

EXPORT OPPORTUNITIES AND AIR
CARGO HANDLING IN NIGERIA

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INTRODUCTION

Two major issues are expected to be discussed in this paper viz:

- a) Export Opportunities in Nigeria
- b) Air Cargo Handling in Nigeria.

This paper will attempt to briefly look at the past and present export trend and consciously guide exporters into the awareness of great opportunities around them.

Similarly, the paper will show the cargo handlers role and procedure in order to enable exporters to appreciate the impact of air transport in their business.

EXPORT OPPORTUNITIES

- Exporting is a process of earning profits by selling products or services in foreign markets.
- An exporters is therefore one who engages in selling of goods and services in foreign markets.

There abound great export opportunities largely unknown either due to ignorance or lack of an export culture caused by years of undue focus on the oil sector (while neglecting other critical sectors such as manufacturing, handicraft, solid minerals and agriculture).

Since the oil boom era of the 70s and until recently, oil product has dominated the export scene to the detriment of the agriculture and allied products which was hitherto the mainstay of the economy. However, government is currently making a shift to the agriculture and non-oil sector to enhance the revenue base of the economy.

The reason for the new focus is the need to diversify foreign exchange earnings through increased export activities in the non-oil sector. This will in no doubt stimulate greater capacity utilisation to meet both the domestic and foreign demands. Oil era is fast aging.

Government cannot alone give a 100% enablement hence the exporter, the broker, the producers, small and medium scale

entrepreneurs need to further create wealth through a thorough knowledge and understanding of export business.

EXPORTER'S ROLE

- Knowledge of the market is essential
- Producer must appreciate and enhance quality
- Both exporter and producer must synergise to enhance quality
- The exporter must understand both the domestic and international regulations as it affects the product.
- The exporter and producer must interact with various regulatory bodies in order to keep abreast of current issues e.g. NEPC.

BENEFITS OF EXPORT BUSINESS

- Wealth creation for self and economy
- Reduces unemployment
- It enhances profitability
- It enhances quality
- It increases clientele level outside the local environment
- Best practices enhanced because of international standards requirement, etc.

OPPORTUNITIES IN NON-OIL SECTOR

The following agricultural products abound in Nigeria and can be exported; all that is expected of the exporter is to collaborate with the farmers in order to enhance large-scale production.

- Cassava – Nigeria is highest producer in the world (2001)
- Walnuts
- Cashew nuts and kernel
- Kola nuts (dried and fresh)
- Quincy seed (Bitter kola)
- Potatoes
- Flowers – Roses
- Bananas
- Guava
- Shea nuts
- Cocoa, etc.
- Onion
- Tomatoes
- Lettuce
- Mushrooms
- Mangoes
- Beans
- Pepper
- Ginger

EXPORT INCENTIVES BY GOVERNMENT

1. Export expansion grant (EEGF) is an inducement to growth
2. Duty Draw Back Scheme – refund of duties and surcharges on import which form inputs for the manufacture of exportable products.

NIGERIAN EXPORT PROMOTION COUNCIL offers the following:

1. Information on markets as well as develop markets for made-in-Nigeria goods.
2. Human resources training.
3. Liaison with international agencies on export matters
4. Advise on product design, quality control and packaging, etc.

AIR CARGO HANDLING IN NIGERIA

According to ICAO Doc. 9569c, air cargo handling operations can be described as the provision of logistics in facilitating the carriage of cargo by air.

In essence, it entails making available the right and necessary expertise with equipment to perform the right task in a timely, safe, secure and cost effective manner.

Export cargo by air form an integral part of the cargo system. It is the process of acceptance, packaging documentation and shipment by air after due process of compliance with international statutory requirements.

There are two handling companies in Nigeria today in the business of aviation handling which includes both passenger and cargo handling viz: Nigerian Aviation Handling Co. Plc. (NAHCo) and Skypower Handling Co. Ltd. (SAHCOL).

Apart from the two handling companies involved in the cargo processing, there are quite a number of government agencies who have various statutory role to play before a piece of cargo is finally accepted for shipment.

These agencies are: Customs, Quarantine, NDLEA, Bomb Disposal, etc. These are governmental regulatory bodies charged with various statutory duties.

The Federal Airports Authority of Nigeria also has a responsibility of enhancing facilitation at the airports. FAAN is the landlord at the airports hence is expected to provide adequate infrastructure to support a safe and secure air transportation operations.

REQUIRED FACILITIES

- Customs Bonded Warehouse
- Cold Room
- Strong Room
- Screening Machines
- Weighing Machines
- Dangerous goods holding bay
- Handling equipment e.g. forklift, handtrucks, dollies, tractors, carts, etc.

RESPONSIBILITY OF HANDLING COMPANY

- Ensure compliance with both local and international regulations.
- Segregation of cargo in compliance with compatibility rules.
- Safe, secure and timely handling of cargo.
- Proper documentation
- Compliance to Airlines specific standards.

BENEFIT OF AIR CARGO

- Timeliness
- Maintenance of quality of products
- Movement of cargo from origin to destination is traceable.

SIMPLIFIED HANDLING PROCESS FLOW

a. Acceptance

Airlines adopt a variety of security measures for the acceptance of various categories of cargo e.g. perishable, valuable, vulnerable and general cargo, etc. However, following is a basic guideline:

Advance arrangement should be made with the shipper and consignee for acceptance and delivery taking into account the need to minimise delivery and holding times at origin and destination.

The shipment should travel as booked cargo.

Strict attention must be paid to packaging.

The cargo is subjected to screening and security by the various governmental agencies especially the Customs, Quarantine, NDLEA, etc before acceptance into a sterile area for storage.

b. Documentation

The airway bill must show a true description of the content and the special nature of the cargo indicated e.g. 'VAL', 'HUM', 'PER', etc in the 'Nature and quantity of goods' box. Accurate weights and package dimensions are mandatory.

c. Packaging and Labelling

All packages must be carefully examined at the time of acceptance for any signs of defect. The packaging must conform to international standards, adequate as well as correct label affixed to enable proper care in handling.

d. Handling and Loading

Handling is done according to the nature of the cargo. There are specific standards to be noted when various cargo are sorted out before consolidating into the unit load devices. The idea is to ensure safety and security of the cargo.

CONCLUSION

I have just tried in the past few minutes to highlight the opportunities that abound in the export business as well as the air cargo process. I hope this few guidelines will stimulate your appetite for more information which will enable you to take the right decision on this subject.

Thank you for this wonderful opportunity.