Economic and Financial Review

Volume 29 | Number 4 Article 3

12-1991

Industrial Development Coordinating Committee (IDCC) and Foreign Private Investment (FPI) in Nigeria

J. A. Aremu
Central Bank of Nigeria

INDUSTRIAL DEVELOPMENT CO-ORDINATING COMMITEE (IDCC) AND FOREIGN PRIVATE INVESTMENT (FPI) IN NIGERIA*

J.A. AREMU**

Policies that attract foreign private investment (FPI) have become the focus of considerable attention in many developing countries particularly since the beginning of the debt crisis in the 1980s. As part of Nigeria's strategy to stimulate foreign investment, the Federal Government of Nigeria established the Industrial Development Coordinating Committee (IDCC) in 1988 as a one-stop agency for facilitating and attracting foreign investment inflow. A study was initiated by the Research Department to assess the role of IDCC so far in stimulating the desired level of foreign investment in Nigeria. The study shows that IDCC has been relatively ineffective as judged by the foreign capital inflow which resulted from the IDCC's approved enterprises. The expected foreign capital inflow stood at N1,243.5 million by the end of July 1991 while only N149.1 million worth of Certificates of Capital Importation had been issued. Compared with the flood of FPI inflow into Latin American and South East Asian developing countries, the success achieved through the IDCC appeared rather meagre. The paper thus recommends that in addition to granting entry approvals to foreign investors, the IDCC should monitor the activities of the approved enterprises. In addition, the approval procedures need to be improved to ensure compliance with the needs and aspirations of the economy.

The pursuit of policies that attract FPI have been given prominent role in the Nigerian economy like in other developing countries. The growing urgency to stimulate the desired foreign investment into developing countries in recent times coincides with the global expansion strategies of the multinational enterprises. For the poor countries to achieve their industrial ambition, additional foreign capital to fund their economic growth is required as more loans will call for fixed schedules of repayments thus worsening the balance of payments position and the mounting debt burden. The flexibility inherent in profit and capital repatriation via direct investments make this option more attractive. This is why most developing countries aspire to get the enabling environment and incentives right for attracting foreign capital inflow. In pursuance of this goal, many government institutions and programmes were usually established with the intention of facilitating the inflow of more foreign investment into the productive sectors of the economy. In the case of Nigeria, it is unfortunate that rather than facilitate the process of foreign capital inflow, the establishment of many institutions and agencies had hindered the progress due to the overlapping jurisdiction and inconsistencies of the prevailing agencies. Consequently, the investment climate became characterised by bureaucratic processes and bottlenecks, to the extent that prospective foreign investors were subjected to series of frustration, uncertainty and

*The author benefitted immensely in the writing of this paper from a field work carried out by staff of the Department on the operations of IDCC. The paper particularly recognised the contributions of Messrs A.S.F. Atoloye (Asst. Director of Research), C.M. Anyanwu (Principal Economist), B.S. Adebusuyi (senior Economist). and S.A. Aiyepola (Senior Economist). In addtion, the useful suggestions from Mrs O.O. Akanji is highly commendable.

**Mr. J. A. Aremu is a Principal Economist in the Research Dept. of Central Bank of Nigeria.

confusion arising from the complex, cumbersome, time consuming and costly procedural arrangements.

The Federal Government of Nigeria had since recognised the need to reduce the administrative and institutional bottlenecks when in 1981 it created a small office within the Ministry of Industries to coordinate and expedite the processing of foreign companies applications. The establishment of an Industrial Development Coordinating Committee (IDCC) was soon recommended by a World Bank Report (World Bank 1983). Unfortunately, the recommendation was not implemented until 1988 when the enabling Decree No. 36 was promulgated. The IDCC therefore became operational as from 14th January, 1989 when it was formally inangurated by the President.

Since the commencement of the committee, substantial debate have arisen as to the appropriateness and effectiveness of the regulatory body in encouraging more overseas investment into the economy. This paper is thus aimed at assessing the role of the IDCC in stimulating foreign investment in Nigeria. In particular, the paper will review the performance of the IDCC and assess the operations of the IDCC approved enterprises through the result of a CBN sponsored fieldwork. For this purpose, the paper is organised under four main sections. Section 1 briefly analysed the origin, structure and functions of IDCC. In section II, the position of the approved enterprises on the basis of information collected from the CBN sponsored field work is used in assessing the achievements of the IDCC. Section III will highlight the major constraints on the effective implementation of the IDCC operations while section IV concludes the paper with some recommendations.

