



NIGERIA CUSTOMS SERVICE

Federal Republic of Nigeria

Design and Implementation of Customs Risk Management Systems

Nigeria's experience, including data analytics and artificial intelligence integration

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Nigeria Customs Service

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AT A GLANCE

1999

ASYCUDA deployed — electronic customs processing

2011

NICIS deployed; NICIS II from 2017

2012

Contracting Party, Revised Kyoto Convention

2017

WTO Trade Facilitation Agreement ratified

2023

Nigeria Customs Service Act

2024

B'Odogwu launched; Advance Ruling Programme

2025

Authorised Economic Operator launched

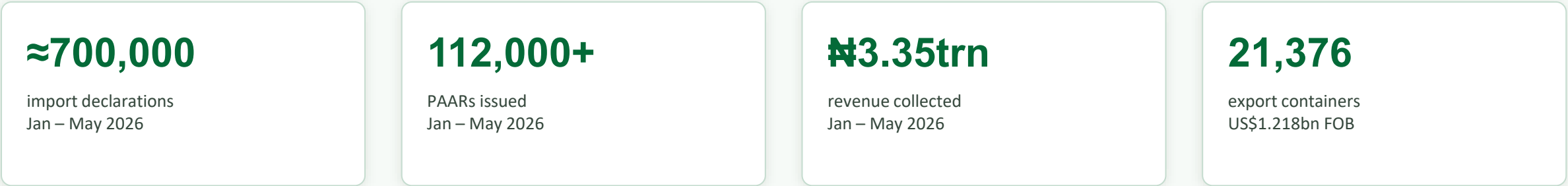
2026

First Time Release Study report

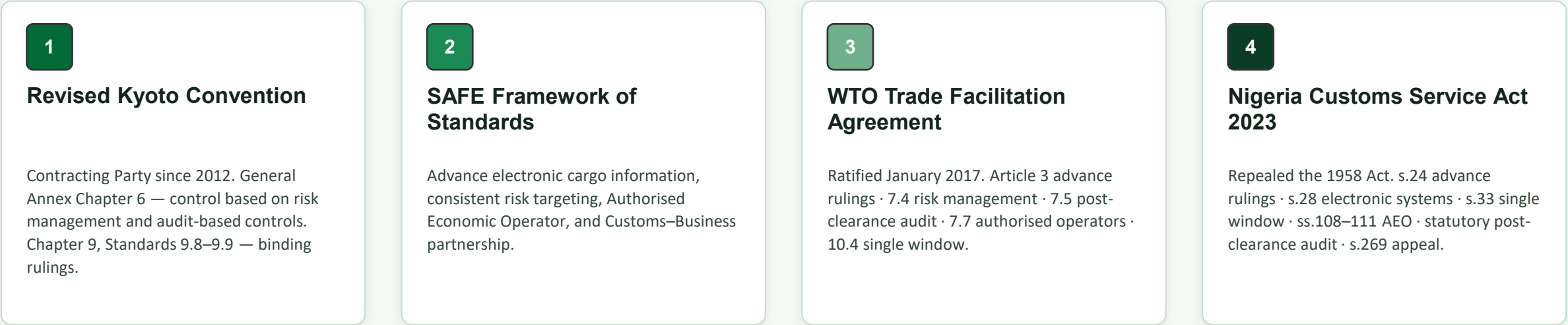


Why Risk Management, and What It Rests On

Trade volume grows faster than inspection capacity. Selectivity is not a convenience — it is the only sustainable way to combine control with facilitation.



