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Executive Summary

Niger is eager to attract foreign investment and has taken steps to improve the business climate, including making reforms to liberalize the economy, encourage privatization and increase imports and exports. Revisions in the investment code make petroleum and mining exploration and production more attractive to foreign investors. Niger is open to U.S. investment; President Issoufou has personally met with interested U.S. investors and ensures his staff works to give potential investors the information and assistance they need. In response to the troubled security climate in the wider region, Niger increased security-sector spending and works as a dedicated partner of the U.S. and other allied nations in efforts to ensure the security of Nigerien citizens and foreigners alike. Some of the biggest opportunities in Niger include infrastructure projects and development of its natural resources. Modernization of the agricultural sector presents another opportunity, as agriculture makes up 39 percent of GDP and employs 55 percent of the active workforce yet it does not employ modern practices and is susceptible to climactic shocks which slow the economy. Inflation remains low and the IMF estimates that GDP will continue to grow at one of the fastest rates in the world. The country aims to implement the trade policy of the West African Economic and Monetary Union (WAEMU) and has joined the Generalized System of Preferences (GSP) of the European Union. Customs duties and taxes have been revised recently, though the implementation of new codes is still in progress. A new investment code was adopted in 2014.

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

Niger is open to Foreign Direct Investment (FDI) and has adopted new tax and investment codes which the Government of Niger (GON) is working to implement. The GON has negotiated with companies interested in investing, but several international business representatives note what they believe are “unrealistic expectations,” saying the GON has dreams of collecting unfairly high taxes in sectors including telecommunications and extractive industries. However, the GON negotiates with businesses and regularly waives taxes for companies involved in importation, exportation and production of goods in Niger. The GON is working to strike the balance between attracting investors and collecting taxes at a fair rate; it is flexible when a solid case is made. Under the Investment Code, industrial investments can enjoy some tax and customs exemptions, including in some cases exemptions from the value-added tax (VAT).

While there are no laws that discriminate against foreign investors by prohibiting, limiting or conditioning foreign investment in any sector of the economy, there are some restrictions on FDI. Total foreign ownership is permitted in most sectors except energy, mineral resources, and sectors restricted for national security purposes. In the extractive industries, any company to which the GON grants a mining permit must give the GON a 10 percent share of the company. The GON also reserves the right to require companies developing mineral resources to give the GON up to a 33 percent stake in their Nigerien operation. Foreign ownership of land is permitted but requires authorization from the Ministry of Planning, Land Management and Community Development.
Other Investment Policy Reviews

Niger conducted a Trade Policy Review through the World Trade Organization (WTO) in 2009 and is due for review in 2015. A report of the review can be found on the following website: https://www.wto.org/english/tratop_e/tpr_e/s223-01_e.doc Neither the United Nations Conference on Trade and Development (UNCTAD) nor the Organization for Economic Cooperation and Development (OECD) has carried out a policy review for Niger.

Laws/Regulations of Foreign Direct Investment

Niger's legal framework adheres to the provisions of the Organization for the Harmonization of Business Law in Africa (OHADA). For foreign direct investment (FDI), this includes the opportunity to acquire and exercise rights, concessions and administrative authorizations; to bid for public contracts; to transfer income or liquidate invested capital; to transfer profits to non-resident persons or entities; recourse to arbitration and to the International Centre for the Settlement of Investment Disputes (ICSID) in case of dispute; open access to public procurement; transparent procedures for awarding public contracts; freedom of prices and competition; and trade liberalization.

In April 2014, Niger adopted a new investment code that lays out the general principles governing the reception and protection of foreign investment, as well as the incentives available for approved projects. The code allows for tax breaks, though terms are to be negotiated with the Ministry of Commerce on a case-by-case basis. Most investors benefit from special tax treatment and tariff protection for varying periods depending on the level and location of investment. The investment code guarantees equal treatment of investors regardless of nationality. The investment code offers incentives for sectors the GON deems key to economic development: energy production, mineral exploration and mining, agriculture, food processing, forestry, fishing, low-cost housing construction, handicrafts, hotels, schools, health centers, and transportation.

