

Of Monsters and Narrow Corridors: The Ghana Maritime Authority

SHIPPING REVIEW

GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL



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- *Infrastructure and Logistics: Essential Elements in the Transport Development Strategy of Ghana*
- *Ghana's Maritime Transport Industry in 2004 - Some Landmarks*
- **Maritime Trade Review**
- *Destination Inspection of High Risk Goods - A Guide for Importers*

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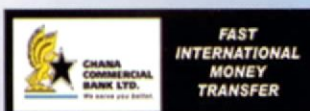
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Contents

	Page
● Of Monsters and Narrow Corridors: The Ghana Maritime Authority	3
● Ghana's Maritime Transport Industry In 2004 - Some Landmarks	10
● Shipping Terms	12
● Infrastructure and Logistics: Essential Elements in the Transport Development Strategy Of Ghana	14
● Maritime Transport Security: <i>Some Considerations for an Efficient Logistics System</i>	18
● Maritime Trade Review	21
● Vessel Movements	29
● Destination Inspection of High Risk Goods -A Guide for Importers	31
● Mariscape	35



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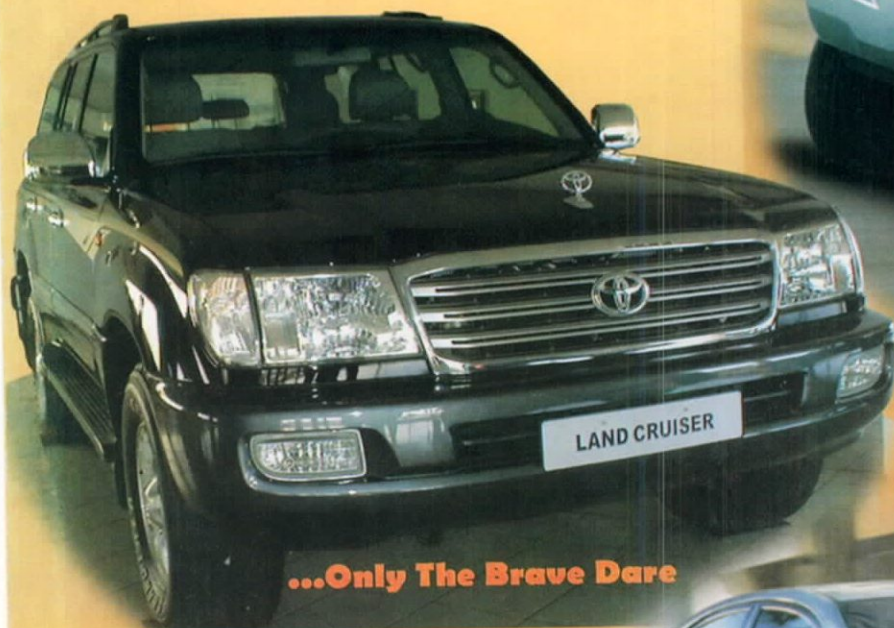
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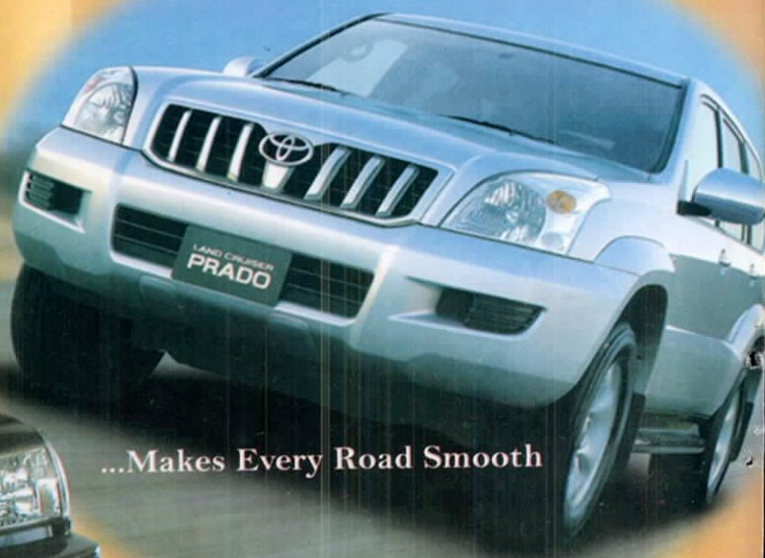
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OF MONSTERS AND NARROW CORRIDORS:

THE GHANA MARITIME AUTHORITY

By Kofi Mbiah, GSC

"Every legal order consists of a complex of norms which derive their obligatory character from a fundamental norm to which they all relate, directly or indirectly. The fundamental norm determines in this way, which norms compose a given legal order and gives unity to the whole". - Per the Italian Jurist, Anzilotti in his treatise, (corso di Diritto Internazinale 3rd edition; 1928, Vol. 1 P.43)

INTRODUCTION

The norm of Anzilotti may be a legal rule, custom or precept but more importantly, it must be seen as that wellspring which nourishes the unity of purpose of a given piece of legislation. The International Maritime Organisation (IMO) Convention of 1948 which entered into force in 1958 may for the purposes of this discussion be regarded as Anzilotti's fundamental norm or Hans Kelsen's grundnorm.

Thus, the thesis of this discussion can better be put in perspective when one examines the purpose of the IMO. It is to be noted that the IMO has called upon all its member states to set up maritime administrations with a view to executing its mandate on national basis.

The purpose of the IMO as summarised by Article 1 (a) of the Convention are:

"to provide a machinery for cooperation among Governments in the field of governmental regulation and practices relating to technical matters of all kinds affecting shipping engaged in international trade, to encourage and facilitate the general adoption of the highest practicable standards in matters concerning maritime safety efficiency of navigation and prevention and control of marine pollution from ships"

It is within the above context, that we examine the functions of the Ghana Maritime Authority having due

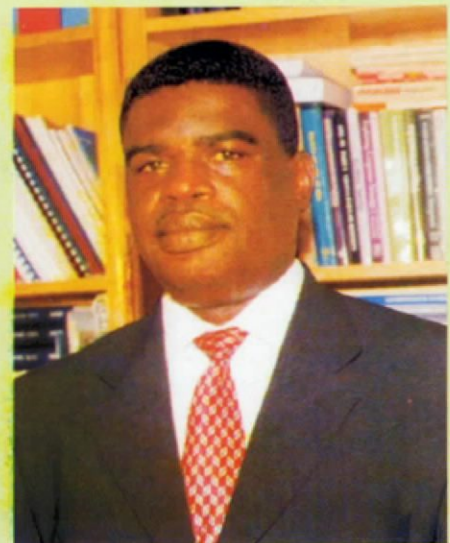
regard to the framework of Ghana's Maritime Industry.

Even though the broad divisions of International Maritime Transport is not the focus of this discourse, an excursus into the underlying parameters of the broad legal framework within which the Authority is expected to function, may serve a useful purpose. That broad distinction is, public international law and private international law as they pertain to international maritime transport.

International Law is defined by J.G. Starke in his introduction to International Law, 10th edition; page 3 to include, *"the rules of law relating to the functioning of international institutions or organisations, their relations with each other, and their relations with states and individuals."*

A large part of the law relating to the functions of the Ghana Maritime Authority is as a result of Ghana's membership of the International Maritime Organisation (IMO) by virtue of the country's accession to the IMO Convention of 1948. The IMO is a specialised agency of the United Nations. In a limited sense this could be said to form the gamut of public international law.

Farthing and Brownrigg in Farthing on International Shipping 3rd edition, page 1 encapsulates the closeness of the distinction in their explanation of the *"freedom of the seas"* (*mare liberum*). They assert that *"the*



The Author

Concept of the "freedom of the seas" has both a narrow meaning as a legal concept, namely the ability for all to Navigate the oceans and to enter and leave ports of other nations without let or hindrance; and the much wider connotation, namely the freedom to trade one's ships without interference in commercial operations by others, particularly foreign governments."

Thus, they recognise the distinction but also note that: *"both these concepts whilst distinct in themselves often as subjects of private or public international law have nonetheless been subject to various erosions"*

To my mind, despite the erosions and in some cases overlaps, there is nevertheless a very useful distinction between the public law of international maritime transport and the private law of same.

Without doubt, the more technical aspects of shipping ie navigation, safety, pollution control, engagement and welfare of seamen and matters relating to the law of the sea ie the oceans and its multifarious uses including its resources, have fallen to be dealt with within the ambit of public international law. See Gordon W Paulsen "A historical overview of the Development of Uniformity in international Maritime Law" (1983), *Tulane Law Review* Vol.57.

The other side of maritime transport dealing with the carriage of goods by sea ie by charter-parties or bills of lading, the ensuing conflicts arising therefrom and bordering on liens, mortgages, arrests of ships, marine insurance, general average, salvage, maritime claims generally and which is increasingly expanding to other aspects of the logistics chain, have fallen to be dealt with within the ambit of private international law.

The above serves to illustrate the broad legal classification between public law and private law with particular reference to international maritime transport. Thus, though there are areas of overlap, the broad distinctions that exist between the two areas, serve to define the content of operations of various bodies, local and international, that have to deal with matters relating to international maritime transport.

THE GHANA MARITIME AUTHORITY

Having dealt with the broad classifications it would be useful to set the tone for the discussion of the functions of the Authority, (be they in the ambit of public or private maritime law), by compartmentalising further these broad areas within the framework of the maritime transport industry in Ghana.

An appraisal in this context would put the industry in Ghana into four main sectors, viz, the Demand Sector, which is made up of users of shipping and allied services, and represented by shippers and their representative organisations.

There is also the Supply Sector which is made up of suppliers of shipping services ie shipowners, Port

Authorities, Terminal Operators and their representative associations such as Ship Owners and Agents Association of Ghana (SOAAG), Ghana Association of Stevedoring Companies (GASCO) etc.

Then there is the Regulatory Sector made up of Maritime Administrations and governmental agencies responsible for creating a regulatory and policy framework which encompasses capacity building. This indeed is where the Maritime Authority belongs. There is also the training institutions such as the Regional Maritime Academy (RMA) as well as the Ghana Merchants Navy Officers Association. (GMNOA), the Ghana Association of Marine Surveyors (GAMS), the Seamen Welfare Union etc. All these contribute significantly towards an efficient maritime transport system.

By no means least in importance is the Support Services Sector made up of shipping agents, freight forwarders, multimodal transport operators etc who provide service logistics for the business of maritime transport. These are also represented by associations such as The Ghana Institute of Freight Forwarders, (GIFF) Freight Consolidators Association, Customs Brokers Association of Ghana (CUBAG) etc.

Undoubtedly, all these sectors, even though belong to different segments and compartments of the industry, complement the efforts of each other to ensure a harmonious development of the industry.

With this broad categorisation, it is now appropriate to examine the Ghana Maritime Authority as a body belonging to the Regulatory Sector of the industry.

It thus becomes pertinent to ask whether the creation of the Ghana Maritime Authority in the year 2002 implies the absence of a regulatory framework for the industry all these years?

The answer obviously is no. The entire industry would have been in utter chaos if there had been no regulation at all all these years. Suffice it to say that there have been obvious shortcomings with regard to regulations which may have occurred

due to the absence of a well-structured Maritime Administration. Nonetheless, the Shipping and Navigation Division of the Ministry of Roads and Transport (as it then was) created in 1960, regulates various aspects of the industry through ship inspections (for safety purposes) recruitment, welfare of Seafarers, regulation of activities on the Volta lake, just to mention a few.

The Ghana Ports and Harbours Authority created in 1987 by virtue of PNDC 160 also regulates certain aspects of the industry including matters relating to berthing, stevedoring, shore handling etc. So also does the Ghana Shippers' Council through its enabling legislation, ie NRCD 254 of 1974 and PNDC 181 as well as LI 1347 regulate and provide other services to shippers through negotiations and monitoring, conditions of shipment, port charges and various aspects of cargo clearing procedures as well as the use of Ghana's corridor by the hinterland countries.

I have mentioned the Maritime Authority as falling within the regulatory sector of the industry.

Does this therefore imply that all forms of regulation within the industry should be the exclusive preserve of the Maritime Authority?

The answer is that the present law, Act 630(2002) provides the solution through its enumeration of the functions of the Authority. Consequently, while there are areas where the Authority would be involved in direct regulation, there are other areas where that role could best be played as a co-ordinator and advisor.

Needless to mention that the Ghana Maritime Authority is a creation of a Legal Instrument, the Ghana Maritime Authority Act 630 of 2002.

The role of the Authority in this regard would thus be seen clearly upon the examination of the functions enshrined in the said Act.

Being within the regulatory sector, could the Maritime Authority have been established for any other purposes apart from regulatory?

If an interpretation is placed on the functions as to widen its scope to include functions of other agencies the Authority would be unwieldy and become nothing other than a monster walking narrow corridors.

The 19 functions (a-s) assigned to the Authority under Section 2 subsection 2 of the Act requires us to ask the question? Is the Ghana Maritime Authority a new creation. If it is then why was it created?

The theory of social engineering as expounded by the renowned American, (Roscoe Pound) indicate that the enactment of legislation is normally designed to deal with a specific shortcoming ie fill a lacunae or to engineer social conduct in conformity with a desired design or to codify an existing precept or convention.

Speaking of the law as an instrument of social engineering, Justice J.N.K Taylor in his article on *Reforming the Law*, published in *Review of Ghana Law*, Volume 11, 1979, had this to say : "We can see in its purpose a systematic and organised process of behaviour directed at restoring, maintaining, advancing and creating social order and so in a functional way it contributes and is conducive in a deliberate manner to the resolution, avoidance and control of disorder and disharmony in society."

Even though the above, reflecting the essence and functionality of the law may not be on all fours with the *raison d'être* of the Ghana Maritime Authority Act, it nevertheless underscores the value of law reform. Thus if the Act is meant to reform the existing law on the subject then the argument that its interpretation should lead to achieving harmony in the industry, cannot be underestimated. The achievement of harmony and unity of purpose cannot therefore be attained without due regard to Anzilotti's fundamental norm. In this case the IMO Convention.

It is therefore useful to ask: are the functions listed in (a-s) in anyway shape or form entirely new or are they being performed by other bodies within the Maritime Transport

Industry in Ghana?

Is it the case that even though some of the functions may currently be performed by other bodies, Act 630 (2002) has been enacted to correct an existing anomaly or to streamline operations within the industry? As Roscoe Pound puts it: "*The law must be stable and yet it must not stand still*" Indeed this may be the underlying rationale for the creation of the Authority. i.e. to bring it in line with modern trends.

That is to say responding to the call of the IMO to its member states to set up appropriate administrative bodies to implement the various IMO Conventions and therefore bringing into being a new legislation, even though the Shipping and Navigation Division is already in existence.

CLASSIFICATION OF FUNCTIONS

- (a) Safety
- (b) Pollution
- (c) Security

These three principal areas encapsulate the functions normally undertaken by Maritime Administrations the world over and has for very many years been captured in the IMO slogan of safer shipper and cleaner oceans. Indeed, this slogan has only recently been modified following the events of 9/11 in the United States of America, to read **Safer, Secured and Efficient Shipping on Clean Oceans**, thus emphasising the three broad ingredients that underpin the role of the International Maritime Organisation ie safety, security and the protection of the marine environment.

It seems to me that these same tenets very much influenced the drafters of the Ghana Maritime Authority Law.

In the case of Act 630, it however goes further very much in accord with Maritime Authorities in other jurisdictions to institute the Authority

as the apex body that co-ordinates the activities of all the other agencies within the Maritime transport industry with a view to providing expert advice to the Ministry responsible for the sector.

Section 2, sub-section 2 (a)-(h) essentially mandate the Authority to deal with matters pertaining to Maritime Safety Administration. Indeed this is why for a very long time the nomenclature for the execution of this role was referred to as Maritime Safety Administration or Maritime Administration *simpliciter*.

The evolutionary process of the industry has of late introduced the concept of Maritime Authority (the apex body for maritime affairs) and Ghana's Maritime Authority has been fashioned along those lines.

To my mind it does not in anyway mean that the Authority is to usurp the functions of other agencies within the maritime industry. Indeed most maritime administrations the world over have had their functions spelt out having due regard to their historical developments. If an interpretation is placed on the functions as to widen its scope to include functions of other agencies, the Authority would be unwieldy and become nothing other than a **monster walking narrow corridors**.

To enable a proper appraisal of the functions, Section 2 sub-section 2 (a)-(h) are produced below *in extenso*.

Under object and functions of the Authority, section 2(i) states that the Object of the Authority is to REGULATE, MONITOR and CO-ORDINATE (my emphasis) activities in the Maritime Industry.

Section 2 sub-section 2 stipulates as follows:

- (a) implement the provisions of the Merchant Shipping Act, 1963 (Act 183)
- (b) ensure the safety of navigation;
- (c) fulfil flag state and port state responsibilities in an effective and efficient manner, having due regard to international maritime conventions, instruments and codes;

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- (d) deal with matters pertaining to maritime search and rescue, and co-ordinate the activities of the Ghana Armed Forces, the Port and Harbours Authority and any other body during search and rescue operations;
- (e) regulate activities on shipping in the inland waterways including the safety of navigation and inland waterways;
- (f) cause to be investigated maritime casualties and take appropriate action;
- (g) oversee matters pertaining to the training, recruitment and welfare of Ghanaian seafarers;
- (h) plan, monitor and evaluate training programmes of seafarers to ensure conformity with standards laid down by international maritime conventions;

It is clear from the above that the central thread in all the above has to do with **safety of navigation**. This indeed is one of the core roles assigned to the Ghana Maritime Authority which must be implemented by itself as an organisation.

Section 2(1)(i) is meant to give power to the Authority to deal with matters of marine pollution and the **protection of the maritime environment**.

It states:

- (i) ensure in collaboration with such other public agencies and institutions as the Board of the Authority may determine the prevention of maritime source pollution, protection of the maritime environment and response to marine environment incidence;

This provision is clear in its import and purpose and as pointed out earlier falls very much in line with one of the three pillars that hold the foundations of the IMO ie protection of the marine environment.

It is worth noting that because the Act was drafted before the events of September, 11 2001 which also culminated in the development of the International Ship and Port Facility Security (ISPS) Code, which is mandatory under Chapter X 1-2 of SOLAS 74 as amended, there is no direct reference to maritime security as regards the mandate of the Authority.

One must be quick to add that unlike safety which is provided for through the implementation of the Ghana Shipping Act 2002 Act 645, the protection of the marine environment is yet to be provided for by way of detailed legislation to ensure that the international legal regime for pollution prevention is localised by means of a comprehensive legislation.

The present writer is however aware that the IMO in November 2003 recruited a consultant who drafted a comprehensive legislation encouraging all the relevant IMO Conventions, Protocols and Instrument on marine pollution for Ghana

Suffice it however to say that a maritime security law which takes cognisance of the provisions of the ISPS code has been transformed in to the domestic legislation of Ghana by the passing of the Ghana Maritime Security Act, 2004, Act 675.

It is also to be noted that section 2(2) (q) is an omnibus clause that gives mandate to the Authority to advise government on maritime matters generally.

This wide mandate would thus include maritime security issues.

Section 2, sub-section 2 (k)-(q) are what must generally be referred to as the 'apex' or co-ordinating and advisory mandate of the Authority.

It is clear that the role of the Authority as captured under these subsections is rather wide. It seems to create a mandate of a general nature. Again for purposes of clarity, subsections k-q are produced below in-extenso:

- (k) assess the manpower needs of the maritime sector for national planning purposes;
- (l) liaise effectively with government agencies and institutions that deal with maritime transport and related transport matters for the purpose of achieving harmony in the maritime industry;
- (m) initiate research into national maritime transport development for effective planning and co-ordination;
- (n) ensure an efficient, cost and orderly provision of services in the shipping industry in line with

Government policies;

- (o) initiate action for the promotion establishment and development of private shipping lines;
 - (p) advise on policies for the development and maintenance of maritime infrastructure such as Ports and Harbours in the country;
 - (q) advise the Government on maritime matters generally
- From the above, it is thus clear that subsections (k-q) provide a mandate, very general in character, only to give credence to the Authority as an apex body for the maritime industry.

For example, an assessment of the manpower needs of the industry can only be appropriately and effectively done by the various agencies within the industry since they have all the information regarding their various outfits and the Authority can thus play the co-ordinating role.

The same would apply to matters relating to research especially as it appertains to the various fields of endeavour of the respective agencies. Matters of research into port operations, new trends and activities as they affect the operations of the Ghana Ports and Harbours Authority would better be conducted by the Port Authority itself.

The issues regarding quality and cost factors and the provision of other services as well as the development and maintenance of maritime and other port infrastructure can, again, best be handled by the agencies or organizations actually involved.

The Authority (GMA) would thus have to concentrate its efforts at co-ordinating all of these with a view to providing appropriate and timely advice to the Minister responsible for the maritime transport industry.

It is to be noted that most of the agencies within the industry have their Boards of Directors who have responsibility for formulation of policy and the general direction of their organisations and agencies. No attempt covertly or overtly should thus be made to whittle down their mandate and create unnecessary conflicts between Boards.

Sub-section (r) provides as follows: regulate the activities of shipping agents, freight forwarders and similar shipping services providers.

With all due deference to the drafters of this Act, the placement of this particular sub-section make it seem like an "afterthought provision". It would also have been useful if like other provisions it had provided a little elucidation as to the ambit of the regulations. Is the regulation to be in respect of their charges, the conduct of their business or their operations generally which is regarded as "their activities"? One needs to view this provision vis-à-vis the Custom House Agents (Licensing) Decree 1978 SMCD 188 and the Customs house Agents (Licensing) Regulations LI 1178 of 1978 which provides a regulatory frame work for the clearing and forwarding agents.

Coming immediately after an omnibus provision which gives mandate to the Authority to advise Government on maritime matters generally, it could be said to be misplaced from a drafter's perspective.

One can however note that this involves the activities of private companies operating within the port and thus some detailed regulatory framework would need to be put in place to ensure that a fair balance is achieved between the desires of privatization and the yearning dictates of protection for the vulnerable.

In analysing the functions of the Authority as enshrined in section 2 of the Act, one cannot be oblivious of section 2(2)(a) which charges the Authority to implement the provisions of the Merchant Shipping Act 1963, now the Ghana Shipping Act (Act 645) of 2003. It is significant that this is the first of the functions spelt out under the heading object and functions of the Authority.

The memorandum to the Ghana Shipping Act, (Act 645) 2003 states clearly that its purpose is to overhaul the Merchant Shipping Act of 1963 and to bring it into conformity with recent developments in the industry.

Thus, the core of the work of the Maritime Authority, stated without fear of contradiction, is to implement

the provisions of the Ghana Shipping Act, (Act 645) of 2003. Without doubt, the entire gamut of the Ghana Shipping Act deals with the issues of Maritime Safety Administration and some issues regarding the protection of the marine environment.

It is therefore clear that the maritime administration's focus is encapsulated in the IMO tenets of safe, secure and efficient shipping in a clean environment.

This therefore, would, in the main comprise the engagement training and welfare of seafarers, Registration of Ships, Collisions, Safety of Life at Sea, Search and Rescue, Wrecks and Salvage, Investigations into marine casualties and Marine pollution prevention. Article 94 of UNCLOS (1982) is indeed instructive here.

With the passage of the Ghana Maritime Security Act, (Act 675), 2004, the third limb of the IMO role expected to be implemented by the Maritime Administration, would be issues of maritime security. Indeed this mandate is given to the Authority under section 3(1) of the Ghana Maritime Security Act, (Act 675) 2004.

CONCLUSIONS

It is thus clear that if the fundamental norm i.e. the Convention of the IMO is that from which the Ghana Maritime Authority derives its nourishment then it indeed must determine the way in which the core functions are implemented in Ghana.

As pointed out in the body of this work, the main functions of the Authority has to deal with Safety, the Protection of the Marine environment and finally issues relating to Maritime Security.

The other functions ascribed to the Authority as mentioned earlier are mainly of a general nature and must not under any stretch of interpretation be seen to suggest that the Authority is to take over the functions of the other agencies and organisations.

As mentioned earlier, in the implementation of the Ghana Maritime Authority Law, we should be guided by our own historical antecedents. We already have well established and well placed institutions and organisations

performing their various roles under the direction of their Boards of Directors.

The creation of the Maritime Authority is not the establishment of an institution *de novo*. It is more of a reformation of an existing legal framework to provide it with the wherewithal and impetus to implement more efficiently and effectively the mandate of the International Maritime Organisation in Ghana.

In the process of reformation a mandate has been given to the Authority through the enactment to coordinate the affairs of the various agencies with a view to providing expert advice to the sector minister. This coordination which is of a general nature, is in a sense to insulate the sector ministry from active involvement with respect to the commercial operations of the industry.

It must be pointed out that it is such possible interference with commercial and economic matters which accounted for the long period of gestation of the IMO Convention of 1948. Nations feared that the IMO will be interfering with economic and commercial matters. This was viewed with suspicion by some developed countries, developing countries and the USA. The following countries made it clear from their declarations that they would take little or virtually no part at all in IMCO as it was then called unless it restricted its activity to technical matters alone - Greece (1959), Norway (1958), Finland (1959), Sweden (1959), Denmark (1959), Yugoslavia (1960), Poland (1960), Iceland (1960), Spain (1962) and Morocco (1962).

Finally therefore, it is to be noted that for the purposes of achieving harmony in the industry, the Ghana Maritime Authority Law must be seen as having been promulgated to restore maintain and advance the cause of a vibrant and competitive maritime industry in Ghana.

Any attempt at interpretation that stretches its functions to take over those of other agencies within the industry and invest it with unnecessary power would indeed narrow corridors. I shudder to think of what the effects would be.

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Ghana's Maritime Transport Industry In 2004 - Some Landmarks

The year 2004 being an election year was significant for the maritime transport industry.

The period spanning mid to end of year 2004 was characterised by the usual wait and see attitude that attends to general elections all over the world. This notwithstanding, the Country witnessed numerous events in the industry during the year. Some of the major events include:

Ministry of Port, Harbour and Railways

A major landmark for the Ghanaian maritime scene was the establishment of the Ministry of Ports, Harbours and Railways. For two years, the maritime industry operated under the new Ministry.

Its performance so far can be said to be commendable, especially when viewed against the backdrops of the intractable difficulties it had to contend with. It faced up to the difficult task of resuscitating the railway sector of its mandate.

The Ministry set out its strategic plan to embrace all the players in the maritime and railway industry. The strategic plan sought to achieve a well-developed and harmonious maritime transport industry, which would contribute meaningfully to the national economic development effort.

In the closing months of year 2004, the ports of Tema and Takoradi saw high levels of congestion due to a bumper harvest of cocoa which had to be exported. Indeed, the country registered an

unprecedented level of output of the Crop estimated at about 700,000 tonnes. This was good for the maritime industry as it provided return-pay-loads for shipping lines northbound.

Also significant was the shelving of the 'Free for All' concept as the final modalities for its implementation had not been well established.

Maritime Seminar for Judges

The Ghana Shippers' Council under the auspices of the Ministry of Ports Harbours and Railways and the Ministry of Justice and Attorney General organised the first maritime seminar for judges of the superior courts of judicature from 14 -15 May 2004 in Accra.

The purpose of the seminar was to create awareness for the bench and bar in the areas of maritime law to enable a better appreciation of the law. It was also to strengthen the nexus between maritime commercial interests and the judiciary.

The seminar served as a forum for bringing out the peculiarities of the practice of maritime law in Ghana with a view to seeking an enhancement through legislative and executive revision.

Distinguished maritime jurists, lawyers and experts of high acclaim and repute drawn from Ghana and the international maritime community made presentations at the seminar.

The seminar was well patronised with about 200 invitees participating.

Interstate Road Transport Convention Seminar (ISRT)

The Ghana Shippers' Council in collaboration with the GPHA and the State Insurance Company of Ghana organised a one-day seminar on the Interstate Road Transport Convention (ISRT) for all players in the industry with a view to facilitating the movement of transit cargo along Ghana's corridor.

The seminar was to raise awareness amongst the shipping public, import and export companies, transport owners and truck drivers, and other interest groups, including the media, of the provisions of the ISRT Conventions, as well as the critical importance of implementing it in Ghana.

Participants at the seminar raised pertinent issues including, inadequate storage affecting hauliers, inadequate parking space for transit trucks and Ghana's recommended axle load falling short of that stipulated in the ISRT Convention.

Following the seminar, a Standing Committee on the implementation of ISRT in the Ghanaian Corridor was formed. Its aim was to create a one-stop shop where complaints from stakeholders would be received, discussed and resolved through the agencies of the Committee.

Maritime Security

The passage of the International Ship and Port Security Code enjoined all Member states of the International Maritime Organisation to put in place the necessary legislative and infrastructural framework to give true

meaning to the tenets of the Code.

Ghana passed the Maritime Security Act (Act 675) in July 2004, put in place a maritime security committee and the ports took measures towards security infrastructural development. This involved the complete fencing of the entire perimeters of the immediate environs of the ports among other measures.

Ghana Maritime Authority

For many years there had been talk about the creation of a maritime authority for Ghana. The establishment of the authority finds expression in the Ghana Maritime Authority Act, Act 630 of 2002.

During the year under review, the President of the Republic of Ghana swore in the members of the Board of the Authority and charged it with ensuring the harmonious development of the Maritime industry in Ghana.

World Maritime University

The World Maritime University, based in Malmo, Sweden has been instrumental in building human resource capacity for the maritime industry in Ghana. In November of the 2004 the President of the University Mr Karl Laubstein paid a visit to the country and paid a courtesy call on the Vice President of the Republic. He visited a number of maritime installations in the country. His interaction with alumni of the University was most fruitful.

Takoradi Shippers' Centre

As part of its programme of taking shipping closer to the importer and exporter by ensuring a one-stop shop maritime centres at various locations in the country, the Ghana Shippers Council commissioned its ultra modern shippers centre in Takoradi to service principally the Central and Western Regions of the country.

MOU between Shippers Councils of Ghana and Mali

In May 2004 the Ghana Shippers' Council signed the third memorandum of understanding

(MOU) for facilitating transit traffic through Ghana's corridor to Mali. The first two MOU's were signed with other two landlocked countries of Burkina Faso and Niger.

The memorandum outlines areas of cooperation and support between the two shippers councils for the benefit of the economic operations of the two countries. It further seeks to promote the exchange of technical information and data on commercial and administrative procedures and relevant regulations in force in both countries.

'Free-For-All' System for Stevedoring Companies

The "Free-for-All" system as against the present quota system for stevedoring by the licensed stevedoring companies was yet again deferred as all the modalities for its effective implementation had not been put in place. The extension of the deadline from July 31 2004 to January 2005 was to enable young stevedoring companies to retool and equip themselves adequately to stand the competition that the free-for-all system would bring.

Celebration of World Maritime Day

Under the auspices of the Ministry of Ports, Harbours and Railways, the industry celebrated the annual world maritime day in accordance with the IMO calendar under the theme: Maritime Security. The theme was chosen to highlight the increased emphasis the IMO has placed on maritime security. The occasion was also used to launch Ghana's compliance with the provisions of the International Ship and Port Facility Security Code (ISPS).

IMO Technical Cooperation Committee

The IMO Committee that seeks to provide technical assistance to developing countries especially with respect to the implementation of IMO conventions in these countries, elected Mr Ben Owusu-Mensah, the Director-General of the Ghana Ports

and Harbours Authority as its chairman. It was noted during his election to the position that Mr Owusu-Mensah brings to the Chairmanship a wealth of experience in the maritime field and members expressed the hope and confidence that his tenure would see an even more acceleration of IMO Technical assistance to West and Central Africa.

Shippers Day

Import and Export Shippers all over the country converged in Takoradi to mark the 3rd National Shippers Day in November 2004. They used the occasion to appraise their contribution to the economic development of the country. It was also to seek ways to improve upon their performance and meet the challenges of the coming years.

SOAAG Charges

One sore landmark of year 2004 was the absence of a resolution of the Ship Owners and Agents Association of Ghana (SOAAG) Container Administrative Charges as the agreement reached for \$55 per transaction was not adhered to by SOAAG as they insisted on a fee of \$55 per TEU.

The issue of Container Administration Fee goes back to two decades ago, when port infrastructure and equipment were not up to the required standard to work in vessels that called at Ghanaian ports. Some shipping agents had to procure or hire additional handling equipment to work in their vessels and cargo ashore to enable them deliver the cargoes to shippers. The agents levied charges for the 'extra' service.

There was no transparency in the application of the cargo handling charges. Several shippers who fell victim to this extortion complained to the Ghana Shippers Council. Therefore, the Council in collaboration with the Ghana Ports and Harbours Authority and the Customs Excise and Preventive Service went into negotiation with SOAAG to streamline the charges.

Shipping Terms

CIP

Carriage and Insurance Paid tonamed place of destination.

Definition

CARRIAGE AND INSURANCE PAID (CIP) to means that the Seller pays the freight for the carriage of the goods to the named place of destination as well as procure cargo insurance cover against the buyer's risk of loss of or damage to the goods during the carriage.

Seller's Obligations/ Responsibilities

The Seller:

- 1) Should provide the goods and the commercial invoice. The goods should be in conformity with the Contract of Sale or any other evidence of conformity as may be stipulated in the contract.
- 2) Should obtain any export license or other official authorization from the relevant agencies concerned at his own expense. e.g. wood and wood products from Forest Products Inspectorate. (FPI) phytosanitary certificates from Ghana Standards Board for exotic fruits etc. in addition to carrying out all customs formalities necessary for the exportation of the goods.
- 3) Contract for the carriage of the goods to the agreed point at the named place of destination e.g. Tema, Ghana at his own expense. The contract should be on the usual terms by a usual route and in customary manner. Where the point had not been agreed upon or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.
- 4a) Obtain a cargo insurance cover as agreed in the contract to enable the buyer, or any other person having an insurable interest in the goods and provide the buyer with the insurance policy or other evidence of insurance cover.
- 4b) When requested by the buyer, he should provide at the buyers risk and expense, war, strikes, riots and civil commotion risk insurances if procurable which should be in the currency of the contract.
- 5) Deliver the goods into the custody of the carrier or, if there are subsequent carriers, to the first carrier for transportation to the named place of destination on the date or within the period stipulated.
- 6) Bear all risks of loss or damage to the goods until such time as they have been delivered as stipulated in the contract.
- 7) Pay all cost relating to the goods, until they have been delivered at the point of destination. Other incidentals are loading and unloading costs which may be included in the freight. Costs of Customs formalities as well as all duties, taxes or other official charges payable upon exportation e.g. GCNet, Shippers' Council charges etc.
- 5) Give the buyer sufficient notice that the goods have been delivered as agreed upon as well as any other notice required in order to allow him to take the necessary measures to enable him to take custody of the goods.
- 6) Provide the buyer with the usual transport documents (e.g. Negotiable bill of lading, non-negotiable sea way bill, air way bill, a multimodal transport document etc. at his own expense as a proof of delivery which could be customary or by an equivalent electronic data interchange. (EDI)
- 5) Pay the cost of checking operations such as quality, measuring, weighing and counting which are necessary for the purpose of delivering the goods as required. In addition provide packaging required for the transport of the goods where necessary and bear the expenses. Packaging should be marked appropriately.
- 6) Render any assistance in obtaining any documents other than the normal ones mentioned earlier, which the buyer may require for the importation of the goods and where necessary for their transit through another country, all at the risk and expense of the buyer.

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INFRASTRUCTURE AND LOGISTICS:

Essential Elements in the Transport Development Strategy of Ghana

By George E. Alorsor

Introduction

One of the cardinal objectives of any government is the development of transportation, which has been emphatically noted through time and space as an important catalyst to economic development.

A good transport system facilitates the movement of resources, products and people from one place to another for the purpose of meeting or satisfying one's or a community's needs. It has been noted by Hirschmann (1958) that a development process involves a complex interaction between human and material resources with investment in transportation offering the best possibility for developing other resources. In other words, an improvement in the transportation system of a country improves accessibility, reduces costs and has direct spatial relationship with other socio-economic activities in the country.

Transport development transcends the development and provision of physical infrastructure of roads, seaports, airports, railways, inland ports, inland waterways and logistics facilities such as warehouses, transit sheds, storage facilities.

It also involves development of the transport services (i.e. road haulage, shipping, air and rail services, forwarding services), the management and information systems to support the movement of goods, persons and services along the supply chain as well as the whole spectrum of government policy objectives, strategies and the regulatory framework put in place to achieve the above mentioned objectives.

Ghana's ability therefore to tap the huge resources she is endowed with will depend on the extent to which the country's transportation infrastructure and logistics are developed.

As an organization representing the interests of importers and exporters of this country, who are the major beneficiaries of the transport infrastructure, the primary concern of the Ghana Shippers' Council is how safely and securely shippers' cargoes are transported with minimum delay and at competitive cost.

This paper therefore aims to examine the transport infrastructure development situation of the country, identify the policy objectives being pursued by the government, strategies being adopted to achieve the strategy objectives and make recommendations for the way forward.

Evolution and Current Status of Ghana's Transport System

As already noted above, the main components of an efficient transport system include:

- a) the physical infrastructure and logistics facilities, etc.
- b) transport services and
- c) the overall management and information systems that support the movement of people, goods and services.

For the purpose of this paper however, I am limiting this discussion to the development of the essential elements of physical



The Author

Infrastructure and logistics facilities that necessarily have to be provided for use by the transport service providers for the movement of goods and persons from one point to another. We will examine the available capacities and the need to expand or develop new facilities to meet the needs of our growing population and economy.

Road Transport

Records available indicate that Ghana's road network grew rapidly prior to and just after independence in 1957.

However, from 1961 to the mid 1980's, there was a prolonged period of deterioration in the condition of the road network due to a drastic cut in funding for both routine and periodic maintenance as well as for construction of new roads. Consequently, under the Economic Recovery Programme (ERP) launched in 1983, the government, with considerable donor support, undertook emergency repairs and rehabilitation of parts of the country's transport network, among other reforms.

Thus in 1984 only about 15% of the road network was in good condition. In 1987, with support from the World Bank and other donors, the government developed the *Trunk Road Stabilization Programme* to bring the trunk road network to an acceptable condition by 1996. By 1994, however, when it became clear that the acceptable condition could not be attained by 1996, the programme was revised to achieve the desired condition by 2005.

Despite the above-mentioned shortcomings, roads provide the principal mode of transport in Ghana and carry some 95% of national freight traffic and 97% passenger traffic. The large share of road transport is due to the lack of capacity and poor service of the railway, and the fact that lake transport is constrained by the poor conditions of access roads and ferry ports.

By 2001, the road network which extended over 38,900 km through the country's ten administrative regions, was categorised into:

- Trunk roads - 14,750 km
- Feeder roads - 22,170 km
- Urban roads - 2,020 km

Some 7,700 km of the network are paved, 19,600 km are gravel while the remaining are earth roads.

Though road transport carries the major share of the transport load, the service offered, especially to users of containers, is barely adequate. This situation has been so for the following reasons:

- fear of container theft requiring deposits paid to the shipowner per container as security, and as test of consignee credit worthiness
- unsuitability of the road network for modern (5axle) tractor-trailer combination including, for example, the single carriageway, poor edges and potholes.
- high cost of vehicle and container recovery in the event of accidents, vulnerability to poor conditions in the rainy season and the risk of robbery
- lack of shipowner confidence in letting both his container and often his wholly-owned specialized tractor-trailers to proceed far inland on unsuitable trucks.
- inadequate equipment for

unloading or packing or unpacking containers at customer's premises

- difficulty of obtaining return export load leading to duplicated costs for the transport of a non-earning empty container back to the port
- no inland clearance depots or organized container packing or unpacking facilities.

Funding

It is a generally accepted principle in financing the maintenance and improvement of roads that the users of the vehicles operating on the roads pay at least for the variable costs (i.e. routine and periodic maintenance) and contribute as much as possible to the fixed costs (rehabilitation, reconstruction and administration).

The shortfall is then left to be filled from general government revenues and from loans and grants from donors.

Revenue from road users, through the *Road Fund* established since 1985 have only been able to pay for routine maintenance costs and part of the rehabilitation cost and have contributed nothing towards the fixed costs.

MARITIME TRANSPORT

The seaports of Tema and Takoradi have benefited from the Ports Rehabilitation Project launched by the government in 1986.

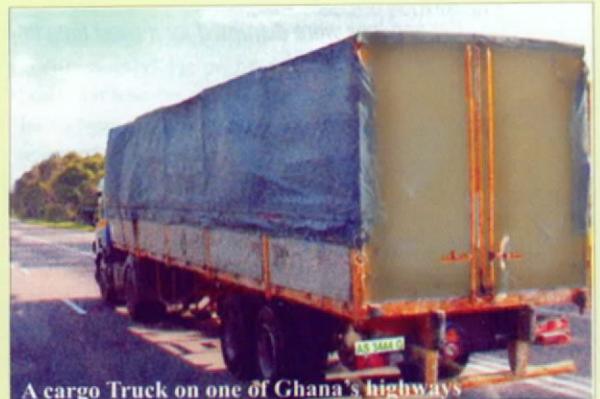
US\$110 million was invested with the support of Ghana's development partners to rehabilitate the then broken down infrastructure and to make them cope with the changing technology and trends in the international maritime transport industry.

The project involved the development and expansion of facilities for handling containerized cargo, frozen products and ro-ro cargo, as well as providing modern cargo handling equipment and other super-structural facilities to handle

all types of cargo efficiently.

