

Newsletter:

Revised Service Fee Schedule for Applications to the Nigerian Investment Promotion Commission





The Nigerian Investment Promotion Commission (the “NIPC”) issued a revised [Service Fee Schedule](#) on 2 September 2024, for applications for business registration and pioneer status incentives. The fees for the respective applications were revised pursuant to Section 12 (2b) of the Nigerian Investment Promotion Commission Act, 1995 (as amended) (“the NIPC Act”) which empowers the NIPC to charge fees for the services it renders.

The revised fees, which include the application fees for business registration, the introduction of an annual renewal application fee, and the fees for pioneer status incentives, took effect on 1 October 2024.

Below is a summary of the revised fees as published in the Service Fee Schedule by the NIPC:

Business Registration

	Old Fees ₦	New Fees ₦
Application fee for business registration	15,000	150,000
Replacement fee (for a lost certificate)	-	100,000
Annual renewal application fee	-	50,000
This is a new requirement that takes effect from 1 January 2025.		

The application fee for a pioneer status incentive was also increased. Pioneer status affords qualifying businesses a tax holiday of 3 years, renewable for a further 2-year period, amongst other incentives. The revised fees are set out below:

	Old Fees ₦	New Fees ₦
Application fee for a PSI	250,000	500,000
Due diligence fee	500,000	1,000,000
Service Charge	2,500,000	3,000,000
Inclusion Fee		1,000,000
Annual Service Charge	1% of actual pioneer profits	1.5% of actual pioneer profits
Fee for extension of application	100,000	250,000
Penalty on abandoned and redundant new application	-	200,000
Penalty on abandoned and redundant extended application	-	100,000



Conclusion

Companies with foreign participation now have an obligation to renew their registration with the NIPC annually by paying the prescribed fee with effect from 1 January 2025. It is not clear what the effect of non-renewal is, as the NIPC is yet to issue a statement with the consequences for non-compliance, but it is likely that a failure to renew the registration may cause a business to lose its registered status with the NIPC.

Businesses operating in Nigeria that have foreign participation are enjoined to update their compliance trackers with the requirement to renew their business registration with the NIPC annually.

For assistance with the annual renewal of your NIPC registration, please contact us at alsec@alsecnominees.com.

