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## EDITOR'S CABIN.

I bring to you the most recent edition of the Ofianyi Chambers' e-Newsletter with great pleasure.

This volume is jam-packed with in-depth articles, a glossary of shipping terms, and the most recent developments in the maritime sector.

This 12th edition aims to keep readers nose dive on maritime issues.

Pringkat Mangu Nwel Esq., Ajogu Kelechi Samuel and Akharele Isabel are the authors of this edition. Other intriguing news are also included.

Enjoy your reading!

Ajogu Kelechi Samuel.

Editor- in- Chief.

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### BELLO KOKO'S INITIATIVE: REVOLUTIONIZING NIGERIAN PORTS THROUGH RECONSTRUCTION AND DIGITALIZATION

Mr. Bello Koko, the Managing Director of the Nigerian Ports Authority (NPA), is driving an initiative to enhance the efficiency and quality of services provided to port users in Nigeria. His vision is to transform Nigerian ports into their full potential, reclaiming the country's position as a leading

**Transshipment:** Implementing efficient transshipment processes to enhance the seamless transfer of goods between vessels, boosting port efficiency, connectivity, and reducing congestion. Transshipment allows Nigerian seaports to connect with international shipping routes, reaching a broader range of destinations and facilitating increased trade opportunities. It also consolidates cargo onto larger vessels, bringing cost savings through economies of scale, making Nigerian seaports more competitive and attractive to businesses.

**Modernization:** Adopting advanced technologies, automated processes, and digital systems to



transform Nigerian ports into efficient and competitive hubs in the global maritime industry. This includes implementing state-of-the-art software solutions for cargo tracking, documentation, and customs clearance to streamline operations, reduce paperwork, and minimize errors. Upgrading port infrastructure, berths, terminals, and handling equipment, as well as establishing Port Community Systems (PCS), facilitate seamless information sharing and collaboration among stakeholders, improving supply chain management and customer satisfaction.

**Infrastructure Development:** Investing in upgrading and developing port infrastructure, including terminals, berths, and handling facilities, to accommodate larger vessels and handle greater cargo volumes effectively. Infrastructure upgrades are essential for transforming Nigerian ports, increasing competitiveness,

enhancing safety and security, integrating technology, and developing intermodal connectivity. These upgrades contribute to economic development, attract investments, and create employment opportunities.

**Financial Support:** Seeking financial support through an \$800 million loan from the African Export-Import Bank (AFREXIM) to fund critical port development projects and enhance operational capabilities.

**Moratorium:** Implementing a moratorium in Nigerian ports to provide temporary relief for port operators and stakeholders, allowing them to redirect funds towards infrastructure development, modernization, and operational enhancements. The moratorium reduces investment risk, attracts potential investors, fosters collaboration, and establishes a solid foundation for



long-term growth and transformation.

**Lagos Sea Ports Upgrade:** Upgrading the sea ports in Lagos, a crucial gateway for international trade in Nigeria, to enhance connectivity with global shipping routes, attract more shipping lines, and foster increased trade opportunities. This involves expanding infrastructure, constructing deeper berths, expanding container terminals, and deploying modern cranes and handling machinery. Upgraded ports stimulate economic growth, generate employment opportunities, and contribute to the overall prosperity of the region and the country.

**Acquisition of Harbor Crafts:** Purchasing modern and efficient harbor crafts such as tugboats, pilot boats, and mooring boats to enhance vessel operations, maneuverability, safety, and efficiency within the ports. These

crafts can handle cargo operations and strengthen emergency response capabilities, ensuring a rapid and effective response to protect lives, vessels, and port infrastructure. Acquiring specialized harbor crafts tailored for specific operations enables Nigerian ports to handle specialized cargo and respond effectively to industry-specific challenges, attracting specialized businesses and enhancing capabilities in serving diverse trade sectors.

By addressing these measures, Mr. Bello aims to usher in a new era of sustainable growth and excellence for Nigerian ports, positioning them as prominent maritime hubs within the West and Central African region

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## PORT OPERATION AND POLLUTION

Ports and their operation often cause environmental issues, such as sediment contamination and spills from ships, and are susceptible to larger environmental issues, such as human-caused climate change and its effects.

### Dredging

Every year 100 million cubic meters of marine sediment are dredged to improve waterways around ports. Dredging, in its practice, disturbs local ecosystems, brings sediments into the water column, and can stir up pollutants captured in the sediments.

### Invasive species

Invasive species are often spread by the bilge water and species attached to the hulls of ships. It is estimated that there are over 7000 invasive species transported in bilge water around the world on a daily basis. Invasive species can have direct or indirect interactions with native sea life. Direct

interaction such as predation, is when a native species with no natural predator is all of a sudden prey of an invasive species. Indirect interaction can be diseases or other health conditions brought by invasive species.

### Air pollution

Ports are also a source of increased air pollution both because of the ships and land transportation at the port. Transportation corridors around ports have higher exhaust and emissions and this can have related health effects on the local communities.

### Water quality

Water quality around ports is often lower because of both direct and indirect pollution from the shipping, and other challenges caused by the port's community, such as trash washing into the ocean.

### Spills, pollution, and contamination

Sewage from ships and leaks of oil and chemicals from shipping



vessels can contaminate local water, and cause other effects like nutrient pollution in the water.

Climate change and sea level rise

Ports and their infrastructure are very vulnerable to climate change and sea level rise because many of them are in low-lying areas designed for status-quo water levels. Variable weather, coastal erosion, and sea level rise all put pressure on existing infrastructure, resulting in subsidence, coastal flooding, and other direct pressures on the port.

Reducing impact

There are several initiatives to decrease the negative environmental impacts of ports. The World Port Sustainability Program points to all of the Sustainable Development Goals as potential ways of addressing port sustainability. These include SIMPYC, the World Ports Climate Initiative, the African Green Port Initiative Ecoports and Green Marine.

World major Ports

The port of Singapore is the world's second-busiest port in terms of total shipping tonnage, it also transships a third of the world's shipping containers, half of the world's annual supply of crude oil, and is the world's busiest transshipment port.

Europe

Europe's busiest container port and biggest port by cargo tonnage by far is the Port of Rotterdam, in the Netherlands. It is followed by the Belgian Port of Antwerp or the German Port of Hamburg, depending on which metric is used. In turn, the Spanish Port of Valencia is the busiest port in the Mediterranean basin.

