

Oil and Gas Development in Ghana Maritime Legal Challenges

It is known that the main hazard arising out of oil and gas exploration is blowouts, which exudes numerous chemical substances and hence causes atmospheric pollution amongst others. The blowouts are usually due to unusually high pressures in the drilling zone.

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Dynamic Management of Operational Risk and Compliance in Maritime Port Areas

In Classic operational risk management, a one-time analysis is conducted, and when all reduction or preventive measures have been taken, the business is left with residual risk, or that remaining underneath the tolerability curve. Therefore, all that remains is to carry out checks in the field, to update the work practices and procedures accordingly, and to hope that the measures taken are upheld.

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Promoting Export of Professional Services in Ghana — Historical Perspectives

Since the mid-eighties, service industries have increased in importance in most developing countries and particularly in Least Developed Countries (LDCs), usually contributing at least 45 per cent of GDP.

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SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

Shipping Review • Volume 10 • Number 1 • Jan. - Mar., 2008

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GHANA SHIPPERS' COUNCIL

Our Vision

To ensure for the Ghanaian Shipper, quick, safe and reliable delivery of import and export cargoes by all modes of transport at optimum cost,

Our Mission

To be a state - of - the art organisation that effectively manages the demand side of shipping with a view to protecting and promoting the interest of Ghanaian shippers in relation to port, ship, inland transportation problems and provision of ancillary shipping services.

Published by:
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High Street, Accra
P.O. Box GP 1321, Accra
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The Year 2007 in Retrospect

The Ghana Shippers' Council in 2007 remained true to its corporate vision and mission of protecting and promoting the interests of shippers and further deepened its relationship with them. This was done variously, and on many fronts. These included infrastructure projects, shipper education programmes, freight rates and other tariff negotiations, conduct of research, and development of innovative products for the benefit of shippers. Below are the highlights for the year 2007.

The construction of the Boankra Shippers' Centre (BSC) continued in earnest as the Council took over the management of construction works at the Centre in June 2007. About 98% of the work on the Centre has been completed.

In line with its strategy of Developing a Comprehensive Programme for the Protection of Shippers' interest, the Council decided to establish Shipper Complaints & Support Units at the various entry points of the country to deal with shipper problems. Premises were therefore secured at the Takoradi Port, and the border posts of Elubo and Aflao. The Council is taking the necessary steps to fully establish its presence at these places in 2008.

The continual and regular education of the Ghanaian shipping community is a core activity of the Council. In this regard, the second Maritime Law & International Trade Conference dubbed *Maritrade 2007* was organised at the Accra

International Conference Centre on 13th and 14th August 2007. About 600 people participated with some participants coming from the Sub-region. As part of the opening ceremony, the Council launched one of its publications *MARITRADE*, which is a compilation of the presentations made at the maiden edition of the Conference organised in 2006.

The third Maritime Seminar for judges of the Superior Courts of Judicature of Ghana was also held on 12th October 2007 at the Coconut Grove Regency Hotel in Accra. The Seminar was not only aimed at creating awareness for the bench in the areas of maritime law to enable a better appreciation of the law but to also serve as refresher course after a one year hiatus. It was also to strengthen the bond between maritime commercial interests and the Judiciary.

In pursuance of the its agenda of getting closer to importers and exporters at the grass roots, the Council collaborated with the Ghana Union of Trader Associations (GUTA) to organise an open forum for members of the GUTA at the Abossey Okai Spare Parts market in Accra on the 20th June, 2007. The forum was purposely organised to provide a platform for importers and traders to interact with the main stakeholders in Ghana's maritime transport industry.

The Council also organised a forum for cargo truck drivers at Aflao on 24th September 2007. The purpose

of the forum was to educate the drivers on basic rudiments of road discipline and traffic regulations. About 95 participants attended the forum. Participants came from various stakeholder organisations namely, CEPS, Immigration Service, the Ghana Police Service, the Progressive Transport Owners Association (PROTOA), the Ghana Private Road Transport Union (GPRTU), the Ghana National Cargo Transport Owners Association (GNCTA) and the Ghana Institute of Freight Forwarders (GIFF).

The Council also organised fora to educate shippers and the business and shipping community on the Redenomination of the Cedi. The fora not only afforded them the opportunity to ask questions regarding the actual implementation of the redenomination exercise but also allowed for exchange of views on the implementation processes with particular reference to international transactions.

The Council also organises educational tours as part of shipper education programme. During the year, two tours were organised. The first was a familiarisation tour of the Tema port for members of the Eastern Regional Shipper Committee. It was meant to enable the Committee's members learn at first hand the developments at the port, clearance procedures and causes of delays in the clearing process, among others.

The second was a tour of transport and maritime facilities in Benin by the Greater Accra Regional Shipper Committee to acquaint members with facilities and services being rendered to shippers in Benin.

The Council in 2007 completed tariff negotiations with Customs Brokers Association of Ghana (CUBAG) and Freight Forwarders Association of Ghana (FFAG). At the end of the negotiations a more scientific model of calculating tariffs was arrived at. It is hoped that this would bring more transparency in the operations of freight forwarders and ultimately lead to a decline in unwarranted charges often levied on shippers.

As part of its research activities, the Council undertook two major research studies during the year. The first was the study on pilfering at the Takoradi port. The study followed reports to the Councils offices of cargo that were stolen in the process of clearing at the Takoradi port. The second was a Study of Cargo Clearance procedure, Taxes, Duties and Charges at the Banjul Port in the Gambia.

The study on the Banjul Port was in fulfillment of a recommendation in the Communiqué of the Fourth National Shippers' Day Celebration. The study was intended for possible adaptation and adoption by the Ports in Ghana.

The Council in 2007 intervened in about 50 import and export shipment complaints that were reported during the year. The complaints ranged from arbitrary de-consolidation and handling charges, demurrages, short landing, monitoring fees, delays in refunding container deposits, charges, container cleaning charges and refusal to release Bills of Lading in time. The Council's intermediary role assisted in quick and lasting

solutions to many of the complaints.

The Council continued to liaise with West Africa Trade Hub (WATH) on the Improved Road Transport Governance (IRTG) system. During the year the Council's team on the programme sensitised cargo truck drivers on the need to comply with all transport regulations and requirements. The team also administered questionnaire to drivers who met the required criteria of the WATH. The IRTG system is a research project programmed to gather and analyse information on the costs of delays and unauthorised payments on the transit corridors of Ghana-Burkina Faso and Ghana-Niger.

During the year, the Council was selected in partnership with Benin Shippers' Council (CNCB) by the European Union (EU) to undertake a project known as "Enhancing Trade Facilitation Measures in West Africa under the Economic Partnership Agreement".

The Project sought among others to offer opportunity for government and the private sector to dialogue and come up with recommendations on ways to enhance the competitiveness of economies and industries in the ECOWAS Region through well understood and published rules.

In continuing with its leading role in

the transit trade, the Council during the year signed revised MOUs with its counterpart Shippers' Councils of Burkina Faso and Niger. The revised MOUs were to among other things strengthen the level of cooperation between the three Shippers' Councils which should culminate in increased trade and transport activities between Ghana, Burkina Faso and Niger.

During the year, the Council put the *Mobiship*, the vessel movement schedule advertisement, on all the networks of the country's mobile phone operators *MTN*, *Tigo*, *Onetouch* and *Kasapa*. With this advertisement, the public can access vessels in the Ghanaian sea ports from their mobile phones.

The Council continued to publish its authoritative maritime journal *Shipping Review* during the year. Four copies of the *Review* were published in 2007.

On the whole, the year 2007 was a challenging one. However, through collaboration with all the major players in the maritime industry, the interest of the Ghanaian shipper was largely protected even in such a highly liberal and competitive environment. The Council is poised and ready to work with relevant stakeholders to make Ghana a maritime trade and transport hub for West and Central Africa.





Oil and Gas Development in Ghana

Maritime Legal Challenges

By Kofi Mbiah CEO Ghana Shippers' Council

INTRODUCTION

The recent discovery of oil and gas in Ghana has undoubtedly generated a lot of excitement and anxiety amongst the general populace. For some, the discovery would put paid to the economic woes of the country. Others are however apprehensive that with their knowledge of what is happening in other places, the discovery of oil portends a bleak and ominous future.

Either of the schools of thought could manifest itself depending on the measures we put in place at the very onset. The euphoria and anxiety has therefore called for an examination of a number of issues relating to the exploration and exploitation of Ghana's oil and gas reserves.

Prominent among these issues are the challenges posed by this find with respect to our maritime jurisdictional zones and how these would impact on our overall development agenda.

The need for this examination is borne out of the fact that the oil and gas reserves are located 65km offshore. This places the find within Ghana's Exclusive Economic Zone (EEZ). This requires that we put in place appropriate measures with a view to ensuring a sustainable, safe and secure exploitation of Ghana's oil and gas reserves to enable it meet her national aspirations.

As mentioned earlier, Ghana's oil and gas is found offshore (within the Exclusive Economic Zone) and thus poses maritime legal challenges. In order to place this within the appropriate context, it would be necessary to outline the constituents of Ghana's Maritime Area and examine the nature of the zone as well as the activities that can take place in it.

THE EXCLUSIVE ECONOMIC ZONE (EEZ)

The rights, jurisdiction and duties of the coastal state in the Exclusive Economic Zone is captured under Article 56 of the UNCLOS.

It states:

"In the exclusive economic zone, the coastal state has: sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources whether living or non-living, of the waters superjacent to the sea-bed and of the sea-bed and its sub-soil and with regard to other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, current and winds".

It is important to note that these are not absolute rights of sovereignty but they are rights which are subject to the rules of international law.

It is also important to set out the extent of jurisdiction provided with respect to this zone. This is to be found in Article 56(b) of UNCLOS.

The coastal state would thus have jurisdiction within the zone with respect to the establishment and use of artificial islands, installations and structures; marine scientific research protection and preservation of the marine environment

As pointed out earlier, the rights of the coastal state within the exclusive economic zone (EEZ) are not unfettered. Here Article 56(2) is very instructive. In exercising its rights and performing its duties under the Convention in the Exclusive Economic Zone, the coastal state shall have due regard

to the rights and duties of other states and shall act in a manner compatible with the convention.

Thus, even though the coastal state has rights with respect to exploration and exploitation of the resources of the zone, the waters in the zone still enjoy to a large extent high seas character. In this regard, in the EEZ, all states, subject to the relevant provisions of the UNCLOS, enjoy the freedom of navigation and overflight, the laying of submarine cables and pipelines and other lawful uses of the sea associated with these. It thus becomes clear that even though Ghana has exploitative rights within the zone where it has struck oil, it also has duties with respect to the "usage interest" of other states landlocked or coastal.

Article 59, grants an exclusive right to the coastal state to construct artificial islands and other installations and structures and to regulate operations related thereto.

The coastal state is required under the convention to provide notice of such installations. The convention also provides for the establishment of reasonable safety zones which should not be more than 500 metres from each point of their outer edge. It is necessary to note that even though the coastal state is granted exclusivity in the construction of these structures, they nevertheless cannot have a territorial sea of their own. There are also wide ranging provisions relating to the exploitation and conservation of living resources including marine mammals and other anadromous, catadromous and sedentary species.

MAIN INGREDIENTS OF THE EXPLORATION AND EXPLOITATION OF OIL AND GAS

- Construction
- Drilling
- Storage
- Transportation

MULTIPLE SEA USE CONFLICT

The activities that take place in the Area include:

- Navigation
- Marine Scientific Research
- Fishing
- Laying of Submarine Cables
- Exploitation of Oil and Gas
- Overflight
- Wind or Wave Energy

The multiple sea use conflict within this zone provides a clear indication of the challenges that can arise with respect to the exploitation of the resources within the zone. Notable amongst these challenges would be

- Marine Pollution
- Navigation
- Maritime Security
- Maritime Safety
- Boundary Delimitation

POLLUTION OF THE MARINE ENVIRONMENT

By far the most important challenge is the Environment; hence concerns about pollution of the marine environment as well as atmospheric pollution. It is important at this stage to set out in a capsule the existing international legal framework for dealing with marine pollution since our topic for discussion focuses attention on marine and atmospheric pollution with regards to offshore Energy Operations.

Indeed to appreciate the operational and legal issues, some knowledge of the background with respect to this area would be essential.

Firstly, since the international legal regime deals with pollution of the marine environment, it would be useful at the onset to capture a broad definition of marine pollution as set out in Article 1(4) of UNCLOS.

"Pollution of the environment means the introduction by man, directly or indirectly, of substances or energy into the marine environment, including estuaries, which results or is likely to result in such deleterious effects as harm to living resources and marine life, hazards to human health, hindrance to marine activities, including fishing and other legitimate uses of the sea, impairment of quality for use of sea water and reduction of amenities"



Now that we have a fair idea of what marine pollution or pollution of the marine environment connotes, it would be useful to set out the International Legal Framework.

The International Convention for the prevention of Pollution of the sea by oil 1954 (OIL POL 1954) and its subsequent amendments was the first well set out international convention on marine pollution.

This was elaborated to deal mainly with ship-source pollution but was limited in scope and was soon overtaken by events and other developments in the industry. The International Maritime Consultative Committee (IMCO) the precursor to the International Maritime Organisation, (IMO) Conference in 1969 therefore ushered in the **International Convention on Civil Liability for Oil Pollution Damage, 1969 (CLC 1969)**. This new treaty brought about significant changes in the existing liability regime.

Here an oil tanker run aground after a steering failure. To prevent the ship breaking its back, the master discharged 400 tons of its cargo of oil in a river estuary. The tide carried this to the foreshore belonging to a Local Authority. They sued for substantial clean up costs. An action for damages was dismissed. No negligence had been proved against the shipowner. Actions for trespass and nuisance also failed because the discharge was caused by the necessity of removing danger to lives of the crew.

The CLC therefore changed the liability threshold from one of proven fault and negligence as existed under the common law, to strict liability. Added to this, the IMCO Conference completed the International Convention Relating to Intervention on the High Seas in cases of Oil Pollution casualties 1969 (Intervention Convention).

This convention grants powers to coastal states to "intervene" in waters outside their jurisdiction against vessels that pose a threat to the marine environment from pollution. It is to be noted that during the 1970's environmental concerns accentuated leading to concerns that the CLC 1969 compensation limits were inadequate to meet serious marine pollution incidents.

Flowing from this concern, IMCO developed a supplementary regime to the CLC known as the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage 1971 (FUND 1971).

These two conventions the CLC and FUND were not comprehensive enough and thus failed to address all the concerns of the international community concerning the environment. This led to the development of the most comprehensive instrument to date, the International Convention for the Prevention of Pollution from Ships (MARPOL 73/78) which was designed to supersede OILPOL 1954.

MARPOL is indeed comprehensive. It sets out a total preventive regime for ships source marine pollution from all sources. Ghana has ratified annexes I and II. One other very important instrument which cannot be overlooked within the broad framework of international treaties on marine pollution is the United Nations Convention on the Law of the Sea 1982 (UNCLOS).

It defines pollution of the marine environment and lays down a new regime while at the same time codifying some aspects of customary international law on the subject.

In part XII of the Convention, in articles 192-237, it addresses issues relating to the protection and preservation of the marine environment and sets out basic obligations to prevent, reduce and control pollution from land based sources, pollution from seabed activities subject to national jurisdiction, pollution from activities on the area, of pollution by dumping, pollution from vessels and pollution from or through the atmosphere (Articles 207-212).

Under the convention, coastal states have with respect to the EEZ stretching to 200 nautical miles (370km) from the baselines, sovereign rights with respect to natural resources and certain economic activities. Coastal states also have jurisdiction over marine scientific research and environmental protection.

Also, states are bound to prevent and are liable for damage caused by violation of their international obligations to combat such pollution. Since the UNCLOS, a few other conventions have been developed that are worth mentioning. These include:

(i) The International Convention on Salvage (salvage 1989). Provides specific rules under which salvage could be undertaken as well as a regime for compensation in cases where environmental damage is prevented in the cause of a salvage operation.

(ii) International Convention on Oil Pollution Preparedness, Response and Cooperation (OPRC 1990). It provides for better co-operation amongst states in responding to serious marine accidents

(iii) Memorandum of Understanding on Port State Control in implementing Agreements on Maritime Safety and Protection of the Marine Environment (Paris MOU 1982) entered into force 1st July 1982.

Since then other MOU's such as the Abuja MOU to which Ghana is a party have been elaborated.

(iv) The 1992 CLC and FUND Protocols. (raised the limits for compensation payable)

(vi) The International Safety Management Code for the Safe Operation of Ships and Pollution Prevention (ISM Code)

The London Dumping Convention which as its name suggests deals with matters relating to dumping at sea.

It sets out guidelines for ensuring safety of life at sea, prevention of human injury or loss of life and avoidance of damage to the marine environment.

POLLUTION OF THE MARINE ENVIRONMENT FROM OFFSHORE OIL AND GAS EXPLORATION

The discussion has so far focused on marine pollution from ships and from land-based sources as contained in MARPOL 73/78. It is important to note that in view of the ever-increasing demand for energy from offshore, threats to the marine environment and hence concerns about regulating its activities that are likely to affect safety and pollution of the marine environment have become pertinent. Offshore oil and gas exploration and exploitation involves, construction, drilling, transportation and storage and all of these come with inevitable accidents.

Accidents that appertain to these develop in accordance with their various unique scenarios. The causes may depend on natural, technical or technological factors. The accidents may be caused by equipment failure, extreme natural hazards, and the physical characteristics of the environment or seismic activities.

It is known that the main hazard arising out of oil and gas exploration is blowouts which exudes numerous chemical substances and hence causes atmospheric pollution amongst others. The blowouts are usually due to unusually high pressures in the drilling zone. There may also be routine and regular episodes of hydrocarbon spills which even though not catastrophic have chronic impacts on the marine environment. The largest oil spill from a drilling accident was the Ixtoc I blowout in 1979 off the coast of Mexico, which caused widespread coastal pollution.

In Nigeria, a platform accident in 1980 led to a spillage of 54,000 tones of crude oil. A pipeline rupture in 1998 also led to a spillage of 14,300 tones of crude oil.

Despite the danger of catastrophic pollution from hydrocarbon exploitation, the international legal regime is at best rudimentary. It rather seems to find expression in customary international law which establishes the principle that states must refrain from acts that infringe negatively on the rights of neighbouring states.

As a result of this lacuna, the international legal provisions for offshore operations are rather limited. The international legal regimes that deal with offshore operations include:

The 1958 Continental Shelf Convention.

This convention precludes offshore operations that unjustifiably interfere with navigation, fishing, conservation efforts, and scientific research. The United Nations Convention on the Law of the Sea (UNCLOS) provides for measures to minimise pollution and enjoins states to take measures to prevent, reduce and control devices used in exploration or exploitation of natural resources of the sea-bed and sub-soil, in particular measures for preventing accidents and dealing with emergencies, ensuring the safety of operations at sea, and regulating the design construction, equipment, operation and manning of such installations or devices.

MARPOL 73/78.

It is important to note that apart from requiring fixed and floating oil rigs when engaged in exploration and exploitation of sea-bed resources to apply the rules applicable to ships of 400 gross tons and over, MARPOL does not deal with marine pollution arising out of blowouts, structural failure or collision with an installation. The application of the rules with respect to ships over 400 Gross tons basically prohibits the discharge of oil and oily mixtures into the sea and does not cover the operational aspects.

Attempts to develop a comprehensive international legal regime to deal with the exploration and exploitation of oil and gas resources of the sea-bed are yet to see the light of day.

The Offshore Pollution Liability Agreement, 1974 (OPOL 1974)

is a voluntary scheme which came into effect on 1st May 1975. It applies to all offshore facilities from which there is a risk of discharge of oil pollution causing damage. There is also the Convention on Civil Liability for Oil Pollution Damage Resulting from Exploration for and Exploitation of sea-bed Mineral Resources 1977 (CLEE 1977) which is not yet in force.

A Draft Convention on Offshore Mobile Craft has been relegated on the agenda of the IMO Legal Committee and it does not seem that there is sufficient interest to carry through with work on this convention as a "compelling need" has not been established for it.

IMO MODU Code 1998

The International Maritime Organisation (IMO) has however developed a code which provides guidelines for the operations of offshore platforms. The code is titled IMO's Code for the Construction, design and Equipment of Mobile Offshore Drilling Units 1998 (MODU Code 1998).

This is a widely accepted international instrument that governs the design criteria, construction standards and other safety measures for offshore installations. It covers the four (4) main types of offshore rigs: mobile drilling units (semi-submersibles); self elevating units (jack up rigs); surface units (drill ships) and column stabilised units.

It is to be noted that the code is voluntary. It sets out minimum standards and requirements and provides guidelines for safe operations. These instruments can form the basis for the development of appropriate rules for Ghana's oil and gas industry.

LIABILITY AND COMPENSATION

Issues relating to liability and compensation still remain unaddressed within the framework of international legal regimes on marine pollution with respect to offshore installations. This is therefore largely regulated by bilateral arrangements between the coastal state and the oil company and that is where vigilance and knowledge is essential.

This therefore calls for the development of national legislation and operational regulations that cover all aspects of offshore exploration and exploitation. Paramount among these would be the requirement of insurance to provide financial protection against accidents and any resulting damage. This calls for regulations that do not deal only with the operations itself but also decommissioning.

The regulation of the exploitation of Ghana's offshore energy resources should include rights management, exploratory and exploitation permits and licenses for drilling, offshore labour health and safety and all aspects of environmental protection.

It is important to note that even though catastrophic spills have not been prevalent, ships and oil rigs have the potential to cause

significant environmental damage hence the need to ensure that there is an appropriate legal regime to deal with all exigencies.

MARITIME NAVIGATION

The development of offshore oil and gas also pose challenges for navigation. In dealing with this matter, Article 60 (3) of UNCLOS is instructive. It stipulates that due notice must be given of the construction of installations and structures, and permanent means for giving warning of their presence must be maintained. It also adds that any installations or structures which are abandoned or disused shall be removed to ensure safety of navigation.

Also for the purposes of safe navigation, appropriate publicity shall be given to the depth position and dimensions of any installations and structures not entirely removed.

The convention also requires coastal states to establish reasonable safety zones around such installations (which shall not exceed 500 metres) and to provide due notice of the extent of the safety zones. It is to be noted that the establishment of such zones shall not interfere with recognized sea lanes essential to international navigation.

The obligations of the coastal state with respect to the exploitation of the resources of the EEZ must be viewed against the backdrop that the waters in the Exclusive Economic Zone has the character of High Seas and thus must be continually opened for international navigation. UNCLOS provides a wide legal regime for the regulation of navigation.

MARITIME SAFETY

It needs to be pointed out at the onset that even though the exploitation of offshore energy resources is attended by a great number of casualties and issues of safety remain paramount, there is no international convention dealing directly with the subject.

It must nevertheless be stressed that the absence of an international convention dealing particularly with the exploitation of offshore oil and gas has not made operators oblivious to issues of safety and pollution. Indeed for many companies involved in offshore exploration and exploitation, safety is paramount.

It needs to be mentioned that issues of maritime safety lie squarely in the purview of the Ghana Maritime Authority and efforts have been made over the past years and in recent times by the Authority to bring Ghana's maritime legislation up-to-date on issues of maritime safety. It would be useful to add that though the Maritime Authority is

the appropriate governmental body to deal with issues of maritime safety, security and pollution, it is expected to execute its mandate in collaboration with other governmental agencies such as the Navy, Environmental Protection Agency, the Ghana Ports and Harbours Authority and other allied agencies.

Suffice it to mention that the efforts that have been made relate specifically to safety in relation with the ship and has not extended to issues of safety on offshore platforms. It therefore becomes important, that even though there is no international convention which could readily be acceded to and extrapolated into rational law, there is a code developed by the IMO which provides basic recommendations on "design criteria", construction, standards and other safety measures for mobile offshore drilling units (MODU's) so as to minimize the risk to such units to the personnel on board as well as the environment.

In view of the fact that this could form a basis for the development of our own rules regarding safety and the pollution of the marine environment, it would be useful to set out its main areas of coverage.

The code has fourteen chapters which provide guidelines on construction material, strength subdivision, stability and freeboard. It also has provisions dealing with the machinery and electrical equipment, fire safety, life saving equipment, radio communications equipment, lifting devices and helicopter facilities and operating requirements.

It must be pointed out that the issues of safety on offshore oil rigs are not particularly different from issues of safety on the vessel and the general rules of safety onboard ships are generally applicable. But the issue always arises whether a mobile offshore drilling unit is a ship.

It is important to note that if such units are considered a ship, then as mentioned earlier, there is already a comprehensive legal regime in traditional maritime law dealing with the issues of safety, security and pollution of the marine environment. If on the other hand it is not considered to be a ship, (in the view of some writers, an artificial island) then a different set of international legal rules are required.

It is, however, generally accepted today that even though a mobile offshore unit may move under its own power or be towed into position it is a different creature from merchant ships and should thus be accorded its own legal regime.

Such a regime may deal with crew safety, labour standards, pollution liability, operational safety, including safety zones, maritime liens and salvage as well as decommissioning and removal. It would therefore be useful that Ghana gives a deep thought to this and begins the process towards the creation of requisite rules and regulations to guide the conduct of operations on its platforms with respect to safety and pollution.

Having provided this broad overview with respect to safety as far as the exploitation of offshore energy resources is concerned, it would be necessary to provide a brief outline of international conventions that deal with the traditional issues of safety regarding maritime transport.

Within the framework of the IMO, standards have been set to deal with

- ship safety,
- navigational safety,
- occupational safety and
- cargo safety.

INTERNATIONAL SAFETY REGIMES

The International safety regimes include: SOLAS: Safety of Life at Sea (SOLAS) convention specifies minimum standards for the construction, equipment and operation of ships which would ensure safety of ship and seafarers.

LOADLINE This is a ship safety convention of a technical nature, which deals with concepts of watertight integrity, structural soundness and safety equipment.

COLREG: The Collision Regulation (COLREG) is regulatory regime often used for the judicial resolution of civil liabilities in marine collision cases. It sets out rules of proportional liability according to the degree of fault in collision cases.

STCW: Standards of Training, Certification and Watchkeeping (STCW). It establishes basic requirements on training, certification and watchkeeping for seafarers on all sea-going ships with the aim of ensuring safety.

ILO Convention 147: This deals with occupational safety in terms of ergonomics, welfare and well-being on board ships.

MARITIME SECURITY

Public/Regulatory Considerations

• The ISPS Code

The consciousness for security in the field of maritime transport has always been recognized by the international community



as borne out by a number of conventions on safety of life and property at sea.

There is no doubt however that the events of September 11, 2001 pushed to the forefront of the world's maritime agenda, the issue of maritime security. For the first time, it dawned on the international maritime community that ships and their paraphernalia could be used as weapons of destruction to devastating effect. The consensus of the World Maritime Community to meet the challenges of ensuring security within the international set-up, found expression in the amendment to chapter XI-2 of the Annex to the International Convention for the Safety of Life at Sea as amended, SOLAS (1974).

Thus through a resolution adopted on 12 December 2002 by the Conference of contracting governments to the International Convention for the Safety of Life at Sea, the International Ship and Port Facility Security Code (ISPS Code) was born. It is important to mention that parts A & B of this code are mandatory to all contracting states who are expected to put in place specified security apparatus and measures before July 1, 2004. The code specifies minimum protective security measures to be maintained at all times, additional protective security measures to be maintained for a period of time as a result of heightened risk of a security incident, and specific protective security measures to be maintained for a period of time when a security incident is probable or imminent.

It is heart warming to note that the Ghana Maritime Authority has taken action on this and Ghana has thus complied with the requirements of the ISPS Code and indeed has formulated its domestic legislation through the enactment of the Ghana Maritime Security Act (Act 675 of 2004).

• The SUA Treaties

The international Maritime Organisation has developed two treaties in this respect dealing with issues of Maritime Security. These are the 1988 Rome Treaty and the 2005 Protocols. The treaties are to ensure the adoption of:

"practical technical measures including both shoreside and shipboard measures, which may be employed by governments, port authorities and administrations, shipowners and crews on board ships"

Thus in the main, what the 2005 SUA Protocols seek to do is to supplement the 1988 SUA Treaties by strengthening the legal framework for dealing with acts that threaten the safety and security of international maritime navigation and improve its effectiveness to speedily bring to book perpetrators of maritime violence and to ensure that they are duly punished.

The Treaty and the protocol also deal with the suppression of unlawful acts against fixed platforms located on the continental shelf.



It would therefore be necessary for Ghana to take a look at these legislations with a view to incorporating into its national legislation relevant provisions to give effect to these treaties.

Though the major security issues in Ghana have been identified as illegal migration and stowaways, with this new development of oil and gas, one must anticipate more serious security issues which requires putting certain measures in place.

Some of the notable maritime threats include:

- Unauthorised personnel access to ship and port areas
- Access of terrorists and thieves and their effects to ships through lawful means
- Unauthorized access of ships to port areas and drilling platforms
- Use of ships as weapons in ports or critical waterways
- Use of containers as weapons or means of smuggling people and unlawful or dangerous cargoes
- Theft of information that could identify maritime installations of vulnerability
- Attacks on transport infrastructure, offshore installations, bridges, pipelines, rail
- networks etc.

Maritime security issues require vigilance. We need to put in place appropriate measures to protect our offshore installations; these must be physical as well as legal.

• Maritime Boundary Delimitation

Often the discovery of oil and gas offshore raises questions of maritime boundary delimitation. The rules that govern this is complex. Fortunately however, a lot of the rules are based on customary international law of the sea some of which have been codified in the United Nations Convention on the Law of the Sea.

It would be necessary to ensure that Ghana's maritime boundaries are well delimited in order to forestall and boundary disputes with her neighbours.

CONCLUSIONS

In Conclusion, it may be stated that the euphoria that has greeted the discovery of oil should linger on for good. The measures we take today would undoubtedly determine the future of the country in this respect.

As demonstrated in this paper, there are four key areas involved in the exploitation of oil and gas which raises issues for the maritime sector.

These include: *Construction, Drilling, Storage and Transportation*. The exploration and exploitation of the oil and gas reserves is by itself largely a safe phenomenon. The key issues are clearly how to manage the sea use conflict that arises with respect to the exploitation of the living resources of the area, navigation and overflight, marine scientific research, the laying of submarine cables in the midst of the exploitation of oil and gas.

While the international legal regime that deals with the transportation element is well catered for, there is a paucity of codified international law with respect to the

exploitation of hydrocarbons. This therefore, as in many cases in the world would have to be dealt with through national legislation and its attended regulations.

That is where the call for vigilance and knowledge is most pertinent. The major concern that has been demonstrated by this paper is the capacity of the process of exploitation of oil and gas to cause catastrophic damage to the marine environment should something go wrong. And this is where appropriate measures need to be taken at the very onset.

The other areas of concern as far as the maritime challenges are concerned; deal with Safety, Security and Maritime Boundary Delimitation. 65km offshore is well within Ghana's exclusive economic zone but urgent measures should be taken towards the delimitation of our maritime boundaries. As exploration continues, this would become even more pertinent. The cases of Libya v Malta, Canada v USA are here instructive.

The rules regarding safety on board the ship and on maritime platforms are well developed. Ghana is party to a number of the international conventions as far as the traditional maritime law issues on ship safety and marine pollution are concerned. It is however yet to develop the requisite legal regime to deal with the issues in relation to offshore platforms. It is important to ensure that there is enough human and material capacity to deal with issues of survey, certification and manning as well as periodic inspections of the platforms and the marine environment to ensure a comprehensive safety, security and pollution regime.

As indicated earlier, maritime security has become a matter of grave concern within the international community in recent years. Issues of piracy, armed robbery at sea, narcotics trafficking and general maritime violence are not abating. These concerns have been aggravated by the recent threats of maritime terrorism. Again, the international legal regime is in place and Ghana needs to ensure that its laws in this respect are updated in order to deal with any threats.

It thus becomes clear that the challenges to the maritime area are enormous as the find is, within the maritime zone. They are however not insurmountable. There is experience to learn from, there is best practice out there and there must be the will and the resolve to ensure that the proper and appropriate thing is done at the very onset through a strong legal and regulatory framework. It all sums up to law and enforcement. ■

Customs Brokers Association of Ghana (CUBAG)

The Customs Brokers Association Ghana (CUBAG) was formed under the authority of the Custom House Agents Licensing Decree, 1978 (SMCD 188) and the Custom House Agents Licensing Regulations, 1978 (L.I. 1178).

The Primary Law was promulgated to regulate and control the operations of the Custom House Agent, popularly called the 'Clearing Agent'. The licensing and functional control is vested in the Customs, Excise and Preventive Service.

CUBAG is a non-governmental organisation which is composed of corporate bodies which have been licensed to do the business of Custom House Agents. Primarily, it has the mandate to ensure the highest standard of efficiency, quality service delivery and observance of regulatory measures by its members to enhance the administration of indirect taxation. It also has the responsibility of ensuring the protection of clients' importers and exporters from exploitation.

Registration and Inauguration

The Association was formed and registered in 1992. It was accordingly issued with a Certificate of Incorporation in October, 1992 by the Registrar General's Department; and inaugurated on 18th December, 1992, at the Great Hall Auditorium, University of Ghana, Legon. The inaugural ceremony was performed by the "Secretary for Trade and Tourism, Mr. John Bawa. CUBAG received official recognition of the Customs, Excise and Preventive Service (CEPS) in July, 1993.

Motto: 'Honesty and Efficiency'

Mission: "To recognize the necessity and importance of international trade in societal development; with the understanding that, the business of the Custom House Agent is a vital support to the economic growth of the Nation; therefore, with honesty and efficiency perform the business of clearing and forwarding, and any related business, to enhance the administration of indirect taxation for maximum revenue collection.

To promote the dissemination of information and policies issued by government on customs, international trade and commerce; protect clients from exploitation by ensuring high standard of professional etiquette and practice among its members; and co-operate with all stakeholders for excellent, transparent and competitive service delivery".

Membership Registration

Membership of the Association is restricted to companies that have been licensed by the Customs, Excise and Preventive Service to do the business of custom house agent. A prospective member shall:

- submit an application for membership
- complete registration and vetting forms
- pay the appropriate membership fees

- prepare the Directors and Certificate holders for vetting by the Council and the National Vetting Committee of the Association.

A registered member serves a probationary period of one year from the date of admission before accorded a full membership status.



Mr. Dan Asomaning
National President

Aims and Objectives

- To perform the business of clearing and forwarding and any other business that will enhance clearing and forwarding of goods, such as warehousing, haulage, ship-brokerage
- To promote the dissemination of information and policies that will be issued or introduced by Government or any legally authorized institution on Customs, Shipping, Transport, International Trade and Commerce activities.
- To protect clients from exploitation by ensuring high standard of professional etiquette and practice among its members, to win the confidence of the public and promote effective results for the economy of Ghana.
- To seek the general welfare of members of the Association.
- To uphold the Association's requirement that members acquire professional training and achieve appropriate practical experience to update their efficiency at work
- To organise appropriate courses, seminars, workshops and consultancy services on Customs, Shipping, Transport, International Trade and Commerce for its members and the general public.
- To undertake the organisation of visits to overseas countries for the purpose of making comparative studies in the trends of customs, shipping, transportation, international trade and commerce practices.
- To keep members informed of opportunities pertinent to the advancement of their work/career.
- To stimulate discussions and exchange views by holding conferences and meetings, and by publishing newsletters,

pamphlets, journals, books and other educational material relating to administration and management in Customs, Shipping, Transport, International Trade and Commerce activities.

- To communicate members' views in the form of recommendations to Government departments, Committees and other appropriate bodies.
- To afford personal contact among members through social and other activities
- To affiliate with other international Customs Brokers Associations working in allied fields.

Activities:

Members operate at all the major entry and exit points of the country managed by CEPS e.g. Tema Port, Takoradi Port, Kotoka International Airport, Aflao Frontier Station, Paga and Elubo. The Association is represented on various Committees related to the Shipping and Freight Forwarding Industry.

It participates actively in seminars, lectures, meetings and other public debates/discussions related to the shipping and Freight Forwarding Industry. Our shipping members are connected to the GCNet.

Challenges

The challenges facing the custom house agents are various but not new. The underlining challenge is how to control the operations of the unlicensed "agent" who is assisted to do business by the custom house agent through what is popularly known as "stamping". This situation has become intractable that it may need inter-stakeholder collaboration to flush out the perpetrators.

Other areas are the cumbersome and bureaucratic procedures, human apathy and other vices that go a long way to increase the cost of doing business; unprofessional business practices and inefficiency, malfeasance and dishonesty of the customs house agent; and sometimes the connivance of some port workers with unscrupulous agents to 'bend the rules' to their individual advantage.

Conclusion

It is important to mention that the Customs Brokers Association Ghana (CUBAG) has cordial working relationships with all stakeholders of the shipping fraternity especially the Ghana Shippers' Council.

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GHANA SHIPPERS' COUNCIL ...Providing Shipping Solutions



GSC Organises Open Forum for Accra Central Shop Owners

The Ghana Shippers' Council in collaboration with the Ghana Union of Traders Associations (GUTA) organised an Open Forum for members of the Accra Central Shop Owners Association (ACSHOA) on 31st January, 2008 at the Rawling Park, Makola in Accra.

