SHIPPING REVIEW

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MARINE POLLUTION PREVENTION UNDER PART XII OF THE UNITED NATION CONVENTION ON THE LAW OF THE SEA (UNCLOS) 1982

Coastal States have jurisdiction in the protection of the marine environment and the enforcement of same. This includes; the internal waters, territorial sea, Exclusive Economic Zone (EEZ) and Continental shelf. Flag States on the other hand have to implement and enforce pollution prevention measures and protection of marine environment on the vessels with their flag irrespective of where the pollution occurs.

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Our Vision

To be a world class service organisation that ensures for Shippers in Ghana, quick, safe and reliable delivery of import and export cargoes by all modes of transport at optimum cost.

Our Mission

To effectively and efficiently protect and promote the interests of shippers in Ghana's commercial shipping sector in relation to international trade and transport logistics.

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RISE IN MARITIME INSECURITY IN THE GULF OF GUINEA, A THREAT TO WEST AFRICA'S SHIPPING INDUSTRY

By Abdul Haki Bashiru-Dine Ghana Shippers' Authority

1.0 Introduction

The South China Sea, Malacca Straits, Horn of Africa and the Gulf of Guinea are maritime landscapes that depict the importance of the ocean as a flow and stock resource. They are also landscapes that reflect dangerous threats to the global blue economy. Since 2005/2006, the rise of maritime landscapes under threat during times of peace has become a security matter featuring prominently alongside the established status of landward threats and vulnerabilities.

Nowhere is this more prevalent than along the African coast. Sea piracy off the Horn of Africa, vast migrant waves facilitated by criminal syndicates in the Mediterranean waters off Libya and criminality in the waters of the Gulf of Guinea have become persistent headlines in the international media and on the security agendas of governments.

By 2016, events in the Gulf of Guinea probably epitomized threats at sea off Africa. The International Maritime Bureau (IMB), for example, reported the Gulf of Guinea as the most dangerous sea for the first quarter of 2016. As in the case of the Horn of Africa, international attention, academic focus and the maritime industry at large became more concerned with the Gulf of Guinea than with events around the Gulf of Aden.

Although this shift is often expressed as quantitative comparisons with a strong inclination to relate piracy-styled incidents between the eastern and western African maritime regions, the Gulf of Guinea holds its own collection of maritime threats, vulnerabilities and opportunities.

Beyond the numbers game, one finds an extensive setting of landward and maritime factors at play that collectively drive optimistic and popular notions of progress, development and growth. Such optimism is however, often overshadowed by multiple maritime threats that hold dire consequences. Nevertheless, mastering the test of good order at sea through good governance holds the reward of access to the blue economy off West Africa – one that harbours vast stock and flow opportunities for governments, societies and business entities.

European shipowners are concerned about the continued piracy, armed robbery attacks and kidnapping for ransom events in the Gulf of Guinea (GoG), and particularly off Nigeria.

According to the latest IMB Piracy Report, a total of 33 vessels were boarded and four fired upon in the first three months of 2017 worldwide. During the same period, of the 27 seafarers kidnapped for ransom, 63% were in the Gulf of Guinea.

In its Global Maritime Security Conclusions adopted on 19th June, 2017, the Environment Council recognized the problematic situation in the Gulf of Guinea. It underlined the need for regional states to take ownership and adapt their legal systems in order to fight piracy. The Council also welcomed bilateral initiatives of the European Union (EU) Member States in the region and advocated the need to coordinate them with ongoing EU initiatives.

"The continued problems in the Gulf of Guinea create serious concerns about the security of seafarers sailing in that area", commented Patrick Verhoeven, European Community Shipowners' Associations(ECSA) Secretary General. "Maritime insecurity also disrupts trade flows and has a direct impact on the ability of ports to serve as hubs for parts of the continent. A poor security situation also imposes high costs on imports and exports and puts jobs and economic activity at risk", he concluded.

ECSA encourages several measures in order to improve the security situation in the Gulf of Guinea. These measures include:

1. The proper protection by coastal states;
2. The investigation of the potential use of Privately Contracted Armed Security Personnel (PCASP) by the owners;
3. The prosecution of piracy and armed robbery; and
4. The establishment of effective judicial systems, good coordination of law enforcement assets and an efficient and effective work reporting and coordination system to respond to incidents. In addition, European Shipowners should support initiatives on capacity building and strongly encourage coastal states to take their responsibility and respect their obligations under international law, United Nations Convention on the Law of the Sea (UNCLOS).

2.0 Current Maritime Security Situation in the West African Coast

The maritime security situation in West Africa Coast, Gulf of Guinea, is quite worrying given the number of reported maritime security incidence. According to Dr. Kamal-Deen Ali, a Ghanaian Navy Captain and Executive Director of Centre for Maritime Law and Security, the network of shipping lanes makes the region perfectly designed to welcome goods and infrastructure into a region that is still developing.

However, the Gulf of Guinea has also become a prime target for those seeking to make financial gains on incoming traffic by whatever means available. In particular, Africa's growing import/export market and offshore oil and gas potential open up a range of possibilities to investors. Yet while exploration and investment continue to be encouraged, lack of technology means that keeping track of goods flowing in and out of the area is difficult to track and even harder to locate once goods go missing.

To put this into perspective, robberies around anchorages pose a serious problem with lack of security measures reinforcing the notion that cargo and shipping containers are easy pickings. In many coastal areas, profits reside with locals with only a little of the profit making its way to the major cities, with 4bn. Euros being lost last year to oil and fuel theft.

There is an argument in favour of the 'Robin Hood' approach – turning a blind eye to the security issues in the region, which would allow those enduring daily hardship to benefit from plundered oil and goods. But research has already shown that as opposed to helping resolve some of the issues in West Africa, it instead breeds criminality, especially in relation to human trafficking and harm to the ecosystem, with depleting fish stocks held to blame for a maritime insurgency of unlawful traffic and mangrove trees declining in the Nigerian Delta region.

Piracy has also been shown to flourish when lack of security measures are imposed, with new methods being adopted by pirates

to extract the most wealth possible, moving away from hijacking of oil tankers in 2015/16 to ransom targeting.

To truly implement a lasting solution to issues such as these, stricter security measures must be applied to address the spectrum of maritime threats, legal complexities, governance gaps, the land-sea continuum as well as the institutional capacity. Too often, the region has been presented with projects and initiatives which are started but are left unfinished due to the difficult circumstances that confront workers.

Synergy of partnerships and innovations can encapsulate all of these factors, so that the international community can better appreciate the growing awareness of maritime potential in West Africa and look to establish more solid trade partnerships. Floating armories are not the answer, but improved security is definitely one step towards making West Africa a more desirable place to conduct business.

Twelve seafarers manning the FWN Rapide, a general cargo vessel were taken by pirates off the coast of Nigeria on April 21, 2017; Dutch company, Forest Wave, managers of the vessel, confirmed. FWN Rapide has meanwhile been moved to a safe position by two of the remaining seafarers, who are reported to be safe and unhurt.

"Forest Wave would like to stress its main priority is to establish contact with the missing seafarers and secure their earliest return. The company's emergency response team is working around the clock and is liaising with the local and international authorities. Forest Wave together with its local organizations are in close contact with the families of the valued seafarers to support them in these difficult times," the company said.
FWN Rapide is a 2005-built vessel flying the Dutch flag and was on its way from Takoradi, Ghana to Port Harcourt, Nigeria when it came under attack.

The IMB has reported a rise in armed attacks against ships in Western Africa since the beginning of this year. Out of the 66 reported incidents in the first quarter of this year, there have been 22 incidents recorded in Nigeria alone.

Of the 11 vessels fired upon worldwide, 8 were off Nigerian waters, including a 300,000 dwt VLCC tanker, more than 40 nautical miles off Brass, reports World Maritime News.

3.0 Conclusion

As a productive living marine environment, the waters of the Gulf also hold prospects of food security for the very large populations on its shores. Environmentally, destruction practices hold severe human security implications for two densely populated African regions in terms of freedom from want and living in a healthy environment. In this vein, the new thinking on ocean governance ties in with the Gulf of Guinea which is envisaged as a leading maritime zone of responsible and sustainable ocean management.

Such foresight dictates that governments bring their national legislation in step with the UNCLOS, as properly aligned legislation underpins the rule of law at sea. A further opportunity resides in the existing regional security architecture that holds much potential to increase security governance over the Gulf, as the institutional groundwork for this is already in place.

The institutional set-up and political commitments from Economic Community of West African States (ECOWAS) and Economic Community of Central African States (ECCAS) are workable departures for wider cooperation with partners willing to assist financially with logistics and training. Apart from events off the Horn of Africa that presented decision-makers with a blank canvas for re-introducing maritime governance, the Gulf of Guinea offers more structured opportunities to harness expertise from international and private partners.

This brings about a third advantage. The mix of regional entities with a maritime interest is made up of national, regional, as well as non-governmental and private actors. The art is to orchestrate this lingering collection of expertise, interests and resources nationally and regionally through astute maritime leadership based upon an understanding of the vital role the Gulf of Guinea has to play.

Finally, the Horn of Africa and the waters off Libya reveal how rapidly transnational crime can turn national and regional maritime assets into national and even regional liabilities; the subsequent threat landscape; and therefore, the imperative to steer the Gulf of Guinea towards a well-governed and productive African maritime landscape.

Greater Accra Art And Craft Dealers' Association Holds Prospects For Ghana's Export Growth

Mr. Gariba Abu Kassim, the Vice Chairman of the Greater Accra Art and Craft Dealers Association (GAACDA)

Across the street from Ghana's Supreme Court-the citadel of judicial dispensation, is a group of passionate men and women bringing beauty and elegance to the art and craft industry. While the learned men and women in wig at the apex court of the land dispense justice and exact punishments to offenders of the law, artisans at the famous Arts Centre in Accra use their chisels, hammers, sandpaper and other tools to do justice to logs of wood and leather by transforming them into drums, bags, stools, adinkra symbols, wooden bowls, other wooden crafts and leather works.

In the early 1960s, the artisans used to sell their craft works on bare ground and on tables at the back of the Bishop Girls' School, opposite the Bank of Ghana before moving to their current location. This movement coupled with the increasing number of dealers led to the formation of the Arts Dealers Association to cater for the welfare of its members and also promote the art trade. Due to the numerous art associations dotted across the country, their name was changed about five years ago to the Greater Accra Art and Craft Dealers Association (GAACDA) to give it a unique identity.

Mr. Gariba Abu Kassim, the vice chairman of the Association, recounts his memorable experience with colleague school children who used to visit their parents after school hours at the Centre back in the day. He disclosed that some of them inherited the art business from their grandfathers and fathers who they understudied.

The Greater Accra Handicraft Producers Association is another twin association sharing the same space with GAACDA at the Arts Centre. The Association has 110 shops and about 200 members who produce drums of all kinds, artefacts, Bolga baskets, cane and rattan products among others. According to its Chairman, Mohammed Tanko Bitugu, most of their products are exported to Austria and Germany.

Membership and Export Market Share

The GAACDA is the biggest association of art dealers in Ghana with a membership of over 1,000 people. Its 330 shops are each managed by a shop owner and two assistants but some shops are owned by two people.

Pieces of art work displayed in a shop at the Art Centre

Members of the Association meet quarterly to discuss internal issues concerning the art market, new dimensions of the trade and the challenges they pose to their business.

Mr Gariba revealed that about 75 to 80 per cent of the finished art works of his members are exported to the European and North American markets to countries like Poland, the U.K., Italy, Spain, Belgium, Canada, U.S. among others while 10 per cent each goes to the Asian and South American markets. "The U.S. alone controls about 50 per cent of our exports, Mexico and Brazil takes about 8 per cent and 2 per cent for the rest- Australia".

Artwork vs Dynamism

Just as devouts of faiths commit their thoughts and actions to their objects of reverence for self-edification and other spiritual benefits, the art and craft dealer must give his undivided attention to his work to make gains.

"You must give 100 per cent attention to your work and also be on the move to villages in Ghana to get the finest of woods. One must also be innovative and know the trends in the industry by producing to meet the market needs to be able to stay in business", the GAACDA vice chairman said.


Drums and other crafts on display

Laziness, he insists, can never share the same pillow with a craft dealer under the roof of an industry that requires one to be dynamic, energetic and stay atop of the competition. For him, the approach to the business is critical to its profitability and that dealers who have not attached seriousness to their works are struggling to break even.

Contributions

Mr Gariba recounted the contribution of the Association to the country. Beside the over 1,000 members that are employed in the operation of the 330 shops at the Art Centre, he said about 5, 000 people are also indirectly working with them from the production to shipment stages of the art and craft business.

He mentioned the Association's interventions in rescuing people from the streets and galamsey activities and training them to start their own businesses. "Abdul Rauf has been taken from the street and he is now into the export of craft works." he said.

The export of art works abroad has also put Ghana on the map of the world. This, he observes, cements the name of the country into the global hall of fame and craft.

Visitors from Togo, Nigeria and other parts of the world also visit the Centre to buy art works. This generates foreign exchange for the country. Students from the primary to the university levels in the country also visit the Centre for excursions.

Support from State agencies

Mr Gariba expressed regret about the neglect of the art and craft industry by state actors. Support from state agencies, he said, has not been forthcoming. He, however, commended the Ghana Shippers' Authority for reaching out to them by giving education on shipment procedures and assuring them of their readiness to respond to the calls of Association on export-related issues.

Challenges and Recommendation

Principal among the challenges of the Greater Accra Art and Craft Dealers Association is the lack of capacity to export container loads of art works. Due to the high cost of airlifting their art works, sea transport has become their alternate route to cut down cost. But this would mean waiting on other artisans to bring their works in cartons to be consolidated by freight forwarders until a container gets full. Waiting for the consolidation process to complete takes weeks and this has resulted in many of them losing clients and businesses due to delays.

According to him, the cost of hiring the services of well—established freight forwarders is high and the phenomenon has pushed some of his members to use the services of those that are within their affordability.

Mr Gariba calls for the flushing out of goro boys (unregulated middlemen) in the shipment chain to ensure a smooth freight forwarding process. He said the port authoity La Cote d'lvoire have created a congenial export regime by removing bottlenecks from the way of shippers and Ghana must replicate same.

He also appealed to the Ghana Export Promotion Authority (GEPA), Ghana Tourism Authority (GTA), Ministry of Tourism, Culture and Creative Arts and other public and private organisations to give financial support, capacity building, and other forms of assistance to help them grow and stand at par with their competitors across the world.

Relocation and the future of art

As part of the Marine Drive Project to beautify Accra, the Arts Centre will be relocated to a land adjacent the national Mosque around the Kawukudi Park.

Even though the artisans are excited about the relocation arrangement, they are expressing fears about arts lovers' access to the new market. The vice chairman called on government to provide adequate information to Ghanaians and foreigners alike about their business when the relocation process is completed. The new facility, fitted with washrooms, will also have shops for all the artisans to exhibit their art and craft at no cost.

Mr Gariba contends that the art and craft industry plays an important role in the Ghanaian economy and holds the key to greater prospects for the country's benefit. His outfit needs financial assistance to expand. "Some of my people get orders but due to financial constraints these orders slip away from them".

