



REVISED GUIDELINES FOR EXPORT EXPANSION GRANT (EEG) SCHEME

1. Background:

The Export Expansion Grant ('EEG' or 'the Scheme') is one of the export incentives introduced by the Federal Government through the Export (Incentives and Miscellaneous Provisions) Act, No. 18 of 1986 as amended by the Export (Incentives and Miscellaneous Provisions) Act, No. 65 of 1992, Cap. E19, Laws of the Federation of Nigeria (LFN). It is a post-shipment incentive designed to improve the competitiveness of Nigerian products and commodities and expand the country's volume and value of non-oil exports.

The Export Expansion Grant scheme is a very vital incentive required for the stimulation of export oriented activities that will lead to significant growth of the non-oil export sector and the diversification of the economy.

The Federal Government in its efforts to bring about tremendous growth in non-oil exports through enhanced efficiency, transparency and accountability, set out the following guidelines to ensure affordability and sustainability of the Scheme:

2. Eligibility:

- i. An intending beneficiary must be registered with the Corporate Affairs Commission.

- ii. An eligible exporter must be registered with the Nigerian Export Promotion Council (NEPC)
- iii. An eligible exporter shall be a manufacturer producer or merchant of products of Nigerian origin for the export market (i.e. the products must be made in Nigeria).
- iv. An eligible exporter must have carried out formal export with its export proceeds repatriated into a domiciliary account in Nigeria and confirmed by the Central Bank of Nigeria.
- v. An exporter-company shall submit its baseline data which includes audited Financial Statement, information on operational capacity and Export Expansion Plan (EEP) to NEPC.

3. Validity for EEG Application

Qualifying export transaction must have satisfied all formal export requirements and the proceeds fully repatriated within **300 days**, calculated from the date of export and as approved by the EEG Implementation Committee

4. Automation and Use of Technology

The use of technology shall be incorporated into the country's export procedures and in the processing of claims to promote transparency and improve confidence in the export documentation generated. Also, scanners and weigh bridges shall be urgently installed in all ports as part of the automation process to amongst others, eliminate the possibility of false claims by exporters. The scanners shall also confirm the type and

weight of product/commodity that was exported and its output would be accessible by all relevant agencies such as NEPC, CBN, NCS and the pre-shipment inspection agents.

5. Documentation

Pending the commencement of the automation of export procedures and incentives processing, whereby all applications shall be forwarded to NEPC via a web based electronic platform, all applications for Export Expansion Grant (EEG) to NEPC must be submitted in duplicate along with scanned copies in a flash drive, with the following export documents attached.

- i. Forms NXP duly certified by processing bank; Nigeria Customs Service and the Pre-shipment Inspection Agents;
- ii. Bill of Lading;
- iii. Final Commercial Invoice;
- iv. Single Goods Declaration (SGD) Forms, duly endorsed by Nigerian Customs Service, both at front and back
- v. Evidence of full repatriation of export proceed (CBN confirmation of repatriation of proceeds by exporter);
(Include Schedule of Confirmation of Repatriation of Export Proceeds)
- vi. Clean Certificate of Inspection (CCI) to include quality certification;
- vii. NEPC non-oil Export Certificate

- viii. Certificate of Manufacturer (where applicable)
- ix. Scanning Report
- x. Any other documentation as may be required by NEPC from time to time.

6. Incentives Rate

The Scheme would operate the “Weighted Eligibility Criteria” in assessing applications for EEG. The baseline data as supplied by individual applicant company would be used in its assessment. Thus the method of assessment is “company cum product specific.” A company’s EEG assessment would be conducted once yearly and the determined rate will apply throughout the year.

The Weighted Eligibility Criteria has four bands: 15%, 10%, 7.5% and 5%. The following template will be used in assessing the incentive rate of every EEG applicant.

a. Determination of Export Performance – Eligibility Criteria

ELIGIBILITY CRITERIA	COMPANY DATA	THRESHOLD	WEIGHT	COMPANY SCORE
Local Value added		30%	20%	
Local Content		70%	20%	
Employment (Nigerians)		500	10%	
Export growth		5%	35%	
Capital Investment		10%	15%	

Total Weight = 100%

A new entrant into the EEG Scheme shall provide three year prior period financial statements, where applicable. Newly incorporated companies should submit their

current year management account and projected financial statement for its assessment. However, to encourage export of value added and processed/manufactured products, exporters shall be divided into four categories (*find attached the Four Band Product categorization*):-

b. EEG Rate applicable to the 4 categories of exporters

Scoring Key	Fully Manufactured (End of Process/ ready for consumption)	Semi Manufactured products (Inputs into further processing)	Processed/intermediate Products	Merchants / Primary Agricultural Commodities (including commodities and Solid minerals)
Scores Band	EEG Rate %	EEG Rate %	EEG Rate %	EEG Rate %
≥ 70	15	10	7.5	5
≥ 50	10	7.5	5	3
≥ 25	7.5	5	3	2
>5%	3	1	1	1
≤ 5%	0	0	0	0

Exporters whose activities/products fall into more than one category shall have their EEG rate for each different category determined by the application of their eligibility criteria score to the appropriate activity/product score table for EEG rates. The rates then determined are applied to appropriate NXPs.