North America

The largest ports include the Port of New York and New Jersey, Los Angeles and South Louisiana in the U.S., Manzanillo in Mexico and Vancouver in Canada Panama also has the Panama Canal that connects the Pacific and Atlantic Ocean, and



is a key conduit for international trade.

Oceania

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## THE NIGERIA'S EXCLUSIVE ECONOMIC ZONE AND WAYS OF RESOLVING DISPUTE

### INTRODUCTION

The concept of the Exclusive Economic Zone (EEZ) has been adopted at the third United Nations Conference on the Law of the Sea (UNCLOS) in Montego Bay, Jamaica, on 10 December 1982. According to Articles 55 and 57 of the UNCLOS, 1982 an exclusive

economic zone (EEZ) is an area beyond and adjacent to the territorial sea, which extends 200 nautical miles (370 kilometers) from the coastline of a country. This is an area whereby a coastal state can exercise sovereign rights to explore, exploit, conserve and manage the marine natural resources.

It is also referred to as a maritime continental margin and, in colloquial usage, may include the continental shelf. The term does not include either the territorial sea or the continental shelf beyond the 200 nautical mile limit. The exception to this rule occurs when exclusive economic zones would overlap; that is, state coastal baselines are less than 400 nmi (740 km) apart. When an overlap occurs, it is up to the states to delineate the actual maritime boundary. Generally, any point within an overlapping area defaults to the nearest state.

It is important to understand that the exclusive economic zone differs from the territorial sea. The former



is merely a "sovereign right" which refers to the coastal state's rights below the surface of the sea while the latter confers full sovereignty over the waters. The surface waters are international waters.

Within the EEZ, the coastal state has the exclusive rights to explore and exploit natural resources, including fishing, mining, and the extraction of oil and gas. It also has the authority to establish and enforce laws and regulations related to the conservation and management of marine resources, as well as the protection of the marine environment.

Exclusive Economic Zone is termed to be an area of coastal water and seabed within a certain distance of a country's coastline, to which the country claims exclusive rights for fishing, drilling, and other economic activities.

An "exclusive economic zone," or "EEZ" is an area of the ocean, generally extending 200 nautical miles (230 miles) beyond a nation's territorial sea, within which a

coastal nation has jurisdiction over both living and nonliving resources.

The First United Nations Conference on the Law of the Sea (UNCLOS 1958) extended the traditionally respected boundary of territorial waters, which had been set at 12 nautical miles (22 km) from the coast. Though since 1947, the first productive offshore oil well out of sight from land had already been installed in the Gulf of Mexico, not until then did the third United Nations Conference on the Laws of the seas convened in 1973 though offshore drilling operations began to expand; so also was the first Deepwater oil discovery was made in the Gulf of Mexico in 1975. Demand for oil and natural gas was rising, and technology was evolving to find a way to harvest them from the seafloor, which made offshore drilling operations a topic of concern.





Coastal states retain certain rights within their EEZs, including conservation and management of fisheries and the production of energy from water and wind. An EEZ also provides coastal states certain rights for artificial islands, research stations, and marine preservation. UNCLOS indicates that the coastal state determines the acceptable level of fishing quotas in its EEZ, with a focus on sustainable management. The coastal state is entitled to fish the entire quota or to award the surplus to other countries. Provisions under UNCLOS also provide for the regular exchange of information about the populations of resources in an EEZ in order to promote international scientific cooperation.

## REASONS FOR EXTENSION

The National Boundary Commission had in 2010 disclosed its plans to extend Nigeria's Exclusive Economic Zone (EEZ) by 150 nautical miles subject to UN's

approval. The Federal Government of Nigeria through the National Boundary Commission has gotten approval to extend its Exclusive Economic Zone, EEZ, from 200 Nautical Miles to 350 Nautical Miles.

The benefit of this extension is that all ships coming through the extended area must come under Nigeria's authority, and she is going to be in control of all mineral exploitations and fisheries resources.

Alhaji Sadiq Diggi, the former Director General of the Commission affirmed that the mission of extension of Nigeria's exclusive economic zone is going to be very advantageous to the country in the event that oil is discovered somewhere above 200 nautical miles away, since every resources discovered therein will be safely be in our territory. He further stressed that the commission will continue with the process of the demarcation exercise along Nigeria's internal boundaries, once the finance and



logistics were available. Alhaji Diggi further disclosed that Nigeria had been able to successfully negotiate, resolve and demarcate international boundary issues with its neighbors like Nigeria/Niger, Nigeria/Benin, Nigeria/Equatorial Guinea, Nigeria/Sao Tome and Principe, and Nigeria/Cameroon who all shared international boundaries with the country.

Also, Former Director General of Nigerian Maritime Administration and Safety Agency (NIMASA), Barr. Temisan Omatseye dropped disclosed during a breakfast meeting on Fishing and Fisheries, organized by Zoe Maritime Resources Limited, in Lagos where he hinted on the issue of the new extension that there is a whole larger area to cover with the urgent need to have satellite coverage of the nation's waters.

He further added that with the extra 150 miles additional space, it is imperative and expedient for the nation to deliberately make the conscious effort to secure the

waters by satellite. He explained that "foreigners especially the Japanese, Chinese and Europeans come into Nigeria and around waters in the West African sub-region with their trawler factories, using illegal nets to cart away juveniles and adult fishes including shrimps thereby damaging the nation's aquatic lives and resources to economic misfortune of Nigeria and termed as Nigerian quota in the international market!"

Similarly, convener of the meeting Mrs. Tosan Edodo-Emore emphasized on the impact of the nefarious activities of foreigners on Nigeria coastal line which has led to the steady decline in the domestic production of fish and Fishery activities of Nigeria. According to her, the fish production level fell from 600,000 tons to 441,337 tons between 1983 and year 2000, explaining that illegal, unreported and unregulated fishing has been the bane and major challenges since Nigeria began to develop her Blue



Economy and the challenges of must be tackled headlong.

## **NATURE OF RIGHTS UNDER UNCLOS**

Certain privileges are granted countries within their Exclusive Economic Zones. Such rights and privileges granted according to the United Nations Convention on Laws of the Sea includes; the ability to conserve and manage fisheries, harness wind and water power as well as granting coastal states specific rights for man-made islands, research facilities, and marine preservation. According to UNCLOS, the coastal state decides what fishing quotas are appropriate to have in its EEZ with a focus on sustainable management. Also, the coastal state has the option of fishing the entire allotted amount or distributing the extra to other nations. In order to foster international scientific cooperation, provisions under UNCLOS also provide for the

regular exchange of information concerning the populations of resources in an EEZ.

