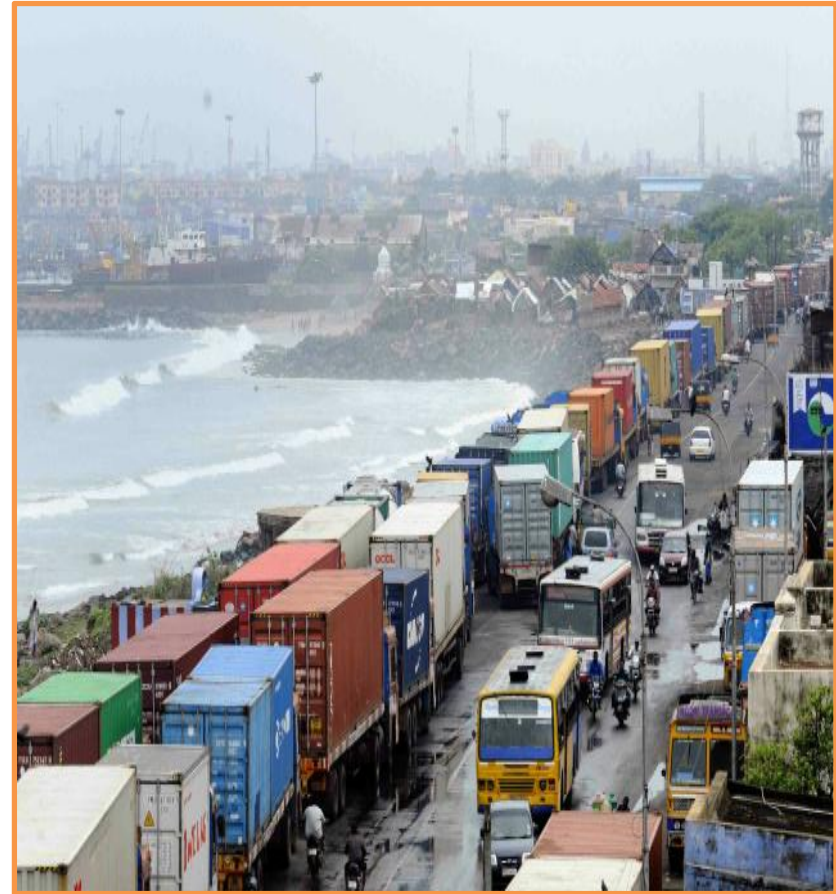
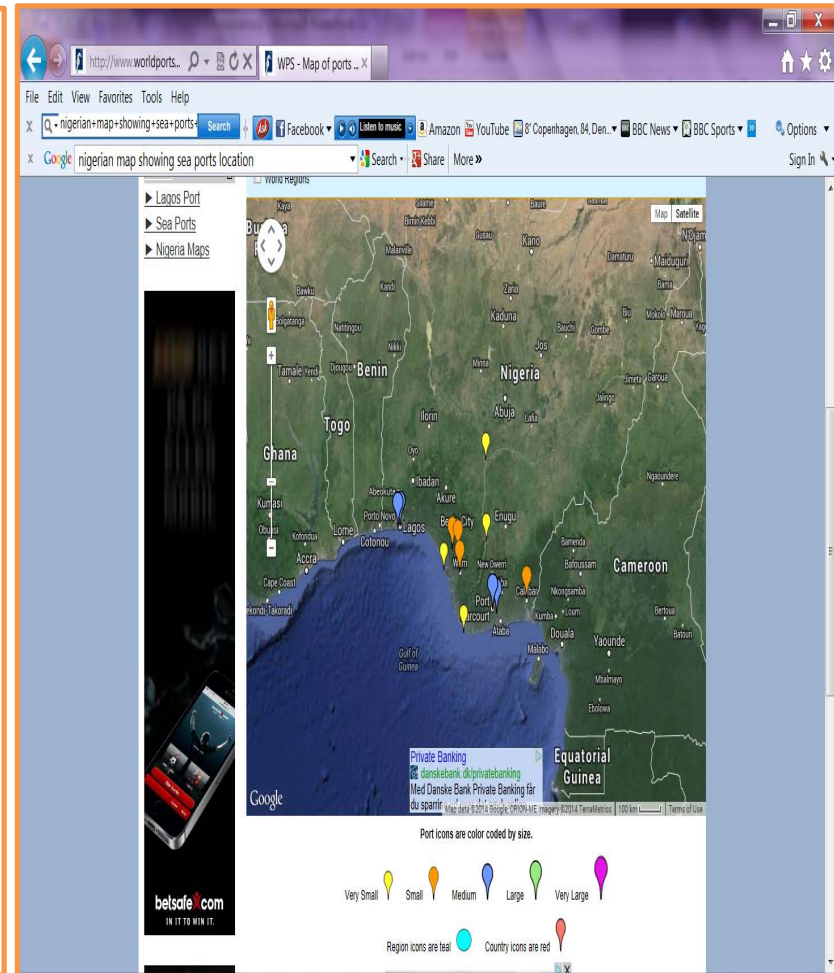


