



# STATE-WIDE INVESTMENT AND BUSINESS INCENTIVES IN EDO STATE



# **STATE-WIDE INVESTMENT AND BUSINESS INCENTIVES IN EDO STATE**

Developed by  
Edo State Investment Promotion Office - ESIPO  
with the support of GIZ/SEDIN.

11th of November, 2022

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# PREFACE

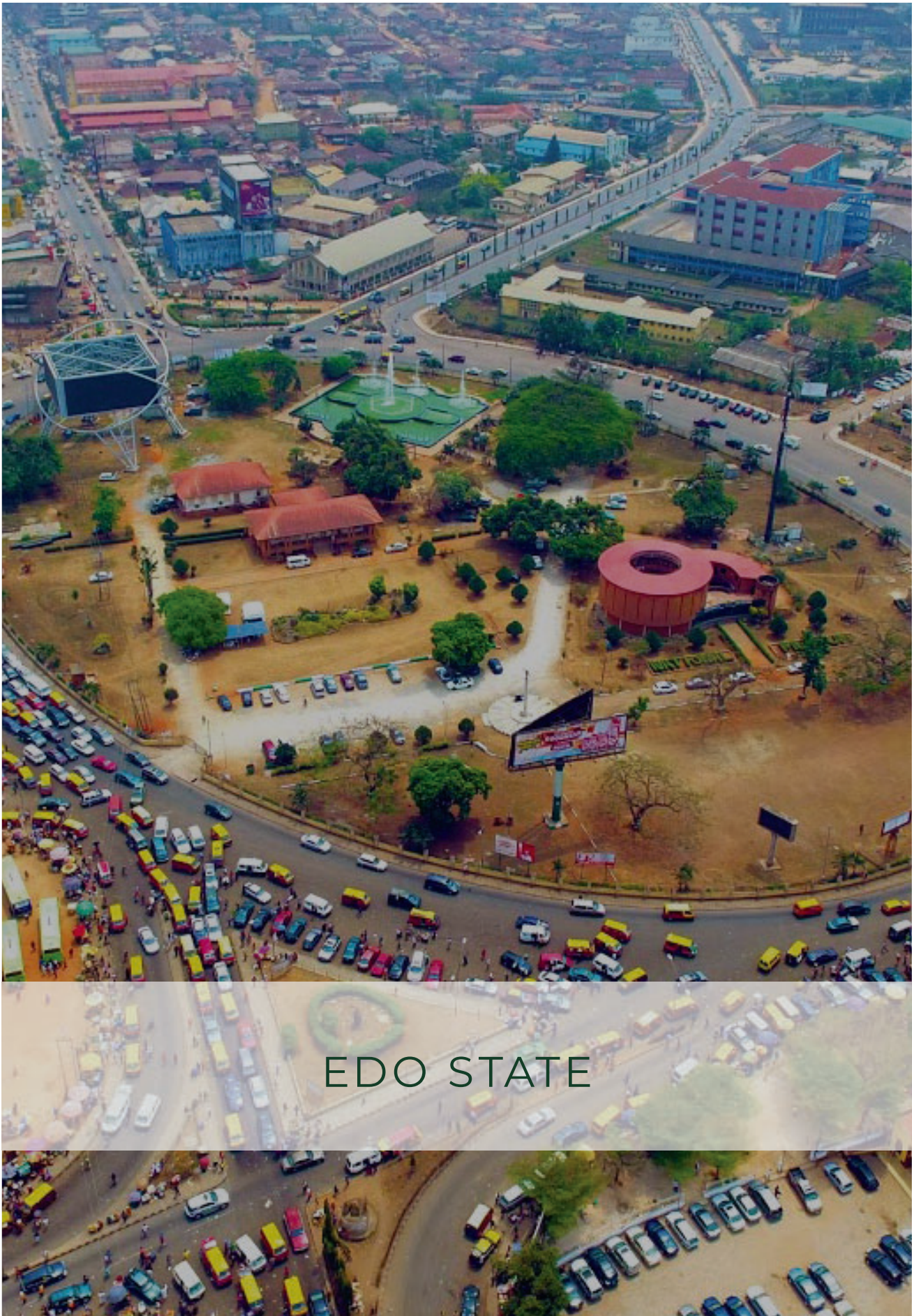
This Compilation of Investment and Business Incentives in Edo State is developed by the Edo State Investment Promotion Office, with the support of Pro-Poor Growth and Promotion of Employment Programme (SEDIN) of Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The purpose of this compilation of incentives will serve as a guide to investors as well as help to effectively, attract investment locally and internationally. It offers prospective investors information about opportunities of mutual interest in the state they can assess through incentives, and the relevant administering agencies.

Also, it strengthens ESIPO as a central repository of investment information assessable to investors for informed decision making. The document would not have been possible without the contribution and support of the following people and organization SEDIN programme of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), which is aimed at Pro-Poor Growth and Promotion of Employment, the Principal Investment Officer department of states coordination Nigerian Investment Promotion Commission, Mr. Abdulrahman Adamu, MDAs such as the Edo Internal Revenue Service, the Edo State Public Private Partnership Office, the Edo State Electricity Regulatory Commission, the Ministry of Environment and Sustainability, the Ministry of Finance, the Ministry of Trade, Industry and Cooperatives, the Ministry of Agriculture and Food Security, the Ministry of Transportation, the Ministry of Science and Technology, the Ministry of Local Government Affairs, the Ministry of Health, the Edo State Health Insurance Commission, the Edo State Geographic Information Service, and the Ministry of Arts, Culture and Tourism.

This Compilation is of fiscal, financial, and regulatory incentives offered by Edo State Government to investors and businesses. It is structured into three sections. Section one captures the contextual information including the background information and investment opportunities in Edo state. Section two highlights the various investment incentives in Edo State, which includes the Legal and Institutional framework. lastly, Section three contains other incentives that are under the purview of the Federal Government of Nigeria and are administered and implemented by federal Government agencies. This Compilation will be updated periodically, as more incentives are duly gazetted or approved as a clear demonstration of the commitment of the state government to encourage investments in Edo State. This Compilation is an investor's guide to choose Edo State as their preferred investment destination.

# LIST OF ABBREVIATIONS

ACGS	Agricultural Credit Guarantee Scheme
BEP	Benin Enterprise Park
BOA	Bank of Agriculture
BOI	Bank of Industry
CAC	Corporate Affairs Commission
CBN	Central Bank of Nigeria
CGTA	Capital Gains Tax Act CAP. C1 LFN 2004
CITA	Companies Income Tax Act CAP. C21 LFN 2004, as amended 2007
CofO	Certificate of Occupancy
DTA	Double Taxation Agreement
ECC	Export Credit Certificates
EEG	Export Expansion Grant Scheme
EDOGIS	Edo State Geographic Information Service
EIRS	Edo State Internal Revenue Service
EMOWAA	Edo Museum of West African Art
ESIPO	Edo State Investment Promotion Office
FIRS	Federal Inland Revenue Service
FZO	Free Zone (Tariff and Other Charges) Order, 2015
GDP	Gross Domestic Product
GIS	Geographic Information System.
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
IDITRA	Industrial Development (Income Tax Relief) Act, CAP. I7 LFN 2004
IPPA	Investment Promotion & Protection Agreement
LFN	Laws of the Federation of Nigeria
LGAs	Local Government Areas
MBTC	Ministry of Business, Trade and Cooperatives
MDAs	Ministry Department and Agencies
MIGA	Multilateral Investment Guarantee Scheme
MSMEs	Micro, Small and Medium-Sized Enterprises.
NEPC	Nigerian Export Promotion Council
NEPZA	Nigerian Export Processing Zones Authority
NEPZA	Nigerian Export Processing Zones Authority Act CAP. N107 LFN 2004
NIPC	Nigerian Investment Promotion Commission
NIPC Act	Nigerian Investment Promotion Commission Act CAP. N117 LFN. 2004
PITA	Personal Income Tax Act CAP. P8 LFN 2004
PPP	Public Private Partnership
SEDIN	Support of Pro-Poor Growth and Promotion of Employment Programme
TIN	Tax Identification Number
VAT	Value Added Tax VAT Act Value Added Tax Act, CAP. V1 LFN 200



EDO STATE



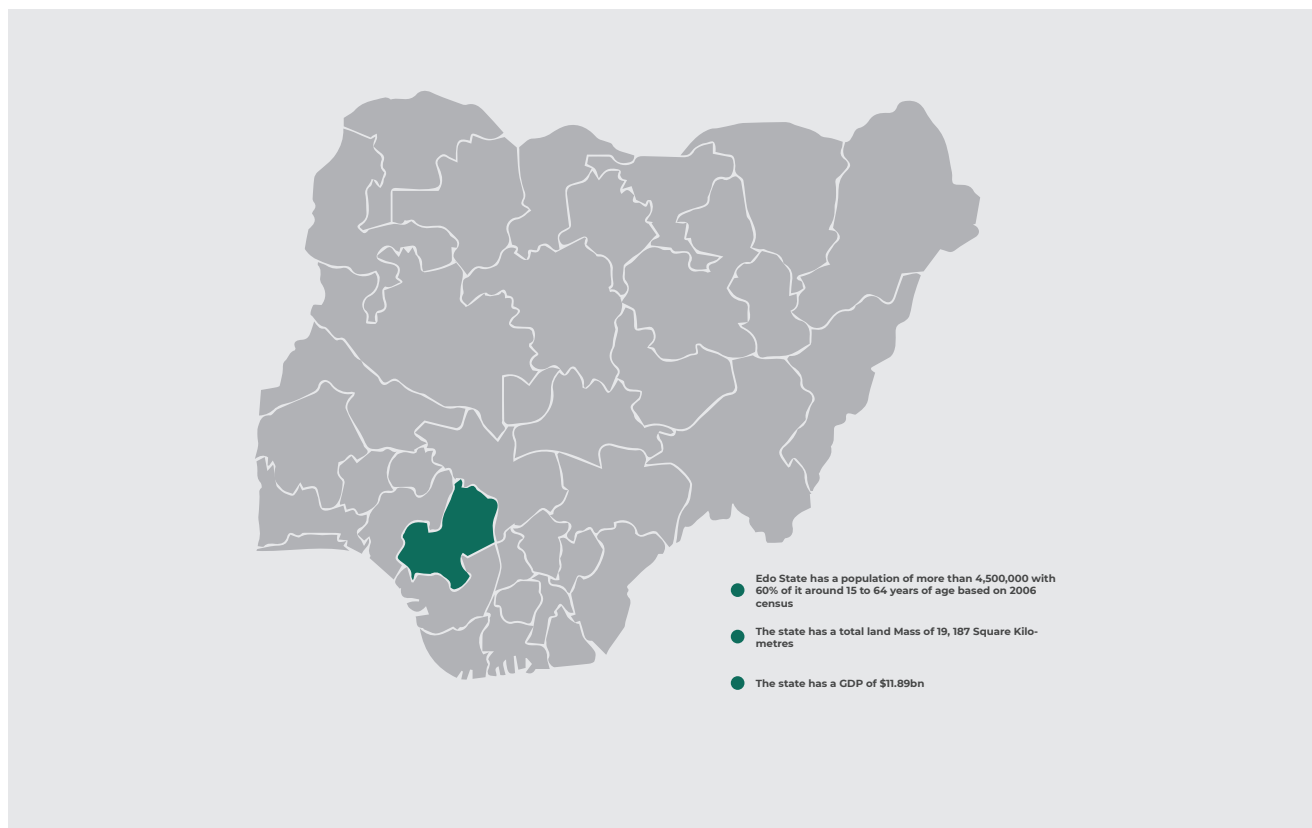
## **Reasons to Invest in Edo State**

## REASONS TO INVEST IN EDO STATE

Edo State is home of Nigeria's best investment location in terms of arable land, natural resources and its rich cultural heritage. This heritage can be seen from artifacts that are among the most exquisite in the world. Currently the state government has commenced a project named EMOWAA Archeological project, an innovative collaboration to investigate the archeology of the Kingdom. Known for having hospitable, friendly and accommodating people. Edo State is the safest location for residential and commercial activities in the South-South Region.

The state was created on 27th August, 1991, with a population of more than 4,500,000 with 60% of it around 15 to 64 years of age based on 2006 census. The state has a total land Mass of 19, 187 Square Kilometres with a GDP of \$11.89bn. Edo State is

geographically located in the South-South region of Nigeria and it is a transit hub that interconnects the states from the South (Delta State), West (Ondo State), North (Kogi State) and provides access to major markets in Nigeria. Edo also connects easily with key sea ports and airports in the region. There are three seaports and six airports within 200km of Edo State. The central positioning of Edo State in the South-South region of Nigeria places it in close proximity to the country's major commercial markets such as Onitsha market, that is West Africa's largest market is within 200km of Edo State. More so, Edo State provides easy access to important sub-regional trade locations such as the Port of Cotonou and Douala free port in Benin and Cameroun respectively. There are 2 international airports under 200km of Edo State, allowing for easy access to international markets.