UNCLOS establishes rights for how other countries may access the waters in an EEZ. It allows for innocent passage of foreign vessels; that is, ships are allowed to pass through as long as they do not participate in proprietary activities reserved for the coastal state, such as fishing or conducting research without permission or engage in criminal activities. The designation of EEZs helps govern flyover and navigation rights and the installation of international submarine cables, pipelines, and other technological implementations of the energy sector, including offshore wind farms. EEZs have also been used to determine which country is responsible for removing marine hazards such as space debris.

with the introduction of EEZs ,some countries gained large amounts of territory. For example, President Ronald Reagan of the United States established the



United states Exclusive Economic Zone in 1983 and positioned it at 3.4 million square nautical miles (about 11.7 square km), making the U.S. EEZ one of the biggest EEZs in existence which is larger than its total land area! Landlocked countries receive little or no profit from EEZs.

In cases where countries' coastal borders are closer than 400 nautical miles (740 km), the boundary line is commonly set in the middle, equidistant from both entities. In cases where the parties cannot agree on the boundary, the International Court of Justice or an arbitration tribunal determines the boundary.

## **INTERNATIONAL DISPUTES INVOLVING EEZS**

The following are highlighted as some of the international disputes involving the Exclusive Economic Zone and they are; Overlap in EEZ claims can be by two or more countries, Fishing in the open ocean and Differences in the

interpretation of coastal states' rights within their EEZs.

Overlap in EEZ claims can be by two or more countries

Overlap in EEZ claims can be a catalyst for international disputes. China and Japan have been involved in several high-profile disagreements over their EEZs in the East China Sea, as both countries claim an EEZ of 200 nautical miles from their coasts, yet the sea separating China and Japan spans only 360 nautical miles (667 km). This has led to disputes between the two countries regarding access to natural resources such as natural gas and stocks of fish.

Fishing in the open ocean

Fishing in the open ocean can impact harvests in nearby EEZs and lead to conflicts such as the Turbot War, which was a bloodless dispute between Canada and Spain. In 1995 a Spanish fleet was fishing for turbot 28 miles (45 km) beyond Canada's EEZ, which was a disputed area where Ottawa



attempted to extend its jurisdiction. Turbot populations in the area were already showing declines, and Canada's coastal Newfoundland and Labrador province was still suffering from a collapse of the cod industry that had occurred a few years earlier.

Turbot had been identified as a straddling stock, a fish that occurs within the boundary of more than one EEZ or between an EEZ and the high seas. Against this backdrop, the Canadian Coast Guard seized one of the Spanish fishing boats in the disputed territory, claiming that Spain was overfishing turbot according to the quotas set by the Northwest Atlantic Fisheries Organization (NAFO), an intergovernmental organization regulating fisheries in the North Atlantic. The arrest of the fishing boat found juvenile fish, which were too small to legally harvest under Canadian law and were considered important breeding stock. Tension between the two countries heightened as Spain demanded the release of the

fishing boat and dispatched a warship to protect its fishing fleet. This dispute led to the UN's straddling fish stocks agreement (adopted 1995), in which participants agreed to better conservation management for straddling fish and highly migratory fish in order to avoid disputes like the Turbot War in the future.

Differences in the interpretation of coastal states' rights within their EEZs

Differences in the interpretation of coastal states' rights within their EEZs under UNCLOS can also be a source of dispute. Since at least 2001 China and the United States have been involved in a high-profile dispute over whether China has the right to regulate a foreign military's reconnaissance activities in its EEZ. Under the interpretation of UNCLOS that the U.S. and most countries agree with, the coastal states do not have the right to regulate foreign military activities in their EEZs beyond 12 nautical miles from their coasts, and



notification of foreign military activities beyond that area is not required. However, under the Chinese interpretation of UNCLOS, China has the right to regulate foreign military activities within the entirety of its EEZ.

## MEANS OF RESOLVING INTERNATIONAL DISPUTE

The delimitation of a maritime boundary has to be "effected by agreement on the basis of international law..." (article 74(1) UNCLOS). Normal legal principles of negotiation apply, such as good faith, listening to the other side and being prepared to move from an opening position. The negotiations should be conducted against the background of international law, preferably to the exclusion of extraneous, short-term political factors. Therefore it is best to choose a time when diplomatic relations are not clouded by political problems.

Boundary law today is based on UNCLOS and especially its articles

on the limits of national jurisdiction, baselines, and delimitation of the territorial sea, EEZ and the continental shelf (15, 74 and 83). Articles 74 and 83 have been criticized for lack of substantive content and there is a grain of truth in this. They were a compromise between groups in favor and against the principle of equidistance.

Article 33 of the UN Charter provides for the peaceful settlement of disputes by means of the parties' own choice. These means always include negotiation. If negotiations are not successful, recourse may be had to conciliation, good offices (e.g., the UN Secretary General), arbitration (ad hoc or according to annex VII UNCLOS or judicial settlement (ICJ/ITLOS)).

Methods of settling differences and disputes about overlapping entitlements include resolving any sovereignty differences, the establishment of a complete boundary, a partial boundary or a joint area, or combining some of



those methods. Maritime boundaries are to be established by agreement in accordance with international law. Disputes and differences about sovereignty will be resolved by examining which State has more activity on the disputed territory.

Nevertheless, thanks to UNCLOS and a series of recent decisions of courts and tribunals applying its articles 15, 74 and 83, the law on limits and baselines is now more settled. Relevant cases in this respect are *Jan Mayen, Eritrea v. Yemen*, *Bahrain v. Qatar* and *Cameroon v. Nigeria*. There is now a more consistent approach as regards methodology in first drawing the equidistance line between all valid base points on the two sides and then considering its equitableness. Geographical factors have to be taken into account, to avoid disproportion between lengths of coasts and marine areas generated by them (e.g. in the case of small features steering the line for a long way). The negotiators can also take

national interests into consideration; including political, economic (oil) and social (fishing) factors.

## CONCLUSION

Unresolved boundaries may freeze, suspend and restrict economic activity, such as exploration work or fishing, because of fear of action by the other State. Besides that, they may also inadvertently cause disputes, if a fisherman is arrested for fishing in a border area or if an oil discovery is made in an area of overlapping claims, for instance.

