

## Case Study #2

### Analyses between Nigeria and Cote D'Ivoire

This case study will examine the ports of Cote D'Ivoire (historically also called the Ivory Coast) which previously had a total of ten open periods in which Port Security Advisories (PSAs) were unresolved; while comparing it to the port details of Nigeria. Items that will be compared are location, dollar volume, TEU (containers), volume tonnage, and other important data for the year of 2014. Calendar year 2014 was the latest year we could find data on all three factors, so for the purposes of this study, we will use it for our latest comparison. There are ten ports in Cote D'Ivoire, but only four have ever received a PSA. They are: Port of Abidjan, Lion Terminal, Port of San Pedro, Banco Bay, Espoir Marine Terminal, Port of Sassandra, Port of Locodjo, Port Bouet Tanker Terminal, Baobab Marine Terminal, and Port of Canal de Vridi.<sup>1</sup> Cote D'Ivoire had ten open periods with unresolved PSAs between May 2011 to March 2016. All of these ports are managed by the nation's port authority. Before we dive into the statistics, it would be beneficial to look at a brief background of each nation.

Cote d'Ivoire, known in English as Cote D'Ivoire, is a medium-sized African Nation located in West Africa. It borders several nations including Ghana and Liberia on the coast, and Mali and Burkina Faso to the north. The nation is by no means considered a wealthy economic powerhouse. It used to be a stable nation with an economy that would rival any other African nation. Unfortunately, recent civil wars and political instabilities resulted in major drops in both the economy and standard of living.<sup>2</sup> Now, Cote D'Ivoire is but a relic of a once promising

<sup>1</sup> Ports. (2014). *Ports.com seaports: info, marketplace*. Retrieved from <http://ports.com/>

<sup>2</sup> BBC. (2016, October 24). *Ivory Coast Country Profile*. Retrieved from <http://www.bbc.com/news/world-africa-13287216>

nation. Despite the nation's recent troubles, they maintain several large sea ports. The Port of Abidjan located in the city of Abidjan is the largest seaport in the nation. The port contains all the modern amenities needed to maintain world class service. Some of the services provided include dry-docking, refueling, electrical repair, engine repair, and communications services.<sup>3</sup> Overall, Cote D'Ivoire has built a reputation among its neighbors as a major commercial center. One thing to note is their PSAs were beginning to be issued around the same time a major civil war broke out. Also, the increased political instability may have played a factor into the PSAs too.<sup>4</sup>

Nigeria is one of the world's largest countries in terms of population. With 167 million residents, it is the largest nation in Africa. It is located in West Africa bordering Cameroon, Chad, Niger, and Benin. The large nation has been plagued by conflict and political corruption for decades. Regional wars as well as state sponsored terrorism have devastated the nation. The majority of the residents live in poverty with life expectancies for both sexes barely reaching past fifty<sup>5</sup>. Even though the nation is relatively unstable, Nigeria manages to maintain a very large port system. There are twenty-three ports located in Nigeria, all of whom are managed by the Nigerian Port Authority. Among the busiest are the Lagos Port Complex located in the Apapa District of Lagos, Calabar Port, and Delta Port. The Lagos Port Complex is a world leader in terms of facilities and location. Located right next to the Atlantic Ocean, this port system allows for easy access to major waterways. The system contains all of the modern amenities a port

<sup>3</sup> Searates. (2016). *Searates.com*. Retrieved from <https://www.searates.com/maritime/>

<sup>4</sup> BBC. (2016, October 24). *Ivory Coast Country Profile*. Retrieved from <http://www.bbc.com/news/world-africa-13287216>

<sup>5</sup> BBC. (2016, February 11). *Nigeria Country Profile*. Retrieved from <http://www.bbc.com/news/world-africa-13949550>

should have including all forms of dry docking services as well as communication services.<sup>6</sup> The shortcomings of Nigeria do not reflect on their port systems because their ports are some of the best in all of Africa. Before the comparison of the two nations begins, there is an interesting factor concerning Nigeria's PSAs.

Nigeria has received a total of seven open PSA notifications since 2004. There was one lone PSA issued on September 09, 2004. The reason behind this PSA could have been caused by anything. The important factor to take away from this PSA is the nearly ten-year gap between this PSA and the next PSA issued. The second PSA was issued in June of 2014. Oddly enough, during this time period the Nigerian organization known as Boko Haram began to increase their terrorist activities. It had been merely two months since the infamous Chibok school kidnappings where Boko Haram militants kidnapped hundreds of school girls from a day school in the Borno State of Nigeria. The militants demanded ransom for the girls, which proved to be unsuccessful in most cases. Many of the girls still remain in the captive hands of Boko Haram in unknown locations. There is a great possibility of a link between the Chibok kidnappings and the first PSA issued on Nigeria since 2004. This topic will be discussed more in detail after the comparison.