WHY PORT CONGESTION?



SCOPE

- For the purpose of this presentation, the scope of this discussion is limited to ports in Nigeria.
- There will also be similarity in some of the factors enumerated herein that leads to port congestion in other ports of the world.
- ALL organization mentioned herein should see it as feedback rather than a fight.



WHAT IS CONGESTION IN SHIPPING?

- Congestion can be defined in shipping as overcrowding, blocking, jamming etc of the channels to the port (water ways & berth), the port itself (terminal) or the access within the port (roads in the port) and access into the port.
- Most of these congestions are caused by operational challenges, policies and a few by natural factors.

CONGESTION ON THE WATER

This involves a situation where vessels can't be granted access to berth on arrival. Vessels are kept on queue on the water for some hours, days and weeks before berthing.

Ideal condition is that a vessel berths on arrival without delay. Even if there will be delay, it has to be insignificant. When the berth is already occupied, other vessels have to wait until berth is free.

CAUSES

- **Port congestion at the berth or terminal:**
 - --Cargoes on vessel are expected to be discharged from vessel immediately on arrival. If the terminal has no space for cargoes offloaded to be placed, terminal spends more time in planning to create space and it will slow down the vessel operation.
- **Port equipment (crane)**
 - -If there is limited equipment, obsolete equipment, non-availability of equipment, operation will be skewed and productivity will be low thereby increasing berth occupancy by vessels leading to congestion.
- **Manpower**
 - -The right men will produce efficient and effective operation while the wrong men will reduce the speed of operation. Limited manpower, untrained manpower/upgrade of skills
- **Natural**
 - -Some factors are not man made but occur due to nature. These factors are prone to cause delay and if persistent, may leads to congestion e.g Rain, Wind etc.
- **Arrest of vessels at berth by Admiralty court:**
 - -Vessels that breach the law are sometimes arrested at berth. During the period of arrest, these vessels occupy the berth, thereby limiting the berthing space and causing congestion.
- **Safety & Security Issues**
 - -Piracy can also lead to congestion. Vessels concludes operation and can't sail cause it's late.



TERMINAL
CONGESTION

CAUSES

Congestion in the terminal comes into play when the volume of cargoes in the terminal is above the capacity of the terminal. It may get to a point that the terminal will be unable to receive vessels due to lack of space to place cargoes. Issues are compounded as there may be risk of not being able to locate cargo easily for customs inspection or delivery. Customers will experience high cost of storage from terminal and demurrage from shipping lines.

