BEST PRACTICES FOR IMPROVING COORDINATION AT THE PORTS

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INTRODUCTION: Ports and their Economic Importance

Generally Speaking, Seaports operate at the interface of ocean and land transportation. It is indeed a geographical and economic entity along a body of water providing service to ship to effect transfer of goods and passengers from water to land.

Ports can therefore be seen as contributing immensely to trade facilitation and overall economy of nations. It is to be noted that with the advent of globalization, Ports have evolved from just performing the traditional functions of loading / unloading, storage, transfer and receipt and delivery to logistics centres for the assembling and distribution of merchandise of value added services which makes an integral part of global logistics chain.
Importance of Coordination in the Port Cluster (The Port Authority as a lead Agency)

The action and inaction of the Port stakeholders impact on the strategic mission of providing efficient port services in a secured, safe and customer friendly environment.

As a consequence, it becomes incumbent for the Port Authority as the Landlord to coordinate the activities of the Port Community towards achieving the strategic objectives.
Port Strategic Objectives (The NPA experience in Port Reforms)

Ports over the world have undergone different kinds of reforms mainly to achieve efficiency and to be customer centric and at the same time create safe and secured environments that will provide congenial ambience for the comfort of shipping and fluidity of Port operations.

This explains the transition from the Operating Port System to the Landlord Port Management System which the Nigerian Ports Authority commenced running in 2006.

Arising from new found role of ports as a distribution and logistics centre, it has become imperative for the Ports to seek for minimization of Port Transit cost as part of their strategic objectives.

This is the only pathway for Ports to operate at the cutting edge of competition in this dispensation of globalization where transport costs are crucial for the competitiveness of national economy.
The current reform status is characterized by bifurcation of roles between the public and private sector where the Port Authority interests is mainly as a regulator and provider of services to ships along with substantial interests in infrastructure and lands administration whereas private sector interests is on cargo and provision of superstructures.

Essentially, Port functions as a community or system with diverse number of stakeholders. The list is long but can be succinctly divided along these broad categories:

| The Port Authority | The Port Users and Regulatory Agencies | The Port Workers |
The strategic mission of Nigerian Ports towards attaining the objectives of minimizing port transit cost through effective coordination is summarised as follows:

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Efficiency

In the quest towards the attainment of improved efficiency, the Nigerian Ports Authority is coordinating the activities of the various stakeholders along the following lines:

- Reduction in Turn Around Time of Vessels as well as Cargo Dwell Time as a function of port indicator via increased mechanization of operations and constant upgrade of infrastructure.
- Simplification of port processes and procedures through automation.
- Effective technical oversight by the Port Authority towards ensuring Terminal Operators use of appropriate and sufficient cargo handling equipment to speed up operations.
- Efforts are currently in place for the development of a 25 year Port Master Plan.
- Flag off of the construction of Lekki Deep Seaport and the ongoing Ibom Deep Sea Ports that will encourage economies of scale.
- Publication of NPA tariffs on NPA Corporate Website and demand that Terminal Operators does same and provide links on the NPA website.
Safety & Security

It is the responsibility of the Port Authority to provide a coordinated safety and security system along the channels and the quaysides.

This helps to provide comfort for shipping and Port operations as the absence of this has the propensity to increase port cost through increased Maritime insurance premium paid by Vessels.

