

FEDERAL MINISTRY OF FINANCE
REVISED EXPORT GUIDELINES FOR OIL AND GAS EXPORTS

Any person intending to export oil and gas and related products out of Nigeria shall, in the first instance, process the Nigerian Export Proceeds Form (Form NXP and any other form so prescribed) through an Authorized Dealer Bank irrespective of the value and whether or not payment is involved.

The following procedures shall apply from the date of issuance of these Guidelines in respect of all Oil, Gas and related products exported from Nigeria.

1. All Oil, Gas and related products exported from Nigeria shall be subject to inspection by Pre-shipment Inspection Agent(s) (PIAs) appointed for that purpose by the Government.
2. The focus of the Pre-shipment Inspection Agent(s) (PIAs) shall be to ascertain the quality, quantity and price competitiveness of the exports.
3. An exporter shall collect for completion a set of Form NXP in sextuplicate from any bank of his choice. The completed Form NXP shall be returned not less than five (5) working days prior to loading. On receipt of the completed form, the bank shall assign number to it, register and endorse same. The Bank shall retain the original copy and send the remaining copies to the Pre-shipment Inspection Agent(s) within three (3) working days of receipt and a photocopy to the exporter within twenty four (24) hours.
4. The exporter shall open an export domiciliary account with any bank in Nigeria with which the exporter registered the Form NXP in the first instance. The Form NXP shall be completed in sextuplicate in respect of each export transaction.
5. The Exporter shall retain a photocopy of the form NXP and use the NXP number as reference in all dealings with the bank, Central Bank of Nigeria,

Pre-shipment Inspection Agent(s), Nigeria Customs Service and any other relevant agency.

6. The Form NXP shall be utilized within ninety (90) days from the date of registration. On expiration, the bank can process and determine an exporter's first request for the extension of an expired form NXP for a period not more than ninety (90) days. Any subsequent request for extension shall be forwarded by the bank to the Director, Trade and Exchange Department, Central Bank of Nigeria, Abuja for determination.
7. The exporter shall be required to pay to a designated bank within thirty (30) days from the date of shipment the Nigerian Export Supervision Scheme (NESS) Levy which is currently 0.12% of the F.O.B value of the exported crude oil/gas and related products.
8. (a) Following the completion of the Form NXP, the exporter shall collect a REQUEST FOR INFORMATION (RFI) Form from the Pre-shipment Inspection Agent. The purpose of the RFI form is to enable the Inspection Agent to coordinate with the exporter, a date and time for the export.

(b) The PIAs/MEAs shall set up a website each for interaction and online processing of export applications.
9. After the receipt of RFI and other relevant documents, the PIA shall schedule inspection within 48 hours and issue CCI within 72 hours after inspection.
10. The exporter shall also collect and complete a BILL OF LADING DECLARATION FORM from the Pre-shipment Inspection Agent(s) after loading and submit thereafter to the Pre-shipment Inspection Agent(s).
11. The inspection shall take place at the oil/gas export terminals. The following Government Agencies should be present during the exercise; Nigeria Customs Service (NCS), Department of Petroleum Resource (DPR), Weights and Measure Department (W&M) of the Federal Ministry of Industry, Trade and Investment, the Crude Oil Marketing Division (COMD) of the Nigerian National

Petroleum Corporation and any other Government Agency that may be assigned.

12. The exporter shall liaise with the Terminal Operator for the provision of necessary logistics to enable the Pre-shipment Inspection Agent(s) perform the inspection at the export terminal.
13. Units of measurement with respect to quantity determination and quality specification in the oil and gas industry should be appropriately reflected in the NXP Form.
14. The Pre-shipment Inspection Agent(s) shall complete their respective section of the Form NXP, send the second copy to the Central Bank of Nigeria, retain a photocopy and forward the remaining four copies to the Nigeria Customs Services within five (5) days of the export date.
15. After completing its section in the Form NXP, the Nigeria Customs Service shall retain the third copy and distribute the remaining three copies as follows:
 - Fourth copy to the Central Bank of Nigeria
 - Fifth copy to the Department of Petroleum Resources (DPR).
 - Sixth copy to the exporter. (The exporter shall make a photocopy and submit to the processing/collecting bank to update its records).
16. The DPR shall submit monthly report on the quality and quantity of Oil/Gas and related exports to NESS Technical Committee for the purpose of reconciliation.
17. The Pre-shipment Inspection Agent(s) shall ensure the quality & quantity, advice the fair value of the products exported and shall, if satisfied, issue a Clean Certificate of Inspection (CCI) in respect of such products. The CCI shall comprise eight (8) original copies which shall be distributed as follows:
 - 1st Original to Exporter for the Buyer
 - 2nd to Exporter for his bank

- 3rd To Exporter for ship/freight Agent
- 4th copy to the Department of Petroleum Resources (DPR).
- 5th copy to the Nigeria Customs Service (Area Comptroller at the Port of shipment)
- 6th copy to the Federal Ministry of Finance
- 7th copy to the Central Bank of Nigeria
- 8th copy to the Nigerian Ports Authority.
- A Certified True Copy each to the Nigeria Customs Service (Headquarters), National Bureau of Statistics (NBS) and the Weight and Measures Department of the Federal Ministry of Industry, Trade & Investment.

18. In the event of rejection of product(s) and other related issues, the exporter shall be contacted for explanation. A Non-negotiable Certificate of Inspection (NNCI) is to be issued by the PIA where discrepancy exists between the assessed value and the value earlier assessed by the exporter.

19. (a) No export permit shall be processed by the DPR for any exporter that defaults in filling the Form NXP and paying the required NESS levy.

