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**NIGERIA EXPORT PROCESSING ZONES ACT,  
CAP. N107 LAWS OF THE FEDERATION OF NIGERIA, 2004  
ALARO CITY FREE ZONE REGULATIONS, 2022**



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S. I. No. 55 of 2022

**NIGERIA EXPORT PROCESSING ZONES ACT,  
CAP. N107 LAWS OF THE FEDERATION OF NIGERIA, 2004  
ALARO CITY FREE ZONE REGULATIONS, 2022**

[7th Day of July, 2022]

Commence-  
ment.

**In exercise of the powers conferred on it by section 27 of the Nigeria Export Processing Zones Act, Cap. N107, Laws of the Federation of Nigeria, 2004 (“the Act”) and all other powers enabling it in that behalf, the Nigeria Export Processing Zones Authority, with the approval of the Minister, makes the following Regulations—**

## PART I—OBJECTIVES AND APPLICATION

**1.** The objectives of these Regulations include, to—

Objectives

(a) complement and enhance the application of the provisions of the Act as it relates to the area being developed and managed by Alaro City Development FZC in the Northwest Quadrant, Lekki Free Zone (“Alaro City Free Zone” or “the Free Zone”);

(b) provide details of regulatory and supervisory requirements necessary to promote efficient and profitable operations in the Zone; and

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

**2.—(1)** These Regulations shall—

Application.

(a) apply to operations and approved activities relating to the Alaro City Free Zone located in the Northwest Quadrant of the Lekki Free Trade Zone area of Lagos State and currently measuring approximately 1,000 hectares of land as described under the First Schedule to these Regulations, which area may be extended by the appropriate authorities, from time to time;

(b) apply to corporate entities, statutory bodies and individuals operating within the Free Zone;

(c) supplement the provisions of the Investment Procedures for Regulations and Operational Guidelines for Free Zones in Nigeria, 2004 (as amended) or any other Regulations, rules, official directives, or guidelines issued by the Authority; and

(d) take precedence over any previous Regulations, rules, guidelines, directives or practices as it relates to the areas known as Alaro City Free Zone.

(2) The Lekki Free Trade Zone Regulations, Statutory Instrument No. 19 of 2010 or any other subsequent Regulations or guidelines amending, revoking or replacing such Regulations or guidelines in the Lekki Free Trade Zone shall not apply to the areas known as Alaro City Free Zone.

PART II—ZONE DESIGNATION

Designation.           **3.**—(1) The Lekki Free Zone was designated by the President of the Federal Republic of Nigeria as a Free Zone on the 4th day of December, 2008.

(2) Northwest Quadrant Free Zone, now known as Alaro City Free Zone, was demarcated out of the Lekki Free Zone, registered and licensed as a Free Zone on the 3rd day of April, 2018.

(3) Northwest Quadrant Development FZC registered and licensed as a Free Zone Development and Management Company by the Authority on the 3rd day of April, 2018 but changed its name to Alaro City Development FZC on the 3rd day of April, 2020.

PART III—THE ZONE MANAGEMENT

Management of the Zone.           **4.**—(1) Alaro City Development FZC (“the Zone Management”) is licensed by the Authority and vested with the exclusive right, power and responsibility to—

- (a) manage, supervise, operate and administer the Alaro City Zone ; and
- (b) perform such other duties, functions and exercise powers and responsibilities as may be delegated to it under the Act and these Regulations by the Authority, from time to time.

(2) The Zone Management is a body corporate, with perpetual succession and a common seal; and may sue and be sued in its corporate name and is capable of acquiring, holding, or disposing of any property, movable or immovable for the purpose of carrying out its functions.

Board of Directors and the Chief Executive Officer.           **5.**—(1) The Zone Management shall have a Board of Directors (“the Board”) which shall comprise of —

- (a) the Chief Executive Officer (CEO)/Managing Director ; and
- (b) such number of directors or officers to provide for balance of skills, competence, diversity, gender and experience for an effective management of the Zone.

(2) The Chief Executive Officer (CEO)/Managing Director shall be responsible for the day-to-day management of the Zone.

Documentation of appointment of the CEO.           **6.** The Zone Management shall, on the appointment of its CEO and upon any subsequent changes in the appointment, transmit the notice of appointment with the following documents to the Authority for documentation—

- (a) recent passport photograph ;
- (b) letter of appointment ;
- (c) means of identification ;
- (d) specimen signature ; and
- (e) any other document as may be required by the Authority, from time to time.

7. The functions of the Zone Management are to—
- (a) administer, manage and develop the Zone ;
  - (b) grant and issue, with the consent of the Authority—
    - (i) licences to Free Zone Enterprises (“FZEs”) in respect of approved activities in the Zone, and
    - (ii) permits and other forms of approvals to any other business entities or persons having legitimate reasons or business concerns to enter or remain in the Zone ;
  - (c) promote, market and attract investors into the Zone ;
  - (d) formulate investment promotion policies and strategies in the Zone on behalf of the Authority ;
  - (e) recommend additional incentives and measures to the Authority for consideration in accordance with the provisions of the Act ;
  - (f) coordinate and monitor the operations and activities of FZEs within the Zone ;
  - (g) maintain a Free Zone Registry to receive, keep and maintain records of all approved FZEs, Licensees and other entities operating within the Zone ;
  - (h) act as liaison between the Authority and FZEs on matters relating to zone operations or affecting the FZEs ;
  - (i) impose and collect management, development and other fees as the Authority may approve for the provision of services in the Zone ;
  - (j) issue, review and publish the schedule of applicable fees, tariffs and charges in the Zone as approved by the Authority, from time to time ;
  - (k) provide, in collaboration with the Authority, adequate measures for security of lives, property, facilities and any incidental services in the Zone ;
  - (l) protect the rights of Free Zone Residents (“FZR”) and employees, and support their enforcement ;
  - (m) ensure compliance with undertakings contained in employment contracts within the Zone ;
  - (n) facilitate the resolution of trade disputes between FZEs, other entities and persons in the Zone ;
  - (o) file appropriate returns as provided under the Act and in these Regulations ;
  - (p) take necessary measures aimed at providing suitable and conducive business environment in the Zone ;
  - (q) issue operational rules, directives, standards, policies and guidelines for the effective management of the Zone, with the approval of the Authority ; and
  - (r) perform such other duties and functions as may be delegated to it by the Authority or may give effect to the provisions of these Regulations and the Act.

PART IV—FREE ZONE REGISTRY AND REGISTRATION OF  
FREE ZONE ENTERPRISE

Establishment  
of a Free  
Zone  
Registry.

**8.—(1)** The Zone Management shall establish and administer a Free Zone Registry (“FZ Registry”) which shall maintain registers and keep records of documents relating to the registration, licensing, administration and financial activities of the FZEs in the Zone.

(2) The registers to be maintained by the Free Zone Registry shall include—

- (a) FZEs in the Zone ;
- (b) Approved Activities within the Zone ;
- (c) Licences granted in respect of respective Approved Activities;
- (d) residents within the Zone ;
- (e) declarations, resolutions or documentations made under these Regulations ;
- (f) information relating to the winding up of any FZE in accordance with these Regulations ;
- (g) other entities and service providers operating within the Zone ; and
- (h) other records as may be required by the Zone Management or the Authority in accordance with the provisions of the Act and these Regulations, from time to time.

Disclosure  
of  
information.

**9.—(1)** The Zone Management may, in consultation with the Authority, disclose such information in relation to FZEs, Licensees and other entities and activities in the Zone as any government institution or official may request.

(2) An FZE shall furnish information required of it, including information on its audited accounts in such details and number of copies as the Zone Management may require, from time to time.

(3) An FZE shall not provide, file or submit information directly to Government Ministries, Departments and Agencies without the prior written consent of the Zone Management and the Authority.

Procedure  
for  
registration  
of an FZE.

**10.—(1)** An entity proposing to operate in the Zone shall be registered as an FZE and shall apply for a Licence to undertake an Approved Activity in accordance with the provisions of section 9(1) of the Act.

(2) Application for registration as an FZE shall be made in the prescribed form to the Authority through the Zone Management and shall include—

- (a) an application letter for registration from the proposed FZE to be addressed to the Authority through the Zone Management ;
- (b) a set of duly completed incorporation forms to be procured from the Authority through the Zone Management ;
- (c) the memorandum and articles of association of the proposed enterprise ;

(d) a copy of the board resolution of the applicant permitting the establishment of the proposed FZE, where the Applicant is a Company ;

(e) means of identification of the directors, shareholders or members of the proposed enterprise, including their —

(i) full names,

(ii) contact details, and

(iii) nationality ;

(f) a feasibility report or business plan showing the objectives of the proposed enterprise within the Zone, which shall contain—

(i) project description,

(ii) market survey,

(iii) funding proposals,

(iv) investment and five-year financial projections,

(v) environmental impact statement, and

(vi) such other details as may be prescribed by the Authority through the Zone Management ;

(g) completion of the Know Your Customer (KYC) requirements by the proposed FZE ;

(h) in the case of corporate promoters or corporate shareholders in a proposed FZE, the resolution of the board of directors of such corporate entity approving participation of the corporate promoter or shareholder in the FZE ;

(i) where the information submitted shows that the proposed enterprise is a subsidiary of a parent company, the board resolution of that parent company authorising the registration of the proposed enterprise ; and

(j) evidence of payment of a non-refundable registration fee to the Zone Management in line with applicable tariff approved by the Authority.

**11.—(1)** Where the requirements for registration have—

(a) been complied with, an FZE shall submit a Statement of Compliance in the prescribed form to the Zone Management ; and

(b) not been complied with, the Zone Management shall notify the FZE of the non-compliance, and request the FZE to remedy the default within 21 days.

(2) The Authority reserves the right to accept or refuse the declaration within 14 days of receipt and shall, through the Zone Management, inform the applicant of the refusal and ground for refusal.

**12.—(1)** The Authority may approve, register and issue a certificate of registration to the applicant as an FZE in Nigeria on terms and conditions as it thinks fit, subject to the provisions of the Act and these Regulations.

Statement of compliance.

Approval and issuance of certificate of registration.

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(2) Upon registration as an FZE, the Zone Management shall cause relevant details concerning the FZE to be documented in the Free Zone Registry.

(3) An FZE shall be deemed to have been formed and operational upon being issued a certificate of registration.

Refusal to register an FZE.

**13.** The Authority may refuse to register an FZE within the Zone in accordance with the provisions of the Act and these Regulations.

Objects of an FZE.

**14.** The objects of an FZE shall be in line with the list of Activities approved by the Zone Management and the Authority.

Powers of an FZE.

**15.** An FZE shall have power to—

(a) undertake an approved activity granted by the Zone Management with the consent of the Authority ;

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

(c) enter into banking and financial transactions ;

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

(e) make, alter or dispose of any investment, whether or not within Nigeria, in relation to its business.

Status of an FZE.

**16.** An FZE —

(a) shall be a body corporate, with perpetual succession and a common seal registered under Nigerian law ;

(b) may sue or be sued in its corporate name ; and

(c) may acquire, hold or dispose of any property, movable or immovable, for the purpose of carrying out its objectives.

Seal.

**17.** An FZE may have a seal for the purpose of entering into contracts or other agreements and shall have its name engraved in legible characters on the seal.

Name.

**18.—(1)** The name of an FZE operating within the Zone shall end with the acronym “FZE”.

(2) An FZE shall not be registered with a name which is not approved by the Zone Management and the Authority.

(3) An FZE may change its name by a declaration or resolution made by its owner, proprietors or shareholders for the proposed new name, subject to approval by the Zone Management and the Authority.

(4) The new name of an FZE shall be entered in the Free Zone Register and a certificate of change of name shall be issued and recorded by the FZ Registry.

(5) A certificate of change of name shall specify, among other things, the date of registration of the new name in the FZ Registry and the name shall take effect from the date of registration.

(6) The change of name of an FZE shall not affect any existing rights or obligations of the FZE or render defective any legal proceedings by or against the FZE in its former name.

**19.—(1)** An FZE shall have its registered address in the Zone to which all communications may be addressed. Registered Address.

(2) Details of the registered address and any change to the address shall be—

- (a) communicated to the Zone Management within 14 days ; and
- (b) entered into the Free Zone Register.

(3) An FZE may, in addition to its registered address in the Zone and subject to approval of the Authority through the Zone Management, maintain a correspondence address in the Customs Territory.

**20.** An FZE shall, at all times affix its name in legible letters on a conspicuous position outside its place of business, as the Zone Management may specify. Sign-Name Plate.

**21.—(1)** An FZE shall have its name written in legible letters— Correspondence and official document.

- (a) in its official documents, business letters, correspondences, order forms, notices and other publications ;
- (b) on promissory notes, cheques, money orders, other bills of exchange and orders for goods or services, signed on behalf of the FZE ;
- (c) on its parcels, invoices, receipts, letters of credit and guarantee ; and
- (d) on any other document or insignia as may be specified by the Zone Management and the Authority.

(2) An FZE shall state its registered address in legible letters in its official documents, letters and order forms.

(3) A document requiring authentication by an FZE may be endorsed by the signature of —

- (a) the CEO ;
- (b) two directors ;
- (c) a director and the secretary of the FZE ; or
- (d) a director or proprietor, where the Articles of Association or resolution of an FZE so permit.

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Share  
Capital.

**22.**—(1) The share capital of an FZE shall be denominated in the United States Dollars or any other currency that the Authority may approve.

(2) The minimum issued share capital of an FZE shall be as prescribed by the Zone Management with the approval of the Authority.

(3) The share capital of an FZE shall be divided into shares, numbered and represented by a share certificate in such form as the Zone Management may prescribe, from time to time.

(4) The share capital of an FZE may be paid fully in cash, kind or both cash and kind as may be prescribed by the Zone Management with the approval of the Authority.

Alteration  
of Share  
Capital.

**23.**—(1) The share capital of an FZE may be altered, subject to prior notification and approval of the Zone Management and the Authority, by a —

(a) resolution of its shareholders ; or

(b) declaration by the person or entity, where the FZE is owned by one person or entity.

(2) Details of any alteration in the share capital of an FZE shall be registered in the FZE Register domiciled at the FZ Registry and shall take effect from the date of registration.

Issuance  
of Shares.

**24.**—(1) Shares in an FZE shall not be issued unless they are fully paid for.

(2) An FZE —

(a) may have one or more shareholders ;

(b) shall not issue shares in bearer form ;

(c) may not acquire its own shares but may own all or some of the shares in any other FZE or other enterprises subject to compliance with applicable laws and regulations ;

(d) shall issue a share certificate to a shareholder for the number of shares held by him in accordance with these Regulations ; and

(e) shall enter in its register, the details concerning the number, amount and owners of all shares issued by the FZE.

(3) An FZE that seeks to issue new shares shall, subject to prior approval of the Zone Management, pass a resolution or make a declaration approving the issuance of the new shares and the number of shares to be issued.

Transfer  
of Shares.

**25.**—(1) A transfer of shares in an FZE shall be by an instrument of transfer, registered in the FZE Register and shall be effective from the date of registration.

(2) An FZE shall notify the Zone Management of any purchase, assignment or transfer of shares in the FZE.



(3) Where the shares of an FZE are quoted and transferable on any stock exchange, the FZE shall notify the Zone Management of any transfer of shares involving a controlling shareholding in the FZE.

(4) For the purpose of sub-regulation (3) of this regulation, “controlling shareholding” means a shareholding of more than 50%.

**26.** An FZE shall keep a register in which details of its shareholders and any change shall be entered, and the details of any change made shall be forwarded to the FZ Registry within 14 days of the entry of the change in the FZE register.

Register of shareholders.

**27.—(1)** The business of an FZE shall be directed by its directors who shall exercise all the powers of the FZE.

Directors.

(2) An FZE shall have a minimum of two directors or such number of directors as may be determined by the Authority, from time to time.

(3) A director may be appointed or removed by an FZE subject to applicable laws and provisions of the Memorandum and Articles of Association of the FZE.

**28.—(1)** The board of directors may convene a meeting whenever it deems fit.

Board of Directors’ meeting.

(2) A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the board of directors.

(3) Directors may regulate the proceedings of a meeting as they think fit and any question arising at the meeting shall be decided by a simple majority of votes and each director shall have one vote.

(4) In the absence of a substantive chairperson, the directors may elect from among themselves a presiding chairperson.

(5) A director may appoint any other director as an alternate, who shall vote in accordance with the appointing director’s instructions.

(6) Unless otherwise provided by the Articles of Association, a resolution signed by all the directors shall be as valid and effective as if passed at a valid meeting of the directors and may consist of several documents signed by one or more directors.

(7) A director shall not be entitled to vote or be counted as part of the quorum in relation to a resolution on a matter in which the director has a duty or direct or indirect interest, which is material and may conflict with the interests of the FZE unless the —

(a) director discloses any personal interest in writing to the other directors, providing detailed and accurate explanation of any such personal interest ; and

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(b) other directors or majority of them resolve that the director be entitled to vote and be counted as part of the quorum.

