



GOVERNMENT OF CROSS RIVER STATE

# CROSS RIVER STATE EXPORT STRATEGY AND GUIDELINES



DECEMBER 2023

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## **THE COMMITTEE**

Upon request by the Honorable Commissioner for Commerce and Chairman of cross River State Committee on Export Promotion to the State Executive Governor and his gracious approval, the State constituted a Committee to develop Cross River State Export Strategy and Guidelines to reflect the policy direction of the state to promote and sustain export.

Members of the committee are as follows:

1. Honorable Commissioner for Commerce: Chairman
2. Permanent Secretary, Ministry of Commerce: Secretary
3. Representative from Ministry of Industry
4. Representative from Ministry of Finance
5. Representative from Ministry of Agriculture and Irrigation Development
6. Representative from Cross River State Investment Promotion Bureau
7. Representative from Micro Finance and Enterprise Development Agency
8. Representative from Nigeria Export Promotion Council
9. Representative from Office of the State Accountant General
10. Representative from State Planning Commission
11. Representative from Calabar Chambers of Commerce, Industry, Mines and  
Agriculture

## **PREAMBLE**

Cross River State also known as the People`s Paradise is home to a constantly evolving economy with strong history as one of the most flourishing centre for regional trade, diversified economy based on abundant resources, home to multi ethnic population and strong commitment towards economic, environment and social development.

The history of trade from Cross River State has a bejeweled past dating back before the state creation in 1967. Emerging from maritime trade within Geopolitical zones to intercontinental trading hub. The state rose to its current pre-eminence primarily due to its coastline heritage and connectivity with intercontinental trade route, positioning it as a hub for industry, trade and commerce for centuries.

In an era driven by globalisation, the State has built on its historical prominence of mercantilism and the trade network has grown manifold and emerged as one of the preferred business destination in Nigeria.

The State has a highly recognized and developed infrastructure and logistics ecosystem, catering to the exports. These include international airport, seaport, Cross border Road Networks, Export Processing Zones, Industrial Parks, amongst others.

The state proposes to exports goods in which it has a comparative advantage. The State boasts a diversified export basket in various sectors such as agriculture, manufacturing, pharmaceuticals and leather products. The State has taken proactive steps to provide a conducive ecosystem for Exporting Organizations.

The Cross River State Export Strategy and Guideline (CRSESG) is driven by envisioning Cross River State as a world Class exporter of competitive products and services.

### **Vision**

Transform Cross River State into a leading export hub and unlock its export potentials by exploring new potential markets and integrating with the global value chains

### **Goals**

Increase exports from Cross River State to USD \$50 billion by 2030 from its current level of USD \$5 Million in 2021, in alignment with the State`s target of becoming a USD \$300 Billion economy by 2030.

## Mission

The following pathways is envision for achieving the set objectives:

- Improvements in export supporting infrastructure to enhance export efficiency
- Promotion of export diversification through knowledge dissemination, investment in technology, and skill upgradation
- Facilitation of rapid and sustained growth of exports from Cross River State through suitable sector level strategies and State support
- Market/business development support to the Exporting Organizations, having manufacturing facilities in the State across various dimensions - identification of new products /segments /markets, branding and export compliances
- Creation of a robust institutional mechanism for rapid and sustained growth of exports
- Decentralization of export promotion to develop districts as Export Hubs and increase employment generation

## OBJECTIVES

### 1. Fostering Economic Diversification:

- We envision a Cross River State where exports play a pivotal role in diversifying our economic base. We aim to expand our export portfolio through strategic planning and targeted investments, reducing dependence on traditional sectors and creating a resilient, dynamic economy.

### 2. Empowering Local Industries:

- Empowering local industries to reach global heights, by providing the necessary support, knowledge, and resources, we seek to nurture and amplify the potential of Cross River State's entrepreneurs and businesses, enabling them to compete internationally.

### 3. Prioritizing Sustainability and Responsibility:

- Sustainability is at the core of our vision. We aspire to be global leaders in responsible exports, championing eco-friendly practices, ethical sourcing, and community engagement. We envision an export ecosystem where environmental preservation and social responsibility are non-negotiable principles.