The port infrastructure situation at Tema after the project was as follows:

- 12 multi-purpose berths with maximum draught of 9.6 meters
- 2 special berths for crude oil, alumina and pitch coke for (VALCO)
- 200,000 meter square container stacking area capable of holding 8,000 TEU's
- 290 reefer points for storing refrigerated containers
- facilities for berthing and handling ro-ro vessels
- 19,200 meter square ro-ro marshalling area
- 53,270 m.sq. covered storage area
- 97,200 m.sq. open storage area.



A cargo Truck on one of Ghana's highways

A wide range of specialized equipment was also made available including portal and mobile cranes, Top-lifters, forklifts trucks, cocoa conveyors, harbour crafts and others.

Takoradi Port improved its facilities position to:

- Nine berths of maximum draught of 9.5m (including one each for manganese, bauxite, oil and clinker)
- Four multi-purpose berths dedicated to handling containers and ro-ro vessels
- Seven buoy berths with maximum draft of 10.97 m
- 50,299 m. sq. of covered storage area
- 257,079 m. sq. of open storage area
- 100 reefer points for storing refrigerated containers



A cargo ship on the high seas

▪ Cargo handling equipment available at Takoradi include mobile and portal cranes, forklift trucks, reach stackers, ro-ro tractors/trailers, etc., some of which are provided by the stevedoring companies operating in the port.

Apart from the above, there are private warehouses in the port area. The port therefore has the capacity to store various types of cargo.

Rail Transport

As a mode of transportation, railways have played and can play an important role in the socio-economic development of Ghana. Rail transport has an advantage of bulk transport of export and import products. Also, effective cost per tonne per kilometre of using rail transport, is less than by road and the other modes.

The railway system in Ghana basically is limited to the southern and coastal regions, having been constructed before independence as the most important transport mode serving the country with annual volume of freight traffic during this period standing at 1.6 million tonnes and passenger traffic at 8 million. It was vital for the transport of Ghana's major export products and carried all the cocoa, bauxite, manganese, timber and logs to the port for shipment overseas.

In recent years, however, passenger traffic on the railways continue the downward trend as the figures for 1995 indicate 2.2m. This continued to drop to 599,000 in 2001, but rose again to about 2.4m in 2003. In contrast, the volume of freight traffic has seen an upward trend year after year; for instance, in 1993 total volume of freight traffic stood at 78 million tonnes and rose to approximately 187 million tonnes in 2003. This positive trend has been attributed to the procurement of high-density coaches and the rehabilitation of some wagons.

The use of rail in transporting goods in container has been minimal. Though the effective cost per tonne kilometre of using rail transport has been established to be less than by road, this mode has not been used at all for freight transport of containerized cargoes, for the following reasons, among others:

- Limited extent of the rail network;
- Poor service speed
- Lack of suitable flat wagons with twist lock pods;
- No railhead interchange facilities inland or at the ports
- No container handling or lifting or storage or packing facilities at inland stations.

These constraints impact heavily on shippers' day-to-day business as it affects the cost of moving their goods from one destination to another in the country by using other relatively expensive modes.

Inland Water Transport

Water transport competes with road transport to a limited extent for freight, and at present, even less for passenger transport. The Volta Lake offers a north-south stretch of more than 400 km of navigable waterway for large roll-on/roll-off barges and ferries. There are also East-West cross lake ferry services that are also roll-on/roll-off.

The Volta Lake Transport Company Ltd. (VLTC) operates freight and passenger service between Akosombo and Buie, a distance of about 415 km as well as cross-lake services, which are mainly used for local traffic. The VLTC operates a fleet of five ferry crafts for cross-lake service and two pusher tugs with seven cargo barges for the north-south route.

In recent years, the port facilities at Akosombo and Buie have been developed with improved cargo handling facilities

Including new large tanks to handle petroleum haulage. An oil pipe-line has been constructed to feed these tanks at Akosombo direct from the Tema Oil Refinery. The VLTC has dedicated and equipped two of the barges for transport of oil products.

Currently, the company handles about 63,000 tonnes of freight and 350,000 passengers annually. Studies carried out in the past have all demonstrated that potential demand for cargo and passenger transport on the lake is more than sufficient to justify the operation of the VLTC and considerable investment has been made in infrastructure and vessels. However, the VLTC has suffered financial losses over the past few years resulting mainly from the following causes, among others:

- reduced water levels causing limited access to ferry landing ramps which increased the cost and inconvenience of using the ramps
- the drop in water level also exposes rock hazards that force the stoppage of north-south traffic for almost 4 months in the year
- poor maintenance of access roads to the ferry ports which deters potential lake transport users

There is, however, already a significant degree of complementarity between road and water transport, in that, several road routes must cross the lake by ferry; there are five ferry crossings at Adawso, Kete Krachi, Yeji, Dambai and Oti. A limited amount of freight transport involving road transport has been arranged by VLTC and there are regular fertiliser movements from Tema to the North, which the VLTC arranges with hauliers at each end.

(To be continued in the next edition)



A cargo train

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MARITIME TRANSPORT SECURITY:

Some Considerations for an Efficient Logistics System

By Kofi Mbiah, GSC (Continued from the last edition)

Multimodalism

The advent of containerization brought in its wake multimodal transportation as it became more convenient to move unitized cargoes on various modes of transport, i.e., road, air, sea, waterway, rail etc. This has meant that the security challenges that confront the industry now go well beyond the port to the other modes of transport. A single container may travel by road, sea, and rail before it gets to its final destination.

The security concerns for such a container would thus not be limited only to the sea carriage, but to the other modes as well. The integrity of the entire chain of transport thus becomes essential. Security thus starts where containers are stuffed and ends where they are unloaded.

That is why security from the very source of production or procurement becomes critical, as well as its monitoring throughout the various modes.

Where new supply chain security and trade facilitation initiatives are adopted, this could lead to:

- (i) a drastic reduction in export control systems;
- (ii) acquisition of equipment and skills to exchange customers' data electronically, analyse such data using risk management systems and techniques, scanning consignments with a

view to ensuring minimal disruptions;

- (iii) strengthening the relationship between all supply chain participants including the regulatory authorities and industry.

A secured logistics chain would involve physical security, financial and information security.

Physical security was what was alluded to earlier as new supply chain initiatives that could, in the long run, be beneficial to maritime transport.

To ensure that physical security is attained, it is essential to protect structures, sites, factories, terminals, etc, from unauthorized access. This may be done through several ways: electronic entry system, automated intrusion detection systems, closed circuit television, scanners, etc. The physical transport unit, i.e. the container, must itself be protected, and so must the driver and the vehicle at all times.

The concept of the "smart container" or the use of electronic seals (e-seals) has gained currency and may be adopted as another physical security mode.

Non-intrusion examination through scanning is a physical security mode that is increasingly being applied at various terminals and ports.

Financial security relates more to

acts that seek to finance terrorism, drugs, and in recent times to shipment of human beings.

The profits from drugs and shipment of human beings are mostly sources of financing terrorists acts. Consequently, exchange of information in this regard is most appropriate.

The third limb of logistics security, which is increasingly becoming highly valuable is information. Information about shipments, when accurate and complete, and provided timeously to those who need it, has become an essential tool in logistics security. Such information provided to customs authorities and other governmental agencies becomes an essential data for the application of intelligent analysis.

Where the information is provided through the collaborative efforts of governments and related agencies and associations, over time, it may become a ready source of cargo profiling which may lead to the development of a "cargo DNA".

Information as a tool for risk analysis and risk management is thus an essential pre-requisite for any logistics security system. Where such information covers the life cycle of most shipments, it proves a ready database upon which decisions may be taken to facilitate maritime commercial transport, the payment of duties, etc.

Financing Security Costs

The most obvious issue that comes up for discussion in improving logistics chain security is the issue of added costs. Indeed there is no doubt that to execute an efficient logistics security strategy would have enormous cost implications. But one must ask, "what is the alternative?"

Governments may come to find to their dismay that the cost of non-compliance or the non-adoption of security measures can only be measured in exponential proportions.

The provision of physical security apparatus and gear, the gathering of intelligence information on terrorism and related acts, and the acquisition of relevant information on all shipments, no doubt, add to the cost of international transportation.

To put in place all the new systems, new measures in accord with a new maritime security strategy would undoubtedly make a dent, not only in budgets of most governments in developing countries, but could as well make the exports of such countries dearer.

The effects of non-compliance with the new security requirements of the international trade and transport systems could be catastrophic. In a research paper prepared by Volker Nitsch and Dieter Schumacher on "Terrorism and Trade" for the German Institute of Economic Research, they outline three key costs terrorism that could be encountered by a developing country such as ours. These are:

- (i) the cost of people and goods destroyed in a terrorist accident;
- (ii) the cost of increased security which translates into longer and longer processing times;
- (iii) the increased cost of doing business created by fear and decision.

In Ghana for example, a serious security breach (terrorism) at our ports and to our transport systems could not only cause widespread

death and damage to our limited infrastructure but also paralyse our international trade, as well as those of our landlocked neighbours who rely on our ports.

Ghana is gaining grounds in market share as far as the use of its corridor for the movement of transit traffic is concerned. Transit traffic through Ghana's corridor rose from a low of 50,000 tons in 1998 to about 657,466 tons in year 2003. A security breach as earlier referred to could dissipate this competitive edge as Ghana would lose the business to the other competing corridors of Lome, Cotonou and Abidjan.

Ghana's economy relies largely on international trade. Cocoa still remains the major foreign exchange earner for the country; the country largely relies on imports to feed its production processes as well as its consumption pattern. Government treasury relies on import duties for about 70% of its budgetary requirements.

It is thus clear that Ghana's international trade has a major impact on its economic development especially at this time when it seeks to attain middle-income status through export-led growth. Any disruption in the international trade and transport systems would be costly and detrimental to our economic and social development efforts.

Ghana is still building its infrastructure at very high expense in anticipation of increased traffic flow.

Any major security breach which affects the level of confidence reposed by the international security in our transport systems is likely to be disastrous, as it would completely erode our competitive edge and dash our Gateway dreams.

It is therefore imperative that Ghana undertakes a cost/benefit analysis for increased security with respect to its commercial maritime transport. Having done so, it needs to put in

place a strategic vision for the attainment of the requisite levels of security. A trade and transportation security strategy must be developed now.

The thrust of that strategy should involve amongst others:

- (i) training of personnel,
- (ii) acquisition of relevant equipment and gear,
- (iii) re-orientation of Customs and a shift of emphasis from enforcement to security protection.
- (iv) Collaboration with other governments and agencies for the sharing of information on shipments, etc
- (v) Education of all involved in the supply chain need to emphasize best practices in the movement of containers.

International Trade and Transport Efficiency can thus be achieved only through the collaborative efforts of Governments and international organizations. The ISPS Code is indeed welcome. Although it places emphasis on Ship and Port Security, it requires that security is holistic and transcends the Port and Ship interface.

Security along the entire supply chain thus becomes essential, from the moment goods are loaded all the way to the point where they are off loaded.

Governments have a leadership responsibility and industry and consumers also need to take the requisite steps and initiatives to ensure that within the confines of logistics security international transportation is not hampered.

There is no doubt that in many parts of the world, especially for countries that have awoken to the realization of their dependence on international trade, serious strategies are being put in place to reap the advantages of increased security in the entire transport chain. Soon a high level of security will be tantamount to being highly competitive.

In putting in place security measures, however, there is always the need to strive to achieve that delicate and intricate balance between the need to combat terrorism and the sovereignty of states. Even more important is the need to balance the security considerations with our maritime commercial interests, in particular the facilitation of trade and transport. Undertones of such a balance reverberate in the words of the UN Secretary General, Kofi Annan, when he said:

"We are all determined to fight terrorism and to do our utmost best to banish it from the face of the earth, but the force we use to fight it should always be proportional and focused on the actual terrorists. We cannot and must not fight them by using their methods - by inflicting indiscriminate violence and terror on innocent civilians including children".

Even though the above does not refer directly to commercial considerations the need for a balance is manifest.

Conclusion

From the above it therefore needs to be mentioned that following the unfortunate and gory events of September 11, 2001, there has been a new awakening within the international community that acts of terrorism could cause politico socio economic destabilization of catastrophic proportions, and that its effects could reverberate beyond the point of occurrence and indeed long after the event. The above thus show that acts of terrorism could rightly be regarded as "*hosties humani generis*" enemy of mankind. It is also clear that developing countries stand a higher risk of suffering in such situations.

In effect therefore, it may be said that even though the unfortunate events of September 11, 2001 visited a great deal of catastrophe on USA and humankind in general, and changed the way of life not only of USA but the world at large, it nevertheless provided the impetus for increased trade and transport efficiency. This is not to say that the World needed that kind of catastrophe to ginger it into action. It introduced for mankind new measures and new systems in technology, collaboration and the exchange of best practices that would streamline and improve trade and transport efficiency in a way never envisaged in recent times.



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MARITIME TRADE REVIEW

SUMMARY OF MARITIME TRADE STATISTICS

For the period January-December 2004, total cargo throughput for Ghana was 9,614,923 metric tons (mt). This comprised of 5,196,849mt of imports, 3,610,023mt of exports and transit cargo of 808,051mt.

Tema Port accounted for 77% of the total import trade including transit for the period, while Takoradi Port accounted for the remaining 23%.

This figure included transit import through Takoradi. For exports, Tema Port recorded 26% and Takoradi Port accounted for 74%.

For the period under consideration, the Liner trades constituted 46% of the Seaborne Import Trade while 54% were in the Bulks. Similarly, 33% and 67% of the export trades were in the Liner and Bulk trades respectively.

Summary of Ghana's Seaborne Trade

(Volume of Trade in Metric Tons)

	Imports	Exports	Total
Tema	3,976,874	943,179	4,920,053
Takoradi	1,219,975	2,666,844	3,886,819
Transit	792,290	15,761	808,051
Throughput	5,989,139	3,625,784	9,614,923

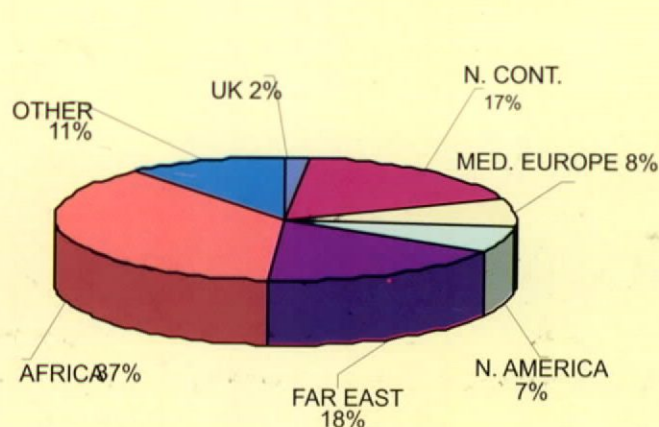
Direction of Ghana's Seaborne Trade

The largest proportion of Ghana's import traffic for the period January-December 2004 was registered on the Africa Range. Crude oil and clinker largely accounted for the imports in the Range.

Rice was the other major import commodity from the Far East Range. For the "Other" Range, which registered a share of 11%, of the total import, the single most important commodity was sugar. Figure 1 below depicts proportions of import traffic of all the Ranges.

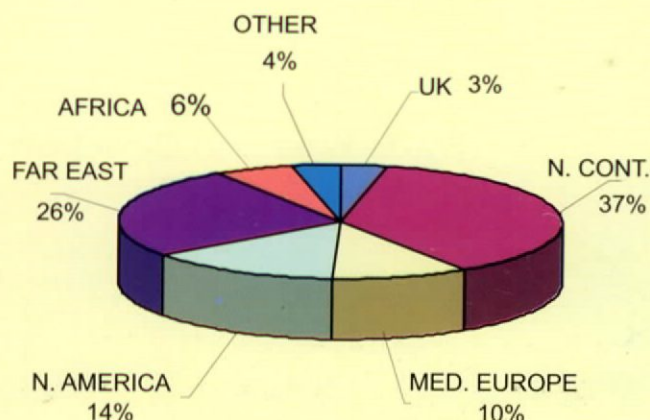
For the export trade, the North Continent Range was the most significant in terms of volume of trade. The major commodity exports to this trading range were cocoa beans, cocoa products, manganese and industrial machinery.

Manganese and sawn timber were the two major export commodities on the Far East Range, as shown in figure 2 below. Far East accounted for 44% of the total Manganese export for the year 2004.



Total Imports: 5,989,139mt

Fig.1



Total Exports: 3,625,784 mt

Fig.2

Handling of Seaborne Trade at Ghana's Ports - Comparison of Performance in 2004 to 2003

	TEMA			TAKORADI			TOTAL		
	2003	2004	(%) Change	2003	2004	(%) Change	2003	2004	(%) Change
Total	6,078,007	5,565,104	- 8.44	3,415,258	4,008,851	17.38	9,493,265	9,573,955	0.85
Imports	5,191,824	4,606,164	-11.28	1,062,256	1,342,007	26.34	5,298,080	5,948,171	12.27
Transit									
Liner	2,818,161	2,446,286	-13.20	213,109	289,207	35.71	3,031,270	2,735,493	-9.76
Dry									
Bulk	1,028,629	980,944	-4.64	791,936	980,627	23.83	1,820,565	1,961,571	7.75
Liquid									
Bulk	1,345,034	958,940	-28.71	57,211	72,173	26.15	1,402,245	1,251,107	-10.78
Exports	886,183	958,940	8.21	2,353,002	2,666,844	13.34	3,239,185	3,625,784	11.94
Transit							652,622	808,051	19.23
Liner	721,665	593,677	17.74	391,351	589,364	50.60	1,113,046	1,183,041	6.29
Dry									
Bulk	51,250	55,294	7.89	1,961,621	2,077,480	5.91	2,012,871	2,132,774	5.96
Liquid									
Bulk	113,268	309,969	173.66	0	0	.00	113,268	309,969	173.66

Trade-type and Direction of Ghana's Seaborne Import

(Volume of trade in metric tons)

Cargo-Type	UK	NORTH CONT.	MED. EUROPE	NORTH AMERICA	FAR EAST	AFRICA	OTHER	TOTAL
Liner	98,513	569,904	353,717	183,244	804,469	181,985	543,600	2,735,432
Dry Bulk	0	338,967	92,436	189,722	230,141	1,027,256	83,050	1,961,572
Liquid Bulk	0	120,696	10,466	40,882	8,422	1,017,599	53,041	1,251,106
Total	98,513	1,029,567	456,619	413,848	1,043,032	2,226,840	679,691	5,948,110

Trade-type and Direction of Ghana's Seaborne Export

(Volume of trade in metric tons)

Cargo-Type	UK	NORTH CONT.	MED. EUROPE	NORTH AMERICA	FAR EAST	AFRICA	OTHER	TOTAL
Liner	114,572	433,208	150,285	71,133	190,673	178,399	44,770	1,183,040
Dry Bulk	4,064	866,179	152,301	254,102	746,872	25,243	83,996	2,132,757
Liquid Bulk	0	560,96	59,554	180,338	0	9,243	4,737	254,528
Total	118,636	1,300,043	362,140	505,573	937,545	212,885	133,503	3,570,325

Performance in Ghana's Seaborne Trade Ranges

During the period under review, there were excess imports over exports on four of the trading routes. These were Mediterranean Europe, Far East, Africa and 'Others' trading routes.

On the UK, North Continent and North America Ranges, there were excess (in volume) of exports over imports. The major commodity exports to the UK were cocoa, bauxite and manganese.

As at the end of 2004, Ghana had registered an excess of exports over imports in the North America Range by 91,725mt. The most significant export commodity on this route was bauxite. Figure 3 beside portrays performance in the various ranges.

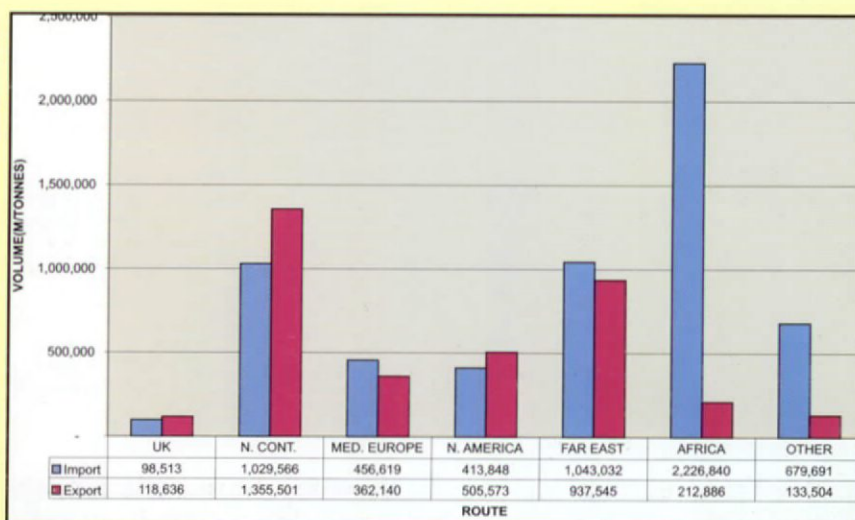


Fig.3

Transit Cargo

Total transit cargo that passed through the Tema and Takoradi Ports for the period January-December 2004, was 808,050mt as compared to 2003 total transit of 652,622 tm.

The major destination countries of Ghana's transit cargo were Mali, Burkina Faso and Niger. They accounted for 77% of the total transit trade for the period under review. Figures 4 and 5 depict some details.

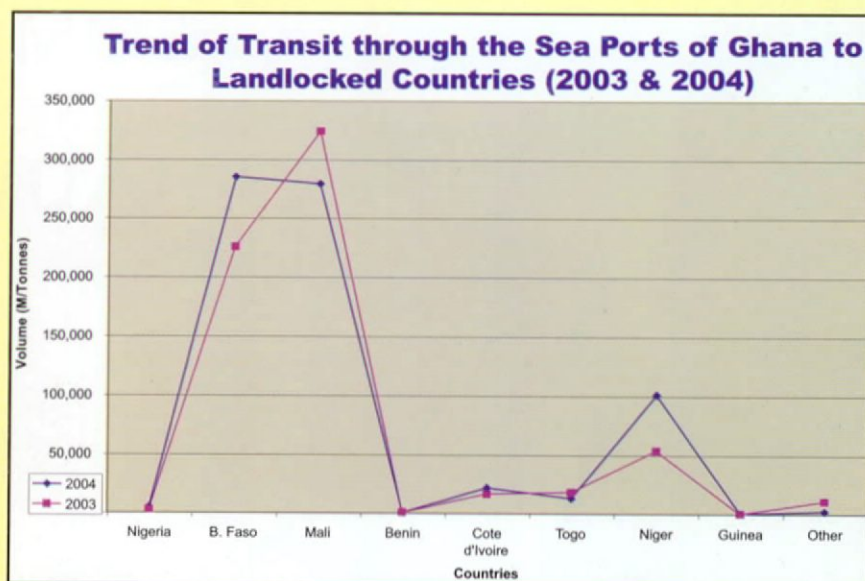


Fig.4

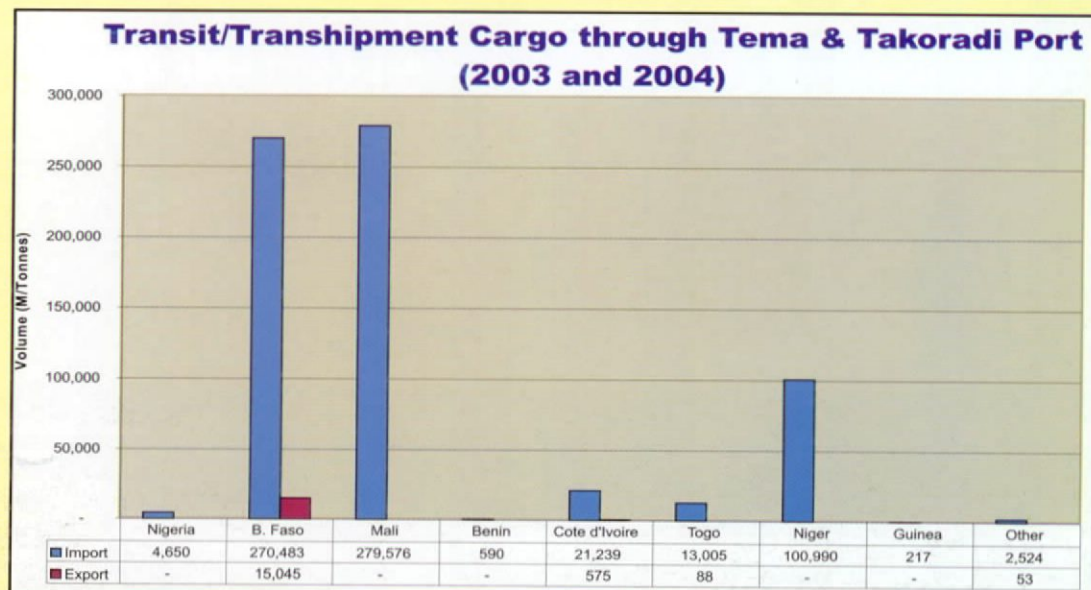
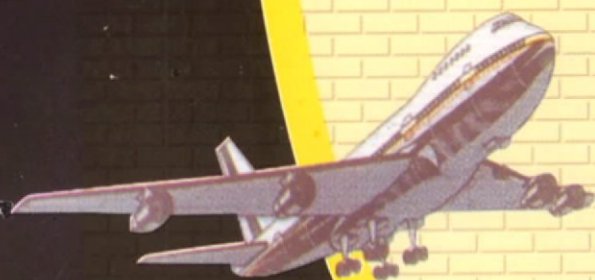


Fig.5

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+233-20-8156495
+233-27-7405773
Email: globalcargo@ghana.com

Location:
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Community 2, Tema
Opposite C2 Police Station

Other Branches: Opposite Cantonments
Post Office, Accra
Harbour HighStreet
Adjacent Fan Milk Depot
Takoradi

Performance of Shipping Agents

During the year, 24 shipping agents participated in Ghana's seaborne trade.

For the Liner trades, Maersk Ghana Ltd registered 27.32% of the total import and export trade. Supermaritime and SDV Ghana Ltd recorded 11.65% and 10.03% respectively.

For the Dry Bulk trade, Supermaritime recorded 45.04%

of the total trade. Hull Blyth and Maersk Ghana Ltd accounted for 39.86% and 11.22% respectively.

Gek shipping recorded the highest bulk liquid trade with 52.65%. Scanship Co. Ltd and Supermaritime accounted for 26.34% and 8.76% respectively. The table below provides details of the performance of the Shipping Agents in year 2004.

AGENCY	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
ANTRAK GH. LTD.	163,716	86,346	250,062	2.61
BLUE SEA	0	21,800	21,800	0.23
CROSS OCEAN	58,063	507	58,570	0.61
EFEDAN SERVICE	0	46	46	0.00
FAIRPOINT	6,508	0	6,508	0.07
GLOBAL CARGO	144,410	0	144,410	1.51
GMT SHIPPING	59,168	0	59,168	0.62
HULL BLYTH	245,051	141,384	386,435	4.04
ISAG	82,800	48,431	131,231	1.37
MAERSK GH. LTD.	758,699	311,885	1,070,584	11.18
MAP SHIPPING	102,245	0	102,245	1.07
MARITIME	136,937	25,776	162,713	1.70
OCEANIC RORO	60,936	32,510	93,446	0.98
OCEANLANE	112,697	0	112,697	1.18
PANALPINA GH. LTD.	35,612	37,530	73,142	0.76
PONWA	38,707	12,819	51,526	0.54
SCANSHIP GH. LTD.	189,853	52,617	242,470	2.53
SDV GH. LTD.	208,462	184,547	393,009	4.11
SEALANE	13,700	0	13,700	0.14
SETRANS	88,353	0	88,353	0.92
SUPERMARITIME	229,516	226,844	456,360	4.77
SUB-TOTAL	2,735,433	1,183,042	3,918,475	40.93
DRY BULK				
ANTRAK GH. LTD.	16,350	0	16,350	0.17
CROSS OCEAN	26,910	0	26,910	0.28
HULL BLYTH	1,632,029	0	1,632,029	17.05
MAERSK GH. LTD.	81,613	377,606	459,219	4.80
MAP SHIPPING	47,309	0	47,309	0.49
MARITIME	5,000	0	5,000	0.05
SCANSHIP GH. LTD.	5,405	51,231	56,636	0.59
SDV GH. LTD.	2,748	0	2,748	0.03
SETRANS	0	4,064	4,064	0.04
SUPERMARITIME	144,208	1,699,874	1,844,082	19.26
SUB - TOTAL	1,961,572	2,132,775	4,094,347	42.77
LIQUID BULK				
ADOM SHIPPING	3,036	0	3,036	0.03
ANTRAK GH. LTD.	36,941	0	36,941	0.39
BULK SHIPPING	29,912	0	29,912	0.31
CROSS OCEAN	9,939	0	9,939	0.10
GEK SHIPPING	821,828	0	821,828	8.58
HULL BLYTH	90,658	5,864	96,522	1.01
PANALPINA GH. LTD.	13,281	1,692	14,973	0.16
SCANSHIP GH. LTD.	114,152	297,095	411,247	4.30
SUPERMARITIME	131,360	5,318	136,678	1.43
SUB-TOTAL	1,251,107	309,969	1,561,076	16.31
GRAND TOTAL	5,948,112	3,625,786	9,573,898	100.00

Performance of Shipping Lines

There were 113 Liner Shipping Lines that participated in Ghana's seaborne trade during the period 2004.

For the Liner trades, Maersk Sealand accounted for a proportion of 27.20% of the total import and export trade. Delmas and Messina Lines followed this with proportions of 10.02% and 6.22% respectively.

For the Dry Bulk trade, Seacem accounted for 37.86% of the total trade. IMT Shipping and A/S Bulkhandling followed with 19.99% and 9.97% respectively. The table below provides details of the performance of the Shipping Lines in year 2004.

SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
K' LINES	394	0	394	0.00
ADM RICE INC	5,616	0	5,616	0.06
AFRICAN LEADER	0	2,500	2,500	0.03
ASCOT COMM	2,707	0	2,707	0.03
BALTIC MARITIME	1,771	0	1,771	0.02
BEACON SHIPPING	0	69,462	69,462	0.73
BRASMARINE SHIPPING	1,264	0	1,264	0.01
CANDURA DU BRAZIL	22,008	0	22,008	0.23
CHARTERING TRANSPORT	1,500	0	1,500	0.02
CHINA SHIPPING	32,239	0	32,239	0.34
CLIPPER ELITE CARRIERS	0	8,498	8,498	0.09
CMA/CGM	66,408	20,105	86,513	0.90
COFCO INTERNATIONAL	25,863	0	25,863	0.27
CONTI LINES	105,645	0	105,645	1.10
CONTINAF B.V.	0	7,500	7,500	0.08
COSCO	19,833	4,500	24,333	0.25
CSAV	59,277	1,226	60,503	0.63
DARYA SHIPPING	27,368	0	27,368	0.29
DELMAS	215,649	176,922	392,571	4.10
DENSAY	0	12,515	12,515	0.13
DOLE SHIPPING	22,219	45,279	67,498	0.70
DONG THAP COMM	22,495	0	22,495	0.23
ECOMARINE INT. SEATRADE	184	759	943	0.01
EMERALD SHIPPING	4,000	0	4,000	0.04
ESSCO MARITIME	5,200	0	5,200	0.05
EUROAFRICA	10,922	12,399	23,321	0.24
FALCON SHIPPING	14,000	0	14,000	0.15
FINISTERRE SHIPPING	3,595	0	3,595	0.04
GOLD STAR LINE	84,163	48,431	132,594	1.38
GRIMALDI LINES	60,935	40,988	101,923	1.06
GRMPO PORT BRAZIL	4,000	0	4,000	0.04
GST SHIPPING	69,786	0	69,786	0.73
GULF GLORY SHIPPING	0	723	723	0.01
IMT SHIPPING	0	3,000	3,000	0.03
INTER GLOBAL MARINE	18,000	0	18,000	0.19
J. MARR SEAFOODS	909	0	909	0.01
K/S ARIES SHIPPING	0	3,109	3,109	0.03
KIEN HUNG SHIPPING	31,687	5,111	36,798	0.38
L&C TRANSPORT	28,772	0	28,772	0.30
LOUIS DREYFUS	24,388	0	24,388	0.25
MAERSK SEALAND	757,915	308,063	1,065,978	11.13
MAGNOLIA SHIPPING	8,440	0	8,440	0.09
MARCON	14,152	0	14,152	0.15
MDM FERROMAN	0	46	46	0.00
MEDITERRANEAN SHIPPING	129,865	25,776	155,641	1.63
MESSINA LINES	157,652	86,127	243,779	2.55
MOSK	105,718	43,982	149,700	1.56
NATA CHARTERING	0	2,000	2,000	0.02
NATALIE NAVIGATION	0	13,600	13,600	0.14
NORDANA	592	85	677	0.01
OLDENDORFF	0	7,000	7,000	0.07
OTHER	190,883	10,087	200,970	2.10
P&O NEDLLOYD	39,232	12,819	52,051	0.54

Performance of Shipping Lines (continued)

SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
PASIFIC INT'L LINES	77,541	22,210	99,751	1.04
PORTCO SA	880	0	880	0.01
PORTSIDE SHIPPING	1,695	0	1,695	0.02
ROYAL BOW CO.	11,710	0	11,710	0.12
S. BACO LINER	0	44,505	44,505	0.46
SAFMARINE	783	3,916	4,699	0.05
SEABOARD	0	5,999	5,999	0.06
SEATRADE	15,342	0	15,342	0.16
SOAFRIMAX	104,530	0	104,530	1.09
SPLIETHOFF	139	64,800	64,939	0.68
STAR REFFER INC	0	2,828	2,828	0.03
T.K.B SHIPPING	7,700	0	7,700	0.08
THS ARBO-NORWAY	480	0	480	0.01
TMM LINES	410	0	410	0.00
TRAMPS	10,000	0	10,000	0.10
TSAKOS SHIPPING	500	0	500	0.01
UNICARGO	0	800	800	0.01
UNISHIPPING	6,998	0	6,998	0.07
UNITED AMERICAS SHIPPING	4,246	0	4,246	0.04
VERTOM	0	59,779	59,779	0.62
WEST AFRICA LINES	76,842	5,594	82,436	0.86
WEST COAST FROZEN	5,383	0	5,383	0.06
WVP SHIPING-PANAMA	4,000	0	4,000	0.04
YARA INTERNATIONAL	9,000	0	9,000	0.09
SUB-TOTAL	2,735,425	1,183,043	3,918,468	40.93
DRY BULK				
ASTRAL SHIPPING	0	25,600	25,600	0.27
BUENA FORTUNE MARINE	0	26,244	26,244	0.27
A/S BULKHANDLING	0	408,358	408,358	4.27
CLIPPER ELITE CARRIERS	0	2,820	2,820	0.03
CROLINE SHIPPING	0	6,667	6,667	0.07
DASIN SHIPPING	15,000	0	15,000	0.16
DELMAS	8,748	0	8,748	0.09
DENSAY	20,150	185,951	206,101	2.15
DOLE SHIPPING	6,900	0	6,900	0.07
EUROAFRICA	5,405	24,696	30,101	0.31
GULF SOLAR SHIPPING	0	7,508	7,508	0.08
IMT SHIPPING	0	818,278	818,278	8.55
INCE SENIZELIK	0	41,478	41,478	0.43
KYN SHIPPING	0	28,483	28,483	0.30
LAURITZEN	0	80,201	80,201	0.84
MERADA TRANSPORT	184,788	0	184,788	1.93
NORDEN	23,500	338,776	362,276	3.78
ORIEND	19,045	0	19,045	0.20
OTHER	65,420	13,603	79,023	0.83
PLY TRD.	17,000	0	17,000	0.18
SCANCEM	1,550,083	0	1,550,083	16.19
SEABOARD	1,333	5,855	7,188	0.08
SHIVNATH RAI	19,300	0	19,300	0.20
SOUTHERN CHATERING	0	15,782	15,782	0.16
SOUTHPOST AGEN	15,450	0	15,450	0.16
SPLIETHOFF	9,450	51,039	60,489	0.63
VERTOM	0	35,744	35,744	0.37
WHIM SHIPPING	0	16,051	16,051	0.17
SUB - TOTAL	1,961,572	2,133,134	4,094,706	42.77

Performance of Shipping Lines (continued)

SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LIQUID BULK				
ARNOD AGENCIES BV	29,679	0	29,679	0.31
BNP PARIBAS	0	5,864	5,864	0.06
DANNBROG REDERI AS	500	710	1,210	0.01
E.N.E.A.	20,570	0	20,570	0.21
JO TANKERS	23,051	0	23,051	0.24
N.N.P.C.	821,828	0	821,828	8.58
PETROBRAS	29,912	0	29,912	0.31
SHELL INTERNATIONAL	12,235	0	12,235	0.13
SMB	26,461	0	26,461	0.28
TRAFIGURA A/S	83,758	0	83,758	0.87
VOPAK	23,800	0	23,800	0.25
SUB-TOTAL	1,251,104	309,969	1,561,073	16.30
GRAND TOTAL	5,948,101	3,626,146	9,574,247	100.00

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VESSEL MOVEMENTS

FOR THE PERIOD 1st APRIL TO 31st MAY 2005

VESSEL	AGENCY	ETA TEMA	ETA T'DI	DESTINATION
ASIA STAR	ISAG	01-04-2005		FAR EAST
MAERSK VENTSPILS	MAERSK/SAFMARINE	03-04-2005		MED/FE/CONT/USA
MAERSK ARKANSAS	MAERSK/SAFMARINE	03-04-2005		MED/FE/CONT/USA
MERKUR	MAERSK/SAFMARINE	03-04-2005		USA
ELLEN M.	HULL BLYTH	03-04-2005		EUROPE/MED/CONT
NORITA	HULL BLYTH		03-04-2005	NORTH CONTINENT
ROLAND DELMAS	SDV - GHANA		04-04-2005	UK/NORTH/SOUTH CONT.
CASTOR	ELDER DEMPSTER	05-04-2005		FAR EAST
NORITA	HULL BLYTH	06-04-2005		CONT/MED
MOL NIGER	SCANSHIP	06-04-2005		FAR EAST/AUST
DELMAS SYCAMORE	SDV-GHANA	07-04-2005		MED/CONT.
GABY DELMAS	SDV-GHANA	07-04-2005		FE/AUST/CONT
ROBERT RICKMERS	MAERSK/SAFMARINE	07-04-2005		MED/FE/CONT/USA
STJERNEBORG	ELDER DEMPSTER	07-04-2005		WEST AFRICA COAST
KUMASI	SDV-GHANA	08-04-2005		UK/NORTH CONT
ECO DANI	ELDER DEMPSTER	09-04-2005		WEST AFRICAN COAST
LONDON TOWER	BLUE FUNNEL	10-04-2005		FAR EAST
OCEAN HOPE	PANALPINA	11-04-2005		FAR EAST
CURITIBA	HULL BLYTH	11-04-2005		CONT/USA/MED
ZHEN HUA 9	SCANSHIP	12-04-2005		FAR EAST
CEC ACCORD	MAERSK/SAFMARINE		13-04-2005	WEST AFRICAN COAST
HARMONY	MAERSK/SAFMARINE	14-04-2005		MED/FE/CONT
NICOLAS DELMAS	SDV-GHANA	14-04-2005		UK/NORTH CONT
PONL TESLIN	NEDLLOYD	14-04-2005		FAR EAST/AUST
CONTI ASIA	ISAG	15-04-2005		FAR EAST
DELMAS KERGUELEN	SDV-GHANA	15-04-2005		CONT/MED
ROSA DELMAS	SDV-GHANA		16-04-2005	UK/NORTH ? SOUTH CONT
CAROLINE DELMAS	SDV-GHANA		17-04-2005	UK/NORTH ? SOUTH CONT
JOLLY SMERALDO	ANTRAK-GHANA		17-04-2005	EUROPE/MED
MSC JAVA	MARITIME	17-04-2005		MED/FE/CONT/USA/SA/AUST
SPRINGBOK	AFRICAN STEAMSHIP	17-04-2005		FE/AUST/SA/AMERICAS
CONDOR	MAERSK/SAFMARINE	17-04-2005		USA
MOL RAINBOW	SDV-GHANA	17-04-2005		FAR EAST
HARMONY	MAESRK/SAFMARINE		18-04-2005	MED/FE/CONT/USA
CEC ACCORD	MAESRK/SAFMARINE		20-04-2005	WEST AFRICAN COAST
MSC CAMEROUN	MARITIME	20-04-2005		MED/FE/CONT/SA/USA/AUST
ROVANE DELMAS	SDV-GHANA		21-04-2005	UK/NORTH ? SOUTH CONT
PANAMA	PANALPINA	22-04-2005		FAR EAST
MSC TOULOUSE	MARITIME	22-04-2005		MED/FE/CONT/SA/USA/AUST
SAFMARINE DOULA	MAESRK/SAFMARINE		23-04-2005	MED/FE/CONT/USA
MAERSK ARKANSAS	MAESRK/SAFMARINE		25-04-2005	MED/FE/CONT/USA
JULIE DELMAS	SDV-GHANA	26-04-2005		UK/NORTH CONT
CEC ACCORD	MAERSK SAFMARINE		27-04-2005	WEST AFRICA COAST
DELMAS ALOE	SDV-GHANA	28-04-2005		UK/NORTH CONT
FLORA DELMAS	SDV-GHANA	29-04-2005		FAR EAST

Continued on page 33



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- You will be provided with skills to match current trends and challenges in administration and management practices in maritime business and allied industries;
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- You will learn about the whole spectrum of engineering activity hands-on and be enabled to apply engineering principles in the solution of problems;
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For further enquiries please contact: The Registrar, Regional Maritime Academy, Accra, P. O. Box GP 1115, Accra. Tel/Fax: 233-21-14070/712343/714070.

