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Economic Gift Source of Diversifying Nigerian Economy for Economic Growth and Economic Development Sustainability

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Abstract
In the wake of public concerns on the impact of the tumbling prices of oil on government revenue and expenditure in the 2015 budget, the Nigerian economy is an oil-dominated one and crude oil exports is a major source of revenue for the Nigerian government. However the sector has been hit below the belt by the recent fall in global oil prices, a development that could cripple the economy, following this there has been several calls from various sectors of the country for government to diversify the economy by increasing its non-oil exports, a move many see will free the country from its current woes, an emerging trend suggests that in the last seven years the economy was growing without job creation and poverty reduction. Expectedly, attention of scholars had shifted towards non-oil mining export as a remedial for this quagmire. This study investigates the specific impact of the non-oil mining exports to the growth of Nigerian economy. The first part gives an overview of the profile. The second part deals specifically on the Nigeria economy structure and nature of export financing in Nigeria, etc. the third part discusses the contributions of non-oil mining to Nigeria's economy. A summary and a conclusion based on our discussion in the proceeding parts draws the curtain on this discourse, with providing a data benchmark for appraisal of possible improvements in future performances of non-oil mining export trade, with respect to its contributions to the growth of the Nigerian economy.
Keywords: Economic gift, co-integration, economic growth, diversification, mining, Nigeria economy.

1.0 Introduction

Economic gift are natural resource in a nation that is its wealth, the Nigerian economy is an oil-dominated one and crude oil exports is a major source of revenue for the Nigerian government. Plummeting oil prices and the announced austerity measures reveal an opportunity for revamping the Nigerian economy. This is an opportunity for the short, medium and long terms. But this is subject to a caveat; the managers and operators of the economy must see the silver lining at the end of the thick cloud. Tapping this opportunity is also dependent on the managers of the economy unlearning and forgetting some of the dogmatic philosophies and received knowledge that their teachers and masters taught them in the classrooms and start using common sense and pragmatism as guiding principles to restore our economy. It is a fact of life that as a person sows, so shall he reap. An economy that is not guided towards production but only consumption is bound to collapse like a pack of cards upon the slowest headwinds.

There have been a lot of discussions by notable men and women of knowledge and incredible official noise over the years about the mantra of diversifying the economy. Various sectors including agriculture, manufacturing, hospitality, tourism and mining and the knowledge economy have been postulated as holding the key to our diversification. Various documentations and reports have been launched as the linchpin for our growth and diversification. However, instead of being diversified, the economy has become more straight-jacketed and narrowed into the smallest ducts and vents of the oil industry. The leadership of the country over the years simply mismanaged the high oil rents and failed to use them as a spring board to develop other sectors of the economy or to further invest in the oil sector for enhanced revenues. But all hope is still not lost.

The slow growth of Nigeria's non-oil exports is not encouraging in the post-independence period. It averaged about 2.3% during 1960 to 1990 but in relative terms, declined systematically as proportion of total exports fell from about 40% in 1970 to about 5% in 2010, (World Bank Report, 2011). A well developed export sector will provide employment opportunity for the people with the attendant reduction in social cost of unemployment. Earning from export will reduce the strain on the balance of payment position and even improve it. A rewarding export drive can turn a hitherto underdeveloped economy into a prosperous economy. Income earned through exporting will help in increasing the level of demand within the economy.

An assessment of the trend and patterns of activities in the non-oil sector of Nigeria revealed that despite the various policies, strategies and reform programmes, the contributions of the sub-sectors of this sector have been dismal, disheartening and below its full potential. Agriculture that serves as mainstay is still characterised by low productivity. This stems from small farm size with crude and outdated farm implements, lacking access to credit facilities production machinery and inputs by farmers owing to inadequacies of their provision among others.

The challenges of non-oil export sector is not that it is being over shadowed by the oil export trade, but traceable to declining non-oil export and loss of market share in the non-oil trade globally is a clear evidence of how the non-oil sector competitiveness of the Nigerian economy has been consistently eroded over the last three decades. A robust and strong export trade is indicative of how competitive the commodities and services are, and how large the scale of the industrial base of an economy is, this is reflected by the comparative advantages possessed by the country. Also, exports of commodities are possible when domestic demand for such are satisfied and surpluses exist in commercial quantities. Thus, the non-oil export sector serves as the hub for exporting these surpluses produces by the non-oil base of the country's economy. There has been several research works which have examined the relationship between non-oil export and economic growth.

