

CONTEXT

The Cotton Textile and Garment (CTG) sector in Nigeria is one of the oldest industries. It was primarily active in the early sixties, but over the years, textile mills collapsed across the country and the sector became deflated. Currently, the majority of ginneries are obsolete and there is extremely low human capacity in the sector. However, a few textile companies are still in operation in Nigeria. Cotton production over the years has suffered neglect by both Federal and State Governments. After the dissolution of the Nigerian Cotton Board, there has been a vacuum on cotton production, processing and marketing. Several attempts have been made to resuscitate the sector, but the government has not been able to put in place the right policies or strategies that would ensure viable and sustainable cotton production. Currently, out of 52 established ginneries, only about 17 are operational.

The Federal Government recently unveiled measures to tackle some of the industrial constraints in the textile sector. The strategies include stopping smuggling and counterfeiting of cotton, textile, and garment products as well as prioritizing patronage of made-in-Nigeria products by various agencies of the government.

Some of the major challenges the sector faces include:

- Low cotton production and poor quality of seed cotton resulting from high levels of contamination
- Lack of power supply as most ginneries are located in rural and semi-urban areas
- Lack of adequate working capital
- High cost of transportation
- Shortage of modern grading facilities that are of international standards
- Inadequate local markets and total dependence on international markets
- Porous borders
- Non-payment of Export Expansion Grants
- Low local patronage

MAIN APPROACH

The UNIDO-Nigeria Industrial Revolution Project Office focuses on capacity strengthening for sustainable industrial development in Nigeria. The aim of the overall project is to contribute to the main goals of the Nigerian government's Industrial Revolution Plan (NIRP), which seeks to spur economic diversification, industrial growth, job creation, and sustainable livelihoods. Under the agro-allied category, the CTG sector has been identified a potential cash-crop which can effectively revive and diversify Nigeria's economy. The NIRP Project Office is in the process of identifying a potential pilot project under the Cotton Textile and Garment sector.

AT A GLANCE

Project title: Yet to be disclosed

Country coverage: Nigeria

Thematic areas: Upgrading the value chain of the Cotton Textile and Garment Industry across Nigeria

Main country counterparts: Federal government of Nigeria (the Federal Ministry of Industry Trade and Investment and the Federal Ministry of Agriculture and Rural Development).