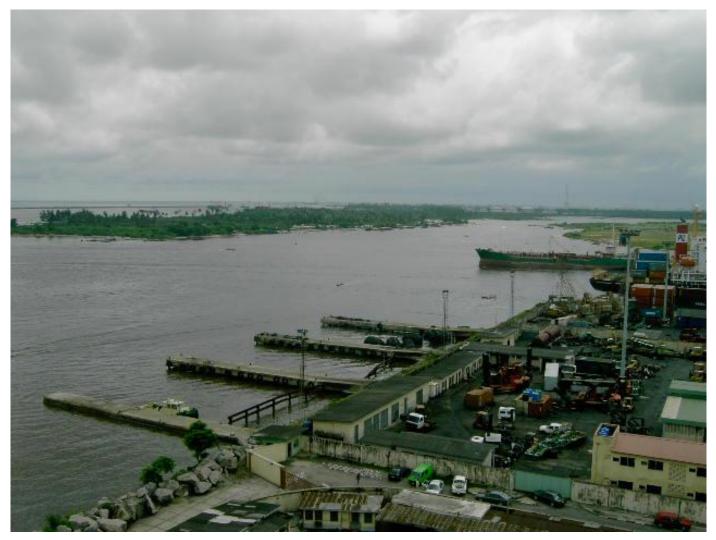
Country focus on Nigeria



Approaches to Lagos Port

THE COUNTRY

The Federal Republic of Nigeria consisting of 36 states is located in West Africa. Nigeria gained independence from the United Kingdom in 1960 but experienced a period of conflict from 1967 to 1970. Except for a short period of civilian rule between 1979 and 1983, Nigeria was governed by a series of military rulers. In the 1999 elections, Nigeria regained democracy, ending almost 33 years of military rule.

Up to the present time, Nigeria continues to face numerous challenges, including terrorism from the 2002 founded Boko Haram Islamist Group (which recently pledged allegiance to the Islamic State), inter communal issues between the north and south of country, instability in certain coastal areas, as well as a persistent and very aggressive piracy problem. Overall the safety and security environment is very challenging.

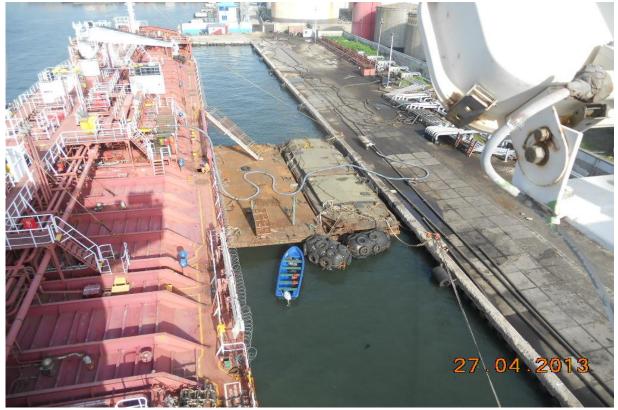
It is the most populous country in Africa and despite the challenges it faces, Nigeria has risen to be the largest economy in Africa as of 2014 and is projected to have one of the highest GDP growths in the world in the coming years. With an abundant supply of natural resources, it is the eighth largest producer of petroleum in the world. In addition to petroleum, agricultural products such as rubber and cocoa beans are among its top exports.

Given these circumstances and as the region is predicted to see an increase in trade over the coming years, the Association would like to bring member's attention to the considerations they must keep in mind when calling Nigeria. These include:

- 1. Security issues
- 2. Pirate attacks
- 3. ISPS Code compliance
- 4. Stowaways
- 5. Cargo shortage and damage
- 6. The Ebola virus

GENERAL CONDITION OF PORTS IN NIGERIA

Members should keep in mind that the standards of pilotage, tugs and harbour control are not always up to the standards that members may expect or are familiar with from other regions. In addition, stevedoring standards are also of varying levels of expertise, and it is not uncommon for damage to the vessel and/or cargo to be caused by poor and negligent handling during loading or discharging operations. Bulk cargo discharge appears to be less troublesome than bagged / other cargo but independent draught surveys are always recommended where appropriate.



