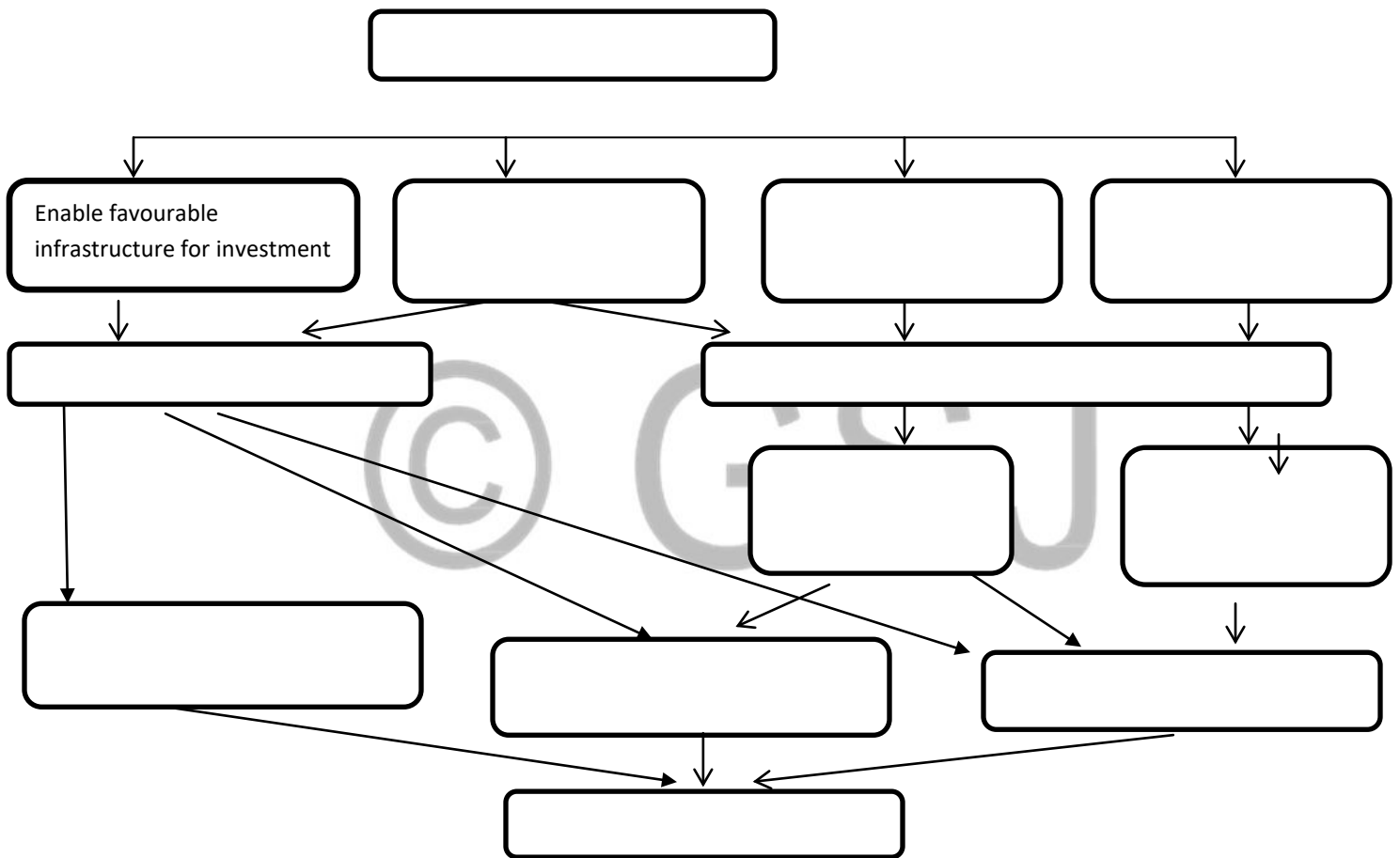


SEAPORT DEVELOPMENT ACTIVITIES



The effects of Seaport and Mechanism of its development on the economic growth.

Source:- Jouili, T . A and Allouche M . A

The economic pull of port on development

The mutual benefit of port has been established in the economic development of both local and national which states that in spite of job cuts in traditional port activities such as warehousing, ship repair, stevedoring bunkering , freight forwarding the seaport remains sustainable as it gives a long term basis on it functions of many different kinds of allied business are expected to develop in the local area. The

(seaport maritime) activities has a relatively close relationship with both urban and port system in Nigeria. The transportation activities facilities foreign trade, Technology in transport system to enhance interdependency among economies in the global world. This is through the support of seaport.

