AFRICA INTERNATIONAL TRADE & COMMERCE RESEARCH

ACCI ABUJA CHAMBER OF COMMERCE AND INDUSTRY NIGERIA

BASELINE STUDY ON THE APAPA ELECTRONIC TRUCK CALL UP SYSTEM OPERATION

SEPTEMBER 2021

FOREWORD

The maritime sector is a pivotal historical plank for industrialization and the efficient functioning of the national and international economies. That explains why port management contributes significantly to the growth of the economy. It is also noteworthy to hint that maritime nations have accelerated economic growth than most landlocked nations.

For Nigeria, Lagos holds a prime status for the maritime sector. As the former political capital and current economic zone of the nation, Lagos logistic chain is at the heart of the country. The Lagos Port had and still occupies the prime place that determines the vibrancy and health of the nation. The advent of the African Continental Free Trade Area (AFCFTA) now increases the focus of attention on port operations, its efficiency, and the need to open up ports in other parts of the country. Therefore, the crisis at Apapa port is a major threat to the economic well-being of the country.

The Apapa Port is an integral part and a strategic gateway to the Nigerian economy. Unfortunately, it has been bedevilled with the continued occurrence of gridlock. The gridlock of the past six (6) or so years have disrupted many businesses and worsen Nigeria's rating on the Ease of Doing Business (EDB) ranking. Abuja Chamber of Commerce and Industry had in early 2018 hosted a roundtable on the traffic situation at the Lagos port. The well-attended event came up with several solutions, among which were proposals for an e-call up system to manage the trucking system at Apapa. We were glad that the management of NPA eventually introduced the digital system, among other new ideas, to ease traffic flow at the port. However, the implementation of the e-call up system has not gone as smoothly as envisaged. Therefore, this survey is a logical follow-up to the 2018 roundtable to gauge and collate port users' review of the e-call up system. The survey contains invaluable insights into the implementation of the e-call up system designed to resolve the traffic gridlock. We are convinced that the Nigerian Port Authority (NPA) management will find the report useful as a feedback resource to fine-tune the implementation of the e-call system.

I commend the Africa International Trade and Commerce Research for a job well done. We at the Abuja Chamber of Commerce and Industry value our partnership with the organisation and its team.

We recommend this report to transport professionals, ports managers, and policymakers within the logistic chains.

Dr Al-Mujtaba Abubakar,
President,
Abuja Chamber of Commerce and Industry

ABOUT THE PROJECT PARTNERS

Abuja Chamber of Commerce and Industry (ACCI)

Abuja Chamber of Commerce and Industry (ACCI) was established in August of 1986 as a Company Limited by Guarantee with the principal objective of promoting economic and industrial development within the FCT in particular and Nigeria in general.

Abuja Chamber of Commerce and Industry is a non-partisan, non-sectarian, member-funded organisation solely representing the common interests of the business community in the Federal Capital Territory (FCT) of Nigeria. The Chamber is privately funded by Corporations, Foundations and Members; therefore its energies are directed by the interests of the business community and the general public.

Africa International Trade and Commerce Research (AITCR)

Africa International Trade & Commerce Research (AITCR) is an international trade consultancy firm for the African market that works on four key areas; Trade, Research, Policy and Invest-in- Africa project.

AITCR is a knowledge-based organisation that delivers forward-thinking, innovative research with relevant data that support evidence-based decision-making, covering various sectors. Our solution offerings are Policy advisory, Trade research, Monitoring & evaluation, Impact assessment, Policy research, Capacity development, Trade facilitation, Policy reform support Geographical Indication (GI) and Data gathering, amongst others. AITCR works with policymakers, governments, development partners, civil society organisations, private organisations, and institutions to enhance data availability, which enriches evidence-based decision-making.

AITCR is proud of its wealth of experience and the knowledgeable team working in Nigeria and across Africa to offer bespoke services and stimulate economic growth.

ACKNOWLEDGEMENT

Africa International Trade & Commerce Research wishes to thank its partners, the Abuja Chamber of Commerce and Industry (ACCI) and the National Chamber Policy Centre, for their support in making this project a reality. The report would not have been possible without the contributions and participation of the various exporters, importers, and service providers that are the prime users of the seaport facility- We thank you all for sharing your practical experiences and recommendations on how to improve the operations of Nigeria's port facilities. We gratefully acknowledge and thank Dr Al-Mujtaba Abubakar, the president of ACCI, and Ms. Victoria Akai, the Director-General, of ACCI for approving the necessary institutional resources that were required for the project. S thanks to my brother, friend and professional colleague Mr. Olawale Rasheed, the Executive Director, of the National Chamber Policy Centre, for his input in conceptualizing this project and his diligent indefatigable advocacy in promoting an enabling business environment in Nigeria and across Africa. valuable comments and insight.

My heartfelt thanks to Oluwafemi Ojo, Anthony Bisong, Olayinka Busari, Nneoma Oderinde and the entire team at Africa International Trade & Commerce Research for their work on this project and tireless efforts towards using evidence-based data to support policies and the socio-economic development of Nigeria and Africa. All errors and omissions are ours.

Sand Mba-Kalu
Executive Director & Project Technical Lead
Africa International Trade & Commerce Research

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Acronyms and Abbreviations

ACCI:	Abuja Chamber of Commerce and Industry
AITCR:	Africa International Trade and Commerce Research
AfCFTA:	African Continental Free Trade Area Agreement
ETO:	Electronic Truck Call up System
NAAFFC:	Nigerian Association of Air Freight Forwarders and Consolidators
NAGAFT:	National Association of Government Approved Freight Founder
NPA:	Nigerian Port Authority
TEU:	Twenty-foot Equivalent Unit
TTP:	Truck Transit Parks

Glossary of Terms

General Cargo: In logistics, the term general cargo refers to goods that can be transported individually in one piece. This can be a pallet or a package, a barrel, or a box. If these units are collected from different shippers and combined into larger units, they are generally referred to as groupage freight.

Demurrage: Demurrage is a charge applied to containers that are left at the port or rail yard longer than their allotted free time or past the “Last Free Day.” Shippers begin incurring this fee the day after the last free day, and it is charged per container / per day until the container is picked up.

Detention charges: Detention Charges relates to equipment (while the container is empty after unpacking or before packing). The amount paid after the container has been picked up until the empty is returned to the lines nominated depot.

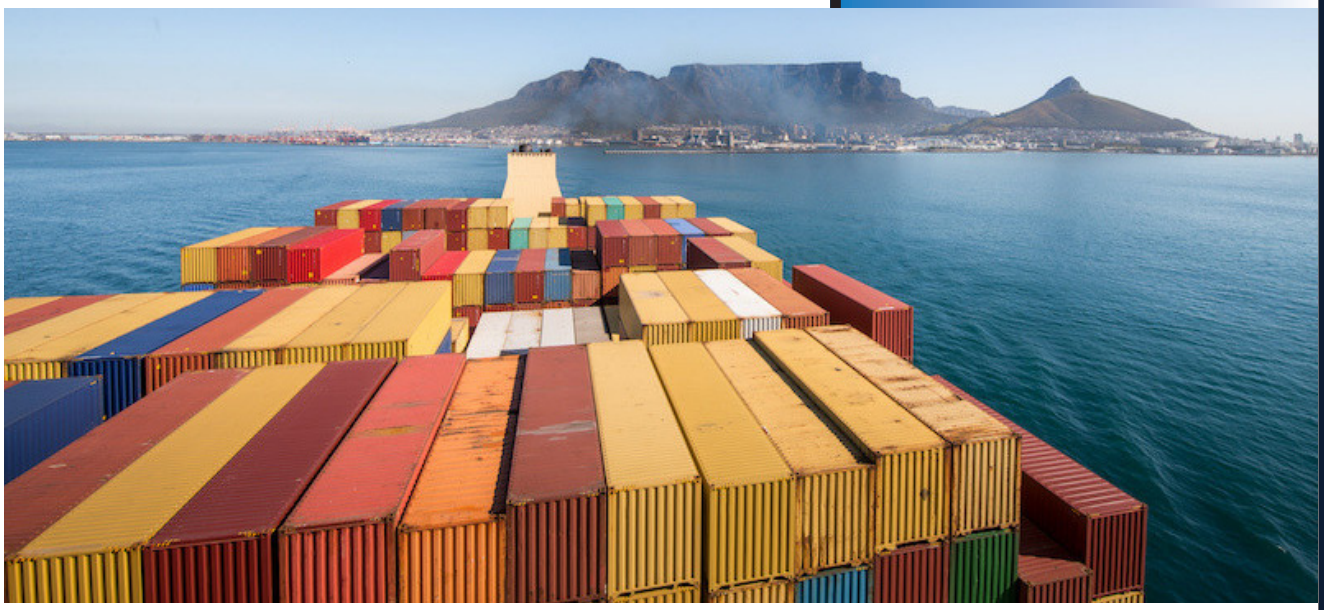
Executive Summary

Given the undeniable evidence of the plethora of challenges facing the Nigerian seaport operation, the recently implemented electronic truck call-up system (E-Call up system) or ETO platform, and the expression of doubt among key port users about its efficiency of the system, has prompted an independent assessment of the system. The Africa International Trade and Commerce Research (AITCR), in partnership with the Abuja Chamber of Commerce and Industry (ACCI), agreed to conduct a national survey to ascertain the effectiveness of the Nigerian Port Authority electronic truck call-up system to reduce gridlock and congestion at the Apapa port. The study specifically collected first-hand information from targeted exporters, importers, and service providers that uses the port facility on the impact, effectiveness, and appropriateness of the E-truckcall-up system at the Apapa port.

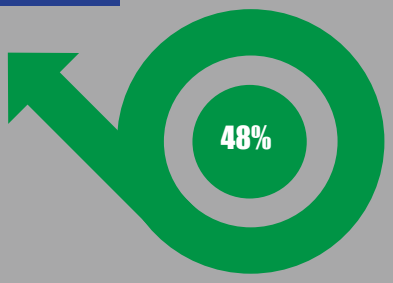
The survey adopted quantitative and qualitative techniques for the data gathering. The Covid-19 restriction during the course of the study and the concern about the high infectious spread of the third wave of the Covid-19 variant disrupted the data gathering approach - for this reason, the study opted for a remote data gathering approach. The questionnaires were administered to respondents via their email addresses and different organised business electronic networking platforms where use to reach respodents. The qualitative approach employed desk review and interviews to support the quantitative approach.

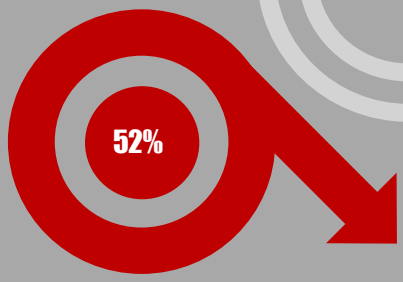
The report provides an objective analysis of the collated dat from exporters, importers and service providers on the effectiveness and appropriateness of the ETO system and its impact on export, import, port gridlock and congestion. The report also captured respondents' business longevity, employment capacity, and nature of their businesses, including the suggested role for stakeholders in addressing the gridlock and congestion challenges at the port. A descriptive analysis was used to analyse respondents' responses and the recommendations

The Apapa port is the most preferred port of destination for importers and port of origin for exporters. Users believe it is cheaper to use Apapa port compare to other ports in the country.



KEY FINDINGS

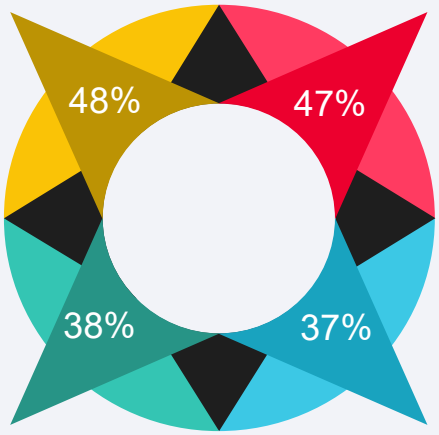




Exporters and importers found the E-Truck call-up system as positively impactful and very impactful

Exporters and importers, found the E-truck call-up system as not impactful and detrimental

48% of exporters/ importers evaluated the effectiveness of the E-truck call-up system as excellent and good



47% exporters/ importers rated the effectiveness of the E-truck call-up System as poor and a disaster.

38% of the service providers, evaluated the effectiveness of the E-truck call-up system as excellent and good

37% rated the effectiveness of the system as poor and a disaster.

