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NIGERIA EXPORT PROCESSING ZONES ACT
(CAP. NO. 107 LFN 2004)

SEBORE FARMS EXPORT PROCESSING ZONE REGULATIONS

In exercise of the powers conferred upon it by section 27 of the Nigeria Export Processing Zones Act, Cap N107, LFN 2004 and of all other powers enabling it in that behalf, the NIGERIA EXPORT PROCESSING ZONES AUTHORITY with the approval of the Honourable Minister of Commerce and Industry hereby make the following Regulations.

[9th Day of August, 2011]

Commence-
ment.

PART I—OBJECTIVES, APPLICATION, DESIGNATION AND MANAGEMENT

1. The objective of these Regulations include, to—

Objectives.

(a) complement and enhance the provisions of the Nigeria Export Processing Zone Act, 2004 ('the Act') ;

(b) provide details of regulatory and supervisory requirements necessary to promote efficient and profitable operations in Nigeria's Free Trade Zones ; and

(c) facilitate the attainment of goals for which Free Trade Zones are established in Nigeria.

2.—(1) These Regulations shall apply to the Sebore Farms Export Zone ("the SFEPZ" or "the Zone") and all operations and activities carried in the SFEPZ or the Zone.

Application.

(2) These Regulations shall take precedence over the Investment Procedures, Regulations, and Operational Guidelines for Free Zones in Nigeria, 2004, or any other regulation, rule, official directive or guideline made by the Authority (its successors, transferees or assigns or any successor to the functions of the Authority) as regards any matter pertaining to the SFEPZ.

3. The SFEPZ was designated as a Free Zone, by the President on the 21st day of November, 2001.

Designation
of SFEPZ as
a Free Zones.

4.—(1) The Management of the Federal Government Free Zone is vested in the Authority while those of States and private entities is vested in the licensees

Management
of SFEPZ.

(2) Pursuant to the concession agreement, the Authority has delegated SFEPZ Company the responsibility to develop, manage, operate and administer the area of SFEPZ specified in the said Agreement.

Delegation to
Zone Man-
agement.

REGISTRATION PROCEDURES

Registration
and issuance
of certificate
by
Authority.

5.—(1) All entities proposing to operate in the SFEPZ shall be registered as an approved enterprise ('Approved Enterprise') prior to applying for a licence to undertake an approved activity in accordance with the provision of sub-section (1) of section 9 of the Act.

(2) Application for registration as an Approved Enterprise shall be made on such forms as may be prescribed by the Authority from time to time and shall include—

(a) a copy of the Certificate of Incorporation of the applicant to be verified by the Corporate Affairs Commission (CAC) or other regulatory bodies for companies outside the SFEPZ ;

(b) a copy of the resolution of the board of the applicant company for companies registered in Nigeria ;

(c) proof of identification (such as a copy of the international passport or driver's licence in the case of senior management of the entity, if promoted by a company or promoters in the case of sole proprietorship businesses ;

(d) a flat registration fee shall be paid by all applicants seeking to register an enterprise in the SFEPZ ;

(e) payments in respect of registration, licensing and rent can be made in by cheques and transfer instructions shall be made in favour of SFEP Zone ;

(f) the Zone Management shall issue a schedule of charges applicable in the Zone and make copies available on request ; and

(g) the Zone Management may review such charges from time to time upon approval of the Authority.

(3) Subject to the provisions of the Act, the Authority may grant approval on such terms and conditions as it thinks fit for the registration of an applicant as an Approved Enterprise.

(4) Upon registration as an Approved Enterprise, the Authority shall cause all relevant details concerning an Approved Enterprise to be entered in the FZE Register and issue a Certificate of Registration to the Approved Enterprise.

Duty to
provide
information.

6.—(1) An Approved Enterprises shall furnish all information required of it including information on its audited accounts in such number of copies and in such details as the Authority may require from time to time.

(2) Any information required by a government institution or department concerning an Approved Enterprise may be obtained from the Free Zone Registry.

7. An Approved Enterprise shall comply with the provisions of Regulations 8 to 26 of this Part except—

(a) to the extent that the provisions of the Regulations in question are in conflict with any rule or obligation placed upon the an Approved Enterprise under any applicable company law ; or

(b) where such provisions have no application on the ground that the business concern will operate otherwise than as a corporation.

8.—(a) The share capital of an Approved Enterprise shall be denominated in Naira or in the United States dollars.

(b) The share capital of an Approved Enterprise shall be divided into shares. Each share shall be numbered and represented by a share certificate in such form as the Authority or the company law applicable to that entity may prescribe from time to time.

(c) The share capital of an Approved Enterprise may be paid in cash or by way of contribution in kind or by a combination of cash and contribution in kind. Any authorisation for contribution in cash or kind shall be subject to such conditions as the Authority or the company law applicable to that entity may require.

(d) The share capital of an Approved Enterprise may be altered by a resolution duly passed by its shareholders subject to the prior approval of the Authority. Details of each alteration of the share capital of an Approved Enterprise shall be entered in the FZE Register and shall take effect from the date of such registration or as prescribed by the applicable company Law.

(e) An Approved Enterprise, undertaking an approved activity shall notify the Authority of any purchase, assignment or transfer of its shares except where its shares are quoted and are freely transferable on any international stock exchange.

9.—(a) The name of an Approved Enterprise must end with the acronym 'EPZE'. An Approved Enterprise shall not be registered in the FZE Register with a name, which is not approved by the Authority.

(b) An Approved Enterprise may change its name upon—

(i) a declaration made by its shareholders for the proposed new name ; and

(ii) approval of the proposed new name by the Authority.

(c) The new name of the Approved Enterprise shall be entered in the FZE Register and a certificate of change of name issued by the FZ Registry.

(d) A certificate of change of name shall specify, among other things, the date of registration of the new name in the FZE Register. Such new name shall take effect on the date of registration in the FZE Register.

Duty to
comply with
Regulations
8 to 26.

Share
Capital.

Name.

Registered
Address.

10.—(a) An Approved Enterprise shall at all times have an address, either in the Zone, in the State or in any other State, to which all communications and notices may be addressed.

(b) Details of the registered address and of any changes, made thereto shall be notified, within 14 days, to the FZ Registry and such details entered in the FZE Register.

Sign-Name
Plate.

11. An Approved Enterprise shall affix, and keep affixed its name on the outside of every office or place in which its business is carried on in a conspicuous position and in letters easily legible in accordance with the requirements of the Authority.

Official
Documents,
Correspon-
dence, etc.

12.—(a) An Approved Enterprise shall have its name written in legible characters in all its official documents, correspondence, notices and other official publications and also on all promissory notes, cheques and other bills of exchange and money orders, orders for goods or services signed by or on behalf of the an Approved Enterprise and on all its parcels, invoices, receipts, letters of credit and guarantees.

(b) An Approved Enterprise shall state its registered address in legible characters in all its official documents, letters and order forms.

Shares.

13.—(1) Shares in an Approved Enterprise may not be issued unless fully paid.

(2) An Approved Enterprise may not acquire its own shares. However, an Approved Enterprise may own all of the shares in any other Approved Enterprise or shares in any company or other enterprise subject to compliance with all applicable laws.

(3) An Approved Enterprise shall issue share certificates to its shareholders for all shares held by the shareholders upon the share capital in respect of such shares being duly contributed in accordance with these Regulations.

(4) The secretary shall enter in the Approved Enterprise's share register details concerning the number, amount and owner of all shares issued by it, provided that shares shall not be issued in bearer form.

Share
Transfer.

14.—(1) After the transfer of any share or shares in an Approved Enterprise, the executed share transfer instrument must be registered in the FZ Registry.

(2) A transfer of the share shall be deemed effective as from the date of registration or on such date as may be prescribed by the company law applicable to that Approved Enterprise.

15.—(1) Every Approved Enterprise shall keep at its registered address a register of directors and secretary ;

Directors
and
Secretary of
the
Approved
Enterprise.

(2) The register shall contain details of the identity and address of the directors and secretary of the Approved Enterprise, and of any changes made thereto. Any such changes shall be entered into the FZ Registry within 14 days of the changes in the prescribed form.

(3) A director or secretary may be appointed or removed by the Approved Enterprise as provided in the applicable company law.

16.—(1) The business of an Approved Enterprise shall be managed by the directors of the Approved Enterprise who may exercise all the powers of the Approved Enterprise.

Director's
Meetings.

(2) The directors of the Approved Enterprise shall neither be employees nor servants of the Approved Enterprise, but shall manage the affairs of the Approved Enterprise and in respect of vicarious liability for negligence the directors shall be liable as officers of the Approved Enterprise.

(3) The directors may regulate their proceedings as they think fit. Any director may call a meeting of the directors and any question arising at a meeting of the directors shall be decided by majority of votes, each director having one vote.

(4) The directors may elect a chairperson and may vest in him a casting vote.

(5) Any director may appoint any other director as his alternate who shall be entitled to vote in accordance with the appointing director's instructions (if any) separate from his own vote.

(6) A resolution signed by all the directors shall be as valid and effectual as if passed at a valid meeting of the directors and may consist of several documents in like form each signed by one or more directors.

(7) A director shall not be entitled to vote nor be counted as part of the quorum in relation to any resolution which concerns a matter in which he has any direct or indirect interest or duty which is material and which conflicts or may conflict with the interests of the Approved Enterprise unless such interest has been disclosed in writing to the other directors in sufficient detail to provide an accurate information thereof and the other directors (or a majority of them) resolve that such director should be entitled to vote or be counted as part of the quorum.

(8) The secretary of the Approved Enterprise shall cause minutes to be recorded in books kept for the purpose of each meeting of the directors and of all appointments of directors or secretary.

Object of
Approved
Enterprises.

17.—(1) The objects of an Approved Enterprise is to carry on all such business within the area of the Zone as the Authority may permit under the terms of the licence issued to the Approved Enterprise as may be amended from time to time by the Authority and in accordance with all applicable laws and regulations.

(2) An Approved Enterprise may—

(a) borrow, grant security, guarantee any obligation of any person or indemnify any person ;

(b) enter into all types of banking and financial transactions as provided for in these Regulations ;

(c) issue, make, endorse or draw any negotiable instruments, such as, cheques, bills of exchange, promissory notes or bills of lading in relation to its business ; and

(d) make, after or dispose of any investments (whether or not within Nigeria) in relation to its business.

Seal.

18.—(1) An Approved Enterprise may, if required, have a seal for the purpose of entering into contracts or other forms of agreements.

(2) An Approved Enterprise shall have its name engraved in legible characters on the seal.

Contracts.

19.—(1) A contract may be entered into by an Approved Enterprise in writing—

(i) under its seal with the signature of any director of the Approved Enterprise, or ;

(ii) with the signature of any director and expressed in whatever form of words to be executed by the Approved Enterprise.

(2) A contract may be entered into by an Approved Enterprise in writing by any person acting under the authority of the Approved Enterprise whether such authority is express or implied.

(3) Any contract, which purports to be made by or on behalf of a Approved Enterprise, if made, accepted or endorsed in the name of, and by or on behalf of or on account of the Approved Enterprise by a person acting under its authority, is binding.

(4) A promissory note, cheque or other forms of a bill of exchange is deemed to have been made, accepted or endorsed on behalf of an Approved Enterprise if made, accepted or endorsed in the name of, and by or on behalf of or on account of an Approved Enterprise by a person acting under its authority.

20. Save where an Approved Enterprise is subject to alternative accounting requirements under the laws applicable to its jurisdiction of incorporation, the following shall apply—

Accounts.

(a) every Approved Enterprise shall keep accounting records sufficient to show and explain the transactions of such Approved Enterprise and be in such form as to disclose with reasonable accuracy, at any time, the financial position of the Approved Enterprise at that time and enable the directors to ensure that any balance sheet and profit and loss account of the Approved Enterprise prepared under these Regulations complies with the requirements of these Regulations ;

(b) the earnings of the Approved Enterprise shall be reported in United States dollars while the annual accounts of the Approved Enterprise may be prepared either in United States dollars or Naira.

(c) the accounting records shall in particular contain a record of the assets and liabilities of the Approved Enterprise and entries from day to day of all sums of money received and expended by the Approved Enterprise and the matters in respect of which the receipt and expenditure were incurred ;

(d) the accounting records of each Approved Enterprise shall be kept at its registered office in the Zone and shall at all times be open to inspection by the Authority, other relevant bodies, the public, its shareholders and their representatives ;

21.—(1) The first "financial year" of an Approved Enterprise shall commence on the date of its registration as disclosed in its Certificate of Formation.

Financial
Year, etc.

(2) The Approved Enterprise may determine the length of its financial year by a resolution duly passed by its director. A copy of this resolution shall be delivered to the FZ Registry within 7 days of being made and details thereof promptly entered in the FZE Register, provided that no first financial year may exceed 18 months or be for less than 6 months.

(3) Subject to the provisions of paragraph (4) of this Regulation successive financial years shall be of 12 months duration beginning immediately after the end of the previous financial year.

(4) The directors of an Approved Enterprise shall prepare for each financial year of the Approved Enterprise a balance sheet as at the last day of its financial year and a profit and loss account.

(5) The balance sheet shall give a true and fair view of the state of affairs of the Approved Enterprise as at the end of the financial year and the profit and loss account shall give a true and fair view of the profit and loss of the Approved Enterprise for the financial year.

(6) The Authority reserves the right to require that the balance sheet and profit and loss account of an Approved Enterprise comply with provisions as set down by it from time to time.

(7) Where an Approved Enterprise owns any other Approved Enterprise or owns more than half of the shares in or otherwise controls any other company or enterprise the first mentioned Approved Enterprise shall also prepare the group accounts on a consolidated basis. Where any Approved Enterprise owns less than half of the shares in a company or other enterprise (not being an Approved Enterprise) nor controls such company or enterprise but nevertheless is in a position to exercise a significant influence over such company or other enterprise, then such company or other enterprise shall be treated as an associated company for accounting purposes.

(8) The annual accounts of an Approved Enterprise shall be approved by its directors and signed by or on behalf of the directors. At least one director shall sign the balance sheet and profit and loss account of the Approved Enterprise.

(9) A copy of the annual accounts of the Approved Enterprise shall be delivered to the FZ Registry within 3 months of the end of the financial year of the Approved Enterprise or such longer period as the Authority may determine.

(10) An Approved Enterprise shall be required to appoint Auditors from among auditors approved by the Authority to make a report to the Approved Enterprise on all of its annual accounts and state whether, in the auditor's opinion, such annual accounts have been properly prepared in accordance with these Regulations and whether a true and fair view is given in the case of—

(i) the balance sheet of the Approved Enterprise of the state of affairs of the Approved Enterprise at the end of its financial year ;

(ii) the profit and loss account of the Approved Enterprise, of the profit and loss of the Approved Enterprise for the financial year ; and

(iii) annual accounts of the Approved Enterprise prepared on a consolidated basis, of the state of affairs as at the end of the financial year and the profit or loss for the financial year of the undertakings included in the consolidation.

(11) The Approved Enterprise shall deliver a duly signed copy of the auditor's report to the FZ Registry, together with the annual accounts pursuant to paragraph (9) of this Regulation.

(12) Where the total net assets of an Approved Enterprise, being a public company, falls below 50% of its share capital the directors shall, not later than 30 days from the earliest day on which that fact is known to a director, convene

a meeting of the Approved Enterprise for a date not later than 60 days from that day for the purpose of considering steps to be (if any) taken to deal with the situation.

22.—(1) An Approved Enterprise shall not make a distribution, whether in cash or otherwise, to its shareholders except—

Distributions.

- (i) out of profits available for that purpose ; or
- (ii) where the share capital of the Approved Enterprise is reduced in accordance with the provisions of these Regulations ; or
- (iii) where the Approved Enterprise is deregistered and its assets distributed to its shareholders ; or
- (iv) where permitted by the applicable company law.

(2) The profits of an Approved Enterprise available for distribution are its accumulated or realised profits less its accumulated or realised losses and after full provision must have been made for all doubtful debts or as otherwise prescribed by the applicable company law.

(3) No distribution shall be made other than pursuant to the applicable company law or pursuant to an Approved Enterprise's resolution. A copy of such resolution shall be delivered to the FZ Registry within 7 days of being made and details of which shall promptly be entered in the FZE Register.

23. An Approved Enterprise shall keep a register in which details of its shareholders and changes thereto shall be entered. The details or charges made thereof shall be forwarded to the FZ Registry within 28 days of the entry in the Approved Enterprise register.

Ownership.

24. A copy of every resolution passed at a meeting of the Approved Enterprise requiring special notice shall be provided to the FZ Registry within 15 days after it is made and details thereof shall be entered in the FZE Register.

Notice of Resolutions.

25.—(a) (i) A shareholder of an Approved Enterprise may pledge or otherwise charge all of its shares in the Approved Enterprise to any creditor as security for any debt or other obligation incurred or to be incurred by or binding upon it.

Security Interests.

(ii) A pledge or charge made pursuant to paragraph (a)(i) of this Regulation shall be void if details thereof, in the prescribed form, are not delivered to the FZ Registry within 8 days of the date of such pledge or other charge being made.