The European regions Bottasso et, la (2014) analyzed the important of seaports activity on the regional GDP [621 regions] and focusing on it spillover effects on the neighbouring regions. He indicate that ports tend to increase GDP in the area, where they are located (direct effects) and effect positively the GDP of nearby nations. The seaport development could affect the economic growth through many channels It is expected that seaports affect economic sectors and afterward the economic growth.

The term “Cartelistic for economic growth“ includes all the change as regards the demand for goods and services, and contribution to tax revenue, employment that can be attributed directly and indirectly to the transport infrastructure presences Carlucci F. Cira (2009).

Functions of Ports

Ports function as important gateway of international trade and port is regarded as major accelerators of local economic development in the age of globalization.

Usually port- city interface are reviewed and input- output linkage effect of ports are numerous. The impact or transportation and communication technology and the free- market ideology have given rise to easy mobility of goods and services, including passengers. The world has rapidly integrated into one global market [economy]. The sea, as a major route that provides low cost and massive transportation means.

In 2008 about 77% of the total world international freight was through maritime mode. This made port and shipping industry played a great role in distribution of goods and services both locally and international economic growth. Large quantity of raw materials and Agro- products would have be wasted and valueless if there were no shipping of such products through seaport to the area of high needs of such raw materials at international market for their industrial production of either semi-finished product or finished product like cocoa, Rubber, Groundnut , Cotton, Limestone e.t.c. It highly dependent on sea port services which has low cost mass transportation means.

Seaport and heavy weight goods for domestic and international trade, industrial development, exchange of valuable products are expected to be shipped through seaport which have positive influence on economic development in both local and foreign nations.

Therefore port have been considered to be the engines of economic development, industrial location and distribution hub of goods and services. It has being creating significant direct local employment and value added production effects.

The Nigerian seaport are located along the Ocean coastline of the country. This is to take advantage of economic globalization and utilization of the coastline of the country. The existing seaport along the

coast are not functioning at equal per due to some facts. But the Lagos seaports are over used and it always result into congestion, delay, lack of warehousing poor loading and off- loading equipment due to lack of space with the area, this was as a result that at the establishment of Lagos port it was not planned as a continental hub Centre but as a local economic development to service the export intention of the Colonial masters then.

Now the relatively low cost of ground transportation has reduced the advantage of distribution of services, goods locating near a seaport. With globalization international business are likely to be located where land are relatively cheap for industrial location and where professional skill manpower qualified labour resources are easily available. The costs of proximity to the seaport have increased overtime due to traffic congestion. Another reason why a new port is required is that the process of goods movements has become more difficult and much more capital intensive due to containerization and technology system.

In Lagos seaport, the research find out that the spatial shifts of port related activities and lack of space and congestion at the port city(Apapa) interface. With Lagos port, it was a role of simple transit of cargo between land and sea, then loading and off- loading of cargo was primary function of seaport Authority, later other basic logistics activities such as storing, distribution function were added to the function of ports.

But now value added logistics activities had been added as production during transportation, which is in the vicinity of the seaport e.g. inventory control, final assembly, and managing goods, create information flow, labeling, customizing, configuration, blending e.t.c. These are example of value added logistics activities among others. This has add value to the economic development of the Nation. The transportation activities facilities foreign trade, Technology in transport system to enhance interdependency among economies in the global world. This is through the support of seaport.

The movement of goods, services and passenger across border aid the promotion of international relationship, export development for export products oriented value added and increase foreign exchange, This will add value to the nations seaport usage and upgrade with certain advantages.

Issues in new seaport:

1. Change in transportation system in the Area.
2. Environmental development and increase in valve.
3. Reduced the Cost and time required to pack, move and handle cargoes
4. The extension of the hinterland around the port to overlap hinterland
5. Security for cargoes generated by nearby Town/cities
6. The growth in maritime vehicle sizes and
7. The need for shipbuilding and Stevedoring technology advances
8. Deep berths investment
9. Wide Terminals usage and freight increase.

10. Narrow midtown area with shallow water ways
11. Port in the same region becoming a closer subtitles
12. The connection between ports and regional economics becoming weakened
13. Logistics technology will result in collapse of market power of ports in that area
14. Spatial closeness does not guarantee Port to handle cargoes from hinterland

The demand for port services is derived from activities of economic sectors other than port industry itself. Seaport industry can only be successful with production activities of other sectors. The economic activities of hinterland are imperative for the success of any seaport, Arne Nilsen (2018).

