

A BILL

FOR

AN ACT TO PROVIDE A LEGAL FRAMEWORK FOR THE ESTABLISHMENT OF COMMERCIAL AND INDUSTRIAL DEVELOPMENT AUTHORITY WHICH SHALL PROVIDE DESIGNATED AREAS FOR INDUSTRIAL ESTATES, PARKS, CLUSTERS, ENTERPRISES ZONES AND INCUBATORS IN EACH ZONE OF THE COUNTRY; PROVIDE FOR THE ESTABLISHMENT, DEVELOPMENT OR MAINTENANCE OF INDUSTRIAL UNDERTAKING AND INCENTIVES TO INDUSTRIALIST AND FOR RELATED MATTERS

Sponsored by Hon. Mike Etaba

[] Commencement

BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

PART 1 - PRELIMINARY PROVISIONS

- 1 1.-(1) The Minister shall by order provide that any undertaking Service industry
2 engaged in the provision of a service specified in the order shall be a service
3 industry for the purposes of this Act.
- 4 (2) An order under subsection (1) in relation to a banking service
5 shall not be made except after consultation with the Minister for Finance.
- 6 2.-(1) Subject to subsection (3), each of the areas set out in the Designated areas
7 Third Schedule and any area which the Minister, with the consent of the
8 Minister for Finance, by order declares to be a designated area shall be a
9 designated area for the purposes of this Act.
- 10 (2) An order under subsection (1) may declare an area to be a
11 designated area for such period as is specified in the order.
- 12 (3) The Minister may, with the consent of the Minister for Finance,
13 by order terminate the designation of any area, or part thereof, as a
14 designated area.

Remission rates 1 3.-(1) A local Government may, if they think fit, remit two-thirds of a
2 rate leviable by them in respect of premises to which this section applies.

3 (2) The remission shall, subject to subsection (3), have effect in
4 respect of the financial year in which the premises for the industrial
5 undertaking is first rated and in respect of each of the next nine local financial
6 years.

7 (3) If, in any local financial year, the Authority certifies that the
8 undertaking has failed to observe the terms upon which the premises were
9 provided, the remission shall not have effect in respect of the local financial 3
10 year.

11 (4) A remission shall not be granted more than once in respect of the
12 same premises.

13 (5) This section applies to premises which:

14 (a) are certified by the Authority to have been provided for an
15 industrial undertaking either by the Authority or by means of a grant made by
16 the Authority, and

17 (b) are situate in an area which at the time of the provision of the
18 premises was a designated area under a repealed enactment or is a designated
19 area under this Act.

Triennial review
of national
industrial
performance 20 4. The Minister shall, in every three years prepare a review of
21 national commercial and industrial performance in respect of the commercial
22 and industrial development from the six zones, and shall cause the review, and
23 the conclusions arising from such review, to be laid before each House of the
24 National Assembly.

Orders 25 5.-(1) The Minister may by order revoke or amend an order made by
26 him under any provision of this Act other than section 1.

27 (2) An order made under any provision of this Act shall as soon as may
28 be after it is made be laid before the National Assembly.

Expenses 29 6. The expenses incurred by the Minister in the administration of this
30 Act shall, to such extent as may be sanctioned by the Minister for Finance, be

1 paid out of moneys appropriated by the National Assembly.

2 PART II - ESTABLISHMENT OF THE COMMERCIAL AND INDUSTRIAL

3 DEVELOPMENT AUTHORITY

4 7.-(1) There shall be established a body to be known as the
5 Commercial and Industrial Development Authority shall perform the
6 functions specified by this Act.

Establishment of
the Industrial
Development
Authority

7 (2) The Authority in the exercise of its powers and functions shall
8 be responsible to the Minister.