1.1 Significance of the Study

Okoh (2004) observed that global integration had positive but not significant relationship in explaining the behaviour of non-oil exports in the long-run. Since the aggregate non-oil exports data used by previous studies may biased their conclusion and the need to correct the existing cultural distortions and put the economy on the path of sustainable growth is therefore compelling. This raises the question of what need to be done in order to diversify the economy and develop the non-oil sector to realise the potentials of the sector. Given the over dependence of the Nigerian economy on volatile global of oil prices, coupled with the neglect of other sectors that had hitherto sustained the Nigerian economy, it has now become imperative for the Nigerian economy to be diversified. Predicated on this scenario (volatility of oil prices), the economy will be subjected to fiscal shocks with attendant problems such as fiscal deficits. Also, there is a need to manage macroeconomic stability and pro-cyclical government expenditure pattern by improving non-oil growth performance and saving Nigeria's oil revenues for future use. Similarly, the resurgence of mineral commodity prices with global increase in exploration for solid commodities necessitates the development of a policy framework that will ensure the efficient and effective utilization of the nation's mineral resources. Thus, the ministry of solid minerals main policy objective which is the increase mineral production and value addition by focusing on exploration, exploitation, processing utilization and marketing of mineral resources of the country needs to be strengthened to achieve these policy objectives. (Olumide .S. A et al 2013).

1.2 Outline

The first section of the paper provides a general introduction, and sets out the significance cum objectives of the policy paper. It also highlights the methodology to be employed to address the key issues. In the second section, we will be examining the structure of the Nigerian economy with a view of the need for diversification of the economy towards solid mineral development. Section three will be a brief review of the Nigerian solid mineral development policy. In section four we will be examine the impact of the contribution of the solid mineral sector as economic gift to the economic development of the Nigeria. Section five will focus on the opportunities and potentials for solid mineral development in Nigeria . The policy paper concludes by providing a way forward in the solid mineral sector in Nigeria.

1.3 Diversification

Diversification presents the most competitive and strategic option for Nigeria in light of her developmental challenges and given her background. Diversification has a lot of benefits for Nigeria to maximally utilize her abundant resource – base to rebuild the economy and enjoy the benefits of all the linkages, synergy, economies of scale, grow national technology and foreign investment profile, build human capital, exploit new opportunities, lessen averagely operational costs, increase national competitiveness and grow the standard of living and confidence of the citizens for national renaissance.

Diversification does not occur in a vacuum. And, the need to have in place an enabling environment to make diversification possible remains necessary. A number of key drivers have already been identified. These, for example, include investment, trade and industrial policies; a dynamic growth performance; macroeconomic stability; a competitive exchange rate and expansionary but responsible fiscal policy as well as institutional variables such as good governance and absence of conflict and corruption.

2.0 The Structure of the Nigerian Economy Relationship with Mining Sector

Nigeria is largest oil exporting country in Africa and has a rapidly growing economy. The country follows a resource based growth strategy driven by the production and exporting of oil. With the volatility of global oil prices and often volatile growth of Nigeria's economy, the country has wasted much of its opportunities to break away from underdevelopment despite its massive natural and human resources endowments. It has dwelled only on its huge crude oil resources as the major source of revenue, driving a monolithic economy for years in spite of the enormous developmental challenges it faces. Regrettably, the oil resources are being mismanaged and a substantial part of it has gone on rent seeking and red-tapism common in Nigerian bureaucracy. For more than a decade now, Nigeria has been enjoying high levels of economic growth, human development, and relative political stability. As it continues along the path of economic progress, it is imperative that the country finds ways to diversify its economy by boosting non- traditional sectors, expanding its range of products for exports and engaging new economic and trade partners. The economic nerve centre of Africa shifted northward this year when Nigeria took South Africa's long-held position as the country with the continent's largest Gross Domestic Product (GDP). While GDP neither reflects the wealth distribution nor accounts for the size of the population, it is a significant indication of Nigeria's emerging economic power.

All of these at the expense of other sectors such as solid minerals and agriculture, which have been the mainstay of the economy as well as the highest employers of labour. Solid mineral sector in Nigeria, according to stakeholders, could help to combat poverty through job creation, and set Nigeria free from over dependence on crude oil which has left the country at the mercy of the West, particularly the World Bank, which dictates economic policies for Nigeria. Stakeholders stressed the need for Nigeria to strengthen the age long solid minerals with the appropriate policy and enabling business environment so that private organisations can key into the sector. There are abundant mineral resources in the country; while some put the number at 34, others said 50 and many others believe that it could be more.