73% of the respondents recommend that strict adherence to the E-call up system, sanitization of the system, and automation of the documentation process at the port, are some of the solutions to Apapa gridlock and congestion. 73%

Delay and slow operation of the E -truckcall up system are the symptoms of bribery and corruption, which constitute the highest challenge impinging on the effectiveness of the system; 38% of the respondents are holding this opinion. 38%

About 54% of the total respondents, representing 32% of exporters/importers and 75% of service providers believed that stakeholders are involved in sabotaging the E-Truck Call-up system at the Apapa port. 54%

Interestingly, about 58% of the total respondents, representing 42% of exporters/importers and 75% of service providers consider E-Truck Call-up system as appropriate measure to address the gridlock and congestion at the Apapa port. 58%

The study reveals that generally, close to 80% of exporters/importers are relatively new to international trade business with less than 10 years of international business experience. 80%

More than 47% of the exporters and importers engages in two-way trade (import/export), which indicates a promising future for the regional and global value chain. 47%

Primary agricultural products remain the bulk of the products shipped through Apapa port totaling about 37% of total shipments, accounting for 42% of the total non-oil export, and import of general cargoes represent 32% of the entire import product. 37%

1.0 BACKGROUND

Globally most major ports are facing increasing challenge of in and out of port operations with the advent of globalisation and the continuous growth of international trade, which rely on the maritime transport system for smooth transportation of goods, across borders. The maritime transport system is naturally the most optimum way to ensure efficient movement of large volume of cargoes between countries, especially in this period of COVID-19. This increase in the volume of cargoes has placed significant burdens on the operations of seaports and in most cases led to port congestion. Port congestion is due to a large number of trucks arriving at the terminal posing a severe threat to economic growth.

To address this challenge, countries are introducing different systems in their port operation. Some countries have deployed time-varying tolls systems, vessel-dependent time windows, truck appointment systems, electronic call-up systems, and national single windows systems to manage the port congestion and decongestion in their jurisdictions. The time-varying tolls aim to decrease the number of trucks arriving during peak hours at the port and those that arrive during peak hours are charge additional fees during these times. Ideally, this strategy varies among ports. For instance, the Port of New York and New Jersey charges different prices for trucks arriving during peak hours and off-peak hours, while other ports only charge trucks arriving at peak hours. Ports in China mainly use vessel-dependent time windows, example is the Dalian and Tianjin ports. The underlining drive of this method is to shorten container storage time, decrease container reshuffling in storage yards, and reduce gate congestion. The truck appointment is another system that was first implemented in Vancouver in 1999. Since then, the method has been implemented in many ports due to the advantages of predicted truck arrival information, guaranteed truck entrance time, and decreased truck emission.

Nigeria, the most populous nation in Africa, is an important international trade country with its major ports struggling to meet users demand. The country has six major seaports, but the most frequently used ports are located in the nation's commercial centre of Lagos. With almost 90 per cent of imports and exports going through either Apapa or Tincan port - these ports function with overstretched infrastructure, making congestion inevitable over the years[1] leading to a longer truck waiting time, air pollution, lower terminal efficiency, serious traffic situation in and around the port environ. The congestion and gridlock, according to experts, is causing increased pressure on the port, facilities and the existing analogue operating system at the ports. Experts have argued that the Apapa gridlock and congestion iscosting the Nigerian economy about NGN 140 billion weekly and US$ 10 billion import and export products waste annually[2].

It is pertinent to note that the complete lack of automation at the port and a national single window means that customs officials have to conduct physical examination on all imported and exportable goods, which add to port delays. In maritime logistics, one yardstick for measuring performance at the port is the delivery time of a container to a client. The transportation of these containerised cargos goes through the global supply chain, of which, at various points in the supply chain, each chain consumes a part of the total delivery time. The delay at Nigeria port reduces the competitiveness of Nigeria business at each phase of the transshipment operations that end up bridging the total transshipment time which directly impact the financial, and economic, capability of the business. .

Port congestion at container terminals in Nigeria has recently received increased attention from the Port Management Authorities, Shippers Council, and Terminal operators. To find a permanent solution to port congestion and truck overcrowding at Apapa port, its environs and improve the efficiency of the port operations in Nigeria. The Nigerian Port Authority (NPA), on the 27th of February, 2021, set up a digital platform, Electronic truck call-up system (E-Call up system) or ETO platform[3] and directed that all trucks will be required to wait at different approved parks until they are notified when to enter the port through the E-Call up system application. All transporters, truck owners and truck drivers were required to download the ETO App and sign up before the commencement date to enable their truck gain access to the port facility. In addition, all cargo owners were directed to deliver their empty containers to the holding bay of the shipping company while the shipping company were required to make the necessary bookings on the ETO platform to return empty containers to the port.

Notably, before the establishment of the public-private partnership agreement between the Nigerian Port Authority (NPA), the Truck Transit Parks (TTP) Limited and the Lagos state government to set up the E-call up system platform, there was a total collapse of law and order along the port access roads in Lagos, Nigeria. This led to extreme blockade, traffic gridlock and caused enormous economic loss to seaborne trade. However, barely two weeks after the digital platform was launched, transporters expressed that the system had become a disaster. With the return of the gridlock due to illegalities and corrupt practices, the NPA management sees this practice as a major disincentive to the smooth implementation of the E-call up system[4].

1.1 Overview of Apapa Seaport Electronic Call-Up System

In an attempt to find a permanent solution to the challenges of truck congestion and gridlock in the Apapa seaport and its environs, the Nigerian Port Authority adopted the electronic truck call-up system, (E-call up system) dubbed “ETO” (which means “to schedule” in the Yoruba language)[5]. Note: ETO is sometimes referred to as ETO platform or ETO system, ETO app or just ETO. This is similar to the truck appointment system as obtainable in the Port of Durban and other ports around the world. The Port management designed the system to manage truck movement and access to and from the Apapa Ports complex and the Tin Can Island Ports, in Lagos, Nigeria[6].

ETO usage directive for Truck Owners/Drivers:

- ◊ All transporters, trucks owners and truck drivers are required to download the ETO App from the Google play store or sign up at http://eto.ttp.com.ng before the commencement date to enable them to register accordingly.
- ◊ All trucks doing business at the port are required to park at the approved truck parks until they are called to the port through the ETO app.
- ◊ The ETO application will be responsible for the scheduling, entry and exit of all port bond trucks from the 27th of February 2021.
- ◊ In addition to this, cargo owners were informed empty containers can only be returned to the ports through the approved holding bays of shipping companies using the ETO Platform. It is the shipping company’s responsibility to move empty containers from their holding bay to the port. All cargo owners have to drop their empty containers at the holding bay of the shipping company. The shipping company will then make the necessary bookings on the ETO platform to return empty containers to the port.
- ◊ Non-compliance in the use of ETO and its guidelines will result in denial of access to the Ports, impounding of trucks and withdrawal of registration/operating license[WW].

1.2 Rationale

The port operations is of public interest and the introduction of new policies should be assessed to ensure it serves the ineterst of the business community and the Nigeria economy. Soon after the launch of the ETO platform stakeholders who thought the E-truck call up system should not have had human interference, have expressed concern about the effective implementation. This is because they believe favouritism, extortion, corruption and bribery will continue to exist if the system allows human interference[8]. It has therefore become a matter of priority to independently evaluate the challenges bedevilling this ambitious innovation in the history of port operations in Nigeria.

However, experts believe that digitalised truck call up system is non-negotiable to meet the growing volume of cargo traffic to and frothe country, which was 70,819,092 in 2016 and rose to 71,903,266 in 2017 covering all the Nigerian ports[9]. The need to fill this gap is the ETO platform, which is highly indispensable to enable an improved system that will address the huge loss associated with inefficiency at the port. It is worthwhile to critically assess the performance of the E-call up system, measure its impacts, identify dominant impediments and proffer feasible recommendations.

Thus, the Africa International Trade and Commerce Research (AITCR), in partnership with the Abuja Chamber of Commerce and Industry, conducted a survey to independently ascertain the Nigerian Port Authority electronic truck call-up system's effectiveness to reduce gridlock, and congestion at the Apapa port. The study is a baseline study that specifically targeted exporters, importers, and service providers at the port with the intent to gather first-hand information on the impact, effectiveness and appropriateness of the electronic call-up system at the Apapa port.

1.3 Specific study objectives

The Africa International Trade and Commerce Research and the Abuja Chamber of Commerce and Industry seek to undertake a baseline study on the active Apapa Seaport Electronic Call-up System, with the following specific objectives:

1. To assess the performance of the ETO since inception;
2. Collect valid data on the practical experience of users of the E-call up system;
3. Gather data on the E-call up system impact on port operations;
4. To identify major Challenges to the operability of the E-call up system;
5. To propose feasible solutions for successful E-truck call up system operation E-call up system.

1.4 Methodology

Due to the Corona Virus (COVID-19) pandemic where life has dramatically changed from the way we know it and the restriction put in place by the Nigeria Center for Disease Control (NCDC). The study adopted remote quantitative and qualitative data gathering techniques. In-person, face-to-face data collection were strictly controlled and, in most cases, not tenable as at the assessment time.

The study opted for an email survey, telephone and the use of digital platforms for businesses to gather the data. The mail survey involved the identification and administering of the research instrument to respondents from a validated Nigerian business group database and Abuja Chamber of Commerce and Industry database. Questionnaires were administered to respondents via their email addresses, and their responses were returned via the same channel, while others were through telephone, digital and business social media platforms. The study comprises three (3) important groups; importers, exporters, and service providers who use the seaport.

The desk review provided an overview of the historical context surrounding port congestion, decongestion and the electronic call-up system adopted by the management of Apapa seaport. The information obtained from the desk review was triangulated with the data obtained from the field.

The study relied on the experiences of exporters, importers and service providers of core port services and ancillary services. These respondents are first-tier users of the electronic call-up system and have in-depth knowledge of Apapa port congestion and gridlock challenge. Their experience is expedient, and the research team hope it will serve as a feedback mechanism and a repository to improve the system operations.

2.0 DATA ANALYSIS AND INTERPRETATION

This section of the report employs descriptive statistics to proffer meaning to specific objectives formulated for analysing the data collected on each of the responses from the exporters, importers and service providers at the seaport. Insightful recommendations were made based on the findings gathered through a structured questionnaire and open-ended questions.

2.1 Analysis of Preliminary Information of Respondents

The preliminary section contains an overview of the Importers group, the Exporters group and the Service providers groups information as analysed in figures 1, and 2 which described their activities at the port and further disaggregate their operations into the specific roles that each respondent plays at the port.

2.1.1 Distribution of Respondent Activities at the port

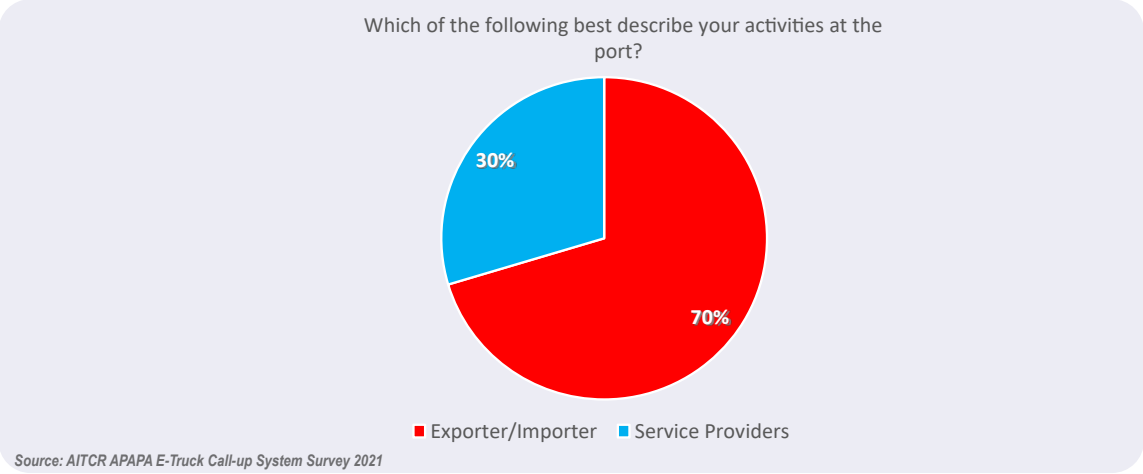


Figure 1. Graphical Representation of Respondents Activities at the Apapa Port

Figure 1 reveals a segment of global business of the respondents that participated in the survey. Exporters/Importers accounted for 70% of the entire respondent population. This percentage dominates the remaining 30% who were service providers' category of port users. The breakdown of the exporters and importers is presented in figure 1b below. This reflects the status quo as the proportion of the exporters and importers are expected to outnumber service providers.

