



2016 Report of Activities

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Corporate Offices

Headquarters

Plot 1181 Aguiyi Ironsi Street
Maitama District
P. M. B. 381, Garki
Abuja
Federal Capital Territory
Tel: +234 (09) 290 0059, +234 (09) 290 0061
Email: osicinfodesk@nipc.gov.ng
Website: www.nipc.gov.ng

Zonal Offices

North Central Zonal Office	North East Zonal Office	North West Zonal Office
4, Wamba Road	10, Sir Kashim Ibrahim Way	158, Lamido Crescent
Tudun Wada GRA	West End	Nassarawa GRA
Jos	Maiduguri	Kano
Plateau State	Borno State	Kano State

South East Zonal Office	South West Zonal Office
28, Okpara Avenue	1, Leaf Road
Old CCB Building	NTC Compound
Enugu	Ibadan
Enugu State	Oyo State

The Mandate

Nigerian Investment Promotion Commission (NIPC) was established by the Nigerian Investment Promotion Act. No.16 of 1995 to encourage, promote and co-ordinate investments in the Nigerian economy.

Functions

- a. be the agency of the Federal Government to co-ordinate and monitor all investment promotion activities to which this Act applies;
- b. initiate and support measures which shall enhance the investment climate in Nigeria for both Nigerian and non- Nigerian investors;
- c. promote investments in and outside Nigeria through effective promotional means;
- d. collect, collate, analyze and disseminate information about investment opportunities and sources of investment capital, and advise on request, the availability, choice or suitability of partners in joint-venture projects;
- e. register and keep records of enterprises to which this Act applies;
- f. identify specific projects and invite interested investors for participation in those projects;
- g. initiate, organize and participate in promotional activities such as exhibitions, conferences and seminars for the stimulation of investments;
- h. maintain liaison between investors and Ministries, Government departments and agencies, institutional lenders and other authorities concerned with investments;
- i. provide and disseminate up-to-date information on incentives available to investors;
- j. assist incoming and existing investors by providing support services;
- k. evaluate the impact of the Commission in investments in Nigeria and make appropriate recommendations;
- l. advise the Federal Government on policy matters including fiscal measures designed to promote the industrialization of Nigeria or the general development of the economy; and
- m. other functions as are supplementary or incidental to the attainment of the objectives of the Act.

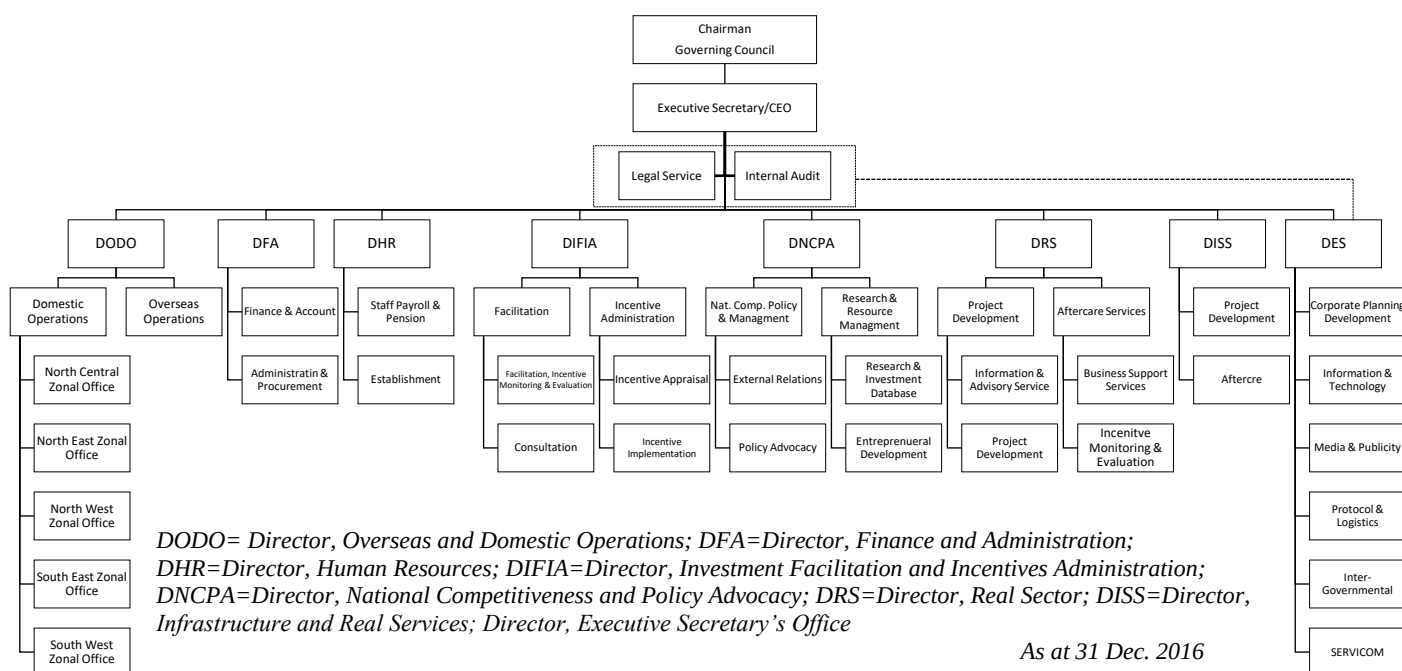
Vision Statement

‘To be the pre-eminent Investment Promotion Agency in the emerging markets’

