

**FEDERAL MINISTRY OF FINANCE**  
**REVISED IMPORT GUIDELINES, PROCEDURES**  
**AND DOCUMENTATION REQUIREMENTS UNDER THE**  
**DESTINATION INSPECTION SCHEME IN NIGERIA**

Pursuant to the Federal Government's decision for a seamless transfer of the Destination Inspection Scheme for imports from the Scanning Service Providers (SSPs) to the Nigeria Customs Service (NCS) with effect from 1<sup>st</sup> December 2013, robust guidelines, procedures and documentation regime shall be enthroned to enhance the integrity of the system.

**A. GUIDELINES:**

1. Any person intending to import physical goods into Nigeria shall in the first instance process e-Form 'M' through any Authorized Dealer Bank irrespective of the value and whether or not payment is involved.
2. The initial validity period of an approved e-Form 'M' for general merchandise shall be 180 days, which may be extended by another 180 days by the Authorized Dealer Bank. For capital goods, the initial validity of an approved e-Form 'M' shall be 365 days' subject to a maximum extension of another 365 days. However, any subsequent request for revalidation of e-Form 'M' shall be forwarded to the Director, Trade and Exchange Department, Central Bank of Nigeria, for consideration.
3. Supporting documents shall be clearly marked "VALID FOR FOREX" or "NOT VALID FOR FOREX" as appropriate i.e. whether or not foreign exchange remittance would be involved.
4. All applications for e-form 'M' for goods subject to Destination Inspection shall carry the "BA" code, while those exempted shall include "CB" in the prefix of the numbering system of the e-form 'M'. Payments for goods exempted from Destination Inspection, under the Scheme, would not be carried out in the Foreign Exchange Market, without a prior approval from the Central Bank of Nigeria. The list of goods exempted from Destination Inspection shall be as approved by the Honourable Minister of Finance.
5. The e-Form 'M' and the relevant pro-forma invoice (which shall have a validity period of three months) shall carry a proper description of goods to be imported to facilitate price verification viz;
  - i. Generic product name i.e. product type, category;
  - ii. Mark or brand name of the product, where applicable;
  - iii. Model name and/or model or reference number, where applicable;

- iv. Description of the quality, grade, specification, capacity, size, performance, etc;
  - v. Quantity and packaging and/or packing.
- 6. e-Form 'M' shall be valid for importation only after registration by the Nigeria Customs Service (NCS). Consequently, Authorized Dealer Banks are to confirm registration of the e-Form 'M' before proceeding with other import processes.
- 7. Documents in respect of each import transaction shall carry the name of the product, country of origin, specifications, date of manufacture, batch or lot number, Standards to which the goods have been produced (e.g. NIS, British Standards PD, ISO, IES, Din, etc).
- 8. **All goods to be imported into the country shall be labeled in ENGLISH in addition to any other language of transaction; otherwise the goods shall be confiscated.**
- 9. Where import items such as food, drinks, cosmetics, drugs, medical devices, chemicals, etc. are required for health or environmental reasons, they shall carry EXPIRY dates or the shelf life (minimum of half shelf life at the time of importation) and specify the active ingredients, where applicable.
- 10. Electrical appliances (fluorescent lamps, electric bulbs, electric irons and ties, etc) shall carry information on life performance, while cables shall carry information on the ratings.
- 11. All electronic equipment and instruments shall carry:
  - i. Instructions Manual;
  - ii. Safety information and/or safety signs;
  - iii. A guaranty/warranty of at least six months.
- 12. Importation of products not properly labeled shall automatically qualify for seizure and destruction, without warning and subject to prosecution.
- 13. Any false or fraudulent misrepresentation of facts will result in impoundment/seizures.
- 14. All imports into the country shall be accompanied by the following documents:
  - a. Combined Certificate of Value and Origin (CCVO), which shall contain the following information.
    - i. e-Form 'M' No;
    - ii. Adequate description of goods;

