INLAND TRADE CONNECTIVITY AND THE POTENTIALS OF THE DRY PORT

AS PRESENTED BY ROTIMI O. RAIMI, GENERAL MANAGER, KADUNA INLAND DRY PORT LIMITED, KADUNA.

Inland trade is also known as domestic trade or home trade. It involves the process of exchanging domestic goods within the boundaries of a nation. The trade could be retail or wholesale, the vital part of an inland trade is the effectiveness of its connectivity to the source or origin and the end users.

In many places around the world bimodal and trimodal inland terminals have become an intrinsic part of the connectivity system, while trucking tends to be sufficient in the initial phase of the development of inland trade connectivity systems, at some level of activities, diminishing returns such as congestion, energy consumption, bad road maintenance and empty movements become strong incentives to consider the setting of inland Ports as the next step in regional trade planning in Nigeria.

This is the situation we find ourselves in Nigeria with the concentration of port activities in Lagos.

Today, seaborne and inland trade and investment connectivity in Nigeria is lagging well behind world standards. Better connectivity can foster export-oriented regional value chains in agriculture, mineral resources, textiles and clothing, leather goods, fisheries, and services. Modern Dry port facilities can attract more businesses and thereby facilitate trade which would benefit small and medium enterprises and encourage local economic growth. Failure to promote trade connectivity spells not only lost economic opportunities but also security risks.

Trade connectivity in the maritime and hinterland should feature prominently in national development plans and receive the highest political backing. Plans should center on creating the conditions for public-private partnerships, private investment, and wide-ranging people-to-people ties.

An inland port has a level of integration with the maritime terminal and supports a more efficient access to the inland market both for inbound and outbound traffic.

INLAND TRADE CONNECTIVITY

Connectivity through inland waterways: - The maritime industry in Nigeria in general have not yet been able to take full advantage of their historical and extensive network of naturally navigable waterways to meet their needs for goods, passenger and trade connectivity. This is even though Nigeria has inland waterways of around 3000 km and is blessed with a coastline of about 870km. Inland water transport offers the most economical, energy efficient and environmentally friendly means of transporting all types of cargo from place to place.

It also offers safer and cheaper rates in areas where water exist naturally. Trade can be facilitated by using light badges via riverine areas like in Lokoja, Onitsha, Baro, Burutu etc. Goods transported via inland waterways can be an environmentally friendly and cost-effective way of cargo movements in this sub-region.

Inefficient connectivity at the border represent an important source of trade costs along the value chain, increasing poorly connected countries' remoteness from neighbouring and international markets. For example Niger, Chad and Cameroun.

These deficiencies in utilizing existing natural advantages result in reduced economic returns and poor inland trade development.

- **DIGITAL CONNECTIVITY AND TRADE LOGISTICS: -** Innovations in the digital economy can reduce the costs of engaging in trade and facilitate the physical delivery of traded goods, making trade potentially more inclusive. Trade has long been a driving force of economic growth. New production systems, establishments of inland ports and terminals, integration of global value chains are trends toward reliance on just-in-time delivery systems, trade needs to be faster and more reliable. This calls for increasing the quantity and quality of information exchange.

Digital connectivity and data flows are supported by hard and soft infrastructure, ranging from cables and wires to data flow regulations, which enable trade transactions.

ICT trade connectivity in Nigeria has been on a very low ebb particularly among our local industries making it difficult to connect with larger conglomerates who now operate and disseminate information within split seconds. The poor ICT infrastructure in the country has been a bane in hinterland trade development.

RAIL CONNECTIVITY: - No inland dry port in the world can function optimally without an efficient rail network. Rail can often be cheaper than equivalent road hauls due to volume and distance economies. The more frequent and regular movements are, the lower the cost will be – but this applies to total industry use rather than just one company's movements. Rail can have a reliability advantage, as the rigorous discipline of the operational railway running to a timetable can help with logistics planning by giving certainty of departure and arrival times. This really does help with just-in-time logistics or lean stockholding/efficient ordering disciplines,

where rail's movement chat reliability and discipline are a natural fit, rather than the vagaries of motorway congestion for example. However, rail connectivity in Nigeria is nothing to write home about. This is hampered by lack of efficient locomotives and wagons coupled with poor maintenance of the country's rail lines. The exiting narrow-gauge line of the NRC can be repaired and dedicated only for cargo movement. The NRC can generate enormous revenue from the existing narrow gauges if use to transport freight cargoes within the hinterland.