Furthermore, Edo State has an industrial park, ready for manufacturers and industry developers. The park has reliable power supply with access to natural gas, zero corporate taxes and import duties as well as logistic advantages. Edo State is set to complete an inland dry port with 20,000TEU5 capacity and two warehouses, 20,000 square feet in 3 million square feet of open space. It is the number one producer of oil palm with production of 80% of the country's rubber, timber, palm produce and cocoa. It has a rich cultural heritage dating as far back as 1440 with artifacts that are among the most exquisite and coveted in the world.

There are lucrative opportunities in the most economically vibrant sectors in the state such as tourism, agriculture, business process outsourcing services, construction, entertainment, power, transportation and information & communication technology. Edo State has the talent and ecosystem support for incoming investors such as a large pool of labour comprised of young people between 15 to 40 years old. It is among top 7 states in Nigeria in terms of literacy that is 98.3% and 94.99% male

and female literacy rates respectively. It is rated 3rd amongst all states in Nigeria's secondary level education grading system.

However, the presence of University of Benin, one of Nigeria's foremost universities and recipient of several awards research institutes in the state including NIFOR, ElectroHyve Research Institute of Technology, Kivos Research and Xigma. It has a growing investment in skills development with several hubs to provide skill acquisition and support including a leading model hub for Technical, Vocation Education and Training (TVET) as well as Edo innovation hub, Afri-hub and more.

The Edo State Government is committed to driving industrialization and offers a conducive business environment for incoming investors. It has earmarked land for investors in several sectors such as the industrial parks with 24/7 active power with access to natural gas, zero corporate taxes and import duties. Also, recent power and road projects including Ossiomo Power, Azura Power, GeleGele Sea Port and Edo City Transport Service.



BENIN ENTERPRISE PARK

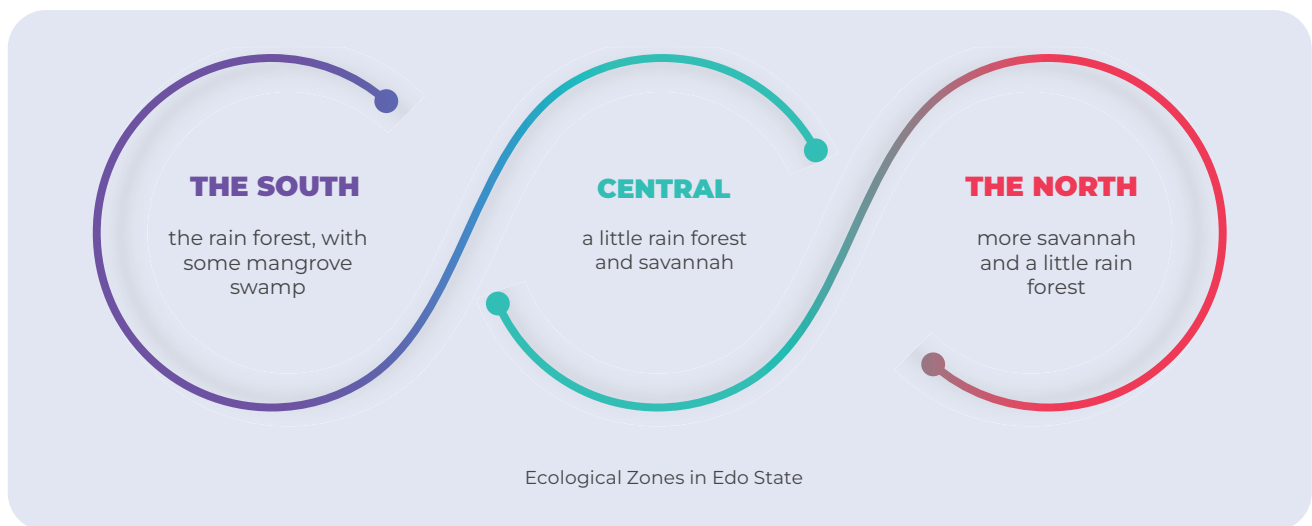


UNIVERSITY OF BENIN

## AGRICULTURAL SECTOR

With agriculture becoming the mainstay, Edo State has three ecological zones: in the south, the rain forest, with some mangrove swamp; in the central, a little rain forest and savannah; and in the north, more savannah and a little rain forest. The vegetation belts of the state can be generalized into: Fresh Water Swamp, Lowland Rain Forest and Derived Savanna. Edo State is endowed with favorable climatic conditions and ecological conditions that have given ground to a blossoming

agricultural sector and is one of the most endowed states in Nigeria, with a vast economic potentials begging to be tapped, Edo state has an estimated 1.1 – 1.6 million hectares of arable land and favorable ecological conditions accounting for 70% of its total land mass and is well aware of its agricultural potentials so much it generates 40% of its revenue from agricultural proceeds with relatively fertile soil to go with it.



### Relevant MDAs

- Ministry of Agriculture and food Resources
- Edo State Oil Palm Programme

### Rational for Investment

The growing population and demand in food has made the need for investment in the sector important. The growing world and domestic demand ascendency in the use of Shea products in cosmetics and confectionary industries as also alluded to the need for investment in the sector.

Government investment initiatives in agriculture such as CBN anchor borrowers' programs, cassava development initiatives etc is also available for investor in the sector.

## Rubber

- Edo state to be one of the major producers of rubber in Nigeria as the weather pattern supports.
- It is optimal for rubber trees to grow in the state and its major products are rubber latex (the milky, juice obtained from the rubber tree) containing about 25-45% rubber by weight and processed into sheet, crepe crumb rubber.

## Oil Palm

- Oil Palm which is seen as the new crude oil in Edo State is recently seen to be one of the key drivers of the state's development.
- Friendly and secured environment.
- Domestic markets very lucrative.
- The state still has one of the largest estates of oil palm, which have the highest yield in the country.

## Cocoa

- The climatic conditions and soil composition are very suitable for the growth of cocoa.
- Edo state is one of the top 10 cocoa producing state in Nigeria.
- Potential land for cocoa in Edo State is 542,741 while its current production capacity is 28,801 tonnes.

## Maize

- Good rainfall that allows cropping twice in a year.
- Excellent climate.
- Good soil for weed resistance and plant diseases.

## Rice

- Rice is produced in commercial quantities in Edo State
- Good and favourable soil
- Increasing demand for Sugar

## Yam

- Large arable land for large cultivation
- Good climate for pest control

Available Crops for Commercial Cultivation

## TOURISM SECTOR

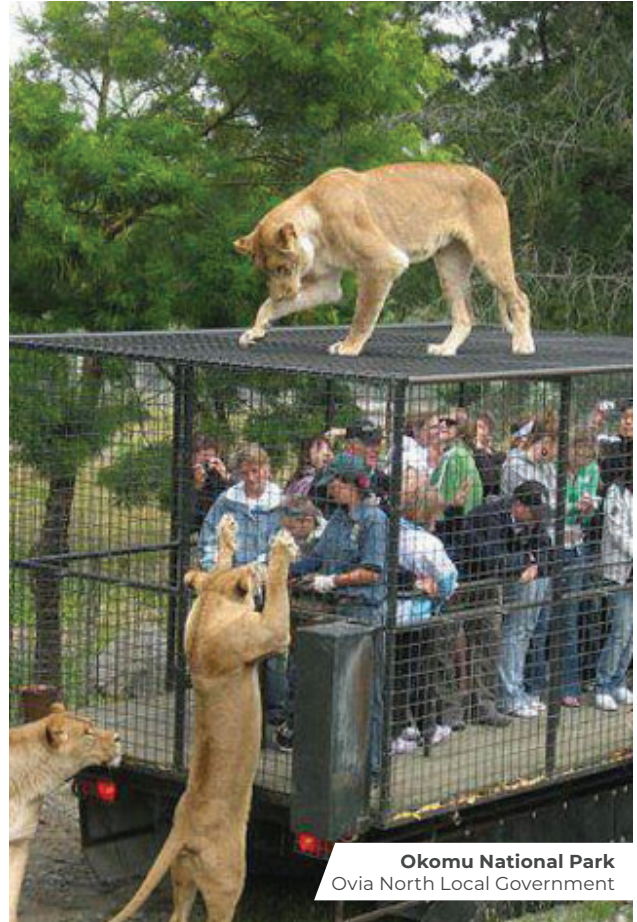
Edo State has beautiful and fascinating environment to behold and these natural and historical wonders provide a great experience. Some of these tourist centres provides an unmissable experience as well as ancient civilization with gripping myths and legends around their existence. List of various tourist attraction centres are pictured below.

### Relevant MDAs

- Ministry of Agriculture and food Resources
- Edo State Oil Palm Programme

### Rational for Investment

The growing population and demand in food has made the need for investment in the sector important. The growing world and domestic demand ascendency in the use of Shea products in cosmetics and confectionary industries as also alluded to the need for investment in the sector. Government investment initiatives in agriculture such as CBN anchor borrowers' programs, cassava development initiatives etc is also available for investor in the sector.



**Okomu National Park**  
Ovia North Local Government



**Gele-gele Sea Port**  
Ovia North Local Government



**Benin National Museum**  
Oredo Local Government

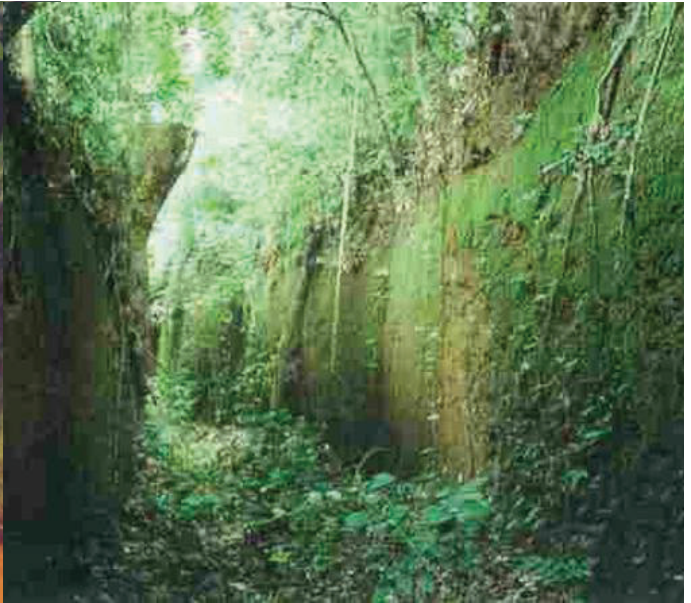


**Ososo Tourist Centre**  
Akoko Edo Local Government





**Benin Moat (Iya)**  
Benin City



**Somorika Hills**  
Akoko Edo Local Government



**Igun-Eronmwon Quarters**  
Oredo Local Government



**Ogba Zoological Garden**  
Oredo Local Government



**The Palace of Oba of Benin**  
Oredo Local Government

## NATURAL RESOURCES: SOLID MINERAL /OIL AND GAS SECTOR

Edo State is one of the top Nigerian States that is richly endowed with mineral resources which paves way for industrial prospects for both agro allied and non-agro industries, looking at the list on some of the mineral deposits in Edo State we have: Quartzite, Marble, Gypsum, Lignite, Limestone, Bitumen, Gravel, Graphite, Kaolin, Lignite, Clay, and Iron Ore amongst others are all found in various local government of the state that are located in Edo state today.

### Market Demand

There is a ready market both locally and internationally for mined or processed minerals

resources. Some of the markets are Fertiliser Pharmaceutical, Manufacturing, companies etc. Government Incentives Available

Some of the available incentives are: Reduced cost of Labour, Availability of subsidised electricity, good road network, accelerated processing of Certificate of Occupancy (CofO), adoption of Federal Government incentives in the state which allows investors to benefit from sectoral incentives if they choose to settle in Edo State.

