emerging opportunities which include the Ondo Sea Port, the rein figuration of agricultural opportunities, driven by the National Cocoa Development Plan, the maturation of the export finances ecosystem and bold reforms within the power sector, to strategically reposition the economy of the state through export promotion.

**HE, Lucky Orimisan Aiyedatiwa**

Ondo State Governor

## **EXECUTIVE SUMMARY**

Against the contest of globalization in a world without borders, Ondo State Export Strategy and guidelines is a strategic policy document aimed at promoting export of the non-oil products in the state, ondo state as a small emerging economy wishes to embrace global trade with a mix of supreme confidence in its non-oil products and services,

The position been postulated is that the state must pursue a path of a 'high value niche producer', to be demonstrated over the ten years of the strategy in the intricately producing, top of the line, well-packaged and unique cocoa, palm oil, ethanol, food, fashion, as well as in the professional services.

The document highlights key sectors such as agriculture, agro-processing, aquaculture, and mining. Ondo State, rich in natural resources, faces challenges in agricultural exports due to infrastructure limitations. The comparative advantage product is cocoa, with historical legacy and plans for increased production.

Challenges like climate change affecting cocoa production are acknowledged, and strategies for rehabilitation, youth involvement, and technology adoption are proposed.

Mineral resources and petrochemicals contribute to the state's economy, while tourism, despite efforts, has minimal impact on export earnings.

The Ondo Deep Sea Port is seen as a catalyst for industrialization and export expansion. The SWOT analysis identifies strengths, weaknesses, opportunities, and threats. Human capital development, innovation, and technology are emphasized under the sectoral analysis. The document outlines a ten-year roadmap with pillars such as export sectors, finance, sourcing, value addition, infrastructure, and institutional frameworks. The plan's implementation strategy spans three phases: Quick Wins, Sustained Growth, and Long-Term Development. Monitoring and evaluation include a dashboard for continuous tracking, annual reviews, and mid-term evaluations.

## **Section 1: INTRODUCTION**

### **BACKGROUND**

Generally, countries all over the world have viewed the promotion of export as a panacea to economic growth, Increased exports, ranks among the highest priorities of any government in both developed and developing countries. Consequently, the Nigeria government, in appreciation of the role export now play in nation's development, motivate a firms to be involved in export. This is done through various agencies and policies, such as Nigeria Export Promotion Council (NEPC). The policies are design to address the challenges of exportation and encourage the export sector, with a view to diversifying the productive base and export earnings of the country.

In July 2016, the Federal Government of Nigeria set up the Presidential Enabling Business Environment Council (PEBEC),to remove bureaucratic constraints to doing business in Nigeria, and make the country a progressively easier place to start and grow business, including export.

Meanwhile, Ondo state extensive raw material based, which includes huge mineral deposits, rich forest resources and favourable climatic and ecological conditions, that could supports large scale crop production, as well as a large low-cost, well-educated labour pool creates enormous investment potential in the state, for a proactive investor. It is on this premise, that the state export strategy and guidelines (ODSE&G) is developed to expand market for local producers, create jobs for the population, encourage exports and promote local companies.

At the core of the ODSE&G are key guiding principles: transitioning from traditional agriculture to dynamic agribusiness, promoting equitable access to resources and means of production, implementing a value-chain approach to develop crop, livestock, and fish/aquaculture subsectors, fostering private sector investment, exploring the vast potential of both local and international markets. Our investment in agriculture aims at achieving self-sufficiency in production, significantly contribute to domestic food output, and position. Ondo state as a net exporter of vital agricultural products. The OndoDeep

Seaport and its associated infrastructure will create an enabling environment for Nigerian industrialist and MSEMES to thrive within the continent, serving as a springboard to the global level. The ODES&G is, therefore, targeted at:

- i. Improving the state's business climate to become one of the most competitive and foremost exporting states in Nigeria.
- ii. Making Ondo State the highest earner of revenue through exports, in Nigeria.

## **Acknowledgements**

The State Export Strategy and Guidelines was developed under the leadership of the Honorable Commissioner for Commerce Industry and Cooperative Services with technical assistance from the National Export Promotion Council (NEPC), Ondo State office and funded by the State Government.

The Strategy development and implementation is being managed jointly by the Ministry of Commerce, Industry and Cooperative Services and National Export Promotion Council. The Strategy fits under the "The State Action on Business Enabling Reform Program (SABER).

The development of the State Export Strategy has been a one-year process involving public and private sector entities; some of which are members of the State Export Committee. The committee comprises of representatives of the public and private sectors, charged with the promotion of exports while acting in an advisory capacity to the Government and private sector stakeholders.

The Council comprises representatives of the following public and private sector entities which are critical members of the trade support network and wider export community:



## **Public Sector**

Ministry of Commerce and  
Cooperative Services  
Ministry of Agriculture and Forestry  
Ministry of Information  
Ministry of Women Affairs and Social  
Development  
Nigeria Custom Services (NCS)  
Ondo State Agricultural Commodities  
Association  
Scientific Research Council  
Ministry of Finance  
Nigeria Shippers Council (NSC)  
Ondo State Development and  
Investment Promotion  
Agency(ONDIPA)  
Small and Medium Enterprises  
Development Agency of Nigeria  
(SMEDAN)  
Bank of Industry (BOI)  
Central Bank of Nigeria (CBN)  
Bank of Agriculture (BOA)  
Nigeria Export and Import Bank  
(NEXIM)  
Federal Ministry of Industry, Trade  
and Investment (FMITI)  
Standard Organization of Nigeria  
(SON)  
National Agency for Food and Drug  
Administration Control (NAFDAC)  
Nigeria Export Promotion  
Council(NEPC)

## **Private Sector**

Nation Youth Council of Nigeria (NYCN)  
National Association of Small Scale Industries (NASSI)  
Ondo State Chambers of Commerce, Mines and  
Agriculture (ONDCCIMA)  
Ondo State Consumer Protection Committee(CPC)  
Ondo State Exporters Association (Export Cluster)  
Manufacturer Association of Nigeria (MAN)  
Ondo State Agriculture Commodity  
Association (OSACA)

The specific sector strategies emerged from the work of dedicated teams for each of the priority sectors(MDAS) *which met for numerous consultations. The MDAS are stated below.*

Ondo State Export Cluster Association

Ondo State Micro Credit Agency

Nigeria Export Promotion Council

Ondo State Ministry of Commerce, Industry and Cooperatives Services

Ondo State Ministry of Agriculture

Ondo State Ministry of Environment

Federal Ministry of Trade and Investment

Ministry of Mines and Mineral Resources

Ondo State Ministry of Rural Development

Nigeria Shippers Council

Ondo State Entrepreneurship Development Agency

Nigeria Custom Service

Small and Medium Enterprises Development Agency of Nigeria

Agricultural Development Agency

Ondo State Ministry of Transportation

Ondo State Internal Revenue Services

Ondo State Agribusiness Empowerment Centre

Ondo State Ministry of Information

Ondo State Ministry of Works and Infrastructure

Performance and Project Monitoring Units

Central Bank of Nigeria

The strategy was validated at a stakeholder's workshop held on the 11<sup>th</sup> of December, 2023 at DEJAVU Hotel, Alagbaka, Akure. The meeting had in attendance one hundred and fifty (150) Stakeholders, comprising individuals from firms and organisations in the public and private sector:

### **Public Sector**

Ondo State Export Association (Export Cluster)

National Export Promotion Council (NEPC)

Ondo State Micro Credit Agency (OSMA)

Consumer Protection Council (CPC)

Ondo State Ministry of Agriculture (Produce)

Ondo State Ministry of Agriculture (Forestry)  
Ondo State Ministry of Environment  
Federal Ministry of Industry, Trade and Investment  
Ondo State Ministry of Energy and Mineral Resources  
Nigeria Shippers Council (NSC)  
Small and Medium Enterprise Development Agency of Nigeria (SMEDAN)  
Ondo State Agricultural Development Program (ADP)  
Ondo State Ministry of Transport  
Ondo State Agribusiness Empowerment Centre(OSAEC)  
Ondo State Inland Revenue Services (ODIRS)  
Ondo State Ministry of Information  
Ondo State Ministry of Works and Infrastructure  
Performance and Project Monitoring Implementation Unit (PPIMU)  
Ondo State Development Entrepreneurship Agency (ONDEA)  
Central Bank of Nigeria (CBN)  
Bank of Industry (BOI)  
Ondo State Chambers of Commerce, Industry Mines and Agriculture (OSCCIMA)  
National Export-Import Bank (NEXIM)  
Ondo State Development and investment Promotion Agency (ONDIPA)  
Ondo State Technology Incubation Centre  
Standard Organization of Nigeria (SON)  
National Agency for Food and Drug Administration Control (NAFDAC)  
Nigeria Custom Services (NCS)  
Bank of Agriculture (BOA)  
National Youth Council of Nigeria (NYCN)  
Ministry of Women Affairs and Social  
Development  
Chairmen of Local Government Council Areas  
Chairmen of Local Council Development Areas  
Directors of Local Government Administration

### **Private Sector**

Nigeria Association of Small Scale Industrialist (NASSI)

Nigeria Association of Small Medium Enterprises (NASME)  
Ondo State Agriculture Commodity Association (OSACA)  
Ondo State Artisan Group

The State Export Strategy has received the endorsement and support of the following key private sector entities:

- Ondo State Chamber of Commerce Mines and Agriculture (ONDCCIMA)
- Manufacturers' Association
- National Association of Small Scale Industry
- Ondo State Exporters Association(Export Cluster)
- Nigeria Association of Small Medium Enterprises (NASME)
- Ondo State Artisan Group
- Ondo State Agriculture Commodity Association (OSACA)
- 

### **Why the State Export Strategy and Guidelines**

The vision of the State Export Strategy is to make Ondo state the foremost sustainable industrial hub in the emerging markets across the globe, and the mission is to create enabling business environment and sustainable export strategy through carefully crafted strategies and guidelines.