The National Council of Private Investors (CNIP), which is charged with reviewing Niger’s investment climate and performance and proposing specific actions to address national investment priorities, previously inactive, re-started its activity early this year with the stated goal of instituting change to improve the business climate. Niger has also established a framework designed to regulate public-private partnership (PPPs) contracts and provide taxation oversight for such partnerships.

Corruption continues to be a problem in Niger's judicial system. The Chamber of Commerce is currently in the process of validating a mediation and arbitration committee framework to assist businesses in resolving conflict and to avoid the lengthy court process. The Chamber of Commerce also publishes the Guichet Unique, a guide for foreign investors interested in doing business in Niger. The Guichet Unique informs potential investors of investment incentives and the laws and regulations that govern investment. It is now available online at: http://niger.eregulations.org/.
Industrial Promotion

Niger's Economic and Social Development Plan (PDES) 2012-2015, is based on the implementation of large infrastructure projects. Energy sector projects play a large role in this plan and the proposed construction of the Kandadji hydro-electric dam and the Salkadamma coal extraction, processing, and power project promote energy self-sufficiency and irrigation development. The transportation sector is also a key component of the plan. In 2014, Niger began construction on its first rail project. This corridor between Niger and neighboring countries attempts to permanently improve transport and communication. Significant investments in road infrastructure projects will contribute to the same objective.

In addition to the energy and transportation sectors, the government is also focusing programs on the agro-food industry, the extractive industry, the manufacturing sector, and the service sector. The government struggles to disseminate information on programs and reform projects, relying on donors and word-of-mouth.

Limits on Foreign Control

Total foreign ownership is permitted in most sectors except energy, mineral resources, and sectors restricted for national security purposes. In the extractive industries, any company to which the GON grants a mining permit must give the GON a 10 percent share of the company, a law that applies to both foreign and domestic operations. The GON also reserves the right to require companies developing mineral resources to give the GON up to a 33 percent stake in their Nigerien operations. Foreign ownership of land is permitted but requires authorization from the Ministry of Planning, Land Management and Community Development.

Privatization Program

With assistance from the World Bank, in 1998 the GON embarked on a vast program to privatize 12 state-owned companies. To date, seven have been fully privatized, including the water and telecommunications utilities. The national telecommunications company Société Nigérienne des Télécommunications (SONITEL) was privatized in December 2001 and renationalized in 2012. Discussions are ongoing to finalize the process for the privatization of two other state-owned enterprises – the electricity company Société Nigérienne d’Electricité (NIGELEC) and the oil and petroleum products company Société Nigérienne de Distribution des Produits Pétroliers (SONIDEP).

Foreign investors are welcome to participate in the privatization program. In March 2001, Niger divested most of its interests in the national water company, Société Nationale des Eaux (SNE) through a ten-year lease with Vivendi, a French water company. Under this public-private partnership arrangement, the company is owned by Vivendi (51 percent), local private investors (34 percent), the workers of the company (10 percent), and the government of Niger (5 percent).

Privatization operations are conducted under the technical direction of the ministry that currently controls the company. After a detailed analysis of business operations conducted by an internationally known independent audit firm, the government calls for bids.
Screening of FDI

The Investment Code contains no provisions for screening or review of FDI. The law guarantees equal treatment of investors regardless of nationality. In general, the government does not interfere with private FDI.

Competition Law

In 2015, Niger validated a new Competition and Consumer Protection Law that replaces a 1992 law that was never fully operational. Niger also adheres to the Community Competition Law of West African Economic and Monetary Union (WAEMU).

