



KENNA

MARITIME PRACTICE

2025 Newsletter



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Introduction

Nigeria's maritime sector is entering a pivotal phase of transformation, marked by renewed government focus, strategic investments, , and an evolving regulatory framework. As a critical gateway to West Africa and a cornerstone of the national economy, the sector is attracting increased attention in critical areas such as vessel financing, seafarer welfare and environmental sustainability.

In this edition of the newsletter, we explore the major developments shaping the maritime and regulatory landscape as of mid-2025. From global efforts to eliminate harassment at sea and to protect seafarers, to the revival of strategic infrastructure projects like the Olokola Port, and the growing momentum around shipping decarbonization across Africa, the maritime industry is undergoing dynamic change .

At the national level, recent policy approvals, funding initiatives, and legislative reforms highlight a decisive shift towards indigenous empowerment and alignment with international best practices. These efforts altogether reflect Nigeria's broader ambition to become a leading maritime hub on the continent.



Regulatory Updates



House of Representatives Passes Bill to Amend Coastal and Inland (Shipping) Act

The House of Representatives on March 13, 2025, passed a bill that aims to restrict the use of foreign vessels in domestic coastal and inland commercial activities, paving the way for Nigerians to operate without competition from foreign vessels.

The bill titled “*An Act to Amend the Coastal and Inland Shipping (Cabotage) Act, No. 5, 2003 to Restrict the Use of Foreign Vessels in Domestic Coastal and Inland Commercial Activities, to Promote the Development of Indigenous Tonnage and Establish a Cabotage Vessel Financing Fund; and for Related Matters*”, seeks to limit the extent of access to Nigerian waters by foreign vessels, boosting participation of indigenes in Nigeria's domestic shipping industry activities.¹

Review of Proposals to Amend The Maritime Labour Convention

At the three-day Tripartite Technical session held in February 2025, which brought together key stakeholders from government, employers, unions, and international maritime partners to review Nigeria's ongoing commitment to improving maritime labor standards and the welfare of seafarers, the Nigerian Maritime Administration and Safety Agency (NIMASA) disclosed that it is reviewing 16 proposals for amendments to the Maritime Labour Convention (MLC), 2006.

The MLC, 2006, provides a comprehensive international framework that ensures decent working standards for seafarers while promoting fair competition within the maritime industry. However, as global maritime dynamics evolve, driven by automation and economic shifts, the Agency emphasised the importance of adapting this important legislation to address emerging challenges and ensuring that seafarers' welfare is guaranteed, further strengthening Nigeria's commitment to decent work conditions for all seafarers.²

¹ See: [Reps pass Bill to restrict foreign vessels in Nigeria coastal waters | The Nation](#)

² See: [NIMASA EXPLORING AMENDMENTS TO MLC 2006 TO ENHANCE NIGERIAN SEAFARERS' WELFARE | NIMASA](#)



Nigerian Tax Act 2025

The Nigerian Tax Act (2025) introduces clearer boundaries for allowable deductions and sets specific tax obligations for non-resident entities, particularly engaged in shipping transport.

Under the general rules for deductions, the law restricts certain types of expenses from being used to reduce taxable profits for residents. Key exclusions include capital repayments, personal or domestic expenses, and any costs related to assets not actively used for business purposes. Additionally, depreciation of fixed assets, insurance recoveries, fines, unapproved pension payments, and taxes borne on behalf of others are all non-deductible. For shipping companies, this means that expenses related to the acquisition or impairment of vessels, penalties from regulators, or related party payments not aligned with transfer pricing rules must be scrutinized to ensure compliance.

The Act also outlines a dedicated administration for taxing non-resident shipping companies. The operators are subject to tax on income generated from goods or passengers loaded in Nigeria, with exceptions made for trans-shipment activities.

The Nigerian Upstream Petroleum Advance Cargo Declaration Regulation (2025)

The Guidelines introduce a comprehensive regime for regulating the declaration, measurement, and documentation of exports of crude oil, condensates, natural gas liquids, and petroleum products from all terminals and export points in Nigeria. The Guidelines are applicable to all licensees, lessees, and to all exporters of crude oil, natural gas, natural gas liquids, and petroleum in Nigeria. Below are some of the key highlights under the regulation:

- i. **Mandatory Export Permits:** Exporters must obtain an export permit through the Crude Oil Transport & Export Permit System.
- ii. **Vessel Clearance:** After the Export permit has been obtained, exporters must file for vessel clearance on the portal.
- iii. **Unique Identification Number (UIN):** Upon clearance, the portal will generate a UIN, which will be endorsed on the certificate of quantity and quality and reflected on all related shipping documents listed in the guidelines.

3 Part D, Principle 24, NCCG 2018
4 *Ibid*
5 *Ibid*
6 *Ibid*
7 *Ibid*



News Updates



Maritime Leaders Advocate for the Protection of Seafarers from Abuse, Harassment

On June 25, 2025, being the Day of the Seafarer and celebrated by the global Maritime community, critical stakeholders warned that government failures to implement protective legal frameworks, combined with judicial systems' limited capacity for maritime cases, are severely disrupting crew changes, undermining operational reliability, and increasing reputational risks for the industry.



