

## **NIGER STATE SECTOR SPECIFIC INVESTMENT INCENTIVE POLICY TAX HOLIDAY (NEW POLICY)**

### **INCENTIVES OFFERING**

Niger State Government provide the following incentives to specifically boost investment into the sector: In addition, specific incentives are contained in the table below.

**Tourism Infrastructure Projects** - Major projects involving the development and enhancement of tourist sites such as: hotel accommodation, landscaping, entertainment centres, entering as a package, provided the Quantum of investment is not below N500 Million and up to N1 Billion, shall enjoy the **Consolidation and Stabilization Incentives** i.e. exemption from payment of State-imposed levies/charges for the first five (5) years of entry, namely:

- Signage Levy
- Business Premises
- Tenement Rates
- Ground Rent
- Intent/Processing Fee for C of O
- For investments above One Billion, in addition to the Consolidation and Stabilization Incentives, the investment shall qualify for 10 free land lease.
- Where the investment is a mega project, or engagement in activity not contemplated by this Policy, with investment outlay of up to 5 billion Naira, Special Negotiated Incentives shall apply based on the merit of the project.
- To empower MSMEs to participate in the tourism value chain, the following incentives shall apply:
  - i. Access to single-digit credit from the Tourism Development Fund/Micro Finance Banks in which State Government have equity stakes;
  - ii. Exemption from payments of State-imposed levies/charges for the first two (2) years);
  - iii. To encourage the informal sector to register and become licensed as tour guards, Government shall provide free training and certification.

S/No	Name/Description	Eligibility	Guidelines/ Procedures	Implementing Agencies
1.	<p><b>STABILIZATION INCENTIVE</b></p> <p>Exemption from payment of State imposed levies/ charges for the first three (3) years of entry, namely:</p> <ul style="list-style-type: none"> <li>• Signage Levy</li> <li>• Business Premises</li> <li>• Tenement Rates</li> <li>• Ground Rent</li> <li>• Intent/Processing Fee for C of O.</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence of Registration with CAC;</li> <li>• Evidence of Registration with NIPC, for Companies with foreign interest;</li> <li>• Registration with NSIPA</li> <li>• Quantum of Investment: <ul style="list-style-type: none"> <li>- Foreign/Large Domestic Investments with a minimum of 2 billion Naira</li> </ul> </li> <li>• Agribusiness Value Chain components: <ul style="list-style-type: none"> <li>- Pre-production, Production and Post-production &amp; marketing qualifying activities:- fertilizer blending/ production, seed multiplication/distribution, large-scale production of inputs for livestock, poultry and fishery,</li> <li>- Large-scale farming/ plantations, medium and large-scale processing, development of medium/ large-scale modern storage facilities, dev. of commodity futures market and export</li> </ul> </li> <li>• Submission of host community CSR Plan. (Applicable to foreign/large domestic investments only).</li> <li>• Evidence of compliance with State regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Application to NSIPA;</li> <li>• Submission of business plan/feasibility report;</li> <li>• Power Point Presentation to the Approval Committee. (Representatives of MDAs at the NSIPA)</li> <li>• Letter of Approval to be issued by the Niger State Government within 24 hours of approval;</li> <li>• Time frame from application to approval to be completed within 21 working days subject to the fulfilment of all the requirements on the part of the investor.</li> <li>• Certificate signed by the Hon. Commissioner responsible for Investment and issued by the NSIPA. Approval to be copied to: Ministry of Commerce &amp; Investment, State Internal Revenue Board, Host Local</li> </ul>	<ul style="list-style-type: none"> <li>• Ministry of Commerce and Investment;</li> <li>• NSIPA/One Stop Shop</li> </ul>