Email: regisrma@africaonline.com.gh or prinerma@africaonline.com.gh
Website: www.rma-edu.com



CAMEROUN



THE GAMBIA



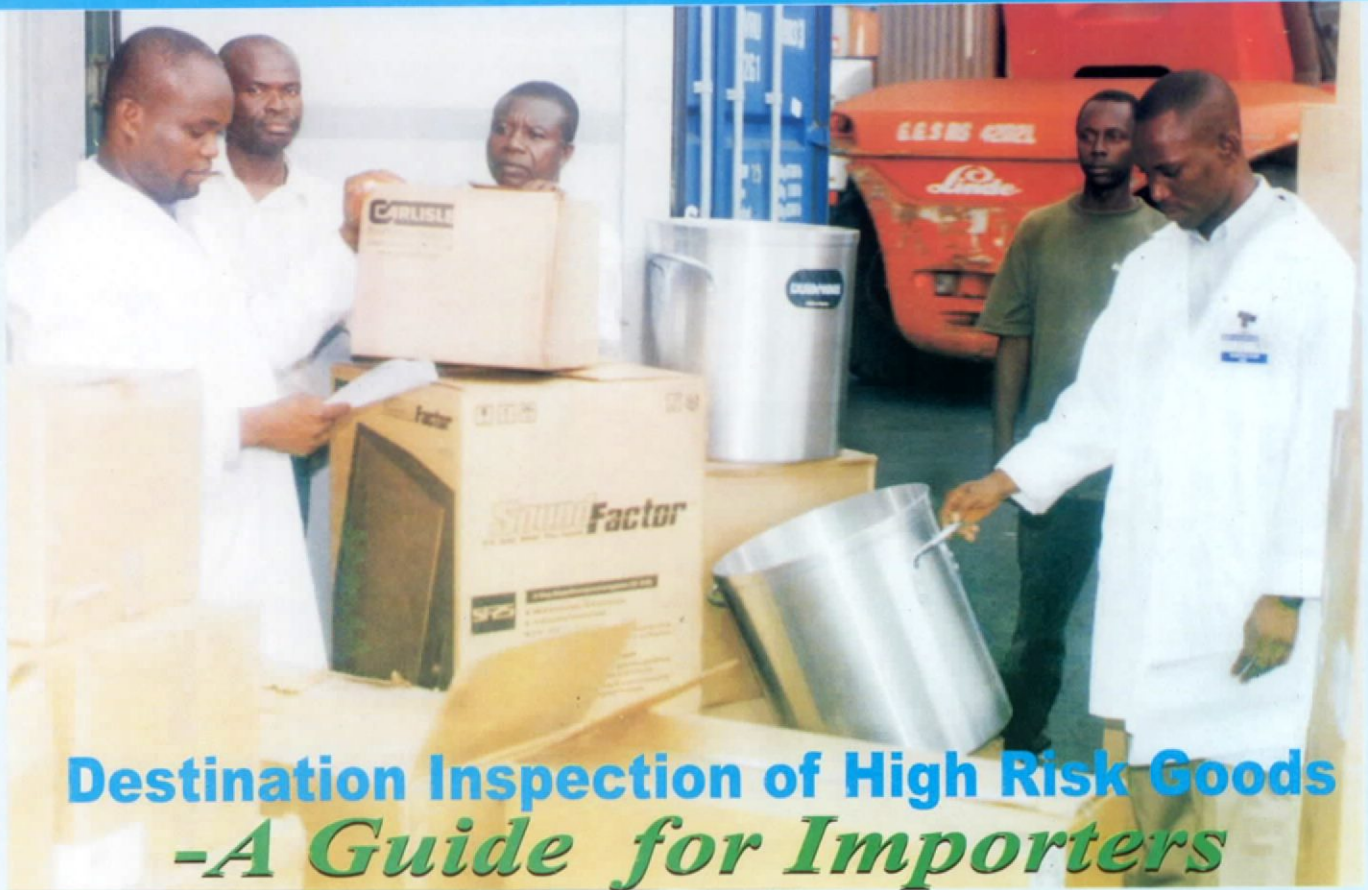
GHANA



LIBERIA



SIERRA - LEONE



Destination Inspection of High Risk Goods -A Guide for Importers

The role of the Ghana Standards Board at the Ports is to ensure compliance of imported goods with established technical standards / specifications in order to prevent importation/distribution of sub-standard products into the Ghanaian market.

In line with its core responsibility of preparing standards for products and processes and for ensuring compliance with Government policies on standards, metrology and quality assurance of both locally manufactured and imported products and services throughout the country, the Ghana Standards Board (GSB) has introduced a scheme for destination inspection of High Risk Goods.

Therefore, with effect from March 2005, the GSB would streamline its import and export inspection activities in line with the International Standards Organisation's [ISO] recommendations and in compliance with World Trade Organisation's [WTO] regulations.

The scheme consists of the following:

1. Physical inspection / examination and sampling of imported products
2. Laboratory tests and analysis
3. Release or rectification or temporary impoundment (Detention)

4. Seizure and destruction of poor quality imported products.

The GSB has designated categories of exported and imported goods to be inspected/examined for compliance with standards or specifications as High Risk Goods (HRG). They include:

- Chemical and Allied Products
- Building Materials
- Electrical/Electronic Products
- Food and Drug Products
- Used goods
- Toys
- Petroleum Products
- Pyrotechnic Products
- Arms and ammunitions
- Gas appliances (LPG cylinders and accessories)

Other items or products as may from time to time be directed for sampling by the Government through the

Authority of the Executive Director (GSB) also come under compliance inspection.

Sampling exercise at the Ports

A sample for the purposes of the services referred to here shall mean any product or entity that is brought to the GSB for laboratory tests and investigation.

It shall be understood to be an economically and technically needed quantity of the products specified by testing laboratory, necessary for performing tests and investigations, referencing and for consumer advocacy in compliance with relevant standards or specifications.

All test samples shall be duly marked and numbered at the point of sampling. This identification mark shall be maintained for the entire record of the sample. However, it is not in all cases that product samples are taken.

GSB Requirements for Imported Products

The following are the general requirements of the GSB with respect to compliance inspection of imported goods.

- a) Name of products, country of origin, specification, date of manufacture, batch or lot number. In the case of items like food and drinks and such related products, they should carry expiry date or the shelf-life information as well as specifications for the active ingredient(s), where applicable.
- b) Supply of wrong information with an intention to conceal information will result in delay and/or impoundment/seizure with attendant consequences.
- c) Products that fail to meet specifications automatically qualify for seizure and destruction without warning.
- d) All information in foreign languages other than English shall be translated into the English language. Failure to comply may lead to impoundment of such goods/products.
- e) Electric lamps (fluorescent lamps and electric bulbs) shall carry information on life performance while cables should carry information on the ratings, among others.
- f) All electronic equipment/items and instruments shall carry an instruction manual and not diagrams and notations on the containers.
- g) All electronic equipment/items and instruments shall carry safety information and/or safety signs.
- h) All electronic equipment/items and other items where applicable, shall carry warranty information of at least six months.
- i) Batteries must carry clearly the ratings and type.
- j) Cooperation from other Government Agencies especially Ghana Ports Authority, Ghana Shippers Council, Clearing Agents and Customs [CEPS] in the area of information

dissemination on incoming Vessels and products, inspection time, non-release by CEPS of goods that have not been inspected by GSB.

- k) Prompt response and cooperation from the Clearing Agents on sampling.

Importers should also be aware of the fact that all High Risk Goods and processed materials are subject to GSB's inspection in accordance with the provisions of its Enabling Law NRCD 173 of 1973. Importers are strongly warned to comply with the above-listed requirements as failure to do so will lead to impoundment/seizure and/or destruction and other disciplinary measures considered commensurate with the gravity of the offence(s).

Inspection/Examination and Sampling Procedure

The following are the procedures for GSB inspection and sampling:

- a. GSB Inspector conducts joint Cargo Examination with Officers of CEPS, etc and collects Final Certificate of Valuation Report [FCVR], Bill of Lading/Airway bill/Waybill etc. from Clearing Agent/Importer.
- b. GSB Inspector samples the imported items of interest and issues a sample receipt. The Clearing Agent endorses the sample receipt and takes a copy to the Importer.
- c. Physically assess the product(s) for defects.
- d. On satisfactory physical examination, issues conditional release letter to Importer.
- e. Unsatisfactory physical examination attracts detention notices from GSB. This is copied to CEPS to prevent importers from removing the consignment until adequate security and guarantee are provided.

The importer is directed to the GSB head office to obtain clearance to move goods to the warehouse to

prevent demurrage and to allow time for rectification.

- f. Sampled products are sent to GSB Laboratories for comprehensive testing/analysis and results made available within 48 hrs of receipt to office for the importer to collect.
- c. Products are seized for either destruction or rectification if the product fails conformity assessment to relevant GSB standard(s).
- d. A final release letter is issued by the Executive Director (GSB) to importers of conforming products to distribute within the country.

Note: Refusal by importer for GSB to inspect/sample is a serious offence that can attract detention or seizure of goods.

Handling of A-Class High Risk Goods

A-Class High Risk Goods are those products whose non-conformance to required specification pose potential danger to life and property and therefore must not be allowed to reach the consumer unless they have been tested and confirmed suitable.

Some of them are:

- Food products,
- Electrical appliances
- Other electrical products such as bulbs, switches/gears and
- Cables
- LPG cylinders and accessories.

These products are not allowed in anyway to get to consumers unless they are covered by Certificates of Accreditation from an accredited laboratory or they have been tested to be compliant with specified requirements.

Requirements for A-Class High Risk Goods

- Electric lamps (fluorescent lamps and electric bulbs) shall carry information on life performance while cables should carry information on the ratings, among others.
 - All electronic equipment / items and instruments shall carry instructional manual and not diagrams and notations on the containers.
 - All electronic equipment / items and instruments shall carry safety information and or safety signs.
 - Guarantee/Warranty information of at least six months.
 - Batteries must clearly carry the ratings and type.
 - Cables must be clearly labelled
 - Imported tyres should have details of manufacturing, date, applicable standard and appropriate markings that are not deceptive to the consumer.
- Application for provisional / conditional release by the Importer.
 - Photocopies of Bill of Lading, Packing List/Invoice and FCVR.
 - Name and Address of importer and the authorized clearing agent.
 - Address of the importer's warehouse
 - An undertaking duly signed by the importer assuring GSB that products released provisionally/conditionally will not be disposed of or sold until GSB issues final release letter to the importer.
- b. Importer may submit the required document through any GSB Port Offices located at various ports for convenience or may be submitted directly to the Executive Director's office at Ghana Standards Board Head Office in Accra.
 - c. To avoid unnecessary delay, importers are strongly advised to ensure strict compliance with the above requirements.
 - d. In line with Government directives for imports into Ghana, the Ghana Standards Board will endeavour to release consignments of imported goods to importers' warehouse after inspection and sampling within the Government stipulated period (48 hours). The issuance of provisional release letter signed by Executive Director or his authorized officer will depend on the submission of /compliance with the above requirements.

Provisional Release for Special/Life Danger Items

As a result of the lead-time in obtaining test results from the Laboratory, provisional release is granted to some life A-Class products listed above. The provisional release allows the consignment to leave the ports almost immediately within 48 hours.

The provisional release is granted upon application by the importer submitted to the Executive Director of GSB and subject to the understanding that the goods will not be disposed of in any manner pending the outcome of the test result.

In order to facilitate speedy clearance, the guidelines for provisional release of products in this category are as follows:

- a. Importers shall submit to GSB the following documents prior to examination inspection and sampling:

Handling/Seizure of Non-Conforming Imported Products

The following steps are taken once it is established with empirical evidence that a product is non-conforming to specified requirements.

- *Issuance of Seizure Notice:*
It should be noted that temporary seizure notice may be issued when it is established that an importer or his agent is avoiding or obstructing the inspection of any consignment under GSB's jurisdiction, or when the product is

suspected to be substandard during inspection/examination. This is equivalent to detention, in the parlance of the laymen.

• Issuance of Letter of Seizure:

A critically non-conforming consignment is impounded through a letter of seizure. In the event where the non-conformity falls in the minor category, the following actions may be taken.

- i. Bringing to the notice of the importer or his agent the non-conformity outlining the corrective action to be taken and the time frame (where applicable)
- ii. Issuance of a letter of warning to that effect
- iii. Ensuring that the corrective action or rectification is carried out. GSB will insist on evidence and its demonstration after granting conditional release to the importer.
- iv. When corrective action is not applicable directly to the products, other appropriate action shall be specified to handle a particular anomaly. The Executive Director, according to the merit of each case, may determine any such action from time to time.
- v. Importers shall pay a handling charge depending on the magnitude of offence.

Disposal of Non-Conforming Products

In the event of a major non-conformity or critical failure necessitating the seizure and destruction of the product, the following steps shall apply:

- a. The non-conformity and its attendant implication shall be brought to all parties concerned.
- b. In the absence of any litigation, GSB shall seek the presence of the Ghana Police service and other relevant government agencies such as the CEPS, Ghana Ports and Harbours Authority, etc, to witness the destruction of the items.
- c. Thereafter a certificate of destruction will be issued to the importer.



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Mariscape

Haulage truck operators warned against overloading

A Kumasi based haulage transport operator, Nana Kwame Adusei-Poku, has expressed concern about overloading by some operators engaged by the Produce Buying Company (PBC) to cart cocoa from the cocoa growing areas to the ports.

"Normally a single truck is permitted to load 510 bags of cocoa while the double axle truck is allowed to carry 600 bags of cocoa, but some of the truck owners have been loading between 700 to 800 bags of cocoa per single and double axle truck respectively, instead of the stipulated numbers" he said.

Speaking to some haulage truck drivers at Sefwi-Wiawso in the Western region, Nana Adusei Poku said overloading their vehicles had affected the lifespan of the country's roads besides weakening the vehicles.

"The overloaded vehicles have also been contributing to the rampant accidents on the roads involving haulage trucks," he stressed.

Nana Adusei-Poku, therefore appealed to the management of the PBC to compel the haulage truck owners engaged in cocoa evacuation to comply with the directive on the number of cocoa bags stipulated for them in accordance with the weight of their vehicles.

Mr. Ako Nai Kwadey, Western Regional Director of the Ghana Highway Authority (GHA), told the Ghana News Agency in an interview, that many roads in the country develop pot-holes soon

after construction as a result of overloading by vehicles which ply them.

Mr. Kwadey disclosed that in order to check the overloading of trucks on the country's roads, the GHA had started constructing weighing bridges on some major roads in the country, adding that two of such bridges had already been constructed in the Western Region. (*Ghanaian Times*, Jan. 17, 2005)

GC Net wants agencies at ports to be automated

The Ghana Community Network Services Limited (GC Net) is advocating for the automation of all agencies, which play various roles in the trade and clearance processes at the country's ports.

This follows the successful automation of a major institution like the Customs, Excise and Preventive Service (CEPS), which has enhanced the clearance of goods and also increased revenue mobilization at the ports.

Agencies being targeted for automation by GC Net include the Ghana Free Zones Board, Ghana Standards Board and the Food and Drugs Board.

The Chairman of GC Net Ltd Mr. Nortey K. Omaboe said this when the company hosted its stakeholders at a soiree.

Highlighting the success chalked by the GC Net over the past four years, Mr. Omaboe disclosed that so far the company had spent 12 million dollars as basic investments in hardware, communication infrastructure, software development and maintenance and operational costs.

To date the GC Net system has been deployed to over 500 declarant sites as well as 150 shipping agents and consolidator sites, which are operational.

Ten agencies including the Bank of Ghana, Driver Vehicle Licensing Authority, Ministry of Trade, Statistical Service and the Ghana Shippers' Council have been connected to the system. (*Ghanaian Times*)

77 Haulage drivers stranded in Niger

The General Haulers and Transporters Association of Ghana (GHATAG) has appealed to government to intervene for the immediate release of 77 Ghanaian haulage drivers stranded in Niger.

The drivers loaded goods from the Tema port meant for the landlocked country. Mr. Adamu Yusif Danjuma, Chairman of the GHATAG, told the Ghana News Agency (GNA) that information he received suggested that the drivers were being subjected to inhuman treatment by the Nigerien security agencies, who had impounded some of their vehicles.

He alleged that 38 of the 77 drivers had abandoned their goods and escaped through unapproved routes to Niamey from Dosso, which happened to be the final destination of the goods, while 16, whose vehicles developed problems, were in an uncomfortable situation. Some drivers mates had also been arrested and placed in jail.

"The whereabouts of the remaining 23 is unknown" stressed Mr. Danjuma.

He said some weeks ago, the drivers loaded goods from the port of Tema to be discharged at Dosso in Niger, but when they reached the capital in Niamey, some officials, whom they could not identify asked them to return to Malandi Kantcheri near Burkina Faso border.

The Chairman said after spending three weeks at the border, the owner of the goods, one Mr. Maidagi, permitted them to convey the goods to Dosso.

While at Dosso, he said the Nigerien Minister of Interior, some soldiers and Police personnel inspected the trucks and goods. But later in the night that same day some soldiers went and asked them to continue their journey to Libya.

Mr. Danjumah said the drivers objected to the suggestion because they did not negotiate with the owner of the goods to send them to Libya. However 16 of the drivers were escorted by the

soldiers to Libya.
(GNA)

Extension project at Tema Port near completion

The Quay II extension projects currently ongoing at the Tema port will be fully operational by May this year, and handed over to the Ghana Ports and Harbours Authority (GPHA) in August.

Mr. Husein Sulemana, Project and Development Engineer of the Authority told the Chronicle in an interview that 85 per cent of the project had already been completed.

The 85 per cent includes the extension of Quay II by about 200 metres, preparing all the services galleries, preparing the platform, reconstructing the demolished sheds, building the marine dock and completing all the fenders.

Mr. Suleiman said seven stacking cranes known as Gantry cranes, which had been imported from China were expected to arrive in

the country in February this year. According to him, the stacking cranes, which were expected from China include three Ship-To-Shore(STS) cranes and four Rubber Tyre Gantry cranes, adding three STS to follow later.

He explained that the duty of the stacking cranes, which are heavy-duty equipment, was to move in-between the containers, pick them up and load or stack them at the appropriate places.

The GPHA Project and Development Manager noted that the project would have been completed by now but along the line, they had problems with the supply of chippings for the work as most of the producing companies stopped production.

The project, which started last year, is being executed by Interbeton, a Netherlands-based construction firm.

(The Chronicle, January 20, 2005)

Continued from page 31

VESSEL MOVEMENTS FOR THE PERIOD 1st APRIL TO 31st MAY 2005

MSC AGATA	MARITIME	29-04-2005		MED/FE/CONT/USA/SA/AUST
JOLLY CORALLO	ANTRAK-GHANA		29-04-2005	EUROPE/MED
MAERSK RIMINI	MAERSK/SAFMARINE	01-05-2005		USA
ROMAIN DELMAS	SDV-GHANA		01-05-2005	UK/NORTH CONT
SAFMARINE ONNE	MAERSK/SAFMARINE		01-05-2005	MED/FE/CONT/USA
IZUMO	ISAG	02-05-2005		FAR EAST
DELMAS FORBIN	SDV-GHANA	05-05-2005		FAR EAST
ROKIA DELMAS	SDV-GHANA		08-05-2005	UK/NORTH ? SOUTH CONT
LA PALOMA	ISAG	10-05-2005		FAR EAST
DELMAS ACACIA	SDV-GHANA	11-05-2005		MED/ME/CONT
PACIFIC TRADER	ISAG	19-05-2005		FAR EAST
SAINT ROCH	SDV-GHANA		19-05-2005	UK/NORTH CONT
ELISA DELMAS	SDV-GHANA	21-05-2005		FAR EAST
DELMAS SURCOUF	SDV-GHANA	25-05-2005		FAR EAST
ROLAND DELMAS	SDV-GHANA		26-05-2005	FAR EAST
DELPHINE DELMAS	SDV-GHANA		27-05-2005	UK/NORTH CONT
WESTERDEICH	ISAG	27-05-2005		FAR EAST
DELMAS BAUDIN	SDV-GHANA	30-05-2005		UK/NORTH CONT/MED

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Addressing Current Challenges of Maritime Labour in Africa

SHIPPING REVIEW

GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL



Volume 7 Number 2

April - June, 2005 Edition



● **Obligations Implied Under Voyage and Time Charterparties**

● **Infrastructure and Logistics Essential Elements in the Transport Development Strategy of Ghana**

● **The Freight Forwarder's Responsibility in Shipped "On Hold" Contracts: Some Issues in Bailment**

● **Maritime Trade Review**

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Contents

Page

•Addressing Current Challenges of Maritime Labour in Africa



The challenges facing maritime labour in Africa today are not new. They are numerous and well known to academics and policy makers. A look at pragmatic ways of dealing with the challenges. - Page 3

● Africa Coastal Services (ACS) Gh. Ltd. 19

● Maritime Trade Review 20

● The Freight Forwarder's Responsibility in Shipped "on Hold" Contracts: Some Issues In Bailment 29

● Valuation of Used Vehicles 32

● Mariscape 34

•Infrastructure and Logistics: Essential Elements in the Transport Development Strategy of Ghana.



The transport infrastructure and logistic facilities as currently existing is inadequate to serve the needs of the growing user population, that is, shippers and transport service providers. Some recommendations on the way forward. - Page 7

•Obligations Implied under Voyage and Time Charterparties



Implied obligations are implied in contracts to protect certain parties in a contract at a point where the law is of the view that that party is in a weaker position or needs protection from the other party. A look at various mechanisms that may be used to vary the obligations implied by the law and the effect of a breach of any of the obligations. - Page 12

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•Food and Drugs Boards



The Food and Drugs Board has a mandate to ensure the safety and quality of regulatory products meant for local consumption and for export. - Page 16



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ADDRESSING CURRENT CHALLENGES OF MARITIME LABOUR *In Africa*

By E K Arku, GSC

The shipping industry is the most global of all industries and seafarers the most global of all labour. Globalisation therefore, as a concept and a process, has had a major impact on maritime labour.

The global economic crisis of the 1970s forced a shift in the way shipping companies operated. The new economic pressures on shipping capital required them to drastically reduce their operating costs. With labour representing the highest operational cost, it became the prime target of cost reduction policies. Shipping capital sought out cheaper and more flexible labour markets outside the traditional European maritime nations.

Therefore, over the last thirty years the seafaring labour market has changed significantly. Seafarers from the traditional maritime nations of the north lost their hold on the labour market as the market became dominated by seafarers from South-East Asia, Asia and more recently by Eastern Europe. Unfortunately, seafarers from Africa are yet to find their place in this globalised and highly competitive market.

Dwindling fortunes of Africa Maritime Labour

It is important to situate the African situation in the overall trade volume of the world. According to the 'Review of Maritime Transport - 2004', Africa's share of world seaborne trade volume (i.e. goods loaded and unloaded) declined from 7.5 per cent in 1980 to 4.8 per cent in 2003. The goods loaded (exports) declined from 10.8 per cent in 1980 to 6.5 per cent in 2003, whilst those unloaded (imports) also fell from 4.2

per cent in 1980 to 3.2 per cent in 2003.

On the whole, total tonnage of all the Sub-Saharan African countries decreased from 0.29 per cent of the world total in 1980 to 0.15 per cent in 1999. Tankers and general cargo ships account for 46.4 per cent and 29.1 per cent respectively of the total Sub-Saharan fleets.

While West Africa's tankers almost doubled the tonnage in 1980 to 535,000 dwt in 1999, general cargo ships in deadweight tons plummeted from 966,000 dwt in 1980 to 137,000 dwt in 1999.

In this milieu, job prospects for African seafarers will continue to decline, reflecting also reductions in crew sizes and the increasing use of Flag of Convenience (FOC), with shipping firms increasingly making use of the cheapest possible sources of labour.

This process has been exacerbated as most African training institutions are still not STCW-95 compliant, thus excluding African seafarers from all but the most local of employment. (To be STCW-95 compliant means that a country, and for that matter its maritime training institution(s), has been assessed to be properly implementing the requirements of the Standards of Training, Certification & Watchkeeping 1978 Convention as amended in 1995)

Challenges

The challenges facing maritime labour in Africa today are not new. They are numerous and well known to academics and policy makers alike. However, this paper will seek



The Writer

to dwell on some pragmatic ways of dealing with the problems.

The underlining challenge is how to make the seafarer in Africa competitive, both in terms of competence and cost.

Therefore, if seafarers in Africa are to become competitive there is the need to strengthen the training institutions that train them and to ensure that the basic facilities for job attachment and placement are available within the region or the sub-region as the case may be for professional competence.

There is also the need for private sector initiatives and intra-regional collaborations, as well as financial support and support from labour unions.

Training Institutions

In addressing the concerns of maritime labour in Africa, one cannot be oblivious of the many challenges faced by the training institutions on



Students of the Regional Maritime Academy

the Continent and, in particular, by those in West and Central Africa.

Suffice it to say that, for West and Central Africa, not only are the training institutions few in number, they are also ill-funded and thus ill-equipped.

Apart from Nigeria, which can boast of at least two tertiary institutions of training for seafarers, the other institutions in the sub-region of West and Central Africa are the two regional institutions based in Ghana and Cote d'Ivoire.

In order to produce the calibre of seafarers that can stand the competition in the labour market, funding is not only required for the development of infrastructure and the provision of equipment, but also for sponsorship for needy but brilliant students, as it is done in other parts of the world. Maritime Authorities, Shippers Councils and Shipping Lines and Agents should be at the forefront in supporting these students financially during their course programmes.

Job Placement

Another area of major concern as far as skilled maritime labour is concerned is job attachment for students and their placement after school. It must be noted that, in the wake of high labour costs in vessel operations, automation is rife and

therefore increasingly, newer vessels are requiring fewer manning hands. This means that there will be fewer vacancies for seafarers but which require higher and specialised skills.

Another factor affecting placement opportunities for graduates of our maritime institutions is the inadequacy or extinction of national carriers. Graduate seafarers are now competing internationally (including highly skilled but relatively cheaper labour from the Philippines, North Korea etc.) in order to secure placement on foreign registered vessels. This is a major problem that needs to be addressed at the policy level.

Government policies should either be such as would encourage shipowners to register their vessels in our countries and require the engagement of seafarers who are our nationals, or bilateral arrangements are sought with major tonnage holders for the engagement of graduates from our maritime institutions. The arrangements between Philippines and the Scandinavian countries with respect to the supply of seafarers is an example worth replicating in the sub-region.

Private Sector Initiatives and Collaborations

Governments should also encourage private initiatives at both national

and regional levels such as the ECOMARINE in West Africa for the acquisition and running of vessels. This can go a long way in creating the opportunities for absorbing graduate seafarers on national or sub-regional vessels. In this regard policy coherence in the sub-region is crucial.

For the maritime training institutions, it is insightful to note that only six countries in Africa, including three in West and Central Africa (i.e. Ghana, Liberia and Nigeria) are on the 'white list' of the IMO regarding giving effect to the relevant provisions of the STCW, 1978.

Again, there is the need for collaboration among the maritime training institutions in the sub-region in terms of exchange programmes and resource harnessing and rationalisation. It should be possible for one institution to identify some strengths in another, and to seek assistance from that institution in the development of such capacities, and vice versa.

Financial Support

The maritime institutions in these countries need a lot of financial support if they are to survive and be effective in producing quality seafarers in the sub-region.



These institutions require investments, especially in equipment and IT facilities in order to bring them in tune with the new technologies in vessel operations. This is a major way by which trained seafarers from our maritime institutions can be competitive in the labour market.

It is important to add that, if our sub-region is to produce the good quality seafarers that we all desire, member countries of the regional maritime institutions must not only honour their funding obligations, but they must also honour them on time. Delays in making these statutory funds available to our regional maritime institutions can only lead to the weakening of their ability to produce good quality officers, ratings and other management personnel for our shipping industry.

Diversification of Training Programmes

Another area that needs to be looked at by our training institutions is the need to diversify their courses to embrace the non-nautical programmes. It is heartening to note that the Regional Maritime Academy in Ghana, for example, has introduced port and shipping management programmes and is currently collaborating with the Ghana Dock Labour Co. Ltd and the stevedoring companies for the training of shore equipment operators and managers. This is because most of the equipment operators in our ports lack the knowledge of the theory behind their operations, and this is what the training is intended to address.

The need for training for shore personnel also stems from the growing popularity of inland clearance depots for the decongestion of the seaports and for the supply of such skilled labour to our landlocked neighbours. It is on record that Sub-Sahara Africa pays the highest freight cost as a proportion of imports (i.e. 13.52%)

in the world, according to the '*Review of Maritime Transport - 2000*'. However, the proportion for landlocked African countries is even higher; it is as much as 18.08%.

Meanwhile it is also known that high port operations costs are a major factor in these high proportions. Therefore any effort aimed at reducing port operations costs will have a significant effect on freight rates in the sub-region. It is in this sense that the diversification of training courses into port-related programmes to make the ports efficient and very competitive is very essential.

Labour Unions

We cannot end this discussion on maritime labour without mentioning the role of labour unions in the development and training of competitive seafarers. The central question to be asked is what role organised labour can play in this globalised labour market faced with ever-mobile capital.

Conventional wisdom holds that training is best left to the individual employee, the state and employers. However, many trade unions worldwide have played an active role in career development. The unions can also perform the role of servicing or promoting equity.

In the case of the former, the union simply assumes a skills development role as part of making its services more attractive to potential or actual members. Alternatively, it is possible for unions to promote training from a collectivist stand point, in order to strengthen the relative strength of membership as a whole. In this wise, training may be used as a means of promoting greater equity, removing barriers to promotion of the rank and file, and enhancing their bargaining position and job mobility.

ITF Support

It is on record that the International Transport Federation (ITF) has provided some financial support recently for seafarers from sub-Saharan Africa to obtain STCW-95 certification at the Unicorn Training Centre in Durban, South Africa. It must therefore be emphasised that this is the kind of support that employers seek from labour unions in order to enhance the competitiveness of their seafarers.

National maritime labour unions must seek technical assistance from the ITF to equip their members in skills that will not only ensure their job security, but also enhance their remunerations. Thus, whilst in the business of fighting for better conditions of service for its members, labour unions must also be at the forefront of promoting skills training and development. This is the only way by which collectivism can yield mutually beneficial results.

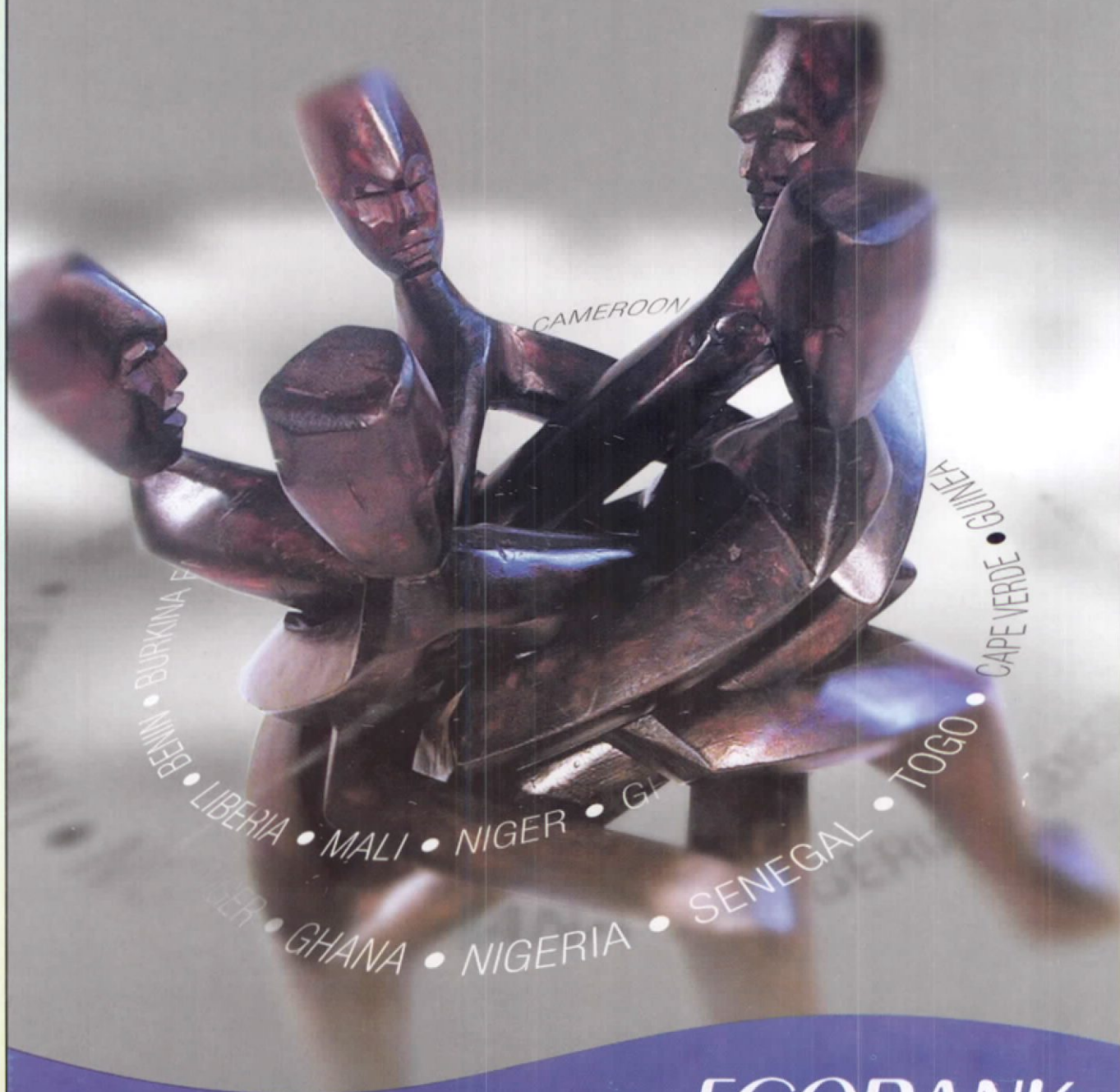
Conclusion

It is indeed no exaggeration that the challenges facing maritime labour in Africa are daunting, especially in the face of globalisation and its associated competition. However, a concerted effort on the part of stakeholders is the way to address the problem.

If all players in the maritime transport sector can acknowledge the very important place of maritime labour in the entire maritime transport industry, and in their national economies then we can begin to take steps to address the problems, even so comprehensively as have been outlined here above, to make maritime labour in Africa very efficient and competitive.



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INFRASTRUCTURE AND LOGISTICS

Essential Elements in the Transport Development Strategy of Ghana

By George E. Alorsor, GSC

Continued from last edition

AIR TRANSPORT

The volume of domestic air passenger traffic in Ghana is very small and internal airfreight is almost negligible. The only airports served by internal flights are Accra, Kumasi and Tamale. Services between these points are infrequent.

The bulk of air transport service in Ghana is between the country and the outside world with the Kotoka International Airport (KIA) being the focal point.

In 1991, the government embarked on the KIA Development Project with the support of the British government. The project involved the resurfacing of the runway, construction of a dedicated modern Freight Terminal and temporary structures for customs and freight handling agents, among others.

In 1999, the second phase of the project began, involving the resurfacing of the taxiway and existing aprons, expanding the passenger aircraft apron by the addition of three stands (parking bays), construction of a dedicated freight apron to accommodate four wide-bodied aircraft, thus separating passenger aircrafts from cargo aircraft to improve efficiency, security and safety. This phase of the project was also aimed at increasing cargo warehouse capacity and segregating import from export activities.



Also, in 1994 (i.e. during the first phase of the KIA Development Project) African Ground Operation (AFGO), now Aviance Ghana Ltd.,

was formed to handle all aircrafts operating through Accra's Kotoka International Airport carrying of both passengers and cargo in anticipation of the expected increase in air traffic when the Government's Gateway Programme took off and KIA became the "hub" in the West African sub-region.



The Writer

LOGISTICS FACILITIES

Warehousing Facilities

Generally, the demand for warehousing services is closely linked to cargo throughput, the number of vessels calling and ship turn-round.

The demand for warehousing services since the building of the first, Takoradi Port in 1928, was confined to the storage of the country's traditional exports and imports namely, timber, cocoa, mineral ores, clinker and agrochemicals. The maritime trade then was mainly a monopoly of the state and the port provided short-term storage in the form of transit sheds and open storage areas. Reports indicate that even after private merchants and investors started shipping goods through the Takoradi port, there was no significant demand for warehousing services due to a number of reasons, including

inadequate security, high rates, non-suitability of existing facilities, clearing delays, proximity to the port and general low cargo throughput.

The supply of warehouses within the vicinity of the Tema Port has always been on the low side as compared to demand due, among other things, to:

- difficulty in acquiring land close to the port
- the long term maturity of investment in the sector
- the scarcity of land suitable for Warehouses in the vicinity

Cold Storage

Studies conducted for the Ghana Shippers' Council indicate that currently the supply of cold storage services is relatively minimal. Whereas most of the potential users claim that they have not found any providers of the service, the few who may be referred to suppliers of the service are already meeting their own requirements.

Until recently, however, the only cold storage facilities available in the vicinity of the ports were reefer points for storing frozen cargo in containers established under the Ports Rehabilitation Project of 1983.

There are also some commercial facilities operated by a private investor near the Kotoka International Airport and another one operated as part of the Air Cargo terminal at the Kotoka International Airport.

OBSERVATIONS ON THE STATUS OF GHANA'S TRANSPORT INFRASTRUCTURE

The following are some major issues in the transport sector just described that need to be addressed to make the system more efficient:



Road Transport

- Insufficient network of major roads
- Poor maintenance of the existing road network.
- Inadequate road network to link the hinterland with the major market centres
- Insufficient all weather road links to mining, forest, and agricultural areas to facilitate development
- Overloading of axles on the main road network resulting in deterioration of the roads
- The need to find ways to enhance cost recovery in the sector in order to increase the funding available for expanding its capacity and allocating a greater share of user fees to road maintenance
- Lack of private sector investment

Inland Waterway Transport

The widespread decentralization of economic activities and the need to develop the interior regions of the country signal a greater demand for inland waterway transportation.



Maritime Transport

- Inadequate berthing facilities at the ports of Tema and Takoradi
- Draft limitations at the two ports
- Inadequate and obsolete cargo handling equipments
- Lack of adequate storage facilities
- Congestion at the port
- Lack of rail link in Tema port

Rail Transport

- Poor condition of track and bridges in numerous stations resulting in speed restrictions to as low as 8 km/h over large segments of tracks
- Low locomotive availability causing unreliable service and failure to meet customer schedules; a major reason for the poor availability of locomotives is shortage of spare parts.

EXPANSION OF GHANA'S TRANSPORT INFRASTRUCTURE AND LOGISTICS

The problems confronting the transport sector as described in the foregoing paragraphs imply that the transport infrastructure and logistic facilities as currently existing is inadequate to serve the needs of the growing user population, that is, the shippers and transport service providers.

It is known that Ghana's population is growing at a rate of 2.5% per annum. This means that the demand for both consumer and capital goods is increasing. This in turn, means that, there is increasing movement of goods from points of production, within and outside the country to the final consumer. In other words, both domestic and external trades are increasing.

This increase in trade through the ports and traffic being moved by the railways calls for expansion of transport infrastructure and logistics to move the increased traffic and to provide storage space that may be required.

STRATEGIES

Policy Objectives

The road sector development strategy described above was in line with the objectives of government's Vision 2020 and outlined in the Ghana Trade and Investment Gateway (GHATIG) Project. The key policy objective of these two documents is to establish an efficient and modally complementary and integrated transport network for the movement of people and goods at minimum cost throughout the country.

The strategy to meet these policy objectives require that the role of each transport mode is clearly defined and developed to its maximum potential so that each mode can perform its role and contribute to a comprehensive and integrated or intermodal transport system for the country as well as strengthen the transport linkages with our neighbouring countries.

It is worthy to note that the policy objectives of the government as from the year 2001 were not different from the above except perhaps in strategies towards achieving them. This is because the preparation of the Ghana Poverty Reduction Strategy (GPRS) for 2002 to 2004, which succeeded the earlier strategies attempts to address the challenges met in the implementation of those strategies.

Indeed, the Ghana Poverty Reduction Strategy clearly mentions the provision of infrastructure including feeder roads, storage facilities, etc. to reduce the problem of general lack of farm to village access roads and intermediate means of transport. It recognizes that feeder roads improvement is the responsibility of the government, and enumerates a number of strategies to improve this transport sub-sector. These strategies include:

1. prioritizing feeder roads rehabilitation and maintenance in the deprived areas, especially in the three northern regions
2. Increasing total motorable road network
3. Ensuring regular release of the Road Fund for regular rehabilitation and maintenance of feeder roads and bridges
4. expanding revenue sources for the Road Fund and utilizing the Fund for feeder road construction.
5. constructing additional feeder roads, particularly in the productive areas of Northern Ghana, Volta and North-Eastern Brong Ahafo.
6. Allowing adoption of feeder roads By corporate bodies for maintenance..