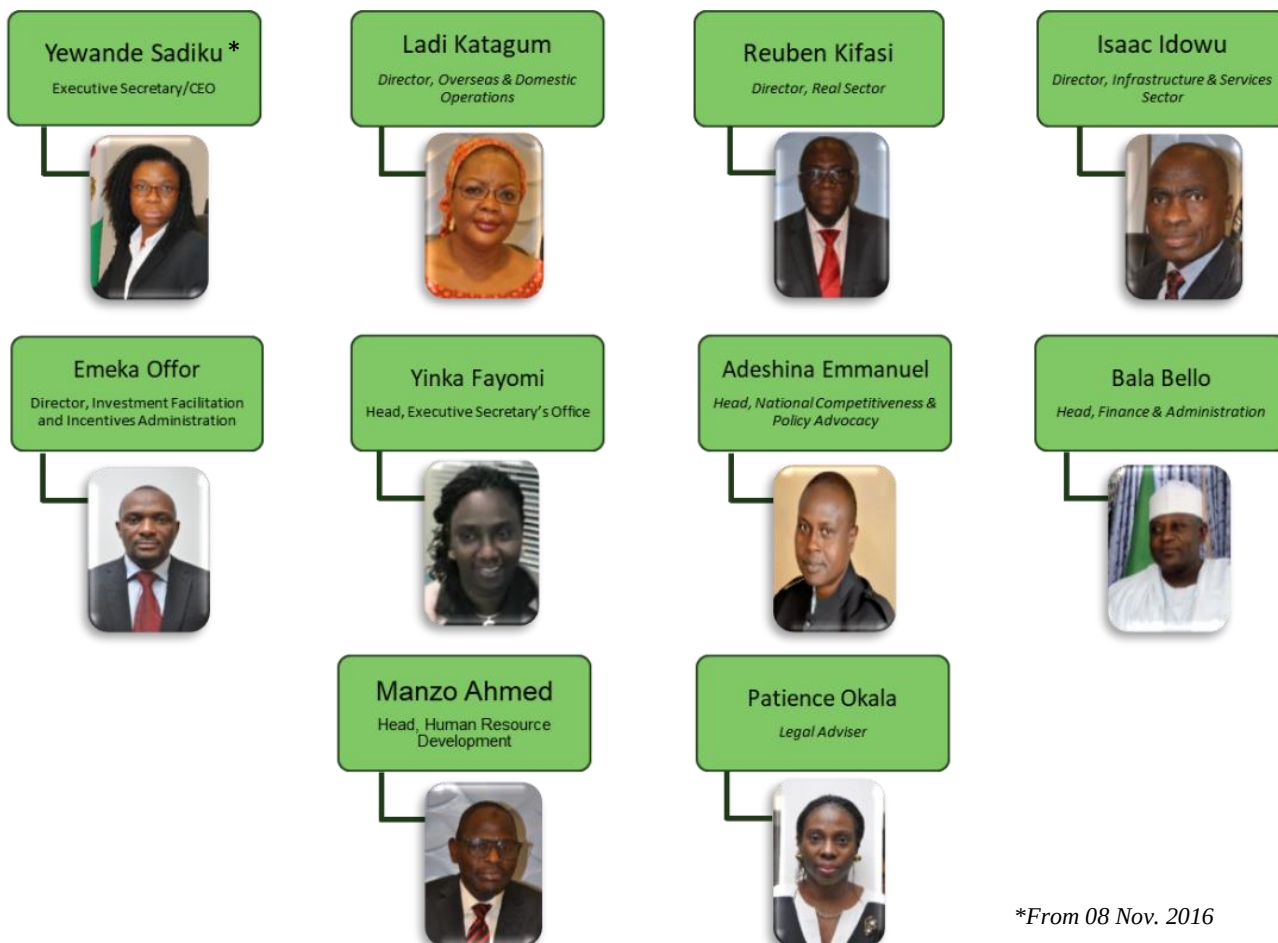
Mission Statement

‘To proactively position and promote Nigeria as the preferred investment haven’

Organizational Structure



Management Team



*From 08 Nov. 2016

Foreword by the Honourable Minister



The President Muhammadu Buhari Administration is committed to making Nigeria one of the most attractive places for investments. Shortly after taking office, the present administration adopted the Strategic Implementation Plan (SIP) to boost the growth of the economy. The SIP strategies included diversifying the economy by fast-tracking industrialization, prioritizing investment in critical infrastructure, and improving ease of doing business.

The diversification of the economy, a major goal of President Muhammadu Buhari's administration, will ensure that the economy becomes resilient to handle shocks in the commodities markets. We are committed to progressively improving the ease of doing business to encourage investment flows, to ensure that Nigeria achieves an inclusive and prosperous economy. NIPC is taking a leading role in this effort and this report highlights some of the key activities for this year.

Dr Okechukwu E. Enelamah

Honourable Minister

Federal Ministry of Industry, Trade & Investment

Statement by the Executive Secretary

Global Foreign Direct Investment (FDI) flows lost momentum in 2016 contracting by 2% (to \$1.75 trillion) due to weak global economic growth and significant policy risks, as perceived by multinational enterprises (source: UNCTAD World Investment Report 2017). The Africa share remained low at 3.4%.

Inflows into Africa remained unevenly distributed with Egypt, Nigeria, Angola, Ethiopia and Congo accounting for 46% of total inflows. The inflows into Nigeria increased by 45% to \$4.4 billion in 2016 (vs \$3.1 billion in 2015).

NIPC continued during the year in its efforts at positioning Nigeria as a preferred FDI destination. I thank Dr Okechukwu Enelamah, Honourable Minister of Industry, Trade and Investment, and Hajia Aisha Abubakar, Honourable Minister of State of Industry, Trade and Investment for their support for the delivery of NIPC's mandate, and the public and private stakeholders without whose support 2016 would have been an even more difficult year for NIPC.

I invite you to consider this report a part of NIPC's modest contribution to Nigeria's development. We will focus our efforts on institutional strengthening and building strategic partnerships with both private and public organizations towards the effective achievement of NIPC's mandate.

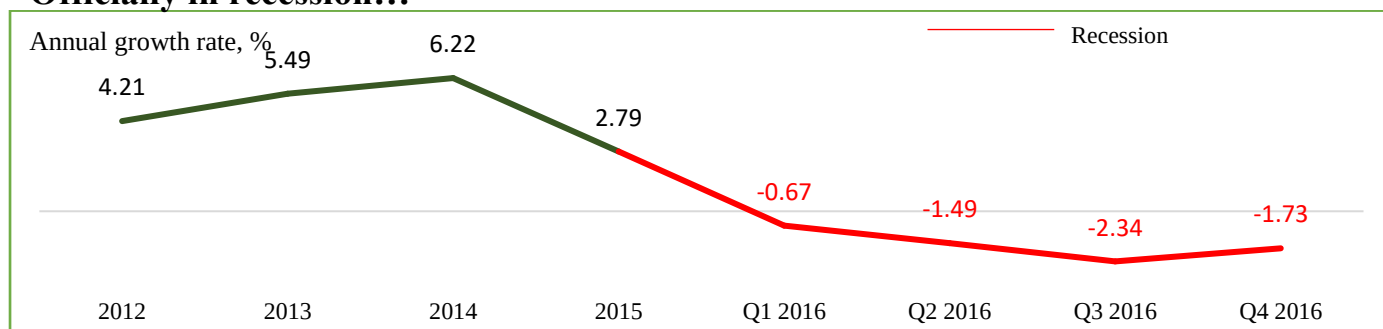


Ms Yewande Sadiku

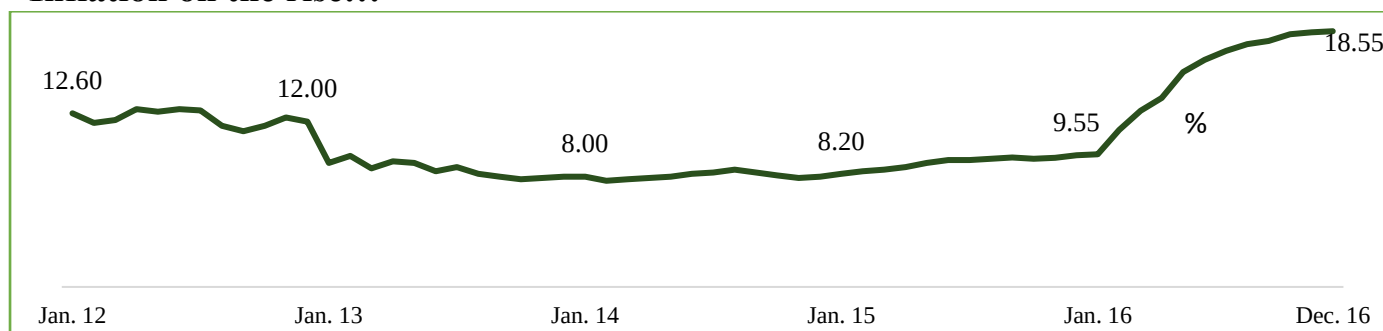
Executive Secretary/CEO

The Business and Investment Environment, 2012 - 2016

Officially in recession...



