

QUARTERLY HIGHLIGHTS

- RESTORATION OF EEG
- RETURN OF INTERMINISTERIAL MEETING
- INVITATION FOR BASELINE DATA
- 2016 NON-OIL EXPORTS TOUCHED THE NADIR IN A DECADE HOWEVER SIGN OF RECOVERY IN 2017

OPEXA attended the inaugural meeting of the Inter-Minister Monitoring Committee on Implementation of EEG held in Abuja on 12th June 2017. The meeting was chaired by Hon'bl Minister of Finance Mrs. Kemi Adeosun in the presence of Hajiya Aisha Abubakar, Honourable Minister of State in the Ministry of Industry, Trade & Investment, ED (NEPC) as well as officials from related agencies involved in implementation of EEG Scheme.

The organized private sector (OPS) was widely represented by MANEG, OPEXA, NACCIMA and FACAN.

The meeting was called principally to review the Export Export Grant (EEG) scheme which was suspended in 2014 due to challenges faced in its implementation. The aim of the meeting was to provide guidelines for effective implementation of the new scheme which would replace the old NDCC based disbursement by an ETCC (Export Tax Credit Certificate) to eligible exporters. Report of the Inter-ministerial Committee on EEG set up by the Minister of Industry, Trade & Investment was also tabled at the meeting and several key recommendations adopted for implementation.

EEG BACKLOG

OPEXA has made a strong representation to the government to accord a preference to EEG for issuance of FGN bonds to redeem the backlog. An appeal has been made to issue sovereign bonds which would have a shorter tenor of 3 years with a coupon rate of 15% and transferable. The matter is under consideration.

BASELINE DATA

On OPEXA request, NEPC extended the deadline for submission of baseline data till 21 July to allow all companies to file their application covering exports till 2016.

NON-OIL EXPORTS

Nigeria's non-oil exports continued to decline in 2016 and touched \$1.2 bn- the lowest level in past decade. Exports had peaked at \$ 3 bn in 2013 and since then the problem of EEG implementation started.

Q-1 2017 exports were \$ 450 Million

NEW EEG POLICY HIGHLIGHTS

- One time settlement of the backlog of EEG Claims and unutilized NDCC's till 2016 will be done through issuance of government bonds. Modalities to be announced by Finance ministry
- All claims will be validated by an independent auditor to be appointed by FMF
- 4 tier EEG rates of 15-10-7.5-5%
- Eligibility criteria relaxed based on OPEXA representation
- EEG to be included in annual budget
- 6% of EEG to be deducted towards administration/ collection fee
- Repatriation period for export proceeds increased to 300 days
- FIRS inducted into EEG Inter-ministerial Committee
- The EEGIMC agreed to return the lapsed bank guarantees to the exporters.

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