Berthing arrangements at Apapa, Lagos, Nigeria

Once alongside the berth, masters can expect a myriad of officials boarding the vessel besides the normal immigration, customs and port health officials. These officials look for any errors in documents in order to impose fines. Custom fines for excess cargo or cargo shortages in Nigeria may be based on the duty on cargo actually discharged. Mistaken over-declarations by masters have often attracted full duty with no refunds.



Berthing at AP Moller Terminal at Apapa

Loss prevention tips:

- 1. It is prudent to appoint a competent surveyor at the loading and discharge port to carry out an independent draught or tally survey when transporting bulk or bagged cargo
- 2. Members should ensure the master is well prepared with all necessary documents and information to prevent attracting fines
- 3. Members should also keep these considerations in mind when drafting charterparties and protect their interests with appropriately drafted clauses clearly allocating responsibility for cargo shortage / damage, stevedore damage / pilferage, fines and duty taxes, etc..

SECURITY

Given the current political situation in the region, security is an extremely important consideration for members calling Nigeria.

Members should ensure they continuously obtain up to date information from their local agents on the current situation at the port. Crew members should not consider shore leave during times of political instability and / or outburst of violence in the local area.

Terrorism, civil unrest or other conflict may be such that they represent a serious risk to the crew and vessel, and that could also affect the assessment of the port's safety.

The classic definition of safety for a port is found in:

"Leeds Shipping v. Société Française Bunge (The Eastern City) [1958] 2 Lloyd's Rep. 127, at page 131: "a port will not be safe unless, in the relevant period of time, the particular ship can reach it, use it and return from it without, in the absence of some abnormal occurrence, being exposed to danger which cannot be avoided by good navigation and seamanship..."

This can change very quickly and members should always seek contemporaneous advice from the club before declaring a port unsafe and refusing to call there. The cost of wrongfully refusing a port call and possibly repudiating a charter can be substantial. Considering the matter from a legal and operational point of view is prudent before making a decision.

It should, however, be remembered that in case of an emergency a master should always be free to take such steps as may be immediately required to ensure the safety of the crew and vessel; such right and responsibility being enshrined in SOLAS.

PIRATE ATTACKS

The Gulf of Guinea has replaced the Gulf of Aden (and surrounding areas) as one of the most concerning piracy risk zones for the shipping industry.

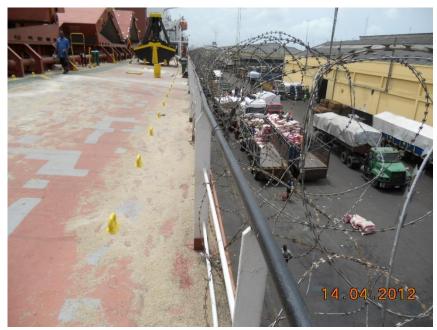
The modus operandi of the pirates in the region is to select a vessel with a preferably low freeboard. The vessel may be up to 100 nm from the port in the presence of numerous other vessels, but this does not seem to deter the pirates. There are usually about a 100 vessels anchored within 10 miles off the port of Lagos and many more drifting between 20 to 100 nm offshore. In January 2013, pirates boarded a 46,000 DWT Handymax Product Tanker anchored 2.3 nm off Lagos despite the presence of many other vessels.

Most attacks are carried out at night or on weekends, on vessels carrying high value products. The pirate attacks have also become more selective than they were in previous years as pirates now have better sea transport and navigational equipment, collected from earlier robberies. It is suspected that they have access to ship tracking websites such as AIS and are tracking vessels, as well as receiving vessel information by other means.

Small tankers are being targeted off Bayelsa State as they proceed to and from the Bonny Area with the aim of stealing around 4 to 5,000 MT of cargo provided it is resalable PMS or AGO. The pirates board these tankers, take control and direct the master to take the vessel to a STS position where the cargo is transferred to a pirate tanker or barge. All but essential crew are locked away from viewing the STS (i.e. pumpman and chief officer are employed but blindfolded when moving on deck).