I ORIGIN, STRUCTURE AND FUNCTIONS OF IDCC

Provision of conducive regulatory environment had always been referred to as the first point of call in designing incentive policies towards attracting greater flow of overseas capital. According to Guisinger (1987), the provision of government services in the form of conducive regulatory system constitute the sixth principal attribute of any investment policy that will influence the location decision. Others include the net incentive, the variety of incentives, the stability of incentives, the timing of incentives and the investment promotion activities. It was for the purpose of providing a conducive regulatory environment that the IDCC was established to serve as a one-step project approval agency for foreign investors in the economy.

Origin of IDCC

The genesis of the IDCC dated back to October, 1980 when the Federal Government of Nigeria requested the World Bank to:

- review and assess the incentive policy measures to alien entrepreneurs;

- propose new measures in relation to the prevailing circumstances of the Nigerian economy as of that time; and

- assess the alternative option open to Nigeria in re-aligning its industrial incentives system in line with its policy objectives as contained in the "Nigerian Industrial Policy and Strategy" document.

The World Bank Mission in its report titled "The Industrial Incentives System; A Review and Analysis of Some Approaches to its Adjustment" of January 1983, analysed the functioning and the impact of the incentives system which prevailed at that time and proposed several options to the Nigerian government for rationalising, streamlining and adjusting it in order to improve its effectiveness in implementing Nigeria's industrial development objectives. The report recognised the decentralised nature, and the consequent fragmentation of responsibilities as well as significant overlap of jurisdiction which hitherto characterised the regulatory environment of that time and recommended; firstly, a comprehensive overhaul of all the prevailing legislations governing foreign investment so as to remove redundancies, ambiguities and duplications, which made their interpretation more difficult, discretionary and their administration more costly and time consuming; and, secondly, the need to streamline and rationalise application procedures for necessary permits and approvals through strenthening and upgrading of the IDCC, which was hitherto a small office in the Ministry of Industries, into a full fledged department. Such a set-up must embrace relevant ministries and governmental agencies involved in processing approvals for prospective foreign investors. In a nutshell, the report became the reference point when the IDCC Decree 36 of 1988 was promulgated. With the establishment of IDCC, all new foreign investors were required to deal with only a single agency to process their applications for approved status, pioneer status, technical and management agreement, expatriate quota and business permit.

Structure and Procedures of the IDCC

In line with the World Bank report, the membership of IDCC is drawn from relevant ministries that have something to do with processing of foreign investment applications for approval. With their ministers as representatives in the committee, the ministries include those of Industries; Trade; Finance and Economic Development; Internal Affairs; Science and Technology; Agriculture, Water Resources and Rural Development; and Employment, Labour and Productivity. A separate department, Industrial Development Coordinating Department (IDCD) was however created within the ministry of Industries to serve as the Secretariat of the committee. While the Minister of Industries is the Chairman of the IDCC, the Director of the IDCD serves as the Secretary.

Essentially, interested investors are required to complete two forms, namely: Form IDCC 1 - for Business Permit and Expatriate Quota, and Form IDCC 2 - for Pioneer Certificate, Approved Status and other fiscal incentives. These forms are available at both the Industrial Development Centres (IDCs) and state Ministries of Industries. After completion, ten copies of each of the forms are forwarded to the IDCD for necessary processing. The IDCD is divided into different units (as shown in the attached organogram) to enhance detailed processing. After the processing by the IDCD, a standing committee comprising of senior officials of the seven ministries would later meet and recommend the applications for approvals or disapprovals of the Committee (i.e. the IDCC). Since the enabling decree made it mandatory that the time lag between the receipt by the IDCD of an application and the notification to the applicant of the committee's decision in respect thereof should not exceed 30 days, the committee is ecpected to meet every month.