The forum, the second in the series of the Council's programme dubbed "Small Forum for Trade Associations," was in line with the Council's policy of reaching out and interacting with importers, exporters and traders in their trading localities to learn of the problems that confront them in their day-to-day business transactions with a view to assisting them find solutions to operational bottlenecks and offer useful advice. The maiden forum was held for the Abossey Okai Spare Parts Dealers Association on 20th June 2007, at Abossey Okai.

Present at the forum were representatives of the major stakeholders in the maritime and trade sectors of Ghana including the Ministry of Trade, Industry, PSD& PSI, Ministry of Harbours and Railways, Destination Inspection Companies, Ghana Ports and Harbours Authority, Customs Excise and Preventive Service, Shipowners and Agents Association of Ghana, Customs Brokers Association of Ghana (CUBAG), Freight Forwarders Association of Ghana (FFAG), Ghana Institute of Freight Forwarders (GIFF), Ghana Maritime Authority, Golden Jubilee Terminal and Burkina Faso, Niger and Mali Shippers' Councils in Ghana.

The Chairman for the occasion, Mr George K. Ofori, President of GUTA, in a speech emphasised the importance of regular interaction between the leading players in the maritime and trade industry and import and export shippers and commended the Council for initiating the idea of organising

small fora for trade associations as part of its objective of educating shippers on changing trends in the industry.

Mr Alpha Shaban, General-Secretary of the ACSHOA, in his welcome address indicated that the forum was to enable the Council collate views and ideas from shippers on policy matters affecting the trading sector of the economy. Mr. Shaban said the cumbersome nature of clearing goods at the ports of Ghana in conjunction with other factors such as the charging of "illegal fees by shipping lines, container lifting and container cleaning fees cause unnecessary delay in the clearing of goods at the ports thus increasing the cost of doing business in Ghana and ultimately increasing the cost of goods on the market. He suggested that a mechanism be put in place whereby charges of the various agencies operating in the ports like CEPS, GPHA, Clearing Agencies etc would be put on the GCNet in a bid to regulate their activities.

The Deputy Chief Executive of the Ghana Shippers' Council, Mr Emmanuel Martey in his address stressed the importance of the Open Forum to the Council, as a means by which the Council interacts with shippers at their localities to learn of the problems confronting them in their day-to-day business activities.

Mr Martey enumerated the problems that shippers face in clearing their goods from the port as missing containers at the ports, excessive charges by some clearing/shipping agents, undue demurrage charges by some shipping agents, including charging demurrage on weekends and statutory public holidays, etc and delays in the processing of FCVRs and its effect on demurrage and other costs. He was, however, quick to stress that several organisations are involved in the clearing of goods from our ports, and problems in

relation thereto cannot be laid solely at the doorstep of any one organisation and that the concerted efforts of all stakeholders are essential in finding a lasting and meaningful solution.

He further rightly observed that some capital intensive port development projects have been undertaken at the Tema Port, which include the dredging of the approach channel and berths, acquisition of four rubber tyred gantry cranes which have enhanced productivity in vessel turnaround. He further stressed that the construction of the Golden Jubilee Terminal which was commissioned in 2007 by His Excellency President J.A. Kufuor, the introduction of CCTV cameras and re-fencing of the entire port has boosted efficiency, productivity and security at the port.

He commended the privatisation of port operations as a decision in the right direction, since competition among private operators leads to efficiency which has the tendency of reducing costs. He noted that the Council welcomes the improvements at the ports as these are expected to lead to quality service at reasonable cost to importers and exporters.

Mr. Emmanuel Martey stressed that despite all the efforts being made to minimise the problems in the clearance of goods, the expected results will not be achieved if shippers do not do the right things. He admonished shippers to solicit the services of reputable clearing and forwarding agents in their business dealings and urged them to consult the Council to guide them in their business transaction decisions, in order to forestall being swindled by charlatans. He further advised them to check on the status of freight forwarders they intend to engage to do clearing business on their behalf from their respective Associations.

The Deputy CEO of GSC intimated that in response to increasing requests lately by shippers for the Council's presence at the entry points of the other modes of transport that serve Ghana's international trade, namely, road and air, the Council is in the process of acquiring offices at Elubo, Aflao and KIA to be dubbed "Shipper Complaints and Support Units" to offer shippers readily available assistance in the clearance of goods at those entry points.

After the delivery of addresses, shippers were invited to ask questions on issues that they considered important and resource persons were on hand to address the issues raised. A questioner took issue with CEPS for not having a duty collection facility for accompanied baggage at the Arrival Hall of the Kotoka International Airport leading to a situation where passengers spend hours as they are directed to Aviance and BIVAC to go through the process meant for unaccompanied baggage.

He said the process takes more than two days compelling passengers living outside Accra to book hotels until the clearance is completed, thereby incurring additional costs apart from the inconvenience after a long flight. Assistant Commissioner of CEPS, Sam Akwasi Yankyer, in his response to the question denied that CEPS had no facility for duty collection at Arrival Hall. He further stressed that the delays that passengers go through was the result of some passengers carrying commercial goods in their accompanied luggage on arrival resulting in the baggage being emptied for the appropriate duty to be calculated on the luggage. He urged passengers to carry with them only personal effects which do not attract duty on arrival if they are to avoid delays.

An importer of used vehicles from South Korea wanted to know the criteria used to determine duty on imported second-hand vehicles. He cited the example of a vehicle bought for US\$500.00 in South Korea attracting duty of GH¢1,700.00. There again, Mr. Yankyer explained that duty on imported used vehicles was arrived at using the cost of the vehicle at the time of its manufacture as well as the age of the vehicle at the time of the importation. He stressed that the over-aged vehicles attracted a penalty and therefore reminded importers to be mindful of the ages of the vehicles they import into the country which they may purchase cheaply but pay dearly for on arrival at the port.

A Shipper wanted to know the determining factor in allocating cargo to the Golden Jubilee Terminal (GJT). According to him, on a number of occasions, instruction for his cargo to be sent to the Tema Container

Terminal had not been adhered to and rather sent to GJT whose charges are higher than other terminals. An official of the GPHA, in response to the question said there is no deliberate policy to send containers to the GJT so that importers would pay more charges. He said the content of the containers was the determining factor. According to him, containers with homogenous goods are sent to the TCT while those that contain varied cargo are sent to the GJT.

An Importer of cosmetics questioned the valuation policies of the destination inspection companies. She explained that she imported cosmetics worth US\$6,000.00 with genuine receipts but the inspection company valued it at US\$7,000.00. In order not to accrue rent and demurrage she paid without contesting, and wanted to know if she could still contest the valuation. In his response, Mr. Yankyer explained that the cost of cargo, freight and insurance are the determining factors for valuation of duty on imported goods.

He observed that some importers use fake invoices to undervalue their goods and pay less duty while some also excluded insurance from the face-value of their invoices. He further stressed that the destination companies who work in concert with CEPS have independent ways of establishing the actual value of goods imported. He advised importers who feel their goods have been unfairly valued to make a complaint to the Ministry of Trade, Industry, PSD and PSI which has established a committee to look in such matters and assured that if it is established that the valuation is unfair, the importer in question would be entitled to a refund of the difference.

Another shipper called for the establishment of a regulatory body for clearing agencies where complaints against their activities could be made. She recalled her experiences of non issuance of receipts and arbitrary determination of the amount required for clearance without explanation by clearing agents, apart from deliberate incorrect declaration of contents of containers.

In response to the question, an official of GIFF, Mr. Carlos Ahenkorah, urged shippers to endeavour to do business with only reputable clearing and freight forwarding companies. He urged them to make enquiries on the internet, contact CEPS or any of the professional associations to which freight forwarders belong to establish the credibility of any clearing or forwarding company they intend to deal with.

Mr. Sam Quaye of the Ghana Maritime Authority further intimated that the GMA which has the mandate to regulate the activities of freight forwarders, shipping agents etc have established a Technical Committee which is currently looking into the matter. According to him, upon the recommendation of the committee, a legislative instrument would be sought to give the Authority teeth to discharge its duty. He said in the meantime though, the Authority had established complaint offices at the Tema and Takoradi ports to address the concerns of shippers.

Another importer wondered why importers could not clear their goods on their own if they so wished. Mr. Yankyer responded saying that though there is no legal restriction on importers who want to clear their own goods, aspects of the process are technical and thus require an individual trained in clearing to undertake the job. He cited as examples the procurement of licences from the Environmental Protection Agency before the clearing of certain kinds of cargo as well as examination of samples of some imports by the Ghana Standards Board and the provision of the requisite certification in that respect.

Another shipper called on CEPS to consider extending its Gold Card membership to small reputable importers. The Gold Card membership allows certain importers to clear their goods without examination at the port on account of their conduct over a period. Mr. Yankyer assured that the Gold Membership Card list is subject to review and urged importers to conduct their businesses well to enable them earn a Gold Card Membership.

Mr. Yankyer in response to a question raised by an importer on the reason why auctioned goods sometimes cost less than the original duty and penalty imposed on them observed that sometimes the importers in question raised the bid price so high to prevent anyone from purchasing the auctioned goods only for them to fail to produce the money to purchase the goods later on. He said CEPS is then forced to sell the auctioned goods at a lower price to ease congestion at the ports. He urged importers who did not readily have money to pay for their duty to contact the Service so their goods can be kept in bonded warehouses to avoid their goods being kept at the port for too long and thereby attracting demurrage and other allied charges.

After the forum, several shippers expressed satisfaction with the responses of the resource persons but hoped that they (resource persons) would do more to eliminate some of the problems hampering the speedy clearing of cargo ■



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Dynamic Management of Operational Risk and Compliance in Maritime Port Areas

By Dr. Yehuda Heimlich, Ashdod Port Company Ltd., Israel

INTRODUCTION

Dynamic Management of Operational Risks and Compliance in Port Areas is a corporate software solution based on a powerful "rules engine" that monitors in an ongoing fashion the operational activity in a port. It controls, warns, aids, and creates structured responses as per pre-defined rules, whenever an irregularity from the port's usual routine is detected. The link between the world of risk assessment and the management of operational activity in a port—both before and after an event—in an environment wherein the focal risks are mobile, and everything rests on regulatory constraints, is an innovation in the port industry.

Risk is a given that can affect the operational activity of the port and / or the corporate achievement of goals set therefor, and which can have negative, undesirable consequences. In most cases, the term *risk management* is used in a financial context, i.e., credit risk or market risk. Yet in this proposal, we focus on operational risks stemming from events involving hazardous materials, safety, security, or non-compliance with legal and / or regulatory requirements.

It is important to understand and to distinguish between risk management and compliance with legal and regulatory requirements. Regarding both, managerial failure may lead to a negative consequence for the company; yet the latter has added significance: Compliance with legal and regulatory requirements is

in most cases an extra burden on the operational activities of the port. A company that aspires to maximize its profits must manage its activity in the regulatory environment, at any given moment finding the balance point between compliance on the one hand, and not compromising performance on the other.

Moreover, in dynamic risk management, examining the risks from the point of view of the company's management and shareholders is not limited to what takes place in the arena of the actual event, but also has strategic and economic significance in the broader sense of the word, as well as legal and image implications.

A port that manages its risks with a dynamic system enjoys the following benefits:

1. **Optimization of resources** - enabling it to assess investment of resources commensurate with both objectives and risks, thereby making effective, economical decisions
2. **Reduction of operational risks and financial loss** - enabling it to predict events liable to cause damage, evaluate them before they occur, and manage uncertainty, thereby in turn reducing potential damage without hampering operational activity
3. **High-level compliance with legal and regulatory requirements** - enabling ongoing followup of legal

requirements or [identifying] non-compliance therewith, thereby reducing legal exposure without compromising the company's outputs

4. **An automated response based on pre-defined rules, rapid recovery from an event, and return to routine** - enabling reduction of port downtime, thereby maintaining a high level of service and continuity in operational activity

The maritime port provides service to shipping lines, which are obligated to meet timetables and to maintain a high level of service. Closure of a port in the event of emergency, or reducing activity therein, and likewise disaster recovery time, are undesirable scenarios for those using the port's services. Rapid and professional response to a risk developing into an event is a commonplace requirement made by shipping companies the port's end users of those operating it.

A maritime port is also a business environment, dense with both national and international regulations. Management of hazardous materials in ports, along with environmental, safety, and security requirements, is carried out as per a number of tools, including conventions published by the International Maritime Organization, such as the SOLAS and the IMDG Code, ISPS Code, and MAEPOL 73 / 78; national legislation; business licenses and certificates; permits and provisional documents; as well as industrial work practices and procedures.

All of these are worded in "do / don't" language, and they act as a "bible" that, together with risk assessment analysis, enable us to build the "rules engine" for *dynamic risk management*. In a port area, in contrast to any other industrial facility, the operational risks from hazardous materials (i.e., the types of materials and their quantities), as well as the operational activity therein, are dynamic.

The average port conveys dozens to hundreds of thousands of containers containing hazardous materials of various danger levels, from explosives (Class 1) to materials that could cause environmental damage (Class 9). Management of and control over such a complex environment requires continuous information gathering and real-time decision-making based on that information.

THE METHODOLOGY AND THE SOLUTION

Classic operational risk management is based on principles of probability and consequence. Its predicate is that every risk scenario, which exists by definition within operational activity, without our taking any protective measures whatsoever, carries with it an *inherent risk*. Such a risk will be represented by a point or square on a graph whereon the X axis represents the probability or frequency of an event's occurring (*probability*), and the Y axis represents the result or potential damage of the event's having occurred (*consequences*). Every risk scenario has its specific probability and consequence, upon an event's actually occurring (Fig. 1). The numerical values in the coordinate graph that characterize each and every scenario are set by professional personnel who specialize in risk analysis.

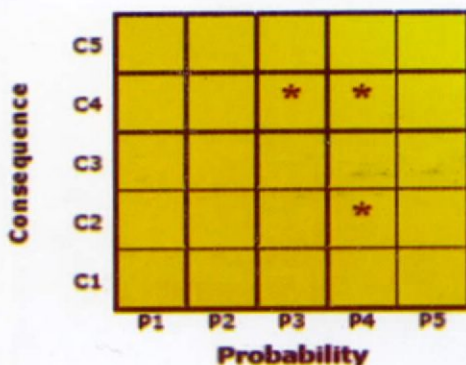


Fig.1 (above): Three inherent risk scenarios (indicated by red stars) in a

probability < consequence graph

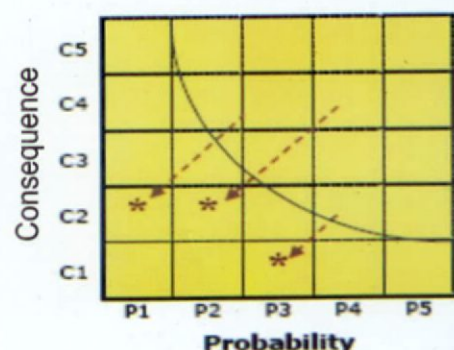
Ozens of risk scenarios occur in a port environment: entry into the port area of containers containing toxic gases or liquids with high vapor pressure; exceeding the maximum permissible storage quantities of [materials of] a particular risk group; storage in a prohibited area and deviation from the segregation rules; conveyance of hazardous material containers in proximity to densely occupied buildings; a hazardous material-bearing tow vehicle's overturning; exceeding the maximum permissible time for storing hazardous materials; entry of explosives into the port; leakage; fire; explosions, and so forth. All these are examples of risk scenarios involving hazardous materials.

Nevertheless, not only these, but causing air pollution; marine pollution; soil contamination, and spills, or violations of any permits, all constitute deviations from the provisions of environmental law or regulations; and each constitutes a probability of occurrence and consequence.

A port company, from the moment it commences activity, is exposed to operational risks. In an inactive company, the probability of a risk scenario and of any consequence whatsoever is zero.¹ Therefore, every company sets a *tolerability curve* for itself, which expresses the total level of risk that it can "bear".

Classic risk management is a process wherein risk scenarios are presented on a probability < > consequence graph and measures are taken to prevent the risk or to reduce it to below the tolerability curve. The ways to achieve this are: compliance with legal and regulatory requirements; drafting work guidelines and instructions; worker training; proper equipment; and investment in infrastructures. Alternatively, a port company may handle its risks by transferring them to a third party such as an insurer, outsourcing, or even accepting the risk (self-insurance) knowingly, for a finite period.

Fig. 2: Taking measures to reduce inherent risks to below the tolerability curve (blue)³

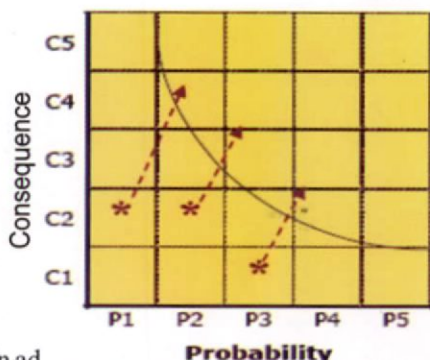


N classical operational risk management, a one-time analysis is conducted, and when all reduction or preventative measures have been taken, the business is left with *residual risk*, or that remaining underneath the tolerability curve. Thereafter, all that remains is to carry out checks in the field, to update the work practices and procedures accordingly, and to hope that the measures taken are upheld. Yet such measures do not provide a response to the rapid and frequent changes that characterize operational activity in a maritime port, and do not provide the level of control and monitoring necessary in an automated system, or the decision-supporting mechanisms of such a system.

In the "real world", in routine operational activity, rapid and frequent changes *are* the routine. Often, we cannot fulfill precisely all of the directives and procedures, and due to the needs of the moment, we fail to uphold one or another regulatory requirement. In an emergency, rapid and precise response is crucial; however in such a situation, due to stress, mistakes are made. Therefore, it is incumbent upon us to engage in dynamic risk management.

Port congestion, human error, and occasional lack of discipline all result in the segregation rules not always being observed for hazardous and non-hazardous materials, and between various risk groups; permissible storage times are not always observed, and irregularities and other scenarios occur.

Moreover, occasional events take place that are unrelated to that occurring in the port, such as prohibited entry of hazardous materials, shipping delays, or a ship's refusal to load hazardous materials or to observe port rules. Such occurrences also cause violations of work practices that were established to prevent or reduce risk.



In addition, the incidence of risk scenarios above the tolerability curve, and to overall increased risk on the part of the port company (Fig. 3).

Fig. 3 below: A rise in residual risks over the tolerability curve, bringing with it overall increased risk at the port. But that's not all: Risk management using the classical method focuses on the chances of an event's occurring and its physical consequences in the event's arena; whereas in dynamic risk management, we anticipate a higher level of control and a more in-depth analysis of the size of the overall risk for the port company as a whole.

From the manager's point of view, the overall risk to the company and its shareholders is analyzed from the viewpoint of a given activity's contribution to one or more of five types of risks:

1. **Safety risk** - the risk of physical harm caused to people; the chances of light or severe injury, or heaven forbid, death
2. **Economic risk** - the risk of losing property or the company's sustaining financial damage, such as having to pay to restore the situation to its former condition, compensatory payments, fines, legal fees, payments to a third party, or loss of markets
3. **Legal risk** - the risk of violating the law in the name of the company's officeholders and shareholders (meaning a criminal conviction or a fine, not legal fees or fines levied on the company, which are included in economic risk)
4. **Image risk** - the risk of negative publicity or exposure in the media or to the general public, both for the company and its officeholders and shareholders
5. **Security risk** - the risk of compromised security (terror acts or acts of war) at the port, a risk with political and strategic implications. In order to understand how the aforementioned methodology is

implemented, take this example: As per the provisions in the directives of the port's permit, it is prohibited to store containers containing toxic gases for longer than 48 hours.

The entry of 30 such containers creates a *risk scenario* for the port whose size and numeric value is comprised of the sum of the safety risk, economic risk, image risk, and security risk. As soon as we exceeded the 48-hour permissible storage period, the risk grew. The economic risk has grown, and added to it are now legal risk and image risk. The mathematical calculation of the **overall risk** can be expressed in the following formula:

$$C_i = \sum_j w_j c_j \quad \sum_j w_j = 1$$

Where c_i is the overall level of risk of scenario i ; c_j is the level of risk for each of the risk types; and w_j is the weight of the risk level in proportion to the other four risk types.

Therefore, a system that is capable of monitoring the overall level of risk at the port and warning of dangers is one facet of the overall system. A dynamic system is one that is also capable of responding rapidly as per guidelines debriefed in advance and implementing decision-supporting mechanisms upon a risk scenario's occurrence, in order to restore routine activity in the port as quickly as possible.

Therefore, in a dynamic system, upon receipt of information on the occurrence of an event from the detection and identification systems, or even from a human source, notices are sent automatically to the emergency crews and key personnel in the company as per

guidelines debriefed in advance. The system will know to check other data, to analyze the scenarios that could develop, and to present them as a 3D aerial image map of the port on a GIS.

Concurrently, aided by a wireless system, engineering information will be sent to the emergency crew's mobile computer system profiling the materials involved in the event and the recommended way to handle them. In the control room, the automated system will provide information on the container's owner, its source, and its destination. Video cameras will be aimed at the event arena to obtain a real-time picture of the situation.

Take, for example, a bromine gas leak. Gas spread scenarios are presented according to meteorological conditions and field conditions. Concurrently, bromine sensors pinpoint the spreading points, cameras are aimed at the event arena, engineering information from the material's safety data sheet (MSDS) is relayed to the emergency crews, and the event is handled as per practices and guidelines set in advance.

Such a system would reduce human error, initial response would be rapid and precise, the actions taken would be assimilated, and an efficient debriefing of the event would be enabled for drawing conclusions and formulating lessons for the future.

Conclusion In this paper, we showed the need for, and how to achieve, dynamic risk and compliance management in maritime port areas. While we did not get into the details of how to implement the methodology in practice, relevant personnel are hereby invited to contact the author to discuss further action.





Damco - Your Personal Forwarder

Damco is a global freight forwarder that offers *flexible, localised, and personalised* services intended to deliver exactly to its customers what they want, when they want it, and how they want it.

Damco and Maersk Logistics are the two logistics companies under APM Global Logistics which is owned by the A.P. Moller - Maersk Group. Maersk Logistics is active in supply chain management and Damco is active in freight forwarding.

Damco was born from the merger of Dutch freight forwarding company Damco Sea & Air and the forwarding activities of Denmark-based DSL Star Express.

Its starting point was in 2005, when the A.P. Moller - Maersk Group acquired Damco Sea & Air in conjunction with the acquisition of P&O Nedlloyd. Established in 1988, Damco Sea & Air was P&O Nedlloyd's forwarding arm. Damco now is a separate business unit and therefore truly independent of Maersk Line.

Together with Maersk Logistics' air freight and landside services, DSL Star Express was renamed 'Damco' on 1 July 2007.

Both companies have a successful track record of offering to their customers ocean freight, air freight, and landside services including trucking, customs clearance, document management, and cargo insurance.

With a workforce of some 3,600 people spread across 110 countries worldwide, the new Damco is poised to deliver efficient freight forwarding services to its existing and new customers. Its expanded global network revolves around its local branch offices with local staff that are closely in touch with conditions in each of their markets.



Damco works with all the major ocean carriers and airlines, local landside service providers such as trucking and customs brokers, and a broad range of global and local service providers. With such extensive reach, the company is able to quickly put together a tailor-made package to meet the unique needs of its clientele as it remains guided by its watchwords: *flexible, local and personal*.

Flexibility

Damco works with a range of service providers in over 110 countries across the globe. The company offers ocean freight, air freight, and a comprehensive array of land-based services. Wherever your goods need to go, and however quickly you want them to travel, Damco will deliver.

Localised

Damco is global, but serves you locally. Its offices in all key markets are staffed

with local employees who understand both the local language and market conditions. Wherever you operate, Damco can connect with you.

Personal

Damco makes sure its customers only work with a single point of contact at all times. Your Damco partner is personally accountable for handling your business, simplifying your working relationship and ensuring peace of mind.

DAMCO'S SERVICES:

Full container load (FCL):

Damco offers to ship full containers to world-wide destinations. By virtue of the fact that Damco works together with more than 20 global shipping lines, it offers wide coverage, more sailings and better rates. The safety of customers' goods is guaranteed right up to the final destination.



Less than container load (LCL):

The LCL service Damco provides gives the shipper and consignee good flexibility at a reduced cost. Damco provides consolidated cargo services that enables shippers whose cargo takes up 1/3 or less of container space to have their cargo consolidated together with other small consignments. Damco Ghana uses Rotterdam as its hub-port. This means all the cargo is sent to Rotterdam for consolidation and onward delivery to its final destination. Damco Ghana has its own custom bonded Container Freight Station (CFS) for consolidation and deconsolidation of cargo (LCL). This facility can both be used for import and export LCL cargo.

Export stuffing:

Damco also offers to assist its clients with export stuffing. Cargo sent to its Container Freight Station is stuffed in FCL and LCL containers with both manpower and forklifts. The company has expertise in stowing the cargo the best possible to significantly reduce the likelihood of damage.

Inland Haulage:

The use of Damco's inland transport is the most efficient way for shippers to get their goods to and from the port. Often, this process can be extremely unwieldy and can leave shippers juggling several contract points at once. But Damco aims to be a one-stop shop. Its comprehensive range of road options Enables shippers to transport their goods to their intended destination at the right time and at the right price.

Customs clearance:

Customs rules and processes can be confusing but Damco's goal is to make

clearance as easy and simple as possible for its clients. The company's global network of offices has unrivalled local expertise. With their input, shippers will be able to make well-informed decisions, reduce lead time, optimise cash flow and keep taxes at a minimum.

Air:

Damco's Airfreight is the fast, flexible way to move your goods. Whatever you want to move, and wherever you want to move it, Damco is on hand to make it possible. With a global network of dedicated air specialists, its airfreight services cover almost every location in the world. Committed to meeting any capacity and transit time requirements, Damco offers both full and part charters, as well as a range of services:

Priority Priority freight is moved on the first available flight using Damco's partner airlines' dedicated express services. For most major destinations, maximum airport-to-airport transit time is two days.

Standard Standard freight is moved on its partner airlines' standard services which typically offer daily uplifts for this product. For most major destinations, maximum airport-to-airport transit time is four days.

Economy Economy is Damco's consolidation service for customers seeking the most cost-effective option. The company offers one or more consolidations per week, depending on origin. Economy will add two days to Damco's Standard transit time for most major destinations.

Award

Recently Damco was awarded "Best

Logistics Service Provider Sea Freight" at the well recognized Asia Freight Supply Chain Awards held in Singapore. Other nominees for the award were APL Logistics, DHL and Kuehne + Nagel.

The judging criteria for the Award included innovativeness, clearly defined service standards, problem solving capabilities as well as professional customer service.

The Damco team in Ghana

The Damco office in Ghana is located in Tema. It has 6 dedicated staff members working in the company's Import Division and 3 working with the Sales/Export Division. Blue colour workers at Damco's CFS normally number 30 but when volume of cargo at the station peak, the company is able to deploy as high as 50 personnel in order to accommodate its customers' needs.

In the words of the Head of Damco Ghana, Martin Kjaer Aagaard, "At Damco, we put a lot of emphasis on customer service based on a thorough understanding of the customer's requirements and needs. We always try to offer the solutions which fit our customer's needs best, and in order to do that, you need a dedicated team with the right knowledge, the right skills and the right spirit and that we have here in Ghana. When we serve our customers, we always keep in mind our duty to provide solutions which are *flexible, localised and personalised*."

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Promoting Export of Professional Services in Ghana

— Historical Perspectives

INTRODUCTION

Until recently, little attention was given to services trade in the global economy, particularly in developing countries. The role of services, particularly financing and transportation, was only recognised in as far as they facilitated the trade of merchandise products. Over the years, a number of services hubs emerged, i.e., the major crossroads for trading by land and the major harbours for trading by sea.

In the last forty years therefore, the focus of services trade has shifted away from facilitating the trade in goods. More recently, the integration of telecommunications and computer technologies has made virtually all services tradable across borders.

Since the mid-eighties, service industries have increased in importance in most developing countries and particularly in Least Developed Countries (LDCs), usually contributing at least 45 per cent of GDP. The sector has in many cases overtaken merchandise trade sector. Even in the production of goods, the major portion of value added (up to 70%) comes from services inputs: upstream (such as feasibility studies and research and development activities); and stream (accounting, engineering, and administrative services); and downstream

(such as advertising, warehousing and distribution).

The share of developing countries in trade in services has increased considerably. Exports of services from developing countries increased from US\$ 147 billion in 1990 to US\$347 billion in 1999. During that decade, export of services accounted for the top five sources of foreign currency for 90 developing countries. While travel and tourism were the most dynamic, others that made considerable progress were communication, construction and business services.

There are many factors that account for this fast growth in the sector. While some service sectors, in particular international finance and maritime transport, have been largely open as the natural complements to merchandise trade, other major sectors have undergone fundamental technical and regulatory changes in recent decades which have dramatically increased their "tradability".

THE SERVICES SECTOR IN GHANA

Ghana's own service sector is no exception to this phenomenon and provides good prospects for the growth of the Ghanaian economy, contributing about 41.4% to GDP. A positive growth in the sector would therefore have far reaching desirable implications for the growth of the national economy.

The sector is characterised by a variety of services that include construction and allied engineering services, information technology, business services, freight forwarding services, banking services, health care, education and tourism, among others. Ghana's potential also extends into considerable competitive advantage in the ECOWAS and other markets.

Other characteristics of the sector in Ghana include smallness of firms (usually no more than five persons), inadequate access to information and communication technologies, insufficient funding schemes to support expansion programmes, insufficient information and knowledge on international bidding procedures, among others.

The market penetration efforts of the individual Ghanaian services practitioners have, however, been disjointed and fragmented.

GOVERNMENT POLICY DIRECTION

In recognition of the growing importance of services trade in foreign exchange earnings, job creation and GDP growth, the Government of Ghana is taking steps to mainstream services export into national trade policies and schemes. The 2007 Government Budget and Economic Policy

As a starting point, Government will hold extensive consultations with professional associations and the services industry to design a practical strategy to link Ghana to the global services supply chain.

SERVICES EXPORT DEPARTMENT AT GEPC

Taking a cue from the afore-mentioned Government policy direction, the Ghana Export Promotion Council has established a new department that is charged with the responsibility to coordinate the Council's collaborative efforts with other stakeholders to promote the services export sector.

MARKET OPPORTUNITIES IN SERVICES

Ghana is well positioned to take advantage of the market opportunities in the services sector. National efforts should be geared towards making the country the preferred destination of choice within the sub-region and beyond, for specific services. The following are some of the opportunities available for consideration:

• Back Office Operations

From accounting to call centres and medical records, Ghana can harness the growing trend of outsourcing back office operations to create value-added jobs and foreign exchange earnings

• Education Services

Ghana can leverage its acclaimed education system particularly at the tertiary level and for new types of specialised courses and training programmes. Access to foreign students in Ghanaian institutions must be properly planned and executed. Again, Ghanaian institutions must explore the possibility of setting-up branches in other countries or strengthen distance education possibilities.

• Transport and Logistics Services

With merchandise trade expected to double around the world between now and 2020, Ghana needs to modernise and improve cargo services, from warehousing and container handling to cargo tracking systems and integrated import/export software to capture the bulk of the business within the Sub-region.

• Medical Care

High quality medical and dental care, available at lower cost than in developed countries, is an increasingly popular export by developing countries. Ghana's Cardiothoracic Centre can become the nucleus of an integrated medical hub for attracting patients from abroad who would combine tourism with medical or dental care.

• Financial Services

In the highly competitive financial sector, financial institutions in Ghana can find niche opportunities. One possibility is the financial products for Ghanaians living and working abroad. The Inter-American Development Bank estimated that Latin American citizens abroad sent remittances to their countries to the tune of US\$ 45.8 billion in 2004.

• Tourism

World tourist arrivals are expected to increase by three-fold by 2020. Increasingly, tourists are becoming more independent as well as environmentally and socially conscious. Ghana should structure its package to offer more specialised products such as eco, rural or agro-tourism.

CONCLUSION

The potential of the services sector, as an area of export activity, to become a vehicle for Ghana's economic development cannot be over-emphasised. Efforts at all levels must be harnessed to ensure the mainstreaming of services exports into national trade programmes to enhance exchange earnings, create jobs and generally impact GDP growth.

Among other things, Ghana needs to urgently draw up a National Services Export Strategy that will provide the blueprint for the development and promotion of the services sector as an exportable offer to augment foreign exchange earnings, job creation and GDP growth efforts.

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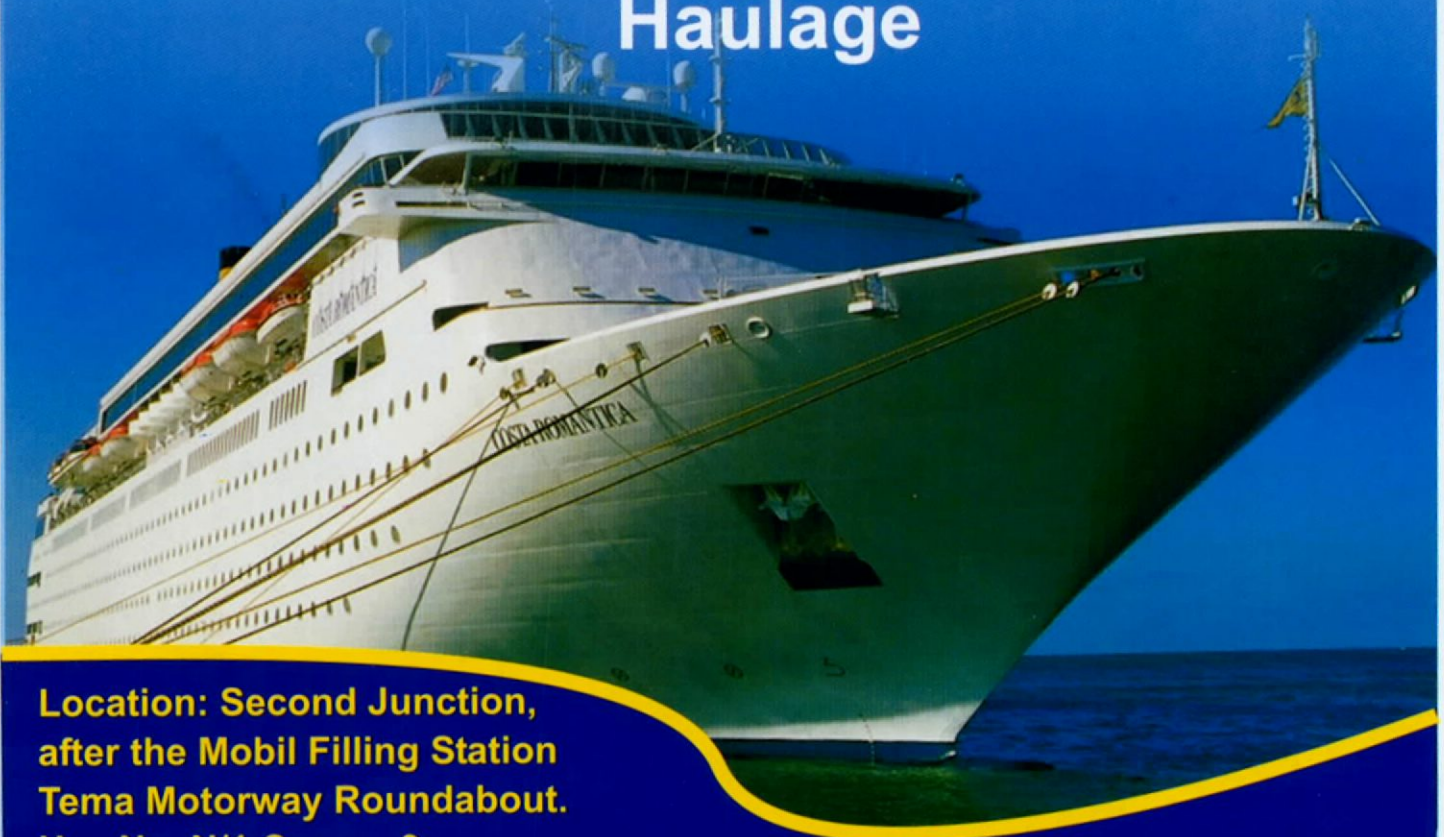
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MARITIME TRADE REVIEW FOR 2007

Ghana's total cargo throughput for the year 2007 was about 13.9 million metric tonnes. This comprised of imports, 9,315,248 metric tonnes, exports, 3,949,956 metric tonnes and transit cargo 633,020 metric tonnes.

The Tema Port accounted for about 71% of the import cargo (9.8 million tonnes) while the Takoradi Port accounted for about 29% export cargo (4 million tonnes).

The transit trade contributed about 5% of the total cargo traffic through the ports. This represented a decrease of 10% from the 2006 record. Total transit was made up of 572,815 tonnes of import items with about 94% transiting through the Tema port, and 60,205 tonnes of export items all of which went through the port of Tema.