Pirates have also attacked larger vessels, at times to steal cash and valuables and at other times they have kidnapped crew, possibly with a ransom objective. An unfortunate feature of the piracy in the Gulf of Guinea is a high level of violence that the pirates may employ, sometimes seemingly without any provocation or other cause.

In response some vessels have rigged barbed wire / razor wire on the upper deck to prevent easy access. However, it takes time to prepare, may hamper pilot boardings and may have safety implications for the crew in emergency situations. As such, any "hardening" of the vessel should be carefully planned and undertaken in due time, so that it achieves its goal while not impairing safety or becoming an obstacle to vessel operations.



Barbed wire on the upper deck to prevent easy access to the vessel

Once on board the main objectives of the pirates are:

- (a) to steal cargo
- (b) and to steal what they can carry away in terms of cash and valuables and at times
- (c) kidnap for ransom.

They typically will seek to disable all communications devices and then systematically rob the crew of computers, mobile phones, jewellery and cash.

Pirate attacks are seen to be more prevalent during Christmas and New Year, and when there is political or social upheaval on the shore side. One indicator of local safety appears to be whether the pilot and agent are prepared to board and bring the vessel into port. They have the most up to date and localised knowledge and will not risk themselves if they consider the situation dangerous.

Loss prevention tips:

1. it is important to be vigilant at all times, especially at night, when in ports susceptible to pirate attacks

- 2. communications should be timely and kept to a minimum, vessels and companies should exercise good information security
- 3. properly prepared crew and anti-piracy measures always help prevent or lessen the impact of an attack
- 4. adapt the BMP 4 (Best Management Practices 4) to the Gulf of Guinea situation
- 5. prepare vessels, consider the use of citadels (following a detailed risk assessment), hide spare communications equipment and first aid supplies
- 6. consider preparing for an "exit" toolkit that may help the crew escape confinement after the pirates leave (often the engine room)

Further detailed information and recommendations can be found in the "<u>Guidelines for protection against</u> <u>piracy in the Gulf of Guinea region</u>" produced by BIMCO, the ICS, Intertanko and Intercargo.

ARMED AND UNARMED GUARDS

In 2014, the Nigerian Navy started to detain / arrest vessels with armed guards on board, even when the guards were provided by the Nigerian marine police. The Nigerian Navy maintain they are the only agency that should guard vessels but would not themselves put armed personnel on board. The Nigerian Navy considers that it has jurisdiction over the territorial sea and EEZ (Exclusive Economic Zone).

The current position is that armed guards may be allowed on board, but they must be from the Nigerian Navy who is under the control of recognised contractors who have an agreement with Nigerian authorities to provide the service. However, there are sometimes problems with this too.

Our correspondents in Nigeria report that one ship that was being protected by this arrangement was in fact detained by the Nigerian Maritime Authority (NIMASA) because the UK Expat team leader was described as a guard and despite being unarmed had been told to surrender his weapon(s). As he had no weapons, the ship remained detained for a period of time. This exposes the problems with employing guards, armed or not, in Nigeria. Therefore, members must make a careful risk assessment before considering the use of any private security personnel before entering Nigerian waters.

Some local shipping agencies still recommend the use of (armed guards) and offer to facilitate the arrangement, and they may have a financial stake in the provision of these services. It would also seem that arrangements for naval or police armed guards may be undertaken on an "unofficial basis" for which a cash transaction takes place. Members are warned against such practice.

A number of vessels have been arrested and detained for several weeks by the Nigerian Navy for having non authorized armed guards on board. In an incident in late April 2014, pirates boarded a small tanker. The armed pirates killed a crewman and injured another. The charterer had placed armed guards on board from

the Nigerian police who killed two pirates. The police were promptly arrested and the vessel was detained by the Nigerian Navy for having unauthorized armed guards on board.

