

NIGERIAN PORTS AUTHORITY

COMMERCIAL SERVICES AND PORT PROMOTION

IMPORT & EXPORT PROCEDURES

IMPORT PROCEDURES

EXPORT PROCEDURES

INTRODUCTION

In furtherance of the efforts to enhance the efficiency of the maritime sector and port operations in Nigeria, the Federal Government introduced a port reform package in 1996. In response to this initiative, the management of Nigerian Ports Authority took immediate steps to streamline and simplify its operational procedures.

Vital NPA operations, including the billing system were computerized; while documentation and delivery processes were unified and streamlined. These have positively changed the procedures for the shipping and clearing of goods. Deliberate policies have also been put in place to create a better operating environment for all customers and port operators.

A shipping company intending to bring cargo into a Nigerian sea port has to clear the ship by obtaining Ship Entry Notice (SEN) two months in advance from the Operations Department of Nigerian Ports Authority. The customer, in the alternative, could obtain clearance through a registered and licenced agent based in Nigeria. This is without prejudice to all other regulations guiding the operations of other relevant government agencies and international laws regulating maritime operations.

The procurement of a Ship Entry Notice is a guarantee that a vessel would have berthing facility on arrival in Nigeria. This in essence means that the ship does not come to queue and thus incur demurrage.

IMPORT PROCEDURE

TYPE OF CARGO AND REQUIREMENTS

There are two categories of goods for the purposes of this guideline:

- (a) Merchandise and Raw Materials
- (b) Personal Effects.

It is no longer mandatory that the consignee engages the services of a registered Freight Forwarders/Clearing and Forwarding Agent in respect of merchandise and raw materials. In such cases, the consignee may opt for self clearance as is the case with personal effects, where the owners may clear the cargo when familiar with the clearing procedure.

BILL OF LADING

The consignor/shipper sends the Bill of Lading in advance of the arrival of the ship to the consignee/importer. This document contains the following vital information:

- (a) The name of the ship carrying the goods
- (b) The description of the goods along with their marks and numbers.
- (c) The date of departure from port of loading
- (d) The weight of cargo
- (e) The terms of contract of affreightment.

PROCEDURE: IMPORT

The importer/consignee takes the Bill of Lading to the NPA Central Office for Planning and Information (C.O.P.I) of the appropriate port for details about the arrival date of the ship and her allocated berth. This information can also be obtained from the shipping company.

- The importer or his agent completes the Bill of Entry and registers it with the Nigerian Customs Service.
- The consignee or importer proceeds to the shipping company to effect Shipping Company Release of the goods.
- There, the Bill of Lading is cross-checked and compared with the ship's manifest. After certifying the correctness of consignee's documents, a blank form called Delivery Order (D.O.) supplied to the Shipping Company by the Nigerian Ports Authority, is then issued to the importer.
- The consignee or his agent completes the Delivery Order and returns same and the Bill of Lading to the shipping company.
- The Shipping Company then scrutinizes the details on the Delivery Order, endorses it and withdraws the original of the Bill of Lading from the consignee or his agent. Thereafter, the lower portion of the Delivery Order is detached and handed back to the importer who holds it as evidence of shipping company release.
- The main body of the Delivery Order is sent to the Terminal Operator at the specific Port.
- The Terminal Operator then raises all necessary bills through a computerized system, after which customer proceeds to bank for payment. On receipt of bank confirmation, Terminal Delivery Order is raised and the necessary delivery sets are produced using information contained in the Delivery Order.
- The documents are subsequently transferred to the transit shed or delivery point.
- The consignee or his agents then proceeds to the appropriate shed or delivery point to effect delivery. After loading, cargo pass is issued to the consignee or his agent

who then proceeds to NPA gate for security checks and final exit.