(iii) Details of any such pledge or charge shall be entered in the FZE Register.

(b) An Approved Enterprise shall keep at its registered office a register of charges and enter in it details of any pledge or charge on its shares.

(c) Where it is permissible under the applicable law, an Approved Enterprise may from time to time create in favour of its creditors, security interest in respect of any debt or other obligation incurred or to be incurred by or binding upon it or any other person.

(d) Any security interest created by an Approved Enterprise shall be void where such security interest is not—

(i) in the prescribed form and does include details of the interest created ; and

(ii) delivered to the FZ Registry within 28 days of the creation of the security interest.

(c) The discharge or alteration of a pledge, charge or any other security interest, as specified in paragraphs (a) and (c) of this Regulation in favour of the creditor or creditors shall be notified to the FZ Registry within 28 days and details entered into the FZ Register.

Power to
Investigate.

26.—(1) The Authority may appoint one or more competent persons as inspectors to investigate the affairs of an Approved Enterprise and furnish it with report in such form and within such time as it may direct.

(2) Appointment of inspectors may be made on the application of the Approved Enterprise or by any creditor of the Approved Enterprise or by the Authority acting unilaterally, or by any other person provided the Authority, acting on reasonable grounds, is satisfied that good reason has been shown or circumstances indicate that the investigation is necessary.

(3) An inspector appointed by the Authority pursuant to paragraph (1) of this Regulation shall have such powers of investigation as the Authority may reasonably confer on him.

(4) Investigations carried out pursuant to this Regulation shall not in any way interfere with or inhibit the ongoing business or operations of an Approved Enterprise.

(5) Where the Authority has reasonable ground to show that an Approved Enterprise has—

(i) ceased to operate in the Zone ; or

(ii) abandoned its property and assets within the Zone.

it may cause an investigation to be instituted on the matter.

(6) Where—

(a) it appears that an Approved Enterprise has ceased to carry on operations in the Zone and after failing to respond to a written inquiry of the Authority, within 30 days of receipt of such inquiry seeking confirmation on whether or not—

(i) the Approved Enterprise is carrying on operations in the Zone ;

(ii) the Approved Enterprise has not abandoned its property in the Zone ; or

(b) where the Approved Enterprise fails to demonstrate to the reasonable satisfaction of the Authority that it is carrying on business in the Zone,

the Authority, upon such reasonable grounds, may deregister the Approved Enterprise in accordance with procedures specified in Regulation 28 of these Regulations pending such time as the Authority may approve the resumption of operations.

(7) Upon the deregistration of an Approved Enterprise, all property and rights vested in it and not owned by the Authority or any other person are deemed to be held by its shareholders.

(8) Where an Approved Enterprise has been deregistered, other than at the instance of the Approved Enterprise, the Authority and the Approved Enterprise shall enter into arrangements on the disposal of any property and assets of the Approved Enterprise remaining in the Zone where such property and assets are not the subject of immediate sale.

27.—(1) Prior to the issuance of a notice of intention to deregister an Approved Enterprise, the Authority shall bring to the attention of the Approved Enterprise concerned the breach of a material provision of the terms of its licence.

Procedure
for
Deregistra-
tion.

(2) The following procedures are applicable to the deregistration of an Approved Enterprise for a material breach of the terms of its licence—

(a) the Authority must give 21 days notice of the Authority's intention to deregister the Approved Enterprise ;

(b) the Approved Enterprise may, within 7 days of the receipt of the notice, inform the Authority of its objection to the notice and take steps to remedy same where such breach is capable of being remedied ;

(c) the Authority and the Approved Enterprise shall endeavour to resolve any dispute arising from the breach failing which the Approved Enterprise may within 21 days of the failure to resolve the dispute refer the matter to the Minister, charged with responsibility for commerce for resolution ; and

(d) notwithstanding the procedures specified in sub-paragraph (a), (b) and (c) of paragraph (2) of this Regulation, the Approved Enterprise may at any time refer such dispute to arbitration for resolution.

(3) The decision of the Arbitral Panel shall be binding on the Authority and the Approved Enterprise.

(4) Any steps towards the deregistration of an Approved Enterprise by the Authority shall be suspended where the procedures set out in paragraph (2) of this Regulation are being taken.

Grounds for
Deregistra-
tion.

28. Subject to the procedures set out in Regulation 27 above, any of the following, in so far as they amount to a material breach of the terms of the licence of an Approved Enterprise, may be a ground for deregistration, where—

(i) it is confirmed, through a written report, that the Approved Enterprise has acted contrary to the provisions of applicable laws, these Regulations or Circulars pertaining to the Zone, written instructions and directives of the Authority, and that such acts are detrimental to orderliness in the Zone ;

(ii) it is established that the Approved Enterprise has violated applicable tax law provisions leading to tax evasion with revenues and earnings accruing from activities conducted outside the Zone being declared as income earned in the Zone through the presentation of fake or misleading documents for that purpose ;

(iii) investigations and deliberations reveal that the conditions and qualifications declared in the application form which formed the basis for the issuance of a licence to the Approved Enterprise are not fulfilled or have been proved to be false in any material respect or where it is established that changes in the information declared in the application form for the licence have not been reported as required by the Authority or in these Regulations ;

(iv) a state of force majeure is declared by the relevant Authority through a written report that construction work has not started within 60 days (or such other period as the Authority may specify) of the date of approval of construction projects by the Authority or in the case of leased premises, that the operation has not been launched within 6 months (or such other period as the Authority may specify) ;

(v) the Authority in writing has been denied on two occasions information required by it or has not received a response within the specified reasonable period, or has been supplied with misleading or false information regarding activities in the Zone ;

(vi) it is established through a written report of the Authority that the Approved Enterprise or its responsible or authorised representatives or employees have caused damage to facilities, machinery and equipment in the Zone owned by third parties and that this has been repeated despite the issue of a written warning; and

(vii) as a result of any other circumstances as may be determined and approved from time to time by Authority.

29. Notwithstanding, the provision of Regulation 29 above, an Approved Enterprise shall be deregistered upon a formal written request by that Approved Enterprise to the Authority for deregistration.

Deregistration
at the
instance of
an Ap-
proved
Enterpr

30. The licence of a Approved Enterprise may be revoked by the Authority following the commission of a criminal offence by the Approved Enterprise or where the acts or omissions of the Approved Enterprise have contravened national security or the substantial safety and security of the Zone or activities and undertakings carried on within the Zone.

Rev
or
for
Crimin
Offence.

31.—(1) A final and binding decision to revoke a licence granted by the Authority to the Approved Enterprise to undertake an approved activity in accordance with the procedures set out in the Regulations, shall also result in the de-registration of the Approved Enterprise from the FZE Register.

Consequence
of
Dereg

(2) Where a decision has been taken to revoke the licence and to de-register an Approved Enterprise is final and binding, any licence fee paid to the Authority shall be forfeited to the Authority.

32. An Approved Enterprise shall immediately be re-registered and have its licence reinstated by the Authority where a court of competent jurisdiction or an arbitral body have adjudged that such an Approved Enterprise was wrongly deregistered or that its licence was wrongly revoked in the first instance.

Reinstatement
of Licence.

33.—(1) The FZ Registry shall compile and maintain a register of the Authority's and Approved Enterprises' vehicles.

Register of
Free Zone
Vehicles.

(2) The Authority shall apply to and receive from the Federal Road Safety Commission appropriate number plates to enable vehicles operating within the Zone to be appropriately registered.

PART III—INVESTMENT PROCEDURES

34. Application to undertake an approved activity in the Zone, shall be as follows—

(i) an application shall be made in the manner prescribed from time to time by the authority ;

(ii) on the submission of an application in the prescribed form, the authority shall issue a receipt to the applicant ;

(iii) applications to undertake an approved activity in the SFEPZ shall be made on forms prescribed by the Authority with such conditions and information as the Authority may specify from time to time ;

(iv) the application shall be accompanied by a feasibility study in respect of the approved activity providing detailed information including the—

- (a) Description of the project ;
- (b) Market survey on the project ;
- (c) Funding proposals ;
- (d) Five year financial projections ;
- (e) Environmental impact statement ; and
- (f) Any other information as may be specified by the Authority.

Approved
Activities.

35.—(1) Application to undertake an approved activity shall be considered within 7 days of the receipt of the application and the applicant notified in writing of the Authority's decision.

(2) The activities that may be approved by the Authority include—

- (a) Agricultural and Agro-related businesses ;
- (b) Production and processing of food, beverages and Agricultural products for export and domestic markets ;
- (c) Production, trading, marketing, sorting, transshipment, providing services, packaging, repackaging, general merchandise, assembling, imports, exports and re-exports ;
- (d) Manufacturing of goods for export and domestic markets ;
- (e) Carrying out applied research and extension delivery on production of exotic livestock, plants, vegetables, seedlings, and other agro input for wider application ;
- (f) production of improved varieties of agro related products ;
- (g) Constructions, and establishment and maintenance of modern ranches, fish farms, poultry farms, and orchards for general adaptation ;
- (h) Establishing agricultural school, training, conducting seminars and workshops on agriculture-related subjects for practitioners and students of agriculture ;
- (i) conducting on the job training for farmers ;
- (j) Production and selling improved livestock for cross-breeding, fruits, vegetables, and grains seeds/seedlings to general public ;
- (k) Providing consultancy and technical services of agro-related nature to farmers nation-wide ;
- (l) Engineering services of all sorts ;
- (m) Exporting and importing agricultural products and equipments ;
- (n) Warehousing, freight forwarding and customs clearance ;
- (o) Handling of duty free goods (transshipment, sorting, marketing, packaging, etc) ;

(p) Banking, stock exchange and other financial services; insurance and re-insurance ;

(q) Wood work and related activities ;

(r) Telecommunication goods and services ;

(s) Power (Electricity) ;

(t) Import of Agricultural goods for special services, exhibitions and publicity ;

(u) International Commercial Arbitration Services ;

(v) Activities related to integrated Zones ; and

(w) such other activities permissible under the Act as the Authority may deem appropriate from time to time.

36. Subject to provision of section 16(1) (c) of the Act, petroleum product may be imported, taking into, stored disposed off and exported from the SFEPZ in such quantities as the Authority may approved.

Petroleum
Product
Utilization.

37. The general condition applicable to licences issued by the authority in the Zone are contained in the First Schedule to these Regulations.

Licensing of
Approved
Enterprise.

38. An approved Enterprise shall apply to the Authority for service land or factory space in the SFEPZ.

Application
for Land or
Factory
Space.

39.—(1) Development of land in the SFEPZ leased to an Approved Enterprise by the Authority shall be in accordance with the terms and conditions of the approved permit issued by the Authority.

Building
Permit.

(2) Applications for building permits shall only be submitted to the Authority after the execution of a lease agreement for the portion of land required by the Approved Enterprise.

(3) The Authority shall consider and grant building permit on such terms as it deems fit within 24 days of the receipt of the application for the building permit.

(4) Any modification or correction required by the Authority shall be incorporated in the approved building plan and complied with by the applicant.

40. An Approved Enterprise shall construct buildings and structures using fire resistant materials in accordance with building, public health and fire regulations as may be adopted by the Authority from time to time.

Compliance
with
Building
Regulations.

41. Prior to the commencement of installation of machineries, the Approved Enterprise shall—

Application
for
Inspection
of Utility
Facility.

(i) apply for power, water supply and electrical inspection test ; and

(ii) submit for the approval of the Authority its waste management and pollution control plan.

Permit for
Commence-
ment of
Operations.

42.—(1) An Approved Enterprise shall prior to the commencement of operations apply to the Authority for a permit to commence operation.

(2) The Authority shall within 7 days of the receipt of the application carry out inspection of the factory site to ensure compliance with all applicable building, factory and public health laws and regulations.

(3) Where there are no violations of applicable rules and regulations, the Authority shall within 14 days after the completion of inspection issue to the Approved Enterprise a permit for commencement of work.

(4) Where an Approved Enterprise has not complied with applicable laws or regulations, the Authority shall, within 24 hours after the completion of inspection issue a notification in writing to the Approved Enterprise and direct that the non-compliance be remedied within the period stipulated in the notice.

(5) In the exercise of its responsibilities under this Regulation, the Authority shall at all times act reasonably in conducting the inspection and determining compliance.

Commence-
ment of
Operations
and
Develop-
ment.

43.—(1) An Approved Enterprise with a lease built-up factory space, obtained from the Authority or other Approved Enterprises in the Zone shall commence operations within 6 months of the date of execution of the lease agreement unless the period is extended for a further period of 3 months by the Authority.

Deregistration
for Failure to
Commence
Operation or
Develop-
ment.

44. An Approved Enterprise—

(a) with a lease of built-up factory space that fails to commence operations within 6 months after the execution of the lease agreement or such other extension as the Authority may grant ; or

(b) with a lease of land from the Authority that fails to commence development and operation within 3 months and 18 months respectively after the execution of the lease agreement or such other extension as the Authority may grant, shall in accordance with and subject to the provisions of Regulation 27 of these Regulations be immediately deregistered without recourse to the Authority.

Limitation
on Rights to
Engage in
Approved
Activities.

45. An Approved Enterprise may with the approval of the Authority engage in approved activities provided that the operation of approved activities will not cause damage to human life and property, the environment or constitute a threat to public peace, order or national security.

46. Real property or any part thereof, where developed or not, shall not be leased or sub-leased in any form in the Zone without the prior written approval of the Authority having been first sought and obtained, such approval not to be unreasonably withheld or delayed.

Lease or
Sublease to
be Approved
by the
Authority.

47. An Approved Enterprise wishing to alter, expand or demolish any part of a leased factory building must seek the prior approval of the Authority and the owner before embarking on any such action.

Alteration,
etc. of Lease
Factory
Building.

48. All approved Enterprise shall be required to pay applicable ground rent at the prevailing rate to the authority calculated on a monthly basis or as otherwise agreed in writing between the Authority and an approved Enterprise.

Payment of
Ground
Rent.

49. An approved Enterprise shall pay to the Authority the applicable rates per annum as marketing or promotion fees for services provided.

Marketing
and
Promotion
Fees.

50. Where an Approved Enterprise wishes to withdraw from any approved activities in the Zone, it shall notify the authority of such decision whereupon the Authority shall have the right of first refusal to take over any of the buildings of the Approved Enterprise within 21 business days at an agreed sum and payment terms.

Withdrawal
from an
Approved
Activity.

PART IV—GENERAL REGULATIONS

51. Approved Enterprises within Zone shall be entitled to the following incentives and concessions—

Incentives
and
Conces-
sions.

(a) exemption from all—

- (i) Federal, State and Local Government taxes, levies and rates ;
- (ii) regulations pertaining to taxes, levies, duties and foreign exchange ;
- (iii) customs duties and associated fees and charges ; and
- (iv) VAT on all imported products in relation to an approved activity, including VAT on site construction activities and on locally procured materials, equipment and service ;

(b) repatriation of foreign capital investment in the Zone at any time with capital appreciation on the investment ;

(c) remittance of profits and dividends earned by foreign investors in the Zone ;

(d) exemption from the requirement of import or export licenses ;

(e) up to 100% of what is produced, traded or stored within the Zone may be imported, exported or re-exported in the Customs Territory against a valid permit, and on payment of appropriate duties ;

(f) rent free land at construction stage and thereafter rent shall be as determined by the Authority ;

(g) permission to have up to 100% foreign ownership of any business in the Zone ;

(h) engagement of foreign managers and qualified personnel by companies operating in the Zone ;

(i) import duty on goods manufactured, processed, stored or assembled in the Zone and exported into the Customs Territory, shall be at the rate applicable to the raw materials in the state in which they are originally introduced into the Zone (except where the raw materials are local to the Customs Territory) in which event the duty applicable shall be zero-rated, provided that VAT shall not apply to such goods ;

(j) any special product imported into Zone under this scheme—

(i) on which value has been added without changing the essential character of the product after processing in the Zone ; and

(ii) intended for the Customs Territory.

shall be granted 75 percent rebate on the import duty.

Additional
Incentives in
Respect of
Certain
Goods.

52.—(1) Goods manufactured or produced in the Zone shall be imported into the Customs Territory irrespective of whether the goods are prohibited or not, upon payment of the appropriate duty.

(2) Such goods shall include furniture, shoes, garments, detergent powder, washing liquid, foodstuff and beverage, packaging materials, hardware, household appliances, electrical appliances, building material, paper tissue and batteries.

(3) Provided that goods that have been assembled or packaged without meeting the 35% value addition requirement shall not be allowed into the Customs Territory.

Retail
Activity.

53.—(1) Retail trade in the Zone shall only be conducted with the prior approval of the Authority and on such terms and conditions as may be imposed by the Authority

(2) Retail trade shall only be conducted in the Zone with the prior approval of and on such terms and conditions as may be imposed by the Authority.

Authoriza-
tion of
Movement
within the
Zone.

54.—(1) A person shall not enter, remain in or reside in the Zone without the prior permission of the Authority.

(2) Access to the Zone shall be subject to the presentation of a pass and such other conditions as the Authority may stipulate from time to time.