- Government Policies:
 - Introduction of new laws & policies by the federal government which end up impacting on the cargoes that have already arrived or on their way to the port.
- Documentation challenges emanating from importers, banks, Government agencies, custom brokers / agents etc
- Communication gap between shipping lines and importers/agents.
- Financial constrain / bank high lending rates.
- Equipment challenges from terminals
- Lack of development plan / supervision
- Volume forecast and proactive capacity development
- Customs mode of inspection / delivery
- System failure (banks, terminals, shipping lines, customs)
- Unaligned service by service providers...eg Webb fontaine

CONGESTION
OF THE ACCESS
ROAD WITHIN
THE PORT

Blockage of the access roads within the
ports in such a way that, its difficult to
enter or exit the port

Safety
Risk

- Custom clearing process
- Timing
- Agents
- State of trucks
- Nigerian Ports Authority security (Chain trucks on queue, No tow van)
- Truck drivers attitude
- Terminal turnaround time (Low turn around increase traffic and eventually, leads to congestion)
- Port Police (minimal or no enforcement of laws)

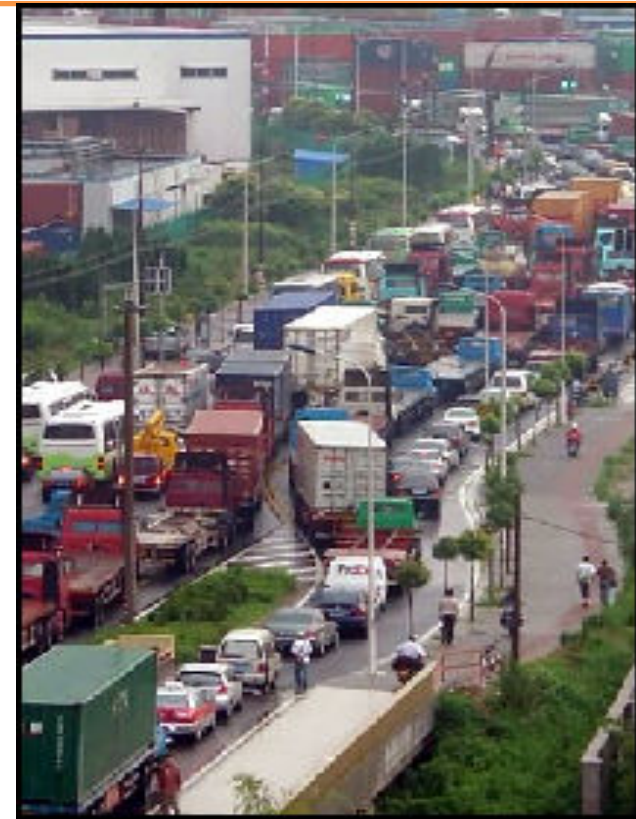
CAUSES

**CONGESTION OF THE
ACCESS ROAD LEADING
TO THE PORT**

Blockage of the access roads
Leading into the ports as such
entrance and exit are frustrated

CAUSES

- State of the roads
- Attitude of the truck drivers
- State of the trucks
- Gate process
- Terminal challenges (Limited Cranes, space, manpower)
- Lack of facility (Park)





SUGGESTIONS

- Policy review and implementation should be well publicized and enough time given to attend to cargoes landed in the port prior to the implementation of new policy.
- Terminals should have enough crane for operation / manpower / training
- Review of customs exit process
- Review of custom clearing process (scan, physical examination, fast track / Pre-release, Blue, green, yellow and Red Lane)



**SUGGESTIONS
cont.**

- Strict compliance to development plan
- Data collation and projections
- Port authority to control access and traffic within common user roads and evacuate broken down trucks
- Port police to enforce traffic control
- Agents to commence work on time and spread jobs evenly (port is open 24/7)



**SUGGESTIONS
cont.**

- Improved security (Patrol of our water ways)
- Enlightenment of the truck drivers
- Regular stakeholders workshop
- Strict penalties for traffic offenders
- All stakeholders to work 24hrs as government has confirmed that port is operational 24hr/7



**FOOD FOR
THOUGHT!!!**

- **JOINTLY WE CAN BE MORE
EFFICIENT BY IMPROVING OUR
SERVICES AND HELP TO
FACILITATE TRADE.....**