

## **The importance of Maritime Transport in Nigeria economy.**

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Maritime transport which is also called waterborne transport, is one of the modes of transportation of goods and/or persons, others being air, road, rail, pipeline, ropeways transport. Maritime transport is essential to the proper operation of any country's economy and a vital part of a nation's transport infrastructure. A minister of Transport in the Federal Republic of Nigeria<sup>2</sup> was once quoted to have said that transport is to the Nigerian economy what the artery is to the blood circulation system of the body. Without maritime transport, Nigeria would have been landlocked and its economy will not move forward but remain stagnant in different areas and as such maritime transport is of significant importance to and greatly influences the development and growth of the Nigerian economy in several ways. It is a key section of the Nigerian economy.

By definition maritime transport is the means of carrying or affreightment of goods and persons by water, whether inland waterways including rivers or oceans. It can be domestic (inland and coastal) supported with boats, ferries, coastal vessels of less than 500 gross tonnage or ocean transport with big vessels of over 500gt in size and types which support international trade. Ekong (1984) had written that over 96% of the transportation of Nigeria's external trade is by maritime transport. This shows its dominating importance in the transportation sector which is why the Nigerian Government is interested in what happens there. In actual fact, one of the dominating effects of maritime transportation sector on the Nigerian economy was felt recently (as from May 2001) due the Federal Government's introduction of 100% physical inspection of goods at the destination ports and the failure of importers who undervalued or concealed their goods to take delivery of their discharged goods because they lacked Clean Report of Inspection [CRI] of the goods thereby causing "bunching" which led to many problems including scarcity of imported goods, raw materials and inflation.

The significant importance of the maritime transport to the Nigerian economy can be identified in the following areas of its contribution namely:

- (i) Transportation.
- (ii) Facilitation of Trade and commerce.
- (iii) Revenue generation and availability of finance.
- (iv) Promotion of Tourism.
- (v) Development of related economic activities.
- (vi) Employment and job opportunities.
- (vii) Enhancement of industrial growth and development.
- (viii) Institutional development.
- (ix) International relations and peaceful co-existence.
- (x) Socio-political harmony.
- (xi) Defence and security – territorial protection.

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## **1. Transportation:**

The development of waterborne transport in Nigeria is induced and facilitated not only by its geo-physical features in which there are navigable inland waterways, direct access to the Atlantic Ocean, but also because its economy is highly dependent on the exportation of agricultural products and crude oil and the importation of machinery, equipment and raw materials for its industries and finished goods for its highly populated consumers (120 million). Therefore, if Nigeria has been without maritime transport and so a landlocked State, it will have been difficult and expensive for its residents to engage in international and domestic trade and this will have been having adverse effects on its economy.

It is maritime transport that relieves other means of transport like rail, road and air and their infrastructure of avoidable pressure and congestion that they would otherwise have been under had there not been maritime transport carrying heavy cargo at less expensive cost. This helps to ensure that those modes of transport and their infrastructure are not overstretched. For instance, ferry services from Mile 2 to Apapa and/or to CMS reduces traffic-jams on road transportation and the slowing down of economic activities and as a cheap and energy efficient means of transportation, it provides an alternative cheap and reliable means to other modes of transport and decreases the cost of transportation in the movement of oil (wet) sugar, cement, fertilizers, or heavy equipment thereby allowing transport flow from land to sea. Thus, it is the “gateway” for cargoes. But for the availability of maritime transport in Nigeria, Nigeria would not have been talking of reaping the benefits of domestic or regional cabotage principle to its economy. The numerous merchant vessels visiting Nigerian ports economy and those positioned to berth in its ports evidence the importance of maritime transport to Nigeria and it can be correctly asserted that if there is no maritime transport, there will be no development of Nigerian shipping industry.

## **2. Promotion of Trade and Commerce.**

Nigeria heavily relies on external trade to sustain its domestic economy through importation of raw materials and equipment, machinery used by manufacturers and for the exportation of its crude oil and agricultural and manufactured products. The essentials of a reliable and cheap means of transportation which maritime transport offers does not only make the landing costs of these cargoes lower but makes it possible for large quantity of tonnage to be carried over long distance and landed in Nigeria thereby reducing the cost of the imported and manufactured goods since transportation cost is one of the variable costs of production. It also meets the needs of shippers and passengers and ship-owners and performs a task (transportation of cargo and passengers) that is vital to the sustenance and growth of the Nigerian economy and its international trade. The establishment and running of the Export Processing Zone, Calabar is made possible by the maritime transport made available by the presence of the Atlantic Ocean and the Calabar port and meets the socio-economic needs of the country to cope with the challenges of globalisation. Such zones are known for attracting numerous export companies [manufacturers] that provide employment opportunities to indigenes apart from revenue earned.

### **3. Revenue and availability of finance.**

Maritime transport is of significant importance to the Nigerian economy because it generates a lot of revenue for the Federal and State Governments which revenue is channelled towards the development of maritime infrastructure and the other areas including health and education. The revenue comes from fees for the registration of ships and their mortgages, Customs duties, port charges and tariffs realized by the Nigerian Ports Authority for the use of its facilities by the vessels that berth at Nigerian ports, corporate taxes paid by shipping companies, fees for licensing clearing and forwarding agents or freight forwarders and the registration of shipping companies. The National Maritime Authority collects 2%<sup>3</sup> statutory charge on gross earnings of shipping companies on imports and exports, whilst all payments for services offered and rendered to foreign vessels at Nigerian ports are payable in foreign currency<sup>4</sup>. The National Maritime Authority also fines earring tankers that pollute the Nigerian marine environment, whilst every vessel lifting Nigerian crude oil pays a mandatory rate. All of these charges are made possible by maritime transport. NPA collected N100b revenue last year and between January and July, 2001, as a result of the 100% destination inspection measures being implemented by Customs, Customs has realised billions of Naira as revenue from import duties. A substantial portion of the revenue collected by NPA and NMA are in hard currency thereby enhancing Nigerian foreign reserves. Therefore, any time there is a hiccup in the maritime sector like bunching or port congestion or labour strikes, it adversely affects the targeted revenue of these government agencies and the government itself. The revenue realized is available for the financing of socio-economic infrastructural developments and the reduction of the national debt, which in turn makes Nigeria to become creditworthy among the international community.

### **4. Promotion of Tourism.**

Maritime transport promotes tourism in Nigeria in the sense that tourists are able to cruise in boats and coastal vessels on the Atlantic ocean, the Lagoon and other inland waters and to visit various natural beaches on the Nigerian coastline for purposes of sight-seeing and relaxation.