Functions of the IDCC

The enabling decree establishing the IDCC charged the institution with the following responsibilities to:

- grant Business Permits and Expatriate Quota to new investments;

- grant approvals for Pioneer Status Certificate, Approved status-in-Principle and Technical/Management Consultancy Agreement Fees;
- administer fiscal incentives in respect of local raw material utilisation,export-oriented industries, in-plant training, investment on infrastructural facilities, research and development and investment in economically disadvantaged areas of the economy;

- give approavals of pre-investment agreement on contracts particularly on matters relating to feasibility report, engineering design services, procurement of machinery, components and plant installation as well as commissioning; and

- advise the Federal Government on policy matters, including tariff measures, designed to promote the industrialisation of the country or the general development of the economy.

II. IDCC AND FOREIGN INVESTMENT IN NIGERIA

As at the end of July, 1991, a total of 407 enterprises had secured approvals from the IDCC.

Analysis of the IDCC Approvals

The approvals of the IDCC to enterprises since its inception to that date is presented in table 1.

(a) **By State:** Lagos State attracted 219 or 53.8 per cent of the total approvals since the inception of the IDCC. This development is explained on the premises of the strategic location in terms of proximity to major modes of transportation facilities, better telecommunication network, heavy industrial concentration and financial sercives, as well as large and attractive market. Kano and Bendel followed with 28 and 25 companies respectively. Bornu State had only 1 (one) while none has been approved for Sokoto State.

(b) **Analysis by Sector:** The manufacturing and processing enterprises dominated the approvals by accounting for 215 or 52.8 per cent of the total. This development is to be expected based on the high priority accorded the sector and backed up by generous incentive measures. The Trading and Business Services sector registered 62 approvals while mining and quarrying recorded the least number of only 8 approvals. Note-worthy, however, is the fact that not all establishments given approval by the IDCC are owned by foreign investors. It therefore followed that only a fraction of them will be attracting foreign capital into the country. The others are purely indigenous concerns which do not require business permits from the IDCC. Their only expectation from the Committee is approval for their expatriate quota applications and other incentives. Of the 407 enterprises granted various approvals by the IDCC, 287 or 70.5 per cent are either wholly foreign owned or foreign/Nigerian owned. It is this category of enterprises that are expected to import foreign equity. A breakdown of such enterprises shows Lagos state again taking the substantial share of 168 (58.5 per cent) and the balance distributed to the rest of the federation (see Table 2). However, none of them is planned for Borno, Plateau or Sokoto States. Analysed by types of activity, the manufacturing and processing sector attracted 167 approvals representing 58.2 per cent of this type of enterprises. It is interesting to note that agriculture, forestry and fisheries accounted for 40 approvals and thus placed second. Only 5 approvals of this category belong to the trading and business services sector; while none of the approvals are for the transport and communication sector.

(c) **Expected Foreign Equities:** A total sum of N1,243.5 million was expected to be imported into the economy by the 287 (foreign/jointly owned) companies. It is interesting to note that though the manufacturing and processing sector has the bulk of the approvals, the expected capital inflow for the sector was only N417.1 million or 36.6 per cent of the total while the trading and business services sector which attracted only 5 approvals was expected to witness foreign equity inflow to the tune of N666.3 million or 49.7 per cent of the total (See Table 3). As to the sources of the Foreign equities into Nigerian economy, it was discovered that N839.6 million representing 67.5 per cent of the aggregate equities were expected from foreign investors of Western Europe origin (excluding United Kingdom). Foreign investors from the other unspecified countries (mostly the Asian countries) were equally expected to bring 21.9 per cent of the foreign capital inflow. United Kingdom and United States which were often referred to as dominant sources of global foreign-capital flows were reluctant in going into new venture enterprises as reflected by their 5.9 and 4.7 per cent of the expected foreign capital inflow respectively.

Achievements of the IDCC

Against this background, a Central Bank of Nigeria (CBN) sponsored field work was carried out in which the 407 approved enterprises were scheduled to be visited. After a closer scrutiny, it was discovered that only 277 companies could be identified for the fieldwork as the remaining 130 were either non-existent or were mere 'round tripping' arising from multiple applications for different kind of approvals at different times. Of this number only 161 could actually be served questionnaires. This arose from the fact that the addresses given by many of the companies could not be traced. In cases where such addresses were located, many turned out to be private residences, warehouses, or companies other than those on the list supplied by the IDCC secretariat. In some cases the addresses were of abandoned factory sites. Out of the 161 questionnaires that were actually administered, a total of 89 were completed and retrieved, representing a 55.3 per cent response rate. Reasons for non-response ranged from lack of proper record keeping, temporary closure of activities, outright refusal to respond for no just cause to absence of qualified personnel to complete the questionnaire. In a few cases certain responses were unusable as respondents gave ambigous answers.