9 8.-(1) Subject to the provisions of this Act, the Authority shall be an
10 autonomous body with the following functions:

Functions of the
Authority

11 (a) to act under the Minister as a body having national
12 responsibility for the implementation of commercial and industrial
13 development policies of Nigeria;

14 (b) to provide and administer such grants and other financial
15 facilities for commercial and industrial development as it may be authorized
16 by the National Assembly to provide and to administer;

17 (c) to initiate proposals and schemes for submission to the Minister
18 for the creation and development of commercial and industrial Estates,
19 Parks, Clusters, Enterprises Zones in Nigeria and the provision and
20 maintenance of commercial industrial employment;

21 (d) to provide, develop, construct, alter, adapt, maintain and
22 administer industrial estates and factory buildings together with the
23 associated facilities of such commercial and industrial estates and buildings;

24 (e) to foster the national objective of African Sub-regional
25 commercial and industrial development;

26 (f) to survey possibilities of further commercial and industrial
27 development and advise the Minister thereon;

28 (g) to advise the Minister on steps necessary and desirable for
29 establishing new industries and for the expansion and modernization of
30 existing industries;

1 (h) to give on request advice and guidance to persons contemplating
2 starting new industry or expanding existing industry;

3 (i) to provide such assistance of a technical or advisory nature to
4 developing countries as the Minister may consider appropriate; and

5 (j) to advise on any matter relating to industrial development referred
6 to it by the Minister.

7 (2) The Authority shall, in the exercise of its functions, act in
8 accordance with policies set out for it from time to time by the Minister.

9 (3) The Authority may in the exercise of its functions have regard to
10 the extent to which an industrial undertaking will serve to promote national
11 objectives for regional development.

Delegation of
functions

12 9.-(1) The Authority may, without prejudice to its general
13 responsibilities under this Act, perform any of its functions through or by any
14 of the members of its staff duly authorized by the Authority in that behalf.

15 (2) The Authority may, without prejudice to the generality of the
16 foregoing, delegate its grant making powers to a board or committee
17 constituted by the Authority or to any of its members or to any member of the
18 staff duly authorized by the Authority in that behalf.

19 (3) The Authority may, as it thinks proper, from time to time constitute
20 boards or committees for the purposes of this section and dissolve any such
21 body.

22 (4) Membership of a board or committee may include persons who
23 are not members of the Authority or its staff.

Directives to
the Authority

24 10.-(1) The Minister may give the Authority such general policy
25 directives as he considers appropriate having regard to the provisions of this
26 Act.

27 (2) A directive under subsection (1) shall not apply to any individual
28 industrial undertaking or to giving preference to one area over others in regard
29 to the location of an industrial undertaking otherwise than as part of a general
30 review of industrial policy for the country as a whole indicated in the directive.

1 (3) The Minister shall cause any directive given by him under
2 subsection. (1) to be laid before each House of the National Assembly within
3 twenty-one days after it has been so given.

4 (4) The Authority shall comply with any directive given to it under
5 this section and shall set out the directive in its annual report and shall
6 include in its annual report an account of the actions which it has undertaken
7 to give effect to the directive.

8 11.-(1) In each financial year there may be paid by the Minister to
9 the Authority out of money appropriated by the National Assembly, grants
10 of such amounts as the Minister, with the consent of the Minister for
11 Finance, may sanction to enable the Authority:

Grants to the
Authority

12 (a) to meet its administration and general expenses, and

13 (b) to discharge the obligations or liabilities incurred by the
14 Authority under this Act.

15 (2) In relation to a guarantee under this Act in money in a currency
16 other than the Nigerian currency of the amount of the guarantee shall be no
17 greater than the equivalent in currency of the State, at the time of the giving
18 of the guarantee, of the amount so guaranteed.

19 12.-(1) For the purpose of providing or facilitating the provision of
20 sites or premises for the establishment, development or maintenance of
21 commercial and industrial undertaking the Authority may:

Provision of sites
and services by
the Authority

22 (a) acquire any land either permanently or temporarily and either
23 by agreement or compulsorily;

24 (b) acquire (either permanently or temporarily and either by
25 agreement or compulsorily) any easement, way-leave, water-right or other
26 right whatsoever over or in respect of any land or water;

27 (c) terminate, restrict or otherwise interfere with (either
28 permanently or temporarily and either by agreement or compulsorily) any
29 easement, way-leave, water-right or other right whatsoever over or in
30 respect of any land or water;