The Secretary-General of the International Maritime Organisation (IMO), Arsenio Dominguez, stressed that the well-being of seafarers must remain a shared global priority, calling for stronger legal protections, greater awareness, and continued collaboration across the maritime community.³ This year's theme, “My Harassment-Free Ship,” called for a safer and the promotion of a culture of respect and zero tolerance to bullying and harassment at sea.

Dangote Returns to Olokola Port Project in Ogun State

Alhaji Aliko Dangote, the President and Chief Executive of Dangote Industries Limited, announced in March 2025 the revival of the Olokola Free Trade Zone (OKFTZ) project in Ogun State. Initially halted due to unfavorable conditions under the previous administration, he attributed the company's decision to return to the OKFTZ project to the favorable investment policies introduced by the current governor of Ogun State, Prince Dapo Abiodun.

The Olokola project is poised to become the largest seaport in Nigeria, not only enhancing the state's economic prospects but also positioning Nigeria as a key player in the African maritime trade space.⁴



³ See: [Maritime leaders demand protection of seafarers from abuse, harassment](#)

⁴ See: [Dangote Revives Olokola Port Project in Ogun State - Ships & Ports](#)

Shipping Decarbonisation, Opportunities For Africa's Maritime Sector

At the inaugural Africa Strategic Summit on Shipping Decarbonization held on March 17 and March 18, 2025, Nigeria's Minister of Marine and Blue Economy, Adegboyega Oyetola, called on Maritime stakeholders across Africa to leverage the continent's renewable energy potential to become a global leader in green shipping. He stated that with the International Maritime Organization (IMO) pursuing efforts to adopt the Greenhouse Gas (GHG) Emissions Reduction Strategy, Africa must assert its presence and safeguard its interests.

Africa's maritime sector is uniquely positioned to leverage its strategic geographic advantage, renewable energy potential, and growing Port infrastructure development to become a global leader in green shipping. This requires a concerted effort from all stakeholders to align investments with sustainability and economic growth.⁵

Federal Government Commits to Disbursement of Cabotage Vessel Financing Funds

The Director General of the Nigerian Maritime Administration and Safety Agency (NIMASA), Dr. Dayo Mobereola, has pledged to commence the long-awaited disbursement of the Cabotage Vessel Financing Fund (CVFF) by August 2025. He confirmed that the process has reached an advanced stage, in strict compliance with the Minister's order to accelerate disbursement, stating that beneficiaries can access the funds within three to four months.

The Cabotage Vessel Financing Fund was established under the Cabotage Act of 2003 to support Nigerian shipping companies in accessing structured credit for vessel acquisition. Established over 20 years ago, it had faced repeated delays; however, following renewed efforts from the Ministry, indigenous shipowners now have realistic prospects of accessing meaningful financial support by the third quarter of 2025.⁶

⁵ See: AFRICA'S MARITIME SECTOR, POSITIONED FOR GREEN SHIPPING – OYETOLA | NIMASA

⁶ See: NIMASA to commence disbursement of \$700 million Cabotage Vessel Fund by August 2025 - Nairametrics

Federal Government Approves National Policy on Marine and Blue Economy

The Federal Government of Nigeria, led by President Bola Tinubu and the Federal Executive Council, has approved Nigeria's first National Policy on Marine and Blue Economy, a 10-year roadmap to harness the country's vast ocean and inland water resources for economic growth, job creation, and environmental sustainability. The policy is designed with a robust implementation plan, with the goal of harnessing Nigeria's vast marine resources to drive economic growth.

The comprehensive policy, anchored in a robust implementation framework, is designed to harness Nigeria's extensive marine resources, including over 853 kilometers of coastline, as a key driver of sustainable growth, environmental stewardship, and job creation.⁷

The IMO Approves Net-Zero Regulations for Global Shipping

The International Maritime Organization (IMO) has achieved another important step towards establishing a legally binding framework to reduce greenhouse gas (GHG) emissions from ships globally, aiming for net-zero emissions by or around, i.e close to 2050. The IMO Net-zero Framework is the first in the world to combine mandatory emissions limits and GHG pricing across an entire industry sector.

Approved by the Marine Environment Protection Committee during its 83rd session (MEPC 83) from 7–11 April 2025, the measures include a new fuel standard for ships and a global pricing mechanism for emissions. These measures, set to be formally adopted in October 2025 before entry into force in 2027, will become mandatory for large ocean-going ships over 5,000 gross tonnage, which emit 85% of the total CO₂ emissions from international shipping.⁸

⁷ SEE: <https://shipsandports.com.ng/fg-approves-national-policy-on-marine-and-blue-economy/>

⁸ SEE: <https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-approves-netzero-regulations.aspx>



Publications

The Overview of the Net-Zero Draft Regulations Approved by the International Maritime Organisation (IMO) for the Shipping Industry.



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ZERO



Upcoming Events

The following are the proposed upcoming events to be organized by the Maritime Practice Unit in 2025:

- a. Webinar on emerging maritime issues/topics (*proposed theme, audience, and topic to be communicated*).
- b. Maritime breakfast session (*proposed topic, audience, and guest to be communicated*).

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