The Ondo Export Strategy, whilst not a panacea, proposes actions and responses to perennial economic challenges, and lays out a coherent road-map to grow and sustain exports that create wealth and engender real economic development.

The success of the strategy requires broad stakeholder collaboration that will inform policy formulation by the Ministry of Commerce, Industry and Cooperative Services, which in turn supports high levels of performance by our exporters, buttressed by a highly facilitative trade support network.

As a point of emphasis, the vision reinforces creativity, innovation and quality as central to the formidable goals of the Ondo Export Strategy. It posits the creation of quality of jobs, economic development and the sustainable use of resources as key deliverables in the ten years of the Strategy by:-

- contributing to overall GDP growth of the State
- Increasing the export sector’s contribution to overall employment generation, thereby improving the livelihoods of marginalised groups
- achieving greater diversification of the economy through higher value addition in all priority sectors;
- Increase in the current value of non-oil products, exports of goods by 2030 through increased volumes and higher value addition;
- Increase in the contribution of services exports as a percentage of overall exports with particular emphasis on developing professional services and creative industries export sectors;
  - Increasing penetration in existing markets and accessing new and emerging markets;
- Maintaining a ‘competitiveness mindset’ at all levels to ensure the reliability and sustainability of the sector.

## **Objective**

The main thrust of the export strategy is to accelerate the pace of exportation of the state non-oil products, by making the trade sub-sector the main source of growth for the state’s economy.

Presently, the GDP of Ondo State is about \$8.5billion, while the GDP per capita is \$1,717 with a growth rate of 17%. It is envisaged that if the export strategy is well implemented, the state’s GDP could rise to \$40billion in year 2030. The elements of this objective are highlighted below:

- i. efficient distribution and deployment of the human, mineral, water, agricultural and forest resources in the state.
- ii. value addition through enhanced production process, forward backward linkages.
- iii. capacity building, the quality of the human capital will be enhanced through the promotion of relevant capacity building programs.
- iv. development of entrepreneurial culture. Through entrepreneurship development programs held in the state, indigenous as well as external SMEs will be nurtured in entrepreneurship skills development programs.
- v. enabling environment. Government shall endeavour to provide the requisite enabling environment to encourage the private sector to take the lead in industrial activities.
- vi. renewable energy. Harnessing the state's mineral deposits, the development of sustainable renewable energy technologies will be encouraged in the state.
- vii. promoting comparative advantage. Ondo state's comparative advantages will be unleashed to promote the establishment of new small, medium and large-scale enterprises especially in key areas where it has comparative advantage.
- viii. export of manufactured goods: government will facilitate private sector's access to schemes for economic diversification

### **Developing the State Export Strategy-the Process**

In a highly collaborative and multi-sectoral way, the ODES&G seeks to galvanise all stakeholders - public and private - to agree on a set of common objectives, backed by coordinated actions to develop the non-oil products in the State for export promotion are utilised optimally; and that the actions executed are not only short-term, but also long-term, i.e. a balance is struck between commercial and developmental actions.

Traditionally, nations have pursued export competitiveness by focusing on issues relating to trade policy, such as securing market access, negotiating

preferential treatment through trade treaties and protocols, and protecting local industries. The ODES&G suggests a broadening of the focus to embrace a development paradigm given the imperatives of globalisation, where the ultimate objective is to improve conditions under which enterprises do business, thereby contributing to economic and social development.

Ondo State Export Strategy and Guidelines is benchmarked on the Nation Export Strategy of the Nigeria Export Promotion Council which has been our technical partner in this initiative. It consider, therefore, the following four perspectives that are captured by the State Export Strategy, which seeks to include all stakeholders in a vibrant and highly successful Ondo Export sector:

- the Development Perspective “An achieved vision of how all stakeholders, including taxpayers, politicians, government ministries, labour unions, NGOs and the donor community perceive that the strategy meets their needs”
- the Competitiveness Perspective “An achieved vision of how business associations, advocacy groups, potential foreign buyers and investors perceive that the strategy meets their needs.”
- the Client Perspective “An achieved vision of how current, potential and aspiring exporters, and other key enterprises and players in the value chain perceive that the strategy meets their needs.”
- the Institutional Perspective an achieved vision of how each member of the national trade support network perceives its relevance, in terms of how the strategy consolidates/reinforces its position, by facilitating its work and enhancing its capacities and competence.”
- the Competitiveness and Development perspectives are further defined as the functional gears in the strategy development, and are illustrated below:



**Supply-side issues refer to:**

- Capacity development
- Capacity diversification
- Skills and entrepreneurship development



**Business Environment issues refer to:**

- Infrastructure
- Trade facilitation
- Cost of doing business



**Demand-Side issues refer to:**

- Market access
- In-market support
- National promotion

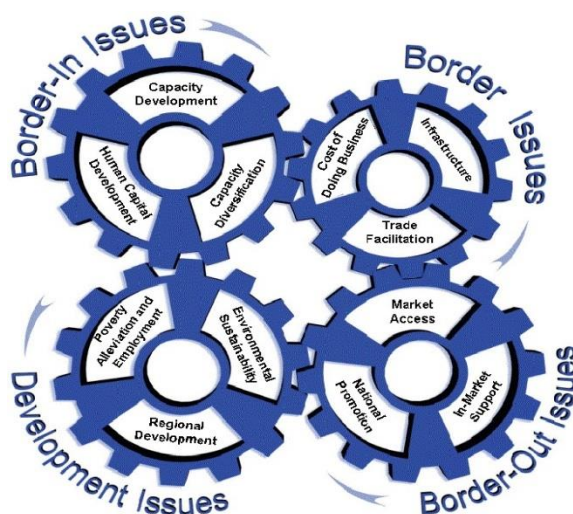


**Development Issues refer to:**

- Poverty alleviation and employment
- Regional development
- Environmental sustainability
- Gender equality



<b>The Four Functional Gears of the Strategy</b>
The three competitiveness gears of the strategy must reinforce each other, while powering the development gear. <b>Result:</b>
<b>A combined competitiveness-development</b>
<b>Focus</b>



### Policy Thrust

The Ondo State Export Strategy (ODSES) Plan is not just a blueprint; it's a transformative vision for Ondo State's economy, and it's an opportunity for savvy investors to be part of something big. This visionary initiative is set to reshape the landscape, making Ondo State a hub of sustainable, inclusive, and prosperous growth.

- i. **Targeted & Intentional** – The policy thrust places emphasis on playing to the areas of strength of Ondo State, in particular, identifying priority sectors through which it can potentially generate up to US\$2 billion annually by 2030, in line with the 10-year NCDP for its flagship product, Cocoa. It strategically identifies target markets for Ondo’s priority products and offers guidance on resource allocation for export.

- ii. **Production-Driven** – The policy outlines a pathway to significantly escalate production across agriculture, manufacturing, solid minerals, and the downstream petroleum sector. Sustainable increases in real sector output are essential for export, as only produced goods can be exported. The Zero Oil plan, i.e strategy for boosting foreign exchange through the non-oil sector delineates specific mechanisms to drive sustainable increases in real sector output.
- iii. **Outcome-Oriented** – The policy sets definitive, measurable goals and targets.
- iv. Integrated the policy incorporates lessons from previous policy initiatives in export-led economies. Successful coordination between government ministries, departments, and agencies (MDAs) and private sector is pivotal for success, as demonstrated by other countries. The policy is also congruent with existing economic plan of the country, and is said to:
  - a. **Unlocking the Potential of Agribusiness:** Agriculture stands out as a sector with significant potential for widespread economic benefits. A robust agricultural strategy for Ondo State aims to:
    - Introduce novel farming methods and technology and advance the various cash crop value chains.
    - Secure farmers' financial stability and boost revenue for both the state and its citizens
    - Establish a land bank devoted to agricultural pursuits and the creation of agribusiness estates
    - Build infrastructure within these estates to attract young entrepreneurs.
    - Develop a comprehensive land-use plan for the state.
    - Facilitate the growth of a robust agricultural value chain.
  - b. **Strengthening Trade Balance, Bolstering Currency:** Key sectors like agriculture, manufacturing, solid minerals, and oil and gas derivatives will experience rapid output growth. The plan sets ambitious output targets for these sectors over the next 10 years – a remarkable investment opportunity. The ODSE&G Plan is therefore poised to significantly boost foreign exchange earnings, fortifying Ondo State's

- trade balance and lend further stability to the Naira. This economic resilience will in-still further confidence in investors, creating a win-win scenario.
- c. **Bolstering Public Finances:** Expanding output in the real sector will ignite economic activity and solidify the government's fiscal position. This, in turn, means increased investments in public services and infrastructure – a prime opportunity for investors looking to participate in infrastructure development projects.
  - d. **Job Creation, Skill Development, and Quality of Life:** With a ripple effect of job opportunities and skill development, the plan will elevate the quality of life for Ondo State's residents. Export-led employment is the gateway to wage growth and an overall improved standard of living. This will improve purchasing power needed for industrial sector investments to thrive.
  - e. **Strategic International Trade Hub:** The ODS&ES Plan will strategically reposition Ondo State as a trade and logistics hub in regional and international markets, opening up exciting possibilities for investors to tap into expanded market access for locally produced goods.
  - f. **Enhanced Competitiveness:** By addressing critical factors like power, freight, and shipping constraints, the ODS&ES Plan aims to reduce operating costs within the real sector. This is essential for Ondo State to compete effectively on a global scale, offering investors the chance to benefit from globally competitive prices.
  - g. **Economic Inclusivity:** The plan promotes economic integration among industries and supports micro, small, and medium enterprises (MSMEs). This inclusivity ensures that growth is broad-based, fostering an environment conducive to investment.
  - h. **Attracting Investments:** The ODS&ES Plan is set to catalyze both domestic and foreign investments in Ondo State. This translates into support for output growth and opportunities for modernizing the state's economy. Investment options are abundant across the export value chain.

Prioritisation is driven by a market rather than a production orientation. The selection is confirmed by other programmes and studies that have also

recognised these groups. It should be pointed out that whilst all manufacturing sub-sectors have not been captured in the grid, it was the considered view of the strategy work groups that the priority issues pertaining to the Manufacturing sector were effectively articulated and addressed in the cross-sector strategies, and as such, a separate strategy would not be developed.

