INVESTMENT OPPORTUNITIES IN DELTA STATE

A Presentation by

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Governor, Delta State

At the

1ST NIGERIA-CHINA GOVERNORS BUSINESS FORUM (NCGBF)

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Outline

Section 1:
Background information on Delta State

Section 2:
Investment Priorities:
1. Agro-industry Development
2. Smart City Development
3. Airport Development
4. Gas-Based Industrial Park
Section 1:
Background information on Delta State
Our Vision is to make **Delta State** a Pacesetter in the Nigerian Federation.
Delta State Fact Sheet

**Date of Creation:**
August 27, 1991

**Capital City:**
Asaba

**GEOGRAPHY:**
- Land Coverage: 60%
- Water Coverage: 40%
- Length of Coastline: 163 KM

**Land Area:**
18,050 Sq. Km.

**2015 Population:**
5.2m

**Nationalities:**
Urhobo, Anioma, Itsekiri, Isoko and Ijaw

**Gate Way:**
To South-East & South South

**GDP in 2013:**
- ($24.6 billion),
- 4th largest economy in Nigeria
- Major oil producer
- Huge gas reserve 40% of Nigeria gas reserve

**Corporates:**
- Chevron
- Sapele power
- Seplat
- Transcorp
- Agip
- Beta Glass
- Power
Delta State Comparative Advantage

- **Leading Producer** of Oil & Gas;
- **Coastal State** – Four (4) Sea Ports;
- **Rich vegetation** and fertile soil suitable for agriculture;
- **Strategically Located** and Gateway to the South East and South South;
- Young, Educated, & **Active Population**;
- Continuous Investment in Security by Government to Create a **Safe & Secure Environment**
Overall Strategy:
The SMART Agenda: 5-Point Agenda

- **S**: Strategic Wealth Creation & Jobs for all Deltans
- **M**: Meaningful Peace Building Platforms aimed at Political and Social Harmony
- **A**: Agricultural Reforms & Accelerated Industrialization
- **R**: Relevant Health & Education Policies
- **T**: Transformed Environment through Urban Renewal
Specific Strategies

**Job Creation & Raising Entrepreneurs**
- Establishment of Delta Micro, Small & Medium Enterprises Development Agency & Job Creation Office
  - YAGEP; STEP; PPSP; TRACTORISATION MICROCREDIT
- Diversification of the Economy through Agri-Business
  - CASSAVA; RICE; TOMATO; OIL PALM; AQUA-CULTURE
- Development of Infrastructure
  - ROADS; ENERGY; HOUSING; WATER, ETC.
- Private Sector Partnership
  - FDI DEVELOPMENT PARTNERS; LOCAL INVESTORS

**Diversification of the Economy through Agri-Business**
- CASSAVA
- RICE
- TOMATO
- OIL PALM
- AQUA-CULTURE

**Development of Infrastructure**
- ROADS
- ENERGY
- HOUSING
- WATER, ETC.

**Private Sector Partnership**
- FDI DEVELOPMENT PARTNERS; LOCAL INVESTORS
Diversification Through Agri-business

- Commercial Farming in partnership with local and Foreign Investors.
- Development of Agro-Industrial Park and Industrial Estates.
- Robust Out-growers scheme.
- Focus on value chain development on the chosen enterprises.
Development Of Infrastructure

- ROADS
- ENERGY
- HOUSING
- WATER
Development Of Infrastructure

**ENERGY**
- Gas pipeline for gas powered industrial estate

**AGRO INDUSTRIAL PARK**
- Solid waste & Sewage Treatment Centre
- Power supply
- Rice Mill
- Cold & Dry Storage
- Machine Shop & Gas Station
- Housing

**AVIATION**
- Cargo terminal & handling Centre;
- Industrial Park;
- Maintenance Repair & Overhaul (MRO) Facility;
- Hotel & Conferencing Facility;
- Tank Farm

**DELTA INTERNATIONAL COMMERCIAL CITY ASABA**
- Luxury apartments,
- Hotels, shopping malls,
- Light industrial Units
- Schools and Community Facilities
- Power Supplies
- Sewerage Treatment Plant
Public Private Partnership Initiatives

- Smart City Development
- Gas/Pipeline Infrastructure
- Agro Industrial Park
- Airport Development
Strategic Drivers

- Medium Term Development Plan
- Improving Competitive business environment
- Operational Industrial Policy
- Delta Investment Development Agency (DIDA) to regulate PPP and other Legislations.
- Robust Justice System.
Improved Business Competitive Environment

❖ Land: Fast track; Land Bank;
❖ Delta Investment Development Agency (DIDA);
❖ Simplified Tax Administration system;
❖ Ease in obtaining Construction Permit;
❖ Improved processes for Public Private Participation;
❖ Robust Justice System
Section 2:
Investment Priorities
INVESTMENT PRIORITY 1:
Agro-industrial Parks Initiative