#### **4. Creating a Hub for Innovation and Excellence:**

- We imagine Cross River State as a hub for innovation and excellence in export-oriented industries. By fostering a culture of creativity, research, and development, we aim to produce high value, globally competitive products and services that set new industry standards.

#### **5. Strengthening Global Partnerships:**

- Our vision extends beyond borders. We see Cross River State as an active participant in the global marketplace, forging strategic partnerships with international counterparts, governments, and organizations.
- Through collaboration, we aspire to open new avenues for trade and investment, unlocking unprecedented opportunities for growth.

#### **6. Enhancing the Livelihoods of Cross Riverians:**

- Central to our vision is the improvement of livelihoods for the people of Cross River State. As exports flourish, we are committed to creating jobs, fostering entrepreneurship, and enabling sustainable economic development that benefits every citizen.

#### **7. Pioneering Technological Advancements:**

- We envision Cross River State as a trailblazer in leveraging technology for export success. By embracing digitalization, automation, and cutting-edge technologies, we seek to enhance productivity, reduce costs, and improve the competitiveness of our exports on the global stage.

#### **8. Nurturing a Culture of Excellence:**

- Our vision encompasses a culture of excellence where quality, innovation, and customer centricity are the hallmarks of Cross River State's exports. We strive to set new benchmarks for product and service excellence, earning the trust and loyalty of customers worldwide.

## CHAMPION SECTOR STRATEGY

Global trade patterns reveal that the large economies of China, USA, Europe, Japan, Canada and African Countries are the most important export markets. This holds true for most of Cross River State's Champion Sectors, including agriculture, textile and apparel, food processing, automotive, leather, electronics and electrical equipment, and machinery.

As such, it is critical for the State to aid manufacturers in identifying and connecting with partners, understanding and complying with requirements, and efficiently exporting to these regions. In order to support manufacturers to export efficiently, State level interventions related to exports have been formulated across each sector. These interventions are targeted towards providing support across the export life cycle for ensuring a smooth and efficient export flow (as showcased below).

Typical flow of export activities



## AGRICULTURAL PRODUCTION

Cross River State, located in the southeastern region of Nigeria, has a diverse agricultural sector due to its favorable climate and topographical variations. The state produces various crops, including oil palm, cocoa, cassava, yam, plantain, rice, and vegetables.

1. **Oil Palm Production:** Cross River State is a major contributor to Nigeria's oil palm production. According to the Nigerian Institute for Oil Palm Research (NIFOR), the state accounted for a significant portion of the country's oil palm output. As of 2019, Nigeria was the world's fifth-largest palm oil producer.
2. **Cocoa Production:** Cocoa is another significant crop in Cross River State. The

state is among the top cocoa-producing regions in Nigeria. The Cocoa Association of Nigeria (CAN) reported that Cross River State consistently contributes to the country's cocoa production.

3. **Cassava and Yam Production:** Cassava and yam are staple food crops in Nigeria, and Cross River State is no exception. The state substantially cultivates these crops, contributing to both local consumption and commercial markets.
4. **Rice Production:** Cross River State has increased its rice production through various agricultural initiatives and government interventions. The Central Bank of Nigeria (CBN) and other agencies have supported rice farmers in the state through loan programs and input supply.

## INTERVENTIONS

- A. Business oriented approach: Critically, there is need to be a reorientation away from treating agriculture as a 'way of life' or social welfare system to a business, and look to frame a transformation agenda that is public-sector enabled and private-sector led
- B. Leveraging the private sector: Leveraging investment by the private sector at the global, regional and national levels by catalyzing project co-financing and 'crowding in' private sector operators. This will require a conducive policy, along with the necessary institutional and legal environments for private sector development to take place.
- C. Taking to scale: This will entail replicating, advancing and taking to scale, pockets of successful programs and projects that abound across the state in order to project their transformational impacts.
- D. Partnerships: Collaboration among the different stakeholders operating in the agriculture space including development partners, private sector entities, community institutions and civil society entities is important.
- E. Inclusivity and sustainability: Assuring gender equality and sustainable outcomes will underpin all investments and sector dialogue actions.
- F. Formation of effective system of tools for estimating export potential;
- G. Providing adequate level of support for domestic exporters of agricultural commodities and processed foodstuffs, both on internal and external markets;