It should be noted that while the strategy addresses a specific number of priority sectors at this stage, it is expected that other sectors will be incorporated as the Strategy implementation process evolves.

### **Features of the State Export Strategy**

A Public-Private Sector Partnership (PPP)

The design of the Export Strategy required the participation of the traditional export partners and strategy makers in government, but the critical inputs came from the private sector. The strategy development was therefore a strong PPP collaboration, where the private sector provided most of the content through consultations in which the relevant public entities also cooperated.

### **The Trade Support Network**

The agencies involved included those institutions that drive and influence policy, as well as the service providers. Under implementation, agencies will therefore already be aware of the opportunities and constraints, while the process would have engaged all the players in the full scope of export development, facilitation and promotion activities. As in some countries with successful export strategies such as the USA and some developing countries like Romania and the Philippines, where the legally constituted entity with primary leadership is established to execute the strategy, Ondo also seeks to set up a similar model with sustainable structures and processes.

### **Value Chain and Value Options**

The State export performance highlighted the need to diversify our exports towards higher value products based primarily on further processing. The growing trade deficit pointed to the need to reduce imports, which may be achieved through greater domestic linkages. For these and other reasons, the

approach of developing value chains for each sector and assessing these against five value options was employed.

For each of the priority sectors, detailed sector strategies were designed using value chain analysis, which identified options to:

- acquire value by improving efficiency within the State component of the value chain (and thereby enhancing the sector’s competitiveness), such as group sourcing to reduce the cost or eliminating an intermediary.
- retain greater value by reducing leakage from the State portion of the value chain, for example sourcing locally what is now imported.
- add value by developing new product lines and/or extending the State component of the value chain, such as new beverage products.

## Sector Prioritisation

The State Export Strategy may also be described as **targeted or focused**. The client perspective of strategy design encourages the focus on specific sectors, rather than trying to address all export sectors. Arising from a prioritisation exercise, which engaged several stakeholder groups, the following sector prioritisation grid was developed:-

<b>Sectors</b>	<b>Development impact (e.g. Employment)</b>	<b>Value addition &amp; export potential</b>	<b>Overall Fit</b>	<b>Goal</b>
Agriculture	H	H	H	
Agro-processing (Food & Beverages)	H	H	H	
Aquaculture	M	H	M	
Coffee	M	H	H	

Education	M	M	H
Entertainment (Inc. Dance, Drama, Film, Music)	H	H	H
Fashion, Jewellery and Accessories	M	H	M
Information, Communications Technology (ICT)	H	H	H
Manufacturing	H	M	H
Mining	M	M	H

**Key: H- high, M- Medium, L – low**

## **SECTION 2: OVERVIEW OF THE STATE ECONOMY**

### **The State Economy Profile**

Ondo State, located in the south-western region of Nigeria, is endowed with a plethora of natural resources, including agricultural produce, mineral resources, and petrochemicals, among others. It is also home to a variety of services, including tourism.

### **Agricultural Exports:**

Ondo State is the largest producer of cocoa in Nigeria, accounting for over 40% of the country's total cocoa output. Other significant agricultural products include oil palm, rubber, cashew, and citrus fruits. The government of Ondo State has been making efforts to boost agricultural production by providing support to farmers, including access to credit, improved seedlings, and training on modern farming techniques.

Despite these efforts, the export volume and value of agricultural produce from Ondo State have faced challenges due to various factors such as inadequate infrastructure, lack of access to international markets and standard assurance issues. For instance, in 2018, the Cocoa Association of Nigeria reported that only about 287,000 metric tons of cocoa were exported, with Ondo State contributing a significant portion of this volume.

### **Produce Sub-sector:**

Activities in the Produce sub-sector of the Ministry are multi-faceted and diverse in scope. A section of Produce Services department is primarily concerned with the inspection, passing and grading of scheduled farm Produce for quality purpose and attendant revenue generation while another is pre-occupied with the monitoring of all border posts (otherwise called Produce control posts) to regulate the movement of Produce in and out of the State, Presently, a greater percentage of scheduled Farm Produce sourced within Ondo State are either evacuated to registered Bonded Warehouses within the State for direct shipment through the Port city of Lagos or to the Processing factories (also in Ondo State) for value addition. This development has necessitated the need to put adequate measures in place to ensure that the premises are not contaminated with ungraded, adulterated, sub-standard or perhaps stolen Produce.

The control and preservation of quality of Produce in storage is the exclusive preserve of the Pest Control section while the training of officers of the

department on the evolving trends in Produce technology is being handled by Produce Training School, located at Oka, in Ondo West local government area of Ondo State.

Other sections of the Produce sub-sector of the Ministry carry out other services like registration of produce stores, warehouses, bonded warehouses (dry ports), and processing factories. Lastly, the supervision of re-bagging of Produce in warehouses, training of government officials and Produce merchants, advisory services to stakeholders, among others are effectively discharged.

Applicable Produce" in the Produce Sub-sector

The Produce and Allied matters Law of 2006 in Ondo State (First schedule section 1 page 47) listed ten "applicable farm produce", six of which had attracted huge local and foreign direct investments in the State. These agricultural commodities include:

- Cocoa beans
- Coffee
- Cashew nuts
- Palm oil
- Palm Kernel nuts (PKN)
- Rubber (Dry Rubber Content (DRC)
- Kola nuts
- Cotton Lint
- Cotton seed
- Castor seed.

### **Mineral Resources:**

Ondo State is rich in mineral resources, including limestone, granite, and kaolin. The government has been making efforts to attract investment into the mining sector by creating a conducive environment for investors. However, the mining sector in Ondo State is still underdeveloped, and its contribution to the state's export earnings is minimal. The lack of adequate infrastructure such as: transportation and power, regulatory challenges, and the informal nature of the mining sector are some of the reasons for this situation.



**Petrochemicals:**

Ondo State has significant deposits of natural gas that can generate commercial volumes of fertilizer and methanol. Ondo State also has vast reserves of bitumen, which is used in the production of asphalt for road construction. The Federal Ministry of Mines and Steel Development has been responsible for the exploration and concessioning of bitumen in the state. However, the production and export of bitumen from Ondo State have been hampered by lack of investment, environmental concerns, and regulatory challenges.

**Tourism:**

Tourism is an important sector in Ondo State, with attractions such as the Idanre Hills and Owo Museum. The government has been making efforts to promote tourism by improving infrastructure and marketing the state as a tourist destination. However, the contribution of tourism to the state's export earnings is minimal, as most of the tourists are domestic.

**Ondo Deep Sea Port:**

A Gateway to Industrialization and Export Expansion.

The recently approved Ondo Deep Sea Port stands as a pivotal catalyst for industrialization and export expansion within Ondo State. This monumental infrastructure project promises to revolutionize trade by establishing a direct and efficient link to global markets, facilitating the direct and seamless flow of goods and raw materials and attracting foreign direct investment to stimulate local manufacturing.

**THE STATE COMPARATIVE ADVANTAGE PRODUCT**

**Cocoa:** Cocoa holds a venerable legacy in Ondo State's history, making it a logical priority for strategic growth. The state has the natural advantage of climate and soil that is conducive to cocoa cultivation. Furthermore, the global demand for high-quality cocoa remains elevated due to its applications in the confectionery and beverage industries. By focusing on cocoa, Ondo State capitalizes on its existing strengths to not only boost its exports but also re-establish itself as a premium cocoa producer, commanding higher prices and contributing to the state's revenue.

**Cocoa (Theobroma cacao):** This is one of the areas where the state have comparative advantage, Global cocoa bean supply has not kept up with the steadily growing demand for cocoa products. In the last five years, an Average of 80,000 (eighty thousand) metric tonnes was graded in Ondo State. Given the average price of cocoa at one and a half million naira per tonne, it means an average of 120 billion naira was being injected into the State economy per annum in the last five years. This is different from what the government earned in the form of grading tariffs.

The Cocoa Revolution Agenda of the State is aimed at distributing millions of improved cocoa varieties at no cost to cocoa farmers on yearly basis. Consequently, a target of 150,000 Metric Tonnes was proposed as cocoa output in 2028 and 200,000 Metric tonnes by 2033.

### **Declining Cocoa Production**

The National Coordinator for the Global Environment Facility Programme of the United Nations Development Programme, Mrs Ibronke Olabamise, identified Climate Change as a major threat to Agricultural development. According to her, increased temperature, erratic rainfall patterns and prolonged drought had been counter-productive in recent years. She stressed that climate change is as a result of distortions carried out on the balance of natural resources.

In Ondo State, identified factors that have been attributed to declining cocoa production include ageing cocoa trees, decreasing areas under cultivation (construction of buildings), incidence of pest, diseases and burning, poor management practices, farmers' socio-economic characteristics (such as age, education, size, etc), parasite pressure, lack, high cost of chemicals, lack of access to low interest credit facilities and so on.

A combination of measures as listed below must be strategically followed to reactivate production. Such measures, among others, are:

- i. Rehabilitation technique: this is a situation where unproductive cocoa plantation can be made productive by extending the economic life of the trees. Research has shown that cocoa production reached its pick period between 15-26 years and that production will thereafter decline gradually. Rehabilitation in this case can be achieved through coppicing and outright replanting:

- ii. Youth involvement in cocoa production through establishment of Government owned cocoa plantation settlement with moderate infrastructural facilities to discourage rural-urban migration;
- iii. Subsidizing the high cost of inputs such as hybrid cocoa seedlings, chemicals (fungicides, insecticides and pesticides) and fertilizers Improved Access to low interest loan facility to encourage and guarantee survival of new entrants and existing cocoa farmers;
- iv. Mitigating the effect of climate change through the adoption of appropriate and sustainable agricultural and forestry practices; and
- v. Adoption of technological innovations in increasing output of cocoa per hectare. While we talk about a yield of less than half metric ton per hectare of cacao plantation in Nigeria, Ecuador can boast of over two metric tonnes per hectare.

