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**OIL AND GAS EXPORT FREE ZONE ACT,
CAP. 05, LFN, 2004**

**OIL AND GAS EXPORT FREE ZONES (DISCLOSURE OF
BENEFICIAL OWNER), REGULATIONS, 2024**



ARRANGEMENT OF REGULATIONS

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S. I. No. 30 of 2024

**OIL AND GAS EXPORT FREE ZONE ACT,
CAP. O5, LFN, 2004**

**OIL AND GAS EXPORT FREE ZONES (DISCLOSURE OF
BENEFICIAL OWNER), REGULATIONS, 2024**

[24th Day of April, 2024]

Commence-
ment.

In exercise of the powers conferred on the Oil and Gas Export Free Zone Authority (“the Authority”) by section 25 of the Oil and Gas Export Free Zone Act, Cap. O5, Laws of the Federation of Nigeria, 2004 and all other powers enabling it in that behalf, the Authority, with the approval of the Minister, make the following Regulations —

PART I — OBJECTIVES AND APPLICATION

1. The objectives of these Regulations are to —

Objectives

(a) provide an effective framework and procedure for obtaining relevant information on beneficial owner of any Free Zone Enterprise (Enterprise) operating within the Oil and Gas Free Zone (Free Zone) ;

(b) combat money laundering and terrorist financing in the Free Zones ;

(c) ensure compliance with the requirements for disclosure of information on beneficial owners of an Enterprise operating within the Free Zones ; and

(d) make provisions for administrative sanctions for non-compliance with these Regulations.

2. These Regulations shall apply to Enterprises granted licenses to operate in the Oil and Gas Free Zone and any other relevant entity providing services in the Free Zones, as may be required by the Authority from time to time.

Application

PART II — DISCLOSURE OF BENEFICIAL OWNERSHIP INFORMATION

3.—(1) The Authority shall —

Establishment
of Beneficial
Ownership
Information
Register

(a) maintain a Beneficial Ownership Information Register (“Beneficial Ownership Register”) for collecting and maintaining basic and beneficial ownership information of Enterprises and other relevant service providers operating in the Free Zones ; and

(b) administer and keep records of basic and beneficial ownership information, and any changes in the Beneficial Ownership Register.

(2) The Register shall contain —

(a) information on different activities of Enterprises and relevant service providers ;

(b) the processes for the creation of an Enterprise, issuance of licenses and obtaining and recording of basic and beneficial ownership information on approved Enterprises ; and.

(c) record of Enterprise name, registration number, license, activities, address of the registered office, list of directors, share capital and allotment of shares, and such other particulars and any changes as the Authority may from time to time require.

Obligation to disclose beneficial ownership information by enterprises

4.—(1) An Enterprise and relevant service provider shall disclose its beneficial ownership information to the Authority during registration, licensing and renewal of license, where there is a change in ownership, or at any other time as the Authority may require.

(2) The Enterprises shall identify, obtain and maintain in its register the following records in relation to each beneficial owner of an Enterprise —

(a) full name, former names or other names ;

(b) national identity number or passport number for Nigerian national and passport number, driver's license or national ID number for a foreign national ;

(c) nationality ;

(d) tax residencies ;

(e) date of birth ;

(f) place of birth ;

(g) residential address ;

(h) telephone number ;

(i) email address ;

(j) occupation or profession ;

(k) Politically Exposed Person status ;

(l) nature of ownership including the percentage of ownership, or control,

(m) the date the person became a beneficial owner ;

(n) the date the enterprise notified the Authority of the ownership or control interest held by the beneficial owner ;

(o) the date on which any change occurred affecting the nature of the ownership or control and the nature of the change in ownership or control ;

(p) the date on which any person ceased to be a beneficial owner ; and

(q) any other relevant detail as the Authority may from time to time require.

(3) An Enterprises shall ensure that the information, document or data collected under subregulation (2) of this regulation are —

(a) kept up-to- date and undertake regular reviews of existing records, particularly the record in respect of beneficial owners ; and

(b) promptly filed with the Authority during licensing, registration, renewals and such other period as the Authority may require.