Table 1 below gives a summary of the performance of the import and export trade of Ghana through the sea ports of Takoradi and Tema for the year 2007.

Total Ghanaian cargo loaded and discharged during the period under consideration amounted to 13.2 million tonnes. Of this Ghanaian tonnage, import was over 9.3 million tonnes and export amounted to over 3.9 million tonnes.

The share of the Takoradi port of total Ghanaian cargo traffic was over 4 million tonnes (29%) while Tema port recorded over 9.1 million tonnes (66%). The Tema port recorded over 7.9 million tonnes of the import while Takoradi port had over 1.3 million tonnes. For export, Tema port had over 1.2 million tonnes while Takoradi recorded over 2.6 million tonnes.

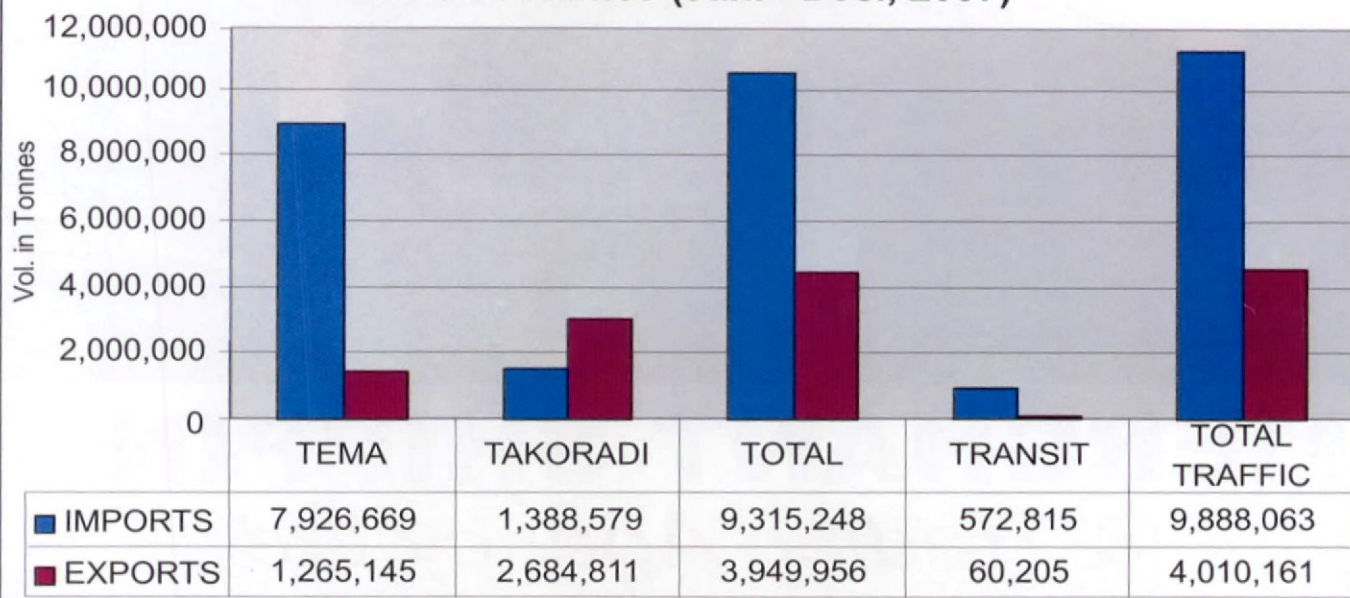
Fig. 1 below gives a clear explanation of the situation, showing the increasing trend of the Takoradi port as an export port and Tema as an import port, and it can be seen that the Ghanaian import continues to outstrip export.

Table 1. Summary of Cargo Traffic Through the Ports of Ghana in Tonnes (Jan.-Dec., 2007)

	IMPORTS	EXPORTS	TOTAL	Ports & Transit Trade % Share of Total Traffic
TEMA	7,926,669	1,265,145	9,191,814	66
TAKORADI	1,388,579	2,684,811	4,073,390	29
Total	9,315,248	3,949,956	13,265,204	
TRANSIT	572,815	60,205	633,020	5 (Transit)
TOTAL TRAFFIC	9,888,063	4,010,161	13,898,224	
% Share of Total Traffic	71	29		100

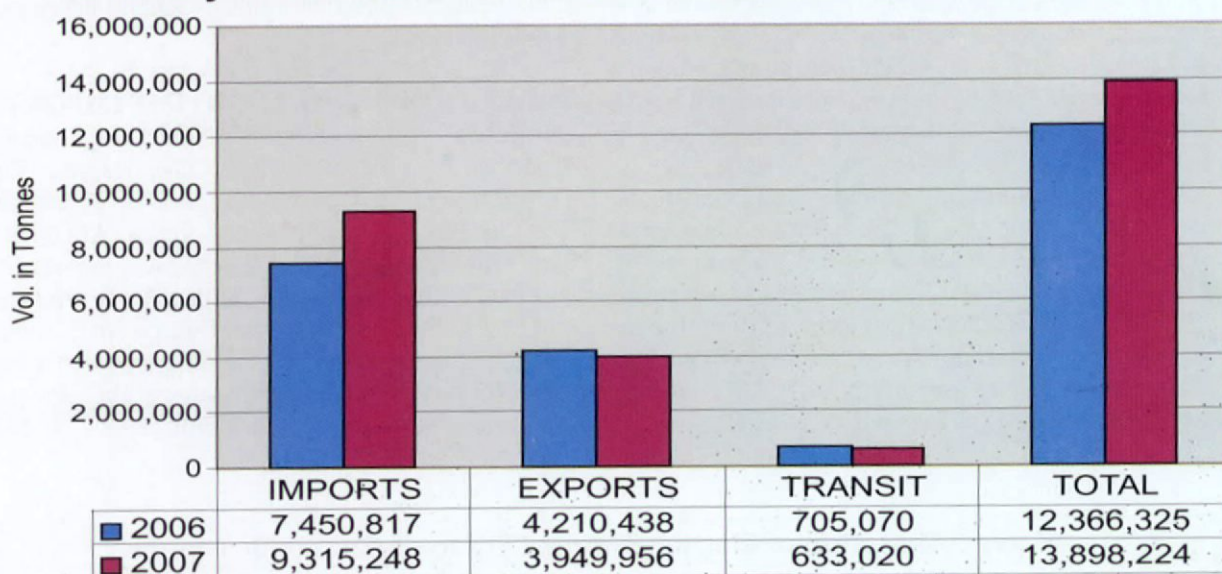
Source: Ghana Shippers' Council

Fig. 1 Summary of Cargo Traffic Through the Ports of Ghana in Tonnes (Jan. - Dec., 2007)



Source: Ghana Shippers' Council

Summary of the Maritime Trade of Ghana for 2006 and 2007



Source: Ghana Shippers' Council

THE MARITIME IMPORT TRADE

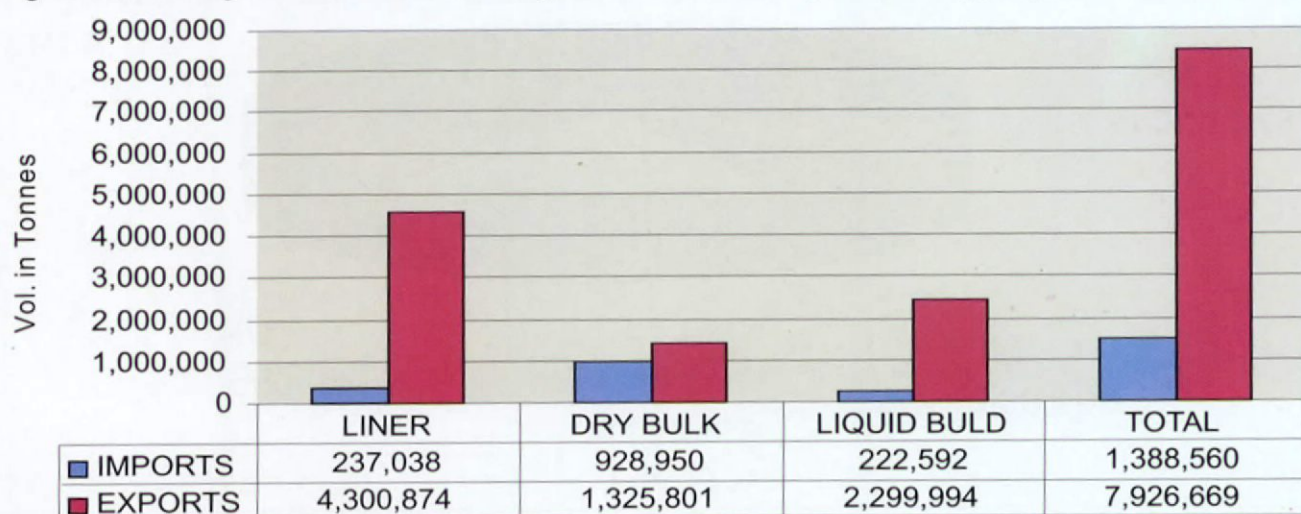
Table 2 below gives an indication of how the maritime import trade for the year performed in the various trade types. Total imports to Ghana was about 9.3 million tonnes of which

Tema port accounted for over 85% while Takoradi port had about 15%. Liner import recorded the highest share of 49% while dry bulk constituted 24% and liquid bulk about 27%. Fig. 2 below is a pictorial representation of the situation.

Table 2 Summary of the Maritime Import of Ghana by Trade Type in Tonnes (January - December, 2007)

	TAKORADI	TEMA	TOTAL	% SHARE OF TRADE TYPE
LINER	237,038	4,300,874	4,537,912	49
DRY BULK	928,950	1,325,801	2,254,751	24
LIQUID BULK	222,592	2,299,994	2,522,586	27
TOTAL	1,388,580	7,926,669	9,315,249	
% SHARE OF PORTS	15	85		

Fig. 2 Summary of the Maritime Imports of Ghana by Trade Type (Jan. - Dec., 2007)



Source: Ghana Shippers' Council

IMPORT COMMODITIES

Total imports for the period was 9% more than what was obtained in the previous year, moving from 8,532,452 tonnes in 2006 to 9,315,216 tonnes in 2007. Liner imports gained a 19% increase over the 2006 figure, while dry bulk fell by 3% from the 2006 figure. Liquid bulk imports rose by 5%.

The highest imported commodities for the period were in the bulk trade. Clunker, a dry bulk commodity amounted to about 1.3 million tonnes, while crude oil and petroleum products which are also in the liquid bulk trade registered about 1.2 million tonnes and over one million tonnes respectively. In the liner trade, processed foods/beverages was the highest commodity amounting to 538,982 tonnes. This was followed by sugar with 518,562 tonnes,

iron/steel/plates/pipes 494,066 tonnes, rice 366,411 tonnes and chemicals 350,024 tonnes. General cargo amounted to 576,274 tonnes.

DIRECTION OF THE MARITIME IMPORT TRADE

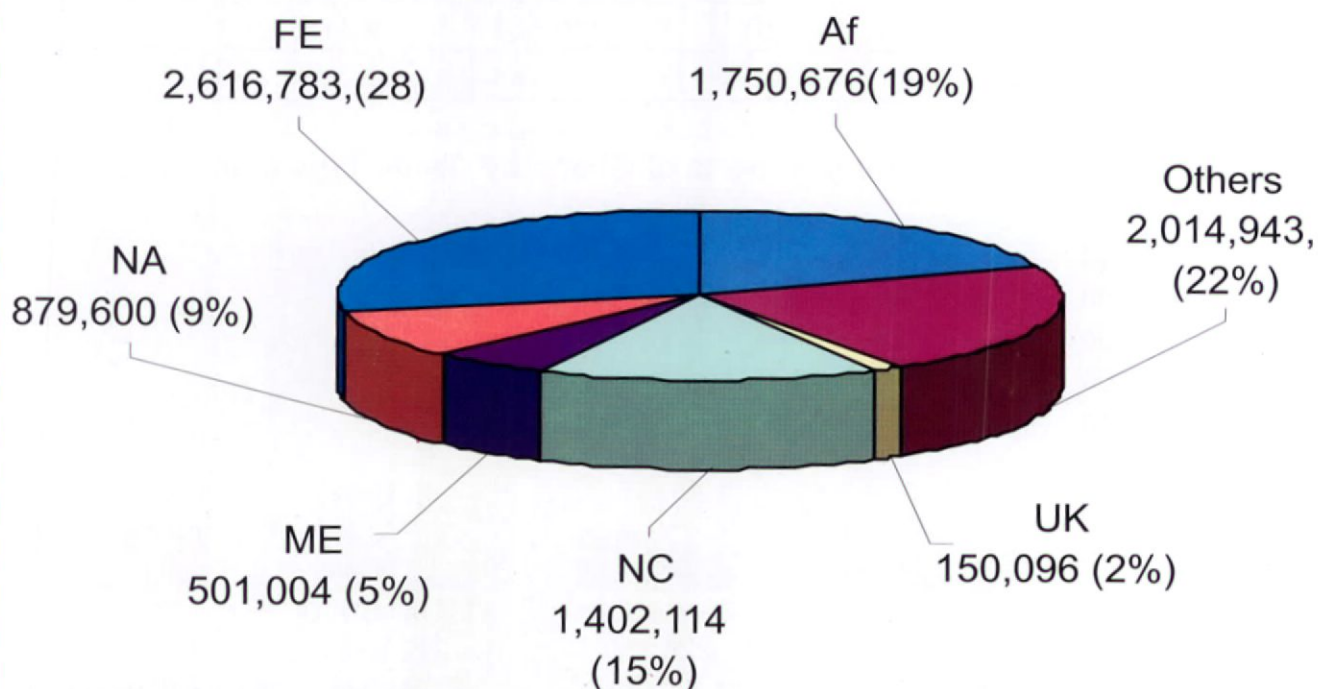
Table 3 below shows the performance of the maritime import trade within the various trading ranges. The highest percentage of the Ghanaian imports of 28% came from the Far East range. The Others and Africa (Af) ranges were the next with 22% and 19% respectively. This was followed by North Continent (NC) range with 15%, North America (NA) range 9%, the Mediterranean Europe (ME) range with 5% and the United Kingdom (UK) range with 2%. Fig. 3 below gives a pictorial representation of the direction of the maritime import trade of Ghana for 2007.

**Table 3 Direction of Maritime Import Trade of Ghana in Tonnes
(January-December, 2007)**

RANGE/TRADE	UK	NC	ME	NA	FE	Af	Others	TOTAL
LINER	142,596	753,120	347,531	284,288	1,810,208	307,126	893,011	4,537,881
DRY BULK	-	546,479	130,104	577,367	782,516	85,601	132,684	2,254,751
LIQ. BULK	7,500	102,515	23,369	17,945	24,059	1,357,949	989,248	2,522,585
TOTAL	150,096	1,402,114	501,004	879,600	2,616,783	1,750,676	2,014,943	9,315,216
% SHARE OF RANGES	2	15	5	9	28	19	22	

Source: Ghana Shippers' Council

Fig. 3 Direction of the Maritime Import Trade of Ghana (Jan. - Dec., 2007)



Source: Ghana Shippers' Council



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THE MARITIME EXPORT TRADE

Table 4 below gives an indication of how the maritime export trade of Ghana fared in the year 2007. Total maritime export trade fell by 6%. Total liner export constituted 44% of total

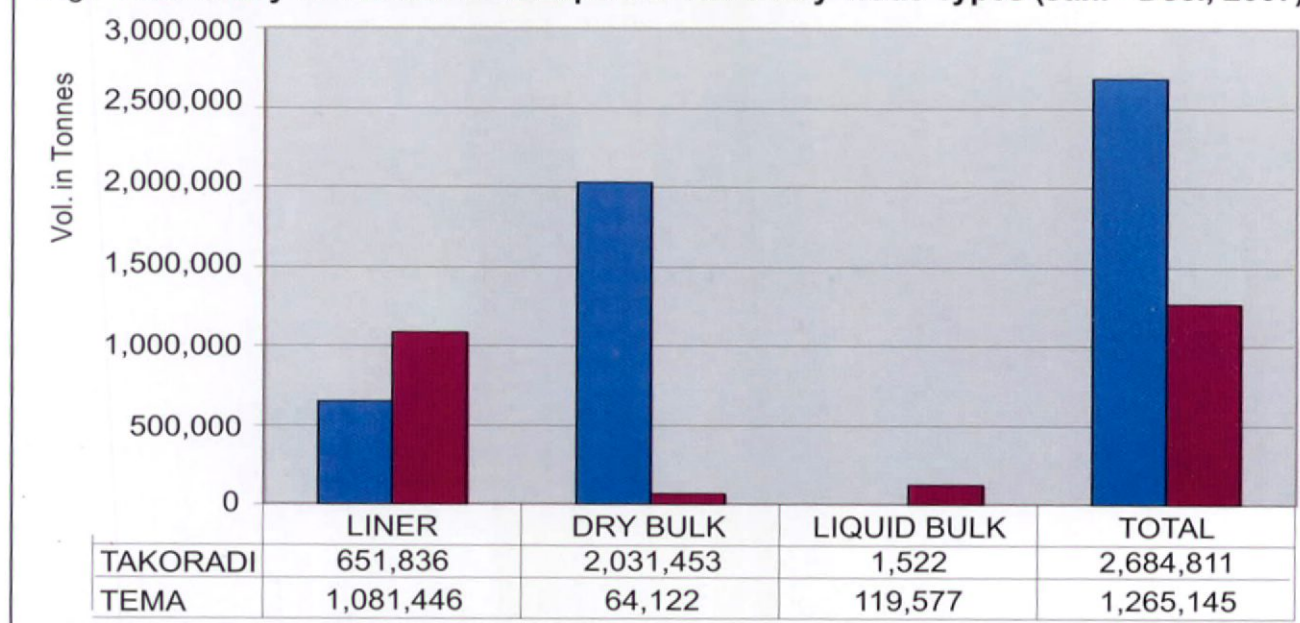
export while dry bulk export was 53% and liquid bulk export was about 3% of total maritime export. Table 4 and Fig. 4 below depict the performance of the export trade for the period.

Table 4 Summary of the Maritime Export of Ghana by Trade Types in Tonnes (January - December, 2007)

	TAKORADI	TEMA	TOTAL	% SHARE OF TRADE TYPES
LINER	651,836	1,081,446	1,733,282	44
DRY BULK	2,031,453	64,122	2,095,575	53
LIQUID BULK	1,522	119,577	121,099	3
TOTAL	2,684,811	1,265,145	3,949,956	
% SHARE OF PORTS	68	32		

Source: Ghana Shippers' Council

Fig. 4. Summary of the Maritime Export of Ghana by Trade Types (Jan. - Dec., 2007)



Source: Ghana Shippers' Council

EXPORT COMMODITIES

Total export for the period under consideration fell by 6% moving from 4,210,438 tonnes in 2006 to 3,949,956 tonnes in 2007. Liner export gained about 14% increase over the previous year figure while dry bulk and liquid bulk export declined significantly by 15% and 45% respectively.

In the liner export trade cocoa beans was the highest export with 559,548 tonnes of shipment. It was followed by sawn timber/lumber which recorded 302,473 tonnes and timber logs with 146,894 tonnes of shipment. Cocoa products came next with a shipment tonnage of 115,252 tonnes.

The highest recorded non-traditional export shipment in the liner trade was in shea nuts/shear butter (48,028 tonnes), banana (37,920 tonnes), cashew nuts (37,167 tonnes) and pineapple (32,848 tonnes).

In the dry bulk export trade, over 1.3 million tonnes of manganese, 691,225 tonnes of bauxite and 58,181 tonnes of sheanut were shipped out, while in the liquid bulk export trade petroleum products amounting to 114,789 tonnes was shipped.

DIRECTION OF THE MARITIME EXPORT TRADE

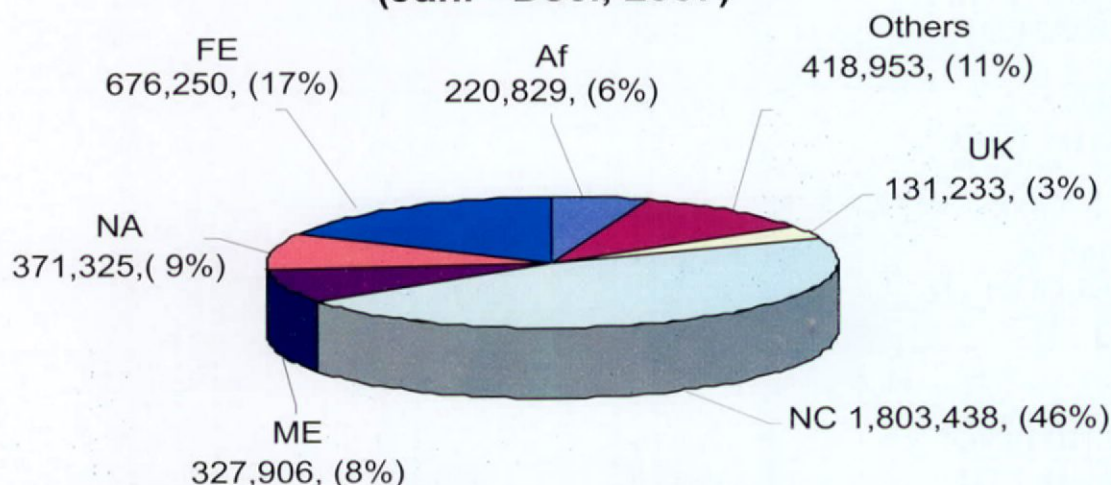
Table 5 and Fig. 5 below show the performance of the maritime export trade within the various trade ranges. The biggest chunk of the Ghanaian export of 46% went to the North Continent (NC) range or Continental Europe. The Far East (FE) range received the next highest export shipment of 17% from Ghana. The Others range received 11%, while the North America (NA) range received 9%. The next were the Mediterranean Europe (ME) range with 8% and the United Kingdom (UK) range with 3% of total export.

Table 5 Direction of Maritime Export Trade of Ghana in Tonnes
(January-December, 2007)

RANGE/TRADE	UK	NC	ME	NA	FE	Af	Others	TOTAL
LINER	131,113	657,694	127,677	56,590	572,952	129,810	57,424	1,733,260
DRY BULK	20	1,142,993	199,729	297,446	79,428	75,301	300,558	2,095,575
LIQ. BULK	-	2,751	500	17,290	138	15,717	60,971	121,099
TOTAL	131,233	1,803,438	327,906	371,325	676,250	220,829	418,953	3,949,934
% SHARE OF TRADE TYPES	3	46	8	9	17	6	11	

Source: Ghana Shippers' Council

Fig 5 Direction of the Maritime Export Trade of Ghana in Tonnes
(Jan. - Dec., 2007)



Source: Ghana Shippers' Council

PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE

Total maritime import and export handled by shipping agents at the ports of Takoradi and Tema for year 2007 was 13.2 million tonnes. This was made up of about 6.3 million tonnes of liner commodities, 4.3 million tonnes of dry bulk commodities and 2.6 million tonnes of liquid bulk commodities.

Liner

Of the total liner import and export cargo Maersk Gh. Ltd accounting for over 1.8 million tonnes or 28%. Supermaritime and MSCA Gh. Ltd followed with a share of 7% each, while Hull Blyth and Global Cargo came next with a share of 6% each.

Of the thirty-four (34) shipping agents that engaged in the liner trade, thirty (30) of them handled liner import cargo which amounted to 4.5 million tonnes.

Twenty (20) shipping agents participated in the liner export trade which was over 1.7 million tonnes.

Seventeen (17) shipping agents handled cargo in both the imports and exports liner trade of 6.3 million tonnes.

Dry Bulk

The dry bulk trade of 4.3 million tonnes was handled by fourteen (14) shipping agents. Nine (9) of them participated

in the dry bulk import trade which amounted to 2.2 million tonnes while nine (9) others also participated in the dry bulk export trade handling about 2.1 million tonnes of cargo. Four (4) shipping agents participated in both the import and export trade.

The best performing shipping agents in the dry bulk trade were Supermaritime with 37%, Hull Blyth, 33%, Macro Shipping, 15%, Maersk Gh, 11% and Scanship 2%, in that order.

Liquid Bulk

On the liquid bulk front, twelve (12) shipping agents handled the 2.6 million tonnes of liquid bulk cargo. Eleven (11) agents handled 2.5 million tonnes while five (5) agents handled the liquid bulk export trade of 121,100 tonnes. Four (4) shipping agents participated in both the import and export liquid bulk trade.

The top five performing shipping agents in the liquid bulk trade in 2007 were; GEK Shipping, handling 38%, Maritime with 17%, Hull Blyth with 12%, Bulkship with 11% and Scanship with 8%.

The table below gives a tabular representation of the performance of the various shipping agents in the maritime trade of Ghana for the year 2007.

VOLUME OF TRADE (IN TONNES) January-December 2007

SHIPPING AGENT/CHARTERER	IMPORT	EXPORT	TOTAL	% SHARE IN TRADE
<u>LINER</u>				
AEGES MARINE GH. LTD.	3,612	0	3,612	0.06
ALRAINE	126,815	44,683	171,499	2.73
ANTRAK GH. LTD.	131,833	74,336	206,169	3.29
BEACON SHIPPING GH.	907	0	907	0.01
BLUE SEA	0	3,845	3,845	0.06
BMA GH. LTD.	0	5,000	5,000	0.08
CONSHIP GH. LTD.	1,301	0	1,301	0.02
CONSOLIDATED SHIPP.	382	0	382	0.01
CROSS OCEAN	13,677	0	13,677	0.22
DELMAS GH. CMA CGM	168,751	99,356	268,107	4.28
GLOBAL CARGO	379,650	0	379,650	6.05
GMT SHIPPING	201,384	0	201,384	3.21
GRIMALDI GH. LTD	245,622	120,363	365,985	5.84
HULL BLYTH	263,656	117,922	381,578	6.08
ISAG	120,004	61,203	181,206	2.89
KHUDA	3,922	0	3,922	0.06
MACRO SHIPPING	1,056	2	1,058	0.02
MAERSK GH. LTD.	1,339,171	450,185	1,789,356	28.53
MAP SHIPPING	106,834	514	107,348	1.71
MARCO SHIPPING	4,752	0	4,752	0.08
MARITIME	23,045	20,395	43,439	0.69
MOL GH. LTD.	256,294	118,508	374,802	5.98
MSCA GH. LTD.	361,540	64,477	426,017	6.79
OCEANLANE	6,026	0	6,026	0.10
PANALPINA	164,075	54,145	218,220	3.48
PARAMOUNT INVESTMENT	4,575	0	4,575	0.07
PIL GH. LTD.	57,480	10,897	68,377	1.09
SAFMARINE	0	72,191	72,191	1.15
SCANSHIP	180,175	58,565	238,740	3.81
SDV GH. LTD.	99,579	60,435	160,014	2.55
SEATRANS	107,099	0	107,099	1.71
SILVER MARITIME	3,646	1,444	5,089	0.08
SUPERMARITIME	161,018	294,977	455,995	7.27
SUB-TOTAL	4,537,881	1,733,443	6,271,323	47.28
ALRAINE	0	200	200	0.00
ANDREWS QUESADA	6,991	0	6,991	0.16
ANTRAK GH. LTD.	0	180	180	0.00
DELMAS. GH. CMA CGM	7,948	0	7,948	0.18
GRIMALDI GH. LTD.	0	120	120	0.00
HULL BLYTH	1,453,610	0	1,453,610	33.41

MACRO SHIPPING	0	671,206	671,206	15.43
MAERSK GH. LTD.	435,847	31,609	467,455	10.75
MAP SHIPPING	10,335	0	10,335	0.24
MSCA GH. LTD.	4,020	395	4,415	0.10
PANALPINA	0	892	892	0.02
SCANSHIP	40,490	56,504	96,994	2.23
SDV GH. LTD.	37,556	0	37,556	0.86
SUPERMARITIME	257,954	133,4469	1,592,423	36.60
SUB-TOTAL	2,254,751	2,095,575	4,350,325	32.79
LIQUID BULK				
ANTRAK GH.LTD.	19,967	0	19,967	0.76
BULKSHIP	285,945	0	285,945	10.82
GEK SHIPPING	997,886	0	997,886	37.75
HULL BLYTH	313,530	0	313,530	11.86
MAP SHIPPING	25,430	0	25,430	0.96
MARITIME	393,851	59,434	453,285	17.15
MAXITIDE	89,129	0	89,129	3.37
MSCA GH. LTD.	0	500	500	0.02
MULTIPLAN	63,701	0	63,701	2.41
PANALPINA	38,313	2751	41,064	1.55
SCANSHIP	165,621	50,105	215,726	8.16
SUPERMARITIME	129,212	8,310	137,522	5.20
SUB-TOTAL	2,522,585	121,100	2,643,685	19.93
GRAND TOTAL	9,315,217	3,950,118	13,265,332	100.00

PERFORMANCE OF SHIPPING LINES/ CHARTERERS

Total maritime import and export carried by shipping lines to the ports of Takoradi and Tema for year 2007 was 13.2 million tonnes. This was made up of about 6.3 million tonnes of liner commodities, 4.3 million tonnes of dry bulk commodities and 2.6 million tonnes of liquid bulk commodities.

Liner Trade

Ninety carriers handled the liner trade (import and export) of Ghana in 2007, accounting for over 6.3 million tonnes of cargo which was 47% of total maritime trade. Seventy-six (76) partook in the liner import trade handling 4.5 million tonnes while thirty seven (37) took part in the liner export trade of 1.7 million tonnes. Only twenty four (24) lines partook in both. Maersk Sealand carried the highest share of the liner trade which amounted to 1.8 million tonnes.

Mediterranean Shipping Company and Delmas took the second and third spots, handling 491,638 tonnes and 423,727 tonnes respectively. Grimaldi Lines was the fourth best performing line carrying 393,912 tonnes. The fifth in the top five performers was Mitsui O.S.K. which handled 375,764 tonnes of liner cargo.

Dry Bulk Trade

On the dry bulk front, thirty-three lines (33) participated together handling about 4.3 million tonnes of cargo. The

highest contributor was I.M.T. handling 1.2 million tonnes of cargo. The second highest contributor was HC Trading. They handled 785,394 tonnes. Bulk Handling, Maersk Sealand and Densay took the third to fifth places with 670,922 tonnes, 435,955 tonnes and 303,190 tonnes respectively.

Twenty one (21) of the carriers handled dry bulk imports totalling 2.2 million tonnes. Seventeen (17) handled dry bulk exports totalling 2.1 million tonnes and five (5) handled both dry imports and exports.

Liquid Bulk

Twenty five lines participated in the liquid bulk trade accounting for approximately 2.6 million tonnes with twenty three (23) handling liquid bulk imports of 2.5 million tonnes, five (5) participating in the liquid export trade of 121,099 tonnes while three (3) handled both imports and exports.

Of the twenty five lines, the top five performers were; Vitol handling 754,875 tonnes of liquid cargo, and Sahara, a charterer who imported liquid bulk cargo to the tune of 431,612 tonnes. The third best performer was Bulk ship which handled 352,995 tonnes. The fourth and fifth positions were occupied by N.N.P.C and Chase with 294,289 tonnes and 167,704 tonnes respectively.

The table below is a tabular representation of the performance of the shipping lines in the liner, dry bulk and liquid bulk trade in 2007.

VOLUME OF TRADE IN TONNES (January December 2007)				
SHIPPINGLINE/CHARTERER	IMPORT	EXPORT	TOTAL	% SHARE
LINER				
AFRICAN EXPRESS LINE	36,471	4,088	40,559	0.65
AGENCIES MARITIMES	574	1,494	2,068	0.03
AHLERS BELGIUM	0	500	500	0.01
ALBA LINES	6,026	0	6,026	0.10
ALIZE COMMODITIES	2,500	0	2,500	0.04
AMCO TRADING & ENG.	95	0	95	0.00
AS B-BASEL	741	0	741	0.01
ASIATIC SHIPPING SERVICES	20,934	4,027	24,961	0.40
BASDEN AGENCY INC.	6,996	0	6,996	0.11
BAUCHE	14,046	0	14,046	0.22
BELUGA CHARTERING	758	0	758	0.01
BRASINAV	9,525	0	9,525	0.15
BREADBOX SHIPPING	481	1,153	1,634	0.03
BRUND LEMBRECHTS	125,536	0	125,536	2.00
C.L.T.M.	1,545	0	1,545	0.02
CARGO WAVE	8,527	0	8,527	0.14
CHINA OCEAN SHIPPING	66,699	0	66,699	1.06
CHINA SHIPPING	146,465	8,970	155,435	2.48
CMA CGM	192,733	44,567	237,300	3.78
CONTI LINES	118,561	0	118,561	1.89
CORNAVIN SHIPP. LTD.	0	11,000	11,000	0.18
COSCO	17,277	11,776	29,053	0.46
DARYA SHIPPING	33,523	0	33,523	0.53
DELMAS	255,520	168,206	423,727	6.76
DENSAY	1	0	1	0.00
DOLE SHIPPING	0	65,562	65,562	1.05
EUROAFRICA	53,981	31,962	85,943	1.37
FAR EAST SHIPPING	5,190	0	5,190	0.08
FORTUNA LTD.	0	10904	10904	0.17
GARE MARITIME	481	0	481	0.01
GEN SHIPPING	7,425	0	7,425	0.12
GH ENRON NIG LTD.	161	0	161	0.00
GOLD STAR LINE	120,004	61,203	181,206	2.89
GRIMALDI LINES	252,629	141,283	393,912	6.28
GRUPO PORTO	5,100	0	5,100	0.08
HAPAG-LLOYD	27,765	7,246	35,011	0.56
HELMSING & GRIMM.	10,948	0	10,948	0.17
IN GOD SERVICES	0	5,500	5,500	0.09
INTERMARE TRANSPORT	29	0	29	0.00
IRMAOS BRITTO	9,530	0	9,530	0.15
K-LINE	2,259	0	2,259	0.04
KAMIGUMI CO	111	0	111	0.00
KESTEL LINER AGENCIES	177	0	177	0.00
KOREA CUSTOMS SERVICE	4,866	0	4,866	0.08
L&C MARINE TRANSPORT	76,097	514	76,611	1.22
MAERSK SEALAND	1,333,364	495,054	1,828,418	29.15
MANUSOUSS	849	0	849	0.01
MARCONS	207	0	207	0.00
SHIPMANAGEMENT				
MARKOV & SONS S.A.	250	0	250	0.00
MED/WEST AFRICA SERV.	11,631	5,586	17,217	0.27
MEDITERRANEAN SHIPP. CO.	377,589	114,049	491,638	7.84
MENTOR SHIPPING	2,693	0	2,693	0.04
MESSINA LINES	90,167	42,263	132,430	2.11
MITSUMI O.S.K. LINES	256,294	119,470	375,764	5.99
MWS	0	426	426	0.01

MWS	0	426	426	0.01
NORDANA LINE	16,078	498	16,576	0.26
NOVEL COMMODITIES	8,500	0	8,500	0.14
OCEAN WORLD	6,000	0	6,000	0.10
OTAL	63,112	38,409	101,521	1.62
OTHER	518,123	11,954	530,076	8.45
PACIFIC INTL. LINES	131,058	58,572	189,630	3.02
POLYTRA	2	0	2	0.00
S.BACO LINER	0	27,013	27,013	0.43
S.A.I.L.S	15,481	1,491	16,972	0.27
S.M.B.	57	0	57	0.00
SAFMARINE	5,808	27,321	33,129	0.53
SAIBOS	164	0	164	0.00
SAMUDERA SHIPPING	322	0	322	0.01
SEABOARD	0	7,292	7,292	0.12
SEAGULF	1,733	0	1,733	0.03
SEATRADE	3,500	0	3,500	0.06
SOCAR	3,747	2	3,749	0.06
SODIMA BAMAKO	12,675	0	12,675	0.20
SPLIETHOFF	152	97,650	97,802	1.56
TANK AFRICA	1,001	0	1,001	0.02
TRAMPS	640	0	640	0.01
TRANS AFRICA LINE	668	0	668	0.01
UAL	1,224	0	1,224	0.02
UNICARGO	0	6,582	6,582	0.10
UNITED LINER AGENCIES	55	0	55	0.00
UNITED THAI SHIPPING	10,125	0	10,125	0.16
UNIVERSAL AFRICAN LINE	298	0	298	0.00
VERTOM	0	94,675	94,675	1.51
WALLEM SHIPPING	6,028	0	6,028	0.10
WEST AFRICA COMM.	0	1,335	1,335	0.02
WEST WORLD LTD.	0	3,845	3,845	0.06
YARA AB	3,000	0	3,000	0.05
YARA INTL.	13,000	0	13,000	0.21
ZIM LINE	0	0	0	0.00
SUB-TOTAL	4,537,882	1,733,442	6,271,323	47.28
DRY BULK				
AFRICA EXPRESS LINE	33,816	0	33,816	0.78
AL BULKHANDLING	0	31,784	31,784	0.73
BULKHANDLING	0	670,922	670,922	15.42
CARMEUS TRADING	6,709	0	6,709	0.15
DELMAS	12,050	200	12,250	0.28
DENSAY	303,190	0	303,190	6.97
EUROAFRICA	2,290	10,790	13,080	0.30
GRIMALDI LINES	0	120	120	0.00
GULF INLAND MARINE	13,200	0	13,200	0.30

H. FOLMER & CHARTERING	0	1,028	1,028	0.02
HC TRADING	785,394	0	785,394	18.05
HOKIM TRADING-SA	6,991	0	6,991	0.16
I.M.T.	0	1,224,683	1,224,683	28.15
LINK SHIPPING LTD.	7,000	0	7,000	0.16
MAERSK SEALAND	435,847	109	435,955	10.02
MERADA	132,635	0	132,635	3.05
MITSUMI O.S.K. LINES	0	4,019	4,019	0.09
NORDEN	93,500	58,943	179,443	4.12
NOVEL COMMODITIES	25,967	0	25,967	0.60
O.I.C. INTL	4,020	0	4,020	0.09
OTAL	0	180	180	0.00
OTHER	243,616	25,575	269,191	6.19
POLYTRA	8,421	0	8,421	0.19
SEABOARD	0	6,934	6,934	0.16
SEPORSUD SAU	12,006	0	12,006	0.28
SEPORSUR	15,896	0	15,896	0.37
SOCAR	88,702	0	88,702	2.04
SPLIETHORFF	0	11,078	11,078	0.25
T.K.B. SHIPPING	0	13,818	13,818	0.32
TANK AFRICA	0	892	892	0.02
UGLAND BULK	6,500	0	6,500	0.15
UNLU GROUP SHIPPING	0	7,106	7,106	0.16
YARA INTL	17,000	0	17,000	0.39
SUB-TOTAL	2,254,750	2,095,576	4,350,325	32.79
LIQUID BULK				
ADDAX	121,061	0	121,061	4.58
AGENCE HUMANN-TACONET	4,925	0	4,925	0.19
AGENCES MARITIME	9,612	0	9,612	0.36
BARWILL	4,423	0	4,423	0.17
BULKSHIP	352,995	0	352,995	13.35
CHASE	167,704	0	167,704	6.34
CIRRUS	40,000	0	40,000	1.51
DEPETROLEO S.A.	4,644	0	4,644	0.18
EUROAFRICA	4,290	0	4,290	0.16
GEOGAS	33,602	0	33,602	1.27
GLENORE	32,999	0	32,999	1.25
KRISAX	3,650	0	3,650	0.14
MEDITERRANEAN SHIPP.CO	0	500	500	0.02
N.N.P.C.	294,289	0	294,289	11.13
NEW FRONTIER	28,832	0	28,832	1.09
OANDO TRADING UK	22,003	0	22,003	0.83
OTHER	139,379	103,383	242,762	9.18
PT. BARWIL TIRTA SAMUDERA	2,500	0	2,500	0.09
S.M.B.	48,067	0	48,067	1.82
SAHARA	431,612	0	431,612	16.33
SEABOARD	0	1,522	1,522	0.06
SOCAR	7,372	0	7,372	0.28
SOPLC	9,969	0	9,969	0.38
TANK AFRICA	17,978	1,499	19,477	0.74
VITOL	740,680	14,195	754,875	28.55
SUB-TOTAL	2,522,586	121,099	2,643,685	19.93
GRAND TOTAL	9,315,218	3,950,117	13,265,333	100.00



The Improved Road Transport Governance (IRTG) Project

INTRODUCTION

West Africa has been branded as the most expensive place on earth to operate road transport according to the West African Trade Hub. This is so because of the high costs of inputs, high taxation, low capacity use, overloaded vehicles running on degraded roads and old, inefficient trucks. Another factor that accounts for the high cost of road transport in West Africa is the several road barriers that enable law enforcement agents to exact bribes from truckers through threats of extended delays if they are not bribed.

