



NIGERIAN EXPORT PROMOTION COUNCIL

UNDERSTANDING THE ROLE OF PRE-SHIPMENT INSPECTION AGENTS IN THE EXPORT PROCESSES AND PROCEDURES

NEPC MENTORSHIP

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INTRODUCTION

NON-OIL EXPORT IN NIGERIA

Over the years, the macro-economic policies of Nigeria sought to diversify the economy from heavy reliance on crude oil export for the nation's foreign export earnings.

To achieve this, actionable steps were taken to bring this vision to fruition, which subsequently brought about the establishment of the **Nigerian Export Promotion Council (NEPC)**. Among other functions of the council includes the development and diversification of Nigeria's Non-oil export trade, as well as championing the creation of appropriate export incentives, which will further develop the non-oil sector while lessening the nation's heavy reliance on crude oil.

In an effort to bolster Nigerian products on the international Non-oil export Market, and ensure that Nigeria's Non-oil exports vision and mission to the world is actualized, the Federal Government appointed Pre-Shipment Inspection Agencies.



PRE-SHIPMENT INSPECTION (PSI)

- A Pre-shipment Inspection (PSI) is an essential step in the quality control process of exports. It is carried out by either a Quality Control Department or an independent quality control service/agent where goods are quality tested before being dispatched. This procedure ensures that production complies with the specifications of the buyer and/or the terms of a procurement order or letter of credit.
- A pre-shipment inspection is also a step carried out by traders, agencies, buyers, and other trade operators. They inspect products destined for export to ascertain the quality and quantity of the merchandise, including any defects before they're shipped to comply with consumer laws.
- The pre-shipment process includes acceptance sampling, inspection, and testing, which can be agreed upon between the supplier and the buyer. A pre-shipment inspection can be performed at various stages before shipment. Aside from quality control measures, a pre-inspection also involves checking of all document and verification of compliance with industry standards.





Under Nigerian Export Supervision Scheme (NESS),

The PSI has the following among its objectives;



The above objectives of pre-shipment inspection of goods and services are generally to certify the following criteria:





BENEFITS OF PRE-SHIPMENT INSPECTION TO EXPORT

Pre-shipment Inspection provides both the supplier and the customer with the security and assurance they need. Here are some reasons Pre-shipment inspection has become a pre-requisite for both importers and exporters over the years.

- ❑ Validating the quality of goods before shipment is the last line of defense against defects before the product will reach the customer or client.
- ❑ A non-functional out-of-spec product can not only damage your company's reputation but even escalate to litigation if there is personal injury or property damage to the client. Pre-shipment Inspections aim to prevent such incidents by catching the defects before they reach the customer.
- ❑ It gives the exporters the peace of mind of a proper quality inspection, along with the guarantee of an entirely impartial assessment performed in the most cost-effective manner possible.



WHEN IS THE PRE-SHIPMENT INSPECTION CONDUCTED?

The pre-shipment inspection can be carried out in various production phases before the goods leave the exporter's factory. However, the inspection is generally conducted on finished products when 80% of the order has been packed for shipping. The pre-inspection must be done according to **Standard Acceptable Quality Limits** specifications for the products or customer requirements. During the inspection, the inspectors must follow the company's quality standards and the destination market's standards.



PRE-SHIPMENT INSPECTION AGENTS

Pre-shipment Inspection Agency was introduced in 2006 under the **PRE-SHIPMENT OF EXPORTS DECREE NO. 10 OF 1996 ACT CAP. P25 L.F.N. 2004**, by the appointment of Cobalt International Services Limited as the only Inspection Agencies, there after, in the year 2015, two more were introduced. They were Carmine Assayer and Neroli Technologies Limited. Then by January 2021, the Federal Government (CBN) discontinued the services of Cobalt International Services Limited and Carmine Assayer, leaving only Neroli Technologies Limited and introduced two more Pre-shipment inspections Agents (PIAs) and two Monitoring and Evaluation Agents (MEAs) of all Non-oil exports from Nigeria. These Pre-shipment Inspection Agents are;



ANGLIA INTERNATIONAL LIMITED with the responsibility to cover North West and North Central Zones



GOJOPAL NIGERIA LIMITED has the responsibility to cover the South East and North East