			<p>Governments, SSG's office and MDAs relevant to the sector. NSIPA to provide monthly returns on all incentives granted to the above mentioned stakeholders for records.</p>	
2.	<p><b>CONSOLIDATION INCENTIVE</b> For Medium Enterprises This offers investors full exemption for 2 years from State-based</p>	<ul style="list-style-type: none"> <li>• Evidence of Registration with CAC;</li> <li>• Evidence of Registration with NIPC, for Companies with foreign interest;</li> </ul>	<ul style="list-style-type: none"> <li>• Application to NSIPA;</li> <li>• Submission of business plan/feasibility report;</li> <li>• Power Point Presentation to the</li> </ul>	<ul style="list-style-type: none"> <li>• Min. of Commerce and Investment;</li> <li>• NSIPA/One Stop Shop</li> </ul>

	imposed levies and charges.	<ul style="list-style-type: none"> <li>Registration with NSIPA</li> </ul>	Approval Committee.	
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		<ul style="list-style-type: none"> <li>Quantum of investment of minimum of 200 million Naira but below 2 billion Naira</li> <li>Minimum employment of 10 semi-skilled/skilled State indigenes.</li> <li>Agribusiness Value Chain components: <ul style="list-style-type: none"> <li>Pre-production, Production and Post-production &amp; marketing qualifying activities:- fertilizer blending/ production, seed multiplication/distribution, medium-scale production of inputs for livestock, poultry and fishery,</li> <li>Medium-scale farming/ plantations, medium scale processing, development of medium scale modern storage facilities, development of commodity ecommerce platform and export</li> </ul> </li> <li>Submission of CSR plan.</li> </ul>	<p>(Representatives of MDAs at the OSS)</p> <ul style="list-style-type: none"> <li>Letter of Approval to be issued within 24 hours of approval;</li> <li>Time frame from application to approval to be completed within 21 working days subject to the fulfilment of all the requirements on the part of the investor.</li> <li>Certificate signed by the Honourable Commissioner responsible for Investment and issued by the NSIPA</li> </ul>	
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3.	<p><b>MICRO BUSINESSES CONSOLIDATION INCENTIVE</b> This offers micro and small businesses full exemption for one year from payment of State-based imposed levies and charges.</p>	<ul style="list-style-type: none"> <li>- This incentive is available to businesses of below 200 million Naira - Registration with Niger State Small, Medium and Micro-Finance Agency (SMMFA)</li> <li>- Evidence of Registration with the Commercial Department of Ministry of Commerce and Investment.</li> <li>- National Identification Number</li> <li>- Qualifying Activities: all businesses operating in the agribusiness value chain are eligible.</li> </ul>	<p>Min. of Comm. and Investment/SMMFA to use LGA MSME Centers as registration points Provision for online registration and issuance of e-certificate.</p> <p>Issuance of Registration Certificate by the Ministry of Commerce and Investment through the SMMFA.</p>	<p>Ministry of Commerce and Investment</p> <p>SMMFA</p>
		<ul style="list-style-type: none"> <li>- Quantum of investment not required.</li> </ul>		
4,	<ul style="list-style-type: none"> <li>• <b>MSMES SERVICE CHARGES SUBSIDY</b> This offers MSMEs 50% discount for</li> <li>• business development services through Government initiatives, namely: Bankable business plan; cost of entrepreneurship training; training on quality assurance and packaging for export.</li> </ul>	<p>All registered MSMEs are eligible.</p>	<p>Evidence of registration to be presented</p>	<p>Ministry of Commerce and Investment</p> <p>SMMFA</p> <p>Ministry of Agriculture and Rural Development</p>

	This offers a single digit interest charge of not more than 5%			
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2. NUMBER OF RECIPIENT OF INVESTMENT INCENTIVE

S/N	NAME OF BENEFICIARY	TYPE OF BUSINESS /OWNERSHIP	TYPE OF INCENTIVE	YEAR
1	KIARA RICE MILL LIMITED	- RICE MILL & PROCESSING - Fully Foreign owned	Stabilization Incentive	2021