H. Harmonization of national legislation in the part of sanitary and phytosanitary measures in line with international norms, standards and rules;

## TEXTILES

Cross River State is one of the few states in Nigeria with state owned clothing company. The company has supplied high quality clothing services to both military, paramilitary, schools, general public and state organized events such as Calabar carnival.

Textiles is among Cross River State main focused export items and projected to contribute 30% to global exports from the state by 2030. The four major product categories for global export are - jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted; women's or girls' overcoats, car coats, capes, cloaks, ski jackets, windcheaters; men's or boys' overcoats, car coats, capes, and tracksuits; ski suits, swimwear and other garments (excluding knitted or crocheted).

America, Europe, China, Japan, Canada and Hong Kong are the main destinations for Cross River State clothing supply and markets.

## INTERVENTIONS

The State shall undertake the following interventions to promote exports for textile and apparel:

- Develop dedicated textile parks with common utilities and pursue targeted investment promotion to build domestic technology capability for manufacturing man-made fibres
- Invest in developing R&D capability for technical textiles by setting up/supporting testing labs and design centers in all senatorial districts
- Encourage and attract upstream petrochemical complexes/ chemical manufacturing units to build capacities in crucial raw materials for technical textiles such as polysulfone, polyacrylonitrile, and polypropylene
- Nominate suitable products for GI tagging and strategic branding of sericulture and other products to the State
- Collaborate with clothing institutions to facilitate on job learning for students from the State. Further, universities shall be encouraged to design short term training programs for executives of the textile units to grow their technical and managerial

capabilities and update their curriculum on upcoming areas such as textile mechatronics

- Improve access to affordable finance for MSMEs, who are significant players in the textiles sector through suitable schemes of the Government of the state and national level.

## **ELECTRONICS & ELECTRICAL EQUIPMENT**

Electronics is one of the fastest- growing and most complex sectors in terms of Global Production Networks. Electronic Components, communication devices, and computers and peripherals are some of the most exported electronics items globally, which are also present in Cross River State to some extent. The top export markets for the State will be most African countries and the South Americas.

The major product segments, where the State will focus primarily in complementarity between world's import basket and its export basket include - telephone sets, electrical apparatus, and electrical ignition or starting equipment. Given the State's manufacturing desirability, its export basket could be expanded targeting products such as automatic data processing machines (HS – 8471), Diodes (HS- 8541), and printing machinery (HS- 8443), which have high global demand. A sizeable share of exports will be made to Northern Arabs.

## **INTERVENTIONS**

- Creation of business support facilities providing comprehensive and enclosed infrastructure through the creation of ancillary facilities such as testing labs, clean rooms, de-ionization plant, and solid waste management systems
- Investment promotion for establishing facilities engaged in higher value-added goods with a focus on increasing scale of existing large units to increase supply for export markets
  - Creation of industrial infrastructure in upcoming hubs such as Tinapa and Ayade Industrial Zone to attract price-sensitive investments in the sector
  - Upgrading the existing industrial infrastructure to plug-and-play infrastructure to cater to foreign companies in the sector who prefer BTS units

## AUTOMOBILES AND AUTO COMPONENTS

Cross River State has identified major automobile product and components for export ranging from Automobiles, Compact segment passenger vehicles, Midsize segment passenger vehicles, Gearbox, Clutch, Drive Axle and parts, Brakes and Brake parts, Steering Wheel, columns and boxes, Wheels and parts, Suspension, Shock Absorbers, and Other components including Hydraulics, Fuel Tank, hoods and panels.

Our main market focus are developing countries especially Africa that relies mostly on importation of automobile and parts.

