



ONDIPA
ONDO STATE DEVELOPMENT AND
INVESTMENT PROMOTION AGENCY

The Ondo Advantage

A Practical Guide to Investing in Ondo State



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Lucky Orimisan Aiyedatiwa
Governor, Ondo State

Foreword

It is with great pleasure that I extend a warm welcome to you through ‘The Ondo Advantage’ to the many opportunities awaiting you in the vibrant and promising landscape of Ondo State, Nigeria.

The vision of our government is to transform our state into a beacon of economic prosperity. Ondo State is not just a geographical entity; it is a canvas upon which we are painting a future marked by sustainable growth, innovation, and shared success.

We recognize that for this vision to materialize, we must foster an environment that encourages investors. Ondo State is committed to providing a supportive environment for businesses to thrive. Our policies are designed to streamline processes, eliminate barriers, and create an environment where your investments can flourish.

Key to our commitment is the strategic development of infrastructure. We understand that a modern and well-connected state is vital for businesses to operate efficiently. Ondo State is actively investing in infrastructure projects, ensuring reliable transportation, energy, and digital connectivity, thus paving the way for a seamless business environment.

We are fully aware that government support is a catalyst for economic growth. Ondo State offers a range of incentives, including favourable tax policies, to attract and retain investments. We stand ready to collaborate with you, providing the necessary assistance and support to make your ventures in Ondo State a resounding success.

This guide is not just a catalogue of opportunities; it is an invitation to join hands in building a prosperous future. Your success in Ondo State is not only welcomed but integral to our shared vision. Together, we can create a success story that transcends borders and stands as a testament to the potential that resides within our state.

Thank you for considering Ondo State as your investment destination. I am confident that our collaboration will contribute not only to your growth but also to the overall development of Ondo State and its people.



Gbenga Badejo

MD/CEO
Ondo State Development & Investment
Promotion Agency (ONDIPA)

You can't lose with Ondo State

Ondo State is poised for significant growth across various sectors, from agriculture and solid minerals to energy, manufacturing and the blue economy.

Our commitment to infrastructure development, coupled with strategic government incentives, positions us as an ideal destination for those seeking both financial returns and a positive societal impact.

This guide is therefore, a practical resource for investors looking to conduct business in Ondo State. It provides a comprehensive insight into the state's business landscape, and the extensive investment opportunities that exists across different sectors.

At the Ondo State Development & Investment Agency (ONDIPA), we understand that success is often a collaborative effort. That is why we are committed to working hand in hand with investors, providing the necessary support, incentives, and a conducive regulatory environment.

I invite you to embark on a transformative journey with us. Explore the investment opportunities, delve into the success stories of the early adopters who have preceded you, and envision the future that awaits as we collectively shape the economic landscape of Ondo State.

The Ondo Advantage is not just a guide; it is an invitation to shape the future of Ondo State's economic landscape. As you navigate through this guide, remember that you are not just investing in Ondo State; you are investing in a vision, a community, and a future of shared success.

Thank you for considering Ondo State as your investment destination.



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Ondo Today

CHAPTER

1

About Ondo State

Ondo State was created on February 3, 1976 from the defunct Western Region of Nigeria with its administrative capital in Akure. Also known as the 'Sunshine State', with a population of about 5.3 million (2022 estimate), Ondo State is the 19th most populous state in the country covering a land area of approximately 15,500 square kilometers.

It borders Ekiti State to the north, Kogi State to the northeast, Edo State to the east, Delta State to the southeast, Ogun State to the southwest, Osun State to the northwest, and the Atlantic Ocean to the south.



15,500SqKM

Land Area



5.3Million

Population



19th

Most Populous State





Geography



Ondo State enjoys diverse ecological landscapes ranging from the marine environment of the Atlantic and inland waters to the upland humid forest and the savannah in the northern area.



Agriculture



Despite being an oil-producing state, agriculture serves as one of the pillars of its economy. The state is a major producer of cocoa, oil palm, cassava, rubber, mango and rice.

Ondo State is also rich in aquaculture, producing various species of fish. Crayfish and shrimps are cultivated in commercial quantities from its inland waters.



Tourism & Culture



Ondo State is home to the majestic Idanre Hills which sits at over 1,000 meters and is the highest point in the western part of Nigeria. Other tourist attractions include Ebomi Lake, Oke Maria Hills, Isarun Cave of Ashes, Smokin Hill Golf Resort, Araromi Beach and Igbo Olodumare, along with the accompany Igbo Irunmale (the Forest of a Thousand Demons). Additionally, Ondo State has a rich cultural heritage, with several festivals and traditional practices celebrated throughout the year. Some of these festivals include the Igogo Festival, Mare Festival, Ile Ifunta and Ilaje Boat Regatta.



Governance



Ondo State is the birthplace of progressive politics in Nigeria. It has an elected Governor as the head of its executive branch, a legislative State House of Assembly and the judiciary. The State is divided into 18 local government areas, each headed by an elected chairman.

Ondo State Business Landscape

In recent years, the State Government has made efforts to diversify the economy particularly with the establishment of the Ondo State Development and Investment Promotion Agency (ONDIPA). The agency which was established in August 2017 is

responsible for investment promotion, aftercare services, and multilateral cooperation. This comprises facilitation of foreign direct investment and other investments to nurture and foster social and economic development.



The establishment of ONDIPA has directly led to a sustainable and enabling business environment in the State.

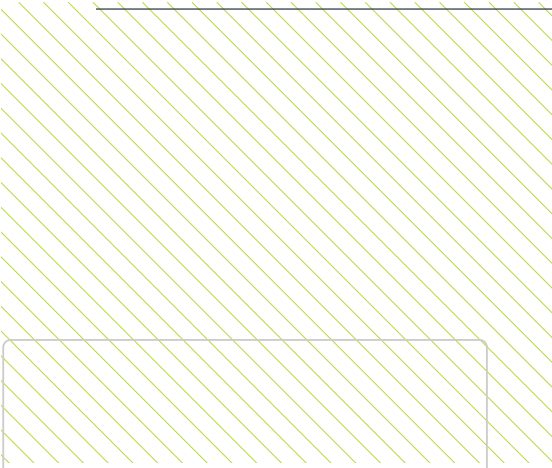




**Why
Ondo State?**

CHAPTER

2



Why Ondo State?

External and internal investment is a key component of the state's economic development. The Ondo State Government has implemented several policies aimed at promoting investment and economic growth and it continues to be proactive in nurturing

an enabling environment for investors. This has significantly improved its ease of doing business ranking. In 2020, the state ranked 8th out of the 36 states in Nigeria in the World Bank's Ease of Doing Business report.

A few of the policies include:

- + **Implementing several initiatives to streamline business registration and licensing processes**
- + **Reducing the cost of doing business through tax harmonisation**
- + **Improve access to finance for small and medium-sized enterprises through the Ondo State Micro-credit Agency, and Ondo State Entrepreneurship Development Agency.**



Ondo State continues to be **proactive** in nurturing an enabling environment for investors.

The Ondo Advantage

Ondo State has several unique factors which give investors an advantage. Some of these factors include:

Demography

Ondo State is ranked 19th in population out of the 36 states in Nigeria. It has a youthful population that provides affordable labour for industrial activities.




