

# OK Free Trade Zone Project

**T**his is an integrated multi-purpose project made up of a free trade zone, deep sea port complex an oil and gas logistic base, covering 10,000 hectares of land. The project, jointly promoted by government of Ondo and Ogun states, is one of the new ventures conceived by this administration to serve as a catalyst to the economic development of Ondo State.

The port complex has been planned to provide the following port and ancillary facilities:

- (i) A break-water inland harbour;
- (ii) A linear quay measuring 1750 metres;
- (iii) A 400 x 1,600 metres containers yard;
- (iv) Gantry cranes and other equipment for container handling;
- (v) Adequate storage and gate facilities;
- (vi) Administrative and operations buildings and support infrastructure;
- (vii) Good quality access to interstate highways.

The Free Trade Zone is being designed to provide infrastructure that will support various demands such as:

- (i) Logistic base serving the western base activities of the Nigerian oil and gas industry;
- (ii) Onshore liquid natural gas plants;
- (iii) Oil refineries;
- (iv) Petrochemical plants;
- (v) Heavy and light industries for export;
- (vi) Manufacturing/assembly, processing, packaging, bulk breaking, fabrication and machine tools;
- (vii) International commercial, residential and recreational areas;
- (viii) Airstrip and helipad;
- (ix) Bonded storage warehouses and pipe rack;
- (x) Office building and suites;
- (xi) Fuel and water facilities;
- (xii) Internal road network;



- (xiii) Electricity supply and distribution network including backup facilities; fire service station, police, customs and immigration posts;
- (xiv) Sewage and sewage treatment plants; and
- (xv) Telecommunication facilities.

Significant economic benefits will accrue to businesses which locate in the Free Trade Zone due to special regulatory and fiscal incentives and concessions that include the following:

- (a) Legislations pertaining to taxes, levies, duties and foreign exchange regulations in Nigeria shall not apply within the free zone;
- (b) Foreign capital investment in the zone as well as capital appreciation on the investment can be repatriated at any time;
- (c) Profits and dividends earned by foreign

investors in the zone can

- be remitted without any restraint;
- (d) No import or export licences shall be required;
- (e) Up to 100% of production may be sold in Nigeria against a valid permit, and on payment of appropriate duties;
- (f) At the construction stage, land shall be available free of rent.
- (g) Up to 100% foreign ownership of business in the zone is allowed;
- (h) Companies operating in the zone can employ foreign managers and qualified personnel without any restriction; and
- (i) Prohibition of strikes and lock-outs in the zone.

A number of potential clients have been indicating interest in locating at Olokola Free Trade Zone foremost amongst which is the consortium of Chevron/Texaco, Shell, British Gas and the Nigeria National Petroleum Corporation (NNPC) that plans to establish a 30 million tonnes per annum Liquefied Natural Gas (LNG) plant at a projected cost of about \$7 billion in the zone. The establishment of this gas plant will further make the Free Trade Zone attractive for gas related industries for ease of access to the feedstock.