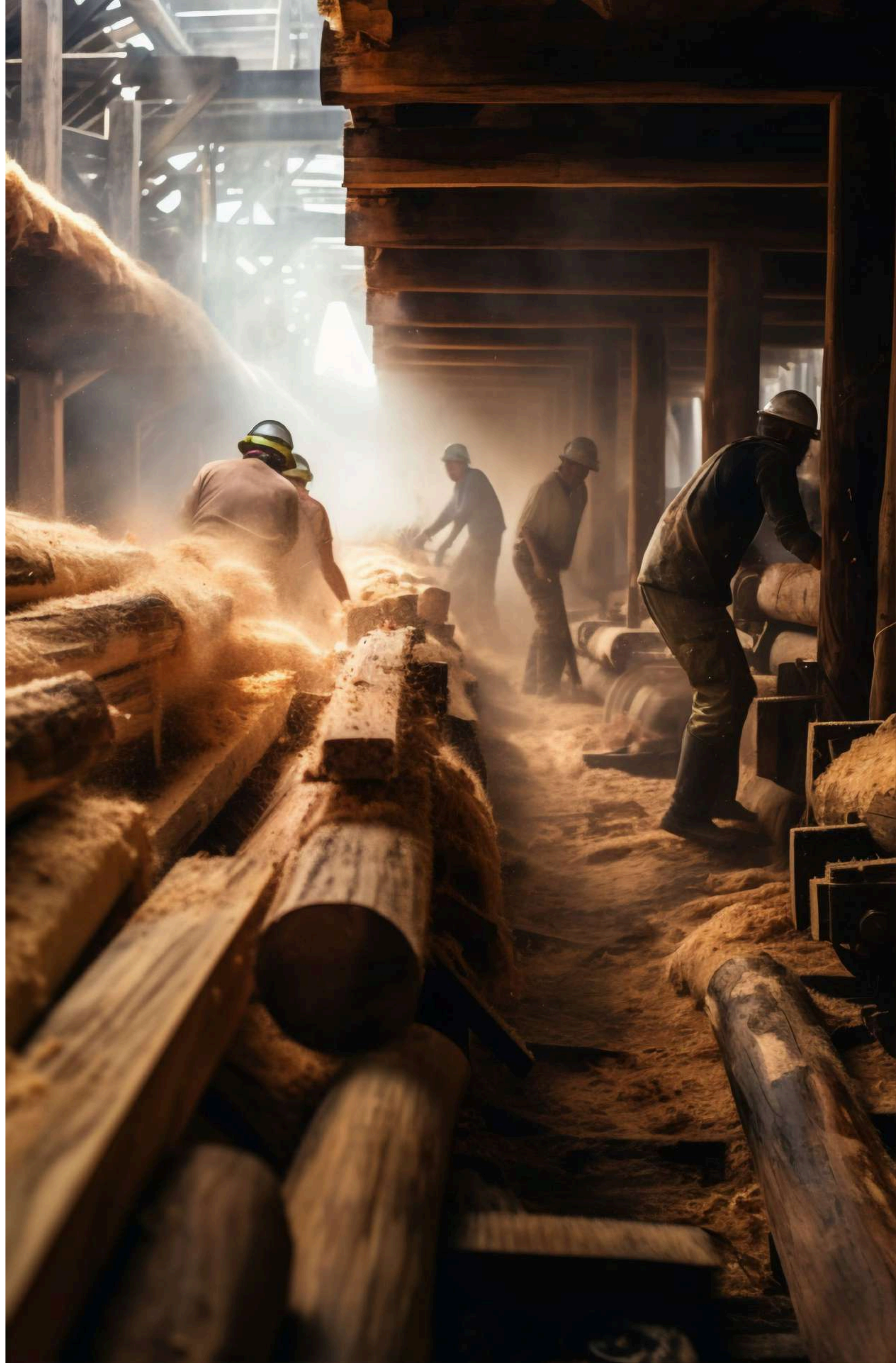


INVESTMENT GUIDE **NIGERIA 2025**

nipc

NIGERIAN INVESTMENT PROMOTION COMMISSION

Contents

nipc

Introduction

As one of Africa's largest and most dynamic economies, Nigeria offers a wealth of opportunities for entrepreneurs and investors. With a growing middle class, a large consumer market, and an increasingly favorable business environment, Nigeria is an attractive destination for those looking to establish or expand a business.

This guide is designed to provide you with an understanding of the regulatory landscape in Nigeria, including key laws, regulations, and institutions that govern business operations. In the pages that follow, you will find a step-by-step process of starting a business in Nigeria, from company registration to obtaining necessary licenses and permits. Additionally, this guide highlights some sectors that offer promising opportunities for growth and investment in Nigeria.

Whether you are a seasoned entrepreneur or just starting out, this guide aims to equip you with the information, knowledge and insights needed to navigate Nigeria's regulatory environment, make informed decisions, and successfully establish a thriving business in this vibrant and welcoming economy.

The Nigerian Investment Promotion Commission is the statutorily empowered Federal Government Agency with the mandate to promote, facilitate and assist investors and investments and is fully committed to providing the necessary support to investors.

nipc


IMMERSE YOURSELF IN
NIGERIA'S VIBRANT CULTURE.

Business Entry Steps

Step 1

Company Incorporation

Responsible Agency: Corporate Affairs Commission (CAC)

Under the Companies and Allied Matters Act (CAMA), 2020 all companies seeking to operate in Nigeria must be incorporated by the Corporate Affairs Commission (CAC), unless granted an exemption. Foreigners are permitted to engage in any business in Nigeria except those listed under the 'Negative List' as stated in the Nigerian Investment Promotion Commission Act Chapter N117 LFN 2004, and detailed below:

a. production of arms, ammunition, etc;
b. production of and dealing in narcotic drugs and psychotropic substances;
c. production of military and para-military wears and accoutrement, including those of the Police and the Customs, Immigration and Prison Services;
d. activities covered by the Nigeria's Coastal Inland Shipping Act 2003 (Cabotage Act); and
e. such other items as the Federal Executive Council may, from time to time, determine.

Business Incorporation and Business Name Registration

To incorporate a business in Nigeria, follow these steps:

1. **Create an Account on the CAC Portal:** Visit the Corporate Affairs Commission (CAC) registration portal to create an account, which will be used for all your business registration activities.
2. **Conduct a Name Availability Search:** Use the CAC's Public Search Tool to ensure your preferred business name is available.
3. **Reserve Your Business Name:** After confirming availability, reserve the name through the Name Reservation page.
4. **Complete the Pre-Registration Form:** Log in to your CAC account and complete the appropriate pre-registration form for your type of business (e.g., Limited Liability Company, Business Name, Incorporated Trustee). Provide all necessary details, including information about proprietors, partners, or directors.
5. **Upload Required Documents:** Prepare and upload scanned copies of the necessary documents, such as:
    - i. **Approved Name Reservation Document –** Confirmation of name availability from CAC.
    - ii. **Identification:** one of the listed National Identity documents e.g. Driver's license or Voter's card for Nigerians or an International Passport for foreigners.
    - iii. **Form CAC 1.1 (Application for Registration)** – This is the primary registration form containing proposed company details, including directors, shareholders, and company secretary.
    - iv. **Memorandum and Articles of Association (MEMARTs)** – Defines the company's structure, objectives, and governance (mandatory for Limited Liability Companies).
    - v. **Proficiency Certificate (if applicable)** – Required for businesses in regulated sectors (e.g., legal, medical, engineering, financial services etc).
    - vi. **Foreign Certificate of Incorporation and Board Resolution (if applicable)** – Required if a foreign company or entity is subscribing to shares in a Nigerian company.
    - vii. **Residence Permit of Resident Foreigners (if applicable)** – Needed for foreigners residing in Nigeria who are part of the company's board or shareholders.
    - viii. **Stamp Duty Payment Evidence** – Proof of payment via the Federal Inland Revenue Service (FIRS).
    - ix. **Evidence of CAC Incorporation/Filing Fee Payment** – The incorporation fee depends on the share capital of the company.
    - x. **Passport-sized photographs**
6. **Submit the Application:** After completing and signing the forms and uploading documents, submit your application online for processing.
7. **Obtain the Certificate of Incorporation:** Once approved, download your Certificate of Incorporation and the Certified Extracts of Registration documents from the CAC portal.