EXPORT PROCEDURE

Following the liberation policy of the Federal Government, the Produce Boards were scrapped and most Nigerian non-oil exports are uncontrolled. By this, such goods as cocoa, rubber, cotton, palm oil, palm kernel, groundnut etc. hitherto regarded as controlled and exported through the scrapped Produce Marketing Boards can now be exported by companies which have such goods for exports.

However, a few exportable items are controlled and monitored. These include, among others:

- Crude oil
- Works of art and artifacts
- Endangered species (flora and fauna), i.e., animals and plants.

Controlled export goods are those on which there are restrictions, while uncontrolled export goods are those on which Government has not placed any form of restriction. A prospective exporter needs to be conversant with the foreign exchange and banking regulations of the country to which the goods are to be shipped. In Nigeria, the exporter needs to be conversant with Central Bank's guidelines pertaining to export proceeds. Among other things, exporters are expected to open domiciliary account with any bank in Nigeria and ensure that the export proceeds are paid into the account. Preshipment inspection of the all goods including oil and non-oil goods exported from Nigeria is also mandatory.

Government agencies relevant to export operations in Nigeria among others include:

- (a) Corporate Affairs Commission
- (b) Nigerian Export Promotion Council
- (c) Nigeria National Petroleum Council (NNPC)
- (d) Nigerian Export Supervision Scheme

PROCEDURE: EXPORT

- Armed with the above information, an exporter goes to the port of loading to obtain and complete the Shipping Note along with the Customs Bill of Entry. The Shipping Note calls for the following information among others:
 - (a) The name of the exporter
 - (b) The name of the ship to load the goods
 - (c) The description, quantity as well as the weight/measurement of the goods to be loaded, etc.

The essence of completing the Bill of Entry, which is obtainable at the customs office is to enable the Nigerian Customs Service examine/release the goods. It serves as an authority to process and ship consignment. Preshipment inspection by the appropriate designated authorities is mandatory.

Goods to be exported may be stored within the port pending shipment or brought direct for shipment.

- when the goods arrive at the port by rail, road or water conveyance, the way bills forwarding the goods are received and used for the following purposes:
 - (a) To cross-check the quantity
 - (b) To prepare the Shipping Note
 - (c) To prepare the Export Tally Sheet
 - (d) To prepare Debit Note

The goods are examined by customs to ascertain the accuracy of the information supplied by the exporters in the Bill of Entry and Shipping Note. If customs service is satisfied, it endorses and stamps the Shipping Note which is immediately dispatched to the Export Office.

- The Nigerian Ports Authority raises necessary debit note reflecting all charges and dues which the exporter or his agent pays to designated bank. All payments are confirmed and covered by NPA receipts. Export Tally Sheets are prepared and despatched to the area where the nominated ship is berthed. In the process of loading, the following

parties have their representatives who jointly tally (record) the goods as they are loaded into the ship:

- (a) Nigerian Ports Authority
- (b) Shipping Company

At the completion of each set of tally sheet, the shipping company endorses NPA Export Tally Sheet to confirm receipt of cargo.

- At the end of the loading exercise, the exporter/agent received his copy of the Bill of Lading from the shipping company/agent while the consignee at the port of destination is sent his own copy (usually the original). The Bill of Lading as a document of title performs three main functions amongst

Others:

- (a) It is an acknowledgement of receipt of cargo into the ship
- (b) It is a document of title to the goods to whoever holds the original copy
- (c) It serves as an evidence of the contract of affreightment between the shipping company and the exporter.

FACILITIES FOR EXPORTS

The Nigerian Ports Authority provides standard warehouses for storage of export goods in transit. Warehouses and open storage areas are available in the ports for lease for the storage of export goods in transit. The importance of these facilities is that they help to speed up operations in loading and thus eliminate delays and consequent payment of demurrage. Dock labour and plants are available to work in specified areas on request. Exporters are therefore advised to take advantage of these services.

The Nigerian Ports Authority also raises charges for the different facilities and special services it provides. The services may include requests for off loading of cargo, rebagging, sorting and palletisation of the export items.