

# SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

VOLUME 23 NO. 4, OCTOBER - DECEMBER, 2021



## Ensuring safe inland water ways

### ALSO IN THIS ISSUE

- SEA BLINDNESS UNDERMINING THE DEVELOPMENT OF GHANA'S MARITIME DOMAIN
- AXLE WEIGHT PROGRAM TO BE RESET FOR EFFICIENCY ... SURVIVES UPS AND DOWNS, 12 YEARS ON
- COMMERCIALY AVAILABLE REAL-TIME INFORMATION IS TRANSFORMING PORTS AND MARITIME TRANSPORT
- LET'S DEVELOP STRATEGIES TO UTILIZE MARITIME RESOURCES – MOWCA CHAIR
- NUMEROUS CHECKPOINTS, BIGGEST IMPEDIMENT TO TRANSIT TRADE - GSA
- THE REGIME OF EXCLUSIVE ECONOMIC ZONE, EEZ
- SPINNET CRIES FOR HELP FOR ITS TRAINING LABORATORY ...TO SUPPORT GHANA'S BUDDING FASHION SECTOR
- GHANA CAN BECOME A REGIONAL MARITIME HUB THROUGH DIGITALIZATION
- CONSOLIDATING REVENUE GENERATION EFFORTS: THE STORY OF ICUMS

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## In this Issue



PAGE 05

### Sea blindness undermining the development of Ghana's Maritime Domain

The sea provides us with a wealth of opportunities, including aquatic life, natural resources such as oil and gas embedded in the seabed, tourism, maritime transportation, and renewable energy. Many of these areas, however, remain underdeveloped.



PAGE 29

### SPINnet cries for help for its Training Laboratory ...to support Ghana's budding fashion sector

In recent times, attention on the textiles and garment sector has seen massive growth with many of the youth venturing into the sectors for a living. The Centre over the years has not only trained thousands of persons but to date, it offers artistically inclined persons the opportunity to make a living from their skill without even knowing how to operate a sewing machine.

## ALSO IN THIS ISSUE

AXLE WEIGHT PROGRAM TO BE RESET FOR EFFICIENCY ... SURVIVES UPS AND DOWNS, 12 YEARS ON	08
COMMERCIALLY AVAILABLE REAL-TIME INFORMATION IS TRANSFORMING PORTS AND MARITIME TRANSPORT	11
LET'S DEVELOP STRATEGIES TO UTILIZE MARITIME RESOURCES – MOWCA CHAIR	15

NUMEROUS CHECKPOINTS, BIGGEST IMPEDIMENT TO TRANSIT TRADE - GSA	17
THE REGIME OF EXCLUSIVE ECONOMIC ZONE, EEZ	22
GHANA CAN BECOME A REGIONAL MARITIME HUB THROUGH DIGITALIZATION	32
CONSOLIDATING REVENUE GENERATION EFFORTS: THE STORY OF ICUMS	35



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

## Our Mission

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

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## Ensuring safe inland water ways

Ralph Dinko, Assistant Public Relations Officer, Ghana Maritime Authority

A tale is told of an ancient African Empire where the clouds were so close that one could in fact grab a part, feel it and even slice it as food. It is told that the clouds could become any kind of food the citizens of the Empire needed to eat. There was just one simple consensus; they all had to agree on what food they all wanted and the gods would send them clouds of that particular food.

For many years they lived in happiness until one day something happened. Not a disagreement on their menu, not overeating, not even under eating. One day, something really bad happened that drove the magical clouds away, forever.

Things of filth are not things of the gods, they despise dirt. Cleanliness is next to godliness, they say. The people of the Empire took things for granted; they beseeched the clouds with dirty pans, unwashed spoons and knives.

All complaints for a paradigm shift in behavior fell on deaf ears.

some women put a stop to it but like our elders, 'bad behaviour is like pregnancy, you cannot hide it'. One sunny day, they woke up to no magical clouds of food. Old folks, children, pregnant women all gathered in front of their homes awaiting the return of the clouds to no avail. The clouds never descended. Everything was gone, forever.

Ghana is extremely blessed with a lot of water bodies, in fact, close to 30% of Ghana's surface area is covered with water. Blessed with rivers, ponds, estuaries, streams and lakes. Ghanaians continue to make maximum use of these water bodies. While many farmers irrigate their farmlands, others audaciously navigate these waters to trade from one town to the other, sometimes in far distant areas.

All the sixteen (16) regions in Ghana have substantial water bodies which supply indigenes with potable water. About 150,000 fishermen and fishmongers depend on these water bodies for their livelihood as well.

Mandated with the powers to ensure safe and secure marine environment, the Ghana Maritime Authority (GMA) periodically embarks on sensitization exercises for boat operators in communities along the Volta Lake and coastal towns. Ensuring a safe and secure marine environment comes in two folds; protecting aquatic animals from incessant pollution from boat users and operators and protecting the lives of the passengers on the boats as well. While we caution boat users to avoid throwing plastics overboard, boat operators and passengers must always wear life jackets for the sake of safety.

Decades ago, the Volta Lake was a perilous place to navigate. Tree stumps dotted in the lake frequently caused boat accidents killing many women and children, especially in the raining season. Hitherto, news of boat accidents hit the newspapers almost on a weekly basis.

Thankfully, the Ghana Maritime Authority committed resources into removing over 21,000 tree stumps



which not only impeded navigation but crashed uncountable boats leading to the loss of hundreds of innocent lives.

In a recent interaction with the media during the 'Meet-the-Press', the Director General of the Ghana Maritime Authority, Mr. Thomas Alonsi expressed satisfaction with the current state of the lake and called for boat operators to be circumspect in plying the lake.



Mr. Alonsi disclosed that the project included the removal of 2,200 tree stumps on 2.5 kilometres of waterways from Dambai to Dodoikope, 3,550 tree stumps on 8 kilometres of waterways from Yeji to Makango, 4,800 tree stumps on 11 kilometres of waterways from Yeji to Awujakope and 10,490 tree stumps on 30 kilometres of waterways from Tumpunjah to Kodorkope to Dambai to Njare all along the Volta Lake. The harvested trees were given back to the communities as part of the organisation's corporate social responsibility.

Gone were the days when Tuesdays was set aside for the gods to visit the farms and rivers. One of the few precautionary notes handed down to me immediately I relocated to Accra from the Volta region was never to go to the beach on Tuesdays. I was told the goddess of the sea would come to the shore and bathe her pretty daughters and catch some fresh air. Traditionally

known among the fishing communities along the coast, not even a single soul inched closer to the sea for the fear of incurring the wrath of the sea goddess. Vehicles plying over bridges and by riverside asked permission from the gods with a soft honk before they drove pass.

In those times, the waters were as clear as crystal and as clean as a whistle. Today, the situation is

totally opposite; we throw garbage from our homes into rivers and gutters leading to the sea. Commuters of the Volta Lake are not left out, while boat operators are to be blamed for not having litter bins onboard their vessels, the boat passengers cannot be completely absolved from the scores of plastic floating on the lake.

Stringent measures must be taken to protect the beauty and healthiness of the Volta Lake. The protection of the marine environment from human source pollution is as crucial as the protection of the magnificence of the water body.

We revered water bodies; our elders told us about how women in search of babies had their expectation met by the goddess of rivers, lakes and the sea. Many people have received genuine healing from water bodies, be it spiritual or therapeutic. Our respect for water bodies is

If care is not taken, we could lose all our great lakes, rivers and even the sea like how our ancient ancestors lost the magical cloud of food. Imagine waking up to no Volta Lake, or the sea that serves as a conveyor belt for the ships to transport our basic needs- medicines, clothes, cars and computers. What would we tell our unborn generation?

The Ghana Maritime Authority has collaborated with the Ghana Navy to help sanitize the Volta Lake for close to a decade. The Naval Task Force has by far restored discipline and curtailed a lot of illegalities along the Lake; there has been a remarkable nosedive in boat accidents. Latest figures show almost non-existence of this menace, a feather in the cap for the GMA and other key stakeholders.

The recent sensitization and clean up tour along the Volta Lake by the GMA revealed a dichotomy between cultures and attitudes. An unflinching passion and zest to restore the lost glory of the lake and the 'I don't care' attitude exhibited by some youngsters. While the market women and older men eagerly joined forces to clean the banks, teenagers stood aloof taking pictures and chatting with friends. There is the need to bridge the yawning gap between the young and the old and proffer traditional education to the former.

Parents, churches and traditional leaders should endeavour to awaken the conscience of the younger ones and teach them never to throw garbage into water bodies. Water is indeed life and our survival, be it economic and health depend on the water bodies surrounding us.

As the GMA soldiers on with legal and technical measures to ensure safety of life on various water bodies, it is the duty of citizens to play the vital role by supporting government agencies to achieve their mandates.



# GHANA SHIPPERS' AUTHORITY



## BACKGROUND

The Ghana Shippers' Authority (GSA) is a state agency operating under the auspices of the Ministry of Transport. It was established in 1974 by NRCD254 and has over the years collaborated with private and public organizations in the maritime industry to pursue its primary objective of protecting and promoting the interests of shippers in Ghana in relation to port, ship and inland transport problems in order to ensure safe, reliable and cost effective cargo handling.

