



Investing in Nigeria 2026

A Strategic Legal Roadmap for Foreign Businesses

Cross-border investment, compliance and market entry

Corporate Advisory, Foreign Investment & Regulatory
Compliance

INTRODUCTION

As of 2026, Nigeria's regulatory landscape has undergone its most significant transformation in over two decades. With the enactment of the Nigeria Tax Act ("NTA") 2025 and the Nigeria Tax Administration Act ("NTAA") 2025 which took effect on 1 January 2026, companies can no longer easily exploit legal loopholes. For foreign investors, the message is clear: success in the Nigerian market now requires compliance-by-design rather than addressed only when regulatory issues arise. The new architecture, anchored by the NTA, NTAA and the Investments and Securities Act ("ISA") 2025, moves Nigeria toward a unified and digitally integrated regulatory strategy. This article highlights six important legal considerations every foreign business should understand before establishing or expanding operations in Nigeria in 2026.



1. MARKET ENTRY AND CORPORATE STRUCTURING

Foreign investors intending to establish business in Nigeria are required to determine the appropriate corporate structure through which their business activities will be undertaken. The appropriate structure will depend on the nature of the proposed business, the extent of the investor's physical presence in Nigeria, applicable sector-specific requirements and the tax implications of the proposed activities. Under the Companies and Allied Matters Act 2020 ("CAMA"), a foreign company incorporated outside Nigeria that intends to carry on business in Nigeria is generally required to incorporate a separate Nigerian entity before commencing business activities in Nigeria, subject to applicable statutory exemptions. A foreign investor may therefore establish a Nigerian subsidiary through which its business activities will be conducted. Following incorporation, a company with foreign participation is required to register with the Nigerian Investment Promotion Commission ("NIPC") before commencing operations.

MINIMUM CAPITAL REQUIREMENTS

CAMA provides a general minimum issued share capital of ₦100,000 (One Hundred Thousand Naira) for private companies and ₦2,000,000 (Two Million Naira) for public companies. However, companies with foreign participation are subject to a higher minimum paid-up capital of ₦100,000,000 (One Hundred Million Naira) as mandated by the Federal Ministry of Interior's Revised Handbook on Expatriate Quota Administration 2022, which has been actively enforced by the CAC since 2023. Notwithstanding the foregoing, the applicable minimum capital requirement may also depend on the nature of the proposed business.

Companies operating in regulated sectors, including banking, insurance, aviation and capital markets, may be subject to significantly higher minimum capital requirements prescribed by the relevant sector regulator. Investors should therefore determine the applicable minimum capital requirements before incorporating the Nigerian entity, and ensure that the company's capitalisation is consistent with the requirements applicable to its proposed business activities.

b. In parallel, the Nigeria Revenue Service has issued detailed Guidelines on the Taxation of Virtual Assets 2026. The guidelines establish a clear administrative framework intended to facilitate voluntary compliance and provide greater visibility into revenue derived from digital asset activities.

2. TAX COMPLIANCE AND INCENTIVES

Nigeria operates a multi-layered tax system spanning federal, state and local obligations. The Nigeria Tax Act 2025, the Nigeria Tax Administration Act 2025, and the Nigeria Revenue Service (Establishment) Act 2025 centralised the federal tax collection to reduce fragmented administration.

Corporate taxes are within the remit of the Federal Government and administered by the Nigerian Revenue Service (NRS). It is therefore important for companies upon incorporation to register with NRS for corporate tax purposes and obtain their Tax Identification Number (TIN) and remit their taxes including value added tax (VAT), Companies Income Tax (CIT), etc. as at when due to avoid regulatory sanctions.

Non-resident companies planning to operate in Nigeria should begin by carefully assessing whether their proposed activities will create a permanent establishment or significant economic presence, as this determines Companies Income Tax liability and the need for registration with the Nigeria Revenue Service. They must also identify potential withholding tax obligations on payments, VAT requirements and transfer pricing considerations, while checking possible relief under applicable double tax treaties, so that the correct compliance framework is established from the outset.

To achieve proper tax compliance, intending companies should register promptly, maintain accurate records of all transactions, and meet statutory filings and payment deadlines. Engaging a qualified local tax adviser early in the process is the most effective way to navigate NRS requirements, stay updated on any legislative changes, and ensure smooth, penalty-free operations once business activities commence.

Nigeria continues to offer a range of incentives available for investments in specific sectors or businesses which are designed to encourage capital inflows and industrial development, including Economic Development Incentive, Free Trade Zone incentives, Export Expansion Grant schemes, sector-specific fiscal incentives, and investment protection under applicable bilateral investment treaties. Alongside these incentives, foreign investors and businesses should develop appropriate legal risk management strategies, effective dispute resolution mechanisms, and comprehensive due-diligence practices before committing capital or commencing operations in Nigeria.