### Relevant MDAs

· Ministry of Mining and Energy

S/N	MINERAL TYPE/QUALITY	LOCATION
1	Lime stone	Okpella ,Igarra, Atte, Ososo, Enwan, Ikpesi, Egbegile, Iyuku, Ugboshi-Ele, Sasaro,Igue.
2	Marble	Okpella, Igarra, Ikpesi, Igue, Otuo.
3	Kaolin	Avbiosu, Afuze, Sobe, Uzebba, Arue-uromi, Igodo, Ujavum,Igbanke
4	Gypsum	Agenebode, Afuze
5	Feldspar	Imiakebu, Ewan
6	Gold	Sobe, Dangballa, Ososo, Imorga, Enwan, Uneme-Erhurun, Ojirami.
7	Granite	Evbonogbon,Igarra, Okpe, Ibillo, Somorika, Ikpesi, Iyuku, Imeke, Okpella, Ososo, Enwan, Imorga
8	Dolomite	Atte, Egbigere, Lampese, Igarra, Ikpesi, Okpellka
9	Dolomite	Gurara (Takalafiya)
10	Galena	Ugbegun
11	Tantalite	Okpella, Otuo, Igwe
12	Gemstone	Okpella
13	Quartz	Okpella, Atte, Ososo, Otuo
14	Bitumen	Ohosu,Ugbogui,Usen, Siluko Aand environs
15	Bentonite	Evbonogbon(Ohosu),Ugbogui, Usen, Siluko, Okada, Iguobazuwa and environs
16	Laterite Sand	Everywhere
17	Sharp Sand	Everywhere
18	River Gravel	Abudu, Igbanke, Ottah
19	Coal	Ovbiowun

## BENIN ENTERPRISE PARK PROJECT AND FREE TRADE ZONE

Edo State Government conceptualised and developed the Benin Enterprise Project and Free Trade Zone in order to attract investment development. The Benin Enterprise project is located in Ikpoba-Okah Local Government Area of Edo State and situated 20km from the state capital, the Benin Enterprise Park is a 1,000 hectare, mixed-used, development designed to accommodate light industries and residential zones. The western edge of the BEP runs parallel to the Benin-Sapele highway (at a distance of less than 1km); and it is this highway that connects the BEP to the Benin airport, seaport and nearby urban settlements.



### Infrastructure

- Investors and tenants in the BEP will benefit from state-of-the-art utilities.
- Tenants in the BEP will have access to gas and power at costs far lower than anywhere else in the country.
- The BEP is a master-planned site designed by internationally acclaimed architects and urban planners.

### Relevant MDAs

- Edo state Ministry of Business, Trade and Cooperatives

- Edo State Investment Promotion Office
- Edo State Geographic Information Service

### Rational for Investment

- Located in Ikpoba-Okah Local Government Area of Edo State and situated 20km from the State capital, the Benin Enterprise Park is a 997 hectare, mixed-used, development designed to accommodate light industries and residential zones. The western edge of the BEP runs parallel to the Benin-Sapele highway (at a distance of less than 1km); and it is this highway that connects the BEP to the Benin airport, seaport and nearby urban settlements.

## URBAN AND HOUSING DEVELOPMENT

Housing has an essential role in economic development of each country, accounting for 10–20 % of total economic activity in the country, as well as being the biggest fixed asset of households (European Commission, 2005). As the National Bureau of Statistics has shown, we have over twenty million housing deficit in Nigeria, which means that very many Nigerians are living without

proper shelter. The World Bank recommends at least a million homes annually to bridge this gap. There is growing housing deficit which can only be mitigated by increase in housing development. As a result, Edo State Government has partnered with the Federal Government to develop housing units, under the National Housing Programme Phase 1, in Uhumwonde Local Government Area of Edo State.

***Presently 68 housing units have been unveiled in the state with several others still under construction and will be completed in phases.***

### **Infrastructure**

In order to improve public service delivery government has automated its processes for construction permit and property registration in the state.

### **Relevant MDAs**

- Ministry of Physical Planning, Housing and Regional Development
- Edo State Geographic Information Service
- Edo Development and Property Agency

### **Rational for Investment**

- Growing population
- Proximity to Abuja the Federal Capital of Nigeria
- Investment in housing development result in income generation through rental income, asset appreciation, and profits generated.
- It provides passive income, stable cash flow, tax advantages, diversification, and leverage.

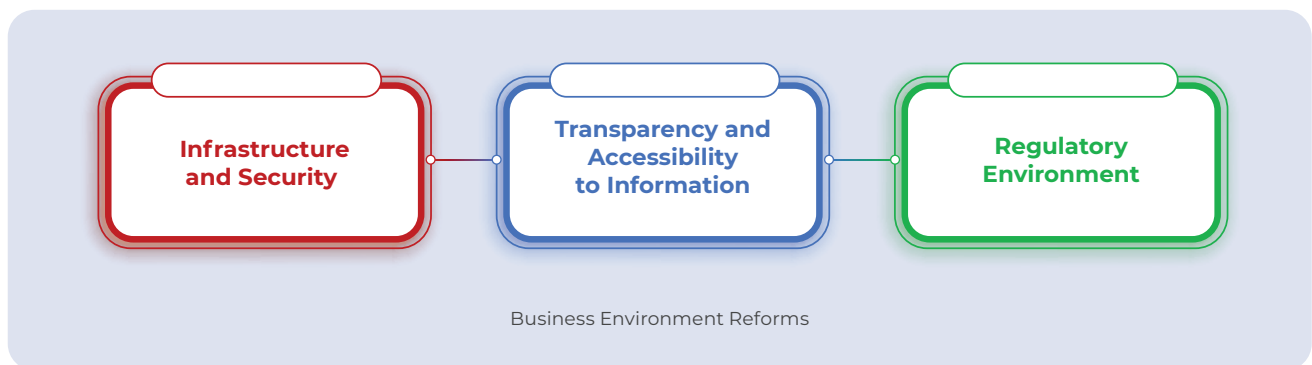


# 2

## **Investment Climate in Edo State**

Edo State recognizes the critical role of businesses in developing the local economy and prosperity. The state government is also working on resolving business challenges by implementing business environment reforms to address the constraints affecting the private sector. To deepen the implementation of the state's business environment reforms, the Governor inaugurated a 15-man Business Enabling Environment Task Team which

has been upgraded to the Ease of Doing Business (EoDB) Council to identify and proffer solutions to bottlenecks that inhibit business growth and create a conducive environment for businesses in the state. The council are the senior reform champions in the state's Ease of Doing Business ecosystem, whose task is to work with MDAs and other stakeholders to enable the state to gain mileage in the PEBC national doing business ranking.



## INFRASTRUCTURE AND SECURITY:

**Edo State is an emerging economy with improved infrastructure in transportation, electricity, ICT, roads and security**

The Edo City Transport Service (ECTS) has procured additional 50 commercial buses to reduce transport congestion around the capital city. Also, it has introduced an E-payment system operated by a private company which the public can access online or at renovated transport terminals around the city. Ticket prices are competitive for commercial

transportation which is pegged at a rate that is attractive to low-income earners. Currently, there are Intercity commercial buses that operates in different local government areas. In terms of staffing the ECTS has 20 female drivers and 3 female mechanics out of a total of 45.



As part of efforts to improve the business environment, The State Government is working hard to secure lives and properties through initiatives such as the establishment of a Ministry of Public Safety and Security. The ministry has partnered with the Information, Communication, and Technology Agency to develop a security portal that will be accessible to the public. The portal will be hosted to include a center command service line for report of any security threat and advise to citizens on how to respond with helplines of law enforcement agencies and vigilantes available in quick response time. So far, the state government in partnership with the Nigeria Police Force has purchased over a thousand vehicles for security patrol under a security project

named operation “Wabaizigan”. More so, the Edo state government has purchased vehicles, walkie-talkies, and security kits which it donated to vigilantes across the state to improve security. Recently, the Edo State government commissioned several gun boats with features including seating capacity of 7 persons per boat, 2 x 250 HP Yamaha Outboard Engine, 725 litres fuel tank capacity and 35-40 knots speed. Its purpose is to secure the water-ways and eliminate bunkering activities in riverine communities where the seaport, enterprise park, commercial farms and other major investments are situated. Also, the state government has constructed a concrete jetty to replace the old wooden jetty in Ologbo community.



However, in terms of accessible road network for commercial activities there is the dualization of Ekenmwan road near the Gele-Gele Seaport, reconstruction of roads around the Samuel Ogbemudia Stadium, and several other infrastructures in rural communities where major investments in agriculture, mining, oil and energy are situated. The government has provided these infrastructures to boost commerce activities and revenue generation.

Edo State has over six major internet service providers namely; Tizeti, MainOne, Decagon, Smile Communications Nigeria Limited, MTN, Globacom, 9mobile, Airtel and so on. Recently, Tizeti started laying fibre optic cables for WIFI access across the Benin metropolis to enable the public access the

internet in productive ways. Also, there are facilities for free WIFI service provided by MainOne at the EdoTech Park and government institutions. In terms of power supply, the CCETC-OSSIOMO power plant is a public private partnership setup to meet the needs of electricity consumption in the state.

***The CCETC-OSSIOMO power plant has proven to be a reliable power supply source with an average performance of 97.5%- or 22-hours daily supply with 100% metering.***

## TRANSPARENCY AND ACCESSIBILITY TO INFORMATION:

Edo State has evolved in the last few years by making most of its government procedures automated. This initiative has simplified the processes for both the public and private sector reducing the time and cost for accessing government services and information.

For instance, it has introduced the use of a Geographic Information System (GIS) to improve land administration in the state. It has improved the process for registering properties and payment of land titles. Edo State is among the few states in Nigeria to initiate automation of land documentation through Edo State Geographic Information Service (EDOGIS) which has accelerated the process of obtaining Certificate of Occupancy (C-of-O).

Also, it has an investment promotion agency which serves as a one stop shop and information repository for investors seeking to learn about opportunities in the state and how to access government services. The Edo State Investment Promotion Office was also set-up partly to provide investors relations services which involves resolving business challenges and disputes with government agencies. As part of its mandate the agency has a responsibility to ensure that the private sector experience a seamless process when dealing with government procedures and services. It is able to achieve this through the ease of doing business secretariat situated at the agency. The secretariat works with several MDAs to reduce constraints that businesses face when accessing government services.

## REGULATORY ENVIRONMENT

In 2021, the Edo Internal Revenue Service (EIRS) complied with the Finance Act, which exempted low-income earners from paying taxes. Some persons in this category are small business owners who have now been given the opportunity to grow their business without the burden taxes could bring on their finances. EIRS has implemented a regulation which mandated the sharing of information between government MDAs, with reference to Property Taxation. More so, the EIRS entered a collaboration with the Ministry of Business, Trade and Cooperatives as well as Local Government Councils on harmonization of revenue collections. As a result, businessmen and women can access the EIRS website and see official taxes to be paid on the consolidated revenue code which serves to reduce the incidence of exploitation of business owners in the state.

Other noteworthy reforms are the amendment of the Technical Committee on Privatization and Commercialization TCPC Law to regulate commerce activities in the state was facilitated by the Ministry of Business, Trade and Cooperatives. Also, the state has increased monitoring and enforcement on

compliance of building development regulations by the Ministry of Physical Planning, Urban Development. The ministry of Physical Planning and Urban Development has collaborated with the Edo State Geographic Information Service (EdoGIS) to automate some of its processes such as electronic applications for building plan approval with the relevant documents can be approved in two weeks. Moreover, EdoGIS has introduced an E-receipt payment system to facilitate land application processes. It is now possible in Edo State to use a representative authorized by an applicant for land registration. The state has introduced competitive registration fee for business premises levy which can be renewed annually. It is important to state that land availability in the state is now captured in a geographic information system at the state's land bureau making it easy for lands to be verified before it is acquired to prevent potential issues that could occur later on.

In terms of enforcing contract, the Edo State Government have established specialized courts known as small claims court for the registration and resolution of commercial disputes.

For instance, there are 13 small claims courts that are operational in the state capital to help resolve commercial disputes. The small claims court have about 50% success rate of resolving commercial disputes in the state. It is an affordable alternative to the conventional court system because it takes about 60 to 120 days to get justice and filing fees are at reduced cost depending on the type of claim. The small claims court is supported by the multi-door courts in fostering public access to justice. Similar to the small claims court the aim of the multi-door

court is to provide litigants, a pathway to justice in a cost effective and timely manner. The Edo State Multi-Door Courts has a wider scope for matters it can handle including commercial disputes. Applicants seeking re-dress from the multi-door courts can now have virtual hearings using their mobile phones or computers to resolve commercial disputes. This has improved effective contract enforcement through alternative dispute resolution mechanism.

### Edo State Skills Development Agency

The state has a recruitment agency called the Edo State Skills Development Agency also referred to as EdoJobs. The agency has a talent registry that is accessible by the private sector, professionals with requisite skills registered at the agency can be sourced from the registry. Since the year 2022 began, over 369 job seekers across 18 LGAs have

been matched to suitable job roles that meet their skills set. With over 260 organizations recruited for on a monthly average, about a hundred job seekers successfully get matched with employers. This figure serves as a baseline but the agency is working hard to reduce the number of unemployed youths in the state and add more people to the tax net.

