PERCEPTION OF GOVERNMENT’S POLICY ON PORT REFORM OPERATION AT APAPA PORT, LAGOS STATE, NIGERIA

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ABSTRACT

The Apapa Port plays a vital role in Nigeria’s import and export activities, and has long faced challenges such as congestion, inefficiency, and corruption, negatively impacting trade and causing significant economic losses and hindrances to trade facilitation. Recognizing the urgency of addressing these issues, the Nigerian government implemented a series of port reform policies aimed at enhancing the operations and improve the effectiveness of port’s efficiency in Apapa Port. Consequently, this study examines the perceptions of Government’s Policies on Port Reform Operation at Apapa Port, a crucial hub for international trade situated in Lagos. Questionnaires were distributed to 220 respondents, including port users, customers, port managers, and technical directors in Apapa Port, Lagos State Nigeria. The goal was to gather their perspectives on port operations, service quality, and socio-economic impacts. The data were analyzed using Spearman’s rank correlation coefficient and chi-square tests. The findings revealed significant changes in the port system's structure, operational activities and modalities, and productivity after the port reform. We recommend some opportunities for improvement through infrastructure development, enhanced governance structures, importers/exporters collaboration and well-designed port reform initiatives. Implementing these recommendations will optimize the Apapa Port's performance and compete favourably in line with global standards.

Keywords: Port Reform, Privatization, Concessioning, Commercialization, Efficiency, productivity.

1.0 Introduction

Maritime transport refers to the transportation of passengers, cargo, or freight through waterways. It has historically been a vital means of transportation, but with the advent of aviation, its significance for passenger travel has decreased. However, seaports remain crucial for facilitating the movement of goods and services, serving as the economic lifeline for nations. Ships and barges play a pivotal role in transporting goods and services to meet the demands of commerce and industry.

However, sustainable social and economic development demands competitive performance in the economy. The need to restructure and reform our economy, create the necessary macro-economic and regulatory environment for attracting foreign investment, and developing the full potentials of both the economy and our people cannot be overemphasized. The global economy is characterized by competition, rapid technological
development as seen in fast paced changes, information technology, regional market integration, and emergence of trading blocks and cross border trading network as necessitated by the sweeping economy reform in the world over.

Reforms become imperative as public sector provision of goods and services has been almost a disaster due to culture of poor management that has been the hallmark of such publicly owned enterprises. Economy reforms are a poverty reducing strategy because they free resources needed for investment to people, they are a growth strategy because they improve the performance of key sectors and attracts foreign capital all with the aim of improving efficiency and encouraging innovation. The on-going reforms in the economy is in line with the objective of turning around the fortunes of the economy and improving the living conditions of the people with the private sector taking the lead in the economy.

Consequently, due to the past neglects, there have been substantial backlogs of structural reforms in the ports. Most of Nigeria’s present ports are designed and built for ships which are already being phased out by advanced countries of the world who are supposed to be Nigeria’s trade partners. However, Nigeria cannot isolate itself in this regard of port reform, now that the entire world has almost joined the league.

Ports services are expensive and unreliable because of lack of commercial orientation, cumbersome regulations which too often serve as opportunities for corruption.

1.2 Research Problems

Port reform is a crucial process undertaken by governments worldwide to improve the operations, competitiveness, efficiency, and overall performance of ports. Port reform operations play a critical role in ensuring efficient and smooth functioning of ports worldwide. Apapa Port, located in Lagos, Nigeria, is a crucial maritime gateway for trade and commerce in the region. Therefore, like many ports around the world, Apapa Port faces significant challenges in its reform operations, which hinder its effectiveness and pose obstacles to trade facilitation.

To this end, this paper addressed how port reform affected competition, efficiency and productivity within the port sector through the following research questions:

i. Are there any significant differences in the maritime policy and regulatory trend in Apapa port after port reform?

ii. Are there any significant changes in the structural development and operational modalities of the port system and its attendant productivity after port reform?

iii. Are there any significant differences in the developmental patterns of operational modalities in Apapa port after port reform?

