



How to Obtain Expatriate Quota and Business Permit in Nigeria: A Step by Step Guide

Description

ICA (Ibe Chido & Associates)

Expatriate quota and/or business permit in Nigeria is consent in writing issued by the Minister of Interior on behalf of the Federal Government of Nigeria to an applicant company (be it a joint venture, wholly foreign, or Nigerian owned) to employ a foreign expert to a specifically designated job description.

To put it more aptly, Expatriate quota slots are granted to a company registered with the Corporate Affairs Commission (CAC) and not to individuals. Therefore, it is the duty of the company and not that of the employees to obtain an expatriate quota, as regulated under [employment and immigration compliance laws](#).

Expatriate quota has been divided into two and they are:

1. PERMANENT UNTIL REVIEWED (PUR) which is issued to the Chairman of the company as well as the Managing Director.
2. TEMPORARY which is reserved for the position of a Director and other designated job descriptions.

The requirements for expatriate quota business permit are as follows:

1. Application on the letter headed paper of the company addressed to The Permanent Secretary Federal Ministry of Interior Old secretariat Area 1 Garki Abuja.
2. Certificate of incorporation is the legal document issued upon completion of the registration of a company by the Corporate Affairs Commission of Nigeria. The reason for the demand of this document by the Ministry is to ascertain the fact that such a company was properly registered, and also to make certain that the Name and R.C. No. on all submitted documents tally with the one on the Certificate. This process is often guided by [corporate services professionals](#).
3. CAC Form 2 and 7 or CAC1.1: Form CAC 2 or 2A (used for post incorporation activities at the commission) is used to determine whether the share capital of the company is up to N100,000,000 (Hundred Million Naira). It is imperative to note that an application for grant of an expatriate quota to a company will fail if the authorized share capital of the company is not N100,000,000 (Hundred Million Naira) or above. On the other hand Form CAC 7 or 7A (used for post incorporation activities) is utilised for the purpose of determining the Nationalities of the directors as well as to know if they are resident in Nigeria.
4. Memorandum and Articles of Association in corporate governance is a fundamental document that defines the kind of business(es) the company undertakes as well as the duties and responsibilities of the directors to the board and the shareholders. It is a fundamental requirement for applying for an expatriate quota because it is used to determine all requisite licenses that should accompany the application. For instance if a company is engaged in the oil and gas sector the Memorandum and Articles of Association will state that fact and the Ministry will ensure that the applicant has complied effectively with the Local Content Act 2010. The same is applicable to all other regulatory agencies in Nigeria.
5. Certified Feasibility Report: This requirement is important because it is used for the assessment of the practicality of the proposed business venture by the issuing authority.
6. Tax Clearance Certificate: is a written notification from Federal Inland Revenue Services (FIRS) that the applicant's tax affairs are in order as at the date on the issued certificate. For a new taxpayer, obtaining a Tax Identification Number is paramount and other documents such as a certificate of incorporation and Form CAC 3 (Notice of registered address) ought to be furnished to FIRS
7. Bank Reference letter: is simply a letter from a bank where you have an account stating you are a customer for a certain period of years. For the purpose of applying for an expatriate quota in Nigeria, the letter must contain the full information: Full

Name and contact of the bank, Date account was opened, Name of the company having the account and address, General recommendation as to character, business qualifications, etc Name of Officer, title and date the letter was issued.

8. Lease agreement or Certificate of Occupancy of the business premises of the applicant company is one of the most important documents required for the grant of an expatriate quota in Nigeria. The Rationale behind this constraint is that the Ministry has it in mind to ensure that all applicants preserve the Geographic development plan of the environment their business is located. Thus for illustration, a company engaged in the production of lethal material will not be granted an expatriate quota if their registered address in a residential location.
9. Joint Venture agreement is required in case of partnership with a foreigner
10. Certificate of Capital importation is a legal document that provides customers with statutory evidence of capital inflow/investment into a Nigerian company. It also facilitates the repatriation of dividends and capital to foreign investors.
11. Proposed salary Job description designation and qualification of expatriate

The following documents are required for the issuance of Certificate of Capital Importation of cash as equity investment:

- Letter from the customer requesting for CCI
- Board resolution authorizing the investment (from the Nigerian Company)
- A copy of the Nigerian company's certificate of incorporation
- Tested SWIFT telex copy stating amount and purpose of inflow
- Name and address of foreign investors (to be provided by the Nigerian company).
- Registration number and date of registration of investors
- Nature of Business of Investor
- The sector of Operation of the beneficiary.

Item Fee (NGN) Notes

Business Permit	1,500,000	One-time fee for the permit
Expatriate Quota (per position)	1,000,000	Calculated as 50,000 (i.e. N #1,000,000 x No. of quota required as 50,000 × number of quota positions required)

To enhance your chances of securing the exact number of expatriate quota slots a company requires, it is crucial for the applicant to double the number of slots so required in the application letter. To be precise, if a company desires to secure five foreign experts, it is basic to apply for 15 slots so that after all reductions by the Minister, the intended 5 slots will be approved to the company.

Please note that a company can only pay for any specific number of slots approved thus if more than 5 slots are approved from the example given above, the company reserves the right to reject the ones in excess.

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