However, to boost access to finance for micro, small and medium enterprises (MSMEs), the state government have introduced the EDSG-MSME fund a partnership between the Edo state government and bank of industry (BOI). The MSME fund is aimed at providing business loans to enterprises located within the state. The first phase of the EDSG-MSME fund is already underway with about 320 business owners across the 18 LGAs able to access funds for their business operation. Other examples of funds available to the private sector is the N165m Edo Production Hub Fund, financed by the Edo State Government and the Bank of Industry that is set-up to support businesses located within the state-owned production centre. The Edo Production Centre is a facility that provides 24 hours electricity to manufacturers and businessmen or women in need of affordable rental spaces to do business. It is distinct from the Benin Enterprise park which comprises a site area of 997 hectares located 20km South of the city centre of Benin, the capital city of Edo State, Nigeria.

The Benin Enterprise Park is adjacent to Benin-Sapele highway, allowing easy access to multiple demand centres across the country. Investors in the Benin Enterprise Park will enjoy close proximity to major air and sea ports and will benefit from state-of-the-art utilities to support business growth. Investors at the facility will have access to gas and power at costs far lower than anywhere else in the country. The Benin Enterprise Park is being developed to alleviate the key challenges facing industrial businesses in Nigeria such as the provision of basic infrastructure services such as reliable electricity, gas, water, waste treatment services and land with clean title are not readily available. In addition to this the Benin Enterprise Park have reserved residential sites that serve the interim and long-term accommodation needs of its tenants with supporting facilities such as healthcare, recreational activities, shopping sites and concierge services.

Although the state funded MSME loan structure offers lower interest rates than the conventional banking system, Edo State is home to many credit

institutions. The Central Bank of Nigeria has an operational branch in the state capital and the state accommodates some of the major financial institutions in the country. There is at least one (1) commercial bank and microfinance bank in each of the 18 local government areas of the state. There are also other government financial institutions such as, Bank of Agriculture (BOA), Bank of Industry

(BOI) and NIRSAL Microfinance Bank Ltd. Some of the major Insurance companies and Pension Fund Administrators such as Stanbic IBTC Pension Managers, Trust Fund Pensions Managers, Fidelity Pension, Guinea Insurance Plc, NICON Insurance Limited, Leadway Assurance etc. operates offices in Benin City as well as other major cities in the state.

### 3.2 Covid-19 Reliefs to Taxpayers In 2020

Sector(s)	All Categories of Business
Objective	<p>To ease the spread of covid-19 in the business environment in compliance with health and safety protocols. As a result, the Edo State Government decided to reduce constraints taxpayers face when making tax payments. Through the Edo State Internal Revenue Service, it fine-tuned and encouraged taxpayers to use its electronic platforms for the submission of annual tax returns and settlement of taxes and other obligations to Edo State Government.</p> <p>In addition, pursuant to section 80 of the Personal Income Tax Act (PITA) 2004 as amended, the Edo State Internal Revenue Service granted some tax reliefs to taxpayers to cushion the effect of the covid-19 pandemic on businesses.</p>
Beneficiaries	Private sector enterprises in the state
Benefits	<p>Extension of deadline for filing PAYE Tax Returns (Tax Form H1 &amp; H3) to 31<sup>st</sup> of July, 2020.</p> <p>Extension of the deadline for filing individual Tax Returns (Tax Form A) to 31<sup>st</sup> of July, 2020.</p> <p>Suspension of collection of Personal Income Taxes and Local Government Development Levies from Commercial transport operators (Bus &amp; Taxi Drivers, Tricycle &amp; Motorcycle Riders) within the state across the 18 Local Government Areas.</p> <p>Waiver of penalties and interests on established tax liabilities as at 31<sup>st</sup> December, 2019 provided, they are fully settled by 30<sup>th</sup> September, 2020.</p> <p>20% tax refund (discount) on deposits made on account for 2020 year of assessment before 31<sup>st</sup> October, 2020 for taxpayers under direct assessment.</p> <p>25% discount for first time taxpayers who voluntarily file their returns for current tax year.</p> <p>Introduction of the Pay-Small-Small Scheme which allows taxpayers the option of paying their tax liabilities in instalments of as low as N1,000.00 and at their convenience.</p> <p>The Edo Internal Revenue Service regularly waives penalties or interest against taxpayers as a way to encourage them to settle their tax liabilities. Although, this is dependent on the show of good faith by the taxpayers who have been consistent in the payment of their tax liabilities.</p>

Sector(s)	All Categories of Business
Eligibility criteria/ condition for the incentive	<p data-bbox="368 248 1449 353">Waiver of penalties/interests was only on tax liabilities that became final and conclusive as at 31<sup>st</sup> December, 2019 and for this to apply to any taxpayer, the liability must be fully settled by 30<sup>th</sup> September, 2020.</p> <p data-bbox="368 409 1449 477">To take advantage of the tax refund (20% discount), the taxpayer (only under direct assessment) is required to make a deposit on account for his/her year 2020 tax on/or before 31<sup>st</sup> October, 2020.</p> <p data-bbox="368 533 1449 600">The suspension of Personal Income Taxes and Local Government Development Levies was meant only for commercial transport drivers/riders of buses, taxis tricycles and motorcycles.</p> <p data-bbox="368 656 1449 723">The 25% discount was meant only for first time taxpayers who voluntarily filed in their tax returns before the commencement of the covid-19 restrictions in 2020.</p> <p data-bbox="368 779 1449 846">Deadline for filing PAYE Tax Returns was extended by 6 months for Tax Form H1 and 4 months for Tax Form H3.</p> <p data-bbox="368 902 1449 925">Deadline for filing individual tax returns (Tax Form A) was extended by 4 months.</p>
Duration	2 years
Application Process	<p data-bbox="368 965 1449 1032">Tax reliefs can only be granted by the Executive Governor and it is usually to achieve a specific aim. This is usually on the advice/recommendation of the EIRS.</p> <p data-bbox="368 1088 1449 1193">Therefore, when government decides to grant tax relief, EIRS is expected to do a memo to the Executive Governor requesting for his approval for such reliefs to be granted. EIRS thereafter comes up with implementation guidelines on the implementation of the governor's approval.</p>
Managing Institution	Edo State Internal Revenue Service
Contact Office	Acting Head EIRS
Contact details	<p data-bbox="368 1335 1449 1402">Edo State Internal Revenue Service, Revenue House, 80 New Lagos Road, Benin City.</p> <p data-bbox="368 1413 1449 1435">Tel: 08037386811</p> <p data-bbox="368 1447 1449 1469">E-mail: info@eirs.gov.ng</p> <p data-bbox="368 1480 1449 1503">Website: www.eirs.gov.ng</p>
Status	Not Gazetted; but operational

### 3.3 One Stop Investment Shop

Sector(s)	All category of sector
Objective	To provide a guide and access for easiness in obtaining business approvals, permits, licences and authorisation within 48 hours
Beneficiaries	All business enterprise and companies
Benefits	Fast track property registration, accelerate business & construction permits, provide free advisory services, and business linkages between various governmental agencies.
Eligibility criteria/ condition for the incentive	Must be an investor or entrepreneur
Duration	Not applicable
Implementation Procedure	The company must be in operational in the state with traceable office situated in the state.
Implementing agency	Edo State Investment Promotion Office (One Stop Investment Centre)
Contact Office	Managing Director
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Gazetted: operational

### 3.4 Infrastructure Development and Social Investment Tax Credit Scheme

Sector(s)	Infrastructure
Objective	To deepen investment in infrastructure and the social sector in the state through private sector financing that will engender sustainable development.
Beneficiaries	Private sector enterprises and international investors
Benefits	Participants are entitled to a single uplift equivalent to the prevailing Central Bank of Nigeria Monetary Policy rate plus 5% of the project cost.  Participants will also enjoy an exemption from withholding tax on the eligible project which may be due to the state.
Eligibility criteria/ condition for the incentive	Any project approved by the Governor as eligible for the scheme on the recommendation of the commissioner of Finance and as duly notified to the participants and published pursuant to the Order.
Duration	5 years from the date of commencement of the Executive Order

Implementation Procedure	A confirmation of authorization to participate in the scheme issued by the committee; Approval of the project cost and completion timeline bid by the committee; Contract award letter and certification of work done issued by the committee.
Implementing agency	Edo State Internal Revenue Service (EIRS)
Contact Office(s)	Edo State Internal Revenue Service, Edo State Investment Promotion Office.
Contact details	Edo State Internal Revenue Service, Revenue House, 80 New Lagos Road, Benin City. Tel: 08130970146 E-mail: info@eirs.gov.ng Website: www.eirs.gov.ng
Status	Not gazetted, but currently operational discretionally

### 3.5 Tax Incentives

Sector(s)	Public-Private Partnership
Objective	This incentive promotes the formation of co-operatives that support economic empowerment and improves their viability and competitiveness.
Beneficiaries	Private sector and international investors
Benefits	Exemption from registration tax on the acquisition of real estate Build-Operate-Transfer projects; and  Exemption from/application of a lower rate of value added tax for infrastructure facilities or construction of those facilities supplied to the state or local governments as Build-To-Order (BTO) and BOT projects.
Eligibility criteria/ condition for the incentive	Project must involve the acquisition of real estate property and the construction of infrastructure facilities under the BOT and BTO PPP model.
Duration	None
Implementation Procedure	Interested applicants should apply to the office of the Honourable Commissioner Ministry of Finance, Budget, Economic Planning and Development for project assessment
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office

Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted; but Active

### 3.6 Tax Incentives

Sector(s)	Public-Private Partnership
Objective	This incentive promotes infrastructural development and economic growth.
Beneficiaries	Private sector and international investors
Benefits	Government can buyout a project during long period of force majeure or certain extraordinary circumstances as agreed in the concession contract between private sector and government
Eligibility criteria/ condition for the incentive	Project(s) must have suffered long period of force majeure
Duration	None
Implementation Procedure	Interested applicants should apply to the office of the Honourable Commissioner Ministry of Justice
Implementing agency	Ministry of Justice
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted; but Active

### 3.7 Value Added Tax Exemption

Sector(s)	Power
Objective	Reduce start-up and early operation costs through reduction of electricity rates for industries sited at the industrial zone or industrial disadvantage zones.
Beneficiaries	Companies utilizing gas in the downstream petroleum operations i.e., processing of gas and conversion of such gas into electric power.
Benefits	Reduced start-up cost, early operational cost and Reduced electricity tariff for manufacturing companies operating within the industries cluster by 15%

Uninterrupted power supply.	Project(s) must have suffered long period of force majeure
Eligibility criteria/ condition for the incentive	The company must be operational within Edo State
Duration	Not Available
Implementation Procedure	None
Implementing agency	Edo State Internal Revenue Service
Contact Office	Edo State Board of Internal Revenue
Contact details	Edo State Internal Revenue Service, Revenue House, 80 New Lagos Road, Benin City. Tel: 08130970146 E-mail: info@eirs.gov.ng Website: www.eirs.gov.ng
Status	Not Gazetted; but Available

### 3.8 Allocation of Forest Reserve Lands

Sector(s)	All category of Investment
Objective	Portions of State Government Land where commercial harvesting of wood products is excluded in order to capture elements of biodiversity that can be missing from sustainably harvested site. An area set aside for the purpose of conservation, protection and management of natural forests, its habitat and environment and in which tree cutting and certain other activities of forest or its habitat and environment are prohibited.
Beneficiaries	All investors and companies operational in the state
Benefits	Land allocation in government reserved areas where investment is to be developed.
Eligibility criteria/ condition for the incentive	Investors must be ready to regenerate at least 15-10% of the forest land allocated to them for the business in order to conserve our biodiversity.
Duration	5 years maximum
Implementation Procedure	Application forwarded to the Executive Governor of Edo State for de-reservation of forest land.
Implementing agency	Ministry of Environment and Sustainability
Contact Office	Office of the Honourable Commissioner Ministry of Environment and Sustainability.