"There are countries whose GDP growth is driven by tourism and the art and craft sector. We want to position ourselves to be a major contributor to Ghana's economy and this is why a deliberate policy focus and support must be directed at what we do"., he appealed. The sounds emanating from an artisan peeling of the skins of wood into a Gye Nyame adinkra symbol a few metres away from him seemed to agree with his clarion call.

An artisan busily polishing his art work

PLACING A PREMIUM ON CARGO INSURANCE

Buckle up! Cargo insurance protects your goods if they are damaged, stolen, or lost while in transit.

By Karen Kroll

As supply chains grow lengthier and encompass more players, shippers face a greater chance that their materials or components will be damaged, stolen, or lost along the way. "Shippers today are taking on a lot more risk," says Mark Bernas, Assistant Vice President, Ocean Marine, with insurer CNA.

In 2015, losses due to cargo theft hit $22.6 billion, according to BSI Group's Global Supply Chain Intelligence report. In November 2016 alone, the Transportation Asset Protection Association recorded 231 freight thefts in the Europe, Middle East and Africa (EMEA) region. The average loss topped 60,000 euros, or about $64,000.

Cargo insurance, which covers products in transit, can protect against these risks. Although it is sometimes referred to as "marine insurance," cargo insurance can cover shipments moving via ship, truck, rail, and/or air, depending on the policy.

"Any time you're shipping something where you have an insurable interest, you should look into protecting the goods," says Karen Griswold, Senior Vice President of Ocean Marine for insurance provider Chubb Ocean Marine, North America.

Many instances of cargo theft go unreported, as companies want to avoid the publicity. Half of cargo premium dollars go to cover theft, estimates David Lee, Director, Inland Marine with insurer Tokio Marine America. Lee also chairs the transportation committee of the Inland Marine Underwriters Association (IMUA).

Theft, of course, is only one type of loss. About 2,700 containers were lost at sea each year between 2011 and 2013, according to the World Shipping Council. Weather, temperature changes, breakage, and other events can also damage cargo.

While the risk of cargo loss is real, the decision to purchase insurance usually rests with the shipper. They typically have no legal obligation to carry this coverage, although some financial institutions may require it before they lend money.

DIY INSURANCE

Companies with strong balance sheets may decide they can withstand a cargo loss and essentially self-insure. Businesses that take this approach need to regularly assess their exposure and loss data and use their analyses to check the adequacy of their reserves, recommends Mark Robinson, Vice President, Global Operations, with UPS Capital.

Ensign-Bickford Industries Inc., a global science and technology organization that operates in the aerospace and defense sectors, tailors its use of cargo insurance to the types and volumes of business it is doing, the locations it is shipping to and shipping terms, says Rick Roberts, Director, Risk Management and employee benefits and former president of risk management society RIMS.

TAKING OWNERSHIP

For instance, when Ensign-Bickford purchases goods on FOB shipping point terms, it does not take ownership until the goods arrive at a domestic port. The company needs coverage only from the port to one of its plants. Moreover, these shipments typically travel by truck. Given the size of the products, it is difficult to load enough on a truck to meet the company's deductible. As a result, it often makes sense to self-insure for these trips.

In contrast, Ensign-Bickford recently started shipping to Europe, South America and the Middle East. The volumes are larger and some customers have requested the shipments be covered by cargo insurance. "Customers want to make sure if the ship goes down, they will still get their important products quickly," Roberts adds.

It may seem that the company transporting a shipper's goods would have some liability if the products do not arrive as they are supposed to. But in most cases, the carriers' liability is very limited.

The industry standard can vary depending on transport mode. An ocean carrier typically is liable for US $500 per customary shipping unit, such as a pallet or container. That means a company that loses a container filled with US $1 million in goods may recover a scant $500. "Cargo insurance provides more protection," Robinson says.

Some questions a supply chain professional will want to address when considering cargo insurance include: Which parts of the shipping journey are most likely to present risks? Does my company ship products that are prone to theft and/or damage? At what point does my company take ownership of the goods?

"Know the risk characteristics," says Steve Connor, President of Wyvern International Insurance Brokers Inc., Barrington, Ill. That is critical to determining how best to mitigate them.

Companies also need to determine the approach they will take. Some purchase insurance just for catastrophic events. Other companies' supply chains are prone to more frequent, but less severe events and they may adjust their deductible to reflect this.

"Deductibles can range in amount and vary according to the level of risk companies are willing to absorb themselves," Griswold adds.

THE BROKER'S ROLE

Cargo insurance can be complicated. It is also less regulated than some other types of insurance. As a result, it can be a "potential minefield for unsophisticated buyers," Connor says.

For these reasons, most cargo insurance is sold through brokers who are fiduciaries by law. "They represent the customer, not the insurance company," Connor says. Equally important, reputable brokers are experts in pricing, coverage and other elements of cargo policies.

Brokers also can help companies minimize potential risks in their supply chain, says Ted O'Sullivan, head of Protecht Risk Solutions with Falvey Cargo Underwriting, North Kingstown, R.I. For instance, to take advantage of lower wages, some manufacturers in China have shifted operations from the Chinese coast to central China. Rather than continue to use ocean transportation, some of the companies moved to the China-Europe Block Train, which spans 8,000-plus miles through Asia, Russia, Eastern and Western Europe.

"We had to understand the risks of companies considering a shift from ocean to rail," O'Sullivan says. Rail cars typically are not heated and travel through Siberia at times during winter. In addition, rail cars are not always secure, so the goods could be vulnerable to theft.

While many freight forwarders offer cargo insurance, that convenience can come with its own costs. For starters, the shipper is one step removed from the actual insurer and typically would not know the freight forwarder's loss history, both of which will influence price and coverage. "It may be a great policy, but it is hard to know," says John Miklus, President of the American Institute of Marine Underwriters.

Companies that ship infrequently may decide the convenience of working through a freight forwarder outweighs any downsides, notes Gordon Adams, Vice President, Risk Management, Servco Pacific Inc., which operates auto dealerships across Hawaii, among other businesses.

They will want to continually reassess their decision as the volume and/or value of their shipments increases. Frequent shippers with a decent loss history may find coverage less expensive on their own.

OPEN CARGO

Shippers also need to decide whether to purchase cargo insurance on a transaction-by-transaction or on an "open cargo" basis. As the term implies, insurance purchased on a transaction-by-transaction basis covers a single transaction. An open cargo policy lasts until it is terminated, although most companies and insurers review them annually.

Companies that ship infrequently and are not overly concerned with loss may find a transactional model adequate. "But once you start getting into high-value goods or sensitive products, you need to make sure you have adequate insurance and take a more proactive risk management approach," says Mike Falvey, President of Falvey Insurance Group.

Shippers can assess the three V's to determine when to shift to an open cargo policy: the value of their shipments, the velocity or frequency with which they ship and the volume of each shipment. As any of these increase, the case for an open cargo policy becomes stronger, O'Sullivan says.

WAREHOUSE TO WAREHOUSE COVERAGE

Most ocean cargo policies typically offer coverage from "warehouse to warehouse," says Ralph Santoro, Regional Manager, Ocean Marine with Tokio Marine America. If a shipment travels from a U.S. warehouse via truck to a port and then on a ship to Europe, where it docks and again moves via truck to a French warehouse, many policies will cover the entire journey. "If a loss occurs, we know what policy it is under," Santoro says.

Similarly, many bills of lading are titled multimodal or contain terms and conditions that mention multiple modes of transportation, in case the carrier needs to substitute one form of transportation for another. This might be needed if, for instance, shipments that were scheduled for air transport wind up moving by rail because bad weather grounded the planes.

Correspondingly, shippers' cargo policies "should be robust enough to handle all modes of transportation," notes David Pasco, Senior Account Manager with Roanoke Trade, a subsidiary of insurer Munich Re.

An "unnamed location" provision covers a shipment if there is a break in the voyage and the goods are temporarily stored. "It is a catch-all if something happens you can not control," Adams explains.

Some cargo policies include provisions specific to the mode of transport or items being covered. For example, an insurer may require a company shipping high-value freight via truck to keep at least two drivers in the truck cab at all times and to never leave the cab unsecured, Santoro says. Similarly, the insurer may require the shipper to keep the packages free of content descriptions, which could tempt would-be thieves, Santoro says.

TAKING STOCK

Stock-throughput policies, or STPs, are growing in popularity, Falvey says. These provide coverage for materials as they change from stock to raw materials to work-in-process to finished goods and whether they are in storage, a processing location, or on their way to a final delivery.

Adams provides an example: A company delivers vessels of raw tuna to a cannery, where they are cooked, cleaned and canned before traveling to a warehouse and then on to their final destination.

"People assume that cargo insurance covers goods to the site, through the value-adding processes and the continuation of the voyage, but that is not always the case," Adams says. For instance, cargo insurance typically would not cover spoilage that occurred if the power went down while the fish were being processed. A stock throughput policy—essentially, an enhanced cargo policy—likely would cover the cargo as it is being processed. "It is a broader policy and covers more of the risks you face in this scenario," he says.

A number of terms and documents are important in cargo insurance policies. The information presented in the bill of lading (BOL), such as the cost and weight of the goods and their starting and ending points, typically is used to determine the value of the goods being insured, Lee says. (The term "contract of affreightment" is used at times. This refers to the agreement under which a ship owner agrees to carry a shipment via water.)

For goods traveling via ship, a copy of the BOL is given to the ship captains, Adams says. If they have to jettison cargo, this is noted on the bill of lading. If a shipment is damaged, the type and extent of the damage also is noted. "These determine the extent to which you can claim cargo loss," he notes.

Another key piece of information is the point at which ownership transfers from seller to buyer. This typically follows the terms of sale, which are usually stated in the invoice or sales contract. Shippers "have to demonstrate title to goods at time of loss," Connor says. In contrast to most insurance transactions, shippers may not even own the goods when they purchase a cargo policy. However, to file a claim for a loss, they typically will need to show they had title to the goods when the loss occurred.

GENERAL AVERAGE

One concept unique to ocean insurance policies is that of "general average." This comes into play if a ship's captain determines that to save the vessel, the crew needs to jettison some of the cargo. "It is called a 'deliberate sacrifice' for the greater good," Griswold says. This can occur because of bad weather, engine trouble, or a fire, among other events.

The idea behind "general average" is that all parties—the shippers and the carriers—benefit when some cargo is tossed overboard. So, rather than place the loss entirely with the company whose products were sacrificed, everyone takes a financial hit.

While the calculations can become complicated, each shipper's portion generally is based on the percentage value of its goods relative to the combined value of all the goods on the vessel and the ship itself, says Pasco.

After a general average has been declared and the vessel arrives at port, no cargo typically is released until the shipper has posted a general average bond or guaranty. "If you have insurance, it will provide the guaranty," Bernas says. Companies that do not have insurance need to come up with a guaranty or some instrument that shows they can pay.

If a vessel completely sinks and there is no recovery, the general average concept does not come into play. "There's nothing to be saved from the venture," Griswold says.

The coverage provided can differ from one cargo policy to the next. "Open cargo insurance" is designed to cover frequent shippers, Robinson says. It typically covers most risks, including damage, theft, piracy, general average, and shipwreck. Losses resulting from cyber attacks, illicit trade, civil and military unrest and the delayed delivery of time-sensitive or perishable goods tend to be excluded, he says.

Some other specific losses may be excluded as well. Griswold provides an example: a policy for a company that is shipping intricate machinery might exclude mechanical derangement, or damage to the electrical or mechanical components or workings of the machine.

Many cargo insurance policies are written for what is known as "CIF plus 10." This refers to the cost of the goods, plus insurance and freight costs, with 10 percent for profit. If a company presents a claim, it generally will recover CIF plus 10.

Some insurance companies do not require documentation on the value of the shipment(s) in order to obtain cargo insurance. However, if a shipper files a claim, the insurer may require an invoice or other information in order to validate the value of the goods on the claim.

AT WHAT COST?

The price of a cargo insurance policy depends on numerous factors. These include the items being shipped, their origin and destination points as well as the carrier's loss history. Items at greater risk of theft are, not surprisingly, more expensive to insure.

The way in which the goods are packed also can impact price, Bernas says. Goods that can be shipped in crates or containers tend to be priced more favourably than goods that cannot be packed or are simply shrink-wrapped, where they are more vulnerable to both damage and theft.

The mode of transportation can come into play, Bernas says. Shipments via barge tend to be more expensive than vessel shipments because barges are more open, smaller, and likelier to capsize in heavy weather. Ocean shipments tend to be more expensive than air because the goods are exposed to various risks for a longer time.

Shippers will want to work with their brokers and insurers to confirm they are complying with any regulations that come into play when their shipments cross national boundaries. For instance, certain countries require shippers whose goods travel on their roads or rail systems to obtain a local transit policy, Griswold says.

"A cargo policy is a living, breathing thing," Pasco says. Shippers need to regularly review their coverage to make sure it continues to adequately protect against the risks to which their shipments are exposed.

BASIC ANALYSIS OF INTERNATIONAL MARITIME REGULATORY REFORM

By AZOH-MBI Edward Chi-malang, Union of African Shippers' Councils

(continued from pg 40 of Vol 20 No. 2/ April-June 2018 edition)

3.5. WHY REFORM INTERNATIONAL MARITIME REGULATION?

The maritime sector generates juristic, administrative, economic, social and environmental activities that require regulation or reform to keep pace with changes and check chaos out of public interest. The amendment of international maritime and related regulations is often based on the following reasons, which are far from being exhaustive.

3.5.1. Reforming to spur competition and overall economic growth

In capitalist economic theory, competition is the best self-adjusting mechanism that maintains economic growth and market efficiency. As part of economic regulations, competition policy is an area of focus to UNCTAD, World Bank and WTO and remains a key subject of OECD advocacy for regulatory reform. Consequently, improving the efficiency of national, regional and global economies and their ability to adapt to change and remain competitive is a core objective of economic regulatory reform.

3.5.2. Improving maritime safety, security, environmental quality and loss control

The IMO core objective of maintaining safer, secure and efficient shipping on cleaner oceans is best attained through systematic regulation and periodic regulatory reform. This objective mainly underlies the revision of several international legal instruments, such as the recent reforms of SOLAS: chapter XI-2 introduces special measures to enhance maritime security with the mandatory ISPS Code. Chapter VI renders loaded export container weight verification compulsory. The 1973/78 reforms of MARPOL likewise aim at improving marine environmental quality, ensuring safer ships and cleaner oceans.

3.5.3. Regulatory response to technological changes and spurring of innovation

The evolution of global maritime trade and transport comes along with numerous changes in the sector's technology and techniques. Reformed regulations play an important role in re-educating and sensitising governments and operators on current and imminent changes and the effects or potential implications.

Changing ship technology (mega containerships and cruise ships, ULCC, high capacity cranes and super submerssible deep sea drill ships, etc.) has changed the scope of responsibility in international shipping. This trend, coupled with ultramodern port infra- and superstructure, offers numerous challenges to seafarers, governments, ports and regulatory bodies that need to be addressed by means of new statutes or reformed laws to guarantee corresponding safety levels, modern environmental protection, efficient change management and

sustainable development in the industry.