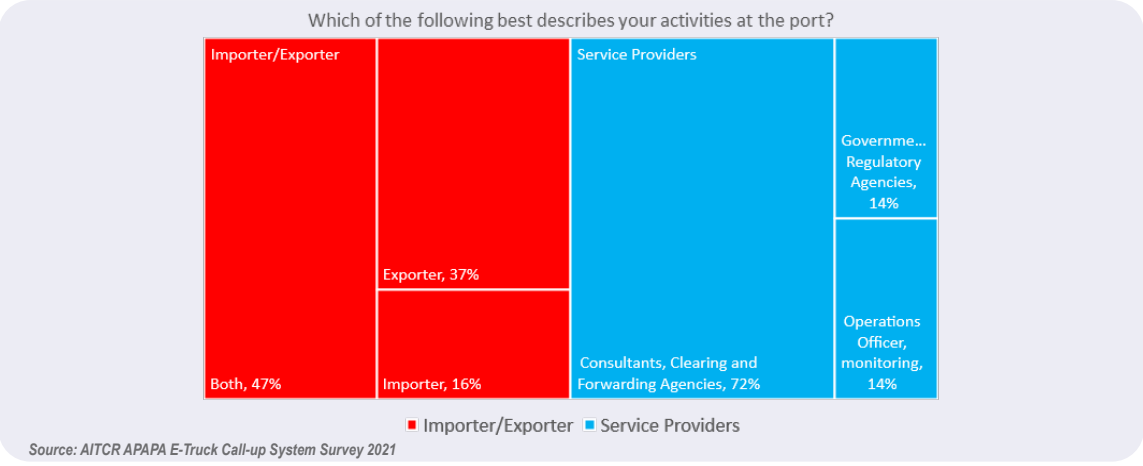


Figure 2. Graphical Representation of exporters, importers and service providers

From figure 2, port users who combined export and import are higher than those who only engage in either export or import business, accounting for 47%, 37% and 16% of the respondents respectively. The higher proportion of respondents who engage in two-way transactions (export/import) indicates a promising future as they are better positioned to participate in the Regional and Global Value Chain, thereby increasing their potential for profit in the future. They also have a higher possibility to expand their labour force significantly and swiftly take advantage of business opportunities when one arises within a short period than those whose business focus on export or import only. With more respondents claiming that they are into export only compare to import is an indication of a positive prospect for Nigeria non-oil export and balance of trade. The overall result shows that with an increased proportion of businesses involved in international trade can transform the manufacturing sector, with exports pulling millions out of poverty and the importation of machineries and other essential industrial products making the manufacturing sector more productive.

In comparison, further decomposition of respondents' activities under the service providers, shows that consultants, clearing and forwarding agents make up 71%. Operations and Monitoring Officers, Government/Regulatory Agency accounted for 14% each. Having consultancy services, clearing and forwarding agents dominating the service providers group reveal the expectation for a seamless operation for exporters and importers by ensuring conformity with the contractual specifications and decreasing risk-on trading. More so, service providers should bring about the innovative economy of scale required to scale through the flaws of the ETO system. TThe operational effectiveness of the ETO system would impact significantly on the services of clearing and forward agents who will have to wait after submitting applications through the ETO system. As a result, the continued disruption w of the system would result in loss of business and livelihood for service providers at the port.

PART A

Comparative Analysis of Exporters/Importers and Service Providers Responses

2.2 Comparative Analysis of Exporters/ Importers and Service Providers Responses

Port call up operations involves different stakeholders and processes. This section is the comparative analysis, assessment, and evaluation of the E- truck call up system's impact, efficiency, challenges and the top reasons for the inefficiency at the port from the perspectives of exporters, importers, and service providers.

2.2.1 Distribution based on E-call up System impact on port activities

Port congestion has a wide-ranging negative impact on all industries, resulting in business slowdowns, lack of inventory in stores, customers having to airfreight certain essential goods to alleviate shortages, especially perishable goods.

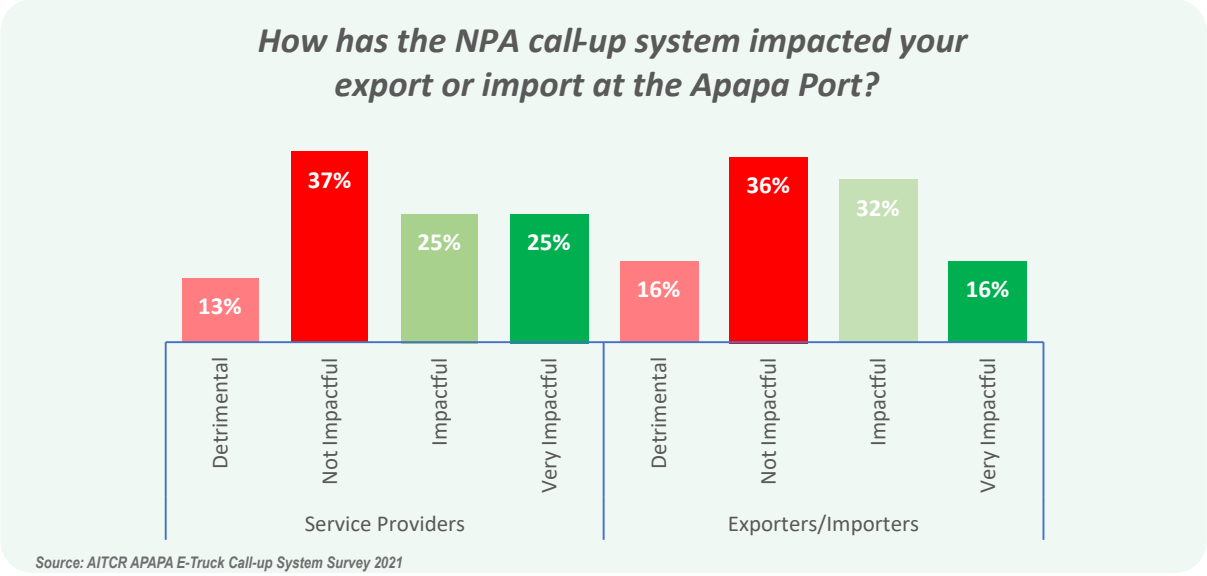


Figure 3. Impact of the electronic call-up system (based on the category of the respondent)

Figure 3 reveals that 32% and 16% of exporters/importers found the E-truck call up system positively impactful and very positively impactful, while 36% found it not impactful, and 16% affirmed the system is detrimental to their export/import business. This result is very similar to the experience of service providers with 37% saying that the system is not impactful, and 13% said the system is detrimental to their services, while 25% asserted that the system is impactful, with another 25% of service providers are of the opinion that the system was very impactful. The group of respondents that indicated they are satisfied with the system are experiencing the positive impact of using Apapa and Tincan terminals. They also said one of the impact of the E-truck call up system in recent time is the drop in the haulage price of fully laden container from the Lagos port to any destination within the Lagos area. On average, the E-truck call up system could be regarded as performing fairly well. The impact of the E-call up platform on export or import operations or service providers at the port could be regarded as having some level of impact. Some of the positive impacts experienced in the last 4 months especially from February to March 2021 include increase returns on logistics investment while maximising time per trip, ease of truck traffic congestion and streamlined cargo movement activities, for example carriage cost for moving a 20 TEU container from Tin-Can Island port to warehouses within Lagos State dropped progressively from over N1million in December 2020 to as low as NGN 210, 000 by the second quarter of 2021. Further analysis of the data reveals those who once reaped the benefits among the service providers such as clearing and forwarding agents and consultants at the early inception of the ETO platform are currently lamenting the seeming breakdown of the same system.

Some respondents alleged that the Nigerian Police and Lagos State Traffic Maintenance Agency (LASTMA) officials soon resulted in bribe-taking from unpatriotic truck drivers. This situation, as expected, naturally hampered the movement of E-truck call up system compliance.. The respondent group that are concerned about the detrimental and negative impact of the current operating status of E-truck call up system on their business said seasonal goods like agricultural products are not being processed in good time to arrive at the scheduled time or leave the port at the right time. Those who felt the system does not impact their export/import or considered the system detrimental are calling on the Nigerian Ports Authority (NPA) to overhaul the E-truck call-up system on the ground that the traffic situation at the port and its environs have deteriorated into abnormality a few weeks after the implementation of ETO.

In addition, the impact of the NPA electronic call-up system on export and import was succinctly expressed by some freight forwarders and truck drivers who stated their displeasure with the implementation of the electronic call-up system, saying the process was fraught with several irregularities. The implementation of the electronic truck call-up system has not been effective because the government is sabotaging all efforts at resolving the issue of the gridlock at the port.[10]

To further ascertain the impact of the call-up system. A trucker expressed his displeasure and opined that:

> *He did not believe the electronic call-up system would solve the gridlock. He said the authorities should work on the road instead, "because the road is very bad and nothing has been done about it for years".*[11]

However, the efficiency of the ETO system is bound to increase and positively impact export/import if feasible solutions are adopted to tackle the current challenges.

2.2.2 Distribution based on the effectiveness of the E-call up system

At the time the system was launched, the ETO platform was judged to be effective by some truck drivers due to strict compliance with operational guidelines, but with backlogs stemming from allegations of bribery and corruption, the operation has changed.

When researchers asked respondents to share their experience of the E-call system effectiveness within the parameter of the following indicators good, fair, poor and disaster. The figure 4 reveal respondents' opinions:

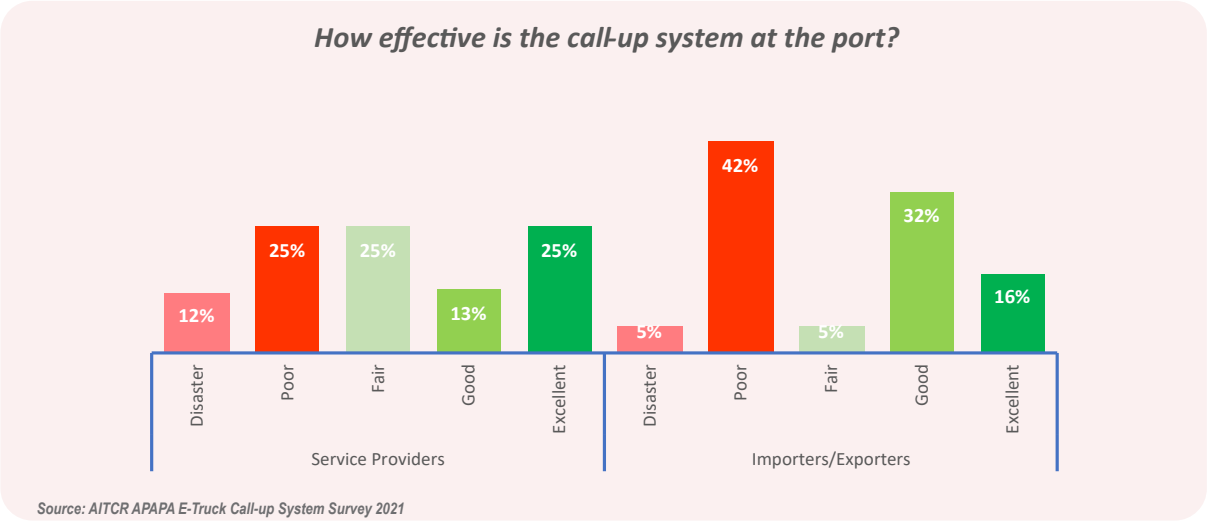


Figure 4. Evaluation of the effectiveness of the E-call up system

In figure 4, 42% of exporters/importers rated the system effectiveness poor. However, 32% of exporters/importers respondents rated the ETO system as either good while 5% rate the ETO System as Excellence. 5% of the exporters/importer asserted that it was fair, while 5% stated that the system was a disaster. The poor evaluation is also connected with the emerging 3rd party losses borne by those who were not directly connected with the port. For example, a truck waiting in a queue due to port congestion may be holding up someone else business, someone who needs the truck, and someone willing to pay the trucker for the transport of his/ her goods but unable to use the service because of the ineffectiveness of the ETO system. So the truckers and the customers are both losers of the ineffectiveness of the system. Succinctly, the poor rating of the ETO system is strongly connected with the observed breakdown barely four weeks after the ETO system was adopted and launched by NPA. The effectiveness ranking by the exporters and importers is in sharp contrast with Service Providers ranking. 25% of the service providers, consider the effectiveness of the system excellent. Similarly, those who ranked the effectiveness as fair and poor also accounted for 25% each, while 12% considered the system as a disaster. The service providers' respondents assessed the ETO system more fairly compared with the exporters/importers evaluation earlier analyzed. The reason for this could be explained based on the degree of impact shared between the two groups. Exporters/importers group bear the greatest burden and magnitude of the effect of the system, whereas the service providers could, to a large extent, transfer the cost to exporters/importers that contract them for their services. Exporters/importers evaluation is based on immediately feasible impact on their export and import. Furthermore, most exporters that are dissatisfied with the effectiveness of the E-truck call-up system believe that the system is detrimental to their business. One of the exporters expressed her displeasure when she said;

"I have more than 10 containers struggling to enter port. I have shipped only 3 containers since march, 2021. It's so so frustrating. Racketeering! You buy call-up for over NGN 70,000 line up at lilypond for weeks only to go and pay bribes point to point. It takes several weeks, its not a good experience in Nigeria."

To further buttress the effectiveness of the electronic call-up system at the Apapa Port, some users and operators were elated as normalcy gradually returns to Apapa.

We have seen the effectiveness of the NPA ETO. If it continues likes this, it is going to work and be better. If you look at congestion at the port, truck drivers usually caused the traffic before now. Some of the truck owners have about 15 trucks each, but they don't have parking yards. They took over the roads as their parking space where they stay until they get another job; this has been a serious problem causing traffic at the port. But with the current electronic call-up system and the ETO, without your TDO validation, you cannot bring your truck into the port[12].

