

# A BILL

## FOR

AN ACT TO REPEAL THE NIGERIA EXPORT PROCESSING ZONE COMMISSION ACT LFN CAP N107 2004 AND TO ENACT THE NIGERIA INDUSTRIAL DEVELOPMENT AND ZONES COMMISSION TO PROVIDE FOR THE SCHEME A CATALYST FOR INDUSTRIAL AND ECONOMIC GROWTH AND FOR OTHER RELATED MATTERS

*Sponsored by Senator Fatimat Raji Rasaki*

[ ] Commencement

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

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1. There is established a body to be known as Nigeria Industrial Development and Zones Commission (in this bill referred to as the "Commission").

Establishment of the Nigeria Industrial Development and Zones Commission

(1) The commission shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name and shall be capable of acquiring, holding, or disposing of any property movable and immovable for the purpose of carrying out its duties.

(2) The commission shall have power to promote development in the zones and hubs in the country aimed at value added industrial processing and service related activities.

(3) The commission shall be the only Commission with powers to declare and licence special economic zones.

2. The commission shall recommend to the President commander in chief of the armed forces a designate area as it thinks fit to be a special economic zone (in this Bill referred to as "a Zone")

(1) The Zone established pursuant to this section, may be operated and managed by a public, private or a combination of public and private entity under the supervision of and with the approval of Nigeria Industrial

1 Development and Zones commission established by section 1 of this Bill.

2 (2) Every Directive made pursuant to subsection (1) of this section,  
3 shall specify the limits of the area designated and ascribe a name to that Zone.

4 (3) The Nigeria Industrial Development and Zones Commission may,  
5 from time to time, by Directive, amend, vary or add to the limits of a Zone or  
6 change the name of a Zone.

7 **3. The commission shall license Special Economic Zones, which can**  
8 **be categorized as follows:**

9 (1) Free Zones - 'Free Zones' shall mean an area of land designated by  
10 the President as outside the Customs Territory. Any goods introduced into a  
11 Free Zone are exempted from import duties, all taxes, and customs territory  
12 incorporation requirements, as they are outside the customs territory and are  
13 not subject to the usual customs controls. These exemptions will however be  
14 subject to the administration of the Commission. Free Zones will also be  
15 supported by specific infrastructural support and access controls as determined  
16 by the Commission. Free Zones shall include Export Processing Zones, and  
17 other variants of the Free Zone that need to be regulated outside the Customs  
18 Territory:

19 (a) Other Special Economic Zones - 'Other SEZs' shall mean an area  
20 of land designated by the President as within the Customs territory, but given  
21 specific fiscal and non-fiscal incentives, access controls, and infrastructural  
22 support as determined by the Commission.

23 (2) The Commission shall license Special Economic Zones, along the  
24 following lines:

25 (i) Sectorial Focused Zones - Metals and Steel Zones, Agro  
26 processing Zones, Oil & Gas Zones, Service Zones, Technology Zones,  
27 Financial Zones, Aviation Zones, and others as required;

28 (ii) General Purpose Zones - Covering a broad range of erogenous  
29 sectors;

30 (iii) Scale of Zones - Zones shall be categorized as Cities, Parks, or

1 Clusters, or other designations as necessary. The Commission shall  
2 designate Zones as Cities, Parks, or Clusters based on land area thresholds  
3 which it shall determine from time to time.

4 4.-(1) There shall be for the Commission, a governing Board which  
5 shall consist of a Chairman to be appointed by the President, Commander-  
6 in-Chief of the Armed Forces on the recommendation of the Minister and the  
7 following other members, that is to say:

Membership of  
the Governing  
Board

8 (a) a representative each from the following Federal Ministries (or  
9 Ministries carrying out these functions) not lower than a director, that is:

10 (i) Commerce or Industries, Trade, and Investments;

11 (ii) Agriculture;

12 (iii) Works and Housing;

13 (iv) Transport;

14 (v) Power.

15 (b) the Comptroller General of Customs or his representative not  
16 below the grade of Assistant Comptroller General;

17 (c) the Managing Director of the Nigerian Ports PLC or his  
18 representative not below the grade of a Deputy Director;

19 (d) one representative each from the following bodies, that is:

20 (i) the Nigerian Association of Chambers of Commerce,  
21 Industries, Mines and Agriculture;

22 (ii) the Manufacturers Association of Nigeria.

23 (e) two persons to be appointed by the Minister from the private  
24 sector who shall be persons possessing practical experience in industry,  
25 commerce, finance, export promotion and other related fields;

26 (f) a representative of the Central Bank of Nigeria not below the  
27 grade of Director; and

28 (g) the Managing Director of the Commission.