Conversely, reaching agreement on a boundary brings positive benefits. Legal certainty means that economic activity can start. The oil industry can be licensed to work right up to the line. The enforcement of fisheries legislation is also possible right up to the line. A maritime boundary removes the “blight” caused by jurisdictional uncertainty. To quote Robert Frost:



"Good fences make good neighbours".

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## BLUE AND GREEN ECONOMY

Blue economy is a concept that emerged from the green economy, focusing on the sustainable use of the ocean. It is also known as marine economy or blue economy.

To achieve sustainable development, two new concepts are garnering more and more attention: the green economy and the blue economy. These strategies are founded on the sustainability principles, providing for the needs of the present generation without endangering the capacity of future generations to provide for them.

The green economy encourages sustainable development and is low-carbon, resource-efficient, and socially inclusive. It's based on the





idea that economy advancement and preservation of the environment may coexist. Green economies increase renewable energy, energy efficiency, and sustainable agriculture while lowering carbon emissions, pollution, and waste.

The blue economy, on the other hand, focuses on using the seas and their resources in a way that fosters economic growth, environmental sustainability, and social well-being. It is a sustainable economic development method. The foundation of the blue economy is the idea of sustainable ocean resource use. This refers to using ocean resources without depleting them or harming the marine ecosystem.

25% of the carbon dioxide produced by human activity is absorbed by the oceans. Therefore, the oceans are essential in preventing climate change. Overfishing, pollution, and ocean acidification are a few of the

environmental issues the oceans are dealing with. They are affecting the marine ecosystem and the livelihoods of millions of people.

The blue economy and the green economy are intertwined because the green economy depends so heavily on sustainable water usage. Investments in renewable energy, such as offshore wind and wave energy, for instance, can lower carbon emissions and provide new jobs. While promoting marine ecosystem preservation, sustainable coastal tourism can also be a source of income.

Promoting the shift to an environmentally friendly economy and blue economy requires the cooperation of governments, corporations, and civil society organizations. Governments can provide legislative incentives and legal structures to support investments in the green and blue economy. Investing in green and blue technologies is something that



businesses can do. Civil society groups can lobby for and raise awareness of laws that encourage sustainable development.

A change in thinking and conduct is necessary for the transition to a green and blue economy. It necessitates a shift away from the conventional economic growth paradigm, which is focused on resource exploitation. Instead, it requires a shift toward a strategy based on sustainability and the conservation of natural resources. Additionally, it necessitates cooperation and alliances between various parties, such as governments, corporations, and civil society organizations.

In summary, the green economy and the blue economy are two cutting-edge strategies for sustainable development that have the potential to revolutionize the way we utilize and manage natural resources. We can create new chances for economic growth, job creation, and poverty reduction while also tackling environmental concerns. This is done by

stimulating investments in low-carbon, resource-efficient, and socially inclusive sectors as well as the sustainable use of the oceans and its resources.

To achieve sustainable maritime development in the future, it is everyone's shared responsibility and goal to comprehend, use, and safeguard the oceans. Currently, Blue Economy, the new development paradigm and the "blue engine," is emerging as a significant factor behind the achievement of global sustainable development. Environmental observations are a key technical enabler for the growth of the blue economy. In order to advance the agreement between the Blue Economy and the Global Economy, Society, and Ecosystem in the coming decade, we are concentrating on the growth of the Blue Economy now.

We should take on greater global responsibilities, improve deep-sea environmental management, comprehend the cumulative effects of human activity and climate



change on the diversity of deep-sea organisms and the health of their ecological systems, and tighten controls on the use of micro plastics in the world's oceans. We should also work to create an accountable community for marine ecological protection and marine environment governance and advance the creation of a community with a shared future that is guaranteed.

Sharing development successes, allowing observing systems to play a significant role in data verification, making data-driven decisions to impact Blue Economy sectors, enhancing global communications in terms of technology, human talent, and information, and, by jointly designing and producing science-based products through cooperative public/private partnerships (Government, University, Enterprise, and Society), giving members a platform to share regulations, markets, are all important.

As we work to foster the new driving force of the blue economy, explore new markets, spur new growth, co-establish service platforms, and provide an industrial service platform for achieving global blue economy development, connecting technologies and markets, as well as connecting businesses with finance, we should advance the formation of blue partnerships around the world.

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# CHALLENGES FACING THE NIGERIAN MARITIME INDUSTRY

## INTRODUCTION

The term "Maritime" may be defined as anything involving the sea, including the navigation of commercial transactions on the sea or via any means requiring shipping transportation.

Given the foregoing, the Nigerian Maritime Industry can be described as an all-encompassing industry, which embraces all maritime-related business activities that take place within the country's maritime environment. It ranges from offshore economic activities such as fishing, salvage, towage, and underwater resources to on-shore economic activities such as port activities, maritime transport (shipping), ship construction, repairs, and maintenance activities as well as the enterprises involved in carrying out these activities.

Nevertheless, there are challenges that affect the Maritime Transportation Industry in Nigeria

and these have to be solved and taken into consideration because this Industry plays a vital role in the Economy and growth of the Nation.

## CHALLENGES

### 1. Legislation and Legal Matters /Reforms

There are so many agents of change of which the Nigerian law Reform Commission is one of them. The law Reform Commission is an omnibus commission, because it not only deals with the maritime sector alone but with other sectional laws which include constitutional law, criminal law etc. The committee of the Nigerian Shippers Council, Nigerian Maritime Lawyers Association and the National Assembly Committee on Marine Transport would, at one point or the other, rely on the Nigerian Law Reform Commission to effectively discharge their mandate.

Over the years the maritime industry has been totally neglected. Nigeria's shipping sector is estimated to be capable of



generating N7 Trillion annually. However, in order to tap revenue from this sector a drastic overhauling of policy, institutional, regulatory and legal framework and the need to develop a new national shipping policy is needed. The Federal Government of Nigeria still has a long way to go for the country to properly align her Maritime industry with the world's economy and make the Implementation of Port reforms to be more dynamic and active. A vital and far-reaching policy or step needed to actualize or realize these goals is, revolutionizing transportation, to allying the maritime industry to the economic aspirations of the Federal Government.

Nigeria's shipping policy dates back to 1987 when the Nigerian Shipping Policy Act, No.10 of 1987 was enacted following Nigeria's ratification of the United Nations Code on Trade and Development (UNCTAD).