An Apapa resident said,

"If you have been to Apapa in the past, you will know what I am talking about. Our businesses went down, and properties lost value, and people were dying like no man's business. "We call on the NPA to sustain this. I drove to my house for the first time in many years, and I cried. I thought we had no government in Nigeria again. This is worth celebrating, and I can only hope it lasts[13]."

2.2.3 Distribution based on the appropriateness of the E- call-up system

Respondents were asked if the system was an appropriate measure for tackling the gridlock, congestion and delay challenge at the port. The following responses were collated and presented in the chart below.

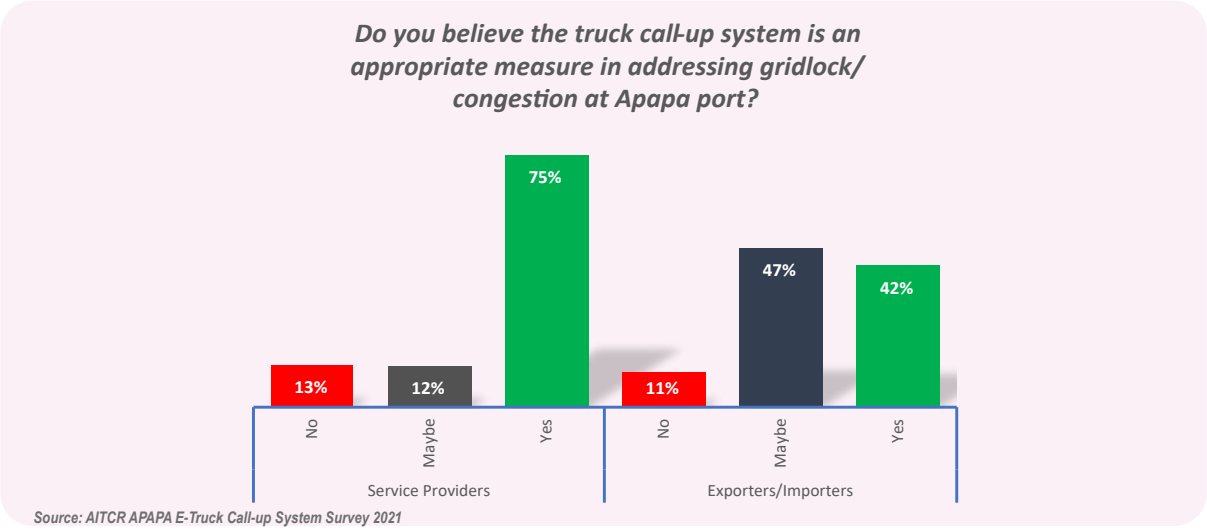
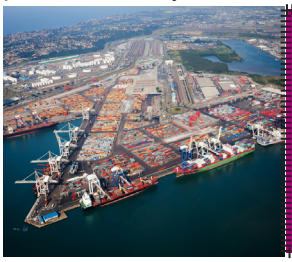


Figure 5. Respondent opinion on the appropriateness of the system

The assessment of the appropriateness of service providers and exporters/importers is vastly different. 47% of exporters/importers are indecisive about the appropriateness of the E-call up system, while 42% believed it is the way to go despite the current challenges. The supporters of ETO are of the view that the worse of the ETO system is far better than the best of the pre-ETO system going by the cost and benefit analysis of the system. The expected benefits can be demonstrated by considering the benefits accrued to other countries that have digitalised their port operations. In other advanced nations, the port and logistics industry has adapted to the use of new technologies to a certain extent and are now making leeway in automation, autonomous transport, big data, simulation, and virtual reality, and blockchain. Hence, those in support of the system considered it rather absurd and non-progressive to consider ETO as inappropriate in a world where countries complete to find dominance in the global value chain with developing and emerging economies struggling at the low helm of the value chain. To compete favourably with countries in the EU, which are jointly the global largest exporter and biggest trader of goods, adopting ETO platform is considered very appropriate by the supporters. Moreso, the competitiveness of industrial sectors relies heavily on the effective performance of maritime, freight, railway and other logistics, to deliver Just in Time service. 11% of the exporters/importers captured maintained that E-truck call-up system is not an appropriate measure to the Apapa gridlock and congestion crises. This doubtful position can be attributed to the current challenges experienced by the truckers and evidence of mass boycotting of ETO Platform.

Interestingly, 75% of service providers consider ETO as appropriate while 13% were indecisive. 13% of service providers do not consider ETO as appropriate. These results underscored the level of technicality involved in the activities of port service providers, hence the considerable support for a digital alternative on which can optimize performance. Furthermore, globally, different ports have adopted measures to decongest ports due to the increase in trade volume and indiscriminate parking of trucks at the port. A case study of Port of Durban clearly shows how the truck booking system has helped to decongest the ports massively. According to the management of the Port of Durban



A newly introduced truck booking system near the Port of Durban has helped to alleviate truck congestion in the Bayhead Precinct and surrounding roads[14].

Additionally, due to the effectiveness of the truck booking system adopted by the Port of Durban which has helped decongested the port, management of the port went further to say that,

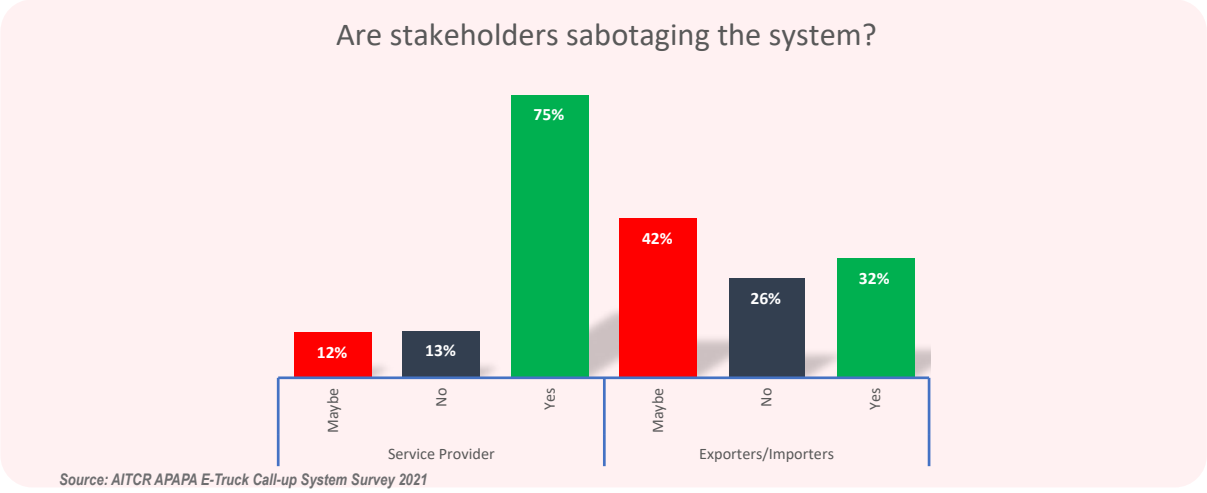
> *"...they hope to have 80% of the port having adopted a truck booking system."*[15]

In a study carried out on real-life instances of a container terminal at the Grand Port Maritime de Marseille to ascertain the benefits of the Truck Appointment System (TAS), a similar model to the truck call-up system at Apapa port, the result was succinctly expressed as follows:

> *The results shows that a thought-out truck appointment system can reduce delays of trucks, trains, barges and vessels: the terminal can deviate truck arrivals to less busy periods and free straddle carriers for trains, barges and vessels when necessary.*[16]

2.2.4 Distribution based on respondents' perception of stakeholder's sabotage

Researchers asked respondents whether port stakeholders were sabotaging the e-truck call up system aimed at decongesting the port and reducing the gridlock. Importers, exporters and service providers answered differently to the question. Some respondents affirmed that stakeholders are sabotaging the system. Others disagreed with the notion that private sector stakeholders are sabotaging the system rather they said it is the government and regulatory authority stakeholders that are sabotaging the system, while others were indifferent. The result of the findings is presented below:



Source: AITCR APAPA E-Truck Call-up System Survey 2021

Figure 6. Graphic representation of the opinion of stakeholders sabotaging the system

From the outcome on the question of whether stakeholders' are sabotaging the ETO system, 42% of the exporters/importers are unsure if stakeholders were sabotaging the ETO system, while 32% believed that government and regulatory agency are involved in sabotaging the system. However, 75% of service providers believe that government and private sector stakeholders are sabotaging the system. Findings from other sources corroborated this as the national president of the Nigerian Association of Air Freight Forwarders and Consolidators (NAFFAC), Prince Adeyinka Bakare, during a national daily interview stated that the E-truck call up system might be truncated by officials of the port authority involved in the process, alleging that the progress recorded so far might suffer setbacks by saboteurs[17]. In another instance, the national deputy president, Air Logistics, the National Association of Government Approved Freight Forwarders (NAGAFF), Dr. Segun Musa, told the Guardian newspaper that the government is sabotaging all efforts at resolving the issue of the gridlock at the port corridors. Some asserted that only about 15% of the trucks operating in the Lagos port corridor were certified to enjoy the e-call up system raising suspicion on the level of transparency. The act constitutes a deliberate attempt to frustrate and

shortchange genuine stakeholders in the sector. The researchers went further to interrogate the reasons for respondents' position on stakeholder's sabotaging the system, and this was clearly captured as expressed by both exporters/importers and service providers Some respondents identified the managing company of the E-call up system as the saboteur of warehouses and terminal operations, but they also indicted government officials at the port for taking bribes and kickbacks. Other respondents stated that delivery delay at clearance is the main reason why they believed the e-call up system is being sabotaged.

According to one of the exporters,

> *"law enforcement agents are the saboteurs. Fifth columnists are fighting back. I try to get the necessary documents, they delay delivery, and it makes us pay additional terminal charges".*

Other challenges identified by respondents range from; restriction in online booking, date matching, batching times, trucks restricted in accessing the port a few times a day, unfair bias in the selection of some trucks for multiple entrances into the port per day, unscheduled cargoes finding their way into the port, lack of electronic gates pass at the port of entrances, and staging yards.

One of the service providers testified that:

> *"there had been reports of traffic enforcement teams influencing call up and fake call ups".*

Another respondent asserted that,

> *"Since the stakeholders are also owners of the haulage trucks, they impede any innovation or process that will restrict opportunities for corrupt and sharp practices".*

Some respondents opined that,

> *"Stakeholders here include the NPA themselves, members of the various task forces and enforcement teams, the container owners, agents and drivers - nobody truly believes a working system will be to their benefit because the government lacks the political will to throw its weight behind the new system and punish violators".*

The collusion of corrupt state agents, including NPA staff, security agents, Truck owners are deliberately circumventing the process willingly. Allegations of forgery of transit e-tickets or selling of tags to truck drivers by unscrupulous TTP employees were rife. In recent times, the clamours of extortion by security operatives assigned to monitor traffic along the port corridor have become increasingly strident. Those benefiting from the existing disorder seem determined to preserve the status quo.

> ***The managing company of the Call-up system cannot be a warehouse/terminal in or around the Ports, because they sabotage other warehouses and parks. The government and relevant stakeholders in the maritime sector must control the managing company transparently. Also, government agencies working in and around the Ports must be checked to avoid sharp practices that will undermine the efficiency and effectiveness of port processes. Most times security agencies deliberately compromise the system and if any of the port users choose to turn down the request, they try to sabotage the system with incessant delays and impoundment which slows down the system. To resolve this problem, government should increase wages of staffs of its agencies and security personnel working in and around ports to avoid extortion and an effective monitoring system must be instituted to punish offenders. There are lots of management irregularities in the system which must be checked to avoid further decadence. Nigeria's yearly export or import volume is not as much as the quarterly volume of developed countries, but the good thing about those countries is that you hardly find port congestion as much as Nigeria. It is very difficult to see any government or security agencies that work in and around the port that is not involved in all these sharp practices. These delays and duplication of checkpoints have led to trucks in the Port spending more than 12 hours waiting for unloading and loading sometimes. Going through the trucks' check-in and check-out times and you will understand how many hours they stayed in the port.***

Others express their dissatisfaction based on the fact that,

> ***"There are cartels that create hitches to benefit from the lapses. There is institutionalised corruption and stakeholders are undercutting each other with the connivance of government agencies to sabotage any system out in place. There should be put in place direct sanctions on defaulters."***

The views of the respondents on stakeholder's sabotaging the system continue thus,

> ***"Some stakeholders are taking advantage of the process to sabotage the system because NPA refused to apply the right solution to address the challenges at the port corridor. Even in mathematics, there are some equations that are unsolvable until a variable is changed, this principle equally applies to NPA, they need to change their strategy of putting favouritism and revenue before other important things. The urge for a real solution should always come first, good solution naturally attracts revenue."***

some respondents said stakeholders are,

> ***Are trying their possible best, and terminal operators are majorly the reason why we are not getting the required result due to the fact that they do not adhere to the e-call up system.***