Investment Trends

Recent trends in FDI in Niger are linked to large infrastructure projects and the extractive industries. Projects such as the Kandaji dam have received renewed international support. The government continues to focus on the completion of large infrastructure development projects; continued growth in the oil sector; and implementation of the 3N initiative (Nigeriens Nourishing Nigeriens), which encourages improvement of agriculture and water management to reduce food shortages. The government has approved the construction and is actively searching for partners to build a new oil pipeline that will connect the Agadem oil field to an existing Chad-Cameroon pipeline. Also in the extractive sector, Niger is currently experiencing a gold rush in the Agadez region. On the transportation front, it is expected that the ongoing, previously mentioned rail project that will link Niger to Benin and Burkina-Faso will boost investment.

Table 1

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</tr>
</tbody>
</table>

Millennium Challenge Corporation Country Scorecard

The Millennium Challenge Corporation, a U.S. Government entity charged with delivering development grants to countries that have demonstrated a commitment to reform, produced scorecards for countries with a per capita gross national income (GNI) or USD 4,125 or less. A list of countries/economies with MCC scorecards and links to those scorecards is available here:

2. Conversion and Transfer Policies

Foreign Exchange

As a member of the African Financial Community (CFA) and the Economic Community of West African States (ECOWAS), Niger has benefited from a foreign exchange system that is free from restrictions on payments and transfers. Foreign capital and domestic capital are legally equal. However, currency conversions above 2 million CFA (approximately USD 4,000) must be approved by the government, which inherently results in delayed capital transfers. Such delays thus serve to discourage investment from abroad, particularly by the Nigerien diaspora. The CFA franc, which is pegged to the euro at CFAfr 655.96 to €1, fluctuates against the US dollar in line with the euro-dollar exchange rate.

Remittance Policies

Niger's Investment Code offers the possibility to transfer income of any kind, including capital investment and the proceeds of investment liquidation, regardless of the destination. There are no limitations or waiting periods on remittances, though currency conversions above 2 million CFA (approximately USD 4,000) must be approved by the government. Remittances from Niger migrants are of paramount importance to household food security. Niger is a member of the Inter-Governmental Action Group against Money Laundering and Terrorist Financing in West Africa (GIABA), a Financial Action Task Force-style regional body. Its most recent mutual evaluation can be found here: http://www.giaba.org/reports/mutual-evaluation/Niger.html.

3. Expropriation and Compensation

Article 7 of the Investment Code guarantees that no business will be subject to nationalization or expropriation except when deemed "in the public interest" as prescribed by the law. The code requires that the government compensate any expropriated business with just and equitable payment.

Article 28 of the 2010 Constitution states “Everyone has the right to own property and no one shall be deprived of his property except for public purposes subject to prior and just compensation.”

In 2012, Niger’s parliament voted to nationalize incumbent telecoms operator Sonitel, abandoning a renewed attempt to privatize the company. The move allows the GON to carry out investments in the company over the next five years. The GON began looking for a new buyer for Sonitel and its mobile arm SahelCom in August 2011, after a deal to sell a stake in the company to Libya’s LAP Green Network for USD 62 million was scrapped the previous June. After heavy criticism of the deal by Niger’s main telecommunication union, the GON decided to cancel it, stating that the Libyan government's financing had not been able to meet the terms of the agreement.
4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Niger's legal system is a legacy of the French colonial system. The legal infrastructure is insufficient, making it difficult to use the courts to enforce ownership of property or contracts. While Niger's laws protect property and commercial rights, the administration of justice can be slow and unequal.

Niger does have a written commercial law that is heavily based on OHADA. Niger has been a member of OHADA since 1995. OHADA aims to harmonize business laws in sixteen African countries by adopting common rules adapted to their economies, setting up appropriate judicial procedures, and encouraging arbitration for the settlement of contractual disputes. OHADA regulations on business and commercial law include definition and classification of legal persons engaged in trade; procedures for credit and recovery of debts, means of enforcement, bankruptcy, receivership, and arbitration.

Niger recently announced that it will set up a Commerce Tribunal, a specialized commercial court, as well as a Center for Mediation and Arbitration. These organizations are still nascent.