3.5.4. Improving maritime regulatory efficiency and regulatory quality
Attaining the objective of improving both maritime regulatory efficiency and regulatory quality often requires addressing a series of miscellaneous and substantive amendments, on basis such as process facilitation, legal criticism and result assessment.

The goal of improving regulatory efficiency is the achievement of better outcomes or quantitative and qualitative results of the reform effort. Substantively, it is about instituting more and fair competition in a market, increased social welfare, higher quality environment and a remarkable abidance to standards etc. If even 80% of all sub-standards ships in the world were to be prevented from sailing, that would be part of efficient Port State Control regulatory efficiency.

3.5.5. Correcting the wrongs of previous regulations
As captured by Ikechuku Chris Iheduru (1996) the most gigantic maritime regulatory reform in the world was achieved in 1968 by UNCTAD and the World Bank, notably by introducing the Code of Conduct for Liner Conferences with the view to promoting the participation of developing countries in the carriage of trade generated by their respective economies. The creation of national shipping lines, shippers' councils and cargo sharing etc., was explicitly part of the strategy in replacing the old International Maritime World Order that was seen to be widening the gap between the rich North traditional maritime nations and the poor South shipper nations.

3.5.6. Special request, incorporation or domestication
IMO member states can table a formal request for the amendment of a specific convention to facilitate national compliance or to improve the compatibility of local regimes with the global regulatory environment. The 2010 amendments of the STCW 1978were requested by the USA at the 84th session of the MSC, changing the USA national endorsement criteria by requiring that all mariners serving in positions needing STCW endorsements must be fully compliant by 1 January 2017.

3.5.7. Institutional transformation
Regulation, deregulation and reforms may aim at reducing a regulatory agency's powers, completely scrapping it or strengthening it to enhance regulatory efficiency. In Africa, some governments have used the regulatory reform approach in further empowering key national institutions in the sector, notably the Nigerian Shippers' Council Act that recently made it the 'Port Sector Economic Regulator'.

3.5.8. Improving the credibility and effectiveness of government and the regulator
Though regulatory reform and comprehensive satisfaction of the regulates are challenging, the credibility of the State and or the regulatory body depends on policy effectiveness which shapes the institutional legitimacy perception of both the maritime community and public at large. Nevertheless, regulatory reform has been recognised as a key solution in addressing related deficiencies by achieving important public policy goals with cost-effective regulatory approaches or alternative policy tools. A planned process of timely goal-based regulatory reform should therefore seek to transparently enhance government or the regulatory body's capacity to promote proportionate public interests, forhe who is in authority should deserve the crown.

3.5.9. Mandatory regulatory reform (Sunsetting)
Sunsetting is the legal technique of specifying the validity period of a regulatory instrument or institution. Typically, the concept is based on a statutory provision that a particular government programme, administrative agency, benefit, or law will automatically expire on a precise date, unless it is re-authorised. The logic is that many legal frameworks may unduly remain in place if there is no trigger for elimination or utility reassessment on them.

3.5.10. Substantive deficits and constraints
As earlier said, regulatory reform targets both instruments and institutions. To the OECD, one vital aim of reforming regulations is to prevent them from becoming an obstacle to achieving the very economic and social well-being for which they are intended. International maritime regulators themselves need key empowerment reforms in the area of enforcement.

Maritime regulatory reform is

commonly expected to target regulations that hinder innovation, investment and efficiency; that promote substandard ships, unfair competition, collusion, piracy, offshore and marine cyber insecurity, environmental pollution, Port State and Flag State complacency, poor safety, unjustified surcharges, illegal fishing, offshore money laundering, destruction of marine eco-systems, marine boundary disputes, offshore shell companies using corporate vehicles to fund criminality, corruption and encourage tax evasion, etc. Such offensive regulations along with those that are outdated or not fine-tuned to achieving the intended objectives should be eaten up or reproduced by well oiled regulatory reform machinery.

4. Impact of Regulatory Reform

Regulatory Impact Assessment (RIA) is a highly statistical and technical process that follows the implementation of regulation, analysing and measuring its successes and failures, positive or negative effects on the public and private sectors, (industry, markets, economy), regulator and environment.

Major cultural changes in the attitudes and behaviour of firms, workers and individual citizens could be both beneficial and detrimental. Social impact includes loss of employment or business activity, crumbling social dependence and indirect financial liabilities such as alternative funding of social security schemes. (OECD)

The impact of the SOLAS Chapter VI amendment relates to the administrative compliance costs on government and the commercial compliance cost on shippers and ship-owners, while the ultimate consumer has to face the so-called externalities. But the critical question is would these reforms adequately provide the loss control solution initially sought? That would be the success or failure indicator of the reform initiative.

The same analysis is being made with shipping gas emission reforms underway. So long as shippers continue to bear high and constantly increasing freight rates, unjustified surcharges, shopping in uncompetitive shipping markets, etc., maritime regulatory reform shall hardly be fully significant to them, until the regulatory waves wash the rules further into the creecks of the sector.

5. The Regulatory Reform Process

Generally, the process of reforming regulations entails procedural and substantive quality and impact assessments, eliminating outdated, bias, contradictory, technically unenforceable, ineffective, irrelevant or self-defeating regulations, then improving or streamlining them.

To avoid reform per se, the whole process should be enriched with a wider range of public interests using recommendable legal techniques. Flexible and international regulatory approaches, rigorous analysis, co-ordination and cross-fertilisation would contribute to process efficiency. Reformers have to bear in mind that due to the complexity of the task in an environmentally vulnerable global context and the capacity of some actors in stifling reforms, an absolute success benchmark would finally give way to seeking the greatest good of the greatest cross-sector majority.

This perspective is suitable in the maritime sector with dynamic ship-owners and strategic mergers ready to stay afloat no matter the scope and strength of the regulator's dragnet; where the chief regulators can only proceed indirectly by persuading State parties to accept reforms, arrange and supervise compliance.

International regulatory reform transits through 'Amendment Protocols' which are agreements to make additions, revisions and corrections in a particular treaty. A recent example is the Protocol of 27 November 2014 amending the Marrakesh Agreement establishing the WTO, signed to enable the insertion of the new Trade Facilitation Agreement adopted in 2013.

IMO, born after several international conventions (e.g., UNCLOS, pollution prevention and load line treaties) already existed, was then assigned not only to develop new conventions as and when the need arose but equally to update existing instruments to keep pace with changes.

Generally, IMO's amendment procedure (too cumbersome to discuss in detail here) is specified by the provisions of various conventions. SOLAS (1974) article VIII for example, provides two amendment approaches, either after consideration within IMO or by a Conference of Contracting Governments.

The 1966 International Convention on Load Lines provides for amendment by positive acceptance with consideration by the MSC, Assembly or Conference of Governments. The coming into force of amendments takes place 12 months after being accepted by 2/3 of Contracting Parties.

5.1. Success factors

Strategies for successful regulatory reform which is not a 'one-off effort but a dynamic, long-term, multi-disciplinary process' (OECD) include establishing clear objectives and cross-sector implementation frameworks; voluntary and mandatory compliance with standards; regional and international cooperation and coordination; strong and committed political leadership; overall communication and transparency; intelligent reform sequencing, integrated public-benefit options, comprehensive rather than piecemeal reform, intelligent interest-group and incentives management, etc.

6.1. Entry into force of IMO regulatory reforms

Unlike UNCLOS which is unconditionally binding on all states (whether signatories or not), the practice of public international maritime regulation is categorised as consent-based governance, because member States of international maritime organisations for instance are not obliged to abide by it unless they have expressly consented to.

Previously, amendments to mandatory IMO legal instruments entered into force only after a certain proportion of contracting States (2/3) had accepted it; meaning that more indications of acceptance were necessary for amending the conventions than for the entry into force of the initial regulation. This condition greatly retarded the official entry into force of IMO regulatory reforms. A new procedure based on 'tacit acceptance' was consequently instituted and tested on conventions such as SOLAS 1974; MARPOL 73/78 and 1972COLREGS. The procedure required that revision takes effect on a specific date except that before that date, a certain number of contracting parties register their objection to the change. This new reform procedure greatly accelerates the entry into force of subsequent amendments thereby making it possible generally between 18 to 24 months which had hardly been the case before.

7. Conclusion

Regulatory reform is an important stage in the global maritime regulatory process with IMO and UNCTAD chiefly molding the rules and setting the clock. The process which is both reactive and proactive, reviews administrative, legal and industry standards and frameworks, calibrating the reform machinery for optimum processes, outcomes and performance with the view to a sustainable maritime trade and transport industry, economic development and integration into global value chains.

Besides the reasons singled out, maritime regulatory reform derives its cardinal importance and urgency from the shipping industry's attendance to 90% of world trade and global economic performance, environmental vulnerability, the need to update standards and high profile marine accidents.

Culturally, OECD countries are quite advanced in regulatory reform practice which is consequent upon the tremendous research, education and emphasis laid on it as a critical policy option as well as sensitisation about its necessity and benefits.

Conversely, in developing countries where there is hardly any regulatory analysis and assessment, regulatory reform is minimal and slow especially where regulation is confined to the French model of the public administrative law concept of 'réglementation' which is limited to formal law-making, excluding the host of subordinate rules and informal legal expressions that choke state policy streaming.

Regulatory reform in the public's best interest is the logical step which seeks to screen, update, re-adapt or sharpen worn out, defective or unsuitable legal tools for managing the multifaceted evolution of the sector. Much scope for further improvement in the sector awaits appropriate reforms.

Further institutional empowerment would fully calibrate regulatory organs, while education and committed political leadership will overcome vested interests where change is resisted for personal benefit from the status quo. Nonetheless, regulation must be reformed to avoid reliance on dead letters speaking to no one in current activity.

GHANA'S MARITIME TRADE REVIEW TREND ANALYSIS (2014-2017)

INTRODUCTION

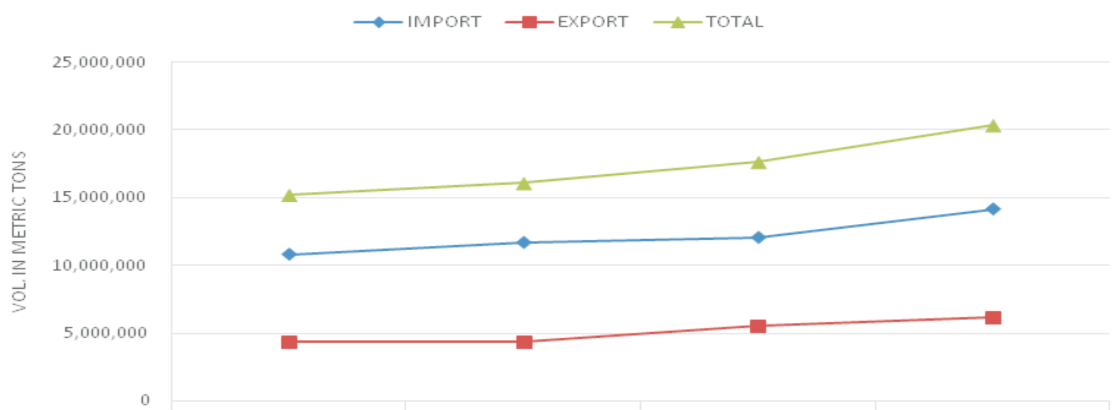
Your authoritative maritime journal, the Shipping Review, has over the years produced quarterly maritime statistics for each edition on Ghana's seaborne trade with the international market. This July-September edition presents something new-an abridged version of a trend analysis of maritime statistics from 2014-2017 as published in Ghana's Maritime Trade and Transport Digest.

The Maritime Trade and Transport Digest is another publication of the Ghana Shippers' Authority that publishes maritime statistics for purposes of research for the business/shipping community and the academia.

MARITIME TRADE OF GHANA

For the past four years, 2014-2017, total maritime trade of Ghana increased gradually from over 15.2 million metric tons in 2014 to over 20.3 million tons in 2017. As is the case with most primary product exporting countries, the volume of export for the period was far lower than the volume of items imported. Fig.1 gives a pictorial representation of the situation, showing the trend of Ghana's import and export trade over the four year period.

FIG 1 TREND OF MARITIME TRADE OF GHANA IN METRIC TONS 2014-2017



	2014	2015	2016	2017
IMPORT	10,800,915	11,682,393	12,054,625	14,165,456
EXPORT	4,383,650	4,370,224	5,546,199	6,149,766
TOTAL	15,184,565	16,052,617	17,600,824	20,315,222

MARITIME IMPORT

Maritime import for the four year period, 2014 to 2017, ranged from 10.8 million metric tons in 2014 to 14.2 million metric tons in 2017. The Authority captured the maritime import trade in four categories– liner, break bulk, dry bulk and liquid bulk as shown in Table 1.

TABLE 1 Summary of the Maritime Import by Trade Type in Metric Tons 2014-2017

Trade/Period	2014	2015	2016	2017
Liner	3,966,118	4,660,755	4,101,931	5,711,053
Break Bulk	2,014,102	1,987,695	1,753,887	1,852,891
Dry Bulk	2,819,057	2,548,959	2,686,116	3,178,791
Liquid Bulk	2,001,638	2,484,984	3,512,691	3,422,721
Total	**10,800,915**	**11,682,393**	**12,054,625**	**14,165,456**

The liner import items which constitute over 37 per cent of the total maritime import trade for the four year period included items like machines & equipment, spare parts, chemicals and pharmaceuticals/medical supplies, soap, disinfectants/toiletries, paints and polythene raw materials, vehicles, building materials, textiles and clothing. Over the four year period, there were increases recorded for all the years except 2016.

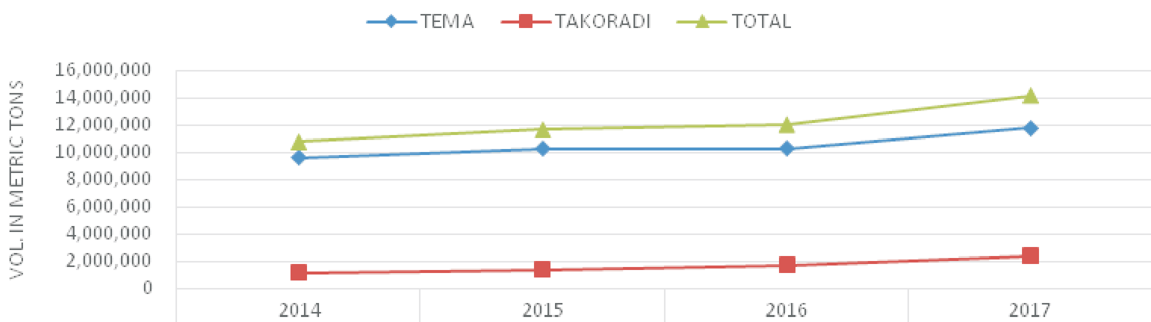
Total Break bulk import constituted about 15 per cent of total import trade for the period. This included bagged cargoes like fertilizer, cement, sugar, rice and flour. Within the four year period break bulk import decreased except 2017.

Total Dry bulk import items including alumina, grains, cement, coke, clinker, limestone and fertilizer constituted over 23 per cent of total import for the period. Over the review period there were increases in the dry bulk import in each year except 2015.

