



DFA
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18/6
2019

FEDERAL MINISTRY OF INDUSTRY TRADE AND INVESTMENT

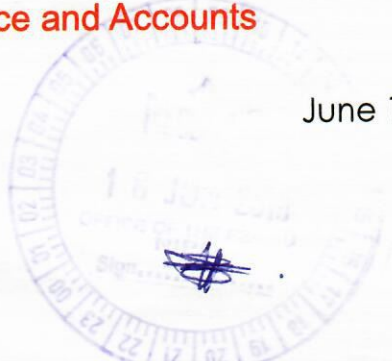
Old Federal Secretariat Complex, P.M.B 88, Garki, Abuja

Office of the Director of Finance and Accounts

FMITI/NIPC/DFA/33

June 18, 2019

The Executive Secretary,
Nigerian Investment Promotion Commission,
Aguiyi Ironsi Street, Maitama,
Abuja.



RE: REQUEST FOR APPROVAL OF 2019 INTERNALLY GENERATED REVENUE INCOME AND EXPENDITURE BUDGET

I am directed to refer to your letter referenced NIPC/ES/YTS/DFA/201/08/Vol.11/182 dated January 10, 2019 in respect of above subject and to convey approval of the Honorable Minister as follows:

a. That the Commission is allowed to expend part of its Internally Generated Revenue, with a ceiling of **N1,615,000,000** as requested subject to the following conditions;

i. That the remaining balance in excess of the approved expenditure should be retained for future use.

ii. That the rules governing Procurement Processes must be strictly adhered to.

b. The Council should submit an Annual Report of its activities, administration and its Audited Accounts to the Honorable Minister as enshrined in the Act.

2, Please, accept as usual the assurance and esteem regards of the Honorable Minister.

SB KURA
Director, Finance and Accounts
For: Honorable Minister

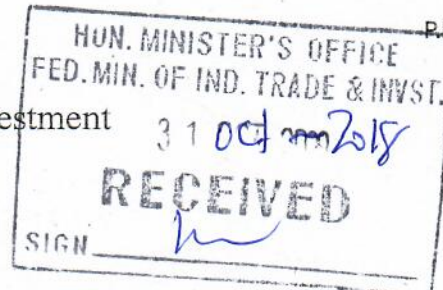


NIPC/ES/YTS/DFA/201/08/Vol.11/

25 October 2018

The Honourable Minister
Federal Ministry of Industry, Trade and Investment
Old Secretariat Complex
Garki, Abuja

Honourable Minister,



Plot 1181, Aguiyi Ironsi Street
Maitama District
P.M.B 381 Garki, Abuja
+234 (9) 290 0059
+234 (9) 290 0061
www.nipc.gov.ng

**REQUEST FOR APPROVAL OF 2019 INTERNALLY GENERATED
REVENUE INCOME AND EXPENDITURE BUDGETS**

I hereby forward for the kind consideration and approval of the Honourable Minister, the Internally Generated Revenue (IGR) income and expenditure budget proposals of Nigerian Investment Promotion Commission (NIPC), for the year 2019. The proposals were approved by the Governing Council of NIPC on 11 October 2018.

2. This request is being made pursuant to the provisions of:
 - i. Section 12 of the NIPC Act, which empowers the Commission to apply fees charged for services rendered by it towards the discharge of its functions under the Act; and
 - ii. Section 15 (i) of the NIPC Act, which requires that the NIPC Governing Council prepares an estimate of the expenditure and income of the Commission each year and submits same, through the Minister, for approval by the President.
3. The Commission projects a total IGR income of N1.615 billion as detailed in the attached Appendix I, while the total IGR expenditure budget is N1.615 billion as detailed in the attached Appendix II.
4. In accordance with the provisions of the NIPC Act, I now request the gracious approval of the Honourable Minister for NIPC's 2019 IGR income and expenditure proposals.

5. Honourable Minister, I look forward to your usual prompt consideration. In the meantime, please accept, as always, the assurance of my warm regards.

A handwritten signature in dark ink, appearing to read 'Yewande Sadiku', with a small circular mark to the right.

Ms Yewande Sadiku
Executive Secretary/CEO



Office Of The Executive Secretary /
Chief Executive Officer
**NIGERIAN
INVESTMENT
PROMOTION
COMMISSION**

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Maitama District
P.M.B 381 Garki, Abuja

+234 (9) 290 0059

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NIPC/ES/YTS/DFA/201/08/Vol. II/

17 April 2019

The Honourable Minister
Federal Ministry of Industry, Trade and Investment
Old Secretariat Complex, Garki
Abuja



Attention: Director, Finance & Accounts

**RE: 2019 INTERNALLY GENERATED REVENUE (IGR) INCOME
AND EXPENDITURE BUDGET PROPOSAL**

Further to our letter dated 25 October 2018 referenced NIPC/ES/YTS/DFA/201/08/Vol.11/, I write to request the Honourable Minister's consideration of a slight adjustment in NIPC's 2019 IGR budget proposal.