Contact details	Ministry of Environment and Sustainability, 2nd floor, Palm House, Benin City. Tel: 08069344149 E-mail: mes@edostate.gov.ng Website: <a href="http://www.edostate.gov.ng">www.edostate.gov.ng</a>
Status	Not Gazetted; but Active

### 3.9 Forest Regeneration

Sector(s)	All categories of investment
Objective	To encourage forest regeneration through investment
Beneficiaries	Investors who are knowledgeable in forest regeneration practices
Benefits	Land allocation in government reserved area for investment
Eligibility criteria/ condition for the incentive	Investors must be knowledgeable in forest regeneration practices and duration is a long-term investment.
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Environment and Sustainability
Contact Office	Office of the Honourable Commissioner Ministry of Environment and Sustainability
Contact details	Ministry of Environment and Sustainability, 2nd floor, Palm House, Benin City. Tel: 08069344149 E-mail: mes@edostate.gov.ng Website: <a href="http://www.edostate.gov.ng">www.edostate.gov.ng</a>
Status	Not Gazetted; but Active

#### 4.0 Protection Against Reduction of Tariffs or Shortening of Concession Period

Sector(s)	Infrastructure/Public-Private Partnership
Objective	To encourage infrastructural development in Edo State.
Beneficiaries	Private sector enterprises and international investors
Benefits	The incentive can be activated by a project developer who is able to reduce construction costs below the contract sum. However, it does not apply if construction costs exceed the original estimate stipulated in contract.
Eligibility criteria/ condition for the incentive	Investors who can show proof of early completion of a project will qualify for reduced construction cost below those estimated in the PPP agreement.
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Ajenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted; but Active

#### 4.1 Capital Grant and Other Forms of Financial Support

Sector(s)	Infrastructure
Objective	To encourage infrastructure development
Beneficiaries	Private sector enterprises and international investors
Benefits	Government can bear expenses for land acquisition and some preconstruction activities by the: <ul style="list-style-type: none"> <li>• Usage of public lands for infrastructure projects;</li> <li>• Acquisition of private land for a project on behalf of the investor; and</li> <li>• Usage of the right of eminent domain, in situations where the investor is required to negotiate with the owners for the purchase of land.</li> </ul>
Eligibility criteria/ condition for the incentive	Project must require the use of large tract of land.
Duration	None

#### Implementation Procedure

Implementing agency	Edo State Geographic Information Service
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted; but Active

#### 4.2 The Edo State MSME Fund

Sector(s)	All businesses in the MSME sector
Objective	To promote the development of MSMEs and stimulate Micro and Marco economic development.
Beneficiaries	The loan is for already existing Micro, Small and Medium-Sized Enterprises (MSMEs) registered with CAC.
Benefits	Exempted from payment of all available levies and taxes to the state and Local Government Areas. Such as Tenement rates, Development Levies, Business registration fee etc
Eligibility criteria/ condition for the incentive	MSME must be operational within Edo State. The applying MSME must have the necessary documents needed for accessing the loan.
Duration	1-3 Years
Implementation Procedure	(1) 1m to 10m (for businesses registered as business names. It has a 6-month Moratorium on principal repayment and 3-5years Tenor period. Project must require the use of large tract of land.
	(2) Above 10m to 20m (for limited liability companies). It has a 12-month Moratorium on principal repayment and 3-6years Tenor period.

Partnering financial institution for this loan is the Bank of Industry (BOI).

Both loans have a 5% interest rate per annum and a 4% one-off administrative charge. Excluding institutional charges.

Implementing agency Edo State Skills Development Agency

Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted but Active

#### 4.3 Capital Grant and Other Forms of Financial Support

<b>Sector(s)</b>	<b>All category of sectors</b>
Objective	To ensure commercial viability of PPP project
Beneficiaries	All investors and companies operational in the state
Benefits	Government can offer a one-time or deferred capital grant to an investor, and other financial support like interest free/low interest loans, subordinated loans, O & M support grants, and interest subsidies
Eligibility criteria/ condition for the incentive	Project must have the potential to be commercially viable
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted but Active

#### 4.4 Revenue Guarantee

<b>Sector(s)</b>	<b>All categories of investment</b>
Objective	To promote revenue generation and local resources utilization
Beneficiaries	Private Sector Enterprises and International investors
Benefits	Government can guarantee up to a certain specified percentage of the projected revenue as well as limit the maximum amount of revenues that the project developer can retain. Any amount in excess of the defined maximum limit appropriates to revenue for Government.

Eligibility criteria/ condition for the incentive	Project must be of very high risk
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted, but operational

#### 4.5 Loan Guarantee

Sector(s)	All categories of investment
Objective	To promote infrastructural development and local resources utilization
Beneficiaries	Private Sector Enterprises and International investors
Benefits	Government can guarantee to repay the credit amount borrowed by a project developer for a PPP transaction in line with the agreed terms and conditions. This provides the developer the opportunity to access funds at a lower interest rate or negotiate an ordinarily unobtainable loan.
Eligibility criteria/ condition for the incentive	Project must be high risk
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Agenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted, but operational

#### 4.6 Foreign Exchange Risk

Sector(s)	Infrastructure
Objective	To reduce an investor's risk of foreign exchange fluctuations
Beneficiaries	Private sector enterprises and international investors
Benefits	In the development of infrastructure projects, a large part of the debt servicing and other payments are often made in a foreign currency. To reduce an investor's risk of foreign exchange fluctuations, Government can undertake measures to checkmate where foreign exchange fluctuations exceed a certain defined limit. A part of losses due to such fluctuations may be offset through modifications of tariff rates, government subsidies, and adjustment of the concession period or other provisions.
Eligibility criteria/ condition for the incentive	Projects must involve foreign exchange
Duration	None
Implementation Procedure	
Implementing agency	Ministry of Finance, Budget, Economic Planning and Development
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Ajenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: invest@edostate.gov.ng Website: invest.edostate.gov.ng
Status	Not Gazetted, but operational

#### 4.7 Technical Support for the delivery of vocational skills training programmes

Sector(s)	All Categories of Business
Objective	To provide investors with competent local skills and talent they need for their work place.
Beneficiaries	Private sector enterprises and international investors
Benefits	Availability of a talent registry accessible to investors and businesses where various skills type such as artisans, graduates and experienced professionals can be sourced locally with competitive wages.
Eligibility criteria/ condition for the incentive	All businesses registered with the corporate affairs commission with an office in Edo State.
Duration	None

Implementation Procedure	Interested companies can approach the Edo State Skills Development Agency for recruitment support services
Implementing agency	Edo State Skills Development Agency
Contact Office	Edo State Investment Promotion Office
Contact details	17A Vincent Ajenmonmen Avenue, off Sapele Road, Benin City. Tel: 09077772180 E-mail: <a href="mailto:invest@edostate.gov.ng">invest@edostate.gov.ng</a> Website: <a href="http://invest.edostate.gov.ng">invest.edostate.gov.ng</a>
Status	Not Gazetted, but operational

## Federal Government Controlled Incentives

The Federal Government also initiate incentives that comprises of both fiscal and regulatory incentives. These incentives are strictly under the purview of the federal government and are administered by its agencies Similarly, companies operating within the state that meets the eligibility criteria for these incentives can apply to benefit from it.

4.9 Investment Policies and Protections	
Nigerian Investment Promotion Commission Act	100% Ownership:
Sections 17 & 18 NIPC Act liberalise ownership of investment by any national in any enterprise except enterprises with activities listed on the 'negative list' which are prohibited for both foreign and Nigerian investors.	The 'negative list' includes: production of arms, ammunition, etc; production of and dealing in narcotic drugs and psychotropic substances; production of military and para-military wears and accoutrement, including those of the Police and the Customs, Immigration and Prison Services; and such other items as the Federal Executive Council may, from time to time, determine
Special incentives: Section 22 NIPC Act empowers the NIPC to negotiate, in consultation with appropriate Government agencies, special incentives for strategic or major investments	Free transferability of capital and returns Section 24 NIPC Act provides that a foreign investor in an enterprise, to which the Act applies, shall be guaranteed unconditional transferability of funds through an authorized dealer in a freely convertible currency, of: dividends or profits (net of taxes) attributable to the investment; payments in respect of loan servicing where a foreign loan has been obtained; and the remittances of proceeds (net of all taxes), and other obligations in the case of sale or liquidation of the enterprise or any interest attributable to the investment. Protection against nationalization and expropriation Section 25 NIPC Act provides guarantees to investors against nationalization and expropriation. Where an acquisition is made in national interest or for public purpose, the investor shall be entitled to: (a) payment of fair and adequate compensation; (b) a right of access to courts for the determination of the investor's interest or amount of compensation to which the investor is entitled; and (c) payment of compensation without undue delay, and authorisation for its repatriation in convertible currency, where applicable. Recourse to international arbitration Section 26 NIPC Act grants a foreign investor the option of recourse to international arbitration machinery for the settlement of disputes. Where there is disagreement on the method of dispute settlement to be adopted, the International Centre for Settlement of Investment Disputes Rules shall apply
Administering/implementation Agency:	Federal Inland Revenue Service
Eligibility:	It is subject to reciprocal protections in the laws of the relevant Commonwealth country and Republic of Ireland; and ii. Any claim for relief from tax for any year of assessment under this section shall be made no later than six years after the end of that year.

#### 4.2 Investment Policies and Protections: Bilateral Investment Treaties

Double taxation agreements:

The agreements make provisions for the elimination of double taxation with respect to taxes on income and capital gains.

Section 41 CGTA provides that any arrangement set out in an order made under Section 38 PITA and Section 45 CITA so far as they provide (in whatever terms) for relief from tax chargeable in Nigeria on capital gains by virtue of this section, have effect in relation to CGT.

Partners: Belgium, Canada, China, Czech, France, Italy (Airline & Shipping only), Pakistan, Philippines, Romania, Slovak, South Africa, The Netherlands, United Kingdom

Investment promotion and protection agreement

An IPPA seeks reciprocal promotion and protection of investments by individuals and companies in the territories of participating States. An IPPA provides the baseline minimum protections for foreign investments.

Partners: China, Finland, France, Germany, Italy, Korea Republic, Netherlands, Romania, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan Province of China, United Kingdom.

ECOWAS Trade Liberalization Scheme

ECOWAS Treaty is a multilateral agreement executed by 15 countries in West Africa to enhance and accelerate economic and social development in the region. Further to the Treaty, ECOWAS set up ETLs as an operational tool to promote and facilitate trade within the region.

This Scheme provides for:

- (a) abolition of customs duties levied on imports and exports of goods produced and moving among member states; and
- (b) abolition of non-tariff barriers among members states to facilitate free movement of goods and services across member states.

Partners: Benin, Burkina Faso, Cape Verde, Cote d'Ivoire, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Niger, Nigeria, Senegal, Sierra Leone, Togo

Commonwealth Tax Relief

Nigeria is a member of the Commonwealth, and, as part of its independent policy to foster the relationship among other commonwealth nations, Nigeria provides in Section 44 CITA a tax relief for profits earned in Commonwealth countries which are also liable to tax in Nigeria.

Nigerian companies shall be subject to the Commonwealth tax rate, subject to a cap of half of the Nigerian tax rate.

Administering/implementation Agency:

Federal Inland Revenue Service

Eligibility:

It is subject to reciprocal protections in the laws of the relevant Commonwealth country and Republic of Ireland; and

ii. Any claim for relief from tax for any year of assessment under this section shall be made no later than six years after the end of that year.

#### 4.3 Tax Based Incentive: Capital Gains Tax Act

Applicable Rate:	10% for Corporate 5% for Individual
Exemption on retirement benefits schemes	Section 28 CGTA: a gain shall not be a chargeable gain if income is accrued: (a) as part of any superannuation fund (retirement or benefits fund) approved under Section 20 PITA; (b) as part of any national provident fund or other retirement schemes established under the provisions of any Act or enactments for employees throughout Nigeria; (c) of any of those funds that is exempt under paragraph (w) of the Third Schedule of PITA and; (d) as a result of the disposal of a right to, or to any sum payable out of any superannuation fund.
Exemption of gains accruing on securities, stocks, shares	Section 30 CGTA: gains accrued to a person from disposal by him of Nigerian Government securities, stocks and shares shall not be chargeable gains.
Tax exemption on gain arising from take-overs, absorption or merger	Section 32 CGTA: gains arising from acquisition of shares either taken over, absorbed or merged by another company as a result of which the acquired company loses its identity as a limited company, provided no cash was exchanged in respect of the shares.
Tax exemption on proceeds re-invested	Section 33 CGTA: gains accruing to unit holders in a trust in respect of disposal of securities, shall not be chargeable on tax provided the proceeds are re-invested.
Double taxation relief	Section 41 CGTA: Any arrangement set out in an order made under Section 38 PITA and Section 45 CITA so far as they provide (in whatever terms) for relief from tax chargeable in Nigeria on capital gains by virtue of this section, have effect in relation to CGT.
Compensation for loss of office	Section 36(2) of the CGT Act provide that CGT should only be applicable to compensation for loss of office in excess of NGN10 million.
Administering Agencies:	Federal Inland Revenue Service (FIRS), Niger State Board of Internal Revenue Service