29 (2) A member of the Board other than ex-officio member shall  
30 subject to the provisions of this Bill, hold office for a period of four years

1 from the date of his appointment as a member and shall be eligible for re-  
2 appointment for one further period of two years and thereafter he shall no  
3 longer be eligible for re-appointment.

4 (3) Notwithstanding subsection (2) of this section, the President,  
5 Commander-in-Chief of the Armed Forces may on the recommendation of the  
6 Minister require any member to vacate his office if his continued membership  
7 will not be in the interest of the Commission.

8 (4) Any member of the Board other than ex-officio member may by  
9 notice in writing to the Board resign his appointment.

10 (5) The supplementary provisions contained in the First Schedule to  
11 this Bill shall have effect with respect to the tenure of office of the members and  
12 the proceedings of the Board and other matters relating to the Board.

Functions of the  
Commission

13 5.-(1) In addition to any other functions conferred on the Commission  
14 by this Bill, the functions and responsibilities of the Commission shall include:

15 (a) the licensing, promotion, regulation, and monitoring of all Special  
16 Economic Zones (including industrial zones, industrial clusters, processing  
17 clusters, service clusters and all others) in the Country;

18 (b) the approval of development plans within the Zones; annual  
19 budgets in respect to infrastructures, administrative buildings, promotion of  
20 Zones, the provision and maintenance of services and facilities;

21 (c) the initiation and facilitation of the development of specific Zones  
22 across all sectors in the country, as needed for national economic development;

23 (d) the establishment of customs, police, immigration and similar  
24 posts in the Zones;

25 (e) the establishment of centralized regulatory desks bringing  
26 together various Federal, State, and Local government agencies to simplify  
27 regulatory procedures for businesses within the Zone;

28 (f) the corporate registration of entities desirous of operating within  
29 Free Zones (a specific type of Special Economic Zones);

30 (g) the supervision, and co-ordination of various public sector and

1 private sector organizations operating within the Zones and resolving any  
2 dispute that may arise amongst them;

3 (h) the resolution of trade disputes between employers and  
4 employees in the Zones in consultation with the Federal Ministry of  
5 Employment, Labour and Productivity;

6 (i) the adaptation of investment promotion strategies in the Zones,  
7 including the opening of Investment Promotion Offices abroad;

8 (j) the recommendation to the President, Commander-in-Chief of  
9 the Armed Forces of Nigeria, of additional incentive measures for the  
10 Zones;

11 (k) the establishment and supervision of Zonal Administrators for  
12 the purpose of managing the Zones and the grant of all requisite permits and  
13 licences to approved enterprises.

14 (2) The Commission shall have the powers to delegate any of the  
15 above functions to public, private, or public/private bodies as it deems fit to  
16 achieve its development mandate. The Commission shall however always  
17 retain final oversight and monitoring rights of all activities within the Zones.

18 (3) The Commission shall have the power to invite the requisite  
19 agencies to set up in the Special Economic Zones.

20 6.-(1) There shall be for the Commission, a Managing Director  
21 who shall be the Chief Executive and shall be appointed by the President,  
22 Commander-in-Chief of the Armed Forces on the recommendation of the  
23 Minister.

Appointment of  
Managing Director,  
Secretary and other  
employees

24 (2) The Managing Director shall be responsible for:

25 (a) the preparation of plans, annual programmes and budget;

26 (b) the recommendation of bye-laws applicable in each Zone;

27 (c) the development of strategies for the promotion of the Zones  
28 inside and outside the country;

29 (d) the implementation of the approved plans, programmes and  
30 budgets;

1 (e) the day-to-day administration of the Commission.

2 (3) Without prejudice to the generality of subsection (1) of this  
3 section, the Commission shall have the power to:

4 (a) appoint a Secretary who shall be qualified to practice as a legal  
5 practitioner in Nigeria and has been so qualified for not less than ten years;

6 (b) pay the employees such remuneration and allowances as it may,  
7 from time to time, determine;

8 (c) pay the employees such pensions and gratuities as are payable to  
9 persons of equivalent grades in the public service of the Federation.

Approved  
activities, etc.

10 7.-(1) Subject to subsection (2) of this section, the activities specified  
11 in the Second Schedule to this Bill shall be approved activities for the purposes  
12 of this Bill.

13 (2) The Commission may, from time to time, prescribe the activities  
14 which may be carried on in a Zone, and for this purpose may, by Directive,  
15 amend the Third Schedule to this Bill.