## INTERVENTIONS

To promote exports in this sector, Cross River State shall focus on improving logistics efficiency and creating a better logistics network near the production centers and gateways within the state capital. Additionally, the State is also focusing on attracting Chinese auto manufacturers to lead manufacturing exports from Cross River State.

Some of the key export-oriented interventions in this sector include:

- Encourage technological upgradation for product improvement or process improvement for products to become eligible for exports
- Upgrade technical courses with increased industry-institute interface at vocational institutes, with a special focus on setting up of auto mechanic schools on skills such as G6 welding, joystick handling, robotics, language courses, and business etiquettes.
- Establish incubation centers to drive innovations related to automation, connectivity, electric power, and shared-mobility economy (ACES) catering to export markets.

## BASIC GUIDES TO EXPORTING

Exporting can be extremely rewarding in diverse ways; it involves selling your products/services in foreign markets.

**Some of the benefits include.**

- Spreading your risks and reducing dependence on the Nigerian market.
- Increasing your sales productivity and making you more efficient.
- Generating new ideas and marketing techniques and ways of doing business

## How do you start?

Cross River State Export Promotion Council (CREPC) will help you get started with this export guide. To adequately prepare yourself for export business, follow the 9 steps below. The guide also provides additional information for existing exporters.



### STEP 1: EXPORT READINESS

#### Check 1: Export Registration

To export from Cross River State, you are required to register with CREPC. Please answer the questions below.

Description	Tick One	
Do you know the requirements for exporter registration?	Yes	No
Are you already registered with CREPC?	Yes	No
Understanding your target market(s) is essential to developing a thriving export business. Please answer the questions below and find out if you know your market(s)!		

Do you know the export potential of your product in international markets?	Yes	No
Have you identified a market for your product?	Yes	No
Do you know how to enter the preferred market?	Yes	No
Do you know if your product will be acceptable in the preferred market in its current form?	Yes	No

### Check 2 Export Plan:

A complete export plan is essential in the export business. Answer the questions below concerning developing your export plan.

<p><b>Does your management have a long-term commitment to export?</b></p> <p>Do you have an export plan?</p> <p>A complete export plan includes:</p> <ul style="list-style-type: none"> <li>• Best market selection and segment,</li> <li>• Definition of your unique value proposition (what do you offer, what makes you different from your competitors)</li> <li>• Selection of the best distribution channel (distributors, retailers, end users, etc.)</li> <li>• Selection of promotional instruments (website, social media presence, brochures, catalogues, trade fairs, etc.),</li> <li>• Selection of a competitive pricing mechanism</li> </ul>	Yes	No
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Do you have the human resources, including relevant export skills and knowledge?	Yes	No
Do you have effective promotional materials for foreign markets?	Yes	No
Including the right message (unique value proposition, tone of voice)		

### Check 3: Export Documents & Procedures

Export documentation is a requirement for formal exports of goods and services from Nigeria. By answering the questions below, check if you know the proper procedures and documents.

<b>Do you know the procedures and steps of exporting from Cross River State?</b>	Yes	No
<p>Are you aware of the various documents required for export?</p> <p>Including documents concerning:</p> <ul style="list-style-type: none"> <li>• Exporter registration</li> <li>• Export contract</li> <li>• Quality assurance</li> <li>• Commercial invoice and packing list</li> <li>• Export financial issues</li> <li>• Goods movement</li> </ul>	Yes	No

**Check 4: Logistics & Freights**

Understanding the basic shipping terms (including pricing and documentation) is essential to export. Please answer the questions below to determine if you have sufficient logistics knowledge.

<b>Have you identified the best freight options offered by freight forwarders, sales agents, importers, etc.?</b>	Yes	No
<p>Do you understand your responsibility and obligation under the INCOTERMS* 2010?</p> <p>*International Commercial Terms</p>	Yes	No

**Check 5: Export Pricing**

You need the proper knowledge of export pricing methods to become a successful exporter. This includes all items relating to sourcing and costing of the exportable products. Answer the questions outlined to check if you have sufficient knowledge of pricing methods!

