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## PETROLEUM PRODUCTS SHIPMENT: CONCERNS MOUNT OVER \$120M YEARLY LOSSES

by Azimazi Momoh Jimoh

Senate Probes Alleged Breach Of Local Content Laws, Others. Senate's investigation into allegations of abuse of the Nigerian coastal and local content laws has recorded a twist, following fresh revelations that \$120m is lost yearly to such abuses.

Moreover, the delay by the Senate in concluding the investigation, which began a year ago, is generating apprehensions.

As the probe dragged, the Ship Owners Association of Nigeria (SOAN), in a fresh petition to the Teslim Folarin-led Senate Committee on Local Content, revealed how the country loses \$120m yearly to government's patronage of foreign vessels.

The petition, signed by SOAN President, Dr. MCGeorge Onyung, claimed that the provisions of Nigerian coastal and local content laws, with regards to the shipping of petroleum products in the downstream sector of the oil industry, is being breached in favour of foreign vessels, a situation that encouraged massive capital flight.

SOAN said: "In the 2019/2020 DSDP disposition, a contract valued at \$9b was undertaken. Freight expenditure on Import Tankers was approximately \$60m monthly or \$720m yearly. This involved the average monthly importation of 2.4 billion litres (1.8 million metric tons) of gasoline in foreign-owned tankers of 35,000 to 90,000DWT capacity (approximately 40 shiploads monthly).

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## OANDO DEPOT FIRE RAGES INTO THIRD DAY; EXPERT FEARS IMPACT ON ENVIRONMENT

by Ship &amp; Ports

The raging inferno in one of the huge petroleum tanks at a depot owned by OVH, a downstream company owned by Oando Plc, is till raging, SHIPS & PORTS can authoritatively reveal.

The 7.5 million litres tank, located on Gaskiya Road, Ijora Badia, in the Apapa area of Lagos State, went up in flames on Thursday afternoon.

The fire was still raging as at the early hours of 7/11/2020, sending thick black smoke into the atmosphere. The fire and thick smoke could be seen from several kilometres away

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## FMOT PROPOSES N205BN BUDGET FOR 2021

by Ship &amp; Ports

The Federal Ministry of Transportation (FMOT) has proposed N205 billion as capital budget for 2021. The Minister of Transportation, Rotimi Amaechi, disclosed while speaking before a Joint Committee of the Senate and House of Representatives on Land and Marine Transport in Abuja.

He said that out of the N205 billion, land transport had about N204 million, marine transport had N845 million with an overhead cost of about N358 million for the year 2021.

"The total capital appropriation of the ministry for 2020 is N70 billion, land has N69.6 billion, marine N698 million." Out of this sum, N36 billion representing 51.49 per cent has been released to date with land having about N35 billion and marine with N90 million has been utilised as at Nov.2, 2020.

"In addition, the sum of N245 million was appropriated for overhead expenditure, out of which N177 million was released, the sum of N158 million of the released amount was expended as at Oct.28, 2020. The ministry is proposing a total capital budget of N205 billion with land transport estimates of N204 billion, marine transport estimates N845 million and overhead of N359 million in the 2021 budget, which is before you for consideration.

The aims and objectives of these proposals are to make significant progress on all ongoing projects.

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Nigerian Maritime Administration and Safety Agency (NIMASA)  
Director-General, Dr. Bashir Jamoh

## SINGAPORE TO CONDUCT 600 CREW CHANGES DAILY

by Ship & Ports

Singapore expects to conduct 500 to 600 crew changes per day in the coming months, with over 50,000 seafarers having signed on or off in the port since 27 March.

Speaking at the Singapore Registry of Ships (SRS) 2020 Forum webinar on Quah Ley Hoon, chief executive of the Maritime & Port Authority of Singapore (MPA) said that the city-state had facilitated the change over of 50,821 crew since 27 March this year. The crew came from more than 3,500 ships working for over 2,900 companies.

In terms of the Singapore Registry Quah said that 99% of crew onboard currently were within their service period the MPA was working closely with owners to repatriate the remaining 1%.

Crew changes with guidelines developed by the authorities and industry in Singapore started in early June. Measures were tightened in late July in response to concerns over tampered Covid-19 tests and failure to follow quarantine procedures in seafarers home countries. Priority was given to crew change from Singapore-registered vessels.

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Illustrative image of freight, containers and shipping and cargo  
(AvigatorPhotographer; iStock by Getty Images)

## ‘RE-ESTABLISHMENT OF NATIONAL FLEET IMMINENT’

by Muyiwa Lucas

The Director-General of the Nigerian Maritime Administration and Safety Agency (NIMASA), Dr Bashir Jamoh, has reaffirmed the agency's commitment to the establishment of a strong and sustainable national fleet, saying the desire for a Nigerian shipping line was gradually being achieved.

Jamoh stated this in Lagos while receiving members of the National Fleet Implementation Committee who visited him the agency's headquarters.

He told the team led by the Committee Chairman and Executive Secretary, Nigeria Shippers' Council, Hassan Bello, that the need for a national carrier could not be over emphasised owing to the enormous economic benefits it offers.

According to him, "There is no better time to have a national carrier and develop the maritime industry than now, when the world is gradually looking away from fossil fuels, which currently form the mainstay of the Nigerian economy, and President Muhammadu Buhari is trying to diversify the economy from oil.

"Nigeria cannot be caught unawares; we need to look at ways of developing our shipping sector, which, from studies, is capable of earning the country even more than oil annually," he said.

Jamoh stated that the Nigerian maritime sector had the potential to grow by between three and five per cent annually due to the size of the local market, but regretted that this capacity remained mostly untapped.

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## ARIELI CAPITAL TO SET UP INNOVATION CENTER IN CHINA FOR MARITIME TECH

by Shoshanna Solomon

Holding and investment company Arieli Capital has signed an agreement for a strategic collaboration to set up a technology innovation center in China's southern city of Sanya that will focus on maritime technologies and shipping.

The innovation center, which will host an investment fund, startup accelerators and incubators, will be part of an initiative to set up a science and technology zone in Sanya, with an investment of 3.5 billion yuan (\$529 million) by China Merchants Group, a multinational state-owned corporation that offers freight forwarding services, professional logistics, port transportation, real estate, financial and insurance services.

The agreement for the innovation center was signed by Arieli with the city's innovation and technology unit, the Yazhou Bay Science and Technology City Administration, and China Merchants Group.

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