Secretary. **29.—(1)** An FZE shall have a secretary who shall be appointed by the FZE on the recommendation of the Board of Directors.

(2) The secretary shall possess requisite knowledge and experience to discharge the functions that may be assigned to the office.

(3) The secretary of an FZE shall —

(a) cause minutes to be recorded in books kept for the purpose of each board and shareholders' meeting and the appointments of directors and secretary ;

(b) make entries required under these Regulations in the FZE's registers kept with the FZE ;

(c) maintain the registers and other records required to be maintained by the FZE under these Regulations ;

(d) render appropriate returns to the Zone Management as required under these Regulations ; and

(e) perform such other administrative and secretarial duties that may be assigned by the Board of Directors of the FZE.

(4) A secretary may be removed by an FZE subject to the applicable laws and provisions of the Memorandum and Articles of Association of the FZE.

Register for directors and secretary **30.—(1)** An FZE shall keep a Register for its directors and secretary at its registered address.

(2) The Register shall contain details of the identities and addresses of the directors and secretary of the FZE.

(3) Any change made in the registered details shall be entered in the FZE Register within 14 days of the change.

Resolutions and Declarations. **31.—(1)** A copy of a resolution passed at a shareholders' meeting of an FZE shall be provided to the FZ Registry within 14 days after it is passed and shall be promptly entered in the FZE Register.

(2) An FZE that fails to comply with sub-regulation (1) of this regulation shall pay a fine as may be prescribed by the Zone Management in the Schedule of Fees.

Contracts. **32.—(1)** An FZE may enter into a contract in writing—

(a) under its seal with the signature of any of its directors ;

(b) with the signature of any of its directors expressed in whatever form to be executed by the FZE, or

(c) by any person acting under the authority of an FZE, whether such authority is express or implied.

(2) A contract entered into by or on behalf of an FZE is binding.

(3) A promissory note, cheque or other bill of exchange issued in the name of an FZE or by a person acting under the authority of an FZE shall be deemed to have been issued, accepted or endorsed on behalf of the FZE.

**33.—**(1) An FZE shall not distribute its profit, in cash or otherwise, to its shareholders except —

Distribution  
of Profits.

(a) from profits reserved for that purpose; or

(b) where the—

(i) share capital of the FZE is reduced in accordance with these Regulations ; or

(ii) FZE is deregistered and its assets distributed to its shareholders.

(2) The profits of an FZE reserved for distribution are its accumulated realised profits less its accumulated realised losses, after full provision has been made for its debts.

(3) A distribution of profit shall not be made except in line with the shareholders' resolution, which shall be delivered to the FZ Registry within 7 days of the resolution or declaration and recorded in the FZE Register.

**34.—**(1) A shareholder of an FZE may, subject to the Articles of Association of the FZE, pledge or charge the shares in the FZE to a creditor as security for a debt or other obligation incurred or to be incurred by or binding upon the shareholder.

Security  
Interests.

(2) A pledge or charge made under sub-regulation (1) of this regulation shall be voidable where its details are not delivered to the FZ Registry in the prescribed form, within 7 working days of the date of pledge or charge.

(3) An FZE shall keep a register of charges at its registered office and shall enter in it, details of any pledge or charge of the shareholders' shares in the FZE.

(4) An FZE may grant a security interest permitted under the laws of Nigeria on its assets as security for a debt, obligation incurred or to be incurred by or binding upon the FZE to —

(a) its creditor; or

(b) any other person,

and any such security interest shall be void where its details are not transmitted to the Free Zone Registry and recorded in the FZE Register within 7 working days of the date of such security interest.

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(5) Where a pledge, charge or other security interest is discharged or upon any alteration in the name of a creditor in whose favour such pledge, charge or other security interest operates, details of the discharge or alteration shall be communicated to the Free Zone Registry within 7 working days and recorded in the FZE Register.

Books of accounts and records.

**35.—**(1) An FZE shall prepare and keep proper accounting records and other books of account—

- (a) in conformity with International Financial Reporting Standards (IFRS) ;
- (b) sufficient to show and explain the transactions of the FZE ;
- (c) disclosing with reasonable accuracy, the financial position of the FZE at any time ; and

(d) for the directors to ensure that the balance sheet and profit and loss account of the FZE complies with the requirements of these Regulations.

(2) An FZE may report its earnings—

(a) in the United States Dollars or any other currency that the Authority may approve ; and

(b) at the prevailing exchange rate to the United States Dollars or any other currency that the Authority may approve as at the date upon which the earnings are reported.

(3) The annual accounts of an FZE shall be reported in the United States Dollars or any other currency that the Authority may approve.

(4) The accounting records of an FZE shall contain—

- (a) the assets and liabilities of the FZE ;
- (b) the day-to-day entries of money received and expended by the FZE ; and
- (c) matters in respect of which the receipt and expenditure took place.

(5) The accounting records of an FZE shall be kept at its registered office in the Zone and shall be open to inspection by the Authority, Zone Management, its shareholders and their representatives.

(6) An FZE shall keep supplementary ledgers to provide daily entries of postings on the receipt and issuance of raw materials, finished products, wastes and scraps.

Financial year.

**36.—**(1) The first financial year of an FZE shall commence on the date of its registration as disclosed in its certificate of registration.

(2) The first financial year of an FZE shall not exceed 18 months or be less than 6 months, provided that successive financial years shall not exceed twelve-month durations beginning immediately after the end of the previous financial year.

(3) An FZE may determine or alter the length of its financial year by a resolution or declaration passed by its shareholders, a copy of which shall be transmitted to the Free Zone Registry within 7 days of its being made and the details promptly entered in the FZE Register.

**37.—**(1) The directors of an FZE shall prepare or cause to be prepared a Financial Statements for each financial year.

Financial  
Statements.

(2) An FZE shall comply with guidelines on Financial Statements issued by the Zone Management.

(3) The Financial Statements of an FZE shall—

(a) be prepared in line with the International Financial Reporting Standards as at the date upon which the Financial Statements are prepared ; and

(b) give a true and fair view of the state of affairs of the profit and loss account of the FZE at the end of the financial year.

(4) Where an FZE owns—

(a) any other FZE or more than half of the shares in or otherwise control any other company or enterprise, the first mentioned FZE shall prepare the group accounts on a consolidated basis, or

(b) less than half of the shares in a company or any other enterprise, not being an FZE, and does not control such company or enterprise, but is in a position to exercise a significant influence over such company or other enterprise, such company or other enterprise shall be treated as an associate company of the FZE for accounting purposes.

**38.—**(1) The annual accounts of an FZE shall include its Financial Statements which shall be approved by its Board of Directors.

Annual  
Accounts.

(2) The Financial Statements of an FZE shall be signed by two directors.

(3) An FZE shall deliver its annual accounts in hard and soft copies to the Zone Management within 3 months after the end of the financial year of the FZE or such period as the Authority or Zone Management may determine.

**39.—**(1) An FZE shall appoint auditors from among auditors approved by the Zone Management, who shall report to the shareholders of the FZE and the Zone Management on the annual accounts of the FZE, stating whether—

Appointment  
of Auditors.

(a) in the auditors' opinion, such annual accounts have been properly prepared in accordance with these Regulations ; and

(b) the annual accounts is a true and fair view of the FZE's Financial Statements.

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(2) An FZE shall deliver a signed copy of the auditors' report to the Zone Management along with the annual accounts in accordance with regulation 40(3) of these Regulations.

Audited  
accounts.

**40.**—(1) An FZE shall have its books of accounts audited as provided for by applicable laws and regulations, and submit the Auditors' report and the annual accounts of the FZE to the Zone Management not later than 30 days after its adoption.

(2) The auditors shall state, whether in their opinion, the annual accounts have been prepared in accordance with these Regulations and is a true and fair view of the state of affairs of the FZE, in case of —

(a) the balance sheet of the FZE, the state of affairs of the FZE at the end of its financial year ;

(b) the profit and loss account of the FZE, for the financial year ; and

(c) the annual accounts of an FZE prepared on a consolidated basis, 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.

(3) The FZE shall deliver a copy of the duly signed auditors' report to the FZ Registry, together with the annual accounts.

(4) Where the total net assets of an FZE falls below 75 percent of its share capital, the Board of Directors shall—

(a) not later than 15 days from the earliest date on which that fact is known to a Director, notify the Zone Management ; and

(b) within seven days of such notification, promptly take steps to ensure that the net assets of the FZE are restored to at least 75 percent of its share capital.

Quarterly  
returns on  
FZE  
operations.

**41.**—(1) An FZE shall render to the Zone Management quarterly returns on its operations in a manner and format prescribed by the Zone Management in respect of the—

(a) volume of production ;

(b) volume of sales ;

(c) flow of goods ;

(d) raw materials ; and

(e) such other information as may be prescribed by the Zone Management.

(2) The returns referred to under sub-regulation (1) of this regulation, shall be submitted to the Zone Management on or before the last working day of the month or as may be prescribed by the Zone Management.

(3) The Zone Management shall in turn submit its quarterly returns to the Authority in the manner prescribed by the Authority.

**42.** An FZE shall permit the inspection of its books and records by the Zone Management and the Authority, as may be required from time to time.

Inspection of books and records of an FZE.

PART V—PROCEDURE FOR LICENSING AN FZE

**43.** Application for a licence to undertake any approved activity in the Zone shall be made to the Zone Management on payment of a prescribed fee, either as part of the initial registration process as an FZE or as a separate application.

Application for a licence.

**44.** The following Licences may be obtained in the Zone—

Licences in the Zone.

(a) Operating Licence issued by the Zone Management with the consent of the Authority to FZEs for the establishment and operation of any approved activity in the Zone; or

(b) Operating Permits issued by the Zone Management with the consent of the Authority to other business operators other than a licenced FZE to carry out legitimate support activities.

**45.—(1)** Approved Activities within the Zone are categorised into the following business clusters—

Approved Activities.

- (a) manufacturing of goods ;
- (b) warehousing, freight forwarding and customs clearance ;
- (c) assembling, packaging and processing ;
- (d) trading, sales and services of fully built machinery, equipment, accessories and finished goods ;
- (e) hospitality, entertainment, recreational facilities and services ;
- (f) medical facilities and services ;
- (g) healthcare and pharmaceutical services ;
- (h) construction, real estate development and services ;
- (i) banking, stock exchange, other financial services, insurance and re-insurance ;
- (j) trading and logistics ;
- (k) handling of duty-free goods (trans-shipments, sorting, marketing, etc.) ;
- (l) international commercial arbitration and other disputes resolution services ;
- (m) commercial offices and mall development ;
- (n) information and communication technologies (ICT), data services and Financial Technology (Fintech) ;
- (o) education and learning related activities ;
- (p) professional services and consultancy ;
- (q) non-governmental organisations and aid agencies ;
- (r) services related to integrated zones ;
- (s) terminal operations and logistic Parks ;
- (t) transportation ;

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- (u) Equipment Leasing ;
- (v) duty-free and retail shops ; and
- (w) any other activity as may be approved by the Authority on the recommendation of the Zone Management, from time to time.

(2) Proposals for business activities outside the list of Approved Activities shall be evaluated on their merit, subject to the provisions of the Act.

Application  
for a Licence  
to undertake  
Approved  
Activities in  
the Zone.

**46.**—(1) An application for a license to undertake an Approved Activity in the Zone shall be made in a prescribed form, stating the—

- (a) Applicant's name and address ;
- (b) nature of the operation and business that the Applicant is proposing to carry out ;
- (c) name and position of the Applicant's contact person, where applicable ; and
- (d) any other information that the Zone Management may specify.

(2) On receipt of an application for a licence, the Zone Management shall send to the Applicant, an application pack which shall include—

- (a) an application form with relevant annexures ;
- (b) the Schedule of Fees ; and
- (c) any other document that the Zone Management may consider necessary.

(3) A completed application form shall be submitted with the feasibility study, including—

- (a) description of the project ;
- (b) five-year financial projections ;
- (c) environmental impact statement ;
- (d) Know Your Customer (KYC) due diligence documents specified by the Zone Management ;
- (e) evidence of payment of licensing and other fees as published or issued by the Zone Management with the consent of the Authority ; and
- (f) any other information as may be specified by the Zone Management.

(4) Payments in respect of licensing and other fees may be made by cheque, bank transfer or by such other method as may be prescribed by the Zone Management in favour of Alaro City Development FZC.

(5) The Zone Management shall acknowledge in writing or by electronic mail, the receipt of the completed application form with the accompanying documents.



**47.—(1)** An application for an operating licence to undertake an approved activity shall be screened and subjected to due diligence verification by the Zone Management to ascertain—

Screening and due diligence compliance.

- (a) that the activities which the applicant intends to undertake in the Zone are Approved Activities for the Zone ;
- (b) that the proposed activities will add value to, and is consistent with the development objectives of the Zone ;
- (c) that the application complies with the provisions of the Act, applicable rules and regulations as the Authority may prescribe ;
- (d) the technical, financial and managerial capabilities of the applicant ;
- (e) the applicant’s experience and record of previous accomplishments ; and
- (f) the level of foreign direct investments proposed by the applicant.

(2) The Zone Management shall, in screening an application, consider ancillary and logistics issues relating to the applicant’s need for land, premises or storage facilities for hazardous and environment-impacting products or activities and take appropriate decision.

**48.** The Zone Management shall consider an application for a licence to undertake an approved activity within 5 working days of receipt of the application or such other period as the Zone Management may prescribe and shall promptly notify the applicant in writing of the approval or rejection of the application.

Notification of approval or rejection of an application for a licence.

**49.—(1)** A successful applicant shall be granted an operating licence to undertake an Approved Activity within the Zone.

Issuance of Licence.

- (2) The Operating Licence shall—
- (a) be personal to the Licensee ;
  - (b) not be transferred or assigned either in whole or in part without the prior written consent of the Zone Management and the Authority ;
  - (c) be valid only within the Zone ;
  - (d) be used solely for the purpose for which the licence is issued ; and
  - (e) be subject to other conditions as may be prescribed by the Zone Management with the written consent of the Authority.

(3) Licensee shall inform the Zone Management promptly upon the occurrence of material changes to the information provided in the course of the application for the Licence.

**50.—(1)** A Licence shall be valid for 1 year and may be renewable subject to—

Validity and renewal of a Licence.

- (a) compliance with the provisions of the Act, these Regulations or any other obligation of a Licensee ;

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- (b) payment of approved renewal fees for the licence ;
- (c) submission of documents, returns or information as the Zone Management and the Authority may require ; and
- (d) payment of any outstanding fees to the Zone Management.

(2) A Licence shall be renewed within 30 days of its expiration.

(3) A renewal fee for a licence that is paid after 60 days of its expiration shall be subject to interest at a rate to be determined by the Zone Management.

Obligations  
of an FZE in  
respect of its  
Licence.

**51.** An FZE shall at all times—

(a) comply with the provisions of the Act, regulations, guidelines, circulars and procedures issued by the Authority or the Zone Management ;

(b) comply with the terms and conditions of its Licence ;

(c) submit to the Zone Management data, information and returns on a quarterly basis or at such intervals as the Zone Management may prescribe ; and

(d) pay the applicable rates including but not limited to service charge, marketing fees, promotion fees, and such other fees and charges as may be prescribed by the Management from time to time.

Change of  
Approved  
Activity.

**52.—**(1) An FZE may apply to the Authority through the Zone Management for approval to change its Approved Activity.

(2) The application for the change of Approved activity shall be in the prescribed form and shall state the reason for the change.

(3) The proposed new activity shall be within the approved activities for the Zone.

(4) The Zone Management shall not forward the application to the Authority for approval unless the applicant—

(a) meets the minimum share capital of the proposed new activity as prescribed by the Zone Management ;

(b) makes payment of prescribed fees for the change of activity ;

(c) provides evidence of a lease agreement ;

(d) provide a certified true copy of amended Memorandum and Articles of Association showing the proposed new activity ;

(e) surrenders the original Licence ; and

(f) comply with such other requirements as the Zone Management may prescribe, from time to time.

(5) Where the new activity is approved by the Authority, the Zone Management shall issue a new Licence to the FZE for the new activity.

**53.—(1)** An FZE which intends to withdraw from an Approved Activity and divest its investments in the Zone shall notify the Zone Management of its decision.

Withdrawal  
from  
Approved  
Activity.

(2) Where an FZE desires to transfer any of its assets or physical structures within the Zone, it shall notify the Zone Management of its intention to do so.

(3) A transfer of assets or physical structures under this regulation shall be at a purchase price to be determined by a valuer appointed by the FZE from a list of valuers approved by the Zone Management.

(4) The Zone Management shall have the right of first refusal to acquire any asset or physical structure owned by the divesting FZE within the Zone.

