**ANNUAL REPORT OF THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT FOR THE YEAR ENDING DECEMBER, 2019**

1. Overview

The business year, 2019 was a challenging one. It affected the planned activities of the Institute and by extension, its revenue profile. There was the February to March, 2019 National Elections, with its postponements; there was the huge disappointment for delegates who registered to attend the International Convention in Manchester, who were denied visas; there was the sudden Presidential assent to the Chartered Institute of Transport Administration Bill of March, 2019; there was the continuing reluctance of Corporate Members as well as individual Members’ Annual Subscription fee payments, among others. Some of these occurrences were anticipated, but they were not expected to occur at the depth and dimensions they did. Given the above scenario, the Institute suffered some degree of shocks.

First, we had to postpone our examination schedules to accommodate the series of shifts in the national elections that almost disrupted our exams. The effect was that, some students withdrew from the exams. Additionally, owing to the enactment of the CIoTA Bill, many students stepped back from registering and writing our examinations. Secondly, our Capitation Fee to CILT, International rose from £8,000+, to £12,000+. The effect of this was the difficulties we encountered in promptly remitting our Capitation Fee to International, on behalf of our listed members. Thirdly, our local training programmes did not progress as expected. This was as a result of the Federal Government budget, which was released late, and the adoption of the Treasury Single Account, that negated the idea of allocating trainings to organizations outside the Federal Government Procurement Act.

1. Operational statistics

Given the above situations, our revenue for the year, fell from N128,160,902 in 2018 fiscal year, to N114,998,610, in 2019 – a percentage performance of 88%, on 2018. This was the first time in six years, that a previous year’s earnings were more than that of the current year. On analysis, we noted that in Year 2018, we held and hosted the Africa Forum in Nigeria, and it accounted for the huge revenue we recorded in 2018.

On the basis of the above analysis, we conserved and reduced our expenditures, in order to shore up our Net Income. While we had a margin or shortfall in operating revenue of N13,162,929, we maintained a surplus of Revenue over Expenses of N13,096,906 over 2018 earnings, noting that the surplus recorded in 2018 was N17,277,879, and N1,829,747, in 2017.

Looking at the trend, it shows that, beyond a certain level of earnings, our incremental costs, are much lower, hence more earnings that ultimately constituted profits that adds up to the our Net Profit. The surplus in 2019 would have been higher than the N13,162,929 but for the sum of N2,237,500 we expended on Consultancy Fees for the consultants regarding ascertaining the status of CILT Bill with the Presidency and for hiring the services of a Human Resource Consultant since July, 2019.

A Breakdown of the annual earnings over the last three years is shown below.

 2019 2018 2017

 Annual Income Annual Income Annual Income

 N114,998,610 N128,160,902 N73,460,090

* **89% of 2018 & 156% of 2017 earnings, using 2019 earnings as the base year.**

**Figure Showing the Comparative Performance of our major Revenue Streams**

**Figure 1. Figure showing the comparative performance of our major revenue streams**

**Six Years Financial Status of the Institute and its Growth Rate**

**Figure 2. Figure showing the Six Years Financial Status of the Institute**

1. Institute’s Visibility

On the more outlined areas, we strengthened our link with the Nigerian Army College of logistics, by continuing the integration of our Mandatory Professional Development Programme, into their Logistics Officers’ Service Course. Two of such programmes were held during the year, and examination was conducted after their Second Batch in December, 2019. Their scores were integrated and used in their performance evaluation. The Institute was fully represented at the Federal Ministry of Budget and National Planning, Committee on Nigeria Road Safety Strategy. This was one major source of visibility for the Institute. There was also the interest from Lagos State Government in requesting the Institute’s perspective on how the State can be actively involved in AfCFTA and in the drawing up of the State’s Transport Policy, at which the Institute participated up to a point.

1. Membership development

On Membership Development, we recorded a total New Membership registration of 390, averaging 33 new members per month. Majority of these new registrations are in the Affiliate and MILT Grades. In 2018 we had an average of 35 new membership registrations per month. The slight drop in our 2019 attainment, reflected in the 94% of our 2018 membership registrations. We had only four new Corporate Membership registrations. One in the Maritime, the Nigerian Inland Waterways Agency, NIWA; one in the Insurance Brokerage sector, the YOA Insurers Limited; one in the Logistics sector – specifically, on the drivers’ background verification platform, the Verisure Company, Limited and the last one on the physical logistics system, the Direct Consulting and Logistics firm.