## SERVICES TO SHIPPERS

- Sensitising and empowering shippers and stakeholders in the shipping and logistics sector through programmes such as open fora for trade associations, annual seminars for journalists, biennial maritime law seminars for Judges, workshops for truck owners and drivers, etc.
- Establishment of Import/Export Shipper Committees across the country to enable shippers and shipping service providers interact regularly in order to resolve challenges confronting their businesses;
- Negotiation of freight and port charges of shipping service providers on behalf of shippers;
- Establishment of Shipper Complaints and Support Units at the country's entry points to provide real-time assistance to shippers engaged in cross-border trade.
- Negotiation and monitoring of service standards of shipping service providers;
- Conducting research on emerging issues in Ghana's maritime transport industry;
- Facilitation and promotion of the Transit Trade along Ghana's transit corridor;
- Advocacy in matters affecting shippers such as Implementation of IMO Sulphur Regulations 2020, Terminal Handling Charges, payment of VAT on transit services and levy on transit exports, etc;
- Intervening, investigating and finding solutions to recurrent shipment problems such as loss/damaged cargo, late arrival of shipping documents, cargo insurance claims, illegitimate charges, shortlanding of cargo, etc.
- Representation of the interests of shippers in the deliberations of international bodies such as IMO, WTO, UNCTAD, Global Shippers Forum, etc.
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## SEA BLINDNESS UNDERMINING THE DEVELOPMENT OF GHANA'S MARITIME DOMAIN

By Chief Obosu Mohammed, DPA LL.B LL.M MCI Arb, Executive Director,  
Institute for African Maritime Development



The earth's surface is covered by water to an extent of about 71 per cent. In Ghana, the coastline stretches about 550 kilometres. According to the United Nations Convention on the Law of the Sea (UNCLOS), Ghana has a territorial sea of 12 nautical miles, a contiguous zone that does not extend beyond 24 nautical miles, an Exclusive Economic Zone (EEZ) of 200 nautical miles off its baseline and a continental shelf which extends more than 200 nautical miles due to certain technicalities regarding our seabed and subsoil, as well as and its subsequent approval by the Commission on the Limits of the Continental Shelf (CLCS).

The approval given by the CLCS was for two (2) polygons extension from the initial 200 nautical miles (which was 370 km from the territorial sea baseline). The extension is designated as the Eastern Extended Continental Shelf Region and Western Extended Continental Shelf Region. In 1985, Ghana ratified UNCLOS and in 1986, the Maritime Zones (Delimitation) Law was enacted to give effect to the UNCLOS.

The sea provides us with a wealth of opportunities, including aquatic life, natural resources such as oil and gas embedded in the seabed, tourism, maritime transportation and renewable energy. Many of these areas, however, remain underdeveloped.

The principal reason that accounts for this phenomenon is sea blindness. The term "sea blindness" relates to the public's, media, and decision-makers' lack of knowledge of the sea or maritime domain. We are more concerned with the 'land' than the 'sea' because we do not live on the sea and are thus uninterested in what occurs there.

That said, our generation did not introduce the concept of sea blindness. During the struggle for

territorial sovereignty, our forebears were primarily concerned with liberating our people and reclaiming landed territories; they were oblivious to maritime issues, even though it was the main route through which we were invaded and exploited.

Presently, this sea blindness is manifested in several governmental decisions as well as our maritime domain's underdevelopment. The lack of political will, attention and commitment to the maritime industry will continue to hinder economic growth and development. Due to sea blindness, the public and the media are unable to advocate for the strategic transformation of our maritime domain, including its attendant accountability by the decision-makers. Maritime concerns are rarely placed at the forefront of significant government policy efforts.

For example, in the field of security, successive governments have recognized the necessity to retool and reform security agencies such as the police to combat various crimes. Over the years, we have seen the procurement of vehicles and other forms of equipment to improve the protection of individuals and property on the land, including the installation of CCTV cameras in strategic locations across the country.

In terms of execution, however, maritime security receives little attention or importance. Smuggling, armed robbery and piracy within our territorial waters, Exclusive Economic Zone (EEZ) and high seas must be a source of worry for all of us because the sea is so vast, strengthening maritime security demands for a regional effort and collaboration. Individual countries must first commit unreservedly to this goal. Offshore activities are hampered or put in danger due to a significant lack of maritime security tools such as speedboats, air surveillance and satellite imagery, etc. Whenever maritime





security is endangered or breached, it has an impact on the whole maritime stratum and economic life.

Fishing contributes greatly to household income and increases our food security. However, the level of essential domestic support, development and investment is extremely low. Our territorial waters and Exclusive Economic Zone (EEZ) are dominated by foreign fishing vessels, while our indigenous fishermen continue to use traditional canoe fishing methods. The same priority that has been given to certain crops under the 'Planting for Food' initiative can be extended to help our local fishermen flourish and engage in modern and large-scale fishing as per international laws and standards.

It is worth noting that illegal and unreported fishing is estimated to cost our sub-region \$1 billion in lost income each year.

Seaborne trade accounts for over 90% of world trade; it is an indispensable industry. Even during the height of the Covid 19 epidemic with its difficulties, the shipping industry was thriving and fulfilling our essential needs. To be able to successfully engage in the global shipping trade, we must improve our maritime infrastructure in areas like shipbuilding and repairs, demolition markets and establishing an indigenous shipping line through a Public-Private Partnership (PPP) model.

The government's flagship program, One-District-One-Factory, which is mostly centred on agro-processing may be extended similarly to resurrect the Tema Shipyard which has the potential to bring in millions of dollars for the state and create jobs for our teeming youth force. Furthermore, because of our strategic position, the establishment of a ship demolition market will be a large source of revenue as well as a supply of raw materials for our smelting industries.

Sea blindness has had an impact on the development of our inland waterways. Thus, to

make them safer for navigation, as well as our failure to pay attention to our inland water transportation networks. Inland water transportation, in addition to being inexpensive and safe, will reduce traffic congestion and the number of accidents on our highways. Our navigable lakes and rivers as well as our coastal seas can convey both freight and passengers.

The Cabotage Bill is currently gathering dust on the shelves. It is yet to pass the second reading of Ghana's Parliament. These are symptomatic of sea blindness.

Commercial banks and financial institutions are reluctant in extending funding for maritime investment. Due to their limited or lack of industry understanding, diversifying into the maritime industry is not appealing to our indigenous business leaders.

There must be tailored maritime-related courses in our major public institutions to offer specialized training in strategic areas where we lack the necessary capabilities. In doing so, we must explore courses that fit within the future of global maritime.

The resultant effect of our sea blindness is the several missed opportunities that are staring at us in the face. The marine industry should not be limited solely to freight forwarding, which is a supportive service.

Despite the enormous potential of Ghana's territorial waters, Continental shelf and Exclusive Economic Zone (EEZ), we continue to be disadvantaged. The government must take the lead in the fight against sea blindness, marshalling its resources to develop our maritime domain and prospects holistically, spur massive investment in that area and steer the conversation at all levels to increase public interest and decision-making for economic development and the realization of its full potential.







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## AXLE WEIGHT PROGRAM TO BE RESET FOR EFFICIENCY ... survives ups and downs, 12 years on

Compromising the quality of goods, road durability and road safety are the three main reasons why Ghana has since 2009 supported the implementation of the axle weight limits for trucks. Even though members of the West African Economic and Monetary Union (UEMOA) decided to begin the implementation of the axle load control program in 2010, Ghana started a year earlier.

From the onset, six (6)-axle trucks were only allowed to load the approved limit of fifty one (51) tonnes per truck but that was amended for shippers to load six (6)-axle trucks at an approved limit of sixty (60) tonnes per truck in conformity with that of the sub-regional transit trade competitors.

The amendment came after Ghana realized it was losing the transit trade to its neighbouring countries in the sub-region as their axle load protocols were much flexible. The amendment brought Ghana at par with the UEMOA nations.

A regional stakeholder sensitization tour organised by the Ghana Ports and Harbours Authority

(GPHA) with support from the Ghana Shippers' Authority (GSA) to Burkina Faso, Niger and Mali helped to restore the lost transit trade revenues as data showed that, in 2016-17, transit trade hit one (1) million metric tonnes.

### Challenges

At a Round Table on Axle Load organised in Accra on 30<sup>th</sup> September, 2021 by the Ghana Shippers' Authority (GSA), its Chief Executive Officer, Ms Benonita Bismarck outlined the challenges that have bedevilled the implementation of the program over the years.

According to her, the complaints that have been received, concerning the current state of the implementation of the axle load control program are: The use of faulty and inaccurate axle weighing scales; possible tampering with the axle weighing scales by some axle weigh station personnel and non-adherence to protocols at the axle weighing stations.

Others were, cargo agents conspiring with some personnel of axle weighing station to manipulate

the system; collusion and exchange of illicit payments among drivers, cargo owners/agents, security officers in order to evade axle weighing scales; and modification of truck sizes (width, length and height) and use of false Axles

Another cause of worry was the unregulated operations of agents loading cargo outside the ports; the practice of cargo topping by some drivers and coercion of drivers and truck owners by agents to overload.

### Axle load stakeholder meeting

The stakeholder meeting took stock of the benefits and challenges of the axle load control program and recommended a restart with stricter pragmatic protocols around it.

The recommendations included; The formation of an Inter-Agency Committee on Axle Load to monitor the operation of Axle-Weigh Bay Stations and Check Points and report quarterly to stakeholders.