Bankruptcy

OHADA regulations on business and commercial law cover bankruptcy. According to data collected by the World Bank's Doing Business survey, resolving insolvency takes five years on average and costs 18 percent of the debtor’s estate, with the most likely outcome being that the company will be broken up and sold. Globally, Niger stands at 128 in the ranking of 189 economies on the ease of resolving insolvency.

Investment Disputes

The investment code provides for settlement of disputes by arbitration or by recourse to the World Bank's International Center for Settlement of Disputes on Investment. However, investment dispute mechanisms in contracts are not always respected and exercising due diligence is extremely important. Procedures are in place but are often not adhered to because of a lack of resources and corruption in the judicial system.

In 2011, an American contractor was detained by police at the behest of a disgruntled Nigerien subcontractor. The contractor was released by mid-day when the complaint was determined to be civil rather than criminal.

Niger, through its Chamber of Commerce, is creating an arbitration and mediation center for commercial dispute resolution and preserving the integrity of the business.

International Arbitration

The investment code also offers the possibility for foreign nationals to seek remedy through the International Centre for the Settlement of Disputes Related to Investments (ICSDI) created by
the convention dated March 18th, 1965 of the International Bank for Reconstruction and Development (IBRD).

ICSID Convention and New York Convention

Niger is a party to the New York Convention on the Recognition of Foreign Arbitral Awards. Niger is also a member of the International Center for Settlement of Investment Disputes (ICSID).

Duration of Dispute Resolution

Dispute resolution is a lengthy and involved process, and frequently takes years to resolve. International companies are required to have a local representative, who can help the company navigate the complex local political and bureaucratic process. Dispute mechanisms in contracts are not always respected and due diligence is extremely important. Procedures are in place but are often not adhered to because of lack of resources.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

Niger is a member of the WTO, but as a lower income member, is exempt from Trade-Related Investment Measures (TRIMs) obligations. In 2009, Niger introduced a system of quotas for the commercial import or re-export of wheat flour. Companies wanting to import wheat flour must purchase at least 10 percent of the total volume from a sole local producer, Moulins du Sahel, or compensate them for the value of the product. A similar quota scheme applies to rice, but the purchase requirement is only three percent.

Investment Incentives

Niger offers incentives that are dependent on the size of the investment and number of jobs that will be created. The Investment Code offers VAT-inclusive tax exemptions depending on the size of the business. Potential tax exemptions include start-up costs; property, industrial and commercial profits; services and materials required for production; and energy use. Exemption periods range from ten to fifteen years and include waivers of duties and license fees. There are no restrictions on foreign companies opening a local office in Niger, though they must obtain a business certificate from the Ministry of Commerce.

The Investment Code has established three different tiers of incentives for investors, based on minimum investment amounts, listed below:

Tier 1: Promotional tier, for investments of 25 million CFA francs (about USD 50,000) or above.
Tier 2: Priority tier, for investments of 50 million CFA francs (about USD 100,000) or above.
Tier 3: Conventional tier, for large businesses with investments of at least 2 billion CFA (about USD 4 million).
During the investment phase, the approved investments are exempt from import duties and taxes on material and equipment needed for the project that are not available locally. The advantages provided during the operational phase include exemption from profit tax (35 per cent). Apart from these regimes, two additional incentive schemes are part of the investment code. These apply to companies operating in remote regions, energy, agro-industry, and low-cost housing sectors.

Research and Development

As Niger relies heavily on donor support for basic government functions, it does not have the capacity or capability to carry out large-scale government research or development programs. The vast majority of these types of programs are funded by foreign governments or NGOs. An exception is the Niger National Institute of Agricultural Research (INRAN) which is the country’s main agricultural research and development (R&D) agency. Most of Niger’s agricultural research programs are donor-funded. National government funding covers only salary and very limited operating costs.

