

Ships and port 12/11/14

Economy bleeds, loses N35 billion in one week as agents blockade Nigeria's major seaport

The Nigerian economy lost at least N35 billion in seven days as clearing agents blockaded the Lagos Port Complex (LPC) Apapa over disagreement in charges collected by terminal operators.

While the Apapa Area Command of the Nigeria Customs Service (NCS) is losing an average of N1.4 billion daily as a result of the agents' action; shipping lines, manufacturing companies, haulage/trucking firms, terminal operators, Nigerian Ports Authority, importers, clearing agents and other agencies of government are

collectively losing about N3.6 billion daily amounting to an average daily loss of N5 billion.

The blockade, which started on Monday 3rd November 2014, persisted till weekend without any sign of possible resolution.

Area Project Manager, Apapa Area Command of the NCS, Deputy Comptroller Yusuf Malanta explained that even while some documents could be processed online, containers could not exit the port because they could not be examined by Customs officers.

While confirming the

huge revenue loss by the Command as a result of the agents' action, Malanta said the strike could also induce port congestion.

It would be recalled that the Nigerian Shippers' Council (NSC) on Wednesday 29th October 2009 published an advertisement announcing the reversal of storage charges at the ports to that, which was in force as at May 1, 2009. NSC also ordered an increase in the free storage period at the port from three days to seven days.

The Council equally

CONTINUED ON PAGE 2

Economy bleeds, loses...

CONTINUED FROM FRONT PAGE

directed shipping companies to reduce their shipping line agency charges from N26,500 to N23,850 per TEU (20-foot containers) and from N48,000 to N40,000 per FEU (40-foot containers), even as it directed shipping agencies to refund container deposits to importers and agents within 10 working days after the return of the empty containers.

However, shortly after publishing the order which was to come into effect on 3rd November, 2014, the terminal operators under the aegis of the Seaport Terminal Operators Association of Nigeria (STOAN) and

shipping line agencies under the umbrella of the Association of Shipping Line Agencies (ASLA), secured an interim injunction of the Federal High Court, Ikoyi, Lagos stopping the NSC and/or its agents from implementing the directive.

Ruling on an ex-parte motion brought before him by the Seaport Terminal Operators Association of Nigeria (STOAN), Justice Ibrahim Buba granted an injunction restraining the NSC and/or its agents from implementing the reversal order pending determination of the substantive suit. He adjourned the matter to Monday November 10, 2014, for further hearing.