Population:

5.3 Million

Skilled Workforce

Ondo State boasts a pool of educated and skilled workers thanks to its numerous educational institutions. There are nine universities, three polytechnics and several technical colleges and teacher training institutes. The Federal University of Technology in Akure (FUTA) is ranked third best in the country (2023). Adekunle Ajasin University in Akungba was ranked the best state-owned university in Nigeria in 2023, and it is 13th in the overall ranking of all universities.

Ondo State's considerable crop of educated elites has led to its classification as one of the most highly literate states in Nigeria. Investors can easily tap into this resource for their business.

 9 Universities 3 Polytechnics Several technical colleges and teacher training institutes	FUTA The Federal University of Technology in Akure Ranked 3rd best in the country (2023)
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Adekunle Ajasin University in Akungba	Ranked the best state-owned university in Nigeria in 2023, and it is 13th in the overall ranking of all universities
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Economy

The State is an attractive investment destination offering a plethora of opportunities across various sectors. Ondo State is an oil-producing state but agriculture remains the mainstay of its economy. Oil and agriculture contribute to 90% of the State's Gross Domestic Product. It is a major producer of cocoa, oil palm, cassava, rubber, mangoes and rice. Ondo State is also rich in mineral resources such as bitumen, kaolin, limestone, bulk clay, silica sand and granite. Different species of fish, crayfish and shrimps are cultivated in commercial quantities from its inland waters. These resources provide ample opportunities for investment in the state's agricultural, aquaculture and solid minerals sector.



Strategic Location

Ondo State is located in the southwestern region of the country and is in close proximity to Lagos, the commercial hub of Nigeria. It is also a nodal state with transit traffic to the southern, eastern and northern regions of Nigeria boasting convenient access to sea ports, airports, and major road networks. This strategic location grants businesses in the state entry to a large market and accessible transportation, making it an ideal hub for trade and commerce.

Abundant Natural Resources

Ondo State is blessed with commercially exploitable minerals such as bitumen, hydro-carbon, kaolin, limestone, bulk clay, silica sand and granite. The state is also blessed with a vast rainforest that is home to diverse flora and fauna which makes it an attractive rich forest economy.

Blue Economy

Ondo State has 75 kilometres of Atlantic coastline making it the longest unbroken seashore in Nigeria. A deep-sea port is to be located two kilometres off the coast with an adjacent 2771 hectares of land Free Trade Zone development. Both provides a huge opportunity for global trading.

The State's inland navigable waterways are sources of aquaculture, tourism and transportation.



Atlantic Coastline
75 Km

Fertile Agricultural Land/ Livestock Resources

The state's agricultural potential can be harnessed to meet both domestic and international demands. From its oil-palm and rubber plantation in the southern part; cocoa, cassava and plantain in the central area; to cashew, mango and citrus in the northern region, Ondo State is renowned for its fertile land. It has several hectares of land dedicated to cattle ranches and is a major breeder of African dwarf goats and poultry products. The state offers opportunities for investment in commercial farming, agro-processing, and food production.

Growing Energy Sector

Opportunity for significant investments in renewable energy, including solar, wind power and green-to-liquid.



Infrastructure Development

Ondo State is served by an airport in its capital city which is about 30 minutes from Lagos and 50 minutes to Abuja with connections to the rest of the world. Its intra state road network provides easy access to various towns and market places while its nodal state status on the national trunk roads give access to the southern, eastern and northern hinterlands of Nigeria. The state is exploring the possibility of developing a rail network which will be linked to the existing national rail. Potential opportunities exist for investors in the development of coastal road from Lagos and additional road for direct link to the northern part of the country.

Safe, Secure and Welcoming Environment

Ondo State is known for its peaceful, serene environment, and its people are highly hospitable. The state government is committed to maintaining law and order, ensuring a safe and stable environment for business operations and family life.

Supportive Government Policies

Ondo State government is committed to creating a conducive business environment. It has implemented policies and incentives to attract and support investors, such as tax incentives, land acquisition support, and investment promotion agencies. These policies make it easier for businesses to thrive and grow.



12 Reasons to Invest in Ondo State

- **1 Nationwide Connectivity**
Proximity to all 6 geo-political zones and commercial nerves of Nigeria
- **2 Intellectual Research Centres**
High-level intellectual research centres as Ondo State is home to globally recognised universities and technical colleges
- **3 Free Trade Zone**
Availability of Free Trade Zone and low-cost industrial cities and parks that provide amenities for manufacturing and processing
- **4 Minerals**
Availability of abundant minerals such as kaolin, silica sand, limestone, iron ore and the largest deposit of bitumen in Africa
- **5 Cocoa Production**
Largest producer of cocoa in Nigeria which can be processed to chocolate and beverages
- **6 Crude Oil**
12% of national crude oil reserves, with potential for extraction, refining and marketing
- **7 Large Scale Agriculture**
80% arable land which facilitates large scale production of cash and food crops
- **8 Exotic Timber**
Exotic timber for construction and furniture making
- **9 Local Airport**
Availability of a functional local airport, road networks and internet connectivity across the State
- **10 Coastline**
75km coastline for maritime activities, fishing and tourism
- **11 Low-cost Skilled Labour**
Availability of low-cost skilled labour
- **12 ONDIPA**
One-stop shop that provides investor after-care services (ONDIPA)

Key Facts and Figures



\$12 Billion

Gross Domestic Product



27%

Lowest Poverty Rate in Nigeria, the best in Nigeria Multi-dimensional Poverty Index (MPI)



8TH

In Nigeria for Ease of doing Business Ranking 2020



9TH

Out of 36 States of IGR generation



10TH

Out of 36 states in healthcare provision. The state performed particularly well in **Immunization coverage and availability of essential drugs.**



12TH

Out of 36 states in education provision. The state performed particularly well in **Primary School Enrollment And Availability Of Instructional Materials.**



Bitumen

One of the largest bitumen deposits in Africa.



Oil & Gas

Largest oil-producing state in the South West



Coastline

The longest unbroken coastline in Nigeria





Priority Investment Sectors

CHAPTER

3



Once known for its cocoa production, Ondo State has evolved to become an investment hotspot, driven by its rapidly growing industries across diverse sectors. The core investment areas are as follows:

Sector 1 Agriculture

A. Agribusiness/ Agro Allied Industries

Ondo State is predominantly an agrarian state with about 65% of its labour force engaged in agriculture. The state has a mix of favourable ecological and climatic conditions – from swampy land to the tropical rainforests to the savannah land making it suitable for different types of crop production. There are various opportunities for large scale agricultural production, processing, and reviving moribund production and processing plants.

Here is an overview of Ondo State's agricultural products:

+ Cash Crops:



Cocoa:

At an annual production rate of 80,000 metric tonnes, Ondo State is the largest cocoa producer in Nigeria responsible for over 40% of the country's cocoa export. To sustain this trend, the state has embarked on a Cocoa Revolution Project that is targeted at rehabilitating moribund cocoa plantations in partnership with IITA, USAID and others.

There is a huge opportunity for cocoa value-chain processing for local and foreign consumption.

80,000mt

Annual Production Rate

40%

Of Nigerian Cocoa Export

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Oil Palm:

Ondo State has launched the 'Red Gold Project' scaling its oil-palm from 200,000mt to 320,000mt.

The State is willing to partner with private or institutional investors to further the investment in large-scale palm oil production and processing.

200,000mt

Current Production Rate



320,000mt

Red Gold Project Target



Rubber:

The State has a targeted annual production volume of 60,000 metric tonnes.

There are huge investment prospects within the rubber industry and is a great avenue for investors looking to get a quick return on investment through production and processing of rubber.

