

# **INVESTOR'S GUIDE:**

## Doing business in Nigeria

August 2024



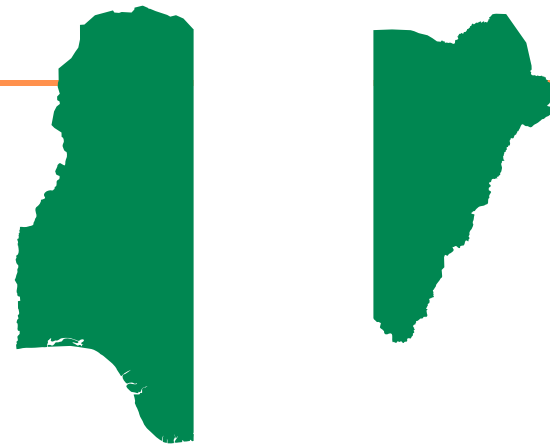
# + OUTLINE

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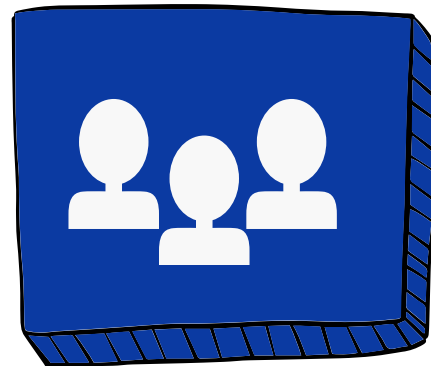
- ▶ The document is a general guide for foreign investors who intend to establish a new business in Nigeria, Western part of Africa.

TjThTh



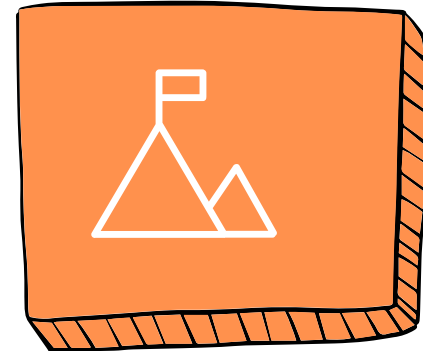


# NIGERIA



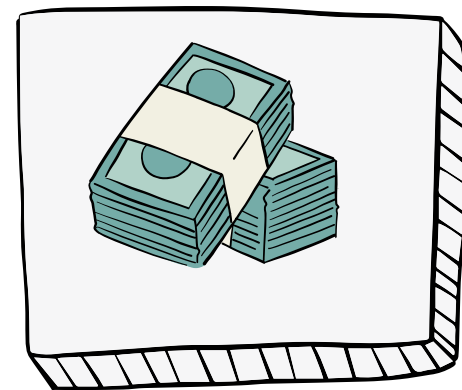
Population:  
229,152,217

Area:  
923,768 sq. km



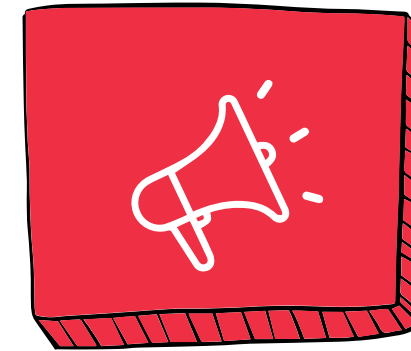
Capital:  
Abuja

Political  
system:  
Presidential



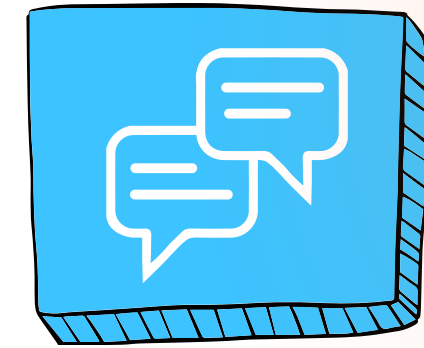
GDP/capita  
(2024): \$1,087.89

Currency:  
Naira (NGN)



Language:  
English

Key ethnic  
groups:  
Igbo, Yoruba,  
Hausa



ISO Code:  
NGA

Telephone code:  
+234

# COUNTRY PROFILE

## Nominal Gross Domestic Product:

NGN 18.28 trillion (NBS - Q1 2024)



## Top three sectors:

- Crop Production - 19.24%
- Trade - 15.7%
- Telecommunications & Information Services - 14.58%

NBS - National Bureau of Statistics

CBN - Central Bank of Nigeria

- ▶ Inflation rate: 34.19%  
(CBN - June 2024)
- ▶ Monetary policy rate: 26.75%  
(CBN - July 2024)
- ▶ Exchange rate: ₦ 1,591.58 / 1 USD \$  
(CBN - August 2024)
- ▶ Economic hubs: Lagos, Rivers, Ogun, Delta, Oyo, and Kaduna states and Abuja.

