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Monetary Policy and Maritime Trade: Analyzing Cargo Throughput Dynamics at Warri Seaport during the Naira Redesign Policy Implementation

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ABSTRACT

This study examines the impact of monetary policy on maritime trade, focusing on the cargo throughput dynamics at Warri Seaport during the implementation of the Naira redesign policy in Nigeria. The objectives were to assess the effect of the policy on cargo throughput and analyze the factors contributing to observed changes. Time-series data on inward and outward cargo throughput for 2022 and 2023 were sourced from the Nigerian Ports Authority (NPA) Warri Annual Reports and subjected to percentage change analysis and statistical evaluation. The findings reveal mixed outcomes for cargo throughput during the policy period. Inward cargo throughput declined by 2.11% in 2023, with significant monthly reductions observed in March (-24.37%), August (-27.23%), and October (-23.72%). The mean inward cargo throughput dropped from 559,551.83 tons in 2022 to 547,745.50 tons in 2023, accompanied by a decrease in variability, as evidenced by a reduction in standard deviation from 110,253.94 to 85,618.74. This suggests a slightly negative impact on imports, likely due to cash shortages and other challenges associated with the policy. Conversely, outward cargo throughput experienced a substantial increase of 24.10% in 2023 compared to 2022, with significant growth recorded in April (+99.93%), July (+90.67%), and August (+52.24%). The mean outward cargo throughput rose from 178,604.25 tons in 2022 to 221,644.50 tons in 2023, while the standard deviation increased from 43,658.21 to 66,881.90, indicating heightened fluctuations in export activity. This suggests that exporters leveraged favorable conditions during the policy period, resulting in a positive impact on exports. Overall, the Naira redesign policy disrupted imports but stimulated exports, leading to a mixed impact on maritime trade at Warri Seaport. The findings highlight the critical interplay between monetary policy and port operations, emphasizing the need for adaptive strategies to mitigate adverse effects while maximizing potential benefits.

1.0 INTRODUCTION

The Nigerian economy over the past years after the covid-19 pandemic crisis have been faced with great economic depression coupled with issues of insecurity and reckless corruption practices by most government officials which has reduced the availability of funds for doing business, including a successful port operation, thereby hampering and causing most businesses to disinvest and close down, causing more hardship and sorrows to the citizens. With the 2023 concluded election, several politicians and government officials in Nigeria hoarded the Naira note for campaigns and vote buying against the February 2023 election that was held in Nigeria. This has aided in starving businesses off money to operate with, and consumers not having enough cash to spend on their daily physiological needs. Central bank in order to aid economic growth as well as stimulate economies out of recession periods uses monetary policy tools (Hayes, 2022). Hence, due to the shortage of money supply caused by hoarding of naira notes by politician for campaign purposes, the CBN governor in collaboration with the federal government redesign the Naira currency notes in circulation in order to encourage the injection of fund back into the banking system.

According to Bernard (2005), central bankers around the world generally agree on the benefits for the economy of using market based instruments to implement monetary policy. Following a trend initiated in the 1970s in industrial countries, central banks in most developing countries and emerging market economies have attempted to regulate overall liquidity conditions in the economy through financial operations in the domestic money markets. The objective of these central banks has been to influence the underlying demand and supply conditions for central bank money. The move was the parallel in the monetary area of the trend toward enhancing the role of price signals in the economy in general. It aimed at improving domestic savings mobilization and strengthening their market allocation.

The process was not without difficulties in those countries that did not succeed in developing their money markets. A survey of country experiences shows that failure to establish a clear separation between money creation and government funding needs often limited the effectiveness of money market operations, as did limited market participation and the lack of an effective framework to determine the timing and size of the central bank's money market operations.

The experience of countries at different stages of money market development shows that the timing and speed of moving toward reliance on money market operations to conduct monetary policy must be tailored to each country's particular circumstances.