Liquid Bulk which is made up of bitumen, chemicals, crude oil, liquefied petroleum gas and other petroleum products formed about 23 per cent of total import for the period. There were increases in all the years except 2017 for the review period.

About 86 per cent of total import for the four year period was handled through the Tema port while the Takoradi port handled about 14 per cent. Fig. 2 shows tonnage of imports handled by the respective ports.

FIG. 2 SUMMARY OF TOTAL IMPORT THROUGH THE PORTS OF TAKORADI & TEMA IN METRIC TONS 2014-2017



	2014	2015	2016	2017
TEMA	9,612,541	10,281,318	10,298,096	11,760,466
TAKORADI	1,188,374	1,401,075	1,756,530	2,404,990
TOTAL	10,800,915	11,682,393	12,054,626	14,165,456

DIRECTION OF THE MARITIME IMPORT TRADE

The direction of the maritime trade of Ghana is mostly to and from regions of the world categorized as United Kingdom, North Continent, Mediterranean Europe, North America, Far East, Africa and Others. Import trade for the four year period came from these ranges in varying volumes.

Liner Import

Table 2. DIRECTION OF THE LINER IMPORT TRADE 2014-2017

YEAR/ RANGE	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	145,060	527,687	356,848	242,493	1,770,594	506,773	416,662	3,966,117
2015	125,775	660,052	410,745	197,827	2,198,051	601,837	466,468	4,660,755
2016	137,005	538,026	386,960	275,221	1,840,971	532,165	391,590	4,101,938
2017	131,270	875,327	608,628	405,370	2,537,471	675,859	477,128	5,711,053

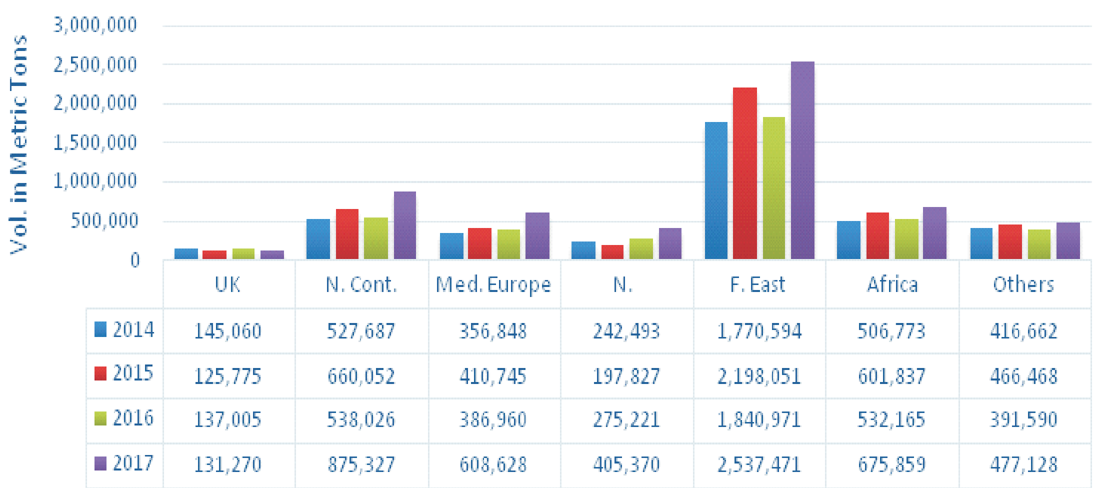
From Table 2 it can be seen that maritime liner import trade increased throughout the four year period except 2016 where it recorded a fall in trade tonnages. From over 3.9 million metric tons in 2014 it increased by 17.5 per cent in 2015 but decreased by 11.9 percent in 2016. In 2017, liner import trade recorded a 39 per cent increase to 5.7 million metric tons.

Majority of the liner import trade came from the Far East range recording 45 per cent of the total liner trade for the period. The range has dominated the liner import trade with Ghana over the four year period, increasing from over 1.7 million metric tons in 2014 to over 2.1 million metric tons in 2015. In 2016, there was a 16 per cent decrease in liner imports from the Far East to about 1.8 million metric tons. However, 2017 recorded a 39 per cent increase in total liner imports from Far East to over 2.5 million metric tons.

North Continent range was next with a share of 14 per cent followed by Africa range with 13 per cent, Mediterranean Europe and Others ranges with 10 per cent each, North America range with 6 percent and United Kingdom with 3 per cent.

Total liner import for the four years yielded about 18.4 metric tons. Fig.3 gives details of the liner import for the review period.

FIG.3 DIRECTION OF THE LINER IMPORT TRADE IN METRIC TONS FOR 2014-2017



Break Bulk Import

Maritime break bulk import is made up of mostly bagged clinker, bagged grains, bagged limestone, bagged cement, bagged fertilizer and bagged alumina. The Far East range was the highest contributor to this trade followed by the Others range, United Kingdom and North Continent in that order.

Table 3. DIRECTION OF THE BREAKBULK IMPORT TRADE 2014-2017

YEAR/ RANGE	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	243,326	105,499	41,905	29,165	1,197,709	60,891	335,607	2,014,102
2015	234,050	66,093	39,893	15,902	1,323,721	44,191	263,846	1,987,696
2016	4,279	115,210	117,436	10,251	1,332,787	32,105	141,819	1,753,887
2017	3,005	192,550	99,698	27,186	1,145,964	144,257	240,231	1,852,891

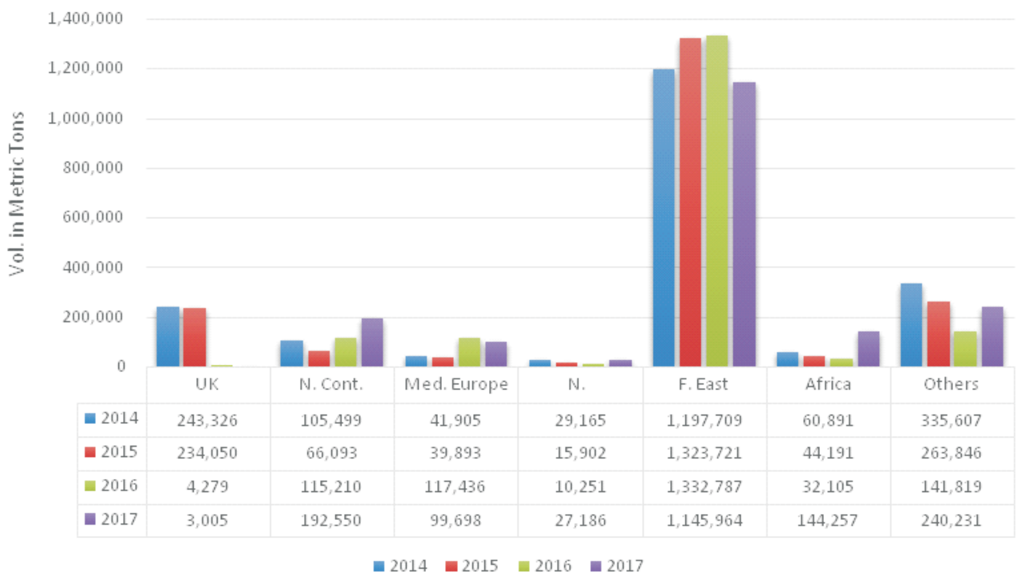
From table 3, it can be seen that maritime break bulk import trade decreased throughout the four year. The decrease in trade tonnage fluctuated from one year to another throughout the four years. From over 2.0 million metric tons in 2014, it decreased by 26,406 metric tons representing 1.3 per cent in 2015, 233,809 metric tons representing 11.8 per cent from 2015 to 2016 and an increase of 99,004 metric tons representing 5.6 per cent from 2016 to 2017.

It can also be seen from table 3 that maritime break bulk import trade came from Far East range recording 68 per cent of the total break bulk import trade for the period. The range has dominated the break bulk import trade with Ghana over the four year period, increasing from over 1.1 million metric tons in 2014 to over 1.3 million metric tons in 2015 and 2016. However, 2017 recorded 14 per cent decrease in break bulk imports from the Far East to about 1.1 million metric tons.

Others range was next with a share of 14 per cent followed by United Kingdom and North Continent range with 6 per cent respectively, Mediterranean Europe and Africa ranges with 4 per cent each and North America range with 1 per cent.

Total break bulk import for the four years yielded about 7.6 million metric tons. Fig.4 gives details of the break bulk import for the review period.

FIG.4 DIRECTION OF THE BREAKBULK IMPORT TRADE IN METRIC TONS FOR 2014-2017



Dry Bulk Import
Maritime dry bulk import is made up mostly of clinker, grains, limestone, cement, fertilizer and alumina.

Table 4. DIRECTION OF THE DRY BULK IMPORT TRADE FOR 2014-2017

YEAR/ RANGE	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	186	386,602	1,194,017	229,269	895,874	85,592	27,518	2,819,058
2015	0	440,293	1,054,605	302,837	622,274	89,085	39,864	2,548,958
2016	0	461,801	1,038,316	262,467	708,403	97,168	117,961	2,686,116
2017	19	192,323	1,638,116	187,203	527,688	554,571	78,871	3,178,791

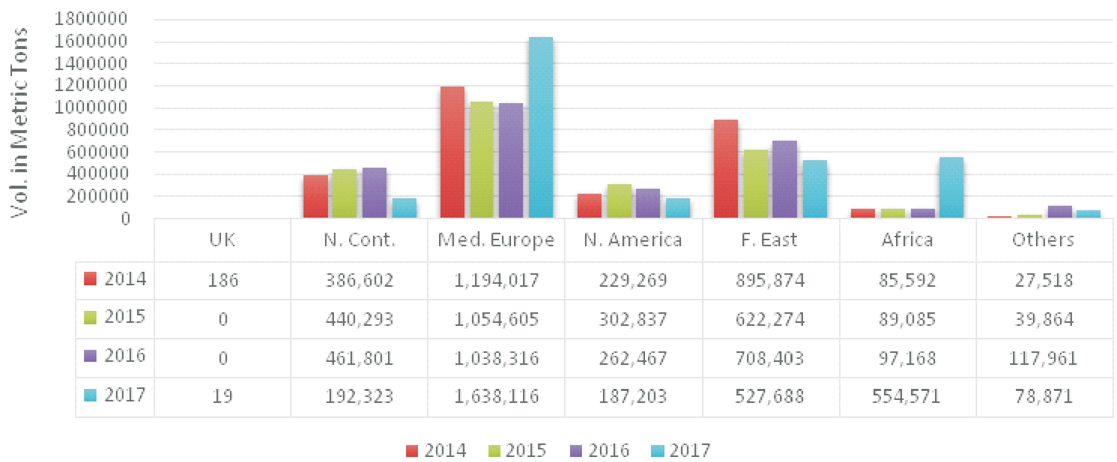
From Table 4, it can be seen that maritime dry bulk import trade showed a decrease for the first two years but rebounded in 2016 and 2017 where it recorded a rise in trade tonnages. From over 2.8 million metric tons in 2014, it decreased by 11.8 per cent in 2015, but recorded a 2 per cent in 2016 and an increase of 599,800 metric tons representing 57.8 per cent in 2017.

Majority of the dry bulk import trade came from the Mediterranean Europe range recording 44 per cent of the total dry bulk import trade for the period.

Far East range was next with a share of 25 per cent followed by North Continent range with 13 per cent, North America range with 9 per cent, Africa range with 7 per cent and Others range recorded 2 per cent each.

Total dry bulk import trade for the four years recorded about 11.2 metric tons. Fig.5 gives details of the dry bulk import trade for the review period.

FIG.5 DIRECTION OF THE DRY BULK IMPORT TRADE IN METRIC TONS FOR 2014-2017



Liquid Bulk

Table 5. DIRECTION OF THE LIQUID BULK IMPORT TRADE FOR 2014-2017

Year/Range	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	15,905	763,004	44,196	186,261	68,759	653,275	270,239	2,001,639
2015	0	989,377	6,312	55,427	29,589	1,331,919	72,359	2,484,983
2016	9,248	696,544	4,263	87,201	68,366	2,584,064	63,005	3,512,691
2017	0	779,828	134,047	157,101	164,492	1,879,605	307,647	3,422,720

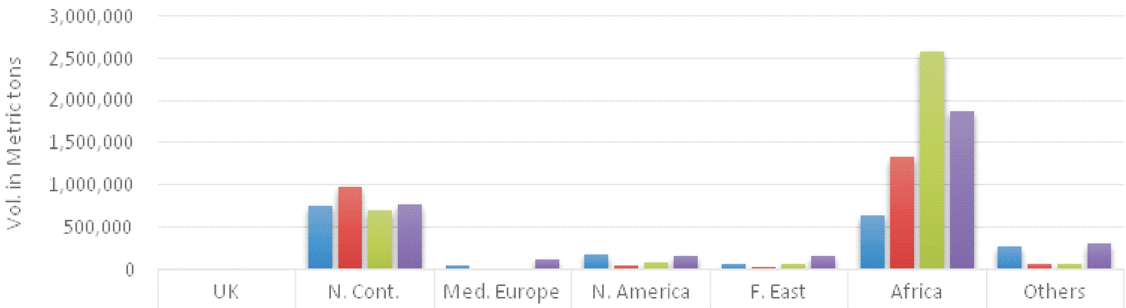
Table 5, shows the direction of the liquid bulk import trade in the various countries for 2014-2017. It can be seen from table 5 that maritime liquid bulk import trade increased throughout the four year period except for 2017. From over 2.0 million metric tons in 2014, it increased by 24.1 per cent in 2015, increased by 41.4 per cent in 2016 but saw a decrease of 89,971 metric tons indicating 2.6 per cent in 2017.

Africa range recorded the highest liquid bulk import trade with a share of 56.5 percent for the total of over 11.4 million metric tons for the period.

North Continent range happened to be the next with a share of 3,228,753 metric tons constituting 28.3 per cent followed by Others range with 6.2 per cent, North America range with 4.3 per cent, Far East range with 2.9 percent, Mediterranean Europe with 1.7 per cent and United Kingdom range being the lowest liquid bulk import trade range with a share of 25,153 metric tons accounting for 0.2 per cent for the period.

Total liquid bulk import trade for the four years yielded about 11.4 million metric tons. Fig.6 gives details of the liquid bulk import for the review period.