(5) Where the Zone Management declines to acquire any of the assets or physical structures of an FZE, the offer may be made to other FZEs on the same terms originally made to the Zone Management.

PART VI—INCENTIVES, CONCESSIONS AND GENERAL PROVISIONS

**54.—(1)** An FZE shall benefit from Free Zone incentives provided under the Act, applicable laws and in these Regulations.

Incentives  
and  
Concessions.

(2) An FZE shall be entitled to the following incentives and concessions—

(a) exemption from—

(i) Federal, State and Local Government taxes, levies and rates as provided under section 8 (1) of the Act,

(ii) provisions pertaining to taxes, levies and foreign exchange as provided under section 18 (1) of the Act,

(iii) customs duties and charges,

(iv) import licence requirements, and

(v) any expatriate quota requirements by allowing FZEs to engage foreign managers and qualified personnel, subject to such limits as may be set by the Zone Management or the Authority ; and

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

(c) allocation of land and space at a rent to be determined by the Zone Management ;

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

(e) acquisition of up to 100% foreign ownership of any business in the Zone.

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(3) An FZE shall be entitled to a grant of 75% of the chargeable import duty as tariff rebate on any special product imported into the Zone under the 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.

(4) Up to 100% of goods imported, manufactured, processed or assembled in the Zone may be sold in the Customs Territory with a valid permit and on payment of appropriate duties.

(5) Goods imported, manufactured, assembled, or reconfigured in the Zone and which have satisfied the requirement of 35% value addition can be sold to consumers in the Customs Territory irrespective of whether the goods are prohibited or banned in the Customs Territory or not, and upon payment of appropriate customs duty.

(6) An FZE shall be exempt from all regulations applicable in the Customs Territory pertaining to taxes, levies, duties and foreign exchange.

Retail activities.

**55.** Retail trade activities in the Zone shall be carried out with the approval of the Zone Management subject to prior written consent of the Authority.

Authorisation of entry and movement within the Zone.

**56.—**(1) A person shall not enter, remain or reside in the Zone without the prior authorisation by the Zone Management and the Authority.

(2) Access to the Zone is restricted and shall be subject to the presentation of a pass and other conditions the Zone Management may stipulate in writing.

(3) The Zone Management shall issue a Zone Identification Resident Card (“the Resident Card”) to every resident in the Zone.

(4) The Zone Management shall not unreasonably withhold or delay any authorisation or approval sought under this regulation to the extent that it would prevent or hinder an FZE from carrying out an Approved Activity.

Abandoned goods or property within the Zone.

**57.—**(1) The Zone Management shall have power to take over abandoned goods or property, and dispose of them in a manner it may deem fit.

(2) For the purpose of this regulation, goods or property shall be deemed to be abandoned where the owner or person in possession has—

(a) left the goods or property without supervision in any public place within the Zone ; or

(b) been indifferent as to what becomes of the goods or property, after notice of abandonment has been served twice on the owner or person in possession, specifying a time frame for the removal of the goods or property.

(3) Any cost incurred by the Zone Management in removing abandoned goods or property shall be—

(a) refunded to the Zone Management on demand made to the Licensee or owner, or person in possession ; or

(b) reimbursed to the Zone Management from the proceeds of sale or other disposal of such goods or property.

**58.** Goods brought into the Zone by an FZE or licensee, unless otherwise directed by the Authority or the Zone Management, may be—

Handling of goods brought into the Zone.

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

(b) consumed, where the goods are meant for consumption in the Zone ;

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

(d) subjected to other activities as may be approved by the Zone Management and the Authority.

**59.** The Free Zone Registry shall compile and maintain a register of Zone Management and FZE vehicles.

Register of Vehicles in the Zone.

**60.—(1)** Registration of vehicles in the Zone shall be in accordance with the regulations, rules and guidelines issued by the Authority in consultation with the Federal Road Safety Commission ('FRSC') and other relevant government agencies.

Registration of vehicles.

(2) The Zone Management shall apply to and receive from the Authority, appropriate number plates for the registration of vehicles operating within the Zone.

**61.** A driver of a vehicle operating in the Zone shall possess a valid driver's licence issued by the FRSC or an international driver's licence issued by an appropriate authority, which shall be suitable for the class of vehicle being driven.

Issuance of driver's licence.

**62.—(1)** An FZE shall be responsible for the provision of security over its premises, properties and facilities within the Zone.

Provision of security in the Zone.

(2) The Zone Management and the Authority shall be responsible for the general provision of security in the Zone.

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Customs,  
Police and  
Immigration  
Commands  
in the Zone.

**63.**—(1) A dedicated Zone Customs, Police and Immigration Command shall be established in the Zone to deal with matters pertaining to security, movement of goods and persons into and out of the Zone.

(2) The Authority shall co-ordinate the allocation of appropriate manpower with the relevant government agencies within the Zone.

(3) The Zone Management shall provide working facilities within the Zone for the relevant government agencies.

(4) A government agency using any facility provided by the Zone Management shall be responsible for its maintenance and repairs.

Fees and  
tariffs for  
services in  
the Zone.

**64.**—(1) The Zone Management shall, with the approval of the Authority—

(a) charge fees for the provision of services as it considers necessary under these Regulations ;

(b) publish schedule of fees, charges and tariffs for services rendered in the Zone ; and

(c) ensure that copies of the published schedule of fees, charges, tariffs and revisions, if any, are made available to FZEs in the Zone.

(2) An FZE shall pay applicable fees, charges and tariffs for services provided in the Zone.

Facilities  
within the  
Zone.

**65.** The Zone Management shall facilitate the provision of the following facilities within the Zone—

(a) good security network ;

(b) administrative building ;

(c) administrative offices for relevant regulatory agencies in the Zone ;

(d) supply of portable water ;

(e) power supply ;

(f) effective drainage and sewage system ;

(g) efficient Information and Communication Technologies (ICT) system ;

(h) internal road network; and such other facilities as the Zone Management with the approval of the Authority may consider necessary.

Settlement  
of disputes  
within the  
Zone.

**66.**—(1) A dispute between FZEs in the Zone may be resolved as follows—

(a) both FZEs shall first attempt to settle the dispute ;

(b) where the FZEs involved fails to reach a settlement, either of them may refer the dispute to the Zone Management within 14 days ;

(c) where the Zone Management is unable to settle the dispute, the Zone Management shall refer the matter to the Authority ; and

(d) where the Authority is unable to settle the dispute, either party to the dispute may refer the matter to an arbitral body whereby, if the laws to be applied are—

(i) agreed upon by the parties, those laws shall apply, and

(ii) not agreed upon by the parties, the laws of the Customs Territory shall apply.

(2) A dispute arising between an FZE and its employee within the Zone shall be resolved as follows—

(a) both parties shall attempt to settle the dispute ;

(b) where the employment contract stipulates a form of dispute resolution procedure, that procedure shall apply ; and

(c) where the parties fail to reach a settlement under sub-regulation (2)(a) or sub-regulation (2)(b) of this regulation, either party may refer the dispute to the Zone Management for settlement.

(3) Where a dispute arises between an FZE and a Government agency in the Zone, either party may refer the dispute to the Authority for settlement.

(4) Where a dispute arises between officials of government agencies operating in the Zone, either of the disputing agencies may refer the dispute to the Authority for settlement.

(5) Where a dispute arises between an FZE and the Zone Management, either party may refer the dispute to the Authority for settlement.

(6) A party dissatisfied with the resolution of a dispute by the Zone Management or the Authority may seek redress through arbitration or before a court in the custom territory.

(7) The Zone Management may establish a dispute resolution body and issue guidelines for resolution of disputes between—

(a) an FZR and an FZE ;

(b) an FZE and its employees ; or

(c) two or more FZRs.

(8) Notwithstanding the provisions of this regulation, the Authority and the Zone Management reserves the right to intervene in any dispute in order to maintain industrial peace in the Zone.

**67.** Except as provided under the Act, an enactment applicable in the Customs Territory shall not apply within the Zone.

Applicable  
Laws.

**68.** The Zone Management may, with the approval of the Authority, publish its internal guidelines, rules, standards and policies which shall not be inconsistent with the Act or these Regulations.

Publication  
of Zone  
Management  
internal  
guidelines.

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PART VII—PLANNING, CONSTRUCTION AND COMMENCEMENT OF OPERATIONS

Publication of Planning and Construction Guidelines.

**69.**—(1) The Zone Management shall in consultation with the Authority issue Zone internal planning, construction and development guidelines for the purpose of planning, construction and commencement of operations in the Zone.

(2) An entity within the Zone shall comply with the internal planning, construction and development guidelines as may be issued by Zone Management, from time to time.

PART VIII—TAXATION PROCEDURES

Publication of tax guidelines.

**70.**—(1) The Authority shall, in consultation with the Federal Inland Revenue Service (“FIRS”), publish guidelines on the tax implication for transactions between the Zone and FZEs with entities in the Customs Territory.

(2) The provisions of sections 8 and 18 (1) of the Act shall apply to a Licensee operating in the Zone.

(3) An FZE within the Zone shall be entitled to fiscal incentives and concessions as provided for under the Act and these Regulations.

(4) The tax implications of specified transactions within the Zone shall be as provided for in the Second Schedule to these Regulations and may be reviewed by the Authority in consultation with the FIRS.

PART IX—BANKING PROCEDURES AND INCENTIVES

Objectives of this Part.

**71.** The objectives of this Part include, to—

(a) complement and enhance the application of the provisions of the Act on banks operating within the Zone ;

(b) provide regulatory and supervisory requirements for the promotion of efficient and profitable banking services in the Zone ;

(c) provide details of permissible and prohibited activities of banks in the Zone ;

(d) provide details of incentives available to banks in the Zone ; and

(e) facilitate the attainment of the goals for which the Zone is established.

Guidelines for Banking Operations.

**72.**—(1) Guidelines for banking operations in the Free Zones as may be issued from time to time by the Central Bank of Nigeria, shall guide banking operations in the Zone.

(2) The provisions of this Part shall apply to banking operations in the Zone and shall be read with such modifications as are necessary to bring it into conformity with any guidelines for banking operations in the Free Zones as may be issued from time to time by the Central Bank of Nigeria.

(3) Where the provisions of this Part are inconsistent with any guidelines for banking operations in the Free Zones as may be issued from time to time



by the Central Bank of Nigeria, the provisions of such guidelines by the Central Bank of Nigeria shall prevail.

**73.—**(1) Banks in the Zone shall be granted approval under the Act by the Zone Management with the consent of the Authority.

Permissible Banks in the Zone.

(2) There shall be for the Zone, two types of banks, namely—

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

(b) a licensed foreign bank.

(3) A bank established in the Zone pursuant to sub-regulation (2) of this regulation, shall maintain records and books of accounts of its operations independent of its parent bank.

(4) Banks licensed to operate in the Zone may be owned—

(a) wholly by Nigerians;

(b) jointly by Nigerians and foreigners ; or

(c) wholly by foreigners.

**74.—**(1) An applicant wishing to operate a bank within the Zone shall submit an application for a Licence to the Authority through the Zone Management with—

Licensing requirements for banks in the Zone.

(a) two copies each of its Memorandum and Articles of Association ;

(b) a copy of its banking licence issued by the—

(i) CBN under BOFIA or any other relevant legislation, or

(ii) appropriate authority in the jurisdiction in which the applicant was incorporated and licensed ;

(c) a copy of the applicant’s board resolution approving the proposed application for a Licence to operate as a bank within the Zone ; and

(d) such other documents as the Zone Management and Authority may require.

(2) An FZE seeking to carry on banking business in the Zone shall comply with the provisions and requirements stipulated in any guidelines for banking operations in the Free Zones as may be issued from time to time by the Central Bank of Nigeria.

**PART X—CUSTOMS PROCEDURES**

**75.—**(1) A Customs Processing Centre (“CPC”) shall be established within and outside the Zone for proper administration of customs functions in the Zone.

Zone Customs Processing Centre.

(2) The CPC shall be managed by designated officials of the Nigeria Customs Service (“the NCS”) under the control of an Area Command.

- (3) The functions of the CPC include, to—
- (a) manage the CPC facilities ;
  - (b) liaise with officials of the Zone on a continuous basis to establish and implement effective and efficient customs procedures to be adopted for the Zone ;
  - (c) process the relevant customs documents for goods entering and exiting the Zone ;
  - (d) advise on the proper classification of goods within the Zone for customs purpose only ;
  - (e) determine the duties payable on goods other than goods for personal consumption ; and
  - (f) collect appropriate duties on behalf of the Federal Government of Nigeria.

Customs  
procedures.

**76.**—(1) For the purpose of operations within the Zone, the following customs procedures shall apply, subject to review by the Authority in collaboration with the NCS—

- (a) goods traded commercially into the Customs Territory shall be classified as exports and shall be subject to all applicable taxes, duties and levies in the Customs Territory ;
- (b) equipment and consumables to be used in the construction of facilities, operation of an FZE and production of Free Zone products may be imported into the Zone by an FZE without any taxes, duties or levies imposed ; and
- (c) Personal Duty-Free Allowance for a Nigerian visitor or tourist shall be guided by the provisions of concessions as may be published by the NCS.

(2) The procedures set out in the applicable Schedules to these Regulations shall apply as follows—

- (a) the procedure for importing goods into the Zone is as set out in the Third Schedule to these Regulations ;
- (b) the procedure for exporting goods from the Zone into the Customs Territory is as set out in the Fourth Schedule to these Regulations ;
- (c) the procedure for handling goods that require repair and maintenance is as set out in the Fifth Schedule to these Regulations ;
- (d) the procedures for transferring—
  - (i) goods from one FZE to another FZE within the Free Zone for use in the Customs Territory,
  - (ii) goods between the Zone and another Free Zone, and
  - (iii) petroleum or other special products between FZEs within the Zone,are as set out in the Sixth Schedule ; and

(e) the procedures within the zone in respect of—

- (i) personal duty-free allowance,
- (ii) goods imported into the Zone,
- (iii) goods manufactured within the Zone,
- (iv) expired, damaged or destroyed goods,
- (v) personal effects and goods consumed in the Zone,
- (vi) personal effects and goods exported into the Customs Territory,
- (vii) goods for export to countries other than the Customs Territory, and
- (viii) goods imported into Nigeria,

are as set out in the Seventh Schedule to these Regulations.

(3) Any amendment to the customs procedures by the Authority in conjunction with the NCS shall apply *mutatis mutandis* under these Regulations.

#### PART XI—IMMIGRATION PROCEDURES

**77.**—(1) The Authority, in consultation with the Nigeria Immigration Service (“the NIS”), shall issue guidelines for processing applications for immigration and work permits of expatriates wishing to operate in the Zone.

Guidelines for processing immigration applications

(2) Fees for immigration services in the Zone shall be levied in United States Dollars or as may be prescribed by the Authority in consultation with the NIS.

(3) An FZE is exempt from the requirement to apply for and obtain an expatriate quota from the NIS for the employment of foreign nationals.

**78.** The Zone Management shall, through the Authority and in collaboration with the NIS, establish an immigration centre within the Zone to facilitate accelerated visa processing for qualified expatriates.

Zone Immigration Centre.

**79.**—(1) Except ECOWAS nationals or nationals of countries with which Nigeria has entered into a Visa Abolition Agreement, an expatriate seeking entry into Nigeria shall require visa prior to entry.

Visa requirements.

(2) The visa referred to under sub-regulation (1) of this regulation shall be obtained from a Nigerian Mission abroad.

**80.** The following types of ordinary entry visa may be granted—

- (a) business visa ;
- (b) tourist visa ;
- (c) visitor’s visa ;
- (d) transit visa ;
- (e) Temporary Work Permit (TWP) ;
- (f) residence visa ; and
- (g) Subject to Regularisation for Residence Work Permit (STR) visa.

Types of ordinary visa.

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Business,  
Tourist and  
Visitor's  
Visa.

**81.**—(1) An expatriate visiting Nigeria shall obtain one of the visas referred to under regulation 80 of these Regulations from the Nigerian Mission in the expatriate's country or the Nigerian Mission closest to the expatriate's place of abode.

(2) An application for a Short Visit Visa shall be accompanied by—

- (a) a letter of invitation from the Zone Management stating the purpose of the visit and accepting immigration responsibilities ;
- (b) a completed application form with passport photograph of the applicant affixed ;
- (c) a return ticket ;
- (d) evidence of financial sustainability ;
- (e) valid travel documents ; and
- (f) evidence of payment of an approved visa fee, where applicable.

Temporary  
Work Permit  
Visa.

**82.**—(1) A Temporary Work Permit (TWP) visa may be issued to an expatriate coming to the Zone for a short duration to perform specialised duties, such as—

- (a) installation or repairs of machinery ;
- (b) feasibility studies ;
- (c) auditing of accounts ;
- (d) training ;
- (e) commissioning of projects ;
- (f) erection and installation of equipment ;
- (g) control of natural disaster ;
- (h) attending board meetings by non-resident company executives ; and
- (i) any other form of specialised duty as may be approved by the NIS.