- CONTEXT
- PROGRESS
- PROSPECTS
Strategic Goals of Agricultural Development

- Agricultural Transformation
- Economic Diversification
- Job Creation
- Wealth Generation
- Fiscal Stabilization
Agricultural Value Chain Development Strategy

The Farm → Processing and Packaging → Transportation/Logistics → Storage/Warehousing → The Market (Retail/Export)

INVESTMENT OPPORTUNITIES Delta State
Priority Target Commodities

Comparative Advantage: Cassava, Rice, Oil Palm, Aquaculture, Vegetables (Tomato, Etc.), Maize
Layout Design Of The Agro-industrial Park At Ogwashi-uku
INVESTMENT OPPORTUNITIES in Delta State
The Project Design

The Park itself (customized factory plots alongside common infrastructure, facilities and logistics) - a hub covering about 70ha

The Integrated Rice Project consisting of a rice processing factory serviced by irrigated rice-farm and rain-fed rice farms in catchment areas
Prospective agro-products

- Milled Rice and Derivatives
- Cassava chips, flour, starch and gari
- Banana/plantain flour and related products
- Palm oil and palm oil based products
- Fish, processed fish and related products
- Wood, paper pulp, wood based products
- Milk and milk-based products
- Processed beef, broilers, pork and related products
- Fresh and processed vegetables
Implementation Approach

- **Public Private Partnership (PPP):** Build, Operate and Transfer (BOT)

- **Special Purpose Vehicle (SPV):**
  - Limited Liability Company with equity shared between government and private sector investors
  - Responsibility for the development, construction, operation and management of the agro-industrial park

- **Financing Structure:**
  - Total Capital Expenditure estimated at US$30.48M
  - Equity
  - Debt capital
Status Of Project As At Date

- Feasibility Study and Business Plan completed - financial and economic appraisals show profitability and viability (self-paying)
- Land for agro-industrial park already acquired and land for outgrower scheme already designated/secured
- Technical Partner/Anchor Investor and Private Investor already secured
- International finance already identified
- Project development (Engineering, architectural and infrastructure design and physical planning) (ongoing)
- Developing the financial package for international lenders (ongoing)
- PPP Agreement in final stages
INVESTMENT PRIORITY 2:

SMART CITY DEVELOPMENT
Delta International Commercial City Asaba (DICCA)
DICCA - A Special Purpose Vehicle (SPV) established to accommodate the PUBLIC PRIVATE PARTNERS (PPP) to develop 366 hectares of virgin land that is straddled in between the existing and the proposed second Niger Bridge in Asaba, Delta State - Gateway to the South East and South South.

The DICCA Ltd SPV is seeking Build Operate and Transfer (BOT) partner investors to undertake specific developments within the NEW CITY.
Strategic Overview

- Focus on driving Economic Growth and Urban Regeneration;
- Vision - A place where people want to LIVE, WORK, PLAY and INVEST;
- Sandwiched between two states - DELTA AND ANAMBRA with a cumulative Population of 11 million people apart from the high transit population as a gate way to the SOUTH EAST with its attendant high commercial activities.
- Located on prime 366 hectares site along the Benin - Asaba Expressway;
- 10 minutes drive from the Asaba International Airport to the west and Onitsha market (largest commercial hub in West Africa) to the East;
Delivery Framework And Current Position

- Delivered in partnership with private sector through a Special Purpose Vehicle (SPV) - Delta International Commercial City Asaba Ltd (DICCA) - Partnership of DTSG and the Private sector;

- Spatial Master Plan (SMP) concluded; and

- Land (Title) issued to the SPV

- Expected investment in Phase 1 (4years) $4billion
Investment Opportunities

WHERE TO INVEST:

- Luxury apartments
- Hotels, shopping malls
- Light industrial Units
- Schools and Community Facilities
- Power Supplies
- Sewage Treatment Plant.
### Zoning

<table>
<thead>
<tr>
<th>ZONING</th>
<th>LAND AREA Ha</th>
<th>ESTATE LAND AREAS AND INFRASTRUCTURE</th>
<th>SURFACE LAND</th>
<th>RATE OF CONSTRUCTION LAND Ha</th>
<th>BUILDING SURFACE Ha</th>
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<tbody>
<tr>
<td>1. Luxury Hotel and Commercial Center</td>
<td>24</td>
<td></td>
<td>12</td>
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<td>12</td>
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<tr>
<td>2. Bank, Trade center and expo center</td>
<td>16</td>
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<td>8</td>
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<td>9.6</td>
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<td>3. Port - Jetty - Port Security Service</td>
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<td>6</td>
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<td>4. Luxury Real Estate</td>
<td>18</td>
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<td>8</td>
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<td>5. Sport Multicinema - Recreational Entrtainment</td>
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<td>6. Mono railway station</td>
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<td>7. Fire Service Station</td>
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<td>8. Multilevel Parking</td>
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<td>9. Commercial Center, Shopping Mall, Markets</td>
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<td>10. Warehouses and Cool Room</td>
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<td>11. Hospital - Health Facility</td>
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<td>12. Police Station</td>
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<td>13. Automobile Market Center</td>
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<td>14. Worship Center</td>
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<td>15. Sporting center - Campus</td>
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<td>16. Cultural Center and Museum</td>
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<td>17. Education Area - School</td>
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<td>18. Residential Area</td>
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<td>19. Industrial Area</td>
<td>20</td>
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</tbody>
</table>