Major reasons while new seaport (Olokala) deep sea] should be developed to standard..With the location of that seaport site which is of many numerous mineral resources and Agricultural products that will act as captive cargoes such as dry bulk, oil and gas, bitumen, palm oil, timber etc. Are required to be handled at nearby ports because of excessive cost inland transportation connecting their origin/destination and the port. Attachment of such captive cargoes to nearby ports is self explanatory and it is meaningless to discuss port-city interface for them here.

At the early stage, the seaport will attract economic development, export oriented raw material processing and heavy industries have to settled around it. The usual Export processing zone will be greatly influence and lead to advantage and economic development, social advancement, because efficient and low cost transport service is readily available in the vicinity of the new seaport.

The port will play an important role for the heavy mineral resources industries such as bitumen, Gas and oil, Timber and other Agricultural products. As steel shipbuilding, petrochemical industries which Nigeria economy would supported. Internationally, heavy / petrochemical, bitumen industries could not be viable without low cost mass transportation means of shipping. The location of Olokola deep seaport development near industrial complexes and industrial export processing zone will be well developed. Since global trade always relied heavy on maritime transport the site and location justifiable a sustainable investment and it will be a great gateway seaport for international shipping and logistics activities. It will assumed the function of hub activities to import raw materials, and to export manufactured goods. The other abandoned seaport could be developed in major centers of economic activities in their area of locations.

To succeed, the seaport is required to be integrated into global supply chain by achievement of higher freight coordination and cooperation. The seaport will developed mutual prosperity for future economic benefits generating from it important linking modes in the logistics chain. The seaport Will integrate it's activities into the national economies The business environment will enjoy high connectivity to the global world.

The business to create employment opportunities and revenue, income value added logistics activities Allied port activities will be developed to easy and contribute to socio- economic development of the society like:- Tran shipment demand and other transit activities of production and consumption.

The issue of environment management should be harmonized by relevant professional skilled manpower, as reduction of carbon emission from seaport operation, creation of green buffer zones, warehousing.

Therefore this paper focused on the need for new seaport development along southwest coastal waterline as a cater lied for economic development.

Research Findings

The finding shows that the issue is not who does what at the port but the rationale for building another port in Lagos when the city is daily choked with a killer traffic gridlock. The Olokola in Ondo / Ogun state boundary which is a natural seaport harbor, could have being the best and a better location for a new seaport which all the above stated factors that favour the location.

Some years back, Federal government had emphasized the need to establish deep seaport to decongest Apapa ports. The Olokola should be given priority more than to continue to build new port in Lagos state area, while Port Harcourt, Calabar, and Onne should be up-graded to a modern equipped infrastructural technological mechanized seaport with professional manpower operators. It could be a private, public and partnership (PPP). Port, this will attract investor which is in many developed nations. A port master plan that would be comprehensive enough to guide on what need to be put together for the successful building of the natural seaport at Olokola area. Assess constraints to shipment trade through the recently launched African Continental Free Trade Area [AFCFTA] is expected to be a game - changer for Africa and a key engine of economic growth, Industrialization and sustainable development of the continent in line with the Africa Union [AU] Agenda 2063. The regulations and policies which undermine the functionality of market institutions needs to be identified and addressed.

Port Activities 2013 – 2016 and It Economics Value in Nigeria.

The port activities traffic report statistics was with a total number of 19,833 vessels berthed at various ports between 2013-2016 while 543842,425 tonnages were registered within the period under review. Year 2014 recorded the highest number of vessels berthed as well as tonnages registered while the least were recorded in 2016.

Tin can island port handled the most ships accounting for 33% of total number of ships that berthed in all ports and 32% of total tonnage registered in all port and 32% to total tonnage registered in all post. It is closely followed by Apapa port which accounted for 28% of ships that berthed and 25% of total tonnage registered and Onne port which account for 15% of ships that berthed and 30% of total tonnage registered.

Cargo traffic statistics revealed a total of 312,185,808 cargo traffic was recorded at all Nigerian ports between 2013 and 2016, 196,851,236 or 63% of the cargo traffic were inwards while 115,334,572 or 37% were outward.

The number of passengers traffic within the period under review was put at 52,262 while the highest number of passenger traffic was recorded in 2013.