During Christian and Muslim festivals and public holidays, many residents in Nigeria cruise to beaches for picnics, musical shows, entertainments and relaxations. Tourism, which maritime transport enhances and facilitates, is an avenue through which the State and Federal Governments realize revenue, which is channelled to developmental projects. For instance, the Lagos State Government realises from users of such beaches like Eleko, Lekki and also Taqua Bay, substantial revenue per annum for their usage. The hospitality business it has encouraged has also made it possible for guest houses, hotels and resort centres e.g. Akodo, on Lagos-Epe Expressway, which provide inter alia, employment, rest and entertainment facilities for the service of tourists and other persons.

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<sup>3</sup> See Section 17 National Shipping Policy Act.

<sup>4</sup> See, Section 10 *ibid*.

## **5. Development of related economic activities.**

Maritime transport has caused the springing up of new developments and growth of economic activities to service the maritime industry by way of multiplier effects. Shipbuilding and ship repair yards e.g. Nigerdock builds coastal vessels of not more than 300gt, tugs, barges, support boats for use in maritime transportation<sup>5</sup>. They also repair vessels in Nigeria thereby conserving foreign reserves that would have been spent in purchasing or repairing the vessels abroad. The shipyards also help in developing indigenous capacity building in shipbuilding and ship repairs and attract business and revenue. Ship surveyors are there because there are ships to be surveyed

Banks also show interest in financing the acquisition of vessels and in their charter whilst insurance companies provide various insurance covers to cargo, freight, ships, hull and machinery and other marine risks. The construction industry including the quantity surveyors, building engineers are engaged in the construction, expansion and repairs and dredging of ports and inland waterways. Information technologists are engaged to supply and maintain computers, marine radio communication and radar systems for safe navigation, pilots and salvors are engaged where necessary whilst freight forwarders, shipping agents, shipping consultants, maritime lawyers arise to supply the needed services for the maritime sector. The increased turnover of those engaged in businesses relating to maritime transport contributes to the gross domestic product and increased economic activities.

## **6. Creation of employment and job opportunities**

Maritime transport is also of significant importance to the Nigerian economy because it creates employment opportunities for Nigerians thereby ensuring engagement of workers and reduction of social problems induced by employment. The shipbuilding and repairs industry employs workers to meet its various needs, seafarers/seamen, master, engineers etc are employed to meet the demands of the ship-owners, ship operators and demise charterers for the operation and manning of the vessels. The business made available by maritime transport to the various maritime transport-related Nigerian professionals induces the need for the training of and availability of specialized personnel and manpower to service the maritime industry. It has been argued that the maritime industry in both its public and private sectors provides 10% of the job opportunities available in Nigeria. Its public sector including the Nigerian Customs Services, Immigration, Port Police, Nigerian Navy, NDLEA, Standard Organisation of Nigeria, Department of State Security Service, Federal Environmental Protection Agency, National Cargo Handling Agency, National Food and Drug Administration [NAFDAC], Nigerian Ports Authority, Nigerian Shippers Council, National Maritime Authority and Nigerdock altogether provide about 1 million jobs. The private maritime sector including shipping companies also furnishes numerous different categories of jobs to the national economy.

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<sup>5</sup> Mr. Nkpubre, the MD Nigerdock stated at a Seminar recently [February, 2001] that it had Nigerdock had built 26 vessels which are mainly waterways vessels.

The available jobs in the maritime industry have a multiplier effect on the development of other economic activities like freight forwarding, dock working, stevedoring operations, towage, pilotage, warehousing, marine insurance, banking, bonded warehousing and cargo handling all of which depend on the maritime sector for survival. It has also induced economic activities in the informal sector such as petty trading, hawking and food vending all of which gainfully engage Nigerians. Without the employments and job opportunities created by maritime transport, the unemployment situation in Nigeria would have worsened thereby leading to increased crimes in Nigeria, which would have overburdened its economy.

## **7. Industrial growth and development.**

Industrialists prefer to build factories, industries and warehouses near seaports in order to reduce transportation costs especially in the case of those industries that depend heavily on imported raw materials and equipment in order to manufacture finished goods for the domestic and foreign markets. This reduction in transport costs also reduce the costs of their finished goods which in turn increases the sales of their products, leads to high annual turnovers and enhances their growth. Some of the industries at the Apapa and Tin Can Island ports are by Dangote for sugar and cement, Wasa Delmas, Dantata apart from the fishing industries in various jetties.

As a result of the Calabar port, the Calabar Free Trade Zone was set up pursuant to which a lot of industries including foreign companies have been established and are still being established there in order to manufacture goods for export there<sup>6</sup>. Industries engaged in manufacture of goods for exports are also being deliberately sited by seaports in order to take advantage of the attendant low cost of transportation of their manufactured goods and production. It has been revealed by an expert in transportation<sup>7</sup> that 70% of industrial activities of Nigeria are sited around the port cities of Lagos, Warri, Port Harcourt and Calabar and that about 40% of industrial activities are found in the Lagos Zone as stated by Onyemelukwe, [1981] whilst the Port Harcourt and Calabar industrial areas account for 23%. Apapa, Lagos industrial area has Apapa, Tincan Island, Ro-Ro and Container Terminals. Consequently, the presence of ports due to maritime transport stimulates the development and growth of industries, which facilitate the growth of the Nigerian economy.

## **8. Institutional Development.**

Some institutions have been established in order to service the maritime sector and which have been making substantial contribution to the Nigerian economy because of maritime transport. Some of these institutions are involved in the training and education of manpower resources including seafarers and engineers for the maritime sector and include Maritime Academy, Oron, Nigerian Institute of Transport Technology, Lagos.

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<sup>6</sup> Newspapers reports in August, 2001 had indicated that the Calabar Free Trade Zone is ready for commissioning at the convenience of President Olusegun Obasanjo.

<sup>7</sup> Dr. Dele Badejo in a paper titled "The role and implication of government policies in charting the course of the maritime industry" presented at the National Seminar on the eradication of corrupt and sharp practices in the seaports organized October, 2000.

Other institutions are Nigerian Shippers' Council for defending and protecting the interests of the Nigerian shippers and encouraging shipping practices in accordance with international standards, National Maritime Authority for coordinating and implementing Nigeria's shipping policy and matters incidental thereto, Nigerian Ports Authority and its subsidiary companies for inter alia management and development of ports and infrastructure, Nigerian Navy for the protection of Nigerian territorial waters and integrity from external aggression and National Cargo Handling Company Limited. Without maritime transport, there would not have been these institutions and the Nigerian maritime industry and economy would not have benefited from their presence as it is now doing.