The Ghana Ports and Harbours Authority (GPHA) was urged to strengthen its systems at the port to ensure that all trucks that leave





their premises conform to the prescribed weight limits.

The National Security is to intensify policing of the corridors to ensure strict compliance.

The GSA was also tasked to increase sensitization and awareness among shippers and transporters to ensure that there is high-level compliance.

The Drivers and Vehicle Licensing Authority (DVLA) is to strictly monitor the trucks and refuse the award of roadworthy certificates to the trucks that alter their original axles and add on to outsmart the system.

For the private operators, the renewal of their contracts is expected to be linked to Key Performance Indicators to ensure that they do abide strictly by the protocols and do not turn it into a money-making venture.

### **Ghana Highway Authority (GHA)**

Currently, the nation has eighteen (18) permanent weigh bay stations, two (2) checkpoints and three (3) mobile active vans spread across the country to implement the axle weight limit controls.

The Ghana Highway Authority is well aware of the task and admits that implementation can be better. The GHA has begun the process to ascertain the level at which the implementation of the axle weight limit controls is adding to the

the cost of maintaining the nation's road infrastructure.

In the past three years, the rate of overload recorded at various stations has been on the decline. Data from the GHA revealed that the overloading rate for 2019 was 3.84 percent, 2020 was 2.76 percent in 2020 and 1.86 percent as at the second quarter of 2021. This indicates the stress level on the nation's road network is reducing as compliance has increased.

The GHA however recognizes that the impressive compliance level can be attributed to education and sensitization programs over the period.

The Axle Control Manager at GHA, Faustina Oppong Yeboah said in an interview that: "What we need to do now is to upgrade our monitoring capacity, increase awareness, education and sensitization on effects and benefits of axle load control in the country."

### **Borderless Alliance**

The Borderless Alliance has been a key stakeholder over the years. Its National President, Zaid Hamoui said Ghana has been bold with the implementation of the Axle weight controls as its neighbours have turned a blind eye.

According to him, some volumes of the transit trade has shifted to neighbouring countries due to the controls but in all that the nation has shown courage and stood for

made into the country's road infrastructure.

He noted that with the advent of the COVID-19 pandemic Axle weight control matters need some special attention as many governments would want to be biased towards economic recovery issues to the disadvantage of other pertinent matters.

He suggested that in as much as the country has done well with the implementation of the controls it is about time the system of monitoring is fully automated to reduce the human interactions which are likely to leave the officials compromised.

Also, he noted that an automated system can help to detect the recent phenomenon of remodeling of the axles of trucks.

"Let's try to use the nation's new accelerated digital drive to help ensure that the axle weight controls are well enforced," he said.

He was quick to add that, the nation needs research to determine the extent to which transit trucks cause the premature deterioration of the road as some trucks that operate locally are also overloading and putting undue pressure on the nation's road infrastructure.

He commended the Ghana Shippers' Authority (GSA) for the periodic stakeholder engagements organised to sensitize players on the challenges and how best to resolve them.



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## COMMERCIALLY AVAILABLE REAL-TIME INFORMATION IS TRANSFORMING PORTS AND MARITIME TRANSPORT

by Gordon Feller and Matt Coker

“Accelerating Digitalization: Critical Actions to Strengthen the Resilience of the Maritime Supply Chain,” a report that the World Bank and International Association of Ports and Harbors (IAPH) issued in January, 2021 describes how collaborative use of digital technology can help streamline all aspects of maritime transport, from cross-border processes and documentation to communications between ship and shore.

The joint report, with its special focus on ports, argues that a better digital collaboration between private and public entities across the maritime supply chain will result in significant efficiency gains, safer and more resilient supply chains and lower emissions.

“The report's short and medium-term measures to accelerate digitalization have the proven potential to improve supply chain resilience and efficiency whilst addressing potential risks related

to cybersecurity,” says Dr. Patrick Verhoeven, the IAPH managing director of Policy and Strategy. “However, necessary policy reform is also vital. Digitalization is not just a matter of technology but, more importantly, of change management, data collaboration and political commitment.”

How big a deal is big data? According to StockApps.com, the global big data and business analytics market is valued at \$215.7 billion this year and *will grow by more than 27% to exceed \$274 billion by the end of next year.*

However, recent IAPH survey revealed that only a third of more than 100 responding ports complied with a mandatory International Maritime Organization (IMO) requirement that all member countries exchange key data electronically. The main barriers to digitalization cited by the ports did not involve the technology but the legal framework

within their countries or regions and the inability to persuade multiple private-public stakeholders to collaborate.

Fortunately, as you will learn if you read on, there are governments, port authorities and economic development entities that are embracing big data.

### **Bottlenecks along the supply chain**

Among the key chokepoints in the global maritime system are some of the world's most critical transport gateways. Consider the significance of just two of them: The Strait of Malacca and the Strait of Hormuz. As the U.S. Department of Energy's website makes quite clear about the importance of the latter, “The Strait of Hormuz is the world's most important oil transit chokepoint.”

More than 90% of the world's total trade volume is moved by the maritime shipping industry. Every



Port vessel control room

trillion of goods. An immense pressure is placed on shipping companies to remain on schedule, protect the cargo ship and crew, and ensure profitability. And one can not say that it is easy.

It is hard to visualize the world's main shipping routes or to glimpse the industry's complexity. As they transport goods from one continent to another, approximately 90,000 vessels cross paths.

The maritime industry involves an intricate system of transportation. To complicate things, ports and vessels are also subject to the forces of nature, which are becoming harder and harder to predict. Thus, shipping companies must be able to adapt to changing situations and act fast.

With real-time big data analytics, however, the maritime industry can better navigate these unexpected challenges.

Big data is a field that extracts and analyzes data from data sets that are too large or complex to be dealt with by traditional data-processing application software. Real-time capabilities mean that those insights are delivered immediately after collection.

### How exactly does real-time big data help?

Maritime companies generate data from different sources and in several formats. Traditionally, these insights are fixed, siloed and

inconsistent. Actioning this information is time-consuming and a major pain point for shipping companies.

With big data tools, this inflow of data is collated and organized in a cloud-based system. It then analyzes and spits out the relevant data in real-time, which promotes better decision making. Nothing is left to intuition or chance-unlocking opportunities to drive greater efficiencies.

According to the recent World Bank report “Reforming and Rebuilding Lebanon's Port Sector: Policies and Solutions for Digitalizing the Port of Beirut,” digitalization must be key in the reconstruction and modernization of the facility that was rocked by chemical explosions in August 2020.

“Rapidly evolving technology is creating the digital ports of the future and Lebanon should not be

left out,” maintains Saroj Kumar Jha, World Bank Mashreq regional director. “Through an all-stakeholder approach, Lebanon should immediately enact special port institutional framework to reform the port sector and to launch transformation process toward a structured and systematic technological upgrade of the Port of Beirut to support Lebanon's economic recovery.”

### Efficient maritime operations and logistics

Overall operations and logistics become much more efficient with real-time data. Companies can obtain information through GPS and RFID tags to help locate containers and ships immediately. Data technology also helps synchronize communication to manage ship arrivals, berthings, and departures safely and efficiently. And in case of an emergency, non-availability of labor or terminal allocations, real-time data helps ships plan their routes and speeds accordingly.

Due to climate change, this ability to pivot has never been so relevant. Although the global maritime industry is a well-oiled machine, the ocean's weather-currents, waves and wind-are more unpredictable than ever. Real-time data streamlines decision making and supports ad hoc navigation to ensure companies maximize returns.

After a yearlong trial period, the Greater Houston Port Bureau officially partnered in June with







PortXchange Products, a Netherlands-based digital solutions provider for predictable and sustainable shipping. The five-year deal is allowing for the adoption and further development of PortXchange's collaborative vessel and terminal planning platform.

“Digitization and data are key for the port of Houston region to increase predictability, improve efficiency and remain globally competitive,” says Capt. Bill Diehl, U.S. Coast Guard (retired), president of the Greater Houston Port Bureau. The non-profit trade organization operates the Maritime Exchange of Texas, which maintains critical vessel movement data for the Lone Star State's deep draft ports.

The agreement came as a result of Diehl's agency embracing “the idea that digitalization and scheduling transparency is the future of any port,” according to Sjoerd de Jager, PortXchange's managing director, who adds, “we look forward to extending our collaboration in the Houston port community.”

Big data is helping to identify open berths at the Port of Gothenburg. In September, the largest port in Scandinavia launched Allberth, a smart device developed by Awake.AI of Finland.

“With Allberth, we now have a berth

planning tool that can make calls smarter, safer and considerably more efficient for all concerned,” says Fredrik Rauer, traffic coordinator and project leader for Berth Planner at the Gothenburg Port Authority. “And reduced emissions from the vessels are an obvious benefit in climate terms.”

External users, who are gradually being added to the system, can make their own planning decisions based on the same data. “With Allberth,” Rauer says, “we can give mooring personnel, the ship's agent and the terminal the opportunity to act immediately on the information that we visualize in the application.”

#### **Fuel-efficient routing**

By having access to real-time sea state observations-currents, waves and swell-vessel operators can re-route according to current ocean and weather conditions while optimizing fuel efficiency. Inefficient weather routing oftentimes leads to the increased time spent at sea, which not only disrupts and delays the supply chain but can also increase fuel burn and Carbon Dioxide (CO<sub>2</sub>) emissions.