- iii. Port of destination. (the actual port shall be specified e.g. Tin-Can, Apapa, Kano, Onne, etc);
    - iv. Shipment identification, date of shipment, Country of Origin, Country of Supply.
  - b. Final/Commercial Invoice
  - c. Packing List.
  - d. Shipped/Clean on Board Bill of Lading/Airway Bill/Railway Bill/Road Waybill.
  - e. Manufacturer's Certificate of production, the Phytosanitary Certificate or Chemical Analysis Report, which shall state standards, where applicable, should be made available.
  - f. Laboratory test certificates for chemicals, foods, beverages, pharmaceuticals, electrical appliances and other regulated products, where applicable.
- 15. The following procedures shall be adopted for payments:
  - i. Letters of Credit transactions: All negotiating documents and/or shipping documents (as may be applicable), must be routed from the Beneficiary/Supplier through his/her bank to the issuing bank. For the avoidance of doubt, on no account must a bank endorse or pay on documents that do not comply with the routing outlined above.
  - ii. For Bills for Collection transactions, documents must be routed to the issuing bank either directly from the supplier's bank or through the offshore correspondence of the issuing bank.
  - iii. For 'Not Valid' for foreign exchange transactions, the supplier should forward the documents directly to the applicant bank that validates the e-Form 'M'.
- 16. For transactions with Post Landing charges, a retention fee of 5-15% of the project cost as agreed between the importer and the overseas supplier shall be indicated on both the Contract Agreement and the Pro-forma invoice, which shall form part of the supporting documents for the registration of relevant e-Form 'M'. In addition,
  - i. The stated fees shall not be remitted until a satisfactory evaluation of the project has been undertaken by the Industrial Inspectorate Department of the Federal Ministry of Industry, Trade & Investment.
  - ii. The Authorized Dealer Bank shall forward to the Nigeria Customs Service (NCS) Federal Ministry of Industry, Trade & Investment (Industrial Inspectorate Department) and Trade and Exchange Department Central Bank of Nigeria, copies of the Contract Agreement and Pro-forma invoice(s) of such projects for monitoring purposes.

- iii. The Nigeria Customs Service shall take cognizance of the value of shipment and Post Landing charges as would have been indicated on the Pre-Arrival Assessment Report (PAAR).
  - iv. The Industrial Inspectorate Department, Federal Ministry of Industry, Trade & Investment shall thereafter carry out an evaluation of the project and advise the Central Bank of Nigeria, accordingly.
  - v. On receipt of the report of the evaluation from the Federal Ministry of Industry, Trade & Investment (Industrial Inspectorate Department), the Central Bank of Nigeria shall advise NCS on the issuance of PAAR in respect of the retained value and the Authorized Dealer Bank advised to remit same to the beneficiary.
17. **Buying Commission:** The percentage of buying commission to be paid to agents or confirming house acting as intermediary between importers and exporters is subject to a maximum of 2% of the FoB value of the consignment, where applicable.

## **B. IMPORT PROCEDURES**

1. Duly completed e-Form 'M' shall be submitted electronically to an Authorized Dealer Bank with the following attached documents:
  - a) Profoma Invoice
  - b) Insurance Certificate
  - c) Regulatory Certificate/Permits (e.g. NAFDAC, SON, DPR, NPQS, etc)
2. However, the originals of the Documents listed in (1) above should be submitted to the processing bank prior to validation.
3. Upon receipt of duly completed and submitted copy of the e-Form 'M' from the importer, the Authorized Dealer Bank shall:
  - a) ensure that the e-Form 'M' is duly completed;
  - b) compare the attached documents with the original;
  - c) carry out proper Know-Your-Customer (K-Y-C) and be satisfied that all the relevant documents forwarded are genuine.
  - d) after completion of (a) to (c), the bank shall validate and transmit the e-Forms 'M', to the Nigeria Customs Service (NCS)

## **C. RESPONSIBILITIES OF NIGERIA CUSTOMS SERVICE**

Upon receipt of the e-Form 'M' with other necessary pre-import documents, NCS shall:

1. Carry out a preliminary review of the application, using information provided therein and accept or reject the e-Form 'M' within one working day.
2. If "ACCEPTED", NCS shall register the e-Form 'M' on the system.
3. However, if the e-Form 'M' is "REJECTED", NCS shall state reason(s) for rejection and the e-Form 'M' automatically returned for necessary rectification.
4. After registration of the e-Form 'M' and the receipt of the Final Import documents from the Authorized Dealer Banks, NCS shall generate Pre-Arrival Assessment Report (PAAR) within six (6) hours.
5. Shall coordinate the Mandatory Joint Examination and sign-off Form within Official working hours, including Saturdays.
6. Shall circulate cargo manifests to other examination agencies, as soon they are received to enable enough time for risk assessment and profiling.
7. Shall strengthen Nigeria Integrated Customs Information System (NICIS) to accommodate more agencies.

**D. RESPONSIBILITIES OF IMPORTER**

1. It shall be the duty of the importer to ensure that the supplier makes available the pro-forma invoice(s) in accordance with the imports procedure of the country. As a result, there must be no ambiguity in the description of the goods.
2. The importer shall also ensure that all the documents to be forwarded to the Authorized Dealer Bank are genuine and verifiable.
3. The importer shall ensure that Final Documents are forwarded to the Authorized Dealer Bank by the Supplier before the arrival of the goods/consignment to facilitate quick clearance
4. All the requirements listed under the imports procedure must be complied with before documents are submitted to the Authorized Dealer Bank.
5. Upon registration of the e-Form 'M' by NCS, the importer shall advise the supplier to arrange for the shipment of the goods.