The three main comparisons between the nations are dollar volume in United States Dollars, shipping volume in the form of tonnage, and TEUs (containers). For dollar volume, there will be specific comparisons between years of PSAs issued. For example, there will be a comparison between Cote D'Ivoire's dollar volume for the year of 2010. 2010 was the last year without an open PSA notification. Every year following 2010 has had at least one PSA issued to Cote D'Ivoire. The comparison will begin with Cote D'Ivoire and Nigeria will follow.

<sup>6</sup> Searates. (2016). *Searates.com*. Retrieved from <https://www.searates.com/maritime/>

Cote D'Ivoire did not have any PSAs issued to the nation until the year 2011. Before the dollar volume for 2011 is revealed, it is important to view the previous year's data to see if the issued PSA had any effect on dollar volume. For 2010, Cote D'Ivoire import dollar volume was \$7,849,330,823. Its export dollar volume was \$10,283,508,506 (comtrade.org, 2016). This makes a gross total for the year of 2010 to be \$18,132,839,329. The first PSA was issued in May 2011 for Cote D'Ivoire. It is possible the PSA was issued too late to have any effect, but 2011 will be compared regardless. For 2011, the import dollar volume was \$6,719,987,403. For the export dollar volume, it was \$11,049,062,530. This brings 2011 to a total of \$17,769,049,933. That is \$363,789,396 less than the year of 2010.<sup>7</sup> It is very possible Cote D'Ivoire was effected negatively from the PSA issued against it.

For the previous year of 2014, we found the dollar volume for both export and imports. For imports, the dollar volume was \$9,532,205,632. For exports, the dollar volume was \$11,844,759,208. This brings a gross total for 2015 to \$21,376,974,840. This is quite an increase from 2011.

We were unable to find any data on shipping volume in tonnage for Cote D'Ivoire. Instead we will do a quick comparison for GDP. In 2015, Cote D'Ivoire's GDP was \$31.75 billion. Nigeria was at \$481.07 billion in 2015.<sup>8</sup>

Finally, TEUs, also known as containers, could only be traced to 2014 and earlier. For the year of 2010 before the PSA was issued, TEUs for Cote D'Ivoire was at 607,730 TEUs. For 2011, it was 642,370.61 TEUs.<sup>9</sup> Unlike dollar volume, TEUs increased. For the latest year

<sup>7</sup> Comtrade. (2016). *UN Comtrade Database*. Retrieved from <http://comtrade.un.org/>

<sup>8</sup> Trading Economics. (2016). *Nigeria GDP*. Retrieved from <http://www.tradingeconomics.com/nigeria/gdp>

<sup>9</sup> The World Bank. (2016). *Container port traffic (TEU: 20 foot equivalent units)*. Retrieved from <http://data.worldbank.org/indicator/IS.SHP.GOOD.TU>

available, 2014, there were 783,101.918 TEUs. This is quite an increase from the early 2010s. Now that Cote D'Ivoire has been discussed, it is time to look at Nigeria.

Nigeria had an early PSA in 2004, but it is irrelevant for this study. Instead, we will look at the year 2013 (pre-PSA), and 2014 (PSAs). Unfortunately, data was not available for 2015. For 2013, Nigeria had \$44,598,201,120 in imports and \$90,554,484,841 in exports totaling \$135,152,685,961. For 2014, Nigeria had \$46,532,265,378 in imports and \$102,878,499,711 in exports totaling \$149,410,765,089.<sup>10</sup> That is a \$14 million increase. It would have been interesting to see the data from 2015, but it is safe to say the PSA did not affect dollar volume for Nigeria.

For shipping volume in tonnage, we were only able to find data for the year 2014. For 2014, there was 194,484,142 metric tons. We were able to find data for the year 2015. It was 195,969,200 for 2015, a 0.8 increase.<sup>11</sup> It would have been nice to have found data for previous years, but this was the only available data.

Finally, Nigeria had 1,010,836 TEUs for 2013 and 1,062,388.636 TEUs for 2014. Once again, an increase in TEUs.<sup>12</sup> So far, PSAs have not effected Nigeria in either of the three categories.