7. Monitoring the Impact of the Scheme

All participants in the scheme must present an Export Expansion Plan (EEP) as a prerequisite for participating in the EEG Scheme. This will be used as a basis of monitoring the export expansion program of beneficiaries and determining their continued eligibility for the Scheme.

8. Settlement of Claims

The grant computed shall be settled by issuing negotiable tax credit to the beneficiaries. This will promote the formalization and inclusion of the Scheme's participants and third parties in the tax net. The instrument which shall be known as Export Credit Certificate (ECC), in order to reflect the changes in the characteristic of the revised Scheme, will be used to settle all Federal Government taxes such as company income tax, VAT, WHT, etc. and the following:

- a. purchase of Federal Government Bonds
- b. settlement of credit facilities by Bank of Industry, NEXIM Bank and CBN intervention Facilities
- c. settlement of AMCON liabilities

The Certificate shall be valid for two years and transferable once to final beneficiaries.

In order to ensure affordability and avoid disruptions in claims settlement, NEPC should prepare the annual estimates of the amounts to be settled to beneficiaries of the Scheme every year which will be included in the Annual Budget and approved as part of the Annual budgeting process.

9. Procedure for Issuance and Utilization of ECC

Upon approval of claims by the EEG Implementation Committee and subsequent approval by the Honourable Minister of Finance, The Export Credit Certificate (ECC)

shall be issued by the Nigerian Export Promotion Council and countersigned by the Budget Office of the Federation / Federal Ministry of Finance.

The disbursed ECC to the beneficiaries shall be presented to the relevant "Collecting Agency" such as the Federal Inland Revenue Service, BOI, NEXIM, AMCOM, etc for utilization. The Collecting Agency shall authenticate the ECC from the Nigerian Export Promotion Council before utilization.

10. Claims Verifications

Company visits shall be incorporated into a programme for validation of information submitted by the exporters and impact assessment of the scheme. The programme will include a first visit to validate financial as well as operational information at least once a year and as may be required. Impact assessment of the scheme on the Nigerian economy and validation of claims shall be carried out annually by external consultants, as may be determined by the EEG Inter-Ministerial Committee (EEG IMC).

11. Administration of EEG Scheme

The EEG Scheme shall be domiciled in NEPC and administered in conjunction with the EEG Implementation Committee (EEG IC). The clean list of applicants to whom NECC have been issued shall be forwarded to the Federal Ministry of Industry, Trade and Investment and Federal Ministry of Finance upon issuance.

The EEG Implementation Committee (EEG IC) chaired by the Executive Director/CEO, NEPC shall consist of:

- i. Nigerian Export Promotion Council (NEPC)
- ii. Federal Ministry of Finance (FMF)
- iii. Nigeria Customs Service (NCS)
- iv. Central Bank of Nigeria (CBN)
- v. Federal Inland Revenue Service (FIRS)
- vi. Federal Ministry of Industry, Trade and Investment

The EEG IC shall meet monthly to consider processed applications and make recommendations to the Honourable Minister of Finance for approval, through the Honourable Minister of Industry, Trade and Investment and subsequent issuance of ECC by NEPC.

There shall be an EEG Inter-Ministerial Committee (EEG IMC) to review the activities of the EEG Scheme. The Committee shall meet twice a year. Membership shall include the Federal Ministry of Agriculture & Rural Development, Presidential Committee on Trade Malpractices, the Organized Private Sector represented by Manufacturers Association of Nigeria (MAN), Organized Private Sector Exporter Association (OPEXA) and Federation of Agricultural Commodities of Nigeria (FACAN), Economic and Financial Crimes Commission (EFCC) and all members of the EEG Implementation Committee;

The EEG Inter-Ministerial Monitoring Committee (EEG IMC) shall be chaired by the Minister of Finance, with the Minister of Industry, Trade and Investment as Alternate Chairman.

In order to effectively fund the administration of the Scheme, the EEG beneficiaries shall pay 2% of the value of ECC approved by the EEG IC upon collection of the Certificates and 4% cost of collection upon utilization.