Seaport activities indicates the facilities created for the following :-

- * 1513 direct jobs
- * 1308 induced jobs were supported by the purchases of 1513 directly employed individuals
- * 560 indirect jobs were generated as a result of 46.9 Billion Naira of local purchases by firms directly dependent upon seaport activities at all the seaports.
- * The 1513 direct employees earned over 61.1 million of wages and salaries, for an average salary of 960,000 per year.
- *Business providing services for the cargo activities received 258.9 million of business revenue.
- * About 25,6 million of State and Local taxes were generated by seaport activities.
- * 1174 jobs of the coastal inland water transportation related to the cargo and passenger movement, terminal, canal and river ferries services , distribution and storage of different products as well as petroleum products, bulk cargoes used for local construction activity.

Three millions of employments impact of the cargo activities at seaport /jetties while a lot of direct employment impact on the economic growth can be linked with transportation.

Surface Transportation	Direct Jobs
Truck over	1000
Maritime Services	2000
Terminal employment	100
Towing / pilotage/ Line Handling Agents	80
Maritime / Services	200
Marine Consultants / Ship Yards	300
Government	250
Port Administration	300
	400

Jobs are measured in term of full-time worker equivalent. Without physical access to jobs, health, education and other amenities the quality of Life suffers and without physical access to resources and markets, growth stagnates and poverty reduction can not be sustainable.(the World Bank Group 2018 CBN)

An over view of the state of the economy, economic analysis and Forecasting role of transport in the economy with impact of seaport activities on seaport development that required intervention in alignment with economic growth development plan for 2030 vision.The long term potential growth rate for Nigeria under the current policy, environment has been estimated at 3.5% (n world Bank Group 2015) The National government has the ambition of reaching a growth target of 5% by 2030.

Exchange rate and Competitiveness in Development

The U S dollar continues to strengthen against both developing and developed market currencies on expectations of higher growth and interest rates. The national development themes and seaport development with Free Export Trade Zone initiative as out lined in the development plan, will shape economic policy and development over the medium term .

The NDP 2030 has an overarching objective to eliminate poverty and reduce inequality. The NDP 2030 proposals to increase employment and growth include the following:- More seaport / terminals and jetties, raising exports by focusing on industries with comparative advantages. Develop rail lines and expand road network with major rivers developed for waterways which will result into :-

(i) Network Effects:- Linking more locations exponentially increases value and effectiveness of seaport and transportation, more jobs and the effect of enhancing the frequency of services.

(ii) Intermodal connectivity, projects may enhance the frequency of air, marine or rail services or breadth of origins and destinations.

(iii) Performance improvement:- reducing cost and time for existing passenger and freight movement and increase transport's contribution to economic growth.

(iv) Reliability :- Improves times performances and reduces loss and damages, reduces inventories, centralize warehousing and delivery processes leading to gain in Supply chain benefits.

(v) Market size :- access to wider markets adds to economics of scale in production distribution and consumption,

(vi) Production :- Transport increases productivity gained from access to a large and more diverse base of inputs such as raw materials parts energy and labour and broader market for more diverse output.

The research shows the need for the new seaport at OLOKOLA natural harbor seline and it likely effects on the development growth in Ondo / Ogun state area and generally in the nation's and West African sub- region development. It show that globally investment on seaport has positive influences on the economic groth. The Finding shows that seaport serves more to the services and manufacturing sectors them the Agricultural sectors. The finding also shows that seaport development could be generating economic benefits but it could develop a kind of imbalance between various economic sectors.. To avoid such an inequality the decision – makers should take into account all sectors in the orientation of all new seaport investments.

Port project description international requirement standard.

The investment facilities required for the seaport in a deep-sea and free trade zone(FTZ) Around olokola in the coastline area of Ondo state has an integrated multipurpose deep-sea port complex serving as an oil and gas logistics base and export processing zone. This type of project should be located in an area from latitude 068 20 north and longitude 04 30 east on the Atlantic coastline, northwest of ESCRAVOS AND AIYETORO. This is approximately 128km Escravos, midway between Escravos and Lagos, a 45km East of Lekki-Lagos and 400km west of Onne Port Harcourt. The 10,000 hectare of expanse land has been acquired for sea port without development since 2009 the location is in the southern side of about 10km along the shore of the Atlantic ocean

Unlocking investment potential in the Africa had itself to blame for it backward in the scheme of things in the period between independence and sometimes in the 90s. An underlying growth in trade in the global economy is driving an increase in shipping and correlated need for increase

efficiency and capacity of ports, marine and industrial structures. The key success factor for a seaport development focus on the ability to operate cost efficiently, safely and reliably. Port also need to operate sustainably in a community, within a sensitive near shore environment, and align with government and regional development agenda. The major requirement for any seaport includes: , planning and approvals projects design, construction, operations and maintenance, through to closure which provides a full integrated services across the following sectors:-

*Ports and Harbours design, including lay outting break-waters, navigation assessments and wave penetration studies.

