

# The Lagos shorebase attracting new FDI

**LADOL Integrated Logistics provides essential oilfield support and logistics out of a free zone in Lagos. Executive Chairman **Oladipo Jadesimi** explains its vital role**

**Q How did LADOL come into being?**  
 More than a decade ago deep offshore oil discoveries were made in Lagos and the area west of the Niger Delta, and two things dawned on me: one, that there was clearly a need for logistics support for these new finds, and two, this was an opportunity for Nigeria to become the central oil and gas hub in west Africa.

The initial plan for LADOL was based on my experience with similar facilities such as the Scottish port city of Aberdeen and Port Fourchon in the United States. We found a great location in Apapa opposite the main port area and invested heavily to build the first facilities while simultaneously looking for investors and strong managers.

We opened for business in Q4 2007 and have been overwhelmed by demand.

**Q LADOL is a free zone – what benefits does this bring companies?**

Throughout the world, free zones have proven to be one of the most successful ways to attract massive amounts of long-term foreign and local investment. China is a great example of this: its foreign reserves went from less than US \$20 billion in 1988 to \$1.6 trillion today.

The Nigerian Export and Processing Zones Authority (NEPZA) is committed to bringing international best practices to Nigeria and making a success of free zones. LADOL was declared a free zone to encourage oil companies and contractors

to transfer as much of their operations as possible to Nigeria, particularly everything involved with deep offshore exploration and production.

**Q How many companies and of what sort will LADOL accommodate?**

We have 140 hectares of land and we expect most businesses won't use more than one hectare each. We have a mix of oil and gas operators, fabricators and other contractors and service providers to ensure companies required to support oil and gas exploration and production locate here. LADOL is the first fully integrated logistics base in Nigeria.

LADOL is located in the commercial heart of Nigeria, so we are also in discussion with companies in a wide range of industries. We are rapidly developing 30 hectares of commercial and residential facilities, with hotels, conference centres, shops, housing, serviced apartments and offices.

**Q What gives LADOL its competitive edge?**

I think people were pleasantly surprised by the high quality of services and specialised infrastructure available at LADOL, which have never been offered in Lagos before. We have proven ourselves to some of the toughest clients in the world, who are now entrusting us with billion-dollar projects.

Our location in Lagos is critical, as deep offshore oil and

gas operations are several times more expensive than those on land or in shallow water, so it becomes crucial to make savings where possible.

Efficient logistics can save companies up to 30% of their costs, but to achieve this logistics must be supplied from the closest possible location.

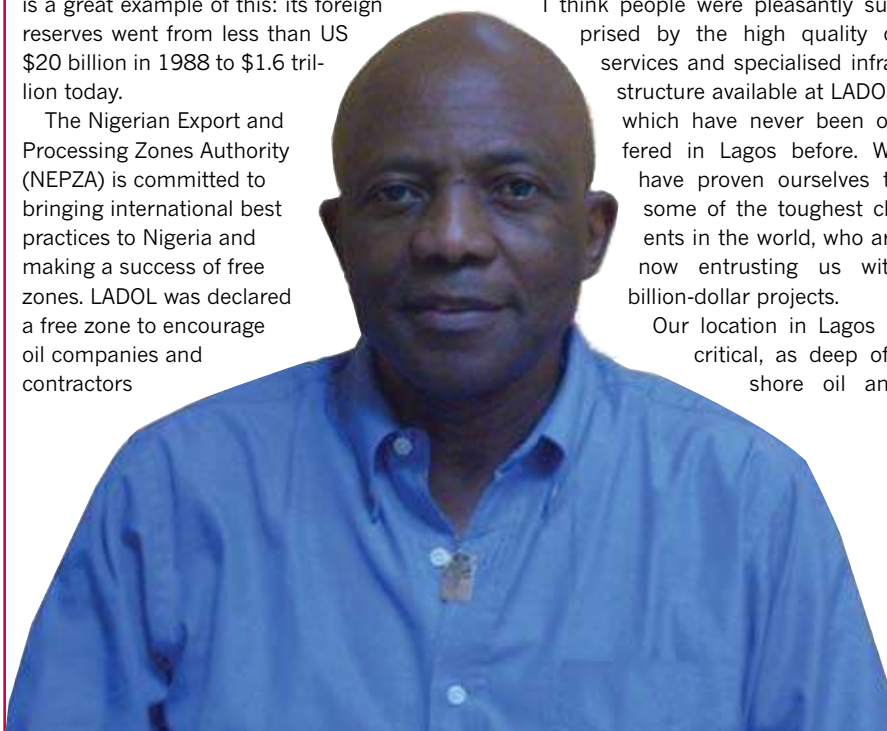
We really don't have any strict competition in the Lagos area. We have one of the longest and deepest jetties in the state, at minus 8.5 metres deep at lowest tide, with up to 10.5 metres depth at high tide. We have the highest load-bearing quay and jetty area, with up to 25 tonnes per square metre load-bearing capacity; we are the only location that can pipe water, fuel, cement and chemicals directly to vessels through ducts specially built into the quay.

Currently we are the only location in Lagos where specialised oil and gas vessels can berth, which has already brought hundreds of millions of dollars of new business to Nigeria.

**Q Where do you see LADOL in the next five or six years?**

I see LADOL as a major force in the upstream and possibly downstream industries in Nigeria, and as a major contributor to the growth and success of the west African oil and gas market.

Our goal is to be a substantial regional player. Countries such as Ghana are also beginning to develop an oil industry and I see LADOL supporting the entire region. We see LADOL becoming a brand that will be instantly associated with quality, efficiency, integrity and social responsibility throughout the continent.



Oladipo (Ladi) Jadesimi is executive chairman of LADOL and has more than 20 years' experience in the Nigerian oil and gas sector. He has been instrumental in bringing several leading oil majors and oil servicing companies to Nigeria. Mr Jadesimi is also a founding partner in Arthur Andersen Nigeria and a major investor in Niger Delta Oil Company, operating marginal field concessions from Chevron.