

NIGERIA EXPORT PROCESSING ZONES AUTHORITY ACT  
(REPEAL AND RE-ENACTMENT) BILL, 2019

ARRANGEMENT OF SECTIONS

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# A BILL

## FOR

AN ACT TO REPEAL THE NIGERIA EXPORT PROCESSING ZONES AUTHORITY ACT, CAP NI07 LAWS OF THE FEDERATION OF NIGERIA, 2004; AND TO ENACT THE NIGERIA INDUSTRIAL DEVELOPMENT AND SPECIAL ECONOMIC ZONES AUTHORITY; AND FOR RELATED MATTERS

*Sponsored by Hon. Benjamin Okezie Kalu*

[ ] Commencement

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

1           1.-(1) There is hereby established a body to be known as the  
2 Nigeria Industrial Development and Special Economic Zones Authority in  
3 this Bill referred to as "the Authority".

Establishment of  
the Nigeria  
Industrial  
Development and  
Special Economic  
Zones Authority

4           (2) The Authority shall be body corporate with perpetual  
5 succession and a common seal; and may sue and be sued in its corporate  
6 name and shall be capable of acquiring, holding, or disposing of any  
7 property moveable or immoveable for the purpose of carrying out its  
8 functions.

9           2.-(1) In addition to any other functions conferred on the Authority  
10 by this Bill, the Authority shall be responsible for the following:

Functions of the  
Authority

11           (a) the articulation, formulation and implementation of policies for  
12 industrial development in Nigeria;

13           (b) the promotion, licencing and regulation of industrial enclaves  
14 without Special Economic Zones status in Nigeria;

15           (c) the promotion, registration, licencing and regulation of  
16 industrial enclaves with Special Economic Zone status in Nigeria;

17           (d) the establishment, management and regulation of Zones in  
18 Nigeria;

1 (e) the approval of development plans for industrial enclaves in  
2 Nigeria;

3 (f) the establishment of administrative desks for relevant Government  
4 Agencies in the industrial enclaves as may be necessary from time to time;

5 (g) the establishment of an Alternative Dispute Resolution Centre in  
6 the Authority;

7 (h) the adaptation of investment promotion strategies for industrial  
8 development and the setting up of investment promotion offices abroad;

9 (i) the implementation of incentives, waivers, tariffs, exemptions as  
10 may be made from time to time pursuant to the provisions of this Bill;

11 (j) the posting/deployment of staff of the Authority as Administrators  
12 to the industrial enclaves for the purposes of regulatory compliance; and

13 (k) to undertake such other activities as are necessary or expedient for  
14 giving full effect to the provisions of this Bill.

Powers of the  
Authority

15 3. In addition to any other powers conferred on the Authority under  
16 this Bill, the Authority shall have powers to -

17 (a) register/incorporate enterprises for the purpose of carrying on  
18 Approved Activities within the Zones;

19 (b) implement the objectives of the Nigeria Industrial Revolution  
20 Plan ("NIPR") as relates to industrial development in Nigeria;

21 (c) to develop and implement policies for industrial development in  
22 Nigeria;

23 (d) to coordinate the activities of relevant Government Agencies in  
24 the industrial enclaves;

25 (e) enter into any form of agreements, contracts, partnerships or other  
26 arrangements with any person, company or firm, national or international  
27 organization or body which in the opinion of the Authority may facilitate the  
28 discharge of its functions under this Bill;

29 (t) establish and operate Zones registry in the Authority to render  
30 registration and incorporation services to Zones operators as well as

1 registration of charges, debentures and other similar securities;

2 (g) establish and operate land management and control registry in  
3 the Authority;

4 (h) develop and administer building codes and standards within the  
5 Zones;

6 (i) facilitate, register and regulate banking and financial services  
7 within the Zones in conjunction with the Central Bank of Nigeria;

8 (j) develop and administer incentives and tariffs necessary for  
9 Zones and other industrial enclaves;

10 (k) grant concession exclusive of any other Government Agency,  
11 to any person, company, organization or body to develop any facility or  
12 infrastructure in any Zone in agreement with the Zone Management under  
13 any contractual arrangement as may be specified by the Authority in a  
14 regulation made in that behalf;

15 (l) establish a Dispute Resolution Center in the Authority with  
16 jurisdiction over any civil disputes arising from the operation of this Bill,  
17 contractual agreements, labour issues and any other matters as may be  
18 vested in the center by a subsidiary regulation made in that behalf;

19 (m) from time to time review, recommend and gazette rules and  
20 regulations guiding the operations in the Zones;

21 (n) issue Certificate of Origin for goods produced, packages or  
22 processed in whatever form in the Zones;

23 (o) from time to time issue certificates of valuation of assets or  
24 investments to investors with effect from the date of establishing the Zone  
25 which shall serve as instrument of ownership of assets or investment in the  
26 Zone;