In addition to increasing voyage earnings, fuel-efficient routing also reduces greenhouse gas (GHG) emissions, supporting the latest GHG reduction strategy that the IMO developed in 2018. The initial

annual GHG emissions from international shipping should be reduced by at least 50% by 2050 compared to 2008. What does 50% look like? The IMO calculated that vessels released 1.12 billion metric tons of carbon dioxide the year before, in 2007. Emissions need to be reduced by 560 million metric tons. That's equivalent to the emissions from 102 million cars.

One key conclusion to make about the real-world is that real-time data helps to reduce fuel costs and also helps to reduce GHG emissions.

The Port Authority of New South Wales in Australia is maneuvering very large ships safer and more efficiently thanks to OMC International's Dynamic Under Keel Clearance (DUKC) system. The Aussie company's technology is currently being used at the ports of Botany, Newcastle and Kembla.

The DUKC system provides tanker and deep drafter container captains “with near real-time data, taking account of a number of variables, including the height of tide, the speed of the ship, the ship's maneuverability, tidal streams and the dynamic motions of the vessel—all essential information used by our highly trained team of marine pilots when maneuvering these vessels within port waters,” says Myron Fernandes, the port authority's harbor master for Sydney and Botany.

#### **Is real-time big data safe from cyber-threats?**

The convergence of information technology (IT) and operational technology (OT) onboard ships-and their connection to the internet-creates an increased attack surface that requires greater cyber risk management.

On the IT side, the chances of cyberattacks can be mitigated through proper implementation of encryption techniques such as blockchain technology. From an

operational standpoint, IMO maintains that effective cyber risk management should start at the senior management level—embedding a culture of cyber risk awareness into all levels and departments of an organization.

One can read more about this in “Guidelines on Cybersecurity Onboard Ships” from BIMCO, a non-governmental organization that aims to be at the forefront of global developments in shipping. With offices in Copenhagen, Singapore, Shanghai, Athens and London, BIMCO provides expert knowledge and practical advice to members that range from small local port agents and law firms to the largest shipowners in the world.

### **Knowledge is power**

It is possible that the maritime industry can become bigger and better—and more lucrative—while emitting less GHG emissions. By implementing real-time insights in daily operations, shipping companies are well-positioned to navigate anything that comes their way. And how this year has gone, it certainly doesn't hurt to have an edge on the unexpected.

As the technology evolves, an emerging group of global communications companies are competing with one another to execute on a radical mission statement: to bring connectivity to everyone, everywhere. As these technologists make progress, they enable maritime organizations to connect more efficiently with customers, facilities and systems.

One of those companies, OneWeb, has been busy building a communications network with a constellation of Low Earth Orbit satellites that provide connectivity to people around the world. OneWeb's method for enabling Internet access for all is starting to become a reality. As a result of OneWeb's new capacities in space, the company is getting ready to provide low-cost solutions for

broadband, government and cellular backhaul. Its high speed, low latency, network will offer new affordable mobility solutions to industries that rely on global connectivity, including ports and the maritime companies that depend upon ports.

OneWeb, which is headquartered in London and has a manufacturing facility in Merritt Island, Florida, successfully commenced launches for its satellite constellation network back in February 2019. As of May of this year, 218 of a planned 648 satellites in the initial constellation had blasted off.

Closer to Earth, the Washington State Community Economic Revitalization Board in July approved more than \$15 million in grants for planning, economic development and rural broadband infrastructure construction projects, including awards of \$1.7 million to the Port of Whitman County and nearly \$1.6 million to the Port of Clarkston in Asotin County for high-speed internet connections. The Olympia-based board's grants and more than \$2.5 million in loans will be matched by over \$7.6 million in private investment and the resulting partner projects will create an estimated 200 jobs.

### **Big data is a must-have**

In today's world, inland port facilities must view a strong digital infrastructure as “essential” as opposed to “just a value-add,” according to Marc Salotti, managing director at Tradeport Atlantic in Baltimore, Maryland. The modern, 3,300-acre industrial site used to be known as Sparrows Point, which had been one of the world's largest iron and steel making facilities for 125 years before closing in 2012.

“Think about the target user,” Salotti recently wrote on the Supply Chain Brain forum. “With increasing pressure on global supply chains, the rise of e-

commerce, and growth of direct-to-consumer methods, companies aren't just looking for a storage facility. They want an adaptable environment that maximizes supply-chain optionality and growth, a strong technical infrastructure, and a strategic partner to work through challenges and share innovative solutions.”

Saudi Global Ports (SGP) is incorporating smart port design to two container terminals at King Abdulaziz Port Dammam. The program includes establishing an area called “The Sandbox” to test new technologies in automation and connectivity and develop new processes that will be subsequently deployed across SGP.

“We are taking progressive steps toward transforming Dammam into a leading international container port equipped with digital and smart capabilities and continue to contribute toward Mawani (Saudi Ports Authority) and the Kingdom's plans for a transformational transport and logistics sector,” says SGP's CEO Edward Tah.

The future is also now for the Vancouver Fraser Port Authority, which is working with partners to design a collaborative system to manage marine vessel traffic and optimize the supply chain flow by a March 31, 2022, deadline imposed by the Canadian government, which also provided funding for an electronic conveyor system to transport bulk materials at the Port of Saguenay.

Embracing big data cannot come soon enough, according to Salotti: “If the past year has taught us anything, it's that we can't be complacent. We must evaluate. We must evolve. We must commit to real, systemic change in economic development and infrastructure. Then, we won't just build a more resilient trade pipeline; we'll create new jobs and sustain the heart of American industry.”



## Let's Develop Strategies to Utilize Maritime Resources – MOWCA Chair



*The Hon. Minister of Transport, Hon. Kwaku Ofori Asiamah*

The Chairman of the Maritime Organization of West and Central Africa (MOWCA) and Ghana's Minister of Transport, Hon. Kwaku Ofori Asiamah has said that maritime resources on the continent can be better utilized to develop individual countries if a strategy is devised.

According to him, this is one of the surest ways to ensure a sustainable maritime resource inflow. He noted that, the maritime industry has contributed immensely to the development and prosperity of nations and therefore African countries must position themselves to take advantage of the resource to leapfrog their fortunes.

Addressing the 16th Extraordinary Session of the General Assembly of MOWCA, he said, collaboration is needed, "to reap the full benefits of proximity to the maritime space."

"Member States of MOWCA need to collaborate more in the development of strategies for the sustainable consumption of maritime resources" he emphasized.

He called for the urgent revitalization of regional bodies particularly MOWCA and the need to be committed to the objectives that brought them as member states together.

He added that, the organization was aimed at providing the sub-region with an institutional mechanism for having control over the cost of carriage by sea of foreign trade member states. It also sought to ensure the provision of profitable transport services within Member States.

"MOWCA has a very important mandate to execute for the safety, security and sustainable exploration of resources in our maritime domain for the benefit of our people. We concede, the Organization has experienced some challenges in the past but this is not the time to apportion blame. I believe we can learn lessons from the past to guide how we approach the future. With a moment of reflection, resolve and dedication, we can turn our organization into a strong pillar that would benefit our people", he said.

According to Mr. Ofori Asiamah, much has been written about the "blue economy" thus the quest for development in the sector requires effective collaboration and coordination amongst Member States and no single member state can make significant strides on their own.

The Minister noted, Member States would be required to make important decisions that will determine how the Organization operates including the election of a new Secretary-General.

"Let us remember that we reform not to please others, but because we value what this Organization stands for. We reform because we believe in its future. To rejuvenate our common endeavour is to renew our confidence not only in MOWCA's objectives but also in each other. We should demand more of ourselves as well as of our organization", he added.

He disclosed that most members states are yet to honor their full commitments with respect to financial, administrative and operational obligations. He therefore encouraged an urgent resolve of member states to honor their obligations.

The Minister urged all member states to help achieve the aims and objectives that brought them together and expressed his desire to do his utmost best in fulfilling his duties as MOWCA chair to contribute to the success of the organization.



*Hon. Chief of Staff with Dignitaries*



# 14TH EXTRAORDINARY SESSION OF THE GENERAL ASSEMBLY OF MOWCA IN PICTURES







## NUMEROUS CHECKPOINTS, BIGGEST IMPEDIMENT TO TRANSIT TRADE - GSA

A fact-finding trip on Ghana's transit corridors by the Ghana Shippers' Authority (GSA) has shown a continuous high number of checkpoints, raising concerns over its implications on transit trade.

On the Tema to Hamile corridor, while fifty-eight (58) Police checkpoints were counted in June 2018, the figure marginally reduced to fifty-five (55) in May 2021 consisting of fifteen (15) temporal and forty (40) permanent stops.

On the Tema to Paga stretch, while the exercise counted thirty-eight (38) temporal and thirty-seven (37) permanent stops totaling seventy-five (75) checkpoints in June 2019, the figure reduced to twenty-six (26) temporal and thirty-eight (38) permanent stops totaling sixty-four (64) in November 2020. This figure however shot up to sixteen (16) temporal and fifty-six permanent and six (6) Customs stops totaling

seventy-eight (78) checkpoints in October 2021.

According to the GSA, the figures recorded over the period are having a dire consequence on transit trade activities as they result in delays.

