

INVESTMENT DESTINATION TO NIGERIA OPERATING WITH INTERGRITY, GREAT OPORTUNITIES, GREAT RETURNS

DO YOU NOW, that

Nigeria is the strategic location to the developed market.?

Nigeria is strategically located in the Gulf of Guinea with direct freight access to North America, Europe and the Asian continent.

Its central location in Africa makes it easy to reach other countries in west Africa and makes it a better **TRANSIT HUB** to other landlocked African nation.

MACRO-ECONOMIC ENVIRONMENT

- The largest economy in Africa and 22nd Largest in the world.
- Considered to be an emerging market by world bank.
- Among the ten fastest growing economics in the world.
- Nigeria has also attracted the most foreign direct investment (FDI) capital in the last five years and the 2nd most FDI Projects in the Sub- Saharan Africa.
- Projected to be first Africa's Trillion Dollar Economy by 2030.
- Very low VAT regime – 5%
- Nigeria offers one of the most rewarding investment returns, not only in Africa but in the world.

SOPHISTICATED CONSUMER BASE

- Largest market in Africa with a population of over 200 million people.

SKILLED AND DEDICATED LABOUR

- Trainable, resourceful and cost-effective workforce with 70% Youth within the age bracket of 15 – 35 years

NATURAL ENDOWMENTS

- Nigeria has 84 million of arable land, 60% unutilized; humid tropical climate conducive for a variety of crops; potential irrigable area of 3.14 million Hectar ; 279 billion cubic meters of surface water.
- Nigeria hold 2.2% of world crude oil reserves (11th Largest in the world) and 2.7% of Gas (7th Largest in the world)

- Nigeria is richly endowed with 40 commercially viable solid minerals and precious metals buried in the soil waiting to be explored.

INVESTMENT GUARANTEES AND PROTECTION

- Free market economy where investors are allowed 100% ownership of investment in any sector irrespective of nationality.
- Free flow of investment where exchange control regulations are liberalized.
- Guaranteed unconditional transferability/repatriation of profit and dividends net taxes through an authorized dealer.

AREAS OF INVESTMENT FOCUS

Mining Sector: the solid mineral sector is definitely a frontier of opportunity in the new economic reality in which we find ourselves.

Nigeria today exports a range of minerals into global markets. Exports are based on permits issued by the Ministry of mines and steel development. This highlights market opportunity that exist for foreign investors to come in.

The government has identified the number of minerals considered to be of economic importance in Nigeria occurring in many locations across the 36 states and the Federal Capital Territory these includes 44 different types of minerals identified in more than 500 locations.

SOLID MINERALS: POTENTIAL MINERALS IN COMMERCIAL QUANTITIES PER STATE

S/N	STATES	POTENTIAL MINERALS IN COMMERCIAL QUANTITIES PER STATE
1.	Abia	Glass sand, limestone, salt, shale, ball clay, granite, galena marble laterite, bentonite, phosphate, kaolin, pyrite, feldspar, petroleum, lignite, gypsum, sphalerite and clay
2.	Adamawa	Feldspars, Fluorspar, marble, gypsum, Magnesite, Tantalite, rock crystal, laterite, topaz, sandstones, mercury, glass sand, zircon, spinel, emerald graphite, beryl, tourmaline,

		mica, iron ore, clay, minerals, diatomite, coal, garnet aquamarine, gold dust, zoisite, cassiterite, agates, amethyst chalcopyrite, kaolin, limestone, chalcedony, onyx, barytes, zinc, tin uranium, quartz mica, wolframite, columbite, platinum ruby
3.	Akwa Ibom	Clay, glass sand, salt, silica sand, granite, coal, petroleum, natural gas, kaolin, limestone and lignite
4.	Anambra	Clay, iron stone, natural gas, petroleum, sand stone, kaolin, pyrite and lignite
5.	Bauchi	Kaolin, trano, gypsum, cassiterite, mica, clay, tantalite, galena, iron ore, gemstone sphalerite, silica sand, barite, columbite, zinc, lead, muscovite, quartz, tin, glass sand, monazite, feldspar, graphite, wolfram, coal, agate, rutile tungsten, copper talc, limonite and ziron
6.	Bayelsa	Salt, petroleum, natural Gass, silica sand, bentonite, petroleum limestone and glass sand
7.	Benue	Gemstone, barites, feldspar, marble, mica, silica sand, quartz, galena, lead, zinc ore, silica sand, clay, crushed and dimension stone, fluorspar, wolframite, bauxite, shale, magnesite, ilmenite.
8.	Borno	Silica sand, natural salt, sapphire, topaz, mica, quartz, gypsum, uranium, iron ore, magnesite, feldspar, granite aquamarine, nepheline, limestone, kaolin, bentonite, laterite, refractory, clay, trona, Gold, tin, potash
9.	Cross River	Salt limestone, coal, manganese, mica, limonite, gold, quartz, glass sand, tourmaline, petroleum, natural gas, kaolin, tin ore, sharp sand, spring water salt deposit, talc, granite, galena, lead zinc tin ore, muscovite uranium, barite.
10.	Delta	Kaolin, laterite, clay, gravel, silica sand, natural gas, petroleum, ball clay, bauxite, granite, river sand, clay, spring water.
11.	Ebonyi	Lead, Zinc ore, salt, limestone, ball clay, refractory clay, gypsum, granite

12.	Edo	Charonokite, copper, gold, marble, granite, gypsum, petroleum, dorite, lignite, limestone ceramic, clay
13.	Ekiti	Clay, Charnokite, quartz, lignite, limestone, granite, gemstone, bauxite, cassiterite, clumbite, tantalite, feldspar, kaolin
14.	Enugu	Laterite clay, crude oil, kaolinitic clay, iron ore, glass sand, petroleum, gypsum, coal, silica sand, ceramics.
15.	Gombe	Graphite, kaolin, limestone, silica sand, uranium, coal, halites, clay, gypsum, diatomite, granite
16.	Imo	Crude oil, shale, natural gas, kaolin, laterite sand, limestone, salt, marble,
17.	Jigawa	Glass sand, granite, laterite clay, silica, kaolin, iron ore, quartz, potash, talc, ilmenite, gemstone and columbite
18.	Kaduna	Muscovite, granite, gold manganese, clay, graphite, sand, zircon, kyanite, tin ore, ilmenite, gemstone and columbite
19.	Kano	Clay, Laterite, Cassiterite, columbite, ilmenite galena, Phyrochlorite, kaoline, gemstone, silica, tin ore, monazite, wolframite, thorium, granite, hyalite, kaolin, beryl, amethyst Gold.
20.	Katsina	Gold, Manganese, Lateritic, clay, feldspar, black tourmaline, amethyst, quartz, kaolin, mica, gypsum, sillimanite, clay, granite, sand, uranium, asbestos, tourmalin, chromites ilmenite, diamond, graphite, iron ore, potash, silica sand.
21.	Kebbi	Lithium, salt, iron ore, gold, feldspar, limestone, quartz, bauxitic Clay, manganese, kaolin, mica
22.	Kogi	Clay, iron ore, gemstone, marble, limestone, feldspar, dolomite, phosphate, mica, cassiterite, granite, ornamental stone, coal, kwara, clay, kaolin, silica sand, quartz, dolomite, gold tantalite, Lithium
23.	Lagos	Silica sand, bitumen, sharp sand, gravel petroleum, laterite.