**E. RESPONSIBILITIES OF THE SUPPLIER**

- i. On consignment of goods for shipment, the overseas supplier shall make available two sets each, of original Combined Certificate of Value and Origin (CCVO); Transport documents (Bill of Lading, Airway Bill, Road Waybill, etc) and Packing list to his/her bank.

- ii. On receipt of the documents listed in (i) above, the supplier's bank shall forward them through the relevant correspondent bank to the Nigerian Authorized Dealer Bank for Letters of Credit transactions.
- iii. For transactions requiring the issuance of Certificate of Capital Importation and/or those involving supplier's credit, documents shall be forwarded by the supplier's bank to the Nigerian bank.
- iv. In the case of Bills for Collection transactions, two sets of original documents should be forwarded to the Nigerian Authorized Dealer Bank through the supplier's bank or the offshore correspondent bank of the processing bank.
- v. For transactions "Not-valid for foreign exchange" two sets of original documents should be forwarded by the supplier directly to the bank that validates the e-Form 'M'.

**F. RESPONSIBILITIES OF AUTHORIZED DEALER BANKS:**

1. Upon receipt of the documents listed in (E) above the Authorized Dealer Banks shall endorse and upload them to Pre-Arrival Assessment Report (PAAR) system for issuance of PAAR.
2. For remittance in respect of imports, only the amount on the CCVO/Commercial Invoice/Final Invoice shall be remitted.
3. Carry out proper Know-Your-Customer (K-Y-C) and be satisfied that all the relevant documents forwarded are genuine.
4. Authorised Dealer Banks are to ensure that shipping documents are received within 21 days after shipment and should retain evidence for the purpose of monitoring by CBN.
5. However, Authorised Dealer Banks are to refer any policy issue of which they are in doubt to the Director, Trade and Exchange Department for clarification in accordance with the provisions of Memorandum 27 (x) of the Foreign Exchange Manual.

**G. RESPONSIBILITIES OF NIGERIAN PORTS AUTHORITY (NPA)**

1. Shall receive cargo manifests from shipping Lines before the ship leave the Last Port of Call and circulate to other Regulatory Agencies for risk assessment and profiling.
2. Shall be responsible for Traffic Management of vessels.
3. Shall ensure Pilotage of vessels.

## **H. RESPONSIBILITIES OF SHIPPING LINES AND OTHER CARRIERS**

1. It shall be the responsibility of Shipping lines and other carriers to ensure that all goods being consigned for shipment to Nigeria are covered by appropriate e-Form 'M'.
2. The e-Form 'M' number **MUST** be reflected on the Bill of Lading, Airway Bill or Roadway bill for such goods.
3. An advance summary of the manifest of the cargoes **must be** made available to the NCS electronically immediately the vessel departs the last port of call.
4. Shipping Lines shall transmit to NCS and NPA cargo manifests before leaving the last Port of Call.
5. Shipping Lines shall ensure that Nigeria bound containerized cargo are palletized.

## **I. SANCTIONS**

1. Shipping Lines and other Carriers that failed to adhere strictly to palletize containerized cargo shall be asked to take back onboard the non-palletized cargo;
2. Shipping Lines and other Carriers that failed to transmit cargo manifest, shall be denied berthing right (Pilotage) by NPA

## **J. IMPORT DUTY PAYMENT**

1. Importers shall continue to pay an administrative charge of 1% of FoB value of all imports based on the exchange rate on the approved e-Form 'M'.
2. All imports shall continue to be assessed for duty at the C.I.F. value of the goods using the rate of exchange on the approved e-Form 'M'.
3. It shall be the duty of the importer's bank through which the e-Form 'M' was processed to collect the amount of import duty as assessed, if it is a Designated Bank. However, for e-Form 'M' transactions processed by non-Designated Bank, payment of import duty shall be at any of the Designated Banks, while a copy of the duty payment receipt shall be made available to the processing bank by the importer.
4. For transactions in respect of dutiable personal effects payment of duty can be made at any preferred Designated Bank.
5. The Designated Bank will match printed assessment notice with the electronically received assessment notice for the Single Goods Declaration (SGD). If the information tallies, the bank will receive payments and issue signed Bank receipt.

6. The Designated Bank shall send an e-confirmation message to NCS acknowledging receipt of duty and taxes in respect of the SGD.
7. All payments shall continue to be electronically transferred daily by Designated Banks to the respective pool accounts with CBN, failing which necessary sanctions shall apply.

