

## Flash Alert

9 November 2022

# Business Visa recommendation

The Department of Industries (DOI) has been providing recommendations for business visas through the Single Point Service Center (Visa Facilitation Unit) to foreign investors, their family members or their representatives after the foreign investment is approved. In this regard, DOI has observed that foreign investment approvals are sought by some foreign investors only to obtain business visas without incorporating the company, registering with the Inland Revenue Department and with the DOI. Such investors do not even bring in the committed foreign investments to the new entity.

To ensure that the process of recommending business visas with real investments is made more orderly and dignified, DOI through its notice dated 3 November 2022 has proposed the following visa recommendation process to be implemented from 4 November 2022 (Kartik 18, 2079):

Recommendation for Business Visa	Condition
For the first 3 months after approval of foreign investment	On condition that for renewal of the visa, a certificate of incorporation of the company shall be mandatorily submitted.
Additional 3 months	On submission of the certificate of incorporation of the company along with the condition to submit the registration with IRD, proof of opening the bank account, industry registration certificate, or progress report for industry registration.
Additional 6 months	On submission of the industry registration certificate with the condition to register the industry and commence the process of bringing in the committed foreign investment during this period.
When an existing foreign investor applies for new FDI approval	The newly applied foreign investment shall be approved and recommendation shall be on a condition that the approved new foreign investment is brought in.
Additional business visa	On condition that the foreign investor brings in in the investment as per Rule 9 of the Foreign Investment and Technology Transfer Regulations, 2077.
Investors applying for extension of the visa period	Harmony to be maintained by implementing the above prescribed conditions.

For detailed notice, [click here](#)

### PKF Nepal Comments

*The above process is expected to regularize the investments that have been approved with the intention of only obtaining business visas and also reduce the number of applications for FDI in the future. To achieve the desired results from these changes the DOI should strictly enforce the processes.*

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