FIG.6 DIRECTION OF THE LIQUID BULK IMPORT TRADE FOR 2014-2017

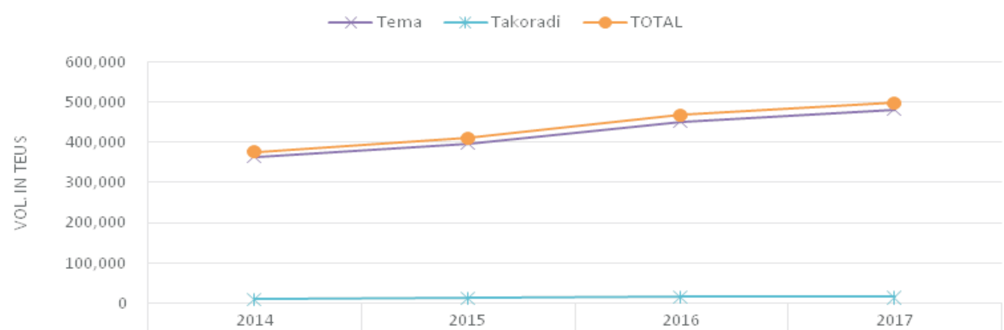


	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others
2014	15,905	763,004	44,196	186,261	68,759	653,275	270,239
2015	0	989,377	6,312	55,427	29,589	1,331,919	72,359
2016	9,248	696,544	4,263	87,201	68,366	2,584,064	63,005
2017	0	779,828	134,047	157,101	164,492	1,879,605	307,647

PERFORMANCE OF IMPORT LADEN CONTAINERS

Total Import Laden Containers for the four year period ranged from 376,166 TEUs in 2014 to 498,104 TEUs in 2017. The Tema port handled about 97 per cent of total import laden containers discharged for the period while Takoradi port handled 3 per cent of total import laden containers. Fig. 3 shows the graphical representation of import laden containers handled by the two ports.

FIG.7 GHANA'S SEABORNE IMPORT TRADE IN LADEN CONTAINERS IN TEUS 2014-2017



	2014	2015	2016	2017
Tema	364,399	396,656	451,513	482,396
Takoradi	11,767	14,076	16,369	15,708
TOTAL	376,166	410,732	467,882	498,104

MARITIME EXPORT

Maritime export for the four year period, 2014 to 2017, ranged from 4.4 million metric tons in 2014 to 6.1 million metric tons in 2017. The maritime export trade was categorized in four categories– liner, break bulk, dry bulk and liquid bulk as shown in Table 1.

Table 7. Summary of the Maritime Export by Trade Type in (Metric tons) 2014-2017

Trade type	2014	2015	2016	2017
Liner	1,581,219	1,432,615	1,407,592	1,505,134
Break Bulk	473,966	497,035	497,808	472,392
Dry Bulk	2,291,502	2,423,424	3,400,918	4,146,319
Liquid Bulk	36,963	17,150	239,881	25,921
Total	**4,383,650**	**4,370,224**	**5,546,199**	**6,149,766**

The liner export items which constitute about 29.0 per cent of the total maritime export trade for the four year period included items like cocoa beans, sawn timber/lumber, cotton/cotton seeds, cocoa products, log timber, metal scrap, cashew nut, etc. Over the four year period, there was a negative growth trend for all the years except 2017 which showed a slight improvement.

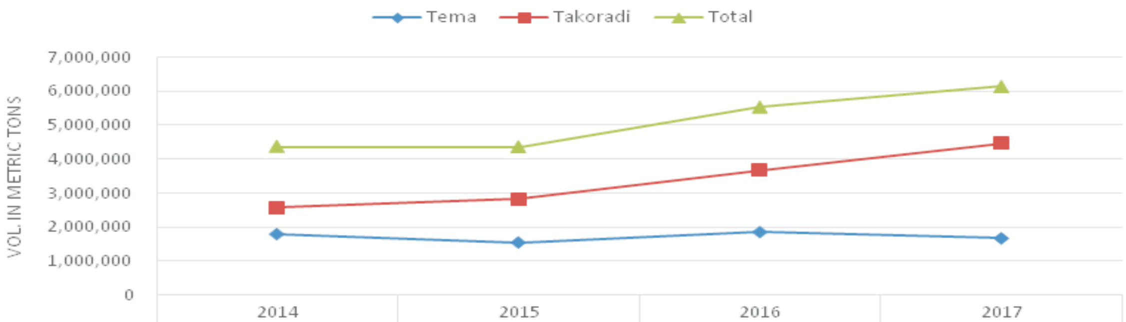
Total Break bulk export constituted about 9.5 per cent of total export trade for the period. This included bagged cargoes like fertilizer, cement, sugar, rice and flour. Within the four year period break bulk export increased except 2017 which witnessed a marginal decrease.

Dry bulk export items normally consist of bauxite and manganese. Total dry bulk export trade constitute over 12.2 million metric tons accounting for 60 per cent for the total dry bulk export trade for the four year period.

Liquid Bulk which is made up of petroleum products and other liquid bulk product had a share of about 319,915 metric tons representing 1.7 per cent of total export for the period. There were decreases in all the years except 2016 which surprisingly increased by 122,731 metric tons for the review period.

About 66.3 per cent of total export for the four year period was handled through the Takoradi port while the Tema port handled about 33.7 per cent. Total export trade tonnage for Takoradi increased throughout the four year period while total export trade tonnage for Tema fluctuated. Fig. 8 shows tonnage of exports handled by the respective ports.

FIG.8 SUMMARY OF TOTAL EXPORT THROUGH THE PORTS OF TAKORADI AND TEMA IN METRIC TONS 2014-2017



	2014	2015	2016	2017
Tema	1,806,829	1,547,349	1,868,512	1,675,304
Takoradi	2,576,821	2,822,875	3,677,687	4,474,462
Total	4,383,650	4,370,224	5,546,199	6,149,766

DIRECTION OF THE MARITIME EXPORT TRADE

The direction of the maritime trade of Ghana was categorized to United Kingdom, North Continent, Mediterranean Europe, North America, Far East, Africa and Others. Export trade for the four year period went to these ranges in varying volumes.

Liner Export Trade

Table 8 Direction of the Liner Export Trade for 2014-2017

Year/Range	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	68,169	352,395	192,425	83,396	599,830	147,286	137,718	1,581,219
2015	76,812	359,855	195,573	83,410	485,952	100,744	130,269	1,432,615
2016	76,085	299,586	191,739	70,410	524,742	172,268	72,762	1,407,592
2017	39,500	297,874	135,918	45,595	550,993	213,247	222,007	1,505,134

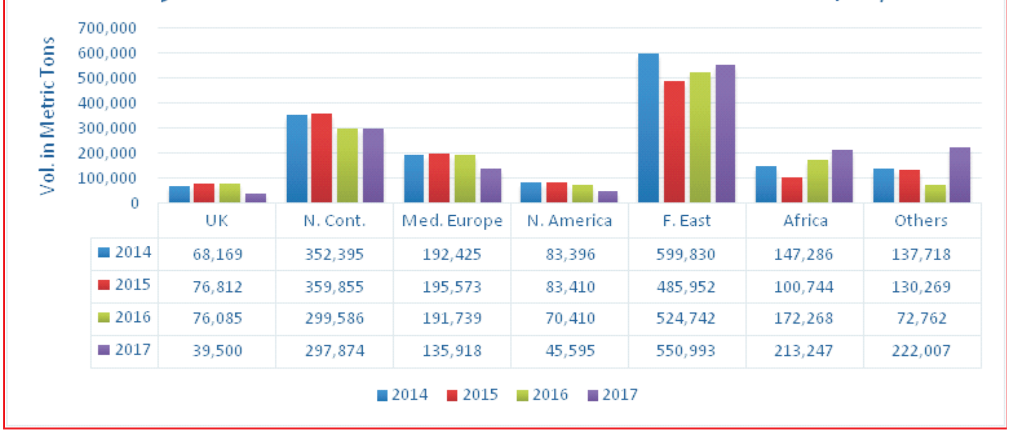
From Table 8, maritime liner export trade decreased throughout the four year period except 2017 where it recorded a 6.9 per cent increase in trade tonnages over the previous year's total. From over 1.5 million metric tons in 2014, it decreased to about 1.4 million metric tons (-9.4) in 2015 and further decrease of 1.7 per cent in 2016.

Majority of the liner export trade came from the Far East range recording 36 per cent of the total liner trade for the period. The range dominated the liner export trade with Ghana over the four year period though quite unstable. In 2015, there was a 19 per cent decrease in liner exports from the Far East range to about 485,952 metric tons. However, 2016 recorded a 7.9 per cent increase from 2015 and a further increase of 5 per cent in 2017.

North Continent range was next with a share of 22 per cent followed by Mediterranean Europe range with 12 percent, Africa range with 11 per cent, Others ranges with 9 per cent, North America range with 5 per cent and United Kingdom with 4 per cent.

Total liner export trade for the four years yielded about 5.9 million metric tons. Fig.9 gives details of the liner export for the review period.

FIG.9 DIRECTION OF THE LINER EXPORT TRADE IN METRIC TONS FOR 2014-2017



Break Bulk Export Trade

Table 9.Direction of the Break Bulk Export Trade (Metric Tons)2014-2017

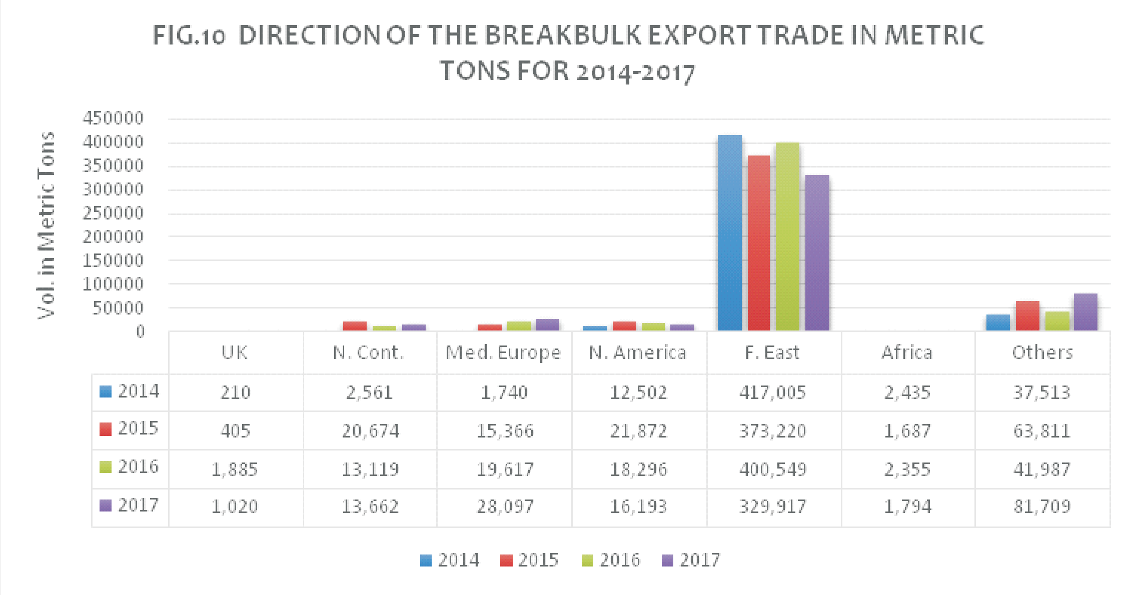
Year/Range	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	210	2,561	1,740	12,502	417,005	2,435	37,513	473,966
2015	405	20,674	15,366	21,872	373,220	1,687	63,811	497,035
2016	1,885	13,119	19,617	18,296	400,549	2,355	41,987	497,808
2017	1,020	13,662	28,097	16,193	329,917	1,794	81,709	472,392

From Table 9, maritime break bulk export trade increased in 2015 and 2016 period and declined in 2017 in trade tonnages. From 473,966 metric tons in 2014 it increased by 4.9 per cent to 497,035 metric tons in 2015 and 0.1 per cent in 2016. However, break bulk export trade recorded a decrease of 5.1 per cent in 2017 from 497,808 metric tons in 2016 to 472,392 metric tons in 2017.

Majority of the break bulk export trade came from the Far East range recording 78 percent of the total break bulk trade for the period. The range dominated the break bulk export trade throughout the four year period. In 2015, there was a decrease of 43,783 metric tons of trade tonnages representing 10.5 per cent. 2016 recorded 7.3 per cent increase and declined by 17.6 per cent in 2017. The highest recorded trade tonnages from Far East was in 2014.

Others range was next with a share of 12 per cent followed by North America range with 4 per cent, Mediterranean Europe and North Continent range with a share of 3 per cent each.

Total break bulk export for the four years yielded over 1.9 million metric tons. Fig.10 gives details of the break bulk export for the review period.



Dry Bulk Export Trade

Table 10. Direction of the Dry Bulk Export Trade (Metric Tons) 2014-2017

Year/Range	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	36,000	372,564	11,041	0	1,383,397	0	488,500	2,291,502
2015	8,950	275,624	180,061	813	1,387,642	0	570,334	2,423,424
2016	17,000	475,378	53,970	1,270	2,705,506	4,777	143,017	3,400,918
2017	64,140	298,285	54,041	161,351	2,450,230	0	1,118,272	4,146,319

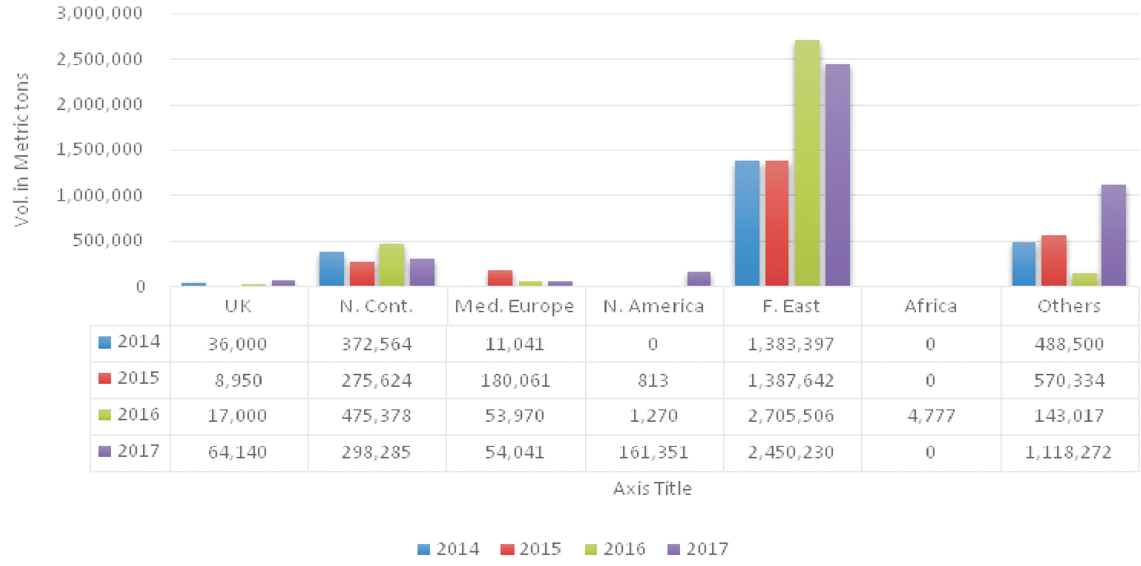
The maritime dry bulk export trade increased throughout the four year period. From over 2.2 million metric tons in 2014, it increased by 5.8 per cent in 2015, 40.3 per cent in 2016 and 22 percent in 2017.

Far East range recorded the highest dry bulk export trade of over 7.9 million metric tons representing 65 per cent of the total trade for the period. Far East dry bulk trade increased throughout the four year period but 2017 recorded a decline of 255,276 metric tons representing 9.4 per cent from 2016. The Far East range dominated the dry bulk export trade with Ghana over the four year period.

Others range was next with a share of 19 per cent followed by North Continent range with 12 per cent, Mediterranean Europe range with 2 per cent, North America range and United Kingdom range with 1.0 per cent each.