**TOTAL:**

- Land Area: 340 Ha
- Surface Land: 170 Ha
- Building Surface: 170 Ha
ZONING

Luxury Hotel & Commercial Centre

The tourist area grows about 1.6 ha 160000 sq.m including 400 waterfront. It includes a total of 80000 sq.m of built area accommodation.

5000 square meters of luxury shops (boutique).

5000 square meters of spa outdoor equipment for leisure at hotels exclusive use (tennis, soccer, dancing, theater).

It involves the construction of 8 luxury hotels average budget for each hotel 250 rooms. restaurant and bar services shopping boutique 500 sq.m. Spa 500 sq.m. tennis soccer basketball area for dancing, theater.

Total expected receptivity 250 rooms * 8 * 2 = 4000 attendance.
ZONING

Bank, Trade Centre & Expo Centre

The area grows about 14 ha = 140,000 sq.m.

The government development plan provides for the creation of 84,000 square meters of floor area, of which:

- 14,000 sq.m. for domestic and international financial banking locations and groups
- 20,000 sq.m. for office locations and economic groups
- 10,000 sq.m. for offices for commercial companies
- 10,000 sq.m. for professional offices
- 20,000 sq.m. for Hotel Business
ZONING

Port Jetty, Port Security Services

Area used = 80,000 sq.m. services:
- Offices safe harbor: 1.000 sq.m.
- Shipbuilding: 5.000 sq.m.
- Restaurants, Entertainment: 4.000 sq.m.
ZONING

Luxury Real Estate

Expected housing settlement: 1260 persons

a) number 32 residential villas
   - 16,000 sq.m.
   - building plot 2500 sq.m.
   - building area 500 sq.m. on two levels
   - outside pool.

b) number 2 tower buildings, h
   - 30,000 sq.m. building plot
   - Residential building area 14,000 sq.m.

c) number 1 residential complex
   - of 100 homes hexagonal matruce
   - 30,000 sq.m. building plot
   - Residential building area 15,000 sq.m.

d) external services 40,000 sq.m.
   - Green neighborhood: park, swimming pool, tennis, basketball, soccer
ZONING

Sport Multi-Complex, Recreational Entertainment

Total area 120,000 sq.m.
Building area 60,000 sq.m. :
- 30,000 sq.m. for sport multicomplex
- 30,000 sq.m. for recreation and entertainment
ZONING

Mono - Railway Station

MONO-RAIL

Elevated station of the Monorail Line
1. Railway Station
2. Vertical Connection, Stairs, Lift
3. Elevated Walkway
The development plan concerns 3 of multilevel parking areas.

Each batch comprises 40,000 sq.m.

Edificable lot area 20,000 sq.m.

Index construction: 1.5 mc/sq.m.

Total area on 3 levels: 34,500 sq.m. parking spaces spread over 4 levels.

Numbers of cars: 1380

Gas station
ZONING

Commercial Centre, Shopping Mall & Market
ZONING
Warehouses and Cold Rooms

Lot area 200,000 sq.m.
Built area 100,000 sq.m. expected
Number 2 sheds 20,000 sq.m. each for the cold
Number divisible 4 warehouses with covered area of 10,000 each
ZONING

Hospital - Health Facility

Lot area 60,000 sq.m.
Floor area 30,000 sq.m.
Basement parking for staff.
Outdoor parking for guests.
ZONING

Sporting Centre - Campus

Lot surface of 80,000 sq.m. buildable blanket land: 20,000 sq.m.

a) Expected outdoor plants:
1. Football 1
2. Tennis 4
3. Athletics 1
4. Volleyball 2
5. Basket 2

b) Indoor plants:
6. Pool 2400 square meters
7. Reception / Restaurant
   / Bar = 1,250 sq.m.
8. Sports Hall 4800 sq.m.
   services 1400 * 2 = 2,800 sq.m.
9. Campus Covered Surface
   1250 * 7 Floors = 8,750 sq.m.