Almost all the respondents claimed to be sourcing substantial part of their raw materials locally. On their export potentials, it is interesting to note that many of the companies showed very bright prospects. For instance, some of them actually reported that arrangements have been concluded to sell their goods and services to some countries in the African sub-region through advertisements in international magazines including contract agreements via international agencies like the African Development Bank. However, common problems which were reportedly hampering the effective take off of some of these enterprises range from lack of access to finance, spare parts, to poor communication facilities as well as stiff competition from imported products.

Of the 89 enterprises that responded, their records showed that a total of N252.6 million worth of foreign equity has been imported by the end of July, 1991 (See Table 4). Surprisingly, the Manufacturing and Processing sector which accounted for only 36.6 per cent of the expected foreign equity inflow (as shown in Table 3) actually recorded N206.0 million or 81.5 per cent of the total imported capital inflow. On the countrary, the Trading and business Services sector which was expected to bring in N666.3 million (49.7 per cent) recorded only N1.7 million worth of ex-post investment (representing 0.7 per cent aggregate level of expected foreign equity). By the same token Miscellaneous activities sector which was expected to attract only N51.5 million worth of equity had so far witnessed equity inflow of N43.9 million representing 17.4 per cent of the aggregate actual inflow (as against her expected share of only 5.2 per cent). In addition, the mining and quarrying sector which was expected to bring in N13.4 million worth of overseas shares recorded nil equity investment into the economy while the agriculture, forestry and fisheries sector for which 40 approvals has been granted to import N54.8 million capital had attracted very negligible inflow also.

A regional analysis revealed that actual inflow of capital from USA foreign investors, at N87.4 million exceeded the expected inflow by N28.7 million. Though the cause of such divergence is not easily traceable from the returns, it thus suggests an impression of the improved confidence USA investors had in the Nigerian economy through 'foreign equity swapping'. For UK foreign investors, they have contributed 51 per cent (i.e. N37.5 million) of their expected foreign equity approved through IDCC. In the case of Western Europe, foreign investors from the region were expected to bring in N839.6 million worth of capital stock, but their actual inflow stood at N89.3 million or 10.6 per cent of the expected inflow.

On the aggregate, it was discovered that there existed a wide divergence between the ex-ante investment of N1,243.5 million against the realised investment (ex-post) of N252.6 million. While it can be argued that non-response from the respondents is among the causative factors, it is doubtful whether the low level of realised investment (which stood at 20.3 per cent of the ex-ante investment) can be adduced solely to the non-responding firms. A further examination of the actual foreign capital inflow in respect of the IDCC projects based on information from Funds Office of Foreign Operations Department of the CBN showed that Certificate of Capital Importation worth only N149.1 million had been issued to these enterprises as at the end of June, 1991 (see Table 5).

III. MAJOR PROBLEMS FACING THE IDCC

The results of the field work, call for further critical examination. First, the operational status of the companies visited during the survey varied from company to company. While many of them have commenced operations, no less than 26 were found to be either totally idle or operating in areas outside their business permits. Majority of those that are yet to start any operations claimed that they were awaiting IDCC approval for expatriate quota while the others were supposedly awaiting installation of their plants and machineries. Under this guise, some of them engaged in other areas of economic activity; ranging from importation of general goods and merchandising to repairs and consultancy services etc. Some others were found to be actually operating skeletally in the activity for which they were given approvals while substantial portion of their operations were in other areas not specified in their approvals.

Secondly, the confusion arising from wrong and non-existent addresses is an issue that deserves another look. It is pertinent to note here that many of the approved enterprises could not be traced even at the addresses they submitted to IDCC. In a situation of change of address, IDCC should have been contacted and agreement reached before the change is effected since the original decisions on site were based possibly on factor opportunities. The inherent danger of incorrect addresses cannot be over-emphasised, as the nation will be handicapped in assessing correctly their activities. In a few cases some enterprises that were approved to be operating in one particular state only use the place for contact address purpose while their actual operational base is entirely in another distant location.