The money market is the cornerstone of a competitive and efficient system of market based intermediation, and should normally be in good working order before a government bond market is developed. The money market stimulates an active secondary bond market by reducing the liquidity risk attached to bonds and other term financial instruments and assisting financial intermediaries in managing liquidity risk. The money market serves as the medium for government cash management and provides the first Link in implementing monetary policy using indirect instruments.

There are three key conditions required to develop a well-functioning money market: (i) banks and other financial institutions must be commercially motivated to respond to incentives to actively manage risk and maximize profit, (ii) the central bank must shift from direct to indirect methods of implementing monetary policy, and (iii) the government must have a good capacity for cash management, thereby giving the central bank greater freedom in setting its operating procedures. The design of the central bank's market operating procedures has a significant impact on banks' incentive to actively manage the risk of running short of reserve money: the greater the incentive, the more Developing Government Bond Markets.

The Naira note according to Osadebe (2022) was redesigned to address the issue of individuals who have made currency fraud their main source of income, hidden money they have stolen, for instance, would either find a way to change it by taking the money out or would not need it given the change in the value of the Naira. In Nigeria, there has been an increase in economic hardship for greater percentage of the Nigerian citizens. The National Bureau of Statistics (NBS) on the

17th of November 2022 said that 133 million (63%) Nigerians are suffering from high level of poverty, with children constituting more than half of poor people in the country (Komolafe et al., 2022). They argued that two (2) out of every three (3) Nigerians are very poor and experiences just over one-quarter of all possible deprivations in terms of education, health, living standards, work and shocks (Komolafe et al., 2022). This poverty level is heightened by politicians and other government officials hording the Naira notes, storing them away in GP tanks, ware houses, buried in hidden bunkers and etcetera so that the stacked away cash cannot be traced to their account for money laundry and other criminal charges since it is not in a bank account that can be traced. At November 4th 2022, Sahara Reporters reported that the operatives of the Economic and Financial Crimes Commission (EFCC) have uncovered billions of Naira in cash stashed in various houses of some serving governors in Port Harcourt, Abuja and Kano (Sahara Reporters, 2022).

Many businesses across multiple sectors in Nigeria suffered losses in profits and capital because of cash scarcity. Some of these businesses included the United Africa Company, which operates in the food and beverage, real estate, paint, and logistics industries; ABC Transport; and Dangote Cement, import and export. In particular, the experience of Nigerian Breweries, the Nigerian unit of Heineken N. V., illustrates the significant

impact of cash scarcity on businesses, as the company recorded its worst February sales in fifteen years in 2023. Cash accounted for about 80 percent of its retail sales, so the scarcity of cash had a direct impact on the company. Its profits decreased by 10.5 percent between the first quarter of 2022 and the first quarter of 2023 and revenue decreased by 29.7 percent within the same period.

It is widely known that over 90% of the volume of world trade is conveyed by sea and the economic growth of any country depends greatly on its performance in the international market (Nwokedi, et al., 2016). It would not be possible to convey these marketable goods and perform effectively in the global market without efficient maritime transport (Osadume & University, 2020). This shows that the maritime sector is an important component in facilitating international trade, and for this industry to be efficient, there should be, among other things, well-functioning ports. Therefore, the operation of ports, and its facilities are important for countries located in the coastal region.

An effective shipping policy will have a positive effect on the maritime sector (Benson & David,

2018). Previous studies reiterate that shipping policy, maritime sector and economic growth has a linear relationship. Hence, a good shipping policy will lead to an improved maritime sector that will cause a development in the national economy. The government has its role to play in the maritime sector and this include but not limited to; regulation, control and licensing, monitoring and execution of set goals, maintenance of infrastructural facilities, standardization of port operations and activities, promoting the ease of doing business in the environment for all maritime actors and stakeholders, provision of collateral and finance so that maritime goals and objectives for the nation can be realized, coordination and implementation of maritime regulations within the context of the national transport policy and the socio-economic thrust of the government, acting as a mediator for maritime operators on international issues, protecting indigenous maritime operators in such a way that incremental growth and development of the sector can be achieved (BC, et al., 2017). However, it has been identified over the years that the Nigerian government have failed in its role and the inconsistent policies have hampered the development of the maritime sector and especially the nation's port system. The maritime sector is one that must operate with well-defined conventions, rules and regulations that is in line with global standards. But the Nigerian government seem not to support this ideology, and this has left the port users, on several occasions, confused and frustrated, regarding coping with the problems arising from such policies.

