

**COMMUNIQUE OF THE COUNCIL MEETING OF THE LAGOS
CHAMBER OF COMMERCE AND INDUSTRY [LCCI] HELD ON
WEDNESDAY 7TH JUNE 2017**

The Council of the Lagos Chamber of Commerce and Industry [LCCI] met on Wednesday 7th June 2017 to deliberate on issues impacting on the business environment.

Ease of Doing Business Initiatives

Council commended the various policy measures put in place to improve the business environment. The meeting noted and applauded the Executive Orders and the acts on the movable collateral and credit registry. It noted that the initiatives would create the right environment for business and boost investors' confidence. The LCCI council also applauded the national assembly on the efforts at providing enabling legislations to boost the inflows of private sector capital to complement the capital budget spending of the government especially on infrastructure. Council noted the recent Business Environment forum between the national assembly and the private sector on legislations that would boost private investment in the economy.

Security of lives and Property

Council commended the progress made in the fight against terror. Many internally displaced persons are now returning to their communities. Council however expressed concern over the escalating security problems perpetrated by the herdsmen across the country. It urged the security agencies to step up their vigilance and live up to their mandate of protecting lives and property across the country. The meeting

noted that activities of the herdsmen are already taking a toll on agricultural activities in the country.

Access Roads to Lagos Ports

Council expressed concern over the deplorable state of access roads to all Ports in Nigeria. Given the strategic importance of the Lagos ports in the Nigerian economy, Council has therefore called for an urgent response by the government to fix the access roads to the Lagos ports. Lagos ports account for about 70% of the total revenue generation from import duties in the country. The pace of cargo evacuation is being affected by the state of the roads. This in turn results in high demurrage charges, high rental costs by the terminal operators and high cost of freight.

Naira Liquidity Challenges

Council expressed concern over the increasing liquidity challenges in the financial system. Some companies are not able to draw from facilities to fund their forex requirements. This is taking a toll on the business of these companies as some of them cannot provide the cash backing for forex demands. The liquidity problem is a consequence of the mopping of liquidity in the financial system, the tight monetary policy stance and the increasing crowding-out effect of the private sector by government borrowing in the financial system. Council stress the need for financial system liquidity to be relaxed.

Valuation Queries by the Nigeria Customs Service

The Council expressed concern over the indiscriminate and arbitrary queries raised by officials of the Nigeria Customs Service on the value of imports. The meeting noted the frequent disregard of the Pre-Arrival Assessment Report (PAAR) issued by the Customs Headquarter often arbitrary valuation are imposed on importers leading to much higher import payment.

The Council suggest that the PAAR issued by the Customs headquarters should be respected by Customs officers at the ports as far as evaluation is concerned. The use of discretionary valuation by Customs officers at the port is not consistent with the vision of this administration to improve the ease of doing business.

Presence of Customs Officers on the Highways

Council expressed concern over the presence of officers of the Nigeria Customs Service on the highways stopping containers and raising fresh valuation issues. This has caused profound frustration to many business owners. The meeting also expressed concern over the practice of the Nigeria Customs officers on the highways, demanding Customs papers from vehicle owners. Council request that this is not in line with best practices.

This practice by the Custom officers that resulted in numerous harassment of citizens on the highway and there is need to put an end to it.

Shutting down of Base Stations and Vandalization of Telecoms Infrastructures

Council expressed concern over the frequent shutting of telecoms base station by the state and Local Government authorities in their drive for Internally Generated Revenue (IGR). This has affected the quality of service delivery by many telecoms operations. The meeting also noted the complaints about high cost imposed on telecoms companies for Right of Way (ROW) for the laying of telecoms cables. Concerns were also expressed on the vandalization of telecoms infrastructures by miscreants across the country. Council therefore urged the urgent intervention of the relevant authorities including the ease of doing business secretariat to protect the telecoms industry.

Mr Muda Yusuf
Director-General
The Lagos Chamber of Commerce and Industry