

ANALYSIS OF THE ROLES OF THE RELEVANT REGULATORY AGENCIES IN THE NIGERIAN MARITIME INDUSTRY*

Abstract

The Maritime sector is of critical significance to any economy.¹ It is the main means for transporting goods internationally and many cities rely on their Ports as a major source of revenue. The Maritime sector which is a sub-sector of the transport sector globally accounts for over 70% transportation requirement of the world. The Maritime sector is a major catalyst for socio-economic development and international competitiveness in a changing world. Nigeria as a nation is endowed with a vast coastline as well as navigable inland Waterways and is strategically placed on the Atlantic Coast of West Africa. However, 76 percent of the shipping business that takes place in West Africa is done in Nigeria. A well-organized Maritime sector is therefore important to facilitate Nigeria's international trade.² For this article we will discuss the following agencies namely, Nigerian Shippers' Council, Nigerian Administration and Safety Agency, Nigerian Ports Authority, and Nigerian Customs Service

Keywords: Maritime Industry, Regulatory Agencies, Transportation, Nigeria

1. Nigerian Shippers' Council³

The period before the creation of the Nigerian Shipper's Council in 1978 was characterized by the deteriorating quality of shipping services and unmitigated increases in ocean freight rates by foreign owners who operated scheduled liner services to Nigerian Ports. These increases were in addition to stifling port surcharges equally imposed on the nation's economy. This huge foreign exchange outflow arises from the carriage of our sea-borne trade by foreign shipping lines continued to impoverish Nigeria and other developing countries with attendant adverse consequences on the balance of payment in favour of developed countries who are also major Maritime nations. The outcry arising from this adverse situation led to the United Nations Conference on Trade and Development. Arising from UNCTAD's intervention, there emerged a new world Maritime order which recommended the formation of National Shippers Council in developing countries to act as a check against the excesses of the foreign ship owners and shipping service providers. Nigeria took its turn to implement the UNCTAD recommendation by establishing the Nigerian Shippers' Council in 1978 through the enactment of the Nigerian Shippers' Council Act Cap N133 LFN 2004.⁴ Some of the reasons for the establishment of NSC include;

- a) Nigerian shippers are weak, fragmented and unprotected and left at the service of the shipping service providers.
- b) The need to generally protect Nigeria cargo interest in shipping and international trade from abuse and exploitation.
- c) The need to ensure that cargo tariff structures are fair, equitable and reasonably stable. etc.

The basic responsibilities of the Nigerian Shippers' Council include;

- i. Efficient and timely delivery of shipping services to the importers and exporters by the shipping service providers under the most economical arrangement.
- ii. Moderation and stabilization of cost, freight charges and port charges etc.

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¹ See Ikenga Oraegbunam, Meshach N. Umenweke & Chienye Okafor, 'Appraisal of the Legal Regime for Maritime Industry and Arbitration in Nigeria: Recipe for Economic Growth', *International Journal of Business and Law Research* 3(2):61-72, April-June 2015. <http://seahipaj.org/journals-ci/april-june-2015/IJBLR/abstract/IJBLR%206.html>.

²<http://www.myfinancialintelligence.com/transport/maritime%E2%80%99s-strategic-economic-importance>. Accessed on 14th February 2017.

³ For easy reference, the Nigerian Shippers' Council will be referred to as NSC.

⁴ The background of the Nigerian Shippers Council was gotten from <http://www.shipperscouncil.gov.ng>. Accessed on 19th April 2018.

- iii. Adequate understanding and know-how amongst the various practitioners in international trade at both macro and micro level.
- iv. Regular and reliable advice to the federal government on matters affecting the shipment of goods to and from Nigeria.⁵

Initially, the Nigerian Shippers' Council like its counterparts in the sub-region was mainly concerned with the representation and protection of the interest of importers and exporters concerning port to port shipment. However, due to the dynamism in international trade, the Contnou II World bank roundtable conference on Maritime trade in West Africa resolved that Shippers Council in the sub-region should protect importers and exporters throughout the transport chain.

In line with the federal government port reform agenda, the Nigerian Shippers' Council was appointed as the Port Economic regulator in February 2014 to create an effective regulatory regime at the Nigerian ports⁶.