1 (d) construct, adapt and maintain buildings and other works;
2 (e) provide services and facilities in connection with land;
3 (f) sell, lease or otherwise dispose of land vested in it;
4 (g) make grants to aid persons to:
5 (i) acquire land,
6 (ii) construct and adapt buildings and other works, and
7 (iii) provide services and facilities in connection with land;
8 (h) do any act or thing which may be necessary for or incidental to the
9 doing of anything which the Authority is by the preceding paragraphs
10 authorized to do, if the Authority:

11 (i) considers that industrial development will or is likely to occur as a
12 result, and

13 (ii) is satisfied that the undertaking conforms or will conform to the
14 criteria set out in subsections (3) and (4) of section 21 or section 25 (2).

15 (2) The provisions of the Second Schedule shall apply to the exercise
16 by the Authority of its powers under this section.

Exemption from
stamp duty

17 13. No stamp duty shall be payable on any instrument under which
18 any land, easement, way-leave, water-right or other right whatsoever over or in
19 respect of the land or water is acquired by the Authority.

Authority's power
to accept gifts

20 14.-(1) The Authority may accept a gift of money, land or other
21 property on such trusts and conditions as may be specified by the donor.

22 (2) The Authority shall not accept a gift if a condition attached by the
23 donor to the acceptance of the gift is inconsistent with the functions of the
24 Authority.

Temporary
borrowing

25 15.-(1) The Authority may, with the consent of the Minister given
26 with the concurrence of the Minister for Finance, borrow temporarily by
27 arrangement with bankers or otherwise such sums as it may require for the
28 purpose of providing for current expenditure.

29 (2) In this section "current expenditure" includes expenditure by the
30 Authority in the exercise of any of its functions, whether of an administrative or

1 of a capital nature.

2 16. The Authority may, out of money at its disposal, from time to
3 time engage such consultants or advisers as it may consider necessary for the
4 discharge of its functions.

Authority's
power to engage
consultants and
advisers

5 PART III - INDUSTRIAL INCENTIVES

6 17.-(1) The Authority may make a grant, on such terms and
7 conditions as it thinks proper, towards the cost of fixed assets of or for
8 commercial and industrial undertaking to which this section applies.

Authority's
general grant
making powers

9 (2) The amount of a grant under subsection (1) shall not exceed 60
10 per cent of the cost of the fixed assets in the case of an industrial undertaking
11 in a designated area or 45 per cent of the cost of the fixed assets in the case of
12 an industrial undertaking elsewhere than in a designated area.

13 (3) This section applies to an industrial undertaking in respect of
14 which the Authority is satisfied that it:

15 (a) will produce products for sale primarily on world markets, in
16 particular those products which will result in the development or utilization
17 of local materials, agricultural products or other natural resources;

18 (b) will produce products for sectors of the Nigerian and
19 international market which are subject to international competition; or

20 (c) is a service industry as specified by the Minister by order under
21 section 3.

22 (4) The industrial undertaking shall also satisfy the Authority that:

23 (a) financial assistance is necessary to ensure the establishment or
24 development of the undertaking;

25 (b) the investment proposed is commercially viable;

26 (c) it has an adequate equity base;

27 (d) it has prepared a suitable company development plan; and

28 (e) it will provide new employment or maintain employment in the
29 Country that would not be maintained without assistance given under this
30 Act and increase output and value added within the economy.

1 (5) (a) The Authority may, in the case of small industrial undertakings
2 as defined from time to time by the Minister, make a grant on such terms and
3 conditions as it thinks proper in respect of any additional person employed in
4 such an undertaking;

5 (b) A grant under this subsection shall be subject to such financial
6 limits and such other terms and conditions as may from time to time be
7 specified in a scheme governing the making of such grants sanctioned by the
8 Minister with the concurrence of the Minister for Finance;

9 (c) A grant under this subsection shall not be reckoned in the
10 calculation of the maximum grants payable to the undertaking concerned for
11 the purposes of subsection (2) and section 33.