THE FOUR INSTRUMENTS WE WORK TO

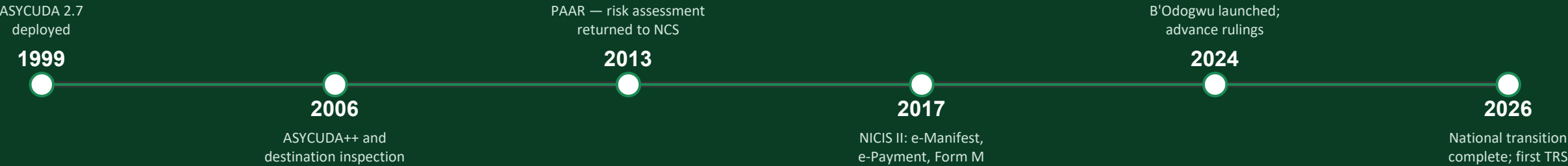
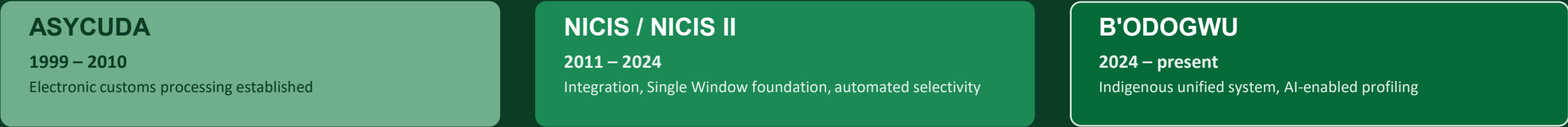


Universal inspection is not merely expensive — it is less effective, because it dilutes attention and creates the congestion in which genuinely high-risk cargo can hide.

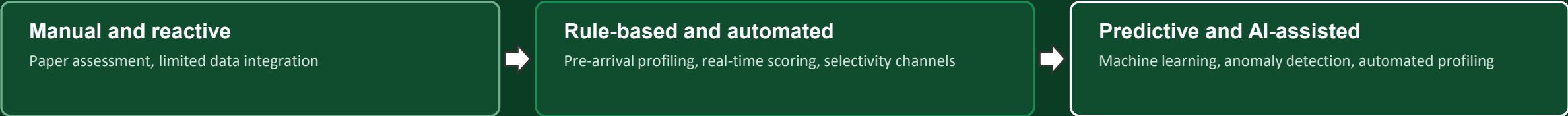


Automation Journey and the Evolution of Risk Management

Three platform generations, one direction of travel: from recording transactions, to assessing them, to predicting which warrant attention.



RISK MANAGEMENT CAPABILITY

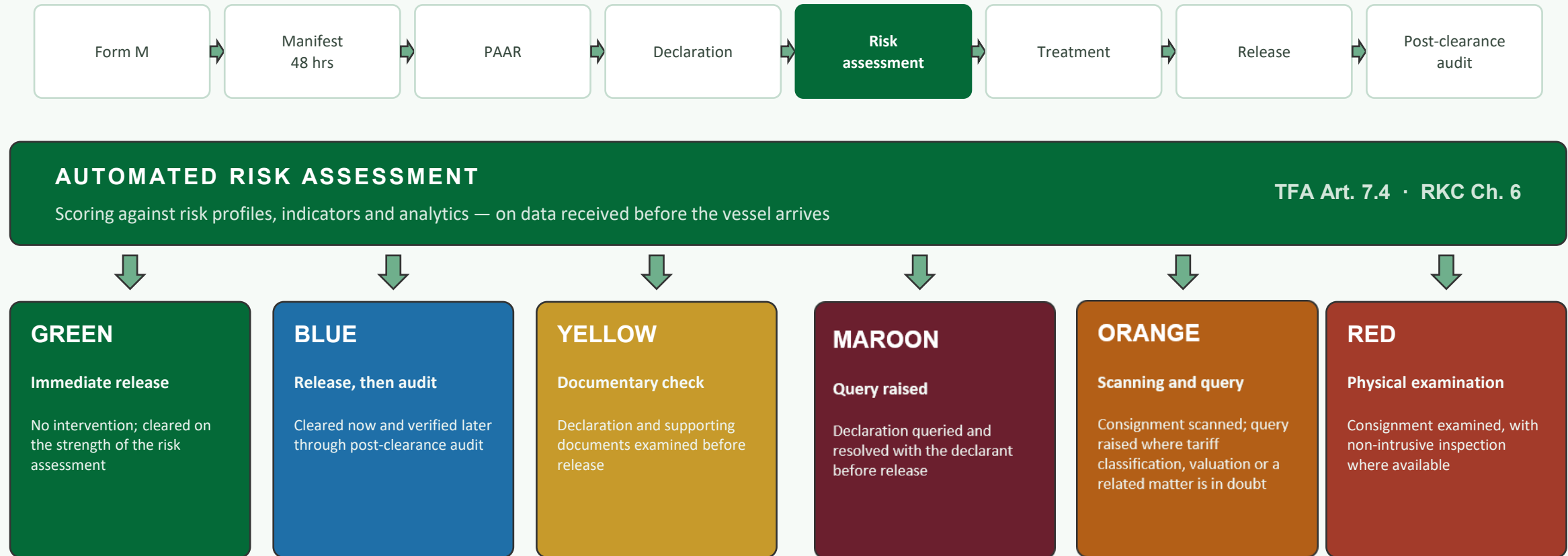


Each generation kept the previous one's data. Continuity of the declaration series is what makes historical analysis — and therefore machine learning — possible at all.