# PHASES



# PHASE ONE



## **Business Model**

Type of business to start considering preference, skills, funding requirements,

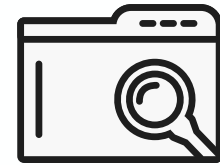


## **Research**

In-depth review of the market size, key competitors, and expert opinion on setting up an entity in Nigeria

# PHASE TWO

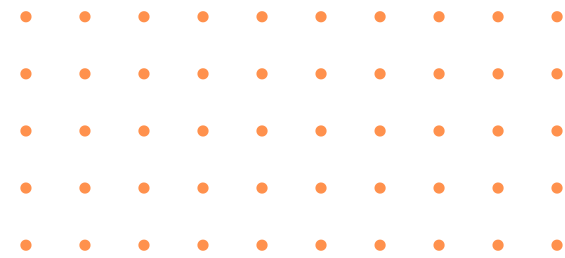
## ▶ Incorporation



- Conduct a public search for businesses in Nigeria on the Corporate Affairs Commission (CAC) website
- Reserve the preferred business name with CAC
- Register the new business using the CAC online portal

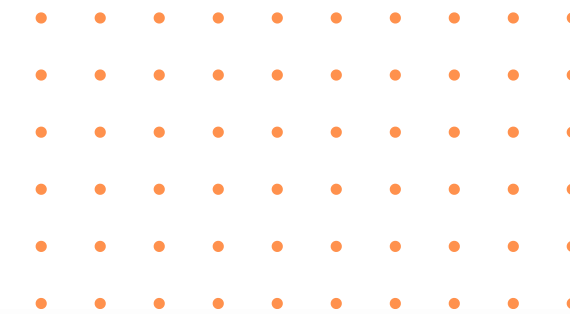


# PHASE THREE



## **Nigeria Investment Promotion Commission (NIPC):**

Regulates foreign investment in Nigeria.  
Issues Business Registration Certificate.



## **Federal Ministry of Interior:**

Issues Business Permit and Expatriate Quota to businesses with foreign participation.

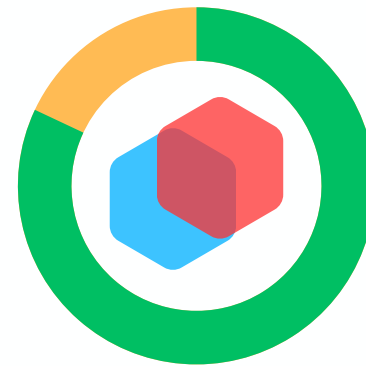
## **Nigerian Immigration Service:**

Issues CERPAC (Combined Expatriate Residence Permit and Aliens Card) to foreigners living in Nigeria.



## ▶ **Industry-specific permits**

1. National Agency for Food and Drug Administration and Control (NAFDAC)
2. Central Bank of Nigeria (CBN)
3. Federal Competition and Consumer Protection Commission
4. Securities and Exchange Commission
5. Department of Petroleum Resources



## ▶ **General requirements**

- Registration with the Federal Inland Revenue Service and relevant State tax authorities
- Opening of corporate bank account
- Appointment of external auditors

## ▶ **Specific licenses / approvals**

1. Copyright registration - Nigerian Copyright Commission
2. Trademark / Patent / Design registration  
- Commercial Law Department, Federal  
Ministry Of Industry, Trade And  
Investment
3. Construction approval, customs clearance
4. Professional license and approvals relevant to the industry



# PHASE FOUR

## ▶ **Employment Law**

Relates to employees or workers. Covers Labour Act, Pension Reform Act, Employee Compensation Act, Immigration Act, Trade Unions Act, Factories Act, National Housing Fund Act, and Industrial Training Fund Act.

## ▶ **Nigeria Data Protection Regulation**



Guides the use of personal data by companies.



▶ **Environmental Impact Assessment**

Early-stage approval from the Environmental Assessment Department is required for activities or projects that will significantly affect the environment.

▶ **Corporate Governance**

Code of corporate governance for regulated businesses.

## **PHASE FIVE**

### **Compliance with local regulations:**

Includes financial reporting,  
monthly and annual returns  
to regulatory bodies.



## Capital repatriation

A certificate of capital importation (CCI) from CBN is required to repatriate funds at the official rate.



Setting up a new business entity in Nigeria can be overwhelming.

Consultation with experts will enable an investor to make an informed decision.

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