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A deep-sea port with capacity for large tankers is being built in Ogun State for a new LNG facility there

FACTS & FIGURES

ESTABLISHMENT:
February 1976. Ogun is one of the 36 states of the Federal Republic of Nigeria

STATE CAPITAL:
Abeokuta

LOCATION:
Ogun State shares an international boundary with the Republic of Benin to the west and interstate boundaries with Oyo State in the north, Lagos State in the south and Ondo State in the east

ADMINISTRATIVE STRUCTURE:
Ogun State has 20 local governments

POPULATION:
3,780,000 (2006)

LANGUAGES:
Yoruba is the first language of the people of the state while the second and official language is English.

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▶▶▶ HOME OF NOBEL-WINNING AUTHOR WOLE SOYINKA AND AFROBEAT PIONEER FELA KUTI, OGUN STATE IS RELAUNCHING ITSELF AS A WEST AFRICAN TRADE HUB, AND AS A SYMBOL OF THE NEW NIGERIA

Nigeria's number one investment destination

FOR CENTURIES the southwest corner of Nigeria has served as an important hub for international trade. Merchants from surrounding areas, modern day Ghana, Benin, and Niger, have flocked to the region, known since 1976 officially as Ogun State for its proximity to the Atlantic seaboard and natural resources. Over time, Ogun State eventually earned the appellation 'the Gateway to Nigeria.'

The government of present day Ogun State, in conjunction with the private sector, is seeking to further develop the region as a major center of African commerce by launching a series of new investment opportunities. In response to the initiatives, companies designed specifically to attract and support international investors have sprung up across the region.

Gateway Holdings is one such organization. The state-owned company provides international investors with local knowledge and resources to ensure they take full advantage of their investment in Nigeria. According to Gboyega Isiaka, managing director of Gateway Holdings, his company strives "to contribute to the sus-

tainable development of Ogun State by generating investments, maximizing returns, and acting as a catalyst for future investments."

Mr. Isiaka's company is not only playing a pivotal support role for investors but also serves as a liaison between local businesses and investors. Gateway Holdings assists foreign investors in equity and debt funding, preparing feasibility studies and creating business plans, and in securing funding for technical partners.

He, along with other officials, is ensuring that local economies and communities prosper from the new projects as well. "We are supporting the state government's key goals of employment generation, poverty alleviation and improvement in quality of life of citizenry."

Economic Adviser to the Governor, Yosola Akinbi, confirmed that the foreign investment projects are helping Nigeria on many levels. She explained that the construction of investment projects such as Laogo Island, a major tourism undertaking, and a new deep-sea port, have benefited locals by strengthening the state's infrastructure.

Mentioning yet another project, the Olokola Free Trade Zone, Ms. Akinbi pointed out how the construction has given residents new highways and bridges, opening up previously inaccessible areas. She is confident that the projects and influx of foreign investment will continue to improve economic and social conditions for Nigerians.



INTERVIEW WITH GOVERNOR OTUNBA GBENGA DANIEL

'We are definitely rearranging the way politics is played in Nigeria'

Ogun State's governor speaks on Nigeria's new administration and Ogun's potential for investors

Your Excellency, as a former leader in the private sector and now as governor, what are your thoughts on the new Yar'Adua administration?

Quite clearly this new administration represents the first transition from one civilian administration to another. To the extent that this has been successful, we think it is a first step in the right direction, especially if the democratic institutions are being strengthened, and hopefully will be sustainable. I strongly believe that this administration is displaying clear signs that it intends to leverage its political power to build bridges between different elements of society and stakeholders in our nation's development.

As a second-term governor for Ogun State, do you think that the relationship is improving between state governments and the federal government? Have you witnessed any changes?

We have definitely started rearranging the way in which politics is played in Nigeria. As I am aware, it is the first time



OTUNBA GBENGA DANIEL, Governor of Ogun State

in recent history that the Ogun government and the federal government belong to the same political party. So the essence of our government, from that angle, clearly is to ensure that states and the federal government have effective synergies. This will allow us to act and work together for better results.