Concerted efforts are made by the Authority to ensure the following:

- Implementation of ISPS Code security regime for the Port
- Effective Gate Access Control
- Implementation of mandates of MARPOL 73/78 through establishment of Waste Reception Facility.
- Established the Command Control Communication and Intelligence centre – monitoring and communication to provide feasibility and maritime domain awareness in capturing Vessels in and out of Nigerian Ports.
- Cooperation with Nigerian Navy to ensure maritime security.
Trade Facilitation

Strategic moves were made to propel the continuous aggressive pursuit of excellence through the automation of the Authority’s operational processes which are as follows:

- Virtual Private Network
- E-payment process
- Revenue Invoice Management System (RIMS)
- Oracle Financials
- Customer Self Service Portal
- Automation of Ship Entry Notice Process (eSEN)
- Presidential directive on ease of doing business in the Ports 2018
- Robust information portal-corporate website
Intermodal Transportation

- Improvement of intermodalism and external transport infrastructure through the rehabilitation of rails and roads in the port to support cargo evacuation process

- Frantic efforts were made by the Authority to coordinate all stakeholders involved in the rehabilitation of Apapa access road to the Ports
Coordination in the nautical chain through the cooperation of Joint Venture

Improved coordination in the nautical chain through partnership with the private sector (JV) to provide the following services:

- Aids to navigation
- Dredging
- Wreck removal
- Towage Services (four (4) operational multipurpose tug boats acquired in May 2017 and two (2) additional tug boats currently in procurement process)
- Provision of harbour crafts for improved marine services

The successful berthing of the Egina FPSO is an attestation to the efforts made in this regard.
Corporate Social Responsibility

Greater cooperation was achieved from key stakeholders and communities as a result of an improved engagement through Corporate Social Responsibility.

The following are projects implemented in that regard:

- Primary School rehabilitation
- Technical School Rehabilitation
- Water projects for communities
- Small skill acquisition projects
STAKEHOLDER COORDINATION

The present management of the Authority through effective coordination of all port users and stakeholders has been able to achieve the following:

- Established and entrenched a level playing field for all operators in the port industry by removing all bottlenecks that hinder healthy competition. An example is the de-classification of ports’ terminals which removed the categorization of some ports as strictly oil and gas.

- Review of concession agreements to ensure seamless collaboration for sustained development of the Maritime industry.

- Development of SOPs and establishment of a dedicated terminal to handle export aimed at diversifying the economy and improving earnings.
STAKEHOLDER COORDINATION cont’d…

- Restored investor’s confidence in the port industry notably;
  - The China Harbour Engineering Company taking up the balance of NPA’s equity in the Lekki Deep Seaports project,
  - The DP World signing a partnership agreement with Josephdam Port Services
  - And the Tanger Med of Morocco indicating willingness to develop a green field terminal logistic base

- Achieved the collaboration with NCS to introduce the much awaited Single Window Platform aimed at simplifying & harmonizing formalities, procedures and the related exchange of information & documents between the various partakers in a supply chain.
IMO’s Role in Supporting Effective Coordination in the Port Sector

- There is the need for IMO to focus more on achieving an effective implementation of existing conventions by prioritizing multiple agency capacity building initiatives at the national level rather than the single focal point approach. Institutional and human capacity building efforts should target key national agencies that collectively contribute to the implementation of IMO Conventions.

- IMO’s FAL Convention may also need an amendment or a protocol that would deal with the landside aspect of maritime traffic facilitation in order to help countries to improve on the smooth, fast and cost effective cargo movement in and out of ports. In this regard, the IMO and its FAL Committee may consider creating a Sub Committee on Ports and Trade Facilitation, just as has been the case with other main Committees that deal with specific matters of technical interest and importance.

- Governments need to create the enabling environment including firm and fair legislation and entrust national agencies such as Port Authorities with decision – making powers to effectively coordinate affairs in the port services delivery. While Governments do their part, Port Authorities should also focus on developing and deploying good quality human resource skill sets, modern tools and good moral attitudes that foster integrity and qualitative hard work.
Conclusion

In conclusion, corporate governance of Ports Authority should endeavor to seek for optimal public private cooperation and a robust port community for seamless port operations. Ports must necessarily assume function of coordination of various activities in the Port within the ambit of extant laws and regulations.

Above all, coordination in the ports is therefore a compelling circumstance without which port efficiency would be compromised with its resultant effects on trade facilitation, wealth creation and economic prosperity of the nation.