Business Entry Steps

Exemption from Incorporation

CAMA makes certain exemptions to allow a foreign entity to operate without incorporation, where:

- The entity is invited by or with the approval of the Federal Government to execute a specific project/assignment.
- It is in Nigeria to execute a specific loan project on behalf of a donor country or international organization such as those entities engaged in projects funded by foreign donors or international bodies.
- The entity is owned by a foreign government and engaged solely in export promotion activities.
- An engineering and technical expert engaged in a specialist project under contract with any government in the Federation or their agencies, approved by the Federal Government.

The Business Facilitation (Miscellaneous Provisions) Act 2023 has expanded the categories of foreign companies exempt from incorporation in Nigeria to include those granted exemptions under any existing Act of the National Assembly.

Additional Notes:

- Public Limited Companies (PLC) and Companies Limited by Guarantee (GTE) may have extra requirements, such as minimum share capital or government approvals.
- Specialized industries (e.g., Banking, Oil & Gas, Pharmaceuticals) will need additional regulatory approvals.
- Applications for exemptions should be directed to the Honourable Minister of Industry, Trade and Investment in compliance with the Companies Regulations 2021.
- Specific requirements and processes may vary depending on the type of business entity being registered and it is advisable to consult the CAC's resources or seek professional assistance to ensure compliance with all legal requirements. The CAC has offices in all 36 States of the Federation.
- For detailed guidelines and access to the registration portal, visit the CAC official website.
- For detailed information, refer to the Companies and Allied Matters Act (CAMA) 2020 and the Companies Regulations 2021.

Step 2: Payment of Stamp Duties

Responsible Agency: Nigeria Revenue Service (NRS)

In compliance with the Stamp Duties Act, companies are required to pay Stamp Duties on the share capital of the company being incorporated, and the amount varies according to the company's share capital.

Documents submitted for the payment of Stamp Duties are :

- CAC 2 Form (Statement of share capital) or any share capital increase (where applicable), and
- 2 (two) Memorandum and Articles of /Association, duly completed and signed.

*Please check with the NRS for prevailing fees at the time of payment.

Step 3: Tax Registration

Responsible Agency: Nigeria Revenue Service (NRS)

Under Section 9(1) of the Companies Income Tax Act CAP 60 LFN 1990 (CITA), tax shall, for the year of assessment, be paid at the specified rate upon the profits of any company accruing in, derived from, brought into, or received in, Nigeria in respect of activities listed under subsections (a)–(g). The specified amount shall be paid to the Nigeria Revenue Service (NRS) Tax Offices nearest the Company's registered addresses.

Steps for Tax Registration

Upon incorporation of a company, the payment of Stamp Duties and the incorporation documents duly stamped at the NRS, a Tax Identification Number (TIN) is automatically assigned, and a Tax Clearance Certificate (TCC) is issued at no cost.

Major Investment-Related Tax Laws in Nigeria

Capital Gains Tax Act (CGTA)	Capital Gains Tax Act (CGTA), CAP 354 LFN 1990
Companies Income Tax Act (CITA	Companies Income Tax Act CAP 60 LFN 1990
Education Tax Act (ETA)	Tertiary Education Trust Fund (Establishment, etc) Act, 2011
Income Tax Relief	Industrial Development (Income Tax Relief) Act (IDITRA)
Personal Income Tax Act (PITA)	Personal Income Tax (Amendment) Act, 2011
Stamp Duties Act (SDA)	Stamp Duties Act, CAP. 441, LFN 1990
Value Added Tax Act (VATA)	Value Added Tax Act Cap V1, LFN 2004 (as amended)
Taxes and Levies	Taxes and Levies (Approved List for Collection) Act 1998

- A company yet to commence business after six months of incorporation shall for each year obtain a TCC after the payment of a levy of N20,000.00 for the first year and N25,000.00 for every subsequent year.
- NRS has offices in all 36 States and the Federal Capital Territory. Addresses can be sourced from https://www.firs.gov.ng/offices
- More information on prevailing tax laws at https://www.firs.gov.ng/tax-resources.

Step 4: Business Registration under the Nigerian Investment Promotion Commission Act

Responsible Agency: Nigerian Investment Promotion Commission (NIPC)

Section 20 of the Nigerian Investment Promotion Commission Act Chapter N117 LFN 2004 requires a business in which foreign participation is permitted under the Act to register with the Commission before commencing business.

Required Documents for Business Registration

The following documentations are required

- Memorandum & Articles of Association.
- CAC Certificate of Incorporation.
- CAC Status report (CAC Form 1.1 or CAC Forms CO2 and CO7 for old companies).
- Power of Attorney/Letter of Authority (optional).
- Evidence of Payment of the non-refundable Processing Fee of N150,000 made via Remita.
- NIPC Form I

The registration can be processed online at http://www.swip.nipc.gov.ng

Step 5: Business Approvals/Industry Licensing

Business Permit and Grant of Expatriate Quota

Responsible Agency: Federal Ministry of Interior

A Business Permit is a mandatory approval issued to companies with foreign participation allowing them to operate in Nigeria. It is granted by the Federal Ministry of Interior (FMI) under the authority of Section 36(1) of the Immigration Act, 2015 and the Immigration Regulations, 2017.

Process for Obtaining a Business Permit

- **Company Incorporation:** The company must first be registered with the Corporate Affairs Commission (CAC).
- **Application Submission:** A formal application is submitted to the Federal Ministry of Interior (FMI), along with the required documentation.
- **Review and Verification:** The Ministry reviews the application and may conduct due diligence.
- **Approval and Issuance:** If the application meets all requirements, the Business Permit is granted.

Business Entry Steps

Required Documentation

- Application letter addressed to the Permanent Secretary, Federal Ministry of Interior, Federal Secretariat, Area 1, Garki, Abuja, FCT, Nigeria.
- Certificate of Incorporation from the Corporate Affairs Commission (CAC).
- Memorandum and Articles of Association of the company.
- CAC Form 1.1 (containing details of directors and shareholders).
- Taxpayer Identification Number (TIN) and proof of tax registration.
- Feasibility report or business plan.
- Joint venture agreement (if applicable).
- Evidence of capital importation issued by a licensed financial institution.
- Company bank statement or confirmation of financial standing.

Note

The Business Permit is a prerequisite for other approvals such as the Expatriate Quota, which allows foreign nationals to work in Nigeria.

Expatriate Quota

An Expatriate Quota is an approval granted to companies operating in Nigeria to employ foreign nationals in positions where qualified Nigerians are unavailable. It is issued by the FMI under the Immigration Act, 2015 and the Immigration Regulations, 2017 and in compliance with local content laws to ensure Nigerian workforce development. It is granted for an initial period of three (3) years in the first instance and renewable biennially within a life span of seven (7) years.

Process for Obtaining an Expatriate Quota

- **Application Submission:** The company applies to the Federal Ministry of Interior, providing justification for hiring expatriates.
- **Review and Assessment:** The Ministry evaluates the company's business activities, justifications, and compliance with local employment laws.
- **Approval and Issuance:** If approved, the quota is granted, specifying the number of expatriates and their designated roles.

Required Documentation

- Application letter addressed to the Permanent Secretary, Federal Ministry of Interior, Federal Secretariat, Area 1, Garki, Abuja, FCT, Nigeria.
- Certificate of Incorporation from the Corporate Affairs Commission (CAC).
- Memorandum and Articles of Association.
- CAC Form 1.1 (detailing directors and shareholders).
- Feasibility report or business plan.
- Organisational structure showing positions for expatriates.
- Evidence of local training programmes for Nigerian employees (to facilitate skill transfer).
- Lease agreement for office premises.

For updated information, kindly consult the FMI at https://ecitibiz.interior.gov.ng/expatriate/overview.

Additional Notes:

- Public Limited Companies (PLC) and Companies Limited by Guarantee (GTE) may have extra requirements, such as minimum share capital or government approvals.
- Specialized industries (e.g., Banking, Oil & Gas, Pharmaceuticals) will need additional regulatory approvals.
- Applications for exemptions should be directed to the Honourable Minister of Industry, Trade and Investment in compliance with the Companies Regulations 2021.
- Specific requirements and processes may vary depending on the type of business entity being registered and it is advisable to consult the CAC's resources or seek professional assistance to ensure compliance with all legal requirements. The CAC has offices in all 36 States of the Federation.
- For detailed guidelines and access to the registration portal, visit the CAC official website.
- For detailed information, refer to the Companies and Allied Matters Act (CAMA) 2020 and the Companies Regulations 2021.