12. Outstanding Claims

All outstanding claims in respect of transactions between the suspension of the Scheme and its subsequent lifting will be processed under the new reviewed EEG guidelines (i.e. exports made with Bill of lading dated on or after 1st January, 2014).

13. Violation of Guidelines

Any violation of these guidelines by any claimants shall be handled by the Presidential Committee on Trade Malpractices and Economic and Financial Crimes Commission in conjunction with members of the Implementation Committee.

14. Effective Date

These guidelines take effect from 1st January, 2017.

Olusegun Awolowo
Executive Director / CEO,
Nigerian Export Promotion Council
12th June, 2017

4-BAND PRODUCT CATEGORIZATION

S/N	CATEGORY A1 – FULLY MANUFACTURED PRODUCTS
1	Alcoholic Drinks
2	Groundnut Oil
3	Candy
4	Canned Fish Products
5	Carpets and other textile floor coverings
6	Cartons (Ready to use as Packaging Product)
7	Cashew Kernel Oil
8	Cassava derivatives – Starch, ethanol, glucose syrup, industrial adhesives, and garri
9	Cement
10	Ceramics (clay pots)
11	Coffee Beans Oil
12	Complete furniture including CKD, provided it has the same characteristics with the finished product
13	Confectionery (Biscuits, Sweets, Chocolates, etc)
14	Cosmetics
15	Cotton Seed Oil
16	Crown Cocks
17	Diapers, Seat Covers, Carpets, fabrics including shirting and suiting materials; prints, upholstery, etc.
18	Electrical and electronics products, cables and wires, coils, air conditioners, refrigerators, fans, etc
19	Enamelware
20	Fertilizers
21	Finished building materials – e.g. asbestos, tiles, glass, zinc, corrugated iron sheet
22	Finished/Crust Leather, Leather Foot wears, Leather Bags, Leather Belts, Leather Wallets Other Articles of Leather Manufacture
23	Flour: (Cassava, Yam, Potatoes, etc)
24	Foam Products
25	Food and beverage (ready to consume) e.g. instant coffee, tea, spirits, wines, larger beer, malt, soft drinks, bottled water, margarine,
26	Garments, fabrics including shirting and suiting materials; prints, upholstery, etc.
27	Ginger Tea, Ginger Drinks, Essential Oil (oleoresin)
28	Glass (bottles, louvres, etc)
29	Gum Arabic Oil

S/N	CATEGORY A1 – FULLY MANUFACTURED PRODUCTS
30	Hibiscus Tea
31	Industrial Farm Equipment (wheel barrows, axes, machetes, hoes, etc)
32	Insecticides
33	Jute bags
34	Manufactured articles of base metals (iron and steel, copper, nickel, aluminum, lead, zinc, tin, etc)
35	manufactured tobacco (cigar and cigarettes)
36	Moringa Oil
37	Ornaments gemstones
38	Ornaments of silver
39	Ornaments of Zinc
40	Ornaments of Columbite
41	Ornaments of Gold
42	Paints and vanishes
43	Palm Kernel Oil
44	Peanut Oil
45	Pharmaceuticals
46	Plastics products (Biodegradable)
47	Plates, Spoons, buckets and pots.
48	Polybags (Biodegradable)
49	Potato derivatives – Starch, ethanol, glucose syrup, industrial adhesives, Food
50	Printed books
51	Processed Honey
52	Sesame Candy/Food
53	Soap and detergents
54	Soya Bean Oil
55	Steel Billet
56	Sugar
57	Textile fabrics including shirting and suiting materials; prints, etc.
58	Toiletries
59	Tyre, Other articles of rubber manufacture,
60	Utensils (household)
61	Vegetable oils

S/N	CATEGORY A1 – FULLY MANUFACTURED PRODUCTS
62	Vehicles, vessels, boats, etc.
63	Yam derivatives – Starch, ethanol, glucose syrup, industrial adhesives, Food
64	Yeasts

4-BAND PRODUCT CATEGORIZATION

S/N	CATEGORY A 2- MANUFACTURED PRODUCTS
1	Acetic Acid
2	Alcohol
3	Ammonium Nitrate
4	Borax (anhydrate and dehydrate)
5	Bran Pellets
6	Calcium Carbonate
7	Carbon black
8	Cartons (For further design and printing)
9	Cashew Kernel
10	Cashew kernel Cake
11	Caustic Soda
12	Cocoa powder Cocoa cake
13	Coffee Beans Cake
14	Cotton Seed Cake
15	Cotton yarn, Grey Fabric, Carded yarn
16	Crumb rubber
17	Cut and polished gemstones
18	Dehulled sesame seed
19	Frozen shrimps/Fish
20	Furniture components
21	Ginger Cake
22	Glycerin
23	Groundnut Cake
24	Gum Arabic Cake
25	Gum Arabic Powder
26	Ingots
27	Moringa Cake
28	Palm Kernel Cake
29	Peanut Cake
30	Polished Columbite
31	Polished Gold
32	Polished Silver