The big question is ‘whether the NSC is carrying out its responsibilities as enshrined in its Act diligently or whether they are umpires without the whistle? The NSC since its inception has done a lot to perform the rationale behind the establishment of the institution. However, a lot still needs to be done by the NSC to realize optimally its functions as enshrined in the NSC Act.⁷ Over the years the prevailing unhealthy activities at the nation’s ports which prompted the establishment of NSC are not only still there but has deepened to the extent that the nation’s maritime sector which remains the 2nd highest revenue earner for the Federation after crude oil has been losing patronage to other ports in the neighbouring countries. The flaws of NSC include:⁸

High charges, inefficiency and lack of transparency over the years made the nation's ports unattractive to importers who rather prefer to patronize ports of neighbouring countries. These issues prompted the 2006 Port reforms that heralded the concession of the Nigerian seaports and terminal operators. The aim of the Port reforms which evolved around ensuring efficiency in ports operations witnessed complaints of extortion and levelling of exorbitant charges against terminal operators by other players. The NSC is yet to achieve its responsibility as the Port Economic Regulator. The NSC has failed to sanitize the ports, encourage competition and make the Ports friendly for operators in terms of doing business to stem the tide of the diversion of imports to Ports of neighbouring countries. The decongestion of Ports remains a nightmare as cargoes still incur demurrage due to delay in clearing their goods⁹. This shows the inefficiency on the part of NSC which is supposed to act as an adviser to the Federal Government on ways to ensure the efficiency/functionality of the Ports. The bid of NSC to reintroduce cargo tracking note which was discarded by the Federal government on the request of Operators within the manufacturing sector shows the lack of interest of NSC for the stakeholders¹⁰. The reintroduction of the cargo note will increase the cost of cargo clearance at the ports with a triple down effect to be borne by the consumers¹¹. The NSC introduced the cargo tracking note without consulting the stakeholders and this shows dictatorial spirit as opposed to the mediator role the NSC is meant to play. The Cargo defence fund remains an illusion. The funds which were established to provide Legal

⁵<http://shipperscouncil.gov.ng/contact> accessed on 13th February 2017. the statutory functions of NSC can be accessed on this website or from Section 3 of the NSC ACT

⁶ The appointment of NSC as a port regulator was affirmed by a ministerial regulation and a presidential order which includes; Nigerian Shippers' Council[port economic regulator]order,2015. Nigerian shippers' council was made the port regulator for the control of tariff rates, charges and other economic services and to address the negative impact of port concession activities on the economy due to the absence of an economic regulator and to realize the optimal benefits of the federal government of Nigeria's port reform process.

⁷ www.peoplesdailyng.com Assessing Shipper’s Council’s regulatory framework at the nation’s ports for effective economic growth by Chris Alu 2015.

⁸<http://www.google.com.ng/amp/opinion.premiumtimesng.com/2016/07/22/nigeria-shippers-council-still-toothless-bulldog-emma-ufot/amp/?client=ms-android-samsung> accessed on 15th February 2017. Nigerian Shippers Council: still a toothless bulldog by Emma Ufot

⁹ The Guardian 31st July 2017. Sulaimon Salau, 'Two million containers stranded in Lagos Ports'.

¹⁰ <http://businessandmaritimewestafrica.com/features/cargo-tracking-note-revisiting-a-discredited-project>. Accessed on 11th July, 2018.

¹¹ Manufacturers Association of Nigeria faults Nigerian Shippers’ Council on Cargo tracking note reintroduction, November 4th 2015. www.shipsandports.com.ng Accessed on 24th June 2018

Aid in defence of the interest of Nigerian shippers remain a sham because shippers complain that efforts in helping importers/exporters that conflict with clients abroad that are linked to their ships and cargoes being impounded have not been realistic¹². The cost of clearing containers is still on the high side at the Nigerian Ports. This is evident in the multiple charges imposed on imported goods. All these charges make the neighbouring ports in other countries a better choice for the Nigeria shipper¹³. The stakeholders underline the fact that the NSC has failed to reduce the hardship occasioned by the multiple charges against them.¹⁴