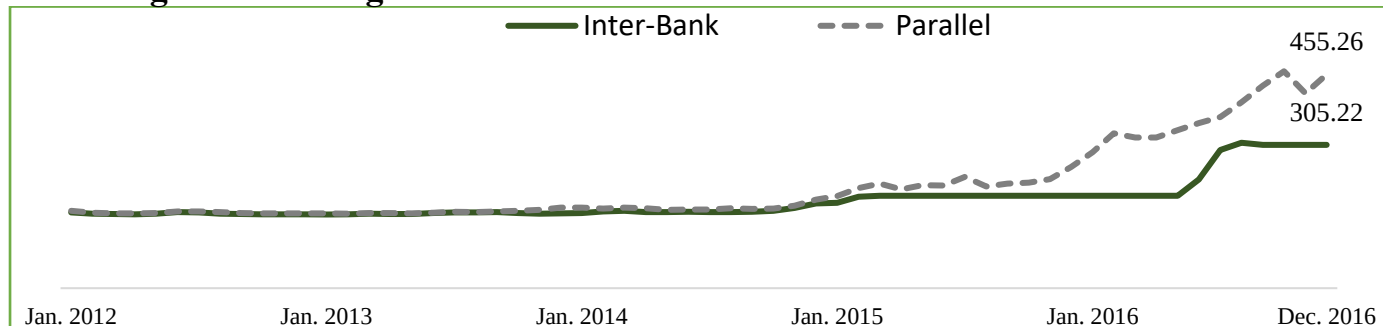
Inflation on the rise...



Foreign exchange reserves on the slide ...

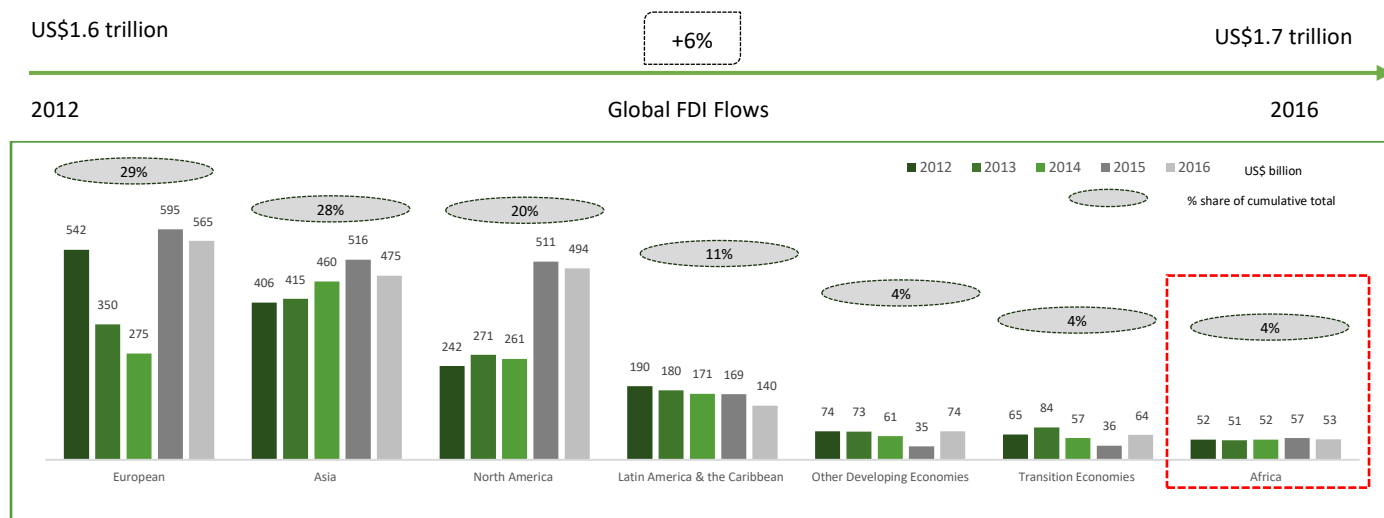


Exchange rates diverge...



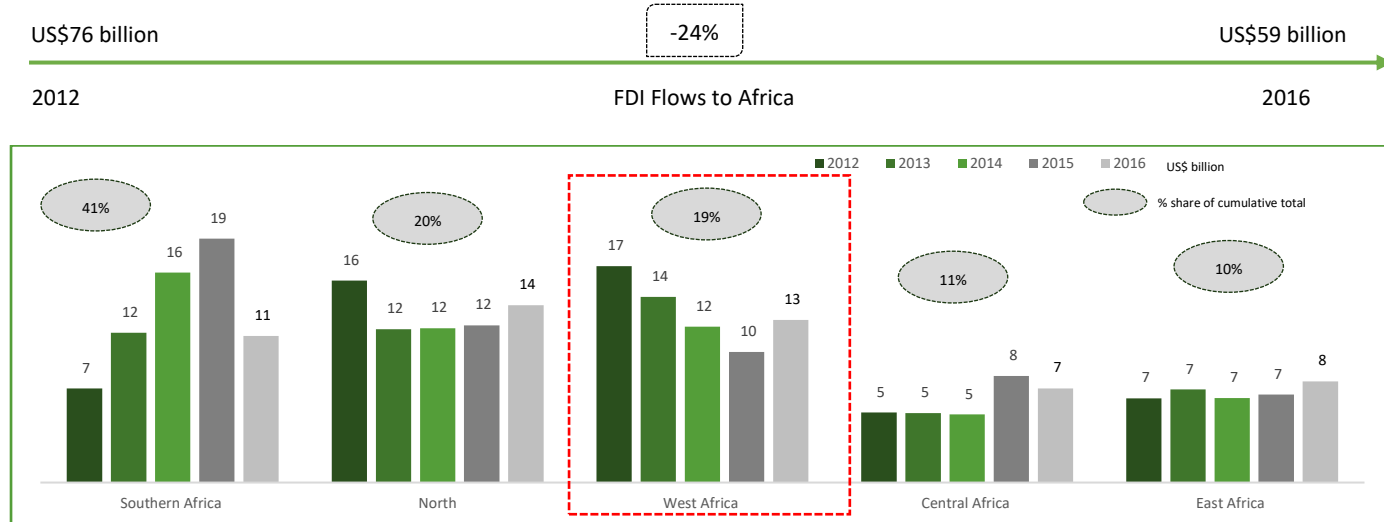
Foreign Direct Investment (FDI) Flows, 2012 - 2016

