

**NIGERIAN-BRITISH**  
CHAMBER OF COMMERCE



# POSITION PAPER

## **Unlocking Nigeria's Maritime and Logistics Potential for Trade Competitiveness and Economic Growth**

*Position paper from the NBCC Maritime and Logistics high-level dialogue held on  
Friday, 17th April 2026.*

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# UNLOCKING NIGERIA'S MARITIME AND LOGISTICS POTENTIAL FOR TRADE COMPETITIVENESS AND ECONOMIC GROWTH

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## INTRODUCTION

Nigeria stands at a decisive moment in its economic history, and as Africa's largest consumer market and one of the continent's most strategically positioned economies, the country possesses the geographic advantage, demographic strength, entrepreneurial energy, and regional influence required to emerge as Africa's foremost maritime and logistics hub. Yet, Nigeria's Maritime & Logistics sector remains one of the most strategic yet underperforming components of the national economy.

Despite Nigeria's position on the continent as its largest consumer market, a major oil-producing nation, and a gateway to West and Central Africa, the country continues to face severe inefficiencies across its ports, transport corridors, customs systems, warehousing infrastructure, and multimodal logistics framework. These inefficiencies have significantly increased the cost of doing business, weakened export competitiveness, constrained industrial productivity, and reduced Nigeria's ability to maximize the opportunities presented by the African Continental Free Trade Area.

The maritime and logistics sector should ordinarily function as the backbone of economic growth, trade facilitation, industrial expansion, and regional integration. Instead, persistent infrastructure deficits, fragmented regulatory systems, poor coordination among agencies, weak technology adoption, and inadequate investment have created a logistics environment that imposes heavy financial and operational burdens on businesses.



Current estimates indicate that logistics costs account for approximately 25 percent of Nigeria's GDP, among the highest globally. Port congestion, poor road infrastructure, inefficient customs processes and limited rail connectivity continue to increase freight costs, delay cargo movement and discourage investment. Nigeria's logistics ecosystem remains heavily dependent on road transport, while rail freight, inland waterways and integrated multimodal transport systems remain significantly underdeveloped.

## **OUR OBJECTIVE**

This advocacy paper seeks to present a comprehensive industry position on the urgent reforms required to reposition Nigeria's maritime and logistics sector as a globally competitive ecosystem capable of driving trade competitiveness and economic growth. It highlights the major structural challenges affecting the sector, examines the implications for national development and proposes practical, investment-driven and policy-oriented solutions.

The paper strongly advocates for a coordinated national logistics transformation agenda anchored on infrastructure modernisation, institutional reform, digital transformation, regulatory harmonisation, private sector participation, sustainability and human capital development.

It also emphasises the critical role of the Nigerian-British Chamber of Commerce (NBCC) in facilitating dialogue, promoting international partnerships and advancing policy advocacy capable of unlocking Nigeria's logistics potential.

Nigeria possesses the strategic location, market scale and economic influence required to become Africa's leading maritime and logistics hub. However, achieving this vision will require bold reforms, long-term policy consistency and sustained collaboration between government, industry stakeholders, development partners and the private sector.



## SECTOR OVERVIEW

The maritime and logistics sector occupies a central position within every modern economy. Efficient logistics systems determine the speed at which goods move across borders, the competitiveness of exports, the stability of supply chains, and the overall cost of economic activity. Nations that have achieved strong industrial growth and global trade competitiveness have done so largely because they have built efficient, integrated, and technology-driven logistics ecosystems.

Nigeria's economic future is closely tied to the efficiency of its maritime and logistics framework. As Africa's largest economy and one of the continent's most strategically positioned countries, Nigeria should naturally function as the logistics and trade gateway for West and Central Africa. With over 240 million people, extensive coastlines, major seaports, and significant regional market access opportunities, the country possesses enormous potential to dominate regional trade flows.

However, despite these structural advantages, Nigeria continues to underperform in global logistics competitiveness rankings due to deep-rooted infrastructure gaps, regulatory inefficiencies, poor intermodal connectivity, and weak institutional coordination.

The implications of these challenges extend far beyond the logistics sector itself. Inefficient logistics systems increase production costs for manufacturers, reduce agricultural export competitiveness, discourage foreign direct investment and contribute significantly to inflationary pressures across the economy. The inability to move goods efficiently across ports, roads, rail systems and inland waterways has become one of the greatest constraints to economic productivity in Nigeria.