According to an analyst, Adeola Adekoya, solid minerals could be one of Nigeria's major economic breakthroughs. The sector over the years has been plagued by deteriorating infrastructure, unstable power supply, uncertain government policies and over dependence on oil, but given the huge amount of capital required for operations and the long-term nature of its projects, investors cannot be blamed for thinking twice before investing in the sector.

According to Adekoya, the tin mines of the Central Plateau region around the city of Jos, and the coal mines around the southern city of Enugu had been opened up by the late 19th Century. But tin production is now down to a trickle while coal exports slumped from a peak of 3.2 million tonnes per year in the 1970s to nothing within two decades as successive administrations shifted to the boom of oil exploration.

According to Federal Office of Statistics (2003), proven reserves of good quality coal, low in sulphur and ash are put at about 2.75 billion tones. Deposit of iron ore is estimated to exceed three billion tones. Bitumen reserves put at over four billion tones are nearly double the known reserve crude oil.

The deposits of gold and other gemstones including sapphire, aquamarine, emeralds, topaz, tourmaline, citrine, amethyst are said to occur in viable commercial quantities in different parts of the country. In addition, there are industrial minerals, such as barites, bitumen, kaolin, gypsum, salt and iron ore, among others that could bring substantial foreign earnings for the country.

The Riruwai mining area in Doguwa Local Government Area of Kano State has large deposits of columbite, granite, copper, zinc, lead and uranium. There are evidences of Gold, Quartz, Kaolin, and Mica in Sumaila, Karaye and Shanono Local Government areas. There are also vast deposits of Silica sand in Makoda Local Government certified to be one of the finest in the world for glass making. "It is sad that the nation has moved from agro- based to a mono – cultural economy.

The consequent over dependence on oil has affected other sectors of the economy and by extension, the socio- economic wellbeing of Nigerians. He was however, optimistic that there is hope for Nigeria out of the grip of overdependence on oil to diversification to solid minerals.

Adekoya said the development of the solid mineral sector or any other sector of the economy, will promote economic activities through investment, employment of resources, increased output, and enlarged aggregate demand.

Another stakeholder, Bamidele Adenrele, said mining would offer potentials for job creation, foreign exchange earnings, domestic production and consumption, tax revenue and diversification of the economy from dependence on oil. It can contribute up to 3 percent of Gross Domestic Product and employ millions of people; moving most of them to middle-class status. Adenrele said due to the under development of the sector it has led to a situation whereby Nigerians import minerals such as barites, salt and iron ore that are available in the country, leading to government's lose of substantial amount of foreign exchange that could have been used to develop the country considering the demand for solid minerals in the global market. She however, advised the Federal Government to license private sector operators, provide accurate geological information for them and recognise the small scale artisan, even the so called illegal miners with supports and regulation, empower them as well as incorporate them into the value chain of mineral production and marketing. The solid mineral sector will provide viable prospects for mining, mineral processing and the manufacture of a host of intermediate raw materials for local industries as well as for foreign exchange earnings. It will present the opportunity for diversifying Nigeria's hitherto petroleum-dominated economy, and help curb the growing level of unemployment, move rural miners into middle class and reduce poverty. The Organised Private Sector (OPS) has posited that the ability of a nation to generate foreign exchange determines the strength of the nation's currency, and of the economy, especially where the resources are diverse, and not a mono as in Nigeria. The industry expert said there should be robust advocacy and awareness campaigns on the vast potentials of Nigeria's minerals by the three tiers of government and other relevant stakeholders on continuous basis, through workshops, seminars, road shows and conferences.

There are many factors in favour of the solid minerals sub-sector in Nigeria, among which is the diversity of the metallic and non metallic minerals; international investors are prepared to bear exploration costs, and risks a favourable policy framework. The new national solid minerals policy of the Federal Government which replaced the old mining laws and regulations has offered a competitive environment for solid minerals development.

The availability of international technology market, low cost mineral production processes which if properly sourced and assembled will minimise production costs, thereby ameliorate the impact of falling mineral commodity prices. Moreover, the deregulation of the mining sector under the Nigerian Investment Promotion Council (NIPC) Decree 1995 allows for 100 percent foreign ownership of mining operations and other related enterprise. Furthermore, free reparation of capital profits and dividends are added incentives World Bank finance for mining is now available through several agencies. These include the Multilateral Investment Guarantee Agency (MIGA) of the World Bank, the International Finance Corporation (IFC) which funds mostly private sector activities, and the International Development Association (IDA). Most capital projects in the mining sector have been abandoned by successful government due to lack of funding as many contractors have not been paid. Unfortunately, this state of affairs are not limited to capital projects as poor funding and low level of activities are demoralising stakeholders.