Performance Requirements

Performance requirements are not imposed as a condition for establishing, maintaining, or expanding foreign direct investments. While Niger does require that companies attempt to hire a Nigerien before applying for a work visa for a foreign national, in practice the rule is not enforced. To create a suitable environment for promoting private investment and job creation, labor and employment legislation has been reformed to allow flexibility in employment and to adapt vocational training to the requirements of the job market. In addition, it allows for a company to appeal to the Minister responsible for Labor if a foreigner is refused a work visa.

Data Storage

Niger has one of the lowest internet penetration rates in the world. Technology here lags far behind the developed world. Niger has no regulations regarding data storage. Niger does not require foreign IT providers to turn over source code and/or provide access to surveillance.

6. Right to Private Ownership and Establishment

Foreign and domestic private entities have the right to establish and own business enterprises. Private entities can freely establish, acquire, and dispose of interests in business enterprises. Legally established private-sector companies have the same access to markets, credit, and other business operations as do public enterprises. Foreign ownership of land is permitted but requires authorization from the Ministry of Planning. While Niger’s legal framework grants private companies wide ranging freedoms, companies encounter barriers to business on an almost daily basis. The poor legal and physical infrastructures make it difficult and expensive for firms to operate, and an inadequate regulatory framework hampers private sector development. In addition, onerous and inconsistent regulations regarding property ownership impose substantial costs.
7. Protection of Property Rights

Real Property

Interests in property are enforced when the land holder is known, but property disputes are common, particularly involving community-owned land or land in rural areas where customary land titles are still common. Mortgages are relatively new instruments; Bank Atlantique introduced the first mortgages only last year. The bank retains the title to the property until the loan is repaid. Traditional use rights are at the core of land disputes between Nigerien farmers and traditional nomadic herders. According to data collected by The World Bank's Doing Business survey, registering property in Niger requires four procedures, takes 35 days and costs nine percent of the property value. Globally, Niger stands at 95 in the ranking of 189 economies on the ease of registering property. In 2014, Niger made transferring property easier by reducing registration fees. Foreign ownership of land is permitted but requires authorization from the Ministry of Planning, Land Management and Community Development.

Intellectual Property Rights

Niger ratified the revised Bangui Agreement (1999) on May 2002. This chiefly serves as the national framework for intellectual property rights.

Niger is a member of the West African Intellectual Property Organization (OAPI), which sets the legal framework for protecting intellectual property and approves requests for registration. Protection is initially granted for ten years and is renewable for an additional ten years.

As a signatory to the 1983 Paris Convention for the Protection of Industrial Property, Niger provides national protection under Nigerien patent and trademark laws to foreign businesses. Niger is also a member of the World Intellectual Property Organization (WIPO) and a signatory to the Universal Copyright Convention.

Despite a legal regime that protects intellectual property rights, the GON lacks the capacity and resources to enforce copyright violations. Legal structure is weak, enforcement is bad, and infringement on right and theft are common. Counterfeit CDs, videocassettes and pharmaceuticals are readily available. The international property rights index does not rank Niger. Law enforcement is poorly trained and there are weak administrative controls. Property rights also remain hampered by an ineffective judicial framework and a court system that is vulnerable to political interference. On average, it takes 35 days and 4 procedures to register a property in Niger. The World Intellectual Property Organization’s page for Niger can be found at: http://www.wipo.int/wipolex/en/profile.jsp?code=NE.

Niger does not regularly track and report on seizures of counterfeit goods. While there have been some cases of seizure, government statistics are not available.

Niger is not listed in USTR’s Special 301 report or the notorious market report.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at http://www.wipo.int/directory/en.
8. Transparency of the Regulatory System

The GON has established laws and policies, but does not enforce them equally, in large part due to corruption and weak governmental systems. Niger is attempting to comply with international norms in its legal, regulatory and accounting systems but frequently falls short. Rules foster competition, but clear rules are frequently not available. That said, the playing field is level for foreign investors who are willing to put forth the effort to learn the system.

Draft bills are not available for public comment, although the Chamber of Commerce or other organizations may be allowed to offer suggestions.