60,000mt

Targeted Annual Production Volume



Sugarcane, Cotton and Coffee:

These used to be in commercial production in the State. Opportunity exists to resuscitate these global commodities.



Plantain:

Excluding its export potential for plantain chips, plantain flour and food thickener, a national production of 100,000 metric tonnes per annum makes plantain production a viable investment.

100,000mt

Annual Production Volume

+ Food Crops:

Ondo State is a major producer of food crops such as: yam, maize, rice, cassava, cocoyam and tomatoes. The government aims to ensure an increase in yield of these crops for both local consumption as well as for the international market.



Cassava:

With an output of 5 million metric tonnes in 2021, Ondo State is one of the largest producers of cassava in Nigeria. There is a huge opportunity to support local and international industrial production of starch, sweeteners, ethanol (bio-fuel), High Quality Cassava Flakes (HQCF), and dried chips.

5,000,000mt
Output in 2021



Rice:

The ever-increasing national demand of about 5% annually proves that rice is one of the sought after food crops in Nigeria. Ondo State is interested in partnering with investors to scale up rice production and processing.

5%
Annual Increase in Rice Demands

+ Forestry

Ondo State has one of the largest forest reserves in the country, with Oluwa Forest Reserve alone occupying 829 square kilometers of its forest land mass. The state is interested in partnering with investors for re-afforestation and sustainable management of this natural resource.

Opportunities for local and foreign investors to set up timber processing plants, furniture factories and fibre boards.

B. Aquaculture

The waters of Ondo State and the surrounding Atlantic Ocean coast is rich in exotic fish and seafood such as catfish, croaker, sole snapper, cray fish and shrimps, all of which are produced in commercial quantities every year. The current fishing activity is still on a small scale and has the potential to scale sustainably. The state is looking to investors for industrial aquaculture development to meet local and foreign demand.





Sector 2 Energy and Mining

With its vast untapped potential in renewable and non-renewable energy generation, and mineral deposit, Ondo State presents significant investment prospects in both energy and mining.

A. Energy



Non-Renewable:

Ondo State hosts 64 km of Nigeria's natural gas infrastructure which intending power-generating companies can source for their thermal generating plants. This can be distributed locally or fed to the national grid and transmitting companies to revolutionize the power industry. For example, a gas-powered 30MW (expandable to 60MW) Independent Power Plant situated in Ore is not only capable of feeding power to the local industrial park but also to the national grid injection point located in Ore which can be transmitted to end users.



64 km

Natural Gas
Infrastructure



Renewable:

There are significant opportunities in renewable energy using solar, wind, and hydro. The state benefits from ample sunshine with an average of **5KWh/m²/day** and over **2,200 annual hours of sunshine**. The inland waters can be harnessed for hydro energy and the developing technology in wave-generated power can be deployed in its Atlantic waters. UNIDO has identified nine potential small hydro sites capable of generating **0.5 to 10 MW of electricity** and up to **30 MW from the Ose River**. The coastal area can also host wind turbines for energy generation purpose.

Recent Federal Government reforms enable states to regulate energy generation and distribution within its geo-physical area. At less than 50% of the 260MW load demand, opportunity exists for investors to play a role in energizing the growing economy of the state.



B. Mining



Bitumen:

Past studies indicate that Nigeria's bitumen region may hold an estimated 42 billion barrels of oil equivalent, and Ondo State is the epicentre of the deposit. This offers various investment prospects in bitumen processing, refining, logistics, transportation, and technology, particularly in road construction. As the largest holder of bitumen deposits in Africa, Ondo State can play a pivotal role in meeting Nigeria and Africa's road asphalt needs.



Silica Sand:

With an estimated value of **29.6 x 10⁷ metric tonnes** of high-quality silica sand deposit, investors have access to this valuable raw material for the manufacturing of float glass to meet the needs of the construction industry, automobiles and feed to solar panel manufacturers.

In addition, manufacturer of fibre glass, insulating fibres, ceramic refractory and abrasive industries can make use of this material for their production.



Other minable mineral resources in the state include, **bulk clay, granite and marble, salt, limestone, talc, kaolin, coal, columbine, and iron ore** all of which are untapped but offer promising prospect to investors.



Sector 3 Oil and Gas

With a daily crude oil production of about 60,000 barrels per day, Ondo State is the 5th largest producer of hydro-carbon in Nigeria. However, its reserve of crude oil is believed to be in the region of 4 billion barrels both onshore and offshore.

The energy locked in the oil and gas reserve in Ondo State can power the economy of Lagos and the South West of Nigeria for the next 100 years. Apart from extraction and servicing the foreign market, opportunities exist in surface infrastructure, processing, and distribution in line with the national drive for domestic gas utilisation.



60,000
Barrels Per Day



4 Billion
Barrels in reserve, both onshore and offshore



Investment Opportunities in this Sector:

- + Domestic production and marketing of Liquefied Petroleum Gas (LPG)
- + Installation of LPG bottling plants etc.
- + Gas to Urea (Fertilizer) development
- + Petroleum refining
- + CNG – LNG
- + Tank farm development
- + Pipeline gas is available at the Ore Industrial park for the use of prospective allied industries

Sector 4 Tourism

Ondo State is a prime tourism investment destination due to its wealth of natural and cultural resources offering an enticing opportunity for investors.

The stunning scenery of some of the tourism sites, the intricate network of creeks, rivers, and lakes along the coast, positions Ondo State as an ideal location for film production. The critically acclaimed Nigerian historical movie "October 1st" filmed about 80% of its scenes in Akure and Ilara Mokin, both in Ondo State.



Araromi White Sand Beach



Owo Palace & Museum

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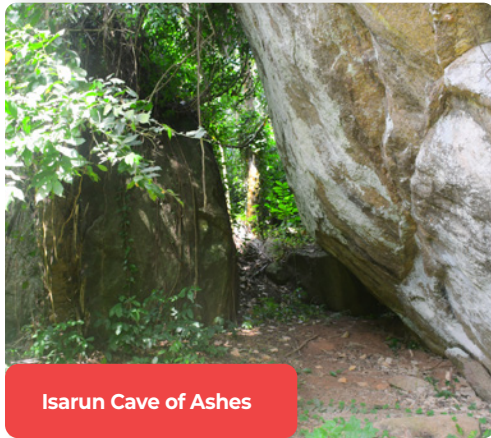
Ebomi Lake Tourist Centre



Oke Maria



Igbo Olodumare



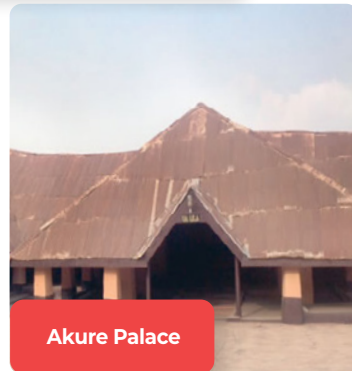
Isarun Cave of Ashes



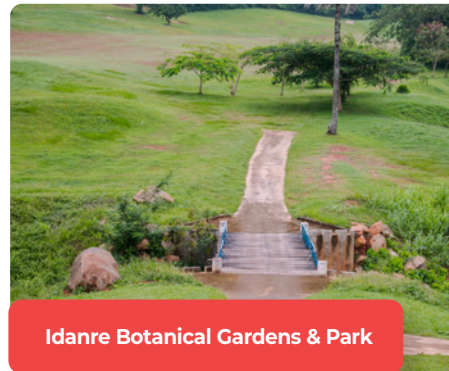
Smokin Hill Golf Resort



Idanre Hills Tourist Centre



Akure Palace



Idanre Botanical Gardens & Park



The International Centre for Events and Culture, (The Dome)



Sector 5 Information Communication Technology



+ An Innovation Hub

Ondo State is emerging as a thriving innovation hub. The presence of the Federal University of Technology, Akure renowned for its expertise in engineering, computer science, and IT has cultivated an environment that incubates a large pool of skilled professionals leading the innovation and infotech revolution in the country.