The President of Miners Association of Nigeria (MAN), Sani Shehu, has called on the government to take the issue of mining in Nigeria serious as it brings more foreign exchange earnings than crude oil. Recently, the Raw Materials Research and Development Council (RMRDC), said that Bauchi State alone could generate more than N1.6 trillion annually as revenue from Kaolin if properly harnessed.

The Acting Coordinator of the agency in the state, Mallam Ahmed Waziri, described kaolin as a widely used industrial non-metallic mineral, refined from kaolonite. “The mineral is used as raw materials in the production of cement, plastics, rubber paper, paints, ink, insecticides, food additives, chemicals, pencils, detergents, textiles and drugs among others. “Its major consumers include ceramic, paint, rubber, plastic and pharmaceuticals industries as well as fertiliser blending plants,” he said. Waziri, who quoted a survey conducted by the Nigerian Mining Corporation, said the state had more than 10 million tonnes of kaolin reserves. The survey said the deposit could be found mostly in Alkaleri, Kirfi and Toro local aovernments areas.

To further show its commitment in the mining sector, the Federal Government, earlier this year signed a \$5 million contract agreement with Northern Numero Resources Limited (NNR), an Australian company for gold exploration in Nigeria. At the signing ceremony in Abuja, Minister of Mines and Steel Development, Musa Mohammed Sada, said the contract would entail the development of Mining Lease 21 (ML21) located in Yauri, Kebbi State. Under the contract, NNR will procure a small scale gold mining and processing plant that would be expanded as more reserves are established. Sada said NNR had pledged to invest an initial \$5m in the project, for the procurement of small scale gold mining and processing plant for the gold extraction. According to Sada, the company has also committed to give 10 percent carried interest to the Nigerian Government and another five percent carried interest to the local community. In addition to the carried interest, the Australian company will pay royalties, taxes, amongst others to the Nigerian Government as stipulated in the Nigeria Minerals and Mining Act, 2007, and its Regulations, 2011, as well as the Community Development Agreement, which the company is expected to sign with the host community. Listing the social and economic benefits to the Yauri community, Sada explained that ML21 happened to be one of the mineral titles of Nigerian Mining Corporation, which had carried out some exploration activities in this area, including core drilling before its closure in 2005. Stakeholders have said that geological survey of solid minerals in the economy has revealed positive indication of the existence of commercial mineral deposit in the six geopolitical zones of the country. There are concerns that despite the overwhelming discovery, Nigeria has continued to depend solely on crude oil exploration and exploitation, thereby neglecting other essential sectors of the economy which are equally capable of generating as much foreign exchange as crude oil if given the desired attention. The chambers of commerce movement has in recent times proposed to the Federal Government to urgently put in place an integrated database on solid mineral development in the country, which would showcase among other things information on mineral deposits and major locations, explorations and mining processes, available reserves, production specification and requirements, cost of production and marketing. It should also as a matter of urgency put in place adequate incentives in the areas of financing, equipment leasing and hiring services, including provision of basic infrastructure and evolvement of environmental friendly policies to encourage indigenous small scale miners and other investors in the solid mineral sub-sector The government should strengthen the Federal Ministry of Solid Minerals Development, enthrone professionalism for efficiency and effectiveness and ensure the completion of the regulatory and legal framework that would give birth to a mining policy which would promote the take-off of the development effort for solid minerals exploration in Nigeria. Government is further asked to continue to give necessary support to investors that have the capabilities to establish value added centres for mineral products to enable them operate effectively, and add value to their products before exportation.

2.1 Evolution of Mining in Nigeria

Mining is the extraction of mineral occurring naturally such as coal, ores, crude petroleum and natural gas. In view of their significance to the Nigerian economy and peculiarities, the compilation of statistics of petroleum and natural gas (which are coded as division 11 of the ISIC) is discussed separately from that of solid minerals.

Mining is one of the oldest economic activities in Nigeria dating back to prehistoric times when man crudely exploited iron and clay, and perhaps other metals, for the production of his cosmetics, crude implements and utensils.

