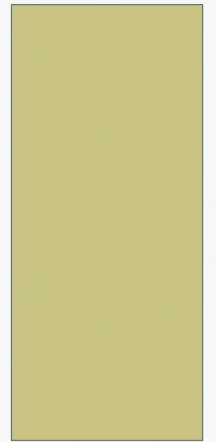


EXPORT PROCEDURE AND FINANCE

BY
E. A. ESEZOBOR



INTRODUCTION

- This topic is expedient because the income focus of the government has shifted from crude oil to non-oil export.
- Crude oil is a non-renewable fossil fuel that experts say, pollute the environment.
- Crude oil is therefore being upstaged as fuel to drive mechanical devices in favour of shale oil and electrically driven vehicles.
- We shall in this topic look at:
 - procedure for export
 - export documentation
 - sources of finance for exports
 - non-monetary incentives for exports managed by CBN, NEPC, NEXIM and NEPZ.

PROCEDURE FOR EXPORT

- Register a limited liability company
- Register the company with NEPC as an exporter. There are a couple of conditions to meet.
- Find a buyer for your choice of products abroad. NEPC helps in getting overseas orders.
- NACCIMA, Chambers of Commerce and Industry, Embassies, MAN, Export Agencies etc can also assist in finding buyers.
- Study the terms of export order carefully and be satisfied it is doable.
- Approach the Federal Produce Inspection Service to inspect the goods and issue a Certificate of Clean Inspection.

PROCEDURE FOR EXPORT (CONTD)

- Visit your bank to complete necessary forms including Form NXP. For export to Europe, obtain Form EUR-1 from NEPC or Chamber of Commerce & Industry to complete. For export to Portugal, the correct form is Form PSG.
- Find a suitable carrier.
- Package the ordered goods in the right quantity and quality.

PROCEDURE FOR EXPORT (CONTD)

- Guide against rodents, insects or unnecessary exposure.
- Move the goods to the port of shipment for Customs Inspection and payment of NESS and ad valorem charges of 1% and 0.5% respectively.
- Load the ordered goods on a carrier for shipment as agreed in the export order.
- Gather all the required shipping documents and amendments, if any.
- In an LC, tender the shipping documents to the advising bank here in Nigeria to be paid.
- Payment should be credited to the Exporter's domiciliary account.

EXPORT DOCUMENTATION

- NEPC is the institution responsible for export documentation through their committee, Nigeria Committee for Trade Procedures and Documentation (NITPRO).
- NITPRO is made up of representatives of NEPC, CBN, Customs and Excise and NEXIM.
- NITPRO is to simplify trade procedures and documentation and also educate Nigerians on current developments in the international market.
- The main export form as earlier said is Form NXP.

SOURCES OF EXPORT FINANCE

- Bank overdraft or loan
- Accommodation finance/Commercial paper
- Acceptance credit
- Advance against collection
- Red Clause Letter of Credit
- Stocks and Shares or Capital Market sources
- Avalisation of inward collection
- Negotiating or Discounting of trade bill
- Factoring
- Hire Purchase
- Lease
- Forfaiting
- Matching foreign currency borrowing.

NON-MONETARY INCENTIVES FOR EXPORTER

- The non-monetary incentives are well packaged and administered by the following government agencies:
- Central Bank of Nigeria
- NEPC
- NEXIM
- NEPZA

APPRECIATION

I sincerely thank you for listening.

E. A. ESEZOBOR.