(3) The Authority shall not unreasonably withhold or delay any permission or approval sought pursuant to paragraph (1) and (2) of this Regulation to the

extent that it would prevent or hinder an Approved Enterprise from carrying out an approved activity.

55.—(1) The Authority shall have power to take over goods abandoned in the Zone and dispose of them as deemed fit.

Abandoned
Goods.

(2) For the purpose of this Regulation, goods or property are abandoned where the owner or person in possession of such goods acts indifferent as to what becomes of the goods after receiving written notification of the impending disposal of the goods on two consecutive occasions.

(3) Any costs incurred by the Authority in removing abandoned goods shall be refunded to the Authority on demand to the Approved Enterprise or owner of the abandoned goods.

56. Goods brought into the Zone by an Approved Enterprise, unless otherwise directed by the Authority, may be—

Manufactur-
ing and
Processing.

(a) stored, sold, exhibited, broken up, packed, cleaned, marked, remarked, loaded, unloaded, reloaded, divided, mixed, separated or otherwise handled ; or

(b) worked, processed, or reprocessed or otherwise packaged or manufactured ; or

(c) consumed, if the goods are meant for consumption in the Zone ; or

(d) be removed from the Zone or sent into the Customs Territory, whether as originally packed or otherwise subject to the payment of appropriate duties and to the provisions of the Customs; Excise Tariff, Etc (Consolidation) Act ; or

(e) subjected to any other activity as may be approved by the Authority.

57. An Approved Enterprise shall prepare and submit to the Authority at the end of each quarter in the format prescribed by the Authority, a report on its operations including report on production, sales and flow of goods and raw materials during the period.

Quarterly
Reports.

58.—(1) An Approved Enterprise shall prepare and keep proper and accurate books of accounts and records in conformity with international accounting principles and standards.

Books and
Records.

(2) Supplementary ledgers shall also be kept to provide daily entries of detailed postings on the receipts and issuances of raw-materials, finished products, waste and scraps.

59. An Approved Enterprise shall permit the inspection of its books and records by the Authority as may be reasonably required.

Inspection
of Books.

60. An Approved Enterprise shall have its books of accounts duly certified as provided for by applicable laws and regulations and submit same to the Authority not later than 30 days after its adoption.

Audited
Accounts.

Registration
of Vehicles.

61. Registration of vehicles in the Zone shall be in accordance with the rules and regulations laid down by the Authority in consultation with the Federal Road Safety Commission.

Issue of
Driving
Licences.

62. A driver of a vehicle in the Zone must be in possession of a valid driving licence issued by the Federal Road Safety Commission or an international driving licence issued by an appropriate authority relevant to the class of vehicle being driven.

Customs,
Police and
Immigration.

63. Dedicated Free Zone Customs, Police and Immigration Command shall be established to deal with matters pertaining to the movement of goods and persons into and out of the Zone.

Customs
Procedures.

64.—(1) For the purpose of operating within the Zone the following Customs procedures shall apply—

(i) goods released into the Customs Territory shall be classified as imports and shall be subject to all applicable duties and levies as applicable to Free Zone products;

(ii) equipment and consumables to be used in the construction of facilities, operation of an Approved Enterprise and production of Free Zone products, irrespective of whether such goods are prohibited or not, may be imported into the Zone by an Approved Enterprise free of any taxes, duties or levies;

(iii) goods to be sold to other countries may be brought into the Zone from foreign territory and taken out of the Zone to a foreign territory by an Approved Enterprise free of any taxes, duties or levies, irrespective of whether the goods are prohibited or not, and notwithstanding any value addition on the goods in the Zone;

(2) Procedures set out in the Second Schedule to these Regulations shall apply to—

(a) import into and export of goods from the Zone;

(b) the handling of goods which require repairs and maintenance;

(c) transfer of goods from one Approved Enterprise to another;

(d) transfer of goods from one Free Zone to another; and

(e) other procedures applicable to the SFEPZ.

Work
Permits.

65.—(1) An Approved Enterprise shall on the execution of a lease agreement with the Authority for built-up factory space or land for development as factory site apply to the Authority for work permit for its expatriate workers in such format as the Authority may stipulate.

(2) Applications for work permits for expatriate staff shall only be accepted by the Authority if in conformity with the Authority's requirements.

(3) Upon the receipt of an application for work permit for expatriate staff, the Authority shall process the application within 30 days of the receipt of the application.

66. An Approved Enterprise shall forward to the Authority at the end of each quarter such information as the Authority may require on use made of the permits issued by the Authority on the employment of expatriate staff.

Returns on
Work
Permits
Issued.

67. The Authority shall ensure the provision of security over the premises, properties and facilities within the Zone.

Provision of
security in
the Zone.

68.—(1) The Authority shall cause to be published a list of charges for services rendered in the Zone which charges may be revised by the Authority from time to time as deemed appropriate by the Authority.

Tariffs and
Charges.

(2) The Authority shall ensure that copies of the published list of charges, and any revision thereto, are made available on request to operators and licences in the Zone.

69. Except as provided under the Act, an enactment applicable in the Customs Territory shall apply within the Zone.

Applicable
Laws.

70.—(1) Any dispute arising between Approved Enterprises in the Zone shall first be resolved amicably between the Approved Enterprises.

Settlement
of Disputes.

(2) Where Approved Enterprises fail to reach an amicable settlement of a dispute, it shall be referred to the Authority for mediation.

(3) Disputes between an Approved Enterprise and a Government Agency or Department in the Zone, shall be brought to the notice of the Authority by the Approved Enterprise concerned and the Authority shall assist the Approved Enterprise in all negotiations, mediation and reconciliation of the matter.

(4) Where any dispute arises between an Approved Enterprise and its employees, which cannot be amicably settled, it shall (unless an alternative dispute resolution procedure reasonably acceptable to the Authority is stipulated in the relevant employment contract) be referred to the Authority, who shall take all necessary steps to settle the matter between the parties.

(5) In all cases of dispute, in the Zone, the Authority reserves the right to intervene at any stage of any dispute in order to maintain industrial peace in the Zone.

71. In the resolution of disputes in the Zone, the appropriate laws of the Customs Territory shall apply unless otherwise agreed by the parties to the dispute.

Applicable
Laws for
Dispute
Resolution.

Restriction
on employ-
ment outside
the Zone.

72. An expatriate employee of an Approved Enterprise shall not accept employment outside the Zone or offer the same services outside the Zone without the prior approval of the Authority.

Environmen-
tal Safety
and Pollution
Control.

73.—(1) Approved Enterprises shall adhere to applicable environmental pollution laws and regulations and shall ensure that pollution treatment facilities or other suitable devices are used to ensure that wastes and pollutants caused by their production processes are kept within tolerable limits as prescribed by applicable laws and regulations.

(2) Approved Enterprises shall ensure that pollution treatment facilities or other suitable devices are used to ensure that wastes and pollutants caused by their production processes are kept within tolerable limits as prescribed by applicable laws and regulations.

(3) The Authority shall inspect and monitor the operations of anti-pollution devices and measures in the Zone and shall apply appropriate sanctions for breaches of applicable laws and regulations.

Maintenance
Responsibili-
ties.

74.—(1) The Authority shall be responsible for general beautification of the Zone and in particular, the Authority shall be responsible for the maintenance of facilities such as, roads, drainage, street lighting, water supply, sewage lines and fire fighting.

(2) Maintenance works executed by the Authority at the instance of an Approved Enterprise shall be paid for by the Approved Enterprise.

(3) Connection of factory building to power, water supply, sewage lines, fire fighting system and telecommunication lines shall be at the rate approved by the Authority.

(4) An Approved Enterprise that owns and operate factories in the Zone shall be responsible for the beautification of the immediate surrounding of its factories.

(5) Payments for services consumed by the Approved Enterprise shall be paid at the prevailing rates.

Implemen-
tation of
Regulations.

75.—(1) Implementations of these Regulations shall be by Notice duly issued or publicly displayed.

(2) These Regulations shall come into force on a date to be determined by the Authority or the Zone Management.

76. All matters not provided in these Regulations except those expressly stated therein that they would be provided for by specific regulation shall be subject to existing laws and regulations and all aforesaid Regulations shall constitute part of these Regulations.

PART V.—REGULATIONS PERTAINING TO BANKS IN THE ZONE

77.—(1) The two types of banks licenced and authorized to operate within the Zone are—

Types of Banks and Ownership.

(a) a bank established by a bank licensed under the Banks and Other Financial Institutions Act, (BOFIA) or other relevant legislations; or

(b) a licensed foreign bank.

(2) A bank established in the Zone, referred pursuant to paragraph (1)(a) of this Regulation, shall maintain records and books of account of its operations independent of its parent bank.

(3) Banks licensed to operate in the Zone may be owned wholly by Nigerians or foreigners or jointly by Nigerians and foreigners.

78.—(1) Only a bank licensed under BOFIA, or other relevant legislations or a licensed foreign bank shall qualify to apply to the Authority for approval to establish a bank to carry on banking business in the Zone.

Application to Establish a Bank to carry on Banking Business.

(2) An application for an operating permit shall be submitted through the Authority to the Central Bank of Nigeria ('CBN') with the following—

(i) two copies each of the applicant's Memorandum and Articles of Association;

(ii) two copies of the applicant's banking licence, issued by the CBN under BOFIA, or other legislations or its banking licence issued by the appropriate authority in the country where the bank was incorporated; and

(iii) a copy of the applicant's resolution duly passed at a meeting of its directors approving the proposed application for a licence to carry on banking business in the Zone;

(3) Amendments (if any) to the Memorandum and Articles of the Association of the applicant shall be communicated to the CBN within 4 weeks.

79.—(i) The minimum issued and paid up capital for banks licensed under BOFIA or under other legislations and for foreign banks in the Zone shall be USD 10 million or such other amount as the CBN may from time to time prescribe.

Capital requirements for Banks within the Zone.

(ii) In addition, a bank in the Zone shall be required to meet the established international capital adequacy ratio of 8% and liquidity requirements as may be specified by the CBN from time to time.

(iii) Licensed banks in the Zone shall appoint fit and proper persons in key management positions as prescribed in relevant circular issued by the CBN from time to time.

**Disclosure
Require-
ments.**

80.—(1) A bank in the Zone shall be required to disclose to the CBN the equity interests of its directors or key officers in any Approved Enterprise within the Zone in accordance with the provision of sub-section (3) of section 18 of the BOFIA.

(2) Failure to make the disclosure required in paragraph (1) of this Regulation may result in the removal of the bank directors or officers.

(3) It shall be the duty of a director of a bank in the Zone who is in anyway, whether directly or indirectly interested in the grant of an advance, loan or credit facility with the bank to declare the nature of his interest at a meeting of the board of directors of the bank.

**Sources and
Uses of
Funds.**

81.—(1) The sources of funds for banks within the Zone include—

(a) deposits of non-bank customers, such as—

(i) multinational or international Corporations ;

(ii) non-resident individuals ;

(iii) Approved Enterprises in the SFEPZ ;

(iv) regional Financial Agencies or institutions ; and

(v) Euro-Money Markets.

(b) Inter-bank borrowing within banks in SFEPZ or with foreign banks ;

(c) export proceeds ;

(d) Equity Capital ;

(2) A bank in the Zone may utilize its funds for the following purposes—

(i) foreign exchange loans and advances to non-residents and residents ;

(ii) investments in international securities markets ;

(iii) operational expenses ;

(iv) payment of dividends ;

(v) interest on deposits ;

(vi) payments for imports.

(3) The sources of and uses of funds by banks in the Zone shall in addition to the provision of this Regulation be governed by such guideline, as may be issued from time to time by the CBN. In addition, the following provisions of the CBN circular of 11th August 2005, shall apply—

(a) application for foreign exchange for visible and invisible trade transactions by Approved Enterprise shall not qualify for financing from the Nigerian foreign exchange market ;

(b) all visible and invisible trade transactions from the Zone to the Nigerian Customs Territory are eligible for payment in foreign exchange, using funds

purchased from the Nigerian foreign exchange market provided that where the operator elect to be paid in Naira, the proceeds from such transaction shall not qualify for repatriation in foreign exchange sourced from the foreign market of the Nigerian Customs Territory ;

(c) on the other hand, exports from the Nigerian Customs Territory to the Zone shall attract payment in foreign exchange, and be subject to mandatory repatriation of proceeds ; and

(d) for visible and invisible trade transactions from the Zone and exports into the Zone, the relevant existing processes, documentation requirements and procedures applicable in Nigeria, including any form of inspection, shall also apply.

82. A bank operating in the SFEPZ shall enjoy the following incentives— Incentives.

(i) freedom to move funds in and out of the Zone ;

(ii) exemption of all its documents from stamp duties ;

(iii) exemption from withholding tax requirements on interest payable on deposit, dividends, and royalties ;

(iv) exemption from corporate tax ;

(v) exemption from estate duty, inheritance, or capital gains tax on the inheritance, or capital gains tax on the inheritance of its shares or property ;

(vi) interest rates on loans and deposits are not liable to domestic monetary controls ; and

(vii) exemption from payment of duties on imports of furniture, office equipment and other facilities necessary for its operations.

83.—(1) An Approved Enterprise (including a licensed bank) or a non-resident in the Zone is allowed to open external accounts with licensed commercial banks in the Customs Territory of Nigeria for the sole purpose of defraying its statutory, operational, administrative and salary expenses. External Accounts.

(2) External accounts and the cheques issued for their operation shall be clearly marked "External Account" with the country of permanent resident of the account holder as follows "External Account-Ghana", or "External Account-Japan".

(3) The external account shall be funded from the sale of foreign currencies for Naira provided that it shall not be funded with Naira from any other source in Nigeria without the prior approval of the CBN.

(4) Payments made by residents into an external account shall not be allowed except with the prior written approval of the CBN. Transfers from other external accounts maintained by the same account holder are however allowed.

(5) A non-resident in the Zone shall be allowed to maintain both an external account and a resident's accounts in any licensed bank in the Custom Territory.

(6) The CBN may from time to time issue guidelines for the operation of external accounts by non-residents.

**Permissible
Activities
by Banks.**

84. A bank in the Zone is permitted to—

- (i) accept foreign currency deposits ;
- (ii) grant to any person any advance, loans or credit facility, or give any financial guarantee, or incur any other liability on behalf of any person so that the total value of the advance, loan, credit facility, financial guarantee to any resident is not more than 35% of the shareholders' fund unimpaired by losses ;
- (iii) grant foreign currency loans exceeding 10% of its paid-up capital to any resident without the CBN prior approval ;
- (iv) make remittances of funds abroad or to the Customs Territory on behalf of any non-resident ; and
- (v) undertake any other foreign exchange transaction as the CBN may from time to time prescribe.

**Prohibited
Activities.**

85. Prohibited activities for the banks in the Zone include—

- (i) accepting foreign currency deposits from residents ;
- (ii) accepting Naira deposits account from any residents or non-residents ;
- (iii) granting Naira loans to or raising any Naira loans on behalf of residents or non-residents ;
- (iv) opening any Naira account with any resident bank, except external account ;
- (v) borrowing in Naira from any resident, including Authorised dealer banks, except with approval of the CBN ;
- (vi) sourcing foreign exchange in the foreign exchange market of the Customs Territory ; and
- (vii) undertaking any other transactions which are detrimental to national interest or which are contrary to the CBN guidelines.

**Know Your
Customer's
(KYC)
Directive.**

86. Financial institutions within SFEPZ are required to comply with the following—

- (a) record all complex, unusual or suspicious transactions ;
- (b) report any single transaction, lodgement or transfer of funds in excess of ₦1,000,000 (One Million Naira) or its equivalent in the case of an

individual or ₦5,000,000 (five Million Naira) or its equivalent in the case of body corporate ;

(c) develop programmes to combat the laundering of proceeds of a crime or other illegal acts within the institution which shall include ;

- (i) the designation of compliance officers at the management level ;
- (ii) internal audit unit scrutinizing and ensuring that records are well kept ;
- (iii) on-going training and awareness for all the staff ; and
- (iv) display of notice in a conspicuous place directing the attention of customers and the general public to the dangers associated with money laundering and other financial crimes ;

Access to
Zones.

(d) forward all suspicious transaction reports and other related investigation reports to the Economic and Financial Crimes Commission (EFCC) and Nigeria Financial Intelligence Unit within 7 days ;

Reporting.

(e) document copies of reports forwarded to the EFCC for on-site investigation by CBN's examiners ; and

(f) ensure strict adherence to the provisions of the Money Laundering (Prohibition) Act, 2004 which prohibits a transaction in excess of ₦500,000 (five Hundred Thousand) or its equivalent in the case of an individual or ₦2,000,000 (Two Million Naira) or its equivalent in the case of a body corporate except such a transaction is made through a financial institution.

87. The CBN may from time to time specify penalties for contravention of its guidelines and directives.

Contraven-
tions and
Penalties.

88.—(1) Disputes between banks and their customers arising from the operations of the banks may be referred to the Authority for resolution in consultation with the CBN ;

Resolution
of Disputes.