4-BAND PRODUCT CATEGORIZATION

S/N	CATEGORY A 2- MANUFACTURED PRODUCTS
33	Polyester filament yarn, Polyester fibre staple (hollow slick), Viscose yarn
34	Potato Flour
35	Salt
36	Sesame Cake/Liquor
37	Shea Cake
38	Sodium Silicate
39	Soya Bean Cake
40	Vegetable Tanned Leather
41	Yam Flour
42	Zinc Ash
43	Zinc skimming

4-BAND PRODUCT CATEGORIZATION

S/N	CATEGORY B- PROCESSED/INTERMEDIATE PRODUCTS
1	Apa parquet
2	Bees wax
3	Bitumen
4	Cassava Chips & Pellets
5	Caustic Soda
6	Charcoal
7	Clinker
8	Cocoa butter, Cocoa Liquor
9	Coffee Beans Butter
10	Cotton lint
11	Cotton Seed
12	Crude glycerine
13	Cut & Peeled Sugar Cane
14	Fish
15	Ginger Powder
16	Gum Arabic Powder
17	Hibiscus Powder
18	Horticultural products (Vegetables, Fresh Fruits, Cut-Flower, Pepper, Onion, etc)
19	Moringa Powder
20	Palm Kernel
21	Peanut Butter
22	Potato Chips & Pellets
23	Rolled/ Kraft Paper Sheet
24	Shea Butter
25	Tantalite
26	Tar sand
27	Tin Ore (Cassiterite)
28	Unpolished Columbite
29	Unpolished gemstones
30	Unpolished Gold
31	Unpolished Silver
32	Unpolished Zinc
33	Yam Chips & Pellets
34	Zirconium Ore (sand)

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22	Potato Chips & Pellets
23	Rolled/ Kraft Paper Sheet
24	Shea Butter
25	Tantalite
26	Tar sand
27	Tin Ore (Cassiterite)
28	Unpolished Columbite
29	Unpolished gemstones
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21	Peanut Butter
22	Potato Chips & Pellets
23	Rolled/ Kraft Paper Sheet
24	Shea Butter
25	Tantalite
26	Tar sand
27	Tin Ore (Cassiterite)
28	Unpolished Columbite
29	Unpolished gemstones
30	Unpolished Gold
31	Unpolished Silver
32	Unpolished Zinc
33	Yam Chips & Pellets
34	Zirconium Ore (sand)

4-BAND PRODUCT CATEGORIZATION

S/N	CATEGORY C– PRIMARY PRODUCTS (AGRICULTURE AND MINERALS)
1	Cassava Tubers
2	<i>Cassia tora</i>
3	Cocoa beans
4	Coffee Beans
5	Ginger- raw; dried and split
6	Grains (Rice, Beans, etc)
7	Herbs
8	Horns and Hooves
9	Natural rubber
10	Oil Palm Fruits
11	Peanuts
12	Potash
13	Potato Tubers
14	Poultry
15	Raw cashew nuts
16	Raw Cotton
17	Raw fish
18	Raw Gum Arabic Split Gum Arabic
19	Raw Honey
20	Raw Moringa, Split Moringa
21	Scrap metals
22	Sesame seed
23	Shea nut
24	Shredded paper
25	Sorrel (hibiscus flower)
26	Soya Bean
27	Spirogyras
28	Sugarcane
29	Tiger nuts
30	Timber (rough and sawn)
31	Tobacco
32	Turmeric
33	Wheat Flour Bye-Product/ Waste
34	Yam

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1	Cassava Tubers
2	<i>Cassia tora</i>
3	Cocoa beans
4	Coffee Beans
5	Ginger- raw; dried and split
6	Grains (Rice, Beans, etc)
7	Herbs
8	Horns and Hooves
9	Natural rubber
10	Oil Palm Fruits
11	Peanuts
12	Potash
13	Potato Tubers
14	Poultry
15	Raw cashew nuts
16	Raw Cotton
17	Raw fish
18	Raw Gum Arabic Split Gum Arabic
19	Raw Honey
20	Raw Moringa, Split Moringa
21	Scrap metals
22	Sesame seed
23	Shea nut
24	Shredded paper
25	Sorrel (hibiscus flower)
26	Soya Bean
27	Spirogyras
28	Sugarcane
29	Tiger nuts
30	Timber (rough and sawn)
31	Tobacco
32	Turmeric
33	Wheat Flour Bye-Product/ Waste
34	Yam