The recently held Nigerian-British Chamber of Commerce Maritime and Logistics event, themed **“Unlocking Nigeria’s Maritime & Logistics Potential for Trade Competitiveness and Economic Growth,”** provided



an important platform for stakeholders to assess the realities confronting the sector and identify pathways for sustainable reform.

This advocacy paper builds upon those discussions and seeks to provide a detailed policy and industry framework capable of supporting Nigeria's transition into a globally competitive maritime and logistics economy.

## **THE STRATEGIC IMPORTANCE OF THE MARITIME AND LOGISTICS SECTOR**

This sector is not merely a support service for commerce, but a strategic economic enabler with direct implications for industrialisation, food security, export expansion, regional integration, and national competitiveness.

Nigeria's seaports serve as the primary gateways for imports and exports, handling the overwhelming majority of the country's international trade. The logistics sector equally supports agriculture, manufacturing, oil and gas, e-commerce, construction, retail, and other critical sectors of the economy.

An efficient logistics ecosystem contributes to lower production costs, improved supply chain reliability, increased export efficiency, and stronger investor confidence. Conversely, inefficient logistics systems create bottlenecks that slow economic growth and weaken competitiveness.

The implementation of the African Continental Free Trade Area further amplifies the urgency for Nigeria to modernise its maritime and logistics ecosystem. AfCFTA presents a significant opportunity for Nigeria to become a major regional trade hub serving a continental market of over 1.3 billion people. However, Nigeria cannot fully maximise this opportunity if its logistics infrastructure and trade facilitation systems remain weak and inefficient.



Global investors increasingly prioritise logistics efficiency when making investment decisions. Manufacturers, exporters, and multinational companies require predictable cargo clearance systems, reliable transport infrastructure, and transparent trade procedures before committing significant investments.

Nigeria's ability to attract industrial investment, strengthen non-oil exports, and improve regional trade competitiveness will therefore depend largely on the effectiveness of its logistics ecosystem.

#### CURRENT STATE OF NIGERIA'S MARITIME AND LOGISTICS SECTOR

Nigeria's maritime and logistics sector is currently characterized by infrastructural inadequacies, operational inefficiencies, and institutional fragmentation.

Port congestion remains one of the most visible manifestations of systemic failure within the sector. The Apapa and Tin Can port corridors continue to experience chronic traffic congestion caused by inadequate evacuation infrastructure, poor traffic management, and excessive dependence on road freight movement. Cargo delays at these ports result in substantial demurrage costs, increased business expenses, and severe disruptions to supply chains.

The average cargo dwell time at Nigerian ports remains significantly higher than global best practice standards. Customs clearance procedures continue to suffer from bureaucratic delays, excessive documentation requirements, and limited digital integration among agencies.

Road transportation remains the dominant mode of freight movement in Nigeria, accounting for over 90 percent of cargo distribution. However, the road network itself remains grossly inadequate for modern freight operations. Many federal highways are either in poor condition or are unable to support heavy cargo movement efficiently. The consequences include increased vehicle operating costs, slower transit times, cargo damage, and higher accident rates.

Rail freight infrastructure remains significantly underdeveloped despite its importance in reducing logistics costs and supporting large-scale cargo movement. Existing rail systems lack sufficient coverage, operational efficiency, and seamless integration with seaports and industrial zones.

Inland waterways, despite Nigeria's extensive river systems, remain largely underutilised for commercial freight transportation. This represents a major missed opportunity for reducing road congestion and improving low-cost cargo movement.

Warehousing infrastructure remains inadequate, particularly in the area of cold-chain logistics. Nigeria continues to experience major post-harvest agricultural losses due to poor storage systems and insufficient temperature-controlled transportation.

Digital logistics infrastructure also remains weak. Manual processes, fragmented data systems, and limited automation continue to slow cargo processing and reduce operational transparency. These structural challenges collectively contribute to high logistics costs, reduced efficiency, and declining trade competitiveness.