+ An Enabling ICT Environment

Ondo State provides an enabling environment for ICT ventures. The government has instituted policies and incentives to promote entrepreneurship and attract ICT investments. These include establishing state of the art tech hubs, providing tax incentives, and supporting the growth of tech hubs, along with the tech ecosystem. The vision is to make Ondo State the destination for innovative start-ups in Nigeria.



+ Telecommunications

Ondo State is embarking on a high-speed fiber-optic network and data center projects to connect major towns, institutions and facilities. This will significantly reduce installation costs, minimize visual clutter, and foster a more reliable and efficient telecom network. In addition to this, Ondo State offers tax incentives and streamlined permits for telecom companies, encouraging sector growth and attracting investors

Investment Opportunities in this Sector:

- + **Digital Agriculture:**
Enhance agriculture with tech, focusing on precision farming, soil/weather monitoring, and supply chain management.
- + **Software Development:**
Leverage a skilled talent pool for tailored software solutions across industries.
- + **Data Analytics:**
Meet the demand for data analysts to extract insights from growing business data.
- + **Cybersecurity:**
Develop cybersecurity solutions for protection against online threats.
- + **Digital Transformation:**
Support businesses in going digital.
- + **ICT Training:**
Provide skill-building programmes to nurture a tech-savvy workforce.
- + **Tech Hubs and Incubators:**
Foster start-ups with resources, mentorship, and funding.
- + **Space Exploration:**
Capitalize on FUTA's space expertise for satellite tech, launch services, and space tourism.
- + **ICT Infrastructure:**
Improve broadband, fiber-optic networks, and data centers.



Sector 6 Transportation and Logistics

Ondo State is a nodal state. Strategically located as a gateway to agricultural areas in the north and the transport hub for resources to the west, the state offers natural geographic advantages for logistics and transportation. Goods from the south and east travelling west and north pass through the state, making it an ideal location for businesses.



+ Airlines & Airport

Akure, home to a fully operational commercial airport, with 30 minutes travel time to Lagos and 50 minutes to Abuja, is one of Nigeria's 12 designated cargo airports capable of handling perishable goods. Covering an expansive 32.8 square kilometers, Akure airport is also one of the largest local airports in Nigeria. This cargo airport can serve eight neighbouring states when it is fully developed reducing goods travel time to Lagos by an average of 4 hours.

Key Areas for Air Transportation investment include:

- + **Completing the Passenger Terminal and installing necessary equipment**
- + **Rehabilitating and expanding the runway**
- + **Developing airport facilities**
- + **Constructing a cargo terminal**
- + **Establishing bonded warehousing and refrigerated spaces for perishable goods**
- + **Creating maintenance hangers for planes**



+ Road and Rail Network

Ondo State is keen to link its cities and communities with adequate road and rail network to facilitate the movement of goods and people for increased economic activities. Investors are welcome to build and operate greenfield roads recouping the cost from tolling. Also with the liberalisation of the rail system in Nigeria, investors can now partner with Ondo State in its quest to develop intra state rail network as part of the bigger Southwest Nigeria rail system.

Investment Opportunities in this Sector:

Road



100Km

Coastal Road Lekki-Lagos to Araromi/Omotosho in Ondo State. From the heart of Lekki Free trade zone/Deep sea Port to Araromi beach area in Ondo State in under 30 minutes.

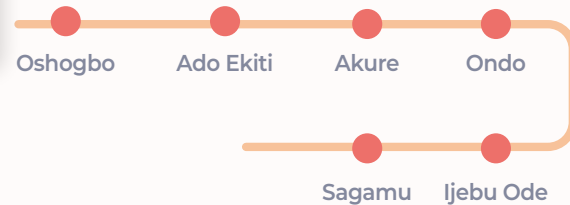
80Km

Omotosho to Akure

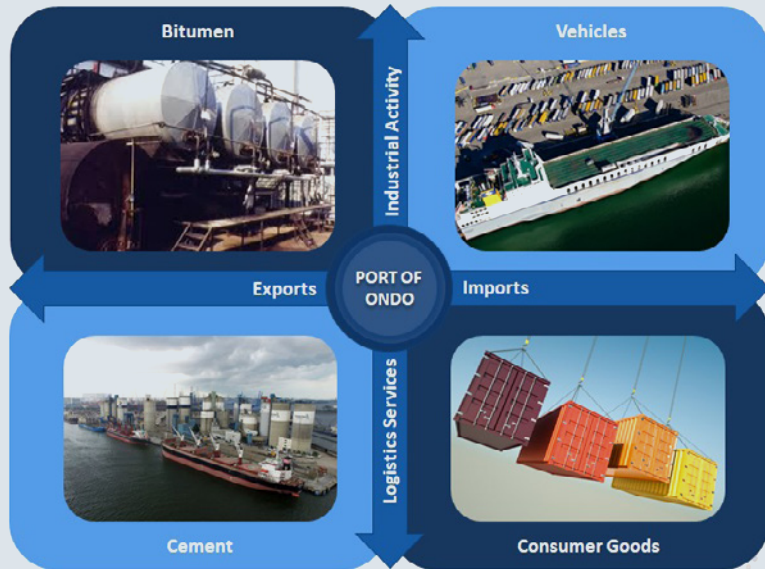
110Km

Akure to Ayere in Kogi State

Rail




With a spur from Ore southward to Port Ondo/Sunshine Free Trade Zone location



Sector 7 The Blue Economy

Port of Ondo:

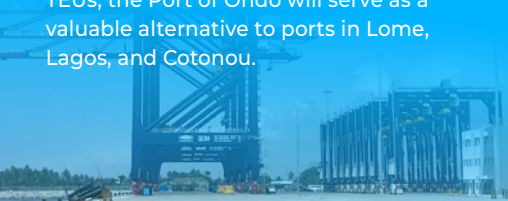
The development of the Port of Ondo is set to establish one of Nigeria's most advanced ports with a dedicated bulk cargo terminal. The port is adjacent to the Sunshine Industrial City with a Free Trade Zone (FTZ) status. This initiative is part of our strategy to enhance industry and logistics infrastructure in the Ondo region and Nigeria as a whole.



16.5 - 18m

In Depth

Featuring a depth of 16.5 – 18m, this modern seaport will efficiently handle large commercial vessels, providing a crucial link to global trade. It's a game-changing infrastructure that will facilitate both the export of goods and the import of materials and technology. With the capacity to manage vessels up to 14,000 TEUs, the Port of Ondo will serve as a valuable alternative to ports in Lome, Lagos, and Cotonou.



Inland Waterways

The State's inland waterways provide alternate forms of transportation to the road network predominantly used for haulage and passenger movement. With its many creeks and major rivers, vessels can go westward to the Nigeria's commercial nerve centre in Lagos, and eastward via the creeks to Forcados, connecting to the River Niger for northbound goods and passengers. This provides a more cost-effective means of transporting raw materials and finished products around the country.