NEROLI TECHNOLOGIES LIMITED to cover South West and South-South



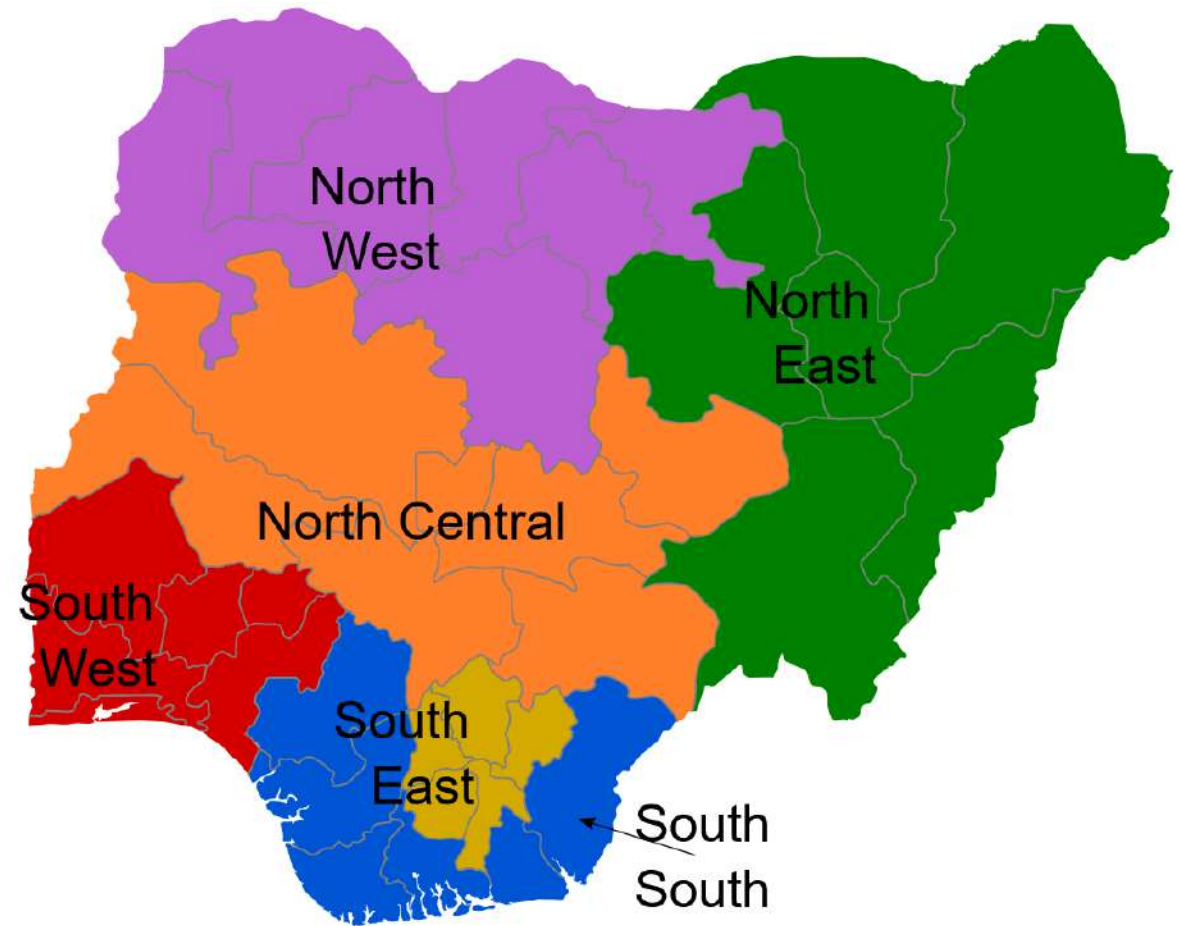
PRE-SHIPMENT MONITORING AND EVALUATION AGENTS

FOOPS INTEGRATED SERVICES

North East | North West | North Central,

ACE GLOBAL DEPOSITORY

South East | South West | South-South





THE ROLES OF PRE-SHIPMENT INSPECTION AGENTS (PIAs)

To implement the scheme and attain the earlier stated objectives, the following are the roles of Pre-shipment Inspection Agents (**PIAs**);

- To constantly deliver expected results and create value for our clients in all scenarios with exceptional service delivery.
- They are responsible for checking the quality, quantity, price competitiveness and security of all non-oil export prior to shipment.
- Governments implement PSI programmes to ensure that imports comply with their regulations. This is because non-compliance with these regulations can result in loss of valuable duty and tax revenue, loss of foreign exchange reserves, potential importation of substandard or prohibited goods, etc.
- The role of PIAs is multifaceted. This is due to the technical nature of all the stages, procedures, and documentation involved in the export inspection.