The objective of Port concession was to curb the excesses of the Port terminal operators, reduce the cost of doing business at the Port and increase productivity but this is far-fetched from what is obtainable at the Nigerian Ports today because the cost of running various businesses at the Nigerian ports remains the most expensive in the world¹⁵. Despite the huge revenue generated from the Maritime sector, it remains inefficient and uncompetitive because of the high cost of running businesses at the Ports, cumbersome clearance procedures, bottlenecks in cargo evacuation, inadequate cargo handling equipment, lack of transparency which has led to importers shunning Nigerian ports for the favourable neighbouring countries.¹⁶ Lack of consultation of Maritime stakeholders in policy formulations makes the NSC both the judge and arbiter. This defeats the involvement of the stakeholders in the decision-making process which affects them. Another big question is, whether the NSC has been able to achieve a level playing field for the maritime stakeholders and regulate the high tariffs imposed by terminal operators and shipping companies since it assumed the role of a port regulator? The answer is no. The NSC has been unable to achieve its role as the Port regulator because of oppositions from wealthy shylock terminal operators and shipping companies who try to erode the NSC with incessant court cases which makes NSC spend more time pursuing litigation in court instead of carrying out its functions¹⁷.

2. Nigerian Maritime Administration and Safety Agency¹⁸

NIMASA is the apex regulatory maritime agency that was created from the merger of the former Parastatal of the Federal Ministry of transport on 1st August 2006. The obligation of regulating the maritime industry in Nigeria rests on NIMASA. The agency was established primarily for the administration of maritime safety, seafarers' standards and security, maritime labour, shipping regulation, promotion of commercial shipping and cabotage activities, pollution prevention in the marine environment and implementation of domesticated international maritime organization and international labour organization conventions.¹⁹

Shortcomings of NIMASA are however glaring. The big question is whether NIMASA as an apex regulatory organization has carried out its maritime safety and security mandate effectively. The truth is that NIMASA has done a lot, but her best is yet to be acknowledged by stakeholders who expect more from the organization following its jurisdiction/mandate. To make up for its shortcoming and limitation in enforcing its mandate especially when there is an infraction of the provisions of the NIMASA Act; NIMASA has to rely on the Nigerian Navy through the instrumentality of a memorandum of understanding which led to the creation of the Maritime Guard Command which is a unit made up of naval personnel domiciled within NIMASA²⁰. Also due to its inability to secure the nation's territorial water NIMASA entered into a public-private partnership arrangement to provide vessels for effective policing of the Nigerian waters.²¹ If NIMASA is to achieve safe, secured shipping, cleaner oceans and

¹²www.allafrica.com Accessed on 19th April 2018. AllAfrica, Nigeria: Barriers against Cargo Defence Fund by Onyeka Ajumobi, 13th May 2002.

¹³<http://www.thisdaylive.com/index.php/2018/03/30/concerns-over-rising-port-charges/>. Accessed on 24th June 2018.

¹⁴www.guardian.ng Accessed on 19th April 2018. The Guardian, Shipper's Council embroiled in the regulatory debacle at the ports by Sulaimon Salau 11th January, 2017.

¹⁵ <http://sunnewsonline.com/port-concession-has-nigeria-fared-well-in-10-years/> Accessed on 24th July 2018.

¹⁶ *ibid*

¹⁷<http://dailytimes.ng/news/concession-knocks-greet-state-nigerian-ports/> accessed on 16th February 2017.

¹⁸ For emphasis, it will be called NIMASA

¹⁹<http://www.nimasa.gov.ng/about-us> Accessed on 23rd February 2017.

²⁰<http://shippingposition.com.ng/content/why-we-can%E2%80%99t-bite-nimasa-dg> Accessed on 18th February 2017.

²¹ *Ibid*.

enhanced maritime capacity in line with global best practices then a lot of re-positioning needs to be done by the agency to give the maritime agency its pride of place.