Global FDI Flows, 2012 - 2016

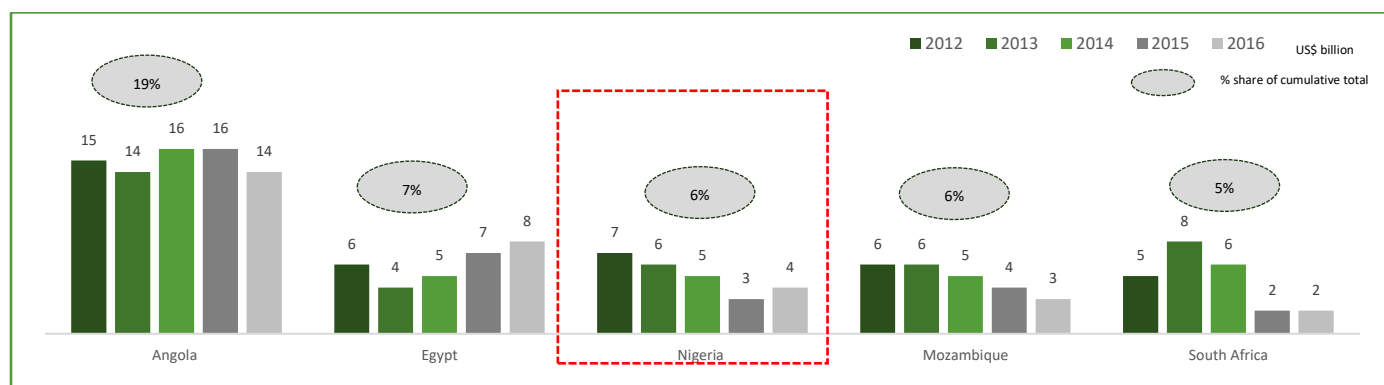


Africa FDI Flows, 2012 - 2016

Regional flows

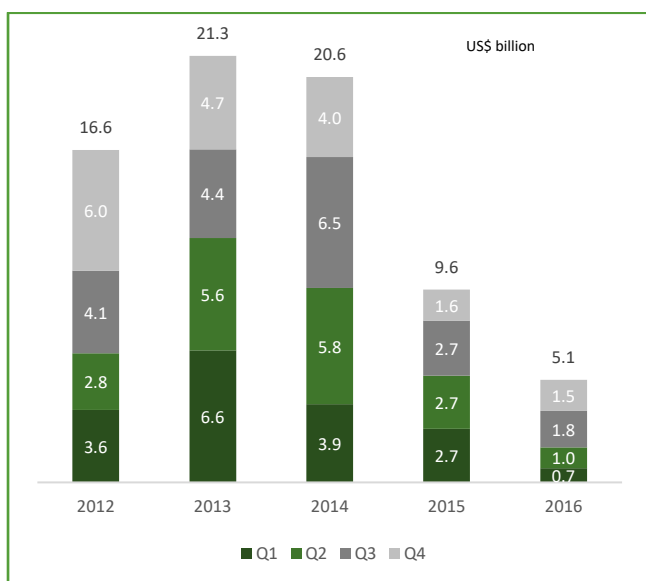


Top 5 FDI destinations



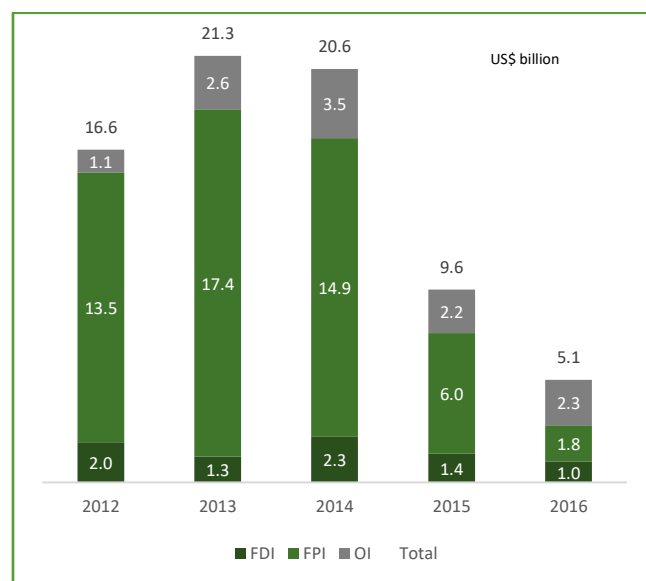
Foreign Capital Inflows into Nigeria, 2012 - 2016

Capital inflow per quarter



Source: National Bureau of Statistics

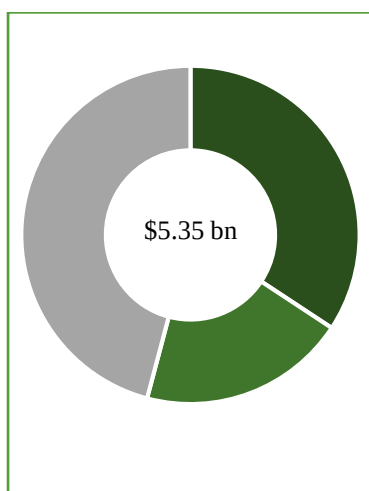
Capital inflow by type



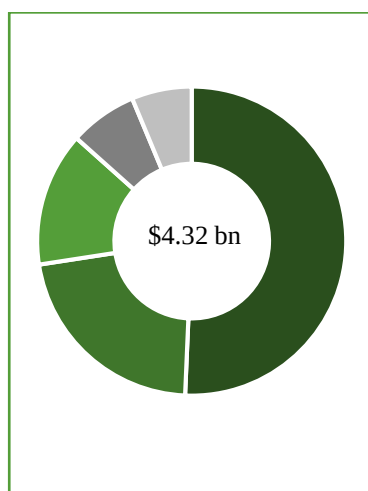
FDI = Foreign Direct Investment, FPI = Foreign Portfolio Investment, OI = Other Investment