UNCTAD was to adopt the 40: 40: 20 code which covers ship acquisition, cargo sharing and

shipping activities. Under the code 40% of the total volume of cargo traffic and revenue was reserved for indigenous Nigerian carriers, 40% was reserved for carriers of cargo originating in destination countries and 20% for recognized third flag carriers. If implemented this would have gone a long way to correct the imbalance in shipping trade as it affected Nigeria. The purport behind the Nigerian Shipping Policy was to develop a vibrant shipping industry that would generate revenue for Nigeria and Nigerians. In pursuit of developing our maritime industry, the Nigerian Maritime Authority (NMA) was established to co-ordinate and implement Nigeria's National Shipping Policy. NMA's successor the Nigerian Maritime Administration and Safety Agency (NIMASA) when established in 2007 had no defined purview regarding Nigeria's Shipping Policy, though it was mandated to promote and develop indigenous commercial shipping in international and coastal shipping trade, and regulate and promote maritime



safety, security, marine pollution and maritime labour.

The Merchant Shipping Act, 2007 was enacted to provide for merchant shipping and related matters. This Act was to be implemented by NIMASA and lays down a list of regulations for ships operating in Nigeria regarding licensing, registration, certification and penalties for non-compliance with the Act. There exist multiple government agencies in the maritime industry with duplication of functions. There is an urgent call to reorganize these agencies for better function and output.

### **Marine Infrastructure and maintenance deficit**

In 2019, the Marine infrastructure deficit was identified as one of the major challenges faced by the Nigerian Maritime Industry, owing to the fact that its success is largely dependent on its infrastructural development which includes ports, terminals and cargo handling equipment, most of

which were built several years ago, and cannot presently handle all of the tonnes or capacity currently received on a daily basis.

One of the major causes of infrastructural deficit is the unavailability of operational equipment, coupled with the failure of the industry's management personnel to widen the country's shipping business, which has ultimately culminated in the country's revenue loss in the industry in the last few years. Even in cases where these equipment are available, the required expertise to achieve a proper maintenance structure seems quite hard to find, as most persons involved in the chain of vessel acquisition and maintenance do not always possess the requisite expertise to perform their duties efficiently and effectively. In a maritime survey conducted in 2019, it was discovered that most companies in the industry have no room for maintenance expenditure, as it is often considered a waste of resources. Although there have been various reactions to this issue, most of which highlight this



challenge, it is clear that this is a crucial aspect that must be addressed to secure the consistent growth that is required in the industry.

## **2. Marine Environmental Protection**

The effect of marine pollution on water bodies and coastal areas causes degradation to the environment and its ecosystem. Nigerian Coastal waters like all coastal and port countries in the world, experiences the problem of marine pollution, sometimes through industrial activity at the ports. And like some other petroleum producing nations, Nigeria's marine pollution challenge is exacerbated by oil and gas exploration and production. Nigeria's petroleum resources currently derived from the Niger Delta, a region characterized by rivers, rivulets, creeks and the Atlantic Ocean.

Marine pollution arising out of petroleum harnessing is a major cause of the social unrest in the area which has over the years attracted national and

international attention, thus causing the Nigerian government to take extraordinary measures to stem the tide, like the imaginative establishment of the Niger Delta Development Commission (NDDC). It has become apposite to examine the laws dealing with marine pollution, note their inadequacies and suggest ways to strengthen the legal regime with a view to ending the social, economic and environmental blight of marine pollution.

It is worthwhile to acknowledge that there is no particular legislation or body of laws in our national statute dealing with the degradation of our marine environment. Rather, what we have are laws, regulations and international conventions on this and it is a very serious challenge abiding by the laws due to the high level of corruption.

## **3. Safety and Security**

The safety and security in the Nigerian maritime domain has improved over the years, but there is still an urgent need to improve the security of this Industry. Piracy



in Nigeria is due to the high level of corruption in the country. Piracy, sea-robbery and illegal bunkering are still in existence up till this moment. Even when there is an increase of military intervention, there are still some loopholes in the system. Due to the high level of natural oil in Nigeria, its major source of revenue is the exportation of crude oil. Due to the fact that the income gotten from the oil is not in full circulation to the people of the economy, it has led to the high level of oil exploitation and illegal bunkering. This increases the illegal activities and promotes sea-robbery etc. Appropriate measures have to be taken to reduce these activities at sea.

In an attempt to increase the safety, Nigerian Maritime Administration and Safety Agency (NIMASA) encouraged the Nigerian Air force to provide air tactical support for sea-based operations against illicit operations of ships. The recent success of the anti-piracy operations involving the Agency, the Nigerian Navy and the Nigerian Air force has given

impetus to this agreement between both parties. This of course is of good tactics but the effectiveness of the memorandum is of great importance to increase the safety and security of Seafarers and Cargo.

#### **4. Human Resources and Training**

In every industry, human resources is one of the most important role in the growth of the industry, so also training is to be provided for more research that would enhance and boost the effectiveness of the sector. The Nigerian Maritime Administration and Safety Agency (NIMASA), created a training program for students in 2009 called the Nigerian Seafarers Development program (NSDP). More than a thousand students were registered in the program and graduated from various universities from UK, Romania, Egypt, Philippines etc.

Unfortunately, only about 20% of the graduated students have been able to go for Sea time training and this is a basic mandatory of the





Standard Certification and Watch Keeping (STCW) Manilla convention. There is a lack of training and manpower capacity development and this is indeed a setback in the attempt to enhance the human resources sector of the industry, more attention is to be given to improve this area.

## 5. Funding

As earlier stated in the introduction, the maritime sector is capital intensive and thus requires huge amount of funding. There is a lot of business and a high demand of shipping due to the high trade level in the country. Nigeria has acquired enough revenue but unfortunately, it still has the problem of paucity in capitals and funds. There are problems of embezzlement in this sector and therefore a lot of risks for foreign investments.

Other challenges still affecting the maritime industry are:

- Research and development:  
Economic viability

- Overlapping inter-governmental institutional responsibilities
- Technology Infrastructural Support

## RECOMMENDATIONS

In order to boost the maritime Shipping industry of Nigeria, there is a rational need for government to strengthen and give support to the developing and to the growth of the industry because it is a core industry that can be of great assistance to the development of the Economy. More attention has to be given to the industry to boost the economy and to provide adequate funding, more investments and the acquiring of more ships into the Nigerian fleet. Training of personnel and Man power has been developed but the government has the compelling need to provide more fleet and thus create more employment opportunities for the man power of the sector to function properly. These have to be considered to



develop the maritime industry of Nigeria.