The limitations are: NIMASA and Maritime Labour Convention [MLC 2006] was designed to ensure that every seafarer has a right to a safe and secure workplace that complies with safety standards, fair terms of employment, decent working and living condition on board ship, health protection, medical care, welfare measures and other forms of social protection.²² The MLC is expected to impact the fortunes of the marketability of the Nigerian seafarers but can it achieve this purpose when the MLC has not been domesticated after its ratification by Nigeria since June 18, 2014? The Nigerian seafarer is unarguably an important stakeholder in the Nigerian maritime industry²³. The average Nigerian seafarer go through a lot of travails when compared with his counterpart from other developed/African countries²⁴. A lot of people have blamed the current travail of the Nigerian seafarer on the Nigerian government and by extension on NIMASA. NIMASA has not done enough to boost the marketability of the Nigerian seafarer. The above would have been done by funding the Maritime Academy at Oron in Akwa Ibom State, but NIMASA takes pleasure in funding the creation of Maritime Institutes in Nigerian Universities and also derives pleasure in sending young Nigerians to foreign Maritime academy for training in nautical sciences and marine engineering²⁵. NIMASA needs to wake up and consult with relevant stakeholders to ensure the domestication of the MLC 2006 by the National Assembly²⁶. Ratification of the MLC 2006 is a step in the right direction but ratification without domestication is a wasted effort. Seafarers in Nigeria cannot compete favorably with their counterparts from other countries if MLC is not domesticated in Nigeria. Hence, NIMASA cannot claim to love seafarers if the necessary steps to ensure the domestication of the MLC are not taken. The introduction of the National Seafarers Development Programme [NSDP] by NIMASA to afford the Nigerian seafarers adequate training and proper certification to be engaged in seafaring onboard vessels irrespective of the flag is a positive development, however, this is certainly not enough. NIMASA ought to ensure the domestication of the MLC 2006 since it advocated better working and living conditions for seafarers²⁷.

The issue of cabotage vessel financing fund²⁸ is provided for by section 42 of the Cabotage Act. It was established to promote the development of indigenous ship acquisition capacity by providing financial assistance to Nigerian operators in domestic control shipping. The Honorable Minister of Transportation in the discharge of his responsibility through the delegation of powers appointed NIMASA as an enforcement agency to implement the Cabotage act and also administer CVFF to beneficiaries of the Nigerian ship-owners association. The question remains, what measures did NIMASA put in place to ensure that the rightful persons with standard ships and manning crews got the funding, and after getting the funding what measures were put in place to monitor the usage? Despite the good intentions for the establishment of the funds, little or no transparency exists regarding its use/any criteria upon which it is to be evaluated against the achievement of its objectives²⁹. When the Cabotage regime came on board the intention was to stimulate the development of the indigenous capacity in the Nigerian Maritime industry but unfortunately, the Cabotage Act still seems a sham. This is primarily so because indigenous vessel owners who the law was designed to protect remain sidelined

²²<http://shippingposition.com.ng/content/nimasa-nigeria-and-maritime-labour-convention-2006> accessed on 18th February 2017.

²³ www.thisdaylive.com Accessed 19th April 2018. Eromosele Abiodun: Ship-Owners charged to give preference to Nigerian Seafarers, 8th September 2017.

²⁴ <http://shippingposition.com.ng/editorial/the-nigerian-seafarer-and-the-maritime-labour-convention-2006> Accessed on 24th July 2018

²⁵ *ibid*

²⁶ <http://www.google.com.ng/amp/shipsandports.com.ng/nigeria-to-domesticate-maritime-labour-convention-2006/amp/?client=ms-android-samsung> accessed on 22nd February 2017

²⁷ <http://shippingposition.com.ng/editorial/the-nigerian-seafarer-and-the-maritime-labour-convention-2006>. Accessed on 12th July 2018.

²⁸ For easy reference, Cabotage vessel financing fund will be referred to as CVFF

²⁹ <http://www.thisdaylive.com/index.php/2016/05/24/nimasa-and-the-regulation-of-the-maritime-industry-in-nigeria/> Accessed on 22nd February 2017

while the foreign shipping companies hold sway³⁰. The Stakeholders were of the view that the CVFF was not disbursed to qualified beneficiaries and this has affected the aim of the Cabotage law which is to increase economic activities in the sector/employment³¹. Also despite nominating primary lending institutions that are empowered to disburse funds following banking rules in loan advancement [secured loans]; the ship owners are not clear on the minimum benchmark capital amount, the interest rate and charges which should be in single digit and comparable to what is obtainable in other EU countries, bearing in mind the capital intensive nature of vessel acquisition since multinational competitors source funds from EU maritime banks at lower rates³². The policy establishing the Cabotage regime is the best legal instrument in the maritime domestic trading sector but NIMASA still needs to invoke a full compliance of the Cabotage guidelines which is the strategic mechanism towards achieving the objectives of the Act.³³