24.	Nasarawa	Cassiterite, gemstone, amethyst, beryl, chrysolite, emerald, gamet sapphire topaz barites, galena, monazite, zircon, glass sand, coal, Lithium
25.	Niger	Bell clay, kaolin, limestone, granite, glass sand, iron ore, red clay, feldspar, silica sand, quartz, asbestos, marble, talc, gemstone, gold manganese and tantalite
26.	Ogun	Kaolin, feldspar, silica sand, mica, granite, clay, phosphate, gypsum, limestone, quartz, tar sand
27.	Ondo	Marble, gold, gemstone, diorite, lignite
28.	Osun	Clay, granite, talc, dolomite, feldspar, quartz, limestone, mica, gold
29.	Oyo	Clay, feldspar, granite, limonite, iron ore, kaolin, quartz, talc, marble, dolomite, tourmaline, aquamarine, amethyst, gemstone.
30.	Plateau	Monazite, columbite, feldspar, clay, cassiterite, gemstone, kaolin, dolomite, mica, zircon, marble, limonite, barite, quartz, talc, galena
31.	Rivers	Petroleum, natural gas, silica sand, glass sand, clay
32.	Sokoto	Silica Sand, clay, salt, limestone, phosphate, gypsum, kaolin, laterite, potash, granite,
33.	Taraba	Fluorspar, gamet, tourmaline, sapphire, zircon, tantalite, columbite, cassiterite, barite, galena, limestone, laterite, calcite, bentonitic, clay, sapphire
34.	Yobe	Salt, trona Diatomite, clay, gypsum, kaolin, silica sand, limestone, epsomite, iron ore, shale, uranium, granite and bentonic clay
35.	Zamfara	Gold, alluvia, gold, granite, chromites, chamorckite, clay, feldspar, spring water
36.	FCT	Limestone, Kaolin, Granite, Marble, Feldspar, Mica, Dolomite, Clay, Sand, Talc, Lead, Zinc And Gold

AN OVER VIEW OF THE SOLID MINERALS

Nigeria is richly endowed with about 40 different kinds of solid minerals and precious metals buried in the soil waiting to be exploited.

The sector offers a viable alternative to petroleum for foreign exchange earnings. Precisely, forty-four (44) solid minerals are found in commercial quantity and are spread across the 36 States and FCT Abuja of the Federation. Out of these, seven (7) 'strategic solid minerals are being prioritized and promoted for private sector participation and investment by the Government. The selected solid minerals are gold, coal, bitumen, limestone, iron ore, lead/zinc and barites.

The Government has developed a National Policy on Solid Minerals with the main objective of ensuring an orderly development of the mineral resources in Nigeria.

The Nigerian Minerals and Mining Regulation was introduced in 2011 to streamline procedures for granting licenses to investors (both local and foreign) and guaranteed access to mining sites with minimal encumbrances.

Some of the mining Incentives include but not limited to:

- Deferred royalty payments
- Capital allowances of up to 95% of qualifying capital expenditure
- Exemption from customs and import duties for plant, machinery and equipment for mining operations
- Three (3) to five (5) years' tax holiday as applicable; and tax concessions
- Possible capitalization of expenditure on exploration and surveys
- Expatriate quota and resident permit in respect of the approved expatriate personnel
- In addition to the above fiscal incentives, the NIPC Act 16 of 1995 allows for 100% Ownership of Investment while the Foreign Exchange Miscellaneous Act 17 of 1995, guarantees 100% Repatriation of Capital, Profit, & Dividends through authorized means.

There are tremendous opportunities for investments in the solid mineral sector in the country. Some of which are outlined below:

- a) **Iron Ore:** Nigeria currently has the 12th largest Iron ore reserves in the world. There are over three billion tonnes of iron ore found in Kogi, Enugu, Niger, Zamfara and Kaduna States.
- b) **Gold:** There are proven reserves of both alluvial and primary deposits of gold in commercial quantities spread across several parts of suprascrustal (schist) belts - in Maru, Anka, Malele, Tsohon-Birnin, Gwari-kwaga, Gurmana, Bin Yauri, OkolomDogondaji and Iperindo areas - in the northwest and southwest of Nigeria.
- c) **Bitumen:** The occurrence of Bitumen deposits in the country is estimated at about 42 billion tonnes; almost twice the number of existing reserves of crude petroleum. When fully developed, the industry will no doubt meet local requirements for road construction and also become a foreign exchange earner for the country.
- d) **Lead/Zinc:** An estimated 10 million tonnes of lead/zinc veins are spread over eight States in Nigeria. Joint venture partners are encouraged to develop and exploit the various lead/zinc deposits all over the country.
- e) **Barite and Bentonite:** There is an estimated reserve of over two million metric tonnes of barite ore scattered in different parts of the country, especially in Benue, Nasarawa, Plateau and Cross River States. Similarly, over 7.5 million tons of harite have been identified in Taraba and Bauchi States. Large bentonite reserves of 700 million tonnes are available in many States of the Federation and are available for massive development and exploitation.
- f) **Coal:** The Nigerian Coal is_ subbituminous and the most preferable owing to its low sulphur and ash content. It is also environmentally friendly. There are nearly 3 billion tonnes of indicated reserves in 17 identified coalfields and over 600 million tonnes of proven reserves. In short, there is an abundant coal deposit in the country to power the coal-power plants that can contribute up to 30% to the nation's power generation by year 2020.
- g) **Limestone:** Limestone occurrences are reported in almost all the 36 States of the Federation with extensive deposits in Sokoto, Gombe, Benue, Kogi, Edo, Oyo, Ogun and Cross River States These deposits are

supporting active lime and cement plants in the country. The resource base of the known limestone deposits is about 2.3 trillion metric tonnes with 568 million tonnes of proven reserves.