Niger is a member of the U.N. Conference on Trade and Development’s international network of transparent investment procedures: http://niger.eregulations.org/ (French language only). Foreign and national investors can find detailed information on administrative procedures applicable to investment and income generating operations including the number of steps, name and contact details of the entities and persons in charge of procedures, required documents and conditions, costs, processing time, and legal bases justifying the procedures. The site is maintained up-to-date and useful.

9. Efficient Capital Markets and Portfolio Investment

Niger’s financial sector is small but growing rapidly. Foreign-owned banks currently control about 80 percent of total assets. The banking system is liquid and well supervised, and a variety of lending opportunities are expected to emerge as the economy continues to grow.

There are no limits on the free flow of financial resources. Credit is allocated on market terms and foreigners do not face discrimination. Credit to the private sector is dominated by large
corporations, while agriculture, livestock, forestry and fisheries sectors (which account for more than 40 percent of GDP) receive less than one percent of total bank credit.

Money and Banking System, Hostile Takeovers

The Nigerien banking sector is poorly developed, inefficient, and expensive. All the local banks are subsidiaries of banks based elsewhere in the region. There are no American or European banks. Bank credit to the private sector has been less than 10 percent of GDP and fewer than two percent of Nigeriens have a bank account. The Central Bank of West African States governs Niger’s banking institutions and sets minimum reserve requirements. There are no restrictions on foreigners' establishment of a bank account. Banking fees are significantly higher than in other countries. Credit is generally allocated on market terms, but the cost is high and credit is usually extended only to large businesses. Four major commercial banks control roughly 90 percent of deposits. The GON holds shares in several financial institutions.

10. Competition from State-Owned Enterprises

State-Owned Enterprises (SOEs) are defined as companies in which the government of Niger is the majority stakeholder. They play a major role in Niger’s economy. SOEs dominate or heavily influence a number of key sectors, including energy (NIGELEC), telecommunications (SONITEL), and water resources (SEEN and SPEN). SOEs are also active in services, oil, and uranium. There are no laws or rules that offer preferential treatment to State-Owned Enterprises. They are subject to the same tax rules and burdens as the private sector, and are subject to budget constraints. The Court of Accounts maintains a list of SOEs, but it is not published.

The oil-distribution company (SONIDEP) and the national electricity company (NIGELEC) still hold monopolies. While SONITEL has a monopoly on fixed telephony, the GON has granted three mobile phone and two Internet licenses and competition exists in the telecommunications sector.

OECD Guidelines on Corporate Governance of SOEs

Niger is not a member of the OECD and does not adhere to its guidelines. SOEs report directly to the minister responsible for the company, and senior management positions are allocated politically. However state-owned enterprises are audited by the Court of Accounts, which reports directly to the President. The Ministry of Finance is responsible for oversight and management of public enterprises, including SOEs.

Sovereign Wealth Funds

Niger does not have any Sovereign Wealth Funds. The government has ambitious plans for a build-up of reserves at the Central Bank (BCEAO) using oil revenues.

11. Corporate Social Responsibility

The Orange Niger Foundation carries out corporate philanthropy programs which focus on humanitarian aid, the development of renewable energy sources and girls’ education. Beyond
Orange Niger, known private sector contribution to development is relatively insignificant despite the presence of large companies in mining, telecommunications, and agribusiness. While civil society groups encourage CSR, the average Nigerien is unaware of the concept of corporate social responsibility (CSR).

The GON has focused on ensuring existing obligations are met and that communities benefit in compliance with Nigerien law, which states that 15 percent of revenues derived from extractive industries must be returned to the municipality affected by the project. However, the money is difficult to track and local authorities who do receive funds note the GON has not determined how local governments can spend any income received. As a result, foreign companies carry out CSR projects, but the government is not active and engaged. Typical CSR projects in Niger involve health care, education, and other visible projects.