## KEY CHALLENGES AFFECTING THE SECTOR

### Infrastructure Deficits

Nigeria's maritime and logistics sector continues to face major infrastructure challenges that hinder efficiency and economic growth. Despite recent investments such as the Lekki Deep Sea Port, existing ports still struggle with congestion, inadequate access roads, poor rail connectivity, and limited cargo handling capacity. Key freight corridors linking ports to industrial and commercial centres are in poor condition due to excessive pressure from heavy-duty transport. Rail freight infrastructure also remains underdeveloped, limiting efficient cargo evacuation to inland destinations.

In addition, inland waterways have not received sufficient investment to serve as effective alternatives for freight movement. Warehousing and logistics infrastructure remain fragmented, while inadequate cold-chain systems continue to contribute to significant agricultural losses and food waste. Without sustained large-scale investment in transport and logistics infrastructure, Nigeria's maritime sector will continue to experience inefficiencies, congestion, and high operating costs that undermine trade competitiveness and supply chain performance.

### **Port Congestion and Cargo Delays**

Port congestion remains a major challenge in Nigeria's maritime sector, particularly around Apapa and Tin Can Island ports. Poor cargo evacuation systems have resulted in severe traffic, prolonged cargo clearance, and rising operational costs for businesses. Trucks spend days accessing port facilities, while delays increase demurrage, vessel waiting time, and inventory expenses, ultimately contributing to inflation and weakening trade competitiveness. The continued overreliance on road transport, due to inadequate rail freight systems and underutilized inland waterways, has further worsened the situation. Addressing Nigeria's broader logistics and freight distribution network is essential to achieving efficient and globally competitive port operations.

### **Regulatory Fragmentation and Institutional Overlap**

Nigeria's maritime and logistics sector is challenged by overlapping regulatory mandates, weak inter-agency coordination, and the absence of a unified governance framework. This has resulted in duplicated responsibilities, multiple inspections, excessive levies, and conflicting compliance requirements for businesses. The fragmented system increases operational costs, creates uncertainty for investors, and slows trade facilitation across the sector. Inconsistent regulations also affect trucking, warehousing, freight safety, and logistics data management. To improve efficiency, transparency, and accountability, there is an urgent need for a harmonized institutional framework that streamlines operations, strengthens coordination among agencies, and supports a more competitive maritime and logistics environment.

## **Customs Inefficiency and Trade Facilitation Challenges**

Customs operations continue to create significant delays within the country's trade ecosystem despite ongoing reform efforts. Excessive bureaucracy, manual documentation processes, and inconsistent risk management systems frequently slow cargo clearance. Importers and exporters often face multiple checkpoints, repetitive documentation requirements, and poor coordination among government agencies. In addition, the lack of fully integrated digital systems limits efficiency, transparency, and speed across the clearance process. These persistent bottlenecks weaken Nigeria's competitiveness in global trade. To position Nigeria as a globally competitive trade hub, comprehensive trade facilitation and customs reforms must become an urgent national priority.

## **Weak Technology Adoption and Digital Integration**

Nigeria's logistics sector remains largely fragmented and manually operated despite global advances in technology, automation, and data integration. The lack of a fully integrated National Single Window system, limited digital tracking tools, weak data analytics, and low technology adoption continue to hinder cargo efficiency, supply chain visibility, operational transparency, and overall sector competitiveness.

## **Human Capital Deficiency**

The maritime and logistics sector faces a critical shortage of skilled professionals, weak investment in training and certification, and widespread informal operations lacking standardisation and accountability. Without sustained investment in human capital development and professional capacity building, achieving a modern, efficient, and sustainable logistics ecosystem in Nigeria will remain a significant challenge.

## **Security Challenges Along Freight Corridors**

Freight movement across several parts of Nigeria continues to face serious security threats. There is therefore a strong need for dedicated freight corridor security frameworks supported by technology-driven monitoring systems and coordinated enforcement mechanisms.

## ECONOMIC IMPLICATIONS OF LOGISTICS INEFFICIENCY

The inefficiencies within Nigeria's maritime and logistics ecosystem have severe economic implications.

- High logistics costs increase the final price of goods and services across the economy. Manufacturers incur higher transportation expenses, importers pay excessive demurrage costs, and exporters struggle with delayed shipments.
- Agricultural producers lose significant quantities of produce due to poor storage and transportation infrastructure.
- Export competitiveness remains weak because Nigerian products often arrive at international markets with higher embedded logistics costs.
- Foreign direct investment is also negatively affected because investors prioritise economies with efficient logistics systems and predictable trade procedures.
- The logistics inefficiencies confronting Nigeria, therefore, represent not just a sectoral problem but a major national economic challenge.