**The Quality Issue:**

Cocoa beans of high quality originated from beans that are well fermented, thoroughly dried (7-7.5%MC) and free from adulterants such as sievings, flat beans, cocoa related matters, foreign matters and contaminants. It is pertinent to note that cocoa bean quality is made up of several components such as flavour volatiles, nutritional composition, polyphenolic content and fermentative quality. Perhaps the most essential is the flavour volatile of the beans as this affects cocoa bean acceptability both in local and international markets.

The wide gap between inadequate supply and growing demand makes cocoa one of the most desirable agricultural commodities in the world. Increased production and productivity of cocoa with emphasis on good quality beans is synonymous with a sustainable economic growth and a perfect substitute to oil driven mono-economy. Across the cocoa value chain there is ample employment.

**Oil palm:** oil palm is another strategic priority due to its versatile applications into food processing, cosmetics, and biodiesel production. Ondo state's vast oil palm plantations position it as a potential major contributor to Nigeria's palm oil production. By prioritizing oil palm, the state can cater to the growing domestic and international demand for sustainable and ethically sourced palm

oil. Additionally, value addition initiative like refining and processing can amplify the state's revenue and foster job creation.

**Cassava:** Cassava stands out as a strategic choice due to its multi-faceted applications into food, feed, and industrial sectors. Ondo State has a strong base of cassava farmers, which can be leveraged to enhance production. Moreover, cassava's potential for value addition into starch, flour, and derivatives aligns with global trends towards healthier and more sustainable food products. By prioritizing cassava, Ondo State can address food security concerns, create jobs, and establish itself as a reliable supplier of processed cassava products.

Projected Production and Revenue Growth of the comparative advantage product.

**Cocoa:** Leveraging the seven pillars of the export strategy, Ondo State aims to enhance cocoa production through improved cultivation practices, farmer training, and the adoption of quality standards. With targeted interventions, it is projected that cocoa production will increase by 20% over the next 10 years. This growth, coupled with premium quality, is anticipated to boost cocoa export revenues by 25% annually.

**Oil Palm:** Ondo State's commitment to value addition and sustainable practices is expected to result in a 15% growth in oil palm production over the next decade. By refining and processing palm oil locally, the state aims to capture higher margins and contribute to the growth of the industrial sector. This initiative is projected to lead to a 30% annual increase in oil palm export revenues. The big challenge of the oil palm sector is the quality, especially the higher than 5% FFA. This makes it difficult for the food and beverage sector to use Nigerian palm oil from ondo state.

**Cassava:** Focusing on value addition, technology adoption, and market development, Ondo State aims to achieve a 25% increase in cassava production over the next 10 years. The diversification of cassava products, including starch, flour, and derivatives, is projected to drive export revenues by 20% annually.

**Graded Figures of Major Farm Produce in Ondo State between 2013 And 2022  
(Ten-Year Period)**

S/N	YEAR	COCOA BEANS (MT)	PALM KERNEL NUT (MT)	RUBBER LUMPS (MT)	CASHEW NUT (MT)
1	2013	76,880	14,818	5,266	569
2	2014	67,764	16,478	6,186	357
3		74,822	19,578	8,075	1,201
4	2016	79,929	17,691	7,124	1,486
5	2017	77,717	14,072	7,556	1,871
6	2018	79,420	13,643	5,515	1,732
7	2019	69,524	11,889	7,307	1,694
8	2015	83,782	17,145	5,672	1,855
9	2021	84,936	16,443	6,397	2,065
10	2022	78,643	23,772	7,432	2,292
	<b>AVERAGE</b>	<b>77,342</b>	<b>16,553</b>	<b>6,653</b>	<b>1,512</b>

**CASH CROPS**

S/N	PRODUCE	AREA OF PRODUCTION	CURRENT LEVEL OF PRODUCTION (MT PER AMOUNT)	PRODUCTION POTENTIAL (ESTIMATED PER ANNUM)	INVESTMENT OPPORTUNITIES	PROCESSED PRODUCTS THROUGH VALUE ADDITION
1	Cocoa Beans	16 LGAs	85,000	150,000	<ul style="list-style-type: none"> <li>- Establishment of cocoa plantation</li> <li>- Production of raw beans for sale</li> <li>- Rehabilitation of old cocoa plantations</li> <li>- Establishment of cocoa processing factories for value addition and job creation</li> <li>- Setting up of Analysis Laboratories for quality</li> </ul>	<ul style="list-style-type: none"> <li>Cocoa beans</li> <li>Chocolate</li> <li>Cocoa butter</li> <li>Cocoa cake</li> <li>Cocoa powder</li> <li>Cocoa liquor</li> <li>Soap</li> </ul>
2	Palm Kernel	18 LGAs	17,000	50,000	<ul style="list-style-type: none"> <li>- Establishment of Oil palm plantations</li> <li>- Rehabilitation of old plantation</li> </ul>	<ul style="list-style-type: none"> <li>Palm kernel oil</li> <li>Palm kernel cake</li> <li>Butter, soap/</li> </ul>

					<ul style="list-style-type: none"> <li>- Setting up of palm kernel cracking plants</li> <li>- Establishment of palm kernel crushing and refining factories</li> <li>- Establishment of soap making factories</li> </ul>	<ul style="list-style-type: none"> <li>detergent</li> <li>Candle wax</li> <li>Fiber for brush and foot</li> </ul>
3	Palm Oil	18LGAs	180,000	120,000	<ul style="list-style-type: none"> <li>- Establishment of Oil palm plantations</li> <li>- Rehabilitation of oil palm plantations</li> <li>- Setting up of palm oil extracting plants</li> <li>- Establishment of palm oil refinery factories</li> <li>- Establishment of soap making factories</li> <li>- Establishment of brush and mat making factories</li> </ul>	<ul style="list-style-type: none"> <li>Palm oil, butter, soap/detergent</li> <li>candle wax, fiber for brush and foot</li> </ul>

### SWOT ANALYSIS

Strength	Weakness	Opportunities	Threat
<ul style="list-style-type: none"> <li>• Vast Energy Resources</li> <li>• Abundant fertile land.</li> <li>• Strategic location.</li> <li>• Large domestic market.</li> <li>• Affordable workforce.</li> <li>• Diaspora Community.</li> <li>• Proximity to Manufacturi</li> </ul>	<ul style="list-style-type: none"> <li>• Low compliance to Quality Standards.</li> <li>• Infrastructural Deficit.</li> <li>• Low export aggregation.</li> <li>• Relatively Low output of Real Sector.</li> <li>• Low export financing.</li> <li>• Poor export Market Intelligence/capability.</li> <li>• Low labour</li> </ul>	<ul style="list-style-type: none"> <li>• Global value chain.</li> <li>• Transition to Africa.</li> <li>• Significant comparative advantage sectors.</li> <li>• New opportunities in value added</li> </ul>	<ul style="list-style-type: none"> <li>• Global market protectionism/ Recession.</li> <li>• Overdependence on primary commodities.</li> <li>• Foreign Exchange volatility.</li> <li>• Climate Change.</li> <li>• Global Market Competition.</li> <li>• Regulatory barriers to Eo</li> </ul>

<p>ng base.</p> <ul style="list-style-type: none"> <li>Competitive Advantage in Services?</li> </ul>	<p>productivity and relativity.</p> <ul style="list-style-type: none"> <li>Lack of skill set to match current and emerging needs.</li> </ul>	<p>products.</p> <ul style="list-style-type: none"> <li>4trillion USD AfCFTA market.</li> <li>National Cocoa Development Plan.</li> <li>Eurozone 2025.</li> <li>Sustainable Cocoa legislation</li> </ul>	<p>DB.</p> <ul style="list-style-type: none"> <li>Work-force attitude/culture.</li> <li>High crime rate increasing cost of doing business.</li> <li>Difficulty in meeting regulatory requirements.</li> <li>Traceability and certification.</li> </ul>
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### PRIORITY SECTOR STRATEGIES

Agriculture stands out as a sector with significant potential for widespread economic benefits. A robust agricultural strategy for Ondo State aims to:

- i. Introduce novel farming methods and technology and advance the various cash crop value chains.
- ii. Secure farmers' financial stability and boost revenue for both the state and its citizens.
- iii. Establish a land bank devoted to agricultural pursuits and the creation of agribusiness estates.
- iv. Build infrastructure within these estates to attract young entrepreneurs.
- v. Develop a comprehensive land-use plan for the state.
- vi. Facilitate the growth of a robust agricultural value chain

**Strengthening Trade Balance, Bolstering Currency:** Key sectors like agriculture, manufacturing, solid minerals, and oil and gas derivatives will experience rapid output growth. The plan sets ambitious output targets for these sectors over the next 10 years. The ODES&G Plan is therefore poised to significantly boost foreign exchange earnings, fortifying Ondo State's trade balance and lend further stability

to the Naira. This economic resilience will instil further confidence in investors, creating a win-win scenario.

**Bolstering Public Finances:** Expanding output in the real sector will ignite economic activity and solidify the government's fiscal position. This, in turn, means increased investments in public services and infrastructure – a prime opportunity for investors looking to participate in infrastructure development projects.

**Job Creation, Skill Development, and Quality of Life:** With a ripple effect of job opportunities and skill development, the plan will elevate the quality of life for Ondo State's residents. Export-led employment is the gateway to wage growth and an overall improved standard of living. This will improve purchasing power needed for industrial sector investments to thrive.

**Strategic International Trade Hub:** The ODES&G Plan will strategically reposition Ondo State as a trade and logistics hub in regional and international markets, opening up exciting possibilities for investors to tap into expanded market access for locally produced goods.

**Enhanced Competitiveness:** By addressing critical factors like power, freight, and shipping constraints, the ODES&G Plan aims to reduce operating costs within the real sector. This is essential for Ondo State to compete effectively on a global scale, offering investors the chance to benefit from globally competitive prices.

**Economic Inclusivity:** The plan promotes economic integration among industries and supports micro, small, and medium enterprises (MSMEs). This inclusivity ensures that growth is broad-based, fostering an environment conducive to investment.