ROAD CONNECTIVITY: - Trade connectivity by road has been extremely poor in Nigeria. This is as a result of poor road network, lack of proper maintenance of existing roads and inconsistencies in our truck freight charges. Road transport is subject to traffic delays. Unsuitable for Long Distance and Bulky Traffic. This is currently what is obtainable in the country as its related to road haulage logistics. We are depending on trucks to deliver our cargoes within the hinterland, which are ineffective and efficient. Hence, the need for dry ports development to aid cargo distribution.

“A dry port (sometimes inland port) is an inland intermodal terminal directly connected by road or rail to a seaport and operating as a center for the transshipment of sea cargo to inland destinations” Usually a port where goods originate and port of destination for goods.

A dry inland port can speed the flow of cargo between ships and major land transportation networks, creating a more central distribution point. Inland ports can improve the movement of imports and exports, moving the time-consuming sorting and processing of containers inland, away from congested seaports.

A dry port of international importance shall refer to a secure inland location for handling, temporary storage, inspection and customs clearance of freight moving in international trade.

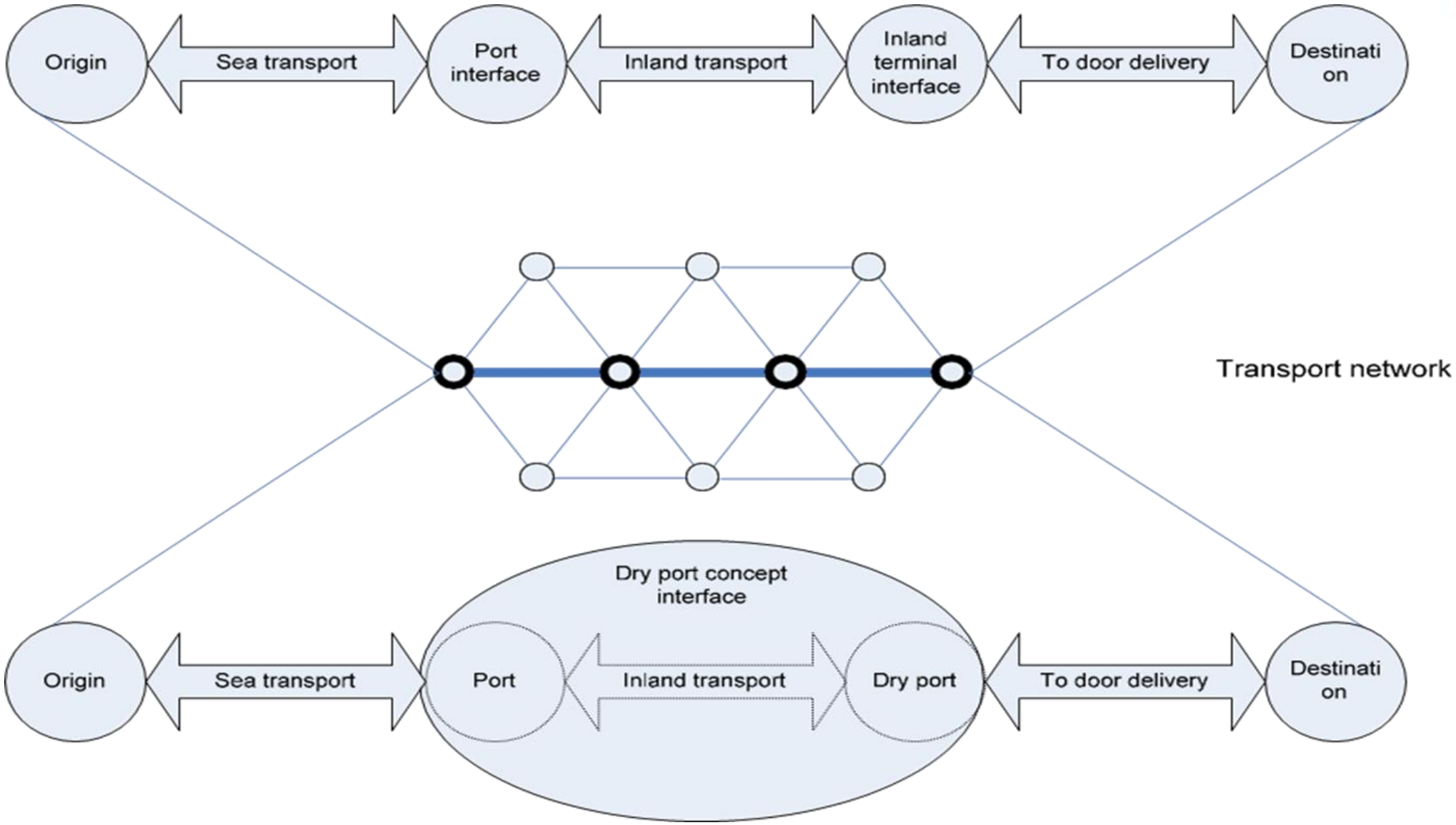
THE DRY PORT CONCEPT

Intermodal terminal that is situated in the hinterland.

Rail and Road connection to a seaport

Offers service that are available at seaports (customs clearance, maintenance of containers, storage, forwarding, etc.)

Fig below shows the conventional Seaport-Port interface-Inland terminal and the Seaport-dry port concept interface.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Transport network
Dry port concept interface
Origin
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POTENTIALS OF A DRY PORT

Increases seaport capacity

Increase job opportunities.

Development of economic activities within the hinterland.

Increases seaport productivity

Reduces congestion at seaports

Reduces congestion in seaport cities

Reduces risk for road accidents

Reduces road maintenance cost

Lowers environmental impact

May serve as a depot

Improves seaport's access to areas outside its traditional hinterland

BENEFITS TO STAKEHOLDERS

Seaports	+Less congestion +Expanded hinterland +Interface with hinterland
Seaport cities	+Less road congestion +Land use opportunities
Shipping lines and forwarders	+Improved service
Rail and intermodal operators	+Economies of scale +Gain market share