Industry Licensing and Product/Premises Certification

- Several of Nigeria's industrial sectors are regulated, and operators/enterprises in these sectors are required by law to obtain an operating license before commencing business.
- The commercial production of some products is also regulated, and for these products to be commercially available in the Nigerian market, they must be certified by relevant authorities. Examples are provided below:

Standardisation of Products and Manufacturing Premises

Certification Authority: Standards Organisation of Nigeria (SON)

Locally Manufactured Products

Mandatory Conformity Assessment Programme (MANCAP) (The MANCAP scheme is SON's quality assurance programme for products manufactured in Nigeria. It ensures that such products conform to the relevant Nigerian Industrial Standards (NIS) before they are distributed in the market.)

- **Certification Procedure and Requirements**

  Step 1: Product Identification and Standard Determination

  - Identify the product and applicable Nigerian Industrial Standard (NIS).
  - SON will guide the manufacturer on the required standard if unknown.

  Step 2: Application Submission

  - Manufacturers are to submit a completed MANCAP application form to the relevant state offices.
  - Attach supporting documents, including:
    - Corporate Affairs Commission (CAC) registration
    - Tax Identification Number (TIN)
    - Factory layout and process flow
    - Product labels and packaging

  Step 3: Product Sampling and Laboratory Testing

  - SON officers visit the factory to collect samples for testing.
  - Samples are tested in SON-approved or in-house laboratories.

  Step 4: Factory Inspection

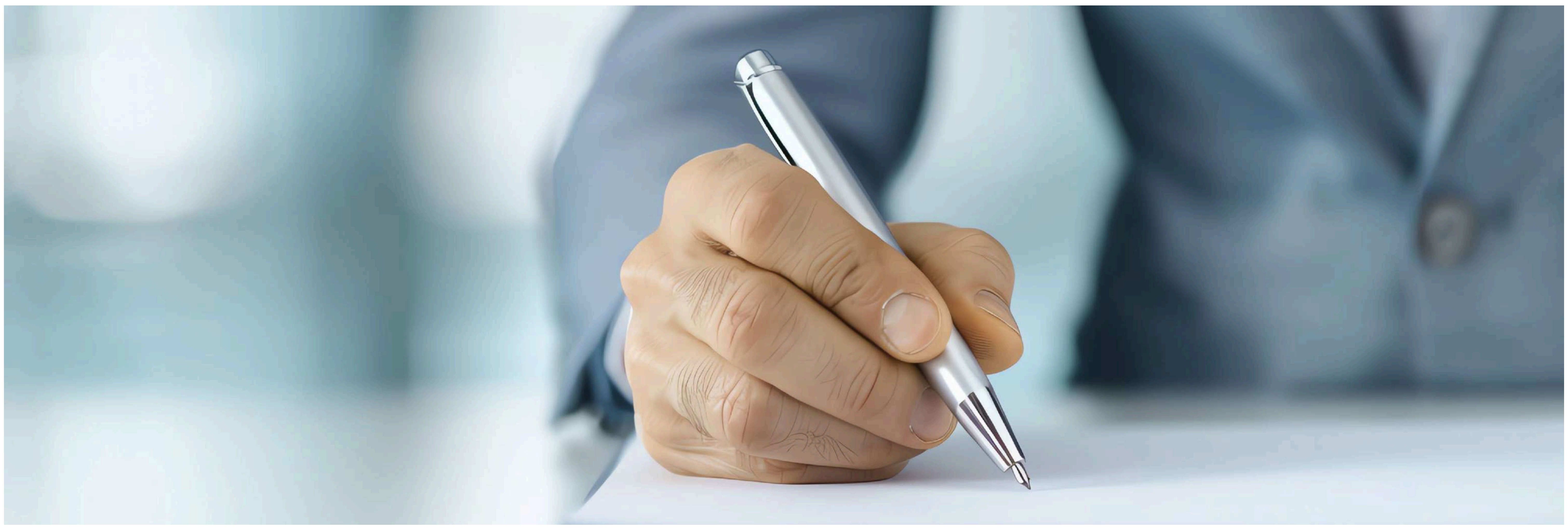
  - SON conducts a detailed audit of the production process, equipment, quality control systems, and staff competence.

  Step 5: Compliance Assessment

  - If the product passes the tests and the factory meets the required standard, SON issues a MANCAP Certificate of Conformity.
  - The manufacturer is allowed to use the MANCAP logo on the product packaging.

  Step 6: Monitoring and Surveillance

  - Periodic factory inspections and market surveillance are carried out to ensure continued compliance.



Business Entry Steps

Certification of Imported Manufactured Products

SON Conformity Assessment Programme (SONCAP). Application is submitted through SONCAP Application Portal.

Certification Procedure and Requirements

Step 1: Product Classification and Verification

- Confirm whether the product falls under SON's list of regulated goods.
- Products not on the list (e.g., raw materials, personal effects, manufacturing equipment) are issued Import Permits rather than a certification of imported manufactured product.

Step 2: Engage a SON-Accredited Inspection Agent

- Contact one of SON's internationally approved inspection agencies (e.g., SGS, Intertek, Bureau Veritas, Cotecna) to initiate the conformity assessment process.

Step 3: Select a Suitable Compliance Route. There are three approved certification routes:

4. Route A: Unregistered and unlicensed products with 100% testing and inspection.
5. Route B: Registered products and established a Quality Management System for manufacturer/exporter.
6. Route C: Licensed products for only manufacturers/brand owners with a periodic audit of manufacturing facility.

Step 4: Product Testing and Pre-Shipment Inspection

- Samples are tested in an accredited laboratory to verify conformity with NIS or international standards.
- An inspection is conducted to confirm product specifications, labelling, packaging, and quantity.

Step 5: Issuance of Product Certificate (PC)

Upon successful testing and inspection, a Product Certificate is issued.

- Validity ranges from 6 months (for one shipment only - Route A) to one year (Routes B & C), depending on the selected route.

Step 6: Obtain the SONCAP Certificate (SC)

- Before shipment, the importer applies for the SONCAP Certificate, which is required for customs clearance.

Certification of Manufacturing Premises

This certification applies specifically to exporters/manufacturers outside Nigeria intending to ship regulated products, such as LPG, CNG, and other pressure vessels, to Nigeria under the Standards Organisation of Nigeria Conformity Assessment Programme (SONCAP).

Certification Procedure and Requirements

Step 1: Contact an Independent Accredited Firm(IFA)

- The exporter or manufacturer must initiate the process by contacting any of the SON-designated IAFs:
    - COTECNA Inspection SA: www.exports-to-nigeria.com
    - Alberk QA Technic: Email: soncap@qatechnic.com
    - China Standard Inspection Co., Ltd (CSIC): www.csicgroup.com.cn
    - China Certification & Inspection Group (CCIC): www.ccic.com

Step 2: Submission of Application and Documentation

- Exporters are required to submit documentation including:
    - Company profile
    - Product details and specifications
    - Manufacturing and quality control processes
    - Testing equipment and laboratory capabilities
    - Existing quality certifications (e.g., ISO 9001)

Step 3: Facility Audit by IAF

The selected IAF schedules a manufacturing site inspection to evaluate:

- Availability and functionality of testing equipment
- Manufacturing infrastructure and processes
- Compliance with relevant safety and quality standards
- Product traceability and labelling systems
- Skilled personnel and quality management systems

Note: Only facilities with proven testing and manufacturing capabilities are considered eligible.

Step 4: Assessment Outcome

- If the facility meets all SON requirements, the IAF approves the exporter and issues clearance for Product Certification.
- If the facility does not comply, corrective action is requested before approval can be granted.

Step 5: Product Certification Eligibility

Once approved, the exporter is cleared to issue SONCAP Product Certificates for regulated consignments through the IAF. These certificates are required to process:

- SONCAP Certificate
- Import Permit
- Pre-Arrival Assessment Report (PAAR)
- Customs clearance in Nigeria

Business Entry Steps

Import Permit

For products not eligible for Certification of Imported Manufactured Product

- **Certification Procedure and Requirements**

  Step 1: Register on the SONCAP Portal

  - Visit the SONCAP Application Portal
  - Input your email and Tax Identification Number (TIN)
  - Confirm your information and complete the registration form
  - Check your email and click the activation link to complete registration

  Step 2: Apply for Import Permit (Form M)

  - Log in to the SONCAP Application Portal
  - Click on "Apply for Import Permit for Form M"
  - Complete the application form and upload the required documents (as listed here)
  - Submit the application

  Step 3: Processing

  - You will receive an email confirmation upon submission
  - A unique SON reference number will be generated for your application
  - Monitor the status on your dashboard at the SONCAP portal dashboard
  - Applications are processed within 3 working days
  - The application may be approved, rejected, or dismissed
  - Once approved and payment is validated, it is transmitted to the Nigeria Trade Portal for Form M processing

Import Permit for Pre-Arrival Assessment Report (PAAR)

Before the arrival of any consignment in Nigeria, every importer of SON-regulated goods must apply for an Import Permit for PAAR (Pre-Arrival Assessment Report) using their previously obtained e-Import Permit. This is a mandatory step to ensure regulatory compliance and facilitate smooth clearance at the port.

