

NIGERIAN INVESTMENT PROMOTION COMMISSION **GUIDELINES / PROCEDURES FOR DOING BUSINESS IN NIGERIA**

Based on the existing legal framework, any investor that wishes to do business in Nigeria is required by law to register a company with the Corporate Affairs Commission and pay stamp duties with the Federal Inland Revenue Services (FIRS).

For the purpose of clarity and simplicity, the NIPC has divided into stages the procedures for doing business in Nigeria either by a local or a foreigner as the case maybe. Please find below the processes:

Stage 1:

Corporate Affairs Commission (CAC) was established under the Companies and Allied Matters Decree No. 1 of 1990. The Commission has statutory responsibility for registration of companies, business names and Incorporated Trustees.

REQUIREMENTS FOR COMPANY INCORPORATION

- Conduct an availability/name Search, at the CAC Desk, for the proposed Company to be registered.
- Once the desired name has been cleared, a set of incorporation forms will be purchased, and the investor may proceed to prepare the Memorandum and Articles of Association for the Company.
- Initial documents are then submitted to the Federal Inland Revenue Service Desk for payment of stamp duties and stamping.
- Completed and stamped documents with attached permit(s) are to be submitted to the CAC Desk for verification.
- The Certificate of Incorporation is then handed over, with accompanying Certified True Copies of relevant documents, to the investor.

Note:

- The investor has an 18-month grace period before paying for Annual Returns on the Company.
- All Post Incorporation processes are done at the Head Office of CAC where all Company files are kept in safe custody pending the completion of the on-going data entry on CAC records.

For further information, please call Mr. Tever Ayua on **+234 (0) 803 231 0028**; email on ttayua@ymail.com OR visit us on our website at www.cac.ng.org.

FEDERAL INLAND REVENUE SERVICE (FIRS)

Under the extant laws in Nigeria, Companies are required to register and render their tax returns to the FIRS Tax Offices nearest their registered addresses and pay their taxes their.

Requirements for payment of Stamp Duties

Documents submitted for the payment of Stamp Duty are the CAC 2 Form (statement of share capital), and 2 (two) duly completed and signed Memorandum and Articles of Association.

- When the Stamp Duty has been paid and the incorporation documents stamped at the FIRS Desk, the investor returns to the CAC Desk to complete the incorporation process. He or she will be given FIRS Taxpayer Registration input form for companies to fill and submit to the FIRS Desk.
- A Tax Clearance Certificate is issued after the investor presents evidence of incorporation.
- At the point of collection of the Tax Clearance Certificate, the following relevant Tax forms are issued with the addresses of the Integrated Tax Offices to enable the investor commence the process of rendering returns.

Note: Payment of Stamp Duties on share capital is compulsory for all incorporating companies, and varies according to the company's share capital amount.

Value Added Tax

The Value Added Tax (Nigeria) is a tax on supply of goods and services which is eventually borne by the final consumer but collected at each stage of the production and distribution chain at the rate of 5%. The VAT was introduced to Nigeria Tax Laws in 1993 as a replacement to the Sales Tax and came into force on 1st January, 1994.

WHO IS REQUIRED TO REGISTER

All domestic manufacturers, wholesalers, distributors, importers and suppliers of goods and services in Nigeria are expected to register for VAT. Also, non-resident companies that carry on businesses in Nigeria are expected to register using the addresses of the persons with whom they have subsisting contracts as their addresses for the purposes of correspondences relating to the tax.

TAXABLE ACTIVITY

A taxable activity includes any activity other than those mentioned in the exempt list of the Value Added Tax Act, 2007, conducted as business, vocation, trade and profession. It includes the activities of governments, associations and clubs.

ZERO-RATED SUPPLIES

Zero-rated supplies are supplies that are charged to tax at the rate of 0%. This includes non-oil exports, goods and services purchased by diplomats and goods purchased for use in humanitarian donor funded projects. The main difference between a company whose products have been exempted from VAT and a company whose supplies are zero-rated is that the former need not register for VAT while the latter is mandatory to register and also submit VAT returns.

SUBMISSION OF TAX RETURNS

Once a company is registered for VAT, such a company is expected to render VAT returns of activities on a monthly basis to the Tax Office treating the tax matters of the company.

The activity of a particular month is reported on the VAT returns of the following month which is due for submission on or before the end of that month.