(4) An Enterprise shall promptly report any suspicious transaction to the Authority and other relevant competent authority regardless of the nature of transaction or amount involved, and the report shall include any action taken on the suspicious activity by the Enterprise.

5. Where there are changes to beneficial ownership information of an Enterprise, the —

Changes to
beneficial
ownership
information

(a) beneficial owner shall within seven days of becoming such a person, indicate to the Enterprise the particulars of such control ;

(b) Enterprise shall update its beneficial ownership information with the Authority within 14 days of acquiring the information ; and

(c) Authority shall maintain the acquired information in its beneficial ownership register within 14 days of obtaining the information from the Enterprise.

6.—(1) The Authority shall verify beneficial ownership information of an Enterprise through —

Verification
of beneficial
ownership
information

(a) on-site inspections of the Enterprise or relevant service provider ;

(b) checking information submitted against Corporate Affairs Commission's Beneficial Ownership Register ; or

(c) checking information against other national or international databases.

(2) The Authority may conduct off-site, desk review of documents, data or information collated under the verification process and ensure they are kept up-to-date and relevant, particularly the records in respect of higher-risk business-relationships or customer categories.

7. Where the Authority, in the process of verification, discovers any suspicious transactions, including attempted suspicious transactions, its shall promptly report to the relevant competent Authority regardless of the nature of transactions or amount involved, and the report shall include any action taken on the suspicious activity by the Authority.

Report of
suspicious
transactions
by the
Authority

8.—(1) An Enterprise shall co-operate with Competent Authorities for the purpose of using the beneficial ownership information.

Access to
beneficial
ownership
information
by
Competent
Authorities

(2) An Enterprise shall designate one or more natural persons with the relevant competencies and resident in Nigeria as compliance officer, who shall be responsible for providing basic and beneficial ownership information to Competent Authorities whenever required to do so.

(3) A Designated Non-Financial Business and Professions (DNFBP) in the Oil and Gas Free Zones is accountable to Competent Authorities, for providing basic information, and available beneficial ownership information, and giving further assistance to the Competent Authorities, and taking other comparable measures, specifically identified by the Authority.

(4) A Competent Authority shall have the power to obtain timely access to the basic and beneficial ownership information held by the Authority or an Enterprise.

Record
keeping

9.—(1) The Authority or an Enterprise shall implement specific procedures for retaining internal records of basic and beneficial ownership information, to ensure swift compliance with information requests from the Competent Authorities.

(2) In the event of the dissolution of an enterprise, the liquidators or other persons involved in the dissolution of the enterprise shall maintain comprehensive basic and beneficial ownership information of the enterprise for at least five years after the date on which the enterprise is dissolved or otherwise ceases to exist.

Bearer
shares and
nominee
shares

10.—(1) An Enterprise is prohibited from issuing bearer shares and share warrants.

(2) An Enterprise with nominee shares and nominee directors shall maintain information identifying their nominator and shall require nominee —

(a) shareholders and directors to disclose the identity of their nominator to the enterprise and to the Authority which information shall be recorded in both the enterprise and the Authority's registers ;

(b) shareholders and directors to be licensed ; and

(c) status to be recorded in the enterprise's register with sufficient identifying information on the nominator.

(3) The information referred to in sub-regulation (2) of this regulation shall be made available to Competent Authorities on request.

Confidentiality
of beneficial
ownership
information

11.—(1) An Enterprise shall not use or disclose any information about a beneficial owner, except —

(a) for the purpose of communicating with the beneficial owner ;

(b) in order to comply with any requirement of these regulations ; or

(c) in order to comply with a court order.

(2) Notwithstanding the provisions of sub-regulation (1) of this regulation, information relating to a beneficial owner shall be made available to relevant Competent Authority.

International
cooperation

12. The Authority shall collaborate with relevant Competent Authorities in ensuring international co-operation with foreign Competent Authorities in relation to basic and beneficial ownership information of enterprises.