c) Parking:
10. sq.m. 10,000 = 300p / car
11. green

INVESTMENT OPPORTUNITIES
Delta State
Educational Area - School

1. Nursery school: 6 classrooms, 189 students - 2,000 sq.m. (1 level)
2. Elementary school: 10 classrooms, 250 students - 3,000 sq.m. (2 levels)
3. Middle school: 9 classrooms, 275 students - 3,000 sq.m. (2 levels)
4. Sport activities outdoor - 1,000 sq.m.
5. Gym - 2,000 sq.m.
6. Lodging (rooms and apartment) 5,000 sq.m.
7. Dining hall - 1,000 sq.m.
8. Parking - 170 parking spaces
ZONING

Power: Hydro-Electricity & Photo-Voltaic

mini hydroelectric production systems

between the strategic decisions for the production of energy for the new smart city that will designs there will be a mini hydroelectric production systems, with the arrangement of turbines and other innovative systems taking advantage of the abundance of water the site, both during the rainy season and during the dry season

solar power systems

between the strategic decisions for the production of energy for the new smart city that will designs will be provided modern and technologically advanced production of solar energy systems, with special solar parks and roof systems of public interest buildings such as sports facilities etc, etc,
Waste Management - Incinerators

between the strategic decisions for the production of energy for the new smart city that will design there will be an installation for the incineration of urban solid waste for the production of electrical energy, such facility will be provided with the most modern and advanced technologies.
INVESTMENT PRIORITY 3:

AIRPORT DEVELOPMENT
Background

- Brownfield Asset wholly owned by Delta State;
- Located on 659Ha of prime land;
- International Standard at conception:
  - Run way length of 3.4km
  - Taxi way of 1.73km
  - Blast pad of 5,000sqm
  - 3,500sqm of Terminal building
  - 4,900sqm of Apron
  - Car park for 1,000 cars
  - State of the Art Control Tower
Location

- Centrally located and close to the South South & South East
- Close to commercial and Industrial cities such as Onitsha and Nnewi
- Developed as an economic hub for support services in the oil & gas industries operating in the Niger Delta Region;
- Cargo (air freight) processing.
Status Update

Commenced operation in July 2011

Licensed as a cargo International Airport

Runway currently undergoing renovation under the Technical supervision of CGC

Recruited a world-class Transaction Adviser (Halcrow Infrastructure Group) for the expansion programme.
Potential Services & Areas for Possible Investment

KEY:
1. Passenger Terminal
2. Cargo Terminal
3. MRO Facility
4. Private Jet/Helicopter Terminal
5. Logistics Hub
6. Business Park/Hospitality/Conference
7. Services
We seek **Expression of Interest** from Investors for the development of the following:

1. **Cargo Terminal and Logistics Centre**
2. Maintenance, Repair and Overhaul (MRO) Facility

3. Business Park
INVESTMENT PRIORITY 4:

GAS-BASED INDUSTRIAL PARK
Gas Based Industrial Park - Our Strategic Aspiration

- Leverage Delta State’s abundant natural gas reserves base to create wealth through industrialization
- Industrial Park with the most competitive and secured access to natural gas and power in Nigeria
- Specifically enable energy intensive light and medium manufacturing industries
- Unique and bespoke competitive advantages for both local and international markets
- Nigeria’s largest single site location for light and medium manufacturing and Africa’s regional hub for target industry sub-sectors

Transforming abundant gas reserves to unique competitive edge for industries!!
Locally and Globally Positioned

The Industrial park will be located in Kwale area of Delta state, about 487.2KM from Lagos and 139KM north of Warri. The Park will span a minimum of 5-10 km$^2$ with significant scope for expansion.
Gas Based Industrial Park - Implementation Strategy

Competitive Energy Cost to Attract Target Industries
Most competitive gas & power costs
Target sectors - energy intensive industries Ceramics, Steel, Other Light manufacturing

Reliable & Uninterruptible Energy Supply Strategy
Diverse, integrated and competitive gas & power sources.
Unparalleled energy security strategy

Bespoke Fiscal and Non-Fiscal Incentives
Bespoke, sector specific incentives - most compelling competitive advantages

World Class, Secure Urban Area
Residential, commercial living area
Secure and Well Provided with leisure facilities

One Stop Shop Window
Simplified processes to enable rapid setup of investment

Positioned to be Nigeria’s most desired location for manufacturing
Investment Opportunities

- Manufacturers
  - Ceramics (Tiles, Glass, Bricks, Sanitary Wares)
  - Steel Processing
  - Light and Medium sized manufacturers

- Power Plant
  - 50+MW IPP; Build, Operate and Own

- Gas Infrastructure
  - LNG Storage tanks, Gas pipelines, LPG Extraction Plants, mini-LNG Plants

- Park Civil Infrastructure & Real Estate
  - Roads, drainages, Residential and commercial
  - Real estate; Water treatment

- Logistics & Materials Handling
  - Trucks, Tractors, Warehousing etc.
For follow-up information, please contact:

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