3. Nigerian Ports Authority³⁴

The development of seaport in Nigeria started in the mid-19th century in the era of explorers and traders. Although limited initially to the opening up of the Lagos Lagoon, it, however, resulted in the opening of Ports at Apapa and Port Harcourt. This eventually led to the establishment of the NPA in 1954 to maintain the ports as well as load and discharge cargoes. The NPA commenced operation on 1st April 1992 nevertheless it made remarkable progress, and on the 15th June 1992, the Nigerian Port PLC was incorporated. However, in consideration of its full government ownership, while recognizing its commercial status, the company in October 1996 reverted to its former name NPA. The NPA is a wholly government-owned organization under the supervision of the federal ministry of transport with the responsibility of providing specific ports and harbour services for the country's maritime industry.³⁵ The Statutory and major functions of NPA includes: provision and operation of cargo handling and quay facilities; pilotage and towage services; supply of water and fuel to vessels at anchorage or mooring buoys; repairs and maintenance of vessels; dredging and contract dredging of waterways; navigational lighting of the ports; and other ancillary functions³⁶

The effectiveness of NPA consists in the following: The concession underwent by the Nigerian ports authority to private concessionaires actually helped a lot in reducing the dwell time of vessels. It also improved the turnaround time of vessels and improved efficiency in port operation. However, a lot has to be done by the NPA to ensure that the Nigerian ports are friendly to importers and shippers at large. The ineffectiveness of NPA connotes the following: There is high import duty and bureaucratic bottleneck. The amount of money spent by importers on taking delivery of their consignment out of the Nigerian port is outrageous when compared with their counterparts all over the world. The cost incurred by port users as a result of these factors certainly beclouds the worthy gains of port concession. Despite the improved turn-around time, unnecessary delay of vessels by government officials upon arrival and before departure is still commonplace at the Nigerian ports and this delay results in additional huge cost been borne by the shippers and consignees. For instance, a vessel calling at the Nigerian ports wastes an average of 12 hours due to bureaucratic bottlenecks. Vessels are kept for hours under the guise of rummaging, searching and performing regulatory functions³⁷. Delays in the clearance of cargo also contribute to the high cost of doing business in Nigerian ports³⁸. Many importers and agents do not commence the process of clearing their cargoes until the vessels arrive. If only the clearance process could commence pre-arrival of vessels, most consignments would be cleared within the first three days

³⁰ Business Highlights: Can Nimasa drive Cabotage regime when 90% of vessels is foreign-owned? 6th December 2016.

³¹ www.shipsandports.com.ng 10 years after Stakeholders declare Cabotage regime a failure. 6th May 2013.

³² <http://employmentclinic.net/2014/02/20/cabotage-operations-in-nigeria-so-far/> Accessed on 28th February 2017.

³³ *ibid*

³⁴ For easy reference, the Nigerian Port Authority will be referred to as NPA.

³⁵ <http://www.nigerianports.org/history.aspx?id=241> Accessed on 2nd March 2017

³⁶ *ibid*

³⁷ Ships & Ports: The real problem with Nigerian Ports by Bolaji Akinola November 16, 2015. Shipsandports.com.ng/the-real-problem-with-nigerian-ports/. Accessed on 19th April 2018.

³⁸ www.businessdayonline.com/cargo-dwell-time-nigerian-seaports-remains-highest-africa/ . Accessed on 19th April 2018. Amaka Anagor-Ewuzie: Cargo dwell time in Nigerian seaports remains highest in Africa, April 28th 2017, BusinessDay.

of arrival, which are rent-free days and thus substantially reduce charges associated with storage payable to terminal operators and demurrage payable to shipping companies.³⁹

There is government intervention and interference. The constant interference of the federal government in the activities of the NPA has a way of affecting the functionality of the agency. The numerous *Ad hoc*, fire brigade and kill and go methods of the federal government affect the NPA immensely⁴⁰. The government usually implements measures without fully considering the likely effects on the agency. For instance, in 1977/78 the then Obasanjo military regime introduced austerity economic measures whereby importation of certain luxury goods was banned/restricted thereby leading to under-utilization of the port facilities. Also during General Sani Abacha's era, his policies ostracized Nigeria from the international community leading to a depressive economy. The constant interference by the federal government has a way of crippling the agency and reduces its ability to perform its function credibly.⁴¹