How do you see Ogun's potential for investors?

Nigeria as a country, in my opinion, remains an unexplored market. Sometimes when you look at venture capitalists and the amount of effort, time, and money they are investing in locations around the world, you ask yourself, 'Why are they wasting their time?' because this is the emerging market.

You have stated that your vision for Ogun State is to make it the major commercial hub in Nigeria and in West Africa. How are you going to achieve this?

We are taking advantage of the geographical location of our state and its 30 kilometers of coastline, and starting some major projects. One such project is called Laogo Island. It is a major tourist project and has already attracted the attention of many foreign investors including the Greeks, famous for their knowledge and expertise in that industry. We have a Memorandum of Understanding with the Greeks but are also interested in inviting other multinational corporations to participate because it will afford great opportunities for commercial ventures, industrial ventures, and tourism ventures. An American consortium is interested in creating a financial district there as well. All this interest in the project is very gratifying for us, and we are sure it will be a resounding success.

LIQUEFIED NATURAL GAS

New LNG facility to generate revenue and jobs

A rise in demand for liquefied natural gas in Europe and the United States should provide generous returns for Africa's largest natural gas hub

A DECADE AGO, a significant drop in the price of oil could have crushed the Nigerian economy. The country had long been reliant on crude oil exports as its major source of revenue. Consequently, the Nigerian government, led by then President Olusegun Obasanjo, set out to diversify the country's economy in an effort to avoid this calamity.

Of all the initiatives launched by Nigerian officials since then, the decision to build the largest liquefied natural gas production facility in Africa was perhaps the most technically complicated and costly of all. However, once operational, it should yield a generous return for the West African country.

The project, which is a bid to capitalize on Nigeria's surfeit of natural gas, was conceived quite some time ago as a joint effort between the Nigerian Government, major international oil companies including Chevron and Shell, and the Nigerian National Petroleum Corporation.

"The Olokola Liquid Natural Gas (OK LNG) project was initiated in response to international and domestic gas demand," Ogun State Governor Otunba Gbenga Daniel says.

The natural gas facility is scheduled to be built in a neutral zone between Ogun and Ondo States, on Nigeria's West Coast. Officials hope it will create approximately 10,000 construction jobs for a period of three to four years.

Governor Daniel points out that the OK LNG project represents one of the largest investments now being carried out anywhere in the world. Expected to cost

roughly \$7 billion, OK LNG should be operational by 2012.

Nigeria's previous president, Olusegun Obasanjo, is credited for having successfully convinced his country and international investors that the costly project would eventually pay for itself many times over. Officials estimate the OK LNG will produce 20,000m tons of liquefied natural gas (twice as much as Nigeria's current output), and generate \$10 billion in annual revenue.

The timing of the project could not be better. With oil prices soaring, world emission standards tightening, and concern over global warming growing, many First World countries, heavily dependent on petroleum, are looking to countries like Nigeria for natural gas, an affordable and environmentally friendly source of energy. Natural gas consists principally of methane and various other hydrocarbons, and when burned, emits less carbon dioxide into the atmosphere than other well-known fossil fuels such as oil and coal.

Natural gas is more efficiently transported over long distances in a liquid state. It is cooled to a liquid to reduce its mass, stored in special nickel-plated tanks, and eventually loaded into cryogenic transport tankers for delivery around the world. Receiving countries such as the United States, Japan and Spain must have production facilities to return the liquid to its gaseous state.

The uses of natural gas vary widely, from residential heating and cooking, to fueling electric power plants, to the creation of plastics and fertilizers, and are expanding with advances in technology.

As a corollary effect of the OK LNG project, Nigeria has decided to construct a deep-sea port to support cargo ships that will transport the liquefied natural gas. Officials hope the port will become the international trade hub for Western Africa.