For further information, please call Olatunji A. Adebambo on +234 (0) 802 310 9471, or email adelowolatunji@nipc.gov.ng, adelowolatunji@yahoo.com, or visit www.firs.gov.ng

Stage 2:

In accordance with the NIPC Act No. 16 of 1995, every company with foreign participation after incorporation with Corporate Affairs Commission (CAC) must register their company with the NIGERIAN INVESTMENT PROMOTION COMMISSION (NIPC).

Requirements for Business Registration

- i. Duly completed NIPC Form I (collected at the OSIC Centre)
- ii. Memorandum & Articles of Association
- iii. Evidence of Incorporation
- iv. CAC Forms CO2 and CO7
- v. Power of Attorney/ Letter of Authority (where applicable)

Stage 3:

An enterprise, in which foreign participation is involved, shall obtain Business Permit and Expatriate Quota before commencing operations in Nigeria with the Ministry of Interior.

The Citizenship and Business Department of the Ministry of Interior has responsibility for administering and enforcing the provisions of the immigration Act. 1963 as they relate to the establishment of business in Nigeria and the employment of expatriates. In other words, the Interior Ministry is entrusted principally with the following responsibilities:

Requirements for Business Permit and Expatriate Quota

- i. Formal application letter to the Honourable Minister, Ministry of Interior
- ii. Minimum share capital requirement of N10million
- iii. Duly completed Immigration Form T1
- iv. Certificate of incorporation
- v. CAC forms C02 and CO7
- vi. Memorandum and Articles of Association
- vii. Tax Clearance Certificate
- viii. Certificate of Capital Importation
- ix. Evidence of acquisition of business premises
- x. Tenancy or Lease Agreement (to be registered with Federal Inland Revenue)
- xi. Feasibility Report or Business Plan
- xii. Training Programme for Nigerians
- xiii. Schedule of names, addresses, qualifications and positions to be occupied by expatriates

- xiv. Evidence of machinery acquisition (where necessary)
- xv. Bank reference

For further information please contact the Commission's help desk on osicinfodesk@nipc.gov.ng OR Mohammed Baba: baba@nipc.gov.ng. Tel: 08037868932
 Lovina Kayode: lkayode@nipc.gov.ng. Tel: 0892233488,
 Victoria Aigbedion: aigbedion@nipc.gov.ng. Tel: 08037862660.

Fees of different Agencies at the One Stop Investment Centre (OSIC)

A. GRANT OF BUSINESS REGISTRATION CERTIFICATE

SN	SERVICES	FEES
1	Business Registration application form (NIPC Form 1)	Free
2	Issuance of Business Registration certificate	N50,000

B. GRANT OF PIONEER STATUS INCENTIVE

SN	SERVICES	FEES
1	NIPC Form 2	₦40, 000.00
2	Processing fee	₦100, 000.00
3	Collection of Approval Letter	₦60, 000.00
4	Application of Pioneer Status Extension	Free
5	Approval of Pioneer Extension	₦100, 000.00

C. COMPANY INCORPORATION (Corporate Affairs Commission)

SN	SERVICES	FEES
1	A set of company incorporation forms	₦ 500
2	Availability form	₦ 200
3	Registration of public companies whose share capital does not exceed ₦1m	₦ 20,000.00
	Exceeds ₦1m	₦ 30,000.00 for the first ₦ 1m and thereafter, ₦ 20,000.00 for every ₦ 1m of part there of

4	Registration of private companies whose share capital does not exceed ₦1m Exceeds ₦1m	₦ 10,000.00 ₦ 10,000.00 for the first ₦ 1m and thereafter, ₦10,000.00 for every ₦1m of part there of
5	Registration of increase in share capital of public companies for every ₦1m	₦20,000.00
6	Registration of increase in share capital of private companies for every ₦1m	₦10,000.00
7	Certified True Copy of Memorandum and Articles of Association	₦3,000.00
8	Certified True Copy of CO2, CO7, and CO6	₦2,000.00 each

D. STAMP DUTY (Federal Inland Revenue Service)

N1.50 is charged for every N200.00 worth of Share Capital. A sum of N100.00 is also charged on each Memorandum and Articles of Association submitted for stamping.