3. FOREIGN EXCHANGE COMPLIANCE:

Foreign investors should give careful consideration to Nigeria's foreign exchange requirements when bringing capital into the country. A foreign company investing in Nigeria must bring in its capital through an authorised dealer bank and ensure the bank issues a Certificate of Capital Importation (CCI) for every inflow. The CCI is the official document that confirms the capital was imported in accordance with Central Bank of Nigeria's (CBN) foreign-exchange regulations. It is also particularly important for facilitating the repatriation of eligible capital, dividends, profits and other returns through the Nigerian banking system, subject to applicable foreign exchange rules and documentation requirements. The company must therefore open or maintain an account with a licensed bank, submit all required supporting documents, and insist that the bank processes and issues the CCI promptly (usually within 24 to 48 hours) after the funds or assets arrive..

4. CORPORATE GOVERNANCE AND COMPLIANCE OBLIGATIONS

Companies must maintain accurate, up-to-date beneficial ownership records. CAMA requires every person who acquires significant control in a company to disclose particulars of that control and to maintain a register of Persons with Significant Control, which functions as Nigeria's beneficial ownership register. These obligations apply equally to private and public companies, extend to indirect holdings through offshore intermediary vehicles, and are supplemented by the Persons with Significant Control Regulations 2022. Companies should also pay close attention to the CAC's recent enforcement of statutory requirements relating to information displayed on corporate documents. Effective 1 August 2026, the CAC is actively enforcing the long-standing statutory requirement that every company display, in legible characters, specified particulars on its business letters and related documents.

These particulars include the company's registered name, registration number and registered office address, as well as prescribed information relating to its directors, including their names, the nationality of non-Nigerian directors and, where applicable, former names. The requirement applies to documents such as business letters, invoices, receipts, notices and advertisements.

CAMA also requires companies to file their annual returns with the CAC within 42 days after their annual general meeting. Failure to comply may attract penalties and other regulatory consequences, including changing the company's status from "active" to "inactive" on the CAC portal and restrictions on further filings.

5. CAPITAL MARKETS AND INVESTMENT PROTECTION

The Investments and Securities Act 2025 has modernised Nigeria's capital market and expanded the regulatory framework applicable to investment and securities activities. Section 357 of the ISA expressly expands the statutory definition of "securities" to include virtual assets and digital assets, bringing Virtual Asset Service Providers, Digital Asset Operators and Digital Asset Exchanges and, by extension, many FinTech activities firmly under Securities and Exchange Commission ("SEC") licensing and oversight.

The ISA also introduces a more comprehensive framework for Financial Market Infrastructures which criminalises Ponzi, pyramid and similar prohibited investment schemes. Persons found liable for operating prohibited schemes may be subject to penalties of not less than ₦20,000,000, or imprisonment of up to ten years, or both.

6. REGULATORY APPROVALS ARE SECTOR-SPECIFIC

Beyond incorporation, businesses may be required to obtain additional registrations, approvals, permits, licenses, etc. from a relevant regulatory authority depending on the nature of the business activities. These may include approvals from the NIPC, the Central Bank of Nigeria, the Nigerian Upstream Petroleum Regulatory Commission, the Nigerian Communications Commission, the SEC, etc. Foreign investors should conduct comprehensive regulatory due diligence at the planning stage to identify all licensing requirements, operational restrictions and ongoing compliance obligations relevant to their sector. Failure to obtain the necessary regulatory approvals may expose a business to regulatory sanctions and significant financial penalties.

CONCLUSION

Nigeria's investment framework in 2026 is no longer defined solely by market opportunity. The NTA 2025, NTAA 2025 and ISA 2025 collectively require foreign businesses to adopt a legally informed market entry strategy from the outset, rather than treating compliance as a post-entry afterthought. Foreign businesses that approach market entry through rigorous legal due diligence, careful investment structuring, and robust compliance frameworks covering corporate governance, tax, foreign exchange and sector-specific licensing alike will be better positioned to mitigate regulatory risk and to capitalise on the substantial opportunities Nigeria's evolving economy continues to present.

Please note that the contents of this article are for general guidance on the Subject Matter. It is NOT legal advice.

For further information or to see our other service offerings, please visit www.goldsmithsllp.com or contact:



Shola Adekunle

Senior Associate

+234) 0201 291 7913

shola@goldsmithsllp.com



Uzoamaka Ugoh

Senior Associate

(+234) 0201 291 7913

uzoamaka@goldsmithsllp.com