#### 4.4 Tax Based Incentive: Companies Income Tax Act

Applicable Rate:	30%, 20%
Pioneer status incentive	<p>Under IDITRA, companies engaged in industries/products approved as 'pioneer industries/products' shall be</p> <p>(a) granted income tax relief for a period of three years, which can be extended for a period of one year and thereafter another one year, or for one period of two years (Section 10(2)(a)(b) IDITRA);</p> <p>(b) exempted from paying tax on dividends paid by the pioneer company during the pioneer period to the extent that they are paid out of income exempted from tax (Section 17(3) IDITRA); and</p> <p>(c) the loss incurred during the tax relief period is also deemed to be incurred on the first day following the expiration of the tax relief period and can be carried forward to offset profits after the tax-exempt period.</p>
Eligibility	<p>Applications must be made within the first year of operational activities.</p> <p>applicant must be engaged in activities listed as pioneer industry or product. Kindly refer to the qualified list of industries and products on NIPC's website.</p> <p>a non-current tangible asset of over one hundred million naira (N100 million) shall be deemed as satisfied.</p> <p>applicant must demonstrate the tangible impact its activity (project) will have on Nigeria's economic diversity and growth, industrial and sectoral development, employment, skills and technology transfer, export development and import substitution.</p> <p>applicant must provide evidence of all required legal and regulatory compliance documentation.</p> <p>applicant must make full payment of fees promptly, when due.</p> <p>during the pioneer period, a performance report must be submitted to NIPC annually for monitoring and evaluation purposes.</p> <p>Application guidelines available on NIPC website</p>
Administering Agencies:	Federal Inland Revenue Service (FIRS), Nigerian Investment Promotion Commission, Industrial Inspectorate Department, Federal Ministry of Industry, Trade and Investment
incentive on Interest on bonds and short-term securities, and proceeds of the disposal of Government and corporate securities	<p>Exemption of Bonds and Short-Term Government Securities) Order 2011 provides tax exemption for interest earned on:</p> <p>i. short term Federal Government securities such as treasury bills and promissory notes</p> <p>ii. bonds issued by Federal, State and Local Government and their agencies</p> <p>iii. bonds issued by corporate bodies including supra-nationals for a period of 10 years, with the exception of bonds issued by the Federal Government, which shall continue to enjoy such exempt from tax effective from 2011. Interest on bonds.</p>

Exemption of interest on loan	<p>Section 11(2) CITA provides exemption from tax interest on any loan granted by a bank to a company engaged in:</p> <ul style="list-style-type: none"> <li>(a) agricultural trade or business; or</li> <li>(b) the fabrication of any local plant and machinery; or</li> <li>(c) providing working capital for any cottage industry.</li> </ul>
Eligibility:	<ul style="list-style-type: none"> <li>i. the moratorium shall not be less than 18 months; and</li> <li>ii. the rate of interest on the loan shall not be more than the base lending rate at the time the loan was granted.</li> </ul>
Exemption of profits	<p>Section 23(1) CITA: exempts the profits of the following companies from tax:</p> <ul style="list-style-type: none"> <li>(a) a statutory or registered friendly society, in so far as such profits are not derived from a trade or business carried on by such society;</li> <li>(b) a co-operative society registered under any enactment or law relating to co-operative societies;</li> <li>(c) engaged in ecclesiastical, charitable or educational activities of a public character;</li> <li>(d) formed for the purpose of promoting sporting activities;</li> <li>(e) being a trade union registered under the Trade Unions Act;</li> <li>(f) dividend distributed by Unit Trust;</li> <li>(g) a body corporate established by or under any Local Government Law or Edict in force in any State in Nigeria;</li> <li>(h) body corporate being a purchasing authority established by an enactment and empowered to acquire any commodity for export from Nigeria from the purchase and sale (whether for the purposes of export or otherwise) of that commodity;</li> <li>(i) company or any corporation established by the law of a State for the purpose of fostering the economic development of that State.</li> <li>(j) a company other than a Nigerian company which, but for this paragraph, would be chargeable to tax by reason solely of their being brought into or received in Nigeria;</li> <li>(k) dividend, interest, rent, or royalty derived by a company from a country outside Nigeria and brought into Nigeria through Government approved channels;</li> <li>(l) the interest on deposit accounts of a foreign non-resident company;</li> <li>(m) the interest on foreign currency domiciliary account in Nigeria;</li> <li>(n) dividend received from small companies in the manufacturing sector in the first five years of their operation;</li> <li>(o) dividend received from investments in wholly export-oriented businesses;</li> <li>(p) any Nigerian company in respect of goods exported from Nigeria;</li> <li>(q) a company whose supplies are exclusively inputs to the manufacturing of products for export; and</li> <li>(r) a company established within an export processing zone or free trade zone.</li> </ul>

Deduction for research and development	<p>Section 26 CITA provides for the purpose of ascertaining the profit or loss of any company for any period from any source chargeable with tax under this Act, there shall be a deduction, not exceeding an amount which is equal to 10% of the total profits of that company for that year as ascertained before any deduction is made under this section and Section 25 of CITA.</p> <p>Companies and other organizations engaged in research and development activities for commercialization shall be allowed 20% investment tax credit on their qualifying expenditure for that purpose</p>								
Reconstruction investment allowance	<p>Section 32 CITA makes available to a company an investment allowance of 10% of the actual expenditure incurred on plant and equipment, in addition to an initial allowance under the Second Schedule of the Act.</p>								
Rural investment allowance	<p>Section 34 CITA provides that where a company incurs capital expenditure on the provision of facilities such as electricity, water or tarred road for the purpose of a trade or business, such company shall enjoy an additional allowance under the Second Schedule of CITA at the appropriate rate as follows:</p> <table border="1" data-bbox="598 963 1420 1041"> <tr> <td>No facilities at all</td> <td>100%</td> <td>No water</td> <td>30%</td> </tr> <tr> <td>No electricity</td> <td>50%</td> <td>No tarred road</td> <td>15%</td> </tr> </table>	No facilities at all	100%	No water	30%	No electricity	50%	No tarred road	15%
No facilities at all	100%	No water	30%						
No electricity	50%	No tarred road	15%						
Eligibility:	<ul style="list-style-type: none"> <li>i. the company must be located at least 20 kilometres away from such facilities provided by the government;</li> <li>ii. cannot be enjoyed if already enjoyed provision of Section 32: Reconstruction investment allowance;</li> <li>iii. allowance can only be applied against the profit of the year in which such investment (facility) was completed.</li> </ul>								
Gas utilization: Investment allowance	<p>For companies in gas utilization (downstream operations), an additional investment allowance of 35% (which shall not reduce the value of the asset) is allowed, as an alternative to the initial tax-free period granted under Section 39(b) CITA.</p>								
Eligibility:	<p>A company which claims the incentive shall not also claim the tax-free dividend during the tax-free period</p>								
Gas utilization: Accelerated capital allowance	<p>Section 39(c) CITA provides for accelerated capital allowance after the tax-free period for companies in gas utilization (downstream operations), as follows:</p> <ul style="list-style-type: none"> <li>i. an annual allowance of 90% with 10% retention, for investment in plant and machinery</li> <li>ii. an additional investment allowance of 15% which shall not reduce the value of the asset</li> </ul>								
Gas utilization: Tax-free dividend	<p>Section 39(d) CITA provides for tax-free dividend during the tax-free period for companies in gas utilization (downstream operations).</p>								
Eligibility:	<ul style="list-style-type: none"> <li>i. the investment for the business should be in foreign currency; or</li> <li>ii. the introduction of imported plant and machinery during the period should not be less than 30% of the equity share capital of the company</li> </ul>								

Gas utilization: Interest deduction	Subject to obtaining prior approval of the Minister of Petroleum Resources for such loan, Section 39(e) CITA provides that interest payable on any loan obtained for a gas project shall be deductible								
Investment tax relief	<p>Sections 40 CITA provides that where a company has incurred an expenditure on electricity, water, tarred road or telephone for the purpose of a trade or business carried on by the company, the company shall be allowed an "investment tax relief" at the following rates of expenditure:</p> <table border="1"> <tr> <td>No facilities at all</td> <td>100%</td> </tr> <tr> <td>No electricity</td> <td>50%</td> </tr> <tr> <td>No water</td> <td>30%</td> </tr> <tr> <td>No tarred road</td> <td>15%</td> </tr> </table>	No facilities at all	100%	No electricity	50%	No water	30%	No tarred road	15%
No facilities at all	100%								
No electricity	50%								
No water	30%								
No tarred road	15%								
Eligibility:	<p>the company must be located at least 20 kilometres away from such facilities provided by the government;</p> <p>the relief shall be for each year expenditure is incurred on each of such facilities;</p> <p>a company shall not be allowed to claim the investment tax relief for more than 3 years; and</p> <p>the relief shall not be available to a company already granted the Pioneer Status.</p>								
Reduction of tax rate for income below ₦100 million	<p>Section 40(6) CITA provides for a lower rate of tax of 20% payable by companies in the preferred sector of the economy such as agriculture, manufacturing, solid minerals or wholly export trade for the first 5 years of commencement of business, where the turnover is less than ₦1 million.</p> <p>Small size company earning N25million or less per annum are exempted from Company Income Tax</p>								
Industrial Development (Income Tax Relief) Act (IDITRA)	<p>Section 1 of the Act provides tax incentive is for an initial tax-free period of four years and an extension, subject to a satisfactory performance by the business of a maximum of two years.</p> <p>It however restricts such companies from claiming any similar tax holiday or incentive in Nigeria.</p>								
Reduction in Minimum Tax	Section 33 of the CITA fixed minimum tax rate at 0.25% of gross turnover less franked investment income, for tax returns prepared and filed for any year of assessment.								
Administering Agency	Federal Inland Revenue Service								

#### 4.5 Tax Based Incentive: Value Added Tax Act

Applicable Rate:	7.5%
Exemption from Value Added Tax	<p>Sections 2 &amp; 3 First Schedule VAT Act list the goods and services exempted from VAT:</p> <p>Part 1. Goods</p> <ul style="list-style-type: none"><li>(a) All medical and pharmaceutical products;</li><li>(b) Basic food items;</li><li>(c) Books and educational materials;</li><li>(d) Baby products;</li><li>(e) Fertilizer, locally produced agricultural and veterinary medicine, farming machinery and farming transportation equipment;</li><li>(f) All exports;</li><li>(g) Plants and machinery imported for use in Export Processing Zones;</li><li>(h) Plants, machinery and equipment purchased for utilization in gas down-stream petroleum operations; and</li><li>(i) Tractors, ploughs and agricultural equipment and implements purchased for agricultural purposes.</li></ul> <p>Part 2. Services</p> <ul style="list-style-type: none"><li>(a) Medical services;</li><li>(b) Services rendered by Community Banks, Peoples' Bank and Mortgage institutions;</li><li>(c) Plays and performances conducted by educational institutions as part of learning; and</li><li>(d) All exported services</li></ul>
Exemption of commissions on stock Exchange transactions	<p>Part II First Schedule VAT Act is modified in VAT (Exemption of Commissions on Stock Exchange Transactions) Order, 2014. The order shall be in force for a period of 5 years.</p> <p>There is an exemption from VAT on commissions from the following:</p> <ul style="list-style-type: none"><li>(a) earned on traded value of shares;</li><li>(b) payable to Securities and Exchange Commission;</li><li>(c) payable to Nigerian Stock Exchange; and</li><li>(d) payable to the Central Securities Clearing System on stocks.</li></ul>
Administering Agencies:	Federal Inland Revenue Service (FIRS)

#### 4.6 Sector Specific Incentive: Agriculture/Agro-Allied

Purpose	Enhanced capital allowance (tax depreciation) regime (a) 95% capital allowance is enjoyed in the year a qualifying expenditure is incurred pursuant to Paragraph 24 Table 1 & 2 Second Schedule of CITA (b) Companies engaged in wholly agricultural activities are entitled to unrestricted capital allowances pursuant to Paragraph 24 (7) CITA (c) Companies engaged in wholly agricultural activities are entitled to carry forward unutilized capital allowances indefinitely.
Administering Agencies:	Federal Ministry of Agriculture and Rural Development and Federal Inland Revenue Service
Agricultural credit guarantee scheme fund: loan guarantee of up to 75%	This fund provides guarantees on the payment of interest and principal in respect of loans granted by any bank for certain agricultural purposes with the aim of increasing the level of bank credit to the agricultural sector.
Eligibility	Applicants must apply for the loan for purposes connected with: i. Establishment or management of plantation for the production of rubber, oil palm, cocoa, coffee, tea and similar crops ii. The cultivation or production of cereal crops, tubers and fruits of all kinds, cotton, beans, groundnuts, sheanuts, beniseed, vegetables, pineapples, bananas and plantains iii. Animal husbandry
Administering Agencies:	Federal Ministry of Agriculture and Rural Development, Nigeria Incentive-Based Risk Sharing System for Agricultural Lending, Commercial banks and Central Bank of Nigeria
Exemption from minimum Corporate Income Tax	Section 33(3) a CITA, exempts the income of a company carrying on agricultural trade from payment of minimum tax.
Indefinite carry forward of losses	Section 31(3) CITA allows companies engaged in agricultural trade or business to carry forward their losses indefinitely
Administering Agencies:	Federal Inland Revenue Service