E. FEES FOR EXPATRAITE QUOTA POSITIONS (Federal Ministry of Interior)

S/N	SERVICES	FEES
1.	Business Permit/Expatriate Quota: (Form T1)	₦75,000.00
2.	Grant of Establishment Quota (per slot)	₦10,000.00
3.	Renewal of Quota Position (per slot)	₦5,000.00
4.	Additional Quota (per slot)	₦10,000.00
5.	Stay of Action	₦5,000.00
6.	Regarding of Quota (per slot)	₦10,000.00
7.	Appeal Processing Fee	₦10,000.00
8.	Restoration of Lapsed Quota	₦55,000.00
9.	Upgrading of Quota P.U.R (per slot)	\$10,000
10.	Resignation of P.U.R. slot (GM to MD or M to GM etc)	\$10,000
11.	De-tagging /Extension of Quota (per slot)	₦10,000.00
12.	Revalidation of Lapsed Quota (per slot)	₦10,000.00

F. FEES FOR IMMIGRATION SERVICES (Nigerian Immigration Services)

S/NO	CATEGORY	FORM ISSUED	CERPAC VALID 1 YEAR
1.	Missionary	CR	\$200
2.	Students	CR	\$200
3.	Non ECOWAS African Nationals	CR	\$200
4.	Cameroonians	CR	\$240
5.	Others	AO	\$350

Agencies and the services rendered at the One Stop Investment Centre

	Agency	Mandate	Role in OSIC
1.	NIGERIAN INVESTMENT PROMOTION COMMISSION (NIPC)	The Nigerian Investment Promotion Commission (NIPC), as a Federal Government Agency, was established by Act of Parliament No. 16 of 1995 to among others; encourage, promote and coordinate investments in the Nigerian economy.	Registration of Foreign Investments, Issuance of Business Permits, Complaint Management, Linkages with NIPC Departments, and other Government Agencies, Country-wide liaison with the 36 States on investment matters etc.
2.	CORPORATE AFFAIRS COMMISSION (CAC)	CAC was established under the Companies and Allied Matters Decree No. 1 of 1990. The Commission has statutory responsibility for registration of companies, business names and Incorporated Trustees.	Undergo Name searches and Company Incorporation
3.	NIGERIA IMMIGRATION SERVICE (NIS)	The Nigerian Immigration Service (NIS) was formally established by an act of Parliament (section 5 of Immigration Act L.N. Cap. 171 1963) to attend to immigration matters.	Provision of information and guidance on immigration matters, regularization of Permanent Work Permits and issuance of STR Visas

4.	NIGERIA CUSTOMS SERVICE (NCS)	Established by Customs and Excise Management Act (CAP 45 LFN 2004), ‘An Act to regulate the management and collection of duties of Customs and Excise, and for purposes ancillary thereto’.	Issuance of Import & Export Guidelines, Procedure for citing Excise Factories, Goods clearance facilitation and general information on Fiscal Policy issues.
5.	FEDERAL INLAND REVENUE SERVICE (FIRS)	FIRS mandate is to assess, collect and account for the taxes accruable to the Federal Government under the Companies Income Tax (amendment) Act, 2007, the Value Added Tax (Amendment) Act, 2007 and the Federal Inland Revenue Service (Amendment) Act, 2007.	Tax Registration , Payment of Stamp Duties, Issuance of Tax Clearance Certificates and issuance of Tax Forms
6.	NATIONAL OFFICE FOR TECHNOLOGY ACQUISITION & PROMOTION (NOTAP)	NOTAP, a parastatal of the Federal Ministry of Science and Technology, was established by Decree No. 70 of 1979 to among other things facilitate and implement the acquisition, promotion and development of technology in Nigeria.	To facilitate the registration of contract agreements dealing with transfer / acquisition of Technology between Nigerians and their foreign partners. Facilitate approvals for licenses, Patents and Franchises etc.
7.	NATIONAL AGENCY FOR FOOD & DRUG ADMINISTRATION & CONTROL (NAFDAC)	National Agency For Food & Drug Administration & Control (NAFDAC), was established by Decree No 15 of 1993 as amended by Decree 19 of 1999 and now the National Agency For Food & Drug Administration & Control Act Cap N1 Laws of the Federation of Nigeria (LFN) 2004. This Act mandates NAFDAC to regulate and control the manufacture, importation, exportation, distribution, advertisement, sale and use of food, drugs, cosmetics, chemicals, detergents, medical devices and	Provision of information, advisory services, facilitation and kick starting of registration process on products. On-going processes such as registration of pharmaceuticals and food can be facilitated at the Centre. The registration status of a product can also be obtained at the Centre