#### **9. International relations and peaceful co-existence.**

Nigeria is today a member of international and regional maritime organizations including International Maritime Organization, United Nations Environmental Programme, Maritime Organization of West and Central African States from which it has been deriving immense benefits, because of maritime transport. Without maritime transport, Nigeria would have been holding merely an observer status in them. Through its membership of these organisations, Nigeria establishes and maintains friendly relations with co-members of them and Nigeria cooperates with them in matters of safety of maritime transport and protection and preservation of the marine environment to the benefit of its economy.

The establishment and equipment of the Nigerian Navy because of the presence of maritime transport has enabled the Nigerian Navy to play active peace-keeping and peace-enforcement roles in the West African countries of Liberia and Sierra Leone as a part of the ECOMOG Forces thereby increasing Nigeria's rating internationally in peace-keeping. The States concerned have also recognised the roles of Nigeria in this respect, which has enhanced good international relations between them and Nigeria.

Maritime transport can also be used for international patronage by Nigeria allowing some landlocked States free access to the sea to export or import goods needed in their economies. Should Nigeria also charge the landlocked countries favourable Customs duties lower than charged by its neighbouring coastal states, its relationship with the landlocked States will improve tremendously and remain friendly.

#### **10. Socio-political harmony.**

There have been cases of inter-tribal and inter-national marriages involving seafarers of various nationalities conducted on Nigerian vessels or foreign vessels within Nigerian territorial waters because of the presence of maritime transport. This has encouraged the unity of the various ethnic nationalities in Nigeria and encouraged socio-political harmony. Foreigners and foreign seafarers bringing their cultural attitudes to Nigerian ports had also enhanced cultural exchanges due to the presence of ports and maritime transport.

#### **11. Defence and security – territorial protection.**

The defence and security of the Nigerian territory from external hostile espionage from aggressions and incursions through its territorial waters is in its national interests and is facilitated by maritime transport. Under the United Nations Convention on the Law of the Sea, up to the contiguous zone, Nigerian Customs and Immigrations can put their border posts for their activities including checking of smuggling, but maritime transport makes it possible for access to the contiguous zone.

Nigeria also has the waterborne transportation needs of its Armed Forces including its Navy met for the quick deployment of military personnel, equipment and supplies in times of emergency or crisis in Nigeria and as a part of the ECOMOG Forces in the West African sub-region because of maritime transport. The Nigerian Navy is able to repel any such external aggression because of the existence of maritime transport.

## **CONCLUSION.**

From the foregoing, it cannot be understated that maritime transport has been of invaluable significant importance and would continue to be of invaluable importance to the Nigerian economy. Without maritime transport, all the above contributions it has been making to the Nigerian economy, would have been absent. It is therefore suggested that since it plays a key role in the Nigerian economy, it is a mode of transport in which the Federal Government should create the enabling environment necessary for the stakeholders in the maritime transport sector to thrive, and to monitor and implement set goals in the sector.

## **Major problems associated with the Nigerian ports systems & Suggested Solutions.**

### **Introduction:**

A seaport has been simply described by an transport expert as a geographic nodal point along a given shoreline where the mode of transportation changes from land to sea or water, or vice versa and involves the provision and presence of geophysical opportunities and merits, socio-economic potentialities and endowments, state of technological advancement and political considerations<sup>8</sup>. An author has also stated, that “[a] port provides for the transfer of cargo from one mode of transportation to another. A port is comprised of three elements. 1) physical structure- this includes wharves, dock, storage space, cranes, 2) Port Authority - the management and business entity, and 3) service providers – such as longshoreman and terminal operators...The Port Authority acts as a centralized planning board, provides quasi-public good and attempts to control competition in ways that may be destructive”<sup>9</sup>. A port is described under the United Nations Convention on the Law of the Sea, 1982<sup>10</sup> for the purpose of delimiting the territorial sea, as the outermost permanent harbour works which form an integral part of the harbour system and forming part of the coast but excluding offshore installations and artificial islands. A port can also be defined as an area where there are facilities for

<sup>8</sup> Per, Dr. Dele Badejo, Department of Geography and Planning Centre for Planning Studies, Faculty of Social Sciences, Lagos State University, Ojo in one of his unpublished lecture notes.

<sup>9</sup> A paper titled, “Seaports should not be subsidized” published in the “Maritime Policy and Management” Vol. 13 No. 2, 1986.

<sup>10</sup> Article 11.

berthing or anchoring ships and where there is the equipment for the transfer of goods from ship to shore or ship to ship and includes the usual places where ships wait for their turn or are ordered or obliged to wait for their turn, no matter the distance from that area<sup>11</sup>. In modern parlance, a port is known as a ship/shore interface or a maritime inter-modal interface.

A system has been defined by Dr. Dele Badejo as a group of interrelated objects called sub-systems or sub-components interacting together to form a wholistic relationship in which each sub system depends on the other in order to survive. He can be either a closed system (i.e. which goes on and on in a circle without allowing new entrants) or an open system (i.e. which is endless and embraces additional new sub-system or alternatives). A dictionary<sup>12</sup> defines “system” as “Orderly combination or arrangement, as of particulars, parts, or elements into a whole; especially such combination according to some rational principle. Any methodic arrangement of parts. Method; manner, mode”. *Nigerian ports system can therefore be simply described as the method or manner of Nigerian ship/shore interfaces or a maritime inter-modal interfaces or operations.*

With the above definitions of seaport and system, it is easier to understand that this paper [which has two legs] is both to discuss the problems associated with the Nigerian ports systems and offer suggestions to the identified problems.

The development of the Nigerian ports system was influenced by three factors namely *historical* [involving the facilitation of the slave trade and for the British then colonial masters to ship Nigerian natural resources through Lagos, Bonny, Warri, Degema], *economic* (in order to facilitate trade in raw materials and for industrialization requiring importation of plant, machinery and equipment, crude oil export in post-independent Nigeria) and *political influence* e.g. development of Koko port less than 200 miles from Warri and Sapele and the dredging of Port Harcourt port at the expense of Calabar port, the building of the new Calabar port in spite of sand silting from the Cross River.

The Nigerian ports system is organised in such a way that the Ports Authority called the Nigerian Ports Authority [NPA] which was set up by the Ports Act of 1954 [as amended subsequently] now controls 8 major ports excluding oil terminals namely Apapa, Tinian Island, Roro [Lagos], Port Harcourt port, Delta port (Warri), Calabar Ports, Container Terminal (Lagos), Federal Lighter Terminal (Onne) and Federal Ocean Terminal (Onne). Their berthing facilities include 93 general cargo berths, 5 Roro berths, 7 bulk solid cargo berths, 11 bulk liquid cargo berths, 63 buoy berths and there are other privately-owned jetties. Their cargo storage facilities comprise 63 transit sheds, 22 back-sheds, 4 arcon sheds, [40 warehouses all with a total area of 460,459 square metres], 37 operational harbour crafts, over 550 different types of cargo handling plants and equipment.<sup>13</sup> Until 1954, it was the Marine unit of the Nigerian Railways that controlled the ports which

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<sup>11</sup> “Port Management and Operations” by Patrick Alderton at pages 2 and 9 published by Lloyds Law Publishers, 1999.