#### 4.7 Sector Specific Incentive: Solid Minerals

Exemption from Companies Income Tax	Section 36 CITA provides that a new company going into the mining of solid minerals shall be exempt from tax for the first three years of its operation.
95% accelerated capital allowance	Second Schedule CITA provides accelerated capital allowance at 95% of qualified capital expenditure on Mining in the first year of use of the asset.
Eligibility	All companies that incur qualifying capital expenditure on mining
Administering Agencies:	Federal Ministry of Mines and Steel Development and Federal Inland Revenue Service

#### 4.8 Sector Specific Incentive: Manufacturing

Interest drawback program fund for cassava processing	60% repayment of interest paid by those who borrow from banks under ACGS for the purpose of cassava production and processing.
Eligibility	Certified investor business plan by NIRSAL ii. Ability to repay back the loan granted under ACGS.
Administering Agencies:	Federal Ministry of Industry, Trade & Investment and Federal Inland Revenue Service

#### 4.9 Sector Specific Incentive: Tourism/Hospitality

25% of income in convertible currencies exempted from tax	Section 37 CITA provides that such income must be generated from tourists and be put in a reserved fund to be utilized within 5 years for the building and expansion of new hotels, conference centres and new facilities for the purpose of tourism development
Eligibility	Certified investor business plan by NIRSAL ii. Ability to repay back the loan granted under ACGS.
Administering Agencies:	Federal Ministry of Information, Culture. and Federal Inland Revenue Service, Nigerian Tourism Development Corporation

#### 4.10 Sector Specific Incentive: Oil & Gas

Graduated royalty rates approved for oil companies	<p>Graduated royalty rates approved for oil companies</p> <p>(a) On shore production - 20%</p> <p>(b) Production in territorial waters and continental shelf areas up to 100 meters Water depth – 18.5%</p> <p>(c) Production in territorial waters of continental shelf areas beyond 100 meters – 16.67%</p> <p>(d) For production sharing contract for deep offshore operation, the royalty rates are:</p> <p>Up to 200meters water depth 16.67%</p> <p>800 – 1,000meters water depth 4%</p> <p>201 - 500meters water depth 12%</p> <p>Above 1,000meters water depth 0%</p> <p>501 - 800meters water depth 8%</p> <p>Petroleum Act Section 5 of Deep Offshore and Inland Basin Production Sharing Contracts Act CAP. D3 LFN 2004 as amended provides royalty rates payable in respect of deep offshore contracts</p>
Eligibility	Operational upstream oil and gas company
Administering Agencies:	Federal Ministry of Petroleum Resources, Department of Petroleum Resources
Investment tax credit allowance	Section 22 PPTA: Investment tax credit allowance is granted in accordance with the provisions of the production sharing contract. The investment tax credit rate applicable to the contract area is 50% of chargeable profit for the duration of the production sharing contract.
Eligibility	<p>i. The incentive is available to all the crude oil producing companies which signed the production sharing contract agreements with the NNPC (for deep offshore oil exploration and production) in 1993. It commenced in 1999.</p> <p>ii. The companies will be entitled to this allowance throughout the duration of the production sharing contract.</p> <p>iii. In computing the tax payable, the investment tax credit shall be applicable in full to petroleum operations in the contract area such that the chargeable tax is the amount of the assessable tax less the investment tax credit.</p> <p>The chargeable tax shall be split between the NNPC and the crude oil producing company in accordance with the proportion of the percentage of profit oil split.</p>

Allowable deductions

Chargeable tax is the amount of tax paid after deduction of allowable deductions made pursuant to the provisions of Section 10 PPTA. Allowable deductions are treated as charges against income and not as tax offsets and are wholly incurred in the process of petroleum operations.

Eligibility:

Allowable deductions include the following:

- i. Rent incurred by the IOC for the period in respect of land or buildings occupied under an oil prospecting license or an oil mining lease for disturbance of surface rights or for any other like disturbance.
- ii. All non-productive rents, the liability for which was incurred by the IOC during the period.
- iii. All royalties, the liability for which was incurred by the company during that period in respect of natural gas sold and actually delivered to the NNPC, or sold to any other buyer or customer or disposed of any other commercial manner.
- iv. All royalties, the liability for which was incurred by the company during that period in respect of crude oil or of casing head petroleum spirit won in Nigeria.
- v. All sums, the liability for which was incurred by the IOC to the Federal Government of Nigeria during that period by way of customs or excise duty or other like charge levied in respect of machineries, equipment and goods used in the company's petroleum operation.
- vi. Sums incurred by way of interest upon any money borrowed by such company, where the board is satisfied that the interest was payable in capital employed in carrying on its petroleum operations.

Administering Agencies:

Federal Inland Revenue Service

#### 4.11 Tariff Based Incentives: Agriculture

Agriculture, Agro-allied and Agro-processing	0% Import duty on agriculture equipment and machinery HS Headings 84, 85 and 90 0% Import duty rate greenhouse equipment has been classified as agricultural equipment HS Heading 94.06
Agricultural Commodities	10% Import duty rate and 20% Levy on husked brown rice HS 1006.20.00.00
Reduction of import duties payable on motor vehicles and tractors,	Low import duties on motor vehicles and tractors Duty on tractors reduced from 35% to 5% Duty on motor vehicles for transportation of more than 10 persons and motor vehicles for the transport of goods from 35% to 10% Levy on motor vehicles for the transport of persons (cars) from 30% to 5%
Eligibility	
Administering Agencies:	Federal Ministry of Finance, Federal Inland Revenue Service and Nigeria Customs Service

#### 4.12 Tariff Based Incentives: Transportation

Aviation	0% Import duty on commercial aircraft HS Heading 88 only for registered commercial aircraft operators
Eligibility	Commercial airline operators
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of Aviation and Nigeria Customs Service

#### 4.12 Tariff Based Incentives: Power

Electricity Generation, Distribution and Transmission	0% Import duty on equipment & machinery in the power sector HS Headings 84, 85 and 90
Eligibility	Power generating company
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of power and Nigeria Customs Service

#### 4.13 Tariff Based Incentives: Solid Minerals & Steel Development

Mineral Mining	0% Import duty on equipment & machinery in the mineral mining sector HS Headings 84, 85 and 90 Power generating company
Iron & Steel Development	Federal Ministry of Finance, Federal Ministry of power and Nigeria Customs Service 0% Import duty rate on importation of hot rolled steel sheets/coils HS Heading 72.08
Eligibility	
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of Mines and Steel Development and Nigeria Customs Service

#### 4.14 Tariff Based Incentives: Manufacturing

Sugar Processing	5% Import duty rate and 5% levy on raw sugar import for local processing HS 1701.11.00.00 – 1701.12.00.00 Available to sugar refineries that are signed onto the backward integration policy of Government on sugar development
Eligibility	
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of power and Nigeria Customs Service 0% Import duty rate on importation of hot rolled steel sheets/coils HS Heading 72.08
Eligibility	
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of Mines and Steel Development and Nigeria Customs Service

#### 4.15 Tariff Based Incentives: Manufacturing

Automotive Design and Development	5.35% Import duty rate and 0% levy on concessionary FBU import by assembly plants (APs): Importation of FBU cars HS Heading 87.03 equal to their CKD/SKD imports for the period of 2016 – 2018. Half of their imported CKD/FBU kits for the period of 2019 – 2024 20% Import duty rate and 0% levy on concessionary FBU import by assembly plants (APs): Importation of FBU commercial vehicles HS Heading 87.02, 87.04, 87.05, 87.06, 87.07 and 87.16 equal to their CKD/SKD imports for the period of 2016 – 2018. Half of their imported CKD/FBU kits for the period of 2019 – 2024 5% Import duty rate on local tyre manufacturing plants: Importation of tyres equal to twice the production for two years from the date of commencement of production
Eligibility/ General Requirement	(a) Evidence of registration with the Corporate Affairs Commission; (b) Tax compliance by means of Tax Identification Number; and (c) Certification by relevant Ministry/ Agencies
Administering Agencies:	Federal Ministry of Finance, Federal Ministry of power and Nigeria Customs Service

#### 4.16 Export Based Incentives

Export expansion grant scheme	Export (Incentives and Miscellaneous Provisions) Act, No. 65 of 1992, Cap. E19, Laws of the Federation of Nigeria (LFN) provides for a post-shipment incentive designed to improve the competitiveness of Nigerian products and commodities and expand the country's volume and value of non-oil exports.																		
Validity for EEG Application	Qualifying export transaction must have the proceeds fully repatriated within 300 days, calculated from the date of export and as approved by the EEG Implementation Committee																		
Incentives Rate	The scheme operates a 'Weighted Eligibility Criteria' to assess applications The Weighted Eligibility Criteria has four bands: 15%, 10%, 7.5%, and 5%																		
Eligibility/ General Requirement	<table border="1"> <thead> <tr> <th>Eligibility Criteria</th> <th colspan="2">T h r e s h o l d Weight</th> </tr> </thead> <tbody> <tr> <td>Local Value added</td> <td>30%</td> <td>20%</td> </tr> <tr> <td>Local Content</td> <td>70%</td> <td>20%</td> </tr> <tr> <td>Employment (Nigerians)</td> <td>500</td> <td>10%</td> </tr> <tr> <td>Export growth</td> <td>5%</td> <td>35%</td> </tr> <tr> <td>Capital Investment</td> <td>10%</td> <td>15%</td> </tr> </tbody> </table>	Eligibility Criteria	T h r e s h o l d Weight		Local Value added	30%	20%	Local Content	70%	20%	Employment (Nigerians)	500	10%	Export growth	5%	35%	Capital Investment	10%	15%
Eligibility Criteria	T h r e s h o l d Weight																		
Local Value added	30%	20%																	
Local Content	70%	20%																	
Employment (Nigerians)	500	10%																	
Export growth	5%	35%																	
Capital Investment	10%	15%																	
Export Credit Certificate	The grant computed shall be settled by issuing negotiable tax credit known as ECC, to the beneficiaries. The instrument can be used to settle all Federal Government taxes such as company income tax, VAT, WHT.																		
Eligibility/ General Requirement	<p>Exporter must:</p> <ul style="list-style-type: none"> <li>i. be registered with Corporate Affairs Commission;</li> <li>ii. be registered with Nigerian Export Promotion Council;</li> <li>iii. shall be a manufacturer or merchant of products of Nigerian origin intended for the export market;</li> <li>iv. have carried out formal export with its export proceeds repatriated into a domiciliary account in Nigeria and confirmed by Central Bank of Nigeria; and</li> <li>v. submit its baseline data which includes audited Financial Statement, information on operational capacity and Export Expansion Plan to NEPC.</li> </ul>																		
Administering Agencies:	Federal Ministry of Industry, Trade and Investment, Nigerian Export Promotion Council																		

## BUSINESS ENTRY GUIDE

This is a short guide for potential investors in the State. It provides steps to be taken by both local and foreign investors

### **Company Incorporation:**

All start-up entrepreneurs or new investors that has the intention to commence a new business venture is required to incorporate the company as a legal entity with the Corporate Affairs Commission (CAC). In Nigeria, corporate organisations are classified as Business and Non-Profit organisations. Business organisations are profit oriented in nature. They are primarily formed for the purpose of doing business and realizing profit. The common forms of vehicles used for investments are: Sole Proprietorship, Partnership, Private Company

Limited by Shares (Ltd), Public Company Limited by Shares (PLC), Company Limited by Guarantee (LTD/GTE), Unlimited Company, Joint Ventures, and Incorporated Trustees. All companies in Nigeria are required by law to maintain certain statutory books; such as Register of Members, Particulars of Directors and Secretaries, etc. and required to file their Annual returns along with their Financial Statements each year at the CAC ([Click here for details on company registration with CAC](#)).

### **One Multipurpose Investment Vehicle:**

To ease foreign and local investment processes in the country, the Federal Government established Nigerian Investment Promotion Commission (NIPC) - a one-stop-shop by the Nigerian Investment Promotion Act Chapter N117 Laws of the Federation of Nigeria 2004. NIPC is saddled with the responsibility to encourage, promote and co-ordinate investments in the Nigerian economy ([Click here for NIPC registration procedure](#)). The Niger state Government

domesticated the Nigerian Investment Promotion Commission by establishing Niger State Investment Promotion Agency to coordinate, promote and enhance investments processes in Niger State. The investor is also expected to register with the Ministry of Commerce, Industry and Investment which will provide a guide for operation in the State as well as stimulate the process of benefiting from the investment incentives available in the State.