The early European explorers, mainly German, Spanish and British, located and mined tin, galena, gold, etc.for export to their home countries. Records show that organised exploration activities in Nigeria commenced in 1903 and 1904 when the Secretary of State for Colonies inaugurated mineral surveys of the Southern and Northern Protectorates respectively.

The principal mineral occurrences discovered by the survey teams included lignite deposits at Asaba, lead-zinc ores at several locations, tin and columbite in the south-east, monazite, limestone and lead-zinc ores at Abakaliki district. Others were coal at Enugu, brine springs at Arufu and Awe, Galena in Jos area, iron ore deposits in Niger and Kwara districts and marble deposits in Jakura. Mining activity in controlled form, However, commenced in the country in 1915 with the production of coal at the Enugu mines. Prior to the discovery of petroleum, Nigeria was impressively sustained by agriculture and few solid minerals known at the time, namely coal, tin, columbite and gold. Coal, for example, met fully the needs of our railway system and electricity supply while tin yielded substantial foreign exchange earnings for the nation.

In addition, these minerals also offered employment opportunities. The downturn in the economy and the introduction of the Structural Adjustment Programme (SAP) necessitated a review of Government thinking. The result is the crystallisation of the concept of diversification of activities, and the promotion of privatisation and commercialisation.

By the end of 1994, Government canvassed a private sector-led economic revival programme in solid minerals, agriculture and manufacturing as a means of diversifying the economy. This programme recommended the establishment of a Ministry of Solid Minerals Development, the creation of which was subsequently announced by the Head of State in his 1995 Annual Budget Speech. Improved geological data over the years have revealed that Nigeria is endowed with numerous deposits of industrial, metallic and non-metallic minerals.

There are about thirty-four [34] minerals that have been identified in the country, of which only 13 are being actually mined, processed and marketed. They are coal (which has an export potential of 15 million tonnes per annum valued at US$1billion), kaolin, baryte, limestone, dolomite, feldspar, glass sand, ganstones [haphazard], gold [in small quantities], iron ore, lead-zinc, tin and its associated minerals and recently gypsum. The remaining twenty-one [21] minerals, though in demand are untapped.

The volumes of domestic trade deficit and foreign exchange losses resulting from this deficiency are colossal.

The availability of these minerals opens up opportunities in the following areas:

[a] exports and use in domestic industries for generation of foreign exchange and internal revenue.
[b] emergence of new industrial and downstream products.
[c] increased employment of Nigerians, particularly in the rural areas where the minerals are found. The multiplier benefits to the citizenry are enormous. In fact, the solid minerals sector can very easily be the largest employment sector of the economy, since deposits abound in virtually every State of the Federation.
[d] technology transfer and development.
[e] development of infrastructure,

especially in the rural areas [roads, hospitals, rail, schools and housing]. Prior to the creation of the new Ministry of Solid Minerals Development, enquiries and demands were being made for Nigerian solid minerals, especially coal. Since inception, orders to the tune of 15 million tonnes of coal have been received.

When the necessary infrastructure is put in place and the abandoned mines reactivated and modernised, coal export can yield the nation about US$1 billion per annum. The high demand for Nigerian coal is attributed to its low sulphur and moderate ash content.

In order to increase coal production to meet the demand, Government is encouraging private investment by offering various incentives including joint venture. The Nigerian Coal Corporation is being reinvigorated and equipped and some of its obsolete equipment replaced to enhance increased production.

The Federal Government has embarked on formulation of well-articulated policy objectives and programmes, the implementation of which will avail the nation of the enormous opportunities offered by our mineral wealth. The focus of these programmes is the development of the solid mineral sector with a view to improving its economic importance relative to other sectors of the economy.

They are also designed to facilitate favourable climate for foreign investors in all their ramifications. The creation of the Ministry of Solid Minerals Development and the restoration of the pride of place to the sub-sector is commendable.

Observers note that the exploitation of the country's solid minerals has been largely affected by the discovery of petroleum, as revenues from crude oil soon became the mainstay of the nation's economy.

They, however, note that successive administrations have been making specific efforts to revitalise the solid minerals sector, considering its importance in national economic development plans.

For instance, the Ministry of Mines and Steel Development recently said that it had formulated a policy to regulate operations in the mining sector in which seven strategic solid minerals were given priority attention.

The Minister of Mines and Steel Development, Musa Sada, said that the selected solid minerals were gold, coal, bitumen, limestone, iron ore, lead/zinc and barytes.

