

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/5438
23 December 1982

Limited Distribution

Original: English

REPLIES TO QUESTIONNAIRE ON IMPORT LICENSING PROCEDURES

NIGERIA

Information on import licensing procedures of Nigeria submitted in response to the questionnaire annexed to document L/5106/Rev.1 has been made available to contracting parties in document COM.IND/W/55-COM.AG/W/72/Add.44 and Corr.1. The following notification, describing the present import licensing system, replaces the data previously submitted by Nigeria.

Outline of systems

1. Same as Reply No. 2.

Purposes and coverage of licensing

2. Nigeria maintains two groups of import licensing system:

Import licence for general merchandise which is granted once a year and import licence for industrial raw material which is handled by the Import Quota Allocation Committee. The Committee sits fortnightly.

The products covered by the import licensing system are as listed in the Finance Act 1981.^{1/}

3. The system applies to all countries except South Africa and Namibia. Imports from these countries are absolutely prohibited.
4. The licensing is intended to regulate the quantity and value of imports - another complementary method adopted to regulate the imports is the Société Générale de Surveillance S.A., Geneva (S.G.S.) involving the use of Form "M" (Application to Purchase Foreign Currency).
5. The licensing system is maintained under the Finance Act passed by the National Assembly and assented to by the President and is statutorily required. Designation of products covered is not subject to administrative discretion nor can the Government abolish the system without legislative approval.

^{1/} A copy of the Finance Act 1981 is available for reference in the Technical and Other Barriers to Trade Division, GATT secretariat, Office No. 1073.

Procedures

6. (a) Information concerning allocation of quotas and formalities of filling applications for licences is published in the Federal Republic of Nigeria Official Gazette and in the local papers. The publication does not cover information regarding the overall quantity of imports, allocation to each country or to each importer.
- (b) The quotas are determined on a yearly basis. However, licences can be issued on a six-monthly or quarterly basis. After the expiry of the six-monthly or quarterly licence, fresh application can be made during the same year for industrial raw materials only.
- (c) No licences are issued to all importers including domestic producers. To ensure that licences issued are utilized, all those who did not make use of the licences issued to them are not considered for allocation of new licences after the expiration of the old ones.
- (d) The period allowed for submission of applications for licences varies from four to six weeks.
- (e) The minimum length of time for processing application is one month and the maximum time three months.
- (f) Much depends on the period for which the licence was granted, but all licences normally expire at the end of each calendar year. However, expired licences can be revalidated where the importer demonstrates that there is a binding commitment.
- (g) The consideration of licence application is essentially given by the Ministry of Commerce, however, there are certain categories of applications that are referred to the Ministerial Committee on Import Licence for approval; the importer deals only with the Ministry of Commerce.
- (h) Allocation to applicants can then be made on State basis and on the status of the company if demand for licences cannot be fully satisfied. Financial and organizational abilities are the main factors governing the amount of allocation to an importer. There is no special provision made for new applicants as both old and new applications are considered together. All applications are examined on receipt.
- (i) Import licences are required for all items on licence. There are no cases of automatic issue of licences.

- (j) Not applicable
 - (k) Not applicable
 - 7. (a) Actual licence must be obtained before importation, inadvertancy is no excuse.
 - (b) No
 - (c) General merchandise - yes. Industrial raw material - no.
 - (d) No. Application processed administratively but passed to the chief executive of Ministry for approval.
8. Goods available locally - yes. Appeal to the Honourable Minister explaining why his application should be granted.

Eligibility of importers to apply for licence

9. All persons, firms and institutions. No registration fee.

Documentational and other requirements for application of licence

10. Import Licence Application Form¹

Tax clearance

Certificate of registration/incorporation

Bank's recommendation

11. Not applicable
12. Yes. N50 for general merchandise
N20 for personal effects

13. No

Conditions of licensing

14. Varies - three months, six months. Yes, upon application after proven financial commitment.
15. Yes - applicant may not be considered next time
16. No

¹ A sample form is available for consultation in the secretariat.

17. (a) Yes, quantity specified
(b) Yes, value specified.

Other procedural requirements

18. No

19. No

Yes

Yes - foreign exchange determined before issuing licences.

Complete form "M".