Risk Management in Operation Today



One clearance chain, one automated assessment point, six differentiated treatments.



The blue channel is what makes facilitation safe: clearance is no longer the end of Customs control, so a meaningful green channel can exist. Post-clearance audit capacity under Article 7.5 is therefore not optional.

Advance Rulings — TFA Article 3



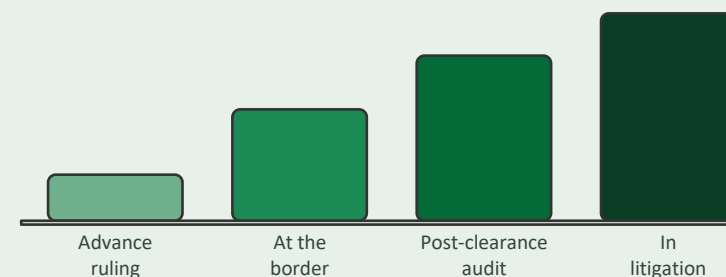
Usually catalogued as facilitation. In compliance management terms it is a preventive control — the one instrument that reduces non-compliance before the transaction, rather than detecting it afterwards.

Nigeria's programme

Launched	2 May 2024 — NCSA 2023 s.24, TFA Article 3, RKC Standards 9.8–9.9
Scope	Tariff classification, customs valuation and product origin — wider than the TFA minimum
Who may apply	Importer, exporter, customs broker or any person with justifiable cause; valid TIN required
Mode	Electronic application and document upload on the NCS Advance Ruling portal
Effect at the border	The issued ruling is lodged with the PAAR documents for the guidance of the processing officer
Institutional support	Advance Ruling Desk Officers at Area Commands, with Technical Supervisors at the Processing Centre
Publication	Rulings of general application are published, apply prospectively, and take effect 30 days later
Appeal	s.269 — within 30 days of the ruling or decision

Cost of correcting the same error

illustrative



Why this is compliance management

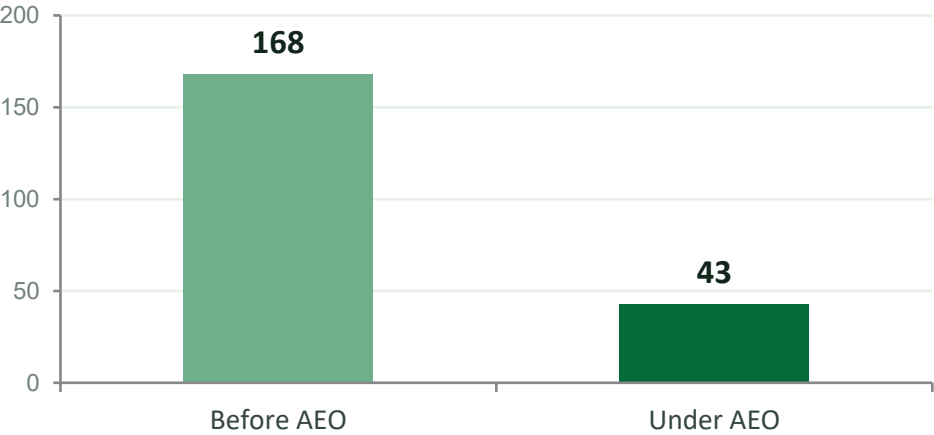
- It intervenes at the cheapest point on the compliance-cost curve.
- It purifies the risk signal — removing capability-driven error raises targeting precision with no change to the model.
- It is the precondition for self-assessment, green channelling and AEO.



Trusted Traders and Audit-Based Control

TFA Articles 7.5 and 7.7 — moving assurance from the transaction to the entity, and verification off the critical path of release.

Authorised Economic Operator: pilot result



A 74% reduction in average clearance time for participating operators, with reported savings above ₦100 million during the pilot. Programme launched 14 February 2025 under NCSA 2023 ss.108–111; migration from the legacy Fast Track Scheme completed 31 January 2026.