27 (p) the Authority shall have powers to seek the approval of Mr.  
28 President to grant new or special incentives for any industrial enclaves as  
29 may be necessary from time to time;

30 (q) exercise any of its powers by itself or by an instrument in

1 writing delegating the exercise of any of such powers to any person or body as  
2 it deems fit;

3 (r) regulate to the exclusion of any person, agency or body except as  
4 provided under this Bill all Zones established under the Nigeria Export  
5 Processing Zones Authority Act, Cap N107, Laws of the Federation of Nigeria,  
6 2004 and as may be amended and no provisions of any Act, law of regulations  
7 relating to taking over of any zone established under this Bill shall have effect  
8 whatsoever; and

9 (s) exercise such other powers as are necessary or expedient for  
10 giving effect to the provision of this Bill.

Zones designation

11 4.-(1) The President may, from time to time by Order, upon the  
12 recommendation of the Authority established under this Bill designate any area  
13 as it deems fit to be a Special Economic Zone (in this Bill referred to as  
14 "Zone").

15 (2) The Zone established pursuant to subsection (1) of this section,  
16 may be operated and managed by public or private entities or by a  
17 public/private partnership with the approval of the Authority.

18 (3) Every Order made pursuant to subsection (1) of this section, shall  
19 specify the limits of the area designated and ascribe a name to it.

20 (4) The Authority may, from time to time, by Order made under the  
21 hands of the Managing Director, amend, vary or add to the limits of a Zone or  
22 change the name of a Zone.

23 (5) The Authority shall be the only body with powers to regulate  
24 Zones established/designated under this Bill, register and licence Zones  
25 Operators in the Zones so established/designated.

26 (6) The Zones operators referred to in sub-section 5 of this section  
27 shall include:

28 (a) Zone Promoters;

29 (b) Zone Developers;

30 (c) Zone Managers;

1 (d) Zone Independent contractors; and

2 (e) Zone Service Providers.

3 (7) Operations within a Zone shall commence on the date of  
4 issuance of the Operating Licence.

5 5.-(1) There shall be for the Authority, a Governing Board which  
6 shall consist of a Chairman to be appointed by the President on the  
7 recommendation of the Minister and the following other members, as  
8 follows:

Membership of  
the Governing  
Board

9 (a) a representative each from the following Federal Ministries, not  
10 lower than the rank of a Director, that is:

11 (i) Federal Ministry of Industry, Trade and Investments, and

12 (ii) Federal Ministry of Justice;

13 (b) the Comptroller-General of Nigeria Customs Services or his  
14 representative not below the grade of Assistant Comptroller-General;

15 (c) the Comptroller-General of Nigeria Immigration Service or his  
16 representative not below the grade of Assistant Comptroller-General;

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

19 (e) a representative from each of the following bodies:

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

22 (ii) the Manufacturers Association of Nigeria;

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

27 (g) a representative of the Central Bank of Nigeria not below the  
28 grade of Director;

29 (h) two persons to be appointed by the Minister who must have  
30 retired from the employment of the Authority and not below the rank of

1 Assistant Director; and

2 (i) the Managing Director of the Authority.

3 (2) A member of the Board other than an ex-officio member shall  
4 subject to the provisions of this Bill, hold office for a period of two years from  
5 the date of his appointment as a member and shall be eligible for re-  
6 appointment for one further period of two years and thereafter he shall be no  
7 longer be eligible for re-appointment.

8 (3) Notwithstanding subsection (2) of this section, the President may  
9 on the recommendation of the Minister require any member to vacate his office  
10 if continued membership will not be in the interest of the Authority.

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

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

Appointment of  
Managing Director,  
Company Secretary  
and other  
employees

16 6.-(1) There shall be for the Authority, a Managing Director who shall  
17 be the Chief Executive and shall be appointed by the President on the  
18 recommendation of the Minister.

19 (2) The Managing Director shall upon his appointment hold office for  
20 a term of 4 years and shall be eligible for re-appointment for one further term of  
21 4 years and shall no longer be eligible for re-appointment thereafter.

22 (3) The Managing Director shall be responsible for:

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

24 (b) the recommendation of bye-laws applicable in each industrial  
25 enclave;

26 (c) the development of strategies for the promotion of the industrial  
27 enclaves inside and outside the country;

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

30 (e) the day-to-day administration of the Authority.



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

3 (a) appoint a Company Secretary/Legal Adviser who shall be  
4 qualified to practice as a legal practitioner in Nigeria and has been so  
5 qualified for not less than 10 years;

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

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

11 7.-(1) Every person or entity intending to operate as an Enterprise  
12 in a Zone shall cause itself first to be registered with the Authority and be  
13 issued a certificate of registration.