## ADVOCACY PRIORITIES AND STRATEGIC RECOMMENDATIONS

**Development of an Integrated National Logistics Strategy:** Nigeria needs a coordinated National Logistics Strategy to align infrastructure, regulation, trade facilitation, and investments for efficient logistics development.

**Port Modernization and Operational Reform:** Nigeria must modernise its ports through digital systems, 24-hour operations, stricter enforcement, elimination of illegal levies, and improved infrastructure connectivity.

**Accelerated Rail Freight Development:** Nigeria must expand freight rail connectivity to ports, reduce road dependence, encourage private investment, and lower logistics costs nationwide.



**Revitalization of Inland Waterways:** Dredging of key inland waterways and support for private investment in barges, river ports, and multimodal freight infrastructure should be prioritised.

**Regulatory Harmonization and Institutional Reform:** There is a need for coordinated maritime governance through harmonized regulations, streamlined compliance, transparency, and stronger inter-agency oversight.

**Customs Modernization and Trade Facilitation:** Modernize customs through digitization, automation, collaboration, and globally aligned trade reforms.

**Investment in Logistics Technology:** The government and private sector must invest in smart, indigenous logistics technologies.

**Human Capital and Professional Development:** Strengthen logistics education, certification, and training institutions for a globally competitive, skilled workforce.

**Sustainable and Climate-Resilient Logistics Infrastructure:** Climate-resilient, green logistics infrastructure and policies are essential for sustainable, climate-adaptive transformation in Nigeria.

**Public-Private Partnership and Infrastructure Financing:** Nigeria's logistics deficit demands stronger PPP frameworks, investor protection, policy consistency, and increased private sector financing participation.



## **FUTURE DIRECTIONS FOR THE NIGERIAN-BRITISH CHAMBER OF COMMERCE**

- NBCC to partner with key sector agencies to host the maiden edition of the National Logistics Summit (NLS) - October 22nd & 23rd, 2026, to address critical issues.
- NBCC to Partner with the Nigeria Chamber of Shipping to aggregate the stakeholders' views on the national policy on Marine and Blue Economy.
- The National Single Window Project Secretariat has been charged to execute the pilot project of the Single Window, identify and probe weak points before the National Logistics Summit in October.
- NBCC to partner with the Nigerian Postal Service (NIPOST) to unveil to the Minister of Works, Federal Road Maintenance Agency (FERMA), and the Nigeria Governors Forum the imperative to fix federal and state roads for ease of distribution logistics, import, export, and transit cargo.
- Courier and Logistics Management Institute to aggregate all the human resource gaps, and make recommendations on how to close them before the National Logistics Summit in October.

### **CONCLUSION**

Nigeria possesses all the structural fundamentals required to emerge as Africa's leading maritime and logistics hub. The country's geographic position, population scale, regional market access and economic influence provide enormous strategic advantages.

However, these advantages can only translate into economic growth and trade competitiveness through deliberate and sustained reforms. The current inefficiencies within Nigeria's maritime and logistics ecosystem continue to impose severe costs on businesses, discourage investment and weaken export competitiveness.



Port congestion, infrastructure deficits, regulatory fragmentation, weak rail systems, inadequate digital integration, and poor trade facilitation processes must therefore be addressed urgently.

Nigeria requires a coordinated national logistics transformation agenda built around infrastructure modernization, institutional reform, technology adoption, human capital development, and sustainability.

The Government, the private sector, development partners, and industry stakeholders must work collaboratively to implement reforms capable of repositioning Nigeria as a globally competitive logistics economy.

As a Chamber, we have an important role to play in sustaining this advocacy and promoting partnerships capable of driving long-term sector transformation.

The future competitiveness of Nigeria's economy will depend significantly on how effectively the nation can move goods, connect markets, and facilitate trade. Unlocking Nigeria's maritime and logistics potential is therefore not simply a sectoral priority. It is an economic imperative central to the country's long-term prosperity, industrial growth, and regional leadership.

***The time for transformational action is now!***



## SOURCES

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