A third important issue brought to light by the CBN survey is the absence of any consistent pattern in the duration of the IDCC approval process. While some companies got their approval within six weeks of application, some others claimed they had to wait for as long as two years. Although, it is true that some delays were caused by incomplete documentation, many respondents claimed that the delays often arise as a result of the inability of the relevant Ministers to form a quorum at their meetings. This is most disturbing and perhaps instead of the quorum of Ministers, their Director-Generals or Deputies will suffice as the official work-load of Ministers appeared too heavy already than for them to be involved in this assignment. It should be noted that the World Bank report did not specifically stated that it should be the Ministers that should meet, (regularly) to grant approvals

Fourthly, while the differences observed between the authorised capital of some companies as specified by the IDCC approval and the actual as reported by the respondents were marginal, the yawning gap between the level of expected foreign equities and the actual as reported by the Funds Office of the CBN deserves further examination. This becomes all the more important if there is the yearning desire to have accurate and non-conflicting information on the level of foreign investment in the economy through the IDCC approved enterprises.

Fifthly, further personal enquiries from some enterprises revealed that they over-shot their expatriate quota requirements. Our major concern in this area relates to why more expatriate should be employed than the number demanded for. Its implication rest on the premise of 'crowding out' eligible Nigerians and thus prolonging the technological transfer aspiration of the nation.

Lastly, it was mandatory in both the World Bank report as well in the enabling decree that the committee should render a report once a year, detailing the speed of processing the applications as well as identifying areas requiring improvement. Presently, the IDCC only releases the number of approvals granted and have less attention to the operational status of the already approved enterprises. The concern of the regulatory body should be more than that of an approving institution but equally serve as an 'umpire', monitoring the activities of these enterprises after granting them approvals.

IV. CONCLUSIONS AND POLICY RECOMMENDATIONS

Due to inadequate savings, declining foreign exchange resources, coupled with the fact that the Nigerian economy is in deficit situation with regards to certain skill and technologies needed for the development and diversification of the country, the need for foreign investment has been a major focus of many past regimes of governments. This is moreso, as a response to the current economic realities of the nation, at a time when Overseas Development Assistance (ODA) loans are not forth coming. Indeed, Foreign Private Investment comes with an easily deliverable package of technology, management skills and know-how along with the needed capital resources. Thus, IDCC was established to ensure an easier process of foreign investment applications.

From, the outcome of the study organised by CBN flow of foreign direct investment into Nigeria with the establishment of IDCC appeared rather poor. For instance, not minding the ex-post foreign investment, the ex-ante situation for the three years under this study (at N1,243.5 million) appeared too small when compared to the flood of global foreign investment inflow into countries like Hong-Kong, Singapore, South Korea, Thailand, Taiwan and Malaysia (UNIDO 1985 - 1990) . However, these countries have a long history of policies geared towards attracting foreign investment since the 1960s a period when Nigeria was introducing restrictions on the access of foreign investment to some sectors. For instance, while Thailand established the Board of Investment (BOI) in 1960, Malaysia set up the Malaysian Industrial Development Authority (MIDA) in 1965 performing the similar functions of IDCC of Nigeria. The fact that other countries competing for foreign investment have also changed their policies, and in many cases earlier than in Nigeria, must therefore, diminish the impact of the current changes through the IDCC operations. That Nigeria (through the IDCC) is now merely following the changes in restrictions and approval processes already removed in other regions a long time ago, should only be viewed more as the removal of an obstacle than as offering of any special opportunites. Consequently, such development cannot immediately alter the exisiting perception of the Nigerian economy and place it at par with those of the South East Asian countries.

However, to guarantee a better perception of the investment environment of Nigeria through the operations of the IDCC while at the same time ensuring that the approved enterprises are contributing their expected quota into the economy, the following policy initiatives are being put forward for consideration.

(a) The IDCC should endeavour to pay proper and thorough visits to all enterprises that apply to it for any approvals. This will go a long way in ensuring that the companies exist at the addresses cited on their applications. Besides, it will facilitate communication between these enterprises and the IDCC, and enhance better survey results in future. In addition, the companies should be directed to furnish the IDCC with more detailed addresses including the Local Government Areas, particularly for those operating in the rural areas. Where the factory site is different from the administrative headquaters, both addresses should be stated to facilitate locating them when necessary.