<sup>12</sup> Black’s Law Dictionary, 6<sup>th</sup> Edition at page 1450.

<sup>13</sup> See, a paper titled, “Extent of Private Sector Participation and Opportunities in Nigerian Seaports” presented by Mallam Bello Gwandu, FCT, MFR at the “Sensitization workshop on increasing private sector participation in port operations” organised by the Federal Ministry of Transport in Lagos on 9<sup>th</sup> – 11<sup>th</sup> July, 2001.

included ports privately-owned by some multi-national companies including John Holt, UAC, Elder Dempster and C.F.A.O.

Many of the present ports are administered by NPA under a service (operating) ports system where NPA provides both the infrastructure and super-structure in the ports system and carries out the functions of pilotage, stevedoring, warehousing and cargo-delivery whilst few of the ports like Federal Lighter Terminal (Onne) is partially a Landlord port where NPA provides the infrastructure and the private sector operators provide the super structure [like plants and equipment cargo discharge, delivery, pilotage, stevedoring etc]. There are other ports at Gwette, Bonny, Brass, Sapele, Akassa, Degema, Okrika. It is noteworthy that because the Nigerian ports system had not yielded the expected efficiency, convenience and cost advantage, reforms are being urged and introduced from time to time so as to overcome the problems associated with it some of which arise from time to time.

The problems associated with the Nigerian ports systems and proffered suggestions are now considered.

### **Problems of Nigerian Ports System.**

#### **1. Malfunctioning port system.**

This problem of static and malfunctioning ports system was identified in a paper titled “*Port Development*” written some years ago by a renown and inspiring maritime expert<sup>14</sup>, but the problem is still associated with Nigerian ports system today. Mr. Ogunbiyi noticed that even though there has been rapid economic development, yet because Nigerian ports system is static and malfunctioning, there arises ports congestion and disruption of the production activities of the economy. In 1975, there was serious port congestion problems in Nigeria popularly known as “the Cement Armada” which had a negative multiplier effect locally and internationally on the Nigerian economy. At that time up to 450 ships were waiting for up to 180 days to berth [when the internationally accepted laytime is 10 days] and yet in the year 2001 [26 years after], lasting for some months after it started in May, 2001, the Nigerian port’s system faced a similar problem that brought its malfunctioning nature into fore.

For months from about May, 2001 Nigerian’s busiest ports of Apapa, Container Terminal, RoRo Terminal and Tincan Island within Lagos State had a situation where as a result of the Federal Government’s introduction of 100% physical inspection of cargo and attendant penalties for concealment or under-declaration or under-valuation of imported cargo, vessels were waiting longer than usual to berth, there was inadequate space to unload cargo due to ports “bunching”<sup>15</sup> that was leading to ports congestion because of importers’ failure or neglect to come forward and clear their cargo from the ports. This almost grounded the Nigerian economy to a halt with the delayed berthing of vessels carrying imported raw materials and equipment for manufacturers and government parastatals and the non-clearing of discharged cargo, lack of space for

<sup>14</sup> A. A. Ogunsanya.

<sup>15</sup> ‘Input and output imbalances’ which is because goods are being moved out of the ports at a slower rate than goods are being discharged from the berthed vessels.

empty containers, and inflation due to scarcity of imported consumer goods. Many of the importers are not able to locate where their containers have been block-stacked, thereby hampering the quick clearing of their cargo in order to make room for the discharge of in-coming cargo<sup>16</sup> and has caused undue delays, over-time port charges and increased prices of goods. Equipment ordered for the Abuja Emergency Power Project to take off<sup>17</sup> and for National Electric Power Authority to meet its December, 2001 deadline for regular power supply have also been reported held up at the ports due to the problem. Some of the adverse effects the ugly situation had on the Nigerian economy are that the Lloyd's of London and the liners threatened to increase the freight rates on cargo being shipped to Nigeria which would upon implementation increase the cost of imported goods and inflation.

Moreover, the "bunching" problem was partly due to the ports' management not changing its style in view of the high volume of business which, arose from a change into a democratic government. It is noteworthy that during the regime of Sani Abacha, Nigeria was a pariah nation with which many countries did not want to do business thereby leading to under-utilisation of ports capacity causing the ports management to lease spaces to private entrepreneurs like Dangote, Wasa Delmas etc. However, the volume of business at the ports sharply rose after the 4<sup>th</sup> Republic was born in May, 1999 thereby causing the ports to be faced with shortage of space to stack containers in the face of the neglect or refusal or unwillingness of consignees and their agents to claim their goods in response to the new Government policy of 100% physical examination of goods by Nigerian Customs Service.

In my opinion, the solutions to the above problems are as follows: -

As stated recently by the Managing Director of Nigerian Ports Authority<sup>18</sup> in a speech he read at the June 2001 members' evening of the Institute of Directors, the Government should plan ahead in ensuring that the nation's ports will be able to cope with the ever increasing growth of the economy because in 10 years time from now ports will not be able to cope with the volume of business. That way, bunching will be avoided in the long run.

As an immediate and medium term solution, the Government, NPA and the Nigerian Shippers' Council should enter into discussions with shippers, cargo receivers and shipowners and other relevant stakeholders with a view to convincing the cargo receivers to agree to their cargo being diverted to the less busy ports in the eastern region in return for concessionary lower port charges. The reduction of the port charges should be such as to compensate the cargo receivers for the cost of transporting their cargo to Lagos from any of the eastern ports so that it will be a good incentive for cargo receivers to agree to such diversion and prevent the Cotonou port which has reduced its charges from snatching business from Nigerian ports. Moreover, shipping agencies should be provided with a large space outside the ports of Apapa, Tin-Can Island, Ro-Ro and Container

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<sup>16</sup> The publications in newspapers at regular intervals of location of containers by ships, shipping positions, ships waiting at anchorage and ships declared berthed, being sponsored by NPA, are useful in facilitating location of cargo by importers.

<sup>17</sup> See, This Day Newspaper of July 31, 2001, page 24.

<sup>18</sup> Mallam Bello Gwandu.

Terminal where they can be block-stacking their empty containers until they are ready to transport them abroad.