**OECD Guidelines for Multinational Enterprises**

Niger does not adhere to OECD Guidelines for Multinational Enterprises

**12. Political Violence**

Following a coup in 2010, Niger succeeded in returning to constitutional order with the adoption of a new constitution in November 2010 and a series of local, legislative, and presidential elections in early 2011. Democratic elections are due to be held again in 2016. There is growing political tension between the ruling majority and opposition, since the formation of an inclusive government in August 2013. In January 2015, Niger experienced an unprecedented wave of attacks on churches, bars and ruling-party buildings during protests sparked by outrage at the Charlie Hebdo caricatures of the Prophet Muhammad and at President Issoufou’s participation in the Paris march. Roving bands pillaged and burned some churches, buildings of the ruling party, Christian homes and bars.

A potential spillover of political unrest in neighboring countries remains a threat to political stability. These countries include Mali, where a UN peacekeeping force - supported by some 850 Nigerien troops - is seeking to maintain a fragile peace after a loose alliance of Islamist organizations, including al Qaida in the Islamic Maghreb and the Mouvement pour l'unicité et le jihad en Afrique de l'ouest (MUJAO), took control of northern parts of the country.

In February 2015, Boko Haram, the fundamentalist Islamist terrorist group based in Nigeria, began attacking villages in border areas of Niger. The Diffa Region was particularly hard hit, forcing officials there to implement a state of emergency. About 8,000 troops from Chad, Niger, Cameroon, and Benin were dispatched to Nigeria to battle the terrorists. The U.S. Embassy has recommended that U.S. Citizens avoid the Diffa Region.

**13. Corruption**

Niger ranked 103 out of 175 in Transparency International’s 2014 Corruption Perceptions Index. Niger’s economic freedom score is 54.6, making its economy the 127th freest in the Heritage Foundation's 2015 Economic Freedom Index. Its score has decreased by 0.5 points since last year, reflecting declines in monetary freedom, the management of government spending, and
labor freedom that outweigh gains in freedom from corruption and business freedom. Niger is ranked 26th out of 46 countries in the Sub-Saharan Africa region, and its overall score is slightly above the regional average Sub-Saharan Africa region.

The GON has set up two anti–corruption institutions: the Bureau of Information, Claims and Fight Against Corruption and Bribery at the Ministry of Justice, to tackle corruption within the judiciary, and the multi–sector High Authority to Combat Corruption and Related Infractions (HALCIA). Both have been in place since October 2011. HALCIA reported that it received 55 complaints in the first four months of 2014, 21 of which it opened cases on and ten of which it referred to the Ministry of Justice for potential prosecution. However, to date no cases from 2014 or prior years have been prosecuted. The Constitution, adopted in 2010, contains provisions for greater transparency in government reporting of revenues from the extractive industries, as well as the declaration of personal assets by government officials, including the President. Key officials from the previous administration were indicted for fraud and corruption in 2013 but were provisionally released and no further court dates were set.

In 2014, the United Nations Office on Drug and Crimes (UNODC) supported HALCIA in the adoption of a draft anti-corruption bill. The Millennium Challenge Corporation (MCC) Board selected Niger for the first time in 2012 as a country eligible for a Compact. The Board recognized the country's efforts in good governance, the engagement and commitment of the GON in the fight against corruption, the respect of political rights, civil liberties, freedom of information, and the adoption of policy reforms to strengthen economic freedom.

UN Anticorruption Convention, OECD Convention on Combating Bribery

Niger is party to the UN Anticorruption Convention. However, Niger is not party to the OECD Convention on Combating Bribery.

Resources to Report Corruption

Issoufou Boureima
President
High Authority against Corruption and Related Infractions (HALCIA)
BP 550 Niamey - Niger
(227) 20 35 20 96
issoufbour@gmail.com

Mme Bagna Aissata Fall
President
Nigerien Association against Corruption (ANLC), Chapter of Transparency International
BP 10423 Niamey-Niger
(227) 20 74 10 90
anlcti@yahoo.fr
14. Bilateral Investment Agreements

Niger is a signatory of investment treaties with Algeria, Egypt, Germany, Switzerland, and Tunisia. As a member of the West African Economic and Monetary Union (WAEMU), Niger has asked its trade partners to deal with WAEMU regarding trade agreements.