The implementation of the CABOTAGE Policy is one major problem in the maritime sector. It is known that the main objective of CABOTAGE is to retain the transport of goods and services within the Nigerian coastal and inland waters to vessels flying the Nigerian flag and owned by Nigerian citizens in conformity with the tenets of the law. The aim of this law was to stop continuous foreign domination in the carriage of local generated cargo which will in turn, create employment for the indigenes and improvement of revenue generation within the confines of the sector. The proper implementation of the Act would therefore amount to a definite revolution in the nation's maritime industry (BC, et al., 2017). It is unfortunate that, even up till now, the problem of foreign domination persists. Hence, the law is rational on paper but not in practice. There is a need to get this critical policy in a workable condition just like most developed economies of the world. Nevertheless, the vital ingredient for functional cabotage is to encourage investments in local vessel ownership.

At the Business Action Against Corruption (BAAC) Integrity Alliance inaugural meeting held in

Lagos in 2021, the stakeholders insisted that, despite the capabilities of the maritime industry to facilitate international trade, poor law enforcement, lack of transparency and unfavorable government regulations have remained major challenges to the development of the industry (Guardian, 2021). The chairman of the maritime group, the Lagos Chamber of Commerce and Industry (LCCI), Mr. Aminu Umar lamented bitterly: *"If you look at the payment procedure in the ports today, for example, if your vessel is supposed to berth in Apapa port and cannot because of congestion, and you want to berth in Tincan port, the approval process, if you have made a payment, it is impossible. Or if you want to move from Lagos to Port Harcourt because your customers are there – to avoid delaying for 10 days, it is impossible if you have made payment and it means you have lost the payment. You will need to make another payment and it is not supposed to be so because the port is a single entity and once you make payment to the authority, you should be able to use their services in any of their ports"*

The lack of government regulations and summersaulted policies have given room to corruption in Nigerian ports. If the Government had been steadfast in its responsibilities, there would not be duplication of roles amongst the agencies, the policies that would be beneficial to the growth of the maritime sector would have been implemented.

1.1 Aim/ Objectives of the Studies

The aim of this study is to examine the role of monetary policy, specifically the Naira redesign policy, on port operations by analyzing its impact on cargo throughput at Warri Seaport.

1. To assess the effect of the Naira redesign policy on cargo throughput at Warri Seaport during the implementation period.
2. To analyze the factors contributing to changes in cargo throughput at Warri Seaport during the Naira redesign policy implementation.

2.0 LITERATURE REVIEW

According to Nwachukwu & Nwogu 2022, the discuss of the Central Bank of Nigerian (CBN) governor and the Federal Governments monetary policy of Naira redesign has hit the media space with arguments for and against the move. Less has been discussed about its impact on every day business within the context of Rivers state. Hence the study tried investigating the marketing implication of the policy of Naira redesign on businesses in Port Harcourt. In order to do this, the study utilized a quantitative research design method under which the cross sectional survey method of distributing copies of questionnaire to the respondents was adopted. The population for this study includes 7,149 businesses in Rivers state as identified in Business List (https://www.businesslist.com.ng/state/rivers). Using Taro Yamen formula, the study generated a sample of 378 from the target population, and conveniently selected this sample from businesses around Port Harcourt. Out of 378 copies of questionnaire distributed, 367 were valid and were used for the analysis. The study tested the earlier stated hypotheses using spearman rank correlation coefficient. Based on the analysis conducted, the study found out that Naira redesign will make money available for business transactions, and the availability of money will encourage consumers' patronage of goods and services offered by businesses, the increase in patronage will result to sales growth and customer's ease of patronage encourages business profitability. Base on the findings, the study concludes that the monetary policy of Naira redesign will encourage better marketing performance in terms of increasing sales growth and profitability in Port Harcourt. Hence the study recommends the faithful implementation of the policy since there are inherent gains in the redesigning of the Naira bank notes, secondly the need for a lot of public enlightenment on the Naira redesign.