A very worrisome situation is the huge bribes that paid officials at the Tema motorway and the Ofankor barrier, who are supposed to be checking axle loads and laden weight limits for vehicles demand from the transit drivers. These officials are reported to demand between GH¢10 and GH¢40 from the drivers. It is estimated that averagely, about 500 heavy-duty trucks trek from Tema and Aflao through the motorway every day. If multiplied by GH¢10, a whopping GH¢5000 could be accruing to these officials daily.

Truth is most of the truckers overload their vehicles, exceeding the required tonnage, and as such, do not hesitate to pay the amount that these officials demand, thereby making both the driver and the axle tons officials guilty of bribery and corruption. Since most of the trucks are mostly above the required tonnage of 60, the machines have thus been disconnected in order not to get them destroyed.

Police personnel along the transit also collect bribes from these drivers and neglect to check the documents (the verification of compliance with transport and traffic regulations, notably, international driving licence, national identity card and/or passport or travel document, green card, international green card, ECOWAS insurance roadworthiness, and toll receipts, if applicable) and physical appearance of the transport and its load.

Tema to the Paga border alone until a month ago has as many 23 road barriers and checkpoints mounted mainly by the Police and CEPES.

The drivers also face many difficulties at the Paga border post before getting through to the Dakola border of Burkina Faso. Some of the drivers spend hours, days and even weeks waiting for customs officials to give them the green light before crossing to the other side of the border.

In the light of this development, the Improved Road Transport Governance (IRTG) Initiative on Interstate Highways was born to establish the amount of money transit drivers were paying as bribe to law enforcement agents, how much time transit drivers were delayed at checkpoints, which security agencies manning the checkpoints were demanding bribes and most importantly help reduce bribery and delays which is strangulating the road transit transport system in West Africa.

The IRTG, a creation of ECOWAS and UEMOA and jointly set up with the financial support of the Sub-Saharan African Transport Programme (SSATP), USAID and the Technical Partnership of West African Trade Hub (WATH) with its focal points in Ghana, Burkina Faso and Mali, was established on 26 October 2006. The project is being run concurrently in Ghana, Burkina Faso, Mali and Togo to help reduce bribery and delays on the Tema-Ouaga, Ouaga-Bamako and Lome-Ouaga corridors. The Ghana Shippers' Council is the focal point of the project in Ghana with Baffour Ofori-Atta Kena and Philip Debrah as the Council's representatives while the Ministry of Foreign Affairs, Regional Cooperation & NEPAD is the National Coordinator. The representatives of the Council on the project are responsible for registering and giving of forms to drivers, organising sensitisation meetings, representing the Council and the drivers at various transit related fora and building relationships with the transit drivers.

REGISTRATION AND GIVING OF FORMS TO DRIVERS

Having been trained in conducting pre-trip inspection checks from the Road Safety Limited, Tema, the representatives of the Council on the IRTG conduct pre-trip inspection checks on trucks to determine their road worthiness and also verify the authenticity of the documentation of the drivers. On satisfying these conditions, drivers are then registered and given data sheets which they are taught to use to capture information on how much bribes they pay on the Tema-Ouaga and the Tema-Bamako routes and the amount of time they are delayed at the checkpoints. In certain cases also, drivers are interviewed to ascertain this information.

RELATIONSHIP BUILDING

It was evident in the past that transit drivers felt orphaned and had no organisation protecting their interests. Speaking to them, one got the feeling that their problems were immutable. They exhibited a high level of apathy towards the IRTG project in the beginning and quite a number of them dismissed the ability of the IRTG to find solutions to their insurmountable problems.

Nevertheless, through the concerted efforts of the representatives of the Council at channeling their grievances to the appropriate quarters and seeing to some of their desired results on the ground yield fruition on the ground, they managed to strike a chord with the drivers. Presently, drivers have shown a remarkable level of receptiveness to the IRTG and are confident of the fact that Ghana Shippers' Council represents their interests.

It is worth mentioning that plans are afoot by the Ghana Shippers' Council under the auspices of its representatives to organize a meeting for the drivers, the DVLA and the GPHA to address the problem of driver illiteracy and the issuance of drivers' licence as well as the treatment of drivers in the Tema port. It is heartwarming to know that the Ghana Shippers' Council is becoming a household name with the transit drivers.

SENSITIZATION MEETINGS

To maintain an interactive relationship between transit truck drivers and other stakeholders in the Industry, the IRTG uses sensitisation meetings as a platform to get their grievances to these stakeholders. A major sensitisation forum was held on 28 February 2008 by the West African Trade Hub near the port of Tema as part of the Improved Road Transport Governance (IRTG) initiative that it implements for ECOWAS and UEMOA. The meeting allowed a review of the conditions of interstate road transport. More than 150 truck drivers from Ghana, Burkina Faso, Mali and Togo attended. For the first time at such a meeting, other actors on the Tema Ouagadougou corridor were in attendance (representatives of five trucking companies, the Ghana Police, CEPS, the Ghana Immigration Service, the Ghana Ports and Harbours Authority, State Insurance Company and Ghana Highway Authority. Mr. Jeremy Strauss, Trade and Investment Adviser, represented USAID/West Africa, which finances the West Africa Trade Hub. Ghana's IRTG National Coordinator, the Ministry of Foreign Affairs, Regional Cooperation & NEPAD facilitated the meeting.

At this meeting drivers bemoaned the pervasiveness of bribery and delays on the Tema Paga route and called on the Police and CEPS to adopt a more vigorous response at tackling this problem. They also took the Ministry of Highways to task for 'allowing' their officers at the Tema Motor-

Way scale to abuse the facility by using it to extort costly sums of money from transit drivers for overloading their trucks. In response to a concern expressed by one of the truckers on the need for rest stops to be provided on the transit route, an official of the Ghana Highway Authority assured them that a project was underway to construct in Ghana 4 major rest stops on the Tema Ouagadougou road.

The State Insurance Company was also put on the spot for poor handling of ECOWAS Insurance claims in the event of an accident, thus resulting in Ghanaian transit drivers switching to the ECOWAS Insurance of other countries which were not only cheaper but faster in handling these claims.

The drivers also complained about the high cost of 'Laissez Passer' in Ghana as compared with that of neighbouring countries which is cheap or in some cases free. Additionally, in Ghana it takes three to four hours to obtain it.

This successful forum culminated in the announcement by the Police administration of a drastic reduction in the number of Police checkpoints on the Tema Paga route from about 21 to 4 as captured in the 13 March 2008 edition of the *Daily Graphic*. This announcement brought fresh impetus in the project, which was initially viewed with skepticism by quite a number of transit drivers.



Messrs. Baffour Ofori-Atta (left) and Philip Debrah, (second from right) GSC officials on IRTG, pre-inspecting travel documents of truck drivers

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The Problem of Illegal Migration by Sea in West Africa

SHIPPING REVIEW



GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL

Volume 10 Number 2

April - June, 2008

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Ghana: ₵25,000, UK: £3, US: \$5, Nigeria: N400, CFA Zone: CFA1200

ISSN 0855 - 5184

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The Problem of Illegal Migration by Sea in West Africa

The International Organisation for Migration (IOM) estimates that in the year 2006 alone, 31,000 Africans attempted the crossing to the Canary Islands in 901 "vessels". It is estimated that out of this more than 6000 died or were declared missing at sea.

This article examines the causes of illegal migration as well as initiatives being taken to curb it.

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Trade Facilitation in Ghana

Ghana's ability to be an effective regional hub will however, depend on its capability to plug well into the regional and international trade network. This ability which depends largely on the level of a country's Trade facilitation has now become the new economic order for emerging nations.

This article takes a look at some challenges of Trade Facilitation in Ghana.

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Published by:
Ghana Shippers' Council
5th Floor, Enterprise House
High Street, Accra
P.O. Box GP 1321, Accra
Tel. 233-21-666915 - 7

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Designed by
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Printed by:
Fiona Press Ltd.
Tel. 232985



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The Problem of Illegal Migration by Sea in West Africa

"If a man has no alternative he would board a fishing boat"

By Kofi mbiah, GSC

INTRODUCTION

"Illegal immigration refers to immigration across national borders in a way that violates the immigration laws of the destination country" - Wikipedia. This would normally connote the crossing of recognized political and geographical boundaries either by sea, land or air. It may also involve a legal crossing of an international frontier but which eventually involves a visa overstay. Where there are no requirements for an entry visa, there are normally requirements barring work or any form of dependence on the nation's resources for means of livelihood. Where these are infringed on one may in a sense of the word become an illegal immigrant.

FORMS AND NATURE OF ILLEGAL MIGRATION

As pointed out earlier, illegal immigration may be carried out by air, land or sea. Even though this topic relates to illegal immigration by sea, it is pertinent to point out that in this era of globalization and multimodal transport, illegal migration may be carried out by one or more modes of transport in one event.

It is, however, important to mention that a cardinal feature of illegal migration is the crossing of borders or frontiers of whatever form. Where illegal immigration involves trafficking, migrants may be transported in sealed containers or in containerized trucks across various modes of transport. It may also involve migrants who may have entered another country legitimately in the first instance but do overstay their visa for various reasons. In discussing illegal immigration in West-Africa, it is important to note that the high levels of migrants crossing into

Europe is usually by sea. A narration by a fisherman from Senegal serves to illustrate the nature of the migration. *"We crammed onto a boat that should normally fit about 30 people. Everyone was praying just to make it to the Islands. People were vomiting; some were seeing visions and spirits...two men delirious from dehydration, jumped off the boat on the way. Ten others died on board and were thrown into the sea"*

The above serves to show that illegal migrants are crammed into boats ill-suited for the long journey, which is estimated from the shores of Dakar to the canary islands to be about 1450km. The words of father Jerome Dukiya speaking from *Nouadhibou* in Mauritania are also very instructive. *"Some of them ask for prayers... you cannot refuse to pray for somebody. I know that they may die and you cannot do anything to stop them. It is difficult and painful to live with"*

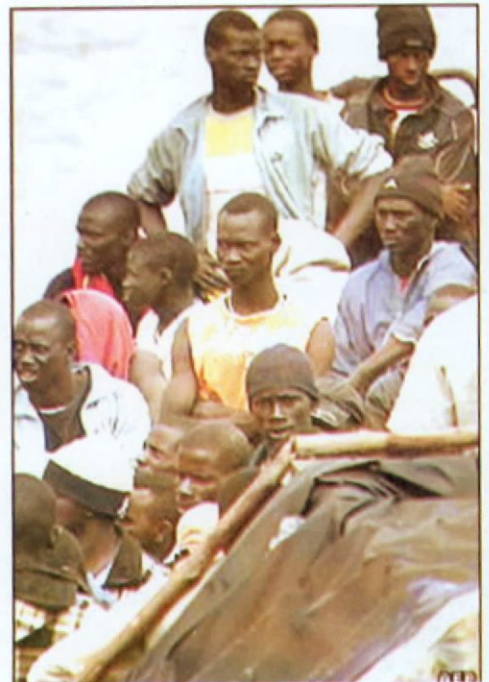
The above sums up the risk and the nature of the travel. The boats involved are mostly rust buckets being used for other illegal activities or fishing. Sometimes some use dug-out canoes for the long and perilous journey. Some of the entry points for the so called land or green borders as it is sometimes referred to are from various ports including small fishing ports or canoe landing sites to the small islands of *Lampedusa* and *Pantelleria*. Those passing through Libya, land on the shores of *Agrigento* and on to *Lampedusa*. Other routes are also through Malta for entry into Sicily. Other routes are through Morocco, Algeria to the Mediterranean as well as crossings through the strait of Gibraltar.

The dangers on the various routes are enormous and often leave one to wonder why on earth anyone would want to undertake such a risky journey. The International Organisation for

Migration (IOM) estimates that in the year 2006 alone, 31,000 Africans attempted the crossing to the Canary Islands in 901 "vessels". It is estimated that out of this more than 6000 died or were declared missing at sea.

Further, it is reported that in the year 2007, 101 boats carrying illegal immigrants had reached the Islands carrying a total of 4304 passengers. It is not known how many boats may have capsized during the period, which is an often occurring phenomenon; nor is the number that died at sea known.

In Senegal for example, the authorities acknowledge that there is no way of knowing how many boats leave the coast for such expeditions. Information is sometimes received only when there is calamity or when the boats are arrested in the Spanish Islands.



Some migrants on a Canaries trip

It is a known fact that most of the boats involved in the trafficking of human being (migrants) for various purposes are purchased by international organized crime syndicates who recruit people to get them passengers for a fee of 100 Euros per passenger.

The syndicates are well aware of the dangers but they nevertheless offer this "service" especially as there is a demand for it.

It is known that illegal immigrants sometimes suffocate in shipping containers, boxes and trunks of vehicles. The vessels on which they travel sink and become shipwrecks. The sinking is usually caused by unseaworthiness. The consequent loss of life is enormous.

As indicated earlier, even though the focus of this discussion is migration by sea, in some of the instances involving Africans there is a long and difficult trekking through the desert. Would be immigrants, from Ghana, Nigeria, Cote d'Ivoire etc have been known to travel to Mali and Niger by Road Transport and make the hard and long journey through the Desert to Libya and Algeria sometimes traveling long stretches of the desert without food or water. They are often exposed to the elements and after long exposure, suffer dehydration, exhaustion and ultimately die even before they could reach the coast to board vessels to Europe.



Apart from those referred to above, who leave from fish landing sites in fishing vessels and small boats and canoes, there is yet another category which leaves through the well-known phenomenon stowaways. Those who leave through the stowaway approach/system normally leave through the ports on vessels bound for Europe or the Americas. They normally hide themselves in cargo holds of the ship at the time when the ship is docked in a port. This is also prone to a number of risks and most stowaways are known to have died in the course of the voyage.

CAUSE

• Survival

There are a number of factors that would normally cause a person to migrate especially at the peril of his very existence. One predominant factor that has led people to migrate since time immemorial is survival coupled with the quest for a better life. This was the motivation behind movement of Europeans to Africa some four hundred years ago as well as the movement of Europeans to America some two hundred years ago.

One predominant factor that has led people to migrate since time immemorial is survival coupled with the quest for a better life. This was the motivation behind movement of Europeans to Africa some four hundred years ago as well as the movement of Europeans to America some two hundred years ago.

It is important at this point to mention that even though movement of the illegal immigrants is sometimes carried out by syndicates, it must not be equated to Human Trafficking. With Human Trafficking there is usually the accompaniment of physical force or fraud with an end to "sell" their victims into slavery or for purposes of prostitution.

Indeed one Senegalese planning to embark on the long and tortuous sea journey remarked "The Europeans have been in Africa for four hundred years and its now time for Africans to go to Europe".

Certainly the times are different and we are not talking about illegal migration with the same perspectives. It is,

however, important to note that at the heart of most migration from West Africa and indeed from a greater part of immigrants all over the world lies poverty. It is common knowledge that a good number of Africa countries in the West and Central Africa sub region are very poor. A good majority live on less than a dollar a day; there is disease, and the accentuation of poverty caused by wars. The existing economic order is very unfavorable for Africa.

The level of poverty is increasing rather than decreasing. This is aptly summed up in the words of *Lorenzo Precipe*: "since 1950, world production has increased fivefold and trade elevenfold. But who has profited from this growth? Out of a billion human beings, 500 million live comfortably, while 5.5 billion are poor. In the 1960's and 1970's, there were 200 million persons among the world's poor – those who must survive on less than a dollar per day.

By the beginning of the 1990's the poor numbered two billion persons. Today, worldwide there are 20 million refugees; 30 million 'displaced' persons, 150 million 'economic migrants' (including 20 million in Europe and 50 million Africans). The African continent alone accounts for 5 million refugees and 20 million displaced persons".

These are staggering statistics but they tell exactly why the problem of illegal migration would persist unless strenuous efforts are made to deal with it holistically and globally. It explains why people know they might die and yet would take the "voyage of death" with all its attendant risks.

For many who attempt to embark on that voyage, life has lost its meaning. Staying at home is tantamount to death, so why not risk since death is the ultimate and if luck strikes they could be on greener pastures.

In all the illegal immigration patterns across the world, whether it is the United States Mexico boarder, the Mona Channel between the Dominican Republic and Puerto Rico, the strait of Gibraltar, Fuerteventura and the Strait of Otranto the predominating causal factor is poverty.

• War

Another cause of illegal migration in West Africa can be traced to the prevalence of wars in the region. Wars in Liberia, the Congo, Cote d'Ivoire, Uganda, Sierra Leone etc have all taken their toll on the economies of most countries in Africa. This in itself is a cause for illegal migration. The illegal migration is also fuelled by people fleeing the war. This has not only caused illegal migration to Europe but has also caused illegal migration to other countries in Africa as well as dislocation of families. Having migrated to other West African countries the attempt to look for greener pastures increases; having first secured survival. Hence the prevalence of illegal migrants often by sea.

• Coupled with the above, even though not very significant, is the occurrence of political persecution and repression by opponents. People fearing persecution

By the beginning of the 1990's the poor numbered two billion persons. Today, worldwide there are 20 million refugees; 30 million 'displaced' persons, 150 million 'economic migrants'

also flee by whatever mode of transport to become illegal immigrants

• Reunification of Families

It is to be noted that the widespread closing of borders has transformed the nature of migration over the last 50 years. Whereas in times past, young and energetic men migrated to seek wealth and return to their countries, now migration is more permanent than temporary and has increasingly involved women and families. Where a part of the family has already migrated, there is now a tendency to ensure that other family especially the close-knit family joins through whatever means.

• Prostitution

Increased poverty in a number of countries and particularly in the West and Central Africa sub-region has driven a lot of female youth into prostitution. The markets are almost saturated in their various localities hence the need to "move along" for greener pastures. Many would thus risk their lives to get to Europe and the Americas in order to have a better life. Talking of a better life, a representative of the Spanish Red Cross who takes care of detainees arrests; says "it is everyone's right to search for a better life, that it is a human need to find relief from pain".

Poverty and increased globalization that now makes it possible for the world to see wealth and affluence in developed economies have also increased the desire of the youth to migrate for wealth.

Coupled with the above, is the activities of organized crime syndicates trafficking in human beings for purposes of slavery and prostitution without whose intervention it would virtually be impossible for some of these migrants to traverse the boundaries of wealthy countries.

As earlier indicated, one of the ways by which people become illegal immigrants is through the overstaying of visas. Sometimes this occurs because of a lack of desire to return to the home country either for fear of falling into the poverty trap or due to likely persecution in the home country upon their return.

CURBING ILLEGAL MIGRATION

In dealing with the issue of illegal migration and examining ways to curb it, it is necessary to understand that it is a worldwide phenomenon. Even though this topic is with respect to illegal migration in West Africa, it is important to note that there are already more than eight million illegal immigrants in the United States of America, more than 250,000 in Japan, 220,000 in Korea, 600,000 to one million in Malaysia, one million in Thailand and 1.9 million Filipinos all over the world..

In recent times over 50,000 Chinese migrate to Europe and North America in a year. Curbing this world phenomenon has become a bane for most developed economies. It is no wonder therefore that politicians continue to make election capital out of illegal migration. In the upcoming U.S





GHANA SHIPPERS' COUNCIL

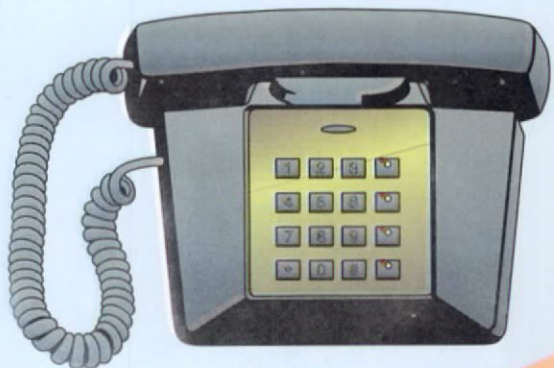
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From the literature it is very clear that building fortresses or high fence walls over Europe and America would not solve the problem. New initiatives are therefore being employed to deal with this global threat.

Presidential Elections, all the aspirants have had one thing or the other to say regarding approaches for curbing illegal migration. Rudi Gulliani has vowed to curb illegal immigration into the United States in three years.

It is also known that cities across the United States are spending thousands of dollars to defend against lawsuits and other challenges to their ordinances enacted to keep out illegal immigrants.

A good number of other cities have proposed laws that prohibit landlords from leasing land to illegal immigrants, penalize businesses that employ undocumented workers or train police and give them specialized equipment to enforce federal immigration laws.



In a testimony before the Senate Judiciary Committee, the U.S. Secretary of Homeland Security, Michael Chertoff admits that illegal immigration is a severe and growing problem. He informed the Committee that the U.S. would be taking a three-pronged approach, involving better control of the border, a more robust interior enforcement programme and a Temporary Worker Programme (TWP).

He said since 2001 Customs Border Protection has added 1649 patrol agents along U.S. borders and 4,533 officers at ports of entry and an amount of 940 million dollars has only recently been allocated to provide new resources to deal with illegal immigration.

Like America, Europe has also been very concerned and has held a number of meetings with the issue of illegal migration very high on the agenda of meetings of European Ministers. Indeed some Ministers such as Former Home Secretary, Jack Straw have called for an overhaul of the 50 year old Guinea Convention on refugees as one of the measures for curbing illegal migration.

In many European countries there is legislation barring the employment of illegals with severe sanctions for employers found to have engaged undocumented or illegal immigrants.

One is thus tempted to ask: Is Fortress Europe, Fortress America the solution to the problem of illegal migration? From the literature it is very clear that building fortresses or high fence walls

of beaten brass over Europe and America would not solve the problem. New initiatives are therefore being employed to deal with this global threat. Dealing with the West African illegal migration, Spain has been at the forefront of measures being instituted to find solutions to the problems of illegal migration. This is understandably so especially as Spain bears the brunt of illegal migration.

Initiatives within the European Union Framework

- The European Union has called for the integrated management of its external borders. This involves the collaboration of various customs, police and other security agents across the European Union in dealing with issues involving illegal migration, not only from West Africa but from other known and unknown sources.
- The European Union has also called for the reinforcement of partnership and co-operation with Third World Countries.
- There has also been a call for the Common Management of migration flows, integration and fair treatment of foreigners residing in territories of member states.
- The introduction of biometric data into visas and residence permits and the development of the European Visa Information System (VIS). This would involve an European databank containing all details relating to every application for a visa in any member state and which is equipped with a common mechanism for information exchange.

Other recent initiatives include

- Exchange of strategic operational and investigative information
- Programmes of technical assistance which in some cases involve the transfer of goods and equipment to foreign police authorities engaged in the fight against illegal migration

- Secondment of liaison officers and experts
- Training of foreign personnel
- Joint land, air and sea patrols
- Exchange of visits
- Assistance in the field of repatriation

Involving Africa in the Solution

In July 2006, E.U. Ministers and Africa Leaders met at the Ministerial Euro-African Conference on Migration and Development in Rabat Morocco. European Ministers adopted an action plan to dissuade illegal immigrants who wanted to leave Africa.

The European Union pledged 18 billion euros to Africa source and transit countries over a seven year period. The money is to be used to institute development and poverty alleviation measures. The meeting also recognized the need to create avenues for legal migration.

It is also worthy of note that within the framework of Euro-Africa co-operation to curb illegal migration, European officials have reinforced water patrols in the triangle formed by Mauritania, Cape Verde and Senegal. While this has been effective in the said areas, it nevertheless has pushed migrant deportees further south to the unguarded creeks and islets of the Gambia, Guinea Bissau and Guinea.

In Senegal, authorities have stepped up efforts to stop boats headed for the canaries and have granted permission to the European Agency Frontex to monitor its coastline.

France has also promised to help Senegal patrol its coasts under an Agreement that makes it easier for Senegalese businessmen, academics and students to obtain French visas.

The words of Bernardino Leon Ross, Secretary of State for Foreign Affairs of Spain are here instructive: "We want to completely change the parameters of Spain's relationship with Africa".

In this vein, Spain has opened new embassies in Cape Verde, Mali, Niger, Guinea Bissau, Guinea and has now positioned a full-time diplomatic representative in Liberia, Gambia and Sierra Leone.

CONCLUSION

In conclusion, it must be said that in the recent history of mankind three key issues vying for placement on the world's agenda are Global warming, Terrorism and Illegal migration. Certainly illegal migration would continue to enjoy a pride of place in this quest.

Without doubt this would continue to agitate the minds of politicians and economists for a long time to come.

Some renowned economists have already expressed the view that more immigration is needed in Europe and America to meet the social security needs of an aging population. Griswold argues that providing means for legal migration would allow American producers in important sectors to hire workers they need to grow, raise wages and create better working conditions and spur investment in human capital. It could free resources and personnel for the war on Terrorism.

The recent initiatives by the European Union, and especially by the Spanish Authorities is indeed welcome. Within the framework of co-operation, there would be the need to provide African Countries with information on job opportunities and support initiatives of

labour matching which provides workers in places where employers need staff.

Africans would have to work with their European counterparts for an effective repatriation policy that ensures appropriate settlement in income earning jobs for the teeming youth.

Furthermore, there is the need for an exchange of information and intelligence in dealing with the issue of traffickers. A harmonized legal framework needs to be put in place to provide an appropriate penal code with requisite sanctions for traffickers. The policy of legal migration quotes need to be examined closely, so that people who would otherwise have been illegal immigrants could get appropriate employment through legal channels as is currently being done by Spain.

An amnesty system for the purpose of regulating current illegal immigrants would not be out of place. This could give assurance to many illegal immigrants who would then regularize their stay and provide opportunities for them to visit home and their families, instead of striving to have them reunited with them in the foreign country.

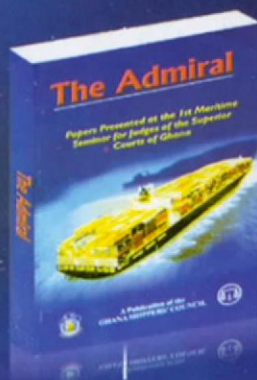
In dealing with the problem of illegal migration, it is very instructive to remind ourselves of the words of the Senegalese would be migrant who said: "If a man has no alternative he would board a fishing boat". ■





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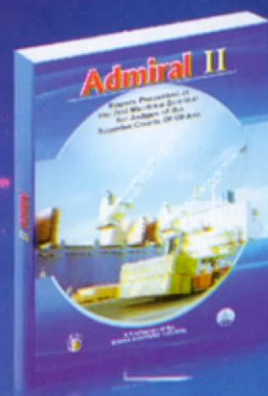


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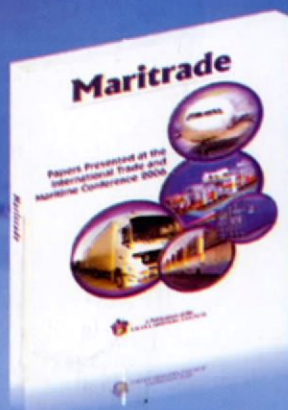


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Trade Facilitation in Ghana

By Capt. William Amanhyia,

Lecturer in Maritime Transport, Regional Maritime University

Currently, as a result of the World Trade Organisation's trade liberalisation initiatives, the world economy is anticipated to undergo a tremendous transformation that is expected to generate opportunities for developing nations to expand and strengthen their economies. The extent to which developing nations can capitalise on this emerging wave will, however, depend largely on their level of preparedness.

Ghana occupies a coveted place in logistics within the sub-region. Our airports and seaports are well known in the region and with the Government's focus now on land transportation, our railways and roads will also soon be put in the same category. The logistics infrastructure we have built, and our strategic location, also make us ideal as a regional warehousing and distribution hub. In addition, the development of the three land corridors linking us with our land-locked neighbours and the setting up of several tax-free zones and inland freight stations can further strengthen our role as a regional economic and logistics hub.

Ghana, therefore, has the capability especially talent wise to effectively trade on the world market. What is needed now is the institutional will to bring our international trade support system abreast with the rest of the world's.

Ghana's ability to be an effective regional hub will however, depend on its capability to plug well into the regional and international trade network. This ability which depends largely on the level of a country's Trade facilitation has now become the new economic order for emerging nations. Trade facilitation refers to the

streamlining of institutional and administrative processes that support trading activities, namely:

- Transportation of Goods
- Procedures and documentation associated with the movement of Goods.
- Customs formalities and other statutory documentation
- Banking and Insurance.

Trade stimulates economic activity, provides employment and creates wealth which is needed to run an economy, so trade is of vital importance to both the Government and private sectors.

However, in Ghana, as a result of the failure of our institutions, regulations and practices to keep pace with changes in logistic technology, we are now paying the price in terms of additional transportation costs. In the face of global competition and consumer demand, as well as rapid technological progress in logistic operations, we are now being forced to consider and operate our system in a way that can enable us to plug effectively and efficiently into the Global Trade Network.

Looking at the current International trade landscape in the country, a few observations can be made:

The extent to which developing nations can capitalise on this emerging wave will however depend largely on their level of preparedness.

The objectives of Trade facilitation are therefore.

1. To reduce administrative costs of external trade control activities, and consequently the marketing price of imported and exported goods through simplification and rationalisation of Customs import and export clearance procedures.

2. To provide Government with the tools to bring about a more effective and efficient application of trade regulations and therefore of applicable tariffs.

3. To establish an information system for the control and monitoring of trade through the provision of accurate and timely statistics for the industry.

- That Customs constitute the proverbial eye in the needle, or the central link through which all the country's external trade passes. Customs is therefore the critical link in a long chain, receiving information from importers, forwarders, transport operators, regulatory agencies, banks and insurance companies and processing this information in the course of pre-clearance, verification and valuation, and receiving revenue in the process and forwarding aggregated trade data to the Central Statistical Agency. The effectiveness of Ghana's Trade facilitation is therefore directly dependent on the speed with which Customs can process information, and which now means electronically.



Unfortunately, despite the length of time electronic documentation has been introduced in the country, the bulk of information passing between the various sectors are still in hard copies necessitating numerous manual operator data input much of which is usually a duplication of information already in the system.

Our failure to make any meaningful headway in trade facilitation has also been exacerbated by the cultural mentality which makes the typical African reluctant to pass on bad news to authority. Every day, there is assurance from the concerned organisations to the media or when a minister of state visits regarding the spectacular successes achieved in the improvement of trade facilitation processes. It is often found that when the real users of the system are consulted, their side of the story is completely opposite to the official version.

Much of the reluctance to change is due to the fact that because the greater part of the country's revenue is derived from duties; Customs has a mandate to ensure maximisation of revenue collection which often conflicts with efforts at facilitating movement of cargo.

In addition, there is little continuing pressure on Customs to expedite trade. There is also no provision made to monitor and advise on the level of trade facilitation in the system. Often, policy makers receive such information from those who run the system which make their information very biased and distorts actual condition of the system.

There is therefore a need now for a comprehensive national strategy to focus on the requirements of the nation's trading community. The strategy needs to be jointly developed by all sectors involved in the

nation's external trade, so that a clear understanding of the objective; to deliver the goods on time, and at a competitive cost, is achieved.

Shippers have an objective; to process their trade documentation as fast as possible, in order to maximise capital usage, while Customs' objective is the maximisation of revenue, which entails improvement of the revenue generation base. Both these objectives have goal congruency. Customs can therefore impress on shippers the need to provide accurate and adequate information which will enable fast processing with less verification for authenticity. In this way, the shipper gets his documents processed faster, is able to maximise the use of his capital and increase the volume of his business, while Customs also get to maximise revenue because of an improved revenue base.

Despite the length of time electronic documentation has been introduced in the country, the bulk of information passing between the various sectors are still in hard copies

Unfortunately, Customs, favours the big stick approach, much of which often is targeted at the wrong sector and therefore does not eliminate the root cause and eliminate their future occurrence.

Further, it must be realised that Ghana's international trade serves as her economic backbone. Duties from trading activities, especially international trade, contributes significantly to the Government's revenue which is needed for the nation's economic development. Anything which therefore impacts negatively on our merchants' ability to contribute to this revenue stream is

detrimental to our national economy. Such detriments include

- Inordinate documentation
- Delays occasioned by regulations, custom and practices of the port
- Inefficient communication
- bureaucratic procedures and misplaced priorities

For example, a 50% reduction in cargo dwell times in port as a result of changes in documentation and clearance procedures has the effect of doubling sustainable throughputs without a corresponding expenditure on infrastructure, and may also be more economic and less disruptive to achieve.

Therefore, because of the importance of external trade to our national economy, there is now a need for a comprehensive national strategy to focus on the requirements of the trading community. Such a strategy needs to be jointly developed by all sectors concerned, the Government, Regulatory Agencies, Shippers, Forwarders, Stevedores, Port Operators, Carriers, Bankers and Insurance Companies so that a clear understanding of the objective: to deliver the goods on time at a competitive cost is achieved.

In concluding, I would like to point out that achievement of the ultimate objective of Trade facilitation will not be easy. It will require a National purpose and will to overcome resistance to change, to cut through the bureaucracy, Red Tape and procedures handed down from our colonial masters and built upon up till now. It will require education of many people in the regulatory agencies and trading sectors to give them the knowledge, understanding and confidence in the use of modern

technology. It will also require training of people in all sectors of the industry to enable them integrate their tasks to smoothen and expedite the flow of freight. More trade moving at a faster pace generates more income.