Grants for fixed
assets leased

12 18.-(1) The Authority may make a grant on such terms and conditions
13 as it thinks proper in respect of the cost of fixed assets which have been leased
14 for the purpose of commercial and industrial undertaking which conforms to
15 the criteria set out in subsections (3) and (4) of section 21.

16 (2) The amount of a grant under this section shall not exceed 60 per
17 cent of the cost of the fixed assets in the case of an industrial undertaking in a
18 designated area or 45 per cent of the cost of the fixed assets in the case of an
19 industrial undertaking elsewhere than in a designated area.

20 (3) Where a grant under this section is payable by installments over a
21 period of years, the amount of grant shall, for the purposes of subsection (2), be
22 taken to be the capital value of such installments as determined by the
23 Authority.

24 (4) Where land is leased by the Authority to or for an industrial
25 undertaking at a rent less than the economic rent as determined by the Authority
26 the capital value of the difference between the rent so payable and the
27 economic rent so determined shall be deemed to be a grant for the purposes of
28 this section.

Grants towards
reduction of
interest

29 19.-(1) The Authority may, in the case of an industrial undertaking
30 which conforms to the criteria set out in subsections (3) and (4) of section 21,

1 make a grant on such terms and conditions as it thinks proper towards a
2 reduction of the interest payable on a loan raised to provide fixed assets for
3 that undertaking.

4 (2) The amount of a grant under this section shall not exceed 60 per
5 cent of the cost of the fixed assets in the case of an industrial undertaking in a
6 designated area or 45 per cent of the cost of the fixed assets in the case of an
7 industrial undertaking elsewhere than in a designated area.

8 (3) Where a grant is made by the Authority under this section, the
9 grant shall be in such form and on such terms and conditions as may be
10 specified in a scheme governing the making of such grants sanctioned by the
11 Minister with the concurrence of the Minister for Finance.

12 20.-(1) The Authority may guarantee the due repayment of part
13 (not exceeding 80 per cent.) of the principal of any money (including money
14 in a currency other than the naira currency of the Country) borrowed in
15 respect of fixed assets of an industrial undertaking or the payment of interest
16 on such money or both the repayment of the principal and the payment of
17 such interest, if (in each such case) the undertaking conforms to the criteria
18 set out in subsections (3) and (4) of section 21.

Guarantee of
loans

19 (2) Whenever a loan is guaranteed under this section, the guarantee
20 shall be in such form and manner and on such terms and conditions as may
21 be specified in a scheme governing the giving of such guarantees sanctioned
22 by the Minister with the concurrence of the Minister for Finance.

23 (3) Money required by the Authority to meet sums which may
24 become payable by the Authority under a guarantee shall be paid out of
25 funds at the disposal of the Authority.

26 (4) The capital value of a loan guarantee under this section shall be
27 reckoned in the calculation of grants for the purpose of sections 33 and 34
28 and shall be determined in accordance with such terms and conditions as
29 may be specified in the scheme referred to in subsection (2).

30 (5) The Authority shall not, without the prior permission of the

1 Minister, give in respect of a particular industrial undertaking a guarantee
2 under this section.

3 (6) Section 14 (4) applies to a guarantee under this section in money in
4 a currency other than the Naira currency of the Country.

Employment
grant to service
industry

5 **21.**-(1) The Authority may make a grant (in this section referred to as
6 an employment grant), on such terms and conditions as it thinks proper,
7 towards the employment of persons in a service industry carried on as a
8 separate undertaking.

9 (2) An employment grant may be made where, in the opinion of the
10 Authority, the service industry would contribute significantly to regional and
11 national development and, in particular:

12 (a) would be commercially viable,

13 (b) would have good prospects for growth, and

14 (c) would not be developed in the absence of an employment grant.

15 (3) The amount of an employment grant shall be subject to such
16 financial limits as may be fixed from time to time by the Minister with the
17 concurrence of the Minister for Finance.