There is inadequate infrastructural material for efficient and fast services. Though the concession of ports helped in reducing the quick berthing of goods yet the NPA is yet meet the IMO stipulation of clearing cargo in 48hrs. The situation in Nigerian ports is such that cargo handling equipment is either old, malfunctioning, broken down or inadequate; thereby slowing down cargo discharging, stacking and clearing operations leading to low input, inefficiency, high port charges and the encouragement of corruption at the expense of the shippers and cargo receivers⁴². Inefficient cargo handling equipment causes a delay in cargo handling and delivery which encourages corruption and extortion on the parts of NPA workers⁴³. There is equally proliferation of government agencies operating at the port. In the name of ensuring standardization and environmental protection, different agencies were brought into the port to take *ad hoc* measures, but this only ensured in causing unnecessary delay in the clearing of goods and induced diversion of cargoes to neighbouring ports.⁴⁴

4. Nigerian Customs Service⁴⁵

Nigerian Customs Service as a paramilitary organization came on board when the British colonial administration appointed T.A WALL in 1891 as the director-general of Custom for the collection of Inland Revenue in the Niger Coast Protectorate. The name Department of Custom and Excise emerged in 1922 when the first Comptroller of Customs and Excise, the federation of Nigeria was appointed. Towards the end of 1945, the Custom and Excise preventive service was established and made up of two divisions namely the Maritime and Preventive division. Sequel to the promulgation of the Custom and Excise Management Act [CEMA] NO.55 1958 the departments were brought under the management of a board. The attainment of independence in 1960 led to the federal government Nigerianization Policy. In 1977, reorganization took place which birthed the Department of Custom and Excise and structured it into 5 directorates. In 1985 there was a major structural change as the department was removed from the Federal Ministry of Finance to Internal Affairs. This was the sequel to the government's acceptance of the recommendations of the study group on Customs and smuggling. In 1992, the department of Custom and excise was transferred back to the Federal Ministry of finance and also, its status as a para-military organization was recognized and hence known as Nigerian Custom Service.⁴⁶ The Major functions of NCS include collection of revenue, prevention and suppression of

³⁹<http://www.google.com.ng/amp/shipsandports.com.ng/the-real-problem-with-nigerian-port/amp?client=ms=android-samsung> Accessed on 2nd March 2017

⁴⁰ Eromosele Abiodun: Nigerian Ports of Crisis, This Day Lagos, 12th August 2016

⁴¹ P.A BARIWENI, A.A AKASOAND, J.F.N ABOWEI, Some environmental challenges and solutions in the Nigerian port system, international journal of fisheries and aquatic sciences

⁴² www2.deloitte.com/ng/en/pages/strategy-operations/articles/ng-PPP-as-an-anchor-for-diversifying-the-Nigerian-economy.html. Accessed on 19th April 2018

⁴³ Copeland, C.2008. Cruise ship pollution: Background, laws and regulations and key issues. CRS Report for Congress. Order Code RL32450. Washington, DC, Congressional Research Service

⁴⁴ *ibid*

⁴⁵ For easy reference, the Nigerian Customs Service will be referred to as NCS.

⁴⁶ <http://www.customs.gov.ng/About/function.php> Accessed on 17th March 2017. the historical origin of the Nigerian Customs Service was gotten from this Website.

smuggling, trade facilitation, implementation of bi-lateral and multilateral agreements entered into by the government⁴⁷

Ineffectiveness of NCS Includes: There is the import prohibition list. The numerous items listed on the prohibition list by the government is a good decision made in the interest of the economy and for the protection of the local industry, but this excessive list of import prohibition list make the prices of the commodities to be at hiked to exorbitant rate by the traders⁴⁸. The effect of the ban is borne by the traders/consumers because the top government officials are involved in the importation of banned products and they have their way with the Nigerian customs service⁴⁹. The enforcement of the ban is only carried out on the poor traders while the big men in government get their goods without stress. The members of the NCS escort the goods of the “big government fishes” into the country while those not within the corridors of power have their items confiscated. Our manufacturing industries are affected because the raw materials used by these industries are imported. Each successive government in Nigeria comes with its own set of rules as regards the mode of transacting business in Nigeria and this affects investment and inflow of revenue. The presence of different organizations at the Port, each with their own peculiar procedure of accessing goods imported into the country and this causes barriers in the timely delivery of goods.⁵⁰ High Port charges experienced at the Nigerian ports have been blamed for the high cost of doing business in Nigeria. The increased port charges experienced in Nigeria has made the ports of neighbouring countries a better alternative for Shippers⁵¹ and the Nigerian Customs service seems to be doing nothing to alleviate the suffering of the operators due to the high revenue generated by them.