Investment Opportunities in Ondo State's Blue Economy sector

River Transport:

- + With River Alape's survey and charting complete, opportunity of investing in river transport services, including boats, docks, and logistics support for local businesses.

Agriculture:

- + Take advantage of the river's irrigation capacity, invest in irrigation infrastructure, support farmers, or develop value-added agricultural products.

Tourism Development:

- + Leveraging River Alape's potential, invest in tourism infrastructure such as hotels, restaurants, and recreation facilities. Create tour packages, including fishing trips and water sports, to boost tourism.

Fishing:

- + The Rivers in Ondo are a vital source of fish. Invest in fishing infrastructure like boats, trawlers, nets, and processing plants. Explore new domestic and international markets for fish products.

Renewable Energy:

- + Some of our rivers have the potential to be used for hydroelectric power generation. Invest in the development of these water bodies to provide clean energy and potentially sell excess power to the national grid.

Port Storage Facilities:

- + General storage and cold rooms to freeze perishable goods.

Vessels Maintenance Yard:

- + To carry out mechanical repairs





Legal and Regulatory Framework

CHAPTER

4

Ondo State's legal and regulatory framework for investment aligns with Nigeria federal laws and multilateral and bilateral treaties and conventions. Key legislation includes the Companies and Allied Matters Act (CAMA), Sale of Goods Act, Partnership Act, Hire Purchase Act, Labour Act, Trade Union Act, and Insurance Act.

Other relevant investment-related policies include:

- + Tourism Policy
- + Health Policy
- + Environmental Policy

Industrial Policy

Ondo State has developed an Industrial Policy aimed at maximizing its industrial potential. This policy strives to make Ondo State a competitive emerging economy and the most industrialized state in Nigeria. Key elements of this policy include efficient resource utilization, value addition, capacity building, fostering an entrepreneurial culture, creating an enabling business environment, promoting renewable energy, leveraging comparative advantages, and facilitating the export of manufactured goods. This policy aims to boost the state's GDP from the current \$12 billion to \$40 billion by 2030.

This policy aims to boost the state's GDP:



Taxes and General Incentives

Ondo State Internal Revenue Service (**ODIRS**) is responsible for monitoring and implementing tax compliance and designing state-specific incentives for investors.

The Federal Inland Revenue Service FIRS is responsible for federal taxes such as corporate income tax and value added tax. The body is also responsible for implementing all national fiscal and sector specific tax incentives.

The state provides the following tax incentives housed within its more general tax regime:

Tax Incentives:

S/N	Revenue Head	Incentive	Supervising MDA
1	Personal Income Tax/ Direct Assessment	One-off full waiver on Personal Income Tax payable by the Company's Director.	Ondo State Internal Revenue Service (ODIRS)
2	Development Levy	Full waiver on Company and Director development levy respectively at registration with ODIRS.	Ondo State Internal Revenue Service (ODIRS)
3	Land Use Charge (LUC)	Time-dependent full waiver on LUC payment prescribed by Ondo State Land Use Charge Act on the property of the Director and Business premise(s).	Ondo State Internal Revenue Service (ODIRS)
4	Business premises	Time-dependent full waiver on business/trade operating fee payable by the business.	Ministry of Commerce, Industry and Cooperative Services
5	Annual Signage permit	Time-dependent full waiver on Sign posts and advertisement structures owned by the business for the purpose of investment made in the State.	Ondo State Signage and Advertisement Agency (OSSAA)
6	Mast Communication permit (where applicable)	Time-dependent full waiver on the payment of mast communication permit payable by Company/ Investor operating or owning telecommunication structure(s)	Ondo State Information Technology Agency (SITA)



Agro-Production and Processing Incentives

- + **Tax credit for 5 years for all production and processing businesses (see Pioneer Status section)**
- + **Zero tax in agriculture loans with moratorium period of over 18 months and repayment period of over 7 years**
- + **Zero import duty on machines and equipment. No capital allowance restrictions**
- + **Up to 75% guarantee for loans granted by commercial banks for agro-processing and production as stipulated under the Agricultural Credit Guarantee Scheme Fund**

Other State related incentives include:



Easy access to Certificate of Occupancy.



Provision of soft loans to SMEs through Ondo State Micro-Credit Agency (OSMA)



Ready pool of skilled labour that can be easily integrated into the industries due to the high literacy rate in Ondo State.

Pioneer Status Incentive

The Pioneer Status scheme governed by the **Industrial Development (Income Relief) Act** exists to give tax holidays to industries and businesses the Federal Government considers 'pioneer' to enable them grow and attract investment.

A new company or an existing company with an expansion plan may apply for a Pioneer Status certificate which lasts for 3 years and is renewable upon application for 1 year or 2 years. It may also be a seven-year tax holiday in respect of industries located in economically disadvantaged local government areas of the country.



3-7 | Tax holiday for eligible industries



Tax Free Dividends

Paid During The Tax Holiday



Capital Allowances

Capital Allowances And Tax Losses



71 Industries

A total of 71 industries are under the pioneer scheme, 50 of which falls into the key focus sectors for Ondo State.

Pioneer Status Incentives: 50 industries which falls under the key focus sectors for Ondo State.



- Mining And Processing Of Coal
- Manufacture Of Starches And Starch Products
- Processing of cocoa
- Manufacture of animal feeds
- Manufacture of paints, vanishes and printing ink
- Manufacture of plastic products (builders' plastic ware) and molds
- Manufacture of steam generators
- Manufacture of railway locomotives, wagons and rolling stock
- Manufacture of metal-forming machinery and machine tools
- Manufacture of machinery for metallurgy
- Manufacture of machinery for food and beverage processing
- Manufacture of machinery for textile, apparel and leather production
- Manufacture of machinery for paper and paperboard production
- Manufacture of plastics and rubber machinery
- Waste treatment, disposal and material recovery
- E-commerce services
- Software development and publishing
- Real estate investment vehicles under the Investments and Securities Act
- Business process outsourcing
- Cultivation, Processing and Preservation of food crops and fruits
- A) Deep sea trawling and processing
B) Coastal fishing and shrimping
- Smelting and refining of non-ferrous base metal and the manufacture of their alloys
- Manufacture of glass and glassware
- Manufacture of lime from local limestone
- Quarrying and processing of marbles
- Manufacture of ceramic products
- Manufacturing of machinery involving the local manufacture of substantial proportion of components thereof
- Manufacture of products made wholly or mainly or metal
- Manufacture of nets from local raw materials
- Manufacture of gas cylinder
- Rubber plantation and processing
- Manufacture of fertilizer
- Oil palm plantation and processing
- Book Printing
- Large scale mechanized farming
- Cattle ranching and piggery of not less than 500 herds
- Refining or recycling of waste oil
- Ship building, repairs and maintenance of oceans going vessels
- Manufacture of computer and computer chips
- Manufacture of cameras, photographic equipment and other materials
- Diving and underwater engineering
- Local fabrication and machinery equipment
- Manufacture of tools
- Installation of facilities for aircraft manufacture and the maintenance and manufacture of aircraft
- Manufacture of gas and gas distribution
- Manufacture of scientific instruments and communication equipment
- Manufacture of yeast, alcohol and related products
- Manufacture of paper pulp
- Manufacture of Basic and Intermediate industrial chemicals from predominantly Nigerian Ray material
- Business process outsourcing

Criteria for Investment Consideration

Investment proposals to ONDIPA should include a detailed cover letter plus the following:

COMPANY PROFILE

1. Name of company
2. Company's current financial position and report
3. Comparable projects, years of experience, and certificates of competency
4. Details of contact personnels

BUSINESS STRATEGY

1. Viability of priority sector project
2. Examination of the market
3. Job creation, specifying precisely how many direct and indirect jobs are to be created
4. Benefits to the State/Citizens
5. Work plan with dates and specifics of work execution
6. Estimated investment cost
7. Project design (where applicable)

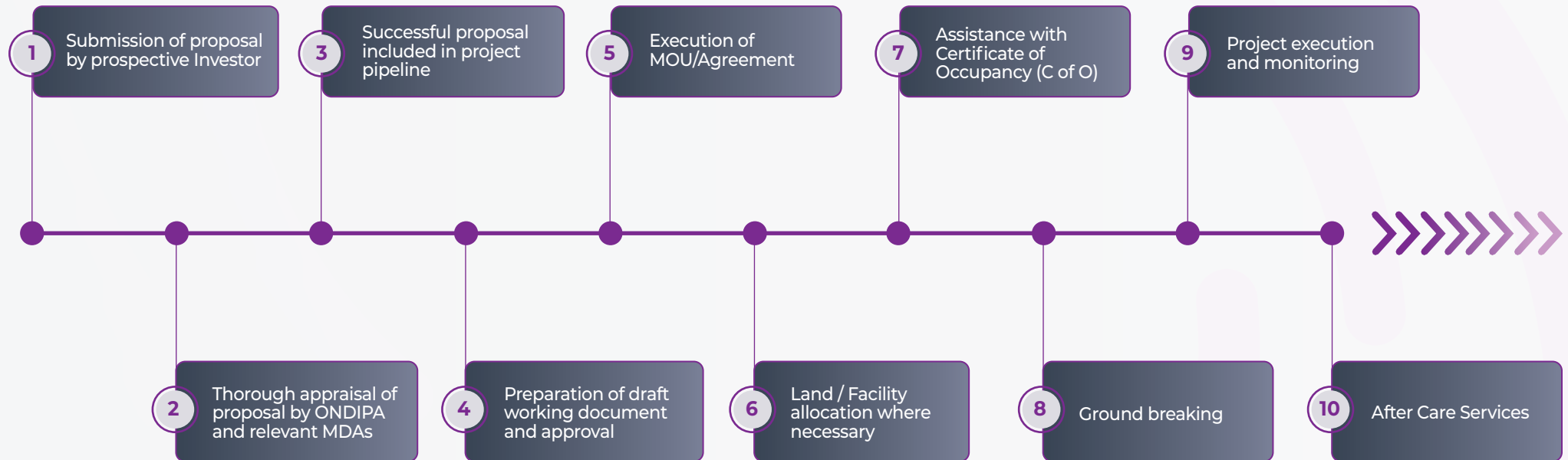
STATUTORY REQUIREMENTS:

1. Detailed project investment cost
2. Evidence of previous similar projects executed by the company, if any
3. Evidence of incorporation ((certificate of incorporation, CAC2 and CAC7)
4. Evidence of tax compliance
5. Evidence of technical expertise to implement the project successfully
6. Technical partners
7. Proposed work schedule from the date of MOU execution
8. Environmental Impact Assessment (where applicable)

FINANCIAL PROOF OF FUNDS

1. Proof and sources of funding
2. A statement from your bank detailing the total amount of inflows and outflows over a six-month period

Investment Process Map



Guide to Access to Credit

Institution

- **Central Bank of Nigeria (CBN).**



Fund Types

Agricultural Credit Guarantee Scheme Funds.



Eligibility Criteria

- Available for individuals or Small and Medium Enterprise (SMEs) in farming.



Requirement/ Processes

- Reach out to your nearest Micro-finance bank

- **Ondo State Micro Credit Agency (OSMA).**



Fund Types

- SMEs



Eligibility Criteria

- Existing SME for at least 6months.



Requirement/ Processes

- Complete and submit application form
- Evaluation of business site
- Approval



Guide to Access to Credit

Institution

- **Nigerian Export-Import Bank (NEXIM)**



Fund Types

- **Foreign input facilities.**
- **Stocking facility**
- **Export credit guarantee.**
- **Local input facility.**
- **Rediscounting & refinancing facility.**
- **Export Credit Insurance.**



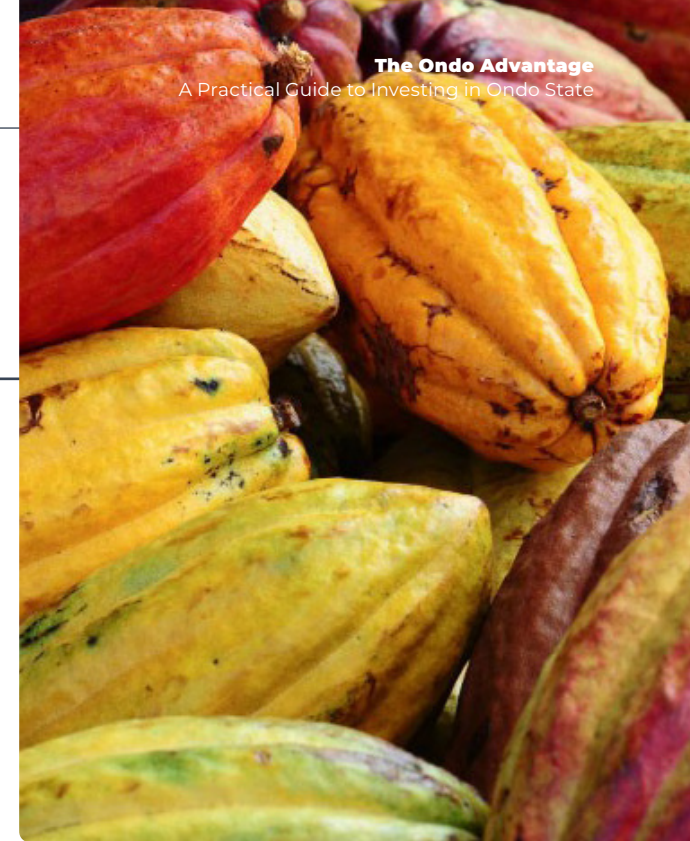
Eligibility Criteria

- Must be an existing company.
- Must be involved in production and export of goods



Requirement/ Processes

- Complete application summary sheets
- Written letter of application
- Provide relevant company registration documents detailed below:
 - + Forms CO2 and CO7.
 - + Memo and articles of Association.
 - + Audited statement of accounts for the last three years or 3 months old statement of affairs for startups (where applicable)
 - + Brief on the project/company incorporating directors and managements profile.
 - + 3 years tax clearance certificate.
 - + Feasibility study/ business plan of the project and cash flow
 - + Relevant permits/licenses/approvals (where applicable) N13,500.
 - + Verifiable export orders/Contracts of other export agreement & arrangements / commitments.