THE FOLLOWING DOCUMENTS ARE SUBMITTED TO THE PIAs FOR INSPECTION

- **RFI Form (Request for Information)**
- **Packing List**
- **Final/Commercial Invoice**

If fully satisfied with the competence and accuracy of above the documents, the PIAs are expected to:

<ul style="list-style-type: none">• Conduct price analysis and confirmation.	<ul style="list-style-type: none">• Conduct quality analysis and confirmation	<ul style="list-style-type: none">• Conduct physical inspection of the cargo.
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PIA INSPECTION

- The inspection which is being conducted at the factory, warehouse, transitory terminals sea/airport as well as other points of dispatch, is to ensure compliance with the consignee's specification and conformity with the international standard organization.
- The Clean Certificate of Inspection (CCI) is a document certifying that merchandise (such as perishable goods) was in good condition at the time of inspection, usually immediately prior to shipment.
- Within 72 hours, a clean certificate of inspection (CCI) will be issued. however, in the event of any discrepancies in the cargo, quality, quantity and price verifications, a **NON-NEGOTIABLE REPORT OF INSPECTION** will be issued. the CCI is what qualifies an exporter to be recognized by the federal government and accepted internationally.
- The data (statistical returns on all export transactions) collected for all export inspections are then collated and submitted to the appropriate Government Quarters which include the Federal Ministry of Finance, NEPC, The Central Bank, Bureau of Statistics and The Nigeria Customs Services on a monthly, quarterly and yearly basis.



PIA INSPECTION CONT'D

- The two vital documents with regards to documentation are the NXP form and the CCI. Both are distributed accordingly as follows:

CCI DISTRIBUTION

COPIES	DESTINATIONS
First Copy	Exporter
Second Copy	Exporter's bank
Third Copy	Exporter's Agent
Fourth Copy	Pressshipment Inspection Agent (PIA)
Fifth Copy	Nigerian Customs Service (NCS)
Sixth Copy	Ministry of Finance (MOF)
Seventh Copy	Central Bank of Nigeria (CBN)
Eighth Copy	Nigeria Port Authority (NPA)
Two Certified True Copy	Nigerian Customs Service (NCS)
One Certified True Copy	National Bureau of Statistics (NBS)
One Certified True Copy	Nigerian Export Promotion Council (NEPC)



PIA INSPECTION CONT'D

NXP DISTRIBUTION

COPIES	DESTINATIONS
Duplicate Copy attached to Seventh Copy of CCI	Central Bank of Nigeria (CBN)
Triplicate Copy	Pre-shipment Inspection Agent (PIA)
Third Copy	Exporter's Agent
Fourth Copy	Pre-shipment Inspection Agent (PIA)
Quadruplicate Copy Attached to Fifth copy of CCI	Nigerian Customs Service (NCS)
Quintuplicate Copy Attached to Fifth copy of CCI	Nigerian Customs Service (NCS)
Sextuplicate Copy Attached to Fifth copy of CCI	Nigerian Customs Service (NCS)



INSPECTION PROCEDURES

This requires that an exporter among other things registers with:

-  **Corporate Affairs Commission (CAC)**
-  **Nigeria Export Promotion Council (NEPC)**
-  **Federal Inland Revenue Service**
 - Tax Identification Number
-  **Open Export Domiciliary Account**
-  **Log into the TRMS Portal**
 - <https://www.tradesystem.gov.ng>

Click on the Applicant/Exporter Portal

Fill in the required info on the portal

Upload required documents

Submit and It goes to the Bank

Bank Generates NXP number

CAC CERTIFICATE



NEPC CERTIFICATE



NXP FORM



ORIGINAL



CENTRAL BANK OF NIGERIA
EXPORT PROCEEDS FORM (NXP)

FOREIGN EXCHANGE (MONITORING AND MISCELLANEOUS PROVISIONS) ACT, CAP F3 LFN

BRANCH CCDE	YEAR	APP NUMBER	FORM NUMBER	CREATED DATE	FORM VALIDITY
214120019	2022	XF202262296		1/18/22 12:00 AM	2024-10-16

PROCESSING BANK
First City Monument Bank Plc

TRADER INFORMATION

① Exporter's Name: M/	② Exporter's Address: UN	③ Exporter's TIN: 20591497-0001	④ NEPC No.: 0006373	⑤ RC NO.:
⑥ Exporter's Email: ma	⑦ Exporter's Phone No.: 0803	⑧ Exporter's State Code & Name:		⑨ Oil Export Permit No.:
⑩ Consignee's Name: ALRASHEED TRADING COMPANY	⑪ Consignee's Address: PEI	⑫ Consignee's Phone No.:		⑬ By Order Of:
⑭ Consignee's Email: Ma	⑮ Consignee's Country Code: SA			

EXPORTER'S DECLARATION

⑬ HS Code	⑭ Goods Descriptio	⑮ Unit Price	⑯ Quantity	⑰ Sec. Pur. Code	⑱ Mode Package	⑲ Unit Measure	⑳ Gross Weight	㉑ Net Weight	㉒ FOB Value
	Hibiscus Flower	2,000.00		AGRICULTU RAL	Bag	Metric tons		24.00	48,000.00
	Sone flower	3,500.00		AGRICULTU RAL	Bag	Metric tons		7.00	24,500.00
	Dried Ginger	2,500.00		AGRICULTU RAL	Bag	Metric tons		120.00	300,000.00

