

# **THE IMPACT OF COVID-19 PANDEMIC ON THE OPERATIONS OF THE NIGERIAN PORT AUTHORITY (NPA) AND RELATED AGENCIES**

## **Introduction**

The Nigerian Port Authority (NPA) and Nigeria Customs Service (NCS) are important agencies at the border and entry points in the country and have no doubt experienced a downturn in the dispensation of their regulatory functions with the outbreak of the Coronavirus (COVID-19) pandemic in Nigeria. Flowing from the increasing spread of the pandemic in the country and in a bid to curb its spread, various government agencies have released guidelines and policies to help control and manage the current situation. The NPA is not left out, as it also released a press statement that conforms with the COVID-19 Regulations signed by the President of Nigeria, Mohammed Buhari on the 30<sup>th</sup> of March, 2020. Although, no such press statement or guidelines has emanated from the NCS as at the time of this write-up, the fact remains that the NCS will be saddled with the responsibility of carrying out some of the laid down guidelines already put in place by the Federal Government of Nigeria to control the spread of COVID-19. This write-up seeks to highlight the impact of the COVID-19 pandemic so far, on the Nigerian Port Authority and related government agencies.

### **i. Impact on operations of the Nigerian Port Authority (NPA) and preventive measures**

The NPA on March 31<sup>st</sup> 2020<sup>1</sup> released a press statement informing the general public that operations will continue at the country's seaports while also guaranteeing the wellbeing and security of stakeholders and staff by putting in place safety measures. This also extends to other governmental agencies responsible for smooth operations at the ports. This therefore means that the exemption of the NPA from the government-imposed lockdown will automatically extend to seven (7) other governmental agencies some of which are already exempted on the ground that they provide essential services. These Agencies are: the Nigeria Customs Service (NCS), Nigerian Maritime Administration and Safety Agency (NIMASA), Nigeria Police Force (NPF), National Agency for Food and Drug Administration and Control (NAFDAC), Department of State Security (DSS), Nigeria Immigration Service (NIS) and Port Health Authority.

A major challenge to the NPA, NCS and clearing agents is the restriction order imposed on movement which makes it impossible for clearing agents to access the port. Another issue is the non-operation of commercial banks, which are in charge of the documentation process and payment of custom duty. The Public Relations Officer of Customs Apapa Area Command, Nkiru Nwala, had stated that duty payment is beyond online platforms, as it entails a number of documentations. The continuous operation of the seaports and the restriction of movement of clearing agents undoubtedly will result in cargo congestion at the

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<sup>1</sup><https://nigerianports.gov.ng/2020/03/31/press-statement-operations-will-continue-at-the-ports> accessed on the 7th of April, 2020.

Lagos seaports, as more consignments will be coming into the ports while clearance of these goods are halted. The issue of congestion at the sea ports could have been prevented or managed better if the country had adequate Inland Dry Ports (IDP) otherwise known as Inland Container Depots (ICDs). ICDs help in decongesting the seaports and make them user friendly. Presently in Nigeria, the locations which have been approved for ICDs and which were concessioned to private sector operators by the ICD implementation committee of the Federal Ministry of Transport<sup>2</sup> are yet to begin operations, therefore unreliable at this time to decongest the ports.

Furthermore, the NPA has directed all terminal operators to suspend all applicable terminal storage fees on consignments (demurrage) from an initial period of twenty-one (21) days effective from March 23, 2020.<sup>3</sup> The Authority gave this directive as a result of the pressure that the COVID-19 pandemic is imposing on businesses and also in line with its objective of facilitating the Federal Government's Ease of Doing Business Policy.