(2) The NIS may grant a TWP Visa in Nigeria and transmit it to a Nigerian Mission abroad for issuance to an expatriate coming to the Zone.

(3) The requirements for the issuance of TWP Visa by a Nigerian Mission abroad include—

- (a) a formal application to the Comptroller-General of Immigration, stating the passport particulars of the expatriate, the purpose of the visit and confirmation of acceptance of immigration responsibilities by the sponsor ;
- (b) evidence of the company registration ;
- (c) evidence of the purchase of equipment ;
- (d) evidence of the contract award ;
- (e) an approval from the Comptroller-General of Immigration ;
- (f) the international passport of the employee with a minimum of 6 months validity period ;
- (g) a return ticket ;
- (h) a completed application form with passport photograph of the applicant affixed ; and

(i) evidence of payment of an approved visa fee, where applicable.

(4) A visa may not be required where there is a bilateral or multilateral Visa Abolition Agreement with Nigeria for a visit not exceeding 90 days.

**83.—(1)** An expatriate coming to reside in Nigeria for the purpose of working, studying or accompanying a spouse or parent, shall arrive the country with a Subject to Regularisation (STR) visa obtained at a Nigerian Mission abroad.

Subject to  
Regularisation  
(STR) Visa.

(2) The requirements for the issuance of STR Visa include—

(a) a formal application made by the employer through the Zone Management to the Authority for approval and onward transmission to the Nigerian Mission abroad closest to the employee's normal place of abode, indicating the job position, nationality of the employee and the employer's acceptance of immigration responsibilities ;

(b) a completed visa application form with passport photograph of the applicant affixed ;

(c) the international passport of the employee with a minimum of 6 months validity ;

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

(e) a letter of employment stating the terms and conditions of employment ;

(f) a letter of acceptance of offer ;

(g) a one-way ticket ;

(h) a copy of valid Free Zone Operating Licence of the employer ;

(i) original certificates for sighting ; and

(j) evidence of payment of the approved visa fee, where applicable.

(3) A dependant joining an expatriate employee requires—

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

(b) a copy of the expatriate's residence permit, where the dependant is joining an expatriate already in Nigeria ;

(c) a copy of a marriage certificate for a married dependant and birth certificate for a child ;

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

(e) an international passport of the dependant with a minimum of 6 months validity period ; and

(f) evidence of payment of the approved visa fee, where applicable.

## **B 2748**

Regularisation  
of stay.

**84.** An expatriate who intends to stay in Nigeria beyond 90 days shall be required to obtain a Combined Expatriate Residence Permit and Aliens Card (CERPAC).

Requirements  
for issuance  
of  
CERPAC.

**85.**—(1) Requirements for issuance of CERPAC include—

(a) a formal application made to the NIS within 3 months from the date of arrival into the country stating the post to be occupied, nationality and accepting immigration responsibilities ;

(b) a valid STR Visa ;

(c) a letter of employment ;

(d) a letter of acceptance of offer ;

(e) completed Visa Application form with passport photographs of the applicant affixed and vetted at the Nigerian Mission, where the visa was issued ;

(f) copies of credentials duly vetted at the Nigerian Mission abroad where the visa was issued ;

(g) applicant's international passport accompanied with photocopies of the first 6 pages of the passport and the page on which the visa was stamped ;

(h) resolution of the Board of Directors of the requesting FZE duly endorsed by the appropriate officers in top managerial positions ; and

(i) evidence of payment of an approved visa fee, where applicable.

(2) For the purpose of paragraph (h) of sub-regulation (1) of this regulation 'appropriate officers' of the FZE include members of the board, the managing director, the general manager or the finance controller.

Requirements  
for CERPAC  
for  
dependants  
above 16  
years of age  
joining an  
expatriate  
employee.

**86.** The requirements for CERPAC for dependants above 16 years of age joining an expatriate employee include—

(a) a formal application from the expatriate employee accepting immigration responsibilities ;

(b) a copy of the expatriate's residence permit, where already regularised ;

(c) a copy of a marriage certificate for a married dependant and birth certificate for a child ;

(d) a letter of admission or photocopy of school identity card, where applicable ;

(e) a completed visa application form with passport photograph of the applicant affixed and vetted at the Nigerian Mission, where the visa was issued ; and

(f) evidence of payment of an approved fee, where applicable.

**87.—(1)** An FZE may, upon grant of a Licence to operate an approved activity within the Zone, apply to the Authority through the Zone Management for Work Permit for its expatriate employees in such format as the Authority may prescribe.

Work  
Permits.

(2) An application for a work permit shall comply with the requirements prescribed by the Zone Management with the approval of the Authority.

(3) Upon receipt of an application for a Work Permit, the Zone Management shall, on behalf of the Authority, acknowledge the receipt of the application and forward it to the Authority within seven days.

(4) The Authority shall process the application and notify the applicant through the Zone Management of the grant or otherwise within 30 days.

(5) When a contract of employment of an expatriate staff comes to an end, the FZE shall notify the Authority through the Zone Management and the Authority shall inform the relevant government agency of the expiration of that contract of employment.

(6) An FZE which fails to comply with the provisions of sub-regulation (5) of this regulation, shall pay a penalty as may be prescribed by the Zone Management.

**88.** An FZE shall submit quarterly reports on the use of its work permit to the Authority through the Zone Management.

Reports on  
Work  
Permits  
issued.

**89.—(1)** An expatriate staff of an FZE shall not accept any employment or offer any service outside the Zone without a written approval of the Zone Management and the Authority in collaboration with relevant government agencies.

Restrictions  
on  
employment  
of expatriate  
staff outside  
the Zone.

(2) An expatriate staff of the FZE who fails to comply with the provisions of sub-regulation (1) of this regulation shall—

(a) pay such administrative penalty as may be prescribed by the Authority ; and

(b) where the non-compliance is repeated, the expatriate shall be deported in accordance with the provisions of the law of the Customs Territory.

(3) Where the non-compliance by the expatriate staff referred to under sub-regulation (2) of this regulation is with the knowledge of the FZE, the Authority shall, in collaboration with relevant government agencies, impose appropriate administrative penalty as it deems fit.

**B 2750**

Change of employment by a resident expatriate already in Nigeria.

**90.** A request for a change of employment by a resident expatriate already in Nigeria may be permitted subject to the following requirements—

- (a) a formal application from the new employer to the NIS through the Authority requesting for a change of employment and acceptance of immigration responsibilities ;
- (b) a letter of no objection from the expatriate’s previous employer ;
- (c) a letter of offer of employment from the new employer in the Zone ;
- (d) letter of acceptance of the offer by the expatriate ;
- (e) a resolution of the board of directors, where applicable ;
- (f) a resident permit with the previous employer ;
- (g) an approved residence with the previous employer ; and
- (h) evidence of payment of the approved fee, where applicable.

Expatriates’ Free Zone Register.

**91.—**(1) The Zone Management shall, in consultation with the Authority and the NIS, maintain a Free Zone Expatriates’ Register for the Zone.

(2) The Free Zone Expatriates’ Register shall contain particulars of every expatriate residing in the Zone, such as name, nationality, employer, phone number, number and validity period of the CERPAC and place of residence of the expatriate.

Report on expatriates.

**92.—**(1) The Zone Management shall render quarterly report to the Authority on expatriates working or residing in the Zone.

(2) The report referred to in sub-regulation (1) of this regulation shall be submitted on or before the last working day of the quarter or as the Authority may prescribe.

(3) An expatriate shall be registered and issued a Resident Card as a proof of registration within seven days of arrival within the Zone.

(4) The Resident Card issued under this regulation may provide requisite controls on access to certain facilities within the Zone.

**PART XII—HEALTH, SAFETY AND ENVIRONMENT**

Access to the Zone.

**93.—**(1) Access to the Zone shall be subject to such conditions as the Authority and Zone Management may prescribe in writing, from time to time.

(2) A Service Provider working in the Zone shall have a Zone Permit issued by the Zone Management.

Report of incident or accident in the Zone.

**94.** An incident or accident in the Zone resulting in death, physical injury, loss or material damage, shall be immediately reported to the Zone Management.



**B 2751**

**95.—(1)** The Zone Management shall be responsible for the general beautification of the Zone. Beautification of the Free Zone environment.

(2) An FZE shall be responsible for the beautification of its immediate environment in line with applicable guidelines issued by the Zone Management.

**96.—(1)** The Zone Management shall ensure the maintenance of roads, drainage, street lighting, water supply line, sewage line, fire-fighting equipment and other facilities. Maintenance of facilities.

(2) An FZE shall pay for any maintenance work carried out by the Zone Management at the instance of the FZE.

**97.—(1)** An owner of a property within the Zone shall insure the property with a reputable insurance company, which shall issue a valid insurance policy for the property, as may be considered appropriate by the Zone Management and the Authority. Insurance of facilities in the Zone.

(2) An FZE in the Zone shall insure its business operations with a reputable insurance company, which shall issue a valid insurance policy for the business operations, as may be considered appropriate by the Zone Management and the Authority.

(3) A copy of an insurance policy referred to under this regulation shall be kept for inspection by the Zone Management.

**98.** The management of an FZE shall—

(a) ensure the appointment of competent persons to supervise its operations ;

(b) provide necessary Health, Safety and Environment (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 loss or damage arising from such activities ;

(e) make conscious effort to repair any negatively impacted environment ;

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

(g) monitor its activities in the Zone to ensure strict compliance with HSE guidelines, laws, rules and regulations ; and

(h) recognise and reward employees for compliance and performance improvement initiatives with HSE rules and regulations.

Responsibilities of an FZE on Health, Safety and Environment.

## **B 2752**

Responsibilities  
of Site  
Managers  
and  
Supervisors.

**99.**—(1) A site manager or supervisor shall be responsible for effective and efficient HSE operations and shall recognise HSE as an integral part of each site.

(2) A site manager or supervisor referred to in sub-regulation (1) of this regulation shall—

(a) understand and implement comprehensive HSE procedures and programmes in these Regulations and any guidelines that the FZE or Zone Management may issue ;

(b) set for employees, service providers and clients, good examples of compliance with HSE rules and regulations ;

(c) ensure compliance with proper work procedures at all times ;

(d) induct new employees on hazards associated with their respective jobs ;

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

(f) ensure that employees and service providers use their PPEs, when required ;

(g) communicate safe work procedures to each employee ;

(h) observe other staff and service providers work practice and procedure, and correct them when necessary ;

(i) ensure that facilities and work environments are in good conditions for the application of sound HSE practices ;

(j) investigate and report accidents and incidents nearly resulting in an accident ;

(k) recommend and implement corrective measures ;

(l) carry out periodic HSE inspections ;

(m) recommend an erring employee for appropriate disciplinary action ; and

(n) ensure that first aid materials are adequate and fire-fighting facilities are in good working condition.

Responsibilities  
of an  
employee.

**100.**—(1) An employee shall contribute to safe-work performance through co-operation with managers, supervisors and other employees.

(2) Every employee shall—

(a) obtain, study and understand the HSE policies in their respective organisations in the Zone ;

(b) use the PPE, where required, to ensure safety ;

(c) comply with applicable HSE policies, rules, standards and operating procedures ;

(d) comply with relevant laws, regulations and guidelines ;

(e) seek guidance from managers or supervisors on correct work procedures ;

(f) report to the supervisor —

(i) every accident or incident nearly resulting in an accident ; and

(ii) unsafe work practices or conditions that may lead to injury or damage, in the Zone ;

(g) assist in the implementation of immediate counter-measures as stipulated in emergency plans ; and

(h) be of good conduct, orderly and disciplined.

**101.** A service provider shall—

(a) comply with the HSE procedure under these Regulations, including laws and standards relating to the services provided in its service contract ;

(b) report to the Zone Management—

(i) every accident or incident nearly resulting in an accident ; and

(ii) unsafe work practices or conditions that may lead to injury or damage, in the Zone ;

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

(d) maintain open lines of communication at all levels of supervision to ensure that safe work practices are understood and implemented by all parties ;

(e) train its employees and provide PPEs for their use to carry out their work to meet policy and regulatory requirements ;

(f) make available to the Zone Management for evaluation—

(i) records of its past safety performance,

(ii) current procedures or programmes,

(iii) projected capability to achieve an acceptable HSE performance,

(iv) evidence of compliance with applicable HSE policies, laws, regulations, rules, standards and procedures ; and

(g) indemnify the Zone Management for not complying with HSE policies, rules and procedures in the Zone.

**102.** The Zone Management or the Authority may intervene to avert or mitigate HSE risks, where—

(a) an FZE or service provider fails to meet its obligations to adequately implement HSE matters including training, equipping and protecting its employees in the performance of their assigned duties ; or

Responsibilities of service providers.

Power of the Zone Management or the Authority to mitigate HSE risks.

**B 2754**

(b) any person within the Zone is carrying out an activity which in the opinion of the Zone Management or the Authority is likely to cause a nuisance or hazard to the safety of persons, the environment or property.

Compliance with environmental protection laws.

**103.**—(1) An FZE operating in the Zone shall—

(a) comply with applicable environmental protection laws, regulations, guidelines and standards ;

(b) ensure that pollution treatment facilities or other suitable devices are used to keep wastes and pollution within tolerable limits ; and

(c) protect and preserve the Zone environment.

(2) An FZE shall, where required, submit to the Authority through the Zone Management its waste management and pollution control plan for approval.

(3) The Zone Management and the Authority shall, in conjunction with relevant government agencies—

(a) monitor and inspect the operation of anti-pollution measures in the Zone ; and

(b) apply appropriate sanctions for breaches of applicable laws and regulations.

HSE induction training.

**104.** Facility managers or supervisors shall conduct induction training when—

(a) a new employee starts work in the Zone ;

(b) a service provider staff starts work on a site ;

(c) a new plant or equipment is introduced ;

(d) policies or procedures are updated ; and

(e) it is discovered that an employee in the Zone or staff of the service provider has inadequate knowledge in the use of assigned PPE and other safety equipment.

Occupational health and safety.

**105.**—(1) Every site shall—

(a) have an equipped First Aid Box ; and

(b) train its managers and supervisors on the application of First Aid.

(2) A sick employee in the Zone shall notify a manager or supervisor for appropriate medical attention.

(3) An employee under the influence of alcohol, narcotics or any other intoxicant, whether prescribed or otherwise, shall not be allowed to work.

(4) Horseplay, practical jokes and provocation are not allowed in the workplace within the Zone under any circumstances.

(5) Sexual harassment is prohibited.

**106.**—(1) An employer or service provider and their employees within the Zone shall—

Control of hazardous substances.

(a) comply with 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 ; and

(b) ensure that waste materials are disposed in a manner that will not constitute hazard to employees, employers, service providers, clients, the general public and the environment.

(2) An employer or service provider within the Zone shall ensure that their employees receive—

(a) adequate training and information on HSE matters before exposing them to hazardous substances relating to their job ; and

(b) mandatory periodic medical checks.

**107.**—(1) Every person within the Zone shall—

Fire prevention.

(a) adopt measures to prevent fire outbreak ; and

(b) comply with “No Smoking” signs on every facility in the Zone.

(2) Inflammable materials shall not be kept in offices or near any source that may give rise to fire outbreak.

(3) A site manager or supervisor shall keep activities in operational areas safe from fire.

(4) Each employee of the Zone and staff of a service provider shall undergo induction training in fire prevention practices, the use of fire extinguishers and emergency procedures.

**108.**—(1) Fire-fighting equipment shall be provided at strategic locations on all sites and be used promptly to respond to any fire outbreak.

Fire-fighting Guidelines.

(2) Every employee of the Zone and staff of a service provider shall—

(a) be familiar with the areas of operation relating to their employment ; and

(b) know the locations of fire extinguishers and other fire-fighting equipment.

(3) Fire-fighting facilities shall be positioned in accessible locations and shall not be removed or used for purposes other than fire-fighting.

(4) Where a defect or unintended discharge of a fire extinguisher occurs, any employee who observes the defect or unintended discharge shall report to the immediate manager or supervisor, and no disciplinary action shall be taken against the employee for reporting the incident.

(5) Fire safety shall at all times be in line with the development control guidelines issued by the Management from time to time.

## **B 2756**

Fire exits.

**109.**—(1) Fire exits shall be provided at strategic locations and shall not be blocked or used for any other purpose, and where the exits are locked, the keys shall be provided inside boxes with glass cover which can be broken to access the 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 employees in the Zone.

Emergency evacuation procedures.