1.3 Objectives of the Study

The major objective of this paper is to analyze the perception of government’s policy on port reform operation at Apapa and examine port productivity after the reform. The specific objectives are as follows:

i. Examine the differences in the maritime policy and regulatory trend in Apapa port after port reform.

ii. Assess the level of changes in the structural development and operational modalities of the port system and its attendant productivity after port reform.
iii. Identify the differences in the developmental patterns of operational modalities in Apapa port after port reform.

1.4 Research Hypothesis

H₀ There is no significant difference in the maritime policy and regulatory trend in Apapa port after port reform.

H₀ There are no significant differences in the administrative patterns of operational activities and modalities in Apapa port after port reform.

H₀ There are no significant changes in the structural development and operational modalities of the port system and its attendant productivity after port reform.

2.0 Review of Related Literature

Change in the form of reforms has always been a constant factor in the life of any nation. Policy reforms are policy measures by government that is aimed at revitalizing and strengthening operational modalities at the ports thereby resulting in increased efficiency and productivity. It’s also aimed at making our ports not only user-friendly, but also investor friendly, which in turn leads government into providing modern cargo handling plant and equipment to enhance smooth operation at the port.

Presently, there is a wind of the deregulation blowing one’s port activities throughout the world, and numerous restructuring aimed in this direction have been initiated over the last few years. This plethora of restructuring is the consequence of the globalization of the economy, which intensifies competition between the large multinational industrial groups, which are exerting pressure on the complete logistics chain. Globalization in the world economy is now a reality in terms of reforms that have taken place in most ports of the world of which Nigeria, as a case in point is not an exception.

It was evident that the port reforms introduced after the February release of the 1996 budget by the Federal Government of Nigeria has bought in unanticipated changes in the total stream of the systems. Evidently, the new port reforms of 1996 have attempted solutions of the problems associated with Nigerian ports. The problems are unfortunately, not solved completely, and in fact some experts are of the opinion that the situation has rather aggravated. Moreso, even with the new port reforms, goods are not moving as fast as it has been anticipated. Although, the port reforms introduced in February 1996 sought to streamline their activities and reduce their number, the effort remains unsuccessful as extortion of money from importers is still prevalent.

It is worthy of note that the February 1996 port reforms are in two categories. First, there is the replacement of customs officials by Professional Import Duty Administrators (PIDA) at the port to collect duty. Secondly, Nigerian Port Authority has reduced import/export documentation by 8 percent (Ndikom 2004 in Business Times 1997).

Afenikhe, (1996) believes that, replacing the customs officials with professional accountants was not a rational decision by government. According to him, the option is a waste to the countries scarce resources, as the professionals require training and the provision of other input to operate. These input have already been put in place for the custom service. The author agreed with the above assertion, because duplication of duties does not good housekeeping, particularly for a country that need to conserve all the resources it can get.
especially in such a critical period of our economic depression.

Etim and Oluwale, (1996) argued that the immediate appointment of the professional accountants into the management was also an irrational and tenuous decision by government. Etim, (1996) condemned the quick implementation of such decision, in a declaration at a 6th Annual Conference of the National Freight Committee Association. He argued that the Honourable Minister for Finance, Chief Anthony Ani, would have made provision for a transitional period, for the professionals who had little or no knowledge about custom duty Administration on February 1996, when the budget was announced, to be able to effectively take over the work of customs by April 1996, (they have to possess more than genius qualities or they have to be magicians).

The 1996 port reforms were characterized by undefinable confusions, which negatively affected port operation. As a result, the Nigerian Port Authority, operators of the Nations Seaports restructured its operations, while the customs lost part of its statutory revenue collection functions to private accounting firms referred as Professional Import Duty Administrators who were contracted to provide parallel services in the same long room alongside custom officials. Thus, shippers (importers and exporters), for the first time were forced to clear themselves their cargoes at the port as customs licensed agents had their operational license revoked. These measures elicited various interpretations of the provisions of the reforms. Following the initial confusion that followed the reforms, there were delays of cargo delivery between January and April, 1996.

Esin, (1996) observed that for over six months, ships traffic were affected, importers avoided importation, and a few brought only raw materials. He also noted that car importers and smugglers moved Cotonu Port in Benin Republic. This development also resulted in low revenue for NPA. However, one good thing about the reform was that NPA used it to streamline its delivery as the volume of clearing documentation procedure at the ports was reduced by half and thereby ensuring efficiency, and enhanced the speed of cargo release by NPA.

