

**SPEECH BY DR. (BARR) TAIWO AFOLABI (MON), GROUP EXECUTIVE VICE-
CHAIRMAN, SIFAX GROUP AT THE 3RD TAIWO AFOLABI ANNUAL MARITIME
CONFERENCE ORGANIZED BY THE MARITIME FORUM, UNILAG AT THE J.F. ADE
AJAYI AUDITORIUM ON FRIDAY, AUGUST 17, 2018.**

The Vice-Chancellor, UNILAG,

Dean of Faculty of Law, UNILAG,

The Chairman of today's occasion,

Distinguished Members of the Academia,

Eminent Personalities in the Legal and Maritime Professions,

Management and Staff of SIFAX Group

The Executive and Respected Members, Maritime Forum, UNILAG,

Gentlemen of the Press,

Distinguished Ladies and Gentlemen.

I am very delighted to welcome you all to this year's edition of the 3rd Taiwo Afolabi Annual Maritime Conference, organized in my honour by the Maritime Forum, UNILAG.

I am specifically happy as Chief Host that the Forum has again gathered all of us together here as critical stakeholders, to discuss a major issue that is of enduring relevance to us either as players in the maritime industry or as final consumers of the products brought into the Nigerian market principally by global and international maritime trade. This is the major reason I consider this year's topic

PORT COSTS AND PORT CHARGES: A RECURRING DECIMAL UNDER PORT REFORM REGIME, a particularly apt topic, one that is guaranteed to generate a lot of heat considering the conflicting interests of the individual corporate players in the industry.

But the expected enthusiastic engagement on this topic should not just stop at the level of heat only. As an industry player myself, I expect the intellectual discourse and analysis from veterans such as are here gathered today to also generate enough light that will help to shape necessary policy formulations by the regulatory authorities, to the maximum satisfaction of majority of industry players, which include the Federal Government, port concessionaries and other operators, shippers and other users well as the general final consumers of the Nigerian port system.

Permit me, Ladies and Gentlemen, to re-phrase the question to reflect the inherent dilemma of today's topic: What are truly Port Cost and Port Charges? Are they interchangeable words for the same phenomenon? How really do you determine costs? From whose perspective? And at what time intervals do you review costs, given the eternally dynamic and mercurial unpredictability of the movement of the exchange rate of the Naira to the US dollar? I recall, as an industry player myself, that the exchange rate of the Naira to the dollar in year 2006 for instance, when we became port concessionaires or known otherwise as terminal operators was between N125 and N131 to the dollar. How much is the exchange rate today? In other words, since many of the obligations of terminal operators are expected to be discharged to the lessee in dollars, how much naira will be enough today to purchase the required dollars today, 12 whole years after

the historic concession? How do you generate that amount of naira in today's national economy?

By what percentage will the cost of services be adjusted upward to reflect the astronomical changes in the foreign exchange regime? So many questions seeking answers.

We are convinced that these are matters of immediate and practical concern to every Nigerian, and more so to the regulatory authorities who need to harmonize and balance the conflicting viewpoints to the satisfaction of the stakeholders.

And this is why I am convinced that the ideas and proposals that will emerge at the end of today's intellectual engagement and discourse will become rich and solid building blocks for enriching policy. It is my hope and expectation that the discussion today would produce a suitable framework for determining the appropriate costs of services in the Nigerian port system without making our ports unfriendly to users either internally or within the sub-region.

I will not end this short address without commending the organizers of this laudable event, the UNILAG Maritime Forum, for their steadfastness and diligence demonstrated in their sustainability of each year's edition of the Forum. Let me confess, that I am greatly thrilled by the honour done on me and my family by the event, and I am, at the same time, greatly humbled by it.

Even more exciting to me is the unique gathering in this year's edition of the celebrated veterans of the Nigerian maritime industry personalities, whose words and pronouncements on matters of the industry take on the character of an oracle. Of a truth, no society can be considered truly great, unless it imbibes the

habit of honoring its heroes and heroines. The Chairman of today's event, Chief Adebayo Sarumi and the chief presenter of the leading paper, Otunba Kunle Folarin, are worthy examples of the industry stakeholders, and we are deeply grateful for their presence and participation.

I also want to thank the management and staff of SIFAX Group, who have demonstrated so much enthusiasm about this event and worked very hard alongside the Maritime Forum officials to make this event a reality.

Let me conclude by expressing the hope that the rich outflow of cross-sectional contributions and debate of today's topic will be compiled and transmitted to all those who hold the levers of authority in maritime Nigeria, to the benefit of the larger Nigerian society. Nothing else will be enough fitting tribute to the worthy collaboration here demonstrated in this hall between the TOWN and GOWN.

I wish you all a meaningful and successful deliberation.

Thank you and God bless you all.

TAIWO AFOLABI

CHIEF HOST.