

Business Visas and Expatriate Permits in Nigeria

3 Essentials Every Foreign Investor Must Know

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Immigration in Nigeria is primarily governed by two (2) key legislations: Immigration Act of 2015 and Immigration Regulations of 2017. The Nigeria Visa Policy also plays an important role as it outlines the various visa categories available to foreign nationals intending to travel to Nigeria, and the immigration policy imperative of the government.

Nigeria, being one of Africa's largest economies, is a magnet for investment. Businesses often need to bring in expatriates to support local teams, but many businesses don't realise that immigration laws are detailed, constantly evolving, and a small misstep can lead to serious legal and compliance issues like fines, delays, or in some cases, deportation. Here are three key things a foreign investor must know when setting up a business in Nigeria and employing non-Nigerians (foreigners).



1. OBTAINING A BUSINESS PERMIT AND EXPATRIATE QUOTA

All businesses with foreign ownership are required to obtain and hold a valid **business permit** before carrying on business in Nigeria. Please note that the business permit does not grant automatic authorisation for the applicant company to employ foreigners. To lawfully employ foreigners who will reside and work locally, a company must apply for and obtain an **expatriate quota** from the Ministry of Interior.

Considering the impact of covid and remote working arrangement, a foreign director (of an applicant subsidiary) who does not intend to reside in Nigeria may not require an expatriate quota allocation.



2. APPLYING FOR THE RIGHT VISA CLASS

There are three (3) key visa classes businesses utilize to bring foreign talent into Nigeria. These are:

I. Subject to Regularisation (STR) visa

This is required for foreign employees taking up long-term assignments in Nigeria. Once the employee arrives in Nigeria, the visa will be regularised into a work and residence permit. The work and residence permit is typically valid for 1 – 2 years and can be renewed. Note that an expatriate quota approval is required for foreign employees intending to obtain this type of visa.

II. Temporary Work Permit (TWP) visa

This is ideal for foreign specialists coming to Nigeria for short-term specific or specialized projects. The individual is permitted to stay in Nigeria for 60 days, however this can be extended.

III. Business visa

This is strictly for business meetings, conferences, or interviews. The holder of a business visa is not permitted to take up employment. The individual is permitted to stay in Nigeria for 30 days, however this can be extended. A business visa can also be obtained through the e-Visa channel. Please note that the rules around extension of stay of a business e-Visa is different from that of then regular business visa.

IV. ECOWAS Residence Card (ERC)

By virtue of the ECOWAS treaty and the Immigration Act, 20215, citizens of ECOWAS member-states can travel to Nigeria without a visa. However, if the individual intends to reside in Nigeria and take up employment, such individual will be required to obtain an ECOWAS Residence Card.

Each of the visa types mentioned above has its own documentary requirements, validity, and compliance obligations and it is critical to choose the right one based on factors like purpose of travel and duration of stay. Getting this wrong may lead to fines, deportation and reputational damage for the business.





3. ONGOING COMPLIANCE ISN'T OPTIONAL.

Many businesses underestimate how quickly non-compliance can disrupt their operations. Common pitfalls include using the wrong visa type, failure to renew residence permits within the stipulated timeframe, engaging in quota trafficking, failing to submit expatriate quota monthly returns, and failure to assign Nigerian understudies to resident expatriates. Beyond fines and delays, these issues can affect brand reputation and even lead to the deportation of expatriate employees.

For instance, regulations 52(8) of the Immigration Regulations (IR), 2017 prescribes a fine of NGN 3,000,000 for every month a resident expatriate was without a Nigerian understudy and the deportation of the affected expatriate.

Similarly, regulations 52(6) of IR 2017 prescribes a fine of NGN 3,000,000 for any company that fails to submit their expatriate quota monthly returns. Regulations 34 of the IR empowers an immigration officer to enter any premises to arrest any immigrant whom he reasonably suspects of having committed an immigration offence. A similar provision is contained in section 63 of the Immigration Act, 2015.

3.1 A few questions to consider

- a) Are your expatriates utilising the right visa type vis-a-vis their activities in Nigeria?
- b) Are you prepared for audits or spot checks by the Nigerian Immigration Service? The Nigeria Immigration Service is statutorily empowered to do this.
- c) Does your organization submit their expatriate quota monthly returns on time?
- d) Have you assigned Nigerian employees to understudy your resident expatriates?

If your answer to any of these questions is 'No' or "I am not sure" you are not alone. Many businesses discover these gaps only after facing compliance challenges.

3.2 Why professional support is crucial

Corporate immigration in Nigeria can look straightforward but it isn't. The right professional can support your business in the following areas:

- a) Provide tailored advice that aligns with your business needs.
- b) Help your business navigate policy updates and regulatory shifts.
- c) Reduce delays that cost both time and money.
- d) Keep your business compliant at all times.

We have provided a high-level look at the basics of corporate immigration in Nigeria. Every business is different, and so are its immigration needs.

If you have further queries, please reach out at info@ahl-legal.com