Failure by the Government or port authority [NPA] to use present data to plan for the future of the ports in the face of the growing economy is one of causes of the malfunctioning port system and as soon as a planning based on reliable data is made for the future and implemented, the system will move smoothly. The ports should therefore be expanded and new ports developed in advance at strategic locations on the coastline or NPA's lands that are not yet utilised and provided with appropriate modern equipment. For example, the NPA has 500 hectares of unused lands opposite the Tin Can Island and Apapa ports which as indicated by Mallam Bello Gwandu in his paper<sup>19</sup>, could be developed by the Federal Government or the private sector for bulk handling facilities or large or centre port to serve as a transshipment base in a hub and spoke trading pattern for the West and Central African sub-region and through a channel the centre port could be connected to the waterland thereby removing stress from road network and other ports in Apapa and Tin Can Island. The pressure it will take away from the Apapa and Tincan Island ports will enable the ports to work more efficiently and effectively.

Moreover, foreign shipping lines should be asked to delay for a little while, the departures of their vessels to Nigerian ports so as to reduce the number of vessels now awaiting berthing and to be discharged and so as to give room for the clearing of the discharged goods. The high freight rates may also keep some shippers away from shipping goods to Nigeria for now thereby reducing the volume of available cargo and the frequency of carriage to Nigerian ports. The pressure due to bunching will thereby be gradually eased out.

The Nigerian Ports Authority should either quickly acquire enough automated cargo handling equipment and latest cargo handling innovation such as on-dock rail and post – Panmax cranes so as not to be left behind in achieving optimum productivity and efficiency or should start operating the Landlord port system where competent and reliable private sector entrepreneurs will be allowed to provide such cargo handling equipment whilst NPA concentrates only on the administration of the ports. The resulting increased productivity, efficiency and speed will ensure a faster turn around time for vessels at the ports.

So also, the Federal Government should as a matter of urgency equip the Nigerian Customs Service with enough hydro-scanning machines and sufficient competent staff to facilitate their operation so as to stop manual 100% physical examination of the goods at the ports and avoid delayed examinations. Personnel should also be urgently trained for their operation. Since hydro scanners have been criticised as being unable to detect HS Code (classification, value, quantity, composition and texture) of cargo on which the value of the cargo is calculated because they are designed for tracking drugs and illegal arms, adequate Customs personnel will assist where manual inspection is still needed in addition to the hydro-scanners.

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<sup>19</sup> Ibid.

The Nigerian Ports Authority should as a matter of urgency along with the Nigerian Customs Services make use of the Bonded Cargo Terminals outside the ports in Lagos in order to enhance productivity and operational efficiency, reduce stress on its existing facilities at the ports and to encourage the use of the ports as “cargo transit” and not as “cargo storage” areas. In this connection, NPA has taken a step in the right direction by its execution of various memoranda of understanding with many private port operators for the using of their bonded cargo terminals with the stated capacities namely Michelle [1,500 teus], RoRo Oceanic [3,500 teus], SDV [2,500 teus], Maersk [1,600 teus], Nedlloyd [1,500 teus], Cargo Vision [3,500].<sup>20</sup> It is interesting that NPA had entered into arrangements with some shipping companies including Maersk and Panalpina to take cargo to Kirikiri and Lilipond terminals outside the ports of Apapa and Tin Can Island, Lagos for inspection and release to the cargo receivers. These measures will help in decongesting the Apapa and Tin Can Island ports and facilitate quick delivery of cargo.

The Nigerian Ports Authority should also divert some of the vessels awaiting berthing which agree to same, to some other ports like Warri, Port Harcourt Port and Calabar port for discharge with concessions on port charges as an incentive to the ship owners and the consignees. The Authority should invoke its powers under sections 116 and 117 of Nigerian Ports Authority Act, 1999<sup>21</sup> in order to regulate the granting of entry permits to or altering the date allocated for the entry of, any ship into any port or approach to a port in Nigeria in such a way as to reduce the number of ships approaching or waiting to berth in a Nigerian port especially the presently congested ports.

Since all the solutions being implemented by the NPA since May, 2001 had not solved the problem of bunching and congestion and NPA seems to have exhausted all its ideas in handling the problems, the Federal Government should as a matter of urgency constitute a panel of experienced stakeholders in the maritime industry to investigate the causes and proffer to the Federal Government for immediate implementation, correct solutions to the problems of bunching and port congestion.

## 2. Government's Interventions and interferences.

Related to the above problems in our port system is the intermittent sudden interventions of the Federal Government in the Nigerian ports systems. Granted that since the port authority [NPA] is a Federal Government parastatal, its performance is of immense interest to the economy and Government because of its influence on the economy, yet the Federal Government usually reacts to noticed developments in the ports systems through ad-hoc or fire brigade and “kill and go” methods. The Government also usually takes or implements measures without having fully considered their effects or likely effects on the maritime sector and the other modes of transport even though they are in areas relating to the ports system. For instance around 1977/78, the then Obasanjo's military regime introduced “austerity economic measures” whereby the importation of certain luxury goods were banned or restricted thereby leading to under-utilisation of the ports facilities.

<sup>20</sup> see Mallam Gwandu's paper, *ibid*.

<sup>21</sup> Sections 114-119 of Nigerian Ports Authority Act, 1999 inter alia mandate every owner of a ship intending to enter any port in Nigeria to notify the Authority not later than 30 days before its departure to a Nigerian port and prevents same from entering a Nigerian port without the permission by and in accordance with the terms of an entry issued by the Authority in respect of the ship.

During the military regime of Gen. Sani Abacha, his policies ostracised Nigeria from the international community leading to a depressive Nigerian economy and the leasing out of ports' facilities and spaces to private organisations which situation has contributed to the present problem of "bunching" at the ports.

Moreover, in the face of massive imports due to the new democratic civilian government the ports got busy again. However, Government's intervention around May 2001, by suddenly introducing 100% physical examination of all imports, imposing not less than 50% penalty on, or auctioning goods of, importers who conceal or undervalue their imported goods for the purpose of paying little or no Customs duty so as to enable the Federal Government collect the requisite Customs duties as part of the much needed revenue for economic development.

Such "fire brigade" and "kill and go" approaches of the Government in introducing the 100% physical examination at a time when the Nigerian Customs Services that had been operating under the statutory pre-shipment inspection method of examination of imported goods was not adequately prepared for its implementation with equipment and personnel as not to delay the clearing of goods from the ports; and the failure or neglect of the cargo receivers to come forward and clear their goods for fear of being penalised or incriminated; led to "bunching" and adversely affected the Nigerian economy. In a bid to quickly move goods out of the Apapa and Tin Can Island ports in May-July, 2001, and in the absence of a working rail connection to these ports, only the transportation of goods by road in trailers was possible which created serious traffic hold-ups in Apapa and its environs and put strenuous pressures on the road networks thereabouts, frustrated commuters and slowed down economic activities.

