

# **NIGERIAN PORTS AUTHORITY**



## **IMPROVING PORT LOGISTICS CONNECTIVITY, IMPERATIVE FOR REGIONAL TRADE INTEGRATION**

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**Good morning Ladies & Gentlemen & Welcome. I am Ayodele DUROWAIYE .**

**The Managing Director, Nigerian Ports Authority, the lead presenter at this session would have preferred to be here given her passion for issues of trade facilitation, the Ease of Doing Business & Port Productivity and Efficiency. She is however otherwise engaged.**

**I therefore bring you greetings and felicitation from HADIZA BALA-USMAN, Managing Director and other members of the Executive Management.**

**The Authority and the organizers of NIMPORT, Messrs. FCI International Limited have enjoyed a harmonious working relationship which spans over a decade. It would not be an exaggeration at all to say here that NPA has served as a primary Industry Partner and indeed a leading Committee member to NIMPORT over the years.**

**The NIMPORT vision as a strong advocate and promoter of the Port & Harbour capacity development and investment aligns with the Authority's desire for trade facilitation, Port productivity, efficiency and port logistics connectivity and platform to drive its vision of being the leading port in the continent.**

**The Nigerian Ports Authority is therefore delighted to once again serve as a lead speaker and we are participating fully with a fully manned exhibition booth which I encourage you to visit during your breaks.**

**The topic I would be speaking on is quite apt and supports the conference theme which is 'FOSTERING AFRICA'S TRADE COMPETITIVENESS AND THE ROLE OF PORTS' particularly when examined within the prism of the recently signed AFRICAN CONTINENTAL FREE TRADE AGREEMENT BY THE PRESIDENT, FEDERAL REPUBLIC OF NIGERIA. The signing of the agreement is set to open up the continent for trade and competition. This growth and development of international trade and particularly regional trade has necessitated the need for integration of hinterland transport and logistics to maritime transport network in overall port planning.**



## **OUTLINE**

**The paper will seek to address the following:**

- **Ports as a ship to shore interface and a transit point.**
- **Port Logistics connectivity and its centrality to port productivity.**
- **Hinterland connectivity as a step towards regional trade integration.**

**The importance of ports in trade facilitation and economic development of nations require little emphasis. Ships are also the cheapest modes of transportation and therefore preferred particularly for bulk cargo movement given the economics of scale making it to account for about 90% of cargo movement globally.**

**This huge advantage can only be maximized when the ship shore interface provided by a harbour is optimized and this can only be brought about by efficient logistics planning and integration. Logistics ensures the execution of an efficient transportation and storage strategy for cargoes**



**from the point of discharge in this case the port until the consignee shows up to collect the cargo.**

**A failure in this important aspect of logistics planning could easily transform a port from its role as a transit point to a storage area with the attendant consequences. For example the combined cargo capacity of all the Nigerian ports is put at about 40million metric tonnes but our ports have handled about double that capacity since the concession of the ports only through efficient management of the logistics end of cargo handling and this is still work in progress.**

**Port connectivity with the different modes of transport is central to port productivity and port efficiency. The more the modes of transportation a port can avail itself with, the more efficient cargo operations is likely to be and the less the probability of increase in cargo dwell time, and other avoidable delays to plant productivity and cargo delivery.**

**The importance of port logistics connectivity with other transport modes was brought to the fore in the Lagos Pilotage Districts during the ongoing rehabilitation of port access roads. The challenge in service delivery from the**

**rail connection to the Apapa Ports Complex and the consistent low numbers moved led to the encouragement of movement of cargoes by barges by the management of Nigerian Ports which has brought succor to consignees and importers and reduced pressure on the road infrastructure. Encouraged by the success achieved which has helped to move between 10,000 - 15,000 twenty equivalent units [teus] of container using barges across the Pilotage District, we entered into an MOU with APM Capital to extend service delivery via barges from the ports in Lagos beyond Ikorodu to Epe.**

**In July, 2019, President Mohamadu Buhari signed the Agreement establishing the African Continental Free Trade Area at the 12<sup>th</sup> Extra-ordinary session of the Assembly of African Union Heads of State and Government in Niamey, Niger Republic. The free trade agreement aims at integrating the economies of the continent and remove barrier to trade among members. This represents a significant step towards regional economic integration among participating countries.**



**While we await the required number of countries to ratify the agreement which paves the way for its implementation, the size of Nigeria as a country and its population, its long coastline and the landlocked countries on its northern boundaries should without doubt confer comparative advantage over other countries in the sub-region given its agrarian economy.**

**According to expert opinion, while these possibilities exist, it must be earned through conscious and deliberate policies geared towards improving transport infrastructures and building Small & Medium Enterprises [SMEs] to take advantage of the opportunities.**

**It is in this regard that the foresight of the Federal Government in planning to build rail lines across the country should be commended. The commitment to link all 36 states and the Federal Capital, Abuja with the standard gauge rail lines and commencement of service on the Kano – Lagos and the Abuja -Kaduna routes for movement of people and Lokoja-Itakpe- Warri for cargo represents major steps towards linking the hinterland. The most notable for our purpose here today are rail connections linking the dry ports at Kano and Kaduna**

**with the seaports thus allowing goods and cargoes access to Niger and Chad our landlocked neighbours.**

**Government is also revitalizing the inland water ways to provide alternatives. The commitment to continuous dredging of Inland river channels through Lokoja, Baro and lately Onitsha should be seen in this light.**

**On road infrastructure, Government commitment towards the rehabilitation of roads along the port corridor is epitomized by the completion of the wharf road Apapa and the ongoing rehabilitation of the Liverpool - Oshodi dual carriage highway linking the ports of Apapa and Tin-Can Island both of which account for the highest cargo volumes handled by Nigerian Ports. There are also road projects linking Calabar to the North Eastern part of the country.**

## **SUMMARY**

**Whilst regional trade integration holds enormous potentials, these potentials can be fully optimized by the development of a robust port logistics connectivity with the different modes of transportation viz Land, Rail & the Waterways to link up the hinterlands where majority of the populace reside and where agriculture and other**



**extractive industries thrive. The investment in transport infrastructure by government would generate a multiplier effect along the transport value chain that would help the employment of some of our teeming youths and also improve capacity in the sector.**

**The commitment of the Nigerian Ports Authority to the pursuit of these goals and to provide comfort for shipping is unwavering. The Authority recently released Lilypond to be used as a truck transit park and the Tin Can Island truck transit park has also been deployed for use in collaboration with the FMW&H. There are also plans to connect Apapa port by rail through the Lilypond truck terminal in a programme being spearheaded by the Federal Ministry of Transportation.**

**These projects are being executed at great cost to the Authority in earning potentials but geared towards improving logistic connectivity to the port and reduce traffic gridlock along the port corridor.**

**The Authority is also encouraging movement of containers by barges from Ikorodu to any of the ports in the Lagos Pilotage District. We are also encouraging movement of passenger and cargo using the passenger**

**boat services from Calabar Port through Cameroon, Equatorial Guinea, Gabon and Sao Tome and Principe. This service conveys both passenger and cargoes through this sub-regional corridor and reflects our commitment to this cause.**

**We look forward to greater areas of collaboration with NIMPORT that will enable Africa NIMPORT become a truly regional power house in the ports & logistics value chain.**

**Thank you.**