Another aspect of the reform which has received the blessing of maritime analysts is the improvement of the port security. Stressing this aspect of the reform, Igorh, (1996) argued that, the security situation, which caused a great concern to both Federal Government and Nigerian Port Authority, improved with the setting up of a taskforce on port security headed by a serving Nigerian Naval Captain. The taskforce, according to information gathered during this research, has the task of checking the excess number of security agencies authorized to operate at the port, and controlling vehicular and human traffic. Before now, the activities of the agents were a source of serious concern to NPA management and port users, mainly importers and clearing agents.

The present port organization in Nigeria is a centralized system devoid of competition and the ports are characterized by high tariffs, excessive manpower and gross inefficiency. The port suffers from the problem of imprudent management of resources and increasing competition from ports of neighbouring countries. The performance of the ports is generally suboptimal and there is mounting pressure from the private port sector to improve efficiency. The capacity of our port could...
be estimated as 85% but currently, it operates only 55% due to government policy inconsistency and poor management (NPA abstract, 1995).

2.1 Models of Government Efforts on Port Reform

Over the years, the Nigeria government has introduced various strategies and models to improve the performance of the maritime transport sub-sector. Among these are port concessioning, port commercialization, and port privatization among others.

2.1.1 Port Concessioning

This model of port operation or administration is an essential component of privatization policies. It involves contracting out the management of the port to the private sector for a specific period of time, aiming to improve the day-to-day management and operational performance of the ports. This approach falls under the broader framework of privatization, where private companies are hired to operate and manage port facilities to enhance productivity, operational efficiency, and cost-effectiveness (Ndikom, 2006). In Nigeria, there has been a recent focus on restructuring and concessioning port terminals to private concessionaires, resulting in the development of specialized ports. One example is the Roll-on/Roll-off terminal developed by Grimade Group exclusively for vehicle importation. This specialized vehicle terminal was constructed from scratch under a 30-year Build, Operate, and Transfer (BOT) agreement (Ndikom, 2006). In the Nigerian context, two types of concessioning have been adopted. They are:

i. Build, Operate and Transfer (BOT): The BOT model involves private investors constructing a port from scratch, including all necessary infrastructure. They operate the port for a period of 30 years or more and then transfer the assets to the government at the end of the concession. The private concessionaire has full management rights and control over the port during the agreed-upon period.

ii. Lease, Operate and Transfer (LOT): In the LOT model, the private concessionaire operates and manages the port using the existing facilities without a strong incentive to upgrade or modernize them. This arrangement typically lasts for 10-15 years, and the government receives rents or royalties instead of a share of revenue.

In both models, the private operators have control over the port's management for the duration of the concession agreement.

2.1.2 Port Commercialization

This aspect pertains to models of port development that aim to reduce reliance on government funding. It involves gradually transitioning from a mentality of relying on government subsidies to a self-sustaining approach, inspired by the American doctrine. While the port is not expected to generate profit, the objective is to make it financially sustainable in the long run. To address the challenges caused by waiting for government subsidies, the concept of commercialization was introduced in 1991 (Ndikom, 2004). Commercialization allows for increased efficiency and operational performance while still maintaining public ownership and control of the port.

Commercialization has led to business relationships between the ports and entities such as Nigerian Flour Mills, Dangote Group, and Intel Nigeria Ltd. For example, Nigerian Flour Mills leases a terminal at the Apapa port, Dangote Group operates a leased terminal for sugar, salt, and cement production at Apapa port, and Intel Nigeria
Ltd has a leased terminal at Onne port. These terminals cater to the import and export needs of these private contractors (Ndikom, 2004. It is important to note that the operational processes under commercialization differ from those under port concessioning.