1. Engagements

The Institute registered 41 delegates to the Year, 2019 Africa Forum that was held in Harare, Zimbabwe in March, 2019. Two candidates, out of the registered 41 delegates could not attend due to other official engagements. In the case of the International Convention that was held in Manchester in June, 2019, we registered 73 candidates. However, due to visa issuance problems and other logistics challenges, only 45 delegates attended the event. In the case of those who could not attend, they incurred losses in respect of visa application fees and the Institute Administration charges. Some of them are still protesting the visa administration charges they paid, but not the visa fees. The interesting aspect of this task was getting the International Secretary General to persuade CILT, UK to agree to transfer some of the Conference fees we paid, to the Logistics Research Network Conference, which was scheduled to hold in September. Six CILT Members were registered and they attended, using the balance of the remittances we made for their participation at the ICM. This action helped us to reimburse conference fees to those denied visas, while those whose visas were approved late, and had their fees trapped, were enrolled to attend the Logistics Research Network workshop, held in Northampton. This arrangement worked out and helped us to refund 100% of conference fees, less £100, Administration Charges, accruable to Institute, as against their having a refund of 70% for non participation at the ICM (as stated in their rules for registration), minus the same £100, Administration Charge.

CILT, Nigeria sponsored a delegate to attend an International Conference on the Pharmaceutical and cold chain aspects of trade under the Africa Continental Free Trade Agreement. The idea of the sponsorship was for us to grow the internal capacity for the know-how on AfCFTA. We also registered a candidate to attend the 6th China International Logistics Conference, in November, 2019. The candidate, however, was denied visa, after several attempts, which included appearing for visa interview in Abuja, under referral from the Chinese Consulate in Lagos.

1. CILT Membership Directory

The publication of the CILT Membership Directory was executed. It was a 232 page document, containing personal details of members of the Institute. It is the 1st Edition and subsequent editions would take care of observed errors and the new membership grades of all upgraded members. A copy of the document is up for pick, at N3,500.

1. Other engagements

The 2019 National Conference and Annual general Meeting was held in October, 2019 in Warri, Delta State. Our June Examination Diet was held in July, in order to accommodate the postponements and disruptions the National Elections caused. Our November Diet Examinations was held in December to account for the shift, downwards of the June Diet Examinations. As part of our examination processes, CILT, International required that we submit the moderated examination questions for the December Diet examinations to their Chief Examiner’s review, before administering. He was to also personally select the specific answer scripts to moderate from the scores’ Spread Sheet. We adhered to all that, as the last step in our examination processes, ahead of a two year examination moratorium on CILT, Nigeria.

There was the CLIP Event and Dinner of December, 2019 held at the Sheraton Hotel, Ikeja, Lagos. The Acting NED represented the National President, at the MMS Series’ discussion on Developing Transport Professionals for the Transport Industry, held at the Golden Gate, Hotel, Victoria Island.

There were several TV appearances and radio interviews, including newspapers and transport industry publications that the Institute officials appeared in. The National President appeared on the NTA, National Network Programme – Good Morning, Nigeria - on issues relating to transportation systems, while the Deputy National President appeared on the Channels TV, too. The 2019 National Conference and AGM appeared on the Delta State TV Station, while on the Lagos TV Channel, the Acting NED, was the guest, at their Transport Line, Live Interview broadcast. Various news papers and online platforms published news, reports and interviews relating to the activities and views of the Institute on some national issues.

1. Plans for the future.

On account of the wide awareness being created around AfCFTA, the Institute would host a major programme on the Nigeria’s potential of becoming a financial hub for trade and services, under AfCFTA, if we can develop further, the current spread of our financial services institutions, across Africa. We would be slating each programme for each of the modes, including the aviation sector. More attention would be given to membership growth, especially, examination candidates. Efforts are being made to attract additional Training Providers, to help source students and boost our level of examination students.

Paul Ndibe,

Ag. National Executive Director