Vesting of  
property in the  
Commission

16 8. The President, Commander-in-Chief of the Armed Forces or  
17 Governor of a State respectively may, by Directive, transfer to the  
18 Commission, any property belonging to the Federal or State Governments  
19 respectively which appears to be necessary or expedient to the Commission in  
20 carrying out its functions under this Bill and such property shall vest in the  
21 Commission by virtue of the Directive.

Comprehensive  
regulations for  
Free Zones

22 9. The Commission, with the approval of the Minister, shall have  
23 powers to develop and administer all regulations required within a Free Zone,  
24 as these Free Zones are not covered by Customs Territory Regulations. These  
25 include:

26 (i) Regulations to operate a Corporate Registry within Nigeria's Free  
27 Zones;

28 (ii) Regulations to operate a Land Registry within Nigeria's Free  
29 Zones;

30 (iii) Regulations to operate International Finance and banking within

1 Nigeria's Free Zone;

2 (iv) Regulations to operate building codes and standards within  
3 Nigeria's Free Zone;

4 (v) Regulations to operate and develop specific sectorial initiatives  
5 as needed within Nigeria's Free Zones;

6 (vi) Regulations for administering the incentives in the Zones;

7 **10.**-(1) Approved enterprises operating within a Zone shall be  
8 exempted from the Federal, State and Local Government taxes, levies and  
9 rates, as stipulated specifically by the Commission for each Zone in the  
10 country.

Exemption from  
taxes

11 (2) All fiscal incentives, tax exemptions, and the duration in which  
12 such exemptions will apply to Approved Enterprises within each Zone shall  
13 be prescribed upfront by the Commission within the initial approval  
14 obtained by the President, Commander-in-Chief of the Armed Forces.  
15 Amendments to these exemptions can also be obtained by the Commission  
16 through approval by the President, Commander-in-Chief of the Armed  
17 Forces. The Commission may also administer new incentives to Free Zones  
18 and "Other Special Economic Zones", subject to approval from Mr  
19 President.

20 **11.**-(1) The Commission shall approve the list of activities  
21 permissible within a Zone (approved activities"); and these shall be included  
22 in the Zone License given to the public, private, or public-private Zone  
23 promoter.

Approval of  
Zone activities

24 (2) Deviations from the approved list of activities shall require  
25 approval from the Commission

26 **12.**-(1) Any enterprise which proposes to undertake an approved  
27 activity within a Zone, shall apply to the Commission in writing for  
28 permission to do so and shall submit such documents and information in  
29 support of its application, as the Commission may require.

Approval of  
enterprises to  
undertake approved  
activity

30 (2) Subject to the provisions of this Bill, the Commission may

- 1 grant, subject to
- Power to grant  
licence 2 13.-(1) The Commission may grant a license for any approved  
3 activity in a Zone to an individual or business concern whether or not the  
4 business is incorporate in the customs territory.
- 5 (2) The grant of a license by the Commission shall constitute  
6 registration for the purposes of company registration within the Zone.
- 7 (3) A company operating within a Zone shall notify the Commission  
8 of any purchase, assignment or transfer of shares in the company, except where  
9 the company's shares are quoted and are freely transferable on any  
10 international Stock Exchange.
- Zone Regulations 11 14.-(1) The Commission shall by Directive from time to time  
12 prescribe the regulations governing the Zone.
- 13 (2) The Commission shall draw up regulations in line with the  
14 sectorial or development objectives set out in the licensing of the Zone, as it  
15 deems fit after consulting with the private, public, or private-public Zone  
16 promoter
- Payments for  
goods and service  
in Free Zone 17 15.-(1) Where an approved enterprise operating within a Free Zone  
18 supplies goods and services to customers within the customs territory, that  
19 enterprise shall be entitled to receive payment for such goods and services in  
20 foreign currency and for the purposes of such payment, the normal rules and  
21 regulations applicable to importation of goods and services into Nigeria and  
22 repatriation of the proceeds of sales and services shall apply.
- 23 (2) Where a person within the customs territory supplies goods and  
24 services to an approved enterprise established within a Free Zone, the person  
25 shall be entitled to receive payment for such goods or services in foreign  
26 currency and the rules and regulations applicable to export from Nigeria and  
27 the repatriation of proceeds from sales or services shall apply.
- Import of goods  
into the Free Zone 28 16.-(1) The Commission, and any approved enterprise subject to the  
29 Authorities approval, shall be entitled to import into a Free Zone, free of  
30 customs duty, any capital goods, consumer goods, raw materials, components



1 or articles intended to be used for the purposes of and in connection with an  
2 approved activity, including any article for the construction, alteration,  
3 reconstruction, extension or repair of premises in a Zone or for equipping  
4 such premises.