Registration/  
licensing of zone  
enterprise

14 (2) A registered Enterprise shall be a body corporate with perpetual  
15 succession and a common seal; it may sue and be sued in its own name; and  
16 shall be capable of acquiring, holding or disposing of any property  
17 moveable or immovable for the purposes of carrying out its functions.

18 (3) An Enterprise shall be a company limited by shares and shall  
19 have equal legal status with companies registered under the Companies and  
20 Allied Matters Act, Cap C20, Laws of the Federation of Nigeria, 2004 and the  
21 Customs Territory.

22 (4) Any Enterprise which proposes to undertake an Approved  
23 Activity within a Zone shall submit such documents and information in  
24 support of its application, as the Authority may require from time to time and  
25 the Authority may grant approval of such registration subject to such terms  
26 and conditions as it deems fit.

27 (5) Upon registration, the Enterprise may be issued an Operating  
28 Licence by the respective Zone Management.

29 (6) Any Enterprise operating within a Zone shall notify the  
30 Authority within 14 days of any purchase, assignment or transfer of shares

1 in the entity, except where the entity's shares are freely transferable on any  
2 international Stock Exchange.

Approved  
activities

3 8.-(1) Activities specified in the Third Schedule to this Bill shall be  
4 the Approved Activities for the purposes of this Bill.

5 (2) The Authority may, from time to time, prescribe the Activities  
6 which may be carried out under this Bill, and for this purpose may by Order,  
7 amend the Third Schedule to this Bill.

Vesting of  
property in the  
Authority

8 9.-(1) The President or Governor of a State respectively may, by  
9 Order, transfer to the Authority, any property belonging to the Federal or State  
10 Governments respectively which appears to be necessary or expedient to the  
11 Authority in carrying out its functions under this Bill and such property shall  
12 vest in the Authority by virtue of the Order and without further assurance.

13 (2) Notwithstanding the provision of sub-section 1 of this section, any  
14 land in any part of Nigeria upon its designation by the President as a zone shall  
15 vest in the Authority and the Authority shall hold same in trust for the good  
16 control and management of the Zone in accordance with the procedure  
17 specified in a regulation made pursuant to this Bill.

Exemption from  
taxes

18 10. An Enterprise operating within a Zone shall be exempted from all  
19 Federal, State and Local Government taxes, levies, rates, contributions and/or  
20 funds.

Goods and  
services made  
in the Zone

21 11.-(1) Where an Enterprise operating within a Zone supplies goods  
22 and services to customers within the Customs Territory, that Enterprise shall be  
23 entitled to receive payments for such goods and services in foreign currency (or  
24 its naira equivalent) and for the purposes of such payment, the normal rules and  
25 regulations applicable to importation of goods and services into Nigeria shall  
26 apply.

27 (2) Where a person within the Customs Territory supplies goods and  
28 services to an Enterprise established within a Zone, the person shall be entitled  
29 to receive payment for such goods or services in foreign currency (or its naira  
30 equivalent) and the rules and regulations applicable to export from Nigeria

1 shall be applicable.

2           12.-(1) The Authority and any Enterprise subject to the Authority's  
3 approval, shall be entitled to import into a Zone, free of customs duty, any  
4 capital goods, consumer goods, raw materials, components, or articles  
5 intended to be used for the purposes of and in connection with an approved  
6 activity, including any article for the construction, alteration,  
7 reconstruction, extension or repair of premises in a Zone or for equipping  
8 such premises.

Import of goods  
into the Zone

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

14           (3) All goods brought into a Zone shall be consigned:

15           (a) to the Authority or to an Enterprise and the goods may, with the  
16 approval of the Authority, be transferred from one Enterprise to another or  
17 from the Authority to an Enterprise or from an Enterprise to the Authority; or

18           (b) without prejudice to the provisions of subsection (2) of this  
19 section, to a bank located in the Zone Billing on behalf of any party to a  
20 transaction involving the Authority or an Enterprise.

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

26           (5) Subject to the provisions of this Bill and any regulations made  
27 thereunder, goods brought into a Zone pursuant to this section may-

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

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

3 (c) be exported in whole or part, to the Customs Territory upon  
4 payment or applicable duty and exported to other countries without restrictions  
5 and payment of Customs duty; or

6 (d) be consumed if the goods are meant for consumption in the Zone,  
7 unless otherwise directed by the Authority; or

8 (e) subject to the provisions of subsection (7) of this section, be  
9 removed from a Zone or sent into the Customs Territory, whether as originally  
10 packed or otherwise; or

11 (f) subject to any enactment pertaining thereto, be destroyed.