Certification Procedure and Requirements

- Before the goods arrive in Nigeria:
- Log in to the SONCAP Application Portal
- Select "Import Permit PAAR"
- Choose from your list of approved Form M import permits
- Complete the required fields and submit for review

Processing Steps:

- A unique SON PAAR application reference number is issued
- Application is reviewed for compliance with SON requirements
- Outcome is either approved or rejected (with stated reason)
- If approved, the SONCAP PAAR Certificate is generated
- The certificate is sent to your dashboard, email, and transmitted to the Nigeria Trade Portal

Telecommunications License

Licensing Authority: Nigerian Communications Commission (NCC)

Licensing Procedure and Requirements

- Sign up on eservices.ncc.gov.ng and click on Licensing Application Management System to apply. Complete the form and upload the relevant documents listed below:
    - Certificate of Incorporation or Registered Business Name
    - Tax Clearance Certificate
    - Certified true copy of Articles & Memorandum of Association must include telecommunication as an object clause that allows the Company to provide telecommunication service in Nigeria
    - CAC Status Report
    - Electronic Passport photographs of authorised representative(s)
    - Professional Certificates of qualified technical staff
    - Details of proposed service
    - Electronic Passport photographs of Directors of the Company/Sole Proprietorship
    - Applications should be submitted when all documents above have been uploaded

License Fee

- Ten Thousand Naira (N10,000.00) is payable via the Licensing Application Management System.
- Brief on the proposed service
- Passport photographs of Directors of the Company/Sole Proprietorship
- The application should be submitted in duplicate with all necessary documents attached, all spiral bound.
- License Class and Fee: As provided by the NCC
- Contact Address: Plot 423, Aguiyi Ironsi Street, Maitama, Abuja

Business Entry Steps

Food & Drugs

Licensing Authority: National Agency for Food and Drug Administration and Control (NAFDAC)

Licensing Procedure and Requirements

- According to the Drug and Related Products Registration Regulations 2019:
  - No drug or related product shall be manufactured, imported, exported, advertised, sold, distributed or used in Nigeria unless registered under the provisions of these regulations.
- This applies to drugs, foods, cosmetics, medical devices, chemicals, and veterinary products, whether locally manufactured or imported.
- NAFDAC provides detailed operational guidelines for each category on its official website at NAFDAC Guidelines Portal

Step 1: Determine Product Category

- Identify whether the product falls under regulated categories (e.g., food, drug, cosmetics, medical device, chemical).
- Refer to category-specific guidelines on the NAFDAC website.

Step 2: Create a NAFDAC e-Registration Account

- Visit the NAFDAC e-Registration Portal
- Create an account or login if you already have one.

Step 3: Submit Online Application

- Complete the product registration application form online.
- Provide supporting documents, which may include:
  - Certificate of Incorporation (CAC)
  - Trademark registration (if available)
  - Manufacturer's license (for imported goods)
  - Certificate of analysis
  - Product labels and artwork
  - Evidence of facility inspection (local or foreign)

Step 4: Pay Prescribed Fees

- Make payment for:
  - Product registration fees
  - Laboratory analysis fees (if applicable)
  - GMP inspection fees (for foreign manufacturers)
  - Payments can be made via the Remita platform or as directed by NAFDAC.

Step 5: Facility Inspection

- For local manufacturers, NAFDAC conducts a Good Manufacturing Practice (GMP) inspection of the facility.
- For imported products, GMP inspection of the foreign manufacturing site may be required unless a waiver is granted (e.g., for WHO-listed facilities).

Step 6: Product Sample Submission

  - Submit product samples to NAFDAC-designated laboratories for:
  - Quality analysis
  - Label compliance
  - Shelf-life verification (if applicable)

Step 7: Product Evaluation and Approval

- NAFDAC evaluates all submissions, including analytical results and documentation.
- If the product meets all requirements, NAFDAC issues a Certificate of Registration with a unique NAFDAC Registration Number.

Step 8: Marketing Authorisation

- Once registered, the product can be marketed, sold, distributed, imported, or exported legally within Nigeria.
- Registered products must maintain ongoing compliance with post-marketing surveillance and periodic re-registration (typically every 5 years).

Notes:

- Unregistered products are subject to seizure, penalties, or prosecution.
- Labelling and packaging must comply with NAFDAC labelling regulations.
- For contract manufacturing or brand ownership, additional documentation may be required (e.g., Power of Attorney, Contract Manufacturing Agreement).

Other regulated industries

Regulated Industry	**Regulator**
Aviation industry	Nigerian Civil Aviation Authority
Banking	Central Bank of Nigeria
Education	
· Tertiary education – University	· National Universities Commission
· Tertiary education – Technical	· National Board for Technical Education
Electricity generation and distribution	Nigerian Electricity Regulatory Commission
Healthcare services	Federal Ministry of Health
Insurance	National Insurance Commission
Maritime industry	Nigerian Shippers' Council
Manufacturing	
· Trademarks	· Federal Ministry of Industry, Trade and Investment · Nigeria National Accreditation System
· General standards	· Standards Organisation of Nigeria
Oil & Gas industries	Nigerian Upstream Petroleum Regulatory Commission
Telecommunications	Nigerian Communications Commission
Tourism industry	Nigerian Tourism Development Authority

Business Entry Steps

Step 6: State Level Registration

- This usually includes premises registration, and state-specific taxes, among others. The process is dictated, in many cases, by the respective State Ministries of Commerce and Finance, and varies from state to state.
- States also have State Investment Promotion Agencies (SIPAs) and/or Ministries of Trade, Investment, Commerce or the like, that guide and support investments through state-level investment registration.

States	Organization	Contact Address
Adamawa	Adamawa Investment Promotion Agency (ADIPA)	13 Girei Street, Dogirei G.R.A Yola Adamawa State. Telephone: +2348033346007 Email: h.malabu@invest.adamawastate.gov.ng Website: https://invest.adamawastate.gov.ng/
Akwa Ibom	Akwa Ibom Investment Corporation	Investment House, (3rd Floor), Plot 143 Olusegun Obasanjo Avenue, Uyo, Akwa Ibom State. Telephone: +2348123451462 Email: info@akwaibominvest.ng; mailakicorp@gmail.com Website: https://akwaibominvest.ng/
Bauchi	Bauchi Investment Corporation Limited	Investment House, 37 Abdulkadir Ahmed Road, Bauchi, Bauchi State. Telephone: +2348036291318, +2348023622255 Email: support@bicinvestment.org Website: https://bauchiinvestcorp.bu.gov.ng/
Bayelsa	Bayelsa State Investment Promotion Agency	State Secretariat Complex, BIPA Wing, Annex VI, #6, Onopa, Yenagoa, Bayelsa State. Telephone: 07000 - CALL - BIPA Email: info@investbayelsa.by.gov.ng Website: https://www.investbayelsa.by.gov.ng/
Benue	Benue Investment Promotion Agency	Plot 6178, New Bridge Road, Makurdi, Benue State. Telephone: +2347086598664, +234704596697 Email: info@bipc.be.gov.ng Website: https://bipc.be.gov.ng/
Borno	Borno Investment Company Limited	7 Kano-Jos Road, Opposite Civil Service Commission, Maiduguri, Borno State. Telephone: +2348039209880 Email: info@bornoinvestment.com Website: https://bornoinvestment.com/
Cross River	Cross River State Investment Promotion Bureau	3rd Floor, Professor Eyo Ita House, #48 Ndidem Usang Iso Road, Calabar, Cross River State. Telephone: +2347059999919 Email: cnyong013@gmail.com Website: https://ipb.cr.gov.ng/
Delta	Delta State Investment Development Agency	Governor's Office, 14 BRO Izegbu Street, GRA, Asaba, Delta State. Telephone: +2348034911819 Email: egovt@dida.dl.gov.ng Website: https://www.dida.dl.gov.ng
Ebonyi	Ebonyi Investment and Property Company LTD, Ministry of Trade and Investment, Ebonyi State	Block 10, Ground Floor, Centenary City Secretariat, New Government House, Abakaliki, Ebonyi State.
Enugu	Enugu State Investment Development Authority	16 Colliery Avenue, Achara, Enugu, Enugu State.
Edo	Edo State Investment Promotion Office	Government House, Benin, Edo State. Email: invest@edostate.gov.ng Website: https://invest.edostate.gov.ng
Ekiti	Ekiti State Development & Investment Promotion Agency (EDIPA)	First Floor, Revenue House (Mutual Building) Fajuyi, Ado-Ekiti, Ekiti State. Telephone: +2348169221481 Email: ekdipa@ekitistate.gov.ng, ekdipang@gmail.com Website: https://ekdipa.com.ng/