**Attracting Investments:** The ODES Plan is set to catalyse both domestic and foreign investments in Ondo State. This translates into support for output growth and opportunities for modernizing the state's economy. Investment options are abundant across the export value chain, encompassing processing plants, agricultural ventures, and associated infrastructure.



### **Institutional Mechanism and Activities - Key Drivers and Enablers for Non-Oil Export Growth in Ondo State.**

This section provides valuable insights into the multifaceted drivers and enablers that inform this strategy as tailwinds to propel Ondo State towards a future of export-led growth and diversification. From ambitious infrastructure ventures to cutting-edge technologies and progressive policies, Ondo State strategically leverages a spectrum of factors to drive its export-oriented agenda, setting the course for sustained economic prosperity.

### **The New Nigeria Electricity Act - Empowering Industries and Enhancing Competitiveness**

The enactment of the New Nigeria Electricity Act plays a pivotal role in enabling Ondo State's strategic growth in non-oil exports. The State has established its State Electricity Generation and Transmission institutions to ensure a stable power supply, providing industries with the critical energy resources needed to enhance productivity and foster innovation.

### **The New 10-year Nigeria Cocoa Development Plan (2023-2032) and the Ondo State Cocorev program**

The NCDP reflects the national dedication to revitalizing a historically significant export commodity for which Ondo is the natural leader. The Cocoa Council was set up by the current administration to improve the synergy and administration of the sector for the success of the Cocorev agenda to boost sustainable value-added production, processing and marketing of quality products from the cocoa value-chain. This will also optimize an inclusive farm gate prosperity, as the global market presses on the Fair trade agenda in the sector.

### **The Nigeria Agricultural Transformation Agenda - Diversification and Export Enhancement**

Ondo State's alignment with the national Agricultural Transformation Agenda of the new administration reinforces its commitment to diversifying the agricultural sector and propelling non-oil exports. The agenda canters on crop diversification, agro-processing, value addition, and technology-driven agricultural practices. By enhancing productivity, sustainability, and efficiency, the state contributes not only to export-oriented development but also to food security, rural development, and poverty reduction. It shall manifest in policies and capital

expenditure to promote the development of a vast array of agricultural value chains in the State.

### **African Continental Free Trade Agreement (AFCFTA) - Seizing Regional and Global Opportunities**

Ondo State is pursuing active participation in the African Continental Free Trade Agreement (AFCFTA) Guided Trade Initiative (GTI) as it repositions as a key player in regional and global trade space. This landmark agreement aims to create a single market within Africa, fostering economic integration, reducing trade barriers, and facilitating market access. Ondo State's strategic location, port project and emerging Domestic Export Warehouses for its diverse exportable products will provide leverage to harness the immense potential of the African market.

### **Technological Enablers, AI and Block chain Revolutionizing - Non-Oil Exports**

Ondo State's embrace of cutting-edge technologies, such as Artificial Intelligence (AI) and block chain for its cocoa value chain underscores its commitment to innovation and competitiveness. AI-powered solutions offer real-time insights into market trends, consumer preferences, and demand fluctuations. This data-driven approach empowers exporters to make informed decisions, optimize supply chains, and tailor their products to meet evolving market demands. Block chain technology, renowned for its transparency and security, has the potential to revolutionize the non-oil export sector, ensuring traceability, authenticity, and accountability across the export value chains. The State Information Technology Agency is equipped to develop the e-governance backbone for contactless services and capacity building. Please visit [www.ondo.gov.ng](http://www.ondo.gov.ng) for more information.

### **Global Sustainability Measures**

Ondo State is forward-thinking in its approach promoting climate resilient and sustainable business practices which is demonstrated in its policies that border on eco-friendly practices, minimizing waste, and adhering to international environmental standards. Sustainability is no longer a niche concept; it is a pivotal driver of consumer preferences and market access.

**New Trade and Investment Policies: Navigating the Path to Export Success.** Ondo State's strategic approach to trade and investment policies creates an enabling

environment for non-oil export growth. By streamlining regulations, reducing bureaucratic hurdles, and offering incentives to exporters and investors, the state fosters an atmosphere conducive to business expansion. This trade and investment policy framework instils confidence among stakeholders, stimulates innovation, and attracts both local and foreign investments, thereby strengthening the export ecosystem.

By harnessing the potential of the newly approved Ondo Deep Sea Port, leveraging the benefits of the New Nigeria Electricity Act, embracing the opportunities presented by the Nigeria Cocoa Development Plan, and aligning with the Nigeria Agricultural Transformation Agenda, Ondo State sets the stage for exponential non-oil export growth. The state's participation in the AFCFTA further amplifies its market reach and potential, while technological enablers like AI and block chain enhance its competitiveness and credibility.

## **LIMITATIONS (PESTLE ANALYSIS)**

A PESTEL analysis for Ondo State with respect to export value chains will cover the Political, Economic, Social, Technological, Environmental, and Legal factors that impact the region.

**Political:** Geopolitical Uncertainties: The global geopolitical landscape is uncertain, with an increased incidence of protectionist policies, economic sanctions, and trade barriers which pose a significant threat to Ondo State's export ambitions.

**Economic:** Foreign Exchange Volatility: The volatility of the Nigerian Naira is a significant concern for exporters in Ondo State. A more stable and predictable exchange rate regime is required to boost exporter confidence.

Competition from Emerging Markets: Other emerging markets, such as Vietnam, Bangladesh, cote'dvour and Ghana, pose a significant threat to Ondo State's export ambitions. • Export Financing: High finance costs, short funding durations, and low appetite (and understanding) for export finance hinder the growth of the export sector in Ondo State.

**Social:** Lack of Export Market Intelligence: Many exporters struggle with basic areas such as sourcing products cheaply, finding credible off takers, packaging goods for exports, and meeting foreign requirements.

**Environmental:** Climate Change: Climate change poses a significant threat to the agriculture sector, the backbone of Ondo State's non-oil exports.

**Legal:** Compliance with Quality and Standards: Meeting the quality and standards which are presented as Sanitary and Phytosanitary Measures in the Internal Trade parlance remains a challenge for Ondo State exporters. Enhanced coordination between public and private sectors is necessary to strengthen this area.

**Regulatory Barriers:** Inadequate infrastructure and regulatory barriers in Nigeria are significant obstacles to the growth of the export sector in Ondo State.

## **EXPORT SUPPORT AND CAPACITY BUILDINGPROGRAMMES**

Export support programmes in the economic dynamics of the nation falls within the purview of the Nigeria Export Promotion Council (NEPC). The offers numerous export support programmes throughout the country for Nigerian exporters. These are intervention programmes aiming to enhance product quality (focused on specific sectors). These programmes through capacity building and infrastructural provision, aim to help exporters build and increase competitiveness in international markets.

Meanwhile, there are no costs attached to the export support programmes. However, there are selection procedures. To participate in any of these programmes, interested firms are to register online with their company profile. Selection is done based on the information provided. Some of the support programs are:

Establishment of Common Facility Centre (CFC). Human Capital Development Centres offers short-term skill acquisition training. It is always a well-equipped centre for small and medium enterprises (SMEs)...

Ondo State in its resolve at ensuring export programmes in the state, is therefore collaborating with NEPC through the activities of the State Export Promotion Committee (OSEP), coordinated by the State Advisor of NEPC with the Permanent

Secretary, Ministry of Commerce, Industry and Cooperative Services as the Chairman in collaboration, the following export support programs have been carried out.

- Market Intelligence: Providing in-depth analysis, market research, and insights into global market trends, opportunities, and potential export destinations.
- Advisory on State Trade Missions and Exhibitions: Supporting participation of exporters in trade delegations, exhibitions, and events to promote local products/services, establish global connections, and explore new major markets like China.
- Export Business Development Assistance: Offering training, mentorship, handholding, guidance, support, and technical resources to help businesses enhance their export readiness, to market positioning and strategic growth. Such initiatives also include assistance securing global quality certifications, supporting trade associations, expository workshops and public private partnerships for domestic export warehouses (DEWs) and common facility centres (CFCs).
- Trade Policy Advocacy for Export Strategy: Technical advisory for the State Export Strategy and proactive advocacy for favourable trade policies and representing the interests of exporters at State, National and International levels.
- Access to 360 Financing and Incentives: Facilitating access to traditional and alternative financing options, export incentives and development finance grants, to support exporters in expanding their export businesses
- Export Documentation and Procedures: Assisting with export documentation, procedures and compliance with international trade regulations, as well as providing guidance on trade barriers and standards.
- Capacity building on Digital Marketing for SMEs (B2B and B2C) : Capacity building through the Ondo State Export Cluster on leveraging affordable digital marketing and E-commerce strategies to build brand visibility and market access.