5 (2) For the purposes of this section, articles for equipping premises  
6 shall be deemed to include equipment for offices and other ancillary  
7 facilities necessary for the proper administration of the premises and for the  
8 health, safety, hygiene and welfare of the premises and of persons employed  
9 therein.

10 (3) The Commission may by Directive, amend or vary the articles  
11 specified in the Fourth Schedule to this Bill.

12 (4) All goods brought into a Free Zone shall be consigned:

13 (a) to the Commission or to an approved enterprise and the goods  
14 may, with the approval of the Commission, be transferred from one  
15 approved enterprise to another or from the Commission to an approved  
16 enterprise or from an approved enterprise to the Commission; or

17 (b) without prejudice to the provisions of section (2) of this section,  
18 to a bank acting on behalf of any party to a transaction involving the  
19 Commission or an approved enterprise.

20 (5) The Commission may take such steps as it deems necessary to  
21 preserve goods within a Special Economic Zone, whether by moving the  
22 goods from one place to another or by storing the goods and where any  
23 expenses are incurred by the Commission in so doing, the owner or  
24 consignee of the goods shall reimburse the Commission for the expenses.

25 (6) Subject to the provisions of this Bill and any regulations made  
26 thereunder, goods brought into a Special Economic Zone pursuant to this  
27 section may:

28 (a) unless otherwise directed by the Commission, be stored, sold,  
29 exhibited, broken up, packed, graded, cleaned, marked, re-marked, loaded,  
30 unloaded, reloaded, divided, mixed, separated or otherwise manipulated;

1 (b) be worked, processed or reprocessed or otherwise manipulated or  
2 manufactured;

3 (c) be consumed if the goods are meant for consumption in the Zone,  
4 unless otherwise directed by the Commission;

5 (d) subject to subsection (7) of this section, be removed from a Zone  
6 or sent into the customs territory, whether as originally packed or otherwise; or

7 (e) subject to any enactment pertaining thereto, be destroyed.

8 (7) Where any goods which are dutiable on entry into the customs  
9 territory are sent from a Free Zone into the customs territory, the goods shall be  
10 subject to the provisions of the Customs, Excise Tariff, Etc. (Consolidation)  
11 Act and any regulations made thereunder, and if the goods are intended to be  
12 disposed of in the customs territory, shall not be removed from the Free Zone  
13 unless:

14 (a) the consent of the Commission has been obtained; and

15 (b) the relevant customs authorities are satisfied that all import  
16 restrictions relevant thereto have been complied with and all duties payable in  
17 connection with the importation thereof into the customs territory have been  
18 paid

19 (8) Samples of goods being taken into the customs territory from a  
20 Free Zone shall be subject to the provisions of subsection (6) of this section,  
21 except in cases where the relevant customs Commission is satisfied that such  
22 goods are of no commercial value.

23 (9) Where goods are brought from the customs territory into a Free  
24 Zone for the purposes of an approved activity, the goods shall be deemed to be  
25 exported. This condition shall not apply to 'Other Special Economic Zones'  
26 designated by the Commission.

27 (10) The Per-Import Inspection Scheme shall not apply to imports of  
28 goods into the Free Zones for use by approved enterprises in the Free Zones.

Persons not to  
enter zones  
without permission

29 17.-(1) No person shall enter, remain in or reside in a "Free Zone"  
30 without the prior permission of the Commission. Entry protocols into "Other

1 Special Economic Zones" shall be determined by the Commission after  
2 consulting with private, public, or public-private Zone promoters.

3 (2) Any person who contravenes the provisions of subsection (1) of  
4 this section shall have his permit revoked by the Commission.

5 18.-(1) No retail trade shall be conducted within a Free Zone  
6 without the prior approval of the Commission and which may be subject to  
7 such terms and conditions as may be imposed, from time to time, by the  
8 Commission.

Prohibition of  
retail trade

9 (2) Any person who contravenes the provisions of subsection (1) of  
10 this section or of a term or a condition imposed pursuant to that subsection  
11 shall have his licence revoked by the Commission

12 19.-(1) An approved enterprise which imports into a Free Zone an  
13 article with a benefit in respect of customs duty under the provisions of this  
14 Bill shall:

Special provisions  
relating to articles  
imported with  
custom duty  
cessions

15 (a) keep such records of the articles so imported in such forms and  
16 containing such particulars as may be required by the Commission;

17 (b) cause the articles to be marked with such mark and in such  
18 manner as may be required by the Commission;

19 (c) permit the Commission or a person authorised by the  
20 Commission at all reasonable times:

21 (i) to inspect the records relating to those articles;

22 (ii) to have access to any factory, warehouse, assembly plant or  
23 other premises under the control of the approved enterprise for the purpose  
24 of examining the article which the Commission believes to be therein and of  
25 satisfying itself of the accuracy of the particulars in relation to the article  
26 contained in such records.