### **1. Implementation of Legislation**

The Cabotage Act of 2003 provides the necessary legislation that will boost indigenous participation in Nigerian shipping but it is being implemented half-heartedly (Federal Government of Nigeria, 2003). The Act reserves the commercial transport of goods and service within Nigerian coastal and inland waters to vessels flying the Nigerian flag owned by Nigerians and built in Nigeria. Government should reduce the granting of waivers to foreign owned vessels and encourage foreign shipping operators to have indigenous partners. ii. Provisional time charter contracts: NIMASA in collaboration with NISA/SOAN and NNPC should get international Oil Companies to sign provisional time charter contracts with indigenous shippers stating in principle that NISA/SOAN vessels will be engaged as soon as they are purchased. This provisional contract will encourage financial

institutions to finance vessel acquisition since the loan will have a repayment plan.

### **2. Manpower Development**

Manpower development: This emphasizes creation and developing a skilled and continuous human capital locally that is necessary to the needs of the shipping industry. This can be achieved via Maritime Academy, Creation of more maritime academies should be encouraged and existing ones upgraded. The Nigeria Maritime University in Warri should be quickly opened and staffed with world class faculty. As more skilled maritime manpower is available in Nigeria, indigenous shippers will find their cost of doing business greatly reduced and therefore, thrive Scholarship. Subsidizing the cost of seafarers' training will encourage more people to take up seafaring training and attract the best and brightest of Nigerians.

### **3. Development of Business**

Industry wide audit which therefore means that NIMASA,



and other stakeholders should conduct business wide audit identifying short and long-term opportunities and how to harness them. Foreign Technical Partnership which indicates that indigenous shippers should seek foreign technical partners who they can work with to boost their operational capacity. More vessels should be acquired to increase the number of Nigerian fleet. Funding at low-interest rate can be gotten from the Cabotage Vessel and Finance Fund (CVFF). But this time, Nigerian banks should be involved in its disbursement to prevent the occurrence of the mismanagement.

The shipping industry should be incentivized to engage in mergers and acquisition as their current individual size is insignificant in competing with international shippers. Indigenous shippers who engage in mergers and acquisition should be given waivers such as tax holidays and preferential statuses. Various financial incentives should be made available to eligible indigenous shippers such as tax holidays, zero

duty on ship and ship parts, disbursement of the CVFF at CBN interest rate, accelerated depreciation for ships and other capital assets to accumulate capital for future expansion.

## CONCLUSION

The Maritime Industry of Nigeria over the years has grown according to the statistics shown on the evolution of fleet in Nigeria, but there is still a compelling cause to continually develop this Industry. This Industry thus affects the economic performance of the nation and Nigeria, being a major exporter of oil and majors on trade with other foreign countries, it is vital for the government to support and pay more interest in the affairs of the Industry. Until the government becomes more aware of how it affects the economy, the Industry cannot properly function to its fullest capacity. In order to boost the Shipping Industry, the challenges stated in this paper should be tackled.

There should be proper implementation of the law, pollution and environmental



hazards should be dealt with according because this is a major problem to the industry and to the people of the economy. Safety should be a priority in order to create more stability and for foreign investors to invest with a peace of mind. More attention has to be given to the industry to boost the economy and to provide adequate funding, more investments and the acquiring of more ships into the Nigerian fleet. Training of personnel and Man power has been developed but the government has the compelling need to provide more fleet and thus create more employment opportunities for the man power of the sector to function properly. These have to be considered to develop the maritime industry of Nigeria.

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**Pringkat Mangu Nwel Esq...  
(Jean Chiazor & Partners)**

## IMO STAKEHOLDERS ADVISED IMPROVING THE DELIVERY DECARBONISATION METHOD

The worldwide Maritime stakeholder (IMO) has advised member states to upgrade their approach and speed up their digital transformation to fulfill the undertaking of decarbonizing the shipping industry.

The Secretary General of IMO, Kitack Lim, made the call at Singapore Maritime Week (SMW)



on April 24, with the subject matter, 'Ambition Meets motion'.

The week-long event, which became organized by means of the Maritime and Port Authority of Singapore (MPA), in collaboration with enterprise stakeholders and the studies network, delivered together a global maritime network to take the collective and elevated movement to digitize and decarbonize the sector.

IMO is set to adopt a revised greenhouse gas (GHG) emissions method from the Marine Surrounds Safety Committee (MEPC) eighty meeting in July. there's an increasing number of excessive lobbying by using international locations that want to peer a dedication to net 0 emissions by using 2050 as opposed to others that want a more conservative approach.

The need to lead global framework for the maritime enterprise to strive for green transport, worldwide Maritime organization needs to revise its greenhouse

gasoline strategy to encompass an intention of zero emissions no later than 2050, three areas of ambition for continued increase and fulfillment in maritime industry, which incorporates, ensuring consistent progress for decarbonization, aligning international standards for more digitalization, and redoubling efforts to attract and nurture skills.

Nations need to set formidable desires to reduce the demanding situations and do greater to attain the desires set out in the Paris Agreement.

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[WWW.MMSPLUS.COM](http://WWW.MMSPLUS.COM)

## NEWS AND EVENTS

## Glossary of Shipping Terms

### I. NOTICE OF READINESS

Under a charter party, it is the document used by the shipowner to inform the charterer and



receiver of cargo, that the vessel is ready to commence loading or discharging. In some charter parties, the moment this is tendered, lay time starts to count, or is based on the particular hour or day stipulated therein.

**II. NOTICE OF DELIVERY**

A written notice from the time charterer to the shipowner informing him of the date the ship is to be returned to him at the end of the. Period of the charter. As the date of redelivery draws nearer, several such Notices are advised to be sent regularly.

**III. ORIGINAL SLIP**

The broker's place slip.

**IV. OUTC-HARGES**

Charges incurred in leaving a port, such as outward pilotage.

**V. OUTSOURCE**

To contract out services or activities.

**VI. PORT STATE CONTROL**

The action employed by surveyors and safety officers of state administrations when they board ships of other national Administrations visiting their ports usually for cargo handling operations.

**VII. PORTAGE BILL**

A bill of statement of crew wages at the end of a voyage.

**VIII. PORT-TO-POINT**

Rate freight rate which includes all costs from the port of loading in the exporting country to inland place in the importing country.

