

# **Cross River State Concession Program 2024**

Electric Vehicle Assembly Plant

## **Outline Concept Note**

### **Introduction**

The Cross River State Government proposes the establishment of an Electric Vehicle Manufacturing/Assembly Plant under a Public Private Partnerships arrangement in the state.

The greenfield initiative with potential to reduce carbon footprints from automobiles has the additional benefits of cost effectiveness and sustainability across the south-south region and indeed Nigeria as a whole; owing largely to the recent removal of subsidy on PMS. Furthermore, the increasing focus on energy transition of the Federal Government of Nigeria and the global community lends credence to this opportunity.

### **Objectives**

- Establish a state-of-the-art electric vehicle manufacturing/ assembly plant in Calabar Metropolis with charging points in designated points across the State consistent with the approved roll-out plan;
- Regularize the conversion process of existing vehicles to battery charged systems as possible using approved, cost effective and reliable approaches.
- Promote sustainability and low carbon emission.

### **What is expected of the private investor**

a) Detailed Feasibility Analysis:

- Conduct a feasibility study to identify the optimal location for the plant, appropriate technology, systems, market scan, battery recharging points; (preferably utilizing a "hybrid" of solar and conventional electricity power supply), explore the possibility of partnerships with existing gas stations for the recharging points, and related safety and logistical considerations;
- Ensure compliance with safety standards, environmental regulations, and best practices;
- Synergies and partnerships with credible institutions to ensure project sustainability, capacity exchange and hybrid financing;
- Deployment of private finance to the project from end to end.

b) Vehicle Manufacturing/Assembly:

- Secure, with the assistance of the Cross River State Government, relevant statutory approvals for the project, licenses including environmental and social impact assessments for the opportunity.
- Train mechanics and technicians in approved workshops to perform safe and efficient conversions and/or maintenance in line with industry standards.
- Implement a certification process to ensure the quality and standardization of conversions to build consumer confidence.
- Explore the production of EV batteries at the plant utilizing Cross River State lithium.
- Explore the production of EVs with inbuilt solar charging capabilities to compensate for low availability of power where possible.

### ***Funding and Implementation Plan***

- Investor to establish capacity to mobilize funding, raise the required capital for setting up the facility in line with the approved work programme.

### **What is the Government of Cross River State's Contribution to the Project?**

- (a) Provision of zero cost extended leasehold site free of encumbrance for the project.
- (b) Enable project access to free trade and/or duty free zone(s) location
- (c) Access to middle level technicians from existing technical colleges and the State University of Technology across the State;
- (d) Facilitate access and exploration of lithium mining sites and/or facilitate the acquisition of lithium from existing miners.
- (e) Off-take a reasonable number of EV's provided they measure up to international standards on every benchmark of performance.
- (f) Guarantee payments for interested public officials who intend to acquire the EVs on an instalment payment plan.
- (g) Provide a waiver of State taxes for at least one year from the date of production.

### **Conclusion**

Nigeria presents a largely unexploited market for EVs with vast untapped potential. Geographically, Cross River State's strategic location enables access to and development of markets across the South-South, South-East, and North-Central regions, as well as neighboring countries like the Republic of Cameroon.

The State Government is committed to supporting the project's success to generate employment and boost the State's economy. The Private Partner must ensure compliance with all legal and international standards pertaining to EVs to enhance project viability.