### **Financial Account/Tax Filing:**

The Federal Inland Revenue Service (FIRS) is responsible for tax administration and collection on behalf of the Federal Government for incorporated business entities, while Niger State Board of Internal Revenue Service is responsible for tax administration and collection from enterprises and individuals

operating in Niger State. The preparation and filing of accounts are carried out by Financial and Tax consultants. Details of filing procedures and various regulations guiding all forms of business activities are on the website; [www.firs.gov.ng](http://www.firs.gov.ng)

## Establishing Foreign Direct Investment

A foreign investor willing to have a presence in Nigeria or acquire interest in a Nigerian company is required to follow strictly all regulatory and extant law of the country. The process is expatiated below:

- A. The foreign investors should prepare and execute a Joint Venture Agreement and other pre-incorporation contracts if the foreigners are partnering with Nigerians
- B. Incorporation of the Company with CAC
- C. Tax registration and opening of bank account with Federal Inland Revenue Service (FIRS) and Niger State Board of Internal Revenue Service (NSBIRS).
- D. Obtaining CCI from the CBN and the importation of Capital through an authorised dealer
- E. Register the company with the NIPC (where the company is owed wholly by foreigners, the share capital of the company must be N10,000,000 to enable registration with NIPC) and also Niger State Investment Promotion Agency.
- F. Apply to relevant agencies to be granted incentives and reliefs, such as pioneer status (if the company meets the requirement)
- G. Obtain Expatriate Quota if the company will employ foreign expatriates.
- H. Obtain relevant permits from regulatory bodies and agencies i.e SON, NAFDAC, SEC, DPR etc
- I. Obtain Business Permit from the Ministry of Interior and Niger State ministry of Commerce, investment and industry.

There are other government agencies responsible for the incorporation, control and management of companies in Nigeria some of these companies' details are given below:

Table 1: Address of Regulating Agencies

S/N	Name of Organization	Website
1	Nigerian Investment Promotion Commission (NIPC)	<a href="http://www.nipc.gov.ng">http://www.nipc.gov.ng</a>
2	Financial Reporting Council of Nigeria (FRCN)	<a href="http://www.financialreportingcouncil.gov.ng">http://www.financialreportingcouncil.gov.ng</a>
3	Corporate Affairs Commission (CAC)	<a href="http://new.cac.gov.ng">http://new.cac.gov.ng</a>
4	Federal Inland Revenue Service (FIRS)	<a href="http://www.firs.gov.ng">http://www.firs.gov.ng</a>
5	Department of Petroleum Resources (DPR)	<a href="http://dprnigeria.com">http://dprnigeria.com</a>
6	Central Bank of Nigeria (CBN)	<a href="https://www.cbn.gov.ng">https://www.cbn.gov.ng</a>
7	Bureau of Public Enterprises (BPE)	<a href="https://www.bpeng.org">https://www.bpeng.org</a>
8	National Agency for Food and Drugs Administration Control	<a href="http://www.nafdac.gov.ng/">http://www.nafdac.gov.ng/</a>
9	National Insurance Corporation (NAICOM)	<a href="http://naicomonline.org">http://naicomonline.org</a>
10	National Petroleum Investment Management Services (NAPIMS)	<a href="http://napims.com">http://napims.com</a>
11	National Office for Technology Acquisition and Promotion	<a href="http://www.notap.gov.ng/">http://www.notap.gov.ng/</a>
12	Nigeria Immigration Service	<a href="http://www.nigeriaimmigration.gov.ng">http://www.nigeriaimmigration.gov.ng</a>
13	Nigerian Copyright Commission	<a href="http://www.copyright.gov.ng/">http://www.copyright.gov.ng/</a>
14	Nigerian Deposit Insurance Corporation (NDIC)	<a href="http://www.ndic-ng.com">http://www.ndic-ng.com</a>
15	Nigerian National Petroleum Corporation (NNPC)	<a href="http://nnpcgroup.com">http://nnpcgroup.com</a>

16	Nigerian Communication Commission	<a href="https://www.ncc.gov.ng">https://www.ncc.gov.ng</a>
17	Nigeria Maritime Administration and Safety Agency	<a href="http://www.nimasa.gov.ng">http://www.nimasa.gov.ng</a>
18	Nigerian Stock Exchange	<a href="http://www.nse.com.ng">http://www.nse.com.ng</a>
19	Standards Organization of Nigeria	<a href="http://son.gov.ng">http://son.gov.ng</a>
20	Securities and Exchange Commission	<a href="http://sec.gov.ng">http://sec.gov.ng</a>
21	Trademarks, Patent and Designs Registry	<a href="http://www.iponigeria.com">http://www.iponigeria.com</a>

#### Appendix 1: Addresses of Ministries, Agencies and Departments (MDAs) in Edo State

S/N	MINISTRY/AGENCY	ADDRESS	RESPONSIBILITY
1	Ministry of Business Trade and Cooperatives	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Formulate and implement government policies that will promote commercial activities as it affects commerce in the State. Provide the enabling environment that would attract commercial activities to flourish in the State.
2	Ministry of Agriculture & Food Security	Ezoti Street, Near Oba Akenzua Cultural Complex, Benin City.	Development of the agricultural sector of the state Promote the development of the rural areas within the state.
3	Ministry of Arts, Culture & Tourism	Block D Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Manage and develop the vast tourism site in the state Promote and preserve the cultural heritages of the various tribes and culture in the state.
4	Ministry of Mining & Energy	Ezoti Street, Near Oba Akenzua Cultural Complex, Benin City.	Management of mining activities. Ensure development of the natural resources.
5	Ministry of Physical Planning & Urban Development	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Management of land and housing development in the state
6	Ministry of Roads & Bridges	18 Sapele Road, Opp. Zenith Bank, Benin City, Edo State.	Transportation planning. Providing safe and affordable transportation system.
7	Ministry of Youth & Gender Issues	Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Creating opportunities for youth to be involved in decision making processes in matters that affect them, the environment and the society. Inculcating in the youth, the values of human rights, social justice, equity, fairness and gender equality

8	Ministry of Finance, Budget, Economic Planning and Development	Treasury House, Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To mobilize financial resources, regulate their management and formulate policies that enhance overall economic stability and development. Advise the government on matters relating to state development and overall management of the economy
9	Edo State Investment Promotion Agency (ESIPO)	17A, Vincent Aigenmonmen Avenue, Benin City, Edo State.	To improve the business environment of Edo State, Facilitate investment and stakeholders' engagement. Ensure investors who desire to invest in the state enjoy a seamless experience. Facilitate investment readiness of small and medium enterprises within the state. Facilitate export promotion and remove critical bottlenecks and bureaucratic constraints
10	Ministry of Public Security and Safety	18 Sapele Road, Opp. Zenith Bank, Benin City, Edo State.	Provide security for lives and property and ensure safety of the public.
11	Edo State Geographic Information Service (EDOGIS)	102 Sapele Road, Benin City, Edo State	Enhance economic growth by facilitating strategic economic settlements within the state
12	Ministry of Health	Block D Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To design and implement the state policy in the field of health in accordance with the laws and regulations in force in Edo State as well as government policy and vision.
13	Edo State Public Private Partnership Office (PPP)	Dennis Osadebe Avenue, Government House, Benin City, Edo State.	Facilitate Public Private Partnership agreement with investors
14	Edo State Health Insurance Commission	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To provide affordable health care with standard facilities to residents of Edo State.

15	Ministry of Education	Block D Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To use education for fostering development of all Edo Citizens to their full potentials in the promotion of a strong, democratic, egalitarian, prosperous, indivisible and indissoluble sovereign nation under God.
16	Ministry of Communication and Orientation	Ezoti Street, Near Oba Akenzua Cultural Complex, Benin City.	To create awareness and orientation on important societal issues.
17	Edo State Public Procurement Agency	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Processes and Procedures for Procurement Standardization/Regulatory framework
18	Ministry of Justice	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Advice, review and draft legal agreements and laws in the state regulatory policies Review and Harmonize position of the Laws
19	Ministry of Digital Economy, Science and Technology	Block D Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To foster knowledge-based economy and information society in Edo State. To facilitate ICT as a key tool in the transformation agenda for Edo State in the areas of job creation, economic growth and transparency of governance.
20	Ministry of Social Development and Humanitarian Affairs	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	To develop social development and humanitarian policies and provide effective coordination of state-wide interventions; ensure strategic disaster mitigation, preparedness and response; and manage the formulation and implementation of fair focused social inclusion and protection programs in Edo State.
21	Ministry of Local Government, Community and Chieftaincy Affairs	Block D Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	Administering matter affecting Local Government Administration Address all issues relating to Chieftaincy matter in the State. Monitored the activities and performances of all the 25 LGAs in the State

22	Ministry of Environment and Sustainability	Palm House, Sapele Road, Benin City, Edo State.	To ensure environmental protection, natural resources, conservation and sustainable development in Edo State.
23	Ministry of Water Resources	102 Sapele Road, Benin City, Edo State	To provide sustainable access to safe and sufficient water to meet the cultural and socio-economic needs of all Edo residents in a way that will enhance public health, food security and poverty reduction, while maintaining the integrity of fresh water ecosystem of the nation.
24	Edo State Skills Development Agency	Dennis Osadebe Avenue, Government House, Benin City, Edo State.	The Edo State Skills Development agency was established by the Edo State Government to ameliorate the rate of youth unemployment through skills development and job creation, which will in turn improve the lives of the residents of Edo State.
26	Edo State Electricity Regulatory Commission	Block C Secretariat Building, Opp. EFCC Office, along Court Road, by Reservations Road, GRA. Benin City.	The Commission monitors consumers satisfaction and obligations, monitor operations of the electricity market in Edo State, protect grid stability, and organize activities promoting the conservation of energy and renewable energy initiatives.
27	Information, Communication and Technology Agency	Situated at the John Odigie Oye-gun Public Service Academy, along Commercial Avenue Road, Benin City, Edo State.	Management of information and communications technology development in the state
28	Edo Communications Organization	Dennis Osadebe Avenue, Government House, Benin City, Edo State.	Focused on improving transparency, accountability, citizen participation and responsiveness to citizens through technology.

Appendix 2: List of Commercial and Regulatory Financial Institutions operating in Edo State

S/NO	NAME OF BANK	ADDRESS
1	Access Bank Plc	<a href="https://www.accessbankplc.com">https://www.accessbankplc.com</a>
2	Bank of Agriculture (BOA)	<a href="https://www.boanig.com">https://www.boanig.com</a>
3	Bank of Industry (BOI)	<a href="https://www.boinigeria.com">https://www.boinigeria.com</a>
4	Central Bank of Nigeria (CBN)	<a href="https://www.cbn.gov.ng">https://www.cbn.gov.ng</a>
5	Ecobank Plc	<a href="https://www.ecobank.com">https://www.ecobank.com</a>
6	Fidelity Bank Plc	<a href="https://www.fidelitybankplc.com">https://www.fidelitybankplc.com</a>
7	First Bank of Nigeria Plc (FBN)	<a href="https://www.firstbanknigeria.com">https://www.firstbanknigeria.com</a>
8	First City Monument Bank (FCMB) Plc	<a href="https://www.fcmb.com">https://www.fcmb.com</a>
9	Guaranty Trust Bank Plc (GTB)	<a href="https://www.gtbpplc.com">https://www.gtbpplc.com</a>
10	Heritage Bank	<a href="https://www.hbng.com">https://www.hbng.com</a>
11	Keystone Bank Plc	<a href="https://www.keystonebankng.com">https://www.keystonebankng.com</a>
12	Polaris Bank	<a href="https://polarisbanklimited.com">https://polarisbanklimited.com</a>
13	Stanbic IBTC Bank	<a href="https://www.stanbicibtcbank.com">https://www.stanbicibtcbank.com</a>
14	Sterling Bank Plc	<a href="https://www.sterlingbankng.com">https://www.sterlingbankng.com</a>
15	Union Bank Plc	<a href="https://www.unionbankng.com">https://www.unionbankng.com</a>
16	United Bank for Africa (UBA) Plc	<a href="https://www.ubagroup.com">https://www.ubagroup.com</a>
17	Unity Bank Plc	<a href="https://www.unitybankng.com">https://www.unitybankng.com</a>
18	Wema Bank Plc	<a href="https://www.wemabank.com">https://www.wemabank.com</a>
19	Zenith Bank Plc	<a href="https://www.zenithbank.com">https://www.zenithbank.com</a>