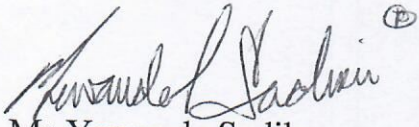
2. The total expenditure budget remains at N1.615billion, the figure presented in the October submission. Following the submission, we have noted the need to make some adjustments within the budget while keeping the total unchanged. We have, therefore, moved funds from an item we considered was over provided for to areas underprovided for in view of current realities.

3. Accordingly, we request that you oblige us by allowing the adjustment of the following expenditure items:

- i. Security services increased from **N2 million** to **N5 million**;
- ii. Cleaning and Fumigation increased from **N7 million** to **N10 million**;
- iii. Financial Consulting increased from **N10 million** to **N20 million**;
- iv. Motor Vehicle fuelling cost increased from **N5 million** to **N10 million**;
- v. Additional Provision for purchase of office equipment – **N4million**;
- vi. Publicity and advertisement reduced from **N45 million** to **N20 million**.

4. An updated IGR expenditure proposal reflecting the changes in red is attached for your concurrence.

5. Honourable Minister, I will appreciate your kind approval of the attached IGR expenditure proposal. In the meantime, please accept the assurance of my warm regards.

A handwritten signature in black ink, appearing to read 'Yewande Sadiku', with a small circular stamp to the right.

Ms Yewande Sadiku

Executive Secretary/CEO

NIGERIAN INVESTMENT PROMOTION COMMISSION
2019 BUDGETARY PROPOSAL (IGR)

	EXPENDITURE CATEGORY	TOTAL (=N=)
	TOTAL EXPENDITURE	1,615,000,000
1	WELFARE PACKAGES	500,000,000
1a	PRODUCTIVITY ALLOWANCE	380,000,000
1b	WELFARE	120,000,000
2	OTHER RECURRENT COST	966,000,000
3	OVERHEAD COST	966,000,000
4	TRAVEL & TRANSPORT - GENERAL	448,000,000
4a	LOCAL TRAVEL & TRANSPORT: TRAINING	75,000,000
4b	LOCAL TRAVEL & TRANSPORT: OTHERS	123,000,000
4c	INTERNATIONAL TRAVEL & TRANSPORT: TRAINING	50,000,000
4d	INTERNATIONAL TRAVEL & TRANSPORT: OTHERS	200,000,000
5	UTILITIES - GENERAL	43,000,000
5a	ELECTRICITY CHARGES	26,000,000
5b	TELEPHONE CHARGES	4,000,000
5c	INTERNET ACCESS CHARGES	10,000,000
5d	WATER RATES	1,000,000
5e	SEWERAGE CHARGES	2,000,000
6	MATERIALS & SUPPLIES - GENERAL	37,000,000
6a	OFFICE STATIONERY / COMPUTER CONSUMABLES	15,000,000
6b	NEWSPAPERS	1,000,000
6c	MAGAZINES & PERIODICALS	5,000,000

6d	PRINTING OF NON SECURITY DOCUMENTS	15,000,000
6e	DRUGS & MEDICAL SUPPLIES	1,000,000
7	MAINTENANCE SERVICES - GENERAL	90,000,000
7a	MAINTENANCE OF MOTOR VEHICLE / TRANSPORT EQUIPMENT	15,000,000
7b	MAINTENANCE OF OFFICE FURNITURE	5,000,000
7c	MAINTENANCE OF OFFICE BUILDING / RESIDENTIAL QTRS	10,000,000
7d	MAINTENANCE OF OFFICE / IT EQUIPMENTS	20,000,000
7e	MAINTENANCE OF PLANTS/GENERATORS	5,000,000
7f	OTHER MAINTENANCE SERVICES	35,000,000
7f(i)	IMPREST	30,000,000
7f(ii)	MEDICAL	2,000,000
7f(iii)	OTHER SERVICES	3,000,000
8	TRAINING - GENERAL	60,000,000
8a	LOCAL TRAINING	60,000,000
9	OTHER SERVICES - GENERAL	20,000,000
9a	SECURITY SERVICES	5,000,000
9b	OFFICE RENT	5,000,000
9c	CLEANING & FUMIGATION SERVICES	10,000,000
10	CONSULTING & PROFESSIONAL SERVICES - GENERAL	60,000,000
10a	FINANCIAL CONSULTING	20,000,000