**Note:** The Sector Specific Investment Incentive Policy (SSIIP) came into effect in August, 2021

3. INFORMATION AVAILABLE ON ACCESS TO CREDIT

S/N	AGENCIES / ORGANIZATIONS	TYPE OF FACILITY	TARGET BENEFICIRIES
1	Central Bank of Nigeria • NIRSAL • BOI	Single Digit Interest Rate Low Interest Rate	MSMEs Companies NGOs Cooperatives

2	NEXIM Bank	-Export Credit Insurance Facility -Direct Lending Facility -ECOWAS Trade Support Facility -Direct Lending Facility -Foreign Input Facility -Export Credit Guarantee Facility -Export Simulation Facility -Local Input	Corporate Organisations , Investors, Manufacturers, Importers & Exporters, Business Entities etc
3	Bank of Agriculture	-Agro Processing Facility -Direct Credit Product -Equipment Leasing -Export Financing facility	Agribusiness Investments
		-Input Procurement Credit Facility -Haulage Credit Facility	
4	Microfinance Banks	Soft Loans Facility	MSMEs, Cooperatives, Associations
5	Commercial Banks	Availability of windows for lending on sector bases	Farmers, MSMEs, Investors

4. CORPORATE PLAN (In-bound & Out-Bound)

S/N	INVESTMENT DRIVE	KPIs	YEAR
1	Business and Investment Forums (In and Out-Bound)	-No. of FDI attracted (atleast 2) -No. of DDI attracted (atleast 5) -Matchmaking (atleast 5)	Annual

		- No. of MOU signed (atleast 5)	
2	Business and Investment Roundtable (BRT)	No. of Investment conflicts resolved No. of New Policy introduced / Policy Reviewed (atleast 5)	Annual
3	Improved State Competitiveness Ranking	Reduced Time and Cost of Doing Business through the indices /Indicators	Continuous
4.	Investment Facilitation	No. of key MDAs present at OSS for issuance of licenses, permits, authorizations & approvals	Continuous
5	Investment Promotion		
6	Policy Advocacy	No. of Policy	

#### 5. INVESTORS TRACKING SYSTEM

S/N	INSTRUMENT	PERFORMANCE	STATUS
1	Registration at the Point of Entry	NSIPA	As Applicable
2	Due-Diligence	Websites, enquiries, research	“
3	Visitation to Company	Annual /Quarterly	“
4	Announcements from the Company	Annual /Quarterly	“
5	Return on Investments	Annual	“
6	Records of Production /Product Development within the ambit of tax holiday incentive	Annual	As Applicable
7	Stock Exchange Market	Periodic	“
8	National & State Bureau of Statistics	Periodic	“

#### 6. AFTERCARE SERVICE AND RETENTION PROGRAM

S/N	SERVICES	ELIGIBILITY	STATUS
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1	Advisory Service	All investors/MDAs	Free
2	Facilitation	Businesses /Investments /Trade Missions	Free
3	Business Linkages	Matchmaking	Free
4	Regular Official Interface	Public Private Dialogue, Meetings	Free /Charges as may be applicable
5	Troubleshooting	Compliant Desk , ADR	Free
6	One Stop Shop Mechanism	Provision of Reliable Information and Data	Free

#### **DLI-4 (Prior Result)**

1. Inventory of Investment Incentive Policy
2. Entire doc of Niger State Sector Specific Investment Incentive Policy (1<sup>st</sup> Edition 2021)
3. Awarding and Implementing Agency: Niger State Investment Promotion Agency,
4. Year when the Incentive was Introduced; 2021

**NIGER STATE INVESTMENT PROMOTION AGENCY:** Is responsible of encouraging, promoting and coordinating investment in the state economy. It is also to coordinate investment promotion activities, investment facilitation, investor's relations, and attraction of domestic & foreign direct investment.

It warehouses a One Stop Shop as a mechanism where all relevant MDAs are brought together for the purpose of reducing administrative bottlenecks, reduced time and cost of doing business through transparent process and procedures in the issuance of licenses, permits, authorizations and approvals