

Arbitrary Charges at Seaports Persist Despite Appointment of Regulator

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There has not been any reduction in the cost of doing business at seaports in Nigeria despite the appointment of an economic regulator for the nation's seaports, **THISDAY** investigations have revealed.

President Goodluck Jonathan appointed the Nigeria Shippers' Council (NSC) as economic regulator in February 2014, with a temporary status and with mandate to check arbitrary charges at the nation's seaports.

However, investigations have revealed that there has not been a reduction in the cost of doing business at the ports rather costs have gone up due to new charges associated with the pre-arrival assessment report (PAAR) and other new trade policies.

At the Apapa and Tin Can Island ports in Lagos, the cost of clearing containers remained the same between N150,000 and N300,000. Expectedly, the Customs held on to its implementation of the 35 per cent tariffs on imported vehicles.

Investors and importers under the aegis of Shippers Association of Lagos State (SALS) said the high cost of clearing cargoes have remained unabated at Nigerian ports, attributing the high cost of cargo processing to the multiple charges imposed on imported goods.

President of SALS, Mr. Jonathan Nicol said the five per cent Value Added Tax (VAT) and the one per cent PAAR charge were some of the many charges bedeviling Nigerian shippers.

He gave others as the 35 per cent automobile levy and the common external

tariffs levy.

According to him, the combined cost implication of the charges on one consignment, cumulatively takes away most of the shipper's capital.

"The Federal Ministry of Finance has to provide leadership in managing the problems of the Nigerian ship-

ping community. Government should think about the huge investments in building deep sea ports as well as maritime prospects in the next 20 years to attract more cargo," he said.

Also, a frontline licensed clearing agent and a former chairman of Tin Can chapter,

Dr Farinto Kayode, said at a meeting of clearing agents in Lagos that the Customs charges originating from the PAAR system was becoming unbearable. He noted that as a final document, as far as value of cargo was concerned, the Customs could only query PAAR based on quantity.

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