War risk insurance: Nigeria must tackle piracy, says lawyer

By admin On July 27, 2021 In Cargo, Insurance Marine News, Keep, Marine Hull, Marine Liability, Political Risk, Credit & Finance

A Nigerian lawyer has insisted that the country needed to address the root cause of piracy on its waters if it wants the war risk surplus currently imposed on vessels transiting the Gulf of Guinea to be lifted.

After the launch of the much-heralded state-sponsored Deep Blue Project, the Director-General of the Nigerian Maritime Administration and Safety Agency, Bashar Jamoh, had requested that the war risk insurance be lifted.

International maritime lawyer and Partner at Bloomfield LP, Adedoyin Afun, told local publication *The Punch* that it could take some time before war risk insurance would be lifted. "Since these countries know that this is a war-risk territory, why do they keep coming? Because we are a consuming nation and that means more profit to them. There is nothing new under the sun; everything happening now has happened somewhere before.

"Nigeria is more of a cargo nation; we do not own ships that carry cargo internationally," Afun said, noting that the groups that formed conventions such as war-risk insurance policy were the ship-owning nations."

"NIMASA has to study how previous nations that have survived this sort of challenge," Afun said. According to him, the country has to lobby and tidy up some national issues. "The Deep Blue Project is only a piece of the iceberg; we need more coordination among the regions to ensure more compliance; Nigeria has to go down to the root cause of piracy: address lack of jobs, the sense of generational entitlements among these oil states, and prosecute and integrate these people back to society. All these will take time and more effort," he said.