12 (6) Where any goods which are dutiable on entry into the Customs  
13 Territory are sent from a Zone into the Customs Territory, the goods shall be  
14 subject to the provisions of the Customs, Excise Tariff, etc. (Consolidation) Act  
15 and any regulations consolidating, amending or replacing the Customs, Excise  
16 Tariff, etc. (Consolidation) Act, and if the goods are intended to be disposed of  
17 in the Customs Territory, shall not be removed from the Zone unless:

18 (a) the consent of the Authority has been obtained; and

19 (b) the relevant customs authorities are satisfied that all import  
20 restrictions relevant thereto have been complied with and all duties payable in  
21 connection with the importation thereof into the Customs Territory have been  
22 paid.

23 (7) Samples of goods being taken into the Customs Territory from a  
24 Zone shall be subject to the provisions of subsection (6) of this section, except  
25 in cases where the relevant customs authority is satisfied that such goods are of  
26 no commercial value.

27 (8) Where goods are brought from the Customs Territory into a Zone  
28 for the purposes of an approved activity, the goods shall be deemed to be  
29 exported from the Customs Territory.

30 (9) The Destination Inspection Scheme shall not apply to imports of

1 goods into the Zones for use by enterprises in the Zone.

2 (10) Goods manufactured or produced in the Zone shall be  
3 imported into the customs territory on payment of the appropriate duty  
4 irrespective of whether the goods are prohibited or not. However, prohibited  
5 goods that have been assembled or packaged without meeting the 35% value  
6 addition requirement shall not be allowed into the customs territory.

7 (11) The amount of import duty on goods manufactured, processed  
8 or assembled in the Zones and exported to the customs territory, shall be the  
9 rate of duty applicable to the raw materials in the state in which they are  
10 originally introduced into the zones.

11 (12) Where raw materials for production of any good sold into the  
12 customs territory is sourced from the customs territory, such raw material  
13 shall attract zero duty.

14 (13) Any goods made in the zones shall be labeled Made in Nigeria  
15 (Special Economic Zones) Goods.

16 (14) Any special product imported into the Zone on which value  
17 had been added without changing the essential attract of the product after  
18 processing in the zone and intended for the custom territory, shall be granted  
19 an import duty tariff rebate of 75%.

20 13.-(1) No person shall enter and remain in or reside in a zone  
21 without the prior permission of the Authority.

Persons not to  
enter a Zone

22 (2) Subject to the provisions of subsection (1) of this section, any  
23 person entering into a zone with intention to carry on any legitimate business  
24 activity, though not captured in the list of approved activities in this Bill may  
25 be allowed by the grant of a permit issued by the Authority upon the payment  
26 of a fee prescribed for that category of activity by the Authority in the Zone's  
27 regulation or a circular made in that behalf.

28 (3) Any person who contravenes the provisions of subsection (1) of  
29 this section shall be liable to a minimum fine of \$500 each day of  
30 contravention.

Prohibition of retail trade

1 (4) Any other entry protocols, if necessary, into any of the zones shall  
2 be determined by the Authority in consultation with the Zone Management.

3 14.-(1) No retail trade shall be carried on within a Zone without the  
4 prior approval of the Authority, such approval shall be subject to such terms  
5 and conditions as may be imposed from time to time by the Authority.

6 (2) Any person who contravenes the provisions of subsection (1) of  
7 this section or a term or a condition imposed pursuant to that subsection, if  
8 found guilty, shall have its licence revoked by the Authority.

Special provisions relating to articles imported from the Customs Territory

9 15. An enterprise which imports into a zone an article with a benefit  
10 in respect of customs duty under the provisions of this Bill shall-

11 (a) keep such records of the articles so imported in such forms and  
12 containing such particulars as may be required by the Authority;

13 (b) cause the articles to be marked with such mark and in such manner  
14 as may be required by the Authority;

15 (c) permit the Authority or a person authorized by the Authority at all  
16 reasonable times:

17 (i) to inspect the records relating to those articles,

18 (ii) to have access to any factory, warehouse, assembly plant or other  
19 premises under the control of the enterprise for the purpose of examining the  
20 article which the Authority believes to be therein and of satisfying itself of the  
21 accuracy of the particulars in relation to the article contained in such records.

22 (2) Any enterprise which contravenes the provisions of subsection (1)  
23 of this section shall be guilty of an offence and liable to a minimum fine of  
24 \$5000.

Prohibition of storage of ammunitions and dangerous explosives

25 16.-(1) Notwithstanding any other provision of this Bill, the  
26 following goods shall not be imported, taken into or stored in a zone:

27 (a) firearms and ammunitions, other than by members of the Nigeria  
28 Police Force or the Armed Forces. of the Federation or by security agencies  
29 duly licenced by the relevant government agency and employed to work in a  
30 zone in the course of their duties;

- 1 (b) dangerous explosives, without prior approval of the Authority;
- 2 (c) petrol, inflammable materials, hazardous cargoes or oil fuels,
- 3 other than in such quantities and on such terms and conditions as may be
- 4 prescribed by the Authority;
- 5 (d) goods which the Authority by order has imposed specific or
- 6 absolute prohibition on their importation into a Zone.