The spin off will be highly beneficial to our economy in the form of higher productivity. Part of this productivity improvement for example can come from improved procedures which turn ports into what they ought to be - an interchange point between sea and land movement of freight. ■

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Availability of ITC's Online Tools for Market Research Analysis

Exporters registered with the Ghana Export Promotion Council and other members of the exporter community can now access *Trade Map*, *Product Map*, *Market Access Map* and *Investment Map* through a Common Management User System. The new system allows users to create and use a common user name and password to access the tools.

The market analysis tools were developed by the International Trade Centre (ITC)/WTO/UNCTAD in Geneva to assist in the Market Research activities of entities involved in international trade.

Trade Map

A new version of Trade Map with advanced features has been developed over the last few months. Trade Map provides on-line access to a database on product trade flows and market access barriers for international business development. It presents indicators on export performance, international demand, alternative markets, and the role of competitors from both the product and country perspective.

Trade Map operates in a web-based interactive environment and covers the trade flows (values, quantities, trends, market share, and unit values, both in graphic and tabular format) of over 220 countries and territories, 41 country groups and 5,300 products defined at the 2, 4 or 6-digit level of the Harmonized System (HS revision 1).

Product Map

Product Map consists of 72 web-based portals, each focusing on a particular industry and presenting extensive international trade data and market analysis tools specifically designed for organizations active in international trade.

Product Map gathers information for more effective international market research and business development on 72 industries ranging from agriculture machinery to cut flowers and wood products. Overall, 5,300 products (HS 6-digit) traded by over 180 countries are referenced in the Product Map Website. Each Product Map presents:

1. Market positioning tools that focus on the quantitative analysis of international trade for the sector covered by the Product Map in question.
2. Networking tools that identify potential business partners and give exposure to potential new clients. The Storefront facilities enable subscribers to set up their own Web site to communicate information and a company profile or business proposals. The Business Contacts facility provides links to trade support institutions, on-line market places and trade directories, as well as companies ranging from exporters to importers and wholesalers.
3. Market intelligence tools that provide information and intelligence sources designed to help exporters and trade support institutions look deeper into international market trends and design better international marketing strategies. Full-text published Market Studies are available, as well as Smart Links to the web sites of organizations involved in market research, in quality standards, packaging, sales promotion or trade fairs.

Market Access Map

Market Access Map is an interactive database on tariffs and market access measures. It contains the market access conditions applied at the bilateral level

by 170 importing countries to the products exported by more than 200 countries and territories.

Market Access Map aims to enhance market transparency, support international trade promotion, and to facilitate the analysis of related trade policy issues. Market Access Maps strength lies in its wide geographical coverage; its taking into account of almost all multilateral, regional and bilateral trade agreements; the integration of ad valorem equivalents of specific tariffs; as well as certificates and rules of origin.

Market Access Map is based on:

- National tariff data reported to UN TARMAC, the Tariff and Market Access Database developed by ITC and UNCTAD;
- Bilateral, regional and multilateral agreements for tariff preferences
- Notifications to the WTO as well as national sources for anti-dumping measures
- Trade data from COMTRADE (the database of the United Nations Statistics Division), IDB (Integrated abase of the WTO) and national sources.

Market Access Map allows users to analyze the protection measures of any geographic grouping and sectoral aggregation. It also offers the possibility of simulating tariff reductions using various negotiation formulae. ■

For further information on the tools and how to obtain access, please contact

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A Maritime Policy for Ghana

Capt William Amanhyia,

Lecturer in Maritime Transport, Regional Maritime University

Maritime transport has traditionally served as a vital service industry to international trade. At the time of Ghana's independence, our policy makers realised that as a newly established nation, our economic survival depended on our ability to trade internationally. The open sea they saw provided us with the opportunity for free and unhindered access to required international trade.

Consequently development of the maritime sector was perceived as and made the cornerstone of the Ghana's immediate post-independence economic development policy and which resulted in the creation of a first class maritime infrastructure that has since then served as the nation's economic backbone.

The maritime industry has often been perceived, especially in our part of the world, as a traditionally slow-changing industry. However, during the last few decades, it has been forced to undergo a tremendous transformation in order to accommodate the changing requirements of modern logistics. Maritime transport is a key link in the trade chain that is Ghana's livelihood. Much of our vital raw material exports

and manufactured goods imports necessarily need to move by sea. Consequently, recognition of the importance of maritime transport and its associated inter-modality in the transport chain is crucial to Ghana's ability to maintain a maritime industry that is capable of responding effectively to the fast-changing environment that the industry now operates in.

As a trading nation, Ghana needs to develop an export sector that has the capability to compete favourably on the international market. A major responsibility of government in this respect is therefore to ensure Ghanaian merchants can have access to affordable and reliable shipping as well as associated maritime logistics services by creating an environment that is conducive to the efficient and effective operation of the maritime industry.

However, despite the industry's strategic importance to the national economy, there appears to be a lack of maritime awareness among our policy makers which has also led to a lack of a coherent policy regime required for governing the sector and to give it a systematic direction for its development.

The need now for an all-encompassing maritime policy has become crucial in light of current agitation and demands by shipping lines and maritime logistics service providers, especially foreign ones, to be given freedom to locally establish their own branch offices and to be able to conduct marketing and sales activities, shipping agency services, custom clearance services and the full range of intermodal services including cargo handling, storage and consolidation.

In addition, they also wish to be free from foreign equity and transfer ceilings and to have a non-discriminatory access to all ports and ancillary services. Any future Maritime policy should therefore recognise the strategic importance of Ghana's maritime industry and the external benefits it bestows on our wider economy.

Because Ghana is geographically located in a region which generates only a small percentage of her world trade intra-regionally, much of our vital raw material exports and manufactured goods imports necessarily need to move by sea.



As a result, most goods and services found in the country have an element of maritime transport built into them.

For the average Ghanaian merchant who deals mostly in low cost/high volume manufactured goods/imports, maritime transport often presents the only financially and logistically viable option.

Consequently, the cost of maritime transport services has vital implications for the users of such services and also for the ordinary man in the street because of its direct impact on the cost of goods and services in the country.

As the nation celebrates fifty years of nationhood it will therefore be proper and prudent to review the performance and effectiveness of the various sectors of the maritime industry in order to assess the relevance and appropriateness of the institutional make-up and policy framework within which the industry now operates.

Shipping Line Sector

Shipping into the region in the past

has mainly been in the hands of foreign shipping lines most of them conferences. Conferences are the last remnants of cartels that were granted the right to fix freight rates, a facility that was only possible in the shipping industry. The presence of local national shipping lines during the conference era had ensured there was local input in the determination of freight rates into the region. However the demise of the local National shipping lines left only the foreign lines in the conferences to fix rates with the result that rates are now fixed without the usual consultative regime.

In addition, local policy makers belief in the free market concept, and the view that the maritime industry being international in scope commercial decisions like pricing ought to be determined by the market, has led to an adoption of a lackadaisical attitude by successive governments towards the operations of the industry. The result has been a free for all pricing regime that now exists in the country.

Currently, as a result of the concentration of market power in the hands of these foreign shipping lines,

rates are fixed on "what the market can bear" basis. With no other competitors on the market, the market has become a captive one in which the disparity between cargo interest groups has become so pronounced that the larger groups made up of the foreign operators tend to dominate the smaller groups to the disadvantage of the smaller groups and the general public interest. As a result, freight rates into the country are among the highest in the world.

However, regarding the operations of the free market system which seem to have become an excuse in our part of the world for institutional neglect of required national economic monitoring, it was deemed a normal practice in the developed maritime nations to maintain some form of institutional control over the maritime industry.

This was traditionally maintained within a well defined national regulatory framework that was made flexible enough to cater for changing needs and circumstances of the industry. It was done in order to ensure affordable and reliable maritime transport services for merchants in those countries and helped to maintain their competitiveness in international trade. Countries like those in the EU, Australia and the US had such regulatory bodies.

It must be mentioned that there were times when these bodies had had to review the anti-trust immunity to shipping lines and even now, some provisions of the anti-trust exemption has been revoked by the EU body. There is therefore a pressing need now for such a local regulatory body to do the required monitoring ■

(The second part of the article will review performance of other sectors in the maritime industry and their relevance).



Federation of Associations of Ghana Exporters (FAGE)

The Federation of Associations of Ghanaian Exporters (FAGE) was formed on 15th April 1992, to respond to the long-felt need for a unified, strong and credible organisation to serve as an advocate of the private sector in exports. The formation of FAGE was also viewed as a means of addressing problems and weaknesses affecting export development at the firm level.

FAGE's mandate is to support the growth of the private sector in non-traditional exports (NTEs) through the provision of a portfolio of business solutions. Non-traditional exports are goods and services exported from Ghana other than cocoa, gold and other mineral resources in their raw state, unprocessed timber and electricity. The range of NTEs includes fruits, vegetables and other agricultural produce, food items, handicraft products, clothing, textiles, and other manufactured items, etc.

The Federation's business solutions are currently focused in four principal areas: advocacy, market and trade information, training and integrated export development programmes.

FAGE's portfolio of products and services aims principally at increasing the competitiveness of exports in the international marketplace. The products and services are profiled below:

Advocacy

i. Policy and Business Development Initiatives

FAGE provides its members and the export community in general with frontline advocacy leadership on policy initiatives that nurture the enabling environment for globally focused businesses. FAGE also focuses on business development initiatives in areas that lie beyond the capabilities of individual firms, and serves as a forum for exploring new initiatives in response

to the needs of its members. Periodically seminars/workshops and special events are organised to highlight and to discuss export business and development issues.

ii. FAGE's Quarterly Magazine: The ExportNews

FAGE's newsmagazine, The ExportNews is a primary information product provided members, the export community and the general business community. Each issue features news about FAGE and its members, late developments in the Ghanaian export scene, and analysis of policy issues as they affect the export sector. The ExportNews is also a major source of up-to-date market and business information as well as best industry practices and world-class performance to exporting firms. In addition, the newsmagazine's editorials highlight the performance and achievements of some of the leading exporting firms in the country.

Market and Trade Information

i. Weekly Price Bulletin

FAGE's Weekly Price Bulletin, which is distributed each week to our members via fax and e-mail, is useful in a number of ways. The bulletin enables exporting firms to follow the international price trends for their products and plan their exporting activities accordingly. It facilitates better costing and pricing in order to achieve and maintain international competitiveness. It also serves to guide exporting firms in

dealing with their importers and other business partners in an informed manner. The current bulletin covers mainly fruits and vegetables. The coverage will shortly be extended to other products such as fish and seafood.

ii. Directories and Other Market/Technical Publications

These products provide exporting firms with in-depth market and technical information. Examples include:

- Business directories (Importers of Fresh Produce in the EU;
- Directory of Input Suppliers, etc.), and
- Technical manuals (Sources of Agricultural Information on the Internet, Grades and Standards for Ghanaian Export Crops, Post-harvest Handling of Ghanaian Crops, etc.).

iii. Customized Market/Technical Research

To survive in the international market place, Ghanaian exporting firms must have access to intelligence on key competitors, including their performance levels, relative strengths and weaknesses, and current and anticipated behaviour.

FAGE's country-specific analyses, e.g. The UK Market for Pineapples, include competition profiles of top suppliers to the major international markets.



iv. Trade Enquiries and Matchmaking

FAGE receives and processes many trade enquiries (including importer/exporter matchmaking) as a result of its presence on the Internet and other modes of visibility on the global scene.

E-Business Applications

i. WWW Design and Hosting

E-commerce and the Internet in general have become such important international marketing tools that Ghanaian exporting firms can no longer afford to ignore them. FAGE provides website design and hosting services to enable Ghanaian exporting firms take full advantage of the opportunities offered by e-commerce and the Internet. Interested members are automatically provided one free web page to provide information on their company and showcase their products.

Members can also contract FAGE to create and host larger WWW sites for a reduced fee. FAGE members have access to its in-house library of hard copy and electronic publications. Members may also be provided access to the Internet at FAGE's Information Center for a small fee. Other online e-business applications are being explored for development.

Training Workshops and Seminars

As economies around the world are quickly becoming knowledge-based, it is strategically imperative for Ghanaian exporting firms to regularly upgrade their stock of knowledge. FAGE conducts regular industry specific and problem solving workshops/seminars on topics of interest to both members and non-members. These events are focused on creating awareness among the exporting community on the need and requirements and equipping them with the basic tools and skills for improving international competitiveness. The FAGE training includes:

- Orientation seminars and workshops on export planning/management and marketing
- Management seminars and workshops for the executives of export product associations

- Quality management seminars and workshops
- Product specific seminars and workshops such as the application of industrial design to creative exports (handicraft and fashion)

Other Products and Services

A number of advanced products and services are also offered to qualified FAGE members on special request. These include Food Safety/HACCP Plans, Inspection Services and Market Representation, Development of Export Quality Standards, etc. These are undertaken in collaboration with other local and international partners and service.

Upcoming Products and Services

i. Electronic Productivity Tools

FAGE is currently developing the capacity to provide its members with access to MIS tools that facilitate the routine functions associated with export operations. These tools include software to print export/import forms, calculate costs/margins for export shipments, and various other software for producers, processors, and exporters. FAGE members particularly the small and micro scale operators will also be provided with training on the use of basic computer application packages such as spreadsheets and databases to enhance productivity. Those with no computers of their own will have access to computer usage in the FAGE Exporters Resource Centre to be established soon.

ii. Technology Audits and Advisory Service

Technology is and will remain one of the key drivers of competitiveness. FAGE's technology audits and advisory services will be primarily aimed at assisting small and medium-sized members with special focus on electronic technology. To this end, the service would usually take the form of a technical visit to the exporting firm's operational site to assess its needs and make recommendations on hardware and software purchases. Installation and training of firm staff in equipment use will also be provided.

iii. FAGE Integrated Export

Development Programs (FIEDP)

The FIEDP would focus on providing consulting services in the following areas:

- Export start-ups for newcomers to the industry
- Market and product development
- Market entry, penetration and diversification
- Community export development projects
- Investment promotion including
 - The provision of data and trend analysis on sub sectors of the non-traditional export sector as well as the industry as a whole
 - Joint venture development, promotion and development using tools such as small aggregation initiatives, etc.
 - Match-making for the development of partnerships.

FAGE's country-specific analyses, e.g. The UK Market for Pineapples, include competition profiles of top suppliers to the major international markets. Early 200 FAGE together with GEPC in collaboration with two development partners led the fruits and vegetables sector to participate successfully in Fruit Logistica in Berlin Germany. One of the keys to the success of Ghana's participation in Fruit Logistica was in-country preparation. The in-country preparations were started mid year 2007.

The in-country preparatory activities include the following: setting of benchmarks for the selection of products for the fair; stand design, decor and positioning; the design and production of fair visibility items (such as a directory of the fruit and vegetables sector, branded base ball caps and bags, virtual electronic displays of developments in the sector, etc.); developing common objectives, tasks and behaviour patterns for the fair, etc

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Maritime Trade Review

SUMMARY OF THE MARITIME TRADE

Total cargo throughput for the first quarter of 2008 amounted to almost 3.9 million (3,898,527) tonnes. This was made up of about 3.7 million (3,776,481) tonnes of cargo meant for domestic trade representing more than 97% of total throughput at the two seaports of Ghana and 122,046 tonnes of cargo for transit trade, representing about 3% of total cargo throughput.

Total import cargo for Ghana accounted for 75% of the national trade and stood at 2.8 million tonnes whereas total export cargo amounted to 937,308 tonnes, representing 25% of the national trade. Total transit import was 120,952 tonnes with transit export amounting to 1,094 tons for the period.

The Port of Tema had the greater share of the maritime trade activity in terms of cargo tonnage handled. More than 2.8 million tonnes of cargo, accounting for slightly over 75% of total national trade, was loaded and discharged at the Tema

port during the period, while the port of Takoradi accounted for the remaining 25% (936,458 tonnes).

As usual, Tema port handled the greater share of the import cargo amounting to about 86% (2.4 million tons) while the Takoradi port accounted for more than 54% of the export cargo (538,415 tonnes) for the period.

The national import trade continued to outstrip the national export trade, recording more than 75% as against 25% by the national export trade. The situation was the same for the total port traffic including transit cargo where import trade accounted for 76% and export trade, 24%.

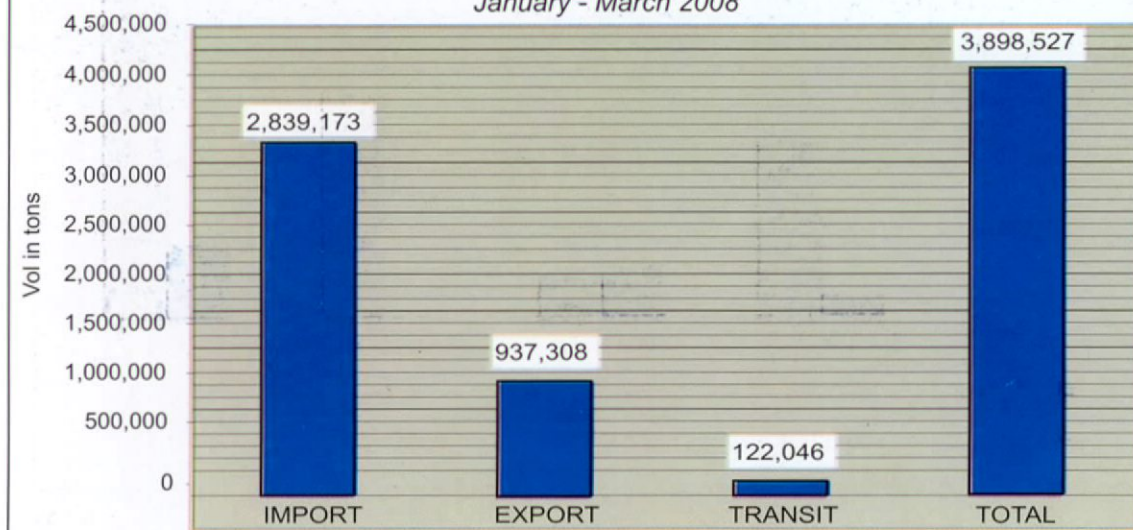
Total transit trade was 3% of the total port traffic at 122,046 tonnes, with the import trade of 120,952 tonnes outstripping the export trade of 1,094 tonnes.

Table 1 and fig.1 below depict a detailed description of the state of the maritime trade for the period under consideration.

Table 1 SUMMARY OF THE MARITIME TRADE OF GHANA (IN TONNES) January - March, 2008

	IMPORTS	EXPORTS	TOTAL	Port % Share of Total National Traffic	% Share of Total Port Traffic
TAKORADI	398,043	538,415	936,458	25	24
TEMA	2,441,130	398,893	2,840,023	75	73
TOTAL NATIONAL TRAFFIC	2,839,173	937,308	3,776,481		
% Share of Trade	75	25			
TRANSIT	120,952	1,094	122,046		3
TOTAL PORT TRAFFIC	2,960,200	938,427	3,898,527		
% Share of Total Traffic	76	24			

Fig. 1 SUMMARY OF THE MARITIME TRADE OF GHANA IN TONS
January - March 2008



The Import Trade

Total import trade through the ports of Takoradi and Tema amounted to about 2.8 million tonnes in the first quarter of 2008. The Port of Tema accounted for 2.4 million tonnes representing 86% whereas the Port of Takoradi accounted for 398,048 tonnes representing 14%.

Total Liner import was One million (1,093,137) tonnes, a 38% share of the total national import trade with Tema port contributing 981,179 tonnes while Takoradi port recorded 111,958 tonnes.

Table 2 SUMMARY OF MARITIME IMPORT TRADE – January – March 2008

	TAKORADI	TEMA	TOTAL	% Share of Trade Type
LINER	111,958	981,179	1,093,137	38
DRY BULK	281,316	220,696	502,012	18
LIQUID BULK	4,769	1,239,254	1,244,023	44
TOTAL	398,043	2,441,130	2,839,173	
% Share of Ports	14	86		

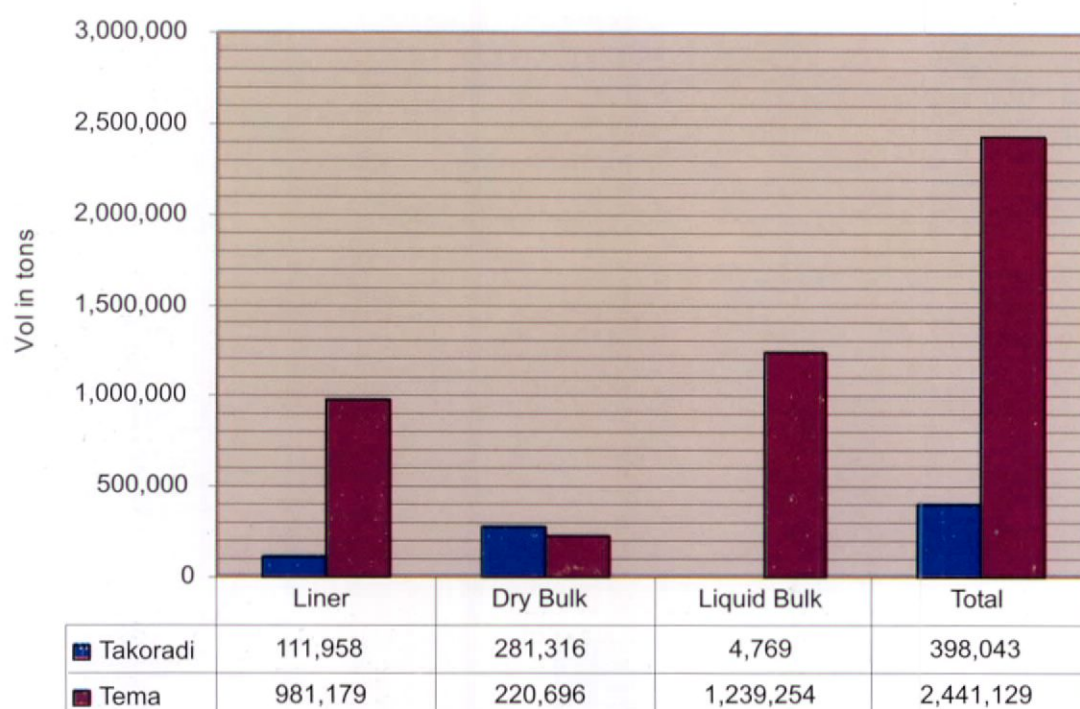
The total dry bulk import amounted to 502,012 tonnes representing 18% of the total national import for the period. Tema handled 220,696 tonnes while the Takoradi port accounted for 281,316 tonnes.

Liquid bulk imports amounted to 1.2 million (1,244,023) tonnes, recording the highest percentage of 44 of the national maritime import trade for the period. The Tema port handled more than 1.2 million (1,239,254) tonnes

amounting to more than 99% of the total liquid bulk for the period under consideration.

Table 2 above and Fig. 2 below give a tabular and a graphical representation of the maritime import situation.

Fig. 2 SUMMARY OF MARITIME IMPORT OF GHANA - January - March 2008



The Export Trade

Total maritime export trade in Ghana amounted to 937,308 tons. Takoradi port handled the highest quantity of export cargo totaling 538,415 tons which was 57% of the national maritime export trade while the Port of Tema handled 398,893 tons, representing 43% of total national maritime export trade.

In terms of the trade type, total liner trade amounted to 461,035 tons, representing 49% of total national maritime export trade with Takoradi Port handling 163,686 tons and the Port of Tema contributing the highest volume of 297,349 tons.

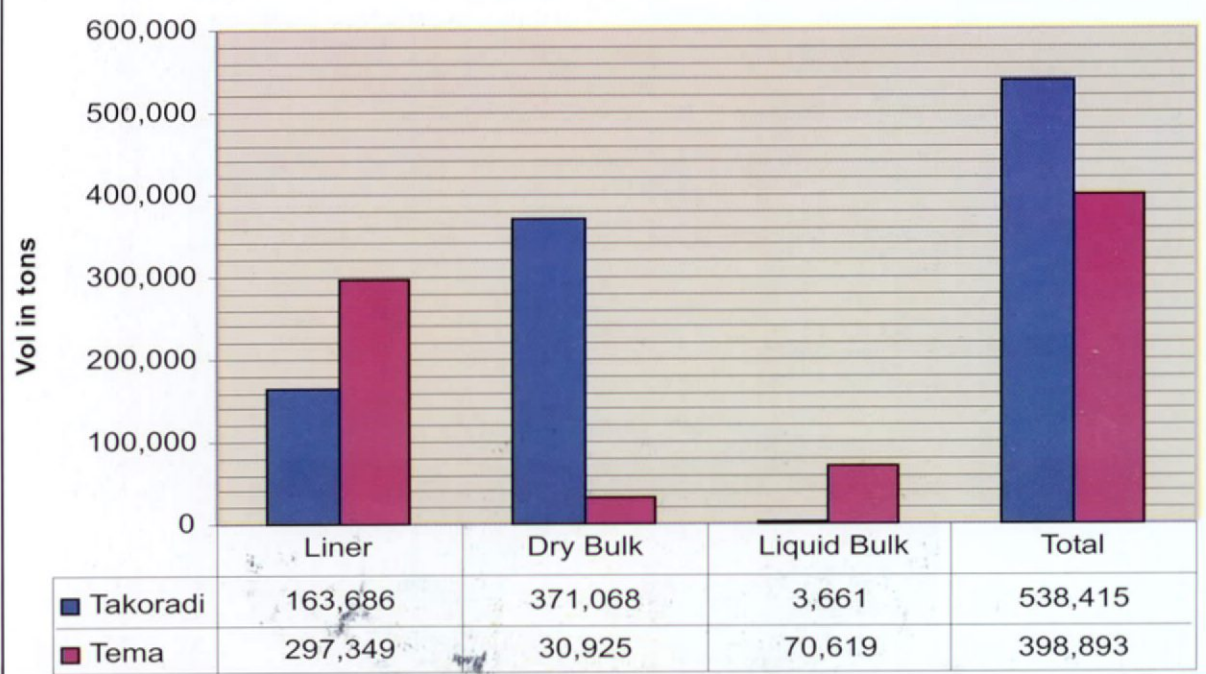
Table 3 SUMMARY OF MARITIME EXPORT TRADE – January – March 2008

	TAKORADI	TEMA	TOTAL	% Share of Trade Type
LINER	163,686	297,349	461,035	49
DRY BULK	371,068	30,925	401,993	43
LIQUID BULK	3,661	70,619	74,280	8
TOTAL	538,415	398,893	937,308	
% Share of ports	57%	43%		

Total dry bulk export trade amounted to 401,993 tonnes representing 43% of the total national maritime export. Takoradi port handled the highest volume of 371,068 tonnes while the port of Tema handled 30,925 tonnes.

Liquid bulk cargo was 74,280 tonnes, accounting for 8% of the total national maritime export trade. The Port of Takoradi accounted for 3,661 tonnes, while the Port of Tema handled 70,619 tonnes. Table 3 above and Fig. 3 below give representations of the situation.

Fig. 3 SUMMARY OF THE MARITIME EXPORT OF GHANA- January - December 2008



DIRECTION OF THE MARITIME TRADE OF GHANA

The total maritime trade of Ghana was 3.7 million tonnes for the first quarter of 2008. This tonnage was loaded from and discharged at various ports of the world which included the United Kingdom (UK) range of ports, the North Continent (NC) range of ports, the Mediterranean Europe (ME) range of ports, the North America (NA) range of ports, the Far East (FE) range of ports, the Africa (Af) range of ports and the ports in the Others (OH) range.

Import

During the review period the import trade of amounted to 2.8 million tonnes. The highest of this import tonnage to Ghana came from the Africa range where more than 925,000 tonnes

of cargo representing about 33% of total import was recorded with about 87% of this tonnage being recorded as wet bulk.

The Far East range recorded approximately 868,000 tonnes representing 30% of total maritime import. Liner imports contributed the highest percentage of 51 to the tonnage on this range.

The next highest tonnage was contributed by the Others range from where more than 618,000 tonnes of cargo came. This was 22% of total maritime import for the period. The biggest trade performer on this range was wet bulk which recorded 57% of the tonnage imported.

Table 4 DIRECTION OF THE MARITIME IMPORT OF GHANA - January -March 2008

	UK	NC	ME	NA	FE	AF	Others	Total
Liner	45,154	175,582	69,109	62,678	446,943	86,831	206,841	1,093,138
Dry Bulk	-	32,431	7,658	-	368,073	33,350	60,500	502,012
Wet Bulk	-	31,405	2,851	-	53,131	805,676	350,961	1,244,024
Total	45,154	239,418	79,618	62,678	868,147	925,857	618,302	2,839,174
% of Ranges	2	8	3	2	30	33	22	

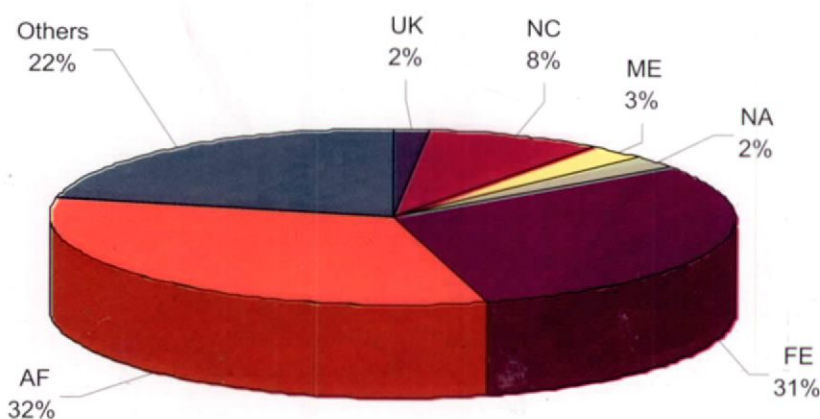
The North Continent range contributed 8% to the total maritime import for the period, which amounted to over 239,000 tonnes with the liner trade being the highest performer (73%) on the range.

The Mediterranean Europe (ME), the North America and the United Kingdom ranges contributed between 3% and 2% to

the maritime import trade of Ghana. On all three ranges liner import was the major contributor, recording 87% on the ME range and 100% on the North America and the UK ranges.

Table 4 above and Fig.4 below give pictorial representation of the above situation.

**Fig 4 DIRECTION OF THE MARITIME IMPORT TRADE
January - March 2008**





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Table 5 DIRECTION OF THE MARITIME EXPORT OF GHANA -January - March 2008

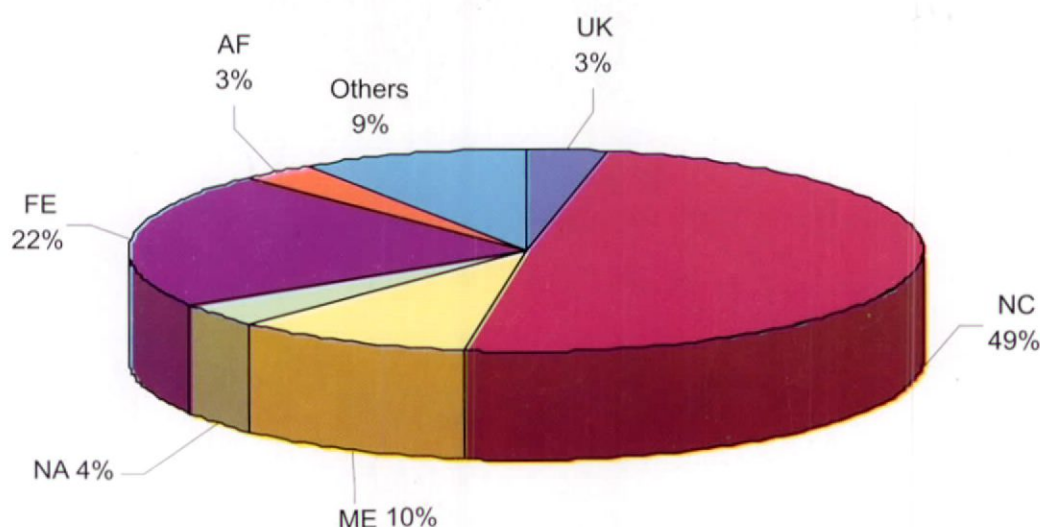
	UK	NC	ME	NA	FE	AF	Others	Total
Liner	32,245	147,713	42,333	10,302	189,062	18,591	20,789	461,035
Dry Bulk	-	313,292	47,106	27,485	13,000	-	1,110	401,993
Wet Bulk	-	-	-	-	-	9,024	65,256	74,280
Total	32,245	461,005	89,439	37,787	202,062	27,615	87,155	937,308
% of ranges	3	49	10	4	22	3	9	

The Mediterranean Europe range received 10% of the maritime export of Ghana during the review period with liner and dry bulk trade being the highest contributors.

The Others range was the next to receive the maritime export from Ghana amounting to 87,155 or 9% of total maritime export with the wet bulk trade contributing the highest volume of 65,256 tons (75%).

North America range had 4% of the total export of Ghana during the review period while the UK range had 3% all in the liner trade and the Africa range also recorded 3% mostly in the liner trade.

Table 5 above and Fig. 5 below give pictorial representation of the performance of the export trade.

Fig 5 DIRECTION OF THE MARITIME EXPORT TRADE January - March 2008

TRANSIT TRADE THROUGH THE PORTS OF GHANA

Total transit traffic through the ports of Takoradi and Tema amounted to 122,046 tonnes for the period January to March 2008 with maritime transit import amounting to 120,952 tonnes while maritime transit export was 1,094 tons.

The total transit traffic for the review period was 8% less than what was routed through the ports of Ghana for the same period in 2007. While the transit import fell by 3%, the transit export reduced by 86%, indicating a fall in transit goods passing through the ports of Ghana.

Import cargo meant for Burkina Faso was the highest transit import passing through the ports of Ghana, recording 44,254 tonnes for the period. Niger and Mali were the other countries whose import cargo passed through the ports of Ghana amounting to 35,863 tonnes and 34,532 tonnes respectively.

Other countries whose import cargoes came through the port of Ghana were Nigeria (2,586 tonnes) and Togo (2,398 tonnes). Others are Cote D'Ivoire (474 tonnes), Benin (451 tonnes), Chad, Senegal and Gambia. Table 6 below gives more details.

Table 6A TRANSIT TRADE THROUGH THE PORTS OF GHANA - January - March 2008

COUNTRY	IMPORT 2008			EXPORT 2008			GRAND TOTAL
	TAKORADI	TEMA	TOTAL	TAKORADI	TEMA	TOTAL	
BENIN	-	451	451	-	-	-	451
BURKINA FASO	-	44,254	44,254	-	274	274	44,528
COTE D'IVOIRE	-	474	474	-	-	-	474
CHAD	-	80	80	-	-	-	80
GAMBIA	-	11	11	-	-	-	11
MALI	-	34,532	34,532	-	73	73	34,605
NIGER	-	35,863	35,863	-	580	580	36,443
NGERIA	-	2,586	2,586	-	101	101	2,687
OTHERS	-	287	287	-	-	-	287
SENEGAL	-	16	16	-	-	-	16
TOGO	-	2,398	2,398	-	66	66	2,464
TOTAL	-	120,952	120,952	-	1,094	1,094	122,046

**Table 6B SUMMARY OF THE MARITIME TRANSIT TRADE IN GHANA
January-March 2007 & 2008**

COUNTRY	IMPORT		% DIFF	EXPORT		% DIFF
	2007	2008		2007	2008	
BENIN	1,176	451	(62)	-	-	-
BURKINA FASO	45,448	44,254	(3)	7755	274	-96
CAMEROUN	1,103	-	(100)	-	-	-
COTE D'IVOIRE	346	474	37	-	-	-
CHAD	-	80	-	-	-	-
CONGO	-	-	-	-	-	-
GABON	-	-	-	-	-	-
GAMBIA	25	11	(56)	-	-	-
MALI	35,047	34,532	(1)	16	73	356
NIGER	34,865	35,863	3	16	580	3525
NGERIA	5,103	2,586	(49)	32	101	216
OTHERS	400	287	(28)	-	-	-
SENEGAL	147	16	(89)	-	-	-
TOGO	1,440	2,398	67	84	66	-21
TOTAL	125,100	120,952	(3)	7,903	1,094	-86

PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA

Forty eight (48) Shipping Agents handled the total maritime trade of more than 3.7 million tonnes for the period January to March 2008. Twenty five (25) of them took part in the liner trade handling about 1.5 million tonnes representing 41% of total cargo throughput for the period under review.

The highest performer, Maersk Ghana Ltd., handled 467,179 tonnes representing 30% of the liner trade. Of this tonnage, 323,308 tonnes were import and 143,871 tonnes were export. Delmas Shipping Ghana /CMA CGM handled the second largest share of 184,115 tonnes comprising 134,769 tonnes of imports and 49,346 tonnes of exports. This represented 12% of the total liner trade.

MSCA Ghana Ltd. followed in third place with 159,712 tonnes representing 10% of total liner throughput, with 134,957 tonnes being import while 24,755 tonnes were handled as exports.

The fourth spot went to MOL Gh. Ltd. which handled 102,939 tonnes, representing 7% of total liner import with 65,032 tonnes being import and 37,906 tonnes were export. Supermaritime Agency handled 19,543 tonnes of imports and 62,829 tonnes of export amounting to 82,372 tonnes to take the fifth place representing 5%.