**110.**—(1) An FZE shall have an emergency plan which shall require an employee to—

(a) raise alarm in the event of any emergency or fire outbreak ;

(b) operate any manual or automatic danger alarm system, where applicable ;

(c) attack the fire with available fire-fighting equipment ;

(d) call for assistance by phoning the Free Zone security, fire brigade or the Nigeria Police, whose contact details shall be provided at each site ;

(e) close all windows and doors to prevent easy spread of the fire ; and

(f) escape to the designated safe place or muster point.

(2) Fire marshals shall give further directives to occupants and persons within the affected facility during emergencies.

Personal protective equipment.

**111.** Each employee of the Zone and employee of a service provider shall—

(a) be provided with PPE, where required, to ensure safety;

(b) be trained on the use and maintenance of the PPE;

(c) wear the PPE, where required, when carrying out assigned functions ;

(d) keep the PPE in good working condition; and

(e) be disciplined for failure to comply with this regulation.

Prohibition of firearms and other dangerous weapons.

**112.** Carrying of firearms, explosives and other dangerous weapons is prohibited within the Zone, except for lawful use by security personnel authorised under the relevant laws of Nigeria.

Safety gear.

**113.**—(1) An employer and a service provider in the Zone shall provide its employee with a protective garment.

(2) An employee shall wear safety shoes at work areas identified as having risk of foot injury.

Breathing apparatus, ear protection and gloves

**114.** An employee shall, where applicable, wear —

(a) appropriate dust masks or breathing apparatus where air contamination exists ;

(b) gloves at work areas identified as having risk of hand injury or contamination ; and

(c) ear plugs when exposed to high noise level for a considerable length of time.

**115.**—(1) Every employee shall—

(a) possess knowledge of standard work practices required for their work ; and

(b) obey safety rules at all times.

(2) An employee who observes any unsafe condition or practice in the Zone, shall notify any superior officer, and no disciplinary action shall be taken against the employee for reporting the unsafe condition or practice.

(3) An employee who is uncertain about unsafe practice or procedure for performing any job shall seek advice from any immediate superior or safety representative.

(4) An employer in the Zone shall periodically assess work practices in its domain with a view to removing any hazard and promote good occupational health of the workforce and environment.

**116.**—(1) Only an employee who is authorised may be allowed access to restricted areas in the Zone.

(2) Where an area of work impacts on—

(a) another component of a facility, or

(b) other work in progress within the area,

the supervisors of the areas concerned shall coordinate access and activities in the area for effective and safe work performance.

**117.**—(1) The circuit of any electrically driven equipment or other energy sources shall be de-energised and the start-up switch tagged with a sign, “Danger, Do Not Operate”, prior to the commencement of work.

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

(3) The sign tag on the circuit board, “Danger, Do Not Operate”, shall only be removed by a technician or qualified officer.

**118.**—(1) A permit shall be obtained from the Zone Management before carrying out hot work such as welding, grinding and flame cutting on site.

(2) Appropriate fire-fighting equipment shall be positioned and manned before carrying out any form of hot work.

**119.**—(1) The appropriate machine or tool shall always be used for each job.

Work practices.

Authorised access to restricted areas.

Tag in and out.

Permit for hot work.

Machinery and hand tools.

**B 2758**

(2) Only a tool in good and safe condition shall be used in carrying out work in the Zone.

(3) Equipment on each site shall be maintained in good working condition.

(4) Only an employee trained in the use of a machine shall be allowed to operate the machine.

(5) Equipment that could pose a risk to the well-being of persons in and around the workplace shall be restricted to authorised persons only and shall be clearly marked, "AUTHORISED PERSONS ONLY".

Walkways,  
platforms  
and  
passageways.

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

(2) Wet surfaces shall be 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 operators shall exercise extreme caution.

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

(5) A change in floor elevation or ceiling height shall be clearly marked.

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

(7) Raised walkways and platforms shall have adequate handrails.

(8) The needs of the physically challenged persons shall be adequately provided for in the construction of walkways.

Stairways  
and ladders.

**121.**—(1) Ladder shall be used only by qualified and trained employees, whose schedules of duty include the use of such devices.

(2) A stairway or ladder shall be kept clean, dry and non-slippery at all times.

(3) The maximum load on a stairway or ladder shall be clearly marked.

(4) Where required, an elevator shall be provided and properly maintained for use by persons with physical disabilities.

Working  
locations.

**122.**—(1) All working locations shall be kept clean and orderly.

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

(3) Any spill in a working location shall be cleaned immediately.



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

(5) All sites and premises shall be kept clean and free from weeds and vegetation.

(6) All manholes, pits and floor openings shall be covered when not in use and clearly marked when opened.

(7) All oil and gas fired devices shall be equipped with flame failure controls, to prevent the flow of fuel where pilots or main burners are not working.

(8) Inflammable substances shall be stored outside the offices and access to these areas shall be strictly restricted.

**123.**—(1) Lifting and moving of heavy objects shall be—

(a) carried out with a mechanical device appropriate for that purpose ; and

(b) carried out by trained, qualified and authorised employees.

(2) The maximum load the mechanical device can carry shall be clearly marked on it.

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

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

(5) Hand gloves shall be free from oil, grease or materials which might impair firm grip of the load.

(6) The route through which the load may be carried shall be inspected to ensure that it is free from obstruction or spillage that might cause tripping or slipping.

(7) An employee or any other person shall not lift, attempt to lift or move a load considered too heavy or more than 36kg without assistance.

(8) Where a team is required to lift or move a load, one person shall act as a coordinator, giving instructions on how to lift, lower or move the load.

**124.**—(1) A driver shall drive a vehicle with due care.

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

(3) A driver shall be in possession of a valid driver's licence.

(4) Each vehicle shall be used only for authorised purposes.

(5) An accident, or incident nearly resulting in an accident, shall be reported to the Zone Management by the FZE concerned.

(6) Each vehicle shall be properly and regularly maintained and kept clean.

Mechanical  
and manual  
handling.

Travels and  
transportation.

**B 2760**

(7) Each vehicle shall be comprehensively insured with a reputable insurance company, which shall issue a valid insurance policy, as may be considered appropriate by the Zone Management.

(8) An occupant and operator of a moving vehicle shall use seat belt.

Job hazard analysis, control and registration.

**125.**—(1) A manager or supervisor shall, prior to the commencement of any work activity, carry out a hazard analysis to identify and assess if there is any hazard or risk involved in carrying out the activity.

(2) Where any hazard or risk is identified, procedures shall be put in place to control the hazard or risk through elimination, isolation and minimization.

(3) The result of the findings shall be registered in a Job Hazard Register.

Waste management.

**126.**—(1) An FZE or a licensed operator within the Zone shall ensure that any waste generated from its business activities or activities of an external contractor, is disposed of in a manner not hazardous to human health and the environment.

(2) A waste management procedure shall ensure that any waste generated from facilities is—

(a) identified in terms of its potential hazard to the environment and persons handling it ;

(b) stored in a manner which prevents spillage or prohibits access to unauthorised persons ; and

(c) disposed of in accordance with relevant legislation and government policies.

HSE awareness programmes.

**127.**—(1) HSE awareness programmes and activities shall be undertaken on a regular basis.

(2) The Zone Management, an FZE, licensed operator or a service provider shall show commitment to HSE procedures by implementing periodic HSE awareness programmes within their workplace in the Zone.

Compliance and disciplinary action for non-compliance with HSE rules.

**128.**—(1) An FZE, a service provider or an employee in the Zone shall comply with HSE rules, standards and practices under these Regulations and other guidelines that the Authority and the Zone Management may issue.

(2) Non-compliance with any of these HSE rules, standards and practices may result in a disciplinary or any other appropriate action commensurate with the seriousness of the non-compliance.

PART XIII—HUMAN RESOURCES, SOCIAL SECURITY  
AND LABOUR REGULATIONS

- 129.** An employer or employee in the Zone is subject to the provisions of this Part, except where a contract of employment has been submitted by an employer to the Zone Management for an endorsement that “its contract with the employee shall apply”, in which case, the Labour law of the Customs Territory shall apply. Application of this Part to contract of employment in the Zone.
- 130.** The Zone Management, in collaboration with the Authority, shall be responsible for the— Responsibilities of the Zone Management and the Authority under this Part.
- (a) supervision and implementation of the provisions of this Part, the enforcement of the rights of residents and employees in the Zone and the performance of undertakings contained in employment contracts ; and
- (b) resolution of trade disputes between an employer and its employees.
- 131.—**(1) The Zone Management may establish a Labour and Employment Service Office in the Zone. Establishment of Labour and Employment Service Office.
- (2) The Labour and Employment Service Office shall regulate labour and employment matters including safety, health and welfare of workers in the Zone.
- 132.—**(1) An employer in the Zone shall put in place disciplinary rules and procedures within its work place and submit a copy for the approval of the Zone Management within 10 days of commencement of operations in the Zone. Disciplinary procedures by employers.
- (2) Any employer who fails to comply with sub-regulation (1) of this regulation shall pay a fine prescribed under the Schedule of Fees.
- 133.** The Zone Management shall, with the co-operation of an employer in the Zone, ensure that welfare such as housing, sports facilities, health and medical services are provided by an employer for the benefit of its employees. Welfare of employees.
- 134.—**(1) An employment contract within the Zone shall contain the— Employment contract.
- (a) name of the employer ;
- (b) name and address of the employee ;
- (c) place and date of employment ;
- (d) nature of the employment contract ;
- (e) working hours, holidays and leave of absence ;
- (f) date of execution of the employment contract ;
- (g) duration of the contract ;
- (h) date when a contract for a fixed term expires, where applicable ;
- (i) wages, method of calculation, manner and period of payment ;
- (j) welfare benefits and accommodation given to the employee ;
- (k) termination notice period ; and
- (l) such other requirements as the Zone Management may prescribe.

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(2) The employer and employee shall each keep a copy of their employment contract.

(3) The Zone Management may require an employer to provide the employment contract of the employee, where—

(a) there is a dispute between the employer and the employee, of which the Zone Management has been notified by either party ;

(b) there is a reasonable suspicion of fraud or fraudulent misrepresentation by the employer or the employee ; or

(c) the Zone Management considers it necessary pursuant to an investigation into the affairs of the employer or the employee.

Work period.

**135.**—(1) Where the work period in an employment contract is not determined, the date of expiration of the contract shall be determined by the—

(a) nature and type of the work ;

(b) date of completion of the work or project ; or

(c) termination of the activities in the workplace.

(2) In a contract for a temporary period or specific work, neither party may unilaterally terminate the contract except in cases where the employment contract provides otherwise.

(3) In the event of a unilateral termination of a contract by either party, the other party may apply for redress through the Labour and Employment Service Office established under regulation 131 of these Regulations.

(4) The continuing nature of work period shall not make an employment contract permanent.

Provisional employment contracts or apprenticeship.

**136.**—(1) An employer and employee may fix a period of time during which either party may, without prior notice or payment of an indemnity, terminate the work relationship.

(2) An employer shall pay the employee wages and work benefits for work done in the course of provisional employment or at the end of apprenticeship period.

(3) An apprenticeship contract may be entered into only once between an employer and an employee for a specific job.

Unilateral modification in employment conditions.

**137.** Where an employer, without due consideration to the employment contract and without the consent of the employee, modifies the conditions of employment of an employee resulting in a reduction of wages, the employee may complain to the Labour and Employment Service Office for redress.

**138.**—(1) An employment contract may be terminated on any of the following grounds—

Termination  
of contract  
of  
employment.

- (a) expiration of the period for which it was made ;
- (b) death of the employee or liquidation of the employer before the expiration of the contract ;
- (c) total disability or incapacity of the employee ;
- (d) retirement of the employee ;
- (e) completion of the contract for specific work ;
- (f) non-compliance with disciplinary regulations ;
- (g) resignation of the employee ;
- (h) force majeure ; or
- (i) termination of the employment contract by either of the parties in instances stipulated in the employment contract and in compliance with these Regulations.

(2) An employee whose appointment is terminated for non-compliance with disciplinary work practice, may complain to the Labour and Employment Service Office, which may take a decision in line with these Regulations and other disciplinary practices applicable in the work place.

**139.**—(1) There shall be the following types of work in the Zone—

Types of  
work and  
working  
hours.

- (a) alternate work ; and
- (b) shift work.

(2) Shift work is work that rotates during the course of a month in such manner that it is performed in the morning, afternoon or at night and includes—

- (a) day shift work ;
- (b) night shift work ; and
- (c) mixed shift work.

(3) The working hours for a—

- (a) ‘day shift work’ shall be from six o’clock in the morning to ten o’clock at night ; and
- (b) ‘night shift work’ shall be from ten o’clock at night to six o’clock in the morning.

(4) Mixed shift work is work that is performed partly during the day and partly at night.

(5) Whenever a day shift work or a night shift work is performed under the terms of the contract, benefits shall be fixed in accordance with the—

- (a) employment contract ;
- (b) mutual agreement of the employee and the employer ; or
- (c) conditions and circumstances of the workplace.

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

(7) An employee's daily working hours shall be as agreed by the parties under the employment contract, provided that it shall not exceed 8 hours per working day.

Holidays.

**140.**—(1) The taking of a weekly holiday, annual leave or official holiday shall be agreed by the employer and the employee, and where a leave is postponed to another date or is not taken, the benefits due to the employee shall be granted as previously agreed by the parties.

(2) All official holidays in Nigeria shall be recognised and observed by both the employer and employee.

(3) Where a contract of employment is terminated as provided in these Regulations, any amount due on account of the employee's paid leave shall be paid to the employee or where the employee is deceased, to the next-of-kin of the employee.

(4) An employee shall be entitled to holiday with full pay after 12 months' of continuous service at least—

(a) six-working days ; or

(b) twelve-working days, in the case of an apprentice under the age of 18 years.

(5) 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.

Minimum wage.

**141.** The minimum wage in the Zone shall not be less than the minimum wage applicable in the Customs Territory.

Overtime allowance.

**142.**—(1) Any work performed by an employee in excess of 8 hours per day shall be considered as overtime work.

(2) An employer shall pay an employee overtime allowance for work done in excess of 8 hours per day.

(3) The overtime allowance to be paid by an employer shall be as in similar job schedules within the industry in other Free Zones.

Prohibition of employment of underaged person, forced labour, etc.

**143.**—(1) An employer in the Zone shall not employ any person below the age of 18 years.

(2) The use of corporal punishment or forced labour by an employer is prohibited in the Zone.

- 144.** An employer in the Zone shall not discriminate against an employee on account of gender, race, religion or other forms of discriminations. Prohibition of discrimination.
- 145.**—(1) A dispute between an employer and an employee arising from workplace or employment contract shall first be settled by the parties. Resolution of labour disputes.
- (2) Where a dispute cannot be settled by the parties themselves, any of the parties may, subject to the provisions of the Act, refer the matter to the Labour and Employment Service Office for mediation and settlement.
- (3) A resolution by the Labour and Employment Service Office shall be enforced within 10 days of its service on the parties, except where there is an objection by any of the parties.
- (4) A party dissatisfied with the decision of the Labour and Employment Service Office may seek redress in court.
- 146.** An employer of labour in the Zone shall be at liberty to employ workers from any part of the world subject to Nigerian laws. Freedom on employment of labour.
- 147.**—(1) An FZE shall prepare and maintain a Register of its employees, which shall contain the name, nationality, job description, contact details and any other information of the employee that the Authority or the Zone Management may prescribe. Register of employees.
- (2) An FZE Register of Employees shall be updated regularly and sent to the Free Zone Registry at the end of the FZE financial year.
- 148.**—(1) An employer shall, through the Zone Management, establish one or more funds, solely or jointly, with the Nigeria Social Insurance Trust Fund (‘NSITF’) or insurance companies, to provide medical services, wage indemnities for periods of sickness, partial and total disability, retirement, death and other similar cases for employees. Employment benefits.
- (2) An employee shall open a Retirement Savings Account (RSA) with a pension fund administrator of his choice, in line with the Pension Reform Act applicable in the Customs Territory, for the monthly remission of the employee’s retirement benefits.
- (3) An employer shall remit to the RSA of the employee, a minimum—
- (a) amount of 10% of the employee’s monthly emolument as a contribution by that employer ; and
- (b) amount of 8% of the employee’s monthly emolument to be deducted from the employee’s wages or salary, not later than 7 days from the day the employee is paid salary or wage.

(4) Rules and Guidelines relating to the determination of other retirement benefits of an employee shall be in accordance with the provisions of the Pension Reform Act and other relevant laws and regulations applicable in the Customs Territory.

(5) The accrued entitlements of an employee in an establishment in the Zone shall be maintained and transferable in any future employment under these Regulations, subject to applicable laws.

(6) Rules and Guidelines relating to the records of employees referred to in sub-regulation (5) of this regulation and the computation of their entitlements shall be jointly prepared by the employer and the appropriate institution responsible for providing the insurance benefit.

(7) An expatriate working in the Zone is entitled to similar conditions on insurance in relation to medical services, having regards to applicable International Conventions granting reciprocity to Nigeria.