**IX. QUORUM**

The minimum number of persons necessary to transact the business of a corporation, legislative, body, assembly or meeting.

**X. RETURN CARGO**

Back load or the act of a ship coming back to the port of origin loaded with cargo or laden with are turn load.

**XI. REVERSIBLE LAYTIME**

A term used in a voyage charter party to signify that the time allowed for loading, at the charterer's option, may be added to the time allowed for discharging for the purpose of calculating demurrage or dispatch.

**XII. ROTATION**

The sequence in which a ship calls at the port on her itinerary.

**XIII. SLOT CHARTER**



The chartering of a space in a ship by a ship operator for a specific voyage.

To remove the ropes that attach the ship to the shore.

**XIV. SPOT**

A ship available to load immediately in a freight market.

**XXI. UNPROTECTED**

Goods shipped without protective packing

**XV. SUBROGATION**

The right enjoyed by an underwriter to take over the rights and remedies available to an insured, following payment of a claim on the policy, in order to recover up to the amount of the claim from another party who was responsible for the loss.

**XXII. VOYAGE**

A long journey involving travel by sea, road, rail, air/space.

**XXIII. VOYAGE ACCOUNT**

A statement of the costs and revenues of a ship's voyage made after the voyage is completed when the income and all actual costs are known.

**XVI. TRANS SHIPMENT**

The discharge of goods brought into a port by a ship into another ship or vessel destined for another port or place.

**XXIV. VOYAGE CHARTER**

A process whereby a shipowner hires out his vessel, or space in the ship, subject to various conditions and terms, for the Carriage of cargo for a single or more voyage. Under this type of charter, the shipowner pays all the operating costs of the ship while payment for the port and cargo-handling charges are subject to the agreement between the parties. Freight Is normally paid per unit of cargo or per tonne, based on the agreed quantity, or as a lump sum, irrespective of the quantity loaded. The document containing the terms and conditions of the contract between a charterer and the shipowner for the use of a

**XVII. TRIP CHARTER**

A situation where a ship is hired for a single voyage or a round trip.

**XVIII. TURN TIME**

Time used by a ship to wait for a berth.

**XIX. UNLOADER**

A term used to define a type of port equipment used to unload ships carrying dry bulk cargoes.

**XX. UNMOOR**



ship, or cargo space for one or more than one voyage, is called a charter party.

**XXV. WHEN, WHERE, READY**

Used in time charter party to indicate the time and place of redelivery of a ship by the charterer to the shipowner.

**XXVI. WINCH**

A piece of machinery consisting mainly of a revolving device bolted to the deck of a ship and used to raise and lower derrick ropes, to open and close hatches and to moor the ship.

**XXVII. WINCHCLAUSE**

A clause in a charter party to permit the charterer to make use of the ship's winches, including the number of winch men to be provided by the shipowner, and a provision on who should be responsible for the payment of shore winches, if used.

**XXVIII. ZERO RATED GOODS**

Goods, cargoes or merchandise that are not subject to state tax or value-added tax (VAT). It means that the seller pays for the goods, packaging and loading expenses, freight, plus local Import dues and Customs duty.

**XXIX. FREEALONGSIDESHIP**

This indicates that the quoted price for the goods which include all costs up to delivering them alongside a vessel at the loading berth is to be borne by the seller or exporter of the goods

**XXX. EX-QUAY**

Sales term denoting that the seller is responsible for the arranging and paying for the carriage of the goods to the agreed port of destination and making them available on quay to the buyer, at which time the risk of loss or damage to goods generally passes from the seller to the buyer.

## NEWS AND EVENTS





## TINUBU SUSPENDS THE CHARGE ON AUTOS AND OTHER IMPORT-RELATED ITEMS.

In keeping with his pledge to place Nigerians at the center of government policies and address business-unfriendly fiscal policy measures and a multitude of levies, President Bola Ahmed Tinubu has issued four executive orders.

This was revealed on Thursday while Dele Alake, the Special Adviser to the President on Special Duties, Communication, and Strategy, briefed State House reporters at the Presidential Villa in Abuja.

The president's actions, according to him, are intended to resolve the main issues that industry and other stakeholders have with the recent tax reforms.

He claims that the first one is the Finance Act (effective date variation) Order, 2023, which has moved the start date of the changes made by the Act from May 23, 2023 to September 1, 2023 in order to ensure compliance with the National Tax Policy's requirement for a minimum of 90 days' advance notice for tax changes.

The second is the Customs, Excise Tariff (Variation) Amendment Order, 2023, which likewise moved the start date of the tax revisions from March 27, 2023 to August 1, 2023, in accordance with the National Tax Policy.

Additionally, the President mandated the cessation of the Import Tax Adjustment Levy on a selection of cars.

Thirdly, according to Alake, the President issued an order suspending the 5% Excise Tax on Telecommunication Services and the Excise Duty Escalation on Locally Manufactured Goods.



The presidential spokesman said Tinubu issued these orders to ameliorate the negative impacts of the tax adjustments on businesses and chokehold on households across affected sectors, stating that the president will not exacerbate the plight of Nigerians, and fourth, he said the President had ordered the suspension of the newly introduced Green Tax by way of Excise Tax on Single-Use Plastics, including plastic containers and bottles.

"The President wants to reaffirm his commitment to looking into complaints about excessive municipal, state, and federal taxes. The federal government views local and foreign investors, business owners, and entrepreneurs as essential forces in its focus on boosting GDP growth and significantly lowering the unemployment rate through job creation.

"The government will, therefore, continue to give requisite stimulus by way of friendly policies to allow businesses to flourish in the country. President Bola Tinubu wishes to assure Nigerians by whose mandate he is in power that there will not be further tax raise without robust and wide consultations undertaken within the context of a coherent fiscal policy framework," he added.

*(News called from Ship and Port)*



**TERMINAL OPERATORS ARE CHARGED WITH HELPING NPA WITH INFRASTRUCTURE REPAIRS AT THE PORTS**



The Nigerian Ports Authority (NPA) has been instructed by Prince Adewale Adeyanju, President-General of the Maritime Workers Union of Nigeria (MWUN), to involve terminal operators who were leased the ports in performing normal maintenance and repair on the deteriorating infrastructure of the ports.

At a breakfast meeting recently held in Lagos by the Maritime Reporters Association of Nigeria (MARAN) for stakeholders to discuss and offer solutions to the problem of quay apron decay at the Tincan Island Port and general infrastructural deficiencies in other ports throughout Nigeria, Prince Adeyanju made the suggestion.