10b	INFORMATION TECHNOLOGY CONSULTING	10,000,000
10c	LEGAL SERVICES	30,000,000
11	FUEL & LUBRICANTS - GENERAL	40,000,000
11a	MOTOR VEHICLE FUEL COST	10,000,000
11b	PLANT / GENERATOR FUEL COST	30,000,000
12	FINANCIAL CHARGES - GENERAL	20,000,000
12a	INSURANCE PREMIUM	20,000,000
13	MISCELLANEOUS EXPENSES GENERAL	148,000,000
13a	REFRESHMENT & MEALS	20,000,000
13b	HONORARIUM & SITTING ALLOWANCE	35,000,000
13c	PUBLICITY & ADVERTISEMENTS	20,000,000
13d	POSTAGES & COURIER SERVICES	3,000,000
13e	SUBSCRIPTION TO PROFESSIONAL BODIES	10,000,000
13f	OSIC EXPENSES	15,000,000
13g	SUBSCRIPTION TO RESEARCH DATABASES	15,000,000
13h	ANNUAL RETREATS	30,000,000
14	CAPITAL COST	149,000,000
15	PURCHASED OF FIXED ASSETS	29,000,000
15a	PURCHASE OF MOTOR VEHICLES	25,000,000
15b	PURCHASE OF OFFICE EQUIPMENT	4,000,000
16	REHABILITATION / REPAIRS	50,000,000
17	REHABILITATION / REPAIRS OF FIXED ASSETS - GENERAL	50,000,000
17a	REHABILITATION / REPAIRS OF OFFICE BUILDINGS	50,000,000
18	OTHER CAPITAL PROJECTS	50,000,000

19	ACQUISITION OF NON TANGIBLE ASSETS	50,000,000
19a	COMPUTER SOFTWARE ACQUISITION	50,000,000
20	PUBLICITY MATERIALS ACQUISITION	20,000,000
	WELFARE PACKAGES	500,000,000
	OVERHEAD AUGMENTATION	966,000,000
	TOTAL RECURRENT	1,466,000,000
	TOTAL CAPITAL	149,000,000
	TOTAL EXPENDITURE	1,615,000,000

TO BE FUNDED BY:

2018 RETAINED EARNINGS B/F	709,115,046
2019 IGR INCOME ESTIMATE	1,615,000,000
TOTAL AVAILABLE IN 2019	2,324,115,046

NIGERIAN INVESTMENT PROMOTION COMMISSION

IGR INCOME PROJECTION (2019-2021)

KEY REVENUE SOURCES	YEAR 2019 (N)	YEAR 2020 (N)	YEAR 2021 (N)
1 Pioneer Status Service Charge	1,600,000,000	1,760,000,000	1,936,000,000
2 Pioneer Status Processing Fee	10,000,000	11,000,000	12,100,000
3 Business Registration	5,000,000	5,500,000	6,050,000
TOTAL	1,615,000,000	1,776,500,000	1,954,150,000

Assumptions

Sustainable 2018 pioneer status service charge = circa N400m for Jan-May 2018, full year estimated at N1bn

Post reforms, pioneer status fees will be based on 1% of actual tax savings each year, not 2% of 3-year estimated tax savings

Increase expected in 2019 pioneer status fees on account of completion of reforms and faster processing

50 applications expected to be approved in a year

10% year on year increase expected in 2020 and 2021

NIGERIAN INVESTMENT PROMOTION COMMISSION

2019-2021 APPROPRIATION & IGR EXPENDITURE PROJECTIONS

	2019 Projection			2020 Projection			2021 Projection		
	Appropriation	IGR	Total	Appropriation	IGR	Total	Appropriation	IGR	Total
21 PERSONNEL COST	1,196,233,613	485,000,000	1,681,233,613	1,315,856,974	533,500,000	1,849,356,974	1,447,442,671	586,850,000	2,034,292,671
22 OTHER RECURRENT COST	300,000,000	1,100,000,000	1,400,000,000	330,000,000	1,210,000,000	1,540,000,000	363,000,000	1,331,000,000	1,694,000,000
TOTAL RECURRENT	1,496,233,613	1,585,000,000	3,081,233,613	1,645,856,974	1,743,500,000	3,389,356,974	1,810,442,671	1,917,850,000	3,728,292,671
23 TOTAL CAPITAL	502,000,000	30,000,000	532,000,000	683,200,000	31,500,000	714,700,000	751,520,000	33,075,000	784,595,000
TOTAL BUDGET	1,998,233,613	1,615,000,000	3,613,233,613	2,329,056,974	1,775,000,000	4,104,056,974	2,561,962,671	1,950,925,000	4,512,887,671

IGR Income Projections

2019	1,615,000,000
2020	1,776,500,000
2021	1,954,150,000

Assumptions

2019 and 2020 Capital based on ERGP Implementation Plan

- 502m (2019), 683.2m (2020)

2019 Personnel: 150 new hires + promotion. Assumed 2018 cost + 60%

Other Recurrent: 2018 ask of circa 300m + 10% growth year on year

- NI.Im recurrent supplementation from IGR + 10% growth year on year

IGR expenditure projections constrained by IGR income