		packaged water (known as regulated products).	through the NAFDAC Registered Products Automated Database (NARPAD).
8.	STANDARDS ORGANIZATION OF NIGERIA (SON)	SON was established by Enabling Act No. 56 of 1971 for preparing, implementing and promoting standards for products and processes and for ensuring compliance with Federal Government policies on standardization and conformity assessment of both locally manufactured and imported goods, throughout the country.	Facilitates all aspects of Standardization activities, approvals or permits for use of standards. Provision of information and guidance on the following: <ul style="list-style-type: none"> • MANCAP Certification • SONCAP Certificate • Training in NIS ISO 9000 and NIS ISO 14000
9	MINISTRY OF MINES AND STEEL DEVELOPMENT (MMSD)	The Ministry is saddled with responsibility for the formulation and execution of policies as well as the enforcement of all Laws relating to prospecting, mining, and quarrying of Solid Minerals throughout Nigeria. The Ministry, through its Agency, the Nigerian Geological Survey Agency (NGSA), is also responsible for the geological mapping and exploration of Minerals with a view to providing information for investors.	Facilitation in obtaining Exploration Licenses, Mining Leases and Provision of information and guidelines on investing in the Solid Minerals Sector
10	NATIONAL BUREAU OF STATISTICS (NBS)	The National Bureau of Statistics (NBS) is the Federal Agency mandated by Law to produce statistics for the Nation on all aspects of Human Activities	Provision of information on Statistical Data on the Nigerian Economy
11	MINISTRY OF THE FEDERAL CAPITAL TERRITORY (FCTA)	The Federal Capital Development Authority (FCDA) was created by virtue of the FCT Act of 1976 to oversee the development of the new city. In 1979, it was given the status of a Ministry called the Ministry of Federal Capital Territory created via an official gazette extra-ordinary no. 55 volume 66 October 26, 1979, by virtue	Facilitation on Land Matters for investment Projects, promotion of investments especially in Tourism, Infrastructure, Industries etc and provision of general information on the

		of this Act FCDA has the responsibility of planning and development of the entire FCT.	FCT.
12	FEDERAL MINISTRY OF FINANCE (FMF)	The Federal Ministry of Finance is conferred with the responsibility of controlling, managing and monitoring revenues and expenditures of public finance of the Federation	Administration of Industrial Incentives, Tariff Administration and general information and guidelines on Fiscal Policy
13	CENTRAL BANK OF NIGERIA (CBN)	The core mandate of the Central Bank of Nigeria (CBN) is derived from the provisions of the CBN Act of 2007. The functions are mainly in the following: <ul style="list-style-type: none"> ▪ Ensure Monetary and Price stability ▪ Issuance of legal tender currency ▪ Maintenance of External Reserve to safeguard the international value of the legal tender currency; ▪ Promotion of a Sound Financial System and ▪ Banker and financial adviser to the Federal Government. 	Provision of information on financial sector regulatory requirements and procedures for carrying on such transactions by prospective investors, guidelines on correspondent banking and funds transfer, including Capital Importation.
14	NIGERIA MARITIME ADMINISTRATION AND SAFETY AGENCY (NIMASA)	NIMASA has the mandate to superintend the holistic but systematic implementation of the National Shipping Policy, the Nigerian Maritime Labour Policy; the Cabotage Law and the Nigerian Shipping Laws which are all geared towards the development of the Nigerian Maritime Sector to contribute optimally to the country's socio-economic development.	Provision of general information and guidance and facilitating investments in the Maritime Sector.
15	THE FEDERAL MINISTRY OF INTERIOR (FMI)	The Ministry of Interior has responsibility for administering and enforcing the provisions of the Immigration Act. 1963 as they relate to the establishment of business in Nigeria and the employment of expatriates. Hence the Ministry is statutorily	Provision of general information and guidance and facilitating the issuance of Business Permits and Expatriate Quota