In 2002, the WAEMU Commission (of which Niger is a member) concluded an agreement on the development of investment relations with the United States.

In 2014, ECOWAS Commission (of which Niger is a member) signed TIFA agreement with the United States.

Bilateral Taxation Treaties

Niger does not have a bilateral taxation treaty with the United States.

15. OPIC and Other Investment Insurance Programs

Niger is eligible for OPIC coverage, but to date, OPIC has not been involved in any bilateral investments within Niger.

16. Labor

Niger has one of the world's fastest growing populations of any country, but lack employment opportunities. Most available employment is mainly in subsistence farming. Most non-agricultural employment is informal self-employment. The formal sector absorbs seven percent of the labor force, which is concentrated around the capital and in the French-owned Areva uranium mine.

Unemployment was reported to be 16 percent and underemployment at 35 percent. Underemployment is defined to include those who are employed below their skill-level; however, in Niger underemployment is defined solely as time-related underemployment, indicating those who worked less than 40 hours per week. Youth unemployment is a growing problem as many young people enter the labor market each year and are unable to find work.

Niger has ratified eight fundamental International Labor Organization (ILO) conventions, including conventions on forced labor, freedom of association, right to organize and collective bargaining, equal remuneration, discrimination, minimum age, and child labor, and also enforces the Niger labor code. Niger's new labor code, adopted in September 2012, regulates employment, vocational training, remuneration, collective bargaining, labor representation and labor disputes. The code also establishes the Consultative Commission for Labor and Employment, the Labor Court and regulates the Technical Consultative Committee for Occupational Safety and Health.

Individual labor disputes are handled by the Labor Courts (Les tribunaux du travail). They are presided over by a professional magistrate and two judges from the workers’ and employers’ organizations. Worker organizations are generally independent of the government and political
parties. Unions exercise the right to bargain collectively for wages above the legal minimum for more favorable working conditions.

Freedom of association and the right to collective bargaining were generally respected and workers exercised them. The trade union members' share of total labor force is 2.8 percent. It is estimated that 50,000 informal workers are affiliated with trade unions.


**17. Foreign Trade Zones/Free Ports/Trade Facilitation**

Niger is landlocked, has no free trade zones and relies on the Ports of Cotonou in Benin and Lome in Togo as its primary seaports. Importers also use the ports of Tema, Ghana and sometimes Lagos, Nigeria. Delivery can take months due to delays at borders and internal control points along the route. The relatively low number of commercial flights to Niger means that transport costs are high. Niger is a member of WAEMU and generally adopts its trade policies, including its common tariff on imported goods.
18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

*Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy*

<table>
<thead>
<tr>
<th>Economic Data</th>
<th>Host Country Statistical source*</th>
<th>USG or international statistical source</th>
<th>USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host Country</td>
<td>Year</td>
<td>Amount</td>
<td>Year</td>
</tr>
<tr>
<td>Economic Data</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign Direct Investment</td>
<td>Host Country Statistical source*</td>
<td>USG or international statistical source</td>
<td>USG or International Source of data: BEA; IMF; Eurostat; UNCTAD, Other</td>
</tr>
<tr>
<td>U.S. FDI in partner country ($M USD, stock positions)</td>
<td>N/A</td>
<td>2013</td>
<td>N/A</td>
</tr>
<tr>
<td>Host country’s FDI in the United States ($M USD, stock positions)</td>
<td>N/A</td>
<td>2013</td>
<td>0</td>
</tr>
<tr>
<td>Total inbound stock of FDI as % host GDP</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Not available.

*Table 3: Sources and Destination of FDI*

Foreign direct investment position data are not available for Niger.

*Table 4: Sources of Portfolio Investment*

Portfolio investment data are not available for Niger.
19. Contact for More Information

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