(8) Rules and Guidelines relating to—

(a) determination of annual insurance premiums of expatriates ;

(b) the manner of establishing funds and regulations governing them ;

(c) the relationship between such funds and the NSITF and other insurance institutions concerned ;

(d) the manner of transferring an expatriate’s insurance records to the Zone ; and

(e) other related issues,

shall, with the approval of the Zone Management and the Authority, be prepared by the employer and the NSITF or any other relevant insurance organisation or institution.

**PART XIV—COMPLIANCE, INSPECTION, REVOCATION OF LICENCE AND DEREGISTRATION**

Compliance with the Act and these Regulations.

**149.** An FZE or person working, operating, living, owning or leasing real estate, carrying out business or otherwise having an interest within the Zone, shall comply with the provisions of the Act and these Regulations.

Penalty for non-compliance with these Regulations.

**150.** An FZE, person or any other entity who fails to comply with these Regulations shall, with the consent of the Authority, pay a fine or be penalised as may be prescribed pursuant to the Act, these Regulations or Order made under the Act.

Power to enforce compliance with these Regulations.

**151.** The Zone Management shall have power to enforce compliance with these Regulations through—

(a) issuing of notices publicly displayed within the Zone ;

(b) imposition of appropriate administrative fines or sanctions prescribed under —



- (i) these Regulations or any order, rules or internal guidelines made pursuant thereto ; and
- (ii) the Nigeria Export Processing Zones (Infractions and Sanctions) Order, 2021 as may be reviewed by the Authority, from time to time ;
- (c) appointment of inspectors to investigate the affairs of a defaulting FZE or entity ;
- (d) revocation of the operating licence of a defaulting FZE with the written approval of the Authority ;
- (e) recommend to the Authority for a de-registration of a defaulting FZE ;
- (f) withdrawal or cancellation of permits issued to entities other than FZEs ; or
- (g) reporting of breach of security or commission of an offence in the Zone to appropriate security agencies and the Authority for appropriate action including prosecution.

**152.**—(1) The Authority and Zone Management shall, in collaboration with relevant regulatory agencies, impose administrative fines or sanctions on any FZE for failure to—

- (a) pay fees or charges payable ; or
- (b) submit information due to be provided to the Zone Management, the Authority or any other regulatory entity within the Zone.

(2) The administrative fines referred to under sub-regulation (1) of this regulation shall be prescribed in internal guidelines issued by the Zone Management with the approval of the Authority.

(3) Where an FZE is in default under sub-regulation (1) of this regulation for 6 months, the Zone Management may, with a written approval of the Authority and by notice in writing to the FZE—

- (a) suspend the Licence granted to the FZE and prohibit the FZE from carrying out any activity within the Zone ; or
- (b) prohibit the personnel of the FZE from entering into the Zone for any reason considered appropriate by the Zone Management.

(4) The Licence of the FZE and its right of access to the Zone may, with a written approval of the Authority be reinstated upon its—

- (a) remedy of the default ; and
- (b) payment of any applicable fines as the Authority and Zone Management may prescribe pursuant to these Regulations.

**153.**—(1) The Zone Management may appoint inspectors to investigate the affairs of an FZE, where—

- (a) the Zone Management can show that an FZE has—

Administrative fines for non-compliance with extant rules and regulations.

Inspection.

- (i) breached the provisions of the Act, these regulations or any other regulations issued pursuant to the Act by the Authority,
  - (ii) ceased to carry on business or is not in operation within the Zone ;
  - (iii) abandoned its property and assets within the Zone,
  - (iv) defaulted its creditors who have powers to apply for insolvency, or
  - (v) breached any of the circulars, guidelines or written instructions issued by the Authority or Zone Management pursuant to the Act ; or
- (b) an application is made for such inspection by a shareholder or any other person provided that the Zone Management is satisfied that good reason has been shown or circumstances exist requiring the investigation.

(2) Appointment of an inspector may be made on the application of —

- (a) an FZE ;
- (b) a creditor ;
- (c) a shareholder of the FZE ;
- (d) the Zone Management acting on its own ; or
- (e) any other person or authority,

provided that the Zone Management is satisfied that the investigation is necessary.

(3) Fees and costs incurred in the appointment of an inspector and the conduct of an investigation shall be borne by the applicant.

(4) An inspector appointed by the Zone Management under sub-regulation (1) of this regulation shall—

- (a) have such powers as the Zone Management may confer ; and
- (b) submit a report to the Zone Management in such form and time as the Zone Management may direct.

(5) Inspection to be carried out under this regulation shall not interfere with or inhibit the ongoing business or operations of an FZE.

Revocation  
of a Licence.

**154.—**(1) The Licence of an FZE may be revoked by the Zone Management subject to a written approval of the Authority, where the FZE—

- (a) commits an offence ;
- (b) commits an act that contravenes national security or substantially affect the safety and security of the Zone ;
- (c) is subject to a deregistration order ;
- (d) fails to pay the annual licence renewal fee and any interest, where applicable, after 3 months of expiration ;
- (e) fails to provide the Zone Management with information requested twice in writing and does not give reason as to why it was unable to provide such information;
- (f) provides false or misleading information to the Zone Management on the activities of the FZE in the Zone ;

(g) has on two occasions defaulted in submitting appropriate returns to the Zone Management ;

(h) is in default of making prompt payment of Licence Fees or other fees stipulated in the Schedule of Fees within three months from the date due for payment ;

(i) fails to remedy any default within two months from the date of default ;

(j) breaches its obligations under regulation 51 of these Regulations ; or

(k) continuous breach of the terms of its licence for at least two months.

(2) A Licence may be revoked where an investigation or assessment of an FZE reveals that—

(a) the FZE has acted contrary to the provisions of applicable laws, these Regulations or circulars pertaining to the Zone, written instructions and directives of the Zone Management or Authority ;

(b) the FZE has violated an applicable tax law resulting in tax evasion ;

(c) the FZE's revenues and earnings accruing from activities conducted outside the Zone are being declared as revenues and earnings accruing from activities within the Zone ;

(d) the conditions and qualifications declared in the application form which formed the basis for the issuance of an operating licence—

(i) are not fulfilled, or

(ii) have been proven to be false in any material respect ;

(e) changes in the information provided in the application form for the Operating Licence have not been reported to the Zone Management as required ; and

(f) the FZE or its authorised representative or employee have damaged a facility, machinery or equipment in the Zone and failed to remedy the damage within 15 days despite the issuance of a written notice by the Zone Management.

(3) Notwithstanding the provisions of sub-regulation (2) of this regulation, a Licence may be revoked for any other circumstance that the Zone Management may, with the consent of the Authority, determine as applicable for the revocation of a Licence.

(4) Any licence fee or other fees paid by a licensee, shall be forfeited to the Zone Management and shall not be refunded where the licence is revoked.

(5) An FZE attempting to continue its activities within the Zone after its Licence has expired or has been revoked shall be—

(a) warned in writing by the Zone Management ; and

(b) expelled from the zone and its properties liquidated in accordance with these Regulations, where it fails to comply with the warning.

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Reinstatement  
of a Licence.

**155.** The Zone Management shall, with a written approval of the Authority, reinstate the licence of an FZE where—

- (a) the breach warranting the revocation of the Licence has been remedied ; or
- (b) there is a final award from an arbitral body or a judgment of court reversing the revocation.

Power to  
deregister an  
FZE.

**156.** The Authority may on its own or upon the recommendation of the Zone Management, deregister an FZE in line with the provisions stipulated under these Regulations.

Grounds for  
deregistration.

**157.—**(1) The deregistration of an FZE shall be made in accordance with these Regulations.

(2) An FZE shall be deregistered where—

- (a) it has been operating in the Zone without a Licence for not less than three months or its Licence has been revoked under regulation 154 of these Regulations ;
- (b) it submits a written request to the Zone Management for its deregistration ;
- (c) it has committed or has been involved in the commission of fraud or fraudulent activity ;
- (d) the outcome of the investigations by the inspectors confirms the occurrence of any of the events specified in regulation 153(1) (a)-(c) of these Regulations ;
- (e) the FZE has been unable or unwilling to pay the Zone Management its fees due under the Schedule of Fees for not less than 3 months ;
- (f) the FZE has breached any of the terms in its Licence, these Regulations or any other applicable law for not less than 3 months ;
- (g) the FZE ceases to carry on business or is not in operation within the Zone and has failed to respond to a written inquiry from the Zone Management within 10 days ; or
- (h) the Zone Management recommends that an FZE be deregistered by the Authority in line with these Regulations.

Procedure  
for  
deregistration.

**158.—**(1) Where the Zone Management considers it necessary to commence deregistration of an FZE, it shall issue a written notice of its intention to deregister the FZE within 21 days.

(2) Where the FZE wishes to object to the decision of the Zone Management, it shall inform the Zone Management of its objection in writing—

- (a) stating the grounds upon which it objects to the decision ;
- (b) providing evidence that it has not breached any of the conditions or grounds under regulation 157 (2) of these Regulations ; or

(c) providing evidence within 7 days from the date upon which the FZE received the Zone Management's written notice under sub-regulation (1) of this regulation, that it has remedied the breach for which the Zone Management intends to deregister it.

(3) The Zone Management may discontinue the deregistration procedure where it is satisfied with the objection of the FZE under sub-regulation (2) of this regulation.

(4) The Zone Management, may in the alternative to sub-regulation (3) of this regulation, recommend for the deregistration of an FZE where the—

(a) FZE fails to respond to the written notice under sub-regulation (1) of this regulation ; or

(b) objection of the FZE under sub-regulation (2) of this regulation is not supported with evidence in accordance with these Regulations.

(5) Notwithstanding the procedures specified under this regulation, the Zone Management and the FZE shall endeavour to resolve any dispute arising under these Regulations and may at any time refer such disputes to the Authority.

(6) Where a dispute in respect of a breach of these Regulations is not resolved by the parties, any of the parties may refer the matter to an arbitral panel for resolution.

(7) The decision of the arbitral panel in respect of any matter referred to it under these Regulations shall be binding on the parties.

**159.** Upon deregistration of an FZE—

Consequences of deregistration.

(a) all incentives applicable to the business operations of the FZE shall be withdrawn ;

(b) the FZE shall cease to operate within the Zone and its name shall be struck off the Registers of the Free Zone and the Authority ;

(c) all properties and rights vested in the FZE, which are not owned or controlled by the Zone Management or any other entity or person with interest in the Zone, shall be deemed to be held by its shareholders or proprietors subject to regulation 160(1) of these Regulations ; and

(d) where a deregistration is a consequence of a breach of any of the provisions of these Regulations, an FZE shall be subject to an administrative penalty as may be determined by the Authority.

**160.**—(1) Upon deregistration of a defaulting FZE, the Zone Management shall, with the consent of the Authority and in accordance with applicable laws, determine the order of distribution of assets of the deregistered FZE, having regard to the interests of the Authority, Zone Management, creditors, employees and shareholders of the FZE.

Priority of distribution of assets of an FZE upon deregistration.

(2) The Zone Management shall have the right of first refusal to acquire any asset and physical structures erected by the deregistered FZE within the Zone at a purchase price to be determined by a valuer appointed by the Authority or as may be agreed by the parties.

(3) Where the Zone Management declines to acquire the assets and physical structures, any other person or legal entity may do so on the same terms originally made to the Zone Management.

PART XV—MISCELLANEOUS

Amendment  
and  
revocation.

**161.** Subject to the provisions of the Act, the Authority may review or revoke the provisions of these Regulations.

Savings.

**162.—**(1) Nothing in these Regulations or any other Regulations otherwise applicable in the Lekki Free Trade Zone area shall invalidate or affect anything done or purported to be done in the name of the Free Zone prior to the licensing of Northwest Quadrant Free Zone now Alaro City Free Zone.

(2) Nothing in these Regulations shall invalidate or otherwise prejudicially affect anything done or purported to be done in relation to the Zone prior to the commencement of these Regulations.

(3) As from the commencement of these Regulations, all assets, rights, liabilities and obligations of the Zone prior to these Regulations shall continue to vest as if they arose or were made or entered into under these Regulations.

Interpretation.

**163.** In these Regulations, unless the context otherwise requires—

“*Abandoned Goods or property*” has the meaning given to it under regulation 57(2) of these Regulations ;

“*Act*” means the Nigeria Export Processing Zones Act, CAP N107, Laws of the Federation of Nigeria, 2004 ;

“*Annual Accounts*” means the Financial Statements prepared at the end of a financial year ;

“*Approved Activity*” means any of the activities specified under regulation 45 of these Regulations ;

“*Area Command*” means the Customs Area Command as designated by the Nigeria Customs Service ;

“*Authority*” means the Nigeria Export Processing Zones Authority established pursuant to the Nigeria Export Processing Zones Act, CAP N107, Laws of the Federation of Nigeria, 2004 ;

“*Bank*” means a bank licensed under the Banks and Other Financial Institutions Act, CAP B3, LFN 2004 (as amended) and a licensed foreign bank authorised to carry out banking activities in the Zone ;

“*CBN Guidelines*” means the Central Bank of Nigeria Guidelines for Banking Operations in the Free Zones in Nigeria 2016, (as amended) ;

“*Company*” means a body with a separate legal personality of its own established by law in any jurisdiction ;

“*Country of Origin*” in the case of a foreign entity, means a jurisdiction other than the Federal Republic of Nigeria, and in the case of a domestic entity, means the Federal Republic of Nigeria ;

“*Customs Bill of Entry*” means the form identified as the Single Goods Declaration (SGD) referred to in these Regulations ;

“*Customs Processing Centre*” means a Processing Centre established within or outside the Zone to serve the customs affairs of the Zone ;

“*Customs Territory*” means the Federal Republic of Nigeria, excluding any area designated as a Free Zone ;

“*Employee*” means a person who works in the Zone in any capacity under the instructions of an employer for wages, salary or other form of compensation ;

“*Employer*” means any entity or person that employs the services of another in the Zone for wages or salary ;

“*Enactment*” means an Act of the National Assembly, Law of a State House of Assembly or Bye-law issued by a Local Government, but excluding circulars and regulations of the Free Zone ;

“*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 a shipper ;

“*Financial Statements*” means balance sheet, profit and loss accounts and any other ancillary document required for the representation of a FZE’s financial position ;

“*Free Zone*” means an area of land designated by the President pursuant to the provision of the Nigeria Export Processing Zones Act, Cap N107 LFN, 2004 which includes Free Trade Zone, Export Processing Zone, Border Free Trade Zone, Export Processing Factory or Export Processing Farm ;

“*Free Zone Customs*” means the Nigeria Customs Service within the Zone or a person acting on the instruction of the Nigeria Customs Service or appointed by the Federal Government, who for the time being is employed to carry out functions relating to Customs in the Free Zones ;

“*Free Zone Enterprise*” (FZE) means an entity registered as a legal entity in Nigeria by the Authority and licensed by the Zone Management under these Regulations to undertake an Approved Activity in the Zone ;

“*Free Zone Incentives*” means the incentives provided under regulation 54 of these Regulations ;

“*Free Zone Register*” means the register maintained by the Free Zone Registry for the purpose of keeping records in the Zone under these Regulations ;

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“*Free Zone Registry*” means the registry where all registers relating to the Zone are kept ;

“*FZE Register*” means the register maintained by Free Zone Enterprises for the purpose of keeping records required under these Regulations ;

“*Free Zone Resident*” (FZR) means a person resident and registered by the Zone Management within the Zone ;

“*Import Duty*” means custom duties chargeable on imports ;

“*Importer*” includes an owner of goods or any other person in possession of the goods or beneficially interested in the goods between the time of importation and the time when the goods are cleared ;

“*Inspector*” means a person or an organisation appointed by the Authority or Zone Management to investigate the affairs of an FZE ;

“*Licence*” means an authorisation issued to an FZE by the Authority through the Zone Management to undertake an Approved Activity in the Zone ;

“*Licensee*” means an FZE in possession of a Licence and operating within the Zone ;

“*Licensed Foreign Bank*” means any enterprise licensed under the laws of any country other than the Nigeria Customs Territory to carry on banking business ;

“*Minister*” means the Minister charged with the responsibility for matters relating to Free Zones under the Authority ;

“*Nigerian Mission*” means a Nigerian Embassy or a High Commission permitted to issue visas to applicants wishing to come to Nigeria within its jurisdiction ;

“*Official Document*” includes correspondence, notice, official publications, parcels, invoices, receipts, promissory notes such as cheques, letters of credit and guarantees, bills of exchange, money orders, orders for goods or services signed by or on behalf of the FZE ;

“*Parent Bank*” means any bank or financial holding company that has a controlling interest over a subsidiary bank in the Zone ;

“*Parent Company*” means a Company that owns 50% or more of the shares of an FZE ;

“*Planning and Construction Guidelines*” means the guidelines issued by the Zone Management pursuant to regulation 69 of these Regulations ;

“*Regulations*” means the Alaro City Free Zone Regulations issued by the Authority pursuant to the Act ;

“*Resident Card*” means the Zone identification card issued to a Free Zone Resident by the Zone Management ;

“*Salary*” means income set and paid on a monthly basis ;

“*Schedule of Fees*” includes fees, rates, levies and tariffs applicable in the Zone ;

“*State*” means a State in the Federal Republic of Nigeria ;



“*Subsidiary*” means an FZE that is fully owned by another FZE or company as a parent company, or with not less than 50% of its share capital owned by the parent Company ;

“*Terminal Operator*” means an operator authorised at the airport or seaport terminals ;

“*Wages*” means remuneration or earning paid by an employer to an employee on an hourly, daily or weekly basis for work done or services rendered under a contract of employment ;

“*Welfare facilities*” includes facilities for sports, health and medical services ;

“*Work period*” has the meaning given to it under regulation 135 of these Regulations ;

“*Zone*” means Alaro City Free Zone located at the Northwest Quadrant of the Lekki Free Trade Zone area of Lagos State, Nigeria measuring 1,000 Hectares of land ; and

“*Zone Management*” means Alaro City Development FZC licensed by the Authority to manage, operate and administer the Alaro City Free Zone.