Nine (9) shipping agencies participated in the dry bulk trade which amounted to 904,005 tonnes or 24% of total maritime traffic for the review period. Hull Blyth handled 360,596 tonnes which were solely import and represented 40% of the total dry bulk cargo. Supermaritime followed in the second place with 259,874 tonnes or 29% of the dry bulk trade.

The third, fourth and fifth places were occupied by Macro Shipping which handled 129,858 tonnes (14%), Cross Ocean Agency which handled 100,000 tonnes (11%) and Scanship handling 28,321 tonnes (3%).

In the liquid bulk trade, fourteen (14) agencies together handled the 1.3 million tonnes of cargo that was discharged and loaded at the ports of Ghana. With the exception of Afritramp, all other agencies handled only import cargo.

GEK Shipping was the highest performer with 302,793 tonnes which was 23% of the total liquid bulk cargo. Maritime Ghana Ltd followed in second place with 248,171 tonnes representing 19%.

Afritramp handled 218,955 tonnes (import-153,698 tonnes and export-65,256 tonnes) representing 17% of total liquid bulk and earning itself the number three spot in the trade. Multiplan and Scanship took the fourth and fifth places with 116,541 tonnes and 112,145 tonnes, representing 9% and 8% respectively.

PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA

JANUARY-MARCH, 2008

SHIPPING AGENTS/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE OF AGENTS
LINER				
ANTRAK GH. LTD.	40,059	12,887	52,945	3.41
BLUE SEA MARITIME	0	21,700	21,700	1.40
COAL GH. LTD.	6,882	0	6,882	0.44
CONSHIP GH. LTD.	1,135	0	1,135	0.07
CROSS OCEAN	25,425	0	25,425	1.64
DELMAS SHIPP.GH./ CMA CGM	134,769	49,346	184,115	11.85
GLOBAL CARGO	48,604	0	48,604	3.13
GMT SHIPPING	39,278	0	39,278	2.53
GRIMALDI GH. LTD.	59,521	15,639	75,160	4.84
HULL BLYTH	30,054	1,007	31,061	2.00
ISAG	26,955	25,171	52,126	3.35
MACRO SHIPPING	276	0	276	0.02
MAERSK GH. LTD.	323,308	143,871	467,179	30.06
MAP SHIPPING	5,813	29	5,842	0.38
MARITIME GH. LTD.	0	1,566	1,566	0.10

MAXITIDE VENTURES	303	0	303	0.02
MOL GH. LTD.	65,032	37,906	102,939	6.62
MSCA GH. LTD	134,957	24,755	159,712	10.28
OCEANLANE	12,310	0	12,310	0.79
PANALPINA	17,021	11,798	28,819	1.85
PIL GH. LTD.	36,337	9,510	45,848	2.95
SAFMARINE GH. LTD.	0	9,605	9,605	0.62
SCANSHIP	63,778	16,542	80,321	5.17
SDV GH. LTD.	1,756	16,872	18,626	1.20
SUPERMARITIME	19,543	62,829	82,372	5.30
SUB-TOTAL	1,093,116	461,033	1,554,152	41.15
DRY BULK				
CROSS OCEAN	100,000	0	100,000	11.06
GLOBAL CARGO	18,049	0	18,049	2.00
HULL BLYTH	360,596	0	360,596	39.89
MACRO SHIPPING	0	129,858	129,858	14.36
MAERSK GH. LTD.	0	189	189	0.02
MAP SHIPPING	4,119	0	4,119	0.46
PANALPINA	394	2,605	2,999	0.33
SCANSHIP	0	28,321	28,321	3.13
SUPERMARITIME	18,854	241,021	259,874	28.75
SUB-TOTAL	502,012	401,994	904,005	23.94
LIQUID BULK				
AFRITRAMP	153,698	65,256	218,955	16.61
BULK SHIPPING	97,172	0	97,172	7.37
DUNCAN INTL.	10,786	0	10,786	0.82
GEK SHIPPING	302,793	0	302,793	22.97
HULL BLYTH	22,007	0	22,007	1.67
MARITIME	248,171	0	248,171	18.83
MAXITIDE	108,447	0	108,447	8.23
MSCA GH. LTD.	1,034	0	1,034	0.08
MULTIPLAN	116,541	0	116,541	8.84
PANALPINA	2,196	0	2,196	0.17
SCANSHIP	112,145	0	112,145	8.51
SECTEL LTD.	38,929	0	38,929	2.95
SECTOR	5,393	0	5,393	0.41
SUPERMARITIME	24,710	9,024	33,734	2.56
SUB TOTAL	1,244,022	74,280	1,318,303	34.91
GRAND TOTAL	2,839,150	937,307	3,776,460	100.00

PERFORMANCE OF SHIPPING LINES IN MARITIME TRADE OF GHANA

Seventy nine (79) shipping lines participated in the carriage of the 3.7 million tonnes of maritime cargo comprising 2.8 million tonnes of imports and 937,307 tonnes of exports for Ghana during the first quarter of 2008.

Fifty-four shipping lines handled the over one million tonnes of liner imports and the 461,034 tonnes of liner exports. Of

this, Maersk Sealand carried 455,476 tonnes accounting for over 29% of total liner cargo making it the number one carrier in the carriage of liner cargo for the period under review.

Mediterranean Shipping Company carried the next highest tonnage of 159,712 tons representing 10% of the liner trade followed by Delmas with 109,183 tonnes (7%), Mitsui O.S.K. Lines 102,939 tonnes or 7% and CMA CGM 74,869 tonnes or 5%.

Dry bulk cargo amounting to 904,006 tonnes and representing 24% of total maritime trade for the review period was carried by thirteen (13) shipping lines. HC Trading took the top position carrying 314,524 tonnes which represented 35% of the total dry bulk trade.

IMT followed in the second position with 234,708 tonnes representing 26% of total dry bulk cargo trade. Bulk Handling carried 129,858 tonnes accounting for 14% thus putting it in third place.

The fourth and fifth positions were taken by Novel and Global Logistics which carried 100,000 tonnes (11%) and 21,000 tonnes (2%) respectively.

Twelve (12) shipping lines engaged in the liquid bulk trade carrying 1.3 million tonnes of cargo which accounted for 35% of total maritime trade. VITOL took the lead with the carriage of 550,074 tonnes representing 42% of total liquid bulk. With 332,643 tonnes representing 25% of the liquid bulk trade, Sahara took the number two spot.

The third best performer was the Tema Oil Refinery with 149,796 tonnes representing 11% of the bulk liquid trade.

Bulk Ship carried 9.67% of liquid bulk trade which translated into 127,531 tonnes earning it the fourth position. The fifth highest carrier in the liquid bulk trade was Glencore with 60,721 tonnes representing 5% of the trade.

GHANA SHIPPERS COUNCIL				
PERFORMANCE OF SHIPPING LINES IN GHANA'S SEABORNE TRADE				
JANUARY-MARCH, 2008				
SHIPPING LINE	IMPORT	EXPORT	TOTAL	% SHARE IN TOTAL TRADE
LINER				
"K" LINE	858	0	858	0.06
AFRICA EXPRESS LINE	1,179	0	1,179	0.08
AFRITRAMP	176	0	176	0.01
ALRAINE	79	0	79	0.01
BARWIL SHIPPING SERV	303	0	303	0.02
CEREAL INV.CO	22,442	0	22,442	1.44
CHINA OCEAN SHIPPING	8,590	0	8,590	0.55
CHINA SHIPPING	12,777	4,361	17,138	1.10
CLTM	839	0	839	0.05
CMA CGM	70,487	4,382	74,869	4.82
CONTI SHIPPING	16,620	0	16,620	1.07
CONTINENTAL LINES	12,310	0	12,310	0.79
COSCO	1,537	11,309	12,846	0.83
DARYA SHIPPING	22,689	0	22,689	1.46
DELMAS	48,713	60,470	109,183	7.03
DOLE SHIPPING	0	15,029	15,029	0.97
EURO AFRICA	9,404	4,064	13,468	0.87
EUXOR CAR CARRIERS INC.	309	0	39	0.02
GMT SHIPPING	13,732	0	13,732	0.88
GOLD STAR LINE	26,955	25,171	52,126	3.35
GRIMALDI LINES	50,780	15,639	66,419	4.27
HAPAG LLOYD	0	807	807	0.05
HC TRADING	10,987	0	10,987	0.71
I.A. MERIDIONALE SPA	425	0	425	0.03
JAPAN TUNA ASSOCIATION	180	0	180	0.01
L&C MARINE TRANSPORT	5,813	0	5,813	0.37
MAERSK SEALAND	320,790	134,687	455,476	29.31
MAP	326	0	326	0.02
MARITIME OVERSEAS	202	0	202	0.01

MEDITERRANEAN SHIPP. CO	134,957	24,755	159,712	10.28
MEDWEST AFRICAN SERVICE	0	1,169	1,169	0.08
MENTOR SHIPPING	319	0	319	0.02
MESSINA LINES	14,939	11,617	26,556	1.71
MIDWEST AFRICAN SERVICE	351	0	351	0.02
MTSUI O.S.K. LINES	65,032	37,906	102,939	6.62
NORDANA LINES	1,108	0	1,108	0.07
NOVEL	6,882	0	6,882	0.44
OCEAN WORLD	5,118	0	5,118	0.33
OTAL	17,510	2636	20,145	1.30
OTHER	101,124	29	101,152	6.51
PACIFIC INTL. LINES	36,337	9,510	45,848	2.95
S. BACO LINER	0	7,437	7,437	0.48
S.A.I.L.S.	12,359	200	12,559	0.81
SAFMARINE	2,518	18,790	21,308	1.37
SAMARTEX GH.	0	1,566	1,566	0.10
SOCAR SHIPPING	276	0	276	0.02
SPLIETHORFF	0	8,000	8,000	0.51
TRAMPS GH.	1,223	0	1,223	0.08
UAL	0	6,000	6,000	0.39
UNICARGO	0	15,700	15,700	1.01
UNIVERSAL AFRICA LINES	1,135	0	1,135	0.07
VERTOM	0	39800	39800	2.56
WINDROSE-SERVICOS	7,000	0	7000	0.45
YARA INTL.	4	0	4	0.00
YOUNNOUSSA	25,425	0	25,425	1.64
SUB-TOTAL	1,093,119	461,034	1,554,152	41.15
DRY BULK				
AGENCES MARITIME BARWIL	0	2,605	2,605	0.29
BULK HANDLING	0	129,858	129,858	14.36
CARMUSE TRADING	7,000	0	7,000	0.77
CHINA SHIPPING	394	0	394	0.04
DARYA SHIPPING	0	1,110	1,100	0.12
GLOBAL LOGISTICS	21,100	0	21,100	2.33
HC TRADING	314,524	0	314,524	34.79
IMT	0	234708	234,708	25.96
K.I. GH. LTD.	0	6,313	6,313	0.70
MAERSK SEALAND	0	189	189	0.02
NOVEL	100,000	0	100,000	11.06
OTHER	35,918	27,210	63,128	6.98
POLYTRA	10,709	0	10,709	1.18
SEPORSUR, S.A.U.	7,264	0	7,264	0.80
SUB-TOTAL	502,013	401,993	904,006	23.94
LIQUID BULK				
ADDAX	41,860	0	41,860	3.18
AGENCES MARITIMES BARWIL	2,196	0	2,196	0.17
BULK SHIP	127,531	0	127,531	9.67
GLENORE	60,721	0	60,721	4.61
MEDITERRANEAN SHIPP. CO	1,034	0	1,034	0.08
NEW FRONTIERS	13,290	0	13,290	1.01
OTHER	20,975	0	20,975	1.59
SAHARA	332,643	0	332,643	25.23
SOCIETE INT. DE BITUMEN	3,735	3,661	7,396	0.56
SOPCL	10,786	0	10,786	0.82
TEMA OIL REFINERY	79,178	70,619	149,796	11.36
VITOL	550,074	0	550,074	41.73
SUB-TOTAL	1,244,023	74,280	1,318,302	34.91
GRAND TOTAL	2,839,155	937,307	3,776,460	100.00

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Import Clearance Process at the Seaport - A Guide

The introduction of the GCNet electronic clearance system in September 2003 was a welcome development for shippers and custom house agents alike, as it cut down the clearing time substantially and allowed for on-line exchange of trade information.

Unfortunately, in recent times there have been complaints about the abuse of the customs clearance system which is quite disturbing. This has prompted the Ghana Shippers' Council to take measures to ensure that shippers are well informed about the demands and the requirements of the customs clearance system and procedures involved.

This publication is therefore intended to serve as a guide in the conduct of cargo clearance at the ports.

IMPORTERS' GUIDE

Appoint a licensed Custom House Agent (clearing agent) with a credible reputation who will do the following on your behalf:

1. Submit the Invoice, Import Declaration Form (IDF), Parking List and a copy of the Bill of Lading (on or before arrival of vessel) to the designated Destination Inspection Company (DIC) for processing of Final Classification and Valuation Report (FCVR).
2. Pick up the FCVR from DIC.
3. If you are an importer of a used vehicle, submit Bill of Lading, Certificate of Title to CEPS for the determination of value.
4. Obtain a Tax Identification Number (TIN) from the Internal Revenue Service (IRS), if you are a first time importer.
5. Submit a declaration electronically to Customs through the GCNet Computer Front-end.
6. Ensure that all the fields on the declaration are completed with accurate data.
7. Print out the Response from the GCNet Computer Front-end and effect payment of appropriate duty and taxes at either Ghana Commercial Bank or ECOBANK.
8. Attach the bank payment receipts, Bill of Lading, Invoice, IDF, FCVR, to the designated CEPS compliance officer in the Long Room for Verification.
9. Submit to the Shipping Line/Agent a hard copy of the declaration, original bill of lading, bank receipts and all the other relevant documents as well as a completed Delivery Order (DO) for either **first** or **final** release, as the case may be.
10. Present **green copy** of DO, hard copies of declaration and bank receipts at GPHA Revenue or other Freight Stations as appropriate, for assessment and payment of handling charges.
11. Deposit the **green copy** of the DO with GPHA operations or the appropriate Freight Station for the container to be dropped within 24 hours at the designated bay for physical examination (if required), after which CEPS allows delivery.
12. Arrange a truck to convey cargo from the port/freight station.
13. Waybill will then be issued by the appropriate freight station upon presentation of green copy of DO, hard copy of declaration and bank payment receipts.
14. Present declaration and accompanying documents with the cargo to CEPS at the exit for final clearance. Freight Station security also checks the waybill covering the goods.
15. Make all documents available to the Police, CEPS or National Security, only on request, for inspection after exiting the freight station.

Scan Option

1. If your container is to be scanned, then deposit the declaration, DO and the Interchange (evidence of dropping container on the truck) at the CEPS office within the Scanning Area.
2. Pick up your scan number (Appointment Sheet) from the Scan Operations office and wait for your turn.
3. Present the Appointment Sheet to the CheckIn Agent at the entrance of the scanner.

4. Confirm final clearance of container after the scan at the CEPS office.

CAUTION

1. Do not deal with an unlicensed clearing agent. Common traits of such agents are as follows:

- They have no offices (under-tree operators).
- They have no identification cards that link them to any recognised clearing company.
- They promise short delivery times.
- They promise lower duties and clearing charges

2. Do not accept any offers to prepare fresh invoices locally, to either underestimate values or mis-describe goods.

3. Do not connive with any Clearing Agent, Shipping Lines /Agent, or any other operator to carry out any fraudulent transactions.

4. Do not offer Freight Station equipment operators money to induce them to deliver the services for which you have already been billed.

5. Do not attempt to conceal goods during physical examination. Avoid paying the examination officer to "overlook" discrepancies in the manifested and landed cargo.

6. Do not pay for any service for which no official receipt or invoice is issued

For Further Information:

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e-mail: scouncil@shippers-gh.com • website: www.ghanashipperscouncil.org



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SHIPPING REVIEW

GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL

Volume 10 Number 3

July - Sept., 2008

In this edition

Maritime Transport - A Vehicle for Regional Integration

Judges Update Knowledge in International Maritime Law

Maritime Trade Review



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Coordination and Harmonization of Policies Towards an Effective Transit Trade Regime in West and Central Africa



There are 24 countries in West and Central Africa, five of which are landlocked: Burkina Faso, the Central African Republic, Chad, Mali and Niger. As countries that have no sea coast, they are bound to transport most of their merchandise trade

through foreign territory.

Although the United Nations Convention on the Law of the Sea stipulates that "land-locked States shall enjoy freedom of transit through the territory of transit States by all means of transport" transit trade is often beset by a wide array of administrative, technical and logistical problems.

This article examines some of the major challenges of the transit trade and the way forward.

Page 3



Maritime Transport - A Vehicle For Regional Integration

The efficiency of the maritime industry is today a function of the extent of exploitation of sub-regional, regional and international cooperation in the supply of tonnage, the protection of shippers' interests and the handling of the ship-generated problems of maritime safety, security and the protection of the marine environment.

This article takes a look at some regional and sub-regional approaches at maritime integration.

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SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

SHIPPING REVIEW • Volume 10 • Number 3 • - July - Sept., 2008

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GHANA SHIPPERS' COUNCIL

Our Vision

To ensure for the Ghanaian Shipper, quick, safe and reliable delivery of import and export cargoes by all modes of transport at optimum cost.

Our Mission

To be a state - of - the art organisation that effectively manages the demand side of shipping with a view to protecting and promoting the interest of Ghanaian shippers in relation to port, ship, inland transportation problems and provision of ancillary shipping services.

Published by:
Ghana Shippers' Council
5th Floor, Enterprise House
High Street, Accra
P.O. Box GP 1321, Accra
Tel. 233-21-666915 - 7

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Designed by
Logical Designs
(024-4215 903)

Printed by
Unik Image

Congratulations

The Executive and entire Membership of all the Shipper Committees located in the ten Regions of Ghana have the pleasure to congratulate the

GHANA SHIPPERS' COUNCIL

for receiving the Award of Best Maritime Agency in Trade Facilitation in West Africa for the year 2007 from the West Africa Maritime Awards (WAMA) for your role in protecting and promoting the interests of shippers in Ghana and West Africa in general as well as for your contribution to the development of Maritime infrastructure in Ghana



GHANA SHIPPERS' COUNCIL

Ayekoo!!

Coordination and Harmonization of Policies Towards an Effective Transit Trade Regime in West and Central Africa

By Bonaventure Adjavon, Ministry of Foreign Affairs and NEPAD

Overview

As stipulated in the ECOWAS Convention relating to inter-state road transit of goods, transit trade is an economic or supervised customs procedure regulating the transportation of goods by road, under which goods may be admitted into the customs territory of a Member State, free of import duties, taxes and prohibitions. Such goods are intended for re-exportation and are covered by a single customs document, and may not be transferred at any point while in transit.

In West and Central Africa, transit freight is carried through 13 major transit corridors: seven road corridors, five rail or rail/road corridors and one rail/water corridor. These transit transport infrastructures are, however, among the least developed in the world. It is often poorly maintained, technically outdated and weak in terms of intermodal connectivity.

Freight movement along the main transit corridors is hindered by physical and non-physical bottlenecks, which increases transport costs, thus adversely affecting export competitiveness and posing formidable obstacles to the import of essential capital goods, food and fuel. The Governments of countries in the two regions (West and Central Africa) have signed numerous bilateral, multilateral and regional agreements on transit transport cooperation, but their practical implementation still leaves room for improvement.

There are 24 countries in West and Central Africa, five of which are landlocked: Burkina Faso, the Central African Republic, Chad, Mali and Niger. As countries that have no sea coast, they are bound to transport most of their merchandise trade through foreign territory. Although the United Nations Convention on the Law of the Sea stipulates that "land-locked States shall enjoy freedom of transit through

the territory of transit States by all means of transport" transit trade is often beset by a wide array of administrative, technical and logistical problems. Moreover, the transit requirement makes landlocked countries dependent on their neighbours' transport infrastructure, increases transaction costs and adversely affects their international competitiveness.

Moreover, for Burkina Faso, the Central African Republic, Chad, Mali and Niger, the right of access to the sea is seriously impaired by regional transit transport systems that are among the least developed in the world.

In general, the transport infrastructure is poor and deteriorating, while significant non-physical bottlenecks impede the fluidity of transit traffic in the regions' main transit corridors. The poor condition of transport infrastructure also prevents large parts of the population from participating in the modern economy.

The Almaty Programme of Action (APoA) adopted at the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, held in 2003, recognized the critical importance of the transport sector for economic growth and development.

It set out a framework for the establishment of efficient transit transport systems for landlocked developing countries (LLDCs) and emphasized the need for partnerships between LLDCs and transit developing countries, as well as with their bilateral and multilateral partners.

The APoA also identified seven priority areas for infrastructure development and maintenance: rail transport, road transport, ports, inland waterways, pipelines, air transport and communications.



The Writer

Modes of Transport

• Road Transport

Road transport is the principal mode of transport for the export and import of goods of landlocked countries in West and Central Africa. Although transport by railway may be more economical for bulk transports of key regional products, such as cotton, concerns regarding the regularity of railway services and capacity bottlenecks at the railway terminals, as well as problems related to the poor conditions of a large part of the regional railway lines, militate in favour of the more expensive but more reliable road transport.

Road infrastructure density and quality vary from country to country. In general, roads are in better condition in West Africa than in Central Africa. Ghana and Côte d'Ivoire have the best road infrastructure among the transit countries. Before the outbreak of civil unrest in Côte d'Ivoire, the corridors through this country were the most active ones in the Sub-region.

The road infrastructure is less dense and has more severe maintenance problems in Central Africa. Cameroon is the main transit country for the Central African Republic and Chad.

Four fifths of the transit transport traffic in Central Africa takes place in two road corridors through Cameroon the Douala-Bangui corridor (1,500 kilometres) and the Douala-N'djamena corridor (2,100 kilometres).

Road corridors through other countries, such as Congo and Gabon, the Democratic Republic of the Congo, Sudan, the Libyan Arab Jamahiriya, Niger and Nigeria, play minor roles. Nonetheless, such corridors have great potential and can not only help the landlocked countries diversify their transit partners but also contribute to greater regional trade and integration. In particular, links to Nigeria could help Chad reduce transport costs, since Port Harcourt (Nigeria) is the closest seaport to N'djamena.

• Rail Transport

Rail is the second most important mode of transport in West Africa. It links two capitals, Ouagadougou (Burkina Faso) and Bamako (Mali), with two regional seaports, Abidjan (Côte d'Ivoire) and Dakar (Senegal), respectively. Niamey (Niger) cannot be reached by rail, and hence goods to and from the country need to take the Cotonou-Niamey rail-and road corridor.

Rail plays a less important role in international transit transport in Central Africa, as national railway lines are limited and not interconnected. Only Cameroon has a significant railway infrastructure, which is operated by Camrail Ltd, a private sector company. The railway in Cameroon is not only important for domestic transport, but also serves as a means to facilitate the transit trade with Chad and the Central African Republic.

• Inland Waterways

Inland waterways transport is minimally used in West Africa despite the potential offered by the Niger River. Water is the second most important mode of transit transport in the Central African Republic. Transit cargo between Brazzaville and Bangui can be shipped on the Congo and Oubangui rivers. However, the Oubangui River is navigable only eight months in the year

Freight movement along the main transit corridors is hindered by physical and non-physical bottlenecks, which increases transport costs, thus adversely affecting export competitiveness and posing formidable obstacles to the import of essential capital goods, food and fuel.

because of low water levels in the dry season.

The 1,070-km Chad-Cameroon pipeline, supported by the World Bank, is the major transit pipeline in the regions, transporting crude oil from the Doba oilfields in southern Chad to the coast of Cameroon. The \$4-billion project also includes three pump stations and the offshore marine terminal near Kribi in Cameroon. Other countries in the regions run domestic pipeline networks.

• Air Transport

There are several major international airports in the region, but these hubs are located outside landlocked countries. The bankruptcy of a major airline in 2002 that serviced the regions dealt a heavy blow to the air transport in West and Central Africa. However, it has recovered from this setback, although freight transport by air is still relatively insignificant, mainly owing to the high cost. Nevertheless, the full implementation of the Yamoussoukro Decisions of 1999 on the liberalization of the air transport markets in Africa have positive effects on the intra and inter-regional air connectivity of countries in West and Central Africa.

• Maritime Port

West and Central Africa are relatively well equipped in terms of numbers of maritime ports. In most of them, port operations have been concessioned to private operators, with the expectation that this will improve the quality of services. The ports of Abidjan (Côte d'Ivoire), Dakar (Senegal), Douala (Cameroon) and Tema (Ghana) are of particular importance for the merchandise trade of the landlocked countries in Central and West Africa.

Their handling capacity is largely in line with transport demands, and the

availability and the technical condition of equipment that are in most cases better than those of other transport sub-sectors. Most of the main seaports have been transferred from the public to the private sector and several of them are operated by large international enterprises.

Several maritime ports have recently invested in equipment that helps to expedite the release of goods and makes transit traffic more secure. Thus, in February 2006, the port of Dakar participated in the testing of a new seal system to be used along the 2,700-km corridor from Dakar (Senegal) via Bamako (Mali) and Ouagadougou (Burkina Faso) to Niamey (Niger). It can be fitted to trucks with a cargo capacity of between 10 and 40 tons.

The port of Abidjan began operation of the world's first high-energy (6MeV) double-tunnel X-ray scanner on 6th March 2007. This scanner, which can handle up to 30 trucks per hour, will help reduce bottlenecks in customs clearance at the port and speed up the release of goods. The actual ship/port turnaround times of seven days or more in most West African maritime ports continue to be above the target time frames of 72 hours.

Conventions and Agreements Regulating the use of Trade - Related Transit Transport Infrastructure in West and Central Africa

The efficient use of neighbouring countries' transport infrastructure by landlocked countries necessitates an adequate legal framework. Within the regional context and under the auspices of ECOWAS, UEMOA, CEMAC and the Maritime Organization of West and Central Africa (MOWCA), landlocked and transit countries in West and Central

Africa have concluded more than 40 regional, multilateral and bilateral conventions and agreements on transport and logistics issues.

They cover issues such as trade in goods and services, access to seaports, transit transport, and the harmonization of documents, taxes, duties and nomenclature, as well as agreements on market sharing and specialized truck transport.

The most important multilateral transit agreements in West Africa are the Inter-State Road Transit Convention (ISRT) and the agreement on the West African Brown Card insurance scheme. Given the number of agreements and conventions regulating the use of transport infrastructure for transit traffic in West and Central Africa, and the overlap between and among them, their application and interpretation are not without differences of opinion.

In practice, these legal instruments are often ignored or national regulations take precedence over regional agreements. Thus, the ISRT Convention, which was expected to facilitate road transport by ensuring greater fluidity of transit traffic, has failed to reduce the number of roadblocks in most transit corridors.

The application of the ISRT Convention, which was to replace national transit documents by a ISRT booklet, representing a single ECOWAS transit document, has been plagued by issues related to the sharing of revenues from the ISRT booklet sales, differences regarding the ISRT guarantee system and reluctance to accept transit documents issued by other member States since there were doubts about the quality of the customs clearance system in partner countries.

Lack of cooperation and trust between insurance companies is another important reason for the inadequate application of the ECOWAS Brown Card insurance scheme.

In Central Africa, a set of agreements on carriage of goods by road were adopted in the second half of the 1990s under the auspices of the Communauté

Économique et Monétaire de l'Afrique Centrale (CEMAC). These agreements included the Interstate Convention on Carriage of Goods by Road, an Interstate Multimodal Transport Convention and a Regional Insurance Scheme and the Orange Card Insurance System. However, despite these regional conventions, bilateral agreements and national regulations continue to dominate legal arrangements for transit transport activities in the sub region.

The bilateral agreements linking landlocked countries in West and Central Africa and their transit developing neighbours cover cooperation on all modes of transport and all aspects of transit transport, including transport infrastructure, transport coordination and transport facilitation.

Policy Initiatives to Improve Transport Infrastructure in West and Central Africa

There have been several regional initiatives aimed at improving the availability and use of trade-related transit transport infrastructure for landlocked countries in West and Central Africa. Most of these initiatives are inspired by the NEPAD Short Term Action Plan on Infrastructure and are in conformity with the Sub-Saharan Africa Transport Programme (SSATP), conceived jointly by the World Bank and Economic Commission for Africa (ECA).

Regional economic communities such as ECOWAS, UEMOA and CEMAC are also important institutions that cooperate with multilateral and bilateral donors, as well as regional financial institutions, in the design and implementation of policies for improved transport infrastructure in West and Central Africa.

ECOWAS and UEMOA are joining forces to implement a road transport and transit facilitation programme aimed at improving the competitiveness of member States by making regional trade more fluid through the improvement of transport systems and the elimination of non-tariff barriers.

The components of the programme will be implemented, tested and evaluated on an experimental basis between 2004 and 2009. Full implementation will follow in 2009.

The programme has the following components:

- Harmonization of Inter-State Road Transit Convention to pave the way for the adoption of a single ISRT document;
- Establishment of observatories to identify and discourage bad practices along key transit transport corridors;
- Building of joint border posts to speed up customs formalities at borders;
- Extension of the World Bank Initiative on HIV/AIDS Prevention
- Facilitation of transit traffic and create better security and time-saving facilities;
- Elimination of duplication of national customs procedures;
- Facilitation of transport of goods between territories of contracting parties;
- To permit compilation of statistics on movement of goods by collaboration between the customs authorities and contracting parties;
- Facilitation of movement of vehicles by reducing border control procedures to a minimum; and
- Simplification of customs formalities by introducing a common customs declaration form for transit operations.

While many policy initiatives by regional economic communities for the improvement of transit transport infrastructure date back to their foundation and major programmatic documents were issued in the meantime, progress in implementation has been slow.

Lack of funds and human resources constraints, but also the lack of political will to implement and enforce regional transit transport programmes and agreements, are major factors underlying the limited progress achieved.



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A new effort to accelerate progress in meeting the urgent infrastructure needs, including transit transport, of African countries in support of economic growth and development was launched with the foundation of the Infrastructure Consortium for Africa (ICA) in 2005.

The ICA constitutes a tripartite relationship involving bilateral donors, multilateral agencies and African institutions. Its objective is to make its members more effective in supporting infrastructure development in Africa by pooling efforts in selected areas, such as information sharing, project development and good practice.

The ICA addresses both national and regional constraints on infrastructure development, with an emphasis on regional infrastructure, recognizing the particular challenges at this level. However, since most infrastructure services are addressed at the national level, within national budgets and national implementation frameworks, it will also become active at the country level. In addition, critical issues of harmonization need to be addressed at the national level.

The ICA is not a financing agency; rather, it is construed as a platform to broker more donors financing for infrastructure projects and programmes in Africa, in particular for the implementation of regional projects under NEPAD's Short Term Action Plan (STAP).

Between October 2005 and June 2006 funding was committed for 11 NEPAD-STAP projects totaling \$764.3 million. About 60 per cent of those funds will be spent in the ECOWAS region on activities that included road construction, and air transport and safety, as well as transport facilitation projects. In addition, critical issues of

harmonization need to be addressed at the national level.

Challenges

• Freight Distribution

Freight distribution quotas are applied in certain road transit corridors with a view to ensuring that transporters from both landlocked and transit countries share in gains and benefits. Usually, two thirds of the transit freight at a port is allocated to carriers from the landlocked country and one third to those from the transit country.

Although these quotas were established with development objectives in mind, such as to help develop the transport sector of landlocked countries, their strict application can give rise to efficiency issues and may have unintended results.

In particular, transport quotas may cause transport capacity bottlenecks and increase transport costs, if the supply, capacity and quality of vehicles are not the same in the landlocked country as in its transit partner.

Therefore, the quota system may economically be disadvantageous to landlocked countries if the effects of the increase in transport costs outweigh the benefits generated in the transport sector.

• Obsolescence of Truck Fleet

A key problem is the obsolescence of a large part of the truck fleet and the increasing number of second-hand vehicles, both of which increase operating costs and the frequency of accidents. Moreover, most vehicles lack equipment that could help expedite transit transport. For instance, they cannot be sealed or cannot be connected to cargo-tracking facilities.

• Disregard to Axle Load Regulations

Another challenge relates to the widespread disregard of axle load regulations by transporters. Trucks are overloaded to compensate for low freight rates per ton as a result of intense competition among transporters due to an oversupply of transport capacity relative to the volume of transport goods.

In addition, the export/import imbalance - for example, imports represent about 85 per cent of the total transport volume to and from landlocked countries in the UEMOA States and also encourages overloading of inbound trucks to offset the deficit incurred as a result of the lack of sufficient volumes of outbound cargo to the seaports. This practice not only contributes to the deterioration of road infrastructure but also poses serious road safety risks.

• Numerous Roadblocks on Transit Corridor

Probably the most serious impediments to the expeditious transit of goods on roads in West and Central Africa are the numerous roadblocks and the concomitant imposition of *droits de facilitation*. The latter may include a variety of illicit financial charges, ranging from community road tolls to "document control fees" to outright requests for bribes.

Roadblocks and other checkpoints have proliferated to the extent that there are involuntary stops at short intervals. Even if the toll fees extorted at each of the checkpoints are relatively small, they add up to sizeable sums in their totality. Economically, they represent a loss to the transport economy and, in addition, make road taxes on a two-lane road in West Africa as expensive as on a four-lane highway in Europe.

Frequency of Checkpoints on Major Transit Transport Routes in West Africa

Route Distance (km)	Number of checkpoints	Frequency (km)
LagosAbidjan 992	69	14
NiameyOuagadougou 337	20	17
LoméOuagadougou 989	34	29
CotonouNiamey 1 036	34	30
AbidjanOuagadougou 1122	37	30
AccraOuagadougou 972	15	65

Source: OECD/Sahel and West Africa Club

• Border-Crossing Facilities

Border-crossing formalities are complicated and cumbersome, mainly because of the multiplicity of customs and police documents. Countries use their own transit documents, which are not mutually accepted. One-stop windows and joint customs facilities are more the exception than the rule.

The use of modern information and communication technology, in particular for goods inspection, data collection and data processing, is still limited and/or subject to technical problems that reduce the efficiency of automated customs data management systems, such as electricity shortages or computer maintenance issues, as well as problems related to insufficient manpower training and skills in computerized data collection and data processing.

The major ports have bonded warehouse and storage facilities, including for dangerous goods, bulk commodities and containers. However, problems often arise at transshipment points in rail-and-road corridors, where the limited off-take capacity of railways and/or the not-in-time availability of transportation equipment lead to backlogs of goods in transit. In addition, safe parking facilities for trucks that also meet minimum sanitary requirements for drivers are often lacking at border-crossing points.

• Political Instability

The safe and expeditious movement of cargo to and from landlocked countries, particularly by road and by rail and on inland waterways, depends on free and unhindered access to and use of transport infrastructure in both landlocked and transit countries. Civil strife, uprisings and other forms of political instability have seriously affected transit trade of landlocked countries in West and Central Africa in the past and continue to do so.

A particularly grave impediment to transit trade in the region has been the political crisis in Côte d'Ivoire, affecting the trade flows of Burkina Faso, Mali and Niger. Before the crisis,

more than half of the goods transport to and from those countries was through the port of Abidjan. The other half was shared between Cotonou (19 per cent), Lomé (17 per cent), Dakar (11 per cent) and Tema (1 per cent).

Both the geographical location and the relatively good quality of the road and rail transport infrastructure in Côte d'Ivoire helped establish this regional dominance. However, since the outbreak of political instability, transit trade has been diverted to Tema and Lomé. Between 2002 and 2003, the traffic of goods in transit between Abidjan and the landlocked countries fell to 20 per cent of the original level.

Operations with Burkina Faso have declined from 390,000 tons to 15,000 tons. Whereas Burkina Faso exported 80 per cent of its cotton through Abidjan in 1998; in 2003 not one export transaction from that country was registered with the Ivorian port.

Conversely, the cargo volumes between the port of Tema and Burkina Faso and Mali increased between 2000 and 2003. Although escorted transit truck convoys were organized in Côte d'Ivoire, transporters quickly adapted to the new situation by switching to routes through Ghana, Benin and Togo, whose Governments were cooperative and facilitated the dispatch of goods through their ports.

In fact, the Ivorian crisis showed the flexibility and ingenuity of the local transport sector in swiftly adapting to changing circumstances and reaping the benefits resulting from new opportunities. In addition, the crisis had the effect of reviving major infrastructure projects in the region and heightened the need for closer regional cooperation and integration in the transport sector.

The Way Forward

The rehabilitation, modernization and expansion of transport infrastructure are a *sine-qua-non* both for the development of the landlocked countries in West and Central Africa and for the economic integration and advancement of the regions. The

achievement of this objective necessitates the implementation of several policy actions, practical measures and technical regulations, including those described below.

• Capacity-Building

There is a need to improve and expand human and institutional capacities that deal with the development, utilization and maintenance of transport infrastructure in both landlocked and transit countries in West and Central Africa.

The availability of adequate funding is critical in this respect. However, instead of overstretching their limited resources, Governments should develop practical and implementable legal and regulatory frameworks that would allow the private sector both local and foreign to bring its capacity to bear in terms of expertise, finance and project management, as well as facilitate long-term private sector investment in transport infrastructure.