Per data from the trip, the average time spent at a checkpoint was about two (2) minutes. There were

about seventy-eight (78) checkpoints in total over the Tema-Paga distance under consideration and this translates to about one-hundred and fifty-six (156) minutes delay per trip. Also, the cost of inconvenience is very high due to the numerous checkpoints, the movement of trucks is slow and delays the journey.





Landlocked countries - Niger, Mali and Burkina Faso - using Ghana as their transit destination have complained of extortion from police checkpoints hampering smooth haulage of goods and increasing their transport cost.

The fact-finding trip noted that the number of temporary checkpoints increase when cases of armed robbery increase along the stretch. It also noted that many of the police checkpoints are not properly branded, therefore, the truck drivers are skeptical to stop considering the dangers of armed robbers.

The GSA over the years has advocated for a reduction in the number of checkpoints to facilitate the transit trade which would invariably contribute to the socio-economic growth of the country.

The advocacy has intensified because this is not a standard practice in any corridor management where monies are taken at Police or Customs or Immigration checkpoints along the corridor. However, this was

prevalent along the corridor as recorded by the fact-finding trip.

Similarly, the issues of bribes demanded by some police officers have a negative impact on the overall competitiveness of Ghana's corridor as well as the cost of transiting goods through our corridors.

Owing to the cost of delays and illegal payments made by drivers, Ghana's corridors are becoming uncompetitive. Consequently, the cost of freight is relatively high

compared to the neighboring West African Corridors. The concern among truck drivers is that on average, transit trucks are paying more in their overall cost in transiting goods across the corridors of Ghana. This is estimated at 35% higher compared to the West African corridor except for Nigeria.

The GSA says it will continue to engage the Ghana Police Service and other stakeholders over the concerns and hopes the numbers reduce drastically.







# GHANA RUBBER ESTATES LIMITED



## OUR HISTORY

Ghana Rubber Estates Limited (GREL) started as a small private plantation established by R. T. Briscoe in 1957, at Dixcove with a 923 hectares of rubber plantation.

In 1960, the plantation was nationalized into Agricultural Development Corporation (ADC) and then State Farms Corporation in 1962.

In 1980, the Ghana Government entered into a financing agreement with the CAISSE FRANÇAISE DE DEVELOPPMENT (CFD) now **Agence Française de**

**Developpement (AFD)**, to rehabilitate and manage the company's rubber plantation and to build a new rubber processing plant at Apimenim.

In 1996, SOCIETE INTERNATIONALE DE PLANTATION D'HEVEA (SIPH), became the major shareholder of the company.

SIPH is a subsidiary of SIFCA Group, which is an agro-industry leader in West Africa..

## ABOUT GHANA RUBBER ESTATE LIMITED (GREL)

GREL is a natural rubber producer and has a concession size of 21,747 hectares (ha) in Western, Central and Eastern Regions.

Every day, GREL undertakes its investment in a sustainable manner that respects the environment and the health and safety of its workers.

Its effort have been reinforced by various standards and certifications such as quality (ISO 9001:2015), environmental (ISO 14001:2015) and occupational health and safety (ISO 45001:2018).

As a high performing Ghanaian company, our Vision is to become a major actor in the sector of natural rubber in West Africa.



## FULLY COMMITTED TO RESPONSIBLE FARMING

GREL produces and processes high quality granulated and crumb rubber for international markets, in a sustainable approach which includes:

- Develop, support and empower rubber small holder farmers, in the most cost-effective manner.
- Protect the environment by generating minimum waste, disposing of it in accordance with national/international guidelines and promoting Health & Safety at the workplace.
- Discharge our social responsibilities to staff

*and the communities in a proactive manner.*

Our activities are based on tSIFCA Group's core values, which are **Responsibility, Ethics and Quality**.

Our Code of Conduct is essential to create the best possible framework for continuous performance improvement through our four commitments:

- Respect for people,
- Respect for partners and customers,
- Respect for the environment,
- Respect for shareholders

## COMMITTED TO SUPPORTING GOVERNMENT INITIATIVES

### 1. By providing sustainable Income to Ghanaian farmers

Since 1995, GREL in partnership with the Government of Ghana, Agence Française de Développement (AFD) and Kreditanstalt für Wiederaufbau (KfW), through Agricultural Development Bank (ADB) and National Investment Bank (NIB), has invested **€ 59M** to help about 8012 individuals to develop 30,155ha of rubber plantation under the Rubber Outgrower Plantation Project (ROPP) under five (5) phases.

In addition to the ROPP, GREL as Technical Operator, has also contributed to the development of 15,193ha for 1,650 farmers under its Self-Finance Outgrower (SFO)

Scheme and 3,675ha for 550 other private farmers.

### 2. By contributing significantly to the development of the industry in Ghana

GREL-APM, our rubber processing factory located at Apimenim (Western Region) produces 50,000T per Year.

In partnership with the Ministry of Trade and Industry under the **"One District One Factory"** Initiative in a new processing factory located at Tsibu in the Ahanta West Municipality of the Western Region. GREL also invested **€ 25M** in GREL TBU. This Factory has been established (MOTI) at Tsibu, produces 25,000T per year, expandable to 150,000T per year, from 2027.

## CORPORATE SOCIAL RESPONSIBILITY

GREL's core operations span 90 communities in 10 traditional paramount areas in the Western, Central and Eastern regions of Ghana.

In addition to the various infrastructure projects undertaken for the communities within EDUCATION, HEALTH, ACCESS TO POTABLE WATER... As of the end of June 2021, GREL has provided scholarships to 283 students in its operational areas for secondary and higher education.

We also organize vacation classes for 6000 children every year in its operational area, to create vocations for the agricultural jobs, a sustainable choice (or alternative) for the empowerment of young people.

Project Category	Number	Remarks
Education	29	School Buildings, Libraries, Staff Accommodation
Electrification	12	Donation of low-tension poles to communities
Health	11	Health Centres
Road	7	Rehabilitation / Reshaping of community Roads
Sanitation	25	KVIP
Security	12	Infrastructural / donations to security agencies
Social	17	Community centres
Water	10	Community water system



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## The Regime of Exclusive Economic Zone, EEZ

By Abdul Haki Bashiru-Dine, Ghana Shippers Authority

### I. Introduction

The EEZ is a thrive of unilateralism by developing States, a tribute to the legal tradition of Latin American and African States. It is a reflection of aspiration of developing States for economic development and their desire to gain greater control over their economic resources off their coasts, particularly fish stocks, which in many cases were largely exploited by distant waters fleets of developed States.

It is interesting to note that Chile devised a unilateral act similar to the Truman Proclamation on the Continental Shelf (CS) in relation to the living resources. This maritime zone was designed to exclude foreign fishing. Chile was not interested in the continental shelf resources because the western coast of Latin America goes down deeply and does not have the slope other States have.

The earlier idea of the CS predates Truman's declaration. There is practice in Latin America States i.e.

Argentina, who used the CS to protect their fisheries sector.

### II. Development of the EEZ under UNCLOS III

The Chilean government after promulgating its maritime zones it summoned Ecuador and Peru to a meeting where they jointly agreed to support the 200 nm maritime zone. This was later agreed by Costa Rica. Slowly, sub-regional initiatives formulating jurisdictional claims started arising particularly in relation to living resources. In substance, these States were trying to create a legal basis for exclusive exploitation of living resources.

The main problem was that the claims seemed to be dealing with sovereignty which was in fact designed to protect the fisheries and led to great problems with the traditional maritime powers.

At a meeting of the African-Asian legal consultative committee the Latin American countries

presented their idea. Kenya came up with the idea of a 200 nm Economic Zone. It formulated a proposal where sovereign rights, not sovereignty would be claimed over living resources. Latin Americans fused their proposal with the African one and when UNCLOS III opened some 80 states expressed their support for a 200 nm Economic Zone. This idea was strongly opposed by the United States i.e. USA, who thought it threatened their freedom of navigation.

At the early stages of UNCLOS III the drafters wanted on one hand to provide the Coastal State with total economic sovereignty and on the other hand a consensus. Thus, it was promulgated to provide sovereign rights so as to ensure that freedoms of navigation and telecommunications would not be infringed.

The EEZ became part of customary international laws in the late 1970s. The court in the





Libya/Tunisia judgment was rather cryptic recognizing the EEZ in a Delphic manner saying “it may be regarded as part of international law.”

In the Malta/Libya judgement International Court of justice (ICJ) had no hesitation to recognize the existence of the EEZ as part of customary international law. Although both countries requested a continental shelf boundary, given the potential of the EEZ the ICJ had to consider its proposed continental shelf boundary in the light of the right of each State to claim an EEZ.

The EEZ is a fundamental institution of maritime law dealt under Part V of UNCLOS.

### III. Legal status of the EEZ

The legal title for the rights claimed by the Coastal State under the EEZ is not based on geology but distance from the coast. The EEZ represents a contemporary solution to balance jurisdiction and the needs of the international community.

The EEZ does not have the history of the continental shelf where the State enjoys its sovereign rights ipso facto and ab initio.

When it came to the EEZ the drafters of UNCLOS III met and decided there needed to be a negotiation ab initio. A major challenge was that the EEZ covered also the subsoil of the zone.