27 (d) The conditions under 16(1) a, b, and c, shall only apply to other  
28 special as deemed necessary by the Commission based on the nature of  
29 incentives proffered within the Zone.

30 (2) Any person who contravenes the provisions of subsection (1) of

1 this section is guilty of an offence.

Prohibition of  
storage of  
ammunition and  
dangerous  
explosives

2           **20.**-(1) Notwithstanding any other provision of this Bill, the  
3 following goods shall not be imported, taken into or stored in a Zone:

4           (a) firearms and ammunition, other than by members of the Nigeria  
5 Police Force or the Armed Forces of the Federation or by Security Agencies  
6 employed to work in a Zone in the course of their duties or by such other  
7 persons as may be authorised by the Commission;

8           (b) dangerous explosives, without prior approval of the Commission;

9           (c) petrol, inflammable materials, hazardous cargoes or oil fuels,  
10 other than in such quantities and on such terms and conditions as may be  
11 prescribed by the Commission;

12           (d) goods which the Commission by Directive has imposed specific  
13 or absolute prohibition on their importation into a Zone.

14           (2) Any person who contravenes the provisions of subsection (1) of  
15 this section is guilty of an offence.

Export of goods  
from zone

16           **21.** Export of goods from a Free Zone to the customs territory shall,  
17 except as otherwise prescribed by or pursuant to this Bill, be subject to the same  
18 customs and licensing requirements as apply to goods imported from other  
19 countries.

Incentives and  
related matters

20           **22.**-(1) Approved enterprises within Free Zones shall be entitled to  
21 the fiscal and non-fiscal Incentives approved for that Zone by Mr President,  
22 Commander-in- Chief of the Armed forces, and administered by the  
23 Commission.

24           (2) Approved enterprises within "Other Special Economic Zones"  
25 shall be entitled to the fiscal and non-fiscal Incentives approved for that Zone  
26 by Mr President, Commander-in-Chief of the Armed forces, and administered  
27 by the Commission.

28           (3) The Commission or its designated agent shall be the only agency  
29 qualified to:

30           (a) Operate and Manage the Free Zones;

- 1 (b) give all approvals within a Free Zone;
- 2 (c) cancel all licences within a Free Zone; and
- 3 (d) charge and collect fees within a Free Zone.
- 4 (4) The Commission or its designated agent shall be the only
- 5 agency qualified to:
- 6 (a) Operate and Manage the "Other Special Economic Zones";
- 7 (b) give approvals, working with any necessary government
- 8 agencies if necessary, within "Other Special Economic Zones";
- 9 (c) cancel all licences within "Other Special Economic Zones";
- 10 (d) charge and collect fees within "Other special Economic
- 11 Zones".
- 12 (5) The Commission shall simplify all procedure necessary for
- 13 authorization of investments in a Zone and state by Directive from time to
- 14 time its requirements for the grant of authorisations for investments in a
- 15 Zone.
- 16 (6) Operations within a Zone shall commence on the date when the
- 17 construction of the perimeter fence and gate of the Zone have been
- 18 completed and the Commission has assumed duties.
- 19 (7) There shall be no strikes or lockouts for a period of 10 years
- 20 following the commencement of operations within a Free Zone and any
- 21 trade dispute arising within a Free Zone shall be resolved by the
- 22 Commission.
- 23 23. An approved enterprise shall submit to the Commission at
- 24 such intervals as may be prescribed, such statistical data, and such
- 25 information and returns as regards the sales and purchases and other
- 26 operations of the enterprise as the Commission may require or as may be
- 27 prescribed, from time to time.
- 28 24. Where a person who is a non-Nigerian citizen is employed by
- 29 the Commission or by an approved enterprise established in a Zone, upon
- 30 application by the enterprise for a licence to establish itself within a Zone or

Approved  
Enterprises to  
submit returns

Work permits

1 at any time thereafter, the enterprise shall apply on behalf of the non-Nigerian  
2 citizen; direct to the Commission for the purpose of immigration and  
3 employment permits, in such manner as may be prescribed by the Commission.

4 25.-(1) The Commission may make staff regulations relating  
5 generally to the conditions of service of the employees of the Commission and  
6 without prejudice to the generality of the foregoing such regulations may  
7 provide for:

8 (a) the appointment, promotion and disciplinary control of all  
9 employees of the Commission; and

10 (b) appeal by such employees against dismissal or other disciplinary  
11 measures and until such regulations are made, the regulations relating to the  
12 conditions of service of the officers in the civil service of the Federation and the  
13 provisions of the Pensions Act shall be applicable with such modifications as  
14 may be necessary to the staff of the Commission.