2.2.5 Distribution based on identified challenges with the e-truck call-up system

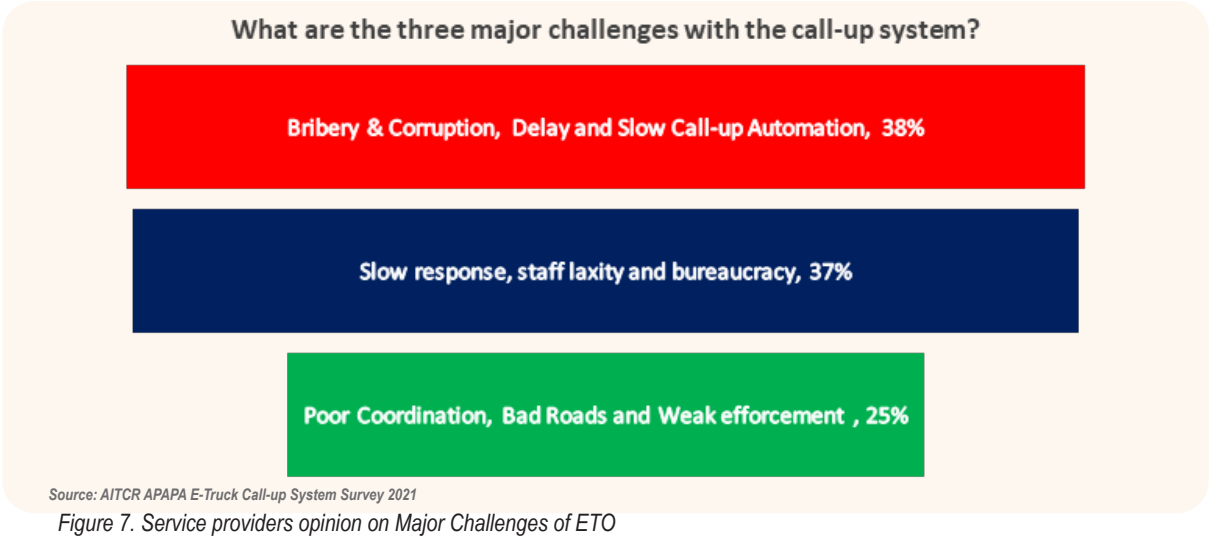


Figure 7. Service providers opinion on Major Challenges of ETO

The categorisation of major challenges reveals that bribery and corruption, delay, and slow call up constitute the highest challenge impinging of the effectiveness of ETO, while 37% are of the view that stall slow response to port users concern is a challenge, including staff laxity, and bureaucracy are all frustrating the efficiency of the E-truck call up system. Similar weight is attached to staff laxity and bureaucracy. Poor coordination, bad roads and weak enforcement were mentioned by 25% as the top challenges.

According to one of the exporters,

> *"law enforcement agents are the saboteurs, the beneficiaries of the old system are fighting back. I struggled to obtain necessary documents but with delayed delivery, which makes us pay extra terminal charges"*

Other challenges identified by respondents range from; restriction to online booking, matching, batching times.

2.2.5 Distribution based on respondent suggested roles of stakeholders

The research team elicited respondents' opinions on the expected role of stakeholders in finding lasting solutions to the gridlock, congestion and having an effective automated system at the port. The chart below proffers different solutions.

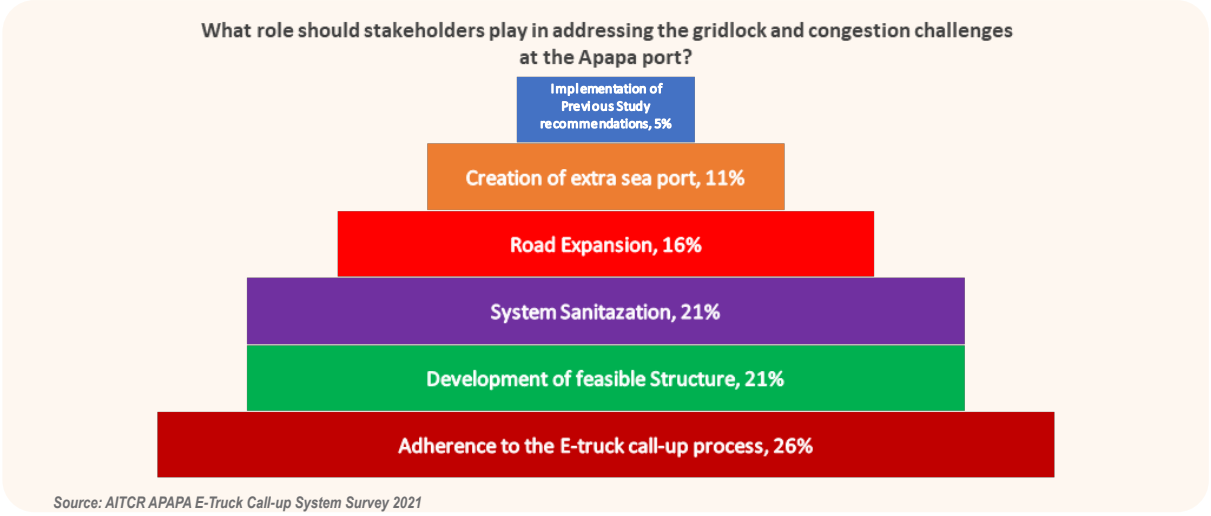


Figure 8. Respondent opinion on the role of stakeholders in the E-call up system (exporters/importers)

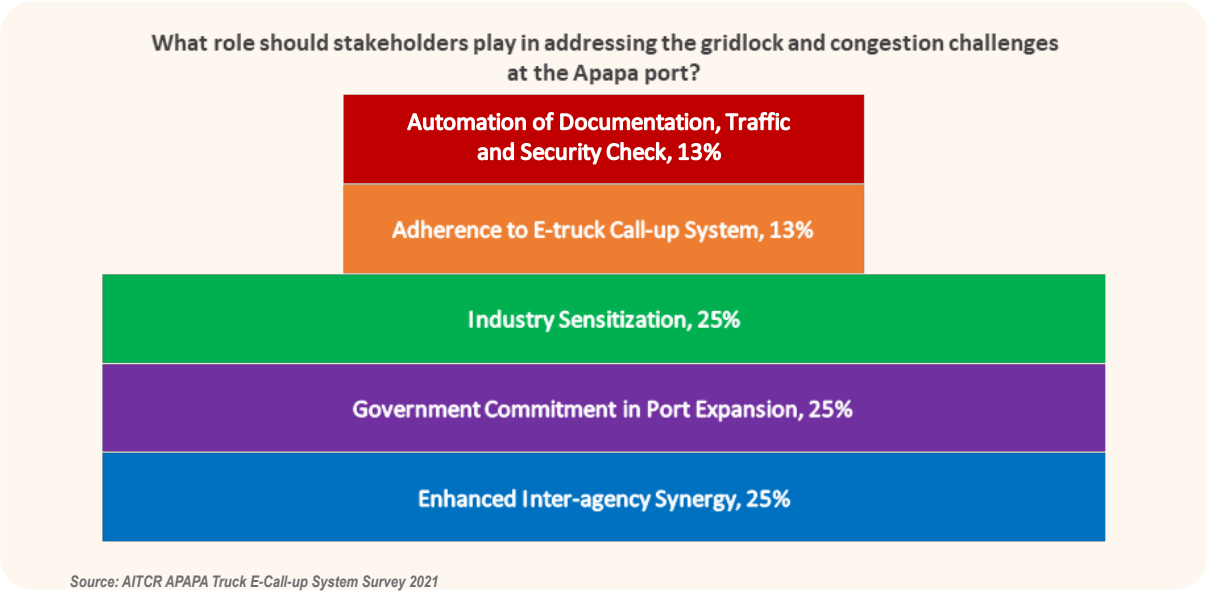


Figure 9. Respondent opinion on the role of stakeholders in the E-call up system (Service Providers)

From Figures 6 and 6a, it became evident that non-compliance to the E-truck call up system is the dominant challenge as 26% of exports/ importers and 25% of service providers affirmed that as one solution to address the Apapa port challenge and the most important role to be played by stakeholders. This is closely followed by regular system sanitisation, which accounts for 21% among exporters/importers and and 24% service providers recommended enhanced inter-agency synergy and collaboration.

On system sanitisation, a respondent affirmed that,

> *"First of all, you should remove greedy staff and officers from the institutions. Don't allow them to get extortion and bribery from Exporters and Importers. Remove the Police from any checkpoint and control units of the ports and put special security"*

Many respondents stated that greedy staff and officers in port operation should be removed from the managing institutions. Extortion and bribery from exporters and importers should be eradicated. Importantly, Police checkpoints at the port should be dismantled, and the police unit at the port should not be involved in any day to day export or import activities at the port except when there is a case for a criminal investigation that has been officially reported. 21% of the exporters/importers asserted that stakeholders should be given a feasible structure, 16% suggested road expansion, 11% opening up other ports and 5% opined implementation of previous studies.

A respondent opined on developing a feasible structure stated that,

> *"...government should open other seaports destinations in Nigeria with incentives. Because the current port infrastructure has a lot of limitations. Government should use railway transportation system to move containers in and out of the port to the destination that puts them away from Lagos traffic."*

In figure 6a, the chart explicitly captured the responses of port service providers. The response percentage for each solution indicates the level of assertiveness and weight attached to the suggestion by the respondents. Sensitisation of industry actors, automation of documentation, traffic and security check and strict adherence to the call-up system carry equal weight with each of the solutions accounting

for 25% of the responses. Inter-agency synergy and port expansion accounted for 13% of responses each. Compliance from every stakeholder is required as many asserted that private sector stakeholders avoid the e- call up system for personal gains. Buttressing on traffic and security check automation, some respondents agreed that ensuring an automated system for security check and traffic control will facilitate the speedy operation of activities and transactions at the port.

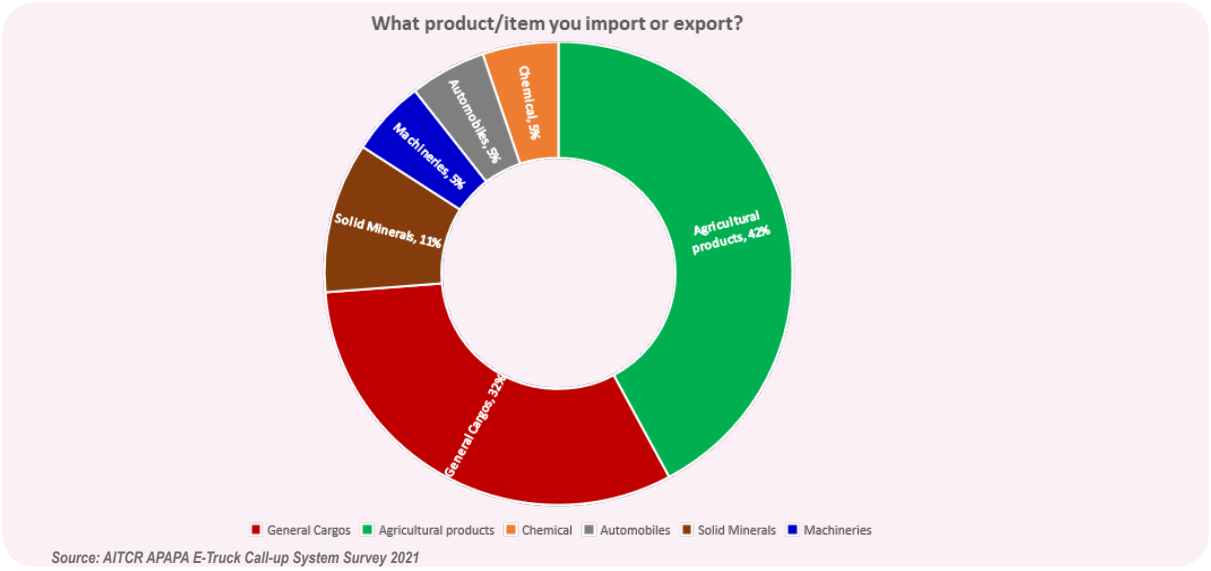
PART B

Analysis of Exporters/ Importers Responses

2.3. Analysis of Exporters/ Importers Responses

The preliminary section contains the overview of exporters and importers based on the nature of items imported or exported through the port, volume of the product per year, longevity of exporter/importer in export/import business.