Total dry bulk export for the four years yielded over 12.2 million metric tons. Fig.11gives graphical representation of the direction of the dry bulk export for the review period.

FIG.11 DIRECTION OF THE DRY BULK EXPORT TRADE IN METRIC TONS FOR 2014-2017



Liquid Bulk Export Trade

Table 11Direction of the Liquid Bulk Export Trade (Metric Tons) 2014-2017

Year/Range	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others	TOTAL
2014	0	11,325	969	0	0	24,669	0	36,963
2015	0	1,506	0	9,880	0	5,764	0	17,150
2016	0	28,640	0	0	0	75,056	136,185	239,881
2017	0	1,372	7267	0	0	17,282	0	25,921

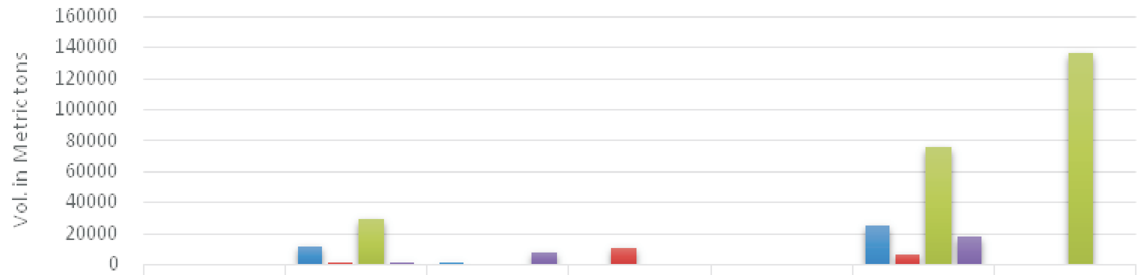
From Table 11,maritime liquid bulk export trade decreased in 2015 by 53.6 per cent, increased in 2016 by a wide margin of 222,731 metric tons and fell again in 2017 by a wide margin of 213,960 metric tons of trade tonnages. 2016 recorded the highest dry bulk export trade of the total dry bulk export trade recorded for the four year period.

Majority of the dry bulk export trade came from the Others range recording 43 per cent of the total dry bulk export trade for the period.

Africa range was next with a share of 38 per cent followed by North Continent range with 13 percent, North America and Mediterranean Europe range with 3 per cent each.

Total dry bulk export for the four years yielded about 319,915 metric tons. Fig.12 gives details of the dry bulk export for the review period.

FIG.12 DIRECTION OF THE LIQUID BULK EXPORT TRADE IN METRIC TONS FOR 2014-2017



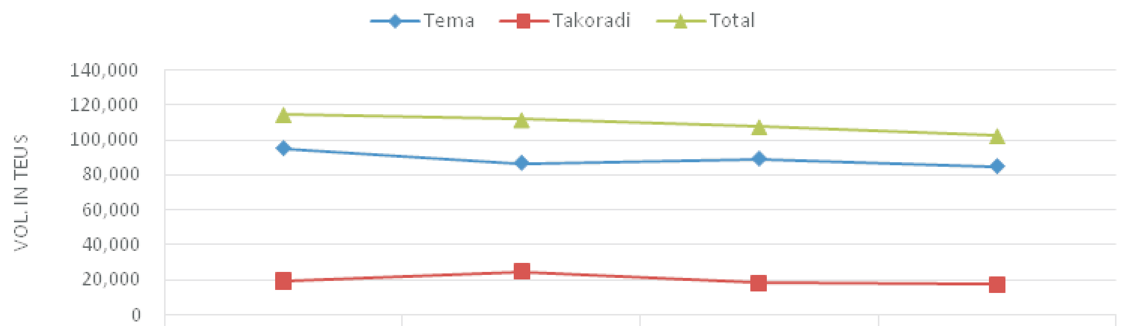
	UK	N. Cont.	Med. Europe	N. America	F. East	Africa	Others
2014	0	11,325	969	0	0	24,669	0
2015	0	1,506	0	9,880	0	5,764	0
2016	0	28,640	0	0	0	75,056	136,185
2017	0	1,372	7267	0	0	17,282	0

■ 2014 ■ 2015 ■ 2016 ■ 2017

PERFORMANCE OF EXPORT LADEN CONTAINERS

Total Export Laden Containers for the four year period showed a consistent decline from 114662 TEUs in 2014 to 102,301 TEUs in 2017. The Tema port handled about 82 per cent of total export laden containers discharged for the period while Takoradi port handled 18 per cent of total export laden containers. Fig. 13 shows the graphical representation of export laden containers handled by the two ports.

FIG.13 GHANA'S SEABORNE EXPORT TRADE IN LADEN CONTAINERS (IN TEUS) 2014-2017



	2014	2015	2016	2017
Tema	95,113	86,783	89,188	84,811
Takoradi	19,549	24,855	18,380	17,490
Total	114,662	111,638	107,568	102,301

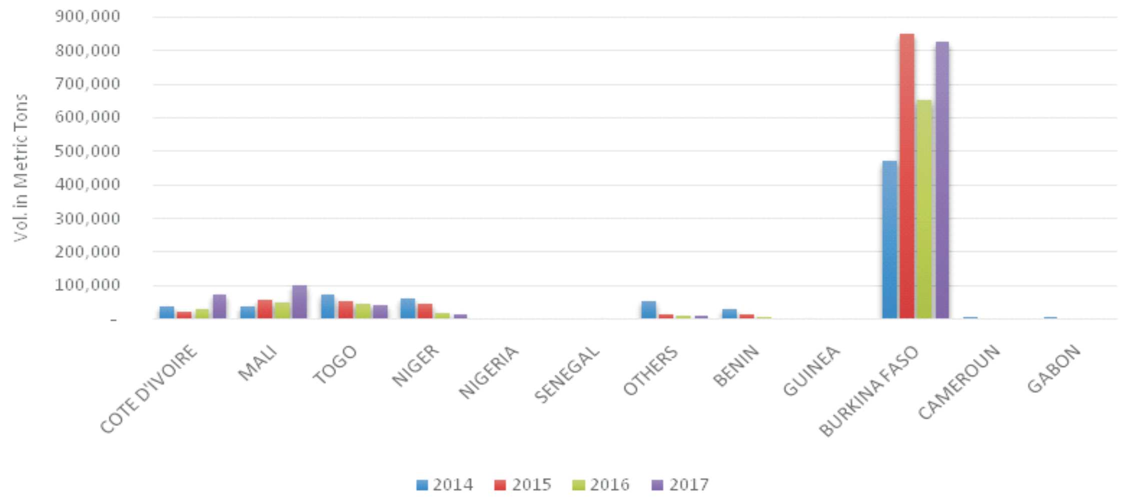
TRANSIT TRADE

Transit Import

For the four year period, transit import increased by 36 percent from 779,855 metric tons in 2014 to 1,059,536 metric tons in 2015. In 2016, there was a fall of 18 per cent bringing total transit import trade to 861,299 metric tons. Transit import trade rebounded in 2017 with a 25 per cent increase to 1,074,850 metric tons.

The highest transit import through the ports of Ghana were cargo meant for Burkina Faso. Its total import for the four year period constituted over 74 per cent of total transit import. This was followed by Mali with 6.6 per cent of the transit import trade for the period. Other countries whose imports passed through the ports of Ghana were Togo with a share of 5.8 per cent, Niger (3.7 per cent) and Cote d' Ivoire (4.5 per cent). Major transit import commodities include processed food, iron/steel & plates/pipes, sugar, rice, textiles, etc. Fig. 14 shows the performance of transit countries in the transit import trade for the four year period.

Fig 14. TRANSIT IMPORT TRADE THROUGH GHANA (in Metric Tons) 2014 - 2017

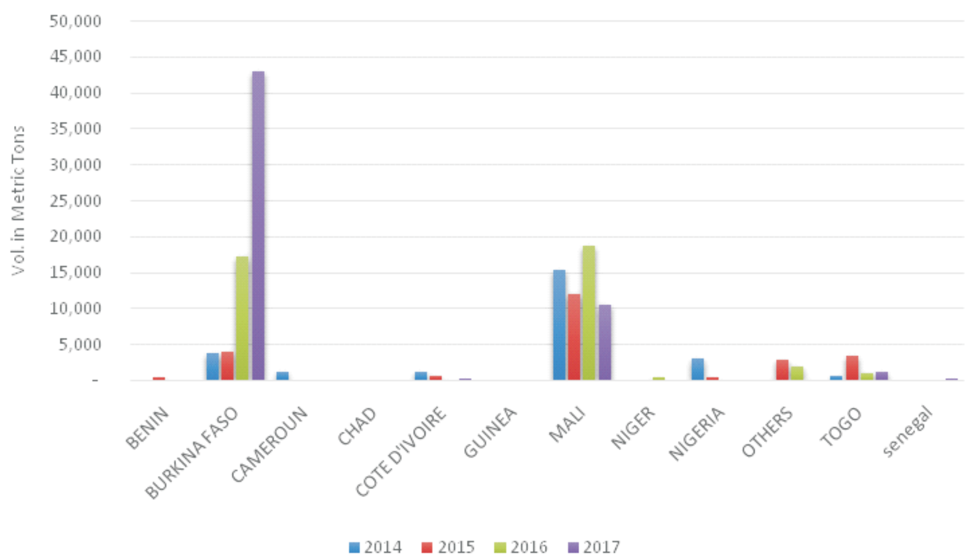


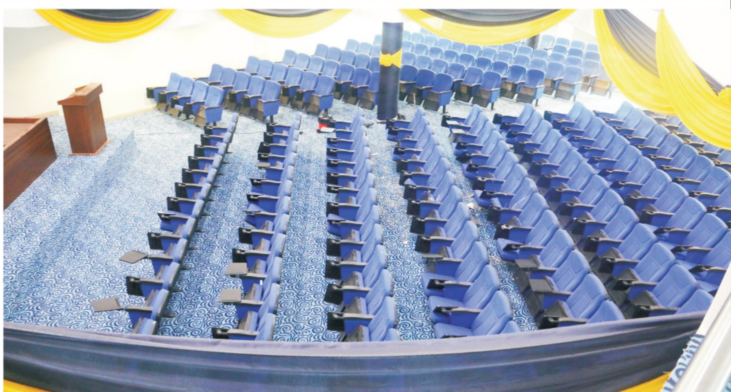
Transit Export

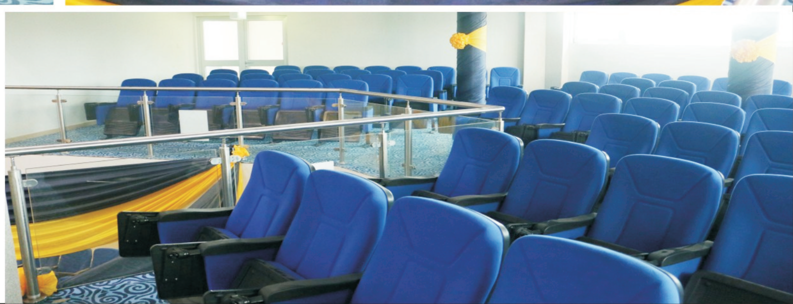
For the four year period, transit export decreased by 6 per cent from 25,499 metric tons in 2014 to 23,886 metric tons in 2015. In 2016, there was an increase of 65 per cent bringing total transit export trade to 39,464 metric tons. Transit export trade recorded further 40 per cent increase in 2017 to 55,328 metric tons.

The highest transit export through the ports of Ghana were cargo meant for Burkina Faso. Its total import for the four year period constituted over 47 per cent of total transit export. This was followed by Mali with 39 per cent of the transit export trade for the period. Other countries whose exports passed through the ports of Ghana were Nigeria with a share of 2.5 percent, Niger (0.5 per cent) and Cote d' Ivoire (1.3 per cent). Major transit export commodities include cashew nuts, sheanuts/butter, manganese, other non-traditional export items like seeds, cocoa shell, tobacco, ginger, avocado pear, etc.

Fig 15. TRANSIT EXPORT TRADE THROUGH GHANA (in Metric Tons) 2014 - 2017







GHANA SHIPPERS' AUTHORITY

SUMMARY OF GHANA'S SEABORNE TRADE
PER COMMODITY AND TRADING RANGE IN METRIC TONS

IMPORT - TEMA & TAKORADI PORTS

COMMODITY	2014	2015	2016	2017	TOTAL
LINER					
ALCOHOL/ALCOHOLIC BEVERAGES	81,428	62,581	52,531	84,421	280,962
ASBESTOS/FELT	19,155	18,571	18,345	22,222	78,293
CAR/VEHICLES(EXCL. TRUCKS)	92,503	90,195	137,854	232,441	552,993
CHEMICALS	382,230	404,980	370,368	541,530	1,699,109
DRY CELL/AUTO BATTERIES	947	527	541	632	2,647
ELECTRICAL/ELECTRONIC APPLIANCES & ACCESSORIES	130,753	366,036	131,454	152,016	780,259
FERTILIZER	43,330	212,572	74,733	153,873	484,508
FROZEN MEAT/FOODS	413,299	390,814	337,056	409,871	1,551,040
GENERAL CARGO	523,463	567,464	581,408	1,124,003	2,796,337
GLASS/BOTTLES GLASS	86,797	84,653	78,939	94,217	344,606
FLOUR	135,024	152,254	159,562	309,570	756,410
LUBRICATING OIL	60,331	68,207	75,215	74,107	277,860
MACHINERY/EQUIPMENTS	130,965	171,286	136,637	194,823	633,711
MINING/SMELTING SUPPLIES	555	391	396	411	1,753
PAINTS	23,430	23,613	19,451	23,307	89,801
PAPER/PAPER PRODUCTS	151,762	211,641	149,764	171,850	685,017
PHARMACEUTICALS/MEDICAL SUPPLIES	16,759	18,199	15,203	16,267	66,427
POLYTHENE RAW MATERIALS	345,048	388,472	293,661	371,533	1,398,713
PROCESSED FOOD/BEVERAGES ETC	461,545	486,513	461,347	599,540	2,008,945
RICE	56,264	35,230	84,177	23,144	198,815
SECONDHAND ELECTRICALS/ELECTONICS APPLIANCES	13,210	13,484	20,051	22,869	69,613
SECONDHAND CLOTHING	90,519	101,158	92,752	110,281	394,711
SOAP/TOILETRIES	99,418	41,665	39,698	104,334	285,114
AUTO SPARE PARTS	26,526	32,785	72,388	53,379	185,078
SUGAR	17,076	107,421	100,286	22,000	246,784
TEXTILES /CLOTHING	108,352	394,283	357,067	129,354	989,056
TILES	353,882	53,663	61,360	308,796	777,701
TRUCKS	46,365	43,023	42,981	60,741	193,111
TYRES	39,549	103,033	94,705	54,475	291,763
USED ENGINES	16,659	20,752	27,936	32,316	97,662
SUB TOTAL	**3,967,141**	**4,665,468**	**4,104,194**	**5,711,053**	**18,447,855**
BREAK BULK					
BAGGED RICE	385,264	557,168	544,434	524,054	2,010,921
BAGGED CEMENT	175,568	75,781	195,246	289,206	735,801
IRON/STEEL/PLATES/PIPES	1,107,232	1,096,246	851,142	927,091	3,981,710
BAGGED FERTILIZER	36,722	6,833	39,434	49,336	132,325
BAGGED SUGAR	301,293	248,563	133,920	275,934	959,710
BAGGED WHEAT	7,000	-	5,000	-	12,000
BAGGED FLOUR	-	-	-	-	-
OTHER BREAK BULK	-	-	-	-	-
SUB TOTAL	**2,013,079**	**1,984,591**	**1,752,848**	**1,852,891**	**7,603,410**
DRY BULK					
ALUMINA	23,825	12,503	-	-	36,328
BULK CEMENT	493,170	526,788	482,400	242,679	1,745,037
COKE	0	-	0	1,495	1,495
CLINKER	1,854,437	1,251,452	1,430,550	1,975,321	6,511,760
BULK FERTILIZER	60,057	47,046	119,628	145,947	372,678
BULK WHEAT	281,583	346,731	348,814	319,786	1,296,914
LIMESTONE	56,558	172,412	252,970	421,680	903,620
OTHER BULK GRAIN	28,788	50,453	29,026	27,480	135,747
OTHER DRY BULK	20,638	140,595	22,023	44,403	227,659
SUB TOTAL	**2,819,056**	**2,547,979**	**2,685,412**	**3,178,791**	**11,231,238**
LIQUID BULK					
BITUMEN	3,554	3,121	3,428	1,597	11,699
BULK CHEMICALS	-	2,249	-	2,502	4,751
CRUDE OIL	229,713	271,575	1,005,320	191,100	1,697,708
LIQUIFIED PETROLEUM GAS	245,820	134,719	210,138	243,156	833,832
PETROLEUM PRODUCTS	1,464,553	2,051,678	2,262,905	2,830,981	8,610,118
OTHER LIQUID BULK	58,000	21,016	30,385	153,384	262,784
SUB TOTAL	**2,001,639**	**2,484,357**	**3,512,176**	**3,422,721**	**11,420,892**
GRAND TOTAL	**10,800,915**	**11,682,394**	**12,054,630**	**14,165,456**	**48,703,395**