		<p>mandated to, amongst others to do the following:</p> <ul style="list-style-type: none"> • Responsible for Commercial and Civil Regulation. • Issuance of Expatriate Quota / Business Permit in Nigeria. 	
16	NIGERIAN EXPORT PROMOTION COUNCIL (NEPC)	<p>The Nigerian Export Promotion Council (NEPC) is the apex government agency charged with the responsibility of promoting non Oil Export in Nigeria. It was established through the Nigerian Export Decree No. 26 of 1976 and is statutorily mandated to, amongst others do the following:</p> <ul style="list-style-type: none"> • Promote the development and diversification of Nigeria's export trade. • Assist in promoting the development of export-related industries in Nigeria. • Spearhead the creation of appropriate export incentives. • Articulate and promote the implementation of export policies and programmes of the Nigerian Government. 	Facilitating investments and Provision of general information and guidance related to Nigeria's Export Trade.
17	NIGERIAN ELECTRICITY REGULATORY COMMISSION (NERC)	<p>NERC is an independent regulatory agency which was established by the Electric Power Sector Reform Act 2005 and is mandated to carry out the monitoring and regulation of the electricity industry, issuance of licenses to market participants, and to ensure compliance with market rules and operating guidelines.</p>	Facilitating investments and Provision of general information and guidance in the Electricity Industry in Nigeria.
18	MINISTRY OF FOREIGN AFFAIRS (MFA)	<p>The Ministry of Foreign Affairs (MFA) by the provision of the constitution of the Federal Republic of Nigeria is the statutory organ of Government charged with the primary responsibility of formulating, articulating and conducting Nigeria's Foreign Policy.</p>	Facilitating and fast-tracking all trade and investment related issues through over hundred Missions abroad and carrying out basic due diligence

			of foreign companies.
19	NATIONAL PLANNING COMMISSION	<p>NPC was established by Act No. 71 of 1993 to among other things determine and advices on policies that will best promote national unity and integration and sustain the Nigerian nation. The key functions include:</p> <ul style="list-style-type: none"> • Provision of policy advice to Mr. President in particular and Nigeria in general on all sphere of national life; • Set national priorities and goals and engender consensus amongst public & private sectors stakeholders for its accomplishment; • Undertake periodic review of & appraisal of the human & material resource capabilities of Nigeria for efficient and effective utilization; • Formulate and prepare short, medium & long term development plans and coordinate their implementation at the three tiers of government; • Monitor projects and progress relating to plan implementation; • Conduct research into various aspects of national interest and public policy with a view to foster sustainable economic development of Nigeria; • Manage multilateral & bilateral economic cooperation, including development aids, and technical assistance programming; and • Deals with matters relating to regional economic cooperation - ECOWAS, UNECA, South-South Cooperation etc. 	<ul style="list-style-type: none"> • Provision of information and technical advice on macroeconomic indicators; • Provision of information on Government Policy thrusts and priority sectors of the Nigerian economy; • Facilitation of registration of Non-profit making International NGOs; • Facilitate the activities and operations of the development partners in Nigeria such as EU, USAID, JICA, CIDA, DFID, UNICEF etc; and • Follow-up action on other matters relating to NPC mandates and functions at the Commission's Headquarters in Abuja.
20	DEPARTMENT OF PETROLEUM RESOURCES	<p>Established by the Petroleum Act 1969, the Department of Petroleum Resources has the responsibility -</p> <ul style="list-style-type: none"> • To regulate and monitor Upstream and Downstream oil and gas activities in Nigeria, 	<ul style="list-style-type: none"> • Provision of general Information/data on DPR statutory mandate and the Oil and Gas Sector to facilitate informed