2.1.3 Port Privatization

This model of port development is known as privatization, which is a globally recognized concept aimed at enhancing efficiency and productivity in underperforming port systems (Pallis, 2005). Privatization involves transferring the management and ownership of a port from the government or public sector to the private sector through a contractual agreement. This approach is adopted by countries seeking to improve the overall efficiency of their port operations (Ndikom, 2006). There are two widely recognized types of port privatization. This includes:

i. Full Privatization: This refers to the complete sale or transfer of state ownership or control of public infrastructure to private entities. However, this approach is often considered economically inefficient and lacks focus.

ii. Concessioning: This involves contracting out the management of a port to the private sector for a specific period of time. It is a clear reform strategy aimed at enhancing the operational performance and management of daily port activities.

In general, many governments opt for the concessioning of specialized terminals and the restructuring of existing ports to meet international standards. This approach is intended to improve the efficiency, productivity, and operational performance of the ports. The Nigerian government has also embraced this concept as part of its efforts to reform and restructure its ports.

2.2 Government Statutory Regulations of Port Operations before Port Reforms

The maritime industry is a highly technical, professional, competitive and complex industry. It is labour and capital intensive in nature, and also subjected to international conventions, rules and regulations. Its operation is international in nature and context. Hence, there is the need for international rules, conventions and regulations to guide their operations in Nigeria, against these backgrounds, there are statutory regulations laid down by government for effective performance and efficiency of port operations before the port reform introduction.

The specific post-independence attempt at legislating in the area of shipping and general maritime operation in Nigeria include:


These Acts were meant to regulate operations and modalities of ports operations as at the time in question as management of the ports were becoming obviously uncontrolled. These statutes were closely modeled along the lines of the British legal provisions. The promulgation of the Federal Revenue Act of 1973 was to greatly strengthen the administration of these legislations. The 1962 Merchant Shipping Act suffered a setback because of its colonial framework and content. This was followed by the Shippers Council Decree of 1978. The decree of 1978 was set up to protect shipper’s interest and to achieve cheaper freight rate, with a better condition of affreightment and a move towards surviving a bilateral monopoly market setting (Ndikom, 2004). This
Decree specially abolished the destination inspection and introduced the pre-shipment inspection. With the promulgation of the National Shipping Policy Decree 10 of 1987, the federal government of Nigeria laid the foundation for a definitive policy framework for the country’s shipping industry. This framework was based on the UNTA code of conduct (40:40, 20) for liner conference, and has its primary goal for the promotion of Nigerians national interest. The UNTA code was a type of policy designed to protect the interest of local shipping operators as against the tide of an increasing foreign dominance in the maritime sub-sector of the economy. The decree gave birth to the National Maritime Authority (NMA), as a regulatory institution for the implementation of the national shipping policy.

It is pertinent to note here that, close observations of the maritime industry have been swift in pointing out the rather limited scope of the shipping policy. Indeed, while the shipping policy decree 10 of 1987 covers areas relating to carriers and carriage of pure sea trade, operators and earnings there from its treatment of maritime education, technology, environmental issues specific momentary and fiscal tools, matters dealing with safety as well as shipping and freight forwarding agencies were somewhat ambiguous (Op.Cit). It is worthy of note that the Act (decree 10 of 1987) only established National Maritime Authority and did not give us any credible shipping policy. To this end, there is need for government to initiate a comprehensive shipping policy that is peculiar to our local needs.

There is need for us to review the Act (decree 10 of 1987) with the singular aim of producing a shipping policy that is tailored to our own type of local operations and needs. The time for us to do that is now and government should therefore set the bill rolling by assembling professionals who will critically review the issues on ground and come up with a better and healthy shipping policy.

2.3 Position of Ports Operational Activities before Port Reforms

The federal government of Nigeria pronouncement of 2001 port reforms was as a result of the inability of the 1996 and 1998 port reform to meet up with the challenges posed by these fraudulent practices at the ports. Policy measures were aimed at resolving the problems of over valuation and over invoicing of goods that led to capital flight and loss of revenue to government. Also, most of the Nigerian ports recorded less activity and some were virtually redundant or inactive in terms of operational services. The position of ports operational activities before port reforms were discussed based on the following activities:

(i) **Stevedoring Activities**: Before the reform, stevedoring activities at the ports were very poor and nothing to write home about. It lacked professional control and operational efficiency. The turnaround time of vessels and berth occupancy rates were low due to non-functioning of plants and equipment (Folarin, 2000).

