

Financial Independent Permit

Preface

All visa and permit categories are regulated under the South African Immigration Act No. 13 of 2002 (as amended) ("**the Act**") and its associated Regulations, as published in Government Gazette No. 37679 (22 May 2014), No. 42071 (29 November 2018), and No. 50675 (20 May 2024).

Overview

The **Financially Independent Permit**, in terms of **Section 27(f) of the Immigration Act**, may be conferred upon a foreign national who can demonstrate a verifiable net worth of no less than **ZAR 12 million**. This permit constitutes a subcategory within the [Permanent Residence Permit](#) provisions of the Act.

Eligibility Criteria

- **Demonstrate Financial Independence:** The applicant must possess a net worth of at least **ZAR 12 million**. Proof of such financial standing must be substantiated through verifiable documentation, including but not limited to:
 - Bank statements,
 - Investment portfolios,
 - Property valuations,
 - Audited financial statements, or
 - Other acceptable evidence of assets.
- **Undertake to Pay the Prescribed Fee:** Upon approval, the applicant is required to remit a **once-off fee of ZAR 120,000.00** to the **Department of Home Affairs** prior to the issuance of the permit. This fee applies per principal applicant, with dependents included under the same permit application.
- **Meet General Requirements:** The applicant must:
 - Be of good character (i.e. have no criminal record or pending prosecutions),
 - Be in good health (submission of medical and radiological reports is mandatory),
 - Hold a valid passport, and
 - Provide **police clearance certificates** for all countries of residence of twelve (12) months or longer during the five (5) years preceding the application.
- **Dependents:** Spouses and dependent children may be included as **accompanying family members** under the main applicant's permit. They are not required to meet the financial threshold individually.

Key Notes

- The **Financially Independent Permit** confers **immediate permanent residence**, with no prior requirement to hold a temporary visa.
- It grants full rights to **reside, work, study, and conduct business** within South Africa.
- Holders must remain compliant with all applicable **laws and immigration regulations** subsequent to the granting of residence.

Advantages

1. **Immediate Permanent Residence:** The applicant is granted **permanent residence** directly, without the requirement to first obtain a temporary visa.
2. **Freedom to Work, Study, or Conduct Business:** Holders are not limited to a particular employer, business, or educational institution. They may **work, invest, establish a business, or pursue studies** without the need for further authorisation.
3. **Indefinite Validity:** The permit remains valid **indefinitely**, provided the holder maintains residence in South Africa and is not absent from the Republic for extended periods (more than three years without justifiable cause).
4. **Family Inclusion:** Spouses and dependent children may be included under the principal applicant's permit, thereby facilitating **family unity and simplified relocation**.
5. **No Minimum Stay Requirement:** There is no obligation to reside in South Africa full-time following issuance. This offers **flexibility** for individuals with international business interests or extensive travel commitments.
6. **Access to Local Opportunities:** The permit grants access to **property ownership, banking services, and investment opportunities** within South Africa as a permanent resident.
7. **Pathway to Citizenship:** After **five years of permanent residence**, the holder may become eligible to apply for **South African citizenship**, subject to compliance with residency and good conduct requirements.

Disadvantages

1. **High Financial Threshold:** The requirement to demonstrate a **net worth of ZAR 12 million** restricts eligibility to individuals of significant financial means.
2. **High Government Fee:** A **once-off fee of ZAR 120,000.00** is payable upon approval, in addition to standard application and professional service fees.
3. **Extensive Documentation:** Demonstrating financial standing can be **administratively demanding**, requiring audited financial statements, bank confirmations, and asset valuations, all of which must be verifiable.
4. **No Tax Exemption:** Possession of financial independence does not exempt the holder from **South African tax obligations** once tax residency has been established.
5. **Discretionary Nature of Approval:** Even where all eligibility criteria are satisfied, the **Department of Home Affairs** retains full discretion to approve or decline applications. This may result in delays or refusals without detailed justification.
6. **Limited Appeal Options:** Rejections may be **difficult to challenge**, as such applications are evaluated on both merit and departmental discretion.
7. **Processing Delays:** Permanent residence applications may require **12–24 months or longer** to be finalised, depending on administrative backlogs within the Department of Home Affairs.

Validity

- The **Financially Independent Permit** grants the holder **permanent residence status** in South Africa.
- It is **valid indefinitely**, meaning there is **no expiry date** and no requirement to renew it periodically.