In August, 2001, the Federal Government through the Nigerian Customs Service intervened yet again in the ports system by introducing or implementing a regime of harmonised import duties on fairly-used vehicles known as "Tokunbo" based on the ex-factory prices of the vehicles and uniform assessment standards at all ports in Nigeria, and because of the belief that importers of such vehicles undervalue their prices in order to pay low Customs duties. For two days [13<sup>th</sup> to 14<sup>th</sup> August, 2001], business activities at the Tin Can Island and RoRo ports, Lagos were disrupted as a result of protests and strikes by freight forwarders against the implementation of such policy<sup>22</sup>.

It is suggested that in formulating and implementing interventionist policies or actions that concern the ports systems, the Government should involve all the relevant stakeholders in the exportation and importation and clearing and forwarding of imported and exported goods namely – NPA, pre-shipment agencies, Nigerian Customs Services, Freight Forwarders, shipping companies and agents, operators, cargo interests/receivers and the relevant Government agencies, after the necessary surveys and stocktaking have been made by Government.

Moreover, in trying to solve problems relating to the Nigerian port's system through any needed Government's intervention, the Government or NPA or the Nigerian Customs Service, I am of the opinion that the Federal Government should always apply the "open

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<sup>22</sup> See, The Guardian Newspaper of August 15<sup>th</sup>, 2001, page 1 and of 24<sup>th</sup> August, 2001, page 19.

system” approach by adopting a wholistic approach to all modes of transport and not seeing the ports system in isolation but as being interdependent with and on, the other modes of transport by air, road and rail for their existence and efficient performance. Thus Government’s solving of the problem of the port system would also solve the problem of road traffic since the problem of one mode [e.g. maritime transport] affects the other mode [i.e. road transport]. In playing its role in the port system, the Government should take functional measures based on scientific systematic procedures for proper validation of corrective measures before they are implemented.

### 3. *Inadequate infrastructural facilities for efficient and fast services.*

It is noteworthy that vessels make money when they are on the move and that the time spent on discharging and handling cargo carried by vessels cost the vessels’ owners money on the crew, port charges, vessels’ running etc and so the less the delay in turn around time (i.e. time to berth, unload cargo, load any new cargo and leave the port), the better for the vessels since whilst delayed or working at ports, the vessels are accumulating heavy costs as much as between US\$5,000 to US\$10,000 per day depending on the size of the vessel. As at December 1999, plants and equipment at Nigerian ports were 585 and even with the purchase of 4 new container handlers, 18 tractors, 6 container handling equipment<sup>23</sup>. Compared with the number of ships berthing and the volume of cargo needing discharging, there has been little improvement on the efficiency and productivity of the NPA in meeting the IMO’s stipulation of clearing cargo within 48 hours. The situation in Nigerian ports is such that cargo handling equipment and plant are either old, malfunctioning or broken down or inadequate thereby slowing down cargo discharging and stacking and clearing operations, leading to low throughput, longer turn around time, inefficiency, damage to or loss of cargo, high port charges and demurrage, and the encouragement of corruption at the expense of shippers, port operators and cargo receivers. These factors all make Nigerian ports user-unfriendly and unattractive to some liners, shippers and importers who therefore prefer berthing at neighbouring ports especially Cotonou port to berthing in Nigerian ports.

There is also a lack of integrated or intermodal transportation that would have enabled discharged cargo to be quickly removed from the ports through other means of transportation like rail and road being well-connected to the ports into the hinterland. The present situation is that rail-routes to and from the ports are not being used and the roads to and from many of the ports are traffic-congested thereby causing unnecessary delays in the evacuation of discharged cargo from the ports and its environment.

One of my suggested solutions is that the Federal Government through the Nigerian Ports Authority should purchase and supply sufficient modern, efficient and hi-tech cargo handling equipment including post-Panmax cranes and dock labourers [dockers] trained in modern technological labour practices at the nations ports in order to increase productivity and efficiency and to meet the needs of shippers, liners and cargo receivers. The equipment and plants should also be properly maintained and serviced regularly. A

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<sup>23</sup> See the paper titled “Extent of Private Sector Participation and Opportunities in Nigerian Seaports” presented by Mallam Bello Gwandu, FCT, MFR at the “Sensitization workshop on increasing private sector participation in port operations” organised by the Federal Ministry of Transport in Lagos on 9<sup>th</sup> – 11<sup>th</sup> July, 2001.

situation where cranes are hired from private port operators to be used inside the ports because NPA has inadequate and malfunctioning cargo handling equipment, calls for an immediate attention and addressing. A situation where the available cargo handling equipment are insufficient causes delays in cargo handling and delivery and also encourages corruption and extortion on the part of NPA workers operating the cargo handling equipment. Electronic Data Interchange for the transmission of messages and documents and other information technology for monitoring movement of cargo in transit and clearing goods, should be acquired and installed and properly used.

Vessel Traffic Services [VTS] that involves a traffic monitoring service for improving safety, efficiency of vessel traffic and protection of the environment should be made efficient and effective with the supply of modern equipment by NPA for the discharge of their duties. Based on VTS, vessels are to follow a predetermined movement programme depending on their sizes and types, cargo carried, berth availability, pilotage requirements and can be used to reduce in the short term and in the long term eliminate port congestion and low patronage of Nigerian ports.

Another solution is for NPA to lease out or grant concessions to competent private entrepreneurs, port terminals and services at a fee for their operation by the private operators. In the face of inaccessibility to or paucity of budgetary allocated funds to NPA for the purchase of the requisite cargo handling equipment and plants, the cargo discharge and delivery function of NPA should be privatised without compromising national security and labour's interests. Thus instead of the present Operating [or Service] port system of administration being operated by NPA, it would operate the Landlord port system where NPA supplies the infrastructure (port facilities) and the private sector operators provide the superstructure (plants and equipment) and execute the functions of cargo discharge and cargo delivery.

In the alternative to the above suggestion, in view of the various competing interests for and against privatisation of the ports, the private sector should be allowed to participate in port operations including pilotage and towage to the extent to which NPA cannot adequately cope so as to ensure high level productivity and efficiency and faster turn around times for vessels at our ports. This will be an extension of the present policy of NPA of allowing private sector participate in certain areas of port operation as already indicated.<sup>24</sup>

Moreover, a 24-hours, 7-day a week operations in the ports should be introduced and sufficient modern crafts provided for the propose of night pilotage so as to facilitate night unloading and delivery of goods to positioned trailers which would transport the cargo out of the ports at nights thereby not constituting obstruction of road traffic in the day time with its attendant problems. Thus the turn around time at the busiest ports will substantially speed up and bunching and port congestion will be reduced if not eliminated.