He explained that these minerals had high economic potential that was capable of generating jobs and creating wealth for the people.

Sada pointed out that the seven minerals were chosen out of over 34 identified solid minerals located across the country in view of their strategic importance to the national economy and their quantities.

On her part, former Minister of Mines and Steel Development and current Minister of Petroleum Resources, Mrs Diezani Allison-Madueke, stressed that the minerals' selection was partly due to the fact that they could be found in commercial quantities across the six geopolitical zones of the country.

Owing to the minerals' distribution pattern, the former Director of Nigeria's Mining Cadastre Office,MalamGoni Sheikh, stressed that structured and efficient exploitation of the minerals would contribute significantly to national development efforts.

He said that with the Mineral and Mining Act of 2007, the Federal Government was poised to restore the confidence of foreign investors in the mining industry by introducing fresh incentives and institutional policy changes. Unfolding the Federal Government's plans to transform the sector, President Goodluck Jonathan recently expressed the government's intention to develop mining activities, as part of strategies to diversify Nigeria's mono-product economy. He stressed that the government's commitment towards the development of solid minerals was evident in its design of a roadmap for the transformation of the solid minerals sector. According to him, the highlights of the roadmap include increasing the sector's contribution to the GDP from three per cent to five per cent by 2015 and 10 per cent by 2020.

Jonathan observed that Nigeria's coal deposits alone had the potential of generating more than 30 per cent of the nation's electricity needs with the development of appropriate technology..

2.2 Importance of Mining in Nigeria Economy

Nigeria earned about N305.1billion within the first three months of 2013, figures obtained from the National Bureau of Statistics indicate.

A breakdown of the figures highlighted under "2013 Export First Quarter" in the NBS' report on 'Merchandise Trade', showed that export from natural rubber was N158.38 billion; raw cocoa beans attracted N62.198 billion; Sesame seeds, N20,76 billion; cotton yarn, N16.44 billion; and Leather products, N8.56 billion.

Similarly, within the period under review, the export value of flowers and buds stood at N8.19 billion; footwear, N7.07 billion; tanned or crust hides, N5.41 billion; frozen shrimps and prawns, N4.96 billion; ginger, N4.09 billion; sacks and bags, N3.84 billion; cigarettes, N2.75 billion; and aluminum alloys, N2.54 billion.

The exports mentioned above, which are captured under the sub-heading, "2013 Export First Quarter" in the NBS report, totaled about N305 billion.

However, the NBS further said, "Analysis on exports by section revealed that mineral products contributed N3,034.2billion or 87.9 percent of total exports during the quarter, followed by plastic, rubber and associated articles with N168.1billionn or 4.9 percent; and prepared foodstuffs, beverages, spirit, vinegar and tobacco with N115.2billion or 3.3 percent.

"Exports to various continents showed that Europe ranked first with N1.66 billion or 48 percent of total exports, followed by the Americas with N830.2 billion or 24.1 percent; Asia with N591.8billion or 17.1 percent and Africa with N304.2billion or 8.8 percent." Meanwhile, crude oil exports stood at N3, 030.7 billion during the first quarter of 2013, the NBS said, representing a decrease of N1.07 billion or 26.1 percent when compared with the previous quarter.

Based on the Bureau's statistics, analysts linked the drop in exports to the significant decrease in crude oil export. Out of the exports to Africa, however, the report noted that ECOWAS contributed N178.2billion or 58.6 percent.

Exports by country of destination showed that United States took the lead with N414.1 billion, followed by Netherlands with N386.0bllion; Brazil with N343.0billion, India with N332.6billion and Spain with N327.6billion.

The NBS added that exports to various continents showed that Europe ranked first with N1.66 billion or 48 percent of total exports, followed by the United States with N830.2billion or 24.1 percent; Asia with N591.8billion or 17.1 percent and Africa with N304.2billion or 8.8 percent. Out of the exports to Africa, ECOWAS contributed N178.2billion or 58.6 percent.

Furthermore, exports by country of destination showed that the United States took the lead with N414.1 billion, followed by Netherlands with N386.0 billion; Brazil (N343.0billion); India (N332.6billion) and Spain (N327.6billion). Non-oil exports have become a major contributor to the growth of the country's Gross Domestic Product within the last one year.

The Central Bank of Nigeria had said that the industrial sector contributed 66.9 percent of the Federal Government's non-oil earnings in the first quarter of 2013. The apex bank, which made this known in its economic report for the first quarter of this year, noted that this represented an increase of 15.1 and 9.3 percent over the preceding and corresponding quarter in 2012, respectively.