15 (2) Approved enterprises operating within the Zones shall make  
16 provisions for the pensions and gratuities for their employees.

17 26.-(1) The Commission shall establish and maintain a fund which  
18 shall consist of:

19 (a) all moneys received from the Federal Government;

20 (b) proceeds from all activities, services and operations of the  
21 Commission;

22 (c) grants, gifts and donations made to the Commission; and

23 (d) such other sum as may accrue, from time to time, to the  
24 Commission.

25 (2) 75% of the Internally Generated Revenue (IGR) of the  
26 Commission shall be applied towards the activities stated in subsection (3)  
27 below while the balance of 25% will be paid to the Federal Government;

28 (3) The Commission shall, from time to time, apply the proceeds of  
29 the fund established pursuant to subsection (1) of this section:

30 (a) to the cost of administration of the Commission;

1 (b) to the payment of salaries, fees or other remuneration or  
2 allowances, pensions and gratuities payable to the officers and employees of  
3 the Commission;

4 (c) for reimbursing members of the Board or of any committee set  
5 up by the Board for such expenses as may be expressly authorised by the  
6 Commission in accordance with the rates approved by the National Council  
7 of Ministers;

8 (d) for the maintenance of any property vested in the Commission;  
9 and

10 (e) for investment, maintenance of Zones, marketing, promotion,  
11 training, research and similar activities.

12 27.-(1) The Commission shall, not later than 31st October in each  
13 year, submit to the Minister an estimate of its expenditure and income  
14 (including payments into the fund of the Commission) during the next  
15 succeeding year

Annual estimates,  
accounts, etc.

16 (2) The Commission shall keep proper accounts in respect of each  
17 year (and proper records in relation thereto) and shall cause its accounts to  
18 be audited within six months after the end of each year by auditors appointed  
19 from the list and in accordance with the guidelines supplied by the Auditor-  
20 General of the Federation.

21 28.-(1) Except as provided under this Bill, an enactment applicable  
22 in the customs territory shall apply within the Zones.

Enactment  
applicable in  
customs territory  
to apply

23 29.-(1) Every omission or neglect to comply with and every act  
24 done or attempted to be done contrary to the provisions of this Bill or any  
25 regulations made thereunder shall be an offence and in respect of and such  
26 offence for which no penalty is expressly provided the offender shall be  
27 liable on conviction to a fine predertimed by the supervising Ministry under  
28 guidance from the Federal Ministry of Justice, and updated annually, or to a  
29 term of imprisonment for three months or both.

Omission or  
non-compliance

30 (2) Whoever attempts to commit any offence punishable under this

1 Bill or any regulations made thereunder or abets the commission of such  
2 offence shall be punished with the punishment provided for such an offence.

3 (3) Where a body corporate is guilty of an offence under this Bill, and  
4 that offence is proved to have been committed with the consent or connivance  
5 of, or to be attributable to any neglect on the part of any director, manager,  
6 secretary or other similar officer of the body corporate, or any person who was  
7 purporting to act in any such capacity; he, as well as the body corporate, shall  
8 be guilty of that offence and shall be liable to be proceeded against and  
9 punished accordingly.

Repeal

10 **30.**-(1) The Nigeria Export Processing Zones Authority Act CAP 107  
11 Laws of the Federation 2004 is hereby repealed and the Governing board of the  
12 Nigerian Export processing Zones Authority as established by the Nigerian  
13 Export Processing Zones Authority is hereby dissolved.

14 (2) The transitional and savings provisions in the Second Schedule to  
15 this Bill shall have effect in relation to the employees, assets [and] liabilities of  
16 the Board dissolved under this section and the other matters mentioned therein  
17 notwithstanding anything to the contrary in this Bill or any other enactment.

18 (3) Notwithstanding subsection (1) of this section, any Directive  
19 made, registration effected, licence or permit issued, notice or information  
20 given, return made or other thing done under the repealed enactment which,  
21 immediately before the commencement of this Bill was in force or effect shall  
22 continue in force and have effect as if made, effected, issued, given, or done  
23 under the corresponding provision of this Bill.

Regulations

24 **31.** The Commission may, with the approval of the Minister make  
25 regulations for the proper implementation of this Bill.