Do you understand the total costs of exports?	Yes	No

Including items such as packaging, warehousing, transportation, levies, forwarding cost, cost of finance, export documentation processes, promotion, visiting the market(s), and potentially others.		
Do you know the different pricing methods for exports?	Yes	No
<p><b>Check 6: Export Financing.</b></p> <p>Export business requires sustainable funding over some time. It is, therefore, vital to ensure that appropriate financing options are explored. Answer the following questions to find out if you know all you need to know about export financing.</p>		
<b>Do you have sufficient financial resources to export?</b>	Yes	No
<p>Have you explored existing funding options?</p> <p>Such as governmental export incentives, commercial banks, factoring, and more.</p>	Yes	No
Do you understand the payment options for international transactions?	Yes	No
<p><b>Check 7: Legal Issues</b></p> <p>Before exporting, it is essential to understand the legal instruments regulating non-oil exports in Nigeria and that of the importing country. Answer the questions below to see if you know everything about the legal aspects of exports.</p>		
Do you understand fully the legal rights and obligations of your export contract?	Yes	No
Are you aware of dispute resolution and arbitration mechanisms in exports?	Yes	No
<p>Are you aware of Cross River State and Nigeria's governmental and legal export requirements?</p> <p>Including product prohibitions and the export process repatriation.</p>	Yes	No
<p>Are you aware of the legal requirements of your product in the importing country?</p> <p>Such as relevant food safety measurements and requirements, if applicable, prohibited products, or other legal requirements.</p>	Yes	No

Are you aware of the Cross River State and Nigeria's governmental and legal export requirements? Such as relevant food safety measurements and conditions, prohibited products, or other legal requirements.	Yes	No
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Do you understand the total costs of exports? Including items such as packaging, warehousing, transportation, levies, forwarding cost, cost of finance, export documentation processes, promotion, visiting the market(s), and potentially others.	Yes	No
Do you know the different pricing methods for exports?	Yes	No

**Check 6: Export Financing.**

Export business requires sustainable funding over some time. It is, therefore, vital to ensure that appropriate financing options are explored. Answer the following questions to find out if you know all you need to know about export financing.

<b>Do you have sufficient financial resources to export?</b>	Yes	No
Have you explored existing funding options? Such as governmental export incentives, commercial banks, factoring, and more.	Yes	No
Do you understand the payment options for international transactions?	Yes	No

**Check 7: Legal Issues**

Before exporting, it is essential to understand the legal instruments regulating non-oil exports in Nigeria and that of the importing country. Answer the questions below to see if you know everything about the legal aspects of exports.

Do you understand fully the legal rights and obligations of your export contract?	Yes	No
Are you aware of dispute resolution and arbitration mechanisms in exports?	Yes	No
Are you aware of Cross River State and Nigeria's governmental and legal export requirements?	Yes	No

Including product prohibitions and the export process repatriation.		
Are you aware of the legal requirements of your product in the importing country?  Such as relevant food safety measurements and requirements, if applicable, prohibited products, or other legal requirements.	Yes	No
Are you aware of the Cross River State and Nigeria's governmental and legal export requirements? Such as relevant food safety measurements and conditions, prohibited products, or other legal requirements.	Yes	No

## STEP 2. REGISTRATION

To export from Cross River State, Nigeria, you are required to register with CREPC. This can be done using a manual registration platform. This page contains relevant information preparatory to obtaining an Exporter's Certificate.

### GUIDELINES & PROCEDURES

The documents required for registration depends on the business entity:

#### DOCUMENTS FOR LIMITED LIABILITY COMPANY

- Certificate of Incorporation (issued by the Corporate Affairs Commission)
- Copy of Memorandum and Articles of Association
- Copy of Form CAC 1.1 "section C" (Particulars of Directors) or Status report. This was formerly known as Form C07 or Form CAC 7.
- Board resolution to register a company with the CREPC (Company Seal affixed)

#### DOCUMENTS FOR CO- OPERATIVE SOCIETY

- Certificate of Registration (issued by the Cross River State Ministry of Commerce, Local Governments in Cross River State)
- Byelaw of the Society
- Board resolution to register a company with the CREPC (Company Seal affixed)