#### 4. *Complicated Tariff Structure and Implementation.*

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<sup>24</sup> Mallam Bello Gwandu's paper, supra.

Another problem associated with Nigerian ports system is the complicated tariff structure and its implementation. The NPA is statutorily empowered<sup>25</sup> to inter alia provide facilities for berthing, towing, mooring, loading, unloading of goods, embarking or disembarking of passengers in or from ships, lighterage, warehousing and handling of goods and for carriage of passengers or goods; for which it is entitled to charge harbour dues on all ships calling at its ports and using the facilities. The port charges collected are for the maintenance and improvement of the ports' infrastructure and superstructure by the Federal Government through the NPA. However, the general notion of port charges in Nigeria being too high compared with port charges in its neighbouring countries, had caused the neighbouring ports especially Cotonou in Benin Republic to be used by shippers and liners at the expense of major ports like Apapa and Tin Can Island ports, Lagos. This causes Nigerian ports to be uncompetitive with its neighbouring ports in the region and to lose business to them.

In addition to this, are the prohibitive, duplicated and multifarious local handling charges or local charges or shipping agent's releasing charges imposed by multinational shipping agents in Nigeria which have put a lot of costs on the Nigerian cargo receivers and shippers thereby making costs of exports and imports to be too high. The documentation procedures for these payments and clearing of goods are also unnecessarily prolonged. Efforts by the Nigerian Shippers' Council to regulate these handling charges and eliminate duplicated ones by promulgating the Nigerian Shippers' Council [Local Shipping Charges on Imports and Exports] Regulations, 1997 appear to have failed notwithstanding the court cases on them filed in 1997 [to redress the bad situation upon a general outcry by port users against the high cost of using Nigerian ports] and which were settled out of court.<sup>26</sup>

It is my suggestion that the tariff structure should be simplified and duplicity eliminated. NPA appears to have initiated such steps by introducing what it calls "Simplified Tariff" effective from 15<sup>th</sup> March 2001, but the effectiveness of the simplified tariff in making the Nigerian ports to be competitive in the West and Central African sub-region has not been seen. The simplified tariffs will however reduce corruption at the ports and it is suggested that they should be continuously reviewed in order to remain competitive. I also agree with the opinion of a maritime expert that even though the computation of local handling charges arises in three main areas namely, container related, documentation-related and also wharfage/equipment/services-related, in determining the payable handling charges there should be a balance whereby only true and verifiable costs are passed by the carrier to the shipper on a no-loss, no-gain basis in a transparent and participatory manner.<sup>27</sup> Thus, the charges will be reduced and our ports made more attractive to shippers and cargo diversion to neighbouring ports reduced if not eliminated.

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<sup>25</sup> See, sections 7 and 8 of the Ports Act 1999.

<sup>26</sup> See, The Comment of Mr. A. B. Sarumi, MD of Nigerian Shippers' Council on a paper titled, "The Responsibility of the Carrier and the Propriety of Local Handling Charges" presented at the 5<sup>th</sup> Maritime Seminar for Judges, published by the Nigerian Shippers' Council in collaboration with National Judicial Institute [2000].

<sup>27</sup> Dr. Bola Fajemirokun in a paper titled "The Responsibility of the Carrier and the Propriety of Local Handling Charges" presented at the 5<sup>th</sup> Maritime Seminar for Judges, published by the Nigerian Shippers' Council in collaboration with National Judicial Institute [2000].

### 5. Misunderstanding of the usage and current function of ports.

Nigerian ports system is associated with the problems of being seen as serving a storage function when the current trend is that ports now perform transitory function. After the unloading of their cargo from vessels, a lot of consignees choose to leave their cargo within the ports whilst they look for buyers of such cargo, especially vehicles. The secured buyers then pay the customs duties and any overtime charges and clear the cargo out of the port. Whilst waiting for buyers, their cargoes are stored in the ports unnecessarily occupying scarce spaces in the ports and leading to avoidable “bunching” and economic problems.

Ports are no longer seen as the end point for cargo but are seen by shipping consignees as flow points. It is suggested that the ports should be used as a transitory location from where discharged goods will be immediately taken delivery of and removed from the ports in order to create space for other consignments and for ports efficiency. Thus, the ports will meet the expected speed of 48 hours delivery.

### 6. Proliferation of Government Agencies operating at the ports.

There is also the problem of numerous Government agencies operating at the ports which situation has been aptly referred to by Mallam Bello Gwandu in one of his papers (2001) as the operation of “toll gate” economic system where different agencies were brought into the ports to take ad hoc measures and different regulations were made to impede ports’ operation in the name of ensuring security, standardisation, environmental protection, fake drugs etc. There are up to 32 government agencies including NDLEA, Nigerian Customs Service, FEPA, NAFDAC, SON all of which cause avoidable delays in the clearing of goods and induce diversion of cargoes to neighbouring ports. It is suggested that in order to remove the bottlenecks, the number of government agencies at the ports should be reduced to only those required for effective ship and cargo handling operations and national security and whose presence at the ports are not duplicative of the functions of the main government agencies.

A booklet was published in 1999 indicated that the approved agencies at ports are Nigerian Customs Service, The Ports Police [for provision of security at the ports], Nigerian Immigration Service, Authorised Destination Inspection Agents and Licensed Customs Agents [the latter for clearing of goods]<sup>28</sup> but the above number of approved agencies has since been exceeded.

### 7. Cumbersome documentation and delivery procedure.

The Nigerian ports system is hampered by cumbersome documentation and delivery procedure. Although the notorious Customs Long Room has now been “shortened” and renamed Customs Processing Centre, the absence of reliable up to date data and the elongated documentary and delivery procedures that induce the involvement of numerous persons cause avoidable delays in cargo discharges, delivery and receipt. Delays are also

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<sup>28</sup> See, “Procedure, guidelines for import, export trade in Nigeria” published in the Guradian Newspapers of April 9 1999.

caused by either late arrivals of documents, faulty documents and outdated documentation requirements and processing methods. Associated with this problem are the sharp practices and high levels of extortions by government agencies at the ports.

I suggest that the documentation process should be shortened so that the number of persons handling consignees' documents may be drastically reduced so as to shorten the time for delivery of cargo to not longer than 48 hours. Moreover, it is high time the relevant processes and procedures are automatically computerized, and the Automated System of Customs Data (ASYCUDA) effectively used to speed up the clearing of cargo because corruptions and irregularities will thus be reduced if not eliminated. In line with this suggestion, the NPA has at present computerized ships' provisional bills and mechanical stores in all the ports and intends to computerize also all port bills including final bills, consignee bills, labour contractors bill and estate bills.