The holder enjoys **all rights of a permanent resident**, including the right to:

- Reside in South Africa indefinitely,
- Work, study, or conduct business without additional authorisation, and
- Apply for South African citizenship (after meeting residency and good conduct requirements).

Possible Lapse or Withdrawal of the Permit

While permanent residence is indefinite, it may **lapse or be withdrawn** under specific conditions as set out in the **Immigration Act** and associated Regulations.

- a) **Absence from South Africa:** A permanent residence permit **lapses automatically** if the holder:
- Is absent from South Africa for more than **three (3) consecutive years** without obtaining prior authorisation from the **Director-General of Home Affairs**.
 - To prevent lapse, the holder may submit a **written application** to the Department of Home Affairs, requesting permission to be absent for an extended period, providing valid reasons such as business, family, or medical circumstances.
- b) **Fraud, Misrepresentation, or Error:**
The permit may be **withdrawn or cancelled** if:
- It was granted on the basis of **false or misleading information**,
 - **Fraudulent documentation** was submitted, or
 - The decision to issue the permit was made **in error** by the Department.
- c) **Criminal Conduct or Security Grounds:** The Department may **withdraw permanent residence** if the holder:
- Is convicted of a serious criminal offense,
 - Poses a security threat, or
 - Acts in a manner deemed contrary to the public interest of South Africa.
- d) **Renunciation or Change of Status: If the holder:**
- Formally renounces permanent residence, or
 - Acquires South African citizenship, then the permanent residence status shall cease to exist.

Reinstatement or Reapplication

- If the permit lapses owing to absence (without authorisation), the individual must **reapply for permanent residence** afresh under the relevant section of the Immigration Act.
- There is **no automatic reinstatement** once permanent residence has lapsed.

Key Takeaway

A **Financially Independent Permanent Residence Permit** is **permanent in nature**, yet **not unconditional**.

Maintaining this status requires:

- Continued **compliance with South African laws**, and
- Avoiding **prolonged absence** from the Republic without formal authorisation.

Application Process

1. **Lodge** the permanent residence permit application (and associated accompanying family members' applications) at the nearest [South African Foreign Mission Abroad](#) (*referred to as "Embassy"*), or Visa Facilitation Centre, in the country of usual residence/origin.
2. The **estimated processing period**, from the date of submission to the Embassy, is **12 to 24 months or longer**. Processing timelines may vary depending on the Embassy concerned, the **volume of applications under consideration**, and the **available administrative capacity** at the time of submission.
3. Applicants **may be invited to attend an interview** to verify their stated intentions, qualifications, or compliance with the relevant provisions of the Immigration Act and associated employment or investment obligations.
4. Depending on the **country of application**, applicants **may be required to furnish additional documentation**, at the **discretion of the responsible official** on duty at the respective Embassy.

Compliance and Ongoing Obligations

To maintain the validity of permanent residence status granted under Section 27(f) of the Immigration Act, holders must ensure ongoing compliance with South African immigration regulations. Although the permit is valid indefinitely, it may lapse if the holder remains outside South Africa for more than three (3) consecutive years without obtaining prior written authorisation from the Director-General of Home Affairs.

It is therefore recommended that permit holders regularly enter South Africa or, if extended travel or residence abroad is anticipated, apply in advance for permission to remain outside the country.

In addition, holders must adhere to all South African laws, including tax and criminal legislation, and avoid any fraudulent or misleading actions that could affect the validity of the permit. Should the holder obtain South African citizenship or formally renounce residence, the permanent residence status will automatically cease.

Maintaining compliance ensures uninterrupted residence rights and preserves eligibility for future applications, such as citizenship by naturalisation.

Expert Assistance for Immigration Compliance

Engaging qualified professionals can help ensure that visa and immigration applications meet all regulatory requirements, minimising delays and the risk of rejection.

[Wesgro's](#) services include facilitation of visa processes for prospective investors and local businesses. Foreign applicants can also consider seeking assistance directly from a member of the **Forum of Immigration Practitioners of South Africa (FIPSA)** for guidance on compliance with procedural requirements. Attorneys and recognised Immigration Specialists may also assist with documentation and ensuring that applications meet all regulatory obligations. Obtaining professional advice can help reduce the likelihood of delays or rejections by ensuring submissions align with legislative criteria.

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Contact

- Website: <https://www.relocationafrica.com/>
- For expert Immigration support: immigration@relocationafrica.com
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