(ii) **Operational Agencies**: There are many agencies operating at the ports before the port reforms. The operational efficiency has been hindered due to multiplicity of these agencies, whose functions were not clearly defined. This has led to delays caused by customs formalities in documentation processing and clearing of goods. The multiplicity of these agencies had no clear defined functions, hence evidences of over lapping functions were noticed, which complicated
the problems of importers and exporters at the ports.

(iii) Insecurity of Imported Goods: The insecurity of imported goods has been one huge problem that faced the management of our ports before the reform measures. The security of goods in transit at the ports is not guaranteed in anyway due to the general atmosphere of confusion created by huge number of dockworkers and multiplicity of agencies. It was based on this concern for security of goods at the ports and the desire to restore sanity in port operation that led to the introduction of port reform (i.e. 1996 import-export guidelines) by the Federal Ministry of Finance.

(iv) Port Tariff and Charges: Before the port reform introduction, the operational port tariff at our ports, has remained consistently constant and un-reviewed over the years (Ndikom, 2005). The port charges also remained inconsistent and problematic. Empirically, the old tariff was loaded with ambiguities and duplications and was also subjected to various interpretations and manipulations as miscellaneous and additional charges became pronounced on a daily operations. It is also possible to find differences in bills rated on same operations in different ports (Op. Cit). The situation impaired understanding of port tariff procedures and also made it difficult for potential port users to do business with Nigeria (Op.Cit). The problems also led to diversion of cargo to our neighbouring ports.

(v) Importers and Exporters: The business atmosphere in our ports before the ports reforms made life more difficult for both importers and exporters. The un-reviewed tariff and ambiguities involved in port charges over the years complicated the uncomfortable position of the importers and exporters alike. This situation resulted in fraudulent practices by importers, such as importation of fake and sub-standard products, contraband goods, concealment, under declaration of imported goods, avoiding paying exact duties, under-valuation, over-valuation, under invoicing and over invoicing of goods, which led to capital flight and loss of revenue to government (Ndikom, 2006). It also led to diversion of goods to other neighbouring ports of Cotonou, Ghana, Cote de Voire among others.

(vi) Un-streamlined Operations: Port operators witnessed series of un-streamlined operations that were inimical to improved port productivity and efficiency. It is revealed that over the years, the nation’s ports and its operations have been viewed as a mysterious and complicated phenomenon, which requires specialized training to understand. Against this background, most of the freight forwarders had a lot of difficulties in carrying out their responsibilities.

(vii) Government Policy Inconsistency: The maritime industry is one that must operate with clear cut convention, rules and regulations in conformity with international best practices. Over the years, the industry has witnessed problems relating to operational efficiency and inconsistency. Port operators have on several occasions been confused in coping with the problem arising from such policy inconsistency by government. The changing of destination inspection policy regime to pre-shipment inspection in 1978 brought a lot of operational confusion and misinterpretations, which hindered productivity and performance at the ports. The importers and exporters were badly hit and this resulted in fraudulent practices such as concealment, under declaration, under valuation and over valuation, under
invoicing and over invoicing of goods leading to capital flight and also loss of revenue to government. It also led to diversion of cargo to our neighbouring ports, thereby rendering most of our ports inactive in terms of operational performance.

2.4 Position of Ports Operational Activities after Port Reforms

The port is the gateway of the nation’s economy. The ports reforms introduced at different stages have not really addressed the operational vices at the ports, hence, a lot of confusion and controversies have trailed the introduction of these ports reforms. The operational position after the ports reforms are as follows:

(i) Decree 61 of 1999: The introduction of decree 61 of 1999 emphasized on the removal of cargo examination status from multiple agencies at the ports. The decree also stipulates the invitation of relevant agencies when necessary for cargo examination.

(ii) Government had set up a stakeholders-committee for the review of port charges, levies and rates at the ports.

(iii) Government establishment of enlarged committee of stakeholders on manning levels evaluation and payment by tonnage.

(iv) New port tariff reduction (new simplified port tariff) using Calabar port as a pilot experiment.

(v) The introduction of differential port billing system for our various ports.

(vi) The introduction of destination inspection and 100% destination inspection for all imported goods.

