

CURRENT CUSTOMS PROCEDURES  
AND REGULATIONS IN AIR -  
FREIGHTING IN NIGERIA

BY:

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## INTRODUCTION

It is my joy and honour to be given this opportunity to contribute to the growing intellectual input into birthing a new Nigeria particularly in the economic sector which I believe is one of the primary objectives of this seminar.

The President, Commander in Chief Nigerian Armed Forces, Chief Olusegun Obasanjo often says that things must be done in a different way from the way we were doing them in the past in order to move Nigeria forward. For this reason, his administration has embarked upon massive Sectorial reforms in virtually all areas of human activity with a view to enhancing capacity building and utilization, due process, transparency, discipline and probity. The Customs reforms are in line with this effort. New guidelines and procedures have been handed down for implementation.

Positive steps have been taken especially in the two and a half years or so of the Comptroller General of Customs Jacob Gyang Buba's Administration in the areas of procedural, staff development and other practical measures aimed at not only implementing the Federal Government's directives to the letter but also at repositioning the service for the challenges of modern Global Trade. He states quite often that our major in the service now is TRADE FACILITATION. These and his no nonsense stance on issues have meant a New Customs Service, re-focused and efficient. All legitimate importer, exporter, clearing and forwarding Agents and other stakeholders can now look forward to receiving prompt attention at the Airports.

## MAJOR GUIDELINE, PROCEDURES AND DOCUMENTATION REQUIREMENTS

It is pertinent to note that import (and export) procedures and documentation requirements are virtually the same whether by sea or by air and all stakeholders are therefore not expected to approach air freight with undue apprehension

## IMPORT GUIDELINES:

- i. The prospective importer of physical goods into the country must process the FORM M through any authorized Dealer Bank of his choice in the new Destination Inspection regime. This is irrespective of the value of the transaction and whether or not payment is involved. This implies that even where no payment is involved, every importation is, if nothing else, of statistical value. Form M for general goods is valid for six months and for one year in the case of Plants and Machinery. The Dealer Bank is obligated to submit the Form M to the Scanning and Risk Management Provider covering that particular Airport (SGS for Port Harcourt International Airport) within five working days. He will in turn carry out proper distribution after making necessary endorsements. Proper Know Your Customer (KYC) aimed at ascertaining that documents submitted are genuine will be carried out by the Authorized Dealer bank.
- ii. All supporting documents are to be marked "VALID FOR FOREX" or "NOT VALID FOR FOREX" as appropriate.
- iii. Goods must be properly described on Form M and pro forma invoice in order to facilitate verification in terms of value and other vital information. Please note distinguished ladies and gentlemen that goods that are not in conformity with the relevant guidelines or whose accompanying documents carry unclear and or dubious description and declaration are likely to suffer delay and are even liable to seizure.

## DOCUMENTS AND GENERAL INFORMATION

The following shall accompany imports into Nigeria:

- i. Combined Certificate of Value and Origin (CCVO) attested to by the Chamber of Commerce of the exporting country and where not available, notarized by a Notary Public. (Attestation is however optional for importation not valid for forex).
- ii. Packing List.

- iii. Airway Bill.
- iv. Insurance Certificate.
- v. Manufacturer's certificate showing standard adopted in manufacture, e.g. British Standard, Nigeria Standard (NIS) or any other international standard.
- vi. Shelf Life and expiry date as well as details of active ingredients of regulated products such as food, drinks, cosmetics, chemicals, drugs and medical devices are to be clearly shown.
- vii. All electronic equipment and instruments shall carry Instruction Manual, Safety information and or safety signs and a guaranty/warranty of at least six months.
- viii. All computer hardware and software as well as operating and embedded system must be year 2000 compliant.
- ix. Electric appliances shall carry information of life performance while cables shall carry information on the ratings.
- x. Goods not labeled in English in addition to any other Language of transaction shall be confiscated.

## COURIER GOODS

Courier or "Express" goods are those of an urgent nature but of weight not exceeding 50 kilograms. This category of importation must largely conform to the conditions enumerated above in terms of standard, packaging, labeling and provision of useful information. Courier goods and mails were exempted from pre-shipment inspection even while that regime lasted. (Fed. Ministry of Finance circular ref. No. HMF/FMF/008 of June 11, 1966.) Consequently, the statutory requirement of Form M is not emphasized. It is pertinent to note that they are subject to the same thorough examination as other goods and appropriate duty collected.

Registration Courier services providers at the Port Harcourt International Airport include DHL, SDV, PANALPINA, HISPARN AND QUICKA

## PRE-RELEASE AND FAST TRACK

Let me emphasize, distinguished ladies and gentlemen that both pre-release and Fast Track are only facilities put in place to further assist the importer save time, minimize cost (in terms of perishable). The customs Area Controller exercise utmost discretion in approving them. This becomes clearer as we proceed.

### PRE-RELEASE

Some imports are of perishable nature and significant loss could be incurred if not treated speedily. In such cases, the importer or his Customs Licensed Agent applies to the CAC in writing, stating reasons for desiring that the goods be released before documentation is perfected. The CAC who at all times guard against loss of collectable revenue, must be convinced that maximum duty and other charges are paid before such goods are approved for release. The importer is however obliged to perfect his documentation within a stipulated time.