- Online Capacity Building and Training: Facilitating free access to world class online training programs to enhance the skills and capabilities of exporters, covering areas such as product development, logistics, export procedures, and market entry strategies.
- Industry Networking and Partnership Facilitation: Creating digital platforms for networking, fostering partnerships, and collaborations between exporters, industry stakeholders, and government regulatory and trade facilitation agencies.
- Youth and Gender inclusion to Export Value Chain: Providing forums for youth and women capacity building and Mentorship like the Cocoa Agripreneurs Mentorship Program in partnership with the Ondo State Cocoa Council, to foster sustainability and inclusive economic development. *(Please contact help desk on 0810 631 4535 or <https://mocic.on.gov.ng/mgt-team/>).*

### Export Incentives

As an exporter you can benefit from certain export incentives in Ondo state. These are tax or legal provisions designed to encourage you to export certain goods and services. Our incentives are provided to help exporters in keeping their products competitive in the global markets. There are several export incentives established by Ondo State Board of Internal Revenue (ODIRS). Table of the incentives is presented below:

S \ N	NAME OF INCENTIVE MEASURES	LEGAL REFERENCE INSTRUMENT	SECTORS	ELIGIBILITY CRITERIA	DESCRIPTION OF BENEFIT	DURATION	AWARDING AND IMPLEMENTING AGENCY	YEAR INCENTIVE WAS PRODUCED	NUMBER OF INCENTIVE RECIPIENTS IN 2023
1	One-off full waiver on	An order from	All sectors	All new businesses less	Directors of company's less than	12 months	Ondo State Internal Revenue	2017	18

	Personal Income Tax payable by the Company's Director	the Ondo state internal revenue service. See <a href="https://odirs.ng/">https://odirs.ng/</a>		than one year old.	one year in operation are granted waiver for the payment of personal income tax for one year		Service (ODIRS)		
2	Full waiver on Company and Director development levy respectively	An order from the Ondo state internal revenue service	All sectors	All new business	The company and director will be exempted from payment of development for one year	12 months	Ondo State Internal Revenue Service (ODIRS)	2020	20
3	Full waiver on land use charge payment	Ondo state land use charge act	All sectors	All New business with investment over 100 million	Land charge payment waiver is granted on all new business for one year	12 months	Ondo State Internal Revenue Service (ODIRS)	2017	50
4	Full waiver on Sign posts and advertisement	An order from the Ondo state	All sectors	New businesses less than one year	Waiver on signage and advertisement for new businesses	12 months	Ondo State Signage and advertisement Agency (OSSAA)	2018	30

	structures owned by the Business for the purpose of investment made in the State.	signage and advertisement (OSSAA )			less than a year.				
5	Full waiver on the payment of mast communication permits payable by Company/ Investor operating or owning telecommunication structure( s)	A directive from the Ondo state information technology. See <a href="https://sita.ondostate.gov.ng/">https://sita.ondostate.gov.ng/</a>	ICT	All new businesses	Waiver granted on permit payable by company/investor for all new businesses	12 months	Ondo State Information Technology Agency (SITA)	2018	10
6	Full waiver on business/trade operating fee payable by the Business.	An order from the Ondo state ministry of commerce	All sectors	All businesses	Trade Operating fee will be exempted for all new businesses.	10 months	Ministry of Commerce, Industry and Cooperative Services	2019	25



		rice. See <a href="https://commerce.ondostate.gov.ng/">https://commerce.ondostate.gov.ng/</a>							
7	Tax credit for all production and processing businesses	Legislative law from the Federal Ministry of Agriculture	Agriculture	Pioneer status	–	5 years	Federal Ministry of Agriculture	2020	35
8	Zero tax in agriculture loans and repayment	A directive from the Ministry of Agriculture	Agriculture	Pioneer status	–	18 months	Federal Government	2020	15
9	Zero import duty on machines and equipment. No capital allowance restrictions. No payment of	A directive from the federal Ministry of Agriculture	Agriculture	Pioneer status	–	12 months	Federal Ministry of Agriculture	2020	10

	minimum tax								
10	Guarantee for loans granted by commercial banks for agro-processing and production	Stated under the Agricultural Credit Guarantee Scheme Fund	Agriculture	Pioneer status	–		Federal Government	2020	20
11	Company income tax holiday	Finance act 2020	All manufacturing and producing company	Pioneer status	–	3 years	Federal Government	2020	10

*For more enquiries, please contact Ondo State Internal Revenue Service on 0810 486 4804 or <https://odirs.ng/>.*

## SECTION 3: SECTORIAL ANALYSIS – CROSS SECTOR ISSUES

### TRANSPORTATION

Transportation is a key factor to trade facilitation. Agricultural products has to be transported from farm land to destination of needs, where it could either be traded directly or receive value addition.

Existing transportation modes in the state are: road, air and water. Meanwhile, the rail transportation development is on-going.

Transportation facilities available in the state are:

- City and inter-city bus operations.
- Flying boats shuttle operations in the riverine area of the state.
- Deep Seaport is undergoing development and this will make it easier to link up to other seaports within and outside Nigeria.

### ENERGY

Energy is central to Ondo economic development. The State Ministry of Energy and Mineral Resources has embarked on the following interventions

#### Available power interventions

- 330/132/33Kv transmission sub-station on- going at Oba-Ile (By TCN)
- Provision of mini-grids within the State

#### LIST OF THE SOLAR MINI-GRIDS WITHIN THE STATE

S/N	COMMUNITY	LGA	CAPACITY (KW)	ESTIMATED CONNECTIONS	STATUS
1	Ala-Elefosan	Akure North	60KW		Completed
2	UgboNla	Okitipupa	32KW	360	Completed
3	Lomiloju	Ondo East	12.1KW	120	Completed
4	Laosho	Ondo West	45KW	800	Completed
5	Oloruntedo	Ondo West	30Kw	400	Completed
6	Orisunbare	Ondo East	40Kw	400	Completed
7	Obadore		40KW	350	Completed
8	Gbagira	Okitipupa	15KW	17	Completed

9	Odojado	Okitipupa	10Kw	100	Completed
10	Awoye	Okitipupa	15KW	100	Completed
11	Igbokoda Market		15KW		Completed
12	Fagbo	Ondo East	80KW	1,300	Completed
13	Molutehin	Okitipupa		17	Completed
14	Onipanu		46KW		Under Construction
15	Mile 9				Under Construction
16	Mile 1				Under Construction
17	Obas place (photocopy)		1.5MW		Under Construction
18	Imula				Under Construction
19	Erinjo 1 & 2		40KW		Under Construction
20	Ebisere				Under Construction
21	Istijabah				Under Construction
22	Ofosu&Araromi, Idanre		600KW		Under Construction
23	Ilugha	Ondo West		800	Under Construction
24	Epe	Ondo East		500	Under Construction
25	Iyansan	Ode Irele		437	Under Construction
26	Ago Alaye	Odigbo		1428	Pipeline
27	AraromiObu	Odigbo		5232	Pipeline
28	AgadagbaObun	Ese-Odo		1800	Pipeline
29	Arogbo	Ese-Odo		4707	Pipeline
30	Kolawole	Ondo East		700	Pipeline

From the data provided, the capacity of energy that has being injected into the power sector in the state is approximately **394.1KW**.

### INDEPENDENT POWER PROJECTS IN THE STATE

S/N	NAME OF IPP PROVIDER	LOCATION	CAPACITY	STATUS
1	ADVAD Ltd. (Alagbaka Power Company)	AlagbakaAkure	4.0 MW Starting	ISPO- Given Construction – On going
2	Lincs Power	Ondo Township	2.0 MW Starting	EIA – Done ISPO- Given Construction- Not yet started
3	RR. Reynod	Okitipupa/Igbokoda	4.0 MW Starting	EIA – Done ISPO- Given Construction-

				Not yet started
4	Spetad Global Services	Owo	1.0 MW Starting	EIA – Done ISPO- Given Construction- Not yet started

### GRADED FIGURES OF MAJOR FARM PRODUCE IN ONDO STATE BETWEEN 2013 AND 2022 (Ten year period)

S/N	YEAR	COCOA BEANS (MT)	PALM KERNEL NUT (MT)	RUBBER LUMPS (MT)	CASHEW NUT (MT)
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6	2018	79,420	13,643	5,515	1,732
7	2019	69,524	11,889	7,307	1,694
8	2020	83,782	17,145	5,672	1,855
9	2021	84,936	16,443	6,397	2,065
10	2022	78,643	23,772	7,432	2,292
	AVERAGE	77,342	16,553	6,653	1,512

Source: Produce Service Department Ondo State

### SECURITY

Ondo State is addressing Security issues through collaboration with all security formations in the State and the establishment of the South-West Regional Security Network code named AMOTEKUN with adequate funding.

### HUMAN CAPITAL FORMATION AND DEVELOPMENT

At the heart of the global competitiveness agenda is the critical matter of human capital development. This premised on the creation of a confident educated Ondo population, the construction of a world-class workforce driven by creativity and

innovation. Effort is on to ensure that the individual value inputs of workers and productivity as a basis for competitiveness and improved living standards. This is evidenced by, wage increases that bear no relationship to labour productivity. Simple behavioural adjustments that could substantially improve productivity are emphasized at the level of the individual worker and employer (punctuality, good record of attendance etc).

## **INNOVATION AND TECHNOLOGY**

Achieving increased value of exports and transforming the profile of exports to reflect greater portions of value added products will require the critical expanded capacity to diversify production and delivery of goods and services.

## **TRADE FACILITATION/ PROMOTION**

Trade facilitation involves government regulations and all public sector arrangements that affect international trade. To achieve efficiency and effectiveness all the customs and border crossing procedures that constitute barriers to trade will be identified and removed.

Ministry of Commerce, Industry and Cooperative Services with its sister's agencies, Ondo State Investment, Promotion Agency, Micro Credit Agency, Ondo State Entrepreneurship Development Agency, and the Consumer Protection Council are the state bodies for trade and investment facilitation and promotion in the state. It provides a range of services including the provision of trade information, technical assistance and export promotion (trade shows, missions).

## **BUSINESS DEVELOPMENT AND EXPORT READINESS**

Critical to the success of implementing an export strategy is the level of export competence of managers in the business community. Keeping pace with international business requirements calls for extensive and continuous investment in competency development and keeping track of demand for new services in the form of training and business counselling. A range of institutions in

the state private sector associations) offer business and export competency training in the form of short workshops. In addition to several capacity programs put together by the state through various MDAs for up skilling.

## **FINANCING**

The export sector requires among other things, an enabling business environment, which fosters and supports the establishment, survival and growth of their enterprises. This requires among other provisions financial support for modernization of the sector by way of creating an economy in which capital is equitably and competitively available for the sector. Unavailability of affordable financing has long been cited as one the major factors inhibiting the expansion of the business sector in general and the export sector specifically. According to the NES case document, 11 this has significantly and negatively impacted the rate of entrepreneurship in Jamaica and thus the export sector. Government will collaborate with financial institutions and donor agencies in addressing the financial challenge.

## **PACKAGING**

Product packaging is the art and science of creating boxes, covers, tubes, bags and other containers that are sturdy enough to protect the product inside and that are effective promotional pieces in themselves. To a very large degree, the quality of design work on the package affects how well products sell.

Packaging is, therefore, fundamental to the protection of products during transport and also crucial to the image of the brand being exported. Packaging has significant implications for the value of exported products and therefore critical to the success of the business of exporting.