Loss prevention tips:

- 1. Seek guidance before employing guards, armed or not, on vessels in Nigerian waters
- 2. Ensure that any security arrangements are authorized by the Nigerian Navy

RECENTLY IMPLEMENTED SAFETY MEASURES

There is a Safe Anchorage Area (SAA) to the West of Lagos where ships may anchor and are guarded by the Nigerian Navy. Details and costs are available on: www.saawestafrica.com

There is also a Joint Task Force (JTF) escorting vessels from Bonny to Port Harcourt. All vessels have to join this convoy and there have been no attacks reported in 2014.

Useful contacts:

MRCC (Maritime Rescue Coordination Centre) +2348030685167

RMRCC (Regional Maritime Rescue Coordination Centre) Lagos, Nigeria

Manned on a 24/7 basis

Tel: +2348030685167, +234(0)17306618

Sat No (Bgan): 00870772240598

Inmarsat C No: 492052551

MMSI: 006570010

E-mail: rmrccnigeria@yahoo.com

Joint Task Force (Op PULO SHIELD) covering the Niger Delta area

+234 (0)802 363 9153 +234 (0)703 9783346

Email: hqjtfoppuloshield@yahoo.com

Naval Headquarters Operations Room

+234 (0)813 879 9220

Department of State Security

+234 (0)813 222 2106

+234 (0)813 222 2105

http://www.npf.gov.ng/formation/marine_police.php

ISPS COMPLIANCE

The International Ship and Port Facility Security (ISPS) Code is a comprehensive set of measures aimed at enhancing the security of ships and port facilities. The purpose of the code is to standardize risk evaluation and mitigation through appropriate security levels and corresponding security measures. The ISPS Code has two parts, one being mandatory and the other recommendatory.

Enforcement of the ISPS Code can be very strict as can be the decision to impose penalties by a Port State Control (PSC) should a security breach have occurred. The Nigerian Maritime Authority (NIMASA) has recently reported that compliance levels in Nigeria have risen from 7% to 83% in the last two years. Increased compliance levels have eliminated common problems such as hawking, touting and wharf rats in Nigerian ports. NIMASA's 24 hour satellite surveillance has also aided in ensuring compliance in the region.

Finding of a stowaway on board could involve a breach of the ISPS code and instigate further investigation. An ISPS breach will be found if the evidence reveals that appropriate security procedures were not in place to prevent the embarkation of a stowaway.

Members should be aware that a failure to comply with the ISPS Code can lead to detentions, PSC fines, further inspections or expulsion from a port.

For detailed information on the ISPS Code, please see the following article: Skuld Guide - the ISPS Code.

Loss prevention tips:

- 1. It is important that members are well aware of their ISPS requirements and fully comply with them to avoid detentions and fines
- 2. Crew should be briefed in advance when calling a port with an enhanced ISPS alert level or stowaway risk
- 3. Members should be aware of their charterparty obligations as many provisions impact on the ISPS Code and its compliance

CARGO CLAIMS

Cargo shortage and damage claims are common in Nigerian ports. Members should always consider appointing competent surveyors to oversee the loading or discharging operation in this region.

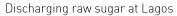
The Association has previously advised on transportation of rice cargoes which often lead to shortage or damage claims. For detailed information and loss prevention tips, please see:

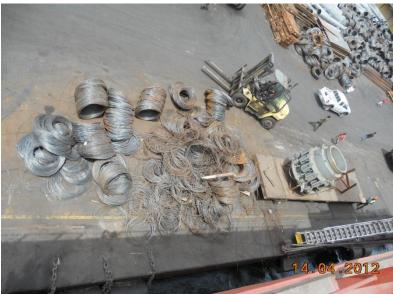
Skuld Guide - Transportation of rice and Rice shipped to Nigeria via third countries

Please also refer to the following bulletin on the carriage of steel cargoes: Carriage of steel

Cargo claims in Nigeria are governed by the Carriage of Goods by Sea Act 2004 and this act embodies the Hague rules of 1924. All cargo claims, therefore, must be brought within one year from the delivery of the goods or from the date on which the goods should have been delivered.







