

# TOYE ABIOYE

## INVESTING IN NIGERIA A COMPLETE NO-BRAINER

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## LEKKI FREE ZONE

**A** detoyese “Toye” Abioye begins our interview at a Joburg restaurant by showing me an article published in the BusinessTimes in late 2012 titled “Vodacom sees light at the end of Africa tunnel”. The article highlights the giant of the SA cellular market’s notable failure to replicate its local success on the rest of the African continent, central to which is the company’s decision not to enter the Nigerian market where its

competitor MTN is making an absolute killing.

“Toye is a Nigerian living in South Africa and working as a business development manager at Connemara Consulting where his responsibilities include growing the company footprint on the continent. He was a Nigeria civil society representative at the World Summit on Sustainable Development in 2002 and decided to stay in the country for further studies. He describes himself as a social entrepreneur and is engaged in additional post-graduate studies in African politics at the University of South Africa where his wife Prof. Funmi Abioye is a lecturer in the College of Law.

The discussion on Vodacom’s opportunity in Nigeria makes him shake his head and offer half a wry smile.

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same difficulties, MTN Nigeria now contributes over 60% of the Groups global profit after tax.”

And MTN is not the only South African company that is finding a profitable footing in Nigeria. Other companies like Shoprite, Standard Bank, Multichoice and First Rand are having similar results in this market of 160 million people. It is clear that many SA companies believe that the future of their businesses lies in pursuing opportunities north of the border. A recent PWC survey of SA CEO’s found that 94% of those interviewed believed that there will be growth in their businesses on the continent within the subsequent 12 months.

“Toye has taken up the role of facilitating investment in Nigeria by business people from both South African and from other parts of the continent. He is excited about the Lekki Free Zone - a proposed city close to the commercial capital of Lagos which comprises 16,500 hectares and according to the Zone’s website is “one of the fastest developing urban areas with an annual economic growth rate of 16.8%”.

“I got involved with the project when I was conducting business tours from South Africa to Nigeria through a company I co-own called Abby Tours and Travels (ATT),” Toye states. “We began operations in 2002 and our initial focus was organising leisure tours for Nigerians to South Africa. The market became flooded and we moved towards business excursions under the banner of ATT Consult in the Business Investment Tours to South Africa (BITSA) series. To gain credibility we registered this entity with the Johannesburg Chamber of Commerce and the SA Department of Trade and Industry.”

ATT Consult provides consultancy services for entities looking to invest in Nigeria including business registrations and tax regulation. He explains that whilst established legal and accounting firms take three to six months to assist potential investors to set up in Nigeria, through the Lekki Free Zone they are able to get the process completed within 24 hours and provide a minimum cost saving of 30 percent in establishment costs.

The majority shareholder of the Zone is China Africa Lekki Investment

Limited with a 60% stake with the remaining shareholding held by the Lagos State Government. There are several free zones backed by the Chinese government in Africa and according to Toye, Lekki is the biggest of them all in terms of land mass, project scope and benefits.

“There is strong support from both the Chinese and Nigerian governments and multiple investment opportunities in various economic sectors. The preferential policies and incentives include

a complete tax holiday from all government taxes, custom duties and levies, one-stop approvals for all operating permits, duty-free imports, 100% foreign ownership and profit repatriation as well as a waiver of expatriate quotas.”

Toye says that plans are underway to establish an international airport, a port and a metro rail system that feeds from Lekki into the rest of the Lagos area.

**Expats** - KC ROTTOK

