



FEDERAL MINISTRY OF FINANCE

Office of the Honourable Minister of Finance and Coordinating Minister of the Economy

Ahmadu Bello Way,
Central Business District,
P.M.B. 14 Garki, Abuja
Nigeria.

F. 17981/T/39

7th December, 2023

CIRCULAR

**The Secretary to the Government
of the Federation,**
Office of Secretary to the Government,
Shehu Shagari Complex,
Three Arm Zone,
Abuja.

The Honourable Minister,
Federal Ministry of Industry,
Trade & Investment,
Old Federal Secretariat Complex,
Area 1 – Garki,
Abuja.

The Honourable Minister of State (Gas),
Ministry of Petroleum Resources,
11th Floor, Block B, NNPC Towers
Herbert Macaulay Way,
Central Business District,
Abuja.

The Director - General,
Manufacturers Association of Nigeria,
77, Awolowo Way,
Ikeja,
Lagos.

The Governor,
Central Bank of Nigeria,
Central Business District
Abuja,

The Executive Secretary,
Nigeria Investment Promotion Commission,
Aguiyi Ironsi Way,
Maitama,
Abuja.

The Honourable Minister,
Federal Ministry of Agriculture &
Rural Development,
FCDA Complex,
Area 11, Garki,
Abuja

The Honourable Minister,
Ministry of Budget and National Planning,
Constitution Avenue,
Central Business District,
Abuja.

The Comptroller General,
Nigeria Customs Service,
Customs House,
Wuse Zone 3,
Abuja.

The Director General/CEO,
Raw Materials Research and
Development Council,
17 Aguiyi Ironsi Way,
Abuja.

The Executive Chairman,
Federal Inland Revenue Service,
Revenue House,
20 Sokode Crescent,
Wuse Zone 5, Abuja.

The Director – General,
Budget Office of the Federation
Ahmadu Bello Way,
Abuja.

The Director – General,
National Automotive Design and Development Council,
13, David Ejoor,
Gudu District, Abuja

FISCAL INCENTIVES FOR THE PRESIDENTIAL GAS FOR GROWTH INITIATIVE

In line with His Excellency, Mr President's commitment to improve the investment climate in Nigeria, and to increase the utilisation and supply of gas in the domestic market:

2. Pursuant to Part 1, Section 5 of the Customs and Excise Tariff Act, which grants an Import Duty Waiver on machinery, equipment and spare parts imported into Nigeria for the utilization of Nigerian gas ("Gas Utilization Waiver"), the importation of all equipment related to Compressed Natural Gas and Liquefied Petroleum Gas into the Nigerian market shall attract zero percent (0%) import duty rate. The eligible Compressed Natural Gas and Liquefied Petroleum Gas equipment covered by the existing Gas Utilization Waiver is outlined in the attached Appendix I.
3. Consequently, the Federal Inland Revenue Service (FIRS) and the Nigeria Customs Service (NCS) are hereby directed to apply a zero percent (0%) Value Added Tax (VAT) rate on the following items;
 - a. Feed Gas for all processed gas
 - b. Compressed Natural Gas
 - c. Imported liquified petroleum gas
 - d. Compressed Natural Gas (CNG) equipment components, conversion and installation services
 - e. Liquefied Petroleum Gas (LPG) equipment components, conversion and installation services
 - f. All equipment and infrastructure related to the expansion of Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG) and the Presidential CNG Initiative, including conversion kits.
4. All applications for Import and Customs Duty exemption in relation to Compressed Natural Gas equipment shall require a letter of support from the Office of the Special Adviser to the President on Energy.
5. The importation of LPG under HS Codes 2711.12.00.00, 2711.13.00.00 and 2711.19.00.00 are exempt from Import Duty and Value-Added Tax.
6. As a result, all Debit Notes issued to Petroleum Marketers who have imported LPG using codes 2711.1.2.00.00 and 2711.13.00.00 from August 26, 2019, to the present date should be withdrawn by the Nigeria Customs Service in line with the previous approval.
7. The implementation of the tariff review for the CNG and LPG sub-sector takes immediate effect from the date of this circular. Please ensure strict and prompt compliance.



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Honourable Minister of Finance & Coordinating Minister of the Economy

APPENDIX 1

ELIGIBLE ITEMS FOR EXEMPTION FROM IMPORT DUTY AND VALUE ADDED TAX (VAT) UNDER THE PRESIDENTIAL GAS FOR GROWTH INITIATIVE		
S/N	COMMODITY DESCRIPTION	HS CODE
1	CNG/LPG Dual Fuel Vehicles	8703.90.00.00
2	Dedicated LPG Vehicles and Dedicated CNG Vehicles	8703.90.00.00
3	Parts, and semi-knocked down units (for assembly) of CNG and LPG Buses	87.02
4	Parts, and semi-knocked down units (for assembly) of Electric Vehicles	8703.80.11.00
5	Electric Vehicles	8703.80.19.00
6	LPG/CNG Conversion Kits	8419.90.00.00
7	CNG and LPG Cylinders.	7311.00.00.00
8	CNG and LPG Cascades	7311.00.00.00
9	CNG and LPG Dispensers	8413.81.00.00
10	Gas Generators	8502.39.20.00
11	LPG and CNG Trucks (Bobtails and Bridgers; fixed axle and semi-trailers)	87.16
12	Steel Pipes	7304.11.00.00
13	Steel Valves & Fittings	84.81
14	SS Tubes & Fittings	7304.11.00.00
15	Storage Tanks (all sizes)	73.09
16	Regulators	84.81
17	CNG and LPG Pumps and Compressors (all types)	8414.80
18	Steel	72.04
19	Pressure Relief Valves	8481.10.00.00

20	Hydraulic press/Rolling machine	8430
21	Heat Treatment Equipment	8417.10.00.00
22	Liquid Level Guage	90.26
23	Pumping Housing and Motors	8413.91.90.00
24	Regulator Body	84.81
25	Pressure Guage	90.26
26	Truck Chassis	87.06
27	Metering and Measuring Equipment (including weighbridges, filling scales) .	90.26
28	Dispensing equipment (dispensing scales, nozzles, gas filling systems)	8413.11
29	Safety Features (emergency shutoff valves, pressure relief valves, excess flow valves, breakaway couplings, quick release couplings)	84.81
30	Gas water heaters	8419.11.00.00
31	Gas burners for industry	8417.80.00.00
32	Gas boilers	8403.10.00.00
33	Gas washing machines and dryers (launderettes)	84.50 & 84.51
34	CNG and LPG hoses	39.17 & 40.09
35	CNG and LPG truck heads	87.01
36	Gas Leak Detectors	9031.49.00.00
37	Gas air conditioners	84.15
38	Cylinder refurbishment equipment	
39	Blending skid/unit.	84.79
40	Odourizing unit	84.79
41	Chromatography unit (GC)	84.79