A given society and its leadership are guided by several policies in different aspects which includes the monetary policy. The investopedia Team (2022) defined monetary policy as a set of tools utilized by the Central bank of a nation in controlling the overall money supply and promoting growth in the economy while employing strategies such as revising interest rates and changing bank reserve requirements. Hassan and Ahmad (2022) defined it as a conscious attempt by the monetary authorities to influence the cost, availability, and quantity of money credit for the purpose of achieving anticipated macroeconomic objectives. Monetary policy can also be seen as the macroeconomic policy put forward by the central bank which involves the management of the supply of money and interest rate and is the demand side economic policy used by the government of a country to achieve macroeconomic objectives like inflation, consumption, growth and liquidity (The Economic Times, 2022).

Obasi 2022, carried out a study titled, Assessment of the Impact of Cargo Throughput on Port Productivity in Warri Seaport, Delta State, Nigeria. The research work set out to assess the impact of cargo throughput on port productivity in Warri Port in the pre-concession and post-concession era, spanning 2000 to 2020, with main focus on productivity, measured from annual cargo throughput. Concession arrangement which started in 2006 was a business strategy by the Government to cede management of the Nigerian ports to private companies for more efficient management. The study formulated and tested hypothesis in using moving average of time series analytical tools. Secondary data of annual cargo throughput obtained from the Statistics Department of NPA Warri, were analyzed. The test revealed that cargo throughput and productivity of the port increased in the post-concession period of 2006 to 2020 relative to the pre-concession period of 2000 to 2020, leading to the rejection of the null hypothesis and acceptance of their alternatives. This indicated that the port become more efficient in infrastructural development and operational management due to the concession arrangement. The study recommended curbing insecurity in and around the port to encourage importers' patronage and also dredging the Escravos bar to allow passage for larger vessels to the port. It went further to suggest some areas of further study among which is the one that borders on a comparative analysis of the impact of wet cargo against dry cargo in the operational performance of the Warri port.

Ports are essentially providers of service activities, in particular for vessels, cargo and inland transport. According to Musso et al. (2012), the degree of satisfaction that is obtained on the basis of pre-set port standards will indicate the level of port performance achieved. From the foregoing it is already obvious that port performance levels will be different depending on measurement criteria utilized in the system. Thus, a port, at least in theory, may offer a very satisfactory service to vessel operators and at the same time be judged inefficient by cargo interests and inland transport operators (or *vice versa*). It is obviously more likely that poor performance will not be limited to one group of port users, but rather pervade all services offered by the port. The important lesson to learn from this is that port performance cannot be assessed on the basis of a single value or measure. In fact, a meaningful evaluation of a port's performance will require sets of measures relating to: the duration of a ship's stay in port (turnaround time of ship in port), the quantity of the cargo handled over a period-cargo throughput, the quantity of cargo handled by a gang over a period and the volume of ship traffic handled over a period/berth occupancy ratio.

According to Meersman et al. (2010), port actors look at productivity from many angles eg shippers or owners of goods look at productivity from the angle of minimizing the generalized cost including time. Also, the freight forwarders look at productivity in port relative to cost reduction while shipping companies look at port productivity relative to profit maximization or improvement. The private port operators refer to port productivity as increased ship traffics which will yield