GHANA SHIPPERS' AUTHORITY

SUMMARY OF GHANA'S SEABORNE TRADE
PER COMMODITY AND TRADING RANGE IN METRIC TONS

EXPORT - TEMA & TAKORADI PORTS

COMMODITY	2014	2015	2016	2017	TOTAL
LINER					
ALUMINIUM INGOTS	17,367	19,880	29,553	26,158	92,958
COCOA BEANS	427,860	397,207	279,019	195,447	1,299,533
COFFEE	20	176	42	200	438
CHEMICALS	7,359	2,686	4,879	1,460	16,384
COLA NUTS	-	-	-	-	-
BAGGED CEMENT	-	-	-	-	-
COCOA PRODUCTS	206,288	211,645	176,348	215,817	810,098
COTTON /COTTON SEEDS	9,875	1,298	1,248	200	12,621
TUNA/OTHER FISHES/SEA FOOD	17,165	19,026	21,038	46,677	103,906
FURNITURE/WOOD PRODUCTS	31,265	35,757	34,112	145,486	246,620
GENERAL CARGO	88,665	90,583	58,592	158,828	396,668
HANDICRAFTS	1,055	1,855	2,114	2,270	7,294
LOCAL FOODS/FOODSTUFFS	20,816	15,797	33,241	26,996	96,850
MACHINERY/EQUIPMENT	21,005	27,638	39,912	38,849	127,404
METAL SCRAPS	79,819	37,608	43,598	45,013	206,038
OTHER NON-TRADITIONALS	60,194	77,453	77,011	24,859	239,517
PROCESSED COMMODITIES	63,628	39,665	63,425	54,145	220,863
PINEAPPLES	25,617	21,575	14,216	17,053	78,461
RUBBER/RUBBER PRODUCTS	53,980	31,595	36,956	41,093	163,624
SHEANUTS/SHEABUTTER	83,825	59,350	51,013	56,643	250,831
SAWN TIMBER/LUMBER	132,162	69,697	140,974	67,001	409,834
CAR/VEHICLE	2,396	2,570	1,033	1,793	7,792
YAM	24,194	25,248	27,940	29,302	106,684
BANANA	40,774	44,793	62,444	74,813	222,824
CANNED FISH	26,534	33,699	40,161	34,204	134,598
CASHEWNUTS	139,356	165,814	169,166	200,827	675,163
SUB-TOTAL	**1,581,219**	**1,432,615**	**1,408,035**	**1,505,134**	**5,927,003**
BREAK BULK					
BAGGED COCOA BEANS	36,938	174,480	110,877	127,612	449,907
TIMBER LOGS	437,028	322,555	386,931	344,780	1,491,294
SUB-TOTAL	**473,966**	**497,035**	**497,808**	**472,392**	**1,941,201**
DRY BULK					
OTHER DRY BULK	21,264	1,136,183	8,198	65,156	1,230,801
BAUXITE	759,521	76,968	1,068,986	1,363,717	3,269,192
MANGANESE	1,227,375	-	2,098,664	2,577,672	5,903,711
BULK SHEANUT	101,495	1,210,168	44,127	57,580	1,413,370
BULK COCOA BEANS	181,847	105	180,500	82,194	444,646
SUB-TOTAL	**2,291,502**	**2,423,424**	**3,400,475**	**4,146,319**	**12,261,720**
LIQUID BULK					
OTHER LIQUID BULK	24,119	4,041	33,920	15,510	77,590
PETROLEUM PRODUCTS	12,844	13,109	205,961	10,411	242,325
SUB-TOTAL	**36,963**	**17,150**	**239,881**	**25,921**	**319,915**
GRAND TOTAL	**4,383,650**	**4,370,224**	**5,546,199**	**6,149,766**	**20,449,839**

GHANA MARITIME AUTHORITY

REGULATING THE MARITIME INDUSTRY

OUR CORE BUSINESS IS TO

- **Ensure Safety Of Navigation**
- **Ensure Maritime Security**
- **Regulate Port Security**
- **Protect Marine Environment from Ship Source Pollution**
- **Ensure Maritime Trade Facilitation**
- **Promote Ghana's Ship Registry**
- **Regulate Training, Certification, and Recruitment of Seafarers**

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AMARIS TERMINAL-GHANA'S ONE-STOP SHOP FOR EXPORT FACILITATION

The volumes of Ghana's export have been steadily increasing for the past years. Statistics from the Ghana Shippers' Authority (GSA) indicate that the total export trade volume for 2016 stood at 5.54 million mt. This represents a 26.91 per cent increase over 2015. In 2017, total export trade volume stood at 6.14 million mt representing a 10.8 per cent rise over 2016. The first half of 2018 also registered 4.0 million mt of exports. This accounts for a 33.5 per cent increase over the same period in 2017.

This development if the trend continues, would require Ghana to have the needed infrastructural and logistical capacity in facilitating the export trade, particularly at the ports of Tema and Takoradi. One of such infrastructure investments is the Amaris Terminal, located a few metres away from the Tema Harbour.

Services

Recognised by the Ghana Ports and Harbours Authority (GPHA) as a dedicated export container terminal, Amaris Terminal provides all export terminal related services including container handling, storage, container sales, maintenance and repairs, warehousing, space for stuffing of cargo, reefer plugging, monitoring, washing, Pre-Trip Inspection services, trucking services as well as rental of reach stackers (full and empty handlers), forklifts, other export cargo facilitation services like lashing of vehicles and other equipment due for export.

The company, which began operations in June 2016 also provides weighing services with its own weigh-bridge that is well calibrated by the Ghana Standards Authority. Amaris has a yard capacity of 4,000 teus and houses the Export Division head office of the Ghana Revenue Authority (GRA)-Customs Division (Preventive and Examination). Other government agencies like the National Security and Narcotics Control Board (NACOB) are also stationed at the terminal for the discharge of security functions. The safety of goods and operations at the terminal are also checked by a well-trained security with a 24/7 CCTV coverage.

Achievements

Within its first year of operations, Amaris won the Promising Terminal of the Year Award at the Ghana Shippers Awards 2017 and the most promising organization in HR practice at the HR Focus Awards in 2017. It again won the Seaport Terminal of the Year at the Ghana Shippers Awards 2018 organised by Globe Productions in collaboration with the Ghana Shippers' Authority and Graphic Business.

Contributions

Even though Amaris Terminal has been in operations a little under two years, it is making significant contributions to Ghana's maritime space and the economy as a whole.

On employment, it has directly employed over 100 people. According to the Managing Director of Amaris Terminal Limited, Mr Alex Atakorah, because the company is 100 per cent locally owned, all revenues generated stay in the country.

Amaris has also created a platform for trade facilitation by reducing the bureaucratic processes and high costs involved in exports.

Mr Atakorah explained that hitherto an exporter who wanted to export a container full of cashew will bring it from the farm gate. "The truck is

Managing Director of Amaris Terminal Limited, Mr Alex Atakorah

loaded with cashew and taken to a terminal, he then needs to go to another terminal and take an empty container and bring it to the terminal where the cashew is. When he takes it there, he gets charged for stuffing, space, and the positioning of the container. Bear in mind that when he went for the empty container, he paid for the transport to bring the empty container there.

Now when he has finished stuffing, he would have to drive somewhere to bring Customs to that terminal because there are no Customs officers in that terminal. When he is done, he has to go somewhere else to bring a NACOB or National Security officer for inspection. If he needs to go and scan, he will take the container, put it on a truck, gets charged for the lift-on and lift-off and gets charged for the trucking to scan", Mr Atakorah narrates the laborious processes an exporter goes through before shipment.

He added that per the current process, the exporter also needs to weigh the container and if the terminal where the container is stationed does not have a weigh bridge , it will have to be taken somewhere else for weighing and brought back for further documentation processes.

That is just one container before being taken to the port. Can you imagine how much the customer is paying even on transport? And the delays, can you imagine the risk of putting that container on the truck and on the road each time? We are making sure that the customer saves some money from just doing everything at Amaris versus doing it at other places and incurring extra cost", he said

Amaris has become a one-stop shop for export because it has all the facilities needed by shippers at its terminal-all the duplicate costs, delays and bureaucracies hitherto associated with exports have been reduced or eliminated.

The Amaris model also guarantees the safety and security of cargoes exported from Ghana to other destinations because of the robust security measures it has and the availability of Customs-preventive officers, National Security and NACOB to inspect and scan the containers before they are released to the port for loading. This largely prevents containers from Ghana from being tagged at their destinations to be carrying banned substances.

Challenges and Recommendations

The Amaris MD bemoaned the situation where between 70 to 80 per cent of containers imported into the country are exported back empty. This export deficit, he said, is affecting the operations of the terminal and the economy as a whole since an export-led economy can significantly transform major sectors of the economy.

The occasional ban on the export of scrap metals, cashew nuts and the low volumes of agriculture products in the lean season means the volumes of export cargoes handled by the terminal is reduced. "The drive to promote exports is not good", he said.

Burkina Faso drives its export trade through Abidjan, particularly cotton through the port of Lome which makes Ghana lose millions of dollars. This, he said, is largely caused by a mandatory $200 charge

An aerial view of Amaris Terminal Limited

imposed by the GRA on all transit export containers that pass through the Tema port.

Because the Terminal is the export seat of Customs, Custom officers who operate from there serve the rest of the terminals who do not have custom officers. Only few terminals have customs officials stationed at their premises and the situation is dire for export terminals. "This is not healthy for the business, for us as a company it is not good. But it is also not good for the country. So, the question is how many of these cargoes make their way into the port but do not actually have the proper customs checks?", he asked.

Mr Atakora calls on government to remove the $200 charge on transit export consignments to encourage landlocked countries to use Ghana's ports for exports. He also appealed to government to put up workable initiatives that promote the growing of raw materials and agriculture produce to feed the One District One Factory project to stimulate the export of finished products and raw materials. Special attention must be placed on the promotion of Non-Traditional Exports (NTEs) Port reforms like the Paperless Port project, he said, should have started with exports. Concentration of such policy reforms on imports must be discouraged with a deliberate effort instituted to promote the export trade.

To ensure the safety and security of export consignments, all terminals must have preventive officers to supervise the scanning and inspection of containers. "The Vice President has said the number of people doing inspection has been reduced to three. Let it be uniform everywhere else. Amaris should not have five and somebody else have three. It must not be for only imports, it must apply to exports too. There are fundamental things that need to change, if that does not happen, we do not expect to see an improvement in export trade facilitation."

Amaris and the future

"We want to become the leading supply chain facilitator or service provider because we feel that when you run a terminal, you are at the tail end of the supply chain. Our long-term aim is to be part of each aspect of the chain. We have trucks and are into transportation. We want to look at the possibility of how we can move from just transporting within the port areas beyond even to the farm gate."

Amaris is looking at going into collaborations with private and public organisations and also deepening its existing relationships with stakeholders for the growth of the maritime industry, particularly exports. It has begun arrangements with the Federation of Associations of Ghanaian Exporters (FAGE) to handle their consignments at discounted rates.

According to Mr. Atakora, Amaris is willing to reach out to organisations like the Ghana Export Promotion Authority (GEPA) and other government institutions and stakeholders to support the export trade.

As a forward-looking company, Amaris also has plans of going into import, freight forwarding, ship chandling and the building of a cold storage facility. It occupies a critical space at the heart of Ghana's export facilitation chain and holds a lot of promise for the future.

The Driving Force Behind GUTA

President of GUTA,Dr. Joseph Obeng

The Ghana Union of Traders' Associations(GUTA) has been at the forefront of championing the interests of traders' associations, especially against policies it considers injurious or inimical to their business growth. This year for instance, the Association has clamoured for more information and sensitization on the introduction of new policies in the cargo clearing process at the Ports such as the implementation of the Easy-Pass programme introduced by the Ghana Standards Authority, Excise Tax Stamp system and the Cargo Tracking Note (CTN).

In addition, GUTA has the years over been at the forefront of advocating on the rising cost of doing business in Ghana especially at the ports.

At the centre of championing the interests of the Association's members and advocacy is a strong working force machinery of the GUTA Secretariat led by President Dr. Joseph Obeng. Born on the 12th June, 1963 in Kumasi, he had his basic and secondary school education in the same city before proceeding to attend the Kumasi Technical University, known then as Kumasi Polytechnic.

The Entrepreneurial Journey

After his tertiary education, the GUTA president worked as a shop assistant at Quainoo Lucky Stores for over a decade. Having acquired the requisite entrepreneurial skills and knowledge during the period, he took a giant leap in 1996 by setting up his own company- New Lucky Electricals Company Limited at the Opera Square in the Central Business District of Accra.

He has since been the Chief Executive Officer of the company which deals in electrical products. His reputation for hard work and excellence have won the confidence of many local and foreign suppliers of electrical products. Currently, he is the agent for world renowned brands of electrical products such as Havells Sylvania, Borsan and Polycab Cables, Mutlusan, Orient Fans, Oktay Lighting, Classic, Liber among others. These products are imported mostly from Turkey, Dubai, China and India.

