



# MINISTRY OF **INTERIOR**

FEDERAL REPUBLIC OF NIGERIA

# EXPATRIATE EMPLOYMENT LEVY



HANDBOOK



NIGERIA  
IMMIGRATION  
SERVICE



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# 1.0

## INTRODUCTION TO EXPATRIATE EMPLOYMENT LEVY

- 1.1 The Expatriate Employment Levy (EEL) is a government-mandated contribution imposed on employers who employ expatriate workers in Nigeria. It stands as a fiscal measure designed to address certain socio-economic considerations within a country.
- 1.2 As imported workforce continues to grow internally, the Federal Government of Nigeria (FGN) deemed it important to implement the EEL, that seeks to balance economic growth, social equity, and workforce development. Precisely, the EEL seeks to balance the benefits of expatriate employment with the protection of Nigeria's local labour markets and resources.
- 1.3 This handbook aims to provide relevant information to all stakeholders on the EEL and insights into its purpose, mechanics, implications, and compliance requirements.

# 2.0

## OBJECTIVES OF THE EEL

2.1 The objectives of the EEL include but are not limited to the following:

### 2.1.1 **To Promote Skill Transfer and Knowledge Sharing**

2.1.1.1 One of the underlying objectives of the EEL is to promote knowledge and skill transfer from expatriates to local employees. By attaching a financial commitment to the employment of expatriates, government encourages employers to actively engage in training and mentorship programmes. This facilitates the development of local talents, thereby strengthening the domestic workforce over time.

### 2.1.2 **To Balance Economic Growth and Social Welfare**

2.1.2.1 EEL provides a balance between encouraging Foreign Direct Investments, and safeguarding the interests of local workers. In this regards, EEL ensures that while expatriate workers contribute to economic development, the rights and opportunities of local employees are not compromised.

## **2.1.3 To Enhance Collaboration Between Public and Private Sectors**

2.1.3.1 EEL encourages collaboration between government entities, industry associations, business stakeholders as well as provides need for continuous dialogue and consultation between the Public and Private sectors while channeling policymaking towards addressing the needs of various sectors and fulfilling broader national goals.

## **2.1.4 To Address Demographic Shifts**

2.1.4.1 Demographic changes, such as aging population or shortage of skilled labour also motivated the implementation of the EEL thereby encouraging businesses to prioritize local talent acquisition and invest in workforce development initiatives, and ultimately safeguarding the nation's long-term economic prosperity.

# 3.0

## ELIGIBILITY, SCOPE AND EXEMPTIONS

### **3.1 For Employers**

3.1.1 Employers are liable to pay the EEL. Employers encompass businesses of varying sizes operating in Nigeria, including multinational corporations, small and medium-sized enterprises (SMEs), and other entities engaging expatriate talents.

### **3.2 For Expatriate Workers**

3.2.1 Expatriate workers subject to the EEL are those who are non-citizens employed within Nigeria. Expatriate workers may also encompass individuals on specific types of work permits, visas, or other temporary residency arrangements.

### **3.3 Scope of Industries Covered**

3.3.1 The EEL covers the private sector industries that utilizes foreign workforce or rely on expatriate labour, such as Construction, Information and Communication Technology (ICT), Agriculture, Manufacturing, Oil & Gas, Telecommunication, Services, Banking and Finance, Maritime and Shipping and Healthcare e.t.c. Any



company/organization that engaged expatriate talents is subject and liable to pay the EEL.

### **3.4 Duration of Residency/Employment**

3.4.1 Expatriate workers employed for duration not less than 183 days within a year, shall be liable to pay the EEL on an annual basis. The duration shall be calculable on aggregate and shall not be construed to mean 183 days or more spread over a period not exceeding one (1) fiscal year.

### **3.5 EEL Applicability**

3.5.1 Certain events or employment circumstances may warrant the application of the EEL. This could include the issuance of Work/Residence Permits, the renewal of employment contracts, or the change of an expatriate's status from visitor to employee, as the case may be.

### **3.6 Cross-Border Assignment and Secondment**

3.6.1 In case of a cross-border assignment or secondment, where expatriates temporarily work in a foreign country, such employer shall be liable to pay the EEL where the expatriate involved occupies a Quota Position in a Company operating in Nigeria.