7 (2) Any person who contravenes the provisions of subsection (1) of  
8 this section shall be guilty of an offence and liable on conviction to a jail  
9 term not less than 4 years or a fine of \$500,000 or both.

10 17. Export of goods from a zone to the customs territory shall,  
11 except as otherwise prescribed by or pursuant to this Bill, be subject to the  
12 same customs and licencing requirements as applicable to goods imported  
13 from other countries.

Export of goods  
from Zones

14 18.-(1) All enterprises shall be entitled to the general incentives  
15 provided under this Bill, while new or special incentives shall be as  
16 approved for any industrial enclave as may be recommended and approved  
17 by Mr. President.

Incentives and  
related matters

18 (2) General incentives for the enterprises shall include the  
19 following:

- 20 (a) legislative provisions pertaining to taxes, levies, duties,
- 21 contributions and/or funds shall not apply within the zones;
- 22 (b) access to foreign exchange and other incentives relating to
- 23 banking operations shall be as contained in the Guidelines for Banking
- 24 Operations in the Special Economic Zones in Nigeria;
- 25 (c) repatriation of investments in the zones at any time with capital
- 26 appreciation of investment;
- 27 (d) remittance of profits and dividends earned by investors in the
- 28 zones;
- 29 (e) no import or export licences shall be required;
- 30 (f) duty free on importation of capital goods, consumer goods,

1 machinery, equipment, furniture and raw materials;

2 (g) the rate of duty applicable to the raw materials in the state in which  
3 they are originally introduced into the zone shall be the amount of import duty  
4 on goods manufactured, processed or assembled in the zones and exported into  
5 the customs territory;

6 (h) up to 100% ownership of business in the zones is allowed;

7 (i) foreign managers and qualified personnel may be employed by  
8 companies operating in the zones;

9 (j) enterprises operating in the zones are allowed to export into the  
10 Nigeria customs territory up to 100% of their products;

11 (k) no expatriate quota shall apply in the zones; and

12 (l) special vehicle licence plates for ease of identification and  
13 movement.

Enterprise to  
submit returns

14 19. An enterprise shall submit to the Authority at such intervals as  
15 may be prescribed, such statistical data and such information and returns as  
16 regards the sales and purchases and other operations of the enterprise as the  
17 Authority or Zone Management may require or as may be prescribed, from  
18 time to time.

Work permits

19 20. Where a person who is a non-Nigerian citizen is employed by the  
20 Authority or by an enterprise established in a zone, upon application by the  
21 enterprise for a licence to establish itself within a zone or at any time thereafter,  
22 the enterprise shall apply on behalf of the non-Nigerian citizen, directed to the  
23 Authority for the purpose of immigration and employment permits, in such a  
24 manner as may be prescribed by the Authority.

Condition of  
service

25 21.-(1) The Authority shall make regulations relating generally to the  
26 staff conditions of service of the employees of the Authority and without  
27 prejudice to the generality of the foregoing:

28 (a) the Authority shall have both the powers and duty to make the staff  
29 conditions of service and its provisions shall have binding effect regarding the  
30 terms and conditions of service between the Authority and her employees;



1 (b) without prejudice to the generality of the provisions of this  
2 section, such regulation shall provide for:

3 (i) the appointment, welfare, promotion and disciplinary control of  
4 all employees of the Authority,

5 (ii) right of appeal for employees against any disciplinary action of  
6 the Authority and such appeal shall be in accordance with the provisions of  
7 the staff condition of service and the Pensions Reform Act, 2004 or as may  
8 be amended,

9 (iii) appeal by such employees against any disciplinary action of  
10 the Authority and until such regulations are made, the regulations relating to  
11 the conditions of service of the officers in the public service of the federation  
12 and the provisions of the Pensions Reform Act, 2004 shall be applicable  
13 with such modifications as may be necessary to the staff of the Authority.

14 (2) Any enterprise operating in a zone shall be responsible for the  
15 provisions of its staff condition of service in line with international best  
16 practices and laws guiding labour relations in Nigeria and such staff  
17 conditions of service shall be subject to approval of the Authority.

18 (3) The Authority shall reserve the rights and powers to issue  
19 regulations and guidelines on the benchmarks for staff conditions of service  
20 of the enterprises.

21 **22.**-(1) The Authority shall establish and maintain a fund which  
22 shall consist of:

Fund of the  
Authority

23 (a) all monies received from the Federal Government:

24 (b) proceeds from all activities, services and operations of the  
25 Authority;

26 (c) grants, gifts and donations made to the Authority; and

27 (d) such other sum as may accrue, from time to time, to the  
28 Authority.

29 (2) 75% of the internally generated revenue (IGR) of the Authority  
30 shall be applied towards the activities stated in subsection (3) of this section

1 while the balance of 25% will be paid to the Federal Government.