(b) The IDCC should carry out unscheduled inspection visits to these companies' premises even after granting them approval. This is to ensure that the companies are not only operating, but in the specific areas for which they were approved. It will also debar unscrupulous companies from bursting their expatriate quota allocations unnecessarily.

(c) All enterprises that are granted approvals should be made to submit periodic and regular reports of their operations to IDCC or any other government organ that might be more appropriate for such responsibility.

(d) There is a need to review the membership of the IDCC to eliminate the problem of forming a quorum at their meetings. Alternatively, the Ministers should be allowed to delegate this responsibility.

(e) Greater effort should be directed at attracting more foreign investment into the economy since many of the current applications to the IDCC are for expatriate quota rather than business permits.

(f) Finally, the economy needs to be more current with the gobal information about foreign investment policies so as not to lag behind in formulating her future policy prescriptions affecting foreign investment.

REFERENCES

(1) Guisinger S: Attracting and Controlling Foreign Investment;

Economic Impact No. 57, 1987, p.19

(2) UNIDO: Industrial Development Review Series; for Nigeria, Malaysia, Thailand, Srilanka, China, Korea and Vietnam. (1985 - 1990)

(3) World Bank: Nigeria, The Industrial Incentive System: A Review and Analysis of Some Approaches to its Adjustment; 1983.

TABLE 1

NUMBER OF ENTERPRISES APPROVED BY THE INDUSTRIAL DEVELOPMENT CO-ORDINATING COMMITTEE (AS AT END JULY, 1991)

(BY TYPE OF SECTORS AND STATES)

ECO.ACTIVITIES/ STATES	MINING & QUARRYING	MANUF. & PROCESSING	AGRIC, FORESTRY & FISHERIES	TRANSPORT & COMMUNICATION	BUILDING & CONSTRUCTION	TRADING & BUS. SERVICES	MISCELLANEOUS	TOTAL
AKWA-IBOM	-	2	2	-	-	-	1	5
ANAMBRA	1	8	5	-	-	1	1	16
ABUJA	-	1	-	-	-	-	1	2
BAUCHI	-	3	1	-	-	-	-	4
BENDEL	1	11	1	-	3	7	2	25
BENUE	-	2	-	-	2	-	-	4
BORNO	-	-	-	-	-	1	-	1
CROSS-RIVERS	-	3	1	-	-	-	-	4
GONGOLA	-	1	1	-	-	-	-	2
IMO	-	7	1	-	-	-	-	8
KADUNA	2	7	-	-	2	1	3	15
KANO	-	23	1	1	1	-	2	28
KATSINA	-	1	-	-	1	-	-	2
KWARA	-	7	1	-	-	-	-	8
LAGOS	1	111	10	13	18	45	21	219
NIGER	-	1	2	1	1	-	-	5
OGUN	1	11	3	-	-	-	1	16
ONDO	-	-	5	-	1	-	1	7
OYO	-	12	1	-	-	-	3	16
PLATEAU	2	-	-	-	1	-	-	3
RIVERS	-	4	4	-	-	7	2	17
SOKOTO	-	-	-	-	-	-	-	-
TOTAL	8	215	39	15	30	62	38	407

(1) Note that the distribution was based on the Former 21 States of the Federation.
Source : IDCC

TABLE 2

**NUMBER OF FOREIGN EQUITY IMPORTING ENTERPRISES (APPROVED BY THE INDUSTRIAL DEVELOPMENT CO-ORDINATING COMMITTEE AS AT END JULY, 1991
(BY SECTORS AND STATES)**

