

# **2- DAYS TRAINING/SENSITIZATION WORKSHOP ON COVID-19/EMERGENCY PROCUREMENT FOR SMES IN JIGAWA STATE**

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# INTRODUCTION

The COVID-19 pandemic will have economic consequences\_ for many countries. In Nigeria, the country's lockdowns froze economic activities, causing job losses and supply chain disruptions. And its dependence on oil for revenue and foreign exchange has made it particularly vulnerable to the unprecedented oil price crash triggered by a collapse in demand.

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Some forecasts suggest that Nigeria' unemployment rate could rise to 33.6% (or 39.4 million people) by the end of the year if urgent steps are not taken. At the end of 2018 it stood at 23.1% (or 20.9m people). In addition, a recently released National Bureau of statistics household survey showed that over 40% of Nigerian households could be classified as poor. It projected that the economy could shrink by anything from 4.40% to 8.91%. This would depend on the length of the lockdown period, the potency of economic plans that are put in place, and, in particular, the amount of stimulus spending.

Also proposed is support for micro, small and medium enterprises, an 80% reduction in the registration fees for food, drugs, cosmetics, medical devices, and chemicals by the National Agency for Food and Drug Administration and Control (NAFDAC) as well as a waiver of administrative charges for product license renewals.

The government also plans to set up a survival fund to give payroll support to small and medium-sized enterprises, and to promote the use of domestic gas as well as technology hubs. ***STAFFORDSHIRE***

***UNIVERSITY***

Equally, the Covid-19 has touches the lives of Jigawa Citizen and the Nigerians at large. So many activities has been at stand still especially that of our Small and Medium Enterprise in which business were crippled down in so many ways, like productions in the industries, markets were shut down as a result of the Covid-19. Many, if not most, businesses are already feeling the negative effects of the virus.

- As a result of the foregoing, the State government through the Directorate of Economic Empowerment has made a budgetary provision on how the affected SMEs could be supported as a result of Covid-19 affections.

Ladies and gentlemen, you are very much aware that, in the past 5 years of this administration, the government was much committed in making the lives of its citizens to become economically improved through various forms of supports and interventions as credit loans and grants to SMEs, Cooperative groups and individuals (women and youths) through empowerment programmes. These interventions mostly were on Agricultural Machines, Equipment, Implements as well as demand driven trades which were drawn from the Local Government Areas based on the interest and viability of the trades within the communities. A lot has been done just to reduce poverty and the issue of unemployment. Relatively, over 150,000 people benefitted from various forms of empowerment programmes in the state, since the inception of the current administration.

So therefore, in order to reduce hardship on our Small and Medium Enterprises in the State, government has in the 2020 budget, made a provision that will cover some programmes related to the SMEs that were directly affected by the Covid-19 Pandemic. In relation to this, N366m was set aside for the following empowerment programmes to cushion the impact of the Covid-19 in the state.

1. Development and support to business Cooperatives in which SMEs and other business groups will be given a credit facility with interest free. (N100M)
2. Micro credit and business start-up support whereby loans facility and small grants, will be given to women and youths at community level. (N150M)
3. Also agricultural micro credit and support will go to the five (5) emirate Councils as agricultural loans support to Covid-19 Pandemic. (N116M)

In relative development, another programme on agriculture will be carried out whereby agricultural Machines and Equipment will be given to our teaming farmers of all categories (men and women), this will include:

- ❖ Rice Milling Machines
- ❖ Multi-crop Threshers (Millet and Corn)
- ❖ Planters (Double and Single) rows
- ❖ 3" Water Pump
- ❖ Pest Control Sprayers (16 liters)
- ❖ Rice and Wheat Harvesters.



Then, to access the loan, one has to fulfil the following criteria:

- i. fill an application form
- ii. Present a guarantor who is a civil servant with State, Local Government or State Universal Basic Education Board
- iii. Present an original Certificate of Occupancy of a landed property located within Jigawa State (where applicable) and or
- iv. Sign a contractual agreement between the State government through the Directorate of Economic Empowerment and the Applicant (where applicable)

Now apart from the state government's Covid-19 interventions, there is also another intervention programme from the Federal Government named NIGERIA CARES (COVID-19 ACTION, RECOVERY AND ECONOMIC STIMULUS PROGRAM FOR RESULTS). There are three (3) areas of this programme:

- Livelihood,
- Food security and
- State job creation MSMEs.

This program is a World Bank project in collaboration with other MDAs. The sum of \$20m is allocated to Jigawa State which will be shared to the above three (3) areas mentioned above. So area 3 is to be executed by Ministry of Commerce in collaboration with Directorate of Economic Empowerment that is to support Micro Small and Medium Enterprises and equally support another groups with grants, in order to facilitate their businesses.