Guarantee of
loans and interest
subsidy for
restructuring
industry

18 **22.**-(1) For the purpose of promoting the restructuring of industrial
19 sector, the Authority may, in the case of the acquisition by an industrial
20 undertaking of the whole or part of another industrial undertaking or in the case
21 of an amalgamation between two or more industrial undertakings, in addition
22 to any other power conferred on it by this Act:

23 (a) make a grant, on such terms and conditions as it thinks proper,
24 towards the reduction of interest payable on a loan raised in connection with
25 such an acquisition or amalgamation,

26 (b) guarantee the due repayment of the whole or part of the principal
27 of any money (including money in a currency other than the naira currency of
28 the Country) borrowed in connection with such an acquisition or
29 amalgamation or the payment of interest on such principal or both the
30 repayment of the principal and the payment of such interest.

1 (2) The Authority shall not, without the prior permission of the
2 Government, give a guarantee in respect of money borrowed in connection
3 with an acquisition or amalgamation referred to in subsection (1) or make a
4 grant towards the reduction of interest payable on a loan raised for such
5 purposes where the amount of the principal of any money the subject of the
6 guarantee and the amount of the grant payable towards the reduction of
7 interest exceed in the aggregate as may be determined by the Authority.

8 (3) Section 14 (4) applies to a guarantee under this section in
9 money in a currency other than the currency of the Country.

10 23.-(1) For the purpose of encouraging the establishment of an
11 industrial undertaking which conforms to the criteria set out in subsections
12 (3) and (4) of section 21 by a suitably qualified person who has not, or has
13 not to a significant extent, previously been an owner of an industrial
14 undertaking, the Authority may, in addition to any other power conferred on
15 it by this Act:

Guarantee of
loans and interest
subsidy for
enterprise
development

16 (a) make a grant, on such terms and conditions as it thinks proper,
17 towards the reduction of interest payable on a loan raised to provide working
18 capital for such an undertaking,

19 (b) guarantee the due repayment of part (not exceeding 80 per
20 cent.) of the principal of any money (including money in a currency other
21 than the currency of the Country) borrowed in respect of working capital for
22 such an undertaking or the payment of interest on the part so guaranteed of
23 such principal or both the repayment of such part and the payment of such
24 interest.

25 (2) The Authority shall not, without the prior permission of the
26 Government, give a guarantee in respect of money borrowed in respect of
27 working capital for an undertaking referred to in subsection (1) or make a
28 grant towards the reduction of interest payable on a loan raised to provide
29 working capital for such an undertaking, where the amount of the principal
30 of any money the subject of the guarantee and the amount of the grant

1 payable towards the reduction of interest exceed in the aggregate as may be
2 determined.

3 (3) Section 14 (4) applies to a guarantee under this section in money in
4 a currency other than the currency of the Country.

Training grants

5 **24.**-(1) Following consultation with the Industrial Training Fund, the
6 Authority may make a grant (in this section referred to as a training grant), on
7 such terms and conditions as it thinks proper, for the training (either within the
8 Country or elsewhere) of persons in the processes of an industrial undertaking,
9 if the undertaking conforms to the criteria set out in subsections (3) and (4) of
10 section 21 and the training so provided will assist the undertaking to achieve
11 the objectives of the said subsection (3).

12 (2) A training grant may be made for the training of persons for
13 positions of supervision or management in an industrial undertaking or for the
14 engagement of instructors, technical advisers or consultants to train (or assist
15 in the training of) persons for such positions.

16 (3) The amount of training grants made in respect of a particular
17 industrial undertaking shall not exceed the sum of the amount of wages or
18 salaries paid by the undertaking during the period of training to the persons
19 being trained, the amount of expenses paid to those persons by the undertaking
20 for travel and subsistence and the amount paid by the undertaking in respect of
21 fees (including fees and remuneration of instructors, advisers and consultants)
22 and similar expenses connected with the training.

23 (4) The Authority shall not, without the prior permission of the
24 Minister, give in respect of a particular industrial undertaking training grants
25 exceeding the budgetary allocation for training.