States	Organization	Contact Address
FCT	Abuja Investment Company Limited	Investment House, 4 Nkwere Street, Off Muhammadu Buhari, Garki 2, Abuja, FCT. Telephone: +2348091110792 +2348091110794 Email: online@abujainvestment.com Website: https://abujainvestments.com/
Gombe	Gombe State Investment Promotion Agency (GOSIPA)	Ministry of Finance and Economic Development Jeka Da Fari, Gombe, Gombe State. Telephone: +2348068106225 Email: info@gipa.gm.gov.ng Website: https://www.gombeipa.org
Imo	Imo State Investment Promotion Agency	Imo Trade & Investment Centre, Pocket Layout, Port Harcourt Road, Owerri, Imo State. Telephone: +2348033021192, +2349023635642, +2348103166305 Email: admin@isipa.im.gov.ng Website: https://www.investinimo.com/
Jigawa	Jigawa State Investment Promotion Agency	2nd Floor, Block A, State Secretariat, Dutse, Jigawa State. Telephone: +2348028094113, +2348059500284 Email: info@investjigawa.gov.ng Website: www.investjigawa.gov.ng
Kaduna	Kaduna Investment Promotion Agency (KADIPA)	Ground Floor, Government House, Kaduna, Kaduna State. Telephone: +2348096961576 Email: kadipa@kdsg.gov.ng Website: https://kadipa.kdsg.gov.ng/
Katsina	Katsina State Investment Promotion Agency	Governor's Office, Muhammadu Buhari House, Katsina, Katsina State. Telephone: +234-8032873529, +234-7038736484 Email: info@kipa.kt.gov.ng Website: https://kipa.kt.gov.ng/
Kano	Kano Investment Promotion and Diaspora Agency (KanInvest)	Plot 442 Rabiu Musa Kwankwaso Road, Sheikh Nasiru Kabara Housing Estate, Kano, Kano State.
Kebbi	Ministry of Commerce, Industry, Cooperatives and Tourism	21 Emir Haruna Road, Birnin Kebbi, Kebbi State. Telephone: +2348032283652, +2347038002814 Email: info@kipa.kebbistate.gov.ng Website: https://kipa.kebbistate.gov.ng/
Kogi	Kogi Investment and Properties Ltd.	17 Ado Ibrahim Road (Farec Premises), GRA, P.M.B. 1103, Lokoja, Kogi State. Telephone: +2349069224371, +2348106639041 Email: info@kiplonline.com.ng Website: https://kiplonline.com.ng/
Kwara	Kwara Investment Promotion Agency (KIPA)	Kwara State Geographical Information Services, Commissioner's Lodge Way, Ilorin, Kwara State.
Lagos	SA to Governor on Commerce	Lagos State Ministry of Commerce, State Secretariat, Alausa, Ikeja, Lagos State.
Nasarawa	Nasarawa Investment Promotion Agency	Governor's Office, Lafia, Nasarawa State. Telephone: +2348130861406, +2348138425768, +2347039591140, Email: info@nasida.na.gov.ng Website: https://nasida.na.gov.ng/
Niger	Niger State Investment Promotion Agency	1, NSDC House, Bosso Road, Minna, Niger State. Telephone: +2348097111607; +2347031849147 Email: nsipa@nigerstate.gov.ng Website: https://nsipa.nigerstate.gov.ng/
Ogun	Ogun State Investment Promotion and Facilitation Agency (OgunInvest)	4th Floor, Opic Plaza, Isheri, Ogun State Telephone: +2349091661337, +2348169213747 Email: investment@ogunstate.gov.ng Website: https://invest.ogunstate.gov.ng/

Business Entry Steps

States	Organization	Contact Address
Ondo	Ondo State Development and Investment Promotion Agency (ONDIPA)	Investment House, Alagbaka, Akure, Ondo State. Telephone: +2348111181868 Email: contact@ondipa.org Website: www.ondipa.org
Osun	Osun State Investment and Promotion Agency (OSIPA)	Government Secretariat, Alabiye Community Road, Owode Ede, Osogbo, Osun State. Email: osipa@osunstate.gov.ng
Oyo	Oyo State Investment and PPP Agency	11, Bale Oyewole Road, Opposite Golden Tulip Hotel, Jericho GRA., Ibadan, Oyo State. Telephone: +2348090890005 Email: info@oysipa.oy.gov.ng Website: https://oysipa.oy.gov.ng/
Plateau	Plateau State Investment Promotion Agency	Third Floor Murtala House, 37 Murtala Mohammed Way, P.M.B. 2088, Jos, Plateau State Telephone: +2348104757600, +2349052031923 Email: info@pipc.com.ng Website: https://pipcltd.com.ng/
Rivers	Ministry of Commerce and Industry	Government Secretariat, Port Harcourt, Rivers State.
Sokoto	Ministry of Commerce, Sokoto	State Secretariat, Sokoto, Sokoto State.
Taraba	Taraba Investment Promotion Agency	Investment House, No. 134 Hammaruwa Way, Jalingo, Taraba State. Telephone: +2348122288828 Email: info@tsipa.taraba.gov.ng Website: https://www.tarabastategov.cloud/government/tsipa
Yobe	Yobe State Agency for Public Private Partnership and Investment Promotion. (YAPPPIP)	Gujba Maiduguri Bypass Damaturu, Yobe, Yobe State. Telephone: 08038081888 Email: info@yobeinvest.ng Website: https://yobeinvest.ng/
Zamfara	Zamfara State Investment Promotion Agency (ZIPA)	Zaria Road, Opp. Gusau Sweet Factory, Gusau, Zamfara State.

Nigeria is an attractive destination for those looking to establish or expand a business.

Business Facilitation

One Stop Investment Centre

The One Stop Investment Centre in the NIPC, is an investment facilitation mechanism where numerous agencies are co-located, coordinated and streamlined, to provide efficient and transparent services to investors. The objective is to simplify administrative procedures for the issuance of business approvals, permits and licenses as well as company incorporation thereby eliminating bottlenecks and ultimately, improving efficiency and reducing the cost of doing business in Nigeria.

In addition, the Centre provides data and information on the Nigerian economy, investment climate, legal and regulatory framework as well as sector and industry-specific information to aid existing and prospective investors in making informed business decisions.

25 agencies currently constitute OSIC.

List of Participating Agencies

Agency	Role in OSIC
Nigerian Investment Promotion Commission (NIPC)	• Business registration for companies with NIPC, provision of investment information and advisory services, help/inquiry/complaint management. • Supports the initiation and follow-up of Pioneer Status Incentive applications • Coordination of the various desks at the Centre.
Central Bank of Nigeria (CBN)	• Provision of information on government economic policy thrusts and macro and micro economic indices. • Facilitate issuance of licences for business operations in the banking industry.
Corporate Affairs Commission (CAC)	• Provision of general guidance on business entry. • Undergo name searches and company incorporation.
Federal Capital Territory Administration (FCTA)	• Facilitate land matters for investment projects within the FCT. • Promotion of investments into FCT. • Provision of general information on the FCT.
Nigeria Revenue Service (NRS)	• Tax registration and payment of stamp duties • Issuance of tax clearance certificates and issuance of tax forms
Federal Ministry of Finance Budget and Economic Planning (FMFBNP)	• Provision of information on government economic policy thrusts and priority sectors of the Nigerian economy. • Facilitate registration of non-profit making international organisations.
Federal Ministry of Agriculture and Food Security (FMAFS)	• Provision of information, advisory services, facilitation and kick starting of registration process on products. • Facilitation of on-going processes such as registration of pharmaceuticals and food.
Federal Ministry of Foreign Affairs (FMFA)	• Undertake basic due diligence of foreign companies.
Federal Ministry of Interior (FMI)	• Facilitate the issuance of Business Permits and Expatriate Quota
Federal Ministry of Mines and Steel Development (FMMSD)	• Facilitate the issuance various permits and licenses under the Ministry • Exploration Licenses, and Mining Leases • Provision of information and guide on investing in the solid minerals sector.
Infrastructure Concession Regulatory Commission (ICRC)	• Provision of general advisory services for private sector participation in the infrastructure development.
National Agency for Food, Drug Administration & Control (NAFDAC)	• Facilitate the processing of food and drugs certifications.
Nigeria Export Processing Zones Authority (NEPZA)	• Provides relevant information and facilitation services to Investors interested in establishing their businesses in the Free Trade Zones.