Interpretation

26 **32.** In this Bill, unless the context otherwise requires:  
27 "approved activities" means activities specified in the Third Schedule to this  
28 Bill;  
29 "approved enterprise" means any enterprise established within a Zone  
30 approved by the Commission;



1 "Commission" means the Nigeria Industrial Development and Zones  
2 Commission established by section 1 of this Bill;  
3 "member" means a member of the Board and includes the Chairman;  
4 "Minister" means the Minister charged with responsibility for matters  
5 relating to trade;  
6 "Special Economic Zone" means designated areas of land allocated by  
7 government as an industrial, processing/or service cluster. In these zones  
8 business and trades laws differ from the rest of Nigeria. This will include but  
9 not be limited to 'Free Zones' and 'Other Special Economic Zones'. It will  
10 also include Nigeria's Industrial\Service Cities/Industrial\Service  
11 Parks/Industrial\Service Clusters/ Processing Zones/ and other similar Zone  
12 structures. These Zones will be supported with specific Infrastructure/ fiscal  
13 incentives/ non-fiscal incentives/ and regulatory requirements/ to promote  
14 investments and developments within these Zones.

15 33. This Bill may be cited as the Nigeria Industrial Development and Zones Bill, 2016. Citation

17 FIRST SCHEDULE

18 *Section 3(5)*

19 SUPPLEMENTARY PROVISIONS RELATING TO THE COMMISSION

20 *Proceedings of the Board*

21 1.-(1) Subject to this Bill and to section 2 of the Interpretation Act,  
22 the Board may make standing Directives regulating the proceedings of the  
23 Commission or of any committee thereof.

24 (2) The quorum of the Board shall be eight and the quorum of any  
25 committee of the Board shall be as may be determined by the Board from  
26 time to time.

27 2.-(1) The Board shall meet not less than four times in each year  
28 and, subject thereto, the Board shall meet whenever it is summoned by the  
29 Chairman, and if the Chairman is required to do so by notice given to him by  
30 not less than three other members; he shall summon a meeting of the Board

1 to be held within fourteen days from the date on which notice is given.

2 (2) At any meeting of the Board, the Chairman shall preside, but if he  
3 is absent, the members present at the meeting shall appoint one of their number  
4 to preside at that meeting.

5 (3) Where the Board desires to obtain the advice of any person on a  
6 particular matter, the Board may co-opt him as a member for such period as it  
7 thinks fit.

8 Provided that a person who is a member by virtue of this sub-paragraph shall  
9 not be entitled to vote at any meeting of the Board and shall not count towards  
10 the quorum.

11 *Committees*

12 3.-(1) The Board may appoint one or more committees to carry out on  
13 behalf of the Board such of its functions as the Commission may determine.

14 (2) A committee appointed under this paragraph shall consist of such  
15 number of persons (not necessarily members of the Board) as may be  
16 determined by the Board; and a person other than a member of the Board shall  
17 hold office on the committee in accordance with the terms of his appointment.

18 *Miscellaneous*

19 4.-(1) The fixing of the seal of the Commission shall be authenticated  
20 by the signature of the Chairman and of any other member authorised generally  
21 or specially by the Board to act for that purpose.

22 (2) Any contract or instrument which, if made or executed by a person  
23 not being a body corporate, would not be required to be under seal may be made  
24 or executed on behalf of the Board by the Chairman and the Managing Director  
25 or any person authorised generally or specially by the Commission to act for  
26 that purpose.

27 5. Members of the Board shall be paid out of moneys at the disposal of  
28 the Board such remuneration, fees or allowances in accordance with such  
29 scales as may be approved, from time to time, by the Minister.

30 6. The validity of any proceedings of the Board or of a committee

1       thereof shall not be adversely affected by any vacancy in the membership of  
2       the Board or of a committee or by the defect in the appointment of any  
3       member of the Board or committee or by reason that a person not entitled to  
4       do so took part in the proceedings.

5               7.-(1) A member of the Board who is:

6               (a) directly or indirectly interested in any company or enterprise  
7       the affairs of which are being deliberated upon by the Commission; or

8               (b) is interested in any contract made or proposed to be made by the  
9       Commission; shall as soon as possible after the relevant facts have come to  
10      his knowledge disclose the nature of his interest at a meeting of the Board.

11              (2) A disclosure under subparagraph (1) of this paragraph, shall be  
12      recorded in the minutes of the meeting of the Board and the member shall:

13             (a) not take part after such disclosure in any deliberation or  
14      decision of the Board with regard to the subject matter in respect of which  
15      his interest is thus disclosed;

16             (b) be excluded for the purposes of constituting a quorum of the  
17      Board for any such deliberation or decision.