maximum profit through port dues reduction etc. The complicating factor is the strong interrelationship that exists between port efficiency and port productivity. Thus, it is virtually impossible and certainly inappropriate to study each of these in isolation. However, because of the particular importance of the first three sets, and their dominant position with respect to the main port users (namely the ship operators, the shippers and private port operators), this study will mainly concentrate on a more detailed discussion of these first three. Port productivity could be derived from these discussions as improved performance over a given period. It is a ratio between port performance output over an input resource eg time, labour, gang, capital asset such as crane etc. In the given circumstances, it is of crucial importance to agree on a basic and common methodology. Hence in the following section an attempt will be made to formulate generally acceptable notions, before analysing the factors determining port performance and productivity then suggesting methods of measuring and comparing through a generally agreed system of port statistics and indicators. According to Emeghara (2102) productivity is an extension of efficiency that is, the increase in output when input or cost of production remains constant. In other words, productivity is the ratio of output increase when input is steady. Fourgeaud (2009), notes that, in addition to technical performance, shippers and ship owners are looking for: Reliability, Competitive and predictable cost and cargo handling quality, and adaptability and responsiveness. Nye (2009), defines "efficiency" as improved performance and productivity or improved performance over a period eg (containers per hour, man-hours per move). Nye notes that automation is not a goal in itself, but a means of striking the best balance between capacity and productivity, relative to cost effectiveness and optimization goal). Le-Griffin & Murphy (2006) note the problem in comparing terminals with and without large transshipment volumes. Since transshipments generate two ship moves for a single container yard transaction. Terminals with large volumes of transshipments show an inflated TEU count. Despite noting this comparability problem, the authors do not attempt to correct the problem in their comparisons. As they state, TEU/ acre data "are of limited value in making straight comparisons of productivity." There is also some confusion in the survey between container moves per hour and cranes per vessel, and between annual throughput and moves per crane. Their survey makes two particularly useful observations and proposed an approach for combined productivity optimization that focuses on mean equipment waiting times. In a case study, this approach was used to isolate a bottleneck between the transfer cranes and yard tractors.

Turnaround Time

Since the introduction of containerized vessel, public keeps on arguing turnaround time for vessel towards container terminal. Movement of good via vessel needs to be arrived destination as soon as possible. That is why faster turnaround time in terminal could accelerate the voyage. Therefore, turnaround time is really a serious matter to be considered for container terminal. Shippers are looking for a port which could provide fast turnaround time, when they could reduce voyage as maximum as possible. For port container terminal, it is very vital to have fast turnaround time for vessel. The cycle for operation in terminal is not only involved between vessel and equipment, but it also involves all aspects (from management to operation) in port container terminal itself. Therefore, anything happens in terminal area will affect operation as a whole. However, the ways to mitigate the problem truly depend on the management because human runs machine. The significance of vessel turnaround time to port container terminals can be expressed like what Cram & Baker (2001) said No single cause more directly affects the cost of living of a maritime country than the speed with which ships are turned round in her ports". Furthermore, lesser vessel turnaround time means no congestion and reduces port stay for vessel. As a result, there is no queuing before vessel can berth. When talking about no queuing and congestion means throughput for port container terminal relatively will increase.

2.1 EMPIRICAL REVIEW

Tabak et al. (2010) investigated financial stability and monetary policy using the feasibility generalized least square (FGLS) estimation technique, and found out that there is a significant and positive association between monetary policy and assets quality.

Osmond et al. (2015) investigated the effect of monetary policy on manufacturing in Nigeria utilizing an annual database from 1981 to 2012. The study adopting the Johansen co-integration test and error correction model (ECM), the findings showed that the supply of money and credit to the private sector has a significant positive impact on the Nigerian manufacturing sector.

Udor et al. (2018) investigated the impact of monetary policy on the growth of SMEs in Nigeria. And adopted an ex post facto research design, and the Error Correction Model (ECM) was used in the analysis of the time series data, and also the Johansen co-integration approach was employed to test for the long-run relationship among the series. The study found out that there is a slight significant effect between interest rate (INR) and growth of SMEs in Nigeria.

Osakwe et al. (2019) evaluated the effect of monetary policy on the performance of the manufacturing sector in Nigeria. Using the Autoregressive Distributive Lag (ARDL) model, the research found that monetary policy exacts a significant positive impact on the manufacturing sector output in Nigeria.

Gimba et al. (2020) examined the effect of monetary policy on the financial performance of listed deposit money banks in Nigeria from 2006 to 2018. The study adopted the ex-post-facto research design. Using Panel time series, the study found that monetary policy

has a significant positive impact on the performance of listed deposit money banks.