LEGISLATION AND REGULATORY FRAMEWORK

Ministry of Mines and Steel Development (MMSD) is the main overseer of mining activity in Nigeria. The Ministry is supported by technical directorates and agencies

<p>Mines inspectorate (MID)</p>	<ul style="list-style-type: none"> • Responsible for operations in exploration, evaluation, mine development and production activities. • Responsible for enforcement of mining laws and collection of revenues. • Ensure safety in operation, maintain a database of operators and production records.
<p>Mines Environmental compliance (MEC)</p>	<ul style="list-style-type: none"> • Responsible for the enforcement of environmental best practices in mining. • Establish environmental procedures and requirements applicable to mining operations and the review of all plans, studies and reports required to be prepared by holders of mineral titles. • Monitor and enforce compliance of all environmental requirements and obligations.
<p>Mining Cadastral Office (MCO)</p>	<ul style="list-style-type: none"> • Responsible for the administration of mineral titles. • An autonomous institution and the sole agency regarding all matters relating to mineral titles. • Responsible for interfacing with investors in respect of granting and processing of mineral titles. • Responsible for the maintenance of a cadastral atlas and title registers.
<p>Metallurgical Inspectorate And Raw Material Development (MIRMD)</p>	<ul style="list-style-type: none"> • Responsible for metallurgical inspectorate matters and the development of mineral raw materials for the metallurgical industry, and advises the Ministry on both. • Set up standards of steel produced in the country, in liaison with appropriate bodies.

Artisanal and Small – Scale Mining Department (ASM)	<ul style="list-style-type: none"> • Organise, support and assist small scale mining operations. • Provide extension services to mining cooperatives on exploration, exploitation, mineral processing, entrepreneurial training, environmental management. • Improve sustainable livelihood in ASM communities.
Steel and None-Ferrous Metals (SNFM)	<ul style="list-style-type: none"> • Regulate tariffs on metal commodities and products. • Monitor developments in other sectors of the economy that may have adverse effects on the metals sub-sector and recommend appropriate actions. • Ensure compliance by the metals industry operators with environmentally friendly and technically safe operation.

To provide for the promotion of research and the extension of knowledge the Ministry is supported by various agencies

Nigeria Geological Survey Agency (NGSA)	<p>NGSA is responsible for the generation of geoscience data for investors and the general public. NGSA is focused on the acquisition, management, storage, interpretation and communication of geoscience information to promote the country's resource potential and thus encourage investment in detailed mineral exploration by the private sector.</p>
Nigerian institute of Mining & Geosciences (NIMG)	<p>The institute trains the requisite manpower for the emerging mining industry. Its mandate includes the provision of postgraduate training in mining and geosciences, short courses in mining, geosciences and extension services, research and development, and consultancy services.</p>
Nigerian Metallurgical Development Center (NMDC)	<p>The institution was established to lead mineralogical appraisal and evaluation of mineral ore samples, flowsheet development, and development of both conventional and refractory products using indigenous mineral raw materials among others.</p>

National Steel Raw Materials Exploration Agency (NSRMEA)	The agency carries out the exploration of steel raw materials in all parts of Nigeria and elsewhere for the iron and steel industry. It is focused on establishing and executing a steel raw material base, including mineral resources management, monitoring, resource utilization studies and inventory in relation to the iron and steel industry.
Council of Mining Engineers and Geoscientists (COMEG)	The mandate of this institution is to regulate and control the training and practices of professionals in the extractive Industries. One of its primary responsibilities is to maintain a register of all professionals, including mining engineers, metallurgists, geoscientists and others in related fields, who are to practice the above professions within Nigeria.

MINERAL TITLE ADMINISTRATION BY MINING CADASTRAL OFFICE ABUJA

A mining title can be granted to an individual, a company or a co-operative.

License Type	Purpose	Duration
Reconnaissance Permit (RP)	<ul style="list-style-type: none"> • The holder has the right to obtain access into, enter on or fly over any land within the territory of Nigeria available for mining purpose to search for mineral resources on a nonexclusive basis. • Drilling and other subsurface activities are not permitted. • Allows the holder of the right permission to obtain and remove surface samples in small quantities. 	1 year (Renewable annually)
Exploration license (EL)	<ul style="list-style-type: none"> • To conduct exploration on the land within the area of the license • The mining activity is restricted to specified minerals 	3 years initially Renewable two Further periods of 2 years each

	<ul style="list-style-type: none"> The holder is allowed to remove, conduct bulk sampling and testing, export and sell mineral resources not exceeding established limits and the mining area is not more than 200sqkm 	
Mining Lease (ML)	<ul style="list-style-type: none"> Granted to the holder of an exploration license or small-scale mining lease, which has fulfilled the obligation of the license and has applied for a mining lease for the purpose of the explored area. 	<p>25 years initially</p> <p>Renewable every 24 years</p>
Quarry Lease (QL)	<ul style="list-style-type: none"> Quarrying under the Mining Act applies to all naturally occurring quarriable minerals, such as asbestos, Clay, fuller's earth, gypsum, marble, limestone, slate, sand, stone, gavel, etc. All of which may also be mined under the Mining Lease. 	5 years, unless renewed
Small Scale Mining Lease (SSML)	<ul style="list-style-type: none"> The holder of the lease has the exclusive right to carry out small-scale mining operations. The mining area is greater than acres but less than 3km² 	<p>5 years initially</p> <p>Renewable for further period, however not exceeding 5 years</p>

MINERAL TITLES AND LICENCES CONDITIONS

Mineral titles, with the exception of RP, are transferable under the Act, subject to the approval of the minister and registration of the transfer with the MCO

Mining Lease

Pre-grant conditions:

- Duly Completed application forms

- Pre-feasibility Report (with COMEG seal and signature)
- Prospective plan/reserve estimation
- Extant exploration license
- Evidence of financial capability
- Evidence of technical competence
- Irrevocable consent from land owner(s)/land occupiers(s)
- Attestation of non-conviction of criminal offences under the Act
- Evidence of payment of processing fee
- Certified true copy of certificate of incorporation Mineral(s) to be exploited
- Area specified to be surveyed in accordance with provisions of Survey Co-ordination Act
- Notice to land owner(s) with a response on rate to be paid

Post-grant conditions:

- Environmental Impact assessment
- Community Development Agreement. A copy to be submitted to the MCO and all relevant departments in the Ministry
- Compensation
- Mine closure/rehabilitation plan
- Reports from state bodies

Quarry Lease/small scale Mining Lease

Pre-grant conditions:

The same conditions as ML will apply with the exception of the two below:

- Prospecting plan/reserve estimation
- Extant exploration license

Post-grant conditions:

- Same as conditions under ML, Exploration License

Reconnaissance Permit

Pre-grant conditions:

- Duly completed application forms
- Description of the work area and activities to be carried out
- Attestation of non-conviction of criminal offences
- Receipt of payment of processing fee
- Evidence of technical competence
- Evidence of financial capability

Exploration License

Pre-grant conditions:

- In addition to the mining pre-grant conditions, there is a requirement to submit a detailed work programme (with COMEG stamp signature)

TAXES, ROYALTIES AND FEES

Companies involved in mining activities are assessed to tax under the company's income Tax Act (CITA), Laws of the Federation (LFN), 2007

Tax Considerations	
Name of tax	Tax rate (%)
Corporate Tax	20 or 30
Education Tax	2
Value Added Tax	5
Capital gains Tax	10
Customs duties on planet and accessories	Waived
Customs duties on other products	Varies
WHT on dividend and rent	5 or 10/7.5
WHT on qualifying vendor transactions	5 or 10, depending on the nature of the transactions
WHT on royalty paid to the government	0

REQUIREMENTS FOR INCORPORATION

There are different investment vehicles that could be used for continuing business in Nigeria. These include partnerships, unincorporated joint ventures and limited and unlimited liability companies. However, the authorized mode of investment by foreigners in Nigeria is through limited liability companies.

MINISTRY OF MINES AND STEEL DEVELOPMENT

EXCITING: NEW GOLD FINDS IN NIGERIA

Introduction:

Recent gold finds in areas outside the traditional gold belts (Schist belts) indicates the possibility of major discovery and change in the metallogenic configuration of the country. These new gold rich veins discovered in several locations across the country are located in Nassarawa, Bauchi and FCT.

Modes of gold occurrences in Nigeria are:

Alluvial and eluvial placers

Primary gold mineralization which commonly occurs in quartz

Morphologic types include bedding concordant veins or discordant vein system. Mineralized wall rocks are common adjacent to known veins and may be impregnated with fine grained sulphide minerals (Pb, Cu etc.) or as free gold.

Uke, Nasarawa State

Field report from the area indicated that **20 - 30 ounces of gold** are recovered on daily basis from the combined operations of artisanal miners and semi mechanized operators.

Gada Biyu, Toro, Bauchi State

The mineralization in Gada Biyu occasionally yields about **2g gold from 5kg** vein and wall rock material while weathered piles of bedrock materials around the mineralized area yields between **0.5-1g/t**.

Gwagwalada, FCT

The Geology of Gwagwalada area is underlain by migmatite-gneiss, banded-gneiss and granite-gneiss with occasional bodies of schist. However, field estimation suggests recoveries from the limonitic quartz vein yielding between **45g/ton to 60g/ton gold**.

NEW INFORMATION ON GOLD EXPLORATION IN NIGERIA

Preliminary follow up assessment of Gwagwalada gold mineralization the Nigerian Geological Survey Agency has shed more light on the endowments and the potentials of the country in gold mineralization.

- Geological mapping on 1:10,000 scale over three identified prospects with Au>25ppm and >10,000 in stream sediments
- Sampling of stream sediments soil and rock within the three major targets 4n in the area
- Soil sampling in grid pattern and variable but expanding density of between 50m 100m and 200m from the mineralized vein
- Ground EM (VLF) and IP along the major vein
- Analysis of over 300 samples soil samples, stream sediments and rock samples
- Trench Data

Available Data

- Geochemical Maps
- Airborne and ground geophysical data
- Analytical data
- Reports

Federal Republic of Nigeria

Ministry of Mines & Steel Development

Iron Ore

Exploration and investment opportunities in Nigeria

Reserve Size and Characteristics:

Reserve: Proven (27.15 million tonnes)

Iron Ore Type: Limonite, Magnetite, Hematite

Lead-Zinc and Lead Gold-Silver-Copper

Exploration and investment opportunities in Nigeria

Lead mineralization in Nigeria occurs in two contrasting geological setting and mineralization styles. These are:

- Mississippi Valley Type (MVT) lead-zinc mineralization hosted in the sedimentary Rocks of Middle and upper Benue Trough
- Lead-Gold-Silver and Copper veins found in the Basement Complex rocks.
- Investigation in one of the identified Pb-Au-Ag-Cu districts yielded a median resource size of 360-810,000 tonnes at 17 to 21% Pb, 10 to 12g/t Ag and 0.1 to 0.13% Cu

GRAPHITE IN NIGERIA

Exploration and investment opportunities in Nigeria

Introduction:

Graphite occurrences has been reported in several parts of Nigeria, (Sama Barkono and Dutsen Haiyar, in Bauchi State, Saulawa, Birnin Gwari in Kaduna states, Mayo Butale Adamawa state and Gayama Taraba state, but there is relatively little or no information about exploration on these deposits. Artisanal mining has been reported in some of these areas. However, there has not been any documented exploration reports on any of these occurrences. Furthermore, reports indicated that the Saulawa area in Birnin Gwari has been worked on in the past by artisanal miner where a truck load of the material was carried to an unknown destination. Also, analytical results of samples from Sofon Birnin Gwari area indicated that the graphitic carbon content is within the range of **4.5-9.4%**

Geochemical Characteristics

Graphite Resource Estimate; Pre drilling data **0.77 million tonnes** in the investigated area.