Packaging cost accounts for a substantial share of total costs. Cans, plastic bottles and labels most of which are imported.

Government will encourage investors and technical support to facilitate packaging product development across the all sectors and establish common facility centres.

## **TRADE INFORMATION**

Information is critical to the success of any organisation. Dissemination of information is always a challenge to trade support institutions. This is due to the human and financial resources required for acquiring, producing and distributing material. ICTs such as the internet now offer a wide range of distribution media with limited investment, enabling rapid delivery of information. In the framework of worldwide deregulation and liberalization, where barriers to trade are continually falling and new methods of business emerges, reliable trade information is becoming increasingly important. Government through the ministry of information will explore all modern trend in information technology to ensure adequate trade information gathering and dissemination.

## **TRADE INFRASTRUCTURE**

For organisations and companies to be competitive in a globalised market, they need to move their products and services around the globe, so as to meet customer demands and needs. In the light of this, competitiveness cannot be delinked from efficient infrastructure, chief of which, a competitive logistics transport system is crucial. Thus, Infrastructure can be understood as the basic structure directly responsible for the efficient functioning of the transport, education, healthcare, sanitary, security, communication, energy systems and others that will support the state economic development. Thus, the fundamental factors to competitiveness are established by economic performance, government, business and infrastructure efficiency.

We will look at the different segments of infrastructural requirement for a virile logistics system.

### **Transport Infrastructure System**

The existing transport infrastructure in Ondo State for obvious reasons is affecting the economic performance and organisations competitiveness. The transport



infrastructure in Ondo State consists of the following modes: road, rail, maritime and air. From available statistics, the bulk of goods transported round the state makes use of the road system.

**Rail Transport:** Ondo State is yet to have a rail transport, however, efforts are being made to develop rail in the state, with the Federal Government approval. Meanwhile the problems of Nigerian railways are many including insufficient locomotives, rolling stock, poor working capital, obsolete signalling and communication equipment, narrow gauge system, poor financial and managerial support base and lack of political will. Government needs to re-launch the 25year strategic rail vision for Nigeria, change from narrow to standard gauge, strengthen the curves and gradients of the existing narrow gauge and professionalize the management structure. In spite of the conscious efforts at ensuring prompt and timely maintenance of assets, the main constraint of effective infrastructural assets management in the Nigerian Railway Corporation remains inadequate funding by successive governments.

**Inland Waterways Transportation:** The Nigeria Inland Waterways Network is reputed to be one of the longest in the world spanning over 3000 kilometres. It consists of 50 Rivers, including Rivers Niger, Benue, Cross River, Ondo, Kaduna, Imo, Ogun, Sokoto and Lakes in Oguta and Chad. However, this great transport resource is still underutilized.

Development and utilization of Inland Waterways in Nigeria will improve logistics to a large extent. To develop the coastal region of Ondo State, Government has expressed its readiness to partner with serious investors to develop the state's inland waterways.

A Memorandum of Understanding (MoU) was signed between the state government and ZGM Investment Group of Companies and China-Africa Investment Company. The state government had discussed its intention to have an inland port in Alape, Ilaje Council of the state, with the National Inland Waterways Authority (NIWA). The inland port badge, would accommodate a minimum of 40 containers at once, revealing that the MOU covers development, management and operation of the free trade zone (FTZ). The state is inviting

investors to come and develop the port and run it, assuring that the state government would only get percentage from the investment.

**Road Transportation:** Since the creation of ondo state in 1976, road transportation infrastructure has enjoyed the largest outlay of the state finance compared with other modes and remains the preferred option for door to door linkage. Funding, maintenance and even operations have been the sole responsibility of Government, except in instance where state collaborates with World Bank assisted programs and some other interventions having paid counter parts fund. The on-going initiative in encouraging private sector participation in the transport chain and logistics optimization is therefore encouraged.

Generally, a holistic strategy involving the overall improvement of not only the road mode, but also the rail, water, and air modes is being developed. In this connection a blue print will evolved instead of the current sub-sectoral and uncoordinated approach. The private sector will be involved in the planning and development of transportation as part of the Public Private Partnership initiative of the state Government.

## **SECTION 4: REGULATORY FRAMEWORK AND PRIORITY SECTOR STRATEGY**

### **Policy and Guidelines**

The Ondo State Export Strategy and Guidelines (ODES&Gs) is an inaugural comprehensive roadmap of Ondo State to broaden and industrialize its economy via international trade in non-oil exports. Structured as a decade-long plan, it is aligned with National Strategy imperatives like the National Cocoa Development Plan (NCDP) 2023 - 2032 and aims at expediting the growth of non-oil exports. This strategic shift for Ondo State is expected to fuel economic expansion, job creation, improved living standards and maintenance of macro-economic stability. The strategy will amplify production in crucial economic sectors, where Ondo State can secure significant foreign revenue, create employment opportunities, and foster inclusive and enduring prosperity.

This strategy document acknowledges both global and national trade promotion policies. In today's interconnected world, events in one region definitely have significant impacts worldwide. Consequently, policy makers must consider potential obstacles to exportation and smooth transit of state products to international markets. In that regard, a comprehensive analysis of the political, economic, social, technological, environmental, as well as the legal infrastructure of the state is very important to ensure seamless production and exportation of its non-oil resources. In few decades ago, the Gross Domestic Product (GDP) of Nigeria has experienced persistent decline. An appropriate remedy to salvage the Nigerian economy from crumbling under this downturn lies in judicious diversification of the national economy, using exportation of non-oil products as a vital instrument. This becomes achievable when state governments harness their non-oil resources for exportation. At this juncture, the development of Ondo State Export Strategy and Guidelines is quite timely as a proactive approach to optimize the state's abundant natural and mineral resources to meet up international standard. The ODES&Gs is targeted at achieving, amongst others:

- Minimum of US\$2 billion annual foreign revenue;
- Minimum of 100,000 new jobs annually, exclusively from non-oil exports;
- Listing of, at least, 1 million individuals out of poverty.

## **Features of ODSE&G**

The ODES&Gs delineates a framework for developing sustainable the non-oil sector of the economy through exports, offering a detailed roadmap to enhance production and penetrate multiple markets.

### **Export Sectors**

This pillar identifies the priority of the export sectors of Ondo State, which have the potential for exponential growth due to the size of global markets. They are categorized into two A and B.

i. **Category A** (Major Revenue Generators):

This category comprises sectors with the highest potentials of significant contributions to non-oil export income. They encompass petrochemicals and methanol, gas, fertilizer & ammonia, palm oil, rubber, and cocoa, which are heavily traded internationally, and Ondo State has the capacity to scale up the sectors to capture 1% global market share.

ii. **Category B** (Traditional Export Areas):

Category B includes products with a historical and natural capacity for exportation, although, their potentials for foreign income earning may be constrained. They include cashew, cassava, ginger, plantain, and aquaculture. Despite their limited liquidity in the international markets, these products can generate foreign exchange, create employment opportunity, and serve as a foundation for further industrial processes and development.

### **Services Exports:**

Service exports are a crucial component of international market. While global export goods are estimated at US\$20 trillion annually, service exports are estimated at US\$4.7 trillion annually. Countries like India and other emerging markets have capitalized on service exports, as market research, statistical analysis, market consulting services, professional services, computer related services and telecommunicated services to facilitate their economic growth. The

anticipated construction of Ondo State Deep Sea Port and International Airport are viable sources of investment attraction that are capable of facilitating industrial development and export promoting in the state.

## **Markets**

The market pillar identifies target export markets from which Ondo State can secure sustainable foreign exchange. Approximately 60 percent of non-oil products are exported to Asia and Europe, particularly India and the United Kingdom. The plan proposes expansion and diversification of export products, identifying 20 countries with large economy and high demand potentials for our top priority export products. It also underscores an "Export to Africa" initiative, under the African Continental Free Trade Area (AFCFTA) to strategically deepen penetration into the \$2.3 billion African market. This pillar covers specific initiatives to open the markets and generate take-off for the products.

**Sourcing:** The sourcing pillar outlines a framework to augment the production of export products. Sectoral policy decisions of state Ministries/Departments/Agencies (MDAs) and the federal government are crucial for the sourcing pillar. It conducts market research to identify potential products, suppliers and buyers and sets production targets to ensure ODES&Gs achieves its total non-oil export value, highlighting the investments, capacity and required input for each priority sector. This pillar also addresses export logistics by identifying essential transport corridors to move goods to ports. The establishment of export aggregators and common facility centers, as well as anticipated reforms within the Nigerian Commodities Exchange, are a part of this pillar.

**Value-Addition:** The value-addition pillar focuses on increasing the added value of priority export products. While most non-oil exports are currently in raw material form, value-addition pillar emphasizes processing and manufacturing to secure higher revenues. This pillar addresses the inadequate and irregular power supply that is a growing bane of industrialization and manufacturing in Nigeria, through initiatives that will attract investing into the alternative (renewable) energy sources. It also includes specific thrusts on power, for example, the establishment of off-grid power systems.

**Finance & Incentives:** Finance is a critical factor for the success of any export initiative. The finance and incentives pillar provides a framework for funding exports, specific focus the needs of Micro, Small and Medium Enterprises (MSMEs). This pillar underscores the significance of specific funding solutions that address the unique needs of MSMEs, including export development funds and export grants.

**Physical and Quality Infrastructure:** The physical and quality infrastructure pillar outlines initiatives to augment and enhance the quality of infrastructure necessary for exports. This includes the Ondo State Deep Sea Port, the Ondo State Industrial Park and International Airport. It addresses initiatives to facilitate access to the infrastructure and sets the benchmark for other infrastructural projects that will facilitate economic growth and employment creation.