## 18                                       SECOND SCHEDULE

19             1. By virtue of this Bill, there shall be vested in the Commission  
20      established under this Bill (in this Schedule referred to as "the  
21      Commission") all assets, funds, resources and other movable or immovable  
22      property which immediately before the commencement of this Bill were  
23      vested in the Authority established under the repealed enactment (in this  
24      Schedule referred to as "the former Authority").

25             2. Subject to the provision of paragraph 1 of this Schedule:

26             (a) the rights, interest, obligations and liabilities of the former  
27      Commission existing immediately before the commencement of this Bill  
28      under any contract or instrument, or at law or in equity apart from any  
29      contract or instrument, shall by virtue of this Bill be deemed to have been  
30      assigned to and vested in the Commission;

- 1 (b) any such contract or instrument as is mentioned in sub-paragraph
- 2 (a) of this paragraph, shall be of the same force and effect against or in favour of
- 3 the Commission and shall be enforceable as fully and effectively as if instead of
- 4 the former Authority the Authority had been named therein or had been a party
- 5 thereto; and
- 6 (c) the Commission shall be subject to all the obligations and
- 7 liabilities to which the former Authority was subject immediately before the
- 8 commencement of this Bill and all persons shall, as from the commencement of
- 9 this Bill have the same rights, powers and remedies against the Commission as
- 10 they had against the former Authority immediately before the day.
- 11 3. Any proceeding or cause of action pending or existing immediately
- 12 before the commencement of this Bill by or against the former Authority in
- 13 respect of any rights, interest, obligation or liability, of the former Authority
- 14 may be continued, or as the case may require, commenced and the
- 15 determination of a court of law, tribunal or other Commission or person may be
- 16 enforced, by or against the Commission to the same extent that such cause of
- 17 action or determination might have been continued or commenced or enforced
- 18 by or against the former Authority as if this Bill had not been made.
- 19 4. Any person who immediately before the commencement of this
- 20 Bill held office under the former Authority shall, on the commencement of this
- 21 Bill be deemed to be transferred to the Commission on terms and conditions
- 22 not less favourable than those obtaining immediately before the
- 23 commencement of this Bill and service under the former Authority shall be
- 24 deemed to be service under the Commission for pensions purposes.
- 25 5. For the purposes of paragraph 4 of this Schedule, the terms and
- 26 conditions comprised in any transferred appointment shall not be construed as
- 27 being less favourable merely because they are not in all respects identical or
- 28 superior to the terms and conditions enjoyed by any person concerned
- 29 immediately before the commencement of this Bill if the first-mentioned terms

1 and conditions taken as a whole confer substantially equivalent or greater  
2 benefits.

3 6. Within twelve months next after the making of this Bill the  
4 Minister, if he thinks fit, may by Directive published in the Gazette make  
5 additional transitional or saving provisions for better carrying out of the  
6 objectives of this Schedule.

### 7 THIRD SCHEDULE

8 (Section 6)

#### 9 APPROVED ACTIVITIES

- 10 1. Manufacturing-Agro related, consumer goods, metals and  
11 steel, oil and gas industry, and others.
- 12 2. Warehousing freight forwarding and customs clearance.
- 13 3. Handling of goods (transshipment, sorting, marketing,  
14 packaging, etc.)
- 15 4. Banking, stock exchange and other financial services; insurance  
16 and re- insurance.
- 17 5. Import of goods for special services, exhibitions and publicity.
- 18 6. International Commercial Arbitration Services.
- 19 7. Activities relating to integrated zones.
- 20 8. Other activities deemed appropriate by Nigeria Industrial  
21 Development and Zones Commission.

### 22 FOURTH SCHEDULE

23 Section 12(3)

#### 24 DUTY FREE ARTICLES

- 25 1. Building materials.
- 26 2. Tools.
- 27 3. Plant.
- 28 4. Machinery.
- 29 5. Pipes.
- 30 6. Pumps.

- 1           7. Conveyor belts.
- 2           8. Other appliances and materials necessary for construction,  
3 alteration, and repair of premises.
- 4           9. Capital and consumer goods, raw materials components of all  
5 articles intended to be used for the purpose of, and in connection with  
6 reconstruction, extension or repair of premises in a Zone or for equipping such  
7 premises and any other items approved by the Commission.

## EXPLANATORY NOTE

*(This note does not form part of the above Bill but is intended  
to explain its purport)*

The Bill repeals the Nigeria Export Processing Zone Authority Act LFN CAP NI07 2004 and enacts Nigeria Industrial Development and Zones Commission to manage, control and co-ordinate all activities within the Zones. The Commission also has control over all goods deposited or manufactured in the Zones and power to demarcate areas within the Zones as customs territory.