OGUN GUANGDONG FREE TRADE ZONE

Free trade zone project gets green light to proceed

Chinese backers decide to move ahead with a new free trade zone project in Ogun State

CHINESE officials and investors have given the go ahead for the construction of a major free trade zone in the western Ogun State in Nigeria that will offer a range of business opportunities to international manufacturers and industries. Officials are confident that the potent combination of the project's strategic location on Africa's west coast and the range of tax incentives being offered will attract a number of investors worldwide.

The project, known as the Ogun Guangdong Free Trade Zone, is a joint venture between the Guangdong Xinguang African Investment Group, Chinese company CCNC, and the Ogun State government. It is scheduled to occupy some 7,000 hectares of area (about 17,300 acres) and will cater to several industries, predominantly manufacturers for items such as furniture, ceramics and appliances.



Ogun's advantageous location on Africa's west coast is expected to attract new companies

transactions, including repatriation of foreign investments.

According to Kayode Samuel, the Information Commissioner, the project will stimulate further foreign trade in Nigeria. Additionally, a major deep-sea port is scheduled for a separate region of Ogun State and will serve as an important hub for transatlantic vessels. State officials are confident the increase in foreign trade will provide new opportunities for Nigerians as well as boost local economies.

EDUCATION

Aiming to be the Massachusetts of Nigeria

Ogun officials have embarked on a series of initiatives to strengthen the state's longstanding tradition of higher education

A SERIES of educational initiatives, developed under the guidance of Governor Otunba Gbenga Daniel, are underway in Ogun State aimed at improving statewide literacy, educational resources for youths, and higher-education opportunities.

Governor Daniel's education drive really took shape during his campaign tour during which he formalized his education goals in his 'Contract with the Ogun People'. The tour put the governor in direct contact with citizens across the educational spectrum, from youths without access to schools, to officials seeking post-graduate training.

The statewide visit, along with Mr. Daniel's personal experience in the Nigerian educational system, helped forge his unique vision of how to empower the people. "My own thesis is that once people are articulate, they can begin to lead more active lives,"



In addition to supporting a number of educational programs, Ogun also prioritizes youth development

he explains, adding that his aim is to give a voice to those who have not previously had the means to express themselves and to build on the knowledge of those who have already had access to education. To this end, the state government is now implementing a comprehensive socio-eco-

economic development program called SEEDS, and has given human capital top priority.

The state's Human Capital Development Program, which targets the creation of sustainable socio-economic and technological growth through the development of human resources, is based on six main components: sponsorships of post-graduate degree work abroad, secondary programs, development of the state's tertiary education, facilitation of admissions for private students in international universities, youth career support initiatives, and youth mentoring. The programs cover all levels of education, with proposals designed to produce short-term results in higher-education students and make a significant, long-term investment in youth development initiatives.

Indeed, Ogun State has a longstanding tradition of higher education. "It is here where civilization really started in terms of education," Mr. Daniel observes. Today, Ogun is home to nearly a dozen universities, more than any other Nigerian state. Even so, Governor Daniel's long-term goal is to make Ogun the Nigerian equivalent

of Massachusetts in terms of the number, quality, and reputation of its universities.

To this end, the state currently sponsors 15 beneficiaries for post-graduate work annually, sends five teachers from the public school system for higher training abroad each year, and supports links between Ogun's universities and foreign academic institutions.

State programs are also aimed at helping Ogun's youth in the belief that they represent the most vibrant segment of the population and constitute dynamic agents of social change and development. It also believes that young people respond better to community-based initiatives and local leaders. Consequently, many of Ogun State's youth programs take place at a very local level, and the state has recently pledged to increase funding for ground level organizations.

Ogun is also committed to supporting sports. In 2006, it hosted the Gateway Games, an international sports competition that brought together 25,000 participants, and received favorable reviews from the international community.