* Dry bulk terminals, including Port part of a mine development, rail and port bulk transport solutions.

*Oil and Gas terminals.

* Container terminals and dry port intermodal terminals,

* Multi-purpose terminals

* Transshipment facilities

*Ferry terminals

*Coastal management / protection

* Small craft facilities and water front development

There are a lot of investment opportunities in the seaport area, the free-trade zone and Export processing zone, the small scale industrial sectors. This is toward accelerated economic development and stimulate private sector investment incentives are provided for would be investors in all segments of the seaport activities, especially those activities that are export oriented. * Shipping services, as stated earlier A total inbound and out bound of Nigeria market accounts for over 68% of seaborne traffic into west and central Africa sub-regions. Nigeria as the largest trading port south of Sahara attracts high volume of import trade from major trading regions of the world e.g. Western Europe, Asia- Pacific These traffics are mainly high value finished and semi- finished containerized goods for the local economy and sub - regional market. The traffic is gaining more growth momentum in the current 21st century economic reforms to stimulate growth through increased investment, trade. Export in Agricultural products, industrial raw materials and semi- finished goods. *Tanker shipping:- The gas trade looks very active in the future as the National target on zero flaring. It will create robust trade for gas carrier operators especially National carrier operators. Apart from petroleum products, industrial chemicals constitute major import component opportunities, investment in VLCC, Aframax, Suez ax remain tankers commercial viable economic activities and trade. *Bulk shipping :- The bulk trade is equally promising as the Nation's depends heavily on imported grains, Fertilizer, Sugar, Flour , cement for the domestic market. Tis is expected to continue for a long period due to expansion in population development and urbanization. Importation of certain grains may perhaps remain permanent.

CONCLUTIONS AND RECONMENDATION

The relationship between seaport Infrastructure, Transport, Services and economic development performance could serve to accelerate economic growth and development, alternatively a lack therefore of it could constrain the potentials for expansion. The composition and performance of the national economy has a specific demand for Trade, Transport, seaport infrastructure and economic growth services.

Cognizance of the economic structure and macro-trends locally , regionally and globally would allow for the adjustment of the development of seaport and transport infrastructure and services to meet the demand as required by economic activities for development.

The research has identified some salient economic impacts:-

- * The tertiary sector has experience significant growth in their seaport development, this shows that the economic activities that constitute this fast growing sector grouping have a specific trade / transport requirement which is likely to be different to that of other industries.

- * Provincial development Profiles:- The research shows that there might be a divergent mix and levels of seaport infrastructure and transport / trade activities services that required organization and individual support growth paths. National trade patterns:-

- *This was identified in the analysis of available data to determine the share of trade in value with other nations.

- * This shows that there are urgent need for more seaports development with modernization of transport system to increase economic development growth on regional corridors and port post efficiency improvements.

- *The economic framework is the context in which planning takes place. Bue to the dynamic nature of national and global economics demands from traders and chain supply needs transport infrastructure and service over time.

- * The economic forecasting and global trade trends is important in determining the timing and quantum of Large scale operation planning interventions to allow the support of an improved national economic performance.

- * Seaport has a broader role in shaping development and the environment, policy concerns and revenue generation, job creation, industrial development will increasingly be focused on the effects of seaport activities on where people live and on where businesses locates, industry location decisions have on land use pattern, congestion of seaport area with

transportation systems use of natural resources for overall quality of life.

* To effectively achieve Development growth, seaport / transportation needs to be taken

With very important financial investment in location and development of seaport and transport distribution of the economic activities, spatial development and planning are n therefore important consideration for any integrated economic development activities.

The seaport will develop mutual prosperity for future economic benefits generated from its services linking nodes in the logistics chain.

The seaport will integrate it activities into national economic growth.

The business environment will enjoy high connectivity to the global world.

It will create businesses, employment opportunities, revenue, tax, income, value and a added logistics and transportation activities.

Therefore its advised that the activities and it allied related services should be harmonized by relevant professional skilled manpower.

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