According to Article 57, the EEZ extends up to 200 nm and covers both the water column and the seabed there under measured from the baselines from which the territorial sea is measured. Geographically the zone commences at the territorial sea baseline. Legally it commences at the end of the territorial sea so it is actually 188 nm.

### IV. Rights claimed

Article 56 provides a very convenient guide to the coastal State's rights.

The Coastal State may exercise under Article 56(1)(a) sovereign rights for the purpose of exploring, exploiting, conserving and managing the living and non-living resources and all economic activities in the EEZ.

Therefore, the EEZ in essence



allows the coastal State to nationalize all their economic resources. This is proof that the doctrine of “sovereign rights” contained in the CSC 1958 has crystalized in customary international law and was actually a successful transportation from the continental shelf regime to the EEZ.

Apart from the living and non-living resources the Convention grants rights for economic purposes i.e. energy produced high currents.

Regan stated in his Proclamation that new minerals suspected to exist in the water column having both an economic and strategic value to the USA could not be claimed unless the USA proclaimed an EEZ as they could not fall under the continental shelf.

Under Article 56(1)(b) the coastal State is granted jurisdiction with respect to:

- I. artificial islands, installations and structures.
- II. marine scientific research.
- III. protection and preservation of the marine environment.

Early drafts of Article 56(1)(b) contained the words exclusive jurisdiction, which was dropped and inserted in the title. Thus it is clear that jurisdiction enjoyed by the coastal State will at times be shared with the other States.



Article 56(3) stipulates the rights set out with respect to the seabed and subsoil shall be exercised in accordance with Part VI, which is the continental shelf regime.

This is an attempt to bring about the harmonization of the two regimes given the overlap between the two zones.

The drafters wanted to eliminate any conflict between Articles 56 and Article 77 with respect to rights over the continental shelf resources. They aimed to harmonize the two regimes. However, the Convention does not provide for sharing of continental shelf resources up to 200 nm.

Additionally, the history of the EEZ suggests that it has to be declared, meaning it is not automatic. Otherwise beyond the territorial sea there are only high seas. This is reflected both in State practice and judicial decisions.

In the Libya/Malta case the ICJ observed that “although there can be a continental shelf where there is no EEZ, there cannot be an EEZ without a corresponding continental shelf.”

In the Gulf of Maine case the ICJ stated that the two institutions were independent and autonomous but also interdependent.

Articles 76 and 77 both establish

200 nm as the outer limit of the legal continental shelf. This change in the continental shelf limits is another effort to incorporate the EEZ and harmonize the two regimes.

Also, the interdependence of the two zones may be seen from Article 60 on artificial islands of Part V on the EEZ, which applies *mutatis mutandis* to the continental shelf.

Main reasons states have not proclaimed an EEZ are:

- a. Serious delimitation problems.
- b. Sharing inefficiency.
- c. The two main resources oil and gas (CS) and fisheries (Exclusive Fishing Zone) are covered by other regimes.

## V. The juridical nature of the EEZ

There were three (3) views at UNCLOS III as to the juridical nature

of the zone. Its juridical nature is very important on settling disputes and the question of burden of proof.

- One view essentially considered that the EEZ should be an extended territorial sea where the state would enjoy sovereignty with some concessions to freedom of navigation i.e. innocent passage.
- The other opposing view considered the EEZ as part of the high seas.
- Another view, which was actually adopted by the Conference, was that the EEZ would be neither part of the territorial sea nor of the high seas but a zone *sui generis*, a zone in its own right.

The other component was to exclude the EEZ from the high seas. Unlike the definition of the high seas under the HSC 1958 UNCLOS does not use a geographic definition but states, which areas do not fall within the high seas regime.

Article 86 excludes the EEZ from the high seas regime. The provisions of Part VII on the high seas apply to all parts of the seas that are not included in the EEZ. Article 86 excludes the EEZ from the high seas regime saying concurrently with that expulsion however that this exclusion is not







meant to entail the abridgement of the freedoms granted under Article 58 on the EEZ regime.

Article 58 accords the rights and duties of other States in an EEZ. This of course deals with what was possibly one of the most sensitive areas of UNCLOS III. The traditional maritime states were not prepared to accept the EEZ unless they had proper assurances that the freedoms of navigation and communication were protected. The solution is an intricate but successful one.

Essentially, Article 58 reflects the contemporary division between the rights accorded to the state under Article 56 and the freedom of navigation and communication under Article 58, which are safeguarded in the most comprehensive manner.

If a function is related to an economic activity of the EEZ then the burden of proof is on the non-coastal State.

If we look at Article 58(1) we notice that three freedoms are protected namely:

1. Freedom of navigation.
2. Freedom of overflight.
3. Freedom of communication.

Article 58(2) essentially reintroduces the vast amount of rules applicable to the high seas in respect of the EEZ i.e. piracy, hot pursuit etc.

The first thing to note in respect of Article 58(1) is that in protecting the freedoms of navigation and communication the drafters referred to the text of Article 87 regarding subjects of the EEZ. This suggests that the drafters wanted to safeguard not just the freedoms but also their integrity. The drafters went further because they add the term other “international lawful uses of the sea” related to those freedoms. This is a very interesting term because it is suggesting apart from the reference to Article 87 that we should not be restrictive in respect of these freedoms regarding the EEZ.

The phrase “other lawful uses of the sea” was primarily designed to protect the military uses of the high seas. Many states argued that freedom of navigation did not include military maneuvers and conventional weapon testing. This clause was introduced to politely include these activities.

Article 58(3) states that in the exercise of their rights and duties, the international community within the EEZ will have to pay due regard to the EEZ rights and shall comply with laws and regulations of the coastal State in accordance with provisions of UNCLOS and other rules of international law insofar as they are compatible with the Convention.

It makes it clear that the quality of the freedoms enjoyed in the EEZ is not identical to those enjoyed in the high seas. The other States must provide due regard to the rights of the coastal States in contradiction with Article 87 on the high seas regime which does not have such a requirement.

The Virginia G [2014]: It shows how the EEZ has moved from a locational legal status to a functional legal status. You can have two boats in the same location attracting different legal regimes. The Virginia G was a vessel registered in Panama. Beneficial owners were Spanish. The vessel was caught providing bunkering services in the EEZ of Equatorial Guinea to fishing vessel authorized to fish in the EEZ but the Virginia G was claimed not to have a licence to supply such services. If it provided bunkering services to a cruise vessel i.e. Queen Elizabeth this would be considered an extension to freedom of navigation. The same vessel supplying bunkers to a fishing vessel in the same





location attracted a different regime. ITLOS said this fell to fishing legislation in an attempt of the coastal state to protect its living resources.

#### VI. The relationship between the EEZ and the Continental Shelf of the same state

After great deliberations the drafters in UNCLOS III agreed that it would be prudent to retain the autonomy and independence of the two institutions but given the overlap at least within 200 nm they devised a number of drafting devices that attempt to harmonize the relationship between these two distinct institutions.

It should of course be remembered that whilst under Article 77 of Part VI, the continental shelf sovereign rights are automatic and inherent to the coastal States, in case of the EEZ regime as evidenced by State practice the EEZ must be proclaimed, declared and legislated if the coastal State is to enjoy the extensive rights under the Convention.

Whilst the autonomy of both regimes seems the best course of interpretation there are provisions that seem to suggest that the drafters wished to harmonize the institutions. Perhaps the most important drafting effort to harmonize both regimes can be seen in Articles 76 and 57.

Article 57 establishes the maximum limit of the EEZ to be 200

nm measured always of course from the baselines and bearing in mind that the first 12 nm form part of the territorial sea which grants the coastal State under Article 2 legal sovereignty to the State over the waters, seabed and subsoil. In light of Article 7 the limits of the continental shelf in Article 76 departed from the geological criterion contained in Article 1 CSC 1958.

The distance principle was included in both Articles 76 and Article 57 granting legal title over continental shelf and EEZ up to a distance of 200 nm from the coast. Consequently, the legal regime over the continental shelf is based on the distance from the coastal *i r r e s p e c t i v e* of the geomorphological structure of the seabed and subsoil.

Additionally, in the case of the continental shelf like the EEZ even

the inner limit is *coincidental*, for the continental shelf is measured from the baselines but the first 12 nm of the seabed fall under the sovereignty of the State. Therefore, there is a coincidental continental shelf and an EEZ at least within 200 nm. Given this overlap clearly there is the potential of friction and contradiction.

Under Article 77 the coastal State is granted sovereign rights to explore the continental shelf and exploit its resources. These are *exclusive* in the sense if the coastal State does not exercise those rights no other state may do so. The EEZ regime grants different sovereign rights over the same continental shelf, seabed and subsoil. If we look at Article 56(1)(a) we see that within the EEZ the coastal State is given sovereign rights to conserve, manage, explore and exploit living or non-living natural resources.

It would appear that the sovereign rights under Article 56 are wider than they are under Article 77.

However, under Article 56(1)(a) the doctrine of sovereign rights is extended to living resources and such rights do not enjoy the exclusivity of continental shelf rights as determined in Article 77.

With respect to fisheries there is certainly an obligation to grant access to the so-called *surplus catch*. It is also true that this is an apparent contradiction for Article







56(3) which states that the continental shelf regime has to be applied. This would therefore seem to suggest that under the Convention through Article 56(3) there is a *fusion* of the two institutions. This would contradict the reality and hence the importance of understanding that the EEZ is optional whilst the continental shelf exists automatically.