TIN, LITHIUM AND CARBONATE ROCKS IN NIGERIA

EXPLORATION AND INVESTMENT OPPORTUNITIES IN NIGERIAN COAL PROJECTS

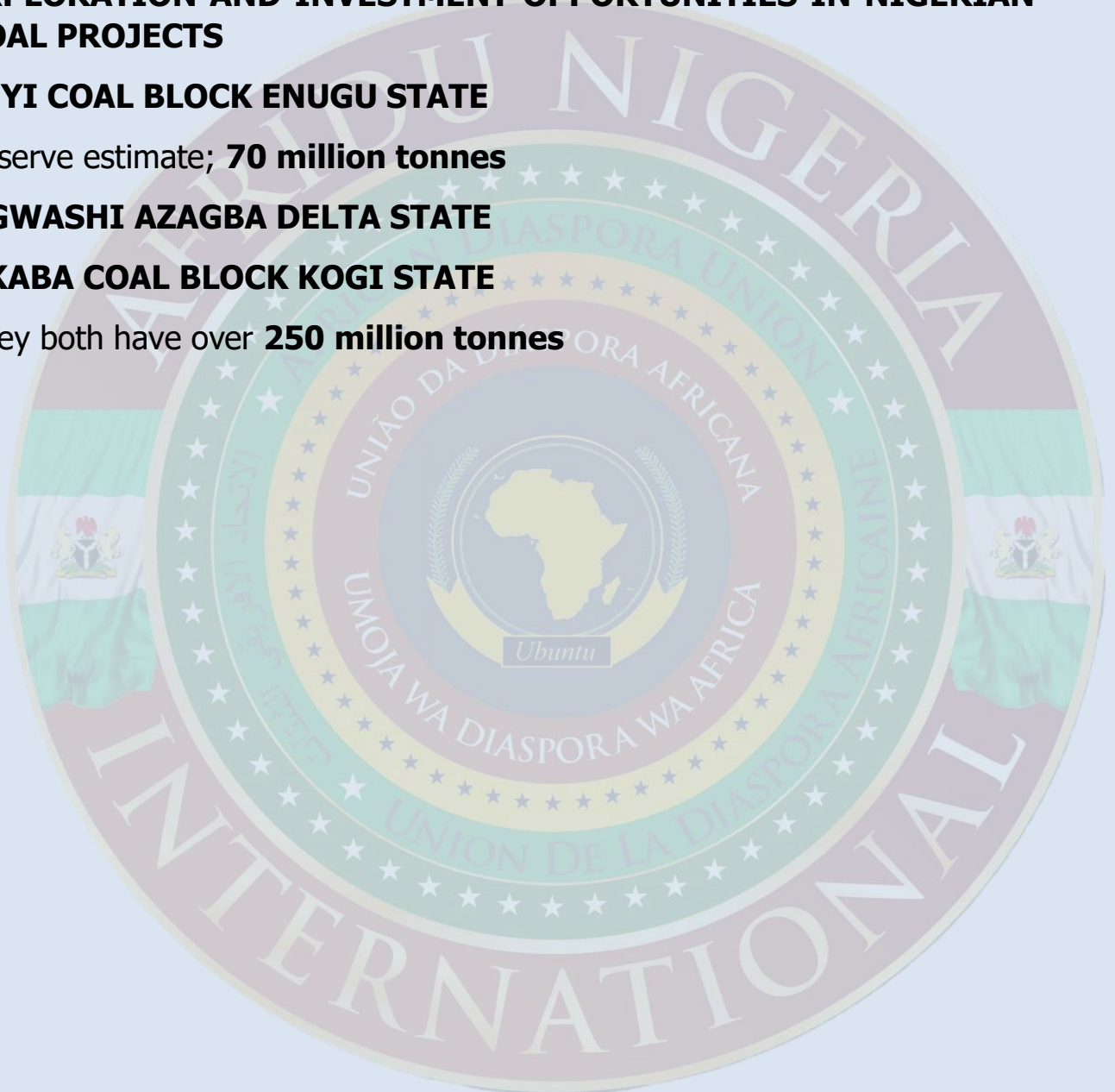
INYI COAL BLOCK ENUGU STATE

Reserve estimate; **70 million tonnes**

OGWASHI AZAGBA DELTA STATE

OKABA COAL BLOCK KOGI STATE

They both have over **250 million tonnes**



AGRICULTURE

The Agricultural Sector is the most important non-oil economic activity in Nigeria; it is also the single largest employer of labor force (65 percent) and contributed 22.90% to Gross Domestic Products (GDP) in 2014.

Despite the fact that 60% of Nigeria's populations are farmers, Nigeria still imports what it can produce in abundance. Import dependency is hurting Nigerian farmers, displacing local production and creating rising unemployment. Nigeria imports over \$11 billion in rice, sugar, wheat, and fish every year; and the food imports are growing at an unsustainable rate of 11% per annum. The Federal Government of Nigeria has taken steps to cut down on its importation and increase local production. Hence, the government is implementing a full value-chain approach, from farm to table; as well as a private sector-driven agribusiness sector.

RICE

The dry land and floodplains soils of the North are particularly favourable for rice cultivation, but rice is grown in every region in Nigeria. Given its labor resources and natural conditions, Nigeria is well-positioned to produce large quantities of rice. Domestic demand for rice is projected to grow to over 8 million metric tons by 2020. If imports continue to be used to meet demand, it will cost Nigeria around ~US\$3.5 billion by 2020 per year. This provides an ample investment opportunity in the rice subsector to boost local production. In the rice value chain, there are about 3,000 ha of commercial rice farm with guaranteed market; a capacity of up to 30,000 MT/year of large-scale commercial rice mill; and an integrated rice mill with 3,000 ha of commercial farm and a 3,000 MT/year capacity of commercial mill.

WHEAT

Nigeria remains a huge import market for wheat.

It currently imports 4 million metric tons of wheat, spending about \$4 billion on the commodity every year — a figure expected to reach \$10 billion by 2030. Government is looking into the local production of wheat in the less expensive rain - fed conditions, especially in the highland areas of the country such as the plateaus of Mambila, Jos and Obudu, as the Lake Chad Research Institute of Nigeria has released new high yielding tropical and

heat tolerant wheat varieties. With the tropical wheat varieties that are presently available in the country and at the high yields being obtained, it is profitable and economically viable to produce wheat in Nigeria.

Nigerians are predicted to consume over 10 million metric tons of imported wheat to satisfy their growing demand for nontraditional foods like pasta, noodles, and bread. Consumption patterns are changing in line with the strong growth of the middle class.

TOMATO

Nigeria is the biggest tomato producer in Sub-Saharan Africa and the 14th largest tomato producer globally. The deep loamy soil of the Northern part of the country is particularly favourable for tomato cultivation. Although Nigeria has significant demand for processed tomatoes, almost half of tomato paste is currently imported from international locations such as China and Italy. The government is actively working to ensure sufficient raw materials for processors by implementing initiatives to improve yields, support access to inputs, facilitate effective post-harvest handling, and coordinate farmers into efficient out-grower schemes.

As a result of low yields from poor harvesting techniques (as post-harvest losses of tomatoes can sometimes be over 50%), there is a great investment opportunity in improving harvesting techniques and packaging. In addition, there is a promising investment Opportunity in domestic processing of tomato paste and concentrate. Demand for processed tomatoes is on the rise from both end-consumers as well as manufacturers. Tomato paste demand is estimated at 200,000 Tons with 10-15% growth per annum. A growing market and significant profit potential make tomato processing a commercially viable and attractive opportunity.

CASSAVA

Nigeria is the largest producer of raw cassava in the world. Nigeria is facing significant future demand for processed cassava with the cassava with the cassava sector projected to reach \$8.5 billion in value by 2020.

