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Key Highlights of the Advanced Cargo Declaration Regime

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Overview

The Nigerian Upstream Petroleum Advance Cargo Declaration Regulations, 2024 (the "Regulation"), establishes a technology-driven system that mandates the electronic submission of detailed information regarding petroleum exports before a vessel departs from a Nigerian terminal.

The core objectives are to establish a clear regime and database for petroleum exports, ensure that only certified production is exported, and to prevent crude oil theft, illegal topping and under-declaration at crude oil export terminals.

In June 2025, the Nigerian Upstream Petroleum Regulatory Commission (the "Commission" or "NUPRC") issued the Guidelines for the Operationalisation of Advance Cargo Declaration Regulation (the "Guidelines"). These Guidelines provide the implementation framework for the Regulation, with a particular focus on declaration procedures and export documentation requirements.

Key Highlights

• Export Permit, Vessel Clearance and Cargo Declaration:
Exporters must first apply for and obtain a Crude Oil Export Permit from the NUPRC. Upon receiving the permit, the exporter must request vessel clearance on the Commission's advanced cargo portal by way of Documentary Instruction (the "DI") in accordance with the Regulations.

• NUPRC Validation and Verification:
The Commission will validate the exporter's identity and verify that the nominated cargo volume matches the approved export permit.

• Unique Identification Number (UIN):
Once validation is successful, the portal automatically generates a UIN, which serves as a tracking code for the specific cargo and embossed on the vessel clearance notification issued by the NUPRC.

• Live Tracking and Reconciliation:
All export documents, including the certificate of quantity and quality, bill of landing, certificate of origin, and cargo manifest, must reference the UIN, thereby ensuring a consistent and verifiable digital trail that strengthens cargo traceability.

• Integrated Monitoring System:
The Advanced Cargo Declaration portal is expected to be integrated with NUPRC existing portal as well as other government export systems to enable continuous monitoring and reconciliation of crude oil exports.

• Transaction Fees:
Application for vessel clearance and UIN attracts a charge of USD0.03 per barrel and a revision of the application in terms of export volume or other information attracts an extra charge of USD100.

• Penalties for Non-Compliance:
Non-compliance with the Regulations attracts significant administrative penalties. Submitting false information in the advance cargo declaration form may result in fines of up to USD20,000. More serious infractions such as exporting petroleum without a valid UIN, coloading, or engaging in unauthorised cargo transactions carry administrative fines of up to USD1,000,000.

Next Steps

A key concern with this regime is the fee structure prescribed in the Guidelines, which imposes a charge of USD0.03 per barrel of crude oil.

Application fees for permits are ordinarily set as flat charges rather than percentage-based, and the PIA itself discourages the imposition of fees through guidelines, reserving such authority for the Act and regulations.1

The Commission is therefore urged to revisit the framework to ensure regulatory clarity, fairness, and alignment with industry realities.

While the intent may be to strengthen regulatory oversight, such measures must rest on a clear legal basis and avoid creating disincentives for compliance. A transparent review of the fee regime undertaken in consultation with stakeholders, would help strike the right balance between regulatory funding and industry sustainability.

In the meantime, industry players should ensure full compliance with the Regulations to avoid penalties. It is also essential that all information and documentation provided to the Commission are accurate and fully compliant with the Guidelines, as non-compliance may result in refusal of vessel clearance. At the same time, a constructive review of the percentage-based fee structure would reinforce confidence in the advance cargo declaration regime and ensure it delivers both regulatory effectiveness and industry acceptance.

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[1] *Section 100 of the Petroleum industry Act, 2021*

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