3.0 Review of Early Literature

At the advent of democracy in 1999, Obasanjo's first full national budget in 2000 was under N600bn naira but now we have as much as 800% increase over this, yet we can only see little development but surplus of preaching's and governance by billboards while vision 20-2020 is in a state of rest like Newton's first law of thermodynamics. We say unequivocally that resource looting and wastage is much concentrated at the state levels, because most of our Governors are not just most wanting but problematic and the very impediment to development

In 2007, Nigeria launched a solid mineral development policy which is fundamentally hinged on the Minerals and Mining Act of 2007. However, they were earlier efforts towards the development of the solid mineral sector albeit with very little success, some of these include:

i. The New National Policy on Solid Mineral development, 1998
ii. The enactment of the Minerals and Mining Act of 1999
iii. Development of the Seven Year Strategic Action Plan for Solid mineral development in Nigeria,(2002, 2009);
iv. Establishment of the Nigerian Geological Survey Agency
v. Establishment of Sustainable management of Mineral Resources Project- a World Bank Assisted Programme.
vi. Establishment of the Mines Environment Compliance Department to ensure best international practices
vii. Establishment of the Artisanal and Small Scale Mining Department as a focused department for small entrepreneurs and local content.

Given the role played by the solid mineral sector prior to the discovery of oil, it is apparent that solid minerals have the capacity to contribute immensely to the economic development of Nigeria as in the pre-independence years. Previous solid mineral development policy decisions could not produce the desired outcome for which they were adopted, and the current solid mineral development policy does not seem to be adding much to the GDP of the economy. Thus, for the sector to develop beyond its current abysmal level, a critical evaluation cum reform of the policy is imperative. This could develop further the enabling environment for the sector to flourish and achieve its primary objective.

3.1 Rationale for a Sound Solid Mineral Development Policy

In the last two decades, the demand for mineral commodities has being on the rise. This is partly attributable to the emerging economies of Asia and Latin America as well as the bourgeoning global population. Also, in the intervening time, Nigeria's mineral potential is not fully exploited owing to over reliance on oil proceeds which is vulnerable to external shocks in the global oil price. Thus, the primary objective of the current government policy on sold mineral development is to take maximum advantage of the increase international commodity prices and the global resurgence of exploration activities, coupled with the potential benefits to the Nigerian economy as a whole, that has for too long depended mostly on oil revenues –Hence the need for diversifying the economy from over reliance on oil.

The Objective of the Policy Include:

i. Achieve sustainable increase in GDP contribution by the minerals sector;
ii. Generate quality Geoscience data;
iii. Establish transparent licensing regime;
iv. Formalise artisanal and small scale mining operators
v. Poverty eradication through ASM operations;
vi. Employment generations;
vii. Wealth creation through value addition;
viii. Increase capacity of mineral based industries

4.0 Concept of Export Financing

Ezeudu, I.J (2014). State export financing is finance for export. It involves funding a new export venture that will move from a domestically focused business model, to one that is internationally oriented and export based. Finance for exporting calls for creating and executing a financial plan for the successful conduct of international business. By contrast, export financing (or export finance) relates directly to transactions and/or export orders. Export finance has a very specific meaning in international finance: it covers a series of financing mechanism which are typically, short term and involve well-known techniques that banks, government agencies and private-sector service providers use in support of Nigeria Export. Finance for the exporting and export finance can be discussed in two broad categories; pre-shipment export finance and post-shipment finance. As well, pre-shipment finance will refer to the broad category, including the financing of new export ventures, as well as specific, transaction level export. Post-shipment finance involves other activities of financing aside pre-shipment activities (Canadian Website on Export financing). Export finance includes all the challenges and risks of domestic business finance, familiar to any SME or entrepreneurial venture, plus a series of extra challenges. These extra challenges include: (1) Longer delivery and payment time frames (2) Exchange rate risk and exchange controls (3) Limited and cosily dispute settlement and legal recourse options.