(b) On completion of loading but before sailing, the Pre-shipment Inspection Agent(s) shall issue to the exporter at the terminal, a Provisional Certificate of Inspection reflecting the information contained in the Bill of Lading and stating the NXP number. The Provisional Certificate of Inspection shall be distributed along the distribution pattern of the CCI.

20. Repatriation of Export Proceeds:

(a) All exporters shall ensure that export proceeds are repatriated and credited to their export domiciliary account within 90 days from the Bill of Lading date.

(b) Letter of Credit (LC), bill for collection, advance payment and/or other approved international modes of payment shall be accepted for all exports from Nigeria.

(c) It is the responsibility of Central Bank of Nigeria to monitor the repatriation of all export proceeds.

21. The Nigeria Customs Service shall submit to the Director, Trade and Exchange Department of the Central Bank of Nigeria on a monthly basis, shipment copies (Fourth copy) of the NXP Form to cover that period's export transactions.

22. The Pre-shipment Inspection Agent(s) shall submit monthly, quarterly and annual statistical returns on export transactions to the Federal Ministry of Finance, Central Bank of Nigeria, Federal Ministry of Industry, Trade & Investment, Directorate of Petroleum Resources, National Bureau of Statistics, Office of the Secretary to the Government of the Federation and the Nigeria Customs Service.

23. For the Pre-shipment Inspection of oil and gas exports, the focus of the inspection shall be as follows:

(a) Quality Inspection.

- i. The Terminal Operator shall inform the Pre-shipment Inspection Agent(s) of all scheduled exports and provide all relevant details relating to vessel(s) nomination;
- ii. The Pre-shipment Inspection Agent(s) shall participate in the entire fiscalisation and defiscalisation processes at the export terminals (Land based, Floating Production Storage and Offtake (FPSO) and Floating Storage and Offtake (FSO), as members of the team charged with those responsibilities at the terminals.

(b) Quantity Inspection

- i. The Pre-shipment Inspection Agent(s) shall compute the export volume data as other members of the fiscalisation and defiscalisation team, using approved Standard, Guidelines and Procedures issued by the DPR.
- ii. All parties that participate in the fiscalisation and defiscalisation processes shall reconcile their independent export volume data with the Terminal Operator and the DPR.
- iii. The fiscalisation/defiscalisation team shall include the representatives of the following:
 - a. Terminal Operator.
 - b. DPR and independent cargo surveyors appointed by the buyer.
 - c. NNPC-COMD
 - d. NCS.
 - e. PIA/MEA.
 - f. Weights and Measure Department of Federal Ministry of Industry, Trade and Investment.

(c) Price Competitiveness.

The PIA shall ensure that the quoted export prices are competitive with what obtains in the international market.

24. SANCTIONS:

Non-compliance with the requirements or provisions of these Guidelines will attract the following sanctions:

- a). No export permit shall be processed by the DPR for any exporter that defaults in filling the form NXP and or in the payment of NESS levy.

- b). Non-payment of NESS Levy within thirty (30) days of the shipment date for oil and gas exports shall attract a penalty of 25% of the outstanding NESS levy.
- c). Any exporter that defaults in the repatriation of export proceeds within the time limit specified in the CBN Foreign Exchange Manual shall be liable to a penalty of 1% of the outstanding export proceeds.
- d) Any violation of these Guidelines by banks including, but not limited to the following:
 - i. Late submission of NXP Forms received from Exporters to PIAs;
 - ii. Late/Non-remittance of NESS Fees paid by Exporters to CBN;
 - iii. Late submission of NESS Fee receipts to PIAs and Exporters;
 - iv. Late/Non-remittance of returns on Export Proceeds; shall attract appropriate sanctions by CBN.
- e). Any PIA that delays issuance of the CCIs later than five (5) working days after the receipt of all relevant documents shall be liable to fine of 25% of the service fee due to the PIA on the affected transaction.
- f) Any PIA/MEA that consistently fails for a period of three (3) months to submit monthly report on or before the 5th day of the subsequent month for Oil shall receive a query from the Ministry. Also, any PIA/MEA that fails to submit same for up to six (6) consecutive months within the same year shall be deemed as non-performing and would have its contract terminated.
- g) Any PIA/MEA that consecutively fails for three (3) months to meet with the scheduled time of inspection shall lose the terminal and it shall be re-assigned by the Ministry to another PIA/MEA.
- h) If it is established that it is the fault of the PIA that the export was done without NXP and proper issuance of CCI, the PIA shall be queried and warned. If the PIA persistently defaults in like manner for six (6) months, it shall have its contract withdrawn. On the other hand, if it is established that it is the fault of

the shipping line/agent, it shall be reported to the Nigerian Shippers Council for appropriate sanction.

i) Failure of any PIA to report attempts to export substandard goods should immediately result in query, warning and subsequent suspension.

**HOME FINANCE DEPARTMENT
FEDERAL MINISTRY OF FINANCE
ABUJA.**

15th March, 2017

Appendix A

SCHEDULE 'A' EXPORT GOODS EXEMPT FROM INSPECTION:

Personal effects

Used motor vehicles

Perishables i.e. day old chicks, human eyes, human remains,

Vaccines, Yeast,

Objects of art

Explosives

Pyrotechnic products and Arms

Ammunition

Weapons

Implements of war

Live animals

Household and other non-commercial products including:

Gifts and personal effects, trade samples/printed business matter,

Machineries and equipment for repairs abroad, machinery for the execution of specific contract, re-exports,

Return of empty containers

Transshipments

Supplies to Diplomatic/Consular Missions and supplies to UNO for their own needs.

Appendix B

SCHEDULE 'B' PROHIBITED EXPORTS:

- Raw hides and skin
- Timber (rough and sawn)
- Scrap metals
- Unprocessed rubber latex and rubber lumps