Mbabazize et al. (2020) investigated the influence of monetary policy on the profitability of commercial banks in Uganda by utilizing an annual set of data from 2010 to 2018. The study adopted the System Generalized Method of Moments (GMM) model and found out that the lending rate has a significant positive effect on the profitability of the banking sector while inflation has a significant negative effect on the banks' performance.

Uju and Ogochukwu, (2021) investigated the effect of monetary policy on industrial growth in Nigeria utilizing an annual time series dataset from1986 to 2019. Adopting the Ordinary Least Square (OLS) regression, the study discovered that cash reserve and open market operation have a significant positive impact on industrial growth, while monetary policy rate has a significant negative effect on industrial sector growth.

3.0 DATA AND METHODS

This study focuses on Warri Seaport, located in Delta State, Nigeria. As a major port in the Niger Delta region, Warri Seaport plays a critical role in the country's trade and logistics sector. It is involved in handling both bulk cargo and containerized goods, which makes it a key player in Nigeria's maritime industry.

Warri Seaport's performance in terms of cargo throughput directly impacts the region's economic activities, particularly in terms of imports and exports. This makes it an ideal study area to analyze the effects of monetary policy, specifically the Naira redesign policy, on port operations and cargo movement.

The research design is quantitative and comparative in nature. The study is aimed at assessing the effect of the Naira redesign policy on cargo throughput at Warri Seaport by comparing the monthly cargo throughput data for the years 2022 and 2023.

1. Descriptive Design: This part of the study focuses on summarizing the monthly cargo throughput data for both years to identify general trends and patterns. Descriptive statistics (mean and standard deviation) will be calculated to understand the central tendency and variability of the data.
2. Comparative Design: The study will compare cargo throughput in 2022 (before the Naira redesign) and 2023 (after the policy was implemented) to determine whether there were significant differences in throughput that could be attributed to the Naira redesign policy.

To assess the impact of the Naira redesign policy on cargo throughput, the following methods were used for data analysis:

4.0 RESULTS AND DISCUSSION OF FINDINGS

Table 1: Inward Cargo Throughput (Time Series Data)

Year	Jan	Feb	March	April	May	June	July	August	Sept.	Oct	Nov.	Dec.	Total
2022	445,162	315,338	761,498	493,968	618,290	543,862	641,818	603,640	527,218	501,940	607,533	654,355	6,714,623
2023	573,182	665,236	575,906	562,339	616,526	598,626	544,774	439,292	464,643	382,884	480,235	669,303	6,572,946

Source: NPA Warri Annual Report

Table 2: Outward Cargo Throughput (Time Series Data)

Year	Jan	Feb	March	April	May	June	July	August	Sept.	Oct	Nov.	Dec.	Total
2022	204,315	151,208	189,523	95,859	149,249	216,168	167,814	235,973	205,809	118,455	243,946	164,932	2,143,251
2023	222,866	187,849	186,311	191,652	153,373	249,839	319,971	359,243	234,393	103,485	258,370	192,382	2,659,734

Source: NPA Warri Annual Report

Table 3: Inward Cargo Throughput and Percentage Change (Calculated)

Month	**2022**	**2023**	**% Change**
January	445,162	573,182	+28.76%
February	315,338	665,236	+110.96%
March	761,498	575,906	-24.37%
April	493,968	562,339	+13.84%
May	618,290	616,526	-0.29%
June	543,862	598,626	+10.07%
July	641,818	544,774	-15.12%
August	603,640	439,292	-27.23%
September	527,218	464,643	-11.87%
October	501,940	382,884	-23.72%
November	607,533	480,235	-20.95%
December	654,355	669,303	+2.28%
Total	6,714,623	6,572,946	-2.11%

Source: Prepared by the Author

Table 4: Outward Cargo Throughput and Percentage Change (Calculated)