Agency	Role in OSIC
National Bureau of Statistics (NBS)	• Provision of information on statistical data on the Nigerian Economy
National Office for Technology Acquisition & Promotion (NOTAP)	• 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.
Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA)	• Facilitate and guide in the issuance of oil & gas sector approvals/licenses granted by the NMDPRA. • Provision of general advisory services on the investment opportunities in the oil & gas sector, including matching investors' requirements with opportunities available in the Sector.
Nigerian Copyright Commission (NCCom)	• Facilitate and guide 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.
Nigeria Customs Service (NCS)	• Issuance of import & export guidelines. • Provision of general information on procedure for citing excise factories, goods clearance, and fiscal policy issues.
Nigerian Export Promotion Council (NEPC)	• Provide information to guide non-oil exports. • Facilitate the grant of export incentives.
Nigerian Electricity Regulatory Commission (NERC)	• Facilitating investments into the electricity industry. • Provision of general information and guidance in the electricity industry.
Nigeria Immigration Service (NIS)	• Provision of information and guidance on immigration matters • Regularization of permanent work permits and issuance of STR Visas
Nigeria Maritime Administration and Safety Agency (NIMASA)	• Provision of general information and guidance on maritime related business approvals. • Facilitate investments into the maritime sector.
Standards Organisation of Nigeria (SON)	• Facilitates all aspects of Standardisation activities, approvals or permits for use of standards. • Provision of information and guidance on the following: ◦ MANCAP Certification ◦ SONCAP Certificate • Training in NIS ISO 9000 and NIS ISO 14000
Oil & Gas Free Zones Authority (OGFZA)	• Provision of general information/data on the health sector. • Facilitate entry into the oil & gas free zones
Pharmaceutical Council of Nigeria (PCN)	• Provision of general advisory services on the investment opportunities in the pharmaceutical industry, including matching investors' requirements with opportunities available in the sector. • Facilitate and guide investors in the issuance of various approvals/licenses granted by the PCN.

Business Facilitation

Immigration Matters - Visas

Nigeria offers different classes of entry visas under the Nigeria Visa Policy (NVP) 2020, depending on the purpose of travel. These visas are issued by the Nigeria Immigration Service (NIS) under the Immigration Act, 2015 and Immigration Regulations, 2017.

Classes of Entry Visas and Requirements

A. Short Stay Visas: For individuals visiting Nigeria for up to 90 days.

- Tourism Visa (F5A) – for tourists.
- Visiting Visa – Single Entry (F6A) – for visiting family/friends.
- Transit Visa – for travellers passing through Nigeria.
- Business Visa – Single Entry (F4A) – for meetings, conferences, contract discussions, trade fairs, and job interviews.

Requirements & Application Mode

- Valid passport (≥ 6 months validity, 2 blank pages).
- Two recent passport photographs (35x40mm).
- Return/onward ticket.
- Evidence of sufficient funds.
- Proof of accommodation or host address in Nigeria.
- All short stay visas must be applied for via the e-Visa portal

B. Temporary Work Permit (TWP) Visa: For expatriates invited by Nigerian companies for short-term technical services or installations.

Requirements & Application Mode

- Valid passport.
- Two recent photographs.
- Visa approval letter (pre-approved by the NIS Comptroller General).
- Letter of invitation from Nigerian company.
- Proof of funds.
- Nigerian company applies for NIS approval.
- Applicant completes application at the Nigerian Embassy/High Commission abroad.

C. Subject to Regularisation (STR) Visa: For expatriates with job offers in Nigeria, leading to residency.

Requirements & Application Mode

- Valid passport.
- Two recent photographs.
- Offer and acceptance of employment.
- Expatriate Quota Approval from the Ministry of Interior.
- Academic and professional credentials.
- Employer initiates the process in Nigeria.
- Applicant submits documents to the nearest Nigerian Embassy/Consulate.
- After arrival in Nigeria, apply for a Combined Expatriate Residence Permit and Aliens Card (CERPAC).

D. Diplomatic and Official Visas: For accredited diplomats and officials on assignment.

Requirements & Application Mode:

- Valid diplomatic or official passport.
- Note Verbale or official letter from relevant government/agency.
- Apply through the nearest Nigerian Mission; no online submission required.

E. Academic Visas: For short or long-term academic engagements (teaching, research, exchanges).

Requirements & Application Mode

- Valid passport.
- Two recent passport photographs.
- Invitation letter from Nigerian academic institution.
- Proof of sufficient funds.
- Application for Short-term academic visits is via the e-Visa portal.
- Long-term assignments: through Nigerian Embassy/High Commission.

F. Investor Visas: Previously known as the Visa on Arrival (VoA) scheme, investor visas are now fully integrated into the e-Visa platform.

Eligible Applicants

- High-net-worth investors.
- African Union nationals (except ECOWAS citizens, who do not require visas).

Requirements and Application Mode

- Pre-approval from NIS.
- Invitation letter from a Nigerian business partner.
- Valid passport.
- Evidence of investment plan and financial capacity.
- Flight itinerary.
- Completed online application and payment.
- Application for Investor Visas is via the e-Visa portal.

For detailed information on each visa class, including eligibility, fees, and validity, kindly consult the official Nigeria Immigration Service/Visa Category or contact the nearest Nigerian Embassy/High Commission/ Consulate.

Nigeria offers a robust and diverse investment incentives to support its industrialisation agenda and create an enabling environment for both domestic and foreign investors.

Investment Incentives

Nigeria offers a robust and diverse investment incentive regime, strategically designed to support its industrialisation agenda and create an enabling environment for both domestic and foreign investors. These incentives aim to reduce the cost of doing business, enhance competitiveness, and promote sustainable economic growth across key sectors.

The incentive package spans a wide range of benefits – including tax holidays, capital allowances, duty exemptions, and export support – and they are embedded within various legal and regulatory instruments.

General Tax-Based Incentives

1. Capital Gains Tax Act (CGTA)
   - Exemptions on gains from securities, pension funds, and mergers.
   - Rollover Relief: Allows deferment of gains if reinvested in similar assets.
2. Companies Income Tax Act (CITA)
   - Graduated tax rates: 0% for small (under ₦25m turnover), 20% for medium, 30% for large companies.
   - Pioneer Status Incentive: Tax holidays for 3–5 years for approved industries (see processing procedure and approved list).
   - Agriculture & Gas Sector: Enjoy additional allowances, tax-free dividends, and interest exemptions.
   - Rural Investment Allowance: Incentives for infrastructure in underserved areas.
   - Research and Development: Deductible up to 10% of profit, with an additional 20% investment tax credit.
3. Personal Income Tax Act (PITA)
   - Tax credit for income brought into Nigeria.
   - Exemptions for interest on agriculture loans, pension, life insurance, and low-income earners.
4. Value Added Tax (VAT) Act
   - 7.5% Standard Rate.
   - Numerous exemptions on basic goods, services, exports, and renewable energy equipment.
5. Venture Capital (Incentives) Act
   - Allows tax benefits, capital gains exemptions, and reduced withholding tax for qualifying VC firms.