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

4 (a) the cost of administration of the Authority;

5 (b) the payment of salaries, fees or other remuneration or allowances,  
6 pensions and gratuities payable to the officers and employees of the Authority;

7 (c) reimburse members of the Board or of any committee set up by the  
8 Board for such expenses as may be expressly authorized by the Authority in  
9 accordance with the rates approved by the Federal Government;

10 (d) the maintenance of any property vested in the Authority; and

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

Annual estimates,  
account, etc.

13 23.-(1) The Authority shall, not later than 31st October in each year,  
14 submit to the Minister an estimate of its expenditure and income (including  
15 payments into the funds of the Authority) during the next succeeding year.

16 (2) The Authority shall keep proper accounts in respect of each year  
17 (and proper records in relation thereto) and shall cause its accounts to be  
18 audited within 6 months after the end of each year by auditors appointed from  
19 the list and in accordance with the guidelines supplied by the Office of the  
20 Auditor-General of the Federation.

Enactment  
applicable in  
customs territory  
not to apply

21 24.-(1) The provisions of any enactment, law, regulation, or rule  
22 though applicable in the customs territory relating to tax, duties, levies, rates,  
23 contributions funds, etc. shall not apply in the zone established under this Bill.

24 (2) Notwithstanding anything to the contrary contained in any other  
25 enactment or law, the provisions of the following Acts or any regulations  
26 consolidating, amending or replacing such Act shall not by any means  
27 whatsoever apply in any of the zones:

28 (a) Federal Inland Revenue Service (Establishment, etc.) Act, 2007;

29 (b) Industrial Training Fund Act, 2011;

30 (c) Nigerian Oil and Gas Industry Content Development Act, 2010;

1 (d) Oil and Gas Export Free Zones Act, 1996;

2 (e) any other enactment that may impede the successful  
3 implementation of the provisions of this Bill.

4 (3) The provisions of Guidelines for Banking Operations in the  
5 Special Economic Zones shall be the applicable rules guiding foreign  
6 exchange and currency earnings and uses in the Zones.

7 **25.** In addition to any other powers granted the Minister under this  
8 Bill, the Minister shall have powers to:

Powers of the  
Minister

9 (a) upon the recommendation of the Authority, make subsidiary  
10 legislations for the smooth running and operations of the zones either by  
11 Order, circular or any other appropriate means and such subsidiary  
12 legislations shall have equal force of law with the provisions of this Bill;

13 (b) upon a request made by the Authority, by Order or circular vary  
14 or modify the application of any enactment noticed by the Authority to have  
15 adverse effect on the operations of this Bill or restrict/interfere with the  
16 smooth running and operation of any zone.

17 **26.** Every act of omission or neglect to comply with and every act  
18 done or attempted to be done contrary to the provisions of this Bill or  
19 regulations made thereunder shall be an offence and in respect of and such  
20 offence for which no penalty is expressly provided, the offender shall be  
21 guilty of an offence and liable to a fine of \$500 for every day during which  
22 the omission or neglect continues, and every director/manager or other  
23 similar officers of the enterprise who knowingly and willfully authorizes or  
24 permits the omission or neglect shall be liable to a like penalty.

Omission or  
non-compliance

25 **27.-(1)** An Alternative Dispute Resolution Centre (in this Bill  
26 referred to as "the Center") is hereby.

Establishment of  
Alternative Dispute  
Resolution Centre

27 (2) The Center shall have jurisdiction over all civil disputes arising  
28 from the operations of this Bill, subsidiary legislations made thereto, orders,  
29 circulars or any other instrument made pursuant to the provisions of this  
30 Bill; contractual agreements between parties, labour relations, trade and

1 investment and any other matters as may be referred to it by any other matters  
2 as may be referred to it by any other enactment or regulation.

3 (3) The Centre shall be located at the headquarters of the Authority  
4 and/or any other location as the Authority may decide from time to time.

5 (4) The rules and regulations regarding the powers, jurisdiction, mode  
6 of operation, etc. of the Center shall be as contained in the Alternative Dispute  
7 Resolution Centre Rules made in that behalf by the Authority.

Inspection

8 28.-(1) Where any person in the course of his duties is authorized by  
9 any enactment, law or regulations to take samples of any good or product in a  
10 zone, such person shall request for that particular sample formally and when  
11 collected, the person shall sign for the samples do collected.

12 (2) Where any person is authorized by an Act, law or regulation to  
13 conduct a check or an inspection on a warehouse or any other facility in a zone,  
14 such person shall first notify the Authority/Zone Management of his intention  
15 to carry out such a check or inspection and no such check or inspection shall be  
16 carried out without the presence of an official of the Authority/Zone  
17 Management.

18 (3) There shall be no prior notification required by or made to-any  
19 other agency or government for the purpose of carrying out an approved  
20 activity for which an enterprise is duly registered and licenced under this Bill.