• National and Regional Transport Infrastructure Strategies

Governments need to devise long-term transport infrastructure strategies that have short-term and medium-term objectives and built-in implementation mechanisms. Aspects of regional cooperation and development need to be included in such strategies from the outset and not be added as an afterthought.

Regional economic communities such as ECOWAS, UEMOA and CEMAC need to better discharge their regional coordination and cooperation functions. Conversely, States that are members of regional economic communities need to strengthen their commitments vis-à-vis those regional bodies and muster the political will to implement decisions taken by them.

• Balanced and Complementary Development of Transport Sub Sectors

The balanced and complementary development of road and railway transport sub sectors, as well as the expansion and modernization of

maritime ports, commensurate with the growth in demand for transport services, should be an integral part of national and regional transport infrastructure strategies.

In particular, sub sectors that have an enormous transport potential, but have been neglected for long periods, such as railways, need to be rehabilitated and expanded where it is economically appropriate (e.g. for regular long-distance transports of bulk commodities). Shifting a substantial part of transit transport services from roads to rails would also help reduce the excessive wear and tear of the existing road network caused by trucks that infringe axle load regulations.

• **Modernization of Transport Equipment**

Governments need to enact and to enforce regulations on technical specifications of transport equipment with a view to enhancing transport regularity and transport reliability, as well as transport safety and transport efficiency.

Those measures need to be complemented by fiscal incentives that stimulate the renewal and the replacement of existing means of transport by more modern and more efficient transport equipment. Reductions of customs duties levied on new transport vehicles and spare parts could provide fiscal incentives and stimulate the implementation of vehicle replacement policies.

Moreover, the landlocked countries of West and Central Africa also need more specialized transport equipment, for example cold storage trucks, for the transport of perishable goods such as vegetables, fruit and meat.

Finally, the modernization of mobile transport equipment needs to be complemented by building up a network of adequate service and maintenance facilities.

• **Involvement of the Private Sector in the Provision and Maintenance of Transport Infrastructure**

Since the Governments of landlocked and transit countries in West and Central Africa face serious financial, human and institutional constraints, they need to revisit their approach to the development and upgrading of transport infrastructure.

On the basis of legal, investment and other regulatory frameworks, they should adopt a more favourable attitude towards the participation of the private sector both domestic and foreign in the provision and the maintenance of transport infrastructure and allow investors to bring in their capital, entrepreneurial initiative, operational skills and know-how for those activities.

The provision and the maintenance of transport infrastructure by private companies do not necessarily imply private ownership of that infrastructure. Private sector involvement in the development and operation of transport infrastructure may take various forms, ranging from contracting services and management functions, to the privatization of development rights, including the awarding of concessions and build-operate-transfer contracts, to partial and full divestiture.

• **Trade Facilitation Measures**

Trade facilitation comprises a wide range of measures aimed at the simplification, harmonization and standardization of procedures affecting border-crossing goods, including customs, regulatory issues, insurance and banking aspects, as well as other measures that impact on the transborder movement of goods. For landlocked countries, a main objective of trade facilitation is to increase the fluidity of goods in transit.

Both landlocked and transit countries in West and Central Africa should put

particular emphasis on the simplification, harmonization and standardization of administrative and legal procedures related to customs, transit and port formalities at the regional level.

The use of cargo information management systems can also facilitate and accelerate the physical movement of transit cargo. In addition, compromises on issues that hinder the strict implementation of agreed regional transit agreements, such as the Inter-State Road Transit Convention, would greatly facilitate the application of those agreements and hence facilitate transit transport.

Modern and efficient transport infrastructure can contribute significantly to the economic development of landlocked countries by facilitating their beneficial participation in the process of globalization, as well as by improving their international competitiveness and enhancing their potential role as hosts for foreign direct investment.

The full and expeditious implementation of the objectives and commitments of the Almaty Programme of Action by landlocked developing countries and their transit neighbours in cooperation with their development partners provides an opportunity for the landlocked countries in West and Central Africa to take a step forward towards the improvement of transport infrastructure and transit traffic in the sub regions.

However, in addition to the funding and investment needed for the implementation of national and regional transport infrastructure strategies, the political will among Governments of both landlocked and transit countries in West and Central Africa to address long-standing transit issues is a prerequisite for the success of those endeavours ■

Ghana Shippers' Council

Wins International Award



Nana Agyekum Gyamerah, PR Manager of the GSC receiving the Award from Capt. Adamu Biu, Managing Director, Nigeria Shippers' Council

The Ghana Shippers' Council has been adjudged the Best Maritime Agency in Trade Facilitation in West Africa for the year 2007 by West Africa Maritime Awards (WAMA).

The Awards ceremony was organized by Balm of Gilead Communications and Associates on Thursday, 28th August 2008 at the Airport West Hotel, Accra.

According to the organizers, the Ghana Shippers' Council won the award after a rigorous nomination and screening exercise supervised by respected industry experts from diverse backgrounds within the West Africa sub-Region.

The award was received by Nana Agyekum Gyamerah, the Council's Public Relations Manager. The organisers noted with appreciation the Council's role in protecting and promoting the interests of shippers in Ghana in particular and West Africa in general. They also recognised the contribution of the Council to the development of maritime infrastructure in Ghana.

The organisers recognised with appreciation the pivotal role the Council has played and continues to play in the activities of the Union of African Shippers' Councils.

Among the several awards at the ceremony was the Life Time Achievement award which was presented to Mr. Magnus Teye Addico, the Secretary-General of the Maritime Organisation for West and Central Africa and former Chief Executive of the Ghana Shippers' Council.

Other categories of awards at the ceremony included Indigenous Terminal Operator of the year, Indigenous Shipping Agent of the Year, Maritime Financier of the Year, Best Performing Customs Administration of the Year, Maritime Agency of the Year, etc, which was won by the Customs, Excise and Preventive Service, Ghana.

Present at the Awards Ceremony were Mr. I W. Dodd, Chief Director of Ministry of Harbours and Railways, Representative of the Governor of Lagos State, Capt. Adamu A. Biu, Managing Director of Nigeria Shippers' Council, Capt. A. O. Turkson, Rector of the Regional Maritime University, Nungua, Accra etc.

The Council has over the years received other awards including the Best Organised Shippers' Council in West and Central Africa.

The West Africa Maritime Awards (WAMA) is the only regional awards programme dedicated to the promotion of excellence, integrity and quality service in the maritime business services.

The awards project enjoys the support of the region's leading maritime institutions including the Maritime organization for West and Central Africa (MOWCA), its affiliate agencies and other key sector players ■



MARITIME TRANSPORT

- A Vehicle for Regional Integration

By Magnus Teye Addico, Secretary-General of the Maritime Organisation of West and Central Africa (MOWCA)

Introduction

There is no emphasising the point that the key attribute of maritime transport is that it is largely a servant of international trade.

The importance of this subject, finds concrete expression in the debate currently going on in many countries regarding the appropriate policy for dealing with maritime problems of supply and demand for shipping services, maritime safety and security, protection of fishing grounds, pollution, oil theft, protection of oil and gas pipelines, etc.

In all the above, the key to the appropriate policy is sub-regional integration and regional cooperation.

A major feature of maritime policy up to the 1970s is the go-it-alone attitude, the development of maritime power by many countries both developed and developing in the supply of shipping capacity. In the 1980s, despite the rapid technological and structural changes in the shipping industry leading to the development of containerization and of the door-to-door multimodal transport service, some countries continued with the individualistic maritime power policies and lost all their tonnage.

What happened was that the new configuration of the transport chain and logistics services resulting from the container age, made the individualistic, maritime power policy highly untenable shifting the focus on mergers and



The Writer

acquisitions, across the world service, liner conferences, sub-regional maritime organizations and regional and international cooperation.

On the demand side, the focus shifted on to more effective protection of shippers' interests with respect to availability of shipping space, freight rate movements, port conditions and charges, transit transport and auxiliary services.

Today, Maritime transport is defined not only in terms of the supply and demand for shipping services, but importantly the efficiency with which we handle ship-generated problems of maritime safety, security and the protection of the marine eco-systems.

Indeed, the efficiency of the maritime industry is today a function of the extent of exploitation of sub-regional, regional and international cooperation in the

supply of tonnage, the protection of shippers' interests and the handling of the ship-generated problems of maritime safety, security and the protection of the marine environment.

Regional and Sub-Regional Approaches

In recent years, significant efforts are being made in all regions of the world, towards employing regional approaches (*through a combination of cooperation and integration*) in dealing with the complex problems posed by the rapid technological and operational developments in shipping.

It must be noted that Cooperation connotes the making of joint efforts to achieve a common objective.

Thus under regional maritime cooperation, States in a regional bloc undertake to make joint efforts to achieve an optimality in the use of scarce maritime resources. International cooperation can either assume a strong commitment on the parties or loose undertaking to achieve an objective. There is no great obligation in this respect.

On the other hand, integration connotes a process of bringing together individual parts or "forms into a whole".

Regional maritime integration as opposed to cooperation presupposes an obligation on the parties to fuse their individual maritime sectors into one whole or entry through unobstructed factor mobility among themselves.

In many cases, a country along a shipping route, is just one of several served by a conference and only a few of developing countries are able to stand up to liner conferences on a more or less equal footing.

Furthermore the conferences' operational results are based on an aggregated data involving countries on the shipping route, and such a data gives an individual country little guidance on how to react to conference freight rate demand. In this and other similar circumstances, the disadvantaged countries could be placed in a stronger position if they arrange to cooperate among themselves.

It is in recognition of this problem that at the 10th session of UNCTAD in Geneva 14-25 June 1982, a resolution (48x) on merchant fleet development was adopted recommending that Government of States members of UNCTAD take steps where appropriate to implement recommendation dealing with regional pools, maritime legislation, joint ventures and long term shipping arrangements.

Further resolution 106 (v) of UNCTAD V includes a clause urging developing countries which are situated within the same liner services area to pool information on cargo movement and service requirement with a view towards developing joint sailing arrangement to increase the competitiveness of their fleet.

In the technical field of safety, security and marine environment protection, the issues are without doubt international, regional and sub-regional; indeed a long term objective of the International Maritime Organization (IMO) is to promote the development and the implementation of regional arrangements on cooperation in enhancing safety, security and combating pollution in case of emergency.

The problem of prevention/combating of ship-source marine pollution is largely a regional problem since the dispersion of various pollutants is

controlled more by physical characteristics such as currents and sea surface temperature than by any other sector.

In handling issues concerning the oceans of the world, a regional approach becomes inevitable since the oceans comprise too large a unit to be treated as a whole.

This is particularly so in the implementation of provisions of the law of the sea convention, in which case complicated baselines and ocean zones have to be delineated involving sometimes small islands and archipelagos. Large amount of resources are also required in the exploration of the ocean bed.

In general, there are quite a number of significant facets of shipping requiring regionalized policy treatment and which have indeed come under some forms of regional cooperation in recent years. These include:

- (i) implementation of regional port state control for the control and elimination of sub-standard ships
- (ii) implementation of ship-source marine pollution combating measures
- (iii) regional Marine Search and Rescue operation (SAR)
- (iv) regional ocean service with regard to mapping, charting and geodesy
- (v) regional maritime training institutions
- (vi) regional marine research centres
- (vii) regional approaches in the implementation of relevant provisions of the UN Law of the Sea Convention
- (viii) establishment of regional shipping lines / supply of tonnage, aggregation / pooling of cargo on a regional level to create a regional freight market and the rationalization of sailings of individual shipping lines in the region
- (ix) regional consultation machinery on freight rates and the regional protection of shippers' interests

In the final analysis, experience has shown that nations which fall within the same range and sharing in a common shipping service/problem could take advantage of economies of scale in shipping, both in the commercial and technical fields if they develop and maintain between them common guiding/protecting policies on maritime transport.

It is further noted that under regional arrangement in shipping, obstacles to inter-regional trade could be tackled more efficiently. Problems bothering on capital deficiency in the development of shipping infrastructure as well as in the implementation of international maritime conventions could be solved more efficiently.

For regional approaches to be effective in finding solutions to sectoral problems, the appropriate region must be delineated. An individual region must have certain characteristics that distinguish it from other regions. Regional boundaries can be based on factors of physical geography or on economic, political or management principles.

A maritime region comprises two or more States economies which fall within the same shipping range and sharing in a common shipping service/problem. A maritime region could be part of a broader regional economic community, or specially delineated with reference to physical, oceanographic, economic and other marine related factors. The general objective is policy optimization leading to efficiency in maritime resource use.

A pilot research group of the United Nations working on establishing a more useful international maritime transportation statistics have identified about 30 maritime regions worldwide. The United States, for example, with its long coastline is divided into five maritime regions comprising:

- (1) The US North Atlantic: from Portland, Maine to Newport News, Virginia, inclusive

- (2) US South Atlantic: from Wilminston, North Carolina to West Palm Beach, Florida, inclusive and Puerto Rico
- (3) US Pacific: from San Francisco to San Diego, California inclusive
- (4) North Pacific of North America: from Seattle, Washington to Portland, Oregon and Alaska and Canadian West

Canada has two maritime regions:

- (i) Great Lakes: Great lakes and Upper St Lawrence of Northern America River port above Montreal
- (ii) Canada Atlantic: St. Lawrence River Port, Montreal and Belowe, Greenland, St Pierre and Miquelon

It should be noted that the maritime region of north Pacific of North America is common to both the US and Canada.

In Africa, four maritime regions have been identified homogeneously embracing most of the factors mentioned above.

1. *Northern (Mediterranean) Africa*
From Egypt to Morocco inclusive
2. *Western And Central Africa*
From Mauritania to Namibia inclusive, and nearby islands
3. *Southern Africa*
Republic of South Africa
4. *Eastern Africa*
From Somalia to Mozambique, inclusive and the nearby islands.

Of the four African maritime regions, only the West and Central African region has been organized in to an inter-governmental, sectoral body: the Maritime Organization of West and Central Africa (MOWCA), dedicated to providing a platform for handling all maritime matters common to its twenty-five member States, stretching from Mauritania to Angola, including five (5) landlocked countries.

Since its inception, under a Charter of Abidjan in 1975, the organization and its specialized organs and Academies have helped to greatly sensitize the sub-region regarding its role in world maritime development.

On 29-31 July, 2008 the General

Assembly of Ministers of MOWCA convened in Dakar, Republic of Senegal and conducted a complete review of Regional maritime policy, principally in the following areas:

- The provision of cost-effective maritime/transit transport service, with particular reference to the fast developing coastal shipping service; sub-regional common cabotage policy; transit transport facilitation/the implementation of the Almaty Programme of Action on Transit Transport as well as development of multimodal transport and logistics services.

- Maritime Safety and Environmental Protection, with particular reference to implementing IMO conventions, codes and regulations relating to the Suppression of Unlawful Acts against Ships (SUA), combating piracy and armed robbery along the coast; the establishment of sub-regional integrated Coast Guard network in cooperation with IMO and development Partners, the implementation of the International Ship and Port Facility Security (ISPS) code; the MOU on Port State Control; and the efficiency of Regional Maritime University.

- Effective flow of information in the sub-region through the establishment of Information and Communication Centres.

- Sustainable financing system for National and sub-regional projects and programmes, through the establishment of MOWCA Regional Maritime Fund and Regional Maritime Bank.

Some Key Decisions of Regional Cooperation from MOWCA General Assembly

The following are some key decisions emanating from the General Assembly of Ministers of MOWCA, held in Dakar, 30th July, 2008 that enhances regional integration.

Twenty member States of MOWCA adopted a landmark Memorandum of Understanding (MOU) on the establishment of a Sub-regional

Coastguard Network for the West and Central African sub-region.

The MOU, which is currently posted on MOWCA website, www.mowca.org, provides a sub-regional institutional framework for suppressing piracy, armed robbery and other unlawful acts against ships while halting illegal fishing, drug and weapon trafficking, illegal migration, oil theft, damage to gas pipelines and responding to maritime accidents.

Operationally, the MOU provides guidelines for coastal surveillance, presence in the exclusive economic zones of the sub-region and enforcement of international conventions, regulations and codes; mainly of the International Maritime Organisation (IMO) and UN Convention on the Law of the Sea (UNCLOS).

It has provisions on "right of hot pursuit" in case of unlawful acts perpetrated against ships.

Organisationally, the sub-region has been divided into four Coastguard Zones made up of five States each; with four coastguard centres in Dakar, Senegal; Abidjan, Cote D'Ivoire; Lagos, Nigeria and Pointe Noire, Congo. The Network has two Principal Coordinating Centres in Accra, Ghana and Luanda, Angola.

Soon after the MOU was adopted and opened for signature, 11 of the 20 coastal member States of MOWCA representing 55% of the membership immediately signed the MOU. Member States of MOWCA which signed the MOU are Cameroun, Cape Verde, Republic of Congo, Democratic Republic of Congo, Cote D'Ivoire, Gabon, Guinea, Guinea Bissau, Nigeria, Senegal and Togo. Other Coastal member States who supported the adoption of the MOU are expected to sign it within the next few weeks.

In any case, the MOU comes into force in a given coastguard zone, made up of five adjoining states, three months after all the Parties of the zone have signed it.



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On other key agenda items, the Federal Republic of Nigeria confirmed its readiness to host the Headquarters of another landmark MOWCA project: the MOWCA Regional Maritime Development Bank. The Bank is expected to provide sustainable financing for National and Sub-regional maritime Projects and Programmes..

The General Assembly expressed serious concern over the imposition of freight surcharges on the Countries of the sub-region without justification, by the Europe West Africa Trade Agreement (EWATA) liner conference. The Assembly established a working group to examine these surcharges and take appropriate measures for redress.

The Member States pledged themselves to continue work towards removing obstacles to multi-modal transport, facilitation of transit transport, the transit implementation of the UN Almaty Programme of Action for landlocked countries and support the Regional Maritime Academies/ University to train maritime personnel.

The Ministers took note of the new ILO Convention on seamen Conditions of work as well as the new UNCITRAL convention on the carriage of goods partially or entirely by sea, replacing the Hamburg Rules.

The MOWCA member States paid glowing tribute to the International and Development Partners of MOWCA, particularly IMO, UNCTAD, UNCLOS, the African Union, ECOWAS, UEMOA, CEMAC, the European Union, the Republic of Korea, the United States, France and Canada.

The following member States were elected by acclamation to the MOWCA Bureau of Ministers for the period up to 2010:

President: Senegal; 1st Vice-President: Democratic Republic of Congo; 2nd Vice-President: Ghana; Rapporteur: Niger; Host of MOWCA Secretariat: Cote D'Ivoire; Chairman of Committee I on Maritime Safety, Security and Environmental Protection: Nigeria, Chairman of Committee II on efficiency of Maritime transport services: Angola;

Chairman of Committee III on Facilitation of Transit Transport and special problems of landlocked countries: Burkina Faso.

The General Assembly reaffirms the commitment of the MOWCA member States to sub-regional maritime cooperation and positions MOWCA as a model of sub-regional sectoral integration.

Conclusions

- Today, no country or region can achieve trade efficiency without ensuring the efficiency of the chief servant of international trade: Maritime Transport. To achieve maritime transport efficiency is costly and involves the implementation of mandatory international and regional conventions, codes and regulations.
- Attempts by African countries to pursue individualistic maritime transport policies in the areas of tonnage supply, protection of shippers' interests, maritime safety, security, training and marine environmental protection, have not yielded the desired results simply because these issues are best handled through international, regional, and sub-regional cooperation.
- Efforts by Africa, as a region, to forge regional maritime cooperation based on political/economic groupings have not as well yielded optimum results because maritime transport finds itself competing with other economic sectors considered more crucial to those groupings; such as healthcare, education and conflict resolution. Furthermore, maritime issues often go beyond the boundaries of those political groupings.
- Africa can only realise its maritime objectives within the MDG through the promotion of an integrated regional maritime policy based on cooperation within the four technically well delineated maritime regions/shipping ranges of Africa. The policy should lead to ensuring for the African Region, efficiency of

maritime transport services, maritime safety, security, training and marine environmental protection.

- The immediate challenges for a regional maritime policy in Africa, in the commercial shipping area include:
 - (a) the adoption of cabotage and appropriate ship registry policies, coupled with relevant fiscal and monetary support to Africa's private sector, to halt the marginalisation of Africa in tonnage supply. Africa accounts for 0.6% of World tonnage supply, while it generates 6.1% of World cargo loaded and unloaded. Thus, the region is a major user of shipping services provided almost exclusively by shipping companies owned outside the region;
 - (b) the protection of shippers' interests vis-à-vis the liner conference system in the African trades and implications to non-market freight rate fixation;
 - (c) the implementation of international Multimodal Transport systems and the UN Almaty programme of Action on transit transport facilitation.
- In the area of Maritime Safety, Security and Environmental protection, the establishment of an African-wide Coast guard network based on Africa's four Maritime Regions, that would provide an economies of scale in implementing IMO conventions, codes and regulations relating to suppression of Unlawful Acts against ships, the fight against piracy and armed robbery, Search and Rescue, pollution prevention, illegal migration, illegal, unregulated and unreported (IUU) fishing etc.
- The development of efficient Information and Communication Centres, since expedited information flow among all actors hold the key to an efficient Maritime Transport be it in Ocean Transportation or Logistics Management Processes as well as enhancing maritime safety, security and environmental protection ■



Judges Update Knowledge in International Maritime Law



Tony Oteng-Gyasi, President of AGI, Addressing the Seminar

The fourth in the series of annual Maritime Law Seminars has been held to update the knowledge of Judges of the Superior Courts of Ghana on current developments in international maritime law.

The seminar came off at the Coconut Grove Regency Hotel on 10th October, 2008 and was organized by Ghana Shippers' Council in collaboration with the Judicial Training Institute.

The Chairman for the opening ceremony of the seminar and President of the Association Ghana Industries (AGI), Tony Oteng-Gyasi, said shipping is one of the few areas in commerce where cartels are known and tolerated.

According to him, the damaging effect of such cartel behavior on the competitiveness of Ghanaian industries requires action at the policy level and legal means. He therefore suggested that it is time for policy makers to encourage the establishment of a Ghana based shipping line. "This is realizable if we agree to guarantee any such line a portion of Ghana's principal export cargos especially cocoa" he emphasised.

The Chief Executive of the Ghana Shippers' Council, Kofi Mbiah in his welcome address said the Council is continuously designing new products for the protection of shippers in the entire transport chain, adopting measures to build robustness and competitiveness for entrepreneurs in the Ghanaian economy and infusing a

deeper penetration of information technology for the effective and efficient performance of our maritime industry.

According to him, all these efforts would not realize their full meaning and impact if it is not set within the framework of a well informed Judiciary, conversant and abreast with the nuances of international trade and transport law.

Mr Mbiah said, "This seminar, coming at a time when Ghana gears itself towards the exploitation of oil and gas, is intended to deal broadly with issues of maritime law that would assist our learned judges in the adjudication of matters relating to the exploitation of oil and gas".

In an address read on his behalf, the Attorney-General and Minister of Justice, Hon. Joe Ghartey said the Attorney-General's Department would in close collaboration with the Ministry of Harbours and Railways to ensure the formulation of relevant legislation and policies to develop local capacity for the oil and gas industry.

The Minister for Harbours and Railways, Prof. Christopher Ameyaw-Akumfi said advancement in technology, competition and the need for efficiency has also changed the way international carriage of goods with a sea link is done. According to him, multimodal transport and the use of electronic documents are some of the developments that require new legal regimes both at the international and local levels.

Prof. Christopher Ameyaw-Akumfi, revealed that the new Draft Convention on Contracts for the International Carriage of Goods wholly or partly by sea, which was concluded in July this year, is one such comprehensive document that not only takes account of new developments in the shipping industry but also seeks to steer a middle course between the Hague-Visby and the Hamburg Rules for easier acceptability by cargo interests and ship owners.

He therefore urged the Justices of the Superior Courts to acquaint themselves with the new draft Convention as it is likely to replace the Hague-Visby and the Hamburg Rules for those countries that may be acceding to it, and would become the basic law for the carriage of international cargo with a sea link.

The Chief Justice, Her Ladyship, Mrs. Justice Georgina Theodora Wood in a keynote address read on her behalf observed that the dynamics and developments that have and continue to

take place on the legal turf are a pointer to the fact that the time had arrived that legal professionals including Justices begin to specialize in the law including maritime law.

"I am happy to indicate that the Judicial Service has been proactive and responded to the demand already", she said.

According to the Chief Justice, the Judicial Service is sponsoring two Judges currently to specialize in Petroleum Law as part of preparations towards the provision of the needed capacity and competence to deal with matters and cases that might emanate from oil and related transactions. She said "The current trend globally is towards specialization and we cannot decide as a nation to be isolated or left behind in this trend of development".

The topics that were discussed at the seminar were

- Limitation of Liability in Maritime Law: A Matter of Commercial

Convenience?

- Delivered by Prof. P. K. Mukherjee, *World Maritime University, Malmo, Sweden*
- The International Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea: A Balance of Interests - Kofi Mbiah, *Chief Executive Officer, Ghana Shippers' Council*
- Understanding the Principles of Contribution, Subrogation and the Doctrine of Proxima Causa in Insurance Policies - Mr. Alexander Gaddiel Buabeng, *Consultant for Maritime Legislation, IMO*
- Exploitation of Oil and Gas: Expounding a Local Content Policy for Ghana by Mrs. Oritsematosan Edodo Emore, *Managing Partner, Oritsematosan Edodo, Thorpe and Associates - Legal Consultancy firm in Nigeria* ■



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Maritime Trade Review

- April - June 2008

SUMMARY OF THE MARITIME TRADE

Total cargo throughput for the second quarter of 2008 amounted to slightly over 3.7 million (3,733,453) tons. This was made up of over 3.6 million (3,597,811) tons of cargo meant for the domestic trade of Ghana representing over 96% of total throughput at the two seaports of Ghana and 135,642 tons of cargo for transit trade, representing about 4% of total cargo throughput.

Total import cargo for Ghana accounting for 70% of the national trade stood at 2.5 million tons whereas total export cargo amounted to 1,095,484 tons, representing 30% of the national trade. Total transit import was 122,370 tons with transit export amounting to 13,272 tons for the period.

The Port of Tema had the greater share of the maritime trade activity in terms of cargo tonnage handled. Over 2.4 million (2,421,661) tons of cargo, accounting for over 67% of total

national trade, was loaded and discharged at the Tema port during the period, while the port of Takoradi accounted for the remaining 1.2 million (1,176,150) tons or 33%. As usual Tema port handled the greater share of the import cargo amounting to about 83% (2.1 million tons) while the Takoradi port accounted for over 69% of the export cargo (756,387 tons) for the period.

The national import trade continued to outstrip the national export trade, recording over 70% as against the 30% by the national export trade. The situation is the same for the total port traffic including transit cargo where import trade was 70% and the export trade was 30%.

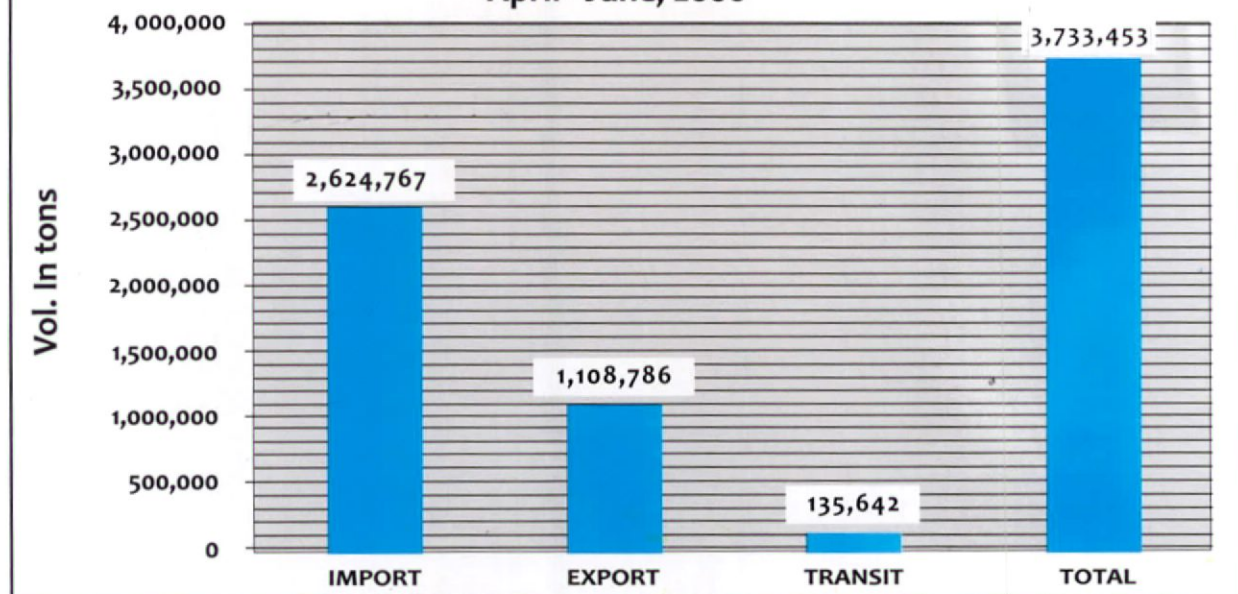
Total transit trade was 4% of the total port traffic at 135,642 tons, with the import trade of 122,370 tons as usual outstripping the export trade of 13,272 tons

Table 1 and fig.1 below give a detailed description of the state of the maritime trade for the period under consideration

Table 1 SUMMARY OF THE MARITIME TRADE OF GHANA IN TONNES
April- June 2008

	IMPORTS	EXPORTS	TOTAL	Port % Share of Total	% Share of Total Traffic
TAKORADI	419,763	756,387	1,176,150	33	32
TEMA	2,082,564	339,097	2,421,661	67	64
TOTAL	2,502,327	1,095,484	3,597,811		
% Share of Trade	70	30			
TRANST	122,370	13,272	135,642		4
TOTAL TRAFFIC	2,624,767	1,108,786	3,733,453		
% Share of Total Traffic	70	30			

Fig. 1 Summary of the Maritime Trade of Ghana in Tons
April - June, 2008



APRIL JUNE 2007 & 2008

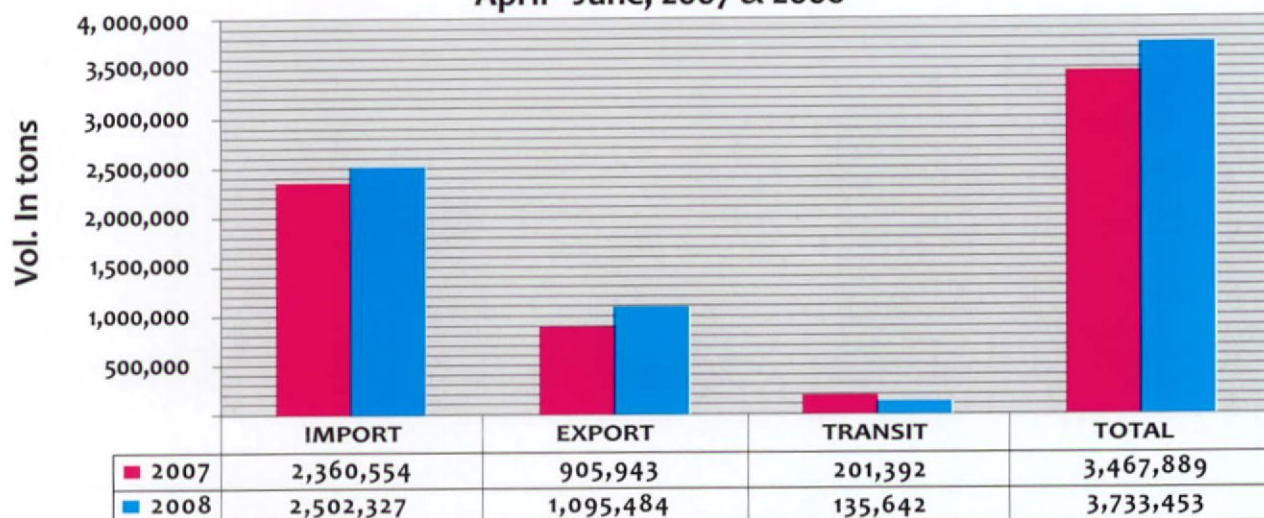
Table 2 below gives a quick comparison of the same period in the year 2007 and 2008. Total throughput of the sea ports of Ghana increased by 8% in 2008. Total throughput for the port of Tema increased in 2008 by 4% while the Takoradi port saw an increase of 16% over the 2007 figure for the same period. Total import through the two sea ports for the same period in

both years saw a higher tonnage of 6% difference in 2008. The same situation occurred in the export trade with the period in 2008 recording a higher tonnage of over 21% as compared to the same period in 2007. The transit trade however saw a decrease of over 33% from the 2007 figure of 201,392 tons to 135,642 tons in 2008. Fig. 2 below gives a pictorial representation of the situation.

Table 2 Maritime Trade of Ghana - April - June, 2007 & 2008

	TEMA			TAKORADI			TOTAL		
	2007	2008	% Diff	2007	2008	% Diff	2007	2008	% Diff
Imports	1,867,622	2,082,564	12	492,932	419,763	(15)	2,360,554	2,502,327	6
Exports	386,353	339,097	(12)	519,590	756,387	46	905,943	1,095,484	21
Total	2,253,975	2,421,661	7	1,012,522	1,176,150	16	3,266,497	3,597,811	10
Transit	201,349	134,665	(33)	43	977	2,172	201,392	135,642	(33)
Thru'put	2,455,324	2,556,326	4	1,012,565	1,177,127	16	3,467,889	3,733,453	8

**Fig. 2 Summary of the Maritime Trade of Ghana in Tons
April - June, 2007 & 2008**



THE IMPORT TRADE

Total Ghanaian import trade through the ports of Takoradi and Tema amounted to over 2.5 million tons in the second quarter of 2008 as against 1.9 million tons obtained for the same period in 2007 (i.e. less transit cargo), a 6% increase over the previous year tonnage. The Port of Tema accounted for about 2.1 million tons representing 83% whereas the Port of Takoradi accounted for 419,763 tons representing 17%.

Total transit import for the period was 122,370 tons a 31% fall from the 177,155 tons for the previous year. As in the previous year, the bulk of the transit import amounting to over 99% of total transit import for the second quarter of 2008 was discharged at the port of Tema.

Total liner import was 1.1 million tons, a decrease of 8% as compared to about 1.2 million tons recorded for the previous year. The share of Tema port was 974,075 tons, a decrease of 14% from the previous year total. Takoradi port had 126,232 tons, more than 100% increase over the figure for the previous year.

Total dry bulk import amounted to 612,835 tons, an increase of 32% over the previous year tonnage of 462,880 tons. The port of Tema handled about 57% of the total dry bulk import which was 74% more than what was handled in the previous year. Takoradi port handled 43% (263,439 tons) which was about the same tonnage (262,324 tons) handled in the previous year.

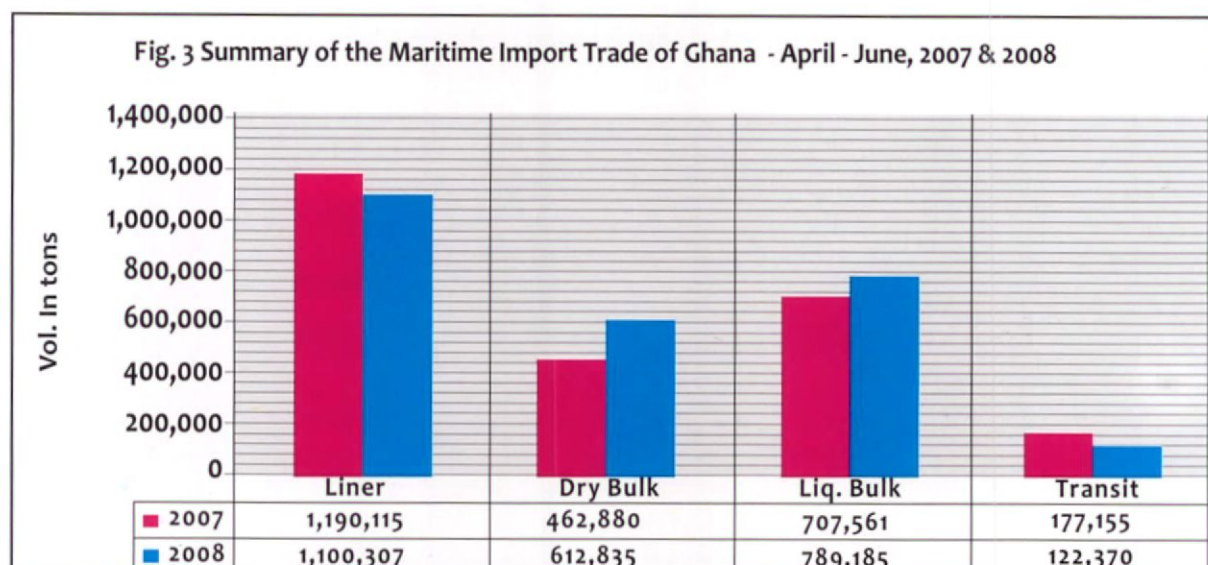
Total liquid bulk for the period under consideration was 12% more than what was recorded for the previous year with the port of Tema handling over 96% while Takoradi port took charge of 4%. The tonnage of 759,093 tons handled in Tema port was over 43% higher than the previous year tonnage while the tonnage of 30,092 tons recorded for Takoradi port was a decrease of over 83% from the figure recorded for the previous year.