(2) Decision in any dispute does not preclude a dissatisfied party from seeking justice in the law courts.

89. A bank operating in the Zone may voluntarily surrender its licence with the prior notification of the CBN through the Authority.

Surrender
and
Revocation
of Licence.

90. The grounds for revoking a licence granted to a bank in the Zone may be any or all of the following—

Revocation
of Licence.

- (i) submission of false information or data during or after the application for a licence ;
- (ii) engaging in functions or activities outside the scope of the licence ;
- (iii) persistent failure to comply with request for information or data in the manner specified by the CBN ;

(iv) failure to comply with the provisions of these Regulation, the NEPZA (Banking Business) Regulations or any other directive as may be issued by the CBN from time to time ; and

(v) if the operating licence or authorisation of its parent bank has been withdrawn by the regulatory authority of the country in which it has its principal place of business.

Definition of
Terms.

91. In this Part—

(a) "*Resident*" means :

- (i) a citizen of Nigeria ;
- (ii) a person granted permission to reside permanently in Nigeria ; or
- (iii) a business enterprises or institution registered or incorporated and operating in the Customs Territory of Nigeria ;

(b) "*non-resident*" means :

- (i) any person who is resident outside the Customs Territory of Nigeria such as expatriate staff in the Zone ; or
- (ii) any business enterprise or institution registered or incorporated and an enterprise from outside the Customs Territory of Nigeria, such as the Approved Enterprise and licensed banks in the Zone.

(c) "*external account*" means : an account opened for non-residents by banks licensed under BOFIA, or other legislations to operate in the Customs Territory of Nigeria. An external account is allowed solely for defraying statutory, operational, and administrative and salary expenses of non-residents, and it is funded only from the sale of foreign currencies for Naira, and cannot be funded with Naira from any other source without the CBN's approval.

(d) "*resident account*" means : any account opened for a resident or a temporary visitor to Nigeria by banks licensed under BOFIA to operate in the Customs Territory of Nigeria.

(e) "*Free Zones*" means : Export Processing Zones and Free Trade Zones created under the Act and other relevant legislations.

(f) "*Customs Territory*" means : areas in Nigeria where there are no exemptions for payment of customs duties on imports, company income tax and other such duties and taxes.

(g) "*Authorised Banks*" means : banks licensed under BOFIA, and authorized to deal in foreign exchange in the Customs Territory of Nigeria.

PART VI—HEALTH SAFETY AND ENVIRONMENT MATTERS

92. All incidents or accidents involving loss and material damage or physical injury in the Zone must be reported to the Authority as soon as practicable after the occurrence of the incident or accident. Report
Obligation.

93. An Approved Enterprise that owns a factory in the Zone shall be responsible for the beautification of the immediate surroundings of its factory and the Authority shall be responsible for general beautification of the Zone. Aesthetics.

94. The Authority shall be responsible for the maintenance of facilities including roads, drainage, street lightening, water supply line, sewage line, fire fighting. Any extraordinary maintenance works executed by the Authority at the instance of an Approved Enterprise shall be for the account of the Approved Enterprise. Maintenance
of Facilities.

95. The Zone Management within SFEPPZ shall—

(a) ensure that competent persons are made to supervise all facets of operations;

(b) provide all necessary HSE equipment and facilities at sites and ensure their appropriate use;

(c) provide suitable Personal Protective Equipment (PPE) and ensure their use;

(d) assess negative impacts of its activities on the environment and where necessary adequately mitigate the risk of losses or damage arising from them;

(e) make conscious efforts to restore any negatively impacted environment;

(f) inform employees, service providers and the general public, when necessary, of any known or identified potential hazards arising from its activities;

(g) monitor all activities regularly to ensure strict compliance with all HSE guidelines, laws, rules and regulations; and

(h) recognize and reward performance improvement initiatives with regard to HSE rules and regulations.

96. Site managers and supervisors are responsible for effective and efficient HSE oriented operations and must recognize that HSE is an integral part of each operation and shall accordingly—

(a) understand and implement the HSE Procedure as stated in the Regulations contained in this Part;

(b) set a safe and good example for other employees and service providers as well as client staff to follow;

Site
Managers
and
Supervisors
(centres and
facilities)
Responsibilities.

(c) ensure that proper work procedures are followed and complied with at all times ;

(d) induct new employees on hazards associated with his job ;

(e) have in-depth knowledge of the hazard associated with each operation ;

(f) ensure all employees and service provider staff members use their PPE where applicable ;

(g) communicate safe work procedures to each employee ;

(h) observe other staff and service providers staff members' work practice and correct where necessary ;

(i) ensure all facilities and work environments are in an acceptable condition to ensure application of sound HSE practices ;

(j) investigate and report all accidents and near accidents ;

(k) recommend and implement corrective measures ;

(l) carry out periodic HSE inspections ;

(m) counsel employees and recommend erring employees for discipline ; and

(n) ensure that all first aid and fire fighting facilities receive adequate maintenance and are in good working condition.

Employee
Responsibilities.

97. Every employee has a personal responsibility to contribute to safe work performance and this can be achieved through co-operation with the supervisor and other employees. Each employee shall—

(a) work safely and efficiently using the PPE provided and comply with all relevant company's HSE Policy, as well as other rules and operating procedures ;

(b) comply with all relevant statutory laws, regulations and guidelines ;

(c) seek guidance from managers or supervisor when in doubt about correct work procedures ;

(d) report to the supervisor every accident or near accidents as well as unsafe work practice or unsafe conditions that may lead to injury or damage ;

(e) assist in the immediate counter measures as stipulated in Emergency Plans ; and

(f) be disciplined.

Service
Providers
Responsibilities.

98.—(1) Service providers shall—

(a) comply with the HSE Procedure in this Regulation, as well as laws, regulations and standards related to the scope of the services provided during the performance of their contractual obligations ;

(b) report every accident or near accidents as well as unsafe work practices or unsafe conditions that may lead to injury or damage to Zone Management ;

(c) co-operate with Zone Management in identifying HSE issues during the planning, designing and execution of work programs ;

(e) provide employees with induction, training and PPE to execute their specified work safely, and to meet policy and regulatory requirements ;

(f) make available to Zone Management for evaluation, records of its past safety performance, present procedures or programmes, and projected capability to achieve an acceptable HSE performance and its compliance with applicable HSE laws, regulations and standards, and

(g) indemnify Zone Management for any negligence on their part relating to HSE.

(2) Where service providers fail to meet their obligations to adequately advice, train, equip and protect their employees in the performance of their assigned duties, Zone Management reserves the right to intervene and take any steps necessary to avert HSE risks.

99. Induction training will be conducted by facility managers or supervisors when—

HSE
Induction
Training.

(a) a new employee begins work ;

(b) service provider staff begins working on a site for the first time ;

(c) new plant or equipment is introduced ;

(d) policies or procedures are updated ; and

(e) it is discovered that any of the employees of the zone or staff of the service provider is not sufficiently grounded or has insufficient knowledge in the use of assigned PPE and other safety equipment indicating that employee has not retained the requisite understanding or skill.

100.—(1) All sites are required to have an equipped First-Aid Box and site managers or supervisors shall be trained in First Aid.

Occupational Health
and Safety.

(2) Staff shall ensure that they report to their relevant superior whenever they are not in good health.

(3) Any employee under the influence of alcohol, narcotics or any other intoxicant whether prescribed or otherwise will not be allowed on the job.

(4) Horse ply, practical jokes and provocation will not be allowed under any circumstances ; and

(5) Sexual harassment shall not be tolerated

Control of
Hazardous
Substances.

101.—(1) All employers of the Zone and service providers within SFEPZ and their staff shall comply with any statutory regulations and guidelines set out for the control of hazardous substances using the manufacturers' and suppliers' HSE guide and their own knowledge of the work processes.

(2) All employers of the Zone and service providers and their staff shall ensure that exposure of workers to hazardous substances shall receive thorough and adequate training and information on the HSE issues relating to such type of work and it shall be mandatory for such workers to undergo periodic medical checks.

(3) All waste materials shall be disposed of carefully and in such a way that they do not constitute any hazard to employees, clients, the general public and the environment.

Fire
Prevention.

102.—(1) All persons must conduct their activities in such a manner as to remove the risk of fire and "No Smoking" signs shall be strictly obeyed.

(2) Combustible materials shall not be kept in the offices or near any source of ignition.

(3) All site managers and supervisors shall be responsible for keeping their activities and operational areas safe from fire.

(4) All employees of the zone and staff of the service providers shall undergo induction training in fire prevention practices, use of fire extinguishers and emergency procedures.

(5) It is everybody's responsibility to prevent the outbreak of fire.

Fire Fighting
Guidelines.

103.—(1) Fire fighting equipment shall be provided at strategic locations on all sites.

(2) All employees of the zone and staff of service providers familiarize themselves with their areas of operation and shall give special attention to the locations of fire extinguishers and other fire fighting equipment. They use this equipment promptly to respond to an outbreak of fire.

(3) Fire fighting facilities shall not be blocked from easy access, removed or used for purposes other than fire fighting.

(4) In case of any defect or discharge of extinguisher, report shall be made to the immediate supervisor and no disciplinary action shall be taken for reporting such incidents.

Fire Exits.

104.—(1) Fire exits shall be provided at all strategic locations shall not be blocked or used as temporary stores, and where the exits are locked, keys shall be provided inside boxes with glass cover which can be broken to access keys for use in case of an emergency.

(2) Automatic lighting shall be provided in exit corridors, walkways and above exit doors.

(3) Muster points shall be identified and made known to all employees of the zone and staff of the service providers.

105. Each Approved Enterprise shall have an emergency plan which shall be based on the following procedures—

Emergency
Evacuation
Procedures.

- (a) if a fire or other emergency is noticed, raise an alarm ;
- (b) operate any manual or automatic danger alarm system, where applicable ;
- (c) attack the fire with available fire fighting equipment ;
- (d) call for help by phoning the fire brigade and the Nigerian Police whose Contact details shall be provided at each site ;
- (e) close all windows and doors to prevent easy spread of the fire ;
- (f) escape to designated safe place or muster point ; and
- (g) fire marshals shall give further directives to all occupants.

106.—(1) Employees in the Zone and staff of service providers shall be provided PPE when and where applicable and necessary.

Personal
Protective
Equipment.

(2) It is mandatory for all employees to wear their PPE while executing their functions.

(3) Employees of the Zone and staff of service providers provided with PPE shall receive adequate training on the use and maintenance of PPE.

(4) All PPE provided shall be maintained in good working order.

(5) Failure on the part of the employees to comply with these instructions will attract appropriate disciplinary action.

107.—(1) All employees and services provider staff requiring protective garments shall be provided with them by their respective employer.

Uniform or
Overall.

(2) These shall be worn at every occasion when the employees are carrying out their official assignment.

(3) Soiled garments shall be washed thoroughly in order to prevent fire and skin diseases.

(4) Rings, bangles, neck chains or loose dresses shall not be worn

108.—(1) Safety shoes shall be worn at all work areas identified as having risk of foot injury.

Safety
Shoes.

(2) Walking bare foot as well as the wearing of slippers and sandals are prohibited in these areas.

Breathing
Apparatus,
Ear
Protection
and Gloves.

109.—(1) Appropriate dust masks or breathing apparatus shall be worn at all times where air contamination may exist.

Work
Practice.

110.—(1) Employees of the zone and staff of service providers shall be brought to the Zone at all times.

(2) Where any unsafe condition or practice is noticed, it shall be brought to the immediate attention of their supervisor.

(3) When uncertain about the safe practice or procedure for performing any job, advice shall be sought from their immediate supervisor or safety representative.

(4) All work practices shall be assessed periodically with a view to removing any hazard and promote good occupational health of the workforce and environment.

Authorized
Access.

111.—(1) Only employees of the zone and staff of service providers who are duly and properly authorized may be allowed access to restricted areas.

(2) Where areas of work have an impact on other components of a facility or in which other work is underway, permits to work in the area must be sought from the site manager or supervisor to ensure co-ordination of activities.

Tag In and
Out.

112.—(1) Prior to performing work on electrically driven equipment or other energy sources, the circuit shall be de-energized and the start up switch shall be tagged with a "Danger! Do Not Operate" tag.

(2) The technician shall personally lock out the board to prevent electrocution or outbreak of fire.

(3) A person is not allowed to remove the tag except the technician or qualified officer.

Hot Work
(such as
Welding,
Grinding and
Flame
Cutting).

113.—(1) A Hot Work Permit shall be obtained from Authority before carrying out any work on any site.

(2) Appropriate fire fighting equipment shall be positioned and manned before carrying out such hot work.

Machinery
and Hand
Tools.

114.—(1) The right tool for the job shall always be used.

(2) Only tools in sound, safe condition may be used.

(3) All equipment on all sites shall be maintained in good working condition.

(4) Only employees of the zone and staff of service providers who are adequately trained may use or work with machine in the course of their duties.

(5) Any equipment that could pose a risk to the well being of persons in and around the work place shall be restricted to authorized persons only and shall be clearly marked "AUTHORISED PERSONS ONLY". A permit to work must be obtained prior to working on machine.

115.—(1) All passageways and aisles shall be kept clear of debris and electric cables and not be used as floor storage. Walkways.

(2) Wet surfaces shall be either clearly marked with warning signs or covered with suitable non-slippery materials.

(3) Where forklifts or other moving machinery must use the same passageway with pedestrians, adequate warning signs shall be prominently displayed and both pedestrians and equipment operator must exercise extreme caution.

(4) Equipment shall be properly positioned to avoid any obstruction to the walkways.

(5) Changes in floor elevation and ceiling heights shall be clearly marked.

(6) Passageways near dangerous operations such as heavy materials lifting, machinery operation or welding shall be clearly marked.

(7) Raised walkways and platforms shall have handrails.

116.—(1) All working locations shall kept clean and orderly. Working Locations.

(2) Walking surfaces shall be kept dry and appropriate steps taken to ensure that the surfaces are kept clean and slip-resistant.

(3) Spills shall be cleaned up immediately.

(4) All off-cuts, scrap, waste and debris shall be promptly removed and safely disposed.

(5) All sites and premises shall be kept clean and free weeds and vegetation. All manholes, pits and floor openings shall be covered when not in use and clearly marked when opened.

(6) All oil and gas fired devices shall be equipped with flame failure controls which will prevent the flow of fuel if pilots or main burners are not working.

(7) Combustible substances shall be stored in special storage areas, not in the office and access to these areas shall be prohibited in these storage areas.

Stairways
and Ladders.

117.—(1) Stairways or ladders shall be strictly for the use of qualified and trained employees whose schedules of duty include the use of them.

(2) Stairways or ladders shall be kept clean, dry and non-slippery at all times.

(3) The maximum load the equipment can carry shall be clearly indicated on it.

Mechanical
and Manual
Handling.

118.—(1) Lifting and moving objects must be done by mechanical devices where practicable ;

(2) The equipment used for lifting shall be appropriate for lifting or moving task ;

(3) The maximum load the equipment can carry shall be clearly indicated on it ;

(4) Lifting and moving devices shall only be operated by employees trained, qualified and authorized to operate them.

(5) Every load shall be inspected for sharp edges, wet or greasy patches.

(6) Hand gloves shall be worn when lifting or moving any load with sharp or splintered edges.

(7) Hand gloves shall be free of oil, grease or agents which might impair good grip.

(8) The route shall be inspected to ensure that it is free from obstruction or spillage, which might cause tripping or slipping.

(9) Employee of the zone or staff of a service provider shall not attempt to lift or move any load considered too heavy to manage comfortably and no individual shall attempt to lift more than 35kg without assistance.

(10) Where team lifting or moving is necessary, one person shall act as co-ordinator, giving orders to lift, lower as the case may be.

Travel and
Transporta-
tion.

119.—(1) All vehicles are to be driven carefully and with due care.

(2) Reckless or unsafe driving practices shall attract disciplinary action.

(3) Drivers shall be in the possession of valid and current driving licences.

(4) Vehicles shall be used for authorized purpose only.

(5) Accidents and near accidents shall be reported to Zone Management.

(6) All vehicles shall be properly maintained and kept clean and tidy.

120.—(1) Prior to the commencement of any work activity, managers and supervisors shall be required to carry out a hazard analysis to identify and assess if there are any hazards or risks involved in carrying out the activity.

Job Hazard
Register.

(2) Where hazards are identified, procedures shall be put in place to control hazards through elimination, isolation and minimization.

(3) The results of these findings shall be documented in the job hazard register.

121.—(1) All FZEs and other licensed operators within SFEPZ shall have a duty of care to ensure that any waste generated from their business activities either directly or indirectly by outsourced contractors is disposed of in a manner which is not hazardous to the health and well being of individuals or to the environment.

Waste
Manage-
ment.

(2) Waste management procedure shall ensure that any waste generated from facilities are—

(i) correctly identified in terms of their potential hazard to the environment and to people handling them.

(ii) stored in a manner which ensures not only spillage but prohibits access to non-authorized persons ; and

(iii) transported according to legislation and disposed of in accordance with relevant government policy and best practice.