New Projects

In line with the GPRS objective of infrastructure development, the government continued to work on roads, highways and over all transport facilities. In 2003, the government created the Ministry of Ports, Harbours and Railways to facilitate the development of ports, harbours and railways through privatisation and to boost the volume of traffic through rail and maritime transport.



(a) Road Transport

Currently there are some road infrastructure development projects on-going all over the country based on the principal elements of:

- completing the missing links on the east-west and north-south three corridors
- rehabilitation of major regional roads
- intensification and reconstruction of feeder roads in areas of socio-economic importance
- construction of access roads in deprived urban and rural areas
- Support for the Road Safety Agencies in the implementation of their activities
- Support to the development of urban mass transport projects

(b) Maritime Transport

The GPHA is undertaking infrastructural projects in the Ports of Tema and Takoradi to modernise and expand the capacity of the two ports to receive bigger vessels and provide other logistics facilities. Among the projects currently on going or planned are the following:

i. Tema Port

- Dredging the Access Channel and Alongside Berths to enable Tema Port receive bigger vessels and those calling with higher load factors.
- Quay Two Extension Work to improve container handling and productivity in the port and reduce the turn-round time of container vessels.
- Development of Inland Clearance Depot to address the problem of unstuffing and stuffing of containers inside the port and facilitate the free flow of cargo through the port,

Takoradi Port

The GPHA with the support of the government has embarked on an ambitious project to transform the Takoradi Port into a modern port with the investment of \$250 million. The project, which is to be completed in the year 2010 includes:

- New berths for clinker, manganese, oil and bauxite.
- Dredging of the port to a

maximum of 12 metres.

- Two new container berths.
- Breakwater extension.
- Plant and equipment installation.
- New and deeper turning basin.

iii. Boankra Inland Port

The Ghana Shippers' Council and GPHA are jointly promoting the establishment of an Inland Port at Boankra near Kumasi in the Ashanti Region. The Inland Port is to help decongest the Ports of Tema and Takoradi and bring cargoes nearer to the consignees in the hinterland of the country. It will also shorten the distance and traveling time for transitors from Burkina Faso, Mali and Niger who can take delivery of their cargoes at Boankra instead of traveling down to Tema or Takoradi.

iv. Development of ICT Infrastructure

In recognition of the immense potential of Information and Communication Technology (ICT) in improving business processes and the creation of customer value, the GPHA has invested in ICT infrastructure in the ports of Tema and Takoradi. Currently the GPHA has laid 13.6km of fibre optic cables in the two ports, which now have intranet and Internet capacities.

Various shipping lines and agents operating in the ports of Ghana have also installed EDI facilities to enhance their operations.

The government has also introduced the GC Net/GCMS to facilitate the electronic processing of customs clearance of goods.

Also, to enhance the clearance process is the introduction of destination inspection in the ports with the installation of x-ray scanners to facilitate inspection and examination of goods.

Rail Transport

The objectives for the development of the rail network include:

- establishment and development of connections, key links and interconnections with the ports, inland waterway and road networks to complete major

redevelopment of infrastructure needs.

- optimisation of the capacity and efficiency of existing infrastructure
- development and establishment of a system for the management and control of network traffic and user information with a view to optimising use of the infrastructure
- improve safety and network reliability.

The railways sector's development strategies include:

- i. Concessioning to attracting private sector participation in the financing and management of railway operations.
- ii. Rehabilitation of Tema-Accra-Kumasi Line
- iii. Petroleum Railing Project to facilitate the introduction of the Accra-Tema suburban rail Service as both will employ common infrastructure.
- iv. Expansion of Railway network from southern Ghana to northern Ghana and also pave the way for linking the country to our neighbouring countries, Burkina Faso, Mali and Niger in the north.
- v. As part of the programme to develop an Inland Port at Boankra to decongest Tema and Takoradi ports, 100 container flats (container carrying wagons) and associated handling equipment are to be procured to enable GRC move containers up country.
- vi. Rehabilitation of Tracks and Coaches/Wagons
- vii. Accra-Tema Suburban Rail Network
- viii. Standardisation of Gauge (ECOWAS)

(d) Inland Waterways

The strategies for the development of the Volta Lake Transport include:

- further dredging to remove the shoals (rock barrier) 35km south of Bupe to enable uninterrupted operations on the lake.
- to develop Debre (location of rock barriers) into a port to handle both liquid and solid cargoes during periods of draught.



- to upgrade the Debre-Mpaha junction road for use by heavy vehicles
- to provide warehousing and office/residential and other port amenities.

(e) Cold Storage Facility - The Ghana Shippers' Council has plans to join with potential investors to establish cold storage facilities at vantage points in the country under the Agricultural Services Sub-Sector Investment (AgSSIP 2004) Programme.

CONCLUSION AND RECOMMENDATIONS

Having gone through the evolution, so to say, of Ghana's transport system, that is, what was before and

Soon after independence, what has been added since the 1980s and what is being added now, three things came out clear, namely,

- 1 that transport infrastructure is a vital national or corporate asset that must be maintained and added unto as the need arises.
- 2 that in logistics terms, transport is an economic activity that adds/creates value; that is, it gives satisfaction to the final consumer.
- 3 that transport development plays the role of a catalyst to stimulate the national economy; that is, it leads to the development of other economic activities and resources.

The development of transport infrastructure and logistics therefore should take the centre stage in the overall transport development strategy of every political and corporate entity.

The public and corporate transport planners and policy makers must take into account these developments to be able to plan effectively for the provision of the transport infrastructure required to handle the goods being produced and delivered to the final consumers. In other words, the trends shaping demand for transportation services must be taken into account.

The fact is that transport infrastructure

development involves huge capital investment and long periods, and we do not have the resources to embark on massive infrastructure development over the whole country at a go. To embark on such projects will mean adopting long term planning, say ten to fifteen years, with short to medium term rolling plans.

Therefore, being guided by modern economic thought, we would suggest for the consideration of public and corporate transport policy makers and planners that the main policy requirements for developing an efficient transport and logistics system for Ghana in this 21st century should include: a)

(a) Long-term Planning - The ambit of government transportation policy should be widened to encompass all the elements in the complete supply chain, including infrastructure, transport services, systems logistics capabilities and warehousing /distribution. A minimum of 15 years investment period should be used to develop infrastructure, operated on rolling basis with reviews every 5 years.

(b) Education and Training - For the transport and logistics sectors need to be significantly upgraded. This requires programmes to provide degree level courses, together with management and operative development and research and advisory services to industry in this critical area. In this area also we commend the collaboration between the University of Ghana and the Regional Maritime Academy as well as GIMPA for introducing

postgraduate courses in Transport and Logistics.

(c) Air-Freight Air Freight is expected to grow in importance due to the speed advantage it offers. The development of a wider range of airfreight services should be an immediate priority and potential private investors should be encouraged to participate in the development of these services.

(d) Seaports A long-term port development policy should always be developed and implemented in consultation with the port users. The development/expansion projects ongoing at the Takoradi Port should be completed on schedule and new port management systems should be implemented with the promotion of the application of the state-of-the-art information technology in all Ghana's seaports and airports.

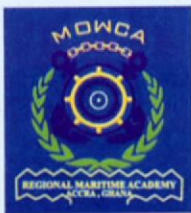
(e) Funding Infrastructure Development Greater private sector involvement in funding the provision of transport infrastructure should be encouraged through extending toll facilities on a regulated basis and through joint ventures.

(f) The policy of intermodality in Ghana's transport system must be pursued.

(g) The policy of extension of Ghana's transport system, particularly the rail network to the north and the interconnectivity of this system to those of our neighbours, particularly Burkina Faso must be vigorously and concurrently pursued so that Ghana can continue to benefit from the transit trade through her corridor.

Schematic drawing of the Boankra Inland Port which is under construction





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OBLIGATIONS IMPLIED UNDER VOYAGE AND TIME CHARTERPARTIES

By Azara Prempeh (Mrs), GSC

This article is written to serve as a caveat to Charterers who may be unaware that there are certain obligations that are implied in charterparties. The article also aims to point out various ingenious mechanisms that maybe used to vary the obligations implied by the law and the effect of a breach of any of the obligations.

Firstly, it is important to recognize that parties to a charterparty and most contracts for that matter are at liberty to include any terms in a contract that will govern their relations so long as the terms or the end it seeks to attain are not contrary to the law. Implied obligations are implied in contracts to protect certain parties in a contract at a point where the law is of the view that that party is in a weaker position or needs protection from the other party.

Obligations are also implied by the law when it is perceived that an obligation is so fundamental that its omission is inadvertent in view of the nature of the agreement between the parties. The law also recognizes the rights of the parties to expressly indicate what their rights and obligations are in a given instance envisaged by the contract which is different from what the law implies. All things remaining equal, the express wishes of parties will be taken over the implied ones.

Types of Charterparties

A Charterparty is a contract by which a ship or a principal part of it, is hired, rented or leased by the owner to another party (merchant) for temporary use for the conveyance of goods on a predetermined voyage to one or more places or for a specified period of time.

There are three main types of Charterparty namely, *Voyage Charterparty*, *Time Charterparty*,

Demise Charterparty.

In a Voyage Charterparty the parties agree that the ship will load a full and complete cargo from port [A] and carry it to Port [B]. The agreement can be for one voyage or several consecutive voyages. The payment is calculated per ton and is known as the charter freight.

Under a Time Charterparty, the shipowner agrees to make his ship available for a specified period of time. Payment is per month, quarter or per year.

The other kind of Charterparty is known as the Demise Charterparty or Bareboat Charterparty. This charterparty sees the Charterer lease the ship as distinct from mere hire under a Voyage or Time Charter. As the name suggests, the Charterer takes possession and control of the ship in most respects, including the navigation, management and commercial exploitation of the ship unlike the Time and voyage charterparties where the ship remains under the control of the Shipowner.

Demise charters are usually used by fleet operators seeking to augment the size of their fleets or by banks that use the Demise Charter as a Security mechanism to secure a loan or as a means of letting some other party handle the mundane job of exploiting a ship that has come into the possession of the bank through foreclosure.

The main focus of this article is on the implied obligations of the Charterer and shipowner in respect of the use of the vessel by merchants while still in the control of the Shipowner. In view of this the Demise Charter will not feature as a part of the discussion because the vessel is run as though the Charterer is the owner.



The Writer

There is also the other aspect of seaworthiness (also known as Cargoworthiness) which requires that the vessel should be in a fit state to receive the cargo agreed upon. This requires the vessel being strong enough, and equipped to carry that particular kind of cargo and the cargo being stowed in a proper manner such as not to make the vessel unseaworthy.

Whether a vessel is in fact seaworthy in a given case is dependant on a number of factors including the type of voyage, the nature of cargo and any special dangers or hazard of that route

The standard that is required by the Courts is not that of a perfect or accident free vessel according to Carver, but one that is reasonably fit for the voyage contemplated.

A question that might come to mind is whether the obligation is a continuing one? The simple answer is no. The obligation only exists at the commencement of the voyage (at the time of setting sail) in a voyage charter and at the time of delivery for a time charter.



This is because a number of things may go wrong once the vessel sets sail and placing a continuing burden on the Shipowner would be too onerous an obligation.

The next question after establishing the nature of the breach is - what is the effect of a breach of this obligation?

In order to fully appreciate the effect of a breach it is important to state briefly the types of terms that may be found in a contract and the effect of a breach of these terms and the repercussions it has for the parties to the contract.

In law, there are three basic kinds of terms that can be incorporated in a contract Conditions, Warranties and Innominate or Intermediate terms.

A Condition is a major term of a contract. It goes to the very root of the contract. It is said to be of the very essence of a contract. A breach of a Condition is a fundamental breach of the contract and the injured party is entitled to treat the contract as discharged.

Warranty on the other hand is a term of relatively minor importance. Remedy for the breach is only by way of damages.

The third term which is a relatively newer addition, is the breed of terms referred to as Innominate/Intermediate terms. In the case of an innominate term, the remedy available will depend on the effect of the relevant breach. The injured party is entitled to damages but whether repudiation is allowed will depend on whether the delay is so great as to frustrate the contract.

In the case of the **Hong Kong Fir Shipping Co .v. Kawasaki** The Charterers alleged that the vessel was unseaworthy and as a result they had been deprived of the use of the vessel for five months out of 24 of the

Charter period. One of the main issues confronting the Courts in this case was whether the loss of the use of the vessel for a period of five months while undergoing repairs was sufficient to frustrate the objects of a 24 month time charterparty.

The question turned on whether seaworthiness was a condition or a mere warranty? In coming to a determination of whether the Charterers could repudiate the contract, the Court per Diplock L.J opined that the seaworthiness undertaking could "*be broken by the presence of trivial defects easily and rapidly remediable as well as by defects which must inevitably result in a total loss of the vessel*".

The Court came to a conclusion that in light of the wide spectrum of factors that may make a vessel unseaworthy (some easily remediable and others not) everything would depend on the effect of the breach in the individual case and as such seaworthiness was neither a condition nor a warranty but an intermediate term.

According to Lord Diplock the test would be whether the injured party had been deprived of substantially the whole benefit of the contract. In the instant case, the Court held that in the light of the given facts the loss of the use of the vessel for five months out of the 24-month hire period was insufficient to frustrate the contract. The Charterers were entitled to damages.

Eminent Maritime Lawyers like John Wilson have opined that the courts would probably have considered five months to be sufficient to frustrate the contract in a voyage charter.

Obligation of Reasonable Dispatch

The carrier is under an implied duty to execute the voyage(s) with reasonable dispatch. This requires that the voyage or series of voyages that comprises the agreement must be executed within a reasonable time if no time is stipulated. The rationale for this would appear to be rooted in the consideration that the charterer is entitled to get value for money.

In a Time charter in particular the Charterer ought to be able to maximize the use of the vessel within the agreed period of time.

In a Voyage Charter, time is often of the essence. In **Freeman .v. Taylor**, where the subject matter was a Voyage Charter. The parties agreed that the carrier was to carry cargo to Cape Town, discharge and proceed to Bombay to load cotton.

On discharging at Cape Town, the Master loaded a cargo of mules to Mauritius en route to Bombay (on his own account). As a result, the vessel arrived seven weeks late in Bombay. The Court held that the delay was sufficient to frustrate the contract.

This obligation is also considered an innominate/intermediate term. This means that as mentioned supra, the remedy available to the charterer will depend on the effect of the relevant breach. The injured party is entitled to damages but whether repudiation is allowed will depend on whether the delay is so great as to frustrate the contract.

Obligation not to deviate from agreed route

The shipowner is under an obligation not to deviate from the agreed route. A deviation is an intentional and unreasonable change in the geographical route of the voyage as contracted. The courts have held several cases notably in **Reardon Smith Line .v. Black Sea and Baltic General Insurance** that '*It is the duty of a ship, at any rate when sailing upon an ocean voyage from one port to another, to take the usual route between those two ports. If no evidence be given that route is presumed to be the direct geographical route but it may be modified in many cases, for navigational or other reasons, and evidence may always be given to show what the usual route is unless a specific route be prescribed by the charterparty*' Lord Porter (1939) AC 562.

The quotation brings to mind that there are certain circumstances under which deviation is justifiable.

At Common Law, deviation is considered justifiable under the following circumstances:

1. To save human life or communicate with a vessel in distress in cases where lives may be in danger (emphasis mine)
2. To avoid danger to the ship or cargo, for instance for serious repairs or to avert risk from natural causes eg. fog, ice, political-capture by hostile forces or outbreak of war. In determining whether a deviation is justified in this case it will depend on whether the gravity of the danger merits the inconvenience and expense of taking the avoiding action.
3. Where the deviation is made necessary by some fault on the part of the charterer.

In order to circumvent this obligation not to deviate, shipowners have come up with the ingenious contraption known as the Liberty clause. These clauses attempt to give the shipowner wide powers to proceed by any route, thus effectively stopping the charterer from alleging deviation. These clauses are construed narrowly by the courts and must be very precisely drafted to be given effect by the courts.

A breach of this obligation is considered fundamental to the contract, as such the charterer is entitled to repudiate contract. The effect of this is that the shipowner will no longer be covered by the exceptions to liability stated in the contract.

Alternatively, the charterer may waive the breach and allow the contract to run. **Hain SS Co .v. Tate & Lyle** illustrates this point - A Vessel was chartered to proceed to the West Indies and load a cargo of sugar from two ports in Cuba and one in San Domingo (the port in San Domingo was to be nominated by the Charterer) and then to the United Kingdom. The Shipowners' agent failed to communicate the nominated port to the master. From the Cuban ports, the Master proceeded to Queenstown for orders.

When the parties discovered the mistake, the master was ordered back to San Domingo to load the remaining Cargo. On leaving San Domingo, the vessel ran aground and part of the cargo was lost. The remainder was transhipped on another vessel for a completion of the voyage.

Before the vessel arrived in the UK, a bill of lading covering the cargo had been endorsed to the defendants who took the cargo, ignorant of the deviation. In a cargo claim brought against the shipowners it was held that the Charterers with full knowledge of the facts had elected to waive the breach but as there could be no waiver without knowledge, the defendants were not bound by any waiver by the Charterers. The shipowners were unable to rely on the bill of lading exceptions as a defence to the claim

The Obligation to nominate a safe Port

Another important implied obligation is the duty of the charterer to nominate a safe port. The definition of safe port is classically set out by Sellars L.J in **The Eastern City (1958) 2 LLr 127, 131** 'a port will not be safe unless, in the relevant period of time, the particular ship can reach it, use it and return from it without in the absence of some abnormal occurrence, being exposed to danger which cannot be avoided by good navigation and seamanship'

It is important to note that not every hazard renders a port unsafe. A port is only unsafe if the resultant delay is so inordinate as to frustrate the object of the charterparty.

A Shipowner can refuse a nomination if he is aware that the port is inherently unsafe. However, if a Shipowner ignores obvious danger and enters an unsafe port he cannot generally charge the charterer with damage done.

The question that begs to be asked is whether the charterer is under the obligation from time of nomination or time of entry into the port. In **The Evia (No.2) (1982) LLR 307**, the Port of Basrah was nominated by the

charterer in March 1980 at a time when the port was safe and there was no reason to expect it to be unsafe in the foreseeable future. On the arrival of the vessel at the Shatt al Arab in July the vessel could not berth due to congestion till 20th August.

The discharge was completed on 22 September, the very day on which navigation on the Shatt al Arab ceased due to the outbreak of the IranIraq war ostensibly trapping the Evia. The Court confirmed that the Charterparty was frustrated and that no breach of the warranty to nominate a safe port had been breached, that the warranty was not a continuing guarantee of the port's safety but only referred to the prospective safety at the time of nomination.

The Obligation not to Ship Dangerous Goods

The final obligation also falls on the charterer. The charterer is under an obligation not to ship dangerous goods without notifying the shipowner of their particular characteristics or nature. This is in order to give the carrier the opportunity to refuse to carry the goods. If he is minded to accept the cargo he then has the opportunity to take the necessary precautions to protect the vessel, the cargo and any other cargo that might be on board.

The Charterer is strictly liable for damage resulting to the vessel or any other cargo on board. A Carrier can also hold a shipper liable for all the damages incurred in taking action to avoid the danger.

In a nutshell the above is a brief exposition on the main obligations implied by the law on parties to a charterparty. It is important to remember that because these obligations are implied, they be overridden by express words to the contrary. In view of this parties to a charterparty must make a conscious effort to preserve the interests that the implied obligations were meant to protect.

THE

3

benefits of the **SSNIT PENSION SCHEME**

1. **Old Age / Retirement Pension**
2. **Invalidity Pension**
3. **Survivors' Lump Sum**

What are the Qualifying Conditions?

Old Age / Retirement Pension

- Must have attained the age of **60**
- A reduced pension could be paid between ages of **55-59** and
- Must have contributed for a minimum period of **240 months**

Invalidity Pension

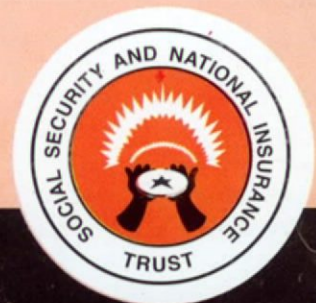
- Must have been a member for a minimum period of **36 months**
- Must have made at least **12 monthly** contributions in aggregate within the last **36 months**
- Must be certified invalid by the **SSNIT Medical Board**

Survivors' Lump Sum

- When a member dies before retirement
- Should not have attained **72 years** at the time of death if a pensioner

CONTACT:

THE HEAD OF PUBLIC AFFAIRS DEPARTMENT SSNIT PENSION HOUSE,
P.O. BOX M149, ACCRA
TEL: 021- 667731/4-9, 668663-5 EXT. 2205 • 2207 • 2209 • 2210 • 2212
TEL/FAX: 021- 667742 • 686373 or any SSNIT Branch



We deliver on our promise!

Food and Drugs Board



Inspection of drug manufacturing plant in India

The Food and Drugs Board (FDB) was established by the Food and Drugs Law, 1992 (PNDCL 305B) which was enacted to control the manufacture, importation, exportation, distribution, use and advertisement of food and drugs.

This law has since been amended by the Food and Drugs (Amendment) Act, 1996, Act 523 to provide for the fortification of salt to alleviate nutritional deficiencies, and to bring the provisions of the law in conformity with the 1992 constitution of the Republic of Ghana.

The Board, therefore, has a mandate to ensure the safety and quality of regulatory products meant for local consumption and for export. The FDB executes this mandate by instituting appropriate regulatory measures to achieve the highest standards of safety, efficacy, and quality for all foods, drugs, cosmetics, household chemical

substances and medical devices locally manufactured, imported, exported, distributed, sold, or used, to ensure the protection of the consumer as envisaged by the law.

Divisions and Departments

The FDB consist of two main divisions, which are the Food and the Drugs Division. The Drugs Division assists the Board execute its mandate in the regulation of drugs, cosmetics, chemical substances, medical devices, herbal and homeopathic medicine, whilst the Food Division assists the Board execute its mandate in the regulation of food which includes beverages (alcoholic and non-alcoholic), confectionery, processed food, water, etc.

The two divisions are further divided into Departments which are sub-structured into Units. The FDB has three well-equipped laboratories (Microbiology, Physicochemical and Medical Devices Laboratory) subsumed under the laboratory

Services Department (LSD). The Finance and Administration Department handles human resource and administrative procedures of the FDB.

Zonal Offices

The FDB has four zonal offices, the Bolgatanga Zonal Office; its operations cover the Northern, Upper West and Upper East regions, the Kumasi Zonal Office; its operations cover the Ashanti and Brong Ahafo Region, the Takoradi Zonal Office; cover the Western and Central Region, and the Ho Zonal Office; covers the Volta and Eastern regions

Functions/Activities

The FDB shall be informed of the intention to import regulatory products (food, drugs, cosmetics, medical devices, household chemicals and chemical substances) at least one calendar month prior to its arrival at the port of entry.



Importers of these products shall secure a clearance from the FDB prior to confirmation of an order for the importation of such commodities. For example, requests for import clearance for a food product shall be accompanied by the following:

- (a) A letter addressed to the Chief Executive stating the product to be imported
- (b) Completed import application forms (FDB/F/IM/01-03) issued by FDB
- (c) Certificate of analysis and/or a phytosanitary certificate or a health certificate (where applicable) from the Health Authorities or the appropriate agency of the country of origin, authenticated and attesting to the status of the products and manufacturer.
- (d) Business registration certificates. Only body-corporates duly registered by the registrar General's Department shall be permitted to import food
- (e) Samples of the food products(s) to be imported and
- (f) Writing an undertaking (filling a form FDB/FM/LU/01) stating that the consignment when released to the consignee shall

not be distributed, offered for sale or used until authorized by FDB

In the case of drugs, the importer would need a clearance permit which is issued only for products that had been registered with the Board. When the permit is issued, the original copy, with a hologram, is given to FDB port office, at the port from where the product is to be cleared and a duplicate copy (yellow) given to the importer (client). When the goods arrive at the port, the importer submits his yellow copy to the FDB port officer who then, in collaboration with officers of CEPS, assists the importer to clear the goods using the original copy.

As in the case of food imports, permit for unregistered drugs may not be granted and the products may be seized and destroyed, all at the expense of the importer. In some cases, legal action may be taken against the offender.

All incoming consignments of regulatory products shall be physically inspected, at the port of entry, and samples analysed by the FDB. Products in compliance with the Law shall be released to the importer.

Non-conforming products shall be detained under modalities determined by the Board if they can be reasonably brought into conformance with the law whilst non-conforming products, which cannot be brought into compliance with the Law shall either be re-exported or destroyed under the Board's supervision, all at the expense of the importer.

Some importers are however turning this simple process into a stressful one. Instead of notifying the Board or registering their product prior to its importation, they



*Emmanuel Kyeremateng Agyarko ..
CEO Food & Drugs Board*

attempt bringing their operations into conformance with the law on arrival of the consignment at the port of entry. This leads to the consignment attracting undue demurrages since the FDB would ensure compliance before granting permit for clearance.

All over the world food, drugs, cosmetics, household chemical substances and medical devices are regulated. The basic principles are always the same; protecting consumers from unsanitary, unwholesome, mislabeled or adulterated consumable products (ensuring fair trade practices); contributing to economic development by maintaining consumer confidence in the food and pharmaceutical system and providing a sound regulatory foundation for domestic and international trade.

Unregulated markets give an excellent opportunity for consumer exploitation, through unfair trade practices with pricing, misrepresentation of products, and misleading labeling.

The FDB would therefore like to urge all importers, exporters and distributors of these regulated products to bring their operations into conformance with the requirements of the law. It is the intention of the Board to execute its mandate to the fullest to ensure the protection of the consumer as envisaged by the laws regulating food and drugs in force in Ghana.



A staff of FDB analysing a product



Africa Coastal Services (ACS) Gh. Ltd.



Conventional steel cargo from the Baltic and Black Sea to West Africa since 1981.

GMT Shipping Group has its headquarters in Hong Kong with representative offices in Antwerp, Lagos, Odessa, Tema and Shanghai.

ACS was established in Ghana in 2003 to complement the Ghana Ports and Harbours Authority's (GPHA) plan to position the port as the main Gateway to Africa. The terminal is strategically located along the harbour road very close to the Port.

Our management staff possess more than 30 years worldwide experience in terminal operations and management, container repair inspection and other repairs. We have three (3) qualified IICL (Institute of International Container Lessors) container inspectors.

We provide a one-stop, safe and secure door-to-door service under the ambit of GMT. Our customer-driven approach enhances the performance of our clients' operations..

Facilities and Equipment:

Africa Coastal Services (GH) Ltd. is currently constructing a 45,000 square meter multi-purpose container terminal and warehouse in Tema. The terminal comprises a 30,000 square meter container yard and a 15,000 square meter modern four-storey warehouse which will be completed in 2006. The container yard will be operational in July, 2005.

Vision:

Our Vision is to operate a world-class container terminal complex in Tema, Ghana, taking full advantage of the port's strategic location to attract major global shipping lines to establish their transshipment hub in Ghana.

This is to be done through acquiring the most modern equipment, using state of the art technology and establishing the most efficient operating procedures.

Core Business:

Container Depot and Warehouse Services comprising:

- Handling & Storage of Empty and Laden Containers
- Container Inspection & Repair
- Container Washing and Cleaning
- Logistics and Transportation Services
- Vanning and Devanning
- Handling and Storage of general cargo

Mission Statement:

Africa Coastal Services (GH) Ltd. will profitably operate a container terminal close to the Tema Harbour and in active cooperation with its customers deliver efficient, reliable, cost effective services and thereby becoming the leading container hub in the Sub-Saharan Region to the benefit of all customers, shareholders, employees and all other stakeholders.

Overview of Africa Coastal Services (Gh) Ltd:

ACS (GH) Ltd is a subsidiary of the GMT Shipping Group. Its incorporation in Ghana is a sign of the GMT Shipping Group's long-term commitment to its clients in the West Africa region. GMT Shipping Group has provided regular liner services specializing in



Our spacious container yard enables us to provide a comprehensive range of services including vanning/devanning, storage, and customs clearance of containers. Streamlined container movements guarantees customers highest quality services at the lowest costs.

Our facilities include a 1,200 square meter multi-purpose repair workshop, the first in the sub-region! The workshop offers a 24-hour, daily repair service for all types of containers. Other services include, container cleaning, washing and refurbishment. It has a capacity of repairing 40 TEUs a time and can also be easily converted into a container stuffing shed during the rainy season.

To achieve world-wide standards, all container inspections and repair will be carried out to International Standards and materials used will be to the industry specifications. We offer highly competitive and attractive rates.

The depot will be equipped with two new 45 ton x 5-high Reach Stackers, two 6-high empty container stackers, two 14 ton x 4-high forklift and six 3-ton forklifts and other necessary equipment.

Why Use Gmt & Acs Services?

Safety & Reliability

At GMT and ACS, all logistics are carried out by professionals to ensure excellent stowage, safe loading, discharge and effective delivery of cargo to customers.

We work very closely with our clients to

exchange information to ensure timely and accurate response to their needs.

Customer Focused

Efficiency, reliability, reasonable costs, close attention to the needs and requirements of the customer, flexibility, imagination and innovation are the strong points of the GMT Shipping Group. The company boldly faces the challenges of the market and assures its customers of the highest standards of service.

Our Culture

Integrity

Integrity is fundamental. Our company is built on a foundation of trust strengthened by honesty, objectivity and candor.

Service

We demonstrate our commitment to our clients through exceptional and enthusiastic service.

Initiative

We are individually and collectively responsible for the success of our company. We take personal initiative to act on opportunities within our areas of responsibility and collaborate on opportunities beyond them.

Teamwork

We cooperate and share information and resources. Mutual respect, trust and teamwork create the synergies that make us an ever-stronger company.

Learning

We learn and grow through our careers, developing our skills and potential in

pursuit of better results for our clients and all stakeholders.

GMT Group Background

The GMT Shipping Group provides a wide range of dry bulk shipping services. These services include:

- Regular Liner Services to and from West Africa
- Coastal Feeder Services (West Africa)
- World-wide Parcel Shipment
- Logistics Services
- Shipping Agency
- Handling and Stevedoring
- Customs Clearance
- Haulage/Distribution
- Multi-purpose Depot and Warehousing Services

GMT Shipping Group has an experienced international management team, key members of whom have extensive experience and technical expertise in the shipping industry. Our commitment to "safe and reliable" quality services along with a sound financial base has provided us with a solid "niche" position in the international shipping industry.

Currently, GMT Shipping Group employs over 100 experienced and well-trained staff dedicated to delivering competitive quality services to meet specific customer requirement.



Contact

ACS Gh Ltd.

Corporate Address: 2nd Floor Dankwa House, Mkt. Place Community 5 PMB Tema Ghana
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Telephone: 233-22-210400/233-22-210522 Fax: 233-22-210401 Telex: 2636
Email: Patrick.Tam@afriacacs.com
Head Office: 18/F, Harbour Comm. Blding. 122-124 Cannaught Rd. Central, Sheung Wa, Hong Kong

MARITIME TRADE REVIEW

For the period January to March 2005, total cargo throughput was 2.8 million metric tonnes for Ghana. This was made up of 1,962,155 metric tonnes of imports and 884,216 metric tonnes of exports. The neighbouring landlocked countries recorded 168,808 metric tonnes of imports and 9,603 metric tonnes of exports.

The Port of Tema accounted for about 83% of the imports while Takoradi Port handled the remaining 17%. On exports, Takoradi handled about 72% while 28% was discharge through the Tema Port. See Table I and Fig. I below.

Table 1 Maritime Trade of Ghana (January - March 2005)

	Imports	Exports	Total
Tema	1,540,956	237,527	1,778,483
Takoradi	252,391	637,086	889,477
Transit	168,808	9,603	178,411
Throughput	1,962,155	884,216	2,846,371

Fig.1 Maritime Trade of Ghana January to March 2005 (in Metric Tonnes)

Thru'put	2,846,371
Exports	884,216
Imports	1,962,155

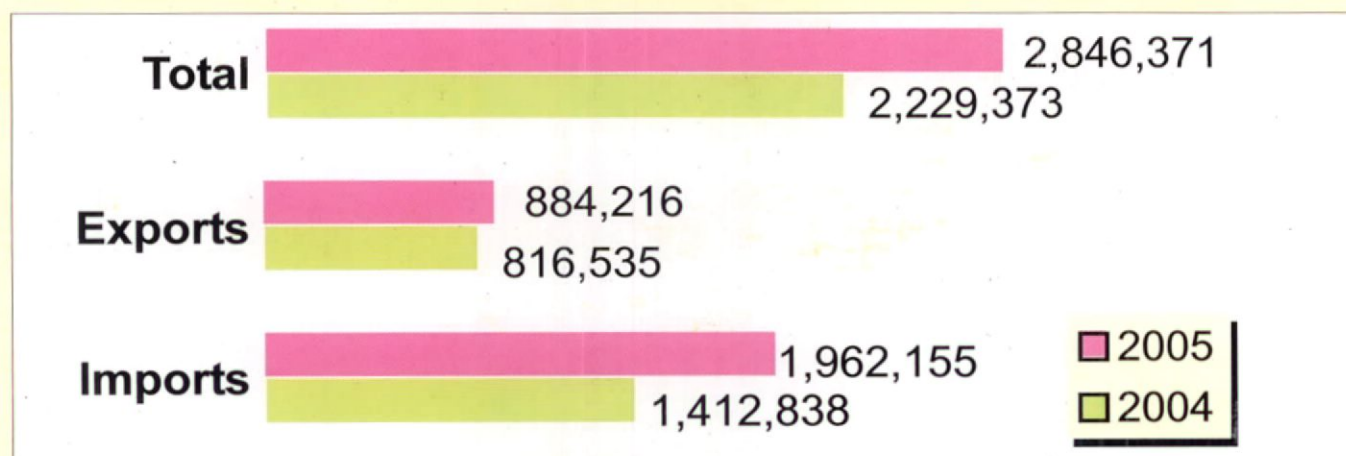
Total throughput for January to March 2005 was about 22% more than what was obtained in the same period last year.

Import and export cargo for the period also outstripped the 2004 period by 30% and 8% respectively as shown in Table 2 and Fig. 2 below.

Table 2. Maritime Trade of Ghana (January - March 2004 & 2005)

	Imports		Exports		Total	
	2005	2004	2005	2004	2005	2004
Tema	1,540,956	1,031,116	237,527	219,782	1,778,483	1,250,898
Takoradi	252,391	269,777	637,086	596,753	889,477	866,530
Transit	168,808	111,945	9,603	-	178,411	111,945
Throughput	1,962,155	1,412,838	884,216	816,535	2,846,371	2,229,373

Fig. 2 MARITIME TRADE OF GHANA - January to March 2004 & 2005 (in metric tonnes)





Performance of The Maritime Trade of Ghana

For the period under consideration, liner imports contributed more than 45% of total imports. This was followed by liquid bulk, accounting for about 31% and dry bulk 24%.

Export on the other hand was dominated by dry bulk, amounting to about 62% with liner export taking up more than 31% and liquid bulk export 7%.

For performance of the trade types as against same period in 2004, apart from dry bulk imports, which fell by 18%, all other trade types were higher. Transit imports were equally high.

Export, however, showed a decline in the liner as well as the liquid bulk trade. Dry bulk increased by 17% while there was no record of transit export in the 2004 period.

Comparing the performance at the ports, an increase of more than 30% for imports and 11% for exports was recorded at the Tema Port. This included transit cargo as can be seen in Table 3 below.

The Takoradi port witnessed similar increments with imports contributing 16% and export 6% more than what was recorded for the previous year. The performance of the

Comparison of Maritime Trade through the Ports of Ghana for Jan-Mar 2004 & 2005

Table 3

	TEMA			TAKORADI			TOTAL		
	2004	2005	+/- %	2004	2005	+/- %	2004	2005	+/- %
IMPORTS									
Liner	461,731	739,911	37.6	49,748	68,899	27.8	511,479	808,810	24.4
Dry Bulk	293,027	255,262	-14.8	210,826	173,020	-21.8	503,853	428,281	-17.6
Liq. Bulk	276,358	545,783	49.4	9,203	10,473	12.1	285,560	556,256	48.7
Total	1,031,116	1,540,956	33.0	269,777	252,391	-6.9	1,300,893	1,793,347	27.4
Add Transit	102,645	88,821	-15.6	9,300	79,987	88.4	111,945	168,808	33.7
Throughput	1,133,761	1,629,777	30.4	279,077	332,378	16.0	1,412,838	1,962,155	28
EXPORTS									
Liner	131,640	138,285	4.8	164,559	135,692	-21.3	296,200	273,976	-8.11
Dry Bulk	14,773	37,649	60.8	432,194	501,394	13.8	446,967	539,043	17.1
Liq. Bulk	73,368	61,593	-16.0	-	-	-	73,368	61,593	-19.1
Total	219,782	237,527	7.5	596,753	637,086	6.3	816,535	874,613	6.6
Add Transit	-	9,531	-	-	72	-	-	9,603	-
Throughput	219,782	247,058	11.0	596,753	637,158	6.3	816,535	884,216	7.6

The principal commodities for total liner import trade for the period under consideration included rice/grains/flour (17%), iron/steel/plates/pipes (13%), processed foods/beverages/frozen meat & foods (13%), sugar (10%), chemicals/polythene raw materials (11%), tiles (3%), machinery/equipment (3%), vehicle (2%) etc.

In the dry bulk trade, clinker dominated with 78%, followed by grains (11%) and limestone (9%). The liquid bulk was mainly crude oil and petroleum products (over 97%).

For total liner export, the cocoa industry continued to dominate. Cocoa beans and cocoa products together registered more than 47% for the period. This was followed by timber, 22%, of which logs registered about 3%.

The rest of export comprised mostly of non-traditional export totalling nearly 24%. This included pineapple (5%), sheanuts and sheanut butter (2.21%), cotton and cotton seeds (2%), canned fish (1.6%) and others such as handicraft, furniture and wood products, local foodstuff, etc.

Liner import trade in the period under consideration was over 24% higher than the previous year. The same applied to Liquid Bulk imports and the transit import trade which were higher by 49% and 34% respectively. Dry bulk, however, declined by nearly 18%. See Fig. 3 below.

For exports, the liner and bulk liquid trades declined by more than 8% and 19% respectively while the dry bulk increased by 17%. No transit trade was recorded for last year. See Fig. 4 below.



Fig. 3 Maritime Imports (Trade Types) of Ghana (Jan-Mar 2004 & 2005)

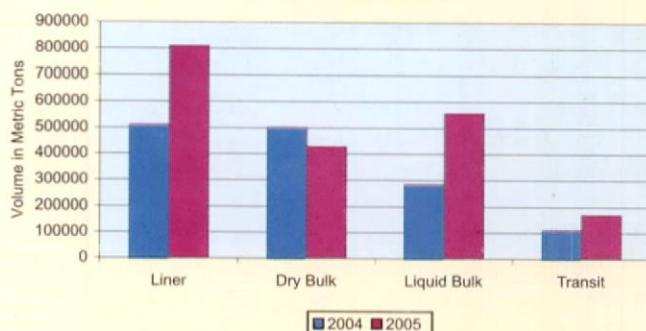
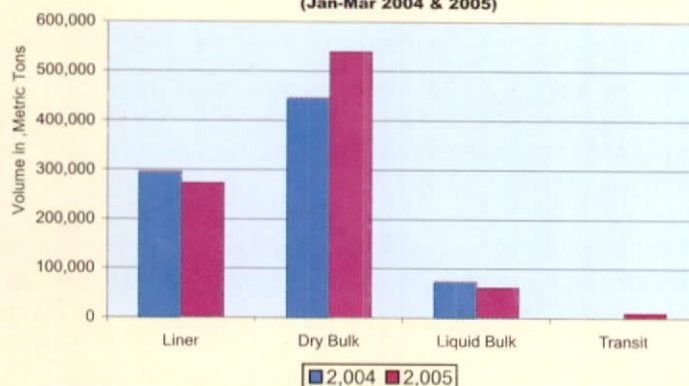


Fig. 4 Maritime Exports (Trade Type) of Ghana (Jan-Mar 2004 & 2005)



Direction of the Maritime Trade of Ghana

For the period under consideration, January to March 2005, most imports came from the Africa range, followed by the Far East and North Continent ranges.

For exports, the North Continent range was the highest destination followed by the Far East range. The other ranges had between 3% and 5%. See Figs 5 and 6 below.