There is a huge market for local processing of cassava products whose estimated internal Rate of Return is about 40 – 50%

DAIRY PRODUCTS

Beef

Nigeria has 19 million herds of cattle in 15 states (with over 500,000 herds of cattle in each state). It has 54% of total land area under pasture and supplementary feeds available in forest areas.

Beef is a priority value chain that the government is taking clear steps to transform, end-to-end. The Nigerian government is strengthening the policy and investment climate to attract private sector investment and improve sector competitiveness. Policies are being developed to ensure a conducive business environment for investors.

The domestic market opportunity for beef is large and growing with an estimated market size of over US\$400 million.

Milk

The milk sub-sector is the largest in the dairy-products industry and accounts for an estimated 61% of the industry's turnover. The potential for the milk business in Nigeria is huge and remains largely untapped. Nigeria, with a population of over 170 million and an annual milk demand of roughly 1.5 billion litres, produces less than 5% of its milk locally. As a result of the huge gap between Nigeria's high and rising milk consumption demand and its low milk production, it spends significant amounts to import milk from other countries. The country spends more than \$200 million on milk imports annually.

FISHERIES

The increasing demand for fish is being driven by a rising middle class and changes in the Nigerian diet. This is resulting in a strong supply response from the fishing industry. The majority of demand is met by imports, making Nigeria the largest importer of fish in Africa. Local fish production is about 700,000 tons per year, caught in inland rivers and lakes, or farmed, which is less than half of local consumption.

Nigeria is endowed with large inland water resources, and fishing represents an important source of employment and income for Nigerians (predominantly in rural areas, with an estimated 1 million households involved).

Nigeria is the fifth largest aquaculture producer in the world after the US, Thailand, Indonesia, and Malaysia. Even more, aquaculture is the fastest growing source of domestic fish supply (almost 50 percent growth in volume since 2007).

Demand for fresh fish has exceeded supply with little room to increase the catch from rivers and lakes, the only realistic way to increase supply is through fish aquaculture.

Aquaculture fish production is growing at more than 20% per year and presents a significant opportunity with gross margins estimated over 20%. There are attractive investment opportunities throughout the fish value chain.

Fish feed processing is commercially attractive given the high demand and insufficient domestic supply.

FRUITS

Fruit juice demand in Nigeria is growing at over 10% per annum. Nigeria has a comparative advantage to produce fruits relative to other African countries.

Nigeria has a favourable weather condition: humid tropical climate conducive for a variety of fruits, such as, citrus fruits, pineapples, mangoes, watermelon, etc. In addition, the 279 billion cubic meters of surface water and a potential irrigable area of 3.14 million hectares is an added advantage for the Fruits sub-sector.

There is a huge market for fruit concentrate processing in Nigeria. Pineapple is the 2nd most popular concentrate used by Nigerian drink manufacturers and Nigeria is the 8th largest global producer of pineapple.

There is a large opportunity in processing pineapple concentrate.

The large number of fruit juice and drink manufacturers in Nigeria provide a ready market for domestic concentrate. Currently over 95% of fruit concentrate used in fruit juices are imported. In addition, the country's

competitive landscape shows significant room for additional domestic concentrate producers.

AGRIBUSINESS:

- Manufacturing and distributing of farm equipment and supplies.
- Processing, storage, and distribution of farm commodities
- **Great opportunities are available in the country in food processing value chain of rice, sugar cane, yam, cocoa, cashew, sweet potatoes, garri, tiger nuts, melon, beans, processing and packaging. We need Logistic Companies.**

SERVICES

Telecommunication And Information Technology

Nigeria is the largest telecommunication market in Africa and the Middle East, with more than 140 million active telephone subscribers in 2015. Like other developed economies and emerging markets, mobile subscribers accounted for over 99% of this total. The key players in this sub-sector are MIN, Airtel, Globacom and Etisalat.

Nigeria has been able to achieve a threshold of 101.45 tele-density, however, the data market still has a gap of about 98%.

In the past five years, nation has grown to become one of the largest and most vibrant markets for ICT products and service in Africa, with an ecosystem that ranges from software start-ups to infrastructure firms. According to Google statistics, Nigeria is now more of a software producing country than software consuming country, this implies that most of the software used in Nigeria are developed locally. The Federal Ministry of Information Technology recently confirmed that the nation accounts for 29% of the total internet usage in the continent and this figure is expected to rise over the years as trends of e-platform is taking over the commercial system of the country, thereby making Nigeria a big market in the data market.

Business Processing Operation:

With most of the telecoms in the country outsourcing their call center operations, Business Processing Operation (BPO) has taken off in Nigeria.

Recent studies have shown that Nigeria is the next major destination for BPO after India and the Philippines. Government has realized the potentials BPO in the economy and has put in place relevant policy and regulatory environment in place to enhance the confidence of service providers and industries willing to use the country as a BPO destination

POWER SECTOR

Nigeria remains the most competitive destination with huge untapped resources in power generation, distribution and transmission. Currently, access-to-power is limited to only approximately 55.6% of the Nigerian population and power supply averages 3, 500MW versus a suppressed demand that is estimated at 10,000 MW daily. The Federal Government's target is to achieve up to 75% access to electricity by 2020 by connecting an average of 1.5 million households annually.

Nigeria with about 3,500 MW of electricity became the giant of Africa; with a projected 40GW of electricity Nigeria is open to lots of investments.

3.1. Solar Energy

Nigeria is well placed to exploit its abundant solar energy resources considering its geographic location around the equatorial sun-belt. The country receives abundant sunshine all] year round ranging from 6.70kwh/m²/day in Borno State to roughly 4.06kwh/m²/d to 5.86kwh/m²/d in locations such as Calabar in Cross Rivers State. This level of solar radiation across the country can support huge deployment of solar power infrastructures designed to primarily feed into the regional power distribution entities.

3.2. Biomass

Biomass, as a source of energy, has been, and remains, a principal method for cooking, drying and heating in Nigeria. Through adequate funding and research, the biomass resources can be used to supply clean energy and materials.

The biomass resources of Nigeria include wood fuels and by-products from crops such as forage grasses and shrubs, rice husks, and animal wastes and wastes arising from forestry, agricultural, municipal and industrial activities, such as saw-dust, as well as aquatic biomass.

3.3. Wind

Nigeria's annual average wind speed at 10m heights varies from about 2 m/s in the coastal areas to about 4 m/s in the far north. At 50 meters, the range is between 2m/s to 8m/s. Investment opportunities exist in construction of wind energy for rural electrification.