Foreign Capital Inflows into Nigeria, 2016

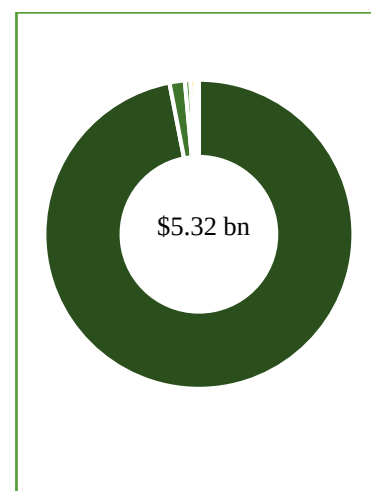
By type of capital



Top 5 sources



Top 5 destinations



FPI	US\$1,832	34%
FDI	US\$1,062	20%
OI	US\$2,452	46%

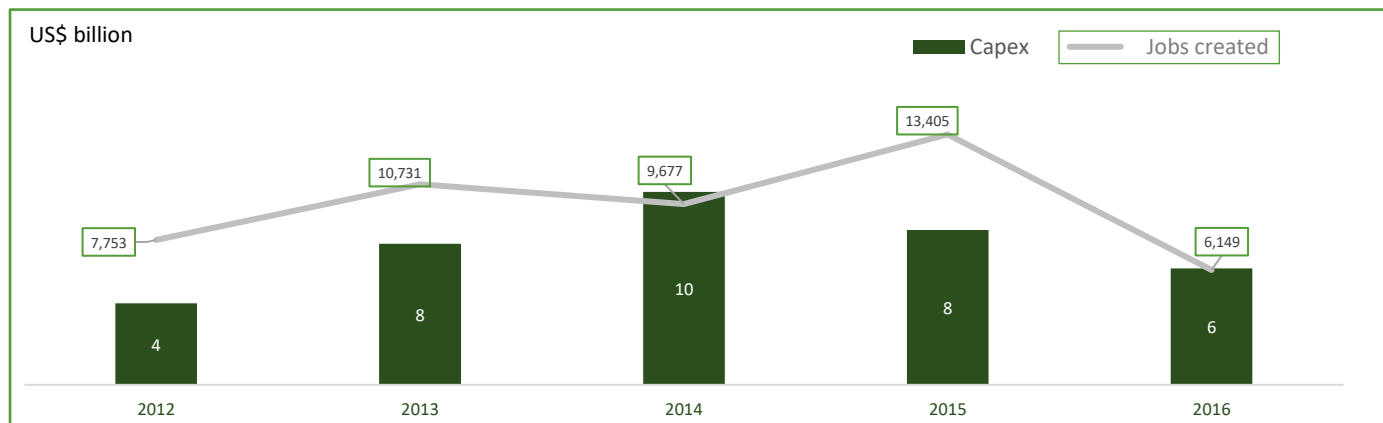
UK	US\$2,191	41%
USA	US\$946	18%
Netherlands	US\$607	11%
Singapore	US\$276	6%
Switzerland	US\$72	5%

Lagos	US\$5,157	96.4%
FCT	US\$86	1.6%
Ogun	US\$31	0.6%
Cross River	US\$26	0.5%
Akwa Ibom	US\$20	0.4%

Source: National Bureau of Statistics

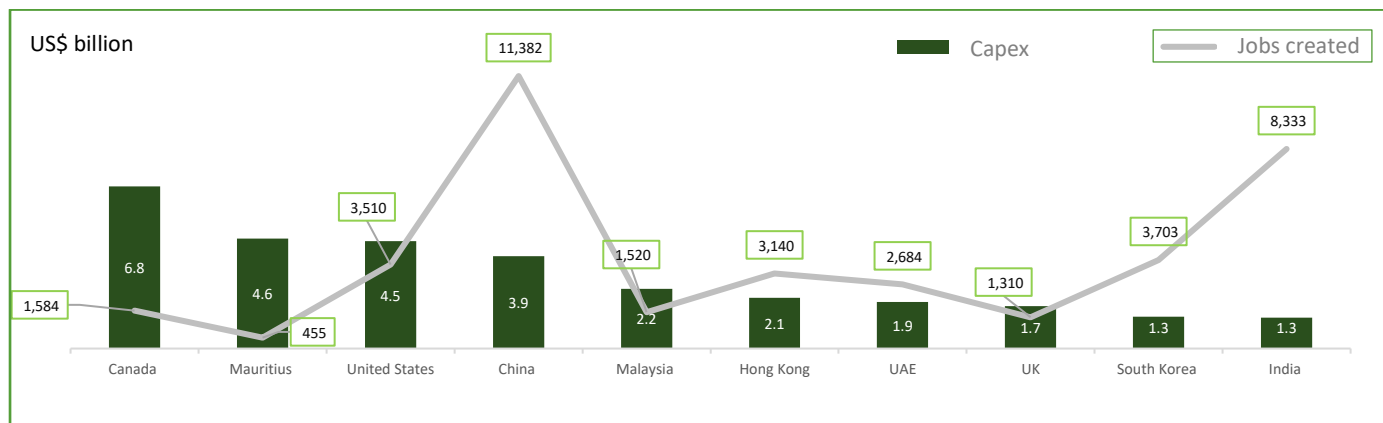
Foreign Capital Expenditure in Nigeria, 2012 - 2016

Annual inflows vs jobs created



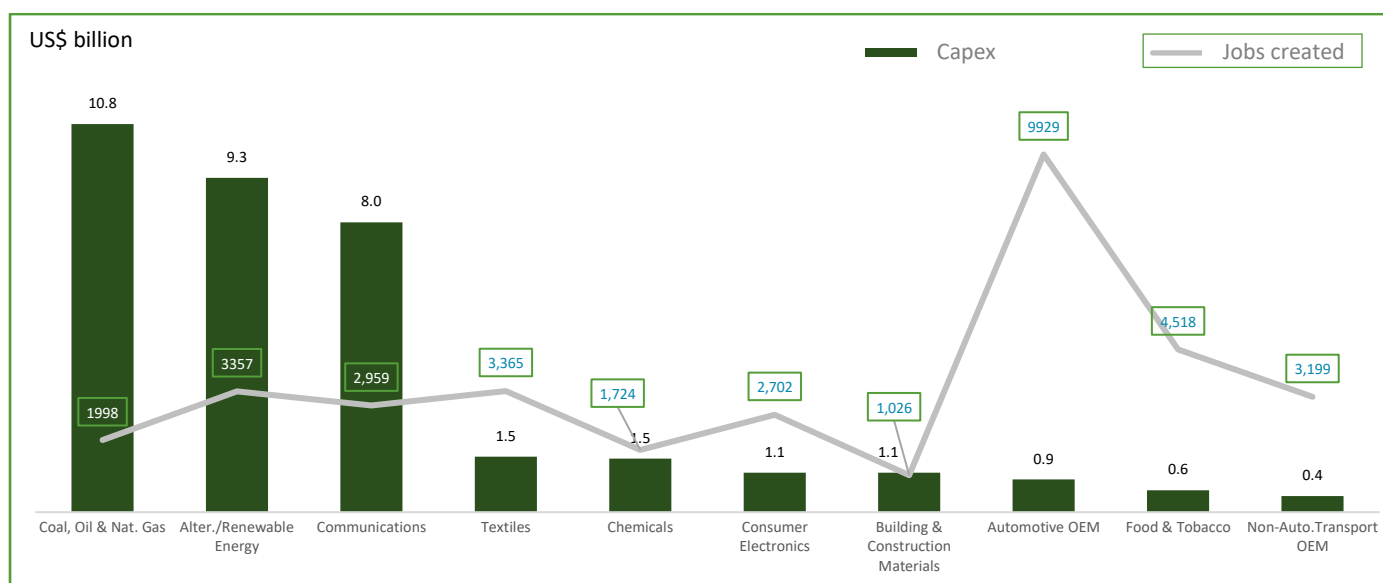
Source: fDi Intelligence

Top sources of capital vs jobs created



Source: fDi Intelligence

Top sectors vs jobs created



Source: fDi Intelligence

Activities of the Commission

Key Investment Promotion Events

NIPC hosted or participated in the following business and investment fora in 2016:

- a. **Prospectors and Developers Association of Canada (PDAC), 8 - 10 March 2016:** NIPC led the Nigerian delegation to the event with emphasis on the MineAfrica sessions, dedicated specifically to investment opportunities in the mining sector.
- b. **State visit of President Muhammadu Buhari to China, 11 - 15 April 2016:** Investment promotion events were held as part of the presidential visit to China. The events were hosted in Beijing, Shanghai and Guangzhou. 6 Nigerian State Governors, 9 Federal Ministers & over 500 investors from both countries participated across the 3 cities. 8 MoUs were signed
- c. **Cote d'Ivoire Investment Promotion Event, 10 - 13 May 2016:** The event was organised by the Embassy of Cote d'Ivoire in collaboration with the Centre for Investment Promotion in Cote d'Ivoire (CEPICI). It provided a unique platform for both CEPICI and NIPC to showcase opportunities in their respective countries.
- d. **Roadshow to the United Kingdom, 11 - 15 July 2016:** NIPC led a Nigerian investment delegation to the UK to explore public private partnership capacity and to attract interest in the agriculture, power, transport, solid minerals and infrastructure sectors.
- e. **4th Africa-Singapore Business Forum, 24 - 25 August 2016:** The Forum was organised by Africa-Singapore Business Group in collaboration with International Enterprise (IE) Singapore to showcase Africa as a viable investment destination. A Bilateral Air Services Agreement (BASA) between Nigeria and Singapore was signed during the event. An Investment Promotion and Protection Agreement (IPPA) and Avoidance of Double Taxation Agreement (DTA) were signed shortly after the event.
- f. **Nigeria Business Forum, Dubai, United Arab Emirates, 08 - 09 November 2016:** The event was held to showcase the Nigerian business environment and its opportunities to investors in the UAE. Along with NIPC, Nigeria was represented by Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) and members of the Nigerian Chambers of Commerce, Industry, Mines and Agriculture (NACCIMA). 3 Nigerian companies signed MoUs with their UAE counterparts to collaborate in projects in the agriculture & hospitality industries.

Development of Sub-national Business Environment

- a. **Nigerian Investment Certification Programme for States (NICPS):** As part of its efforts at improving the capacity of the States to provide effective investment facilitation and after-care support to investors, NIPC developed NICPS to help States improve their investor-readiness by building capacity in 3 standards; Investor Information, Property and Marketing. The pilot phase focused on South-west States of Ekiti, Ogun, Ondo, Osun, and Oyo States in partnership with DAWN Commission.

Facilitation and Aftercare Services

One Stop Investment Centre

The One Stop Investment Centre (OSIC) is structured as a special division of NIPC, with membership drawn from within and outside the Commission (participating Agencies). Its operations are designed to ensure alignment with the mandate of NIPC without compromising the policy objectives of the participating Ministries/Agencies.

Objectives

- a. To substantially reduce the cost of entry into businesses in Nigeria.
- b. To simplify procedural steps for obtaining business approvals.
- c. To shorten service delivery time.
- d. To ensure transparency.
- e. To provide investors with investment information and advice from incorporation to expansion.
- f. To fast-track public sector reforms that will result in more attractive business environment.
- g. To maintain close and professional working relationships between government ministries, agencies and departments that interface with investors.
- h. To support with business visa issuance.

Participating Agencies

OSIC currently houses 27 Agencies, up from 13 when it was established in 2006:

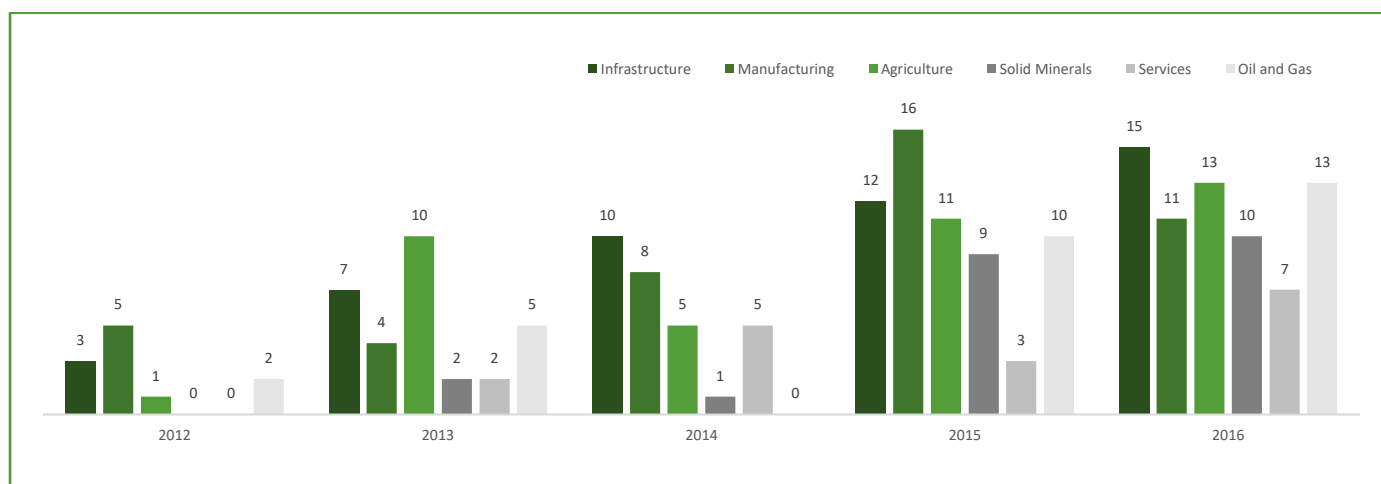
- | | |
|--|---|
| 1 Central Bank of Nigeria | 15 Nigerian Copyright Commission |
| 2 Corporate Affairs Commission | 16 Nigeria Customs Service |
| 3 Department of Petroleum Resources | 17 Nigerian Electricity Regulatory Commission |
| 4 Federal Capital Territory Administration | 18 Nigerian Export Promotion Council |
| 5 Federal Inland Revenue Service | 19 Nigeria Immigration Service |
| 6 Federal Ministry of Budget and National Planning | 20 Nigerian Investment Promotion Commission |
| 7 Federal Ministry of Finance | 21 Nigeria Maritime Administration and Safety Agency |
| 8 Federal Ministry of Foreign Affairs | 22 New Nigeria Development Company |
| 9 Federal Ministry of Interior | 23 National Office for Technology Acquisition & Promotion |
| 10 Federal Ministry of Mines and Steel Development | 24 Oil & Gas Free Zones Authority |
| 11 Infrastructure Concession Regulatory Commission | 25 Odu'a Investment Company Limited |
| 12 Manufacturers Association of Nigeria | 26 Pharmaceutical Council of Nigeria |
| 13 National Agency for Food, Drug Administration & Control | 27 Standards Organization of Nigeria |
| 14 National Bureau of Statistics | |