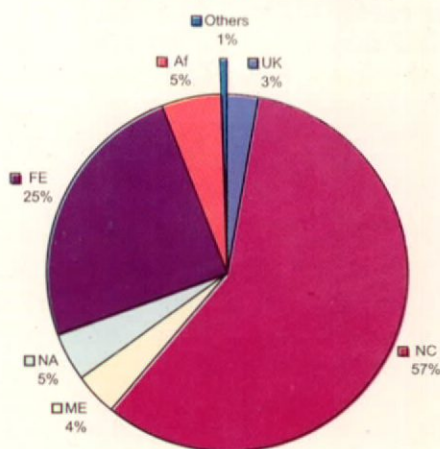
Table 4. Direction of Exports (January-March 2005)

Range/Trade	United Kingdom (UK)	North Continent (NC)	Med Europe (ME)	North America (NA)	Far East (FE)	Africa (Af)	Others	Total
Liner	24,490	119,743	32,797	11,747	50,908	29,591	4,701	273,976
Dry Bulk	-	363,032	2,028	-	165,183	8,800	-	539,043
Liq Bulk	-	26,673	-	27,802	-	7,118	-	61,593
Total	24,490	509,448	34,825	39,549	216,091	45,509	4,701	874,613

Table 5. Direction Imports (January-March 2005)

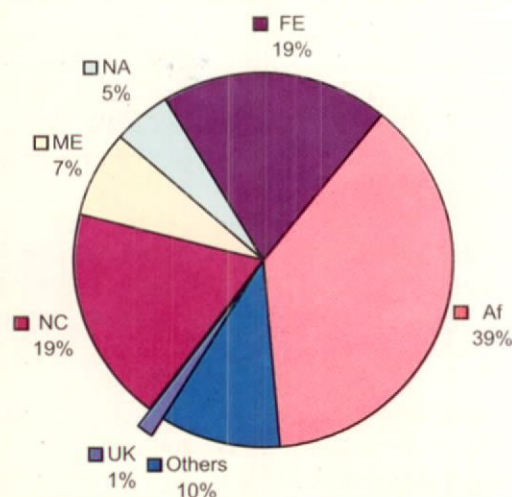
Range/Trade	United Kingdom (UK)	North Continent (NC)	Med Europe (ME)	North America (NA)	Far East (FE)	Africa (Af)	Others	Total
Liner	22,949	155,469	106,398	65,149	260,004	64,986	133,856	808,810
Dry Bulk	-	116,681	25,080	26,100	85,420	175,000	-	428,281
Liq Bulk	-	62,046	2,107	-	3,960	438,208	49,934	556,256
Total	22,949	334,195	133,585	91,249	349,384	678,195	183,790	1,793,347

Fig. 6 Direction of Maritime Exports of Ghana (Jan-Mar 2005)



UK NC ME NA FE Af Others

Fig. 5 Direction of Maritime Imports of Ghana (Jan-Mar 2005)

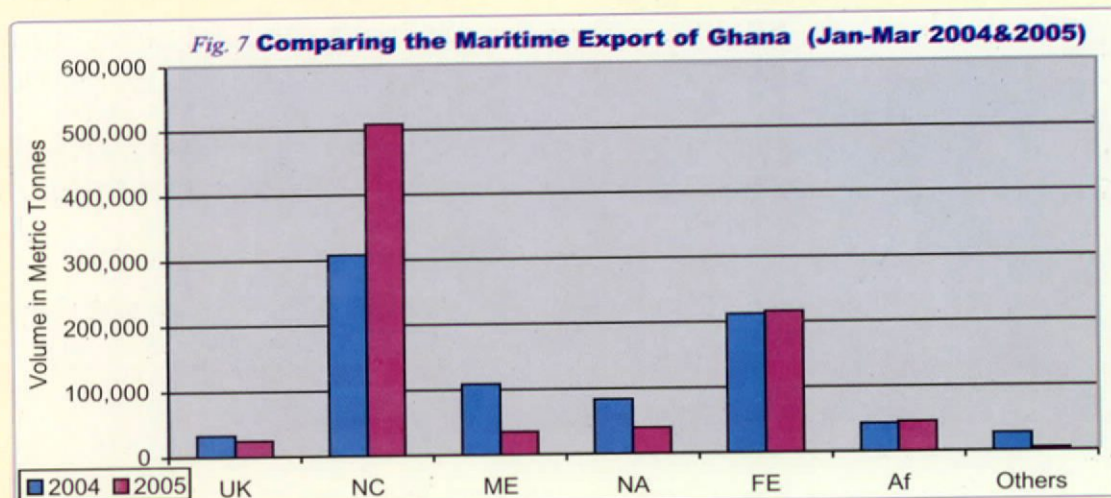


UK NC ME NA FE Af Others



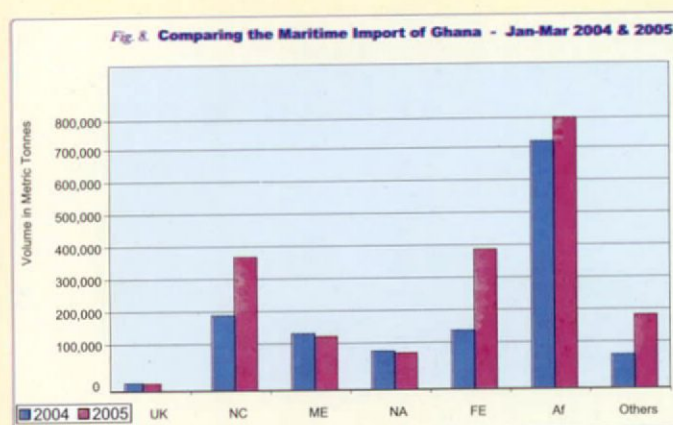
Comparing the period under consideration to that of last year (i.e. January to March, 2004), it is quite obvious that the direction of the maritime trade of Ghana follows the same pattern. As can be seen in Fig. 7 below, major exports of Ghana

went to the North Continent and the Far East ranges where the figures were higher than that of last year. On the UK, the Mediterranean, Europe and the North America ranges, however, export figures were lower than that of last year.



Imports continued to be high on the Africa, the Far East and the North Continent ranges. Figures for this year were higher as compared to that of last Year.

As can be seen in Fig. 8 below, import went to the ranges in the same ratio as last, though there were shortfalls on the UK, Mediterranean and North America ranges.



PERFORMANCE OF SHIPPING AGENTS

During the period under consideration, 35 shipping agents participated in the maritime trade of Ghana.

For liner trade, 20 shipping agents participated. All 20 agents participated in the liner import trade while 11 agents handled the liner export trade.

Maersk Ghana Limited handled the highest volume of the liner trade, recording nearly 11% of the total liner trade. SDV Ghana Limited reported the second highest percentage of about 5%. Hull Blyth, Supermaritime and Antrak Ghana Limited followed in that order.

Ghana Shippers' Council

Performance of Shipping Agents in Ghana's Seaborne Trade Import and Export (1st Quarter 2005)

Volume of Trade (in Tonnes)

SHIPPING AGENT/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
ANTRAK GH. LTD.	72,821	18,261	91,082	8.41
BLUE SEA	13,263	0	13,263	1.22
CROSS OCEAN	11,560	0	11,560	1.07
FAIRPOINT SYS.	8,869	0	8,869	0.82
GLOBAL CARGO	43,677	0	43,677	4.03
GMT SHIPPING	19,373	0	19,373	1.79
HULL BLYTH	72,584	21,210	93,794	8.66
ISAG	16,146	12,954	29,100	2.69
MAERSK GH. LTD.	203,469	84,685	288,154	26.61

SPEEDLINE STEVEDORING COMPANY LIMITED.



- Our aim at Speedline is to be the best stevedoring company in Ghana.
- We ensure quick dispatch of vessels by providing service with efficiency and effectiveness through the use of modern equipment.
- With skillful and well-trained work force your cargo is always in safe hands
- We operate in Tema and Takoradi Ports.



Speedline Stevedoring Company Limited
P. O. BOX CO.1453

Tema - Ghana

Tema

Tel. 022 213126/213128/204068
fax.233-22-204219

Takoradi Branch, P. O. Box 374

Takoradi -Ghana.

Tel. 233 -31 - 30195/24453

Tel/Fax. 233-31-30196



MAPS SHIPPING	9,389	0	9,389	0.87
MARITIME AGENCY	73,504	1,494	74,998	6.93
OCEANIC RORO	12,860	3,495	16,355	1.51
OCEAN LANE	31,574	0	31,574	2.92
PANALPINA	6,101	5,000	11,101	1.03
PONWA	12,904	4,008	16,912	1.56
SANTA SHIPP.	7,051	0	7,051	0.65
SCANSHIP GH. LTD.	43,697	5,728	49,425	4.56
SDV GH. LTD.	62,639	62,905	125,544	11.59
SEATRANS	49,136	0	49,136	4.54
SUPERMARITIME	38,185	54,236	92,421	8.54
				0.00
SUB-TOTAL	808,802	273,976	1,082,778	40.59
DRY BULK				
ANTRAK GH. LTD.	232	0	232	0.02
GLOBAL CARGO	8,382	0	8,382	0.87
HULL BLYTH	374,070	0	374,070	38.67
MAERSK GH. LTD.	22,500	31,579	54,079	5.59
PANALPINA	748	3,922	4,670	0.48
SCANSHIP	3,999	33,727	37,726	3.90
SDV GH. LTD.	2,000	0	2,000	0.21
SUPERMARITIME	16,350	469,819	486,169	50.26
SUB-TOTAL	428,281	539,047	967,328	36.26
LIQUID BULK				
BULK SHIPPING	28,394	0	28,394	4.60
GEK SHIPPING	348,437	0	348,437	56.44
HULL BLYTH	10,406	0	10,406	1.69
PANALPINA	4,940	0	4,940	0.80
SCANSHIP	119,588	61,593	181,181	29.35
SEATRANS	29,712	0	29,712	4.81
SUPERMARITIME	14,238	0	14,238	2.31
				0.00
SUB-TOTAL	555,715	61,593	617,308	23.14
GRAND TOTAL	1,792,798	874,616	2,667,414	100.00

In the dry bulk trade, eight shipping agents participated in handling the import trade while three took part in the export trade. Supermaritime followed by Hull Blyth handled the greater share of 18% and 14% respectively.

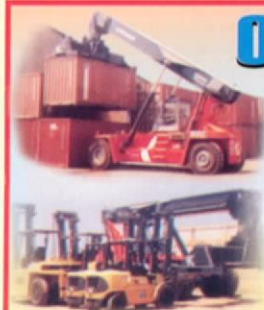
In the Liquid Bulk trade there were seven shipping agents, six participating in the import trade with only one agent handled the export trade. Gek Shipping handled the highest share of 13% while Scanship, the only agent to handle the export trade, took nearly 7%.

Performance Of Shipping Lines

Total trade liner imports and exports for the period

under consideration were carried by 40 shipping lines. The highest performer was Mearsk Sealand who carried altogether 281,226 metric tonnes amounting to slightly over 10% of total liner trade. Delmas carried 124,596 metric tonnes of the total liner trade amounting to about 5%. The other lines carried between 0.02 and 1.64 percent of the total liner trade.

In the dry bulk trade, 21 shipping lines participated. 15 lines carried the imports while 9 carried the exports. The IMT line carried the highest dry bulk cargo for the period. This was in the export trade (366,502 metric tonnes) amounting to nearly 14% of total dry bulk trade.



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Ghana Shippers' Council
Performance of Shipping Lines in Ghana's Seaborne Trade
Import (Jan - Mar 2005)

SHIPPING LINE/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
K' LINES	652	0	652	0.02
AFRICAN EXPRESS LINE	1,517	906	2,423	0.09
BOCS ANTWERPEN	1,058	0	1,058	0.04
CEREAL INV. CO. S/A	5,000	0	5,000	0.19
CHINA SHIPPING	3,897	0	9,897	0.37
CMA/CGM FRENCH LINES	16,540	4319	20,859	0.78
COFCO INTERNATIONAL	26,413	0	26,413	0.99
CONTI LINES	34,254	0	34,254	1.28
CSAV	9,095	0	9,095	0.34
DELMAS	61,691	62905	124,596	4.67
DOLE SHIPPING	4,269	15681	19,950	0.75
DONG THAP COMM.	11,560	0	11,560	0.43
ECOMARINE INT. SEATRADE	11	0	11	0.00
ECOMARINE INT. SEATRADE	270	0	270	0.01
EUROAFRICA	11,296	1000	12,296	0.46
GOLD STAR LINE	14,419	12954	27,373	1.03
GRIMALDI LINES	13,139	8940	22,079	0.83
GST SHIPPING	22,149	0	22,149	0.83
ICECLIMATED INT.	7,051	0	7,051	0.26
KIEN HUNG SHIPPING	3,757	0	3,757	0.14
L&C TRANSPORTATION	4,730	0	4,730	0.18
LYCOPODIUM ENG.	2,092	0	2,092	0.08
LYKES LINES	2,932	0	2,932	0.11
MAERSK SEALAND	202,530	78696	281,226	10.54
MEDITERANEAN SHIPP. CO.	73,504	1494	74,998	2.81
MSSINA LINES	45,638	18261	63,899	2.40
MOSK LINES	14,581	4728	19,309	0.72
NEW SEA FISH	3,869	0	3,869	0.15
NORDANA LINES	12,945	0	12,945	0.49
OTAL	12,146	0	12,146	0.46
OTHER	91,624	0	91,624	3.43
P&O NEDLLOYD	13,046	4008	17,054	0.64
PACIFIC INTL. LINES	23,304	11447	34,751	1.30
S. BACO LINER	0	5000	5,000	0.19
SAFMARINE	939	5990	6,929	0.26
SOAFRIMEX	43,677	0	43,677	1.64
THS ARBO & CO.	196	0	196	0.01
UNICARGO	0	8000	8,000	0.30
VERTOM	0	29650	29,650	1.11
VIETNAM SEA TRANSPORT	7,022	0	7,022	0.26
SUB-TOTAL	808,813	273979	1,082,792	40.58
DRY BULK				0.11
ADON RICE INC.	3,000	0	3,000	1.18
BULKHANDLING	0	31579	31,579	0.57
CARGILL INT. S/A	15,200	0	15,200	0.07
DELMAS	2,000	0	2,000	0.90
DENSAY	24,100	0	24,100	1.15
EUROAFRICA	3,999	26583	30,582	1.06
GEAR BULK	28,400	0	28,400	13.74
IMT	0	366502	366,502	0.84
MAERSK SEALAND	22,500	0	22,500	1.02
MERADA	13,350	13834	27,184	0.01
MESSINA LINES	232	0	232	0.06
NAVECO SHIPPING	0	1500	1,500	1.58
NORDEN	42,230	0	42,230	1.35
OLDENDORFF	35,900	0	35,900	3.37
OTHER	0	89822	89,822	



Ghana Shippers' Council
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NORDEN	42,230	0	42,230	1.58
OLDENDORFF	35,900	0	35,900	1.35
OTHER	0	89822	89,822	3.37
POLYTRADE	8,840	0	8,840	0.33
SCANCEM	219,400	0	219,400	8.22
SEA BOARD	0	3300	3,300	0.12
SOAFRIMEX	8,382	0	8,382	0.31
TANK AFRICA	748	3922	4,670	0.18
VERTOM	0	2000	2,000	0.07
SUB-TOTAL	428,281	539042	967,323	36.26
LIQUID BULK				
BULKHANDLING	32,340	0	32,340	1.21
DANNIBROG REDERI AS.	600	0	600	0.02
N.N.P.C	348,437	0	348,437	13.06
OTHER	62,177	0	62,177	2.33
SMB	10,473	0	10,473	0.39
TANK AFRICA	4,241	0	4,241	0.16
VITAL	97,988	61593	159,581	5.98
SUB-TOTAL	556,256	61593	617,849	23.16
GRAND TOTAL	1,793,350	874614	2,667,964	100.00

Scancem who participated in only the dry imports trade carried 8,382 metric tonnes of cargo to the ports of Ghana registering over 8% of the total liner trade for the period. The participation of other lines ranged between 0.07% and slightly over 3%.

The liquid bulk trade had seven lines participating. All of them participated in the import trade with one, Vital Line carrying out of the ports of Ghana about 61,593 of liquid exports. The highest performer was N.N.P.C which carried 13% of the trade followed by Vital (6%), Other lines (2%), Bulkhandling (1%) and the rest carrying between 0.02 and 0.16 percent.

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THE FREIGHT FORWARDER'S RESPONSIBILITY IN SHIPPED ON HOLD CONTRACTS: *Some Issues In Bailment*

**EURO CELLULAR (DISTRIBUTION) PLC VRS DANZAS LTD t/a DANZAS AEI
INTERCONTINENTAL AND ANOTHER [2003 EWHC 3161 (COMM)]**

By Kofi Mbiah, GSC

This is a case, which considers the responsibility of the "modern" freight forwarder in a contract of carriage where the shipment of the goods are described as being "on hold".

In examining this case, I would throw some light on some legal issues arising in cases of bailment, in particular limitation of liability in such instances.

For a clear appreciation of the legal issues that come to the fore in this case, it would be useful to set out the facts of the case in some detail.

FACTS

During the month of December in the year 2001, a cargo of mobile phones valued at Euro 801,500 were transported from Croydon in London to Barcelona in Spain. In this case, the claimants entered into an agreement with the defendants for the provision of freight forwarding, carriage and warehousing services. The parties agreed to adopt the standard terms of the British International Freight Association (BIFA). Other documents of relevance to this discussion is the "Freight Forwarders Guide" which was submitted by the claimants as well as the standard trading conditions 2000 edition eff. 1/7/00.

It is worth noting that the standard terms of the (BIFA) contains a clause which limits the liability of the defendants to two Special Drawing Rights (SDR's) per kilo.

The Freight Forwarders Guide, also provided that goods shipped "on

hold" were not to be released unless the defendants received a "Release Fax" from the claimants together with an appropriate four digits numerical code from the consignee. It is also to be noted that any release contrary to the above instructions was to be regarded as "negligent release".

Further to the above, the Freight Forwarders' Guide one of the documents I have referred to earlier as part of the documents evidencing



The writer

the contract, also contained a clause which stated that the claimants required acceptance that liability was **not to be limited** (my emphasis) but was to extend to the full value of the goods.

The correspondence between the parties indicated that the defendants did not accept that clause and countered that with a fax stating: "We confirm we have received your

freight forwarders guide and agree to comply with the working parameters set out therein save that the acceptance of liability clause on the last page be stated as "full cover for negligent release will be covered by the insurers of [the defendants] and full cover for any and all other eventualities leading to the loss of goods to be covered by the insurers of the [claimants]".

It added that this clause was not to diminish "our standard trading conditions 2000 edition eff. 1/7/00.

From the above it thus becomes clear that the acceptance of liability clause as restated by the defendants was to be superimposed over the acceptance of liability clause stated in the "Freight Forwarders Guide"

The terms for the carriage as guided by the BIFA, the "Freight Forwarders Guide" (as modified) and the standard trading conditions 2000 are thus the documents of reference for the contract as between the parties.

Later in January, claimants faxed the requisite instructions to the defendants for the release of the cargo to the consignees. The cargo of mobile phones were nowhere to be found after a search in the warehouses where they were kept.

The claimants therefore sought to claim as per the contract for the full value of the cargo of mobile phones.

The defendants countered that as per the contract they admitted liability but were entitled to limit their liability to two SDR's per kilo.

LIABILITY ISSUES

The liability issues that arise here have their roots in the common law doctrine of bailment. However, before a discussion of the legal issues within the realm of bailment it would be useful to address the liability issues within the framework of the contract between the parties.

It is clear that from the terms of the contract, the defendants will be liable if they are unable to deliver the goods to the consignee as per the instructions of the claimants. If the goods were lost through theft or some means other than their "negligent release" then they could fall on the clauses within the BIFA which gave them the right to limit their liability. They, therefore, had to prove that the goods were not lost through "negligent release".

The Court found that there was no evidence which points to a theft or a robbery as opposed to a negligent release. On the balance of probabilities it took the view that a negligent release was more likely.

I have indicated that the documents evidencing the contract refer to the defendant's standard trading conditions [2000 edition]. In order to relate the import of the said conditions with the other documents, it would be necessary to set out the relevant portions of the standard conditions *in extenso*.

CLAUSE 24

The company shall perform its duties with a reasonable degree of care, diligence, skill and judgement.

CLAUSE 25

The company shall be relieved of liability for any loss or damage if and to the extent that such loss or damage is caused by:

(A).....

(B) Any cause or event which the company is unable to avoid and the consequences whereof the company is unable to prevent by the exercise of reasonable diligence.

27(A) Subject to clause 2B and 11B

above and sub-clause D below the company's liability howsoever arising and notwithstanding that the cause of loss or damage be unexplained shall not exceed:

(i) in the case for loss or damage to goods: (a) the value of any goods lost or damaged or (b) a sum at the rate of two Special Drawing Rights as defined by the International Monetary Fund (hereinafter referred to as SDR's) per kilo of the gross weight of any goods lost or damaged whichever shall be the least.

It is clear that the construction to be placed on clause 27(A) would be far reaching as to exonerate, the defendants from liability or in any case permit them to limit their liability ie where the cause of the loss is unexplained.

It must, however, be borne in mind that in this particular instance the claimants caused a modification to be made to the standard conditions as per their introduction of the Freight Forwarders Guide.

The significant wording that then became crucial for interpreting and giving meaning to the contract was the agreement reached with the claimants with regard to the acceptance of liability clause. "full cover for negligent release will be covered by the insurers of the defendants and full cover for any and all other eventualities leading to the loss of goods be covered by the insurers of the claimants.

This modification thus took the place of the acceptance of liability clause and thus formed the basis of agreement between the parties.

The issue that arises therefore is whether the goods (mobile phones) were lost as a result of "negligent release" or by theft or robbery.

It can be inferred that since the defendants were taking insurance cover for "negligent release" they were to be fully liable in the event of the "negligent release" of the cargo.

Granted that this was the case, it was then necessary to prove whether the goods were lost through robbery or theft or by a "negligent release".

It was the contention of the defendants that the onus of the burden of proof lay on the claimants and the claimants asserted otherwise.

THE BURDEN OF PROOF

It was the submission of the claimants that on the true construction of the contract, the defendants were obliged to take care of the goods and to be liable in the event of their loss; but with the right to limit that loss to two SDR's per kilo if the loss was caused by something other than a "negligent release".

It is my view that it stands to reason that if the defendants wish to rely on an exception clause, which offers them the opportunity to limit their liability, then they must prove that they can rightly invoke that limitation.

The Court held that indeed the claimants need only allege and prove a loss of the goods whilst in the custody of the defendants. Once that was established there is an inference of negligence which the defendants were then obliged to rebut by proving that the loss occurred despite the exercise of reasonable care by them.

In my view if the defendants are able to prove that they applied all reasonable care and diligence as required of them under clause 24 referred to earlier, and yet the goods still got lost, it is only then that they could invoke the clause on limitation of liability, where that burden is not discharged therefore, then quite rightly the defendants should not be allowed to limit their liability. The decision of the court in this regard is thus welcome.

It is necessary to add that even though as expressed by the court, the common law doctrine of fundamental breach no longer holds sway, the principle upon which it was founded still remains relevant.



In the case of *Levison V Patent Steam Carpet Cleaning Co Ltd*, [1978] QB 69, where the bailor's carpet left with the bailee for cleaning got lost, Lord Denning MR was reported to have said:

"Upon principle, I should have thought that the burden was on the cleaners to prove that they (bailees) were not guilty of a fundamental breach..... After all Mrs Levison (the bailor) does not know what happened to it. The cleaners are the ones who know, or should know, what happened to the carpet and the burden should be on them to say what it was."

He continues:

"in a contract of bailment, when a bailee seeks to escape liability on the ground that he was not negligent or that he was excused by an exception or limitation clause, then he must show what happened to the goods. He must prove all the circumstances known to him in which the loss or damage occurred".

It thus becomes clear that even

though this case does not hinge on the doctrine of fundamental breach, which may have underlined the reasoning in the *Levison* case, the principles regarding the burden of proof are still applicable.

The learned judge thus relied on the application of "justice and common sense" in determining that the burden of proving what happened to the goods ought to lie with the defendants.

In the Ghanaian case of *Ghana Ports and Harbours Authority V ETS Kabore Issoufou GBR* (1992-1993) P24 where goods discharged into the transit shed of the Harbour Authority were eventually short delivered, the Supreme Court examined within the legal concept of bailment, the issue of exculpatory clauses, which seek to protect a statutory authority.

Even though the court did not delve into any great detail on the issue of the burden of proof, it nevertheless came to the same conclusion in respect of where the burden lies. The Supreme Court's reasoning was to

the effect that the mere existence of an exculpatory clause in a statute would not by itself exonerate a statutory body such as the Ghana Ports and Harbours Authority from its obligation of care when goods are in its custody. Thus if there is evidence to prove that a loss of damage was caused by want of reasonable foresight or diligence by the Authority (bailee) it would then be liable.

The case of *EURO CELLULAR v DANZAS* thus buttresses the position taken by the Supreme Court in the *Kabore Issoufou* case. Freight Forwarders who therefore enter into contracts for forwarding, carriage and warehousing services should therefore be alive to their responsibilities and obligations of due diligence for goods that remain in their custody. As bailees they would not be entitled to fall upon exculpatory clauses, however strongly worded, unless they can prove that they took all reasonable steps to avoid the damage or loss.

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Valuation of Used Vehicles

For the purpose of levying taxes the value of a vehicle shall be deemed to be home delivery value depreciated as below plus the freight and insurance as stipulated under section 90 of the PNDC Law 330, 1993

- a) Where the age of a used motor-vehicle does not exceed six months - the price shall be deemed to be the first purchase price
- b) Where the age exceeds six months but does not exceed one and half years - Eighty five percent of the first purchase price
- c) Where the age exceeds one and half years but does

not exceed two and half years - Seventy five percent of the first purchase price.

d) Where the age exceeds two and a half years but does not exceed five years - Sixty percent of the first purchase price.

e) Where the age exceeds five years - Fifty percent of the first purchase price

Penalties on over age Vehicles

Penalties have been introduced and imposed on some category of overages vehicles in addition to any applicable duties and taxes as follows:

Vehicle	Penalty
i. Where the age is not exceeding 10 years	Nil
ii. Where the age exceeds 10 years but not exceed 12 years	5% of CIF Value
iii. Where the age exceeds 12 years but those not exceed 15 years	20% of CIF Value
iv. Where the age exceeds 15 years	50% of CIF Value

▪ Commercial vehicles such as buses, coaches and vans

Vehicle	Penalty
i. Where the age is not exceeding 10 years	Nil
ii. Where the age exceeds 10 years but does not exceed 12 years	2.5% of CIF value
iii. Where the age exceeds 12 years but does not exceed 15 years	10% of CIF value
iv. Where the age exceeds 15 years	15% of CIF value
Where the age exceeds 10 years	50% of CIF value

▪ Commercial vehicles such as trucks, lorries and tipper trucks

Vehicle	Penalty
i. Where the age is not exceeding 10 years.	Nil
ii. Where the age exceeds 10 years but not below 12 years	5% of CIF value
iii. Where the age exceeds 12 years but does not exceed 22 years	10% of CIF value
iv Where the exceeds 22 years	30% of CIF value



▪ The age of a motor vehicle shall be calculated from the year in which the vehicle was first manufactured.

▪ No person shall import a right-hand steering motor vehicle into the country unless otherwise authorized by the Minister of Finance.

▪ Under the current Law (Act 634) any vehicle that remains unentered and uncleared within 60 days after discharge or in the case of overload vehicle, from the date it crossed the national border into Ghana shall still be forfeited to the state.

How to Calculate CIF of Vehicles

COST/FOB = Value Depreciation of vehicle

FREIGHT = Depending on capacity of the vehicle
(you have to convert it to the appropriate currency if it

is not from US)
(see table II)

INSURANCE = 0.875% of (Cost + Freight)
CIF = Cost + Insurance + Freight

Note: Convert the CIF to Cedis

Duty Calculation (General)

IMPORT DUTY = CIF x Duty rate (see table III)

VAT = 12.5% of (Import Duty + CIF)

INTEREST CHARGE = Import duty + VAT / 48

ECOWAS LEVY = 0.5% of CIF

EXAMINATION FEES = 1% (for vehicle only)

INSPECTION FEE = 1% of CIF

PROCESSING FEES = 1% of CIF

• These taxes do not apply to vehicles

Age of vehicle	Freight
6 months and below	No Depreciation
6 months 1 and half years	15%
One and half years 2 and half years	30%
2 and half years - 5 years	40%
6 years and above	50%

Table I (Vehicle Depreciation Rate)

Capacity of vehicle	Freight (US\$)
1300cc Downwards	566
1300cc 1500cc	637
1500cc 1900cc	707
1900cc 3000cc	849
Pickup, 4x4 cars, Jeeps	940
Buses and Vans	1044
Benz 207 and family	1216

Table II (Freight for Vehicles)

Capacity of Vehicle	Duty Rate
Up to 1900cc	5%
1900cc 3000cc	10%
3000cc and above	20%

Table III (Duty Rate for vehicles)

Mariscape

GCNET BOOSTS REVENUE MOBILIZATION

In 2003, the Ghana Community Network Limited (GCNet) started a system of facilitating the process of clearing goods at the country's ports and enhancing the revenue collection of agencies like the Customs, Excise and Preventive Service (CEPS).

Not only has it succeeded in speeding up the clearance processes at the ports but has also recorded in tangible figures an increase in the revenue collected at some of the revenue collection points.

So far the GCNet system is operating at the Kotoka International Airport (KIA), Tema, Takoradi and James Town.

The latest addition to the GCNet service points was Aflao where the migration was completed in September 2004 in spite of challenges of frequent power failures from the national electricity grid and a weak Ghana Telecom (GT) service there.

Communication difficulties have delayed the migration to Elubo but GCNet is exploring the availability of satellite communications or the possibility of GT being able to provide some support system in the first quarter of next year to enable the system take off.

Paga's migration is also being worked at to see the possibility of GCNet operations taking off next year.

Under the GCNet regime, the clearance time of goods keep improving and at KIA, the bulk of consignments were cleared within four hours with an average 59 per cent cleared within a day from the period that the system validated the

declaration until it was released out of CEPS' charge.

Clearance of declarations at the Tema port is done within a maximum of five days. It is significant to note that 32 per cent of all declarations that came through the port last year were cleared within a day.

The operations at Tema resulted last year in a collection of over €4.6 billion in revenue.

Overall, in 2004, GCNet operations bagged in a total of €404,843 billion representing a 37.3 per cent increase over the 2003 collection of €294,829 billion. This includes import duty, import VAT and other levies.

VAT levies on GCNet generated €13,118 billion, increasing by about 135 per cent over 2003's €5,565 billion.

The GCNet system is thus steadily making significant contributions towards enhancing the Government's revenue mobilization efforts. (*Ghanaian Times, June 1 pg 14*)

TEXTILE INDUSTRY TO BE REVAMPED - Takoradi Harbour declared only entry for African prints

In a bid to revamp the textile industry in Ghana, the Ministry of Trade and Industry has introduced new guidelines to curb smuggling of cheap and low quality textiles.

Among the measures that the Minister of Trade and Industry Mr Alan Kyeremanten announced at a press conference in Accra was the creation of the Takoradi Port as a new single import corridor for all African Textile Prints (ATP) coming into Ghana. "All imports of African prints in commercial quantities shall

be restricted to only Takoradi Port."

"What this effectively means is that, all commercial imports of African prints through unauthorized routes, particularly the land borders, shall be confiscated on sight and the importers prosecuted."

The Minister disclosed that all commercial African prints imported through the Takoradi Port as approved, shall be subjected to 100% physical examination which would be conducted jointly by Customs Excise and Preventive Service (CEPS) and Ghana Standards Board (GSB). To this effect, African prints shall now be included in the category of products designated as "High risk Goods", which also include food products, pharmaceuticals and chemicals.

Mr. Kyeremanten said all African print imports shall comply strictly with the General Labelling Rules, LI 1514 (1992).

"African print imports shall also conform to the specific standards set and published by the Ghana Standards Board (GSB). In addition, all importers of African prints shall be required to register with GSB and shall present a sample of any African print to be imported for pattern or design approval. In this regard, all imports of African prints received through the Takoradi Port should upon examination, conform to the pre-approved pattern or design", the Minister said.

He said the guidelines require all importers of African prints to register with the Ministry of Trade and Industry, and file monthly returns on their imports as well as apply to the Ministry for clearance permit to clear their goods from the port.



their imports as well as apply to the Ministry for clearance permit to clear their goods from the port. "These measures outlined shall be reflected in new Administrative Policy Guidelines for the importation of African Textile Prints".

The minister told newsmen further that a new Economic Intelligence Task Force made up of representatives from the Security Agencies and other relevant public and private sector institutions, has been established under the auspices of his Ministry to specifically check and deal decisively with all cases of trade malpractices in Ghana, including but not limited to the textile sector.

It is worth noting however that this development is not peculiar to Ghana, but reflects a general global trend. Even advanced countries such as the United States, Germany and France are all reeling under the competitive might of China. Ghana has a good opportunity to reverse this trend and restore the sector to its former glory, with the new measures to be implemented by government.

He had earlier said the industry was associated with evasion of duty, under-declaration, under-invoicing, mis-description of imports and pirating of patented or registered designs belonging to other textile producing companies.

He further intimated that imitation of original designs, copying brands, copying tickets and labels, inadequate labeling information as well as substandard or inferior products were other factors militating against the growth of the industry in Ghana.

(The Chronicle, Thursday, May 19, 2005 pg 7)

GHANA, BURKINA FASO LOOK FOR FUNDING FOR RAILWAY PROJECT

Ghana and Burkina Faso have sent a joint proposal on a project to extend the railway network to the northern

regions of Ghana, to the African Development Bank for funding.

A feasibility study on the viability of the project is expected to start soon for its funding to be considered. The Minister of Harbours and Railways, Professor Christopher Ameyaw-Akumfi, announced this at the workers' durbar of the Ghana Railway Company (GRC) Limited at its major maintenance and repairs workshop, popularly called Location, at Ketan near Sekondi in the Shama Ahanta East Metropolis.

Professor Ameyaw-Akumfi said the government of Burkina Faso was very much interested in the project since it would benefit that landlocked country greatly.

He explained that the land-locked country imports come through the Tema and Takoradi Harbours and transported by articulated trucks to Burkina Faso, which he said was very expensive.

The Minister said the railway line to the north would end at the two border posts at Paga and Hamile.

Professor Ameyaw-Akumfi stated categorically that the Ghana Railway Company has not been divested to any investor to take up the rehabilitation and management of the company as of now.

He said the government had not entered into any written agreement with any investor to take up the GRC, adding that all what was going on were negotiations for its divestiture.

He described members of the team set-up by the government to negotiate on its behalf as very competent and that they would definitely strike a good deal for the GRC and Ghanaians as a whole. The minister said besides the negotiations going on to select a new company to take up the management of the GRC, frantic efforts were being made by the government to reactivate and improve on the operations of the railway sector.

He said government was seeking assistance from India and China for the rehabilitation of the eastern, central and western railway lines to help improve on the operations of the GRC and raise the revenue base of the railway sector.

According to Professor Ameyaw-Akumfi, a new bauxite mine would begin operation at Kyebi in the Eastern region, by the year 2007, and that would greatly boost the operation of eastern railway line if it was completely rehabilitated.

He said the new bauxite mine was expected to produce 14 million tones of bauxite annually and that the GRC would be expected to cart this volume of cargo to Tema Port by the eastern railway through the Tema railway.

The minister said the GRC was in a precarious situation and was indebted to many organizations and institutions including the Social Security and National Insurance Trust (SSNIT) which it owed about ₵56 billion.

The company also owed the Internal Revenue Service over ₵13 billion, the Ghana Oil company (GOIL) and the Electricity Company of Ghana (ECG), among others.

Professor Ameyaw-Akumfi said the company was allocated ₵10 billion in this year's budget, which he said was woefully inadequate for the revamping of the company. He said the Bauxite Company had also given the GRC \$2 million for the rehabilitation of the railway.

He commended workers of the GRC for their sacrifice and urged them to give the government time to negotiate with the investors and select the one which would put the GRC on a sound footing.

The Chairman of the Board of Directors of the GRC, Mr. G. S. Appiah, said the company needed a huge amount of money for the rehabilitation of the company to improve on its operations.



He said additional gangs had been set up to regularly repair the railway.

Also, he said a marketing unit had been established to canvass for the company to cart cocoa to improve its revenue base.

The acting Managing Director of the GRC, Mr. Emmanuel Opoku, urged the workers to come together to help management to improve on the operations and raise the image of the company to the benefit of all.

During the open forum, workers complained about the habitual delay of the payment of monthly salaries and the downward trend of the operations of the company.

They also called for the review of the tariffs being paid by their major customers, namely the Ghana Manganese Company and the Bauxite Company.

(Daily Graphic, Saturday, May 14, 2005)

WORK ON TRANSIT SHEDS PROGRESSES

The construction of three transit sheds at the Takoradi Port at the cost of ₵28.8 billion is progressing steadily.

The project, when completed, will enable the port to attract more transit cargo to generate additional revenue.

"These measures outlined shall be reflected in new Administrative Policy Guidelines for the importation of African Textile Prints".

The minister told newsmen further that a new Economic Intelligence Task Force made up of representatives from the Security Agencies and other relevant public and private sector institutions, has been established under the auspices of his Ministry to specifically check and deal decisively with all cases of trade malpractices in Ghana, including but not limited to the textile sector.

It is worth noting however that this development is not peculiar to Ghana,

but reflects a general global trend. Even advanced countries such as the United States, Germany and France are all reeling under the competitive might of China. Ghana has a good opportunity to reverse this trend and restore the sector to its former glory, with the new measures to be implemented by government.

He had earlier said the industry was associated with evasion of duty, under-declaration, under-invoicing, mis-description of imports and pirating of patented or registered designs belonging to other textile producing companies.

He further intimated that imitation of original designs, copying brands, copying tickets and labels, inadequate labeling information as well as substandard or inferior products were other factors militating against the growth of the industry in Ghana.

(The Chronicle, Thursday, May 19, 2005 pg 7)

MODERN CONTAINER HANDLING EQUIPMENT FOR GPHA

The Ghana Ports and Harbours Authority (GPHA), has taken delivery of seven state-of-the-art container handling equipment imported from Shanghai, China at a short ceremony at the port of Tema.

The equipment made up of three Ship To Shore (STS) Gantry cranes, which could lift up a container with 45 tons weight and four Rubber-Tyred Gantry cranes, each of which has a 40 tons lifting capacity, were estimated at a total cost of US 16,855,000.

Addressing the gathering, the Director General of GPHA, Mr. Ben Owusu Mensah said the arrival of the cranes is an indication that Ghana's dream of becoming the gateway to the West Africa sub-region would be translated into reality.

"With these equipment, we are hopeful that container handling in our ports will surpass that of all ports in the sub-region, thereby making Tema port the true gateway to the West

Africa sub-region," he said.

This, according to him, would help to improve the nation's trade transshipment, that of neighbouring sister landlocked countries and other major trades within the sub-region and beyond.

Mr. Mensah said GPHA engineers and technicians are expected to be trained in the assembling, testing and operating of the equipment by members of the delegation who accompanied the equipment into the country, for a period of eight weeks before they are officially commissioned.

According to Mr. Mensah, construction work on the modern container terminal is expected to be completed by October, this year, after which Ghana can boast of a terminal, "which will become the pride of the government and the people of Ghana".

Mr. B.B.K. Otutu, the GPHA engineer explained that the duty of the STS cranes is to pick containers from the ship at the dock and stack them on shore, while that of the Rubber Tyred Gantry cranes are to arrange them in rows and about four heights up within the containers.

He said each STS crane, for a start, could discharge 18 containers in an hour and when the operators master the operation of the equipment, they can discharge 24 containers per hour.

What it means, according to him, is that when it becomes fully operational, the 3 STS cranes together could discharge 72 containers in an hour as against presently when the available equipment could discharge only 12 containers within the same period of time. The Board Chairman of GPHA, Mr. Brian Adomako, on his part, said the quest to become the gateway to the West Africa Sub-region propelled the authority to embark on a global journey to enable it locate quality modern cargo handling equipment to champion that cause.

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The 'SGP' The Panacea To Inter-state Road Transit Trade Problems?

SHIPPING REVIEW



GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL

Volume 7 Number 3

July - September, 2005

- **The Ghana Maritime Authority**
- **Trade Finance :
An Instrument For Effective Trade Delivery**
- **CEPS Compliance Months**
- **Maritime Trade Review**
- **Advanced Cargo Information Systems (ACIS)**



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Page 6

CEPS Compliance Months



On a daily basis, the customs officer is faced with challenges (such as propensity to evade taxes) and has to be extra vigilant to prevent non compliance and evasion.

An expose of the infractions and non compliance by a section of the trading and importing public.