Therefore, in Professor Attard's view Article 56(3) should be seen as an effort to harmonize the two institutions so as to ensure that even when a coastal State has declared an EEZ, the continental shelf regime continues to apply to the seabed and subsoil.

Judge Kroes in the *Gulf of Maine* case [1984] (USA v. Canada) in a Chamber of the International Court of Justice claimed that comparison of Articles 56-62 and Articles 73-74 with Articles 76-78, 81 and 83 on the continental shelf seemed to leave only one alternative. Either two distinct legal regimes or chaos.

Given the earlier birth of the continental shelf it is of course expected and natural that prior to the introduction of the EEZ there had been numerous treaties establishing the continental shelf boundary. Therefore, part of the chaos would have been what to do with these boundaries if the two institutions were fused. Logically

speaking, fusion would lead to the continental shelf boundary being transformed *ipso facto* into an EEZ boundary.

In Professor Attard's (Director, IMO-IMLI) view not all states would agree to this. There are a number of States that argue that the continental shelf boundary was delimited due to geomorphological and geological factors that had little to do with the water column. To impose such a boundary would negate the special circumstances that determine the boundary of the water column.

It may also be said that the determination of the EEZ boundary would be influenced by factors such as fishing and other ecological factors. Whilst we could argue that there exists a presumption in favour of coincidental boundary there is no obligation on a state to agree on one boundary in respect of both regimes.

United States and Canada found to their expense that when they asked the Chamber to establish a single boundary both states put a lot of pressure and resources into arguing in favour of factors such as geology, ecosystem and fishing habits.

The ICJ perhaps to their surprise claimed they were not concerned with geology as it only concerned

the seabed or fishing as it concerned the water column. ICJ said that it would only take into account *neutral* factors applicable both to the water column and the seabed such as geometry and geography.

If a State has as a priority the urge to utilize oil and gas deposits, then it may be better off asking for a continental shelf boundary rather than a single maritime boundary.

## VII. Conclusion

To conclude, although both regimes have autonomy, there has been an effort to harmonize them. The principal device that recognizes the interdependence, the overlap and consequently the attempt to harmonize the cohabitation of the regimes is Article 56(3), which applies Part VI on the CS to the seabed and subsoil on the EEZ.

Beyond Article 56(3) when it comes to artificial islands, the wording of Article 60 applies *mutatis mutandis* to the EEZ. The same limit of 200 nm of the continental shelf is used in the EEZ but with regard to sovereign rights the same degree of exclusivity applies to seabed resources under the EEZ. When we look at delimitation of both zones, Articles 74 and 83 provide similar rules and although they do not lead to a specified boundary there is a drafting suggestion that they should.

A final effort to harmonize the two regimes can be found in Article 246 which provides similar rules regulating marine scientific research both in the EEZ and the CS. This harmonization is important for it ensures in the implementation of the rules that once the regimes remain autonomous, the potential of conflict is reduced. Despite the considerable overlap, States are required to apply the CS regime even to the EEZ.

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## SPINnet cries for help for its Training Laboratory ...to support Ghana's budding fashion sector

For close to twenty (20) years, the SPINnet Textiles & Garment Cluster, Ghana's leading association of textiles and garment manufacturers has operated a centre/laboratory for the training and upgrade of players in the various sectors they belong.

The Centre built by the Government of Ghana and United Nations Industrial Development Organisation (UNIDO) in 2002 simply aimed to bring together like minds in the textiles and garment sector and provide training and support to improve their businesses and possibly export.

It was opened to new or already existing garment manufacturers, accessory makers, textiles producers, designers among others to upgrade their skills to meet international standards. It also assists small and medium enterprises in the garment industry to go into mass production.

It played an instrumental role in providing the requisite technical and production skills needed to support the implementation of the Africa Growth and Opportunity Act (AGOA). During that period thousands of people were trained to acquire creative skills or enhance their craft.

But the Center is today crying for assistance to be able to provide consistent support to persons who seek their services and increase the number of people they can train. Since its commissioning, it has received little or no equipment upgrade. The Center over its 20 years of existence has managed to use the same equipment; some have broken down beyond repairs.

President of the SPINnet Textiles & Garment Cluster, Samuel Dodoo in an interview with the Shipping Review said: "For years the Plotter Printer that was used by the Centre has broken down beyond updates or repairs. As a result, people who patronize our services have to use some manual means to create large and detailed images. We need help to get a new one for the Centre."

Other equipment needed to assist their operations include the flatlock, embroidery, herming and buttonhole machines.

He also said personnel at the Centre need training on modern software and also access to electronic platforms to ease the burden and help promote their works.

"We need access to the cyberspace

to engage in some e-marketing of our services and offers. Trainees here also need to be equipped with the use of current software like the Marvelous Designer which is a popular 3D software used by many artists to create dynamic 3D clothing" Mr. Dodoo said.

### Support offered

In recent times, attention on the textiles and garment sector has seen massive growth with many of the youth venturing into the sectors for a living. The Centre over the years has not only trained thousands of persons but to date, it offers artistically inclined persons the opportunity to make a living from their skill without even knowing how to operate a sewing machine.

The Administrator at the SPINnet Textiles & Garment Cluster Center, Benjamin Appiah in an interview with the Shipping Review called for help to rejuvenate its laboratory: "We have welcome fashion graduates from the Technical Universities and from the scratch we have taken them through our system and today they have become relevant in the nation's textiles and garment sector.

Till today we have people who dream about some designs and



Some trainees at work

come here and we assist them to make those imaginary designs come true because we have the expertise.”

### Membership

SPINnet Textile and Garment Cluster has a membership of close to 60 from different fields supporting each other. A reasonable number of members export their products to countries including the United States of America, Kenya and South Africa.

These exports have mainly been in small quantities and it is the hope of the President of the Cluster Mr. Dodoo that through some strategic collaboration with state institutions including the Ghana Shippers Authority (GSA), Ghana Export Promotion Authority (GEPA) they would move from small to large scale exporters.

For the different fields of the SPINnet Textile and Garment Cluster - the Garment and Apparel manufacturers comprise of contemporary, afro-centric and moderate – men, women, children clothing, uniforms, overalls, academic gowns, medical scrubs etc.

The Authentic African Prints manufacturers are made of Batiks, Tie-Dye, Wax Print, Screen Prints etc.

For home/interior Décor it consists of producers of curtains, bed sheets, table covers, chair backs, oven gloves etc.

While the fashion accessories manufacturers and handicrafts comprise makers of beads, necklaces, slippers, bags, millinery, artworks and canvas works.

### Ghana Shippers' Awards

Mr. Dodoo said the Association and its members have pushed for some recognition to bolster their operations. As a result, it was happy when its past President, Edwina Ama Assan of EDTEX Limited was recognized at the 4<sup>th</sup> edition of the Ghana Shippers' Awards. According to him, her award is of great inspiration and would motivate SMEs in the sector.

### Operation

SPINnet Textiles & Garment Training Laboratory located on the Accra Technical Training Center (ATTC) premises operates industrial textile and garment machines used for large production of which many players in the sector take advantage of.

These machines are also used to

train people interested in learning the craft. The Centre also has an incubator system that helps to train, support and set up persons who have funds and want to invest in the sector. Currently, it is running its incubator system with the Ghana Enterprises Agency (GEA) formerly National Board for Small Scale Industries (NBSSI).

### Brands Production

The centre is well known to support the creation and building of brand designs for persons who have an interest in the creative sector.

“Some people have the ideas but do not have the time or the skill to sit behind a machine to produce so they come to us and we have the ability to support such person.

Currently, we have seven (7) fashion brands under this Centre who are all into export. They do most of their production and design here with us” Mr. Dodoo said.

The Vision of the Cluster is to position the textile and garment industry as a significant contributor to the development of the Ghanaian economy through employment generation and revenue creation, particularly in the export sector.

It is also on a Mission to harness the efforts of Micro, Small and Medium companies in the local textile and garments industry for their collective growth and sustenance.



Some trainees at work





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## GHANA CAN BECOME A REGIONAL MARITIME HUB THROUGH DIGITALIZATION

By Chief Obosu Mohammed, DPA LL.B LL.M MCI Arb, Executive Director,  
Institute for African Maritime Development

The transition towards the digital revolution has spurred up the global maritime industry. Digitalization will enable nations to deeply engage in the global economy, resulting in improved developmental outcomes. The maritime industry is interconnected and digital technology trends will be necessary for competitiveness and efficiency. Digitalization is the new normal; it represents our maritime industry's present and future.

Ghana's strategic location within the sub-region must offer us the impetus to lead the maritime digital revolution agenda as part of our National Integrated Maritime Strategy (NIMS).

Digital technology will assist to streamline all parts of maritime transport such as cross-border processes including documentation, boosting our competitiveness, enhancing our attractiveness, eliminating port nuisances lowering carbon

footprint, improving our transit time, addressing concerns connected to cargo traceability at the terminal, communications between ships and port states, data sharing between port states, creating new business opportunities, improving safety, security and environmental concerns, enhancing port efficiency, transforming supply chains with a particular emphasis on port management systems.