Research grants

26 **25.**-(1) Following consultation with such bodies as may be specified
27 by the Minister from time to time, the Authority may make a grant (in this
28 section referred to as a research grant), subject to subsection (5), on such terms
29 and conditions as it thinks proper towards the cost of projects of research and
30 development to which this section applies.

1 (2) This section applies to projects of research and development
2 which:

3 (a) have as their primary object the promotion or development of
4 new or improved industrial processes, methods or products in the country,
5 and, in particular, such processes, methods or products as are likely either to
6 involve the use or development of local materials, agricultural products or
7 other natural resources or to offer prospects of expansion in existing
8 industry, promotion of new industry or to increase industrial employment,
9 and

10 (b) are carried out wholly or mainly in the country and wholly or
11 mainly sponsored by one or more than one industrial undertaking in the
12 country.

13 (3) For the purpose of a research grant the Authority may consult
14 such adviser, consultant, institute or other organization or person as it
15 considers proper.

16 (4) (a) Subject to paragraph (b), the amount of a research grant shall
17 not exceed 50 per cent of the approved costs of the project concerned;

18 (b) The amount of a research grant may, with the approval of the
19 Minister in a particular case, exceed such sum as the Government shall in
20 that case specify, provided that the percentage limit specified in paragraph
21 (a) is not exceeded;

22 (c) In this section "approved costs" means in relation to a particular
23 research grant, such expenditure by the industrial undertaking or
24 undertakings concerned as the Authority is satisfied has been or will be
25 incurred for the purpose of promoting the project concerned and has been or
26 will be expended on:

27 (i) the provision of sites or premises (including the acquisition of
28 land), the construction and adaptation of buildings, and the provision of
29 services and other works;

30 (ii) the provision of plant, machinery, equipment and materials;

1 (iii) the payment of fees or other remuneration to technical advisers
2 consulted in connection with the project;

3 (iv) the salaries and wages paid to and the travel and subsistence
4 expenses of persons engaged on the project or in identifying product or process
5 development prospects within the industrial undertaking; and

6 (v) overhead charges associated with the project concerned.

7 (5) The Authority may, in the case of small industrial undertakings as
8 defined from time to time by the Minister, make payment of up to one-third of a
9 research grant prior to the approved costs being incurred on condition that the
10 amount so paid shall be repaid to the Authority if the research or development
11 project concerned has not been carried out to the satisfaction of the Authority.

12 (6) The Authority shall not make a payment under subsection (5)
13 unless it is satisfied that the industrial undertaking has available to it sufficient
14 assets to cover its liability under that subsection.

15 (7) The Authority shall not, without the prior permission of the
16 Minister, give in respect of a particular industrial undertaking, research grants
17 exceeding the budgeted sum.

Technology
acquisition grants

18 26.-(1) Following consultation with such bodies as may be specified
19 by the Minister from time to time, the Authority may make a grant (in this
20 section referred to as a technology acquisition grant) to an industrial
21 undertaking on such terms and conditions as it thinks proper towards the costs
22 of acquiring product or process technology to which this section applies, if the
23 undertaking conforms to the criteria set out in subsections (3) and (4) of section
24 21 and the product or process technology so acquired will assist the
25 undertaking to achieve the objectives of the said subsection (3).

26 (2) Product or process technology for the purpose of this section shall
27 include patents, designs, trademarks, trade secrets, copyright, proprietary and
28 non-proprietary information and techniques.

29 (3) This section applies to the acquisition of product or process
30 technology which has as its primary object the improvement of the

1 technological capability of one or more than one industrial undertaking and
2 the production or application of advanced industrial processes or products in
3 the State.

4 (4) For the purpose of a technology acquisition grant the Authority
5 may consult such adviser, consultant, institute or other organization or
6 person as it considers proper.