1 AEO — two tiers

AEO-C (Compliance): minimum of three years of company registration; demonstrated compliance, record-keeping, solvency and operational competence. AEO-S (Security): all of that, plus a minimum of five years of company registration and supply-chain security extending to business partners. Mutual recognition arrangements under development.

2 Post-clearance audit — Art. 7.5

Statutory framework under the NCSA 2023 permitting audit, reassessment and penalties after release. Operationalised through the blue channel. Audit findings are the raw material for refreshing risk profiles.

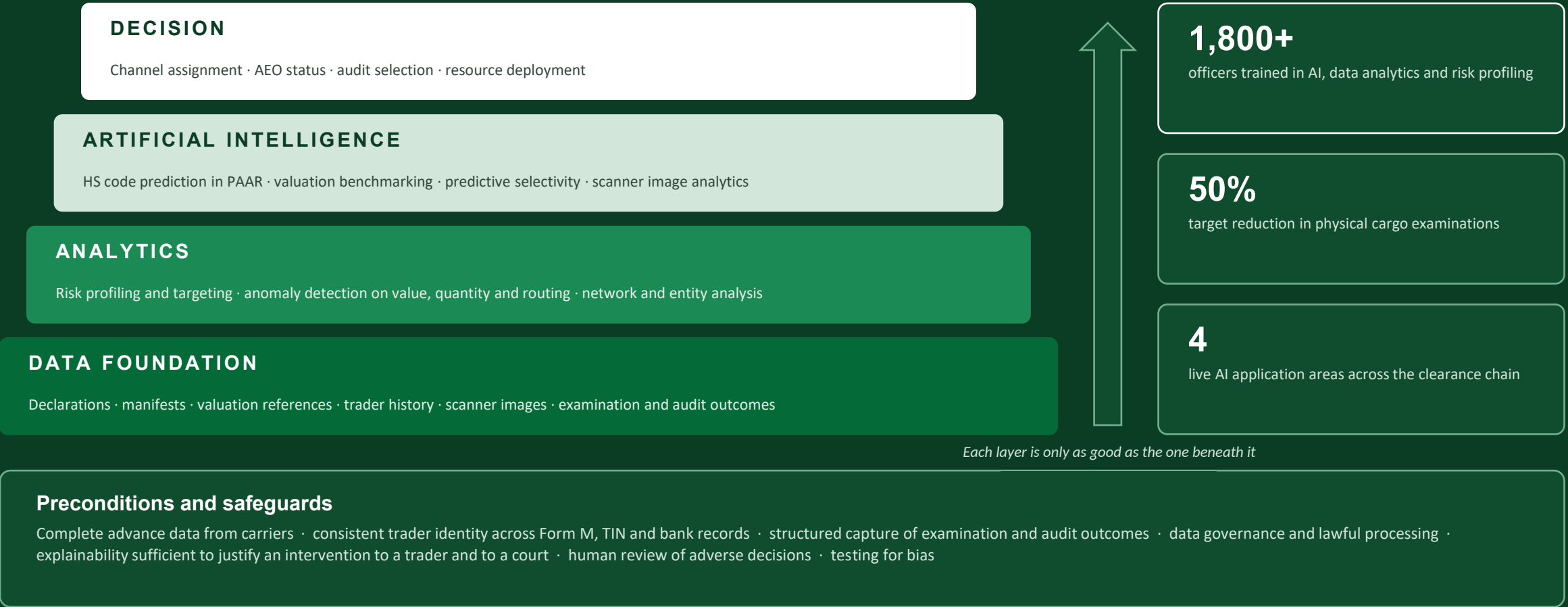
3 Non-intrusive inspection

100% scanning at Apapa, extended to Onne. Scanner images integrated with the import declaration and retained. Every retained image is also a training example for automated threat recognition.



Data Analytics and Artificial Intelligence Integration

B'Odogwu integrates AI-enabled risk analytics, predictive modelling, machine-learning fraud detection and automated anomaly identification.





Performance, Measurement and Impact

Selected published figures, and the measurement instrument that lets us interpret them.