### **3.7 Temporary Workers**

3.7.1 This refers to expatriates that have obtained Temporary Work Permits to work in Nigeria on Seasonal and Short-Term Employment. Aggregate number of days spent in Nigeria of 183 days or more

spread over a period of one (1) fiscal year shall serve as guide to determine the eligibility of an expatriate liable to pay the EEL.

- 3.7.2 In the case of expatriates that may have entered to work in Nigeria on Seasonal and Short-Term Employment for different companies, they shall not be required to pay the EEL except there is an aggregate of 183 days spent in Nigeria within a fiscal year while working for different companies. However, the last employer which bears Immigration Responsibility on behalf of such expatriate shall be liable for payment of the EEL when it becomes due.

### **3.8 Exemptions:**

- 3.8.1 The EEL payment does not apply to all accredited staff of Diplomatic Missions and government officials.
- 3.8.2 Refer to the Nigeria Immigration Service for an approved list of other exempted organizations or persons.

# 4.0

## ROLE OF THE NIGERIA IMMIGRATION SERVICE (NIS)

- 4.1 The NIS being the government agency saddled with the statutory mandate of “control of persons entering and leaving Nigeria” amongst other duties as provided in the Immigration Act, 2015, shall be responsible for the following: -
- i. Determining which expatriate(s) fall within the EEL purview.
  - ii. Enforcing the levy in line with the provision of the Immigration Act, 2015 and the extant Nigeria Visa Policy.
  - iii. Utilizing the data generated from the EEL project for the purpose of enhancing Nigeria's national security and economic interest in line with relevant legal provisions.

# 5.0

## REPORTING AND COMPLIANCE

### 5.1 GOVERNMENT RESPONSIBILITIES

#### 5.1.1 Provision of Online Reporting Platform(s):

5.1.1.1 Government will provide online platforms for employers to report expatriate employment details electronically. These platforms will streamline the reporting process and facilitate efficient data exchange between employers and Government Agencies.

#### 5.1.2 Compliance Audits:

5.1.2.1 Government Agencies responsible for EEL enforcement may conduct compliance audits to verify the accuracy of reported information. Employers should, when requested, provide supporting documentation and cooperate with audit processes.

#### 5.1.3 Cross-Checking Information:

5.1.3.1 Government agencies may cross-check reported information with data from other sources, such as Immigration records, Tax filings, etc. Ensuring

consistency across all records is vital for compliance.

## **5.2 EMPLOYERS' RESPONSIBILITIES**

### **5.2.1 Maintaining Comprehensive Records:**

5.2.1.1 Employers are typically required to maintain comprehensive records related to expatriate employees. These records may include employment contracts, salary details, work permits, and other relevant documentation.

### **5.2.2 Timely Reporting:**

5.2.2.1 Timely reporting of expatriate employment details is crucial for accurate EEL calculation. Employers must provide updated information to Government agencies within specified timeframes, which may coincide with payroll cycles or employment contract renewals.

### **5.2.3 Notification of Changes:**

5.2.3.1 Employers should promptly notify relevant Government Agencies of any changes in expatriate employment circumstances. This includes changes in job roles, salary, employment duration, and other significant factors that may impact EEL calculation.

### **5.2.4 Filing Deadlines:**

5.2.4.1 Filing deadlines for reporting expatriate employment details are critical. Employers should be aware of these deadlines and ensure that they

submit the required information within the stipulated time frames.

### **5.2.5 Training and Awareness:**

5.2.5.1 Employers should consider providing training and awareness programmes for their Human Resource (HR) and Payroll teams to ensure that they are well-informed about EEL reporting requirements and compliance measures.

## **5.3 EXPATRIATES' RESPONSIBILITY**

### **5.3.1 Expatriate Compliance:**

5.3.1.1 Expatriates should ensure that their personal information and employment details are accurately reported to employers and Government. Providing accurate information helps employers fulfill their reporting obligations.