- + Certificate of registration with NEPC.
- + Utility bill and means of identification (Int'l passport data page/ driver's license).
- + Completed signature mandate cards with two passports directors.
- + Environmental impact assessment (EIA) Report (where applicable).
- + Copies of executed warehouse arrangements with acceptable collateral managers for structured trade transaction.
- + Authorisation for NEXIM to obtain information on the company

Guide to Access to Credit

Institution

- Bank of Agriculture (BOA)**



Fund Types

Micro Loan



Eligibility Criteria

- Farmers
- Run a small and medium enterprise



Requirement/Processes

- Running of savings account for three months satisfactorily.
- Duly completed loan application form to be returned with two office files and photocopy of all documents.
- Applicant to attach 2 passport photographs duly signed by applicant and the two guarantors.
- Written loan application letter stating the purpose and amount required.
- Photocopy of applicant's ID card and guarantors' ID card (ID card of place of work where applicable).
- Undertaking of employer where applicable.
- Running of account even after disbursement.
- BVN



Fund Types

SMEs (For an individual)



Requirement/Processes

- Completed loan application form.
- Copies of the feasibility study/business plan for the proposed project acceptable to a BOA.
- Off takers agreement/contract.
- 3 copies of Certificate of occupancy, building plan, deeds of assignment, valuation report, title documents and photographs of property proposed as security.
- Copies of share certificate if proposed as security.
- 2 copies of current tax clearance certificate of applicant for the past three years.
- 2 photocopies of current tax clearance certificate of guarantor for the past three years (where applicable).



Guide to Access to Credit

Institution

- **Bank of Industry (BOI)**



Fund Types

Less than 10 million Naira



Eligibility

- + Adire (style & dye / asooke)
- + Animal feeds
- + Aqua culture
- + Bakery
- + Block and interlocking stones
- + Ceramic & tiles
- + Cosmetics / hair product
- + Dairy
- + Digital printing / multimedia publishing
- + E-commerce / information and communications technology (ICT).
- + Fashion / garmenting
- + Fish smoking / drying
- + Food processing (comprising processing of agricultural product
- + Foundries / metal fabrication / 3D printing
- + Furniture / wood processing
- + Gemstones
- + Greenhouses
- + Groceries packaging
- + Laundry and drycleaning
- + Leather / footwear
- + Liquefied petroleum gas / compressed
- + Natural gas
- + Meat processing
- + Mechatronics
- + Special health care
- + Movie production (Nollywood)
- + Plastic
- + Quick service restaurant
- + Quarries
- + Recycling
- + Solar (off-grid)
- + Technical / vocational schools
- + (offering city and guild certificate)
- + Water / beverage packaging
- + Theme parks
- + Water transportation
- + Light manufacturing (paper, roofing sheet, lube blending, paint etc.)
- + Other businesses

Guide to Access to Credit

Institution

- **Bank of Industry (BOI)**



Requirements

- + Formal application letter
- + Letter of BVN of directors
- + Certificate of registration
- + Form CAC\BN\AI
- + TAX Identification No (TIN)
- + Two External Guarantors (Senior Civil Servant from level 12 and above or Bankers not below the level of Manager)
- + External Guarantor's Requirement.
- + Letter of intent to guarantee
- + Profile\CV of guarantors
- + Means of identification and pay slip
- + Notarized statements of net worth with evidence of stated net worth (Standard form will be issued by BOI)
- + Evidence of regulatory approval (NAFDAC, SON) etc.
- + Evidence of Business\factory location ownership.
- + Letter on declaration of outstanding Liabilities to other Institutions and\or individuals if any.
- + Quotation for the supply of items of equipment from two (2) different suppliers
- + Sources of raw materials from at least two (2) suppliers.
- + Recent bank statements of the company for the past one (1) year
- + Six-month sales record (for existing business)
- + Detailed profile (CV) of the directors and management staff.
- + Photocopies of international passport or Driver's License of the directors
- + Four passport photographs each of the directors
- + Complete BOI questionnaire
- + Know your customer form.

Guide to Access to Credit

Institution

- **Bank of Industry (BOI)**



Fund Types

10 million to 2 billion naira



Requirements

- + Formal application on letterhead
 - + Duly completed loan application form
 - + Photocopy of certificate of incorporation
 - + Feasibility study report.
 - + Curriculum Vitae of the directors and key management staff of the company.
 - + Eight (8) passport photograph of the chief promoter and two (2) directors of the company.
 - + Means of identification of two (2) directors of the company (i.e., Photocopy of International Passport\ Driver's License and National Identity Card).
 - + BVN of chief promoter and two (2) directors of the company.
- Security:**
- + If bank guarantee, a letter of intent for bank guarantee from the head office of commercial bank issuing the guarantee, individual guarantor etc.)
 - + If landed property is being pledged as security, then the following:
 - Photocopy of the title document(s) to the property being pledged.
 - Evidence of payment of ground rent up to date.
 - Tax clearance certificate (TCC) of the owner of the property obtained from the state where the property is located
 - Valuation report from one of BOI's accredited valuers
 - Four (4) passport photographs and BVN of the property owner
 - Letter of consent signed by property owner to mortgage property to BOI
 - + If the property is owned by a limited liability company different from the borrower, then board resolution of that company.
 - + If operating from a rented premises, lease agreement must have a tenure of a least one year beyond loan tenure.
 - + A copy of the draft technical, management, machinery supply and/or joint venture agreement (where applicable).
 - + Three years audited financial accounts and most recent management account from BOI accredited auditors (for existing business).
 - + Company's bank statement for a period of one (1) year (for existing business).
 - + BVN of chief promoter and 2 directors of the company

Success Stories

CHAPTER

5

Bitumen Exploration

SouthWest Bitumen Limited (SWB) is Africa's First Integrated Natural Bitumen Processor. SWB is a wholly owned indigenous business. The company obtained three mining licenses covering 14,990 hectares in Ondo State.

Their primary focus is the development of Nigeria's bitumen resource to cater to the growing domestic, regional, and international need for road infrastructure development. To achieve this, the company will process bitumen primarily for road infrastructure development with the construction of a processing facility with an initial production capacity of 10,000 barrels per day scalable to 20,000 barrels per day.

The Ondo State (Southwest Nigeria) bitumen corridor deposit is estimated to have 42 billion barrels (6.68 billion tons) of mineable bitumen deposit (5th global largest). This provides sufficient reserve for Nigeria's annual bitumen demand (estimated at over 2 million tons per annum).

SWB's success story in Ondo State presents potential investment opportunities for investors interested in the bitumen industry and road infrastructure development in Nigeria. Furthermore, SWB's 100% Nigerian ownership model and strong partnerships with local communities and government agencies make them a prime model of what prospective investors can achieve in Ondo State.



42 Billion Barrels

Estimated bitumen deposit in Ondo State (Southwest Nigeria) bitumen corridor."

6.8 Billion tons

Mineable Bitumen deposit (5th Global Largest)



SouthWest Bitumen Limited (SWB)

14,990 Hectares

3 Mining Licenses

10,000 Barrels

Initial Production Capacity



20,000 Barrels

Projected Target

Red Gold Project

The Red Gold Project is a major agricultural initiative implemented by the Ondo State government with the aim of promoting the cultivation and processing of oil palm in the state. So far, the state government has implemented various measures to encourage investors

in oil palm production. These include tax holidays and waivers on import duties for equipment and machinery, providing farmers with high-yielding oil palm seedlings and the facilitation of the establishment of oil palm nurseries to ensure a steady supply of seedlings.



The following outlines the critical components and success stories of the Red Gold Project:

- + Tax credit for 5 years for all production and processing businesses (see Pioneer Status section)
- + Zero tax in agriculture loans with moratorium period of over 18 months and repayment period of over 7 years
- + Zero import duty on machines and equipment. No capital allowance restrictions
- + No payment of minimum tax
- + Up to 75% guarantee for loans granted by commercial banks for agro-processing and production as stipulated under the Agricultural Credit Guarantee Scheme Fund
- + 75,000ha of land shared to about 5 commercial investors in addition to encouraging several small-holders new palm plantation development
- + 30 metric ton/hour palm processing plant being built by one of the investors

Investment Opportunities for the Red Gold Project

Financing & linkages:

- + Investors could leverage the growing market by providing financing for farmers, processors, and traders, as well as building linkages between farmers and buyers in the domestic and international markets.