Page 13

Contents

Page

● The Ghana Maritime Authority 3

● Trade Finance - An Instrument For Effective Trade Delivery 9

● Maritime Trade Review 16

● Advanced Cargo Information Systems (ACIS) Its' Role in the Management and Operations of Internal Clearance Depots (ICDs) 28



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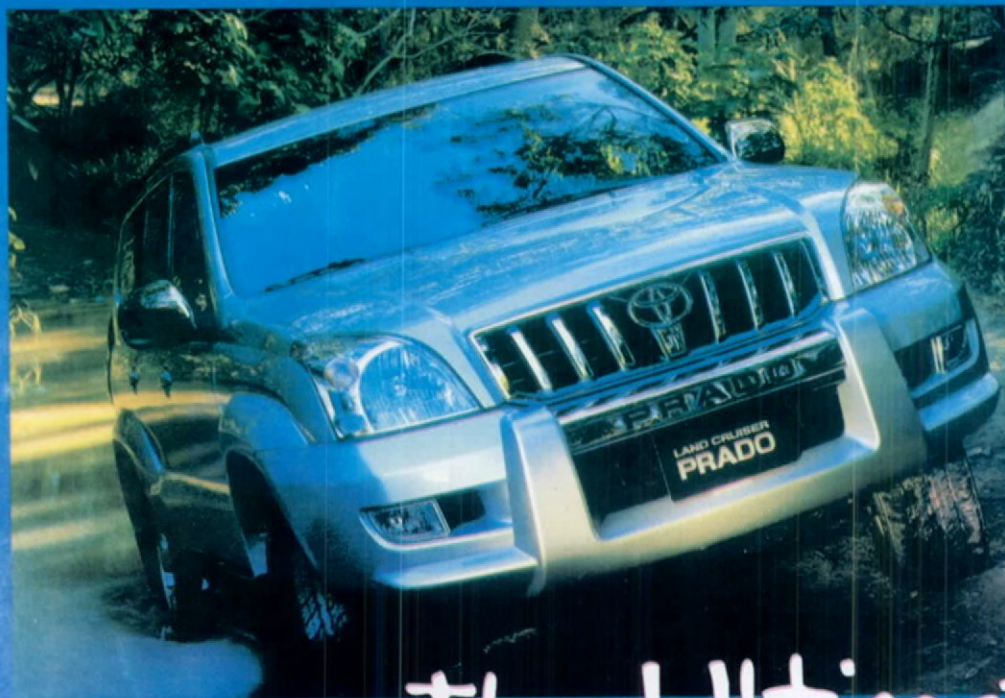
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THE GHANA MARITIME AUTHORITY

The Ghana Maritime Authority was established by Act 630, 2002. Its mission is to ensure the provision of safe, secure and efficient shipping services and the protection of the marine environment from ship source pollution. It is also to oversee the training, engagement and welfare of Ghanaian seafarers.

Objective

The objective of the Authority is to ensure harmony and efficiency in the maritime industry by regulating, monitoring and coordinating the activities of the industry.

Functions

The functions of the Authority include the following:

- Implement the provisions of the Merchant Shipping Act 183, 1963 (now the Ghana Shipping Act 645, 2003) and other related enactments including the Ghana Maritime Security Act 675, 2004.

Ensure the safety of navigation.

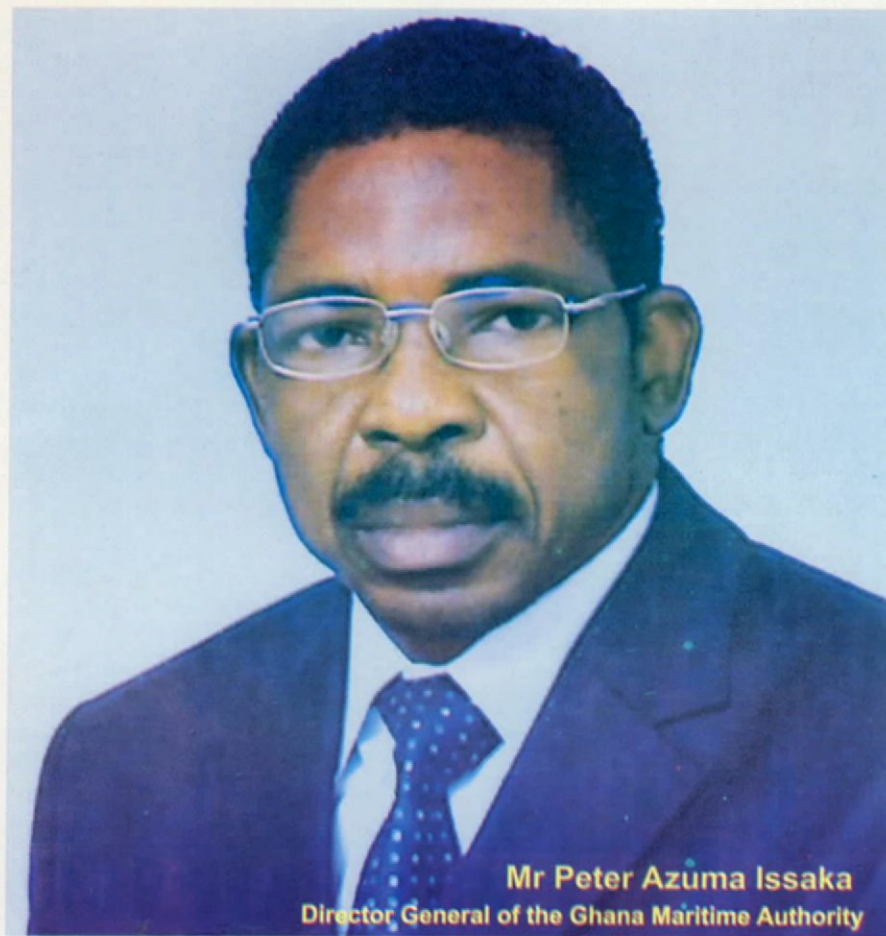
- Fulfill flag state and port state responsibilities in an effective and efficient manner, having due regard to international maritime conventions, instruments and codes.

- Deal with matters pertaining to maritime search and rescue and coordinate the activities of the Ghana Armed Forces, the Ports and Harbours Authority and any other body during search and rescue operations.

- Regulate activities of shipping in the inland waterways including the safety of navigation in inland waterways.

- Cause to be investigated maritime casualties and the appropriate action.

- Oversee matters pertaining to the



Mr Peter Azuma Issaka
Director General of the Ghana Maritime Authority

training, recruitment and welfare of Ghanaian seafarers.

- Plan, monitor and evaluate training programmes of seafarers to ensure conformity with standards laid down by international maritime conventions.

- Pursue the ratification or accession and implementation of international maritime conventions in conjunction with the appropriate Ministry.

- Assess the manpower needs of the maritime sector for national planning purposes.

- Liaise effectively with government agencies and institutions that deal with maritime transport and related transport matters for the purposes of achieving harmony in the industry.

- Initiate research into national maritime transport development for effective planning and coordination.

- Ensure an efficient cost effective and orderly provision of services in the shipping industry in line with Government policies.

- Initiate action for the promotion establishment and development of private shipping lines.

- Advise on policies for the development and maintenance of maritime infrastructure such as Ports and Harbours in the country.

- Advise Government on maritime matters generally; and

- Regulate the activities of shipping agents, freight forwarders and similar shipping services providers.



Inauguration of the Maritime Authority Board

A 13-member Governing Board of the Authority has been inaugurated by the President. The Board is currently working on the institutional matters of the Authority.

Challenges of the Maritime Sub-Sector

1. The need to improve safety of maritime navigation particularly navigation of the inland waterways (eg. the Volta Lake).

2. The need to reduce or eliminate sub-standard shipping with the country's territorial waters through the implementation of effective flag state and port state control programmes.

3. The need to ensure early removal of abandoned vessels and other shipwreck littered along our coastline including the ports.

4. The need to initiate and implement appropriate policies and programmes to promote increased investment in shipping including the establishment of indigenous shipping lines.

5. The need to ensure the effective coordination and monitoring of policies, activities and programmes of the maritime sub-sector to ensure harmony, rational allocation and optimum use of resources.

6. The need to streamline the recruitment procedures of Ghanaian seafarers and take appropriate measures to promote their employment on board foreign ships. In other words there is the need to implement a sea labour supply programme as being done in the Philippines and Indonesia.

7. The need to ensure the effective implementation of the Ghana Maritime Security law as approved by Parliament to improve security in our ports.

8. The need to effectively discharge

the obligations of Ghana in respect of international maritime conventions and maritime cooperative programmes for development purposes.

9. The need to develop a comprehensive policy framework in the form of a national maritime development plan including an elaborate shipping policy to give focus and direction for development in the industry.

10. The need to exercise an effective oversight responsibility over both the public and private sector operators in the maritime industry to ensure among other things that:

- Operators meet the required efficiency and safety standards;
- Operators do their business within the framework of the general national development plan;
- Operators avoid any form of abuses associated with monopoly positions; and comply with the accepted rules and principles of competition.

Resumé of Mr Peter Azuma Issaka Director General of the Ghana Maritime Authority.

Mr. Peter Azuma Issaka is a graduate of the Kwame University of Science and Technology, Kumasi and in addition to his first degree he holds several other professional and academic qualifications including:

- Executive Masters Degree in Business Administration;
- Master of Science Degree in Ports and Shipping Administration; and
- Post Graduate Certificates in Shipping and Maritime Transport Studies.

He is a Member of the Chartered Institute of Transport of the United Kingdom.

He has served on many Committees

and Boards including the Ghana Ports and Harbours Authority Board, the Ghana Maritime Authority Board and the State Shipping Corporation Board (ie the erstwhile Black Star Line Board).

He has also chaired many Committees such as the National Committee on International Maritime Traffic Facilitation, the National Shipping Act Review Committee, the Committee of Experts to the Board of Governors of the Regional Maritime Academy and the Technical Committee on the Memorandum of Understanding (MOU) on Port State Control for West and Central Africa commonly known as the Abuja MOU.

At the international level he has actively participated in several international maritime conferences including those of the International Maritime Organisation (IMO) and on two occasions served as Principal Adviser to the Honourable Ministers of Roads and Transport and Harbours and Railways at the 21st and 23rd sessions of the General Assembly of the IMO in 2001 and 2003 during which Ghana won elections to the Governing Council of the Organisation.

Mr. Azuma has a long working experience of 20 years in the maritime industry. He is therefore very familiar with the terrain of the industry and as such most of its problems and challenges are well known to him.

Until his appointment he was the Shipping Commissioner having worked his way through the ranks of Planning Officer (Maritime Affairs), Assistant Shipping Commissioner, Deputy Shipping Commissioner to Shipping Commissioner with the Ministry responsible for Maritime Transport.



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THE 'SGP' THE PANACEA TO INTER-STATE ROAD TRANSIT TRADE PROBLEMS?

By E K Arku, GSC

It has been touted by many that one major way to ensure the economic independence of Africa, is the endeavour towards more of intra-regional trade. Even though this awareness has not been lost on Africa, and on West Africa in particular, the practical steps that must be taken to ensure optimum intra-regional trade have largely been weak.

Since independence, a number of regional bodies have been formed in Africa to work towards the creation of an enabling environment that would benefit member countries of these organizations. Member countries have signed a number of agreements and conventions among which are the ISRT Convention of ECOWAS and the TIPAC Convention of the Customs Union of Central Africa (UDEAC), both relating to transit transport. Unfortunately, for a period of over forty years, not much has been achieved in the inter-state road transit trade in the West and Central Africa sub-regions.

Inter-State Road Transit Trade Problems

Indeed, the promotion of inter-state transit trade in line with the ECOWAS protocols on the free movement of goods and persons has come with its own problems. The major problems in the inter-state road transit trade in the West Africa sub-region include administrative and legal procedures, political and economic issues, inadequate infrastructure and rolling stock, human resource capacity constraints, transit freight coordination and insurance difficulties.

Of all these inhibiting factors, the most debilitating is the cumbersome administrative and legal procedures on the transit corridors in the sub-region. These range from lengthy port formalities, through the problems associated with customs escort,



E K Arku

numerous customs and police controls, to burdensome border crossing formalities.

These administrative bottlenecks are, in large part, what the ECOWAS Inter-State Road Transit (ISRT) Convention, which was adopted in 1982, seeks to address. It is, however, sad to note that, the implementation of the ISRT Convention has suffered its fair share of the problems inherent in the quest for free movement of goods and persons in the sub-region.

For example, a few Member States have adopted the ISRT document as drafted by ECOWAS. However, no member country readily accepts the ISRT document of another member country due to financial implications and disagreements about the underlying guarantee system.

Addressing the ISRT Problems

Fortunately, there is presently an initiative to reactivate the ISRT convention, and to make it work. In Ghana, for instance, there is a high-level Technical Committee that is working on the implementation issues of the ISRT.

However, another front on which the determination to ensure the free flow of inter-state trade in the sub-region is being pursued is the collaboration

between the Maritime Organisation of West and Central Africa (MOWCA) and the Union of Africa Shippers' Councils (UASC).

MOWCA, which is made up of 25 member countries, has since 2001 approved the Sealed Grid System (SGP) as one of its sub-regional projects and in 2003 recommended a testing to verify its reliability and effectiveness as a customs sealing for inter-state transportation of cargo in West and Central Africa.

The Sealed Grid System

The Sealed Grid System (SGP) is a grid material made of metallic or sisal net, synthetic or reinforced synthetic net stretched over a 10, 20, 30 or 40-tonne loaded truck and sealed by customs to provide safety and security in the intra-regional transportation of goods.

The discharging or unloading of the goods is handled in the presence of Customs after the seal has been removed.

Ideally, if all the transit trade cargo were moved in sealed FCL containers that would have posed little problem to the trade as we have it today. However, since the major part of the inter-state road transit cargo is carried in ordinary open trucks rather than being carried in sealed containers, the tendency for abuse, resulting in loss of customs revenue, is very high. Another problem is security concern for such a mode of transporting transit cargo in the sub-region.

It is for these major reasons that customs and security officials do vigorous examinations along the corridors to assure themselves that goods are not smuggled or diverted into the national economy. Unfortunately, these measures seriously impede the smooth flow of the goods and make the transit trade inefficient and costly.



Benefits of the SGP

The SGP is therefore a practical approach to making an 'ordinary' open truck technically sealed. The grid material which is stretched over the loaded truck has only one opening which is locked together with a seal. The sealed grid can thus be opened only by breaking the seal. This is to facilitate and provide safety for inter-state transportation of goods, and it is intended to assist in the implementation of the ISRT Convention in member countries. Other benefits of the SGP include the following:

- Elimination of Customs doubt about the technical reliability of the vehicles used
- Eventual elimination of burdensome Customs escort
- Elimination of surcharges on vehicles transporting the goods
- Substantial reduction in administrative bottlenecks, delays and other illegal charges
- Effective implementation of the ECOWAS, ISRT and other Conventions
- Simplification and facilitation of passage at the borders thus increasing road transport activities
- Effective application of insurance in the door-to-door transportation of goods
- Promoting insurance credit for export

Promotion of the SGP

In order to make the SGP project a reality, the Shippers' Councils of Member Countries of MOWCA have been working assiduously on the implementation issues of the SGP in line with their general objective of promoting the transit trades.

As a first step, the test of the SGP has been carried out along the Abidjan Lagos corridor to determine its suitability for the trade. Another test is expected to be undertaken along

the Dakar Niamey corridor. However, responses from the first test suggest a high level of approval from the major industry players such as Customs, Police, and Immigration. The rest are shippers, transporters, freight forwarders, port and terminal operators who together have made useful suggestions to improve the SGP as a reliable tool for facilitating the transit trade in the sub-region.

SGP The Panacea?

The SGP may not be a panacea to all the difficulties in the inter-state road transit trade, but it is a very practical system that is applicable to over 90% of the trucks involved in the transit trade. Implementation of the system does not require any major structural changes on the trucks. All that is required is a metal rod which is welded around the truck, unto which the grid is fitted. The grid can then be hired or purchased depending on the financial strength of the transport owner.

One area in the transit trade that the SGP alone may not be able to address is the issue of diversion of transit goods. It has been observed that only an effective tracking system can deal with the problem of diversion of transit goods. Therefore any system, that must address the inter-state road transit trade comprehensively, must incorporate an effective tracking system. Indeed, it is heartening to note that, by its mode of operation, the SGP can be combined with a satellite-based tracking system to make the system full-proof.

Presently, there are a number of products on the market for the electronic tracking of transit cargo and therefore it should not be long for a suitable system to be found that adequately complements the strong points of the sealed grid system in addressing the debilitating problems of the transit trade.

Conclusion

The SGP indeed offers a practical solution to the intractable problems of the transit trade in West and Central Africa. It also offers the opportunity for the transport operators to grow their business as the System introduces efficiency in the inter-state road transit operations. Experts have also noted that additional costs to be incurred by the acquisition of the grid would quickly be offset by the efficiency gains that the new system brings.

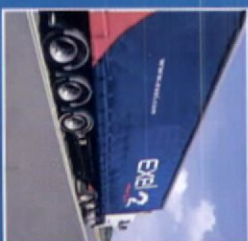
It is also important to note that the SGP is not meant for the transit trade alone, but also applicable to the transportation of export cargoes within the sub-region which is also expected to engender growth and development.

For the SGP to succeed as an ISRT tool, it is important to establish uniform regulations and procedures for its application in the sub-region. This is because even though an individual country can implement the SGP in ensuring that transit cargoes safely and securely cross her borders, the benefits of bilateral and regional-wide cooperation in its implementation would be most rewarding.



An exhibit of the SGP

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TRADE FINANCE

An Instrument For Effective Trade Delivery

By E. Asiedu-Appiah, Export Marketing Co. Ltd

Paper delivered at the CEPA conference on Trade Facilitation, La Beach Hotel, Oct. 17-19, 2005.



Introduction

"Trade can be a powerful force for growth or poverty reduction. Countries that have increased their share of trade in their GDP have grown faster and reduced poverty more rapidly."

The need for developing and transitional economies to take a very critical look at their trade policies with a view to facilitating their trade has become more imperative in this era of globalization than ever before. Developed economies have through trade facilitation succeeded in developing their firms and industries and equipping them with the ability to trade in almost all parts of the world to their advantage. This global competition challenges the competitive edge of domestic firms even in their home markets and Ghana is no exception to this development.

Similarly, if firms in developing economies are to be sustained and their long-term viability guaranteed, then they are left with no choice but to also seek markets other than their own in which they can trade with some competitive edge. However for these firms and industries to be able to achieve such objective, they would have to be properly equipped to be able to control the international competitiveness of their offers. This can only happen if the companies have all the necessary skills and resources available to them.

In response to this global competition and to improve upon its terms of trade account which has perennially been in deficit, Ghana

has come out with a "Trade Sector Support Programme" document as part of the country's Trade Policy. This document recognizes the need for the country to "move away from heavy dependence on exports of a limited number of primary commodities to create competitive advantage on a more diversified range of products with higher levels of value-addition."

In a paper entitled "Trade Facilitation from a Developing Country Perspective", the Swedish Board of Trade writes: "Experience shows that it is imperative that four key elements are present for a Successful Trade Facilitation process:

1. A strong political will
2. A clear strategic plan
3. A close cooperation with the business community, and
4. A well funded and long term technical assistance programme."

This paper discusses the issue of trade finance as a tool for effective trade facilitation. It will first attempt to provide a definition and an overview of the subject matter; it will then proceed to show how trade finance has been organized in selected countries. It will further examine how trade finance has been organized in Ghana until now and propose a way forward for trade finance in Ghana if it is to be able to facilitate the country's trade.

The question however remains as to whether the government, in its objective of obtaining middle-

Income status for Ghana will have the political will to implement the decisions that will be arrived at (in these trade policy discussions). This remains to be seen but as is contained in the Swedish document quoted above, without a strong political will from government the way forward will only be a mirage.

Trade Finance

Trade finance refers to innovative, custom-engineered financial products and services that meet a country's import and export needs. Trade finance is completely different from regular commercial bank lending, mortgage lending or insurance. The words, "innovation and custom-engineered" are very vital to the development of any successful trade finance products.

Importers and exporters are looking for any competitive advantage that would help them to increase their sales. For example flexible payment terms make a product more competitive. Given a similar product from different countries, product financing can make the difference as to whether a sale will be made or lost. Similarly, the cost of finance (interest rate and other fees) has a strong effect on price and can make a product very uncompetitive in the international market. These factors are therefore to be adjusted to reflect the country's trade objectives. However, left to market forces, their movements could be in the reverse direction and render the country's products uncompetitive.

¹Nicholas Stern World Bank Chief Economist & Snr. Vice President for Development Economics.

²Trade Sector Support Programme: Government of Ghana Executive Summary Introduction.

³Trade Facilitation from a Developing Country Perspective: National Board of Trade, Sweden Page 4.



While international trade is a two-way traffic, countries in the development of their trade finance schemes have placed a lot of emphasis on exports which generate earnings for the country and makes it possible for the country to purchase any imports of its choice. This paper will therefore be limited to the structures and schemes that are necessary for the implementation of a successful export financing scheme.

Schemes

Every successful export financing model must necessarily include the following schemes:

1. Export Finance
2. Export Credit Guarantee
3. Export Credit Insurance
4. Sector Level Financing
 - a. Research & Development
 - b. Promotion and Marketing

Classification

Export Financing has two main classifications:

1. Stage
 - a. Pre-shipment
 - b. Post-shipment
 - c. Development
2. Duration
 - a. Short-term
 - b. Medium-term
 - c. Long-term

Classification by Stage

Export Finance may be classified from two viewpoints, namely, the stage at which the financing is provided and its duration.

Classification from the stage viewpoint is broken down into (a) Pre-shipment Finance and (b) Post-shipment Finance.

Pre-shipment Finance may be defined as any loan or advance granted, or any other credit provided by a financial institution to an exporter for financing the purchase, processing or packing of goods, on the basis of a confirmed export order received in the exporter's favour from an overseas importer.

Post-shipment financing refers to the provision of finance for export goods

from the stage of shipment to the date of realisation of the export proceeds. Exporters who sell goods abroad usually have to wait for some time before payment is received from overseas buyers. The period of waiting will depend upon the terms of payment, and the need for post-shipment finance to strengthen the financial position of the exporter varies accordingly. Post-shipment finance can take different forms but principally involves factoring or forfaiting (discounting of receivables).

Development Finance refers to finance that is provided towards the development of exportable products and the addition of value to these products. This form of financing is long-term in nature.

Classification by Duration

With respect to duration, export financing can be defined in terms of short-term, medium-term and long-term.

Short-term facilities are credits that are extended with a maximum duration of up to one-year; usually such credits are given for specific periods of 90 days or 180 days to meet specific export durations. Both pre-shipment and post-shipment finance fall under short-term financing.

Medium-term facilities are given from 13 months to a period of up to three years. While the short-term facilities are usually specific in nature, the medium-term facilities are usually of a general nature and are mostly utilised for working capital purposes.

Long-term financing has to do with the provision of credit for development purposes. Such facilities are usually given with duration of more than three years. They are given for the setting up of factories, establishments of farms and such other long-term objectives that go to increase the production and processing of export commodities. In all instances, whether long-term,

medium-term or short-term, such facilities are given on very advantageous terms at the various stages of the export cycle. Specifically, concessionary access to credit is especially important in periods of high interest rates, and so is the timeliness of delivery, without which export contracts cannot be executed.

Other Schemes in Export Financing

Aside of the facilities mentioned above, there are other forms of export financing that should be mentioned in this paper. These include:

1. Export Credit Guarantee Schemes;
2. Export Insurance Schemes;
3. Export Refinance Schemes;

The provision of finance for the facilitation of exports in a developing economy is a very risky venture. Many banks with adequate financial resources shy away from the provision of such finance hence the setting up of specialised institutions to address this need. Of utmost importance therefore in the provision of a workable trade financing scheme are Credit Guarantee, Credit Insurance and Refinancing schemes.

Export Credit Guarantee

An Export Credit Guarantee is a commitment provided by an Export Credit Agency to reimburse a lender if the borrower fails to repay a loan. It is basically an indemnity against loss and not a security for a loan. It is meant to provide a cushion to financial institutions in times of business failures and credit default. The objectives of an export credit guarantee scheme are:

- To encourage banks to extend facilities to borrowers who may have inadequate or no collateral.
- To enable industries (both LORGS and SMEs) get access to institutional credit.
- To assist exporters to expand into new markets.



Why the Need for an Export Credit Guarantee Scheme?

In most institutional lending, the lending bank providing finance to the exporter would have to consider whether to request for collateral from the borrower in accordance with normal banking principles and prudence. If a credit appraisal of the borrower's financial resources and viability fails to satisfy the bank, then the bank must seek to protect itself by asking for collateral. Such collateral may entail charging some or all of the borrower's assets so that in the case of default, the banker would be in a position to put in a receivership to recover sufficient funds from the liquidation of assets to repay the debts.

With pre-shipment export credit, security can arise from the transaction itself and can be based on a firm order, a signed export contract, a letter of credit, an accepted bill of exchange, or a promissory note given by the buyer. *All these "securities", while validating the borrowing as being for exports, may fail to produce value at the end of the day.* Because of this possibility of failure, the bank must still have recourse to the exporter's financial resources. The natural result of this is that the bank, if more lucrative lending possibilities exist in other areas of its operations, will not be eager or willing to lend to small exporters with inadequate resources. *Following from this, most firms falling under SMEs will never be able to have access to institutional credit to pre-finance their exports. The country in the end will be the loser as many export orders coming to SMEs will remain unexecuted.*

Export Credit Guarantee Schemes have been put in place around the world to mitigate this risk and enhance the opportunities available to exporting companies in accessing credit if the lending institutions have confidence in the ability of the scheme to deliver. For this to happen the Guarantee scheme must have sovereign backing.

Export Credit Insurance Scheme

The purpose of Export Credit Insurance is to mainly offer offshore protection to exporters of goods and services who sell their products on credit terms. The exporter is insured against losses arising from a wide range of risks, which may be conveniently categorised into either commercial risks, or political risks.

Commercial Risks:

- The insolvency of the purchaser;
- The default on payment by a buyer following an unforeseeable event;
- Non-acceptance of goods delivered to the purchaser, where such goods comply with any contracts in existence.

Political Risks:

- Cancellation or non-renewal of an insured's export licence after a contract has been entered into;
- War and other such disturbances in the purchaser's country of domicile which affect the fulfillment of the contract;
- Transfer risks, where one country can freeze the assets and bank accounts of another country held locally.
- Any action of a foreign government which hinders the enactment of the contract; including, import/export restrictions, the confiscation or expropriation of goods, and the nationalisation of corporations and industries.

The presence of an Export Credit Insurance Scheme in a country, as can be seen, provides exporters of goods and services with a significant degree of financial security, thus allowing companies to pursue bolder export policies by accepting new purchasers, and entering into new overseas markets, but with a smaller impact from the risks of non-payment and political instability.

Suppliers' Credit

A good Trade Finance Policy should also include schemes that will allow

the exporter to offer Suppliers' credit, which is the norm in the world today. In this instance the seller of goods for export offers favourable credit terms to the buyer while the exporting company's credit is financed by the a financial institution.

Export Refinancing Schemes

Under the Export-Refinancing Scheme the government of a country sets out a fund for the development and promotion of exports. This fund is usually managed by an Export Credit Agency (ECA). Banks in the country are encouraged to lend to the export sector at concessionary interest rates, with other flexible conditions to the export sector, after which they apply for refinancing from the fund held by the ECA.

Financing for Sector Level Activity

Although not related directly to the financing of enterprise level activity financing of trade related research and development and export promotion activities should receive considerable support from governmental sources.

Export Credit Agencies

Evidence available from the developed world indicate that financial institutions (especially commercial banks) are unwilling to assume the risks that are associated with the financing of exports, consequently Special Purpose Vehicles (SPV), named Export Credit Agencies (ECA) have evolved over time to take over the functions of providing finance for exporters and assuming the associated risks that come with the provision of export financing.

Examples of such ECAs around the world are the US Exim Bank, ECGD of UK, Nexim of Nigeria, Koexim of Korea. *(To be continued)*

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CEPS COMPLIANCE MONTHS

We reproduce below a paper delivered by Imoro Farouk Adam, Chief Collector, General Duties, Tema Collection at the Launch of CEPS Compliance Months on Wednesday 17th August 2005 at the forecourt of the Long Room in Tema.

Mr. Chairman, Honourable Minister of Finance, the Commissioner of C.E.P.S., The Director-General of G.P.H.A., The Tema Mantse, distinguished Invited Guest, Ladies and Gentlemen.

I feel highly delighted to have this opportunity to address this gathering and make the public that we deal with aware of the operations of the C.E.P.S. and the challenges we face in our attempt to fulfill our mission and vision. The mission of the Service is to collect, account for and protect Customs and Excise duties and all other assigned tax revenue at minimum cost and also help facilitate trade and investment using efficient and transparent service delivery.

It is my hope that at the end of this presentation the public will appreciate better the enormous and daunting task of revenue collection at the Port here and the need for all, including the trading and general public to cooperate with C.E.P.S. to achieve set revenue targets for accelerated national development.

The CEPS collects about 55% of national tax revenue and the Tema Collection accounts for about 75% of the Service's annual revenue target.

The Tema Collection is the largest within the Service in terms of revenue collection and is sometimes referred to as the "University of Customs" because almost all the regimes and aspects of the Customs work are found here.

The regimes operated in Tema include the following: Export, Temporary Export, Re-export, Import for Home Consumption, Temporary Importation, Warehousing, Transit and other regimes. All these regimes are important but time constraint will not allow me to explain all of them in detail.

The focus of today's presentation is on the challenges and problems associated with these regimes and how non-compliance by a section of the trading and general public (importing public) and their desire to evade taxes, sometimes leads to heavy losses of national revenue. On a daily basis the Customs officer is faced with such challenges and has to be extra vigilant to prevent non compliance and evasion.

Mr. Chairman, let me at this stage highlight on some of the regimes and aspects of our job where such non-

compliance and manipulation are manifest.

{1} Valuation

Valuation is key to revenue mobilization. Inaccurate valuation impacts negatively on set revenue targets. It is therefore essential that CEPS has the final say in the valuation of goods since we physically examine the items imported and are in a better position to determine the reasonableness of values.

This unfortunately is not the case leading sometimes to confrontation between the service and importers who do not understand why their values should be challenged by Customs after it has been verified by an Inspection Company.

As you may all be aware, Ghana started implementing the W.T.O. System of valuation in April 2000. From that date the core function of valuation was ceded to selected Destination Inspection Companies who use the W.T.O. system as basis for valuation. The primary underlying base for custom value under the W.T.O. system is the transaction value which is the price actually paid for a commodity.





This is a shift from the notional concept of valuation as defined by the Brussel Definition of Value where the value of a commodity is determined by what the price is supposed to be and not how much you paid for it.

Ideally the W.T.O. System of valuation is the best form of valuation but unfortunately it has been subjected to abuse raising doubts about its usefulness as a method of valuation in a developing country like ours. Some of the abuses we encounter on a daily basis are: doctoring of Invoices, under invoicing and sometimes over invoicing.

These abuses are reflected in the numerous short collections arising from substituted values commonly referred to as "upliftment of value".

{2} Declaration Of Physical Quantities

Another area of non-compliance by declarants is in the area of quantities. In an attempt to cheat the system some declarants under declare the quantities of items imported. They also conceal items to avoid detection.

This practice, apart from resulting in revenue loss, also poses a security risk to the state. The professional Customs officer will always expose such misdeeds in order to maximize revenue and protect the security of the state. In order to discourage this practice, severe penalties are imposed on offenders. The current penalty for such offences is 200% and could be increased depending upon the gravity of the offence.

{3} Vehicle Importation

Vehicle importation is another area where there is a high rate of non-compliance. With the current procedure of clearing vehicles the importer is expected to give accurate information about the vehicle to help determine the Home Delivery Value, the age, the Cubic Capacity and the type of vehicle. These factors help in determining the correct taxes to be paid on the vehicle.

Some importers/declarants have,

however, not been honest in providing the right information with the intention of cheating. Areas where such misinformation occur are:-

- {a} Cubic Capacity:- which is a determinant of what rate of duty is to be paid on the vehicle.
- {b} Tampering of chassis number with the aim of altering the age of the vehicle. This is to avoid over-age penalty.
- {c} Misdescription of vehicles:- wagons described as vans, self loading trucks described as special purpose trucks and vans described as ambulances.
- {d} Suppression of correct invoices in the case of new vehicles.

{4} The Transit Trade

There has been an upsurge in the transit trade through the Tema Port since trouble started in La Cote D'Ivoire some few years back.

As a Customs regime, the aim is to free goods passing through the Tema Port to approved exit points up country for eventual exportation, from payment of duty.

Ordinarily, the transit trade should not pose any revenue risk since the final destination of the goods is not within the country. But this is one trade which has been infiltrated by fake transitors who enter to transit their goods to an approved exit point up country but end up diverting them on to the local market. This practice is criminal and leads to heavy losses of revenue to the state. In addition it poses a security risk since there could be concealment of arms and ammunition or other dangerous weapons in the diverted goods.

The Service has put a number of measures in place to curb the incidence of diversion by the fake transitors. These measures include; a demand for cash deposit equivalent to the duty element of the goods to be transited, a letter from the Shippers' Council of the country where the goods are destined guaranteeing the safe exit of the goods from the country and detailing special

escorts from suspicious transitors.

We wish to assure the genuine transitor of our preparedness to ease the clearance procedures immediately after we have gotten rid of the fake ones. In the meantime we plead with you to bear with us if these measures we have put in place are biting.

The Warehousing regime and Freezones are areas where infractions and non-compliance exists but time will not permit me to tackle them now. In other regimes like Export, Re-export, Temporary export, Temporary Importation, Re-Importation the infractions and non-compliance are negligible.

Mr. Chairman, my exposé of the infractions and non-compliance by a section of the trading and importing public should not be taken to mean that the Service is unable to deal with the situation. Yes we do admit that in some few instances the miscreants have succeeded in outwitting us. But we are very much in control.

The professional Customs officer is hard to beat and we the professionals shall strive to bring the infractions and non-compliance to the barest minimum. We must be quick to add that we cannot achieve this without the cooperation of the publics that we deal with. In the past the Service had held the notion that every trader, importer is a potential smuggler and this had guided our dealings with our public/clientele.

There is now a gradual shift from this age-old notion to a more customer friendly approach. This approach we believe will help us fulfill our mission of collecting maximum revenue and facilitating trade and investment.

In this regard we would once again appeal for the full cooperation of our publics/clientele to justify the shift and not give us cause to slip back to the old ways of dealing with you.

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MARITIME TRADE REVIEW

[JANUARY - JUNE, 2005]

Total cargo throughput for the period January to June 2005 amounted to more than 5.9 million tons, consisting of over 4 million tons of imports (constituting about 67%) and 1.9 million tons of exports (constituting nearly 33%).

This included over 290,000 tons of transit import cargo for the neighbouring countries and

about 16,000 tons of cargo from the landlocked countries as exports.

The port of Tema accounted for about 64% of total throughput while Takoradi port handled about 36%.

Table 1 Summary of Cargo Throughput at the Ports of Ghana [January – June 2005]

	Imports	Exports	Total
Tema	3,136,044	485,987	3,622,031
Takoradi	583,392	1,467,832	2,051,224
Transit	290,571	16,563	307,134
Throughput	4,010,007	1,970,382	5,980,389
% Share	67	33	100

Fig. 1 Summary of Cargo Throughput at the Ports of Ghana [Jan. - Jun. 2005]

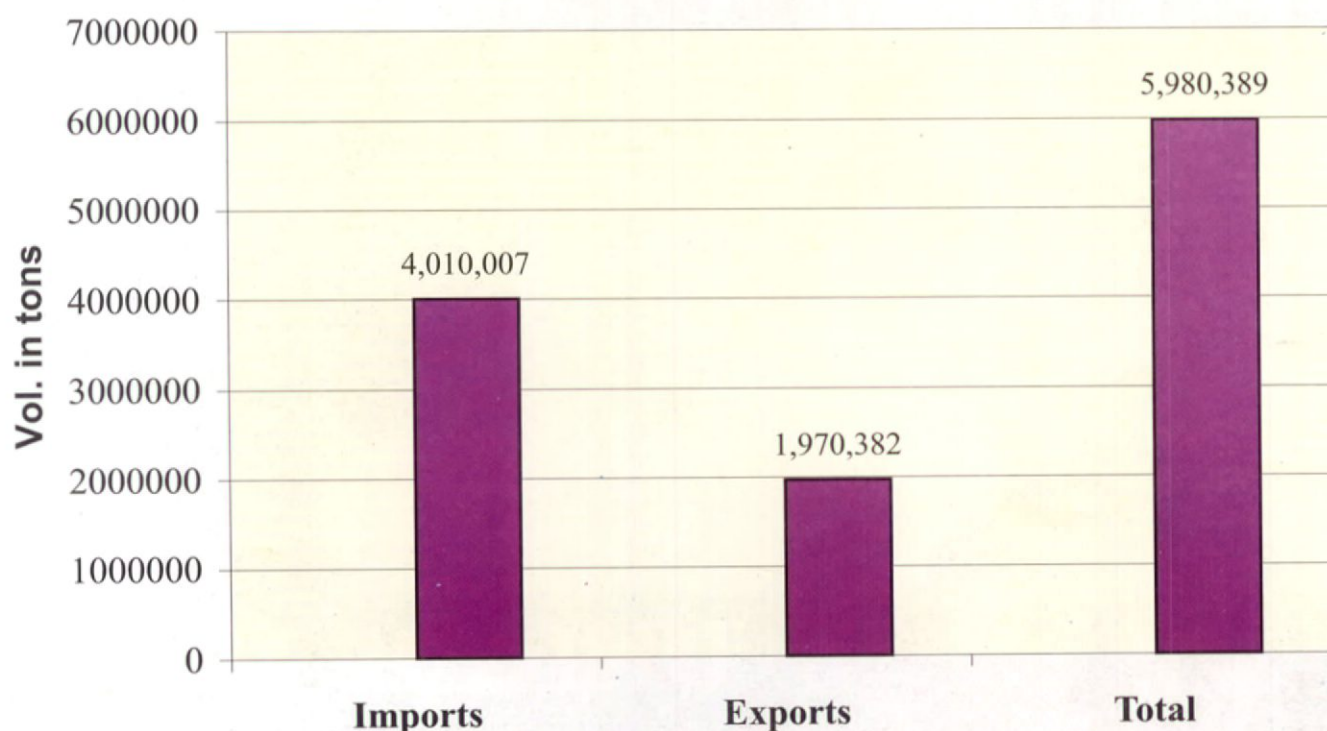




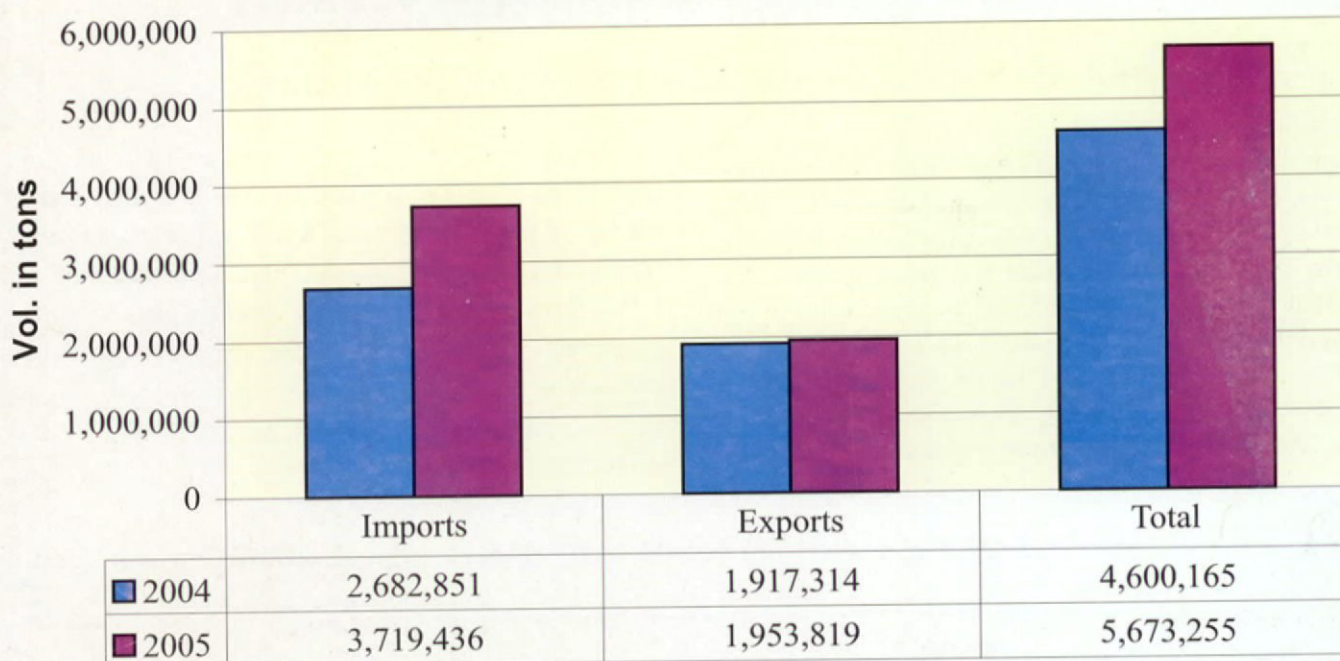
Table 2 Maritime Trade of Ghana [January - June, 2004 & 2005]

	Tema			Takoradi			Total		
	2004	2005	% Diff	2004	2005	% Diff	2004	2005	% Diff.
Imports	1,992,300	3,136,044	36	690,551	583,392	-15	2,682,851	3,719,436	28
Exports	489,392	485,987	-0.7	1,427,922	1,467,832	3	1,917,314	1,953,819	2
Total	2,481,692	3,622,031	31	2,118,473	2,051,224	-3	4,600,165	5,673,255	19
Transit	225,224	198,976	-12	34,881	108,158	68	260,105	307,134	15
Thruput	2,706,916	3,821,007	29	2,153,354	2,159,382	0.3	4,860,270	5,980,389	19

Maritime trade of Ghana for the period under consideration amounted to over 5.6 million tons with imports recording over 3.7 million tons and exports being over 1.9 million tons.

The Tema port accounted for over 84% of total imports for Ghana while the Takoradi port took about 16%. For

Fig. 2 Maritime Trade of Ghana [Jan. - Jun. 2004 & 2005]



Total throughput at the ports of Ghana for the period was 19% more than what was obtained for the same last year. While total imports increased significantly by 28% during the period, total export showed only a slight increase of about 2%.