2.3.1 Distribution of export/import Items by Class



Source: AITCR APAPA E-Truck Call-up System Survey 2021

Figure 10. Graphical representation of import/export products

From figure 10, agricultural products dominate the major products exported/imported through the port, accounting for 42% of the total export/import, followed by general cargoes, representing 32% of the entire product. Some of the agricultural products are sesame, cereals (Ofada rice), hibiscus flower, ginger, processed vegetables. Solid Mineral accounted for 11% of the import/export item while Automobile, Machinery and Chemical Products accounted for 5% respectively. The dominance of agricultural products is reflective of the fact that unprocessed agricultural products constitute the largest non-oil export from Nigeria. However, having surplus raw products in the export category without value addition and high importation of finished product is inimical to Nigeria trade balance and livelihood. It is significant to mention that the majority of the primary non-oil export goes through the informal route[18] leading to the likelihood of underestimated export sector. The dominance of agricultural products in export items makes the impact of the inefficient E-call up system very detrimental as avoidable delays could lead to a massive loss for exporters, especially when refrigerated containers are barely sufficient to absorb the demand. This loss makes Nigerian export less competitive than export from other regions of the world, which could inadvertently threaten the ability of exporters to meet buyers' contractual agreements. On the supply side, the ripple effect on the inland supply chain will worsen with delays at the port. Succinctly, a sub-optimally performing ETO system will result in a build-up in traffic volumes and congestion at the port, disrupting service operators' ability to maintain predictable schedules. This will also affect the supply chains, with 32% of export and import businesses operating at micro and small scale levels.

2.3.2 Distribution based on export/import volume per annum

The capacity of the holding bay, truck park and infrastructure are some of the critical factors that will control port congestion with the increasing export and import volume to the country. The holding capacity of the Apapa port, which is West Africa largest port, is 1.2 million TEU[19], while the Tincan island terminal has a capacity of 650,000 TEUs per annum. Despite this seemingly large holding capacity, analogy system, depreciated infrastructure, poor management, and control have resulted in rowdiness and delays experienced at the port.

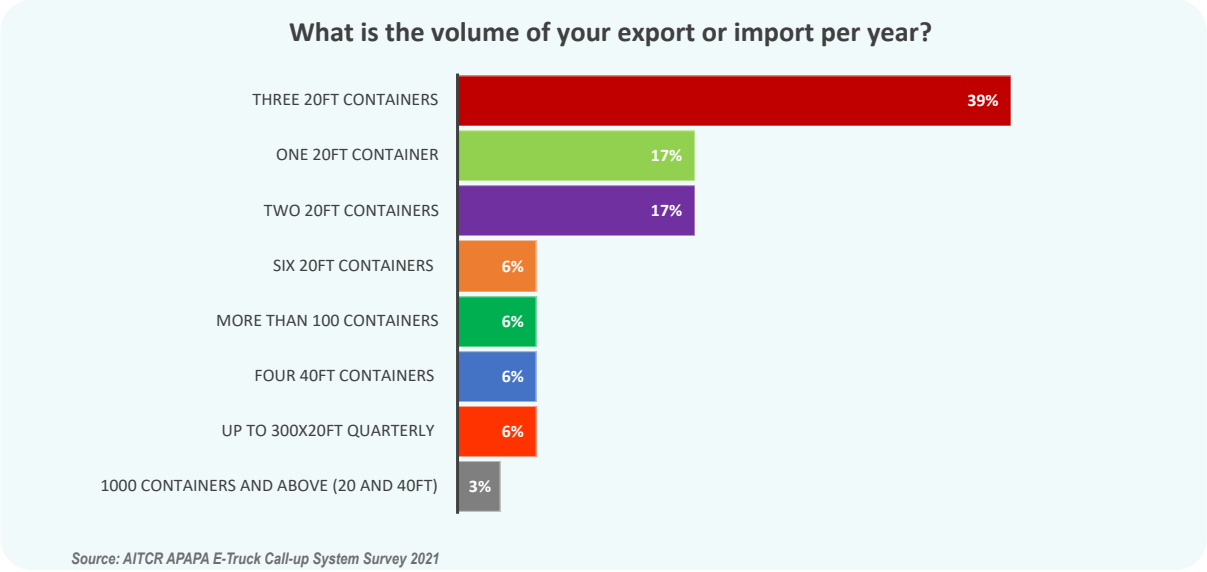


Figure 11. Graphical representation of respondents import/export volume per annum

Figure 8 above reveal that 39% of the exporters/importers respondents' export/import about three, 20ft containers per annum, 17 % of the exporters/importers respondents' export/ import annually between one to two 20ft containers respectively, while 3% of the exporters/importers respondents indicated they export/ import four 40Ft containers, six 20ft containers, more than hundred containers, up to three hundred, 20ft containers, one thousand containers and above, per annum respectively. From the details presented, it can be deduced that the Lagos ports have the capacity to meet the different volume categories of export and import demands. However, it also reveals that most Nigerian importers/exporters' annual volume capacity is between one to three 20ft containers per annum. This data shows that most Nigerian businesses involved in international trade transactions have a limited and weak capital base; any exposure to financial shock or delay at the port will cause severe financial stress to the exporter or importer and, in most cases, it might lead to the business demise. Hence, most Nigerian exporters/importers have a fragile capacity to absorb any transmittable shock when trading with the rest of the world without negatively impacting the business turnover, especially if there are reoccurring delays at the port. The transmission channel of the combined effects of uncertainty at the port does have a ripple and snowball effect on the average Nigerian household negatively.

2.3.3 Analysis of Employment Capacity of importers/exporters

The reality of the incessant delays at the port is the negative impact on micro and small businesses that make up the majority of employers of labour and they are the major drivers of the Nigerian economy. Any delay of a container at the port does have a ripple effect on the economy, which enormously, affect purchasing power parity, impact businesses ability to settle their running cost, pay staff wages, the standard of living, cost of living and poverty index.

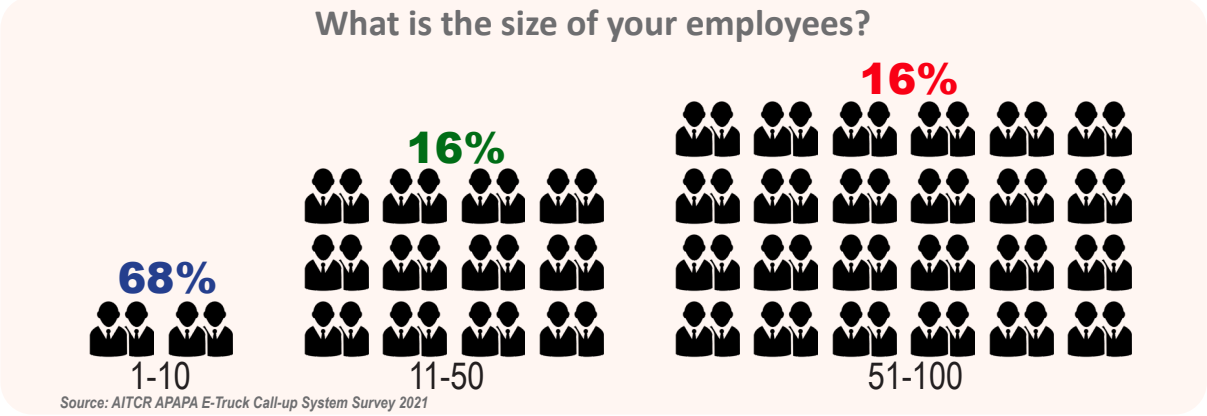


Figure 12. Graphical representation of import/export employment capacity

The survey findings validate the Nigerian systemised fact that says the export and import trade ecosystem is highly concentrated within the micro and small scale businesses, generating the most employment. Figure 12 shows that 68% of the exporters/importers companies have staff strength that ranges between 1 to 10 people, higher than the other categories of exporters/importers companies that employ above 10 people. 16% of export/import companies employ between 11 to 50 and 51 to 100 persons respectively. The E-truct call-up system can be considered as a trade facilitation mechanism that could eliminate delays at the port, which is customarily associated with Lagos port and also increase the turnover of different small scale exporters/importers, thus assisting them to expand more rapidly and boost their capacity to employ more staff. On the other hand, due to limited access to trade finance, the continuous inefficiency of Nigeria port operations will hurt businesses directly, consequently increasing unemployment in Nigeria.

2.3.4 Distribution of Respondent Longevity in Export/Import Business

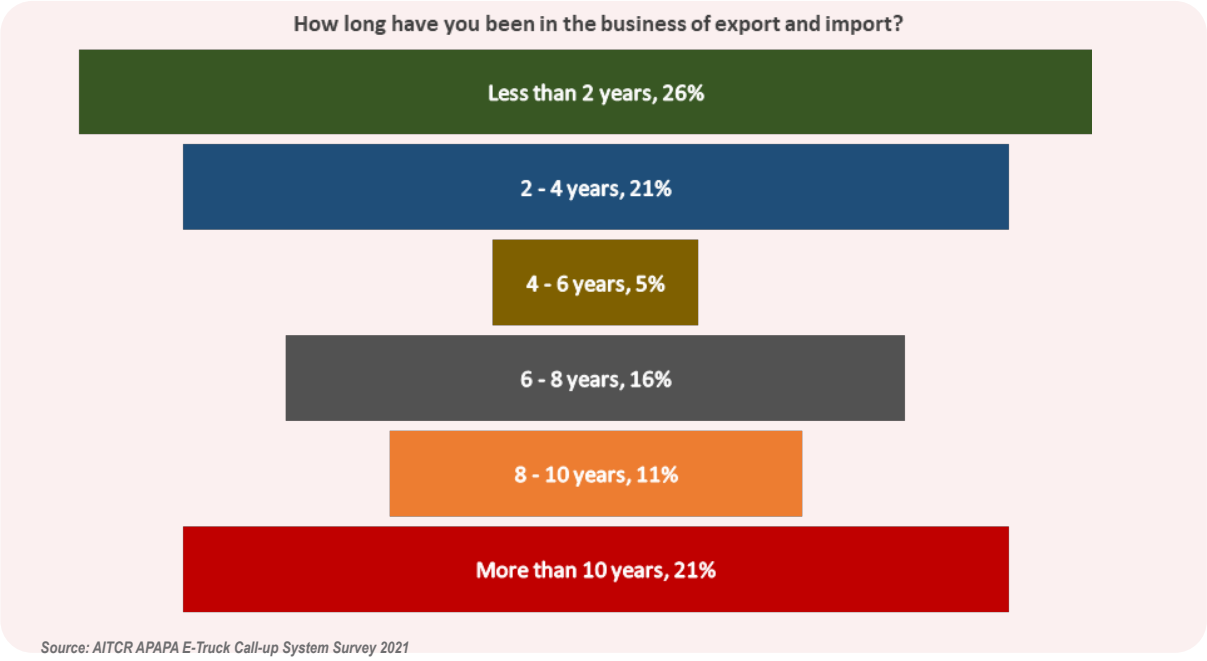
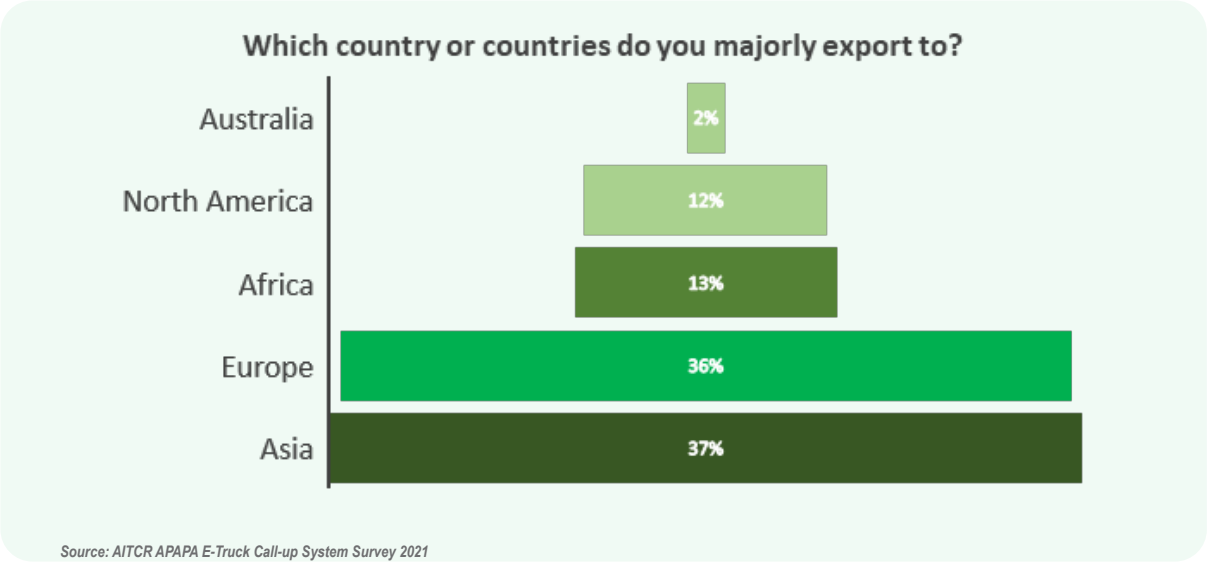


Figure 13. Graphical representation of importer/exporter years of business experience

The aggregation of data from figure 13 illustrate that about 79% of the exporters/importers indicate they have less than 10 years of experience in the import and export business. This perhaps explains why the majority have limited employment capacity, as reflected in figure 9. More importantly, the data show a promising future for Nigeria non-oil export because, with a robust, effective and predictable E-truck call up system, most Nigerian importers and exporters will be able to scale up their business activities. An inefficient E-truck call-up system could quickly relapse growing exporters/importers, which would have a ripple effect on the Gross Domestic Product and Nigeria trade balance. A feasible and seamless working E-trcuk call-up system is strongly needed to support and encourage the myriad of infant importers/ exporters to remain in business, especially now that Nigeria is seeking to increase her GDP growth and maintain a positive balance of trade in a post-COVID-19 pandemic. Nigeria incurred an overall -$19.4 billion trade deficit for 2020, reversing a $6.2 billion surplus in 2019[20]. A calculated response by the NPA could reverse this trend from escalating further by strengthening the E-truck call-up system.