5. Conclusion

The Maritime regulatory agencies ensure the functionality of the maritime sector of Nigeria. A functional maritime regulatory agency in a nation will increase the output and productivity of the country. In Nigeria despite the presence of numerous maritime agencies and their responsibilities being spelt out, the stakeholders still have a lot of complaints as regards the efficiency of these regulatory agencies. The Nigeria Shippers’ Council despite its concession is yet to achieve the true gains of concession. The government should ensure that the concession agreement is reviewed regularly to ensure accountability. The judiciary should help the NSC to ensure that her responsibilities are protected. Frivolous suits against the NSC should be struck out in favour of NSC.⁵² Finally, adequate meetings should be organized by NSC with the stakeholders to carry them along on the reforms. The stakeholders should not be left in the dark by the NSC since they are the ones to be directly affected by the outcome of the reforms.

NIMASA as an apex regulatory organization in Nigeria is living below expectation when compared to its counterparts in other parts of the world. The policy establishing the Cabotage regime is the best legal instrument in the maritime domestic trading sector, but NIMASA still needs to invoke complete compliance of the Cabotage guidelines which is the strategic mechanism towards achieving the objectives of the Act. Committee reports must be implemented by NIMASA to achieve an optimal result. The enforcement unit of the Cabotage department of NIMASA needs to be strengthened through continuous training of officers and provisions of tools to enable them to perform efficiently. There should be enhanced co-operation of sister agencies like NPA and others in boarding and inspection of vessels trading in our domestic waters. The waiver clause in the Cabotage Act needs to be addressed. The leadership of NIMASA together with stakeholders should approach the National Assembly with requisite propositions for the amendment of the waiver clause which gives the multinationals undue

⁴⁷ *ibid*

⁴⁸ www.academia.edu/15603478/import_Bans_in_Nigeria_increase_poverty Accessed on 19th April 2018. Julien Gourdon +1: Import Bans In Nigeria increases poverty

⁴⁹ *ibid*

⁵⁰ *ibid*

⁵¹ <http://punchng.com/report-blames-customs-for-high-port-charges/> . Accessed on 11th July 2018.

⁵² See Ikenga K.E. Oraegbunam & Chienye Okafor, ‘Problems of Litigation in Settlement of Maritime Disputes for Nigeria Today: The Preference for Arbitration’, *Nnamdi Azikiwe University Journal of International Law and Jurisprudence*, Vol. 4, 2013, pp. 31-38. Available at <http://www.ajol.info/index.php/naujilj/article/view/136289>.

advantage over indigenous ship owners. NIMASA should ensure that the MLC is efficiently domesticated so that the Nigerian seafarers can enjoy better working and living conditions provided for seafarers under the MLC. Concerning CVVF appropriate measures must be put in place with special provisions for monitoring the disbursed funds. As regards the NPA, the number of government agencies at the Port should be reduced to only those required for effective ship and cargo handling operations whose presence are not duplicate of the main government agencies. Electronic data interchange for the transmission of messages and documents and other information technology for monitoring movement of cargo in transit and clearing of goods should be acquired, installed and used. In the formulation and implementation of interventionist policies/action, all relevant stakeholders should be involved. The federal government should purchase and supply modern and efficient hi-tech cargo handling equipment to increase productivity and efficiency and to meet the need of shippers, liners and cargo receivers. The equipment should be properly maintained and serviced regularly. The NCS should reduce the items on the prohibition list since most of our local manufacturers import the raw materials they use. There should be promotion of a transparent and predictable business environment. The streamlining of the procedure with other government agencies will greatly minimize unnecessary frictions in operation. Non-tariff barriers should be removed to ensure just in time delivery of goods. No organization is perfect, but credible organizations work towards perfection. Therefore, organizations involved in maritime activities should ensure due diligence in the delivery of services allotted to them, towards the actualization of the Maritime services of our dreams.