### FAST TRACK

This was introduced only recently in response to the suffocating congestion at the Lagos ports in particular. It is however available to Airport users A dedicated Seat has been set up and is manned by competent officers. In case, the applicant must meet certain conditions:

#### CATEGORY A

- i. Ownership of an approved Bonded Warehouse with current operational license;
- ii. Track record of honesty and reliability

#### CATEGORY B (importers without Bonded Private Warehouses):

- i. Application to the Comptroller-General of Customs through the Corporate Affairs Commission (CAC);
- ii. Provision of Bank Bond for twenty million naira from any of the duty collecting Banks;

- iii. A record of having imported at least fifty containers in the pass three years (seaports) and in the case of the Airport, user must be adjudged as having satisfied similar condition by the CAC.
- iv. Applicants must have paid all import duties and other charges on all previous importation.
- v. Applicants must not have been indicted for any fraud.
- vi. They must possess operational vehicles

#### RESPONSIBILITIES (Category A)

- i. Shall submit application to the O/C Fast Track attaching the relevant importation documents.
- ii. Shall provide necessary logistics
- iii. Shall apply for escort.

#### (Category B)

- i. Application to the O/C Fast Track for transfer of cargo to owner's premises, attaching the following:
  - a SGD
  - b Particulars of payment of duty and other charges based on Form M or Commercial invoice of RAR where available.
  - c Airway bill
  - d Application for escort
  - e Application for examination officers.
- ii. Ensuring that relevant agencies are duly informed of time of delivery and venue of examination of cargo.
- iii. Provision of necessary logistics
- iv. Acknowledgement of the receipt of cargo in writing on arrival and issuing of Landing Certificate.

Both our Public Relations office at the Custom House as well as SERVICOM desks are open to member of the public who seek further information and assistance especially in the areas of current prohibition list, documentation, tariff classification and rates of duty. SERVICOM desks are located at both the cargo shed and the arrival Hall of the Port Harcourt International Airport. You are also enjoined to avail yourself of the opportunity.

Provided by the regular Customs Duty programme on the NTA network by 10:30pm on Mondays. The Customs Website is also a valuable source of vital information: [www.customs.gov.org](http://www.customs.gov.org)

#### IMPORT CLEARANCE PROCEDURE:

Let us at this juncture make a brief but step-by-step overview of the necessary procedure as regard documentation and clearance of goods at the Airport

- i. The importer receives Proforma Invoice (PFI) from supplier.
- ii. Importer takes PFI & Insurance Cert. To the Bank for completion of Form M.
- iii. Importer submits Form M together with relevant documents to the Bank.
- iv. Banks submits 3 copies of Form M to Scanning Company and Risk Assessment Provider (SGS). SGS transmits electronic data to the ASYCUDA and if Accepted,
- v. Supplier ships goods to Nigeria after Letter of Credit (LC) or any other medium of transaction has been duly confirmed and accepted.

#### FINAL CLEARANCE:

- i. Certificate or attestation of Final Documents by Chamber of Commerce or Notary Public for LCs & Bills for Collection transaction.
- ii. Exporter presents final documents to offshore Bank in the case of LC and to the importer in the case of transactions not valid for forex.
- iii. Payment of duty and other statutory charges by the importer
- iv. Bank submits a set of Final Documents to SGS for issuance of RAR. (Valid for forex transaction).
- v. While the offshore Bank forwards the final documents to the Nigerian bank in the case of transactions involving LC & Bills for collection, it is the exporter that shall forward the Final Documents to the importer for "non valid" transactions. These shall the importer submit to SGS for processing.
- vi. In both cases, RAR is generated.

- vii. Assessment notice "AN" is issued by the customs which the importer collects and then proceeds to complete the Single Goods Declaration (SGD)
- viii. Finally, the NCS is guided by the RAR (but not wholly dependent on it) in taking final decision on level of inspection.

#### CLEARANCE PROCEDURE (EXPORT):

- i. All non-oil export from Nigeria shall be liable to inspection by the Pre-shipment Inspection Agents (PIAS) appointed by the Federal Government of Nigeria for that purpose and the Clean Certificate of Inspection (CI) issued before shipment. The following are however exempted:
  - Personal effects
  - Used motor vehicles
  - Periodicals and magazines,
  - Perishables such as day old chicks, vaccines, yeast and human remain
- ii. All exporters of Commercial Products shall register with the Nigerian Export Promotion Council (NEPC).
- iii. Exportation must be carried out through approved Seaport/Airport or Border Stations.
- iv. All goods for export shall be entered in the SGD FORM C.2010 with the relevant columns carefully completed. The following documents must be attached:
  - Commercial invoice stating the description, quality, unit price and total value of goods. Cost of internal transportation, insurance and freight charges must be shown.
  - A set of duly completed and signed Nigeria Export Proceeds (NXP) forms obtained from the exporter's Bank. The Bank shall endorse all the copies, retain the original and duplicate and the remaining four copies shall be submitted to the Customs at the point of shipment for distribution.
  - Clean Certificate of Inspection (CCI) issued by PIA on non-oil Export

- EUR-1 Movement Certificate for all goods to be exported to the EU countries
- v. Physical examination by the Customs of all exports before sealing/loading. Examination shall be carried out either at the owner's premises as may be approved by the Nigeria Customs Services after which the goods are escorted by Customs to the port of examination or at the port of exportation by other exporters.
- vi. There must be compliance with all extant regulations/guideline of other relevant agencies where applicable.
- vii. The exporter shall open a domiciliary account with any approved commercial Bank in Nigeria and must ensure that the repatriated export proceeds are paid into this account.
- viii. The opening of letter of Credit and other approved international mode of payment is mandatory for all exports from Nigeria.

### CONCLUSION.

Let me conclude by adding that vast opportunities abound at the airports as all infrastructure provisions for cargo clearance at the Airport also. Officers and men of the service posted to the Airports are particularly sensitised as regard courtesy and prompt service. These, coupled with the advantages of speed should make the Airport n attractive option.

Thank you for your attention.