Services by agency, 2012 - 2016

Service	Agency	2012	2013	2014	2015	2016
Business Registration	NIPC	112	141	284	234	295
Information/Advice	All Desks	410	720	346	315	221
Incorporation	CAC	46	128	125	79	175
Stamp Duty/TIN	FIRS	33	67	71	61	55
STR & Business Visa	NIS/NIPC	-	25	29	33	40
Due Diligence	CAC/NIPC	10	15	20	49	11
Export License	NEPC	12	18	21	26	51

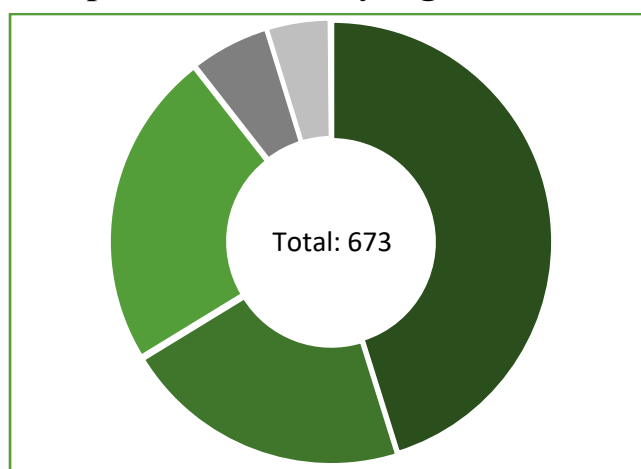
Source: OSIC Information Desk

Companies serviced by sector, 2012 - 2016



Source: OSIC Information Desk

Companies serviced by region, 2016



Source: OSIC Information Desk

International Investment Agreements Executed by Nigeria, 2012 – 2016

37 new International Investment Agreements (IIAs) comprising of 30 Bilateral Investment Treaties (BITs) and 7 Treaties with Investment Provisions (TIPs) were concluded globally in 2016 (source: UNCTAD World Investment Report 2017). In addition, 26 IIAs entered into force. This brought the size of IIAs globally to 3,324 agreements (2,957 BITs and 367 TIPs).

The most active country was Turkey concluding 7 treaties, followed by Canada, Morocco and the United Arab Emirates with 4 treaties each. They were closely followed by the Islamic Republic of Iran and Nigeria which signed 3 treaties each. Nigeria now has a total of 29 BITs with 15 in force and 9 TIPs with 7 in force.

Treaty Partner	Status	Date of Execution	Date of Entry into Force
Austria	Signed	08/04/2013	Pending
Canada	Signed	06/05/2014	Pending
United Arab Emirates	Signed	18/01/2016	Pending
Singapore	Signed	04/11/2016	Pending
Morocco	Signed	01/12/2016	Pending

Source: Federal Ministry of Justice

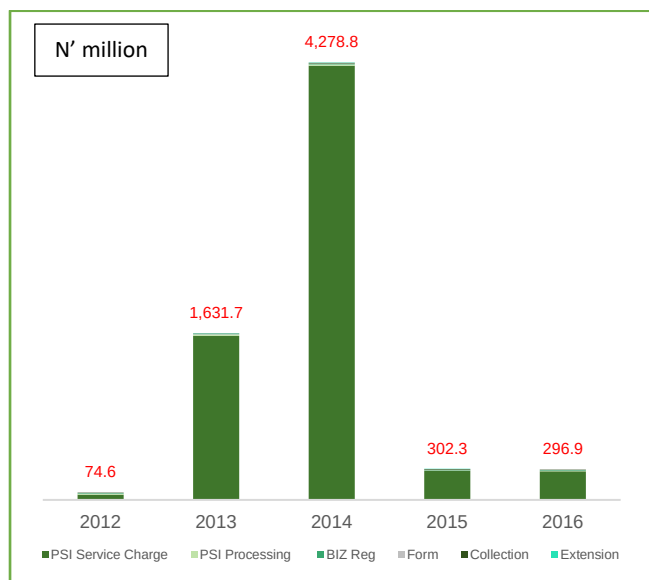
NIPC spearheaded the reform of Nigeria's model BIT, which took effect in February 2016.

Finances

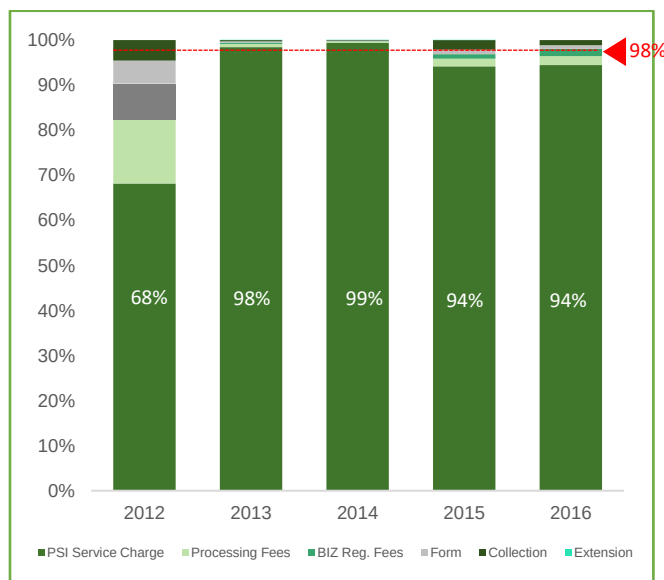
Internally Generated Revenue, 2012 - 2016

NIPC earned the bulk of its 2016 revenue from the service charge on applications for Pioneer Status Incentive (PSI) which accounted for 94% of its ₦296.9 million IGR. The administrative suspension on the PSI Scheme, which started in 2015 continued in 2016.