#### **8. Import Duty Dispute Resolution Mechanism**

Dispute arising from import duty payment shall be resolved through the following processes:

- i. Any discrepancy on declaration shall be entered into Inspection Act and appropriately modified.
- ii. If dispute persist, the importer shall be allowed to carry his goods on bank guarantee.
- iii. Importer shall thereafter apply for a tariff/valuation decision.
- iv. If not satisfied with the decision, the importer may appeal to the World Customs Organization (WCO), Honourable Minister of Finance, Federal Republic of Nigeria and any Court of competent jurisdiction for redress

#### **K. DOCUMENTATION REQUIREMENTS FOR IMPORT PAYMENTS UNDER THE DESTINATION INSPECTION SCHEME**

1. Confirmed Letter of Credit
  - i. Registered e-Form 'M'
  - ii. Combined Certificate of Value and Origin (CCVO)
  - iii. Manufacturer's Certificate with standards adopted stated thereon.
  - iv. Clean/Shipped on Board Bill of Lading/Airway bill/Roadway bill.
  - v. Final/Commercial Invoice
  - vi. Packing List
  - vii. Letter of Credit instrument.
2. Bills for Collection Transactions
  - i. Registered e-Form 'M'
  - ii. SGD print out
  - iii. PAAR
  - iv. CCVO
  - v. Manufacturer's Certificate



- vi. Shipped / Clean on Board Bill of Lading/Airways Bill / Road waybill.
- vii. Final/Commercial Invoice.
- viii. Import Duty Payment receipt with SGD No. stated thereon.
- ix. Bill history
- x. Bill of exchange.
- xi. Tally Sheet/Gate Pass.
- xii. Packing List.

**j. DOCUMENTS TO BE SUBMITTED BY THE IMPORTER TO THE PROCESSING BANK AFTER CLEARANCE OF GOODS:**

- i. Pre-Arrival Assessment Report (PAAR).
- ii. Single Goods Declaration (SGD) Print out.
- iii. CCVO
- iv. Packing List.
- v. Import Duty Payment receipt with the SGD number clearly stated thereon.
- vi. Manufacturer's Certificate with Standards adopted stated thereon.
- vii. Laboratory/Phytosanitary Test Certificate for chemicals, food, beverages, etc.
- viii. Terminal Delivery Order/Gate Pass.
- ix. Bill of Lading/Airway Bill/Road Waybill, etc
- x. DPR Product Certificate for Petroleum products
- xi. SONCAP Certificate for SON regulated products

**K. CLEARANCE PROCEDURES**

**1. Preparation of Single Goods Declaration (SGD):**

- a. Declarants prepare the SGD with information derived from relevant documents e.g. Final Invoice, CCVO, Bill of Lading/Air way Bill/Road waybill, Packing List, Permits (where necessary), Insurance, e-Form 'M', PAAR etc.
- b. The SGD is prepared using a **Private/Public DTIs\*\*** and;
  - Capture SGD Information
  - Assess the SGD
  - Print the SGD and Assessment Notice

*\*\*Direct Trader Input (DTI) is the unique procedure for submitting electronic declaration to Customs*

**Note:**

- While capturing the SGD, specify the bank at which Customs Duty will be paid. It must be the bank indicated as the designated duty collection bank on the e-Form 'M'.
- If e-Form 'M' is not required, as in the case of dutiable personal effects, Importer/Agent can pay at any preferred designated bank.
- Take extreme care that the correct designated bank code as indicated on the e-Form 'M' is captured to enable the system send the Assessment Notice to the appropriate bank.
- After capturing the SGD correctly the Assessment option should be selected, an electronic message will be sent to the designated bank with details of what should be paid as customs duty and other charges.

**2. Payment at Bank**

- a. The Importer/Agent proceeds to the designated bank with the system generated Assessment Notice
- b. The Designated bank will match printed assessment notice with the electronically received assessment notice for the SGD. If the information tallies, the bank will receive payments and issue signed bank's receipt.
- c. The bank then sends an e-confirmation message to NCS acknowledging receipt of duty and taxes in respect of the SGD

**3. Customs Control**

At the customs control, the release of consignment will be subject to selectivity of the Custom's Automated Risk Management System after payment of duty.

**4. Request for Release:**

- a. After payment of import duties and other charges at the bank, Importer/Agent will request for Customs release through DTI
- b. NCS will release after Scanning or Physical examination.

**5. Release of Consignment by Terminal Operator (T/O)**

After Customs have cleared the consignment Terminal Operators shall issue Exit Note to NCS.

6. In the case of personal effects, the applicant shall forward relevant documents to the Nigeria Customs Service. However, where dutiable goods are found to be in excess of the approved passenger concession, they shall be liable to the clearance procedure applicable to commercial goods.

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DECEMBER, 2017