Discharging coiled steel products at Lagos



Discharging rice at Lagos



Loss prevention tips:

- 1. Loading and discharge surveys by independent surveyors aid to minimize exposure and help collect evidence of the cause of any kind of claim
- 2. Members should be well aware of their obligations and liabilities under the charterparty

STOWAWAYS

Stowaways are a significant problem in West Africa and lead to significant expenses and delays. Members should take all precautions to prevent the embarkation of stowaways. Any extra costs incurred as a result of hiring private security companies or watchmen to prevent stowaway embarkation will usually be a lot cheaper than having to deal with a stowaway found on-board after sailing.

The rudder trunk is the most common hiding place. Once found, the master should find a way to disembark them as soon as possible. If not too far from the port, the agent may be able to arrange a speedboat and assist in removing the stowaways. On being notified of the presence of stowaways, the local authorities have been known to impose large fines and delay the vessel.

Stowaways are getting more sophisticated and in a recent case at Lagos, seven stowaways hid in a small space on the vessel with a bolted cover. They had removed the nuts on the outside and replaced them with unthreaded nuts that fell off when any pressure from inside was exerted. They were likely to have been assisted by personnel having access to the vessel.

While it can be difficult to control access to a vessel, particularly at berth when handling a break bulk cargo, it is very important the good practices are maintained and proper gangway checks, on / off counts, as well as searches are undertaken for the entire stay. At anchorage, night watches should be conducted with strong search lights / torches to check for small boats or swimmers heading to the vessel.





Stowaway kits

Loss prevention tips:

- 1. Crew must have a clear understanding of the vessel's security plan and the risks faced at a particular port or location
- 2. A thorough search of the ship should be conducted before departure from a port where the risk of stowaway embarkation is high. Any extra time and expense involved in this is worth it and will eventually be less costly than finding a stowaway on board after sailing

3. Should a stowaway be found on board, the Association and its local correspondents should be contacted immediately

THE EBOLA VIRUS

Nigeria has been declared 'Ebola free' since late October 2014, but there are still some precautionary measures being taken at the ports. Although precautionary measures are still being applied, this is being done with less insistence in many cases as time passes.



Precautionary measures including temperature checks at Port Lagos

Members calling West African countries should ensure their crew is familiar with the symptoms of the virus and the preventative measures they should take.

For more information on the Ebola outbreak, please see the following Skuld articles:

Charterparty issues:

Quarantine and charterparties

Ebola and bill of lading issues

Ebola virus precautions:

Ebola precautions

Visual guide to precautions

Ebola outbreak developments:

Ebola outbreak developments

Practical advice for vessels:

Advice for container vessels

Advice for bulk carriers

Loss prevention tip:

- 1. being well prepared, with equipment and well trained crew, is the single most effective way for ships to manage the risks involved in calling at any port where there is an infectious disease outbreak
- 2. ensure contracts recognise and apportion risks clearly

CONCLUDING THOUGHTS

Each port of call presents different risks and challenges. Members may be able to prevent their losses by recognizing and taking preventative measures against such risks.

Nigeria is a challenging jurisdiction and security is a major concern in this region. Members should be fully aware of piracy and stowaway risks in the area and take all necessary precautions to prevent them. In addition to security, cargo claims are a common occurrence in Nigeria which can be prevented by appropriate loss prevention measures. Lastly, members should be well aware of the existence of contagious disease like Ebola in the area and take all measures to protect its crew.

By recognizing these risks beforehand, members can also protect their position by allocating responsibility of each risk clearly in their charterparties.

CREDITS

The Association is grateful to West Africa Marine P&I NIGERIA for providing information and pictures.

By: Nikita Lulla Claims Assistant, Skuld Hong Kong

For further information on Skuld loss prevention, please follow this link: Skuld Loss Prevention