There was also a 15% increase in total transit traffic for the period. Significant increases continued to be recorded in cargo throughput at the port of Tema; an increase of about 29% was

recorded over last years figure, as compared to the Takoradi port where the increase over last year was very slim, less than 1%. This may be due to a decreasing trend emerging in the imports handled at the Takoradi port. For the period under consideration, imports handled at the Takoradi port fell by 15%.

The transit traffic also declined by 12% at the Tema port while it increased considerably by 68% through the Takoradi port (See Table 2 above).



Table 3 Comparison of the Maritime Trade through the Ports of Ghana January-June, 2004 & 2005

	TEMA			TAKORADI			TOTAL		
	2004	2005	% Diff.	2004	2005	% Diff.	2004	2005	% Diff.
IMPORTS									
Liner	978,576	1,515,353	35	136,769	150,808	9	1,115,345	1,666,161	33
Dry Bulk	505,271	550,747	8	508,070	411,457	-19	1,013,341	962,204	-5
Liq. Bulk	508,453	1,069,944	52	45,712	21,127	-54	554,165	1,091,071	49
Total	1,992,300	3,136,044	36	690,551	583,392	-15	2,682,851	3,719,436	28
Add Transit	222,212	182,485	-18	34,881	108,086	68	257,093	290,571	11
Total Import	2,214,512	3,318,529	33	725,432	691,478	-5	2,939,944	4,010,007	27
EXPORTS									
Liner	322,844	327,539	1	304,659	301,303	-1	627,503	628,842	0.2
Dry Bulk	31,754	42,381	25	1,123,263	1,166,529	4	1,155,017	1,208,910	4
Liq. Bulk	134,794	116,067	-14	0	0	0	134,794	116,067	-14
Total	489,392	485,987	-0.7	1,427,922	1,467,832	3	1,917,314	1,953,819	2
Add Transit	3,012	16,491	82	0	72	100	3,012	16,563	82
Total Export	492,404	502,478	2	1,427,922	1,467,904	3	1,920,326	1,970,382	2

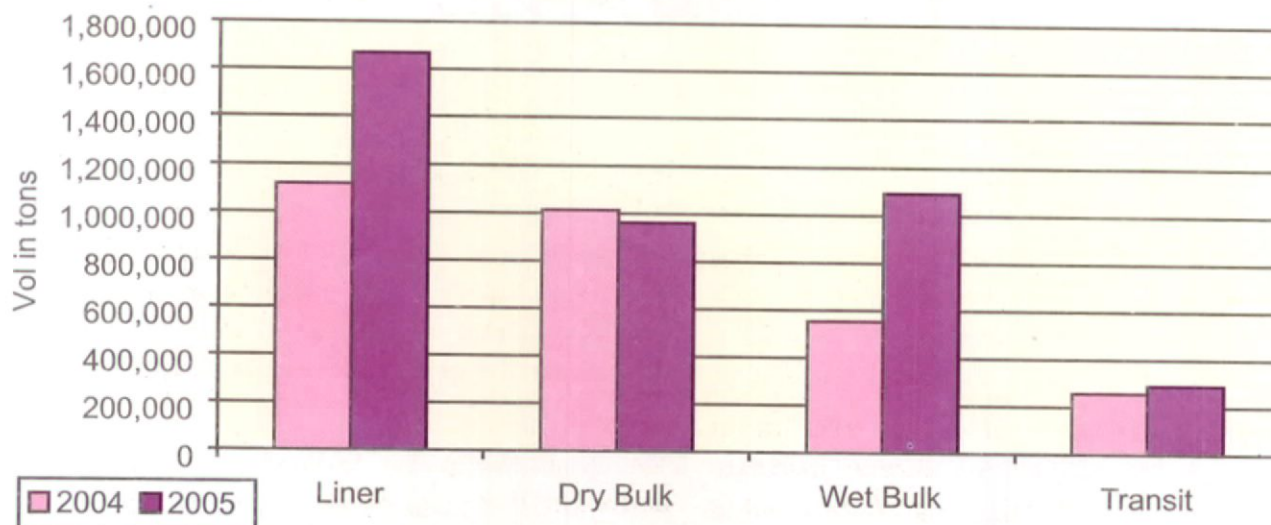
PERFORMANCE OF THE MARITIME TRADE IN GHANA

Import

For the period, January to June 2005, under consideration total import including transit traffic through the port of Tema was 33% higher than what was obtained in 2004 for the same period. The transit import traffic fell by 18% while total import for Ghana (excluding transit traffic) increased by 36%. Liner imports and liquid bulk increased by 35% and 52% respectively while the margin of increase in the dry bulk trade was less than 10%.

Through the port of Takoradi, total import (including transit) declined by 5% as compared to the same period last year. Total import for Ghana (excluding transit) also declined considerably by 15% through the Takoradi port. Transit traffic however, increased by 68%. Apart from liner imports which increased by 9%, dry and liquid bulk at the Takoradi port fell by 19% and 54% respectively.

Fig. 3 PERFORMANCE OF THE MARITIME IMPORT OF GHANA - January-June, 2004 & 2005





Export

Through the port of Tema, total export (including transit cargo) was about 2% more than what was obtained in 2004 for the same period of January to June. Total export for Ghana (excluding transit export) through the Tema port declined by less than 1%. This may be the result of a 14% decrease in the liquid bulk exports through Tema. The dry bulk export through Tema was 25% higher than the previous period while liner exports increased by only 1%.

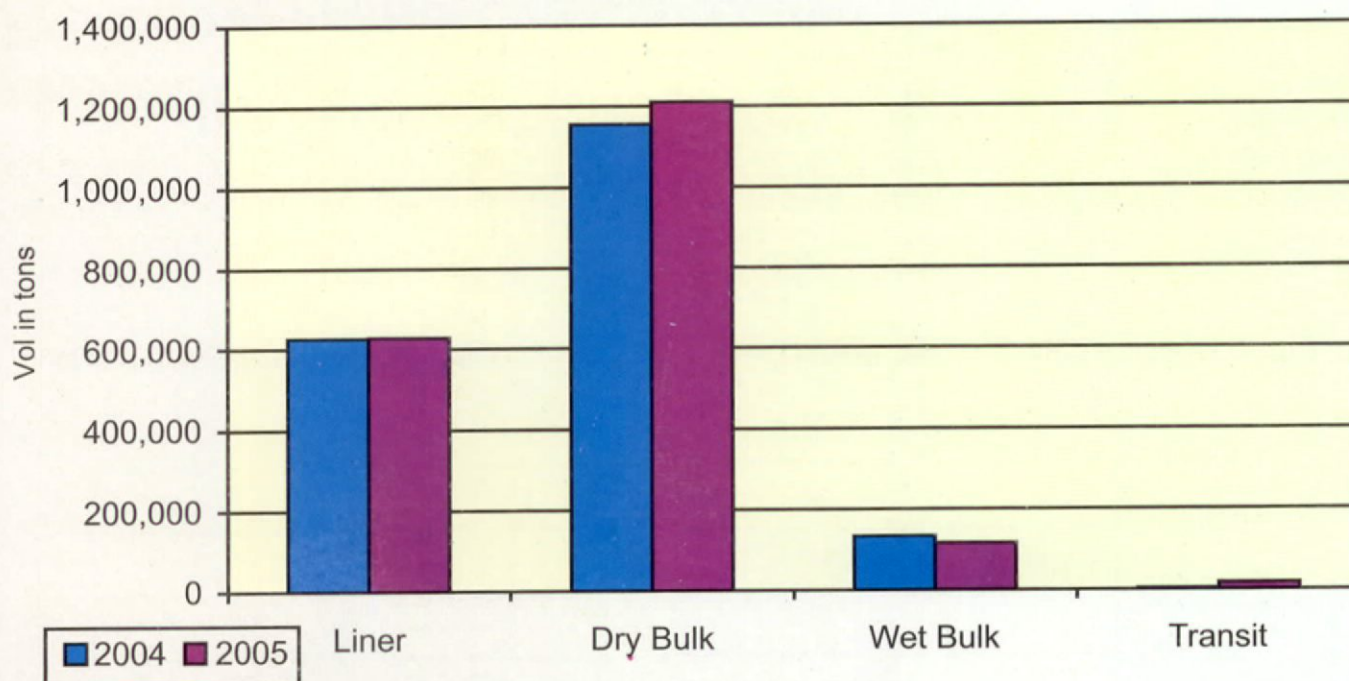
Through the port of Takoradi, the increase in total exports (including transit) was 3%. Total Ghanaian export for the period was also 3%, reflecting an increase of 4% in dry bulk exports and a 1% decrease in liner exports.

Commodities

Rice, sugar, iron /steel/ plates /pipes, processed foods/ beverages and chemicals constituted the major liner imports for the period. For the dry bulk imports clinker, grains and limestone were the major cargo discharged for Ghana, while liquid bulk included crude oil, petroleum products and chemicals.

Cocoa beans, log timber, sawn timber/lumber and cocoa products, the traditional exports of Ghana, continue to dominate the liner export traffic at the ports of Ghana. Non-traditional exports that were recorded in the liner export of Ghana for the period included cashew nuts, processed commodities, cotton/cotton seeds, pineapples, sheanuts and metal scraps.

Fig. 4 PERFORMANCE OF THE MARITIME EXPORT OF GHANA - January-June, 2004 & 2005





DIRECTION OF THE MARITIME TRADE OF GHANA

Imports

For the period under consideration the Africa range continued to constitute the source of greatest imports to Ghana. Out of the total imports of 3,719,436 tons, 33% came from this range.

Far East and North Continent were the next highest source of import to Ghana, each recording 20% and 19% respectively. Mediterranean Europe followed with 11%, with North America and the United Kingdom ranges recording 6% and 1% respectively. The Others range recorded 10%.

Liner imports formed about 45% of total imports for the period, coming mainly from the Far East, North Continent, Mediterranean Europe and Others ranges.

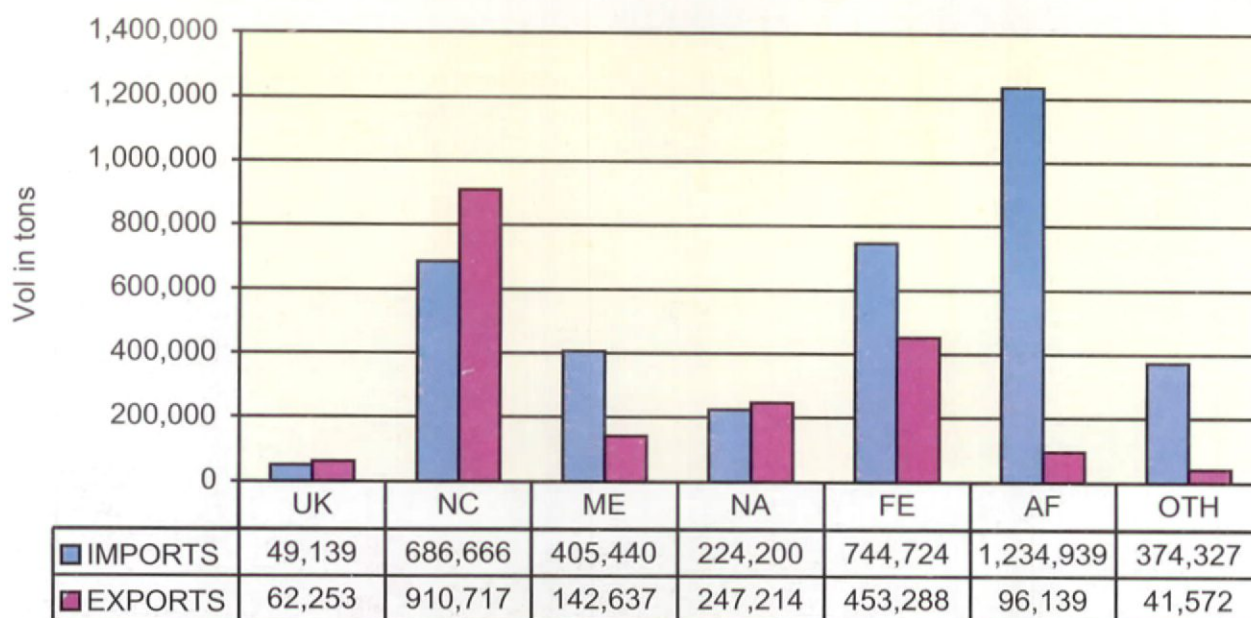
Liquid bulk import was the second largest percentage with 29% of total imports for the period. It came mainly from Africa where 75% was recorded. The rest came from the Mediterranean Europe and North Continent ranges.

Dry bulk import was 26% of total imports for the period, coming mainly from the Africa (31%), North Continent (26%) and Far East (24%) ranges. (See Table 4 and Fig. 5 below)

Table 4 Direction Of Maritime Import of Ghana Jan-June, 2005

Range/Trade	United Kingdom	North Continent	Med Europe	North America	Far East	Africa	Others	Total
Liner	48,733	333,845	232,037	149,994	505,887	117,640	278,026	1,666,161
Dry Bulk	407	254,492	61,864	74,206	234,629	296,053	40,553	962,204
Liq. Bulk	0	98,329	111,539	0	4,210	821,246	55,747	1,091,071
Total	49,139	686,666	405,440	224,200	744,724	1,234,939	374,327	3,719,436

Fig. 5 DIRECTION OF THE MARITIME TRADE OF GHANA, January-June, 2005





Exports

For the period under consideration, the highest Ghanaian exports went to the North Continent range, recording over 47% out of the total 1,953,819 tons of exports. The next range to receive the highest exports from Ghana was Far East recording 23% of total export, followed by the North America range where 13% was recorded.

Majority of the liner export went to the North Continent (37%), Far East (28%) and United Kingdom (10%) ranges. The Mediterranean Europe

and Africa ranges had 9% each.

Dry bulk exports constituting over 62% of total exports went mostly to the North Continent (53%), Far East (23%) and North America (12%) ranges.

Liquid bulk exports, constituting only 6% of total exports for the period went mostly to the North America range, recording over 62% of total liquid bulk exports. 29% went to the North Continent, and rest went to the Africa and Others ranges (See Table 5 below and Fig. 5 above).

Table 5 Direction of Maritime Export of Ghana [Jan-June 2005]

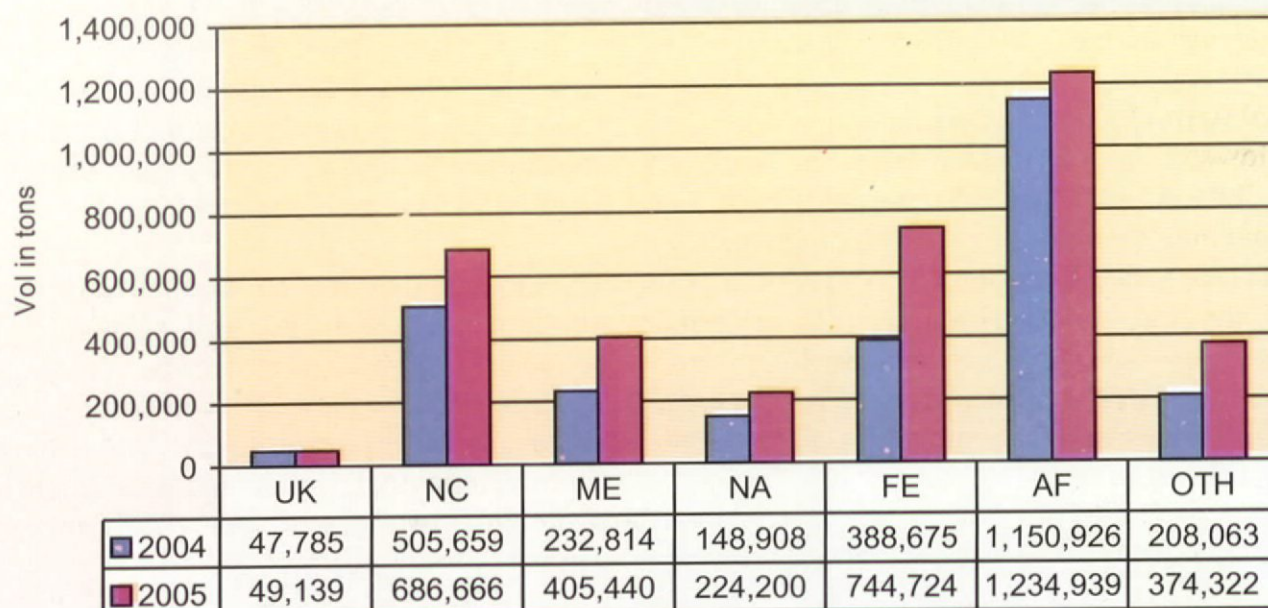
Total	Range/Trade	United Kingdom	North Continent	Med Europe	North America	Far East	Africa	Others
628,842	Liner	62,253	233,637	60,397	29,601	174,966	55,150	12,838
1,208,910	Dry Bulk	0	643,774	82,240	145,957	278,322	33,871	24,746
116,067	Liq. Bulk	0	33,306	0	71,655	0	7,118	3,988
1,953,819	Total	62,253	910,717	142,637	247,214	453,288	96,139	41,572

Direction of Maritime Trade: 2004 versus 2005

Total maritime imports for January to June 2005 was 28% more than what was obtained in the same of 2004. This same trend can be seen on all the import trade ranges of Ghana. For the whole

import trade range there were increases ranging between 3% for the United Kingdom to 48% for the Far East. (Table 6)

Fig. 6 DIRECTION OF MARITIME IMPORT: January-June, 2004 VRS 2005





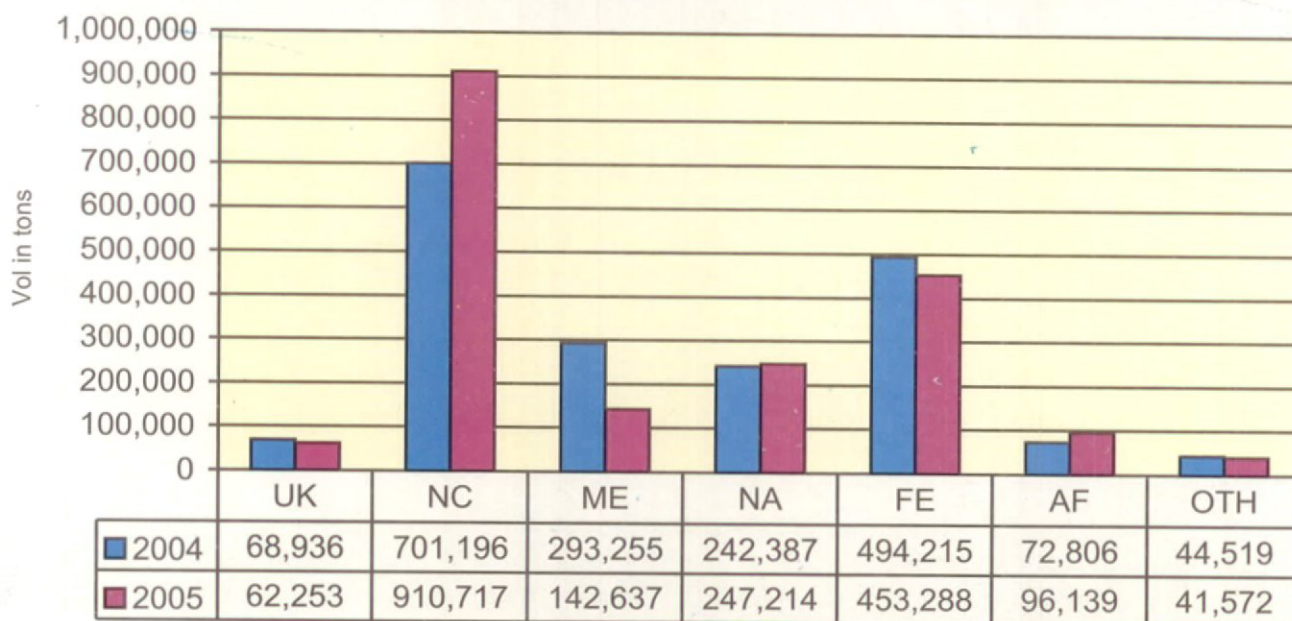
In the export trade, increase in total export was 2% more than what was recorded for the same period last year. This was a reflection of what happened within the various export trade ranges.

There were decreases of 10% in the United

Kingdom range, 51% in the Mediterranean Europe range, 8% in the Far East range, and 7% in the Others range.

The increases were few and quite small; 23% in the North Continent range, 24% in the Africa range and only 2% in the North America range.

Fig. 7 DIRECTION MARITIME EXPORTS: January-June 2004 VRS 2005



PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE

Maersk (Gh.) Ltd. continued to be the lead Shipping Agency in the liner trade during the half year period under review (January-June 2005) with a market share of 25.55% out of the total liner trade of 2,293,038 metric tonnes.

SDV (Gh.) Ltd, Hull Blyth and Super Maritime followed in that order with a share of 10.22%, 9.22% and 9% respectively. The remaining twenty-one (21) Shipping Agencies had shares ranging from 0.01% to 7.14%. Out of the total of twenty-five (25) Shipping Agencies that took part in the liner trade, twenty-four (24) of them carried import cargo while fourteen (14) companies handled the export traffic.

The dry bulk trade had eleven (11) shipping companies taking part with Super Maritime taking the lead with a share of 48.25%. The total dry bulk trade registered 2,171,113 metric tonnes of cargo. Hull Blyth and Maersk (Gh) Ltd followed in that order with a share of 36.45% and 10.32% respectively. Just four (4) shipping agencies took part in the dry bulk export but handled 55.68% of the total trade.

The Liquid bulk trade, which totalled 1,160,461 metric tonnes of cargo, had GEK Shipping taking the lead share with 56.63%. Scanship and Oceanic Roro followed in that order with 22.06% and 8.99% respectively. Among the nine (9) companies that participated in the liquid bulk trade only two (2) of them dealt in export cargoes.



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PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA

January -June, 2005 (Volume in Metric Tons)

SHIPPING AGENT/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
ANTRAK GH. LTD.	135,050	28,781	163,831	7.14
BLUE FUNNEL	131	0	131	0.01
BLUE SEA	13,263	11,000	24,263	1.06
CROSS OCEAN	23,700	0	23,700	1.03
FAIRPOINT SYS.	8,869	0	8,869	0.39
GLOBAL CARGO	129,112	0	129,112	5.63
GMT SHIPPING	71,210	0	71,210	3.11
HULL BLYTH	154,763	56,592	211,355	9.22
ISAG	28,995	37,470	66,465	2.90
MAERSK GH. LTD.	382,615	203,250	585,865	25.55
MAP SHIPPING	20,550	0	20,550	0.90
MARITIME AGENCY	128,728	2,929	131,657	5.74
MAXITIDE VENTURE	455	0	455	0.02
MOL GH. LTD.	8,445	3,345	11,790	0.51
OCEANIC RORO	104,303	9,513	113,816	4.96
OCEAN LANE	32,085	0	32,085	1.40
PANALPINA	12,984	18,176	31,160	1.36
PONWA	20,053	6,297	26,350	1.15
REDLINE GH. LTD	0	25	25	0.00
SANTA SHIPP.	7,051	0	7,051	0.31
SCANSHIP GH. LTD.	79,565	19,291	98,856	4.31
SDV GH. LTD.	126,178	108,214	234,392	10.22
SEALANE	8,500	0	8,500	0.37
SEATRANS	83,636	0	83,636	3.65
SUPERMARITIME	85,920	121,994	207,914	9.07
SUB-TOTAL	1,666,161	626,877	2,293,038	40.75
DRY BULK				
ANTRAK GH. LTD.	232	0	232	0.01
GLOBAL CARGO	8,382	0	8,382	0.39
HULL BLYTH	791,463	0	791,463	36.45
MAERSK GH. LTD.	22,500	201,593	224,093	10.32
MAP SHIPPING	18,654	0	18,654	0.86
OCEANIC RORO	8,807	0	8,807	0.41
PANALPINA	1,878	4,263	6,141	0.28
SCANSHIP	13,184	37,109	50,293	2.32
SDV GH. LTD.	2,000	0	2,000	0.09
SEATRANS	13,498	0	13,498	0.62
SUPERMARITIME	81,606	965,944	1,047,550	48.25
SUB-TOTAL	962,204	1,208,909	2,171,113	38.58



PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA

January - June, 2005 (Volume in Metric Tons)

LIQUID BULK				
ADOM SHIPPING	2,824	0	2,824	0.24
BULK SHIPPING	28,934	0	28,934	2.49
GEK SHIPPING	657,199	0	657,199	56.63
HULL BLYTH	17,536	0	17,536	1.51
OCEANIC RORO	104,320	0	104,320	8.99
PANALPINA	7,703	3,988	11,691	1.01
SCANSHIP	187,817	68,226	256,043	22.06
SEATRANS	29,712	0	29,712	2.56
SUPERMARITIME	55,026	0	55,026	4.74
SUB-TOTAL	1,091,071	72,214	1,160,461	20.62
GRAND TOTAL	3,719,436	1,908,000	5,627,436	99.95

PERFORMANCE OF SHIPPING LINES /CHARTERERS

A total of Fifty-eight (58) Shipping Lines and Charterers participated in the liner trade during the half year under review, January-June 2005. Maersk Sealand continued with its dominance of the liner trade with a share of 25% out of the total tonnage of 2,286,041mt. Delmas and other Shipping lines followed with a share of 10.21% and 8% respectively.

Thirty-One (31) Shipping Lines and Charterers took part in the dry bulk trade that was 2,171,175 metric tonnes. Out of this number, twenty-two (22) lines handled import cargoes while fourteen (14) carried exports. IMT Lines

carried a total of 768,347 tons representing the top share of 35.38%. Scancem followed with a share of 15.5% and the rest of Shipping Lines carried from 0.09% to 9.6%.

Liquid bulk trade totalled 1,163,285 metric tonnes and NNPC continued with its dominance in the trade with a share of 56.49% representing 657,199mt. Vitol Lines carried 19.75% of the total liquid bulk cargo to place second after NNPC. All the nine (9) companies that participated in the liquid bulk trade carried imports with only two (2) carrying exports.

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PERFORMANCE OF SHIPPING LINES/CHARTERERS IN THE MARITIME

TRADE OF GHANA - January - June, 2005 (Volume in Metric Tons)

SHIPPING LINE/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
K' LINES	652	0	652	0.01
ACSA	511	0	511	0.01
AFRICAN EXPRESS LINE	6,087	906	6,993	0.12
AFRICAN STEAMSHIP	0	9,071	9,071	0.16
BABURA LINE	0	25	25	0.00
BOCS ANTWERPEN	1,058	0	1,058	0.02
CASANO SHIPPING	0	3479	3,479	0.06
CEREAL INV. CO. S/A	5,000	0	5,000	0.09
CHINA SHIPPING	19,311	3176	22,487	0.40
CMA/CGM FRENCH LINES	26,872	7777	34,649	0.62
COSCO INTERNATIONAL	26,413	0	26,413	0.47
CONTI LINES	86,084	0	86,084	1.53
CSAV	9,699	0	9,699	0.17
DARYA SHIPPING	7,682	0	7,682	0.14
DELMAS	125,230	108199	233,429	4.15
DOLE SHIPING	4,699	23,509	28,208	0.50
DONG THAP COMM.	11,560	0	11,560	0.21
ECOMARINE INT. SEATRADE	281	0	281	0.00
EUROAFRICA	14,809	9550	24,359	0.43
GLOBAL PORTSIDE	455	0	455	0.01
GOLD STAR LINE	27,264	34705	61,969	1.10
GRIMALDI LINES	104,581	15698	120,279	2.14
GST SHIPPING	22,149	0	22,149	0.39
GRUPO PORTO	6,702	0	6,702	0.12
ICECLIMATED INT.	7,051	0	7,051	0.13
IRMAOS LTD	8,000	0	8,000	0.14
KIEN HUNG SHIPPING	10,417	0	10,417	0.19
L&C TRANSPORTATION	9,899	0	9,899	0.18
LOUIS DREYFUS	5,915	0	5,915	0.11
LYCOPODIUM ENG.	2,092	0	2,092	0.04
LYKES LINES	2,932	0	2,932	0.05
MAERSK SEALAND	380,437	195,472	575,909	10.25
MEDITERANEAN SHIPP. CO.	123,819	2929	126,748	2.26
MERADA	3	0	3	0.00
MESSINA LINES	74,136	28757	102,893	1.83
MOSK LINES	42,295	15,867	58,162	1.03
NEW SEA FISH	3,869	0	3,869	0.07
NORDANA LINES	12,945	0	12,945	0.23
OCEANUS	93	0	93	0.00
OTAL	26,910	24	26,934	0.48
OTHER	181,887	2005	183,892	3.27
P&O NEDLLOYD	20,195	6297	26,492	0.47
PACIFIC INTL. LINES	85,316	28796	114,112	2.03
PORTSIDE SHIPPING	4,820	0	4,820	0.09
S. BACO LINER	0	18500	18,500	0.33



PERFORMANCE OF SHIPPING LINES/CHARTERERS IN THE MARITIME

TRADE OF GHANA - January - June, 2005 (Volume in Metric Tons)

SHIPPING LINE/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
SAFMARINE	2,179	10536	12,715	0.23
SEATRADE	2,861	0	2,861	0.05
SICOL SHIPPING	0	651	651	0.01
SOAFRIMEX	129,112	0	129,112	2.30
SPLIETHOFF	0	8000	8,000	0.14
THS ARBO & CO.	196	0	196	0.00
TRAMP BULK	3,294	0	3,294	0.06
TRANS ATLANTIC	3,377	0	3,377	0.06
UNICARGO	5,263	19000	24,263	0.43
UNION ESPONOLA	2,728	0	2,728	0.05
VERTOM	0	66,950	66,950	1.19
VIETNAM SEA TRANSPORT	7,022	0	7,022	0.12
YARA INT.	0	7000	7,000	0.12
SUB-TOTAL	1,666,162	626879	2,286,041	40.67
DRY BULK				
ADON RICE INC.	3,000	0	3,000	0.05
AFRICA EXPRESS LINE	15,250	0	15,250	0.27
BULKHANDLING	0	73,458	73,458	1.31
BULKER	0	43,850	43,850	0.78
CARGILL INT. S/A	15,200	0	15,200	0.27
COSCO	20,000	0	20,000	0.36
DELMAS	2,000	0	2,000	0.04
DENSAY	32,509	0	32,509	0.58
EUROAFRICA	3,999	26583	30,582	0.54
GEAR BULK	28,400	0	28,400	0.51
GRIMALDI LINES	8,807	0	8,807	0.16
IMT	0	768,347	768,347	13.67
INTER BULK	106,390	0	106,390	1.89
MAERSK SEALAND	22,500	74959	97,459	1.73
MERADA	61,606	31,134	92,740	1.65
MESSINA LINES	232	0	232	0.00
NETSUI OSK LINES	0	3382	3,382	0.06
NAVECO SHIPPING	0	2372	2,372	0.04
NORDEN	78,155	0	78,155	1.39
OLDENDORFF	35,900	0	35,900	0.64
ORIENT	12,038	0	12,038	0.21
OTHER	90,986	118282	209,268	3.72
PACIFIC INT. LINES	61,759	0	61,759	1.10
POLYTRA	16,259	0	16,259	0.29
SAFMARINE	0	41639	41,639	0.74
SCANCEM	337,700	0	337,700	6.01
SEA BOARD	0	11,110	11,110	0.20
SOAFRIMEX	8,382	0	8,382	0.15
TANK AFRICA	1,132	3922	5,054	0.09
UGLAND	0	7933	7,933	0.14
VERTOM	0	2,000	0	0.00
SUB-TOTAL	962,204	1,208,971	2,171,175	38.59



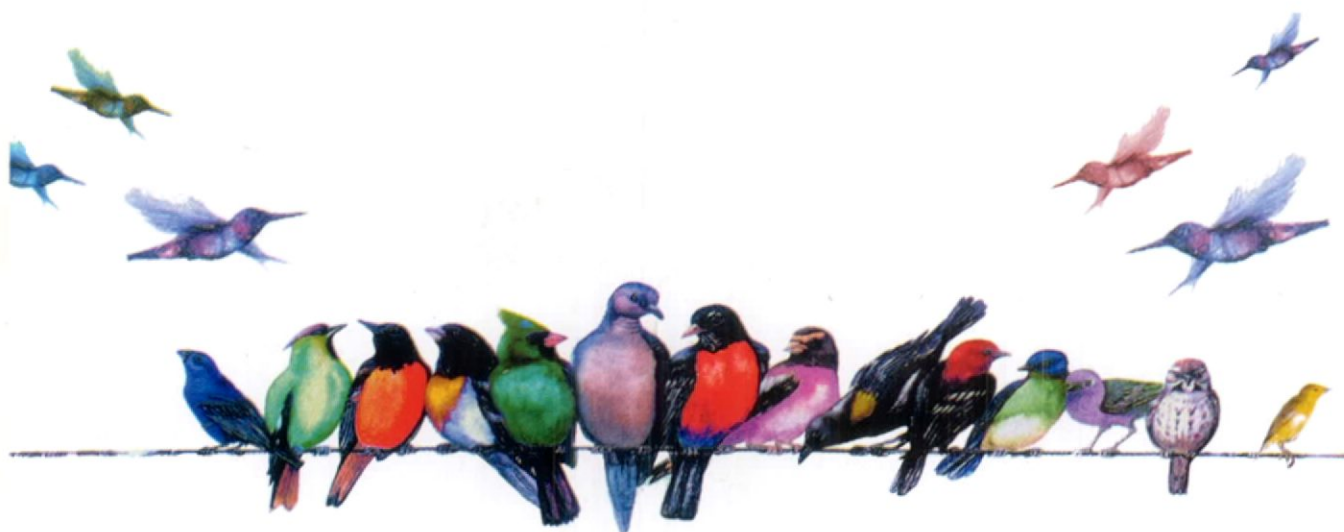
PERFORMANCE OF SHIPPING LINES/CHARTERERS IN THE MARITIME

TRADE OF GHANA - January - June, 2005 (Volume in Metric Tons)

SHIPPING LINE/CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LIQUID BULK				
BULKHANDLING	32,340	0	32,340	0.58
DANNIBROG REDERI AS.	600	0	600	0.01
GRIMALDI LINES	104,320	0	104,320	1.86
N.N.P.C	657,199	0	657,199	11.69
OTHER	108,860	3988	112,848	2.01
SMB	13,997	0	13,997	0.25
TANK AFRICA	5,015	0	5,015	0.09
TRAFIGURA	7,130	0	7,130	0.13
VITOL	161,610	68226	229,836	4.09
SUB-TOTAL	1,091,071	72214	1,163,285	20.70
GRAND TOTAL	3,719,437	1,908,064	5,620,501	99.96

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Advanced Cargo Information Systems (ACIS)

Its' Role in the Management and Operations of Internal Clearance Depots (ICDs)

Introduction

Despite the rapid progress in information technology, customs transit in the developing countries continues to be largely based on procedures involving the transmission of paper documents. An expert meeting in Geneva in the early 1990 stressed the crucial contribution of information technology to the proper functioning of customs transit systems. Consequently, the Advanced Cargo Information Systems (ACIS), which had been developed by UNCTAD, became widely used in developing countries.



- a database for rational corporate planning by transport operators,
- a long term record of transport movement data to build up national and sub-regional databases where appropriate
- to permit governments and institutions to analyze national, sub-regional and regional problems in order to investigate alternative investment opportunities in the transport sector.

What is ACIS

ACIS is a computer-based logistics information system, which tracks equipment and cargo on transport modes (rail, road, lake/river) and at interfaces (ports, internal clearance depots (ICDs)) and provides information in advance of cargo arrival.

ACIS is designed, and maintained by UNCTAD. It provides both public and private transport operators and ancillaries with reliable, useful and real-time data on transport operations such as the whereabouts of goods and transport equipment, improves day-to-day management and decision-making. ACIS also produces regular statistics and performance indicators, which enable management to remedy performance deficiencies and to make full use of the existing infrastructure and equipment capacity.

ACIS was developed to address multimodal cargo transit and resources management issues and increase the transparency and efficiency of the transport sector by

providing operational and financial information.

Features of ACIS

ACIS provides the following overall facilities:

- improved information to reduce non-physical trade barriers and to help control the operations of individual transport operators,
- advance information on the movement of individual consignments, and of transport equipment leading to improved transit times for goods, thus improved trade facilitation.
- EDI/XML messaging between transport operators for automatic updates of tracking information between modes and across borders,
- a database facility available to a party registered as having an interest in a consignment and its transportation, providing them with the latest reported location and status of goods and transport equipment,

The Role of ACIS in ICDs

Inland Clearance Depots (ICDs) are warehouses or storehouses situated at convenient points usually in industrial and commercial areas often outside the limits of any port or airport.

They are operated by a consortium or other approved body and provide facilities for the entry, examination and clearance of goods imported or exported in containers, railway train ferry wagons, unit loads or other approved methods. It enables importers and exporters to gain full advantage of the use of such recently innovated services as freightliners, or 'roll on/roll off' vehicular carrying ships, and containerization generally.

ACIS is designed to provide an information network linking the physical points along various surface transport routes at which decisions are taken or events take place. It uses practical and proven implementation methodologies and downsized field-tested solutions and employs solutions applicable in difficult environments, e.g. readily available microcomputer technology and such telecommunications facilities as are available.



The ACIS system is designed to spontaneously create a "community spirit", as operators will understand plainly that they are players of a "cooperative game" encouraging interaction along diversified poles of common interest.

Whether these be operators or clients, at a national and international level, belonging to the private or the public sector, all will be able to share common, transparent, symmetrical information. This avoids documentary disputes, and provides for common identification of previous weaknesses. It also provides tools for direct efficiency in infrastructure and superstructure management as well as better allocation of physical resources on a fair basis.

Once the problems are clearly identified, market pressure and

officially commissioned and effectively conducted audits will help in solving physical administrative bottlenecks and 'redtape'. This will eventually and finally contribute to the scrapping of "wall of silence" which hampers, through intangible barriers, the development of international trade.

The ACIS management tools are multilingual software modules covering the surface transport modes like rail, road, inland waterways and interfaces ports, ICDs, border crossings and check points.

Each one is designed to be a stand-alone sub-system, comprising microcomputer hardware and software packages. They can be either a single microcomputer or a local network of microcomputers, depending on the size and needs of the operator. In either case, it always

serves one transport mode and one operator. For example, a specific railway system, performing one set of standard functions relating to that mode on a selected cargo itinerary. Modules are designed to operate in telecommunications environments of varying degrees of sophistication. Their main function is to collect data at selected points along a transport route to assist operational management and in identifying logistics problems.

Collected data is used for proactive operations management (e.g. empty wagon distribution for railway or berth allocation in a port). Data is also compiled for statistical purposes and the generation of performance indicators. The software application packages are specifically written for each transport mode based on detailed system requirements. They take into account the special aspects of the local environment.

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Centralized design of software ensures that the modules are reusable anywhere, within their respective transport sectors, with little or no modification. This approach generates significant economies of scale in terms of its development budget on a sub-regional and regional basis, which could not be achieved using commercially available transport management packages.

Road Tracker

The ACIS road system component, Road Tracker, is similar to Rail Tracker in that events are captured at specific points along a given itinerary. However, it is different in the sense that road tracking can be less reliable due to the versatility of lorries (no fixed itinerary like wagons on rails). ACIS has opted for a simple reliable technique that captures the passage of designated trucks at specific points.

These points are usually exit/entry posts into/out of large cities, at major junctions/crossroads, at weighbridges along the route, at border crossings and the like. Such check points would be equipped with the required IT stand-alone PCs with operators to input passing traffic data.

At a later stage such check points could be equipped with more sophisticated technology such as scan gates or even with readers for tags if the latter is installed on the trucks requiring data capture. As a result, there is only one main module of RoadTracker (with different objectives):

Road Checkpoint System

valid for data capture of any road vehicle, as designated, in a specific location along the route. A more specific module for frontiers is called Border Pass Monitoring System. Cargo Interchange Monitoring

System which constitutes a "knuckle" monitoring the transfer of goods from any surface mode to another across any interface (such as borders, ICDs, ports, intermodal hubs). This sub-module basically acts as an interchange monitor for any combination of modes / interfaces (formerly called Border Pass Monitoring System).

Road Statistics analyzes the data produced above and edits immediate operational and economic statistics, such as imports per country of origin, data per commodity transit times, cargo/vehicle dwell times in terminals.

The approach adopted for ACIS is to focus on specific itineraries within sub-regions in accordance with priorities defined by the beneficiary countries and funding institutions, guided by the experiences of the executing agency.

The main priority is to target non-physical barriers to trade by installing a data management system which produces transparency and improves transport efficiency.

Human Resource Development

Human resource development is a major component of the ACIS Programme. ACIS will only function reliably and efficiently if data is rigorously and accurately recorded at major points in the transport chain. Managers must be able to interpret and act on the information and performance indicators generated by ACIS. To ensure that these tasks are properly performed requires competent and well-trained workforce. The installation of ACIS includes human resource development at all levels of user operations including the appropriate manuals.

For such a system to reach economic potential, capacity building is indeed a priority. In a regional context, this has been obtained on ACIS projects by using the "snow ball" principle by virtue of which staff trained in the first country of a region will become

the trainers of the next country and so on. Similarly, development efforts will start to rely on local expertise to form a sub-regional cluster of ACIS experience and knowledge thus ensuring real transfer of technology, the best guarantee of sustainability.