2.3.5 Distribution based on Export/Import Destination



Source: AITCR APAPA E-Truck Call-up System Survey 2021

Figure 14. Graphical representation of importer/exporter origin and export destination continent

This data reveals the current trade status of Nigeria with other countries and continents of the world, figure 14, presents data on Nigeria export and import trading partners. The Asian and European countries emerged as the top two continents where Nigeria import originate from and Nigeria export final destination. Upon further disaggregation, China is the favourite country in Asia where most Nigerian imports come from, while in Europe, this is evenly spread among major countries such as Germany, the UK, Belgium, Spain, Romania and Cyprus. Nigeria trade with other Africa appears less impressive, going by the data from the survey. Upon further disaggregation, South Africa, Ghana, Cote d Ivoire, Niger and Egypt were the leading trading partners that Nigeria exporters and importers trade with on the Africa continent.

Furthermore, data from external sources validate our finding when we apply a continental perspective to the data, which, disclosed that in 2020, 39% of Nigeria's exports by value were to European countries, while 34.4% of imports were from Asian countries. In the same period, Nigeria's import and export transaction with African countries was around 19.1%[21]. The operationalisation of the African Continental Free Trade Area (AfCFTA) agreement, will boost intra-Africa trade, eliminate trade tariffs and remove technical and non-technical trade barriers for States Parties.

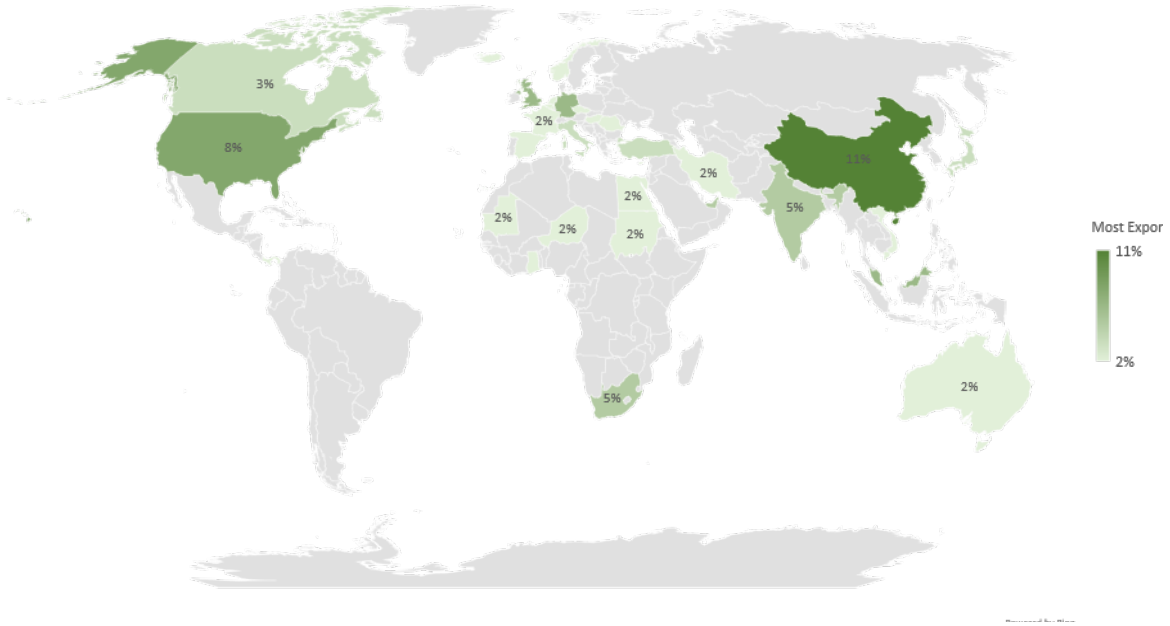


Table 1. Top 10 Nigeria Import Partners

	2018		2019		2020	
	Country	Value	Country	Value	Country	Value
1	China	$13.6B (27.3%)	China	$15.5B (29.5%)	China	(28%)
2	Netherlands	$5B (10.1%)	Netherlands	$5.91B (11.3%)	US	(8.54%)
3	South Korea	$4.75B (9.57%)	India	$3.76B (7.16%)	Netherlands	7.57%
4	Belgium	$3.34B (6.72%)	US	$3.22B (6.13%)	India	7.16%
5	India	$2.8B (5.64%)	Belgium	$2.81B (5.35%)	Denmark	5.4%
6	United States	$2.62B (5.28%)	UK	$2.81B (5.35%)	Belgium	3.87%
7	UK	$1.8B (3.63%)	UAE	$1.71B (3.25%)	Russia	2.74%
8	Russia	$1.19B (2.39%)	Eswatini	$1.56B (2.98%)	Germany	2.44%
9	Germany	$1.11B (2.3%)	Germany	$1.23B (2.35%)	France	2.43%
10	Italy	$930M (1.87%)	Italy	$865M (1.65%)	Brazil	2.34%

Source: AITCR Computed from Different sources

Table 2. Top 10 Nigeria Export Partners

	2018		2019		2020	
	Country	Value	Country	Value	Country	Value
1	India	$10B (15.9%)	India	$10B (16.4%)	India	$5 B (15%)
2	Spain	$6.07B (9.58%)	Spain	$6.32B (9.9%)	Spain	$3.6 B (10.9%)
3	US	$5.74B (9.06%)	US	$4.68B (7.33%)	Netherlands	$2.9 B (8.6%)
4	Netherlands	$4.09B (6.46%)	France	$4.37B (6.85%)	South Africa	$2.6 B (7.6%)
5	France	$4B (6.32%)	Ghana	$4.04B (6.33%)	China	$1.7 B (5%)
6	South Africa	$3.84B (6.06%)	South Africa	$3.65B (5.71%)	France	$1.5 B (4.5%)
7	UK	$3.09B (4.88%)	Netherlands	$3.55B (5.56%)	Portugal	$1.23 B (3.7%)
8	Germany	$2.72B (4.29%)	Germany	$2.61B (4.09%)	Cameroon	$1.18 B (3.5%)
9	Indonesia	$2.22B (3.57%)	UK	$1.76B (2.76%)	Italy	$1.18 B (3.5%)
10	Sweden	$1.88B (2.97%)	Italy	$1.55B (2.43%)	Turkey	$1.1 B (3.3%)

Source: AITCR Computed from Different sources

The table shows that 60% of Nigerian export in three-quarters of 2020 were delivered to 15 trading partners. Only 3 countries are among Nigeria's top trading importers that increased their consumption of Nigerian commodities in 2019 - namely Portugal (up 48.5%), Cameroon (up 32.9%) and China (up 0.8%)[22]. China which was badly hit by the Covid-19 was under lockdown for most of 2020 resulting in a breakdown in the supply chain with Nigeria thus reducing its export to Nigeria. Interestingly, two Africa countries South Africa and Cameroon entered the list of the first 10 import partners with Nigeria. This was apparently due to the strong push for the African Continental Free Trade Area (AfCFTA) Agreement which is meant to increase intra-Africa trade.

One masked challenge will be the inefficiency of Nigeria port operations and the propensity to increase trade imbalance, resulting in increased import and limited export with the direct consequence of more empty containers leaving Nigerian ports. Furthermore, port congestion can be attributed to poor system management, which has reduced tonnage capacity on goods forcing shipping lines to declare blank sailings. Shipping lines or ship operators cannot afford to keep their vessels waiting at the anchorage due to port congestion. The chartered ship cost thousands of dollars per day to the ship operator, and a ship with containers only generate revenue when they are active and moving. They would instead choose to skip a congested port, resulting in huge losses to importers, especially small scale importers/exporters that dominate Nigeria export/import business. A prime example of these unforeseen and additional costs was the demurrage/detention costs that merchants had to pay due to congestion caused by a lack of a strong management system that disrupted port activities.

2.3.6 Distribution based on preferred respondent Seaport of origin and destination

According to the Nigerian Ports Authority (NPA), Nigeria has six seaports: Apapa and Tin Can in Lagos, the Onne and Port-Harcourt ports in Rivers State, the Warri Port in Delta State, and the Calabar Port in Cross River State. But, on many accounts, only the Lagos ports are operating anywhere near full capacity[23]. However, to enhance the quality of service provided at these ports, it is important to know the users' expectations and perceptions about the quality of service. The figure below reveals the representation of respondent preference on Nigeria seaport terminals:

Source: AITCR APAPA E-Truck Call-up System Survey 2021

Figure 15. Graphical representation of importer/exporter favourite port

From figure 15 Respondents were asked their favourite port of origin or destination. The following Ports were selected; Apapa Port, Tin Can Island, Onne Port. The result of the survey shows Apapa port is the preferred port of choice, with 84%, while 5% prefers Tincan and Onne port respectively. Although according to the Nigerian Port Authority (NPA) data, the Onne port handle about 91% of Nigeria's oil and gas export cargo[24]. Non-oil items like agricultural products and general cargo dominate our respondents' import/export products hence the significantly high preference for Apapa. On the import side, the Apapa and Tin Can Ports account for 70% of imports. The reason for the preference for Apapa port is most likely due to the privatisation that took place in 2006, which significantly attracted investment funds of about USD 438 million to the port, which was used to increase efficiency and expansion of the port facility[25].

2.3.7 Distribution based on recent exporter/importer activity at the port

Respondents were asked the last time they participated in import or export activity at the port with different options of timelines. The timeline options that were presented to respondents range from 6-10 months ago, 11-14 months ago, more than 2 years ago and less than 5 years ago. The result from the survey reveals the following timeline as stated below:

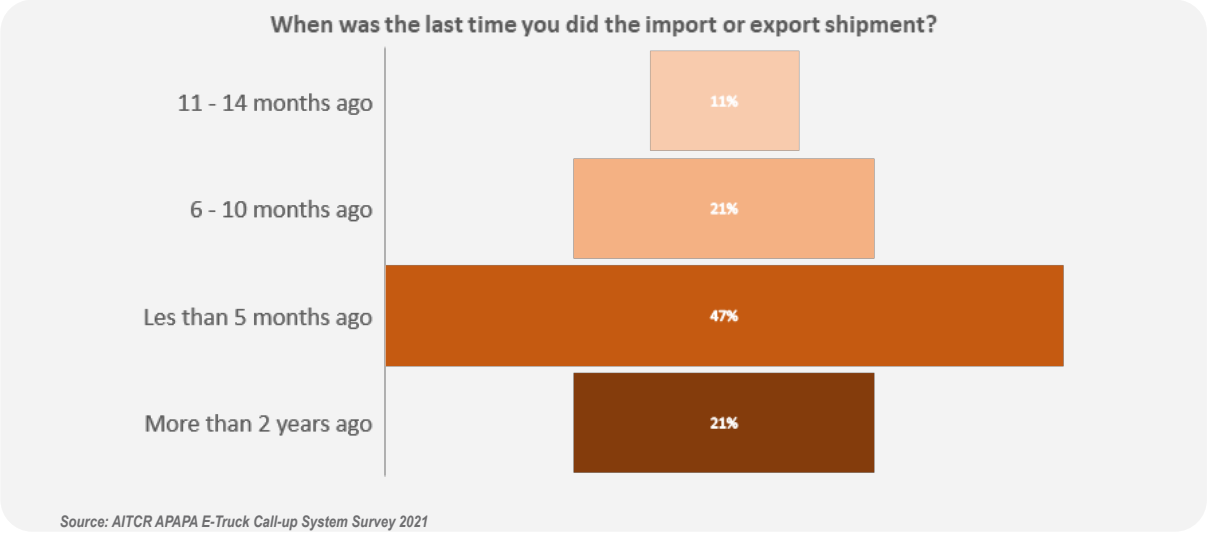


Figure 16. Graphical representation of respondents most recent export/import transaction

Figure 16 reveals that 47% of the exporters/importers respondents have recently conducted export and import shipment within the last 5 months. Simultaneously, 21% of the exporters/importers respondents polled said they have participated in imports and exports transactions between the last 6 to 10 months of 2020-2021. This implies that most of the respondents are regular users or had used the ETO system since its inception, and fully understand the processes involved, lending credence to the critical importance of this report. This also reveals that the majority are frequent users of the port irrespective of the gridlock, congestion and delays in port processes. The 21% of exporters/importers respondents that have not used the port in the last two years might be one of the effect of the destructive nature of COVID-19 pandemic, which has affected businesses globally and in Nigeria.