#### 8. Insecurity of cargo and lives.

Another problem associated with the Nigerian ports system is insecurity of cargo and lives. The so-called "Wharf rats" vandalise or steal valuable parts of imported vehicles awaiting clearing or goods from containers after removing their seals and pirates carry out attacks at the ports of Warri and Onne because of the use of lighters to transport cargo from vessels to the terminals. There are many people without business in the ports who are loitering at the ports and soliciting for "business" only to engage in criminal activities within the ports.

I suggest that there is need for adequate security, provided by the naval police against piracy and armed robbery and that the ports' police should check pilferages at the ports. Importers should be encouraged to use containers to ship cargo. The acquisition of modern warehousing operation equipment like automatic stacking and retrieving devices, computerised cargo locator systems, narrow aisle automated pallet movers and deep shelf conveyors by the NPA will not only increase its productivity and efficiency but will also reduce if not eliminate such pilferages of cargo. The Naval Police should be adequately equipped with modern arms and speed boats to arrest deal with pirates and armed robbers. A Coast Guard may also be set up to perform functions similar to those of US Coast Guard.

#### 9. Manpower and Labour problems.

There is also inadequate well-trained manpower including dockworkers due to lack of the training of port personnel and maritime labour force as specialists able to handle modern sophisticated cargo handling and delivery equipment. There are few workers with the managerial ability to manage the ports and their operations in the new trend of globalisation of ports services.

There are usually disputes between dockworkers, clearing agents and port managements often leading to strikes crippling port operations and the economy.

I suggest that NPA staff should be continuously trained both locally and abroad in modern ports operations and management in order to acquire requisite skill and

information to operate and to administer the ports in line with modern trends. Nowadays, training is not only good, but it is also a good investment since, in most ports a multi-skilled workforce is required.

Negotiations should also be entered into with dockworkers or Customs licensed clearing agents as soon as disputes are brewing or arise with a view to amicably settling the disputes and nipping them in the bud before any damage is done to ports' operations.

#### 10. NPA's Lack of Financial Autonomy.

The absence of financial autonomy in NPA is one of the problems associated with Nigerian ports system. NPA is a Federal Government parastatal and statutory agency 100% shares capital in which are owned by the Federal Government. It seems to be making a lot of money for its sole shareholder but it does not have access to the funds for spending except as appropriated in national annual budgets. It is also not independent of the Federal Government or the supervising ministry (Federal Ministry of Transport). This makes for government interference in its activities.

It is suggested that NPA should be financially autonomous and be given free hand by its shareholders to operate. In 1992, the Technical Committee on Privatisation and Commercialisation (TCPC) commercialised NPA and gave it autonomy as "NP Plc" but the reversal in 1996 of the government's policy also reversed its autonomy.

#### 11. Port Environmental Pollution Problems.

Environmental impacts and pollution of the marine environment have become crucial considerations in not only port development but also port operations and management the world over which are now regulated by international conventions and since Nigeria is a coastal state member of the international community, its case cannot be different. Some of these conventions are the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matters in force since 1975, MARPOL 73/78, SOLAS, Oil Pollution Preparedness, Response and Cooperation in force since 1990 [making it mandatory for ports to have oil pollution plans coordinated within a national contingency arrangement], UN Conference on Environment and Development, 1992 [recommending assessment of environmental impact in project planning, port reception facilities, contingency plans for oil and chemical spills and systematic recording of the state of the marine environment]. The United Nations Convention on the Law of the Sea, 1982 to which Nigeria is a party imposes some duties on Nigeria [as a coastal state] and its ports in respect of the pollution of the marine environment from sea-bed and land-based and vessels' activities and disposition of shipboard waste and garbage through reception facilities<sup>29</sup>. The problem is that either Nigeria is yet to ratify the conventions or has ratified but has not yet domesticated them or has domesticated but has not yet been implementing the municipal laws on the conventions concerning marine pollution, thereby exposing its environment from been affected by them.

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<sup>29</sup> Part XII, UN Convention on the Law of the Sea, 1982.

Nigerian ports thus stand great risk of facilitating pollution of the Nigerian marine environment through the toxic and noxious harmful substances or energy from oil/chemicals, oil exploration and exploitation because of the fact that Nigeria is a major oil producing country whose ports are used in the process of loading, transportation and unloading of crude and refined oil cargoes and the accidental discharges associated with tankers' collisions. Port environmental pollution can therefore be caused by maintenance dredging [of toxic materials], maintenance of superstructure and equipment, development of ports infrastructure, maintenance repairs to ships and ports' industrialisation, cargo handling and storage, discharges from ships including ballast waters, shore-based transport operations [i.e. port/city interface], and accidents involving vessels carrying dangerous substances occasioning spillages at ports. This writer is not aware of any assessment carried out by NPA or any government agency or the Federal Ministry of Environment on the types of pollution, sources and environmental effects and solutions to the pollution of any Nigerian port or harbour<sup>30</sup>. There are also oil reception facilities to prevent reduce or control marine pollution of the ports and harbours environment which were established by the Nigerian Ports Authority at all ports although reception facilities are yet to meet the standards set in MARPOL73/78.

My suggestions are that Nigeria should immediately ratify and domesticate all the international conventions relating to marine pollution especially MARPOL 73/78 and implement them in our ports and harbours. Before any new port is developed or repaired, its environmental impact assessment must be carried out and there should be waste management strategy and provision of adequate reception facilities. The NPA and terminal operators should also develop plans for responding to likely oil spillages considering all emergency incidents like collisions, groundings, fire and personnel casualties based on which priorities would be determined and response mechanisms set up. Well-trained search and rescue personnel backed by necessary equipment to execute the port plan, should be established to effectively fight marine pollution at the ports and protect and preserve the Nigerian marine environment.

Other problems associated with Nigerian ports system are that many of the shipping companies claiming to operate in its maritime industry exist only on paper "portfolio shipping companies" without owning their own ships, the traffic pattern is such that there are more imports than exports thereby causing balance of trade problems, duplicity of shipping and shipping related associations and the absence of integration of maritime transport with other means of transport thereby making door to door delivery a mirage.

### **CONCLUSION:**

This paper has looked at the meanings of ports and systems and considered problems associated with the Nigerian ports system after which solutions were proffered to them. The fact that the problems have solutions that can be applied means they are partially solved. If therefore the solutions are correctly implemented, the problems will be reduced

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<sup>30</sup> Although the NPA in July/August 2001 publicised its invitation to businessmen to show interest in the development of a loadcentre/container port terminal on its land situate beside Nigerdock opposite the Tin Can Island port, yet no mention was made of the needed environment impact assessment having been carried out before embarking on such development.

if not totally solved and the Nigerian ports, its maritime industry and the Nigerian economy would all be the better for it.