#### DOCUMENTS FOR GOVERNMENT AND NON- GOVERNMENT ORGANIZATION

- Certificate of Registration (issued by the Corporate Affairs Commission)
- Constitution of the Government Organization and non -Governmental Organization

- Memorandum for Guidance of Applicant
- Board of Trustees resolution to register a company with the CREPC (Company Seal affixed)

Obtaining an exporter certificate involves some costs, excluding / bank charges.	
Description of Fees	Charges (Naira)
New certificate of registration	N12,500
Expired certificate renewal	N6,300
Late certificate renewal (after Three months of expiry)	N11,500
Payment Methods	
Description	Duration
<b>Validity:</b> CREPC - issued certificates are valid for an initial two years (24 months), after which it become renewable every year.	24 months
<b>]</b> Certificates are to be collected physically at our office located at: 2 <sup>nd</sup> Floor, Prof. Eyo Ita House, 48, Ndidem Usang Iso Road, Calabar	Daily
<b>Service time lines</b> Export certificates will be issued within 7 working days after confirmation of payment. Please note that your certification could be delayed by new payment confirmation, irregular documentation, or insufficient information.	7 days
<b>Further registration Assistance</b> Don't hesitate to get in touch with us directly at the CREPC export assistance office. We are happy to assist!	

### STEP 3: UNDERSTANDING THE MARKET

Understanding your target market(s) is essential to developing a thriving export business. This involves researching your export destination(s). Good market research should not be based on facts and figures only, It should also focus on factors that drive the target market(s).

## Tips to understand the market.

- Gather basic market information regarding import regulations, trade statistics, tariff regimes, etc Various Market Analysis tools can be handy in this respect.
- Focus your research on a specific product or service.
- Research on your competitor's market(s). Find out what they are doing right.
- Attend market specific seminars.
- Seek practical advice from experienced exporters.
- Develop direct contacts with potential buyers. You can make use of authentic online directories.
- Understand the market environment (culture, demography, religion, currency...)
- Relevant Trade Fairs and Embassies are good sources of information.

## Research Areas

Some of the critical areas of market research include:

- Trade statistics and trends
- Trade policies
- Regulatory framework
- Business environment
- Business culture
- Distribution channels
- Logistics
- Risk assessment

## Key elements

A good export plan consists of certain key elements, which include the following:

- Company profile (about us)
- Key features of target market(s)
- Competitors' analysis
- Market entry strategy
- Unique selling points
- Promotional strategy
- Branding (if relevant)
- Logistical planning
- Action plan
- Resources required.

## Export Plan Template

NEPC has provided a template containing all the key elements listed above and includes additional descriptions per element. It will guide you to build a comprehensive export plan.

## Tools for market analysis

### Export plan tips

1. Keep your plan simple and to the point
2. Always include your unique value proposition (this describes what differentiates you from your competitors)
3. Develop a feasible budget plan
4. Focus on your target market when defining your export plan
5. A good export plan guides you seamlessly through different export processes.
6. Ensure you incorporate relevant stakeholders (financial advisers, brokers, and governmental bodies)

### Your benefits

#### A well-written export plan:

- Will assist you in defining export goals and match your resources to those goals.
- Focus your resources and allow you provide good service delivery to your clients (importers).
- Projects your Unique Selling Point (USP).
- Guides management on long- term commitment for exports.

## CONCLUSION

In conclusion, Cross River State Export Strategy and Guidelines 2023 focuses on identification of state export comparative advantage, intervention strategy and guidelines for global outreach in line with state vision 2030 to be a leading state on export market.

Exporting Organizations are dependent on three (3) key pillars for success namely: knowledge, understanding, and market access with respect to key export markets. The Government shall endeavour through specific interventions to assist Exporting Organizations on their awareness of potential markets & their dynamics, export compliances, marketing & branding strategies, and trade policies.



**Hon. Mrs. Abigail Duke Orok Ph.D**

Commissioner

Cross River State Ministry of Commerce

15<sup>th</sup> of December 2023