7 (5) (a) Subject to paragraph (b), the amount of a technology
8 acquisition grant shall not exceed 50 per cent of the approved costs of
9 acquisition of the technology concerned whichever is the smaller sum;

10 (b) The amount of a technology acquisition grant may, with the
11 approval of the Minister in a particular case, exceed such sum as the
12 Government shall in that case specify, provided that the percentage limit
13 specified in paragraph (a) is not exceeded;

14 (c) In this section "approved costs" means in relation to a particular
15 technology acquisition grant, such expenditure by the industrial
16 undertaking or undertakings concerned as the Authority is satisfied has been
17 incurred for the purpose of acquiring the product or process technology
18 concerned and has been expended on:

19 (i) acquiring or an option to acquire a licence or knowledge of a
20 product or method of production;

21 (ii) the payment of fees or other remuneration to technical advisers
22 consulted in connection with the acquisition of the technology; and

23 (iii) the salaries and wages paid to, and the travel and subsistence
24 expenses of persons engaged in the acquisition of the technology.

25 (6) The Authority shall not, without the prior permission of the
26 Minister, give in respect of a particular industrial undertaking, technology
27 acquisition grants exceeding the appropriated sum.

28 27.-(1)Where, in the opinion of the Authority, an industrial
29 undertaking conforms to the criteria set out in subsections (3) and (4) of
30 section 21, the Authority may, out of funds at its disposal:

Power to
purchase
shares

1 (a) purchase or take shares, to any extent it may consider desirable, in
2 the body corporate owning, controlling or managing the undertaking or in a
3 body corporate participating in the ownership, control or management of the
4 undertaking,

5 (b) form or take part with other persons in the formation of such
6 bodies corporate, but no shares shall be purchased or taken by the Authority
7 except after consultation with anybody (in this subsection referred to as a
8 Country-sponsored body) specified for the purposes of this subsection by the
9 Minister by order nor where as a result the Authority itself, or the Authority and
10 any Country-sponsored body or bodies together, would hold more than half in
11 nominal value of the share capital or more than half in nominal value of shares
12 carrying voting rights (other than voting rights which arise only in specified
13 circumstances) in a body corporate, unless the Minister shall have approved of
14 the proposed purchase or taking of shares.

15 (2) Shares purchased or taken by the Authority under this section shall
16 be registered in the name of the Minister for Finance.

17 (3) All amounts representing dividends or other money received by
18 the Minister for Finance in respect of shares purchased or taken under this
19 section shall be paid into or disposed of for such a manner as the Minister for
20 Finance may direct.

Grants to secure
reduction of
factory rents.

21 28.-(1) Where, in the opinion of the Authority, a factory building is, or
22 is intended to be, used for the purpose of or in connection with the carrying on
23 of an industrial undertaking which conforms to the criteria set out in
24 subsections (3) and (4) of section 21 and is held under a lease or other letting
25 subject to a rent or other payment, the Authority may make grants, upon such
26 terms and subject to such conditions as it thinks proper to impose, to the person
27 entitled to the rent or other payment to enable him to reduce such rent or
28 payment.

29 (2) The Authority may, in lieu of making a grant to a person under
30 subsection (1), make the grant on such terms and conditions as it thinks proper

1 to the industrial undertaking (or intended undertaking) concerned.

2 (3) The amount of a grant under this section shall not exceed the
3 amount of the grant which may be made in respect of a factory building
4 under section 21.

5 (4) Where a grant under this section is payable by installments over
6 a period of years, the amount of grant shall be taken to be the capital value of
7 such installments as determined by the Authority.

8 29.-(1) Where in respect of an industrial undertaking grants or a
9 loan guarantee have been made under two or more of the sections to which
10 this section applies, the aggregate amount of such grants together with the
11 capitalized value of the loan guarantee under section 24 shall not exceed the
12 percentage limits specified in section 21 (2).

Percentage limits
on aggregate of
certain grants

13 (2) This section applies to sections 21, 22, 23 and 32.

14 30. Without the prior permission of the Government the total
15 amount of money granted under one or more of the following sections,
16 namely, sections 21, 22, 23 and 32, together with the capitalized value of a
17 loan guarantee under section 24, to or in respect of a particular industrial
18 undertaking shall not exceed the approval of the Minister.