Rural road development:

- + This investment opportunity would provide a critical infrastructure needed to transport oil palm produce from the rural areas to the processing and trading hubs, thus reducing the cost of transportation and increasing efficiency. Investors could leverage on this opportunity by funding the construction and maintenance of rural roads, which would in turn encourage more farmers to go into oil palm farming.

Low-priced and long-term intervention funds:

- + Investors could take advantage of low-priced and long-term intervention funds from the Central Bank of Nigeria and international agencies to finance oil palm plantation expansion and processing activities. This would help to reduce the cost of capital for farmers, processors, and traders, thereby increasing profitability and returns for investors.

Genomic editing for developing oil palm varieties:

- + This investment opportunity would involve the use of cutting-edge technology to genetically engineer oil palm varieties that are resistant to pests and diseases and have higher yield potential.

Oil Palm Refineries:

- + Investors could set up an oil palm refinery that works directly with farmer cooperatives to source RSPO-certified oil palm, which would help to promote sustainable and ethical practices in the sector.

A Renewed Gas Strategy (GRADE)

Our Gas Strategy is a significant component in achieving eventual investment and development. Accordingly, the state has chosen to be ambitious and to create an inland gas corridor from which all major gas fuels (CNG, LNG, and LPG) and its by-products (gas

to power, methane, butane, propane etc.) are collected to feed the inland areas of the country. This is largely possible due to our strategic location along the path of the Escravos Lagos Pipeline System (ELPS), the backbone of Nigeria's commercial gas industry.

The gas corridor currently sits on 400 hectares of land with the following private sector investors:

Attracting:
2000MT

2000 Metric Tons of Inland LPG storage terminal under development by Alles Charis Gas Limited.

Approval of:
> 200Hectares

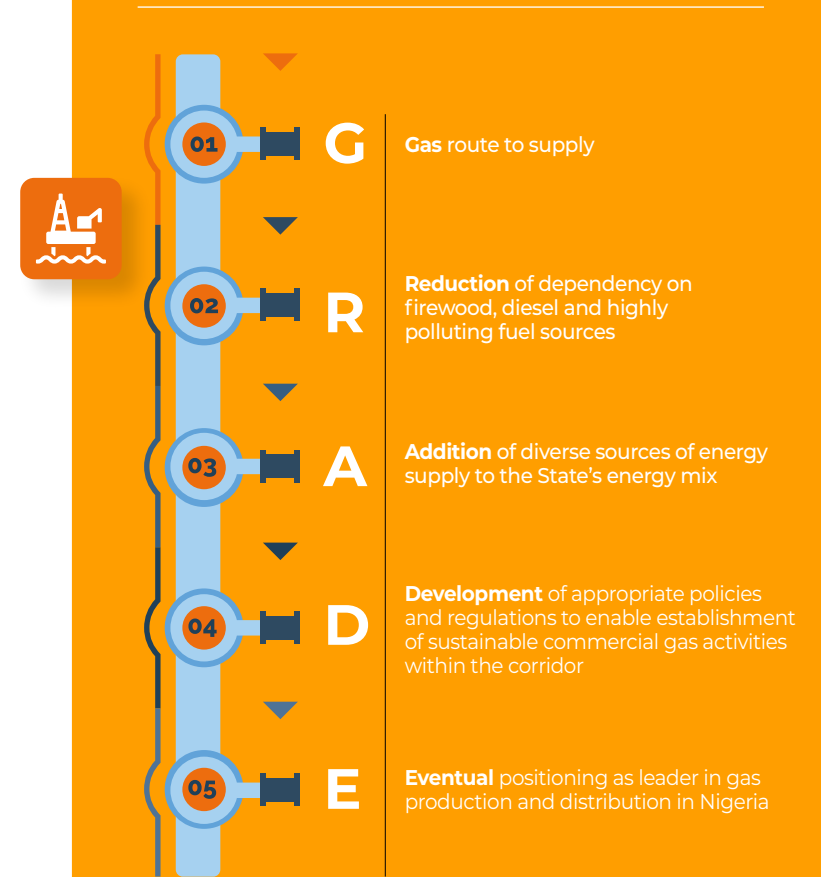
Of land within the Ore industrial Park for the development of a **\$300 Million gas by-products industry** in partnership with the Ondo Linyi Industrial Hub.

Attracting:
\$40 Million

1Tetracore 0MMScfd (209MT/D) Small Scale Mini-LPG liquefaction facility including the creation of an LPG truck terminal and 2MMScfd CNG Station.



Beyond the hub, the state has a broader vision around gas which it christened GRADE and can be summarized as follows:



About ONDIPA

Ondo State Development & Investment Promotion Agency (ONDIPA) is a one-stop shop responsible for investment promotion and multilateral corporation in the state.



ONDIPA
ONDO STATE DEVELOPMENT AND
INVESTMENT PROMOTION AGENCY



Our Mission

Our mission is to simplify the process of doing business in Ondo State.



How we do this

We do this by offering investors a transparent, easy-to-navigate process ensuring their investment journey is smooth and non-stuffy.



Our Vision

Our ultimate ambition is to ensure that Ondo State's resources are efficiently harnessed to make it an economic powerhouse in Africa.

ONDIPA has facilitated several investment projects in Ondo State including the Port of Ondo and the Red Gold project. The agency is noted for its professionalism and corporate outlook.

Our Services

- + Act as a one-stop shop and coordination centre for all investment-related enquiries and activities.
- + Act as the State's lead negotiator for all Public Private Partnership (PPP) models including Build Operate-Transfer, Concession, Privatization Transactions etc. even where they are identified and/or project managed by other Ministries, Departments and Agencies.
- + Enter into and participate as an agent of the Government in business, project, transaction negotiations or financial arrangement.
- + Monitor the implementation, execution and delivery of projects as contained in agreements between the Government and respective investors.
- + Assist the State in building capacity for investment project identification, evaluation, planning, execution, and management.
- + Act as trustee, hold and dispose of any such property in trust for and on behalf of the Government.
- + Source on behalf of the Government, finance for investment from multilateral and bilateral development partners as well as private investors, both domestic and foreign through public private partnerships and other financial arrangements, and where appropriate, act as lead negotiator in transactions with private investors that ensure the needs of the State and those of its citizens are well represented.
- + Advise and assist in the establishment of a framework for monitoring and evaluating the progress of the State's strategic economic investment programmes and projects for effective implementation.
- + Foster sustainable economic growth and create job opportunities for the residents of the State.
- + Identify and document available land for agricultural, housing, mining, industrial and other uses so that it can be speedily made available to qualified investors in a manner that protects the rights of all stakeholders (landowners, occupiers, communities) and provides opportunities for optimal land use for investment and job creation.



Our Promises to Investors

- + Prioritise investor's interest and that of the people of Ondo State
- + Be transparent and keep to our terms of agreement
- + Build lasting partnerships with our investors
- + Provide top-class professional service - no bureaucratic nightmares



The Ondo Advantage

A Practical Guide to Investing in Ondo State

For more information, please contact:

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