Sector-Specific Incentives

1. Agriculture
   - 95% capital allowance; indefinite loss carry-forward.
   - Tax holidays and exemptions for agricultural companies.
   - Access to credit guarantees under Accelerated Credit Guarantee Schemes (ACGS).
2. Manufacturing
   - Tax-exempt interest on loans for export.
   - Incentives for cassava processing and local content development.
3. Oil & Gas
   - Governed by Petroleum Profit Tax Act (PPTA) and Petroleum Industry Act (PIA).
   - Offers investment tax credits, royalty reductions (as low as 0%), and tax holidays.
   - Additional benefits for companies investing in gas utilization and deep offshore fields.
4. Solid Minerals
   - 3-year tax holiday and 95% accelerated capital allowance. However, the desk officer of the Ministry of Solid Minerals is unable to confirm if it has been affected due to the new tax laws.
5. Tourism
   - 25% of income earned in foreign currency is tax-exempt if reinvested in tourism infrastructure. However, there is presently uncertainty due to the new tax laws.

Tariff-Based Incentives

- Zero or reduced import duty on agricultural, mining, energy, health, and manufacturing equipment.
- Sector-specific duty exemptions (e.g, solar panels, modular refineries, electric meters).
- Manufacturers can apply for Import Duty Exemption Certificates (IDEC) through the online portal.

Export Incentives

Export Expansion Grant (EEG)

- Post-shipment incentives to promote non-oil exports.
- Grant issued as Export Credit Certificates to offset federal taxes.

Special Economic Zones (SEZ)

Nigerian Export Processing Zone Authority (NEPZA) & Oil & Gas Free Zone Authority (OGFZA) Zones

- 100% foreign ownership, tax holidays, duty-free imports, and capital repatriation.
- Companies in these zones receive **100% capital allowances** and are exempt from federal/state/local taxes.
- **OGFZA** also offers a 75% duty rebate for processed raw materials.

For detailed information on the spectrum of incentives designed to support business growth in Nigeria, please refer to the Nigeria Investment Incentives guide. Please note that the information provided is valid as of the date of publication.

Laws Regulating Business Operations in Nigeria

Entry Requirements	Relevant Legislation/Regulations	Responsible Agency
Business Rights and Obligations	Constitution of the Federal Republic of Nigeria – 1999 (as amended)	Federal Ministry of Justice
Incorporation	Companies and Allied Matters Act 2020	Corporate Affairs Commission
Tax Registration	Federal Inland Revenue Service (Establishment) Act, 2007	Federal Inland Revenue Service
Registration with NIPC	Nigerian Investment Promotion Commission Act, CAP N117 LFN 2004	Nigerian Investment Promotion Commission
Transferability of Funds and Operation of FX Accounts	Foreign Exchange Monitoring & Miscellaneous Provisions Act 17 1995	Central Bank of Nigeria
Non-expropriation of Investments	Nigerian Investment Promotion Commission Act, CAP N117 LFN 2004	Nigerian Investment Promotion Commission
Regulation of mergers, acquisitions and other forms of business combination, securities transactions, etc	Investment and Securities Act 2007	Securities and Exchange Commission
Environment Impact Assessment and Protection	Environmental Impact Assessment (EIA) Act, CAP EI2 LFN 2004	Federal Ministry of Environment
Immigration and Work Status	• Immigration Act 2015 • Immigration Regulations, 2017	Nigeria Immigration Service
Industrial Inspection, Monitoring and Evaluation	Industrial Inspectorate Act, CAP 18 LFN 2004	Federal Ministry of Industry, Trade and Investment
Intellectual Property	• Trademark Act • Patients and Design Act, 1970 • Plant Variety Protection Act, 2021 • Copyright Act, 2022	• Federal Ministry of Industry, Trade and Investment • Nigerian Copyright Commission
Consumer Protection and Promotion of Fair Competition	Federal Competition and Consumer Protection Act, 2018	Federal Competition and Consumer Protection Commission
Local Content Development	Nigerian Oil and Gas Industry Content Development Act, 2010	Nigerian Content Development & Monitoring Board
Special Economic Zones	• Nigerian Export Processing Zones Act, CAP N107 LFN 2004 • Oil and Gas Export Free Zone Act, CAP O5 LFN 2004	• Nigerian Export Processing Zones Authority • Oil & Gas Free Zones Authority
Arbitration, Mediation and Dispute Settlement	• The Nigerian Common Law System • Nigerian Investment Promotion Commission Act, CAP N117 LFN 2004 • Arbitration and Mediation Act, 2023	Federal Ministry of Justice

Investment Legislations and Protections

Nigeria maintains a comprehensive framework of national laws, policies and international agreements designed to promote and protect investments, facilitate cross-border trade, and prevent the double taxation of income.

Private Sector Participation

The Nigerian Investment Promotion Commission (NIPC) Act, Cap N117, LFN 2004 (NIPC Act), encourages unrestricted private sector participation in all sectors, except those on the 'negative list,' with sector-specific regulations ensuring alignment with Nigeria's economic goals. The Investments and Securities Act, 2007 (ISA) further regulates the securities market, promoting transparency, investor protection, and the development of a stable financial market. Together, these laws create a secure and investor-friendly environment for private sector growth.

Key Provisions of the NIPC Act:

- **No Ownership Restrictions:** Foreign investors may own up to 100% equity in any Nigerian enterprise except those on the negative list (see below) and where permitted, investors may freely invest and repatriate capital, profits, and dividends without restrictions, subject to payment of applicable taxes.
- **Modes of Foreign Equity Contribution:** Contributions can be made in cash, machinery, spare parts, raw materials, and other business assets without prior foreign exchange disbursement.
- **Repatriation Rights:** Guarantees the unrestricted transfer of legitimately imported capital contribution:
  - Dividends or profits (net of taxes)
  - Payments in respect of loan servicing
  - Remittances of salaries to expatriate staff
  - Proceeds from liquidation or sale of the enterprise
- **Foreign Loans:** Nigerian companies can procure and repay foreign loans (principal and interest) without prior ministerial approval, provided such loans are registered with the Central Bank of Nigeria (CBN).

Key Provisions of the ISA:

- **Regulation of Securities Market:** Covers issuance and trading of securities, collective investment schemes, capital market intermediaries, and securities exchanges.
- **Electronic Transactions:** Legalizes electronic share transfers and record-keeping to support fintech and digital capital market innovations.
- **Investor Protection Mechanisms:**
  - Establishment of Investor Protection Funds (IPFs) by exchanges and capital trade points to compensate victims of broker fraud or misconduct.
  - Creation of a National Investor Compensation Scheme for losses not covered by the IPFs.
- **Investment and Securities Tribunal (IST):**
  - A quasi-judicial body that adjudicates capital market disputes, offering a faster alternative to conventional courts.
  - Appeals from the IST lie directly to the Court of Appeal.

Investment Legislations and Protections

Unristricted Transferability of Funds

Under Act 17 of 1995, the Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, Nigeria ensures the unrestricted transferability of funds, allowing investors to freely repatriate earnings, dividends, profits, and capital in convertible currency. This provides foreign investors with the assurance of seamless repatriation of their funds, enhancing Nigeria's attractiveness as an investment destination.

Key Provisions:

- Legal basis for the Autonomous Foreign Exchange Market (AFEM)
- Guarantees foreign exchange availability for remittances of:
    - Dividends
    - Capital repatriation
    - Loan servicing
    - Royalties and technical fees

Investment Protections

Expropriation

The Nigerian Investment Promotion Commission Act prohibits the nationalisation or expropriation of businesses or assets, except in cases where the acquisition is deemed to be in the national interest or for a public purpose. In such instances, investors are entitled to fair compensation and the right to legal redress.

Specifically, **Section 25** of the Act outlines the following provisions:

3. **Nationalisation and Expropriation Restrictions**
    i. No enterprise shall be nationalised or expropriated by the Government of the Federation.
    ii. No person, whether wholly or partly owning the capital of any enterprise, shall be compelled by law to surrender their interest in the capital to any other person.
4. **Conditions for Acquisition**
    i. The Federal Government may acquire an enterprise subject to this Act only if the acquisition is in the national interest or for a public purpose.
    ii. Such an acquisition must be conducted under a law that provides for:
        I. The payment of fair and adequate compensation.
        II. The right of access to the courts to determine the investor's interest or rights and the amount of compensation due.
5. **Compensation and Repatriation**
    i. Any compensation payable for expropriation must be made without undue delay.
    ii. If applicable, authorisation for the repatriation of the compensation in convertible currency shall be issued.

This framework ensures that while the government may acquire assets for public purposes, the rights of foreign investors are protected, including fair compensation and access to legal recourse.

Dispute Resolution Mechanisms for Investors in Nigeria

Section 26 of the NIPC Act, emphasises the amicable settlement of disputes between investors and the Government of Nigeria. Where such amicable resolution fails, arbitration is recognised as the primary Alternative Dispute Resolution (ADR) mechanism.