3.4. Gas to Power

Nigeria has proven reserves of well over 5 trillion m³, the largest proven gas reserves in Africa and 7th world largest. It has the high-grade quality; 0% Sulphur and rich in natural gas liquids. With gas reserves far greater than the oil reserves, gas not only has the potential to power Nigeria for the next 50 years and beyond, it also offers a comparably cheaper and cleaner way of generating energy. The nation's gas agenda is robust. It puts gas-to-power at the core, but also envisions an aggressive gas based industrial growth. This in turn will drive further growth of power demand. A lot of investment opportunities abound in the natural gas sector of the Nigerian petroleum industry.

Special Incentives for Power Sector Investors Include:

- Zero (0%) duty on power generation equipment
- 20% capital allowance for 5 years
- Three years tax holiday for manufacturing activities (additional two years for renewables)
- Cost Reflective Gas pricing mechanism
- Huge market with abundant opportunities for investors.
- Purely private sector driven
- Extensive gas infrastructure facilities
- Efficient and effective regulatory authority

- Cost Reflective tariff for electricity

Existing Investment Opportunities in the Power Sector include:

- Expansion of existing facilities in generation, transmission and distribution
- Manufacturing of wires, cables, transformers and other auxiliary equipment
- Building new Integrated Power Plants (IPPs) greenfield
- Production and distribution of metering devices
- Provision of operations and maintenance services

EXTRACTIVE SECTOR:

8.1 Oil & Gas

Nigeria holds 2.2% of world's crude oil reserves and 2.7% of gas. The significant hydrocarbon reserves provide the foundation for Nigeria to build competitive oil and gas driven industries. Specifically, the Federal Government has decided to utilize its cheap and abundant gas to revitalize the industries, and encourage high value-added downstream investments. The sub-sectors in focus are: fertilizers, refineries, petrochemicals, methanol, plastics, and mineral deposits.

8.1.1 Fertilizer

Nigeria has about 20kg fertilizer usage per hectare, on the average, the country lags behind other countries in Africa like South Africa and Egypt that use over 100kg/hectare. There is therefore, a huge opportunity for investment in fertilizer production. The raw materials essential for fertilizer production are in abundance in the country. The market for fertilizer in Nigeria is very huge, sustainable and is second only to petroleum products. It is important to note that over 80% of the fertilizers consumed in the country are imported.

8.1.2 Refinery

The four refineries owned by the Federal Government, have total capacity of 445,000 barrels per day (bpd). But historically, their capacity utilization rate has been very low (around 30 per cent), and are far from being able to

address domestic demand. According to NNPC, domestic output meets only 9% of daily petrol consumption, 24% of dual-purpose kerosene use and 28% of automotive gas oil consumption, with the rest imported from abroad.

The country still relies on imports for some 86% of its aggregate consumption of more than 50 million liters per day. The target of the government is to raise the refining capacity from the current 30% to 40% to over 80%, and eventually attain self-sufficiency in refinery of crude oil. As a result, government has granted licenses for a number of new small-scale private refineries in recent years, but very little processing capacity has been attained.

Recent Studies by stakeholders in the industry have revealed that a new refining capacity of at least 420,000 BPD would be required to meet the existing refining gap. Nigeria is the largest market in Africa and it offers unique opportunities for investment in refining, storage, transportation, distribution and marketing of petroleum products.

8.1.3 Petrochemical

Nigeria has just two petrochemical companies (Indorama Eleme Petrochemicals Company Limited and Notore Chemical Industries Plc.). The small number of players in this sector provides a huge investment gap in the subsector. There are a lot of investment opportunities in the upstream and downstream sectors.

INFRASTRUCTURE

One of the major development problems in Nigeria is infrastructure deficit. This shows that investment of about US \$3.0 trillion is required over a period of 30 years (2014 - 2043)

This means the sector needs an investment of about US\$100 billion per year for:

- **Energy: US\$33billion**
- **Transport: US\$25.8 billion**
- **Agriculture, Water & Mining: US\$13 billion**
- **Real Estate & Housing: US\$11.7 billion**
- **ICT: US\$10.8 billion**
- **Social Infrastructure & others: US\$6.7 billion**

SOCIAL SERVICES:

5.1 Medical Tourism

Government at various levels has been doing so much to provide the modern facilities to enhance healthcare delivery system in the country. Nevertheless, the issue of medical tourism, is burning, as over 30,000 Nigerians travel abroad and spend a huge sum of foreign exchange (about US \$1.0 billion) annually on Medical Tourism.

5.2 Education

The Government has made huge investments in the education sector with respect to the development of infrastructure needed for educational agencies to achieve their mandates. However, given the growing young population (60%), one of the fastest in the world, there is huge opportunity for private investment in providing infrastructure (on public private partnership), schools development, manufacture of educational equipment, library facilities, etc.

5.3 Sports and Recreational Facilities

Nigeria is a sport loving and active participating nation. It is one of the football leading nations in the world (having won the Under 17 World Cup a record five times), Sports development, administration and practice in the country have since evolved into a big commercial venture and employer of labour. The Sports policy is aimed at ensuring that government pursues development, management and maintenance of sporting infrastructure through the Public-Private Partnership (PPP) model and private initiatives.

5.4 Solid Waste Management

As a result of industrialization and rapid population growth in many cities and towns in Nigeria, wastes are generated faster than they are collected, transported and disposed. Solid Waste Management remains one of the most daunting environmental sanitation challenges facing the country today. Consequently, the Government is set to achieve a clean and healthy environment for all people living in the country, requires partnership with the private sector in this regard.

Accordingly, there is huge opportunity for private investment (on public private _ partnership) in providing infrastructure on _ the disposal methods such as dumping sites, incineration, recycling, and home garbage disposal, Again, in the newer advanced disposal methods, such as pyrolysis, biodegradable containers and biodegradation.

TOURISM AND ENTERTAINMENT:

The Nigerian Tourism industry has perhaps a greater potential than any other single industry, due to its multiplier effects to support economic growth and job creation. The prevalence of several natural and historic tourist sites adds to the sectors potential to attract investors and generate revenue for the country when fully developed. Two of these sites; - Sukur World Heritage site at Adamawa and Osun Sacred Grove are already in the prestigious UNESCO World Heritage list.

In addition, the entertainment subsector particularly the film industry (Nollywood), is the third largest in the world, currently contributes over two percent (2%) to gross _ domestic product (GDP) with vast potential for expansion.

Tourism investment atmosphere in Nigeria is conducive given the abundant resources available; large market, entronement of enduring democracy, and a package of incentives put together by Government.