Total amount
of grants

19 31. Where, under any of the preceding sections of this Part, the
20 permission of the Minister is required for the making of a grant or loan
21 guarantee or the purchase of shares, the Minister may, in lieu of granting
22 such permission, grant permission to the Authority for the expenditure of a
23 lower amount in respect of such grant, guarantee or purchase or may grant
24 permission subject to such conditions as the Government may specify.

Government's
power in regard
to industrial
incentives

25 32. For the purpose of making a grant or other payment under this
26 Part, the Authority may, subject to the provisions of this Part, determine at its
27 discretion the cost or value of assets of an industrial undertaking or the
28 capital value of any payments made to or benefits received or receivable by
29 an industrial undertaking.

Authority's
powers to value
assets, etc.

Contravention of
term or condition
attached to grant
or other payment

1 **33.** Whenever there is a contravention of a term or condition attached
2 to a grant or other payment under this Part, the amount of such grant or payment
3 shall be repayable to the Authority and in default of being so repaid may be
4 recoverable by the Authority as a simple contract debt.

5 **PART IV - MEMBERS AND STAFF OF THE AUTHORITY**

Remuneration etc.
of members of
Authority

6 **34.**-(1)The Chairman, Vice Chairmen and other members of the
7 Authority shall hold office for four years and on such terms and conditions
8 (including remuneration) as the Minister with the consent of the Minister for
9 the Public Service may determine.

10 (2) The Members of the Board shall include:

11 (a) The Chairman, (The Minister);

12 (b) Vice Chairman;

13 (c) Permanent Secretary, Ministry of Finance;

14 (d) Permanent Secretary, Ministry of Labour & Productivity;

15 (e) Chairman, Nigerian Labour Congress;

16 (f) Director, Industrial Training Fund;

17 (g) Director, Bank of Industry;

18 (h) Director, National Directorate of Employment;

19 (i) Director-General of the Authority.

Staff of Authority

20 **35.**-(1) The Authority shall appoint such and so many.

Interpretation

21 **36.**-(1) In this Act:

22 "the Authority" means the Commercial and Industrial Development Authority;

23 'cluster concept' means a geographical and sectoral concentration and a
24 combination of firms for industrial development;

25 "designated area" means any area which, by virtue of section 4, is for the time
26 being a designated area;

27 "factory building" means a building which is used or intended to be used for
28 carrying on an industrial undertaking together with any other building which is
29 subsidiary or ancillary thereto and is used or intended to be used for a purpose

30 connected with the undertaking;

1 "fixed assets" means machinery, plant, equipment, land, buildings, services
2 and other works of or for an industrial undertaking;

3 "Commercial and industrial estate" means an area of land used mainly for
4 commercial and industrial purposes and purposes ancillary or incidental
5 thereto and having on it at least two factory buildings;

6 "commercial and industrial undertaking" includes an undertaking ancillary
7 to commercial, industry and a service industry, and "industry" shall be
8 construed accordingly;

9 "land" includes messuages, tenements and hereditaments, houses and
10 buildings of any tenure;

11 "member" means member of the Authority;

12 "the Minister" means the Minister for Industry;

13 "service industry" means an undertaking to which an order under section 3
14 applies.

15 (2) In this Act:

16 (a) a reference to a Part, section or Schedule is to a Part, section or
17 Schedule of this Act unless it is indicated that a reference to some other
18 enactment is intended;

19 (b) a reference to a subsection, paragraph or subparagraph is to the
20 subsection, paragraph or subparagraph of the provision in which the
21 reference occurs, unless it is indicated that reference to some other provision
22 is intended;

23 (c) a reference to any other enactment shall, unless the context
24 otherwise requires, be construed as a reference to that enactment as
25 amended by or under any other enactment, including this Act.

26 37. This Bill may be cited as the Commercial and Industrial Citation
27 Development Authority (Promotion & Incentive) Bill, 2018.

EXPLANATORY MEMORANDUM

This Bill seeks to provide a legal framework for the establishment of Commercial and Industrial Development Authority which shall provide designated areas for industrial estates, parks, clusters, enterprises zones and incubators in each zone of the country; provide for the establishment, development or maintenance of industrial undertaking and incentives to industrialist.