		<p>ensure standards, compliance and best international industry practices.</p> <ul style="list-style-type: none"> • To manage and administer Nigeria’s oil and gas acreage and concessions. • To conserve the nation’s hydrocarbon resources, and maximize returns on investment to government. • To determine/collect royalties and other Oil and Gas statutory fees, charges, and penalties. • To serve as the repository for archiving and retrieval of all oil and gas data in Nigeria. • To advise government on the nation’s authentic oil and gas reserves, production and export for planning and development purposes. • To ensure that oil and gas activities are carried out in a safe and environmentally sustainable manner. • To co-operate with other agencies in ensuring that Oil and Gas operations in Nigeria have linkages with the host communities, and meet local content aspirations of government. • To follow best practices in global HSE and environmental standards and adapt same to our national circumstances. • To implement government policies on Oil and Gas matters. • To grant necessary / relevant approvals, Licenses and Permits for operations and installations in the Oil and Gas Industry. 	<p>investment decisions.</p> <ul style="list-style-type: none"> • Facilitation and guidance to investors in the issuance of various approvals/licenses granted by the DPR. • Provision of general advisory services on the investment opportunities in the Oil & Gas Sector, including matching investors’ requirements with opportunities available in the Sector. • Assisting investors through facilitation with relevant stakeholders in the Oil & Gas industry on access to support in respect of investment projects.
21	ODU’A INVESTMENT COMPANY LIMITED	Odu’a Investment Company Limited was incorporated in July, 1976 to take over the business interests of the former Western State of Nigeria now comprising Oyo, Ogun, Ondo, Osun and Ekiti including Lagos State.	The Desk serves as the information bank for investment opportunities in the 5 South-Western States, with a view to attract foreign / local

		The Company was established to promote the socio-economic and industrial growth of the host States and create employment opportunities.	investments into the States including Lagos State. Provision of relevant investment data on security and incentives.
22	NEW NIGERIA DEVELOPMENT COMPANY (NNDC)	NNDC is a Development Finance Institution (DFI) owned by the (19) states that constitute the Northern Region of Nigeria. The company was established in 1949 to contribute to the Socio-Economic development of the region.	Provision of general advisory services on investment opportunities in Northern States, including matching investors requirements
23	SOUTHEAST/SOUTH SOUTH REGIONAL DESK	The Southeast/South-south Regional Desk is an innovation by NIPC at OSIC, established on march 16 th , 2009 as part of the Commission's proactive strategy to facilitate and fast-tracking inflow of foreign and local investment into the eleven(11) states of the SE/SS regional block.	Provision of data on investment opportunities, investment environment and incentives in the Southeast/South South Region of Nigeria. The Desk also liaises, co-ordinates and maintains necessary investment promotion and facilitation in collaboration with the States.
24	PHARMACISTS COUNCIL OF NIGERIA (PCN)	PCN is the agency statutorily charged with the responsibility for the regulation and control of the Practice of Pharmacy in Nigeria.	<ul style="list-style-type: none"> • Provision of general Information/data on PCN statutory mandate and the Health Sector to facilitate informed investment decisions. • Facilitation and guidance to investors in the issuance of various approvals/licenses granted by the PCN.

			<ul style="list-style-type: none"> • Provision of general advisory services on the investment opportunities in the Pharmaceutical Industry, including matching investors' requirements with opportunities available in the Sector. • Facilitation with relevant stakeholders in the industry on access to support in respect of investment projects on behalf of investors.
25	NIGERIAN COPYRIGHT COMMISSION (NCC)	<p>NCC is the Anti-Piracy and Enforcement agency for Intellectual Properties in Nigeria.</p> <p>The agency plays an important role in the maintenance of effective databank of authors, their works and the monitoring of the copyright Industry.</p>	<ul style="list-style-type: none"> • Provision of general Information/data on the Agency's statutory mandate and the Copyright Industry to facilitate informed investment decisions. • Facilitation and guidance to Investors in the issuance of various approvals/licenses granted by the NCC. • Provision of general advisory services on the general requirements in the Copyright Industry. • Facilitation with relevant stakeholders in the Copyright industry on access to support in respect of

			investment projects on behalf of investors.
26	MANUFACTURERS ASSOCIATION OF NIGERIA (MAN)	<p>MAN is the focal point of communication and consultation between industry on one hand and the Government and the general public on the other hand.</p> <p>MAN plays a strategic role in Nigeria and has contributed immensely to Government Policy formulation through constructive recommendations and view points.</p> <p>It has provided manufacturers with the means of formulating and influencing general policies with regard to industrial, labour, social, legal, training, and technical matters in the overall interest of stakeholders.</p>	<ul style="list-style-type: none"> • Provision of general information/data based on the objectives/mandate of MAN to facilitate informed investment decisions. • Facilitation and guidance to investors on membership registration. • Provision of general advisory services on the investment opportunities in the Manufacturing Sector, including matching investors' requirements with opportunities available in the Sector. • Facilitation with relevant stakeholders in the Manufacturing industry on access to support in respect of investment projects on behalf of investors.