The NPA and the Ports Health Authority are working hard to ensure that COVID-19 does not spread through the port. They have been saddled with the responsibility of ensuring that vehicles and drivers conveying essential cargoes from the ports to other parts of the country are screened thoroughly before departure<sup>4</sup> in line with the COVID-19 Regulations. As part of containment measures, the Port Health Authority has commenced requesting vessels to submit previous ports of call list prior to granting them entry.<sup>5</sup>

## ii. **Impact on operations of the Nigeria Customs Service (NCS)**

Despite the continued operational status of the Nigerian Port Authority, the Nigeria Customs Service has been reported to be losing about NGN2.3 billion on a daily basis due to the lockdown imposed by the Federal Government on some parts in Nigeria, particularly Lagos state which houses the NCS' top three (3) revenue-generating commands (Apapa Area command, Tin Can Island Port Area and PTML Area Command).<sup>6</sup>

In a circular directed at its officers,<sup>7</sup> the NCS directed that its officers should not stay off duty being a paramilitary organisation saddled with the responsibility of national security and to generate revenue for the Federal Government.<sup>8</sup>

Another issue the NCS may contend with at this time is smuggling. There will likely be an increase in smuggling activities into the country most especially through land borders.

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<sup>2</sup> Federal Republic of Nigeria official gazette No.30 volume 94 May 21, 2007

<sup>3</sup> <https://nigerianports.gov.ng/2020/03/28/press-statement-coronavirus-npa-suspends-demurrage>

<sup>4</sup> Covid-19 Regulations 2020 signed March 30<sup>th</sup>, 2020 by the President of Nigeria Mohammed Buhari.

<sup>5</sup> <https://www.nepia.com/industry-news/coronavirus-outbreak-impact-on-shipping>

<sup>6</sup> <https://shipsandports.com.g/lockdown-customs-loses-n2-3bn-daily-in-lagos> Accessed on the 7th of April, 2020.

<sup>7</sup> number HQ/012/2020 with reference number NCS/ADM/MGT/015/S.21/C/Vol.15

<sup>8</sup> <https://m.guardian.ng/business-services/maritime/confusion-in-seaports-over-coronavirus> Accessed on the 8th of April, 2020

iii. **Preventive measures by the Nigerian Maritime Administration and Safety Agency (NIMASA)**

NIMASA is also a government agency that ensures the smooth operation of business at the ports. The agency has also issued a COVID-19 Marine notice MN/03/20/SN01 which it addressed to all ship owners, ship operators, masters of ship, ship agents, shipping companies and maritime stakeholders. Some of the measures currently being taken to contain the spread and manage the effects of the COVID-19 pandemic on their operations are:

- only International marine vessels which had planned and informed of their call into Nigeria Port not later than 1<sup>st</sup> February, 2020 may be allowed to call on such port;
- only International marine vessels having thermal screening facilities for passengers and crew may be allowed on the ports;
- all ongoing and/or other scheduled offshore operations requiring new crew changes from affected countries are to ensure that pre-departure tests for COVID-19 are conducted on such persons, and self-isolation procedures for the prescribed period are instituted for such new crew/personnel before exposure to other personnel,

NIMASA has demanded strict compliance with the measures highlighted in the notice and stated that the purpose is to help shipping companies and all maritime stakeholders follow the advice provided by the United Nations Agencies including World Health Organisation (WHO), International Maritime Organisation (IMO), the International Labour Organisation (ILO) and the Nigeria Centre for Disease Control (NCDC).

**Conclusion**

While the Federal Government of Nigeria sees the sea ports as a critical infrastructure that must remain operational at all times, it is also expedient that it takes into consideration the severe effects of continuing operation without clearance of goods at the port, considering that before the outbreak of COVID-19, the Nigerian Port Authority had been battling with the issue of congestion at the ports. It is recommended that NPA seek exemption for its stakeholders to enable them get movement permits in order to be able to clear goods from the ports. This will ensure that the ports are decongested while adhering to government-imposed regulations and the advice by health agencies to control the spread of COVID-19. Furthermore, should the pandemic persist and restriction of movement remain in place in the country, it is recommended that the NPA and other affiliated agencies consider a review of some of their policies and laid down procedures that have now become impossible to fulfil due to COVID-19. For instance, it will only be proper and expedient that the 21-day demurrage suspension is further reviewed to accommodate the situation should the lockdown persist beyond the stipulated days.

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