**164.** A list of abbreviations used in these Regulations is provided in the Eighth Schedule to these Regulations.

List of  
Abbreviations.

**165.** These Regulations may be cited as the Alaro City Free Zone Regulations, 2022.

Citation.

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**SCHEDULES**

**FIRST SCHEDULE**

**LOCATION OF ALARO CITY FREE ZONE**

*[Regulation 2(1)(a)]*

Alaro City Free Zone is located at the Northwest Quadrant of the Lekki Free Trade Zone area of Lagos State, currently measuring approximately 1,000 hectares of land.

## SECOND SCHEDULE

## TAX IMPLICATIONS FOR SPECIFIED TRANSACTIONS WITHIN THE ZONE

[Regulation 70(4)]

<i>S/N</i>	<i>Subject Matter</i>	<i>Tax</i>	<i>Basis of the Position</i>
1.	Purchases made by Licensees within the ZONE from companies operating in the Customs Territory.	* No VAT is payable by the purchaser. * No obligation on Licensee to withhold tax ("WHT") from payments.	This is in line with sections 11 (2) and 12(9) of the Act which made rules for export from Nigeria applicable.
2.	Sales made by Licensees within the ZONE to companies operating in the Customs Territory.	* VAT payable by purchaser. * No WHT is applicable.	This is in line with sections 11 (1) and 12 (7) of the Act, which made rules for import into Nigeria applicable.
3.	Purchases or sales made from Customs Territory by unapproved enterprises operating within the ZONE.	* VAT is applicable. * WHT is applicable.	Sections 8 and 18 (1) of the Act, which grants tax exemptions do not cover unapproved enterprises operating within the ZONE.
4.	Imported goods conveyed through other ports outside the Zone but consigned to the ZONE.	* [No import duty] * No VAT * No WHT provided the goods are escorted from the Port of Entry to the ZONE by the Nigeria Customs Service.	This is in line with sections 12(1) and 18 of the Act.
5.	Submission of tax returns to FIRS by Licensees.	Licensees are obliged to prepare and submit tax returns to the FIRS through the Authority.	Section 55 of the Companies Income Tax Act Cap C21 LFN 2004 (as amended by the Companies Income Tax (Amendment) Act No. 11 of 2007) ("CITA") provides that companies exempt from tax are nonetheless still required to file tax returns.
6.	Business activities of head offices or branch offices of licensees in the Customs Territory	All relevant tax laws applicable.	This is in line with the provisions of CITA and other relevant tax laws.
7.	Licensees having contracts for supply or design with companies in the Customs Territory.	VAT and WHT are applicable.	This is in line with the provisions of CITA and other relevant tax laws.

THIRD SCHEDULE

CUSTOMS PROCEDURES

PROCEDURE FOR IMPORTING GOODS INTO THE ZONE

[Regulation 76 (2) (a)]

General  
procedures  
for importing  
goods into  
the Zone

1. Importation of goods in relation to direct cross border imports from outside Customs Territory into the Zone shall be in accordance with the following procedures—

(a) the FZE shall ensure that the consignor or supplier of the goods forwards to the consignee, the Bill of Lading or Air Waybill (“the Bill”), the invoices and the packing list with the goods clearly marked with prices for each item on the list ;

(b) the vessel or aircraft’s manifest relating to such goods shall be endorsed with the statement: ‘Free Zone Status Shall Apply’ ;

(c) the FZE shall comply with the following requirements in relation to the Bill—

(i) indicate that the consignee of the goods is the FZE and shall specify the FZE address as ‘Alaro City Free Zone, Northwest Qaurant, Lekki Free Zone Zone, Lagos ;

(ii) where for banking or other reasons the identification of the consignee has to be stated differently, the information referred to in this paragraph shall appear in the ‘Marks and Numbers’ section of the Bill, the ‘Notify Party’ shall be the FZE and the Zone Management shall be notified to this effect ;

(iii) in relation to sea shipment, the ‘Port of Discharge’ shall be clearly specified ; and

(iv) in relation to air shipment, the ‘Airport of Final Destination’ shall be clearly specified ;

(d) the Zone Management shall require the shipping line or airline to have a separate manifest in hard and soft copies, for goods to be delivered to the Zone ;

(e) the FZE shall provide an advance manifest to the Zone Management seven days before arrival of the vessel and for shipment by air, the manifest shall be provided prior to, or upon arrival of the aircraft ;

(f) prior to the arrival of the goods or upon shipment, the FZE shall provide to the Zone Management certified copies of invoices, packing list, bill of lading and other relevant documents, which shall be considered to be a ‘Transaction Request Order’ by the Zone Management ;

(g) on receipt of the ‘Transaction Request Order’ with the specified documents, the Zone Management shall prepare a ‘Request to Transfer under Customs Escort’ or ‘Transfer Request’ authorising the goods to be transferred from the point of discharge to the Zone ; and

(h) the duly 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 and upon completion of stacking, the Transfer Request shall be signed by the terminal operator or aviation handling company and returned to the Zone Management.

2. For importation of goods into the Zone by sea, the following procedures shall apply—

Specific procedures for importing goods into the Free Zone by Sea.

(a) the invoice relating to the goods shall indicate the amount ascribed to insurance of the goods during the voyage, even where the terms of sale are 'Ex Works', 'Free on Board' (FOB), 'C and S' or otherwise ;

(b) upon the receipt of dispatch shipping documents from the supplier, the FZE shall complete a 'Transaction Request Order' and forward same to the Zone Management with copies of the following documents—

- (i) commercial invoice,
- (ii) bill of lading,
- (iii) packing list, and
- (iv) other relevant documents ;

(c) upon the receipt of the documents specified in sub-paragraph (b) of this paragraph, the Zone Management shall prepare a 'Transfer Request' authorising the goods to be transferred directly from the vessel to the Zone upon arrival ;

(d) the 'Transfer Request' shall be endorsed by the Free Zone Customs, the ship's agent, the Nigerian Ports Authority (NPA) or the Terminal Operators and noted with the stack address of the cargo and a stock reference number ;

(e) the FZE shall authorise the Zone Management to transfer the goods upon discharge except otherwise indicated, and pay applicable charges ;

(f) after paying all applicable charges, the shipping agent shall issue a delivery order to the FZE, a copy of which shall be made available to the Zone Management ;

(g) the duly authorised and endorsed 'Transfer Request' or 'Request to Transfer under Customs' Escort' shall be delivered to the terminal operator, who shall transfer the goods from the quayside to the appropriate stacking area ;

(h) upon completion of the stacking, the 'Transfer Request' or 'Request to Transfer under Customs' Escort' shall be signed by the Terminal Operator and returned to the Zone Management ;

(i) upon the receipt of the delivery order and the 'Transfer Request', the FZE or the Zone Management may on request, take delivery of the cargo from the quayside or stacking area and transport to the Zone under Customs Escort ; and

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(j) received copies of the 'Transfer Request' shall be sent to the FZE, the Zone Management, the Nigeria Customs Service (NCS), the Terminal Operator and the Nigerian Port Authority (NPA).

Specific procedures for importing goods into the Zone by Air Freight.

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

(a) the Nigerian Aviation Handling Company Plc. (NAHCO) or appropriate aviation handling company shall discharge the cargo from the aircraft, reconciled with the manifest and transferred to the cargo arrival shed ;

(b) on receipt of advice from NAHCO or appropriate aviation handling company, the FZE shall collect the documents relating to the goods from the airline and on payment of applicable charges, the airline shall issue a 'Delivery Order' to the FZE and a copy shall be made available to the Zone Management ;

(c) on the receipt of the relevant invoice, air waybill, packing list and other relevant documents ('Transaction Request Order'), the Zone Management shall issue a 'Request to Transfer under Customs Escort' duly endorsed by the Free Zone Customs and Airport Customs ;

(d) the airline shall make available a separate manifest of all Zone cargo on-board the flight to the Zone Management prior to or upon arrival of the flight duly sealed by the airline agents ;

(e) on the receipt of the Delivery Order and the 'Transfer Request', the FZE or the Zone Management may, on request, take delivery of the cargo and transport it from the airport to the Zone under customs escort ; and

(f) on arrival at the Zone, the consignment shall be removed from the manifest of the incoming aircraft and a copy of the received 'Transfer Request' shall be forwarded to NAHCO or the appropriate handling company through the Free Zone Customs.

Specific procedures for importing goods into the Zone by Road Freight.

4. For importing goods into the Zone by road freight, the following procedures shall apply—

(a) where the FZE require goods to be delivered to the Zone by road freight, the FZE shall apply in writing to the Zone Management for permission for the transfer and the application shall be supported by relevant commercial documents ;

(b) where goods require transfer by road freight because they have been misdirected in the original delivery process, the FZE shall support the application with a report stating how the goods were misdirected ;

(c) where the Zone Management and the Free Zone Customs consent to the application, the Zone Management shall issue a 'Request to Transfer Goods' and arrange customs escort, which shall be endorsed by the Zone Management and the Free Zone Customs ;

(d) on the 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

(e) on the arrival at the Zone, the authorised and endorsed 'Transfer Request' shall be forwarded to the Customs Command at the point of discharge for use to close the record of movement.

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

Cargo track inventory system.

(2) The Zone Management shall issue stock reports showing an FZE's movement of goods at intervals agreed by an FZE and the Zone Management, the Free Zone Customs shall have access to the stock control elements of the Cargo Track system.

(3) An FZE shall, on request by the Zone Management or the Free Zone Customs, provide statistical data, delivery, receipt, returns and any other information that may be required from time to time.

(4) The Zone Management and the Free Zone Customs shall inspect the records and books of account of the FZE's cargo from time to time after reasonable notice has been given to the FZE.

(5) An FZE shall permit the Zone Management and the Free Zone Customs to access the factory, warehouse, assembly plant or any other premises allocated to the FZE for the examination of goods to ensure the accuracy of the particulars entered in the records and books of account of the FZE.

(6) The Zone Management or the Free Zone Customs may station its officers on the premises of an FZE for the purpose of the inspection.

6. The procedure for importing goods or other special products through pipeline into the Zone shall be prescribed by the Zone Management in agreement with the Authority and the Free Zone Customs.

Importation of goods through pipeline or other special products in the Zone.

FOURTH SCHEDULE

THE PROCEDURE FOR EXPORTING GOODS FROM THE ZONE

[Regulation 76(2) (b)]

Exportation  
of goods  
from the  
Zone into  
the Nigerian  
Customs  
Territory.

1.—(1) Only goods and services which are of commercial quantity as stipulated by the Zone Management and approved by the Authority may be exported from the Zone into the Customs Territory.

(2) These procedures shall apply to importers seeking to export goods and services in commercial quantity from the Zone into the Customs Territory in the course of trading activities, which shall be subject to extant fiscal policy regulations pertaining to importation of goods in commercial quantity into the Customs Territory and shall be deposited at the bonded warehouse located in the buffer zone and operated by the Authority.

(3) Without prejudice to the foregoing, goods declared as personal effects, which are in excess of the passenger concessions shall be treated in line with provisions of the customs baggage code.

(4) For non-prohibitions, the importer shall first submit a completed 'Form M' to the importer's bank with the 'Country of Origin' and the 'Country of Supply' marked as "Alaro City Free Zone".

(5) The Bank shall countersign Form M and attest to supporting documents.

(6) Where appropriate, the documents may be stamped 'Not Valid for Foreign Exchange' by the Bank.

(7) A 'Transaction Request Order' shall be completed by the FZE and sent to the Zone Management together with copies of the following documents certified by the Bank—

- (i) Commercial invoice,
- (ii) Form M,
- (iii) Bill of Lading,
- (iv) Packing list, and
- (v) Form C16 and attested invoices.

(8) Where the Zone Management accepts the 'Transaction Request Order' and other attached documents, it shall prepare a 'Request to Examine, Access and Value and Classification' to the Free Zone Customs.

(9) An examination by the Customs shall be carried out and a clean Pre-Arrival Assessment Report ('PAAR') shall be issued by the Free Zone Customs.



(10) For goods required urgently, the release may be obtained promptly but the importer shall sign a bank guarantee or cashable bond endorsed by the importer to the Zone Management, guaranteeing duty payment at a stipulated date.

(11) For immediate duty payment, the FZE or its clearing agent shall present the PAAR with other documents to the Bank for duty payment and the Bank shall issue the importer a shipment receipt payment ('Bank pay-in-slip) or Single Goods Declaration ('SGD').

(12) The importer shall complete the SGD forms attached to the Clean Report of Inspection ('CRI'), invoice, bill of lading, packing list and Form C16 and present them for endorsement and processing at the Customs Processing Centre.

(13) Where the Free Zone Customs is satisfied with the documents presented, it shall release the goods for delivery to the importer.

(14) The Free Zone Customs Command shall arrange for examination, valuation and classification of the goods.

(15) On completion of the examination, valuation and classification of the goods, the Free Zone Customs Command shall endorse the SGD and release it to the importer.

(16) On receipt of the endorsed SGD, the importer shall pay the agreed duty to the Customs designated bank using the Bank pay-in-slip, and the Bank shall provide the importer with a customs revenue receipt.

(17) The importer shall, on receipt of the Customs revenue receipt, prepare a Customs bill of entry and submit it to the Free Zone Customs under the cover of the original 'Request to Release', the Customs revenue receipt and a copy of the endorsed SGD.

(18) Where the Free Zone Customs accepts the bill of entry, it shall be stamped and signed and further endorse the SGD.

(19) The Free Zone Customs shall issue and submit a Risk Assessment Report (RAR) to the Zone Management.

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

(21) Upon production of the delivery order by the importer, the goods shall be released for delivery into the Customs Territory.

2.—(1) Pre-release of goods with deferred duty payment shall be limited to perishable goods.

(2) The importer shall apply to the Customs Area Comptroller who shall convey approval based on the merit of the application.

Pre-release  
of goods  
with  
deferred  
duty  
payment

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(3) The perfection of a pre-release of goods with deferred duty payment shall be a condition for granting subsequent pre-release concessions to such beneficiaries.

(4) The procedure under paragraph 2 of this Schedule shall apply where the FZE wishes to implement a duty scheduling system (“the System”) whereby goods required urgently for use in the Customs Territory can be exported from the Zone and payment of customs duty deferred to a later date.

(5) To qualify for the System, the FZE shall comply with the following procedures—

(a) establish and provide an acceptable guarantee from the FZE’s bank for an adequate amount to cover the amount of Customs’ duty expected to be outstanding at a time ;

(b) submit an application for registration under the System to the Zone Management ;

(c) where the Zone Management accepts the application, it shall countersign and forward it to the Free Zone Customs for approval ; and

(d) where the Free Zone Customs approves the application, the Zone Management shall open a separate ‘Cargo track’ system to record the transaction in the fast-track section of its ‘Cargo Track’ system.

Customs duty payment system on monthly basis.

3. The Zone Management may under an arrangement with the Free Zone Customs, set up a duty payment system on a monthly basis, which shall allow an FZE to pay duty at the end of the month for all the goods exported in the same month.

Exporting petroleum or other special products from the Zone.

4. The procedure for exporting petroleum or other special products from the Zone into the Customs Territory shall be as prescribed by the Zone Management in agreement with the Authority and the Free Zone Customs.

Specific procedures for exporting goods from the Zone by sea.

