

Barging and ICDs as a medium term solution to Port Congestion in Nigeria



Infrastructure constraints around the Tincan and Apapa port area has created opportunities



Long-term opportunities for deep-sea ports:

- ✓ Ibom Deep Seaport
- ✓ Lekki Port
- ✓ Badagry Deep Seaport

Objectives:

- ✓ Reduce pressure on Lagos ports
- ✓ Accommodate larger vessels



Short-term need for decongestion.

Public sector:

- ✓ Improvement of road network
- ✓ On-going reforms of public stakeholders

Private sector:

- ✓ ICD facilities
- ✓ Barging solutions

...to avoid significant and avoidable costs for the different stakeholders



Terminals

- Pressure from clients, shipping lines and government to make cargo available ASAP
- Congestion constraints impacting operational efficiency



Shipping lines

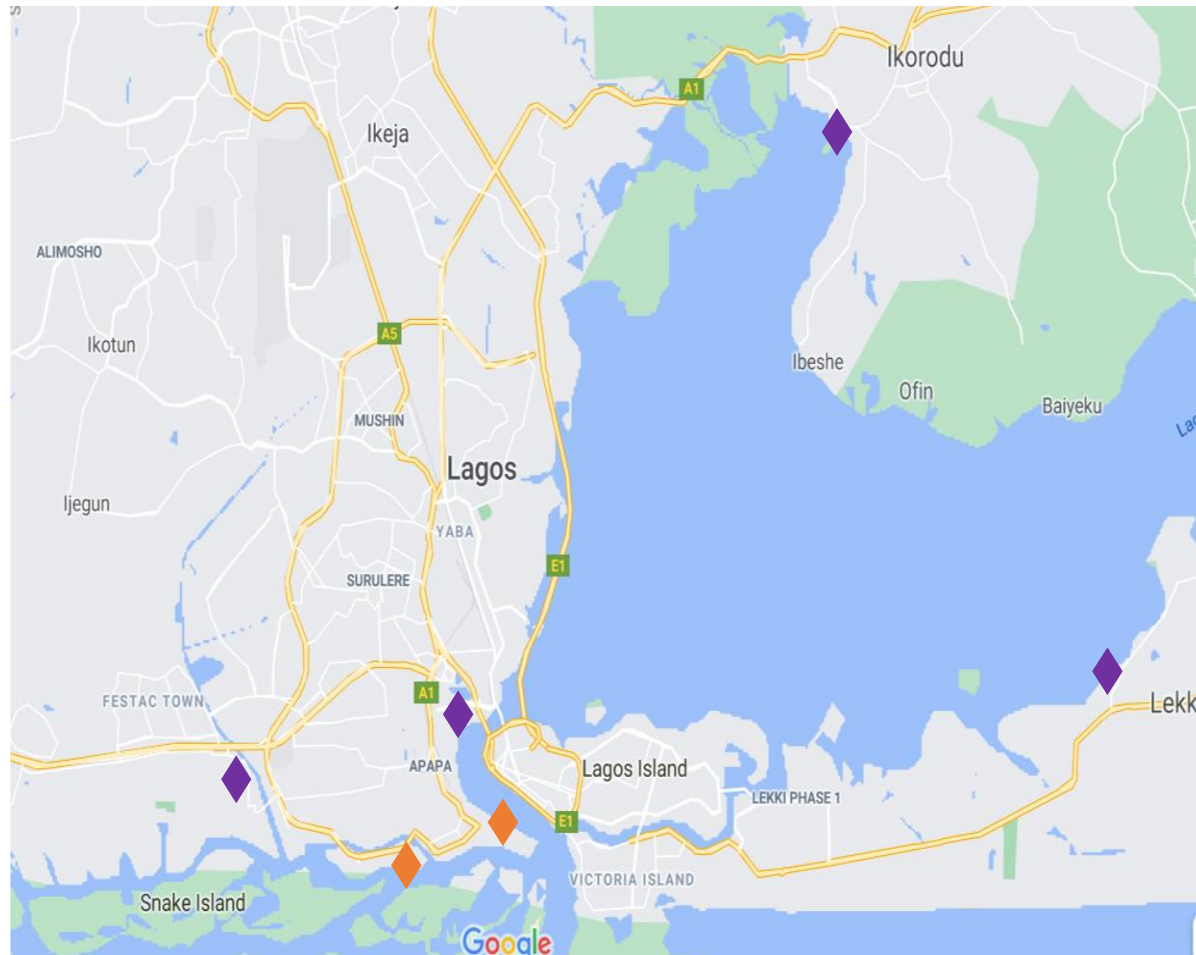
- Delays and costs linked waiting time at anchorage
- Significant backlog of empties that can't come back to the Ports



Importers

- Delays in receiving critical cargo (raw materials or finished goods)
- Uncertainty makes supply chains more complex and impacts working capital requirements

...by developing Inland Container Depots (ICD) accessible by barge



◆ Seaports ◆ ICD examples

Multiple projects being developed that

- ✓ Give opportunities to avoid congestion in Apapa (*laden trucks take about 7 days to leave port area*)
- ✓ Enable shipping lines evacuate their empties better
- ✓ Increase throughput capacity of Marine terminals

As these develop, certain unknowns need to be clarified:

- ✓ Framework around movement of cargo by barge in Lagos waterways
- ✓ Value sharing/capturing around these new business models