ECO. ACTIVITIES/ STATES	MINING & QUARRYING	MANUF. & PROCESSING	AGRIC, FORESTRY & FISHERIES	TRANSPORT & COMMUNICATION	BUILDING & CONSTRUCTION	TRADING & BUS. SERVICES	MISCELL-ANEOUS	TOTAL
AKWA-IBOM	-	1	-	-	-	-	1	2
ANAMBRA	1	7	-	-	1	-	-	9
ABUJA	-	1	-	-	-	-	-	1
BAUCHI	-	2	-	-	-	-	-	2
BENDEL	1	9	2	-	2	-	2	16
BENUE	1	2	-	-	1	-	-	4
BORNO	-	-	-	-	-	-	-	-
CROSS-RIVERS	-	4	1	-	-	-	-	5
GONGOLA	-	-	1	-	-	-	-	1
IMO	-	4	2	-	-	-	-	6
KADUNA	1	4	2	-	-	-	3	10
KANO	-	18	1	-	1	-	-	20
KATSINA	-	1	-	-	1	-	-	2
KWARA	-	1	1	-	-	-	-	2
LAGOS	7	62	18	-	17	4	30	168
NIGER	-	1	2	-	1	-	-	4
OGUN	-	6	1	-	-	-	-	7
ONDO	-	2	3	-	1	-	-	6
OYO	-	9	2	-	-	-	-	11
PLATEAU	-	-	-	-	-	-	-	-
RIVERS	3	3	3	-	2	-	-	11
SOKOTO	-	-	-	-	-	-	-	-
TOTAL	14	167	40	-	27	5	36	287

Source:IDCC

TABLE 3

LEVEL OF EXPECTED FOREIGN EQUITIES FROM (1989 - JULY 1991) APPROVALS

(=N= THOUSAND)

REGION/ ACTIVITIES	UNTED KINDOM	UNITED STATES OF AMERICA	WESTERN EUROPE	OTHERS	TOTAL	% TOTAL
MINING & QUARRYING	1,410	-	-	12,000	13,410	2.6
MANUFACTURING AND PROCESSING	49,883	47,100	110,890	209,233	417,106	36.6
AGRICULTURE, FORESTRY AND FISHERIES	2,900	2250	33,810	15,864	54,824	3.0
TRANSPORT AND COMMUNICATION	500	-	4,050	1,450	6,000	0.2
BUILDING AND CONSTRUCTION	1,800	1,100	12,250	4,260	19,410	2.7
TRADING AND BUSINESS SERVICES	1;175	700	663,850	600	666,325	49.7
MISCELLANEOUS	12,300	7,625	14,700	16,830	51,455	5.2
TOTAL	73,568	58,775	839,550	271,622	1,243,515	100
% TOTAL	5.9	4.7	67.5	21.9	100	

Source : IDCC

TABLE 4
FOREIGN PAID - UP CAPITAL (ACTUAL)
(N' 000)

ECONOMIC SECTORS	UNITED KINGDOM	UNITED STATES OF AMERICA	WESTERN EUROPE (EXL. U.K)	OTHERS	TOTAL
MINING & QUARRYING	-	-	-	-	-
MANUFACTURING & PROCESSING	32,593	87,444	48,303	37,623	205,963
AGRIC, FORESTY & FISHERIES	23	-	-	-	23
TRANSPORT & COMMUNICATION	-	-	255	-	255
BUILDING & CONSTRUCTION	-	-	-	800	800
TRADING & BUS. SERVICES	820	-	845	-	1,665
MISCELLANEOUS	4,065	-	39,850	-	43,915
TOTAL	37,501	87,444	89,263	38,423	252,621

Source: CBN Survey of IDCC projects

TABLE 5
CERTIFICATE OF CAPITAL IMPORTATION ISSUED TO IDCC APPROVED ENTERPRISES (1989 - JUNE 1991)
(BY ECONOMIC SECTOR & COUNTRY OF ORIGIN)
(N' 000)

EONOMIC SECTOR	UNITED KINGDOM	UNITED STATES OF AMERICA	WESTERN EUROPE (EXL. U.K)	OTHERS	TOTAL
MINING & QUARRYING	-	-	206	-	206
MANUFACTURING & PROCESSING	326	63,155	-	4,929	68,410
AGRIC, FORESTY & FISHERIES	-	-	64,357	-	64,357
TRANSPOT & COMMUNICATION	-	-	-	-	-
BUILDING & CONSTRUCTION	-	-	2,274	500	2,774
TRADING & BUS. SERVICES	109	-	-	-	109
MISCELLANEOUS	-	-	3,632	9,564	13,196
TOTAL	435	63,155	70,469	14,993	149,052

SOURCE: FUNDS OFFICE,
FOREIGN OPERATIONS DEPT.,
C.B.N., LAGOS.