5. Specific procedures for exporting goods from the Zone by sea are—

(a) An FZE shall send to the Zone Management copies of the following documents as attested to by the Bank—

(i) bill of lading,

(ii) invoice,

(iii) packing list, and

(iv) export declaration documents ;

which shall be considered to be a ‘Transaction Request Order’ to the Zone Management ;

(b) the Zone Management shall, with the consent of the Free Zone Custom, apply to the Customs at the seaport for physical examination of the goods against the documents submitted ;

(c) the approval to release goods and endorsement of the Export Declaration documents for export shall be issued by the Zone Management to the FZE or its agent ;

(d) the FZE or its agent shall forward the Customs Release Documents and Export Declaration documents to the Terminal Operators for release and endorsement ;

(e) the Zone Management shall request the Terminal Operators to deliver the goods to the relevant vessel and the Terminal Operators shall deliver the goods upon payment by the FZE of all storage and handling charges ;

(f) the goods delivered on board the vessel shall tally and be reconciled with the vessel's manifest by the Terminal Operators ;

(g) the captain of the vessel shall endorse the Export Declaration Form for the Free Zone Customs as evidence of shipment ;

(h) the FZE shall receive a bill of lading evidencing the shipment of the goods on payment of all freight charges ; and

(i) the FZE shall perfect an Export SGD with the Customs at the CPC and present copies of the endorsed Export Declaration for final release by Customs.

6. Specific procedures for exporting goods from the Free Zone by air are—

(a) the FZE shall send to the Zone Management copies of the following documents as attested to by the Bank—

- (i) bill of lading,
- (ii) invoices,
- (iii) packing list, and
- (iv) export declaration documents ;

which shall be considered to be a 'Transaction Request Order' to the Zone Management ;

(b) the Zone Management shall follow the procedures of exporting of goods by sea as prescribed under paragraph 5 of this Schedule ;

(c) the Zone Management shall submit the Free Zone Customs Release, Export Declaration documents endorsed by Customs and NAHCO or appropriate handling company with other cargo documents with an application to export goods to the Airport Customs for approval ;

(d) the Customs shall approve the release of the goods and the FZE or its agent shall submit the release documents to NAHCO or appropriate aviation handling company for payment of statutory handling charges ;

Exporting goods to a foreign territory by air freight.

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(e) the goods shall be released by the Free Zone Customs and transported to the airport under customs escort ;

(f) the goods, with the Export Declaration shall be handed over to the Customs and NAHCO officials or officials of the appropriate aviation handling company, who shall tally the goods, load them into the aircraft, sign and stamp the Export Declaration ;

(g) the pilot of the aircraft shall endorse the Export Declaration documents ; and

(h) the FZE shall prepare an Export SGD, attach a copy of the stamped Export Declaration and other documents and submit to the Free Zone Customs through the Zone Management.

## FIFTH SCHEDULE

THE PROCEDURE FOR HANDLING GOODS THAT REQUIRE  
REPAIR AND MAINTENANCE IN THE ZONE

[Regulation 76(2) (c)]

1.—(1) An FZE may apply to the Zone Management for the repairs or maintenance of goods in the Customs Territory within the Zone.

(2) The application shall be made on a ‘Transaction Request Order’ accompanied with—

- (a) a brief explanation of the reasons for the repairs or maintenance ;
- (b) relevant documents indicating the contract documents or agreement to repair or maintain the equipment ;
- (c) relevant import and commercial documents ;
- (d) correspondence between the companies doing the business ;
- (e) the duration of repair or maintenance ; and
- (f) other information as may be required by the Zone Management.

(3) The ‘Transaction Request Order’ shall contain necessary documents relating to the importation of the materials to be used for the repairs or maintenance.

(4) The Zone Management shall apply to the Free Zone Customs and the Destination Inspection Agent (DIA) for examination of the Free Zone items to be consumed during the repair or maintenance.

(5) The Zone Management shall apply to the Free Zone Customs or the DIA for examination of the item to be consumed during the process of maintenance or repairs where goods shall be returned to the Customs Territory after repairs.

(6) The DIA shall issue a RAR on the goods utilised on the maintenance or repairs and the necessary duties and levies shall be paid where applicable, and the FZE or agent shall perfect the entries (SGD) accordingly.

(7) Where the repair is for export to other countries, only Customs examination shall be carried out on the goods and other procedures for export shall follow on the utilised goods as prescribed under this Schedule.

2. The following procedures shall apply in respect to goods for repair, refurbishment or maintenance in the Customs Territory—

- (a) the FZE shall submit relevant documents, stating the reason for repair and duration of maintenance in a “Transaction Request” ;
- (b) the Zone Management shall raise a ‘Transaction Request Order’ and issue a request to the Free Zone Customs for examination of the goods to be repaired ;

Procedure for handling goods from within the customs territory being repaired or maintained in the Zone.

Goods for repair, refurbishment or maintenance in the Customs Territory.

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(c) the Free Zone Customs shall examine the goods, endorse the 'Transaction Request Order' and release the goods for repairs ;

(d) the goods shall be released from the Zone with the approval documents ;

(e) the FZE shall transfer the goods to the Customs Territory for repair ;

(f) the FZE shall notify the Zone Management and the Free Zone Customs on return of the goods ; and

(g) on completion of repairs and the delivery of goods into the Free Zone, the goods shall be examined against the original "Request for Repair" and the goods shall be returned to Free Zone.

Failure to return goods to the Free Zone within a specified time.

3. Where goods are not returned to the Free Zone within the time specified in the authorisation, the FZE shall, in addition to other penalties that may be applicable, pay Customs duty on the goods unless the Zone Management approves any application for an extension of time by the FZE.

SIXTH SCHEDULE  
PROCEDURES FOR TRANSFERRING GOODS

[Regulation 76(2) (d)]

Transfer of goods from one FZE to another FZE within the Free Zone for use in the Customs Territory.

1. The following procedures shall apply—

(a) the FZE (Seller) shall raise an invoice and notify the Zone Management, which shall be considered to be a ‘Transaction Request’ ;

(b) the FZE (Buyer) shall submit a copy of the original invoice covering the importation with the new invoice as a ‘Transaction Request’ to the Zone Management ;

(c) Form M is completed with a Bank ;

(d) the Zone Management shall raise a Transaction Request Order and shall issue a request to the Free Zone Customs and the DIA for examination of the goods ;

(e) the Free Zone Customs shall authorise the ‘Transaction Request Order’ ; and shall conduct a joint examination of the goods with the DIA ;

(f) the DIA shall issue the RAR and dispatch it to the designated Bank ;

(g) the FZE (Buyer) shall submit the SGD at the CPC for processing, attaching all commercial documents including the import duty receipt ; and

(h) the Free Zone Customs shall endorse the Transfer Request and the SGD and release the goods on confirmation of the import duty payment.

Goods between the Zone and another Free Zone.

2. The following procedures shall apply in transferring goods between the Zone and another Free Zone—

(a) the FZE shall submit to the Zone Management copies of the bill of lading, invoice and the packing list, which shall be considered to be a ‘Transaction Request’ ;

(b) the Zone Management shall issue a ‘Transaction Request Order’ to the Free Zone Customs for examination of the goods ;

(c) the Free Zone Customs shall authorise the ‘Transaction Request Order’ and carry out an examination of the goods against the documents submitted ;

(d) the Free Zone Customs shall have approval for the release of the goods ;

(e) the Zone Management shall issue a request to the NPA to deliver the goods to the relevant vessel or airport upon payment of handling and freight charges by the FZE, where the goods are to be delivered by sea or air respectively or release the goods to the road hauler under Customs escort, where the goods are to be transferred by road ; and

(f) the Free Zone Customs Escort shall return to the Free Zone with endorsed Landing Certificate from the carrier.

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Procedures  
for transfer  
of petroleum  
or other  
special  
products  
between  
FZEs within  
the Zone.

3. The procedure for transferring petroleum products or other special products from one FZE to another within the Zone shall be as prescribed by the Zone Management in agreement with the Authority and the Free Zone Customs.



SEVENTH SCHEDULE  
CUSTOMS PROCEDURES WITHIN THE ZONE

[Regulation 76(2) (e)]

- |   |                                      |
|---|--------------------------------------|
| <p>1. Personal duty-free allowance for a Customs Territory visitor or tourist shall be guided by the provisions of concessions as published by the Nigeria Customs Service.</p>   | <p>Personal duty-free allowance.</p> |
| <p>2.—(1) Goods or items imported into the Zone shall—</p> <p>(a) be entered by the CPC ;</p> <p>(b) not be subject to import duty as a result of the Free Zone status of the Zone ;</p> <p>(c) upon entry of the goods, the appropriate Harmonised System (HS) Codes for the items shall be determined by the CPC and communicated to the importer together with the appropriate customs duty rate ; and</p> <p>(d) be stated on every invoice and receipt issued by the importer or seller of the goods to the buyers at the point of sale.</p> <p>(2) The CPC shall have a record of the quantity of goods imported by the importer into the Zone for reconciliation with the total quantity claimed to have been sold.</p> <p>(3) All the above information shall be promptly entered into a database designed for such purpose.</p> <p>(4) Considering the Free Zone status of the Zone, all goods, including goods that are banned or prohibited from importation into the Customs Territory shall be allowed for importation into the Zone in accordance with the provisions of the relevant applicable law.</p> <p>(5) Goods that are expressly prohibited from being exported out of Nigeria may not be allowed into the Zone from the Customs Territory, except items designated for input as raw materials for the production of a final product, which in itself is not prohibited and the CPC shall be responsible for monitoring the movement of the prohibited goods.</p> <p>(6) Cargo brought into the Zone duty-free shall be consigned to a registered FZE in the Zone.</p> <p>(7) The consignee shall ensure that the shipping documents, bill of lading or air waybill, commercial invoice, packing list and manifest are properly documented within the Zone as follows—</p> <p>(a) consignee's name on the Bill of Lading or air waybill and shipping documents being the same as registered by the Authority ;</p> | <p>Goods imported into the Zone.</p> |

(b) consignee's address to be written as –  
Alaro City, Northwest Quadrant,  
Lekki Free Zone, Lagos State,  
Nigeria Telephone : +234 [insert consignee's Nigerian number] ; and

(c) the phrase 'These goods are meant for the Zone and are exempted from customs duty as enshrined in the Act' shall be clearly stated in the bill of lading or air waybill.

(8) On perfection of the shipping documents, the consignee shall ensure that a 'Transaction Request Order' and the perfected shipping documents are forwarded to the Authority through the Zone Management.

(9) The consignee shall ensure that the 'Transaction Request Order' is received by the Zone Management at least 7 days before the arrival of the cargo.

(10) On confirmation of the 'Transaction Request Order' and accompanying shipping documents, the Zone Management shall, through the Authority issue an authorisation letter in care of the consignee and its agent, requesting the Customs Area Comptroller to release the cargo to the Zone under customs escort, after inspection of the goods.

(11) On approval of the authorisation letter referred to in sub-paragraph (10) by the Customs Area Comptroller, the cargo shall be transferred to the Zone under Customs escort and upon arrival of the cargo, a joint physical examination shall be carried out on the cargo by the Zone Management and the customs officers' resident in the Zone.

(12) The cargo's landing certificate shall be endorsed by the Free Zone Customs on confirmation of the cargo and the Zone Management shall move the cargo on the appropriate stacking area.

Goods manufactured within the Zone.

3.—(1) Goods manufactured within the Zone shall be accounted for to the CPC in terms of quantity and materials used for the production.

(2) Where inputs into the production of the goods include items that have been previously imported into the Zone, the CPC shall be promptly informed.

(3) After inspection of the goods produced, the CPC shall delete the inputs from its records and allocate appropriate HS Code to the final product.

Expired, damaged or destroyed goods.

4. Where goods become expired, damaged or destroyed after being delivered to the Zone, it shall be reported and accounted for to the CPC for the purpose of its records and the goods shall be immediately deleted by the CPC from its records upon confirmation of their status.

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5.—(1) A seller within the Zone shall be familiar with sales that constitute personal effects, and shall indicate this fact on the invoice and receipt issued for the goods sold under this category.

Personal effects and goods consumed in the Zone.

(2) The receipts and invoices for the goods consumed within the Zone shall be correctly reflected.

(3) Copies of the receipts and invoices for goods consumed within the Zone and for personal effects shall be forwarded to the CPC on a regular basis or as agreed for the purpose of updating its records.

6.—(1) A seller within the Zone shall be familiar with sales that constitute personal effects, and shall indicate this fact on the invoice and receipt issued for the goods sold under this category.

Personal effects and goods exported into the Customs Territory

(2) The receipts and invoices for the goods exported by buyers into the Customs Territory shall be correctly reflected.

(3) Copies of the receipts and invoices for personal effects shall be forwarded to the CPC on a regular basis or as agreed for the purpose of updating its records.

7.—(1) Goods purchased in large quantities from the Zone for export to a country other than Nigeria, shall qualify under this category with the invoice for such goods appropriately marked and the country of destination indicated.

Goods for export to countries other than the Customs Territory.

(2) Goods intended for ‘personal consumption’ shall not fall under the category of ‘goods for export’.

(3) A seller shall at the point of purchase of the goods, request for evidence of the goods outside Nigeria, which may be in the form of air waybill, ocean bill of lading, inland bill of lading or a letter of commitment from the transporters, depending on the means of transportation.

(4) The details of the goods purchased for export shall be entered into an appropriate database immediately after the purchase for inspection by the CPC at the point of exit, and the customs invoice shall be in quadruplicate, with the original copy retained by the customer and a copy each sent to the trader, the CPC and the Zone management.

(5) The CPC shall—

(a) inspect the goods at the time of exit from the Zone, to ensure that the description and quantity correspond with the customs invoice issued by the seller ;

(b) issue a customs clearance to the exporter after inspection ;

(c) monitor the movement of the goods up to the port of exit from Nigeria, to ensure that the goods are not diverted for resale within the Customs Territory ; and

(d) delete exported goods from its records.

**B 2794**

(6) For the purpose of effective monitoring of the movement of goods from the Zone without the buyer diverting the goods into the Customs Territory, the CPC may arrange for bonded warehouses at the Zone and at the port of exit before the goods are taken out of Nigeria, and the buyer may have a means of transportation ready to transport the goods from the Zone.

Goods  
imported  
into Nigeria.

8.—(1) Where there is no express exemption of duty, goods purchased within the Zone for resale in the Customs Territory, which represent large or wholesale quantities that are intended for other parts of the Customs Territory and other Free Zones as the Zone and the CPC may agree, shall be subject to payment of appropriate customs duty.

(2) Goods intended for ‘personal consumption’ shall not fall under the category of ‘goods imported into the Customs Territory’.

(3) On the basis of the HS Code, an FZE in the zone shall, on behalf of the CPC and on periodic basis—

- (a) mark, calculate and collect appropriate customs duty to be paid on the goods sold to its customers along with the cost of the goods ; and
- (b) reconcile its records with that of the CPC and remit the duty collected as agreed by both parties.

(4) Where the goods imported into the Customs Territory are to exit from the Zone, the CPC shall—

- (a) inspect the customs invoice, receipt of payment for the goods and customs duty, to ensure accuracy ;
- (b) inspect the goods to ensure conformity with the quantity stated in the customs invoice ;
- (c) resolve any discrepancy before the release of the goods to the importer ; and
- (d) upon satisfaction with the inspection, issue customs clearance to the importer ; and
- (e) delete the imported items from its records.

EIGHTH SCHEDULE  
LIST OF ABBREVIATIONS

[Regulation 164]

BOFIA	—	Banks and Other Financial Institutions Act
CBN	—	Central Bank of Nigeria
CERPAC	—	Combined Expatriate Residence Permit and Aliens Card
CPC	—	Customs Processing Centre
CT	—	Customs Territory
DIA	—	Destination Inspection Agent
FIRS	—	Federal Inland Revenue Service
FOB	—	Free on Board
FRSC	—	Federal Road Safety Commission
FZE	—	Free Zone Enterprise
FZR	—	Free Zone Residents
HS	—	Harmonised System
HSE	—	Health, Safety and Environment
KYC	—	Know-Your-Customer
NAHCO	—	Nigerian Airport Handling Company
NCS	—	Nigeria Customs Service
NCT	—	Nigerian Customs Territory
NEPZA	—	Nigerian Export Processing Zone Authority
NIS	—	Nigeria Immigration Service
NPA	—	Nigeria Port Authority
NSITF	—	Nigeria Social Insurance Trust Fund
RAR	—	Risk Assessment Report
RSA	—	Retirement Savings Account
TWP	—	Temporary Work Permit
VAT	—	Value Added Tax
WHT	—	Withholding Tax

MADE at Abuja this 7th day of July, 2022.

PROF. ADESOJI ADESUGBA  
*Managing Director*  
*Nigeria Export Processing Zones Authority*

EXPLANATORY NOTE

*(This note does not form part of these Regulations  
 but is intended to explain its purport)*

These Regulations seek to provide details of regulatory and supervisory requirements necessary to promote efficient and profitable operations to facilitate the attainment of the goals for which the Alaro City Free Zone is established.