(vii) Planned privatization of the Nigerian Port Authority by government. Government introduction of decree 38 of 1999. The decree stipulates the changing structure of Nigerian Port Authority as a public service institution to a commercial concern, the commercial concern will provide series of project that will require huge capital investments involving expansion of existing harbour facilities and equipment. The decree also guarantees the Authority to lease some of the facilities to private operators, while still engaging in the provision of port and harbour services. Establishment of committee to decongest the ports and propose solution for future expansion of the ports.

3.0 Methodology of the Study.

The study was conducted on Perception of Nigeria’s policy on Port Reform in Apapa, Lagos State, Nigeria which has the same port reform system with other few Nigerian states. The reforms were the port concessioning, port privatization, and port commercialization. It was aimed at determining the developmental patterns of operational modalities in Apapa port after port reform with a view to ascertaining the perception of Nigeria’s policy on port reform. Data for the study were obtained from primary and secondary sources through questionnaires, and surveys which were administered 220 respondents of port users, customers, port managers, technical directors and community members in Apapa port, Lagos State to gather their perspectives on port operations, service quality, and socio-economic impacts. Secondary Data were implored to gather data from various sources, such as port statistics, government reports, industry publications, academic journals, and relevant databases. This data provide insights into port performance, trade volumes, infrastructure capacity, regulatory frameworks, policy documents, and environmental impact assessments. Out of the 220 questionnaires administered, only 200 were treated and returned in good state. The research made use of “Spearman Rank Order
Correlation Coefficient” (rho), to measure the strength and direction of the relationship between the dependent variables. Chi-square was also employed to test degree of freedom at 0.05 level of significant difference.

The Spearman Rank Order Correlation Coefficient (rho) of respondents' perceptions used to test each hypothesis which seeks to find out if there is any significant changes in the structural, operational activities and modalities, maritime policy and regulatory trends, and administrative pattern of the port system and its productivity at the Apapa Port after port reforms. The rankings are provided for both before and after a reform, denoted as X and Y respectively. Each subsector is evaluated and assigned a rank based on specific criteria. The difference between the ranks in X and Y is calculated as d, and the square of the difference (d^2) is also computed for each subsector.

To analyze the implications of this data, changes in the ranks before and after the reform for each subsector were examined.

3.1 The Study Area

Apapa Port also known as the Lagos Port Complex is Nigeria’s largest and busiest port complex. The complex consist of a number of facilities including Apapa quays, Third Apapa Wharf Extension, Apapa Dockyard, Apapa Petroleum Wharf, Bulk Vegetable Oil Wharf, Ijora Wharf, Kirikiri Lighter Terminal, and Lily pond inland container terminal. Financed and built by the colonial government of Nigeria. It became the nation's busiest port for exporting agricultural produce from the provinces of Western and Northern Nigeria in the late 1920s. The Administration of Apapa port was transferred to the Nigerian government upon the granting of self-government and in 2005, the complex was divided into terminals and contracted out to private operators with Nigerian Port Authority (NPA) acting as the landlord and regulator.

The Nigerian Port Authority owned and administered operations in Lagos Port Complex from 1956 until it was concessioned in 2005. During this period most of the services within the port were performed by NPA with the exception of stevedoring and manufacturing. In 2005, the complex was divided into multiple terminals and sold to private operators to manage for a set number of years.

Table 1: Showing Multiple Port Terminals in the Study Area

<table>
<thead>
<tr>
<th>Terminal</th>
<th>Berths</th>
<th>Private Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apapa Terminal A</td>
<td>1-3</td>
<td>Apapa Bulk Terminal Ltd (Flour Mills)</td>
</tr>
<tr>
<td>Apapa Terminal B</td>
<td>4-5</td>
<td>Apapa Bulk Terminal Ltd (Flour Mills)</td>
</tr>
<tr>
<td>Apapa Terminal C</td>
<td>6-12</td>
<td>ENL Consortium Ltd</td>
</tr>
<tr>
<td>Apapa Terminal D</td>
<td>13</td>
<td>ENL Consortium Ltd</td>
</tr>
<tr>
<td>Apapa Terminal E</td>
<td>19-20</td>
<td>Green View Development Nigeria Ltd (Dangote)</td>
</tr>
<tr>
<td>Apapa Container Terminal</td>
<td>14-18A</td>
<td>APM Terminals Ltd</td>
</tr>
<tr>
<td>Ijora/Lily Pond Container</td>
<td>-</td>
<td>Maersk</td>
</tr>
</tbody>
</table>