PART C

Analysis of Service Providers Responses

2.4. Analysis of Service Providers Responses

Exporters, importers, shipping lines, hauliers, forwarders, and terminal operators are all affected by Apapa gridlock and port congestion and have to contend with additional costs when shipping or processing cargo. The port E-truck call-up operations involves a substantial number of actors. Upon reaching the coastal area, the maritime authority is involved. To enter the port, the port authority needs to give its approval; marine pilots, tug operators, and other supporting nautical services are often required to bring the ship from the port area to the berth and other service providers are on the ground to offer various levels of services at the port. The figure below shows the breakdown of professional constituency of service providers that participated in the survey:

2.4.1 Distribution on service providers' demographics

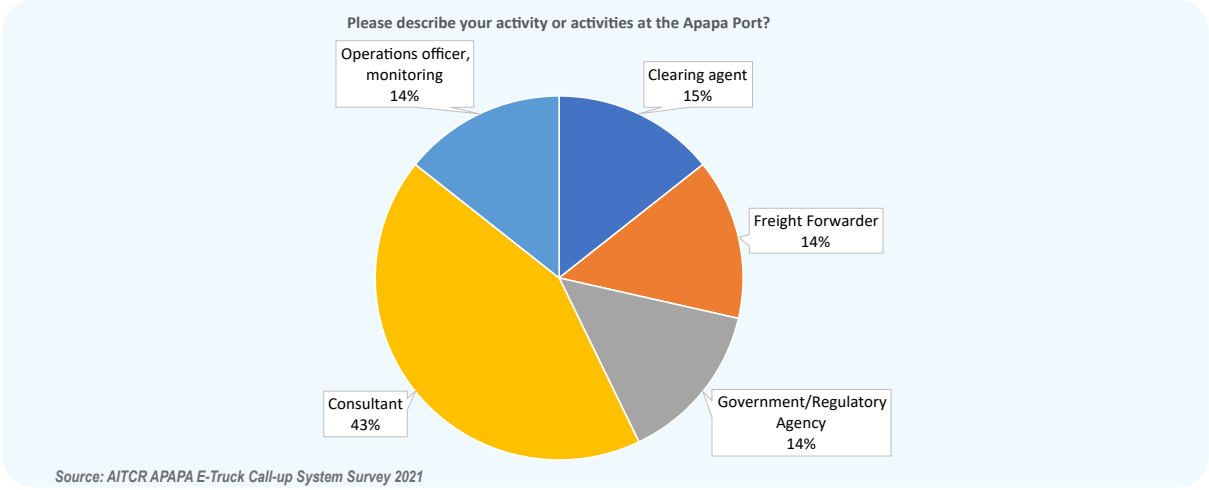
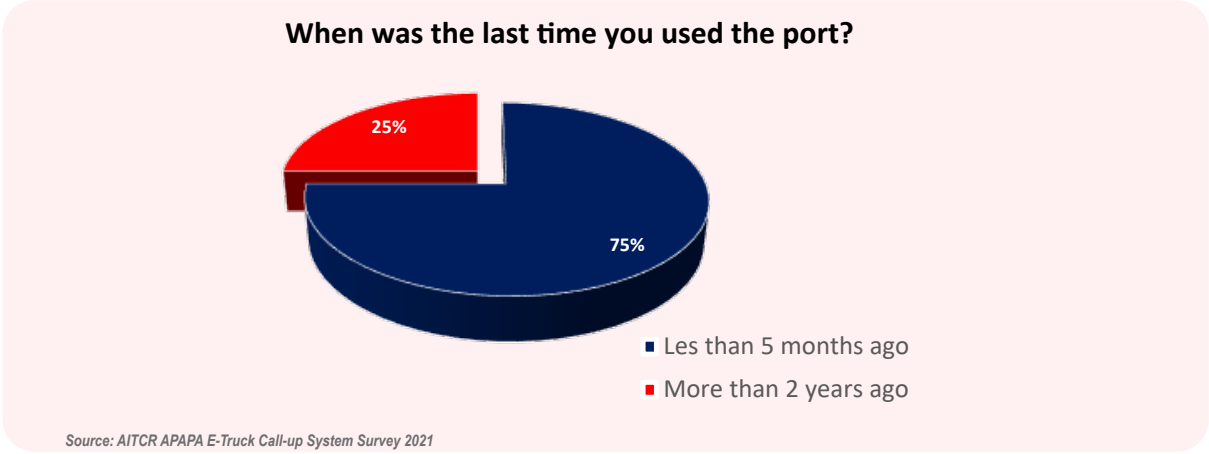


Figure 17. Service provider Activities at Apapa Port

Figure 17 is a further decomposition of respondents whose activities fall under the service providers at the port. From the figure, consultants dominate service provider activities by accounting for 43%. Operations and Monitoring Officers, Government/Regulatory Agency, Freight Forwarder and Clearing agents accounted for 14% each. Having consultancy services dominate the group reveals more about efficiency improvement and business advisory services, though most clearing and forwarding agents consider themselves as consultants. A consultant ensures a seamless operation for exporters and importers by providing services that conform to the contractual specifications and decreasing risk-on trading. Having many consultants without a satisfying level of logistic efficiency in past years indicates a major gap in services rendered by consultants in the country. More so, having a large number of consultants should bring about the innovative economy of scale needed to scale through the deficiencies of ETO system. effectiveness of the E-truck call up system would have a significant clearing agencies that would have to wait after submitting applications through the E-truck call up system. Hence the continued interruption of the system would result in loss of business and livelihood for service providers at the port.

2.4.2 Distribution based on recent respondents import/export shipment



Source: AITCR APAPA E-Truck Call-up System Survey 2021

Figure 18. Service providers most recent port activities

Figure 18 reveals that 75% of respondents that are service providers are regular users of the port facility and have been working and using the port within the last 5 months, during the study. This correlates with the result in figure 13 where the respondent's most recent export and import shipment was within the last 5 months. This suggests that most respondents are conversant with the operation of the E-truck call-up system since inception, and it further strengthen the reliability we place on their evaluation of E-truck call-up system since February 2021 when it took off. Only 25% had not used the port in the last two years.

3.0 CONCLUSION AND RECOMMENDATION

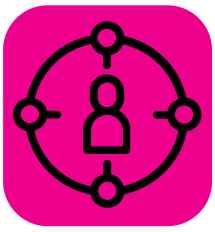
The electronic call-up system at Apapa port is a viable system for reducing gridlock and congestion in and around the port if proper and transparent management structures are instituted. Exporters, importers, service providers at the port have expressed optimism about the system. For every delay experienced by exporters in exporting their goods, people lose their job; businesses will not be able to pay their bills, resulting in sellers' inability to meet contractual supply agreements and, in most cases, mark the end of the business. For the importers, every delay experienced at the port negatively affects productivity as machinery to expand production capacity will be affected. There will be a supply glut as demand will be greater than supply. This will affect the prices of consumables and final products as the poor and vulnerable will not afford to feed their family due to inflationary pressure.

To create an enabling environment where businesses will thrive, and the operations of the ports drastically improve, it is instructive for the federal government of Nigeria and Nigerian Port Authorities to ensure full implementation and compliance of the E-truck call-up system to ensure better port operations. Stakeholders must be invited to a regular roundtable discussion to address issues affecting the implementation of the system. Both port regulators and operators must make deliberate efforts to ensure all parties comply with the system. Stakeholder's sabotage should not be treated with kid gloves as perpetrators should be punished.

Nonetheless, the digitalisation of port processes, provision of port infrastructures, the opening of other ports will complement the Apapa E-truck call up system and make it work efficiently and effectively decongest the port.

Recommendations

The electronic truck call-up system at Apapa port, like other systems adopted by different ports globally, is geared toward managing truck arrivals and decongesting the port. The robust findings informed the recommendations garnered through the survey instruments administered to the various port users captured in the study.

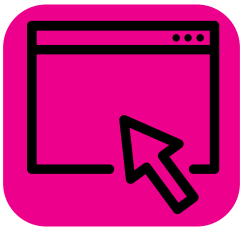


Strict adherence and Expansion in ETO capacity

The disregard to the E-truck call-up system lay down rules has made the entire system ineffective and inefficient. Respondents asserted that only about 15% of the trucks operating at the Lagos port corridor were certified to enjoy the E-truck call-up system raising suspicions about the level of the transparency and deliberate attempt to frustrate and shortchange genuine private sector stakeholders in the sector. The strict adherence to the call-up process must be enforced on all port users while also expanding the system's capacity to accommodate the myriad of port users who are faced with critical challenges in getting enlisted in the e-truck call up system.

Port Sanitization and regular stakeholder engagement

Evidence of corrupt practices among port officials forms part of the dominant challenges identified by all port users, notably by exporters/importers and service providers. On this note, port sanitisation should be the foremost pursuit of the Port Authority to ensure seamless operation of the E-truck call-up system. A critical component of port sanitisation should include installing relevant mercenaries to halt the advance of extensive bribery cases among port officials. This should consist of taking disciplinary measures against corrupt, dishonest and fraudulent staff of the managing authority. These engagements will help strengthen the synergy between port regulators and operators. It is our professional recommendation to establish an active platform for private sector stakeholders dialogue on policy review, port operation efficiency, anti-corruption, compliant unit, alternative dispute settlement system. This engagement platform will ensure the e-truck call-up system achieve its core objective of reducing gridlock and decongesting at the Apapa port like the truck appointment system obtainable in Port of Durban.



Digitalize Port Processes

We recommend the complete digitalisation of port processes. The transition from analogue to digital operations will help reduce gridlock and ensure strict adherence to the E-call up system, translating to decongestion of the port and massive decrease in gridlock experienced by port operators. Also, NPA should adopt a fully digitalised haulage management portal that will create visibility and transparency in the distribution of cargoes while controlling the inflow and outflow of vehicular movement at the port corridor. Many of the respondents asserted that the call-up system is a welcome idea and far better than the manual system and affirmed that only advanced technology could end the gridlock and congestion, not only the e-call-up system. This should be complemented by a deliberate plan to install a multimodal system that promptly diverts traffic with less human interference.

Continuous investment in Port Infrastructure

The continuous investment in port infrastructures at the Apapa seaport is necessary to improve efficiency in port operations. The infrastructural investment should be channeled towards; good and accessible roads in and out of the port, build direct bridges, provision of holding bays and trailer parks, provision of afunctional railway system that link the port to other ports and inland dry ports, which will help reduce the number of trucks trooping into the port. Improvement in Apapa port infrastructure, effective use and revitalization of Inland Dry Ports and off-dock facilities is fundamental in reducing port congestion and gridlocks. The government, through Public-Private Partnership, should establish a unique export processing bay outside the port that should be linked to the port through the railway.

Capacity building for Port Regulators and Operators

There should be periodic capacity building training for regulators (government/ regulatory, security agencies and private sector players) at the port to improve service delivery and smooth operations of the port. Nonetheless, staff should be trained on work ethics, work integrity and customer service.

Enshrine discipline, accountability and transparency in port processes

Measures to checkmate sharp practices, illegalities and extortion at the port should be put in place. A harmonized clearance system should be instituted and fragmented clearance system should be discouraged. To a large extent, this will reduce the traffic congestion at the port. As recommended in the survey findings, greedy and dispassionate staff should either be sacked or transfer out of the port, police checkpoints should be dismantled because that is one of the avenues port operators are exploited and trucks delayed unnecessarily. To resolve this issue, harmonise all the security agencies at the port to one point, once truck drivers get a clearance license, the driver should not be subjected to further checks to allow traffic flow and avoid incessant delays and extortion.

Reduce the number of government/regulatory agencies at the port

There are over 10 public sector agencies at Apapa port, different units of customs and other law enforcement agencies. The bureaucracy and duplicate work of government officials at the port make things difficult for port users and operators. The government should collapse the multiple public-sector agencies at the port. In line with global best practices, the recommended number of public sector agencies in Apapa should be benchmarked between 6-8 to reduce bureaucracy and overlapping of functions of the agencies. Ideally, this is meant to improve the world bank ease of doing business ranking of Nigeria and reduce the cost of doing business by removing artificial barriers created as channels for extortion and intimidating of port users. The dismantling of all police checkpoints outside the port should be enforced because is one avenue for extortion and forced bribery. The security unit at the port and outside the port should be more concerned about investigating criminal activities rather than being involved in the day-to-day operation of the export and import business at the port. The Inspector-General of Police should institute a stringent punishment against violators because the offence can be considered national economic sabotage.

Enhance Trade facilitation and growth

We recommend that the federal government review and implement policies that will promote trade facilitation. Beyond revenue generation of the Nigerian Customs Service (NCS) efforts must be made to regulate anti-trade growth activities carried out by the agencies of government to ensure it aligns with international best practice. A system that does not improve the competitiveness of Nigeria imports and exports for growth should be reviewed because these businesses are mostly micro and small-scale enterprises that drive the economy. Thus, a drop in their turnover will have a ripple effect on the economy.

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