㉓ Total Net Weight 151.00	㉔ Total Gross Weight 151.80	㉕ Total FOB 372,500.00	㉖ Total C & F 372,500.00	㉗ Mode Of Payment Cash	㉘ Currency Code USD
I / We, _____ hereby certify that the foreign currency will be deposited in my/our export proceeds Dormitory Account in Nigeria within 3 months after shipment in accordance with the approved guidelines.					Signature/Date: 2022-01-20

PRE-SHIPMENT INSPECTION INFORMATION

⑳ Shipment Date		㉑ Port of Shipment Apapa Port		㉒ Destination Country Saudi Arabia		㉓ Pre-Inspection Agent ANGLIA INTERNATIONAL			
㉔ HS Code	㉕ Goods Descriptio	㉖ Unit Price	㉗ Quantity	㉘ FOB	㉙ Inspection Date	㉚ CCI NO.	㉛ CCI Date	㉜ Freight Charges	㉝ Vessel Name
㉞ Signature/Date and Time					I / We, _____ declare that the values above were attained after inspection. Any false declaration will make me liable for prosecution.				

NESS LEVY COLLECTION Details of Collection by Designated Bank

㉞ NESS Levy Payable	㉟ Name and Address of Bank	㊱ NESS Levy Paid	㊲ NESS Levy Date
I / We, _____ declare that the amount collected as NESS Levy Charges are as reported in the form above. Any false declaration will make me liable for prosecution.			㊳ Stamp & Date

NIGERIA CUSTOMS SERVICE

㊴ Total Quantity	㊵ Total Value	㊶ SGD Form No. and Date
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SAMPLE OF REQUEST FOR INFORMATION FORM (RFI)

ANGLIA INTERNATIONAL SERVICES LIMITED RC 328888		DATE: / / NXP NO.:
REQUEST FOR INFORMATION (R F I)		
EXPORTER TO COMPLETE BOXES 1-5 AND SUBMIT WITH THE FORM AND RELATED DOCUMENTS, AT THE ANGLIA AREA OFFICE NEAREST TO THE POINT OF INSPECTION.		
BOX 1 EXPORTER'S NAME: _____ EXPORTER'S FULL ADDRESS: _____ EXPORTER'S CONTACT/REPRESENTATIVE: _____ IMPORTER'S NAME/ADDRESS: _____ EXPORTER'S CONTACT TELEPHONE NO.: _____		PLEASE NOTE - INCOMPLETE INFORMATION COULD CAUSE DELAY IN PROCESSING THE CERTIFICATE OF INSPECTION
BOX 2 FULL DESCRIPTION OF GOODS TO BE INSPECTED: _____ PLEASE NOTE - COPIES OF CERTIFICATES OR ANALYSIS ISSUED BY RELEVANT AGENCIES MUST BE PROVIDED		
BOX 3 FULL ADDRESS WHERE GOODS ARE TO BE INSPECTED: _____ CONTACT NAME: _____ CONTACT TELEPHONE NUMBER: _____ PLEASE NOTE - INCOMPLETE INFORMATION REGARDING LOCATION FOR INSPECTION COULD CAUSE DELAY		
BOX 4 DATE WHEN GOODS WILL BE AVAILABLE FOR INSPECTION: _____ PLEASE NOTE - THE INSPECTION COMPANY IS TO BE GIVEN AT LEAST 30 DAYS NOTICE PRIOR TO THE PROPOSED DATE OF THE FRESHMENT INSPECTION		
BOX 5 PROPOSED PORT OF SHIPMENT: _____ PORT OF DESTINATION: _____ PROPOSED DATE OF SHIPMENT: _____		
FOR OFFICIAL USE ANGLIA INTERNATIONAL SERVICES LIMITED		
BOX 6 INSPECTION FINDINGS: _____		
BOX 7 DATE OF INSPECTION: _____ TIME OF COMPLETION: _____ EXPORTER'S REPRESENTATIVE: _____ POSITION: _____ SIGNATURE: _____ ANGLIA INTERNATIONAL SERVICES LTD. INSPECTOR: _____ SIGNATURE: _____		



CONCLUSION

Pre-shipment inspections may seem like an unnecessary and costly additional step. However, it could mean the difference between a satisfied customer and a disappointed one. The former is even more likely to become a return customer. Ensuring product quality, proper packaging, and regulatory labeling minimizes the risk of defects and boosts the company's trust.

Location is a determining factor that affects the cost involved because different governments have varying compliance measures. However, if you opt for a pre-inspection service in Nigeria, you can expect cost-effective services with technical expertise, quality control efficiency, and minimized procurement risks.

**THANK YOU AND HAVE AN IMPACTFUL
WEEK**