Month	2022	2023	% Change
January	204,315	222,866	+9.08%
February	151,208	187,849	+24.23%
March	189,523	186,311	-1.69%
April	95,859	191,652	+99.93%
May	149,249	153,373	+2.76%
June	216,168	249,839	+15.58%
July	167,814	319,971	+90.67%
August	235,973	359,243	+52.24%
September	205,809	234,393	+13.89%
October	118,455	103,485	-12.64%
November	243,946	258,370	+5.91%
December	164,932	192,382	+16.64%
Total	2,143,251	2,659,734	+24.10%

Source: Prepared by the Author

Table 5: Statistical Analysis (Inward Cargo Throughput Statistics)

Statistics	Value
Mean (2022)	559,551.83
Mean (2023)	547,745.50
Std Dev (2022)	110,253.94
Std Dev (2023)	85,618.74

Source: Prepared by the Author

Table 6: Statistical Analysis Outward Cargo Throughput Statistics

Statistics	Value
Mean (2022)	178,604.25
Mean (2023)	221,644.50
Std Dev (2022)	43,658.21
Std Dev (2023)	66,881.90

Source: Prepared by the Author

Data Interpretation

Inward Cargo Throughput:

- Overall, inward cargo throughput decreased by 2.11% in 2023 compared to 2022.
- Major declines were observed in March (-24.37%), August (-27.23%), and October (-23.72%), coinciding with the Naira redesign implementation period.
- The mean throughput dropped slightly from 559,551.83 to 547,745.50, while the standard deviation decreased, suggesting reduced variability.

Outward Cargo Throughput:

- Outward cargo throughput increased by 24.10%, showing significant growth in April (+99.93%), July (+90.67%), and August (+52.24%).
- The mean outward cargo throughput rose from 178,604.25 to 221,644.50, and variability (standard deviation) increased, indicating higher fluctuations during the policy period.

The Naira redesign policy had mixed effects on cargo throughput at Warri Seaport:

Inward Cargo Throughput

The policy had a slightly negative effect on inward cargo throughput, as the total volume decreased by 2.11% in 2023 compared to 2022. This suggests that imports were marginally disrupted, possibly due to challenges in accessing cash or adapting to the new policy.

Outward Cargo Throughput

The policy had a positive effect on outward cargo throughput, with a significant increase of 24.10% in 2023 compared to 2022. This indicates that exports benefited, possibly due to exporters taking advantage of favorable conditions during the redesign period.

Overall Impact:

The Naira redesign policy had a negative impact on imports but a positive impact on exports**,** resulting in a mixed outcome for cargo throughput at Warri Seaport.

CONCLUSION

This study explored the interplay between monetary policy and maritime trade, focusing on the Naira redesign policy's impact on cargo throughput at Warri Seaport. By analyzing inward and outward cargo data for 2022 and 2023, the research provides critical insights into how monetary policy influences port operations and trade flows.

The findings revealed a slightly negative impact on inward cargo throughput, with a 2.11% decline in 2023 compared to 2022. Significant reductions in March, August, and October suggest that the policy disrupted imports, likely due to challenges such as cash shortages and adjustments to the redesigned currency. Additionally, the reduction in mean throughput and variability highlights a contraction in import activity during the policy period.

Conversely, the study found a positive impact on outward cargo throughput, which increased by 24.10% in 2023. This growth was marked by substantial surges in April, July, and August, indicating that exporters capitalized on the opportunities created during the policy implementation. The increase in mean throughput and variability suggests that export activities became more dynamic, contributing to the overall positive performance in this segment.

In conclusion, the Naira redesign policy had a mixed impact on cargo throughput at Warri Seaport, disrupting imports while boosting exports. These outcomes underline the complex relationship between monetary policy and maritime trade. Policymakers and port operators should take note of the asymmetric effects of such policies to ensure trade stability. Strategies to mitigate negative impacts on imports, such as improved cash distribution systems and policy timing, could help minimize disruptions. Simultaneously, leveraging the opportunities created for exports can enhance the overall efficiency and contribution of seaports to the national economy.

This study contributes to the understanding of how monetary policies influence port operations, offering a foundation for further research into the broader implications of such policies on maritime trade and economic development.

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