21 (4) Notwithstanding anything to the contrary contained in any other  
22 law, no action shall be instituted against the Authority in respect of any act,  
23 neglect, or default done or omitted to be done by any officer, servant or agent of  
24 the Authority in his capacity as an officer, servant or agent of the Authority with  
25 regard to the provisions of this Bill or regulations made pursuant to this Bill  
26 unless it is commenced within 3 months next after the act or negligence  
27 complained of, or in the case of a continuing damage or injury, within 3 months  
28 next after the ceasing thereof.

29 (5) No suit shall be commenced against the Authority before the  
30 expiration of a period of one month of intention to commence the suit shall

1 have been addressed and served on the Managing Director by the intending  
2 plaintiff or his authorized agent and the notice shall clearly and explicitly  
3 state:

4 (a) the cause of action;

5 (b) the particulars of the claim;

6 (c) the name and place of abode of the intending plaintiff; and

7 (d) the relief(s) claimed.

8 **29.-(1)** The Governing Board of the Nigerian Export Processing Repeal  
9 Zones Authority established by the Nigeria Export Processing Zones  
10 Authority Act, Cap N107, Laws of the Federation of Nigeria, 2004 is hereby  
11 dissolved and the said enactment is hereby repealed.

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

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

23 **30.** In this Bill, unless the context otherwise requires:

Interpretation

24 "approved activities" means activities specified in the Third Schedule to this  
25 Bill;

26 "Authority" means the Nigerian Industrial Development and Special  
27 Economic Zones Authority established by section 1 of this Bill;

28 "Board" means the Governing Board constituted pursuant to the provisions  
29 of this Bill;

30 "civil disputes" means all kinds of disputes arising from the operation of this

- 1 Bill, commercial transactions, contractual agreements, trade disputes and any  
2 other kind of disputes between/among zones operators or any other person  
3 subjecting itself to the jurisdiction of the Centre save a matter with criminal  
4 elements;
- 5 "customs territory" means any place in Nigeria other than a designated Special  
6 Economic Zone where the regular laws of Nigerian operate;
- 7 "enterprise" means any entity registered by the Authority to carry on an  
8 approved activity in a zone;
- 9 "Government Agencies" mean the relevant agencies of government, other than  
10 the Authority, established under this Bill, law or bye-law to carry out specified  
11 government businesses or services and within a zone established under this Bill  
12 for the purposes of ease of doing business in such a zone;
- 13 "industrial enclave" means any area of land established for industrial purposes  
14 with or without special economic zones status;
- 15 "internally generated revenue (IGR)" means revenue generated by the  
16 Authority;
- 17 "legitimate business activity" includes independent contractors engaged by an  
18 enterprise, service providers, professional entities, guests lodging in an hotel or  
19 guest house located in a zone, patient attending medical treatment in an  
20 hospital located in a zone, pupils or students attending s school located in a  
21 zone, staff or such entities, etc.;
- 22 "Managing Director" means the Managing Director appointed pursuant to the  
23 provisions of this Bill;
- 24 "Member" means a member of the Governing Board including the Chairman;
- 25 "Minister" means the Minister supervising the activities of the Authority;
- 26 "operating licence" means a licence granted by the Authority to an operator  
27 registered to operate in any Zone as a developer, manager or enterprise;
- 28 "person" means a natural or corporate person;
- 29 "public zone" means any designated zone regulated and managed by the  
30 Authority on behalf of the Federal Government;

1 "President" means the President, Commander-in-Chief of the Armed Forces  
2 of the Federal Republic of Nigeria;

3 "special economic zone" means any area of land so designated by the  
4 President upon the recommendation of the Authority, under this Bill, with  
5 rights to tax incentives, tariffs and regulations different from what is  
6 applicable in the customs territory. These shall include but are not limited to  
7 "Export Processing factories".

8 31. This Bill may be cited as the Nigeria Export Processing Zones Short title  
9 Authority Act (Repeal and Re-Enactment) Bill, 2019.

10 FIRST SCHEDULE

11 SUPPLEMENTARY PROVISIONS RELATING TO THE AUTHORITY

12 *Proceedings of the Board*

13 1.-(1) Subject to the provisions of this Bill and to section 2 of the  
14 Interpretation Act, the Board may make standing orders regulating the  
15 proceedings of the Authority or of any committee thereof.

16 (2) The quorum of the Board shall be eight and the quorum of any  
17 committee of the Board shall be as may be determined by the Board from  
18 time to time.

19 2.-(1) The Board shall meet not less than four times in each year  
20 and, subject thereto, the Board shall meet whenever it is summoned by the  
21 Chairman, and if the Chairman is required to do so by notice given to him by  
22 not less than three other members, he shall summon a meeting of the Board  
23 to be held within fourteen days from the date on which notice is given.

