

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

RESTRICTED

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Group of Negotiations on Goods (GATT)
Negotiating Group on Non-Tariff Measures

ELIMINATION OF NON-TARIFF MEASURES

Notification by Nigeria

In accordance with agreed negotiating procedures, and the mid-term decisions, I am directed to submit notification of the non-tariff measures which Nigeria has autonomously implemented since September 1986.

Nigeria will in the context of the negotiations on non-tariff measures expect to be accorded appropriate recognition and credit for these measures. The measures should be regarded as Nigeria's contribution/offer in the negotiations and will accordingly request to be reciprocated.

Nigeria, in September 1986, introduced a Structural Adjustment Programme (SAP). The aim is to effectively alter and realign the aggregate domestic expenditure and production pattern of the economy, which for over a decade have been characterized by distorted prices and near-total dependence on crude oil and imports to the detriment of the domestic sector. This involved elimination of a number of non-tariff measures which Nigeria is hereby transmitting to this Negotiating Group as our contribution to the negotiations in this area. They are as follows:

(i) Foreign Exchange System

The central element in the Structural Adjustment Programme (SAP) is the liberalization of the foreign exchange market with a view to achieving a realistic exchange rate of the Naira through the interplay of forces of demand and supply. A further objective of deregulating exchange control measures was to make foreign exchange more easily available to those who needed it.

(ii) Import and Export Licences

The abolition of import and export requirements was one of the bold steps taken to liberalize trade in Nigeria. This step also ensured increased efficiency and improvement in the utilization of scarce resources. Government also decided at the same time to scrap the 30 per cent levy put on all imports. The import prohibition list was substantially reduced from 75 to 16 items. The thrust of the protection policy has therefore shifted from quantitative restrictions to tariffs.

(iii) Export Trade

Measures taken to liberalize trade in this area, included: elimination of export bans, duties and licences; the scrapping of the Commodity Boards; the institution of a duty drawback scheme; reorganization of the Nigerian Export Credit Guarantee Scheme under the Central Bank of Nigeria; tax relief on interests; rediscounting of short term bills for non-oil exports.

(iv) New Foreign Investments

A number of administrative resolutions in the area of foreign investments were received, streamlined and simplified so as to make the process of seeking to invest in the country less cumbersome. In this connection, the requirement for locational approval was abolished and an Industrial Development Coordinating Committee was constituted to handle applications for new investments in the country.

(v) Counter Trade

Government has suspended counter trade activities since 1986.

(vi) Commercialization and Privatization of Public Enterprises

Public investment programmes were reviewed and rationalized so as to lessen the dominance of unproductive investments in the public sector, improve the sector's efficiency and intensify the growth potential of the private sector.

(vii) Others

Adoption of appropriate pricing policies in all sectors with greater reliance on market forces and reduction in complex administrative controls; phased removal of subsidies on petroleum products.