- **Arbitration and Mediation Framework**

The Arbitration and Mediation Act, 2023 provides a modern and comprehensive legal framework for the resolution of commercial disputes in Nigeria through arbitration and mediation.

Key features of the Act include:

- Establishment of a fair, neutral, and independent process for arbitration and mediation, ensuring equal treatment of parties and the right of each party to present its case.
- Enhanced provisions for the appointment, challenge, and removal of arbitrators, with clearly defined procedures and timelines, promoting efficiency and transparency.
- Recognition and enforcement of both domestic and international arbitral awards, with streamlined mechanisms for enforcing awards in Nigeria.
- Incorporation of the New York Convention (1958) on the Recognition and Enforcement of Foreign Arbitral Awards, thereby reinforcing the enforceability of foreign arbitral decisions in Nigeria.
- Introduction of innovative provisions, such as:
  - Emergency arbitrator mechanism for urgent interim reliefs.
  - Third-party funding recognition, promoting broader access to arbitration.
  - Time limits for setting aside arbitral awards, enhancing finality and certainty.

Promotion of institutional arbitration and support for arbitral institutions in Nigeria.

- **Recourse to Litigation**

While arbitration remains the preferred option for resolving investor-state and commercial disputes, litigation in Nigerian courts remains a viable alternative. Nigerian civil courts are competent to adjudicate disputes involving:

- Foreign investors and the government.
- Disagreements between foreign investors and Nigerian companies or individuals.

Foreign judgments and arbitral awards can be enforced in Nigeria upon judicial confirmation, provided they meet the conditions of reciprocity, fairness, and due process under Nigerian law.

- **ICSID and Other International Commitments**

Where a dispute arises and the parties cannot agree on a resolution mechanism, Section 26(3) of the NIPC Act mandates that the dispute be referred to arbitration under the International Centre for Settlement of Investment Disputes (ICSID) framework, to which Nigeria is a contracting party. This provides an additional layer of protection for foreign investors.

Nigeria is also a participant in the United Nations Commission on International Trade Law (UNCITRAL) framework, further aligning its dispute resolution processes with global standards

Investment Legislations and Protections

Bilateral/Multilateral Agreements

1. Bilateral Investment Treaties (BITs) and Investment Promotion and Protection Agreements (IPPAs). Nigeria has signed 31 Bilateral Investment Treaties (BITs), with 15 currently in force. These treaties provide essential legal assurances to foreign investors, includingprotection against expropriation, fair and equitable treatment, non-discrimination, and access to international arbitration mechanisms.

Nigeria has also concluded several Investment Promotion and Protection Agreements (IPPAs) that further reinforce investor confidence by ensuring reciprocal protections and equitable treatment.

Countries with enforceable BITs/IPPAs include:

China, Finland, France, Germany, Italy, Republic of Korea, Netherlands, Romania, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan Province of China, the United Kingdom, Morocco, Serbia and the UAE .

2. Double Taxation Treaties (DTTs)

To reduce tax burdens and stimulate cross-border investments, Nigeria has signed Double Taxation Treaties with the following countries/partners:

Belgium, Canada, China, Czech Republic, France, Italy (limited to air and maritime transport), Netherlands, Pakistan, Romania, Singapore, South Africa, South Korea, Spain, the United Kingdom, Slovakia and the Philippines.

These agreements allocate taxing rights between treaty partners, helping avoid the double taxation of income and providing greater certainty and transparency for international investors and businesses.

3. ECOWAS Trade Liberalisation Scheme (ETLS)

Nigeria is a long-standing participant in the ECOWAS Trade Liberalisation Scheme (ETLS), the flagship regional initiative of the Economic Community of West African States (ECOWAS) aimed at eliminating tariffs and quotas on goods originating within member countries. The scheme supports free movement of goods, bolsters regional trade, and enhances economic integration.

4. African Continental Free Trade Area (AfCFTA) – Investment Protocol

Nigeria is a member of the African Continental Free Trade Area (AfCFTA), the world's largest free trade area by number of participating countries. The AfCFTA Investment Protocol, adopted in 2023, establishes a harmonised investment regime across African countries.

Key provisions include:

- Protection of investor rights and obligations
- Promotion of sustainable and inclusive investment
- Dispute resolution mechanisms (including investor-state and state-to-state arbitration)
- Emphasis on Environmental, Social, and Governance (ESG) principles

The protocol aims to foster predictable, transparent, and responsible investments across the continent.

5. European Union Generalised Scheme of Preferences (EU GSP)

Nigeria is a beneficiary of the EU's Generalised Scheme of Preferences, which allows for preferential access to the European Union market by reducing or eliminating tariffs on eligible exports. This arrangement enhances Nigeria's export competitiveness and helps stimulate growth in targeted sectors such as agriculture, textiles, and light manufacturing.

6. Plurilateral Commitments

- International Labour Organisation (ILO)

  As a member of the International Labour Organisation (ILO), Nigeria is committed to upholding international labour standards and promoting decent work through fair labour practices, protection of workers' rights, and employment creation.

- World Trade Organisation (WTO)

  Nigeria is a member of the World Trade Organisation (WTO). Through its WTO membership, Nigeria subscribes to global trade rules that promote non-discrimination, transparency, and predictability in trade and investment. The country participates in WTO negotiations and trade policy reviews, which help shape global commerce and support national economic development.

Why You Should Invest in Nigeria

Young, Skilled Workforce	Young and skilled workforce with 41% of the 250 million strong population under 15 years, improving labour productivity and over 600,000 fresh graduates every year; the economy is equipped with youthful intelligence and talent.
High urbanization rate & growing middle class	With 54% of the population already in urban areas and projected to reach 70%, Nigeria continues to experience rapid urbanisation and structural transformation. Alongside this trend, real household spending is expected to grow at 3% year-on-year in the coming years, reinforcing the country's position as one of the fastest-urbanising nations globally.
Vibrant financial systems	Nigeria is a key financial hub in Africa, hosting 4 of the continent's top 20 banks with a combined asset base exceeding US$84 billion. The Nigerian Exchange (NGX), with a market capitalisation of US$49.56 billion, is the fourth largest in Africa, reinforcing the country's position as a dynamic investment destination.
Improving business conditions	Haven implemented strategic measures to address macroeconomic challenges, yielding notable outcomes across various sectors, a sustained focus is anticipated to further enhance the nation's macroeconomic stability and security landscape.
Abundant land & natural resources	Nigeria has 34 million hectares of arable land for tropical and temperate agriculture, Africa's largest gas reserves (5.94 trillion m^3, 3% of global reserves), and 44 commercially viable minerals, offering vast investment and growth opportunities.
Largest market in Africa	Nigeria has the largest market in Africa and was the first African economy to surpass half a trillion dollars in GDP. With an internal market of over 250 million people and unrestricted access to the rest of the continent through the African Continental Free Trade Area (AfCFTA) – a market valued at over US$3.4 trillion in GDP and 1.4 billion people, projected to reach US$6.7 trillion in consumer spending by 2030 – Nigeria stands as the catalyst for Africa's economic transformation.
Strategic location within the continent	Nigeria is strategically positioned with land borders connecting West and Central Africa, and well-integrated into global trade networks through five international airports, major seaports, and extensive trade routes, ensuring seamless access to Asia, Europe, and the Americas.
Big cluster of large companies	Nigeria is home to 23 companies with annual revenues exceeding US$1 billion, making it the third-largest cluster of large companies in Africa. The country has a competitive edge in key industries such as cement, energy, telecommunications, and the fast-food industry.
Government incentives and reforms	Investors benefit from tax holidays, special economic zones, export incentives, and business-friendly policies.
Booming technology & startup ecosystem	Nigeria is home to Africa's largest tech hub, Lagos, and a thriving ICT sector that has produced multiple unicorns, tech startups valued at over US$1 billion. The country's fast-growing fintech landscape continues to attract significant global venture capital, reinforcing Nigeria's position as a leading hub for digital innovation and entrepreneurship on the continent.

NIGERIAN INVESTMENT PROMOTION COMMISSION

For more information, please contact:
The Executive Secretary
Nigerian Investment Promotion Commission
Plot 1181, Aguiyi Ironsi Street
Maitama District, Abuja
Website: www.nipc.gov.ng
Information site: https://www.theiguides.org/public-docs/guides/nigeria
Email: infodesk@nipc.gov.ng, osicinfodesk@nipc.gov.ng