The company has fourteen branches at various locations in Accra and its head office at West Legon near the Barclays Bank. It has a staff strength of 52.

Awards and Contributions

By virtue of his business prowess and the exhibition of good leadership skills, Dr Obeng has been elected to serve in various capacities in the Ghanaian business community. He has served for many years as the President of the Ghana Electrical Dealers Association (GEDA). He is a member of the Ghana Chamber of Commerce where he once served as a Council member. He is also the Co-ordinator for the Joint Private Sector Business Consultative Forum.

His company's growth and its impact on the economy of Ghana has received recognitions and awards over the years. It won the fastest growing Indigenous Electrical Company of the Year 2011 at the TNT Corporate Excellence Award and the Electrical Dealer of the Year 2015 at the Heroes of 2015 Award. The Ghana Standards Authority also awarded New Lucky Electricals a Certificate of Recognition for its quality products on World's Standards Day in 2014.

On 29th June, 2012, Dr Joseph Obeng won The Nobles International Award and was inducted into the House of Nobles by the West Africa Nobles Forum. In 2016, he also received an honorary Doctorate Degree in Humanity (Honoris Causa) by the Alpha International Theological Seminary (AITS).

Dr Obeng's resourcefulness to the Ghanaian business community has gotten him involved in policy formulation discussions and negotiations with the Government and other stakeholders for the benefit of the nation and business groups.

He is one of the signatories to the blue print that ushered in the three (3) per cent VAT Flat Rate Scheme and was also part of a government delegation to Kenya and Tanzania on a fact-finding mission during the intended implementation of the Ghana Conformity Assessment Programme (G-CAP) and Advance Shipment Information System (ASHI).

This annual event has become a source of entertainment for the people in these communities who are also treated to food and drinks as they make merry.

New Lucky Electricals has also engaged in other forms of Corporate Social Responsibility (CRS) over the years as a way of giving back to society.

Challenges and Recommendations

With over 20 years of running his company and holding executive positions on trade associations, Dr Obeng expressed concern about the challenges shippers face at the country's ports.

Sharing his business knowledge and experience to the international community at the invitation of Kenyan Airways and Barclays Bank, the GUTA president also spoke as Guest Speaker at a forum in Lusaka, Zambia on the theme “Growing Your Business under Trade Associations, the Ghana Experience”.

Giving back to society

In the Amansie West District of the Ashanti Region, Dr Obeng has been organising an annual football tournament to promote sports and communal unity.

The tournament, which is in its fifth year, has been organised for eight villages within the catchment area. Jerseys, footballs, training kits and awards have been given to participating village teams and winners.

Chief among his concerns is the high cost of import duties which he says makes the cost of doing business at the ports expensive. “The tax components on the import duty are outrageous. How can businesses survive under this?”, he quizzed.

He also bemoaned the challenges posed by logistical deficits during terminal operations which lead to delays in the clearance of goods from the port.

Dr Obeng appealed to government to reduce the tax components in the calculation of import duties to give respite to shippers. He also called on the Ghana Ports and Harbours Authority (GPHA) and other private terminal operators to retool their logistical machinery to facilitate a seamless clearance regime.

MARINE POLLUTION PREVENTION UNDER PART XII OF THE UNITED NATION CONVENTION ON THE LAW OF THE SEA (UNCLOS) 1982

By Abdul Haki Bashiru-Dine (Ghana Shippers' Authority) Nafula Wakoli (Kenya Maritime Authority)

I. INTRODUCTION

The importance of a unified approach towards protection of marine environment cannot be overemphasized, thanks to the universality and holistic nature of the sea. Individual state effort to conserve and protect the marine environment is bound to be an exercise in futility because as much as there are legal boundaries, water and the living organisms are no respecter of boundaries and are bound to traverse any 'maritime boundary'. It therefore follows that pollution on one part of the marine environment can still affect another part that was not the original recipient of the offending substance.

Before the codification of pollution prevention instruments, the international community mainly relied on customary international laws which stipulated that a ship outside the internal waters and territorial waters (then 3nm) of a foreign State was under the exclusive jurisdiction of the flag State in case of a breach of international laws.

In the years preceding United Nations Convention on the Law of the Sea (UNCLOS) III, various Conventions on the prevention of pollution from ships were adopted as pollution prevention and considered to be of paramount importance; hence UNCLOS 1982 having a whole chapter on the same: Part XII.

UNCLOS is drafted in such a way as to incorporate by reference the instruments that existed prior to its coming into force, as well as future instruments to be adopted under IMO auspices. Part XII of UNCLOS forms a holistic overriding principle that guides State Parties on how to develop laws within the marine pollution prevention regime.

II. SCOPE OF UNCLOS WITH REGARD TO POLLUTION PREVENTION

UNCLOS is the biggest environmental treaty in existence (168 State Parties) as it addresses six main sources of ocean pollution: land-based and coastal activities; continental-shelf drilling; potential seabed mining; ocean dumping; vessel-source pollution; and pollution from or through the atmosphere.

As regards prescription of specific pollution control measures,the Convention avoided enumerating new standards for particular forms of pollution. Instead, it proclaims a general regime of powers and duties, which builds upon codification and development of existing and future pollution control conventions.

It lays down the fundamental obligation of all State Parties to protect and preserve the marine environment and urges all States to cooperate on a global and regional basis in formulating rules and standards and otherwise take measures for the same purpose.

Article 194 of UNCLOS targets all forms of marine pollution, and Article 192 makes it "the business of governments"; Flag States, Coastal States or Port States.

Coastal States have jurisdiction in the protection of marine environment and the enforcement of same. This includes; the internal waters, territorial sea, Exclusive Economic Zone (EEZ) and Continental shelf. Flag States on the other hand have to implement and enforce pollution prevention measures and protection of marine environment on the vessels with

instruments, including marine environment protection as regards vessels in the course of Port State obligations.

III. GENERAL PROVISIONS

Part XII has three Articles that are declaratory in nature and reaffirm what existed in customary international law.

Articles 192 and 194 impose a basic duty on States to protect and preserve the marine environment.

Article 193 is a reaffirmation of State's sovereign rights with regard to exploitation of their natural resources, albeit with due regard to the protection of the marine environment.

Article 194 creates an obligation to reduce pollution from any source. This is an omnibus provision and at the same time futuristic as it envisions and caters for pollution from any conceivable source.

Section 2 – *Global and Regional Co-operation;*
In a bid to protect the marine environment, States are to cooperate in the following:

- by formulating rules and standards- **Article 197;**
- by giving notification of imminent or actual damage- **Article 198;**
- by formulating contingency plans against pollution- **Article 199; and**
- by undertaking research and the exchange of information- **Article 200.**

The above provisions did not follow any specific pattern as they were driven by public outcry and national interest with regard to pollution. In existence therefore were reactionary laws or laws based on necessity. In spite of the existence of such laws, there remained a void which Section 2 attempts to fill. Section 2 recognizes the universality of maritime affairs and the importance of State cooperation in formulating common rules and standards in the protection and preservation of marine environment. This Section envisages cooperation on both global and regional basis.

It is essential to note that States are urged to be proactive and cooperate in marine environment protection. Setting rules and standards is not sufficient as it is futile to have standards without the corresponding obligation to minimize pollution from a practical point of view.

State Parties therefore have a duty to notify other State Parties it deems likely to be affected of any imminent or actual damage to the environment and also notify the competent international organization by virtue of the marine environment being a shared resource with a corresponding need for collective obligation.

Research and exchange of information and data in also considered key towards marine environment protection as it is from such research that State Parties are expected to establish appropriate scientific criteria for formulation and elaboration of rules, standards and recommended practices and procedures.

Section 4– *Monitoring and environmental assessment;*
This section requires State Parties to monitor and evaluate the risks or effects of pollution within any given area, especially if it is as a result of an activity it has permitted. Further, State Parties are expected to take precautionary measures and to perform an environmental impact assessment whose result is to be shared with other State Parties and the competent international organization before undertaking an activity that may cause substantial pollution or significant harmful change to the marine environment.

IV. SOURCES OF POLLUTION UNDER UNCLOS

Article 207 – *Land-based pollution;*
Major pollution emanates from land- based sources. There are polluter rivers, industrial discharges, garbage and many other pollutants. It can be rightly said that every substance used on land will most probably end up in a water body and finally the ocean. State

This may be interpreted to mean that domestic law must not only be seen as effective but should if possible supersede the minimum standards that international laws provide.

Parties are obliged to adopt laws and regulations to prevent, reduce and control pollution of the marine environment from land-based sources *taking into account* internationally agreed rules, standards and recommended practices.

"Taking into account" is a political compromise. Use of such wording should be of no surprise, as State Parties are obliged to adopt laws in their lands where they enjoy territorial sovereignty. Further, from the Article, it is evident that this form of pollution is neither comprehensively covered in UNCLOS nor in other international instruments. This is because the solution for preventing land –based pollution is on land i.e. subject of sovereignty of a State, a sensitive subject world over.

Article 208 – *Pollution from Sea-bed activities subject to National Jurisdiction;*
These activities include pollution that may emanate from artificial islands, installations and structures in connection with seabed activities including mining and even marine scientific research. UNCLOS places a minimum obligation for laws, regulations and measures to be adopted by Coastal States and that such laws ought to be no less effective than international rules, standards and recommended practices and procedures.

It is generally agreed that this is not limited merely to a Convention but includes customary international law and soft law instruments not binding in international law but all the same persuasive.

Article 209 – *Activities in the Area;*
State Parties have an obligation to adopt laws and regulations to prevent, reduce and control pollution of the marine environment from activities in the Area (seabed and ocean floor and subsoil thereof, beyond the limits of national jurisdiction that is the purview of the International Seabed Authority (ISA)) undertaken by vessels, installations, structures and other devices flying their flag or of their registry or operating under their authority, as the case may be. State Parties in this case have to conduct their activities in tandem with the management and control role of the Area that is vested in ISA.

All activities in the Area are however regulated by Part XI of UNCLOS and all rules and regulations which fall under part XII must also adhere to Part XI.

Article 210 – *Dumping;*
Dumping ought not to be carried out without permission of Competent Authority of States.

Part XII of UNCLOS draws a distinction between two States; Coastal and Flag State. For coastal States, the jurisdiction is limited to geographical limitations; internal waters, territorial sea, EEZ and continental shelf (express prior approval of Coastal State required). However, such Coastal States also have to consult with other Parties that are likely to be affected by such dumping prior to granting approval. For Flag States, the jurisdiction follows a vessel that it flags.

Due to the interconnectivity of the world, national laws, regulations and measures have to be no less effective in preventing, reducing and controlling such pollution than the *global rules and standards*.

However, the term "global rules and standards" is unclear. It is practically impossible with the exceptions of jus cogens and customary international law to speak of globally accepted rules.

Article 211 – *Pollution from vessels;*
State Parties are obliged to establish rules and standards to prevent, reduce and control pollution of the marine environment from vessels and to adopt harmonised routing systems designed to minimise the threat of accidents which might cause marine pollution.

These rules are to have "*at least the same effect as that of generally accepted international rules and standards.*" This creates a valid obligation with the effect being that State Parties have to ensure that their legislation is updated at least to be in line with international standards.

Developed maritime interests States fought hard to resist unilateral Coastal State regulation over vessel-source pollution. Their eventual success in doing so had the result of internationalizing pollution control issues, thereby limiting Coastal State jurisdiction and preserving a large portion of the freedom of navigation. This is not to say that developed maritime States were ignoring the problem of marine pollution.

On the contrary, they were busy initiating pollution control efforts at IMCO (now International Maritime Organization) at about the same time that UNCLOS was being negotiated. The strategy of developed maritime interest States required effective control over marine pollution, but only through international agreement and decidedly not through Coastal State autonomy.

Article 212 – *Pollution from or through the atmosphere;*
State Parties are to adopt laws and regulations for prevention and control of pollution from or through the atmosphere.

All such laws are to take *"into account internationally agreed rules, standards and recommended practices and procedures and the safety of air navigation."*

State Parties have a wide discretion in adopting their own criteria when laying down any rules or regulations because we are talking pollution of the airspace over the State's landmass where it enjoys sovereignty. In doing so, all they have to do is take into account the internationally agreed standards.

V. OTHER PROVISIONS OF PART XII

Section 8 – *Ice-covered area;*

Article 234: Coastal States have the right to adopt and enforce non-discriminatory laws and regulations for the prevention, reduction and control of marine pollution from vessels in ice-covered areas within the limits of the exclusive economic zone.

Laws and regulations are to be *"based on the best available scientific evidence."*- This may be because this is not a much- known area and it may also imply that scientific studies which a country uses to come up with its laws ought to be suitable for use in a dispute settlement procedure.

These Article may not necessarily apply to Kenya as a Coastal State but a Kenyan flagged ship may be affected by laws derived from this section by a Coastal State.

Section 9 –*Responsibility and liability;*

Article 235: Provides that all State Parties are liable in accordance with international law for the non or partial fulfilment of their international obligations concerning the protection and preservation of the marine environment. State Parties shall also ensure that recourse and adequate compensation is available in their domestic systems in respect to all pollution- related damage to the marine environment.

Although State Parties may not be sanctioned if they do not fulfill their obligations and adhere to UNCLOS, States are more inclined to implement and enforce such standards in line with the doctrine of good faith (UNCLOS Article 300) and the principle of *pactasuntservanda* as per the preamble of the Vienna Convention on the Law of Treaties, 1969. Furthermore, States tend to avoid being in a state of illegality that may arise as a result of breaching or non-adherence to international obligations as this may not augur well for the State Party's international relations.

Section 10 – *Sovereign immunity;*

Article 236: Provisions regarding the protection of the marine environment and the preservation of the marine environment do not apply to any warship, naval auxiliary, other vessels or aircraft owned or operated by a State Party and used for governmental non-commercial services.

Section 11 – *Obligations under other Conventions;*

Article 237: The specific obligations assumed by State Parties under special Conventions, with respect to the protection of the marine environment should be carried out in a manner consistent with the general principles and objectives of the Convention. This Article is futuristic in that it envisioned a wide and continually expanding range of global regional agreements dealing with protection of marine environment.

VI. CONCLUSION

UNCLOS is a comprehensive and near universal Convention in terms of ratification and has stood the test of time. It plays a unifying and integrative function as concerns ocean governance. If any convention ought to be considered as having springboard characteristics, that would be UNCLOS. It is the skeleton upon which further norms of substance can be created as it seeks to encompass prior and subsequent treaties in relation to different aspects of the Law of the Sea.

Another quality that distinguishes it from other international instruments is that some of its provisions: Article 237 and 311(2) establish the pre- eminence of the general principles of UNCLOS over other Conventions with regards to ocean governance issues hence earning the title, 'A Constitution of the Oceans'.

Looking at UNCLOS from this perspective, it can be safely said that it is a great success in that it has in-built mechanisms that allow for co-existence of other regimes including IMO, ISA and Regional Fishery Management Organizations (RFMO).

Part XII is an embodiment of the 'due regard rule' and has been implemented by different Conventions including the 1972 London Dumping Convention. Further it has been generally agreed that various provisions of UNCLOS are considered as having attained the customary international law status.

Plastic debris collected in an island.