122.—(1) To demonstrate the commitment of FZEs and other licensed operators in SFEPZ to the HSE procedure, the maintenance of good communication systems shall be mandatory.

Awareness
Programme.

(2) HSE awareness programmes and activities shall be undertaken on a regular basis.

123.—(1) All employees and service providers and their staff shall comply with the established HSE rules, standards, regulations and practices.

Disciplinary
and
Corrective
Action.

(2) Failure to comply with these HSE rules, standards, regulations and practices shall result in disciplinary or contractual action, commensurate with the seriousness of the non-compliance.

PART VII— IMMIGRATION PROCEDURES

124. In this Part, the term "employee" includes contractors or sub-contractors (or their respective employees) of an Approved Enterprise save that an application in respect of such contractor or sub-contractor (or its respective employees) may be made either by the contractor, sub-contractor or the Approved Enterprise.

Definition of
"Employee"

Publication
of Guide-
lines.

125.—(1) The Authority shall work in consultation with the Nigerian Immigration Service to publish guidelines, procedures and regulations.

(2) The Fourth Schedule to these Regulations contains the immigration procedures for expatriate workers in the Zone.

Visa
Requirement.

126.—(1) All foreigners seeking entry into Nigeria, except ECOWAS nationals, or nationals of countries with which Nigeria has entered into a Visa Abolition Agreement, require Visas prior to entry.

(2) Visas shall be obtained from Nigeria's Missions abroad.

Ordinary
Visa.

127. The following are the types of ordinary Visas—

- (a) business visa ;
- (b) tourist visa ;
- (c) visitors visa ;
- (d) transit visa ;
- (e) temporary work permit (TWP) ; and
- (f) residence Visa.

Business/
Tourist/
Visitors Visa.

128.—(1) All foreigners visiting Nigeria shall possess one of the visas referred to in Regulation 141, as appropriate from the Nigeria Mission in their country or the Nigeria Mission closest to the foreigners normal place of abode.

(2) For short visit Visa the following are required—

- (i) a letter of invitation from sponsor in Nigeria stating the purpose of visit and accepting immigration responsibilities ;
- (ii) completed forms Imm.22 with passport photographs affixed ;
- (iii) a return ticket ;
- (iv) evidence of financial sustainability ;
- (v) valid travel document ; and
- (vi) approved visa fee where applicable.

Temporary
Work Permit
(TWP) Visa.

129.—(1) A Temporary Work Permit (TWP) Visa is issued to a foreigner coming to Nigeria to perform specialized duties for a short duration, such as installation or repairs of machinery, feasibility studies, auditing of accounts, training, commissioning of projects, erection of drilling equipment, control of natural disaster oil spillage, attending board meetings by non-resident company executives.

(2) The Comptroller-General of Immigration in Nigeria, is responsible for granting approval for the category of visa referred to in paragraph (i) of this Regulation which shall be transmitted to Nigeria Missions abroad for issuance.

130. For the issuance of a TWP Visa the following are required—

Require-
ments for
TWP Visa.

(i) a formal application to the Comptroller-General of Immigration stating the passport particulars of the expatriate, purpose of visit and confirmation of acceptance of immigration responsibilities by the sponsor ;

(ii) evidence of company registration ;

(iii) evidence of purchase of equipment, the contract award and such other information relating to the work to be performed ;

(iv) evidence of approval of the Comptroller-General of Immigration ;

(v) valid travel document ;

(vi) return ticket ;

(vii) completed Form Imm.22 with passport photographs affixed ; and

(viii) approved visa fee where applicable

131.—(1) Foreigners coming to reside in Nigeria for purposes of work, study or accompanying spouses or parents shall possess on arrival in the country an STR ("Subject To Regularisation Visa") obtainable at Nigerian Missions abroad.

Residence
STR Visa.

(2) The issuance of STR Visa to an employee is subject to the following requirements—

(i) a formal application shall be made by the employer to the Nigerian Mission abroad closest to the employer normal place of abode, indicating job position and nationality in addition to acceptance of immigration responsibilities accompanied by a support letter from the Authority;

(ii) completed Forms Imm.22 (visa application form) with passport photographs affixed ;

(iii) valid travel document ;

(iv) photocopies of educational qualifications, curriculum vitae of the employee and previous work experience ;

(v) letter of employment stating the terms and conditions of employment ;

(vi) letter of acceptance of offer ;

(vii) one-way ticket ;

(viii) original certificates for sighting ; and

(ix) approved visa fee, where applicable.

(3) Dependants joining foreign employees require—

(i) a formal application from the employer with a support letter from the Authority and employer's acceptance of immigration responsibilities ;

(ii) photocopy of the foreign Employee residence permit if joining Employee already in Nigeria.

(iii) marriage certificate for married women and birth certificate for children ;

(iv) one-way ticket or evidence of airline booking ;

(v) valid travel document ; and

(vi) approved visa fee, where applicable.

On Arrival.

132. On arrival in Nigeria, all foreigners are required by law to represent themselves before an Immigration Officer for clearance. The visa is issued subject to compliance with the Immigration laws on arrival and the final authority for the grant of entry permission rests with the Immigration Officer at the port of arrival.

On entry.

133.—(i) all foreigners whose stay in Nigeria is to exceed 56 days, shall register with the Immigration Office nearest to them within 21 days of arrival ;

(ii) all foreigners coming to reside in Nigeria shall regularize their stay with Immigration by obtaining relevant residence or work permit ;

(iii) movement from one location to another outside normal place of residence in Nigeria in excess of two weeks stay must be reported to Immigration upon departure and on arrival at both locations respectively ;

(iv) any request for extension of visitor's pass shall be made prior to expiry if extension of visit is envisaged ;

Registration of Stay.

134.—(1) With the streamling of the residence permit now issued as the Combined Expatriate Residence Permit and Aliens land (CEPPAC) all foreigners residing in Nigeria and expatriates who intend to stay beyond 56 days or to reside and work in Nigeria shall regularize their stay by obtaining a CERPAC.

Requirements for CERPAC.

135. For issuance of CERPAC the following are required—

(i) a formal application shall be made to the Zone Immigration Service for regularization, stating the post to be occupied, nationality and accepting immigration responsibilities ;

(ii) the application for regularisation must be made within 3 months from date of arrival into the country ;

(iii) a valid STR (Subject To Regularisation) visa must be produced ;

(iv) a letter of employment ;

(v) a letter of acceptance of offer ;

(vi) Form Imm.22 completed with passport photographs affixed and vetted at Nigeria Mission where visa was issued ;

(vii) photocopies of credentials duly vetted at the Mission abroad where visa was issued ;

(viii) subject's National Passport accompanied with photocopies of the first six pages of the passport and the page on which visa was stamped ;

(ix) evidence of quota approval is not applicable for Employees ;

(x) board of directors resolution for top managerial positions of Board of Directors, Managing Directors, GM's, Finance Controllers etc.

(xi) approved residence permit fee.

136. For dependants above 16 years joining foreign employees, the following are required—

(i) a formal application from the foreign employee accepting immigration responsibilities.

(ii) photocopy of husband's or father's residence permit (if already regularised) ;

(iii) photocopy of marriage certificate for married women and birth certificate for children ;

(iv) letter of admission and photocopy of school identity card where applicable ;

(v) forms Imm.22 duly completed and vetted ;

(vi) approved fee where applicable.

Requirements for CERPAC for Dependents above Sixteen years joining Foreign Employee.

137.—(1) Change of employment by resident expatriate already in Nigeria may be permitted subject to the following—

(i) formal application to Nigeria Immigration Service (NIS) through the Authority requesting for change of employment and acceptance of immigration responsibilities ;

(ii) letter of no objection from former employer ;

(iii) letter of offer of employment from Employer in the Zone ;

(iv) letter of acceptance of offer ;

(v) board of director's resolution (where applicable) ;

(vi) resident permit with former employer ;

(vii) approved residence with former employer ; and

(viii) approved residence permit fee ;

Change of employment by resident expatriate already in Nigeria.

(2) The requirements listed in paragraph (1) of this Regulation shall also apply to an employee in the Zone wishing to take up employment with a company in another Zone in Nigeria.

Establish-
ment of Free
Zone
Expatriate's
Register.

138.—(1) An expatriate in a Zone shall be allowed to reside in or outside the Zone.

(2) The Authority shall in consultation with NIS, establish a Free Zone Expatriates' Register in the Zone. Free Zone Expatriates' Register shall be maintained for all Free Zone expatriates residing in and outside the Free Zones.

(3) The Register shall contain information such as :

(i) name ;

(ii) nationality ;

(iii) employer ;

(iv) CERPAC number and validity period ; and

(v) place of residence.

RE-Entry
Visa

139.—The requirements for a re-entry Visa are as follows—

(i) a formal application shall be made to the Authority and the NIS by the employer or sponsor accepting immigration responsibilities ;

(ii) a re-entry Visa application form must be completed and submitted to the Authority and the NIS ; and

(iii) approved fee where applicable

Expatriate
Quota
exempted.

140. All Approved Enterprises are exempted from Expatriate Quota.

Fees.

141. Fees for Immigration Services shall be levied in United States dollars and shall be as published by the Authority in conjunction with NIS.

PART VIII—PHYSICAL PLANNING AND CONSTRUCTION PROCEDURES

142. An Approved Enterprise may apply to the Authority for land or factory space in the Zone to enable it undertake the approved activity for which a licence is granted to by the Authority.

143.—(1) On submission of the application, the Approved Enterprise may be required to pay to the Authority such deposit as the Authority may from time to time stipulate as consideration for the lease being applied for.

(2) The Authority shall on receipt of application for the lease of the land or built-up factory space acknowledge the receipt of same and shall within 7 days of the acknowledgment of process and allocate land or built-up factory space to the Approved Enterprise.

(3) Where the Authority rejects the application or fails to allocate land or built-up factory space within 14 working days of receipt of the application or the Approved Enterprise rejects the allocation made to it within 7 days of the notification of the allocation; the Authority shall immediately refund the deposit paid without any deduction on account of interest or other charges.

144.—(1) The deposit paid in respect of a lease for built-up factory space by an Approved Enterprise shall be applied towards the payment of rent for the built-up factory space as per the terms of the lease agreement provided the Approved Enterprise occupies the space within 3 months of the date of the execution of the lease agreement.

(2) Where the Approved Enterprise fails to occupy the leased build-up factory space within the period stipulated in this Regulation, the deposit paid for the lease shall be forfeited to the Authority without any further recourse to the Authority.

(3) The deposit paid in respect of a lease for land by an Approved Enterprise shall be applied towards the payment of consideration for the lease of the land as per the terms of the lease agreement if the Approved Enterprise occupies the land and commences development of the property within 6 months of the execution of the lease agreement or such other period as approved by the Authority.

(4) Where the Approved Enterprise fails to occupy the leased land and commence development within the time stipulated in this Regulation the deposit paid shall be dealt with in accordance with the terms of the relevant lease agreement entered into with Authority.

145.—(a) Applications for building permits shall be submitted to the Authority after the execution of the lease agreement and the Authority shall consider and grant building permits on such terms as it deems fit within 14 days of the receipt of the application.

(b) Save as otherwise agreed by the Authority, the application shall be submitted together with 2 copies of a building plan which may conform to the following :

- (vi) self designed factory buildings of one storey type or more ;
- (vii) design to be in line with the Nigerian building standards for factories (where applicable);
- (viii) area to be covered shall be between 50%-70% of the land leased ;
- (ix) buildings shall be at least twenty five (25) meters from the centre of the road to allow for packing and landscaping ; and
- (x) provision made for not more than two accesses to the premises.

(c) Any modification or correction reasonably required by the Authority shall be incorporated in the approved building plan and complied with by the applicant.

(d) Development of land leased to an Approved Enterprise by the Authority shall be in accordance with the terms and conditions of the approved building permit issued by the Authority.

146.—(a) Buildings and structures to be constructed by an Approved Enterprise shall be permanent structures built with fire resistant material in accordance with building, public health and fire regulations reasonably adopted by the Authority from time to time.

(b) The Authority shall be notified before commencement of construction in order to check the setting-out of building(s).

(c) During construction, the Authority's engineers shall monitor construction activities with a view to ensuring quality and conformity with specifications.

147.—(a) An Approved Enterprise that has secured a lease of land from the Authority shall commence development of its factory site within three months of the date of execution of the lease agreement.

(b) On application, the Authority may grant extensions on such terms and conditions as deemed fit.

148.—(a) Where an Approved Enterprise fails to commence development of leased land within the specified periods as may be extended in accordance with paragraph (3) of Regulation 52 of these Regulations, the Authority may in accordance with and subject to the provisions set out in Regulation 29 of Part II of these Regulations deregister such Approved Enterprise.

(b) Where reasonable grounds exist for the delay in the implementation of the project, the Approved Enterprise shall apply for extension before the expiration of the deadline stipulated in Regulation 52 of these Regulations.

149.—(i) An Approved Enterprise that has secured a lease of land from the Authority shall commence operation within 18 months of the date of execution of the lease agreement.

(xi) On application, the Authority may grant extensions on such terms and conditions as deemed fit.

(xii) An Approved Enterprise that has secured a lease of built-up factory space from the Authority shall commence operations in the Zone within 6 months of the date of execution of the lease agreement.

(xiii) On application, the Authority may grant an extension for a period not longer than 3 months on such terms and conditions as deemed fit.

150.—(a) Where an Approved Enterprise that has secured a lease of land for development of its factory site fails to commence operations in the Zone within 18 months after the execution of the lease agreement or such other extension as the Authority may grant, the Approved Enterprise may in accordance with and subject to the provisions set out in Regulation 29 of Part 2 of these Regulations be deregistered.

(b) Where an Approved Enterprise that has secured a lease of built-up factory space fails to commence operations in the Zone within 6 months after the execution of the lease agreement or such other extension as the Authority may grant, the Approved Enterprise may in accordance with and subject to the provisions set out in Regulation 29 of these Regulations be deregistered forthwith without further ado and any recourse to the Authority.

151.—(a) Prior to commencement of installation of machinery, an Approved Enterprise shall apply for power, water supply and electrical inspection test.

(b) Connection of factory buildings to power, water supply, sewage lines, fire fighting system and telecommunication lines shall be paid for by the Approved Enterprise at the approved rate.

(c) Payments for facilities consumed shall be made by the Approved Enterprise at the prevailing rates applicable within the Zone.

(d) Waste management and pollution control plan shall also be submitted for approval at this stage.

152.—(a) An Approved Enterprise shall prior to the commencement of operations apply to the Authority for a permit to commence operations.

(b) The Authority shall within 7 days of the receipt of the application complete inspection of the factory site to ensure compliance with relevant building, factory and public health laws and regulations and shall within 24 hours of completion of the inspection issue a permit to commence operation where there are no breaches of applicable laws and regulations.

(c) Where an Approved Enterprise has not complied with relevant regulations, the Authority shall in writing within 24 hours after the completion of inspection notify the Approved Enterprise of the non compliance and directs that it be remedied within a stipulated period.

(d) On completion of required remedial action, the Approved Enterprise shall invite the Authority for inspection and the Authority shall within 7 days of receipt of the invitation inspect and issue a certificate of compliance where there are no breaches of applicable laws and regulations on the part of the Approved Enterprise.

(e) The Authority shall act reasonably in conducting any inspections and determining compliance pursuant to this Regulation.

153.—(a) An Approved Enterprise wishing to alter, expand or demolish any part of a built-up factory space shall obtain the prior approval of the Authority and the costs involved shall be borne by the Approved Enterprise.

(b) Alteration of a rented or leased building shall be carried out with the prior written approval of the Authority at the Approved Enterprise's cost, such approval not to be unreasonably withheld or delayed.

154. Real property or any part thereof whether developed or not shall not be sub-leased or leased in any form in the Zone without the prior written approval of the Authority, such approval not to be unreasonably withheld or delayed.

155. All Approved Enterprises in the Zone shall be required to pay applicable ground rent at the prevailing rate to the Authority calculated on a monthly basis or as otherwise provided in the lease agreement entered into between the Authority and the Approved Enterprise.

PART IX—HUMAN RESOURCE REGULATION

156. In this Part—

(a) "employee" means a person who works in any capacity under the instructions of an employer for wages or a salary ;

(b) "employer" means SFEPZ or an Export Processing Zone Enterprises ;

(c) "wages" means remuneration or earnings capable of being expressed in terms of money and fixed by virtue of a contract by an employer ;

(d) "salary" means wages that are set and paid on a monthly basis ; and

(e) "work period" means a period during which an employee places his energy or time at the disposal of an employer.

157. Employers in the SFEPZ are subject to the provisions of this Part except where a contract of employment has been submitted to the Authority for endorsement by such employer and it is provided that the provisions of such a contract shall apply.

158.—(1) The Authority shall be responsible for the supervision and implementation of the Regulations contained in this Part, the enforcement of the rights of employees and the performance of undertakings contained in employment contracts.

(2) The Authority may obtain from employers such guarantees as may be necessary for the performance of employer's undertakings with their employees.

Application
of this Part
to contract
of employ-
ment in the
Zone.