# 6.0

## OFFENCES AND SANCTIONS/PENALTIES:

- 6.1 Inaccurate or incomplete reporting can lead to penalties. It is essential for employers to ensure that the information provided is accurate and up-to-date to avoid unnecessary financial and reputational risks. By virtue of Section 56(5) of the Immigration Act, 2015, any person (individual or corporate entity) who makes or causes to be made to an Immigration Officer, any return, statement or representation which he knows to be false or does not believe to be true shall be liable to imprisonment for a term of five (5) years or a fine of N1,000,000 or both.
- 6.2 Further sanctions/penalties shall apply based on the provisions of Regulation 52(6) of the Immigration Regulations, 2017.

### 6.3 Details of Offences and Sanctions/ Penalties

S/N	Offence	Details	Penalty
1.	Failure of a corporate entity to file EEL.	Failure of a corporate entity to file EEL within thirty (30) days.	Liable to a fine of Three Million Naira (N3,000,000)
2	Failure to register new employees within the stipulated time.	Failure to register employee within thirty (30) days.	Liable to a fine of Three Million Naira. (N3,000,000)
3	Submitting forged information in the EEL	Falsification of information on EEL	Liable to a fine of Three Million Naira (N3,000,000)
4	Failure in renew EEL before the expiry date	Failure of a corporate entity to renew EEL within thirty (30) days.	Liable to a fine of Three Million Naira (N3,000,000)



# 7.0

## PROCEDURE FOR PAYMENT

### **7.1 Procedure For EEL Payment:**

- 7.1.1 Log in to EEL portal [www.eel.interior.gov.ng](http://www.eel.interior.gov.ng) and follow the defined steps to pay.

# 8.0

## FREQUENTLY ASKED QUESTIONS

### **8.1 What is the Expatriate Employment Levy (EEL)?**

8.1.1 The EEL is a financial contribution imposed on employers who hire expatriate workers. This Levy which is mostly on the off-shore earnings of expatriates working in Nigeria aims to balance economic growth and workforce development by ensuring equitable contributions from expatriate employment.

### **8.2 Who is Eligible for the EEL?**

8.2.1 Eligibility varies depending on factors like industry, expatriate's role, and duration of stay or employment in Nigeria. Non-citizen or non-resident expatriates that occupy Quota positions or engaged by means of Temporary Work Permit usually fall within the EEL's scope.

### **8.3 How much is the EEL?**

8.3.1 Employers of Expatriates covered by the EEL are required to pay 15,000 (USD) for Directors and 10,000 (USD) for other categories of expatriates.

## **8.4 Are There Exemptions from the EEL?**

8.4.1 All Staff of Diplomatic Missions, government officials and International Agencies accredited to Nigeria as well as the dependents of all the categories of Expatriates in Nigeria are exempted from payment of the EEL. However, this exemption shall not apply to Dependants that are confirmed to be engaged in any employment while resident in Nigeria.

## **8.5 How Often is the EEL Paid?**

8.5.1 EEL payment is annually.

## **8.6 Does the EEL Apply to Short-Term Employments?**

8.6.1 Expatriates engaged in Short-term Employments/Assignments may be exempted from the EEL, provided the duration of such employment/engagement is cumulatively less than 183 days in one (1) fiscal year, from the date of entry into Nigeria for such employment/engagement.

## **8.7 How Can Employers Ensure Compliance with EEL Reporting?**

8.7.1 Employers can ensure compliance by maintaining accurate records, submitting timely reports, and adhering to reporting deadlines. Employing digital reporting platforms can streamline the process.

## **8.8 How Can an Employee be replaced in the existing EEL?**

8.8.1 Employers can reallocate positions of employees who have left the company/organization to new

employees without any charge till the existing EEL validation. The EEL portal allowed unlimited change within the validation period.

## **8.9 What Resources Can Employers and Expatriates Access?**

8.9.1 Government websites, official guidelines, online calculators, and industry associations often provide resources for understanding EEL regulations, calculations, and compliance procedures.

## **8.10 Help Desk Queries**

### **8.10.1 Help Desk Can Address All Questions, Clarifications, Levy Calculations and Any Other Matters.**

#### **Help Desk:**

Registration: [www.eel.interior.gov.ng](http://www.eel.interior.gov.ng)

Enquiries:

Email: [contactus@eel.interior.gov.ng](mailto:contactus@eel.interior.gov.ng)

Help Line: +234 708 064 7200



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**FOR EEL ENQUIRIES:**  
Visit [www.eel.interior.gov.ng](http://www.eel.interior.gov.ng)