Source: Author’s Computed (2023)
The apapa port covers more than 80 hectares and has a four-wheeled gate with a height of eight metres for receiving oversized cargoes. It has two logistics centres that include bonded warehouses and terminal buildings. There are five private terminals in the Lagos Port Complex. These specialized facilities have more than 10 berths for handling grain, machinery, construction materials and perishables such as food, minerals, fertilizer, flour, salt, sugar, among others. Two grain mills and a processing plant are located on the port premises near the bulk terminals. Crude oil and petroleum products are handled at the eight jetties. The port has four jetties for handling fishing boats. Coal is handled at the 150m Ijora facility. Lagos Port also has four tank farms for the storage of refined petroleum products.

The port's container terminal covers an area of 55 hectares and has a total quay length of 1,005 metres. It has an annual container capacity of over 1,000,000 TEU and 298 reefer connections. 13 mobile harbour cranes and 14 rubber-tyred cranes are used for loading and unloading. The storage areas include 3 warehouses with an area of 3,025 m² and an unpaved open yard for temporary storage of goods. The port, operated by APM Terminals, has implemented electronic procedures such as fixed berth windows, real-time transparency of transactions, performance reviews, technical assistance, real-time invoicing and container tracking.

Studying Apapa Port provides an opportunity to develop strategies for improving efficiency, attracting investment, promoting sustainability, and addressing community needs in the context of port reform and development in Nigeria.

Results and Discussions

Table 2: Showing Population and Sample Size of the Survey

<table>
<thead>
<tr>
<th>Port Subsectors (Departments)</th>
<th>Number of Respondents</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure</td>
<td>29</td>
<td>14.5%</td>
</tr>
<tr>
<td>Security</td>
<td>31</td>
<td>15.5%</td>
</tr>
<tr>
<td>Logistics and Supply Chain</td>
<td>32</td>
<td>16%</td>
</tr>
<tr>
<td>Environmental Sustainability</td>
<td>19</td>
<td>9.5%</td>
</tr>
<tr>
<td>Port Operations</td>
<td>22</td>
<td>11%</td>
</tr>
<tr>
<td>Tariff and Pricing</td>
<td>27</td>
<td>13.5%</td>
</tr>
<tr>
<td>Customs and Clearance</td>
<td>22</td>
<td>11%</td>
</tr>
<tr>
<td>Stakeholder Collaboration</td>
<td>12</td>
<td>6%</td>
</tr>
<tr>
<td>Training and Capacity Building</td>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>200</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Table 3 showing hypothesis 1: If there is or no significant difference between the maritime policy and regulatory trend in Apapa port after port reform.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Port Subsectors (Depts)</th>
<th>Before Reform X</th>
<th>After Reform Y</th>
<th>Rank X</th>
<th>Rank Y</th>
<th>d</th>
<th>d²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stevedore</td>
<td>9</td>
<td>20</td>
<td>2</td>
<td>3</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Port Administrators</td>
<td>7</td>
<td>24</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Freight Forwarders</td>
<td>10</td>
<td>22</td>
<td>1</td>
<td>2</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Engineering</td>
<td>5</td>
<td>14</td>
<td>6</td>
<td>7</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Warehouse Operators</td>
<td>6</td>
<td>16</td>
<td>5</td>
<td>6</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Tariff and Pricing</td>
<td>8</td>
<td>19</td>
<td>3</td>
<td>4</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Customs and Clearance</td>
<td>4</td>
<td>18</td>
<td>7</td>
<td>5</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>8</td>
<td>Importers/Exporters</td>
<td>2</td>
<td>10</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9</td>
<td>Terminal Operators</td>
<td>1</td>
<td>5</td>
<td>9</td>
<td>9</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

\[ \sum d^2 = 18 \]

Source: Author’s Computation (2023)

Formula \( R = \frac{6 \sum d^2}{N (N^2-1)} + \sqrt{\frac{N-2}{1-r_s^2}} \) and ‘t’ with degree of freedom (N-2) of 7 at a level of significance of 0.05 is 2.37. Since empirical value of 4.2691 is greater than the critical value, we reject the null hypothesis (H0) and accept the alternative hypothesis (H1), “that there is significant difference between the maritime policy and regulatory trend in Apapa port after port reform”.