Responsibili-
ties of the
Authority.

(3) The Authority shall be responsible for the resolution of trade disputes between employers and employees in the Zone in consultation with the Federal Ministry of Labour and Productivity.

159. The Authority shall, with the co-operation and participation of employers and employees, ensure the provisions of welfare benefits required by the employees in the Zone such as housing, sports facilities, health and medical services.

Welfare of
Employees.

160. The Authority shall in consultation with the Federal Ministry of Labour and Productivity, establish a Labour and Employment Service Office in the Zone. This Office shall regulate the labour market and supervise matters relating to the terms and conditions of employment, safety, health and welfare of workers in the Zone.

Labour and
Employ-
ment
Services
Office.

161.—(1) Whenever the work period is undetermined, the date of expiration of the contract shall be determined as a function of the nature and type of the work, the date of completion of the work or the project, or termination of the activities of the workplace.

Work
Period.

(2) In a contract for temporary period or specific work, neither party may unilaterally terminate the contract except in cases where the employment contract provides otherwise. In the event of unilateral termination of a contract by either party, the other party may claim damages through the Board of Settlement of Disputes referred to in Regulation 186 below.

(3) The continuous nature of work shall not render permanent employment contract for a determined period of time.

162.—(1) Employment contracts shall contain the following provisions :

Employ-
ment
Contracts.

(a) the name of the employer or group of employers and where appropriate, the undertaking by which the employee is employed ;

(b) the name and address of the employee and the place and date of his engagement ;

(c) the nature of the employment contract ;

(d) work hours, holidays and leave of absence ;

(e) the date of execution of the employment contracts ;

(f) the duration of the contract where the duration is temporary ;

(g) if the contract is for a fixed term, the date when the contract expires ;

(h) the rates of wages and method of calculation thereof and the manner and regulation of payment of wages ;

(i) the welfare benefits and accommodation provided to the employee ;
and

(j) the appropriate period of notice to be given by the party wishing to terminate the contract, in the light of the conditions and circumstances of the contract.

(2) Employment contracts shall be prepared in an appropriate number of copies, one of which shall be kept by the employee, another by the employer.

Provisional
Employment
Contracts/
Apprentice-
ship.

163.—(1) The employer may fix a period of time ("the apprenticeship period") during the course of which either party may, without prior notice or payment of an indemnity, terminate the work relationship.

(2) The apprenticeship period shall be mutually agreed between the parties and stipulated in the contract.

(3) Wages and employees' work benefits for work ending during the course or at the end of the apprenticeship period shall be paid for the period during which work was performed.

(4) Apprenticeship contracts may be entered into only once between an employee and an employer for a specific job.

Termination
of Contract
of Employ-
ment.

164.—(1) Employment contracts may be terminated on any of the following grounds—

(a) by the expiration of the period for which it was made ; or

(b) by the death of the employee before the expiration of the contract ; or

(c) by total disability of the employee ; or

(d) by the retirement of the employee ; or

(e) by the completion of the contract for specific work ; or

(f) by the termination of the employment contract by the employer and the employee in instances stipulated in the employment contract and in compliance with these Regulations ; or

(g) by the resignation of the employee.

(2) Whenever the termination of an employee's is grounded on non-compliance with disciplinary work regulations, the employee may complain to the Authority. The Authority, in consultation with the Federal Ministry of Labour and Productivity shall take appropriate decision based on these Regulations and the disciplinary regulations applicable in the workplace.

Modification
in Employ-
ment.

165. Where an employer, without due consideration to the employment contract and without the consent of the employee, modifies the employment conditions of an employee resulting in a reduction in the amount of the employees wages or abuse of his dignity, the employee may lodge a complaint with the Authority and claim damages.

166. Employment of persons of less than 16 years of age is prohibited.

Prohibition
of Employ-
ment of
Underaged
Persons.

167.—(1) An employee's daily working hours shall be those fixed by mutual agreement and the employment contract in the Zone provided that it shall not exceed 8 hours per working day.

Working
Hours.

(2) Day shift work is work, which is performed from 0600 to 2,200 hours, and night-shift work is work performed between 2,200 to 0600 hours. Mixed shift work is work performed partially at night and partially during the day.

(3) Alternate work is work that by nature is not performed continuously, but either during specific hours of the day or night.

(4) Shift work is work that rotates during the course of a month in such manner that it is performed in the morning or afternoon or at night.

(5) Whenever shift work or a night shift work is performed pursuant to the terms of contract, benefits paid for these types of work shall be fixed in accordance with the employment contract, the mutual agreement of the Employee and the Employer, and the conditions and circumstances of the workplace.

168.—(1) The taking of the weekly holiday, annual paid leave and official holiday shall be subject to both parties' agreement and whenever with the agreement of the employee, leave is postponed to another date or is not taken, benefits due shall be as previously agreed by the parties.

Holidays.

(2) In addition to the country's official holidays, Labour Day (that is, May 1st) shall also be deemed part of employees' official holidays.

(3) In the event of termination of an employment contract as stipulated in Regulation 178 of these Regulations, amounts due on account of the employee's paid leave shall be paid to the employee and in the event of the employee demise to the next-of-kin.

(4) An employee shall be entitled, after twelve months continuous service, to a holiday with full pay of :

(a) at least 6 working days ; or

(b) in the case of persons under the age of sixteen years (including apprentices) at least 12 working days.

(5) In all cases where work is performed for less than 12 months, but not less than 6 months in the continuous employment of an employer, the employee shall be entitled to holiday of at least half a day per full month of service per annum.

Overtime
Pay.

169. An employee shall be paid the benefits contemplated in the employment contract for any overtime work performed in excess of 8 hours per day.

Minimum
Wage.

170. The minimum wages in the Zone shall be the same as the minimum legal wages of the Customs Territory.

Prohibition
of Gender
Discrimina-
tion in
Amount of
Wages.

171.—(1) Equal wages must be paid to men and women for the same work performed under the same conditions in any workplace.

(2) Discrimination in the amount of wages by reason of age, sex, race, ethnic group or political or religious beliefs is prohibited.

Resolution
of Disputes.

172. Board of Settlement of Disputes

(1) All disputes between an employee and an employer arising from the workplace and the contract of employment shall first be settled amicably by the agreed grievance procedure.

(2) Whenever disputes cannot be settled amicably, the matter may be referred by either party, within 10 days of the dispute to the Board of Settlement of Disputes ("the Board").

(3) The Authority shall prescribe the fees that may be paid to the Board for service rendered by the Board.

Composition
of the Board.

173.—(1) The Board shall comprise of—

(xiv) the Employer concerned with the dispute, or the authorized representative ;

(xv) the Employee concerned with the dispute, or the authorized representative ;

(xvi) a representative of the Authority who shall be the chairman ; and

(xvii) The Head of the Labour and Employment Services Office the representative in the Zone.

(2) In the absence of objections to a decision of the Board in the settlement of a dispute, the decision shall be enforceable 10 days following the date of the decision.

(3) Any decision of the Board as to whether or not the termination of employment is justified shall be complied with by the employer or employee.

(4) An employer in the Zone shall prepare appropriate rules and regulations on disciplinary measures for use in his workplace which shall be applied after confirmation by the Authority.

(5) In all cases, where a dispute is not settled by the Board, either party (or its representative) is obliged to report the dispute to the Head of Labour and Employment Services Office of the Zone who shall invoke the provisions of the Trade Disputes Act with a view to settling the dispute.

174. All employer of labour in the Zone shall to the maximum extent possible, secure their labour force requirement from any part of the world.

Freedom on
Employ-
ment of
Labour.

175.—(1) Work permits for foreign nationals shall be issued upon the request of the Authority to the relevant Government Agency.

Work Permit
for Foreign
Nationals.

(2) Whenever a foreign contract of employment comes to an end, either the employer, or the foreign national whose contract has reached its term must inform the Authority and other agencies concerned with employment of foreign nationals of the termination of the employment contract.

176. An employer located in the Zone, must prepare and communicate to the Zones' Labour and Employment Services Office once a year, a list containing the names, nationality, specialization, job and wages of its employees.

Rendition of
Returns on
Employees.

177.—(1) Each employee shall establish a retirement savings account (RSA) with a pension administrator of his choice in line with the provisions of the Pension Reform Act 2004 for the purpose of the monthly remission of employee's retirement benefits

Employ-
ment
Benefits.

(2) All employers shall remit to their employees' RSAs—

(a) a minimum of 7.5 per cent of the employees' total emolument on behalf of the employer ; and

(b) a minimum of 7.5 per cent of the employees total emolument on behalf of the employee's ;

not later than 7 days from the day the employer was paid salary.

(3) Rules and directives concerning the determination of other retirement benefits of the employee shall be in line with the provisions of the Pension Reform Act 2004 and other applicable laws, rules and regulations.

178. Sebores Farms Processing Zone is under the management and supervision of SFEPZ Authority.

179. SFEPZ shall have a General Manager (GM), who together with the management of the Authority shall provide strategic direction for activities within the Zone.

180. The services of SFEPZ, may be utilized in the Zone for the purpose of interfacing with other operators (including hotel managers, cinema operators, providers of security and maintenance services and other stakeholders within the Zone) in the provision of quality standards in the Zone.

181. In these Regulations—

"Act" means the Nigeria Export Processing Zone Act, LFN 2004 ;

"Applicant" means any entity that has completed, signed and submitted an application for the grant of a licence or any authorization ;

"Application Form" means any document or form as may be prescribed from time to time by the Authority used by an application for the processing of registration or licence ;

"Approved Activity" means any of the activities specified in the Third Schedule to the Act ;

"Approved Enterprise" means an entity registered by the Authority under Part II of these Regulations and the holder of a valid or current licence to undertake an approved activity in accordance with Section 10 of the Act ;

"Authorized Banks" means banks licensed under BOFIA, and authorized to deal in foreign exchange in the Customs Territory in Nigeria.

"Authority" means the Nigeria Export Processing Zones Authority established pursuant to the Act, its successors, transferees or assigns or any successor to the functions of such authority and any reference to the **"Authority"** in these Regulations, shall where the content requires, include the GRMFZC or the Zone Management ;

"Bank Pay-in-Slip" means the custom duty receipt as set out in the Regulations.

Excess of ₦50,000 (Fifty Thousand Naira) ;

"Country Free Zone Guarantee" means a bond or guarantee issued by bank or other financial institution acceptable to the Free Zone Customs on behalf of a license on terms and in a form approved by the Authority ;

"Customs Territory" means the Federal Republic of Nigeria excluding any area designated as a Free Zone ;

"Employee" means a person who works in any capacity under the instruction of an employer for wages or a salary ;

"Enactment" means a law of the State whether issued by the Federal Government or Local Government but excluding circulars and regulations of the Free Zone ;

"Expiry Date" means the date specified on the license as the date upon which the license will expire ;

"Exporter" in relation to goods for exportation includes the shipper of the goods and any person performing. In the case of an aircraft, functions corresponding to those of the shipper ;

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"External Account" means an account opened for non-residents by banks licensed under BOFIA, LFN 2004, other legislators to operate in the Customs Territory of Nigeria. An external account is allowed solely for defraying statutory, operational, administrative and salary expenses of non-residents. It funded only from the sale of foreign currencies for Naira, and cannot be funded with Naira from any other source without the CBN's approval ;

"Export Processing Zone Circular" means notices or any periodic information delivered in writing to Export Processing Zone Enterprises from the Authority or Zone Management relating to the proper administration of the Zone ;

"Export Processing Zone Customs" means a person being an officer of the Nigeria Customs Service within the Zone, a person acting on the instruction of any such officer or any person appointed by the Federal Government who for the time being is employed to carry out all functions related to Customs in the Export Processing Zones ;

"Export Processing Zone Immigration" means a person being an officer of the Nigeria Immigration Service within the Zone, a person acting on the instruction of any such officer or any person appointed by the Federal Government who for the time being is employed to carry out all functions related to immigration in the Export Processing Zones ;

"Epze Register" means the register for all Export Processing Zone Enterprises registered in any Export Processing Zone ;

"EPZ Registry" means the registry for Export Processing Zone Enterprises established by the Authority ;

"Free Zones" means Export Processing Zones, Border Free Zones, Free Trade Zone, Special Economic Zones, Export Processing Factories and Export Processing farms established pursuant to the Act ;

"Free Zones Circular" means notices or any periodic information from the Authority or Zone Management ;

"Free Zone Customs" means a person being an officer of the Nigeria Customs Service within the Zone, a person acting on the instruction of any such officer or any person appointed by the Federal Government who for the time being is empowered to carry out all functions related to customs in the Zone ;

"Free Zone Immigration" means a person being an officer of the Nigeria Immigration Service within the Zone, a person acting on the instruction of any such officer or any person appointed by the Federal Government who for the time being is employed to carry out all functions related to immigration in the Zone ;

"Import Duty" means customs duties chargeable on imports ;

"*Importer*" means in relation to any goods at anytime between their importation and the time when they are cleared, any owner or other person for the time being possessed of, or beneficially interested in the goods ;

"*Lease Agreement*" means the lease entered into or to be entered into by the Applicant or Licence Holder as the case may be ;

"*Licence*" means the licence issued or to be issued by the Authority to a Licensee ;

"*Licensee*" means the holder of a valid and current Licence ;

"*Minister*" means the Federal Minister charged with the responsibility for Commerce ;

"*NAHCO*" means Nigerian Aviation Handling Company ;

"*NCS*" means Nigeria Customs Service ;

"*NIS*" means Nigeria Immigration Service ;

"*NPA*" means the Nigerian Ports Authority ;

"*Non-Resident*" means any person who is resident outside the customs territory of Nigeria (eg. expatriate staff in an Export Processing Zone) ; or any business enterprise or institution registered or incorporated from outside the customs territory of Nigeria, e.g. Approved Enterprises and licensed bank in Nigeria's Export Processing Zones ;

"*Order*" means an Order issued by the Minister pursuant to Section 24 (2) of the Act ;

"*Regulations*" mean these regulations issued by the Authority pursuant to the Act ;

"*Resident*" means a citizen of Nigeria or a person granted permission to reside permanently in Nigeria or a business enterprises or institution registered or incorporated and operating in the customs territory of Nigeria ;

"*Resident Account*" means any account opened for a resident or a temporary visitor to Nigeria by Banks licensed under BOFIA to operate in the customs territory of Nigeria ;

"*Salary*" means wages set and paid on a monthly basis ;

"*State*" means the Federal Republic of Nigeria ;

"*SFEFZ*" means the Sebore Farms Export Processing Zone established pursuant to the Act ;

"*Terminal Operator*" means the authorised operators of the terminals at the seaports ;

"US \$" means the currency of the United States of America ;

"Wages" means remuneration or earnings capable of being expressed in terms of money and fixed by virtue of a contract by an employer to a worker for work done or to be done or services rendered or to be rendered ;

"Work Period" means a period during which an employee places his energy or time at the disposal of an Employer ;

"Zone" means SFEPZ ;

"Zone Management" means (as applicable) SFEPZ in respect of the area specified or such entity to whom the Authority delegates responsibility for developing, managing and operating the SFEPZ (or part thereof) ;

182. The Fifth Schedule contains a list of abbreviations used in these Regulations

183. These Regulations may be cited as the SEBORE Farms Export Processing Zone Regulation, 2011.

MADE at Abuja this 9th Day of August, 2011.

SINA A. AGBOLUAJE
Managing Director,
Nigeria Export Processing Zones Authority.

FIRST SCHEDULE

GENERAL CONDITIONS APPLICABLE TO LICENCES IN A FREE ZONE

Type of
Licence.

1. The Authority may grant approval for one or more of the following licences—

- (a) Free Zone Developers Licence ;
- (b) Free Zone Enterprise Licence ; and
- (c) Export Processing Factory/Export Processing Farm Licence

Application
for Licence.

2. An application for a licence shall be made by an applicant to the Authority on the prescribed form to be accompanied by all such documents or information as maybe specified by the Authority.

Zone
Developers
Licence.

3. A Zone Developers Licence (referred to paragraph 1(a) of this Schedule) is granted by the Authority to either a public, private entity or a combination of the two for the establishment, operation and management of a Free Zone in Nigeria under the supervision, monitoring and regulation of the Authority.

Free Zone
Enterprises
Licence.

4. A Free Zone Enterprise Licence (referred to paragraph 1(b) of this Schedule) is a Licence granted by the Authority for an enterprise to undertake an approved activity within a Free Zone. These activities include—

- (a) manufacturing/Processing ;
- (b) assembling ;
- (c) packaging ;
- (d) warehousing/storage ;
- (e) trading ;
- (f) provision of services ; and

(g) such other activities as may be approved by the Authority from time to time.

Export
Processing
Factory/
Export
Processing
Farm
Licence.

5. An Export Processing Factory or Export Processing Farm Licence (referred to paragraph 1(c) of this Schedule) is Licence granted by the Authority to an export oriented manufacturing enterprise or factory or farm located in the Customs Territory which has the capacity to export over 75% of its production.

Eligibility
for a
Licence.