He specifically accused terminal operators, referring to the landlord-tenant relationship with NPA, for not taking the necessary action to fix the crumbling infrastructure.

"Terminal operators should be able to fix their terminals because they are making so much money. They must not hold off till the government.

You can only access the terminals of a select few operators. Due to the quay apron's continued deterioration over the years, the dockworkers have decided to stop providing their services to Five Star Logistics Limited.

*(News called from MMS Plus)*



**AFTER 20 YEARS, NISA OPENS  
A NEW OFFICE AND  
WELCOMES NIMASA TO**



## **DISCUSS SHIPPING DEVELOPMENT.**

The Nigerian Shipowners Association (NISA), which has been around for more than 20 years, opened its own corporate headquarters last week with fanfare in anticipation of working with the current administration to influence laws that will boost the fortunes of the maritime sector.

The establishment of the new office as promised demonstrates the existing unity, resiliency, and shared belief in the potentials of the maritime industry, according to Otunba Sola Adewumi, the new President of NISA, who spoke at the event.

According to him, the office is more than just a physical building; it also reflects everyone's shared dedication to the expansion and development of the Nigerian maritime industry.

He claimed that "having an office is essential to having a space where

we can gather and communicate for the growth of the industry. You are aware of how important shipping is to the growth of the economy. Therefore, we ship owners are motivated to contribute to the current political climate. With an office like this, we think we can gather and put together concepts to advance the sector.

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He acknowledged that CVFF already has permission but believes that the new NISA would play a role beyond CVFF going forward. He also confirmed that NIMASA is already coordinating disbursement with the Primary Lending Institutions. He claimed that there are numerous things they can do to further the interests of members, including job and business prospects.

In response to a question on how NISA planned to reposition itself to compete with foreign shipping operators, he stated, "We have relaunched ourselves to the stage with more commitment and remember there is Cabotage policy, if implemented to the letter, we will take our stage." When asked if he was concerned that the country lacked a national carrier, the President responded that he thought that teaching the government about the business would assist to improve the fortunes of the sector. We can

discuss this with the government as a group.

In response to a question about how he plans to influence a partnership between NISA and the competing Ship Owners Association of Nigeria (SOAN) to address industry challenges, he said, "SOAN is a break away arm of NISA and lacks the capacity NISA have to influence policies, but we will try as much as possible to bring them closer for a common goal and good of the industry."

He responded to the assertion that SOAN members actually own the ships by asking, "What is the name of the ship owned by the current SOAN President?"

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but we will try as much as possible to bring them closer for a common goal and good of the industry."

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When asked about using the current administration to change the members' fortunes, the head (President Tinubu) said, "I am hopeful because the head (President Buhari) called us in 2015 when the All Progressives Congress, APC, won the election to come up with marine agenda. We did, but it wasn't put to use. Some of the things we were hoping to see did not become clear. However, I think that now that he is riding, he won't forget what he had meant to accomplish even though he wasn't there.

He noted that the development of shipping includes cabotage and the Cabotage Vessel Finance Fund (CVFF), noting that these two

aspects of maritime development have not been effectively utilised.

"We have seamen, but despite our efforts to teach them, results have not yet been shown. Additionally, the fundamental factor in all of this is ship ownership. The development of shipping has never been a top focus for the Nigerian Maritime Administration and Safety Agency (NIMASA). As a result, shipping development number six was prioritised from the start. We would be somewhere now if NIMASA had used the money it spent on the floating dry dock for ship ownership and development. Added he.

*(News called from MMS Plus)*

## **NNPC to destroy tanker caught with stolen crude oil**





On Monday, the Nigerian National Petroleum Corporation (NNPC) Ltd said that an 800,000-litre vessel carrying stolen crude oil had been intercepted offshore while heading to Cameroon and would be destroyed as a deterrent to oil theft.

The production of the nation has recently been hindered by crude theft from pipelines and wells in the Niger Delta, which is one of the main problems facing President Bola Tinubu's administration.

According to NNPC, the oil was stolen from an Ondo State well.

According to the NNPC, the MT Tura II vessel was owned by a locally registered company named

Holab Maritime Services Limited and lacked any legitimate oil documents.

The warship has been operating in stealth mode for 12 years, according to NNPC spokesperson Garba Deen Muhammad, making discovery challenging.

"On July 7, 2023, Tantita Security Services, a private security company hired by NNPC Ltd., apprehended a suspicious vessel with a cargo of crude oil on board after receiving reliable intelligence.

"The vessel, MT TURA II (IMO number: 6620462), was travelling to Cameroun with the cargo on board when it was seized at an offshore location (latitude: 5.8197194477543235°, longitude: 4.789002723991871°), with the captain and crew members on board," Muhammad said.

Preliminary investigations, according to him, showed that the crude oil cargo onboard was



obtained unlawfully from a well jacket offshore in Ondo.

"At the time of the arrest, neither the vessel's nor its cargo of crude oil had valid documentation. The vessel has been operating in stealth mode for the past 12 years, according to further examination of the vessel's actions at the NNPC Ltd command and control center. The ship's last known location was Tin Can Port in July 2011.

It was decided to demolish the vessel as a strong warning and deterrence to all those engaging in such criminal acts to cease and desist once details of this arrest and the findings of the investigations were elevated to the proper government authorities. As a powerful deterrence, destroying the vessels used to transport stolen crude oil is crucial.

"The illegal trade of stolen crude oil not only causes Nigeria and legitimate oil industry stakeholders to suffer significant economic losses, but it also feeds a

vicious cycle of corruption, environmental destruction, and social instability."

Muhammad reaffirmed NNPC Ltd.'s commitment to maintaining the pace in the fight against crude oil theft until it is put an end to, he added.

*(News called from Ship and Port)*

## JEAN CHIAZOR & PARTNERS OFIANYI CHAMBERS



**BEST STAFF OF THE YEAR JUNE  
2022-JULY 2023**



**Jean Chiazor Anishere. SAN. (Principal Partner) presented gift to Mr. Chukwuma A.**

The Principal Partner has also implored staff of the Firm to be in good conduct and professional in





their daily lives. She also promised staff more rewards in the coming years and encouraged the IT students to put in their best in their studies.

Mr Chukwuma is grateful to the Firm and the Principal Partner that this award is a moral booster, as he promised to continue to achieve optimal results.