<sup>10</sup> Comtrade. (2016). *UN Comtrade Database*. Retrieved from <http://comtrade.un.org/>

<sup>11</sup> Nigerian Ports Authority. (2015). *2015 Full Year Report*. Retrieved from <https://www.nigerianports.org/dynamicdata/uploads/YearlyReports/2015-FULL-YEAR-REPORT.pdf>

<sup>12</sup> The World Bank. (2016). *Container port traffic (TEU: 20 foot equivalent units)*. Retrieved from <http://data.worldbank.org/indicator/IS.SHP.GOOD.TU>

Before this analysis is concluded, it is important to note the possible PSA link to Boko Haram activities. We have compiled a list of recent Boko Haram attacks from 2014 and 2015. According to the data, almost the entire majority of Boko Haram activity has been present in the Northeastern portion of Nigeria along the border of Chad and Cameroon. The only significant event to take place near a container port was an arrest of a Boko Haram member in Lagos in 2014. He was planning on bombing various parts of the city.<sup>13</sup> Still, it is quite possible the recent terrorist activities have caused concern for the Nigerian Ports. The PSAs were likely issued as a general warning against potential Boko Haram activities near the coast. While their activities are mostly found elsewhere, they may be partaking in covert operations we do not know about. Some of these operations could include smuggling weapons, manpower, and training centers. Overall, it is likely Boko Haram has contributed to the PSAs issued, even though they have not had any major activity near them.

To conclude this analysis, both nations have had different results in regards to PSAs issued against them. Cote D'Ivoire seemed to be affected negatively compared to Nigeria. While Nigeria may have suffered on a minor scale, they still made a considerable gain in all three categories. Cote D'Ivoire has suffered tremendously since their internal conflicts began in the early 21<sup>st</sup> century. Regardless, both nations have had PSAs at one point, but have since recovered.

<sup>13</sup> Google. (2015). *Boko Haram Activity 2014-2015*. Retrieved from [https://www.google.com/maps/d/viewer?mid=142\\_nTuQ-9Jr9lCZwyD2AHRtMG4&hl=en\\_US&ll=9.219223062160511%2C10.284276100000056&z=6](https://www.google.com/maps/d/viewer?mid=142_nTuQ-9Jr9lCZwyD2AHRtMG4&hl=en_US&ll=9.219223062160511%2C10.284276100000056&z=6)

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## Appendix 1- Data Tables

**Table 1: Nigerian Global Trade**

<b>Nigeria Global Trade Report</b>			
<b>Year</b>	<b>Export (in Billions USD)</b>	<b>Import (in Billions USD)</b>	<b>Container port traffic (TEU: 20 foot equivalent units)</b>
2001	18	8	
2002	18.6	8.8	
2003	24.1	14.9	588,478
2004			512,610
2005			
2006	59.2	22.9	
2007	54	32.4	
2008	81.8	28.2	72,500
2009	49.9	33.9	87,000
2010	86.6	44.2	101,007
2011	125.6	64	839,907
2012	143.2	35.9	877,679
2013	90.6	44.6	1,010,836
2014	102.9	46.5	1,062,389

**Table 2: Nigerian/US Trade**

<b>Nigeria US Trade Report</b>		
<b>Year</b>	<b>Export (in Billions USD)</b>	<b>Import (in Billions USD)</b>
2001	7.3	822.8 MM
2002	5.8	1.1
2003	9.2	2.3
2004		
2005		
2006	26.7	3.6
2007	25.2	4.9
2008	34.8	2.3
2009	13.6	2
2010	29.8	7.9
2011	28.3	11.5
2012	24.1	4.9
2013	7.7	3.9
2014	4	4.8



**Table 3- Cote D'Ivoire Global Trade**

<b>Cote D'Ivoire Global Trade Report</b>			
<b>Year</b>	<b>Export (in Billions USD)</b>	<b>Import (in Billions USD)</b>	<b>Container port traffic (TEU: 20 foot equivalent units)</b>
2001	3.6	2.5	543,845
2002	5	2.6	579,060
2003	5.3	3.3	612,546
2004	6.6	4.7	670,000
2005	7.2	5.9	710,000
2006	8.1	5.8	
2007	8.1	6.7	590,306
2008	9.8	7.9	713,625
2009	10.3	7	677,029
2010	10.3	7.8	607,730
2011	11	6.7	642,370
2012	10.9	9.8	690,548
2013	12.1	12.5	745,102
2014	13	11.2	783,102
2015	11.8	9.5	

**Table 4- Cote D'Ivoire Global Trade**

<b>Cote D'Ivoire US Trade Report</b>		
<b>Year</b>	<b>Export (in Millions USD)</b>	<b>Import (in Millions USD)</b>
2001	272.7	133.8
2002	374.7	89.8
2003	389.9	114.1
2004	669.2	133.7
2005	1 bn	119.3
2006	739.4	135.1
2007	547.2	180
2008	945.1	209.1
2009	800.3	228.3
2010	1.1 bn	235.7
2011	1.3 bn	128.2
2012	877.9	254.4
2013	741	291.6
2014	1.1 bn	385.9
2015	962.1	417.4