

COMMUNIQUE FOR THE MACN-SIEMENS WEBINAR THEMED “COLLECTIVE ACTION: IDENTIFYING AND BUILDING ALLIANCES WITH PORT USERS ON CARGO AND VESSEL TRANSACTION IN EASTERN PORTS” WHICH HELD ON TUESDAY, AUGUST 11, 2020.

INTRODUCTION

The webinar was organized to identify and build alliances with ports users on cargo and vessel transactions using a collective action to tackle inefficient operations at the ports that encourage corruptions as well as to encourage and demand a greater compliance with standard procedures at the ports. The webinar is sequel to the formal launch of the MACN Siemens initiative that was held on July 23, 2020; under the aegis of this initiative, MACN and CBI will enable port users to track, demand, and drive greater compliance in Nigerian ports over the next three years (2020 – 2023). The initiative will also help strengthen government capability to establish compliance systems and collaboration between business, government and civil society as well as create the platform for the cultural changes that are necessary to improve trade flows in and out of Nigeria.

The Maritime Anti-Corruption Network (MACN)—a global business network of over 130 companies working together to tackle corruption in the maritime industry—is expanding its Collective Action initiative in Nigeria with the support of the Siemens Integrity Initiative.

PANELISTS

- **Mr. Vivek Menon** – Head of Collective Action and Partnerships (EMEA), Maritime Anti-Corruption Network
- **Assistant Comptroller Auwal Mohammed** – Customs Area Controller (Area 1 Command, Port Harcourt), Nigerian Customs Service
- **Mr. Hassan Abubakar** – Port Manager, Onne Port Complex, Nigerian Ports Authority representing the Managing Director, Nigerian Ports Authority
- **Mr. Ofon Udofia** - Executive Secretary/ CEO, Institute of Export Operations & Management Ltd. Gte and the President of Rivers/Bayelsa Shippers Association (RIBASA).
- **Mr. Soji Apampa** – CEO, The Convention on Business Integrity (Host)

ISSUES RAISED & PROPOSED RECOMMENDATION DURING THE WEBINAR

Issue 1: The ease of doing business in Eastern ports is not as supportive of trade facilitation as in the Lagos ports. This is evidenced by the increased costs incurred by port users (Agents, Ship owners etc.) from higher levels of unreceipted payments as well as delay in clearing cargos/vessels when compared to the Lagos ports. These have resulted in the Eastern ports being used up to less than 50% of its capacity as port users in the east will rather clear their goods/cargos from the Lagos ports and then transfer it by road to its end users in the east. In addition to issues with security and piracy, and having to hire additional level of security and pay high insurance premium due to inadequate security provide by the govt.

Recommendation: There is need for complete awareness of the SOP, its requirements and full compliance with it. Port agencies should be more focused on activities that will boost compliance and trade facilitation and less on revenue generation. Provision and use of high-resolution scanners is highly recommended to reduce the duration of clearing processes. Also, an overhaul of some port infrastructure is long overdue to facilitate smooth movement/processes in and out of the ports.

Issue 2: The level of compliance by all port stakeholders to the tenets of the SOPs in all agencies and at all levels is abysmally low. This includes the level of awareness of the SOP and/or due processes/requirements by port users, knowing what items are considered contrabands and avoiding them as well as paying appropriate duty fees.

Recommendation: Continuous engagement, awareness and education on the provisions of existing SOPs (including the unified one created for Port agencies by the Federal Ministry of Transport) and all its associated requirements. There should be assigned teams/officers in each agency who should be properly trained to know and monitor compliance issues within the ports.

Issue 3: There are planning and operational loopholes caused by equipment inadequacies (scanners) and multiple layers of inspection/tariffs by agencies within the Eastern ports.

Recommendation: Processes at the port should be more technologically driven and the documentation processes automated. Firstly, the single-window technology needs to be deployed to facilitate effectiveness and reduce person-to-person contact, which seems to be the hub of opportunities for corruption. Port agencies can synchronize their plan in order to do joint or concurrent inspection of cargos/vessels; these will help reduce multiple layers of inspection, tariffs as well as the time it takes to get clearance. Finally, ports authorities can coordinate the operations of different agencies for a more synchronized plan for inspection.

Issue 4: There are safety and security issues for the anchorage areas in the Eastern ports.

Recommendation: There is need to provide more funding to agencies at the Ports to put in place more effective safety/security measures for the anchorage areas in the ports. This will encourage trust and confidence in the use of the ports.

NEXT STEPS

- The organisation would engage the government agencies with presence at the ports to nominate members of staff to be trained as compliance officers for each port location/operations within Nigeria.
- There will be continuous engagement and raising awareness with the ports users/stakeholders in the Eastern and Western ports on the offerings of the SOP and the need to adhere to it as well as the availability of the helpdesk (<https://www.integritynigeria.org/portcallassist/>) where port users to lodge complaints for assistance and quick resolution.