Total import for the period, including transit tonnage, was 3% more than what was obtained in the previous year with an 8% increase over the previous year tonnage in the Tema port and a 15% decrease in the Takoradi port tonnage from the previous year tonnage. See Table 3 and Fig 3 below for details.

Table 3 Comparison of Maritime Trade Through the Ports of Ghana - April - June, 2007 & 2008

	TEMA			TAKORADI			TOTAL		
	2007	2008	% diff	2007	2008	% diff	2007	2008	% diff
IMPORTS									
Liner	1,135,840	974,075	(14)	54,275	126,232	133	1,190,115	1,100,307	(8)
Dry Bulk	200,556	349,396	74	262,324	263,439	0	462,880	612,835	32
Liq. Bulk	531,227	759,093	43	176,334	30,092	(83)	707,561	789,185	12
Total	1,867,623	2,082,564	12	492,933	419,763	(15)	2,360,556	2,502,327	6
Add Transit	177,112	122,232	(31)	43	138	221	177,155	122,370	(31)
Total Import	2,044,735	2,204,796	8	492,976	419,901	(15)	2,537,711	2,624,697	3
EXPORTS									
Liner	356,729	325,120	(9)	181,491	169,778	(6)	538,220	494,898	(8)
Dry Bulk	28,125	12,660	(55)	338,098	586,609	74	366,223	599,269	64
Liq. Bulk	1,499	1,318	(12)	0	0	-	1,499	1,318	(12)
Total	386,353	339,098	(12)	519,589	756,387	46	905,942	1,095,485	21
Add Transit	24,237	138	(99)	0	839	-	24,237	977	(96)
Total Export	410,590	339,236	(17)	519,589	757,226	46	930,179	1,096,462	18

Fig. 3 Summary of the Maritime Import Trade of Ghana - April - June, 2007 & 2008



THE EXPORT TRADE

Total Ghanaian maritime export trade for the period under consideration amounted to 1.1 million tons (less transit export), an increase of 21% over the figure for the previous year. Takoradi port handled the highest tonnage of 756,387 tons which was 46% more than what was recorded for the previous year. The Port of Tema handled 339,098 tons, representing 12% fall from the previous year tonnage.

Total transit export for period was 977 tons, a decrease of over 96% from the previous year tonnage of 24,237 tons. The transit export tonnage recorded for Tema port was 99% lower than what was recorded in the previous year while in the Takoradi port 839 tons of transit export was shipped as against no tonnage in the previous year.

Liner export for the period was 8% lower than what was recorded for the previous year, decreasing from 538,220 tons to 494,898 tons. There was a fall of 9% in the port of Tema and a 6% fall in the Takoradi port.

Total dry bulk export for the period under consideration was 599,269 tons, an increase of 64% over the previous year tonnage of 366,223 tons. There was a 55% decrease of dry bulk export in the port of Tema and an increase of over 74% in the Takoradi port.

Liquid bulk export for the period was 1,318 tons, a fall of 12% from the previous year tonnage of 1,499 tons. This tonnage was recorded for the port of Tema while the Takoradi port did not record any tonnage as in the previous year.

Total export, including transit export, was slightly over 1.1 million tons, recording an increase of 18% over the previous year tonnage of 930,179 tons. While the Takoradi port saw an increase of 46% in the volume of export cargo being shipped through its facilities, the port of Tema recorded a decrease of 17% in the volume of export cargo shipped through its facilities. Table 3 above and Fig 4 below give details of the export situation for the second quarter of 2008.

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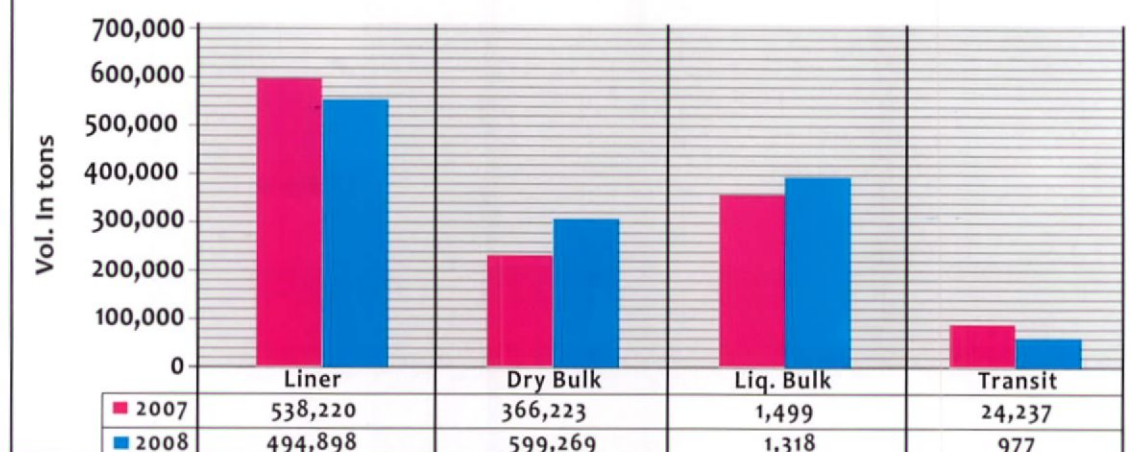
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Fig. 4 Summary of the Maritime Export Trade of Ghana - April - June, 2007 & 2008



DIRECTION OF THE MARITIME TRADE OF GHANA

The total maritime trade of Ghana (import and export) for the second quarter of 2008 was close to 3.6 million tons.

This was loaded from and discharged at various ports of the world including ports in the United Kingdom (UK) range, the North Continent (NC) range, the Mediterranean Europe (ME) range, the North America (NA) range, the Far East (FE) range, the Africa (Af) range, and the Others (OH) range.

Import

During the review period the import trade amounted to 2.5 million tons. The highest of this import tonnage to Ghana came from the Far East range where over 940,087 tons of cargo representing over 38% of total import was recorded.

The Africa range recorded over 573,057 tons representing 23% of total maritime import. Liquid bulk import contributed the highest percentage of 87 to the tonnage on this range.

The next highest tonnage was contributed by the North Continent and Others ranges from where over 348,207 and 342,481 tons of cargo came respectively.

These were 14% each of total maritime import for the period. The biggest trade performer on these ranges was wet bulk import which recorded over 35% and 39% of the tonnages imported respectively on each range.

TABLE 4 DIRECTION OF MARITIME IMPORT OF GHANA - April - June, 2008

Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total
Liner	30,384	201,081	75,668	59,286	484,539	67,373	181,976	1,100,307
Dry Bulk	-	23,786	74,953	28,740	451,543	6,850	26,964	612,836
Liquid Bulk	-	123,340	29,465	-	4,005	498,834	133,541	789,185
Total	30,384	348,207	180,086	88,026	940,087	573,057	342,481	2,502,328
% Share of regions	1	14	7	4	38	23	14	

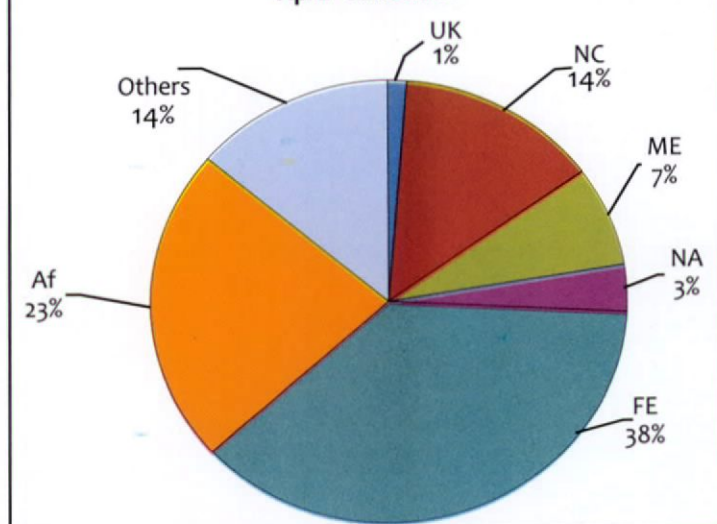
The Mediterranean Europe range contributed 7% to the total maritime import for the period, which amounted to 180,086 tons with the liner trade being the highest performer (42%) on the range.

The North America and the United Kingdom ranges contributed less than 4% and 1% to the maritime import trade

for the period. On both ranges liner import was the major contributor, recording over 67% on the NA range and 100% on the UK range.

Table 4 above and Fig.5 below give pictorial representation of the above situation.

Fig. 5 Direction of the Maritime Import of Ghana
April - June 2008



Export

Total maritime export for the period under consideration amounted to about 1.1 million tons of which the highest percentage of 57 went to the North Continent range. This was made up of 58% liner, 35% liquid bulk and 7% liner trade.

The Far East range was the next highest receiver of the Ghanaian export items, amounting to over 207,240 tons (19%) with the liner trade being the only trade on the range.

TABLE 5 DIRECTION OF MARITIME EXPORT OF GHANA - April - June, 2008

Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total
Liner	50,882	132,166	29,506	15,287	207,240	32,180	27,637	494,898
Dry Bulk	3,500	490,772	87,327	-	-	998	16,672	599,269
Liquid Bulk	-	1,318	-	-	-	-	-	1,318
Total	54,382	624,256	116,833	15,287	207,240	33,1783	44,309	1,095,485
% Share of regions	5	57	11	1	19		4	

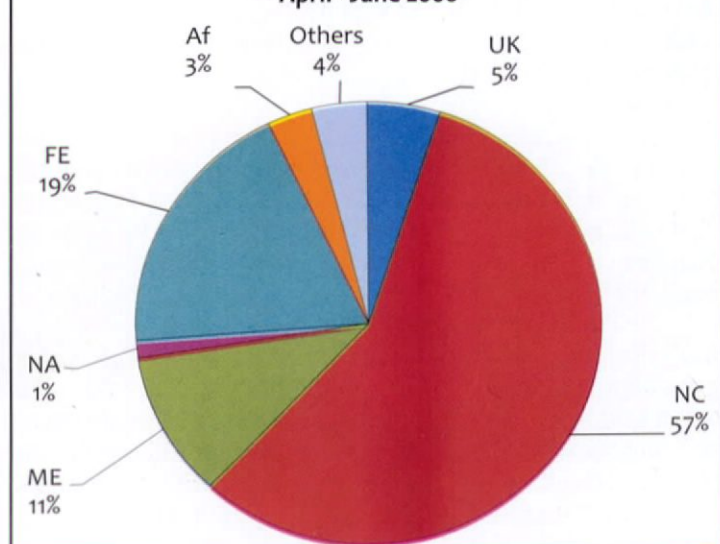
The Mediterranean Europe range received 11% of the maritime export of Ghana during the review period with liner and dry bulk trade being the contributors.

The UK range was the next to receive export from Ghana amounting to 54,382 tons or 5% of total maritime export with the liner trade contributing the highest volume 50,882 tons (93%).

The Others range had 4% of the total export of Ghana while the Africa range had 3% and the North America range recorded 3% mostly in the liner trade.

Table 5 above and Fig. 6 below give pictorial representation of the performance of the export trade.

Fig. 6 Direction of the Maritime Export of Ghana
April - June 2008



TRANSIT TRADE THROUGH THE PORTS OF GHANA

Total transit traffic through the ports of Takoradi and Tema amounted to 135,642 tons for the period April to June 2008 with maritime transit import amounting to 122,370 tons while maritime transit export was 13,272 tons. The total transit traffic for the review period was over 33% less than what was routed through the ports of Ghana for the same period in 2007. While the transit import fell by nearly 31%, the transit export reduced by over 45%, indicating that the volume of transit goods passing through the ports of Ghana is on the decline.

Import cargo meant for Burkina Faso was the highest transit import passing through the ports of Ghana, recording 45,537 tons for the period. Niger and Mali were the other countries whose import cargo passed through the ports of Ghana to the tune of 36,013 tons and 32,423 tons respectively.

Other countries whose import cargoes came through the port of Ghana were Nigeria (3,069 tons) and Togo (2,663 tons). Others are Benin (778 tons), Cote D'Ivoire (111 tons), Senegal (84 tons), Algeria (64 tons) and Chad (50 tons).

The highest transit export tonnage of 6,718 tons was shipped

from Nigeria, followed by 2,511 tons from Burkina Faso. The third highest export cargo of 2,387 tons shipped through the ports of Ghana was from Benin. This was followed by Niger with 745 tons of export cargo. Cote D'Ivoire, Togo and Cameroon followed in that order with 199 tons, 55 tons and 24 tons each. Table 6 below gives more details.

Table 6 Transit Trade Through the Ports of Ghana - April - June 2008

COUNTRY	IMPORT			EXPORT			TOTAL		
	2007	2008	% diff	2007	2008	% diff	2007	2008	% diff
ALGERIA	-	64	-	-	-	-	-	64	-
BENIN	1,315	778	(41)	1,821	2,387	31	3,136	3,165	1
BURKINA FASO	50,535	45,537	(10)	15,075	2,511	(83)	65,610	48,048	(27)
CAMEROON	1,235	-	(100)	16	24	50	1,251	24	(98)
COTE D'IVOIRE	532	111	(79)	5	199	3,880	537	310	(42)
CHAD	-	50	-	-	-	-	-	50	-
GABON	57	-	(100)	-	-	-	57	-	(100)
GAMBIA	12	-	(100)	-	-	-	12	-	(100)
MALI	83,230	32,423	(61)	1,268	-	(100)	84,498	32,423	(62)
NIGER	18,381	36,013	96	4,438	745	(83)	22,819	36,758	61
NGERIA	15,338	3,069	(80)	1,533	6,718	338	16,871	9,787	(42)
OTHERS	3,117	1,642	(47)	-	633	-	3,117	2,275	(27)
SENEGAL	112	84	(25)	-	-	-	112	84	(25)
TOGO	3,291	2,663	(19)	81	55	(32)	3,372	2,718	(19)
TOTAL	177,155	122,370	(31)	24,237	13,272	(45)	201,392	135,706	(33)

PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA

Forty (40) Shipping Agencies handled the total maritime trade of over 3.6 million tons for the period April to June 2008. Twenty (20) of them took part in the liner trade, handling over 1.6 million tons representing 44% of total cargo throughput for the period under review.

The highest performer in the liner trade, Maersk Gh Ltd., handled 357,610 tons representing 22% of the trade. Of this tonnage, 245,082 tons were import and 112,528 tons were export. Delmas Shipping, Gh./CMA CGM handled the second largest share of 206,577 tons comprising 121,578 tons of imports and 84,999 tons of exports. This represents 13% of the total liner trade. MSCA Gh. Ltd. followed in third place with 161,442 tons representing 10% of total liner traffic, with 122,906 tons being import while 38,536 tons were handled as exports.

The fourth spot went to Supermaritime which handled 154,261 tons, representing 9% of total liner trade with 75,343 tons being import and 78,918 tons were export. MOL Gh Ltd handled 82,299 tons of imports and 39,780 tons of export amounting to 122,079 tons to take the fifth place representing 8%.

Eight (8) Shipping Agencies participated in the dry bulk trade which amounted to 1.2 million tons or 34% of total maritime traffic for the review period. Hull Blyth handled 549,848 tons which were solely import and represented over 45% of the total dry bulk cargo. Supermaritime followed in the second place with 367,975 tons or 30% of the dry bulk trade.

The third place was occupied by Macro Shipping which handled 174,684 tons or 14% of the dry bulk traffic. This was followed by Maersk Gh Ltd with 69,262 tons or 6% of the dry bulk traffic. Panalpina, Scanship and Seatrans followed in that order with 2%, 1% and 0.7% respectively.

In the liquid bulk trade, twelve (12) agencies altogether handled the 790,503 tons of cargo that was discharged and loaded at the ports of Ghana. With the exception of Panalpina that handled both import and export cargoes, all other agencies handled only import cargo. Sectel was the highest performer with 310,689 tons which was 39% of the total liquid bulk cargo.

Bulk Shipping followed in second place with 110,914 tons representing 14%. Maritime handled 107,600 tons representing almost 14% of total liquid bulk and earning itself the number three spot in the trade. GEK Shipping and Afritramp took the fourth and fifth places with 88,051 tons and 52,607 tons, representing 11% and 7% respectively.

TABLE 7 PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA
-April - June, 2008

SHIPPING AGENTS/CHARTERER	IMPORT	EXPORT	TOTAL	% SHARE OF AGENTS
LINER				
ANTRAK GH. LTD.	60,678	14,016	74,694	4.7
CONSHIP GH. LTD.	594	0	594	0.0
DELMAS SHIPP.GH./ CMA CGM	121,578	84,999	206,577	12.9
GLOBAL CARGO	40,627	3495	44,122	2.8
GMT SHIPPING	52,520	0	52,520	3.3
GRIMALDI GH. LTD.	38,360	8,774	47,134	3.0
HULL BLYTH	32,034	6,414	38,448	2.4
ISAG	34,664	16,550	51,214	3.2
MAERSK GH. LTD.	245,082	112,528	357,610	22.4
MARITIME GH. LTD.	4525	1,278	5,803	0.4
MOL GH. LTD.	82,299	39,780	122,079	7.7
MSCA GH. LTD	122,906	38,536	161,442	10.1
OCEANLANE	5,072	0	5,072	0.3
PANALPINA	16,752	17,633	34,385	2.2
PIL GH. LTD.	44,280	11,024	55,304	3.5
SAFMARINE GH. LTD.	0	19,258	19,258	1.2
SCANSHIP	75,673	13,170	88,843	5.6
SDV GH. LTD.	1,119	28,526	29,645	1.9
SEATRANS	46,200	0	46,200	2.9
SUPERMARITIME	75,343	78,918	154,261	9.7
SUB-TOTAL	1,100,306	494,899	1,595,205	44.3
DRY BULK				
BLUESEA MARITIME	0	5300	5,300	0.4
HULL BLYTH	549,848	0	549,848	45.4
MACRO SHIPPING	0	174,684	174,684	14.4
MAERSK GH. LTD.	27262	42000	69,262	5.7
PANALPINA	17391	3,500	20,891	1.7
SCANSHIP	3,474	12,660	16,134	1.3
SEATRANS	8,010		8,010	0.7
SUPERMARITIME	6,850	361,125	367,975	30.4
SUB-TOTAL	612,835	599,269	1,212,104	33.7
LIQUID BULK				
AFRITRAMP	52,607	0	52,607	6.7
BULK SHIPPING	110,914	0	110,914	14.0
GEK SHIPPING	88,051	0	88,051	11.1
GRIMALDI GH. LTD.	30,092	0	30,092	3.8
HULL BLYTH	25,005	0	25,005	3.2
MARITIME	107,600	0	107,600	13.6
MAXITIDE	10,341	0	10,341	1.3
MULTIPLAN	24,105	0	24,105	3.0
PANALPINA	2,089	1318	3,407	0.4
SCANSHIP	4,005	0	4,005	0.5
SECTEL LTD.	310,689	0	310,689	39.3
SUPERMARITIME	23,687	0	23,687	3.0
SUB TOTAL	789,185	1,318	790,503	22.0
GRAND TOTAL	2,502,326	1,095,486	3,597,812	100.0

PERFORMANCE OF SHIPPING LINES IN MARITIME TRADE OF GHANA

Eighty (80) Shipping lines participated in the carriage of the 3.6 million tons of maritime cargo comprising 2.5 million tons of imports and about 1.1 million tons of exports during the second quarter of 2008.

Fifty-one shipping lines handled the 1.1 million tons of liner imports and the 494,898 tons of liner exports making a total of 1.6 million tons or 44% of total traffic through the ports of Ghana. Of this, Maersk Sealand carried 357,610 tons accounting for over 22% of total liner cargo making it the number one carrier in the carriage of liner cargo for the period under review. Mediterranean Shipping Company carried the next highest tonnage of 161,442 tons representing over 10% of the liner trade followed by Delmas with 123,340 tons (about 8%), Mitsui O.S.K. Lines 122,079 tons or about 8% and CMA CGM 95,012 tons or 6%.

Dry bulk cargo amounting to 1.2 million tons representing 36% of total maritime trade for the review period was carried by

sixteen (16) shipping lines. HC Trading took the top position carrying 490,413 tons which represented over 40% of the total dry bulk trade. IMT followed in the second position with 329,177 tons representing 27% of total dry bulk cargo trade. Bulk Handling carried 174,684 tons accounting for 14% thus putting it in third place. The fourth and fifth positions were taken by Maersk Sealand and Ta-Ho Maritime which carried 69,262 tons (6%) and 24,450 tons (2%) respectively.

Thirteen (13) shipping lines engaged in the liquid bulk trade carrying 790,501 tons of cargo which accounted for 22% of total maritime trade. VITOL took the lead with the carriage of 356,013 tons representing 45% of total liquid bulk. With 116,359 tons representing 15% of the liquid bulk trade, N. N. P. C. took the number two spot. The third best performer was the Bulkshipping with 106,408 tons representing over 13% of the bulk liquid trade. Glencore carried 8% of liquid bulk trade which was 66,856 tons earning it the fourth position. The fifth highest carrier in the liquid bulk trade was Tema Oil Refinery with 25,537 tons representing 3% of the trade.

Table 8 PERFORMANCE OF SHIPPING LINES IN THE MARITIME TRADE OF GHANA

APRIL - JUNE, 2008

SHIPPING LINES	IMPORT	EXPORT	TOTAL	% SHARE OF LINES
LINER				
K' LINE	2,314	-	2,314	0.1
AGENCES MARITIMES	1,573	441	2,014	0.1
ALLIED MARITIME	46,200	-	46,200	2.9
BACO LINER	-	6,563	6,563	0.4
BAKER HUGHES CO. LTD		28	28	0.0
BASDEN AGENCY	2,921	-	2,921	0.2
BBC CHARTERING	610	-	610	0.0
BREADBOX SHIPPING	498	5,778	6,276	0.4
BRUNO	32,096	3,495	35,591	2.2
C. L. T. M.	1,249	-	1,249	0.1
CEC	355	-	355	0.0
CEVAS SHIPPING	-	2,540	2,540	0.2
CHINA OCEAN SHIPPING	2,113	-	2,113	0.1
CHINA SHIPPING	15,179	3	15,182	1.0
CMA CGM	70,990	24,022	95,012	6.0
CONTI LINES	50,407	-	50,407	3.2
CONTINENTAL LINES	5,072	-	5,072	0.3
COSCO	35,979	5,864	41,843	2.6
DARYA SHIPPING	19,816	-	19,816	1.2
DELMAS	35,074	88,266	123,340	7.7
DOLE SHIPPING	-	17,727	17,727	1.1
EUKOR	855	-	855	0.1
EUROAFRICA	23,539	3,056	26,595	1.7
EUROLINE	1,569	-	1,569	0.1
GOLD STAR LINE	34,664	16,550	51,214	3.2
GRIMALDI LINES	38,360	10,776	49,136	3.1
HAPAG LLOYD	1,323	2,328	3,651	0.2
HASSAN ALI RICE EXP.	17,800	-	17,800	1.1
INCHCAPE SHIPPING SERV.		825	825	0.1
J&J OFFSHORE	497	-	497	0.0
MAERSK SEALAND	245,082	112,528	357,610	22.4
MARADA	19,500		19,500	1.2

MED/WEST AFRICA SERV.	1,020	7,835	8,855	0.6
MEDITERRANEAN SHIPP. CO	122,906	38,536	161,442	10.1
MENTOR SHIPPING	874	-	874	0.1
MESSINA LINES	30,058	12,373	42,431	2.7
MITSUMI O. S. K. LINES	82,299	39,780	122,079	7.7
NORDANA LINE	2,028	93	2,121	0.1
OTAL	17,886	1,934	19,820	1.2
OTHER	43,756	14,514	58,270	3.7
PACIFIC INTL. LINES	44,280	11,024	55,304	3.5
S. A. I. L. S.	6,661	2,084	8,745	0.5
S.M.B.	13,887	-	13,887	0.9
SAFMARINE	-	19,258	19,258	1.2
SEABOARD OVERSEAS	-	892	892	0.1
SPLIETHORFF	-	26,161	26,161	1.6
TATE & LYLE	15,537	-	15,537	1.0
UAL	594	-	594	0.0
VERTOM	-	19,624	19,624	1.2
WALLEM SHIPPING	7,897	-	7,897	0.5
WEST LINE SHIPPING	4,989	-	4,989	0.3
SUB-TOTAL	1,100,307	494,898	1,595,205	44.3
DRY BULK				
BACO LINER	-	3,500	3,500	0.3
BRAWL SHIPPING	7,169	-	7,169	0.6
BULKHANDLING	-	174,684	174,684	14.4
D & F CORP	21,700	-	21,700	1.8
EUROAFRICA	934	8,200	9,134	0.8
HC TRADING	490,413	-	490,413	40.5
I. M. T.	-	329,177	329,177	27.2
MAERSK SEALAND	27,262	42,000	69,262	5.7
OTHER	17,400	12,660	30,060	2.5
POLYTRA	15,555	-	15,555	1.3
SEABOARD OVERSEAS	-	998	998	0.1
SEPORSUR	7,953	-	7,953	0.7
TA-HO MARITIME	24,450	-	24,450	2.0
UNICARGO	-	5,300	5,300	0.4
VERTOM	-	21,200	21,200	1.7
WEST AFRICAN COMM.	-	1,550	1,550	0.1
SUB-TOTAL	612,836	599,269	1,212,105	33.7
LIQUID BULK				
AGENCES MARITIMES	2,089	1,318	3,407	0.4
ALBA PLANT LLC	2,059	-	2,059	0.3
BULKSHIPPING	106,408	-	106,408	13.5
GLENCORE	66,856	-	66,856	8.5
GRIMALDI LINES	30,092	-	30,092	3.8
N. N. P. C.	116,359	-	116,359	14.7
N. P. A.	2,446	-	2,446	0.3
NEW FRONTIER	18,286	-	18,286	2.3
OTHER	38,395	-	38,395	4.9
SAHARA	10,341	-	10,341	1.3
TEMA OIL REFINERY	25,537	-	25,537	3.2
VITOL	356,013	-	356,013	45.0
WILHELMSSEN SHIPS SERVICE	14,302	-	14,302	1.8
SUB-TOTAL	789,183	1,318	790,501	22.0
GRAND TOTAL	2,502,326	1,095,485	3,597,811	100.0



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GSC Organises Open Forum for Shippers in the Western Region

The Ghana Shippers' Council (GSC) has organised an Open Forum for Shippers in the Western Region as part of its programme of reaching out and interacting with importers, exporters and traders in their trading localities to discuss the problems confronting them in their business operations.

The Forum which came off at the Takoradi Shippers' Centre on 22nd August 2008, was the fourth in the series of the programme dubbed "Small Forum for Trade Associations". Three similar programmes have been held for the Abossey-Okai Spare Parts Dealers Association, the Accra Central Shop Owners Association as well as a the Suame Magasin Spare Parts Dealers.

The Chief Executive of the GSC, Kofi Mbiah in a welcome address said several organizations were involved in the clearance of goods and that clearance problems cannot be laid solely at the doorstep of one organization. This situation, he conceded, required concerted efforts of all the stakeholders if a lasting and meaningful solution should be found to

the problems. He expressed frustration about the fact that efforts made by stakeholders so far to streamline clearance procedures had not attained the efficiency levels anticipated by shippers.

Mr. Mbiah said the recent capital developments that have led to the development of a dedicated container terminal, a new devanning terminal, off dock terminals and the increased private sector participation were all meant to facilitate businesses at the ports and to reduce the cost of doing business in Ghana.

He said, however, that it was unfortunate that despite these improvements, shippers were yet to realize the full benefits of the capital developments due to some existing bottlenecks such as delays in berthing, difficulties in locating containers, pilfering, damage to cargo, excessive examination by customs and proliferation of charges.

According to Mr. Mbiah the solutions to these problems would require the concerted efforts of all stakeholders.

"As a long term solution to the high level of corruption attendant to the cargo clearing process, it would be necessary for government to strengthen its internal tax mechanisms", he added.

The Chief Executive said the GSC invited resource persons from the maritime industry and the business community to address some of the problems shippers face in their day to day businesses regarding processes at entry points, trade requirements as well as policies.

They included resource persons from the Ministry of Trade, Industry PSD & PSI, Ministry of Harbours and Railways, Destination Inspection Companies, Ship owners and Agents Association of Ghana (SOAAG), Freight Forwarding Associations, Ghana Maritime Authority, GC Net and the Police Service

The Minister of Harbours & Railways, Hon. Prof. Christopher Ameyaw Ekumfi commended the Council for reaching out to shippers in the country. He said the New Patriotic Party (NPP) government since assuming power had undertaken a number of capital intensive projects at the ports, particularly Tema, aimed at improving the deteriorating conditions which were detrimental to the activities of shippers.

Prof. Ameyaw-Akumfi, however, added that it was unfortunate that despite the improvements the shippers were yet to realize the full benefits of these developments due to a number of bottlenecks at the country's entry points and expressed the hope that the Open Forum would create a platform that would throw more light on these issues and suggest solutions to deal with them.

The Minister also informed participants that the NPP government had made huge investments in the road haulage, seaports, inland waterways, air and rail service.



Some members of the Central Region Shipper Committee

With regard to rail, he said the government is looking for investors to rehabilitate the Western & Eastern railway system and link it to the Boankra Inland Port. He added that the government intends to extend the railway network to the northern border to facilitate the movement of passengers and goods in the region and beyond.

He called on the Council to hold itself in readiness for imminent challenges as the oil find would bring with it new dimensions of shipper problems both through the ports and the border entry points particularly, Elubo. He also praised the Council for establishing Shipper Complaints & Support Units at Takoradi port and Elubo border post to assist shippers.

Some of the major that were discussed at the forum included:

- High cost of container charges for both stuffing and unstuffing by shipping agencies.
- High demurrage charges by Port Authorities.
- Influx of foreign traders to the local retail markets.
- Shippers' wanted to know the lists of exempted goods from the import duty tax list and the procedure for clearing goods at the Ports.



A section of shippers at the open forum in Takoradi

In another vein, the GSC inaugurated the Central Regional Shipper Committee (CRSC) on 21st August, 2008 at the Cape Coast Hotel in Cape Coast. The inauguration of the Committee marked the formal extension of the GSC's services to import/export shippers in the Central Region.

The Chief Executive of the GSC in an address said the Central Region Shipper Committee was established over two years ago to help shippers come together and discuss common problems that confront them in their day to day business operations. According to him six out of the ten Shipper Committees established in the country had been

formally inaugurated and that the CRSC is the seventh to be inaugurated.

He explained that through shipper committees meetings, the GSC is able to know of the myriad of problems importers and exporters encounter at the nation's borders and sea ports and thus provide solutions to address them.

The Special Assistant to the Central Regional Minister, Mr. Ken Nunoo, on behalf of the Chiefs and people of the Region commended the Ghana Shippers' Council for bracing all the odds to make the Central Region Shipper Committee a reality. He hoped that the experiences from sister shipper Committees of the other Regions would be brought to bear on the activities of the Central Region Committee so that it could stand the test of time in resolving the problems of importers and exporters in the region.

Mr. Nunoo therefore used the opportunity to urge all businessmen in the Region engaged in import and export business to join the Central Region Shipper Committee.

Executive members of the CRSC Committee were inducted during the inauguration ceremony by Mr Salathiel D. Amegavie, Chief Executive of the Ghana National Chamber of Commerce and Industry who was also the Chairman for the function ■



Some members of the Central Region Shipper Committee



Seminar on Transit Trade Organised for Members of the Union of African Shippers Councils (UASC)

The Ghana Shippers' Council in collaboration with the Union of African Shippers Councils (UASC) has organized a seminar on Transit Trade and the Draft Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea.

The two-day seminar, which came off on 10th and 11th September, 2008 at the Accra International Conference Centre was attended by delegates from ten member countries of the UASC in addition to stakeholders of the maritime industry in Ghana.

The seminar afforded participants the opportunity of discussing among other issues the experiences and challenges of Member countries of the UASC operating in the transit trade as well as the application of latest technologies in facilitating the trade.

The seminar also addressed the concerns of Member countries about article 17 of the new UNCITRAL Convention on Contracts for International Carriage of Goods.

The Chairperson for the opening ceremony of the seminar, Ms Joyce Aryee, Chief Executive of the Ghana Chamber of Mines in an address said the sub-region can only benefit from the increasing competitive and complex international trade regime if major actors such as shippers, freight forwarders/clearing agents, port

operators, hauliers, bankers, insurers, lawyers, shipping agents and owners are kept abreast with the dynamics of international trade and maritime transport.

The Chief Executive of the Ghana Shippers' Council, Kofi Mbiah, in a welcome address said the Union of African Shippers Council's was organizing the seminar in collaboration with the Ghana Shippers' Council to deal with issues of great concern to shippers within the framework of international transportation.

According to him, the recent Doha Round of Talks dealt with trade facilitation, express trade and facilitation to encompass freedom of transit, fee and formalities related to importing, exporting and transparency of trade regulations. He said therefore that the transit trade must be seen as one of the essential ingredients of trade facilitation that states are enjoined to be committed to for the attainment of economic growth.

Mr Mbiah said all economies depend on trade for their survival and growth. This, according to him, is even more so for geographically disadvantaged states, hence the need to ensure that they have access to the coasts of maritime countries. "Corridor nations as well stand to benefit from the use of their corridors for transit, if the concerns of infrastructure, logistical, administrative and legal issues are adequately addressed", he added.



The CEO of the Ghana Shippers' Council addressing the seminar

In his address, Magnus Teye Addico, Secretary-General of the Maritime Organisation of West and Central Africa (MOWCA) said the efficiency of the maritime industry is today a function of the extent of exploitation of sub-regional, regional and international cooperation in the supply of tonnage, the protection of shippers' interests and the handling of the ship-generated problems.

The Secretary-General of MOWCA said, in recent times, the whole sub-region is faced not only with threats of pirate and armed attacks against ships, gas and oil platforms/pipelines, but more crucially the sub-region face a real extinction of its fishing stocks through intense, illegal, unreported and unregulated (IUU) fishing.

According to him, the situation is becoming desperate for many fishing communities from Mauritania to Cameroon sparking mass illegal migration. "The World Bank estimates that the sub-region is losing over a billion dollars worth of fish per annum to illegal fishing; revenue that could sustain the lives of the respective fishing communities in the sub-region" he stressed.

Mr Addico noted that MOWCA believes that only a sub-regional collaboration and cooperation could provide the needed surveillance, enforcement and presence in our territorial waters and Exclusive Economic zones.

The Honourable Minister for Harbours and Railways, Prof. Christopher Ameyaw-Akumfi, in his keynote address said that the need to continually appraise the performance of the transit trade operations in the West and Central Africa Region, especially for the competitiveness of our hinterland neighbours in the wake of increasing fuel prices, with the resultant increasing freight rates, cannot be overemphasized.

He hoped that the delegates at the seminar would deliberate extensively on this matter and come out with practical and sustainable solutions.

"We have witnessed significant increases in the transit trade volumes over the years and I am glad that Ghana has facilitated an appreciable proportion of this volume through its corridor. In this regard, Government wishes to acknowledge the contribution of other stakeholders in the industry in making the Ghana corridor a preferred one" the Minister assured.

Professor Christopher Ameyaw-Akumfi said congestion in our ports continue to be one of our banes as it obviously adds to the aggregate transport cost of international cargo to shippers from the hinterland.

According to him, Government is determined to leave no stone unturned to mitigate this problem and that one of our solutions has found expression in the initiation of the Boankra Inland port project which is a private sector led initiative being facilitated by the Ghana Shippers' Council and the Ghana Ports and Harbours Authority.

He explained that though the project is progressing at a rather slow pace, it is expected that very soon it would come into fruition for the benefit of the transit corridors of the sub-region.

The papers that were presented at the seminar are:

1. Coordination and Harmonisation of Policies towards Effective Transit Trade in West and Central Africa presented by Bonaventure Adjavon, *Ministry of Foreign Affairs*.
2. The Development of Information Technology in Transit Trade Facilitation in West and Central Africa by Emmanuel Darko, *Deputy General Manager, GCNet*.
3. Transit Trade Operation in Ghana; The Experience of an Operator by Emmanuel Arku, *Head of freight and Logistics Department, Ghana Shippers' Council*.
4. Balancing Shipper and Carrier Interests: The Convention on Contracts for the International Carriage of goods, Wholly or Partly by Sea by Kofi Mbiah, *Chief Executive, Ghana Shippers' Council*.
5. How Dreadful is Article 17 of the Draft Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea by Professor M. Ibrahima Khaili Diallo, *University of Cheikh Anta Diop, Senegal* ■