The COVID-19 Pandemic has underscored the need for sustaining our maritime gateways, supply chains and economies through digitalization by reducing human interface. The maritime industry is critical to the supply of essential goods, energy products, and agricultural supplies, among other things. Any bottleneck in this supply chain will have far-reaching consequences for both the government and private sectors as well as the populace. These obstacles will contribute considerably to shortages of

essential items, increased prices, and in the near term, a slowing of economic growth and an increase in unemployment.

Many port states, particularly those in developed nations have made enormous strides toward the fourth industrial revolution by transforming their ports into complete smart ports. However, most developing nations continue to lag by depending primarily on manual port operations which are characterized by arbitrary decisions, corruption, undue delays, port inefficiency, and greater logistic and shipping expenses, all of which have a detrimental impact on the economy. If nothing else, the COVID-19 pandemic has taught us valuable lessons about over-reliance on humans in our everyday operations.

It is critical to emphasize that any port state within our sub-region that implements a fully-fledged digitalization program as a





strategic anchor to the growth of its maritime sector will reap significant economic benefits. It will be on the cutting-edge and will have a competitive advantage over its peers.

Ghana must leverage the advancement of technology to accelerate its digitalization drive in the maritime sector. We have made some progress in that regard so far, but there's more work to be done. For example, our premier maritime gateway, the Tema Port, has been able to provide a seamless Single Window system for all port users to effectively ensure ease of doing business. The Paperless Port System has essentially reduced human interface, reduced the turnaround time, eliminated duplication of examinations and inspections by various regulatory agencies, limited corruption and generally increased port efficiency.

This implies that both the import and export operations are now carried out through an online system that stores all pertinent key information in a database. It allows for the convenience of doing business without having to be physically present at the port area. This is because shipping line agents can remotely make bookings online even before their vessels call at the port, whereas freight forwarders can remotely get their invoices on the system, obtain the necessary import licenses and permits and even make payments before their cargoes arrive.

The Terminal Operating Systems (TOS) of the Tema Port, notably the

MPS terminal, also known as Terminal 3, are of world-class standard due to their extensive use of technology and automation in their cargo handling operations. Freight forwarders, truck drivers, and clients can schedule appointments using the Truck Appointment System (TAS) to acquire access to the MPS Terminal 3 at their convenience, as well as access to the system's database for personal information and available containers. The turnaround time for loading and unloading containerized cargoes at MPS Terminal 3 is three (3) days, which is comparable to any port in advanced countries. These digital and automated solutions can be extended to the other terminals at the Tema Port. It is an achievement that can be attributed to making the proper investment decisions through digitalization.

Takoradi port is likewise undergoing a massive transformation into a world-class port owing to advances in technology and automation. The

Keta port is also slated for similar development.

Given the increased trade volumes in our ports, the Ghana Maritime Authority, in collaboration with its Danish counterparts, will shortly implement E-Navigation to ensure safety inside our territorial waters and preserve life and property.

However, there are additional crucial spheres that we must explore to offer all-around digitalization for the development of our maritime industry. For instance, the use of technology such as low-cost sensors to relay information on the conditions of key infrastructures in and around the port area such as depots, terminals, roads, warehouses, railways, quay walls and so on by transmitting real-time data about the state or conditions of these infrastructure to enable port authorities to proactively carry out maintenance and repair works. This will greatly reduce the likelihood of unanticipated port downtime.

We can also deploy digital technological safety and security solutions to protect port personnel and assets through access control, video surveillance and analytics, behaviour analysis, anti-theft and anti-fraud, biometric identification, and sensor-based systems that can assist trucks and cargo-handling types of equipment to be properly positioned for safety and security reasons.





In terms of environmental protection and energy efficiency, motion-sensitive lighting systems within the port area can be used to reduce energy consumption levels, as air quality sensors, which allow for environmental and regulatory agencies to monitor and receive a real-time report on sulphur dioxide emission from vessels that call or leave the port can also be deployed.

As it is being done in advanced countries, drones for both air and submarine as well as sensors can be used to monitor marine traffic, evaluate infrastructure and examine seabed among other things, without interfering with port operations.

Growing digital integration, however, is not without risk. Cybersecurity is currently one of the most significant concerns confronting the maritime sector. Fortunately, Ghana is up to the challenge, having established the

Ghana Cybersecurity Authority through the Cybersecurity Act, 2020 (Act 1038) with the mandate to secure government businesses, and citizens from any cybersecurity threat or attack.

It is important to ensure that the considerable gains made within our maritime industry are consolidated and protected while we strive to achieve the full benefits of technological innovation through digitalization.

Ghana has the potential to become a maritime hub in our sub-region if we can demonstrate our political commitment to prioritizing the maritime industry and making the necessary investments and technological advancements.



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# Consolidating revenue generation efforts: The story of ICUMS

By Maclean Kwofi



# ICUMS

INTEGRATED CUSTOMS MANAGEMENT SYSTEM

Doing business at the country's seaports and land borders in the past was very daunting because of the bureaucracies and delays associated, especially, with the clearing process.

It was also saddled with many corrupt practices because in the importer's quest to break through the bureaucracies, the temptation to pay bribes and cut corners through various means was always high.

That was also one of the reasons why Ghana's ranking on the Ease of Doing Business Index, as per a World Bank report, was often low.

It was against this that the government in June 2020, as part of its desire to reduce the time and cost of doing business at the ports, curb corruption and the bureaucracies as well as to address the revenue mobilisation challenges which were apparent in the multiplicity of service provider platforms previously used by the Customs Division of the Ghana Revenue Authority, made a commitment to introduce a single platform dubbed Integrated Customs Management System (ICUMS).

## New port clearing system

ICUMS is a single service provider with an end-to-end automated customs operational and management system that efficiently aids clearing of goods at the ports and other entry points.

It is a departure from the previous system where 'valuation and classification' and 'risk management and payment' were handled by different entities.

The ICUMS replaced the then Ghana Customs Management System under GCNet and West Blue.

It was also introduced as part of efforts to further enhance the paperless systems and

single-window initiatives initiated to boost trade facilitation.

## The journey so far

The single platform came with some initial hitches as freight forwarders and some importers complained about inadequate knowledge about how the system would operate, but one and half years after, stakeholders maintained that it was a good system.

They said the pre-manifest declaration (PDM) procedures embedded in the ICUMS had provided room for importers and agents to clear cargo within a day, except in situations where they had unsatisfactory issues with the cargo examination processes.

With phase one, the ICUMS is reported to have yielded a positive result because the Customs Division of the Ghana Revenue Authority (GRA) has significantly improved on its revenue target for the past one year.

The revenue collection agency reported that the first three months [July 1 - September 26, 2021] into the deployment of ICUMS at the country's ports and frontiers, it raked in GH¢3.65 billion

The figure reported is GH¢825.88 million higher than the GH¢2.82 billion mobilised in the same period 2019 and GH¢388.31 million higher than the July-September 2018 revenue of GH¢3.26 billion.

It has introduced a regime where all customs penalties, service charges, taxes and duties generated with a tax bill number is paid directly into Customs account, a development that has reduced leakages.





Again, the new platform has successfully created a proper bond management system for suspense regimes. Procedures that require insurance bond or bank guarantees are captured in ICUMS to ensure revenues are secured for any suspended taxes on any cargo.

It has also provided an effective exemptions administration – Benefactor Tax Identification Number (TIN/GUIN) is registered and locked to the exempted amount approved by Parliament or the Ministry of Finance (MoF).

Relevant documents approved by appropriate authorities for exemptions are uploaded in ICUMS for all relevant stakeholders to view.

This means that unqualified individuals or institutions can no longer enjoy exemptions under ICUMS.

### Industry players' position

The Tema Vice Chairman of the Ghana Institute of Freight Forwarders (GIFF), Mr Johnny Mantey, in an interview to assess the one-year operations of ICUMS, said although the launch of the ICUMS was rough, it had performed quite well.

Mr Mantey, who is also GIFF's Technical Chairperson, said it was good for ICUMS to have extended its services to all entry points across the country. He said ICUMS presence had made revenue collection at Ghana's entry points easy and efficient.

The Executive Secretary of the Importers and Exporters Association of Ghana, Mr Samson Awingobit Asaki, stated that the introduction of ICUMS was in the right direction. He congratulated the technical team and management for the successful running of ICUMS.

"With all the pressure stakeholders mounted, they demonstrated to us that they were capable of delivering. They have been prompt in

responding to all our queries."

### Challenges

Just like other initiatives, the new trade facilitation initiative, ICUMS came with its own challenges that needed to be addressed.

Luckily, its challenges have been grouped into two main factors including system challenges and human factors.

One of the system challenges identified is the inability of the implementers of the initiative to link all customs sites to the ICUMS platform.

It is also sad to note that one and half years into its implementation there is still inadequate knowledge on how to use the ICUMS system (internal and external users).

This is the reason why there are often reports of declarants using the wrong customs procedures in the ICUMS.

### The Way forward

To sustain the initiative and further enhance trade facilitation, there is the need for the ICUMS team to constantly train Customs officers and external users to equip them with adequate system knowledge to enhance revenue generation.

The government should also collaborate with the public and the private sector players to consolidate the gains made so far with phase one of the ICUMS.

The challenges and problems associated with ICUMS should receive serious attention from the government and stakeholder agencies to make it more effective before phase two takes off.

ICUMS provide a platform for self-declaration and assessment by GRA-Customs. It is expected that declarants will declare true and accurate information for the government to raise more revenue to address the country's developmental challenges.







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