6. In determining eligibility for a licence, the Authority may consider the following—

- (a) the activities which the applicant proposes to engage in shall be in consonance with the approved activities in the Zone ;

(b) the proposed activities to be carried out shall add value to and be consistent with, the development programme for the Free Zone ;

(c) the technical, financial and managerial capabilities of the applicant ;

(d) the applicant's experience and track record ;

(e) the level of foreign direct investment proposed by the applicant ; and

(f) for Free Zone Developers licence, evidence of title to a suitable land area free of encumbrances for the intended purpose.

7.—(a) A licence shall only be issued to an applicant who has satisfied the Authority's eligibility criteria.

Issue of a
Licence.

(b) A licence shall be considered personal to the licensee who shall not transfer, assign, or purport to transfer or assign the licence, in whole or in part without the prior written consent of the Authority, such consent not to be unreasonably withheld or delayed ;

(c) The applicant shall comply with the provisions of the Act and applicable Rules and Regulations that may be put in place by the Authority from time to time ;

8. A Licensee shall at all times—

Licensee's
Continuing
Obligation.

(a) comply, in all material respects, with the terms and conditions of the licence issued to it by the Authority and the terms of the applicable Lease Agreement ;

(b) comply with the Act, these Regulations and any Free Zone Circular issued by the Authority ;

(c) comply with the laws of the host State to the extent that the same are applicable in the Free Zone ; and

(d) submit to the Authority, at such intervals as may be required by the Authority statistical data, information and returns such as the audited accounts, sales and purchases and other information on the operations of the Licensee as the Authority may require or prescribe from time to time.

9. The Authority may not, without good cause, issue any regulation, Free Zone circular, guideline, rule, directive or instruction or take any action which may adversely affect or the consequences of which may adversely affect a licence.

Authority's
Continuing
Obligations.

10. A licence shall be valid for such period as may be stipulated by the Authority and may be renewed on expiry on the—

Renewal of a
Licence.

(a) payment of the licence renewal fee ;

(b) production of documents, returns or information which the Authority may reasonably require ; and

(c) payment of all outstanding financial obligations (if any) due to the Authority.

Operations
outside the
Zone.

11.—(a) Licences issued by the Authority shall only be valid within the Zone ;

(b) A Licencee wishing to carry on business outside the Zone must comply with the applicable laws in force for the time being outside the Zone ; and

(c) Free Zone status may be extended to property and assets used by a Licencee outside the Zone upon a formal application and approval of the Authority.

Seperate
Lease
Agreement
for Land or
Premises.

12. A Licencee shall enter into a separate lease agreement with the Authority in respect of each parcel of land or premises which the Licencee proposes to hold in the Zone.

Fees.

13. The Authority shall from time to time prescribe the appropriate fee for each type of licence issued by it. Application of this Part to contract of employment in the Zone

SECOND SCHEDULE

CUSTOMS PROCEDURES

I. PROCEDURES FOR IMPORTING GOODS INTO ZONE

1.—(1) Importation of goods into the zone shall be in accordance with the following procedures—

General
Procedures
for Import-
ing goods
into the
Zone.

(i) the approved Enterprises shall ensure that the supplier of the goods forwards the Bill of Lading or Air Waybill, the Invoices and Packing List with the goods clearly marked with prices for each item on the list.

(ii) the vessel/aircraft's manifest for the goods must be endorsed with a statement "Free Zone Status Shall Apply" ;

(iii) the Approved Enterprises must ensure that the Bill of Lading or Air Waybill ("the Bill") for the goods are clearly marked indicating that—

(a) the Approved Enterprises is the consignee of the goods ; and

(b) the address of the Approved Enterprises is "Sebare Export Processing Zone" ;

(c) In relation to air shipments, 'the Airport of Final Destination' shall be clearly stated.

(iv) if for banking or other reasons the identification of the "Consignee" has to be completed differently , the above information must appear prominently in the "Marks and Numbers" section of the Bill. The "Notify Party" shall be the Export Processing Zone Licensee. Zone Management shall be notified to this effect ;

(v) in relation to air shipments, the "Port of Discharge" shall be clearly specified ; and

(vii) in relation to air shipments, the "Airport of Final Destination" shall be clearly specified.

(2) The Authority shall require the shipping line or airline to have a separate manifest for goods to be delivered to the Zone;

(3) The Approved Enterprises shall require the provide to the Authority an advance manifest 7 days before arrival of the vessel and for airlines, the manifest shall be provided prior or upon arrival of aircraft.

(4) The approved Enterprises shall submit a "Transaction Request Order" and provide to the Authority, prior to the arrival of goods or upon shipment, certified copies of Commercial Invoices, Packing List, Bill of Landing and other relevant documents ;

(5) on receipt of the "Transaction Request Order" with the specific documents, the authority shall prepare a "Request to Transfer under Customs Escort" or "Transfer Request" authorizing the goods to be transferred from the point of discharge to the Zone;

(6) The authorised and endorsed "Transfer Request" shall be delivered to the relevant Terminal Operator or Aviation handling company who shall transfer the goods from the quayside or Cargo Shed to the appropriate stacking area.

(7) Upon completion of stacking, the Transfer Request shall be signed by the Terminal Operator or Aviation handling company and returned to the Zone.

Specific
Procedures
for Import-
ing Goods
into the
Zone by Sea.

2.—(1) For delivery by sea, the Commercial invoice relating to the goods shall indicate the amount ascribed to insurance of the goods during the voyage, even if the terms of sale are EX Works, Free On Board (FOB), C and S or otherwise.

(2) Upon receipt of dispatch shipping documents from the supplier, the Approved authority shall complete a "Transaction Request Order" and send same to the Authority with copies of the following documents-

(i) Commercial Invoice ;

(ii) Bill of Lading ;

(iii) Packing List ; and

(iv) Other relevant documents.

(3) Upon receipt of the "Transaction Request Order", and specified documents, the Authority shall prepare a 'Transfer Request' authorising the goods to be transferred directly from the vessel to the Zone upon arrival.

(4) The "Transfer Request" shall be endorsed by the Free Zone Customs, the Ship's agent, the Nigerian Ports Authority or the Terminal Operators.

(5) The "Transfer Request" shall be noted with the stack address of the cargo and a stock reference number.

(6) The Approved Enterprises shall authorise the Authority to transfer the goods upon discharge except otherwise indicated and pay applicable charges.

(7) After paying all applicable charges, the Shipping agent shall issue a delivery order to the approved Enterprises, a copy of which shall be made available to the authority.

(8) The duly authorised and endorsed "Transfer Request or Request to Transfer Under Custom Escort" shall be delivered to the Terminal Operator who shall transfer the goods from the quayside to the appropriate stacking area.

(9) Upon completion of stacking, the "Transfer Request or Request to Transfer Under Custom Escort" shall be signed by the Terminal Operator and returned to the zone.

(10) With the Delivery Order and the "Transfer Request", the Approved Enterprises or the authority (on request) shall take delivery of the cargo from the quayside or stacking area and transport it under Customs' escort to the Zone.

(11) Receipted copies of the Transfer Request are then sent to the Approved Authority, Nigeria Customs Service (NCS), the Terminal Operator and or Nigeria Port Authority.

3.—(1) For the importation of goods into the Zone by air freight, the following procedures shall apply—

Specific
Procedures
for
Importing of
Goods into
the Free
Zone by Air
Freight.

(a) the aviation handling company shall discharge the aircraft ;

(b) The cargo is then tallied, reconciled to the manifest and transferred to the cargo arrival shed ;

(c) on receipt of an advice from the aviation handling company, the Approved Enterprises shall collect the documentation relating to the goods from the airline ;

(d) the airline shall on payment of all applicable charges, issue a Delivery Order to the Approved Enterprises, a copy of which shall be made available to the Authority ;

(e) on receipt of a "Transaction Request Order" together with Commercial Invoice, Air Waybill, Packing List and other relevant documents, the Authority shall issue a "Request to transfer Under Custom Escort" duly endorsed by the Free Zone Customs and the Airport Custom ;

(f) the Airline shall make available a separate manifest of all Free Zone cargo on-board the flight ;

(g) the manifest shall be made available to Zone Management prior or upon arrival of the flight duly sealed by the airline agents ;

(h) with the Delivery Order and the "Transfer Request", the Approved Enterprise or Authority (on request) takes delivery of the cargo and transport it under Customs escort from the Airport to the Zone ; and

(i) on arrival at the Zone, the consignment is then written off the incoming aircraft manifest and a copy of the receipted "Transfer Request" is forwarded to aviation handling company or appropriate handling company through the Free Zone Customs.

Specific
Procedures
for Import-
ing Goods
into the
Zone by
Road/
Freight.

4.—(1) where the Approved Enterprise require goods to be delivered to the Zone by road freight, the Approved Enterprise shall apply in writing to Authority for permission for the transfer.

(2) The application shall be supported by all relevant commercial documents.

(3) where, as a result of misdirection in the original process, the goods are required to be transferred by road freight, the Approved Enterprises shall support the application with a report stating how the misdirection occurred.

(4) if the Zone Management and Free Zone Customs consent to the application, Zone Management shall issue a "Request to Transfer Goods" and arrange Customs escort. The "Transfer Request" shall be endorsed by Zone Management and Free Zone Customs ;

(5) upon receipt of the "Transfer Request" by the Border Post Customs where the goods are being held, the goods shall be delivered to the Zone under Customs escort ; and

(6) on arrival at the Zone, the duly authorized and endorsed "Transfer Request" is then forwarded to the Customs Command at the point of discharge for use by them to close the record.

Cargotrack
Inventory
System.

5.—(1) All deliveries of goods to Zone shall be entered into the Zone's "Cargo track" tracking and inventory system.

(2) The Authority shall issue stock reports showing Approved Enterprise's goods movement at intervals agreed by the Approved Enterprise and Authority. The Free Zone Customs shall have access to the stock control elements of the track system.

(3) The Approved Enterprise on request by the Authority or Free Zone Customs provide statistical data, delivery and receipt returns and any other information that may be called upon from time to time.

(4) The authority and the Free Zone Customs may inspect the records and books of account of the Approved Enterprise at any reasonable time.

(5) The Approved Enterprise shall permit Authority and the Free Zone Customs to access the factory, warehouse, assembly plant or any other premises of the Approved Enterprise for the purposes of examining any goods to ensure the accuracy of the particulars entered in the records and books of account of the Approved Enterprise. Authority or Free Zone Customs may require that its officers be stationed on the premises of the Approved Enterprise for the purposes of inspection.

Importation of goods by pipeline or other special products into the Zone.

Exporting Goods from the Zone into the Customs Territory.

6. The procedure for importing goods into the Zone by pipeline or for importing other special products into the Zone shall be as prescribed by the Authority or as may be agreed upon from time to time by the Free Zone Customs with an Approved Enterprise.

II. PROCEDURES FOR EXPORTING GOODS FROM THE ZONE

Release on payment of Duty

7.—(1) The following procedures shall apply to importers seeking to export goods from the Zone into the Custom territory in the course of trading activities in commercial quantity—

- (i) the goods shall be subject to extant fiscal policy pertaining to importation of goods in commercial quantity into the custom territory ; and
- (ii) the goods shall be deposited at the bonded warehouse located in buffer zone and operated by the authority.

(2) without prejudice to the foregoing goods declared as personal effects but in excess of the passenger concession shall be treated in line with provision of custom baggage code.

(3) the importer shall submit a completed "Form M" to his bank and the Sebore Farms Export Processing Zone shall be indicated as the "Country of Origin" and the "Country of supply" on the Form "M".

(4) The bank shall countersign the Form M and certify the supporting documents.

(5) Where appropriate, the documents may be stamped "Not Valid for Foreign Exchange" by the bank.

(6) A "Transaction Request Order" shall be completed by the approved Enterprises and sent to the Authority together with copies of the following documents (as certified by the bank)-

- (i) Commercial Invoice ;
- (ii) Form M ;
- (iii) Bill of Landing ;
- (iv) Packing List ; and
- (v) Form C 16.

(7) Where the "Transaction request Order" and attached documents are accepted to the Authority, it shall prepare "a Request to Examine Access and Value/Classification" to the Free Zone Custom and pre shipment inspection agent (PIA)

(8) A joint examination by the Custom and PIA shall be carried out and a clean report of inspection (C.R.I) shall be issued by the PIA.

(9) For urgently required goods for clients with bank guarantee or bond duly endorsed by the Free Zone Custom and the Authority, a draft document duly signed by the custom and PIA specifying the duty payable could be used against the bond for immediate release of the goods—

(i) for immediate duty payment the Approved Enterprise or its clearing agent shall present the CRI with other documents to the bank for duty payment. The bank shall issue the importer a bank shipment receipt of payment (Bank pay-in-slip);

(ii) the importer shall complete the Single Goods Declaration (SGD) forms attached to the CRI, Invoice, Bill of Lading, Packing List and Form C16 for endorsement and processing at the Custom processing Centre ;

(iii) the Free Zone custom, if satisfied, will release the goods for delivery to the importer ; and

(iv) The Free Zone Customs command shall jointly with the PIA arrange for examinations, valuations and classification of the goods.

(10) Upon completion, the Free Zone Customs Command shall endorse the SGD and issue it to the importer.

(11) On receipt of the endorsed SGD, the importer shall pay the agreed duty to the Customs Designated Bank using Bank Pay-In-Slip, and the Bank shall provide the importer with a Custom Revenue Receipt.

(12) The importer shall then prepare a Customs Bill of Entering and submit same to the Free Zone Customs under the cover of the original request to release the revenue receipt and a copy of the endorsed SGD.

(13) If acceptable to the Free Zone Customs, the Bill of Entering shall be stamped and signed by the Free Zone Customs and the SGD shall again be endorsed.

(14) The service providers shall issue a Risk Assessments Report (RAR) upon satisfaction with the submitted documents to the Authority.

(15) The Authority shall issue a Delivery Order upon receipt of the Customs Release Order.

(16) Upon production of the Delivery Order by the Authority, the goods shall be released for delivery into the Customs Territory.

8.—(1) The following rules shall apply, where the Approved enterprise wishes to implement a duty scheduling system ("the system") whereby goods required for use on an urgent basis can be imported from the Zone with payment of Customs duty deferred to a later date.

Pre-release
of Goods
with
deferred
Duty
Payment/
Scheduling.

(2) To qualify for the System, the Approved Enterprise must comply with the following procedures—

(i) the Approved Enterprise shall establish a Custom Free Zone Guarantee with the Approved Enterprise's bank for an amount sufficient to cover the amount of Custom's duty that is expected to be outstanding at any one time ;

(ii) the Approved enterprise shall then submit an application for registration under the System to the Authority ;

(iii) where acceptable, the Authority shall counter signed the application and forward it to the Free Zone Custom for approval ;

(iv) if approved, the Authority shall open a secret "Cargotrack" System to recall Approved Enterprise's list of goods under the System.

9. The Authority may under arrangement with the Free zone Customs set up a duty payment system on monthly basis which allows the Approved Enterprise to pay duty at the end of the month for all the goods exported in the same month.

Customs
Duty
Payment
System on
Monthly
Basis.

10. The Procedure for exporting petroleum products or other special products from the Zone into the Custom Territory shall be as prescribed by the Authority or as may be agreed upon from time to time by Free Zone Customs with an Approved Enterprise.

Exporting
Petroleum
Products or
other Special
Products
from the
Customs
Territory.

11.—(1) To export goods from the Zone to a foreign territory by sea, the Approved Enterprise shall make an application in the form of a "Transaction Request Order" to the Authority.

Exporting
Goods to a
Foreign
Territory by
Sea.

(2) The application shall be accompanied with copies of the Bill of Lading, Commercial Invoices, Packing List and Export Declaration documents.

(3) The Authority shall issue a request to the Free zone Customs for examination of the goods. The application shall be authorised by the Free Zone Customs and an examination of the goods against the document submitted shall be physically carried out.

(4) Approval to release the goods and endorsement of the export declaration for export shall be issued to the Approved Enterprise or its agent.

(5) The Approved Enterprise or its agents shall forward the Customs release documents and Export Declaration documents to the Nigerian Ports Authority (NPA) for release and endorsement.

(6) The Authority shall request the NPA to deliver the goods to the relevant vessel. The NPA shall carry out the delivery of the goods upon payment by the approved Enterprise of all storage and handling charges.

(7) The goods delivered on board the vessel shall be tallied and reconciled to the vessel's manifest by the NPA. On completion, the captain of the vessel shall endorse the Export declaration Form for the Free Zone Customs as evidence of shipment.

(8) The Approved Enterprise shall receive a Bill of Lading evidencing the shipment of the goods on payment of all freight charges.

(d) The Approved Enterprise shall perfect an Export Bill of Entry with the Customs at the Customs Processing Centre (CPC) and present the same together with copies of the endorsed Export Declaration for final release by Customs.

Exporting
Goods to a
Foreign
Territory by
Air Freight.