Annual internal revenue

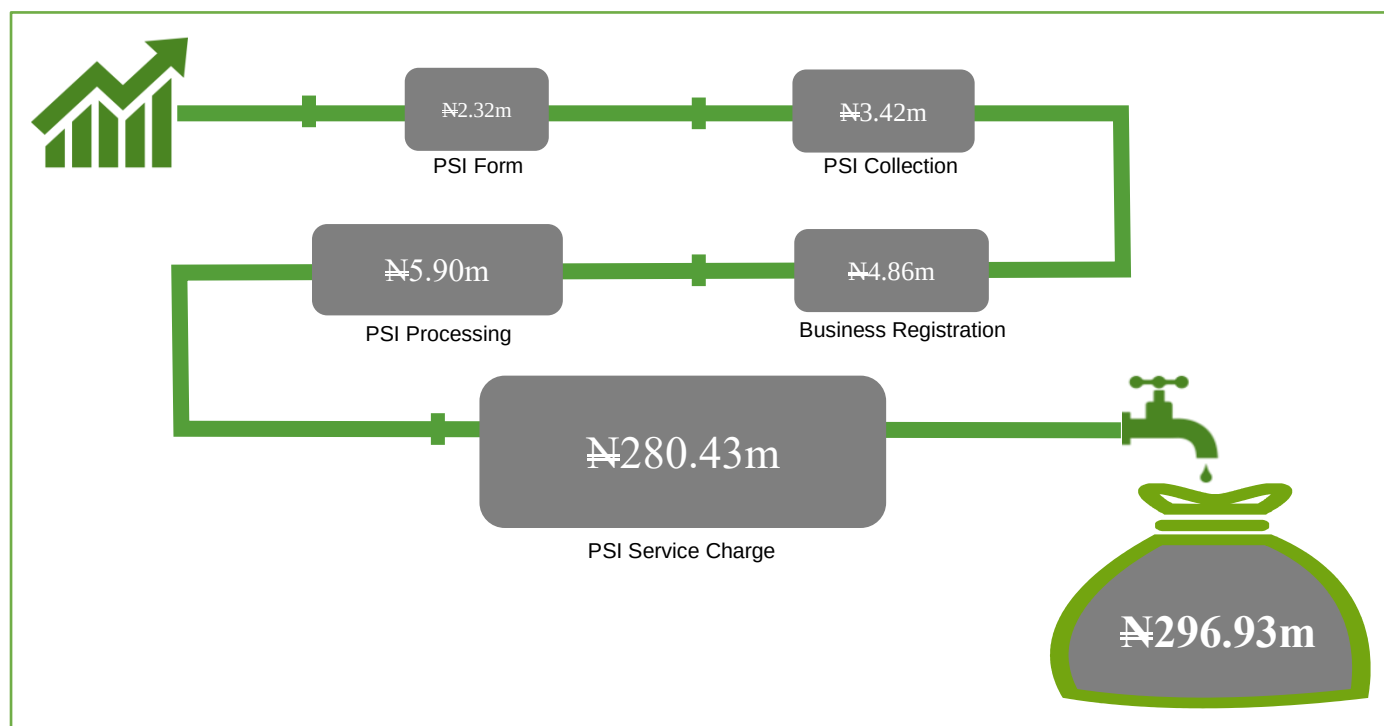


PSI Service Charge contribution to IGR



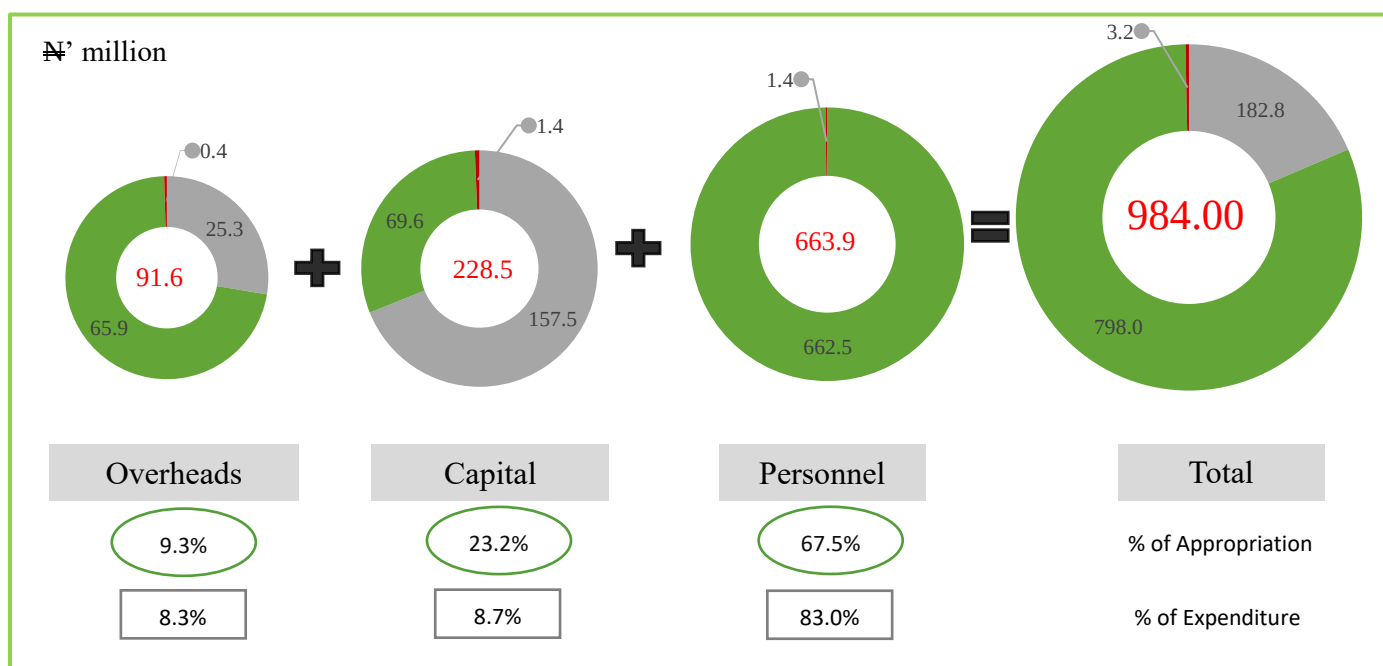
PSI is an investment incentive, administered by NIPC, which grants companies engaged in qualifying activities 3-5 year company income tax holiday. Further information on the PSI scheme is available at www.nipc.gov.ng/pioneer-status-incentives-document/.

Internal revenue, 2016



Summary of Budget Performance, 2016

Overview of appropriation performance



Source: Department of Finance and Administration

● Released ● Not Released ● Returned

	Appropriation	Releases							Expanded		
		Q1	Q2	Q3	Q4	Total	% of Total	% Released	% of Release	% of Release	% of Budget
Personnel	663,861,599	67.5%	165,965,400	165,965,400	165,965,400	165,965,400	663,861,599	83.0%	10.0%	662,478,828	99.8%
Overheads	91,636,256	9.3%	14,982,702	17,123,089	13,422,330	20,777,834	66,305,955	8.3%	72.4%	65,924,067	99.4%
Recurrent	755,497,855	76.8%	180,948,102	183,088,489	179,387,729	186,743,234	730,167,554	91.3%	96.6%	728,402,895	99.8%
Capital	228,484,900	23.2%	-	-	5,379,317	65,620,000	70,999,317	8.7%	31.1%	69,575,214	98.0%
Total	983,982,755	100%	180,948,102	183,088,489	184,767,046	252,363,234	801,166,871	100%	81.4%	797,978,109	99.6%



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