₦7.281trn

Total revenue collected, 2025

₦3.35trn

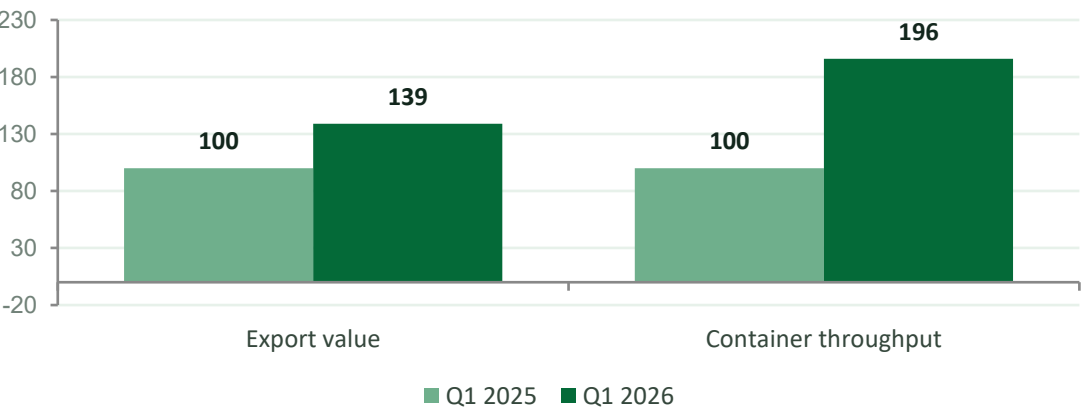
Revenue collected, Jan – May 2026

168 → 43 hrs

AEO pilot clearance time

Export facilitation, Q1 2025 to Q1 2026

Indexed, Q1 2025 = 100



Time Release Study — TFA Article 7.6

Launched February 2024 at Tin Can Island Container Port under the WCO Accelerate Trade Facilitation Programme; report launched 26 January 2026 on International Customs Day, and now being institutionalised as a recurring cycle.

≈700,000

import declarations, Jan–May 2026

112,000+

PAARs issued, Jan–May 2026

US\$1.218bn

export value facilitated

21,376

export containers processed



Challenges, Lessons and TFA Alignment

The constraints we would want other Members to anticipate, and where Nigeria stands against the measures most closely tied to risk management.

1 Data quality at source

Incomplete manifest transmission by some carriers removes the advance information pre-arrival assessment depends on.

2 Scanning versus selectivity

Comprehensive scanning must not become universal control by another route. Scan broadly, but make image review itself risk-selected.

3 Closing the feedback loop

A risk model improves only if examination and audit outcomes are captured in structured form and returned to it.

4 Change management and capacity

Knowledge gaps among users, not system defects, caused most early friction. Local capability for system ownership cannot be outsourced.

TFA measure	Status	TFA measure	Status
Art. 3 — Advance rulings	Launched May 2024; classification, valuation, origin	Art. 7.5 — Post-clearance audit	Statutory basis; blue channel
Art. 7.1 — Pre-arrival processing	Manifest 48 hrs before arrival; PAAR since 2013	Art. 7.6 — Average release times	First TRS report, January 2026
Art. 7.2 — Electronic payment	Integrated banking; automated CBN rate feed	Art. 7.7 — Authorised operators	AEO launched February 2025
Art. 7.4 — Risk management	Six-channel selectivity; AI-assisted profiling	Art. 10.4 — Single window	NCSA s.33; rollout in progress

The measures cluster and reinforce one another: advance rulings improve declaration quality, which improves risk assessment; post-clearance audit makes green channelling safe; AEO rewards the operators the audit has verified.



Next Steps, and an Invitation to Members

Six priorities for the period ahead, in the order we intend to pursue them.

1 Measure the baseline

A random control sample held outside the targeting system, so hit rates can be read against a known non-compliance rate.

2 Close the outcome loop

Structured capture of every examination and audit result, returned to the model as a standing retraining pipeline.

3 Strengthen advance rulings

Publish a service standard, extend the rulings database, and use the rulings corpus as validated training data.

4 Scale AI-driven analytics

Expand predictive modelling and move to risk-based review of scanner images through automated screening.

5 Deepen mutual recognition

Conclude AEO mutual recognition arrangements and operationalise cross-border risk intelligence exchange.

6 Sustain capacity and dialogue

Continue officer training in analytics and AI, and maintain structured consultation with the trade.



Thank you.

Nigeria would welcome exchange with Members on compliance measurement, AI governance in Customs, and mutual recognition of authorised operators as well as electronic advance rulings.

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