

Import waivers granted by past govts lopsided —Okonjo-Iweala

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THE Minister of Finance, Dr. Ngozi Okonjo-Iweala, on Tuesday said the import waiver system that was in place before President Goodluck Jonathan came into power was lopsided and not in conformity with international best practices.

She stated this in Abuja while speaking at a forum organised by the Office of the Senior Special Assistant to the President on Public Affairs.

The minister, who described the previous import waiver policy as being selective, added that it provided an unequal playing field for businesses operating in the country.

She said upon assumption of office, one of the first major reforms of the Jonathan administration was to call for a comprehensive review of the import waiver policy in order to enable it promote competition and encourage investments.

She said, "Previously, our

import waiver policy was not a very good one. It resulted into an uneven playing field. We were granting waivers to individuals and individual companies; and sometimes, we didn't do it as strategic as we should have.

"All that has been reformed as at three years ago. In fact, I made bold to say that when I first came, at the first Economic Management Team meeting, the first issue that the President put on the table was that we needed to reform the import waiver policy because he felt it generated a lot of rancour.

"We wanted something that will create and we will manage in a dispassionate manner. If you look now, we give waivers by sectors. Once we give waiver to a sector, everybody in that sector is entitled to get that waiver. And why do we do it? We are doing it now as part of the industrial policy as incentives to attract companies to come and invest.

"So, the waivers you see now are in sectors where we feel we need to encourage investment such as mining, power, agriculture, industries and so on.

So, the waiver policy now is a very rational policy."

Documents obtained from the Ministry of Finance showed

that the government granted N196.53bn worth of import waivers between 2011 and 2013.

A breakdown of the figure showed that the country lost the sum of N55.96bn, N55.34bn and N59.42bn to import waivers in 2011, 2012 and 2013 fiscal years, respectively.

For the first five months of this year, the country lost the sum of N25.8bn to waivers and exemptions, according to the ministry.

Speaking on some of the positive transformations in the economy, the minister said the rebasing of the country's Gross Domestic Product, which came after two years of the present administration, had helped to attract more investments into the economy.

She said the huge investment inflow, which the country had witnessed in recent times, could not have been made without determining the size of the economy.

In the housing refinancing scheme, the minister said a meeting would be held on Thursday with operators of the scheme after which a final announcement of eligible winners would be made.

About 66,402 applications for the first phase of 10,000 mortgages under the affordable home ownership scheme were received by the Federal Government.

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