Note:
Significance level is at 0.05
Degree of freedom = N-2

Table 4 showing hypothesis 2: If there are or no significant changes in the structural development and operational modalities of the port system and its attendant productivity after port reform.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Port Subsectors (Depts)</th>
<th>Before Reform X</th>
<th>After Reform Y</th>
<th>Rank X</th>
<th>Rank Y</th>
<th>d</th>
<th>d²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stevedore</td>
<td>8</td>
<td>21</td>
<td>2</td>
<td>3</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Port Administrators</td>
<td>6</td>
<td>25</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Freight Forwarders</td>
<td>9</td>
<td>23</td>
<td>1</td>
<td>2</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Engineering</td>
<td>4</td>
<td>15</td>
<td>6</td>
<td>7</td>
<td>-1</td>
<td>1</td>
</tr>
</tbody>
</table>
From Table 4 above, the critical value of ‘t’ with degree of freedom (N-2) of 7 at a level of significance of 0.05 is 2.37. Since empirical value of 3.988 is greater than the critical value, we also reject the null hypothesis (H0) and accept the alternative hypothesis (H1), “that there are significant changes in the structural and operational activities and modalities of the port system and its attendant productivity after port reform”.

Table 5 showing hypothesis 3: If there is or no significant difference in the developmental patterns of operational modalities in Apapa port after port reform.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Port Subsectors (Depts)</th>
<th>Before Reform</th>
<th>After Reform</th>
<th>Rank X</th>
<th>Rank Y</th>
<th>d</th>
<th>d²</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Stevedore</td>
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<td>15</td>
<td>2</td>
<td>3</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
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<td>Port Administrators</td>
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<td>19</td>
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<td>1</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>3</td>
<td>Freight Forwarders</td>
<td>16</td>
<td>16</td>
<td>1</td>
<td>2</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Engineering</td>
<td>9</td>
<td>10</td>
<td>7</td>
<td>7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Warehouse Operators</td>
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<td>5</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Tariff and Pricing</td>
<td>13</td>
<td>14</td>
<td>3</td>
<td>4</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>7</td>
<td>Customs and Clearance</td>
<td>11</td>
<td>11</td>
<td>5</td>
<td>6</td>
<td>-1</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>Importers/Exporters</td>
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<td>5</td>
<td>8</td>
<td>8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9</td>
<td>Terminal Operators</td>
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<td>3</td>
<td>9</td>
<td>9</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

\[ \sum d^2 = 14 \]

*significance level is at 0.05

From Table 5 above, the critical value of ‘t’ with degree of freedom (N-2) of 7 at a level of significance of 0.05 is 2.37. Since empirical value of 4.9861 is greater than the critical value, we reject the null hypothesis (H0) and accept the alternative hypothesis (H1), “that there is significant different in the administrative patterns of operational modalities in Apapa port after port reform”.

By comparing the implications of the three sets of data, it becomes evident that the reform had a positive impact on the majority of operational subsectors in the Apapa Port. Several subsectors experienced an improvement in their ranks, signifying enhanced performance and efficiency resulting from the reform.
Conclusion and Recommendations

Over the years, Apapa Port has witnessed significant challenges, including congestion, inadequate infrastructure, operational inefficiencies, and governance issues. This has led to the introduction of different port reforms, through port concessioning, port commercialization and port privatization. They have significantly improved the outlook and operational modalities with its attendant productivity within the Apapa port. That is not to say that it has operated without some challenges. The major setbacks of port reform in the context of Apapa Port has provided valuable insights into the various aspects of port operations, infrastructure development, governance structures, policy frameworks, and socio-economic impacts. However, we recommends some opportunities for improvement through infrastructure development, enhanced governance structures, stakeholder collaboration and well-designed port reform initiatives. This will enhance the Apapa port operate optimally and compete with global standard practices.

References