### **Structure/Regulatory Framework**

The ODES&Gs is structured with regulatory framework to facilitate exports by identifying barriers and obstacles faced by exporters, and propose solutions to ease export procedures, streamlining regulatory processes generally for ease of doing business, basically on the pedestal of non-oil export products. It also underscores the importance of partnerships with key stakeholders, which include private sector institutions and non-governmental organizations. The policy aims at strengthening the capacity of institutions responsible for export-related activities, ensuring they are well-resourced and capable of addressing the challenges confronting exporters. Among the top non-oil export products in the state are:

- i. petrochemicals & methanol nitrogenous;
- ii. fertilizer & ammonia;
- iii. palm oil;
- iv. rice;
- v. rubber; and
- vi. cocoa.

### Ten (10) Year Roadmap for the ODES&Gs:

S/ N	PILLAR	COMPONENTS	START	END	INVESTMENT OPPORTUNITIES
1.	<b>Export Sectors</b>	Market research and Product Development Consultancy			Consultancy on market research. Investment in common facility centres.
2.	<b>Markets</b>	E-commerce Platforms: Explore digital platforms and e-commerce channels to directly reach consumers and niche markets, enhancing market reach and visibility. Domestic Export Warehouses linked to Export Trading Centres			E-commerce platform. Export Warehouses.
3.	<b>Finance &amp; Incentives</b>	Enhanced Financing Channels: Collaborate with financial institutions to establish dedicated financing options tailored to cocoa, oil palm, and cassava farmers and agribusinesses. Subsidized Loan Programs: Introduce subsidized loans with favourable interest rates to facilitate investments in cultivation, processing, and value addition. Financial Literacy Programs: Conduct training and workshops to enhance financial literacy among farmers, enabling them to make informed investment decisions.			Collaboration with BOI, BOA, NEXIM bank. Ondo State Micro Credit Agency (OSMA). Ondo State Entrepreneurship Agency (ONDEA). Link with Insurance Companies.

		<p><b>Risk Mitigation Mechanisms:</b>  Establish insurance and risk-sharing mechanisms to provide a safety net for agribusinesses against unforeseen challenges.</p>			
4.	<b>Sourcing</b>	<p><b>Technology Adoption:</b>  Introduce modern and sustainable farming practices, precision agriculture, and use of advanced machinery to increase yields and efficiency.  <b>Export Aggregation &amp; Buying Centres</b>  Field-to-Export Transport Corridors  Advanced Extension Services and  <b>Research and Development:</b></p>			<p>Collaboration on training of farmers by IITA, Ibadan.</p>
5.	<b>Value-Addition</b>	<p><b>Processing Facilities:</b> Establish processing units for cocoa, oil palm, and cassava to transform raw Materials into value-added products such as chocolate, palm oil, and cassava derivatives.  <b>Product Diversification:</b> Invest in research and development to create new products and derivatives from cocoa, oil palm, and cassava, catering to diverse market demands.  <b>Packaging and Branding:</b> Develop attractive packaging</p>			<p>Investment in processing units, packaging and branding.</p>



		<p>and branding for value-added products, enhancing their market appeal and competitiveness.</p> <p>Market Linkages: Forge partnerships with downstream industries to ensure a steady demand for value-added products and create a sustainable value chain.</p>			
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6.	<b>Physical and Quality Infrastructure</b>	<p>Export Processing Zones (EPZs): Develop EPZs equipped with state-of-the-art facilities to attract investments and boost the production of exportable goods.</p> <p>Digital Infrastructure: Invest in digital infrastructure to facilitate online transactions, real-time tracking of shipments, and efficient communication between all stakeholders in the export value chain.</p> <p>Power Infrastructure: Improve the power infrastructure to ensure a reliable supply of electricity to production centres and other facilities involved in the export value chain.</p> <p>Quality Testing and Certification Centres: Establish quality testing and certification centres to ensure that products meet the required international standards before they are exported.</p> <p>Transportation Networks: Develop and upgrade road and rail networks to ensure seamless transportation of raw materials from farms to processing facilities and export hubs.</p> <p>Storage Facilities: Construct modern storage facilities with climate-controlled conditions to minimize post-harvest</p>		<p>Collaboration with State Government to create export processing facilities at Free Trade Zone, Ore.</p> <p>PPP arrangement on new power project.</p> <p>NAFDAC, SON and other relevant agencies.</p> <p>Investment in common storage centres.</p>
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		<p>losses and maintain product quality.</p> <p>Processing Facilities: Invest in state-of-the-art processing plants for cocoa, oil palm, and cassava to enable value addition and improve product quality.</p> <p>Export Hubs: Establish strategically located export hubs with customs and logistics support to facilitate the efficient movement of goods to international markets.</p> <p>Quality Standards: Develop and implement stringent quality standards and certifications for cocoa, oil palm, and cassava products, ensuring compliance with international requirements.</p> <p>Quality Control Labs: Establish quality control laboratories equipped with modern testing equipment to monitor and certify the quality of exports.</p> <p>Traceability Systems: Implement traceability systems using blockchain technology to provide transparency and authenticity of Ondo State's commodities to global consumers.</p>			
7.	<b>Institutional and Regulatory</b>	<p>ODSES Institutional Workgroups</p> <p>Farmer Cooperatives: Support</p>			<p>Collaboration with Ondo Cocoa Council</p>

	<b>ory Framework</b>	and strengthen farmer cooperatives Training and Capacity Building: Establish training centers and programs Research and Extension: Collaborate with agricultural research institutions Industry Associations empowerment			and Ondo State Agricultural Commodities Association on training and capacity building. IITA Ibadan.
8.	<b>Monitoring and Evaluation</b>	Project Management Office Digital Dashboard for M&E Annual Review and Revalidation Conferences			Ministry of Commerce, Industry and Cooperative Services.

*For more enquiries, please contact: Ministry of Commerce, Industry and Cooperative Services on 0810 631 4535 or Ondo State Development and Investment Promotion Agency (ONDIPA) on 07000663472.*

**Implementation Strategy:** The ODES&Gs plan is a comprehensive and structured roadmap for the sustainable development of Ondo State’s non-oil export sector, which is targeted at generating significant foreign revenue, creating new jobs and lifting people out of poverty. The implementation strategy of the ODES&Gs plan is structured into three phases as follows:

- i. **Phase 1(Quick Wins):** This phase leveraging on existing infrastructure, value chains, and export initiatives for immediate results. The quick wins’ phase focuses on securing short-term successes and building momentum for the full implementation of ODES&Gs plan.
- ii. **Phase 2(Sustained Growth):** The sustained growth phase focuses on building the capacity of the identified priority sectors, facilitating the growth of MSMEs, and ensuring effective implementation of proposed initiatives. This phase emphasizes the development of infrastructure

and promotion of strategic partnership for the success of ODES&Gs plan.

- iii. **Phase 3**(Long-Term Development): The long-term development phase focuses on strengthening the established capacity and infrastructure, fostering a competitive export sector. This phase aims at ensuring the sustainability of ODES&Gs plan by focusing on the development of a competitive sustainable export sector.

### **EXPORT STRATEGY GOVERNANCE FRAMEWORK**

The State Committee on Export Promotion (SCEP) shall in line with best practice, retain the inter-agency coordinating role in formulating, overseeing, and refining the state's comprehensive export strategy and roadmap. The committee shall be the apex body responsible for harmonizing the strategy's design, monitoring, evaluating, and periodically review of the strategy's effectiveness, as the nexus for all federal and state government bodies involved in facilitating export development. This will ensure seamless alignment, synergy, and optimized performance.

### **ODSIP – ONDO SERVICE IMPROVEMENT PROGRAM AND NEPC SERVICOM: CONTINUAL IMPROVEMENT OF PUBLIC SERVICE DELIVERY TO EXPORTERS BY INSTITUTIONAL STRENGTHENING**

At the core of the institutional strengthening pillar within the Ondo State Export Strategy lies ODSIP pioneer and the pioneering project of NEPC. This initiative marks an inter-agency commitment—a service compact—forged with exporters, aiming to extract comprehensive service charters and establish service level agreements (SLAs) among both federal and state government agencies engaged in export-related activities. The primary goals is to cultivate an environment conducive to the Ease of Doing Export Business (EoDEB) specifically within Ondo State. By harmonizing protocols, setting clear expectations, and delineating responsibilities, ODSIP and SERVICOM+ propels efficiency, transparency, and accountability. This initiative embodies the state's dedication to empowering exporters, simplifying bureaucratic procedures, and fostering a business landscape that thrives on smooth, expedited export processes.

## **Monitoring and Evaluation of the ODES&G**

A comprehensive dashboard will be developed to track progress continuously, identify challenges and implement corrective measures when necessary. Regular assessment, annual review, and mid-term evaluation will be conducted to measure the success of ODES&Gs plan, and adjust strategies accordingly. Key performance indicators (KPIs) will be established for each strategic pillar and thrust of ODES&Gs plan. These KPIs will serve as a benchmark for measuring the success of the plan and identifying areas for improvement. Regular reporting to stakeholders, including the government, private sector and non-governmental organizations will ensure transparency and accountability in the implementation of ODES&Gs plan.

## **Conclusion**

To make Ondo economy the most diverse and sophisticated economy in Nigeria, it requires economic planning that ascribes to the new global context, that requires high levels of responsiveness to the imperatives and challenges of globalisation.

The ODES&G is also a model of modern public-private sector partnership, as it fits into other partnership initiatives such as the Ondo Development Plan 2054.

Executing the Ondo Export Strategy will require more effective and efficient allocation and use of recurrent funds, private sector investments, and better planning and coordination among the producers/exporters and the relevant agencies of the State to reduce duplication, emphasize quality and ultimately realize the vision of the ODES&G.

In the current global trade environment, a fragmented approach to export development is no longer appropriate and will not lead to enhanced competitiveness and sustainable improvement in Ondo export performance.

The Ondo Export Strategy and guidelines, therefore seeks to comprehensively address these issues, by:

- Positioning the export sector to contribute to the state overall development by addressing international competitiveness;
- Removing impediments to competitiveness within the export sector includes: capacity development and diversification, human capital development, cost of doing business and export facilitation, and market access and promotion, by harnessing Ondo’s creativity and innovation.

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**Akogun Akinwumi Sowore, Esq.**  
Hon. Commissioner, Ministry of Commerce,  
Industry and Cooperative Services.