Financing international trade specially exports can be accomplished in a variety of ways, using a broad range of public and private sector sources in addition to any funds provided through internal financing using one's company resources, (chikeleze, 2001: 46) certain export finance solutions can address or instigate many of the risk noted above. Financing exports can involve a number of scenarios and objectives. Typically trade finance product and services focus on:

- Providing cash flow or working capital
- Facilitating or expediting the remittance of funds
- Obtaining financing based on the expected completion of an export sale or shipment.
- Providing credit to a buyer, to make the transaction more attractive.
- Mitigating against a variety of complex risks inherent in international trade, such as non-payment political or foreign exchange risk, loss or damage of goods in transit, and many others (Van, 1998)

An overriding aspect of international trade, as well as the financing related trade, is the significantly higher risk of pursing business overseas, an awareness and understanding of export risk, coupled with the appropriate risk strategy, will determine the success or failure of your venture, and will largely shape individual financing options (INMS, 1998: 35). Export related risk is similar to domestic risk, but vastly different in scope. The many additional factors of an individual need to account for in international commerce and the techniques used to manage those risks-should be at the forefront of any well-considered export strategy and export finance approach one may choose. A few banks in private sector have introduced schemes aimed at reducing risk related to export trade. One of such bank is INMS. In the pursuit of the Federal Government Export drive for non-oil product, INMB has established an export desk that provides specialized financing/advisory services. The bank has direct link with the world through its affiliates State Bank of India (SBI). It provides special packages for non-oil exporters.

5.0 Conclusion and Recommendations

The roadmap notwithstanding, the study scores the need to put in place some measures in the mining sector so as to stimulate economic growth via the sector. They note that the foreign investors' assessment of Nigeria's mining sector is not inspiring and, therefore, call for the initiation of proactive measures to attract potential foreign investors. This is because of the not-to-positive views of some international mining experts about the state of Nigeria's solid minerals sector.

For instance, a South African mining expert, Mr Adam Kendall, said that Nigeria was not a significant player in many of the core global mining commodities. Kendall said that Nigeria was rated lowest on coal reserve base because of its poor geosciences data on the available minerals in the country. "Compared to the U.S. with 237,295 metric tonnes, China 114,500 metric tonnes, Australia 76,400 metric tonnes, India 40,699 metric tonnes, Nigeria has only 360 metric tonnes of coal reserve base,'' he said. Kendall stressed that for Nigeria to attract investors in its solid minerals sector, the government must have correct geosciences data on the country's minerals. He said that the data would include availability and quality of minerals, stressing that Nigeria should also develop appropriate tax structure to reduce the cost of operation. Kendall said that the country should also develop appropriate legal framework, including clear rules, and a social framework that would reduce level of conflicts between mining firms and their host communities Nevertheless, analysts say that there are other problems that hinder the development of Nigeria's solid minerals sector. They, nonetheless, note that the lack of access to credit for potential investors and paucity of funds for minerals' development schemes are some of the fundamental factors inhibiting the growth of the mining industry.

All the same, Mr Sunday Iduh of Korea Development Institute School of Public Policy said in a research paper that the extremely low contribution of solid minerals to Nigeria's GDP "is attributed to the underdevelopment of the mining sector. "This is due to inadequate and insufficient policies for solid minerals exploration and development,'' he added. Iduh particularly underscored the need to develop Nigeria's solid minerals sector to enable the country to achieve economic growth through foreign direct investment. He said that the sector had the potential to generate additional internal revenue, while boosting foreign exchange, employment opportunities, capital and technology transfer. Iduh said that research had shown that with an environment that was conducive to economic growth, good policies, good incentives, good in-frastructure and political stability; Nigeria's mining sector would be transformed.

Regarding the development of Nigeria's steel sector, it is well said that for any nation that desires industrial and technological advancement, the steel industry should be regarded as the fulcrum on which that desire is hoisted.

This is why it has become expedient for government to pay serious attention to the development of the sector to achieve laudable milestone in its industrial revolution agenda. Stakeholders in the steel sector agree that no country can advance without the steel sector, since it is the primary ingredient for any commercial and business activities to take place. They want government to pay particular attention to the development of the sector if Nigeria is to become one of the 20 leading economies in the world by 2020.

For instance, Managing Director, Land Craft Industries Limited, Prakash Gupta, said Nigeria's steel industry is still at its embryonic stage and needed to be developed because steel is the greatest infrastructure needed by any country to grow technologically. He said capacity utilisation in the sector is currently at between 10 to 15 per cent, hence the urgent need to develop it, if the nation is to achieve meaningful growth. Gupta, who lamented the high tariff and erratic power supply in the country, noted that Nigeria's need for power is almost 20,000 megawatt, as against the present 4,000 megawatts; representing just 20 per cent of what is needed

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