PART III — ADMINISTRATIVE SANCTIONS

13.—(1) Where a beneficial owner defaults in complying with the reporting requirements under these Regulations, the person that is in default is liable to pay a daily administrative penalty of \$5,000 to the Authority. Non-Disclosure

(2) Where an enterprise defaults in complying with the reporting requirements under these Regulations, the enterprise that is in default is liable to pay a daily administrative penalty of \$5,000 to the Authority.

14. Where an enterprise provide false information in relation to reporting obligation under these Regulations, the enterprise is liable to pay a daily administrative penalty of \$5,000 to the Authority. False Disclosure

15.—(1) Where a beneficial owner delays in disclosing the changes made to beneficial ownership information under these Regulations, the person that is in default shall be liable to pay a daily administrative penalty of \$2,000 to the Authority. Late filing

(2) Where an enterprise delays in disclosing the changes made to beneficial ownership information under these Regulations, the enterprise is liable to pay a daily administrative penalty of \$5,000 to the Authority.

16. Where an Enterprise fails to comply with the requirements of these Regulations after one month and without just cause, the Authority may suspend or withdraw the license of the enterprise. Additional sanction

17. The Authority shall be responsible for the enforcement of sanctions prescribed under these Regulations. Enforcement of sanctions

PART IV — MISCELLANEOUS

18. The Authority shall publish statutory guidance notes necessary to provide further guidance and clarification on the reporting requirements and any other matters relating to the Beneficial Ownership register. Guidance on reporting requirements

19. In these Regulations — Interpretation

“*Act*” means the Oil and Gas Export Free Zone Act, Cap 05, LFN 2004 ;
 “*Beneficial Owner*” means the natural person or persons who ultimately owns or controls a customer or the natural person on whose behalf a transaction is being conducted, including a person who meets any of the following conditions in relation to an Enterprise —

(a) holds at least 5% of the issued shares or interest in an Enterprise, directly or indirectly,

(b) exercises at least 5% of voting rights in an Enterprise, directly or indirectly,

(c) holds a right directly or indirectly, to appoint or remove majority of the directors of the Enterprise,

(d) exercise significant influence or control, directly or indirectly, over the Enterprise, or

(e) having the right to exercise, or actually exercises significant influence or control over the activities of the Enterprise ;

“*Competent Authorities*” means any agency or institution concerned with combating money laundering and terrorist financing under any law or Regulations ;

“*DNFBP*” or (Designated Non-Financial Business and Professions) refers to a diverse group of entities or individuals that are involved in activities outside of the traditional financial sector but have the potential to be exploited for money laundering, terrorism financing, or other illicit financial activities ;

“*Enterprises*” means an entity duly registered and licensed to carry on approved business activity in the Free Zones ;

“*National Identification Number*” means the national identification number issued pursuant to section 18(5) of the National Identity Management Commission Act, 2007 ;

“*Significant Influence or Control*” means the ability to direct or materially influence the finances, financial policies, management, operations, structure of an enterprise company or limited liability partnership, or derive significant economic benefits from the company or limited liability partnership ;

“*Suspicious Transaction*” includes —

(a) a transaction which is unusual because of its size or volume, type or pattern ;

(b) a transaction which is suggestive of known money laundering methods ;

(c) a transaction which is inconsistent with the client’s or customer’s known legitimate, normal business or personal activities ; or

(d) activities that lack obvious economic justification ; and

“*Ultimately Owns or Controls*” means a situation where interest in a company or limited liability partnership is exercised by a natural person directly through a chain of ownership or by means of control other than a direct ownership or control.

Citation

20. These Regulations may be cited as the Oil and Gas Export Free Zone (Disclosure of Beneficial Owner) Regulations, 2024.

MADE at Abuja, this 24th day of April, 2024.

BAMANGA USMAN JADA
Managing Director/CEO
Oil and Gas Export Free Zone Authority