12.—(1) To export goods by air, the Approved Enterprise shall make an application in the form of a "Transaction Request Order" to the Authority. The application shall be accompanied with copies of the Airway Bill, Commercial Invoices, Packing List and Export Declaration documents and—

(i) The authority shall complete the same procedures as exporting of goods by sea;

(ii) The Authority shall submit the Export Processing Zone Customs Release, Export Declaration duty endorsed by Customs and Aviation Handling Company release together with other cargo documents with an application to export goods to the Airport Customs for approval; and

(iii) The Airport Customs shall approve and the Approved Enterprise or his agents submit release documents to Aviation Handling Company for payment or statutory handling charges.

(2) The goods shall be released by the Export Processing Zone Customs and transported to the airport under Customs escort.

(3) The goods together with the Export Declaration shall be handled over to the airport Customs and aviation handling company officials, who shall tally the goods, load them onto the aircraft, sign and stamp the Export Declaration. The pilot of the vessel shall endorse the Export Declaration documents.

(4) The Approved Enterprise shall prepare an Export SGD attaching a copy of the stamped Export Declaration and other documents and submit them to the Free Zone Customs.

III. PROCEDURES FOR HANDLING GOODS THAT REQUIRE REPAIRS AND MAINTENANCE

13.—(1) An Approved Enterprise may apply to the Authority requesting repair of goods situated within the Customs Territory in the Zone.

Repairs or maintenance of goods from Customs Territory in the Zone.

(1) The application shall be made on a "Transaction Request Order" accompanied by a brief explanation of the reasons for the repairs and all relevant documents indicating the contract document or agreement to repair or maintain the equipment correspondence between the companies doing the business and duration of maintenance as may be required by the Authority.

(2) The Transaction Request Order shall contain necessary documents relating to the importation of the materials to be used for the maintenance.

(3) The Authority shall apply to the Free Zone Customs or P.I.A for examination of the returned to the Customs territory after repairs.

(4) The P.I.A. shall issue a C.R.I on the goods utilized on the repairs and the necessary duties, levies shall be paid, and the approved Enterprise or its agents shall perfect the entries (I.C.G.D) accordingly.

(5) For repairs and export to other countries, only Customs examination shall be carried out on the goods, other procedures for export shall follow on the utilized goods as prescribed above.

14.—(1) An Approved Enterprise may apply to the Authority requesting goods situate in the Zone to be repaired in the Customs Territory.

Goods for Repair, Refurbishment or Maintenance in the Customs Territory.

(2) The Authority shall issue a Request for repair of Free Zone Goods in Nigeria ("Request for Repair") enclosing information provided by the Approved Enterprise.

(3) The free Zone Customs shall examine the goods and release for repairs.

(4) Goods will then be released from the Zone with the approval documents.

(5) Customs duty will then be charged on the goods not returned within the time limit specified in the Approved Enterprise and approved by the Authority. Additional penalties may also be payable, where applicable.

(6) On completion of repairs and the delivery of the goods into the Zone, the goods will be examined against the original "Request for Repairs" and the goods will be returned to the Zone.

Procedures
for being
Transferred
from one
Approved
Enterprise to
another
Within a
Zone.

15.—(1) Where an Approved Enterprise wishes to sell to another Approved Enterprise goods situate in the Zone for the use in the Customs Territory, the Approved Enterprise purchasing the goods must first submit a "Transaction Request Order" to the Authority together with all documentation supporting the original transfer of the goods into the Zone.

(2) The transfer of goods shall be in accordance with procedures for importing goods from a Free Zone to the Customs Territory as set out in schedule with the old and the sales invoice together with invoice and operating of Form M.

(3) where an Approved Enterprise wishes to sell to approved Enterprise goods situate in the Free Zone to remain and use in the Free Zone, the Approved Enterprise wishing to sell the goods shall prepare a "Transaction Request Order".

(4) the "transaction Request must be submitted to the Authority together with a copy of the original commercial invoice covering the importation of the goods into the Zone and the new invoice raised in the Zone.

(5) Upon approval of the "Transaction Request Order" by the Authority and notification to the Free Zone Customs, the sale of the goods shall be completed.

Procedures
for the
Transfer of
Petroleum or
other special
Products
between
Approved
Enterprise.

16. The procedure for transferring petroleum products or other special products from one Approved Enterprise to another within the Zone shall be as prescribed by the Authority or as may be agreed from time to time by the Free Zone Customs with an Approved Enterprise.

Procedures
for Transfer-
ring Goods
between One
Free Zone
and Another.

17. Where an Approved Enterprise wishes to transfer goods from one Free Zone to another, the following procedures shall apply—

(i) The Approved Enterprise shall make an application in the form of a "Transaction Request Order" to the Authority ;

(ii) The application shall be accompanied with copies of the Bill of Lading, Commercial Invoices and Packing List ;

(iii) The Authority shall issue a "Transfer Request" to the Free Zone Customs for the examination of the goods ;

(iv) The Free Customs shall authorise the "Transfer Request" and carry out an examination of the goods against the documents submitted ;

(v) The Free Zone Customs shall give approval for the release of the goods ;

(vi) The authority shall issue a request to the NPA to deliver the goods to the relevant vessel upon payment of handling and freight charges by the Approved Enterprise (if goods are to be delivered by sea) or release the goods to the road hauler under Customs escort if the goods are to be transferred by road ; and

(vii) The Free Zone Customs escort shall return to the Zone an endorsed landing Certificate from the carrier.

IV. PERSONAL DUTY-FREE ALLOWANCE

18. Personal Duty-Free Allowance for a Nigeria Visitor or tourist shall be guided by the provisions of concessions as published by Nigerian Customs Service.

Personal
Duty-Free
Allowance.

V. MARKET CATERGORISATION FOR CUSTOMS DUTY

19.—(1) The target market for this category of goods includes Nigeria's business community comprising traders involved in import or export activities, wholesalers and retailers.

SFEPZ's
Market
Categorisation
for Custom
Duty
Consider-
ation.

(i) Nigerian importers may process a "Form M" through any authorised dealer bank, whether or not payment is involved ; and

(ii) Customs duty shall be levied on the goods at the appropriate rate by the NCS, at the point of exit from the Zone, unless there is an express exemption of the duty on such goods.

(2) Customs shall not be levied for export to destination outside Nigeria by the NCS at the point of exit from the Zone.

20.—(1) Goods for personal consumption may purchased within the Zone, imported or exported out of the Nigeria Customs Territory on the following conditions.

Importation
or Exporta-
tion of
Goods for
Personal
Consump-
tion.

2. A large proportion of this target market for SFEPZ currently import their goods from Europe, Asia and Middle-East and it is expected that the volume of trade within the Zone will provide a large enough market to serve the needs of this target market, resulting in substantial foreign exchange savings in travel expenses and hotel accommodation costs.

3. As this category of goods will be purchased in commercial quantities, the following shall apply—

(a) only the categories of goods that are not banned or prohibited by the Federal Government of Nigeria (FGN) will fall under this category ;

(b) Nigerian importers shall be require to process a Form 'M' through any authorised dealer bank, whether or not payment is involved ; and

(c) customs duty shall be levied on the goods at the appropriate rate by the Nigerian Customs Service (NCS), at the point of exit from the Zone, unless there is an express exemption of duty on such goods.

4.—(1) It is anticipated that a significant portion of trade from SFEPZ will boost exports and trading activities with traders along the West Africa coast who traditionally source their imports for their respective countries from the Middle-East and Far East and Far East Asia and this category of traders will constitute a large potential market for, with large or wholesale consignments being purchased from SFEPZ for export to destinations outside Nigeria.

(2) As this category of goods is for export to destinations outside Nigeria, the following shall apply—

(a) all the categories of goods traded in SFEPZ, whether or not the goods are banned or prohibited by FGN will under this category ; and

(b) customs duty shall not be levied on the goods by NCS at the point of exit from the Zone.

5.—(1) This category of goods can be purchased for consumption within SFEPZ, imported into the NCT or exported out of the NCT for personal consumption and the target market for this category of goods includes the following—

(a) West African shoppers and leisure seekers ;

(b) Nigerians ;

(c) expatriate resident in Nigeria ; and

(d) International

(2) As this category of goods is for personal consumption purpose only, the following shall apply—

(a) all the categories of goods traded in SFEPZ, whether or not the goods are banned or prohibited by FGN shall fall under this category ;

(b) the value of this category of goods (imported into the NCT) shall be guided by free zone passenger concession as published by the Nigeria Customs Service ;

(c) customs duty shall not be levied on such goods by NCS at the point of exit from the Zone ; and

(d) all other customs and licensing requirements that apply to goods imported into the NCT from other countries shall not apply to this category of goods including the processing of Form M.

(3) Apart from the complexities that will likely be associated with administering duty on such small items, the economic and employment benefit associated with the increased level of tourism and related economic activities

resulting from an increased number of domestic, West African and International visitors into the south-south region of the country far outweigh the value of duty form personal effects.

VIII. CUSTOMS PROCEDURE FOR BRINGING GOODS TO SEBORE FARMS EXPORT PROCESSING ZONE.

1. All cargoes brought into the Free Zone duty free must be consigned to a registered Enterprise in the Free Zone.

2. Consignee shall ensure that the Shipping documents (Bill of Lading or Airway Bill, Commercial Invoice, Packing List and Manifest) are properly documented within the Free Zone context in the following regard—

(a) Consignee's name on the Bill of Lading or Airway Bill and Shipping documents must be the same as registered by the Nigerian Export Processing Zones Authority (NEPZA):

(b) Consignee's address must read as follows:

SEBORE FARMS EXPORT PROCESSING ZONE MAYO-BELWA,
ADAMAWA STATE.

(c) The following phrase to be clearly imputed in the Bill of Lading or Airway Bill

"These goods are meant for SEBORE farms export processing zone Enterprise and exempted from Customs duty as enshrined in the Nigerian Export Processing Zones Authority NEPZA Act.

3. On perfection of shipping documents as informed above, the Consignee shall ensure that a Transaction Request Order (TRO) and perfected Shipping documents are forwarded to the Free Zone Management Company who will pass the documents onto the NEPZA Co-ordinator SFEPZ ratification. This request must reach the Free Zone Management Company at least 7 days before the arrival of the Cargo.

4. On confirmation of the TRO and accompanying Shipping Documents, the Free Zone Management Company through NEPZA will issue an Authorization Letter in care of the Consignee and her agent advising the Customs Area Comptroller (CAC) to release cargo to the Free Zone under customs Transire/Escort.

5. As soon as the CAC approves the Authorization, cargo is thereafter transferred to the Free Zone under Customs Escort. Upon arrival of the cargo, a joint physical examination is carried out on the cargo by the Free Zone management Company, NEPZA and the Customs Officers resident in SFEPZ.

The Cargo's Landing Certificate is thereafter endorsed by the free Zone Customs on confirmation of cargo and instruction is given to the Free Zone Management Company to move cargo to the appropriate stacking area.

THIRD SCHEDULE

NIGERIA IMMIGRATIONS SERVICE PROCEDURES FOR EXPATRIATE HIRED TO WORK IN THE SFEPZ.

The law requires that prior to entry into Nigeria by sea/air/road all foreigners; except they are ECOWAS nationals, shall obtain Visas from Nigeria's Missions in their country of origin. There are various types of Visas that are obtainable at Nigerian Missions in various countries issued for specific purposes.

Usually, Business/Tourist visas permit expatriates to stay not more than thirty (30) days except where the visa is extended before the time originally allowed expires. Business/Tourist visas are not extended to more than three (3) months.

Basically we are concerned about Temporary Work Permit (TWP) and Residence Visa known as *Subject To Regularization visa* (STR).

1. *TWP Visa* is issued to expatriates coming to do specialized jobs for a short duration ; such as installation/repairs of machinery, feasibility studies, auditing of accounts, training, commissioning of projects, control of natural disaster, oil spillage, etc.

1.1. *Requirement for TWP visa—*

(i) Formal application by sponsor to the Comptroller General of the Nigeria Immigrations Service stating passport details of the expatriate, purpose of visit and affirmation of acceptance of immigrations responsibilities ;

(ii) Company statutory documents ;

(iii) Evidence of purchase of equipment, contract award, etc ;

(iv) Cable approval from the Comptroller-General of the NIS ;

(v) Valid travel document (valid international passport) ;

(vi) Return flight ticket ;

(vii) Completed form Imm.22 with passport photographs affixed ;

(viii) Approved visa fee (*where applicable*)

2. *RESIDENCE - STR (Subject to Regularization) Visa—*All foreigners coming to reside in Nigeria to work, school or accompany spouse/parents; shall arrive the country with an STR visa obtainable at Nigeria Mission in their respective countries.

2.1. *Requirements for issuance of STR visa—*

(i) Formal application for STR visa made by employer to NEPZA and NEPZA forwards application to the Nigerian Mission abroad closest to the subject's country of origin indicating job position, nationality and acceptance of immigrations responsibilities on behalf of the expatriate. This letter should be accompanied by a support letter from the Authority/Zone Management.

- (ii) Completed forms Imm.22 (visa application form) with passport photographs affixed ;
- (iii) Valid international passport/other travel document ;
- (iv) Photocopies of educational qualifications and CV of previous work experience ;
- (v) Original certificates for sighting ;
- (vi) Letter of Offer of employment stating terms and conditions ;
- (vii) Acceptance of offer by employee ;
- (viii) One way flight ticket ;
- (ix) Approved visa fee (as applicable).

It is also pertinent to note that dependents wishing to join the principal immigrants would follow similar procedure and would be required to provide statutory document(s) to prove relationship with the principal immigrants.

On arrival in Nigeria all foreigners are procedurally required to submit themselves for clearance and regularization to the Nigerian Immigrations Services (NIS). Also Nigerian Export Processing Zone Authority (NEPZA) is to work in consultation with the NIS to oversee the permit of foreigners in the Free Zones.

REGULARIZATION OF STAY—All foreigners residing in Nigeria must regularize the stay by obtaining Combined Expatriates Residence Permit and Aliens Card (CERPAC).

1. Requirement for CERPAC—

1.1. Formal application within three (3) months of arrival to the Free Zone Immigration Service for regularization stating post to be occupied, nationality and acceptance of immigrations responsibilities ;

1.2. Valid STR visa

1.3. All other documents received from Nigerian Mission in expatriate's country of origin as in 2.1 above.

1.4. Board of Directors' resolution for top management positions, e.g. Director, Managing Director, etc,

1.5. Approved visa fee

CERPAC may also be procured for principal immigrant's dependents who might wish to join their husbands, wives, parents, etc, as the case may be.

RESIDENCES

1. Free Zone expatriates shall be allowed to reside in or outside the Free Zones.

2. Free Zone expatriates' register shall be maintained for all Free Zone expatriate residing in/or outside the Free Zones ;

3. The register shall contain specific information such as; name, nationality, employer, CERPAC number and validity period and place of residence.

RE-ENTRY VISA

1. Formal application to the Authority/Zone Management and NIS by employer/sponsor accepting immigrations responsibilities ;

2. Completed Re-entry visa application form Imm.22(a)

3. Approved fee where applicable

EXPATRIATE QUOTA—All approved Enterprises are exempted from Expatriate Quota.

FEES : Fees for immigrations services shall be levied in Unite States Dollars (US\$) currency.

FOURTH SCHEDULE

EFFLUENT LIMITATION GUIDELINES :

S/N	Parameter	Limit for Discharge into Surface Water	Limit for Land Application
1.	Temperature	>40o within 15m of outfall	>40
2.	Colour (Lavibond Units)	7	-
3.	Ph	6-9	6-9
4.	BOD 5 at 20%	30(30)	50(50)
6.	Total dissolved solids	2,000	2,000
7.	Chloride (as Cl)	6,000	6000
8.	Sulphate (as SO ₂)	500	1,000
9.	Suiphide (as S ₂)	0.2	-
10.	Cyanide (as CN)	0.1	-
11.	Detergents (LASO)	15	15
12.	Oil and Grease	10	20(20)
13.	Nitrate (as NO ₃)	20	-
14.	Phosphate (PO ₄)	5	10
15.	Arsenic (as As)	0.1	-
16.	Barium (as Ba)	5	5
17.	Tin (as Sn)	20	10
18.	Iron (Fe)	20	-
19.	Manganese (as Mn)	5	-
20.	Phenolic Compounds	0.2	-
21.	Chlorine (free)	10	-
22.	Cadmium (trivalent And hexvalent)	>1	-
23.	Copper	>1	-
24.	Lead	>1	-
25.	Mercury	0.05	-
26.	Nickel	>1	-
27.	Selenium	>1	-
28.	Silver	0.1	-
29.	Zinc	>1	-
30.	Total Metals	3	-
31.	Calcium (as Mg ₂)	200	-
32.	Magnesium (as Mg ₂)	200	-
33.	Boron (as B)	5	5
34.	Alkyl Mercury Compounds	Not detected	Not detected
35.	Polychlorinated Biphenyl	0.003	0.003
36.	Pesticides (Total)	>0.01	>0.01
37.	Alpha emitters uc/ml	107	-
38.	Beta emitters, uc/ml	104	-
39.	Coli form (daily average)	40 MPN/100ml	500MPN/100ml
40.	Suspended Fibre	-	-

Note : Units in Milligram Per litre (mg/l) unless otherwise stated.