AUTOMOTIVE INDUSTRY

Nigeria currently imports about 400,000 vehicles into the country every year, made up of 100,000 new cars and 300,000 used cars. The total import bill was estimated at about US\$3.5 billion in 2012 excluding the costs of vehicle parts, making this sector the 2nd largest user of Nigerian foreign exchange. In addition, about 10 million cars currently exist on the country's roads, creating a huge market for local parts and accessories manufacturing and replacements.

The Automobile Sector is a key component of the Nigerian Industrial Development Plan. This is with a view to enhancing the industry's contribution to the national economy (from 7% today to 13% by 2017), especially in the areas of transportation of people and goods.

There are currently investment opportunities in the following sub-sectors; original equipment manufacturer (OEM) assembly operations, welded parts, electronics, radiator, cables, filters, brake pads/linings, windscreens, 'side glasses, fiber-glass parts, paints, glass works, upholstery leather works, cast and machined parts, as well as plastic works.

Packaging

It has been established that Nigeria's packaging industry accounted for 12 per cent of the \$4 billion recorded by Middle East and African markets in the last five years. One reason attributed to the steady rise is the urbanization rate.

In 2012, the United Nations Organisation (UN) put Nigeria's urbanization rate at 51%, suggesting that over 80 million people lived in the cities. Currently, the UN says this number is growing at an annual rate of 3.5%.

Packaged foods have increased in demand following the 40 per cent growth of organized retail outlets evidenced in the past five years. The Nigerian plastic sector is expected to grow at 7% over the next 10 years.

Pharmaceuticals:

Nigeria is one of the most promising and rapidly growing pharmaceutical markets in West Africa with more than 150 pharmaceutical formulation - manufacturing facilities. The Pharmaceutical industry is growing at 13 % annually. The estimated market size was \$1.28 billion in 2013 compared to Pakistan's \$2.1 billion and South Africa's \$3.9 billion. About 60% of drug manufacturing in the ECOWAS subregion takes place in Nigeria, underlining the huge sub regional market.

The pharmaceutical manufacturing sector of the country contributes to the nation's building with aggregate investments in excess of US\$1.0 billion, including taxes and other tariffs and employing over 600,000 persons.

TEXTILE, APPARELS AND LEATHER

Nigeria has a large cotton base and the commodity is grown in 26 out of the 36 States in the country. Government has put in place a policy to stimulate and support sustainable value addition along the entire cotton, textile and garment value chain. The policy is aimed at turning around the sector to

create jobs and wealth for Nigerians, enable technology transfer, product up-gradation and diversification through innovation leading to an increase in exports and economic growth for the country. Furthermore, it is to improve the capacity of production, marketing and

competitiveness of the players across the entire value chain.

There is also the scope to export Nigerian textiles and apparels to other markets, especially to the USA under the African Growth and Opportunity Act (AGOA). The industry which started declining from 2003 has resulted in Nigeria spending over US\$2 billion annually on imported goods. Recent figures from the Manufacturers

Association of Nigeria (MAN) revealed that the capacity utilization in this sector has increased tremendously from 29.10%

in 2010 to 49.70% in 2011 and currently sits at 50.2%.

Leather Industry:

Nigeria's Leather industry has only few large industrial manufacturers, and currently exports about US\$600 million of leather products. The major leather players are located in Kano and Abia States. With the Textile Intervention Fund, Federal Government is poised to support both the existing players to expand their current levels of operation and for leading foreign brands to set up manufacturing units in the country.

INVESTING IN NIGERIA: LEGISLATION AND PROCESSES

Nigeria is the top recipient of FDI in Africa with GDP rate that averaged more than 5% over the last decade. This followed a deliberate attempt by government to liberalize the business environment to accommodate the private sector as the engine of growth while government remains the enabler. This is in addition to an attempt to diversify the economy to accommodate critical non-oil sectors with FDI as the major source.

The primary legislation governing investments in Nigeria is the NIPC Act No. 16 of 1995, with other supportive laws and policies to ensure a sustainable conducive business environment. Nigeria has established a one-stop-shop (OSIC) to smoothen the pathway for incoming Investors.

12.1 The NIPC Act:

- Repealed series of hitherto laws that imposed strict control on foreign investment. Notably: The Industrial Development Coordination Committee Decree No. 36 of 1988 and the Nigerian Enterprise Promotion Decree of 1972
- Establishes the legal foundation for a very liberal and open investment framework. It is a cross-sectoral legislation that aims to encourage inflow of foreign investments in all sectors of the economy.
- Allows foreigners to invest and participate in the operation of any Nigerian enterprise without any restriction.
- Allows 100% foreign ownership of firms. However, in the oil and gas sector, investment stays limited to joint ventures or production-sharing agreements.
- Allows repatriation of profits/dividends to home country in any convertible currency.

We are going to have Interministerial Committee to look at all the variables on the table.

All Ministries and State Governments will bring what they have on the table for deliberation and discussions towards the ARFRIDU Investment Project Summit which will take place.

The key ministries and sector focus are.

- Ministry of Trade Industry Departments and Agencies
- Ministry of Mines and Steel Development Departments and Agencies
- Ministry of Agriculture Departments and Agencies
- Ministry of Justice
- Ministry of Power Departments and Agencies
- Ministry of Petroleum Departments and Agencies

- Banks and Insurance, Mortgage Insurance Bank Private Sector Driven Participants, Miners Association, Nigerian Oil and Gas, Association of Farmers, Nigerian Chamber of Commerce
- State Governors and their Commissioners
- Ministry of finance Departments and Agencies
- Ministry of Foreign Affairs Departments and Agencies
- Ministry of Interior Departments and Agencies (Immigration)
- Ministry of Education Departments and Agencies
- Ministry of Transports Departments and Agencies (Aviation, Deepsea Port, Maritime, Inland Water Ways)
- Ministry of Housing and Urban Development Agencies and Parastatals (Estate Developers)
- Ministry of Health its Agents and Parastatals
- Ministry of Water Resources Department of Agencies
- Distinguished Senators and House of Representative Members, and their Chair's of Various Committees concerned in the above Ministries
- Captains of Industries will be invited e.g., Dangote Group of Companies, BUA, Golden Penny Company etc.

e) Matchmaking objectives and how you want to establish connections with end users of your product:

f) Markets of interest within Nigeria and other African Countries to Showcase your Products

It should be noted that there is going to be an AFIRDU pre-investment summit forum in Abuja sometime in the month of June or July 2024 in collaboration and involvement of Inter-Ministerial Committees, African Embassies and International Organization, CEOs of Private Sector Companies. In this vein, that is why we have prepared this form to matchmake your request with the Nigerian Investors and Government Parastatals