

BRAU Newsletter from Jackson, Etti and Edu

MAY 2020

MANUFACTURING & FAST-MOVING CONSUMER GOODS (FMCG)

Globally, the FMCG and manufacturing industry remain some of the worst hit by the Covid-19 pandemic. From the production of food items, textile, health and medical consumables, beauty and fashion, technology equipment, luxury and other necessary goods or utilities required for daily life, global supply chains have been impacted by the unprecedented disruption occasioned by the outbreak leading to acute shortage, hoarding, price hikes, and even competition practices with attending impact on the economy of many nations.

by the closure of businesses, import and export restrictions, restriction on human and vehicular movements, closure of airports, rail stations, markets, malls and other forms of mass social gatherings, forex restrictions and many others as at the date of this Article.

In Nigeria, the Federal Government and other industry regulators and

stakeholders have introduced or agreed on some control measures to ensure the continuous production or importation, distribution and transportation of goods and commodities across the country, during the lockdown and going forward in a bid to ensure availability of goods and price stability within the market. This article examines the response of industry stakeholders to the challenges of Covid-19 pandemic with insights on strategies for

businesses to maintain operations within the period.

FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT (FMITI)

Business Continuity Support

Following the announcement of the lockdown of businesses in Lagos and Ogun States and the FCT, and similar restrictions within States of the Federation, the FMITI disclosed in a press briefing on the 7th of April, 2020, that it will continue work with the Manufacturers Association (MAN) to ensure that all production of essential items such as food, medical and pharmaceutical products continue unhindered during the period. The FMITI in collaboration with the Standard Organisation of Nigeria ('SON') and the National Agency for Food and Drug Administration and Control ('NAFDAC') began the acceleration of the issuance of Certificates of Standards of essential items without sacrificing the quality of these items.

Emergency Operations Centre

FMITI established "Emergency an **Operation Center"** to monitor the supply of essential commodities across the country. The Centre is saddled with the responsibility of monitoring the real-time transportation and delivery of essential goods across the country in view of the restrictions to human and vehicular movements. In this light, the Ministry issued letters of permission authorising members of the Manufacturers Association of Nigeria involved in the production and distribution of essential goods to move freely within the period.

Support for Manufacturing of locally Made Ventilators

The Ministry also announced that it will be engaging and supporting indigenous car manufacturing companies to tweak their production line in order to begin the manufacturing of locally made ventilators – a critical medical equipment in the fight against the virus. Interested businesses with capacity for local production or repair of ventilator are advised to contact the Ministry to harness this opportunity to establish or scale its capacity in this regard.

NIGERIAN PORTS AUTHORITY ('NPA')

Business Continuity at Designated Ports

The NPA introduced safety procedures, that will guarantee the wellbeing and security of stakeholders and staff. It also directed other government agencies responsible for smooth operations in the ports to discharge their functions in line with the presidential directive of maintaining full port operations. The plan of the Authority is to ensure that other ports nationwide are reopened gradually to ensure the smooth return of import and export activities.

With these and other arrangements by the Government and industry regulators, it is envisaged that businesses will be able to maintain their operations while reducing the negative impact of the outbreak. Businesses within this sector will require creative strategies to ensure their supply chain is not impacted, in order not to lead to huge loss of revenue, and the shortage of supplies or commodities in the market.