Road operators	+Less time in congested roads and terminals
Shippers	+Improved seaport access + Quick turnaround. +"Environment marketing" + Improved profit.
Society	+Modal shift +Less infrastructure +Lower environmental impact +Job opportunities

Economic Benefit.

optimizing containerized freight

Improve revenue generation
reducing costs
creating business models
increasing customer satisfaction
reducing container operating/ handling time in the transportation system.

Social Benefits.

reducing road accidents
upgrading safety and security levels of containers which have reached destination or in transit
improving container control in terms of authorities
improving container control from beneficiaries by tracking/tracing.

Environmental Protection

- reducing CO2 emissions
- avoiding road congestion at the maritime port entrance
- green corridors for goods
- reducing fuel consumption

KADUNA INLAND DRY PORT: (KIDP)

The Kaduna Inland Dry Port has recently been designated as a “dry port” by the Federal Government of Nigeria (FGN), making the facility the only dry port in Nigeria. The Dry Port currently has a capacity of over 40,000 TEUs (Stacked 3 high) and an average dwell time of less than 3 days, giving it a competitive edge as a port of destination compared to Lagos, where average dwell time ranges from 15 to 20 days.

KIDP is the first and only operating dry port in Nigeria presently.

The Dry Port meets all the technical needs for receiving cargo with representation from Standard Organization of Nigeria (SON), National Agency for Food and Drug Administration and Control (NAFDAC), Nigeria Customs Services (NCS), State Security Service (SSS) Quarantine, Federal Produce etc. on site.

KIDP was gazette by the federal government to provide port facility to the hinterland: particularly to serve the northern region. The port was commissioned by His Excellency, President, Commander-In-chief of the Armed Forces, Mohammadu Buhari on 4th of January 2018. The Port been port of origin and port of destination has commenced full operations and has been serving the shippers and customers in the region.

EXPORT:

The Kaduna inland dry port is strategically positioned to process, inspect, package consolidate, transport all your export produce as well as minerals resources directly from the dry port or your warehouse/farm to your buyers abroad.

Conclusion

A dry port must fit into a complex system where the necessary supporting infrastructure (roads, railways) is in place, maintenance is assured, and the regulatory and institutional systems are properly designed to optimize the involvement of both the public and the private sector."

THANK YOU