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

27 (3) Where the Board desires to obtain the advice of any person on a  
28 particular matter, the Board may co-opt him as a member for such period as  
29 it thinks fit:

30 Provided that a person who is a member by virtue of this sub-

1 paragraph shall not be entitled to vote at any meeting of the Board and shall not  
2 count towards the quorum.

3 *Committees*

4 3.-(1) The Board may appoint one or more committees to carry out on  
5 behalf of the Board such of its functions as the Authority may determine.

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

10 *Miscellaneous*

11 4.-(1) The fixing of the seal of the Authority shall be authenticated by  
12 the signature of the Chairman and of any other member authorized generally or  
13 specially by the Board for that purpose.

14 (2) Any contract or instrument which, if made or executed by a person  
15 not being a body corporate, would not be required to be under seal may be made  
16 or executed on behalf of the Board by the Chairman and the Managing Director  
17 or any person authorized generally or specially by the Authority for that  
18 purpose.

19 5.-(1) Members of the Board shall be paid out of moneys at the  
20 disposal of the Board such remunerations, fees or allowances in accordance  
21 with such scale as may be approved, from time to time, by the Minister.

22 (2) The validity of any proceedings of the Board or of a committee  
23 thereof shall not be adversely affected by any vacancy in the membership of the  
24 Board or of any committee or by the defect in the appointment of any member  
25 of the Board or committee or by reason that a person not entitled to do so took  
26 part in the proceedings.

27 6.-(1) A member of the Board who is:

28 (a) directly or indirectly interested in any company or enterprise the  
29 affairs of which are being deliberated upon by the Authority; or

30 (b) is interested in any contract made or proposed to be made by the



1 Authority, shall as soon as possible after the relevant facts have come to his  
2 knowledge disclose the nature of his interest at a meeting of the Board.

3 (2) A disclosure under sub-paragraph (1) of this paragraph, shall be  
4 recorded in the minutes of the meeting of the Board and the member shall:

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

8 (b) be excluded for the purpose of constituting a quorum if the  
9 Board for any such deliberation or decision.

10 7. From the commencement of this Bill, only legal practitioners,  
11 accountants and other similar professionals shall be allowed to conduct  
12 transactions with the Authority/Zone Management/Enterprises on behalf of  
13 the their respective clients.

#### 14 SECOND SCHEDULE

##### 15 VESTING OF ASSETS AND LIABILITIES IN THE AUTHORITY

16 1. By virtue of this Bill, there shall be vested in the Authority  
17 established under this Bill (in this Schedule referred to as "the Authority"),  
18 all assets, funds, resources and other moveable or immoveable property  
19 which immediately before the commencement of this Bill were vested in the  
20 Authority established under the repealed enactment (in this Schedule  
21 referred to as "the former Authority").

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

23 (a) the rights, interests, obligations and liabilities of the former  
24 Authority existing immediately before the commencement of this Bill under  
25 any contract or instrument, shall by virtue of this Bill be deemed to have  
26 been assigned to and vested in the Authority;

27 (b) any such contract or instrument as is mentioned in sub-  
28 paragraph (a) of this paragraph, shall be of the same force and effect against  
29 or in favour of the Authority as shall be enforceable as fully and effectively  
30 as if instead of the former Authority the Authority had been named therein or

1 had been a party thereto; and

2 (c) the Authority shall be subject to all the obligations and liabilities to  
3 which the former Authority was subject immediately before the  
4 commencement of this Bill and all persons shall, as from the commencement of  
5 this Bill have the same rights, powers and remedies against the Authority as  
6 they had against the former Authority immediately before the day.

7 10. Power generation, distribution and related services.

8 11. Hospitality, tourism, medicals, education, legal practice,  
9 consultancy services and other similar social services.

10 12. Dispute resolution services.

11 13. Activities relating to integrated zones.

12 14. Other activities deemed appropriate by the Authority.

13 FOURTH SCHEDULE

14 DUTY FREE ARTICLES

15 1. Building materials

16 2. Tools

17 3. Plant

18 4. Machinery

19 5. Pipes

20 6. Pumps

21 7. Conveyor belts

22 8. Other appliances and materials necessary for construction,  
23 alteration and repair of premises.

24 9. Capital and consumer goods, raw materials components of all  
25 articles intended to be used for the purpose of and in connection with the  
26 reconstruction, extension or repairs of premises in a Zone or for equipping such  
27 premises and any other items approved by the Authority.

EXPLANATORY MEMORANDUM

This Bill seeks to repeal the Nigeria Export Processing Zones Authority Act, Cap NI07, Laws of the Federation of Nigeria, 2004. It also seeks to establish the Nigeria Industrial Development and Special Economic Zones Authority to manage, control and coordinate all activities with the zones; and to empower the President to designate any area of the country as a Special Economic Zone.