Sustainability

The sustainability of the project can be gauged at several levels. At the country level the project's aim is to make the heavy infrastructure and rolling stock investments in the transport sector profitable by providing operational data which improves management of the entire logistical chain.

At the global level project activities will be sustained by:

- Promoting the use of standards at the information systems level by following a unified design strategy, by use of standard operating systems, and development of languages and off-the-shelf packages, where appropriate. Human interaction with the system is via pre-defined, standardized presentation of data messages.
- Promoting transport information standards by using Electronic Data Interchange (EDI) and the UN/EDIFACT message formats wherever possible. The UN/EDIFACT standard is achieving rapid worldwide acceptance for electronic handling of transport and financial data.



- Using system design features, which are automated procedures to overcome limitations caused by the environment, the initial lack of sufficiently trained human resources, and to permit remote support. The unified design methodology and automated procedures help to ensure that local professionals will be able to operate and support the system, on a national and sub-regional basis, on project completion.
- Training of trainers from Railway or Port staff to ensure continuous "after-project" training.

It is important that local management can support the ACIS system once it is implemented. The concept of reinforcing local expertise introduced here does not refer simply to a mechanical transfer of technology to local staff. Rather, the

technical capabilities of local professionals will be enhanced through various means, including on-the-job training relevant to ACIS.

Finally, sustainability is guaranteed through standard maintenance contracts between the various recipient operators of ACIS and UNCTAD. These contracts ensure the maintenance, by UNCTAD, on an annual renewable basis, of the application software systems installed.

Conclusion

ACIS is funded from multi- and bilateral sources (European Union, French and German Cooperation, and the World Bank) and increasingly from national operators themselves. The system can be installed in any country requesting it provided that the appropriate Trust Fund is set up within UNCTAD.

ACIS offers the opportunity to exchange information between the various parties involved in facilitating trade on the different

transport modes and therefore should act as a catalyst to the introduction of both logistical chains and multi-modal transport. The current inability to 'talk' between the various operators results in serious non-physical barriers to trade.

ACIS, through its system uniformity can provide the necessary data so that parties can see the cargo as a through movement and therefore one where they can offer extended responsibilities.

This has significant cost advantages in that one operator is seeking to make a profit on the total movement, rather than a variety of parties all attempting to obtain a return on their individual segments.

ACIS is capable of functioning within a developed transport environment as well as within a developing market. It therefore meets today's needs as well as those of tomorrow.

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- Must have contributed for a minimum period of **240 months**

Invalidity Pension

- Must have been a member for a minimum period of **36 months**
- Must have made at least **12 monthly** contributions in aggregate within the last **36 months**
- Must be certified invalid by the **SSNIT Medical Board**

Survivors' Lump Sum

- When a member dies before retirement
- Should not have attained **72 years** at the time of death if a pensioner

CONTACT:

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The Incidence of Maritime Violence in West African Waters

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GHANA'S AUTHORITATIVE MARITIME QUARTERLY JOURNAL

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- **Experience from selected countries Export Financing**
- **Ghana's Maritime Transport Sector in 2005
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The Incidence of Maritime Violence In West African Waters

The world's maritime transport system is the lifeblood of global trade.



Unfortunately, however, this same medium which provides the world its health is characterized by a lack of control bordering sometimes on the chaotic, particularly on the high seas which are a virtual 'no-man's sea' and sometimes even in the zones over which nations have jurisdiction but are unable to exercise control. *A look at factors accounting for the high incidence and measures for curbing the menace.*

Page 3

Trade Finance - An Instrument for effective Trade Delivery

Available evidence indicate that commercial banks in developing economies would rather invest their funds in Less risky ventures than to place such funds in the development of the export sector which is seen as being very risky. *A look at some export financing institutions.*



Page 13

RFID To Be or Not To Be?

Radio frequency identification (RFID) seems to offer great promise to the container industry, with its perennial cost drive and increasing security concerns. But a recent thesis at the Erasmus University's faculty of Maritime Economics and Logistics by Rafael Lemaitre posed the question whether RFID can actually add value to maritime container operations.



Page 20

Contents

Page

- Ghana's Maritime Transport Sector In 2005 - *Some Landmarks* 17
- Maritime Trade Review 24
- Mariscape 36



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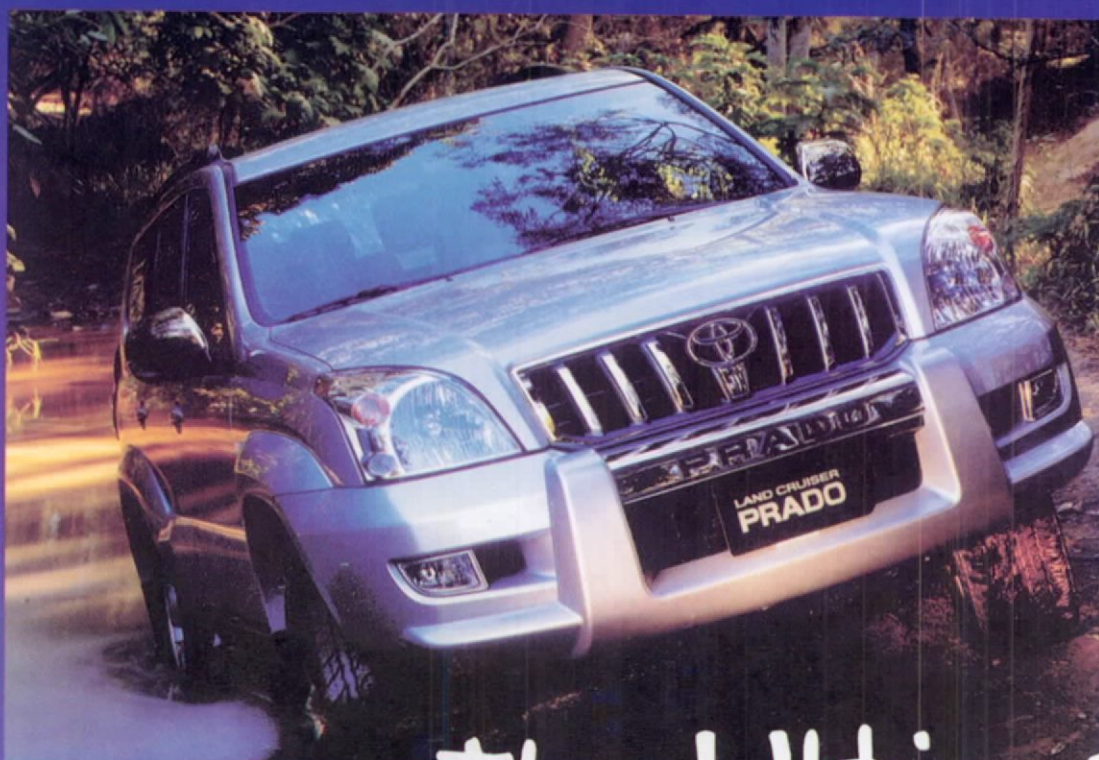
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The Incidence of **MARITIME VIOLENCE** IN WEST AFRICAN WATERS

Paper Presented at the International Symposium on the New Regime for the Suppression of Unlawful Acts at Sea at the World Maritime University, 21-23 November 2005, by Kofi Mbiah, Vice Chairman, Legal Committee, IMO and Chief Executive of the Ghana Shippers' Council.

INTRODUCTION

Even though my topic for this morning relates to Unlawful Acts in West African Waters, it will be remiss of me if I do not set this within the framework of maritime violence in international maritime transport.

The world's maritime transport system is the lifeblood of global trade. The sea provides channels through which vessels navigate to feed the vital organs of world commerce. Indeed it is to underscore this importance that the International maritime Organisation (IMO) chose the theme: "International Shipping - Carrier of world Trade" for the celebration of the World Maritime Day 2005. The discussion of this topic must thus be set against the backdrop of the contribution of international shipping to the health of the world economy.

Unfortunately, however, this same medium which provides the world its health is characterized by a lack of control bordering sometimes on the chaotic, particularly on the high seas which are a virtual 'no-man's sea' and sometimes even in the zones over which nations have jurisdiction but are unable to exercise control. This is particularly true of developing economies which do not have the means of exercising control over their maritime jurisdictions.

Indeed, the notion of Alvid Pardo's "Common Heritage of Mankind" is sometimes lost on us. Despite its all-embracing characteristics the world is yet to wake up to the need to use the seas only for peaceful purposes and

to preserve it as a "Common Heritage of Mankind"

For as long as merchant ships have plied the seas there have been adventurers who have attacked vessels for commercial gain. In fact, before and during the embryonic stages of steam navigation, transportation of goods by sea was seen as a "maritime adventure". Up until the 1980's, piracy was the main form in which unlawful acts at sea occurred. However, from 1985 a new and menacing danger emerged. In 1985, in what is referred to as the *Achille Lauro* hijacking, Palestinian militants hijacked an Italian cruise liner in the Mediterranean and threatened to blow it up if their demand for the release of fifty (50) Palestinian prisoners held in Israel was not met. In the course of the incident a disabled American citizen was murdered and his body and wheel chair thrown overboard.

In response to the incident, the governments of Austria, Egypt and Italy made a proposal to the International Maritime Organisation (IMO) in 1986 to prepare a Convention on the subject of unlawful acts against the safety of marine navigation. This led to the 1988 Convention for the Suppression of Unlawful acts Against the Safety of Maritime Navigation and its Protocol of 1988 relating to Fixed Platforms Located on the Continental Shelf (SUA Convention and Protocol).

According to the provisions of the SUA Convention, a person commits an offence if that person



Kofi Mbiah

unlawfully and intentionally commits or attempts to commit, threatens to commit, or abets the seizure or exercise of control over a ship by force or threat of force or any form of intimidation or commits any of the following acts, if it endangers or is likely to endanger safe navigation of that ship: an act of violence against a person on board; destroying a ship or damaging a ship or its cargo; placing or causing to be placed on a ship a device or substance likely to destroy the ship or cause damage to the ship or its cargo; destroying or seriously damaging maritime navigational facilities or seriously interfering with their operation; communicating information he knows to be false; injuring or killing any person in connection with the commission or attempted commission of any of the above mentioned offences.

The IMO considered proposed amendments to the SUA Convention from the 10th to the 14th of October during the 85th Session of the Legal Committee in London and subsequently adopted what has come to be known as the 2005 Protocol for the Suppression of Unlawful Acts



against Maritime Navigation as well as Fixed Platforms. (Protocol to the SUA Convention and Protocol to the SUA Protocol)

These amendments were introduced in order to expand the scope and effectiveness of regulations concerning the prosecution and extradition of those engaged in the perpetration of unlawful acts at sea. Indeed, the preambular paragraphs state that it is necessary to adopt provisions supplementary to those of the Convention, to suppress additional terrorists acts of violence against the safety and security of international maritime navigation and improve its effectiveness.

The Protocol of 2005 amongst others expands greatly the purview of the Category of offences.

A person is deemed to commit an offence if that person unlawfully and intentionally acts in a manner as to intimidate a population or to compel a government or international organization to do or abstain from doing an act; uses a ship in a manner that causes death, serious injury or damage; transports on board a ship any explosive or radioactive material knowing the criminal nature of its intended purpose; transports knowingly biological, nuclear or chemical weapons etc, or transports another person on board a ship knowing that the person has committed an act that constitutes an offence as set forth in Articles 3, 3 bis or 3 quarter... and intending to assist that person to evade criminal prosecution (see article 3 bis). The

Convention is also expanded by virtue of article 8 bis with the inclusion of the Boarding provisions.

The protocol of 2005 thus fills the lacunae in the recent developments of International Maritime Security Instruments aimed at dealing with the threat of maritime terrorism. It complements the improvements made to SOLAS Chapter 11 by virtue of the International Ship and Port Facility Security Code (ISPS Code). The international framework is thus set through the instrumentality of the International Maritime Organisation (IMO) for regional bodies and States to take appropriate measures of

These acts mainly take the form of illegal fishing, armed attacks on oil rigs and installations, hi-jacking, kidnapping, piracy and armed robbery against ships, smuggling of uncustomed goods, trade in narcotics, human beings and money laundering

enforcement.

WESTAFRICAN WATERS

The growing menace of unlawful acts in West African waters has assumed alarming proportions in recent times. These acts mainly take the form of illegal fishing, armed attacks on oil rigs and installations, hi-jacking, kidnapping, piracy and armed robbery against ships, smuggling of uncustomed goods, trade in narcotics, human beings and money laundering. Even though the topic deals with unlawful acts in West African waters, and would thus cover some of the acts referred to above, our area of concentration for these purposes would be related to

maritime violence in West African waters which threaten maritime Navigation.

In this respect we would be looking at acts which involve threats to passengers and crew that could lead to injury or death or to maritime property at sea, all of which have the potential of stifling maritime navigation.

The International Maritime Bureau (IMB) has ranked West African waters, in particular the Gulf of Guinea, as the area with the third highest incidence of piracy and armed robbery against ships in the world, after South East Asia and the Horn of Africa.

WEST AFRICAN SHIPPING RANGE

The West African coast is host to the following coastal states: Senegal, Guinea Bissau, Guinea, Sierra Leone, Liberia, La Cote D'Ivoire, Ghana, Togo, Benin and Nigeria. Western Sahara Mauritania, Cameroon, Cape Verde, Congo, Equatorial Guinea. Gabon and Sao Tome and Principe are sometimes considered as West African States and so is Angola.

Before looking at piratical attacks or acts of Maritime violence in West Africa, it would be useful to set the tone with a few statistics on this international menace. It is estimated that the total number of incidents of piracy and armed robbery against ships, reported to have occurred from 1984 to end of March 2005, was 3,787. (IMO doc. C/ES.23/13)

It was noted in the report of the Maritime Safety Committee, (MSC 80) of the IMO to the Assembly (see IMO doc. C/ES.23/13) that in many of the reports received, the crews have been violently attacked by groups of five to ten people carrying knives or guns.

It was also noted that during the year 2004, the number of crew members and passengers reportedly killed, rose from 13 to 30 while the number of injured rose from 45 to 87; and at least 140 crew members and passengers were taken hostage and/or were missing, out of whom 43 were still unaccounted for.

As indicated above, West Africa is mentioned among the Malacca Straits and the South China Sea as one of the maritime violence infested waters of the world where these acts are prevalent.

Beside are some statistics of the International Maritime Bureau showing reported incidents of piratical acts and armed robbery at sea.

The IMB estimated that a total of 20 piratical attacks were recorded as having occurred in West African waters during 2000. This accounted for 29% of all incidents reported for the continent during the year. The bulk of activity took place in the territorial waters of Nigeria (9), followed by Ghana (6) and La Cote D'Ivoire (5) with each theft averaging between \$10,000 and \$15,000.

Items most commonly targeted included cash, high-value personal articles such as jewellery and easily transportable commodities.

The attacks mainly consist of harbour attacks and thefts directed against ships at anchorage. The IMB defines these opportunistic attacks mounted close to land as low level armed robbery (LLAR) or opportunity robberies because they are carried out by thieves on the lookout for any available target that provides an unguarded means of access to the vessel. More serious forms of attack such as the planned armed robbery and the permanent hijacking of ships are not as yet common in this region. However, if the incidence of the LLAR is not checked the miscreants will graduate to planning more sophisticated attacks.

Unlawful acts also take the form of attacks on oil rigs. Production platforms off the coast of Nigeria in particular have been at the receiving

end of several ethnic militant attacks. One group in particular led by Mujahid Dokubo-Asari known as the Niger Delta Peoples Volunteer Force (NDPVF) spear-headed many violent activities in a bid to express their dissatisfaction with the continued poverty of the inhabitants of the Delta in spite of the wealth generated from oil in the area, as well as to press for greater autonomy and control over their mineral resources.

The actions of the NDPVF and other like-minded groups have included armed conflicts, sabotage of oil installations, kidnapping of oil workers and oil theft.

Another trouble hot-spot is the Bakassi Peninsula. This peninsula which is rich in submarine oil deposits and fish is one area that has seen military clashes between Nigeria and Cameroon.

Chart A: The Following 9 Locations Shared More Than Two-thirds of the Total Reported Incidents; i.e. 223 from a Total of 325 Reported Attacks in 2004:

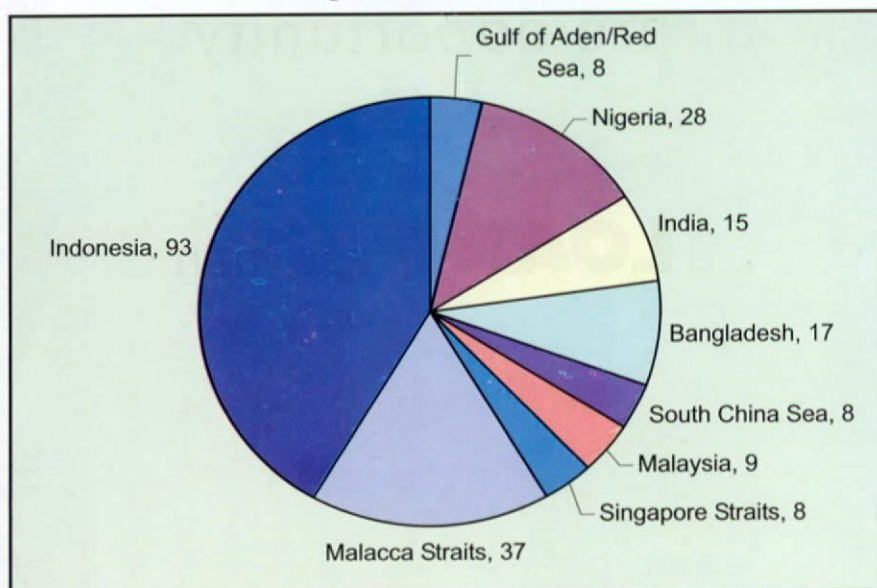
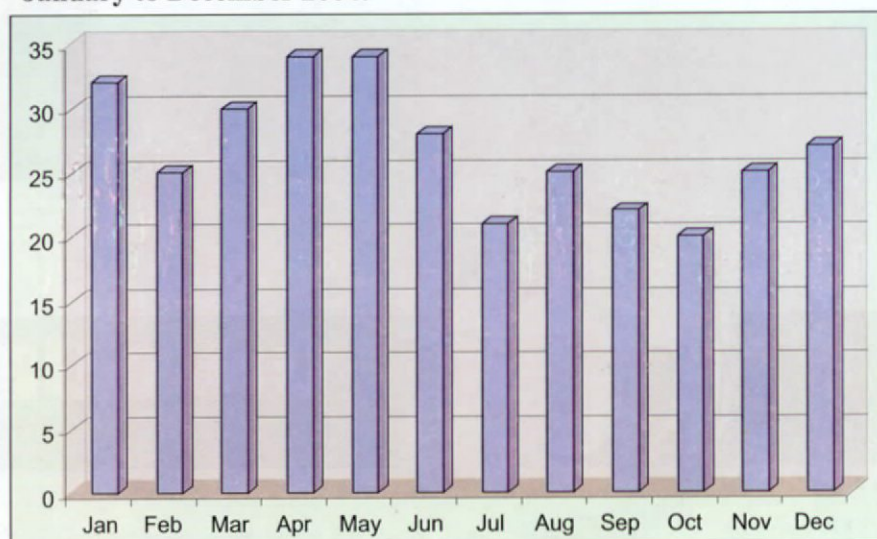


Chart B: Monthly Comparison of Incidents During January to December 2004:



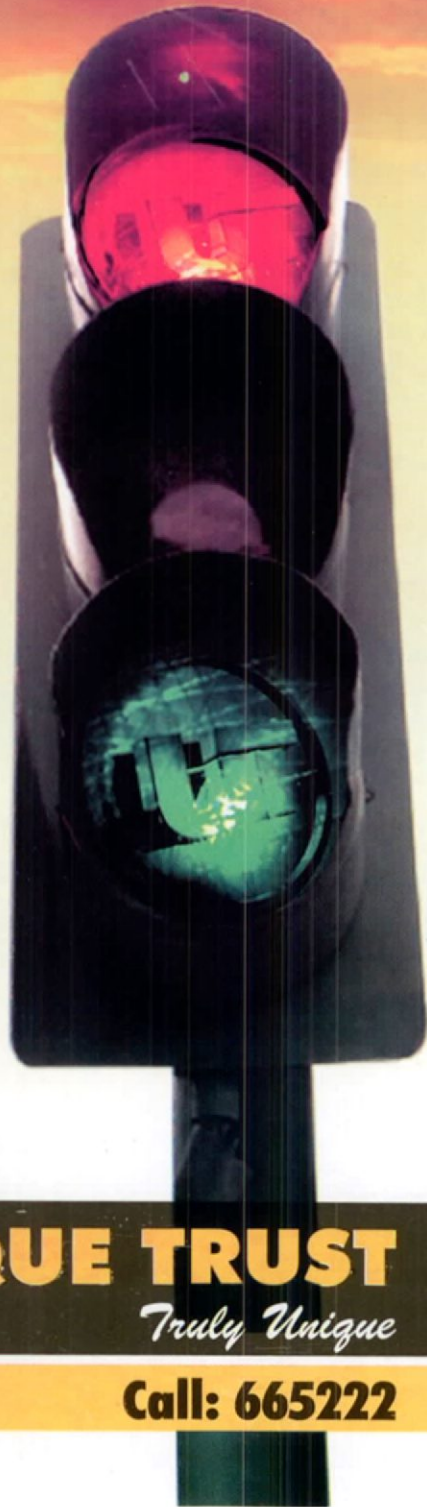
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The root of this conflict dates back to 1961 when what was then the South British Cameroons became a part of Cameroon while the Northern part joined Nigeria, since then the military of the two states have been involved in sporadic clashes over control of this mineral rich area with both sides claiming the area in question as part of their territory.

In 2002 the International Court of Justice awarded the Peninsula to Cameroon but till date the timetable for handing over of the Peninsula to Cameroon has not been implemented while tensions remain high.

FACTORS ACCOUNTING FOR THE HIGH INCIDENCE OF MARITIME VIOLENCE IN WEST AFRICAN WATERS

Several factors account for the rise in violence and unlawful activities in West African waters. The greatest contributory factor appears to be the inability of the Coastal States to organize effective patrols over their areas of jurisdiction, be it the territorial waters or their ports and harbours.

In the words of Lt. Cmdr. Daniel Trott, a strategy specialist for U.S. Naval Forces Europe, whose area of responsibility includes most of Africa, "It's a lot of water with not a lot of security... and where there's a lack of security, there's an opportunity for bad actors to show up. Most West African States do not have a specialised armed force like Coast Guards dedicated to policing their waters. Most rely on their relatively small and ill equipped naval forces." While most West African countries have a police force responsible for land policing, (land police) there is none for the sea (sea police).

There is also a lack of co-operation between these forces such that although there are segments of control along the coast there is no net of control in the sub-region. Intelligence gathering and sharing as far as these acts are concerned are minimal if they exist at all. Cooperation in terms of Trade Blocks such as the Economic Community of West African states

(ECOWAS) have not worked despite the efforts of most governments in the sub region. It is thus difficult to carry through any benefits that may arise therein to cover ocean management and protection.

West Africa is a hot bed of unrest and civil wars and any treatment of unlawful acts in the West African Waters that does not take cognizance of this fact would not have adequately dealt with the issues. A good number of countries within the sub region have either been at war in recent times or are emerging from civil strife. The cultivation of child soldiers during long periods of "war years" who, after a crisis, have no skills other than the "shoot to kill skills", can only find ready employment in acts that attend to piracy and maritime violence.

Piracy and other unlawful acts

The greatest contributory factor appears to be the inability of the Coastal States to organize effective patrols over their areas of jurisdiction, be it the territorial waters or their ports and harbours.

flourish in areas where regional tensions and lack of trans-national co-operation create a conducive atmosphere for offenders to elude capture and punishment. This is particularly relevant at a time when offenders are becoming more sophisticated and use the law to their advantage. It is trite law that in line with the United Nations Convention on the Law of the Sea hot pursuit of a pirate or other offending vessel must cease when that vessel enters the territorial waters of another recognized State. Thus in the absence of regional co-ordination, all an offender need to do is to escape into the territorial waters of another state effectively ending pursuit.

Apart from the insurmountable problems of the economy and development faced by African countries, there seems to be a lukewarm attitude of African governments to seaward issues of security if they are not related to the protection of the sovereignty of the state. Most Coastal states in this region are unable to get a grip on inland security let alone extend their influence over the sea. Acts of piracy

are viewed as minor incidents akin to stealing on land or matters of maritime adventurism.

Consequently, there is hardly any official data on the incidence of these violent attacks neither are there any plans or programmes that take them serious or attempt to deal with them. Most of officialdom still see pirates as fictional characters found in books like Robert Louis Stevenson's 'Treasure Island' and cannot imagine that pirates pose a very real and present danger.

Another reason for the high incidence of attacks is lax port security. The Port of Lagos in particular has recorded an alarming number of armed attacks.

In a report by Peter Chalk published by Rand Corporation he opined that the Horn of Africa and West Africa provided the near perfect

environments in which to engage in illicit maritime activities.

"There exists a ready supply of potential targets; ineffective mechanisms for coastal/port surveillance; economic underdevelopment; and limited opportunities for legal prosecution in the event that a group is ultimately compromised".

One incidence narrated by Peter Chalk epitomizes the unfortunate state of affairs in this region, highlighting official indifference, ineffective mechanisms for coastal and port surveillance and lack of adequate response. In this incident that occurred off the coast of Guinea between May and July 2000, a Maltese registered cargo ship, the MV Venezia, arrived at the port of Conakry to discharge its cargo of bagged rice. Under normal circumstances, this operation should not have taken more than 14 days to complete. However, the vessel spent a total of 59 days at the port, suffering regular cargo thefts carried out by pirates operating from small, continuously moored attack craft.

On 2 July 2000, the master and crew were shot at after they turned fire hoses on men attempting to board their vessel. A Mayday signal was immediately sent out to local port officials but was never responded to, necessitating those on board the vessel to take refuge in the ship's accommodations and engine room. The Netherlands' coastguard eventually picked up the SOS calls and passed them on to the Guinean authorities and eventually to the flag state itself.

No representatives from the Guinean authorities were ever sent to the port to render assistance.

On 11 February 2004, while underway, a Liberian flagged barge carrier *MV Baco Liner* was approached by 4 pirates armed with automatic weapons during a passage to Warri, and demanded cash for safe passage. When they considered the amount given them inadequate, they fired 20 to 30 shots at the ship's hull and superstructure, and on 23 March 2004, armed pirates attacked a Nigerian Chemical tanker *MT Ashabi* while at the Escravos Anchorage, took the Chief Engineer hostage, injured some crew members with an axe and made away with some of the ship's stores. These only represent a few of the reported cases of maritime violence along the West coast of Africa.

Compounding the problem is what has been described as the 'pull' factor. This has been attributed to the paucity of legitimate employment opportunities and the general lack of regional economic development that has encouraged coastal inhabitants to engage in a range of illicit activities, including maritime piracy and joining groups like the NDPVF.

Another factor that is of increasing importance is the emergence of West African waters as a major source of oil production and supply.

Nigeria's burgeoning oil wealth alone is expected to earn her over \$110,000,000,000.00 (One hundred and ten billion Dollars) in the next five years. With increasing oil wealth

comes attendant problems of bribery, corruption, armed attacks on tankers and platforms, ethnic or local agitations for shared wealth and environmental activism, to name a few.

Furthermore, due to the increased incidence of conflict, gun-running has become commonplace leading to the proliferation of small arms in the entire sub-region. These weapons are thus employed by vagabonds for the execution of their piratical acts.

The threat of maritime violence in West African waters looms large. Apart from being highly susceptible due to the high levels of poverty which could lead to ready employment of the youth in such nefarious activities, there is also the vulnerability

IMMINENT THREATS

The World has had concerns over terrorists using the sea and vessels to further their political agenda ever since the Achille Lauro incident. This concern was brought to the fore in the wake of the September 11th 2001 attacks on the United States, the 2001 bombing of the USS Cole in the Yemeni port of Aden which killed seventeen American sailors and the October 2002 suicide bombing of the French tanker Limburg.

There is grave concern that a terrorist group may launch a waterborne attack on a target such as a port, a vessel, a bridge or an installation high economic or political importance. There is fear that a ship can be used to conceal weapons and provide logistical support for terror organizations. Further, there is the fear that since ship ownership is easily concealed, the system can serve as a source of funding for terrorist organizations or a means for terrorist groups to launder money.

These concerns are very pertinent to West Africa because of the existence of open registries in various countries with new ones joining the bandwagon on a regular basis. Most of these fledgling registries do not possess the appropriate mechanisms and structures to do thorough checks on the vessels that apply to be on their registries.

The very reasons that account for the rise in the incidence of unlawful acts in the region aforementioned make this region susceptible to use by terrorist organizations to further their Political ends. The extent of the danger is highlighted by the following example: In October 2001, Italian Authorities discovered an alleged Al Qaeda operative of Egyptian nationality hiding in a cargo container that was bound for Halifax, Nova Scotia. The container

was equipped with a bed and bathroom and contained airport maps and security passes. Without the vigilance of the Egyptian authorities this Al-Qaeda operative would have succeeded in carrying out his mission.

The threat of maritime violence in West African waters looms large. Apart from being highly susceptible due to the high levels of poverty which could lead to ready employment of the youth in such nefarious activities, there is also the vulnerability of the coastline including the territorial waters as a result of inadequate policing.

The recent events in the waters off the coast of Somalia are indeed a pertinent warning that piratical acts are assuming new dimensions. Dimensions that go to demonstrate a flagrant and vagrant violation of any codes of "decency" earlier associated with piratical acts. The new modes suggest a pattern of well organised and co-ordinated attacks that are carried out with impunity.

The trend of hijacking and the demand for ransoms are likely to rise to alarming proportions unless they are checked immediately. Indeed a failure to stamp out maritime kidnap for ransom would lead to a rise in this menace of epidemic proportions and the spread of this canker would likely engulf other piracy infested waters such as those of West Africa.

CURBING THE MENACE

The need for urgent solutions to this growing menace cannot be underestimated and should thus not be taken lightly. It is therefore gratifying to note that the International Maritime Organisation, as well as the United Nations Security Council, have placed the issue of Maritime violence high on their agenda.

The recent spate of attacks off the coast of Somalia have demonstrated that quiet diplomatic work aimed at securing sea lanes off the coast of Somalia would prove too slow and costly if urgent international response is not taken.

At its last meeting held at the IMO headquarters from 17-18 November 2005, a resolution dealing with the problems off the Somali coast was agreed to in principle and is to be the subject of discussion at the next meeting of the General Assembly of the (IMO) scheduled to take place from November 24-30, 2005.

In looking at attempts to curb the menace, it would be necessary to mention that the international community has been very much aware of this problem as expressed in a number of resolutions as well as international instruments some of which have earlier been referred to.

Article 100 of the United Nations Convention on the Law of the Sea (1982), calls on all States to co-operate to the fullest possible extent in the repression of piracy on the high seas or in any other place outside the jurisdiction of any State, while article 101 provides a definition of piracy.

Resolution A545(13) of the General Assembly of the IMO inter alia urges Governments to take as a matter of highest priority, all measures necessary to prevent and suppress acts of piracy and armed robbery against ships in or adjacent to their waters, including the strengthening of security measures.

It would also be useful to refer to the approval by the Maritime Safety Committee of the IMO contained in MSC/Circ.622/Rev.1 and MSC/Circ.623/Rev.3 putting forward recommendations to Governments

The cooperation amongst States should go beyond lip service and platitudes of support to real and meaningful measures aimed at achieving results.

and guidance to shipowners and ship operators, shipmasters and crews on preventing and suppressing acts of piracy and armed robbery against ships and which also establishes a special signal for use by ships under attack or threat of attack.

The concern of the United Nations in dealing with this menace also finds expression in its General Assembly resolution A/RES/59/24 on Oceans and the law of the Sea adopted at its 59th session on 17th November 2004.

This resolution urges all states to co-operate with the United Nations Organisation to combat piracy and armed robbery at sea by adopting measures, including those relating to assistance with capacity building through training of seafarers, port staff and enforcement personnel in the prevention, reporting and investigation of incidents, bringing the alleged perpetrators to justice in accordance with international law, and by adopting national legislation, as well as providing enforcement vessels and equipment and guarding against fraudulent ship registration.

The resolution goes further to urge states to give urgent attention to promoting, adopting and implementing co-operation agreements at the regional level in high risk areas.

It is clear from the foregoing that the problem has largely been identified by the international maritime community and there is a willingness to curb the menace. What is now left is action by the international community as well as regional bodies to harness their existing resources to tackle the problem. The U. N General assembly Resolution referred to above touches on almost all the key areas that deserve the utmost attention of States.

Most essentially, it would be necessary for West African Countries to firstly create the necessary

awareness by giving attention and publicity to these acts. Experts on the subject should make their governments aware of how serious the problem has become and how it endangers the health of their economies. West African countries should make the populace aware of these acts so they all can cooperate in providing the requisite information necessary for addressing this problem. Indeed it is a known fact that goods plundered during piratical raids are most often sold in the open market.

Anti-piracy and counter piracy operations should be undertaken or stepped up where they are already in place. This should involve training of port security, customs personnel as well as the relevant security agencies. Special security units may be created from time to time to act as rapid deployment forces in the event information is received that a vessel is under imminent attack. They can as well be involved in regular port patrols especially in areas known to be highly vulnerable.

Better policing should be undertaken through co-operation among States in the sub-region. Meetings to discuss these matters should be more frequent and not only take place when there has been a major incident that captures the headlines and politicians are eager to make capital out of it.

The cooperation amongst States should go beyond lip service and platitudes of support to real and meaningful measures aimed at achieving results. Efforts at information dissemination and intelligence gathering and sharing should be revitalized.

The ability of countries in the West African sub region to detect, deter and respond decisively if need be can only be enhanced through active intelligence. To this end, the recent efforts of members of the Maritime Organisation for West and

Central Africa (MOWCA) in collaborating towards curbing the menace is as commendable as it is laudable.

Members of (MOWCA) have concluded plans to tackle the problem at a series of meetings to promote sub-regional cooperation to combat piracy and armed robbery against ships.

The most recent of these meetings was held in Accra in March, 2004, where it was agreed that MOWCA member countries would tackle this problem through the establishment of an integrated coast guard network for the entire West and Central African sub-region that will police the coastal waters in a determined effort to enhance marine security, check pollution, fight piracy and ship related terrorism.

This network will allow the Coastal States to reap economies of scale thereby creating a web of control over the waters under their jurisdiction.

Furthermore, several efforts have been made to foster co-operation including the October 5th 2004 meeting of the leaders of 17 navies. The leaders from West Africa, Europe and the United States met to discuss opportunities for co-operation and enhanced maritime security in the Gulf of Guinea region at a three-day conference in Naples sponsored by the United States European Command.

The parties recognized that the threat of terrorism demonstrated the demand for integrated maritime security. The parties signed a joint declaration at the end of the Conference pledging their support for ongoing dialogue, co-operation and activities to combat piracy, illegal trafficking of weapons, drugs and people.

It is also noteworthy that West Africa is a beneficiary of the implementation of IMO's Anti-piracy Project. Under this project IMO sends as part of its regular missions, experts to various geographical regions of member States of the IMO, with the aim of

discussing the implementation of the IMO Guidelines for Preventing and Suppressing Piracy and Armed Robbery against ships through regional seminars.

This is meant to assist Governments to enhance their capability to suppress such acts in their waters. It is also within the framework of the IMO Secretary General's initiative on the Protection of Vital Shipping Lanes.

West African countries need to take advantage of this and to carry it further through the adoption of common implementation measures as well as national strategies for combating piracy, hijacking and armed robbery in West African waters.

Another useful tool for cooperation in dealing with unlawful acts in West African waters would be the setting up of Emergency Response and Co-ordination Centres at specified geographical locations where ships facing imminent danger with respect to acts of maritime violence can send requests for assistance. The collaborative efforts of countries in the sub region would be essential in setting up such a centre.

In recent times there has been talk of Anti-Piracy Tracking Device, a computerized system that works with the SHIPLOC system on ships that allows for tracking via satellite. This would enable a ship's location to be readily identified for the purpose of offering assistance. In addition to this, the need for training the crew and making them constantly aware of this threat is most essential.

The above represent some of the steps that may be taken to combat unlawful acts in West African waters.

Needless to add that an appropriate legal framework would be necessary

To punish perpetrators of such heinous crimes should they be apprehended.

The IMO and the international community have created the international legal framework through the adoption of various instruments such as the ISPS Code and the 2005 Protocol to the SUA treaties. The need for West African countries within the sub-region to ratify the new protocol and to extrapolate same into national legislation has become paramount. If the deterrent purpose of punishment is to be achieved, then it would be imperative for West African countries to take urgent steps to give teeth to these international instruments.

The perpetrators of these acts should know that there is a legal regime that would deal drastically with them should they be apprehended when they commit or attempt to commit these heinous acts.

CONCLUSIONS

From the above discourse, it is clear that maritime violence has been an age old phenomenon. It is also clear that the recent trends of maritime violence has gone beyond the known acts of piracy, considered in times past as maritime adventurism. Today, a wide spectrum of unlawful acts at sea constitutes maritime violence. These include piracy, hijacking, money laundering, transnational crimes, trafficking in narcotics, armed robbery at sea, kidnapping at sea, etc. It is also a known fact that there has been an increased spate of these acts of violence against maritime navigation.



Furthermore, the modus operandi has changed. The acts are being committed close to the shoreline; it is well planned and executed by well organized gangs with alacrity and impunity. In key hotspots of such violence, not only knives have been used but rocket launchers (shoulder propelled) sophisticated guns and grenades have been employed.

Crews have been held hostage and ransom demanded. These are indeed new dimensions to the global threat of maritime violence and the West African waters have not been spared this ordeal. Despite the successful counter measures deployed by the *Seabourn Spirit* which included the deployment of

LRAD sonic weaponry and water cannons the situation still remains alarming and frightening especially for developing countries that are ill-equipped to deal with the menace.

It is also clear that there has been an international awakening regarding the magnitude of the problem and this is indeed welcome. The problem is assuming alarming proportions and needs to be tackled from all fronts. The approaches must be multi-pronged. These acts must not be considered as isolated incidents that affect only particular geographical locations. An international, well coordinated and concerted effort is required. Unless this line of approach is adopted there

always will lurk the risk that a "skilled force" with terrorist motives would emerge that would shift its nefarious expertise into sea areas of least resistance. The attack on this menace must be global and total.

In the infested West African waters nothing would be more paramount than the collaborative efforts of all the States within the sub region aimed at sharing information, intelligence and equipment and taking the defence of its waters more seriously. The threat is real. The health of world trade is at stake. The economic prosperity of the world is at stake. The time to act is now.

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TRADE FINANCE

- An instrument for Effective Trade Delivery

By Asiedu-Appiah, Export Marketing Co. Ltd

Paper delivered at the CEPA Conference on Trade Facilitation at La Beach Hotel in Accra, 17 to 19th October, 2005 (Cont'd from last edition)

EXPORT FINANCING Experience From Selected Countries

This section briefly examines what structures have been put in place by selected developed and developing countries to support the financing of their exports trade.

BRITAIN⁵

The Export Credit Guarantee Department (ECGD), is the UK's official Export Credit Agency. It is a separate government department, reporting to the Secretary of State for Trade and Industry. ECGD derives its powers from the 1991 Export and Investments Guarantees Act. It supports British exporters of projects, capital goods and services in two main ways.

Firstly, it insures exporters and banks against the risks of non-payment by overseas buyers. Secondly, it gives interest rate support to banks, allowing exporters' access to finance at fixed, often favourable, rates of interest.

ECGD has been in business for over 80 years and its facilities have evolved considerably to take account of changing customer requirements. Its policies enjoy the security provided by the FULL BACKING of the Government's resources in the shape of the Consolidated Fund. ECGD made strategic losses for many decades until about ten years ago when it was requested to operate against a robust breakeven policy.

In answer to a question as to whether ECGD should be privatized or not, it was decided as follows: "It is important that UK firms and investors should have this support since the private sector is not able to offer the insurance they require on the consistent basis provided by ECGD. Also, UK firms need to be able to compete effectively against

exporters and investors supported by government-backed ECAs in other countries".

This conclusion is supported by the findings of an independent report commissioned by ECGD from National Economic Research Associates (NERA).

In answer to the Economic Rationale (if any) for the Public Provision of Export 3 Credit Insurance by ECGD, NERA said: "We consider that ECGD should continue to provide cover for medium- to long-term capital goods exports. We do not consider there to be a strong case for privatizing ECGD's current portfolio of medium- to long-term export credit guarantees or for ceasing to underwrite new business".

The conclusion, therefore, is that there is a strong business case for retaining ECGD. Abolition and privatisation should not be pursued. ECGD's core aim should continue to be to benefit the UK economy by fulfilling its statutory purpose of facilitating trade. UK exporters would be adversely affected if ECGD did not provide appropriate support.⁶

USA⁷

The Export-Import Bank of the United States (Ex-Im Bank) is the official export credit agency of the United States. Ex-Im Bank's mission is to assist in financing the export of U.S. goods and services to international markets. Ex-Im Bank enables U.S. Companies large and small to turn export opportunities into real sales that helps to maintain and Create U.S. jobs and contribute to a stronger national economy.

Ex-Im Bank does not compete with private sector lenders but provides export-financing products that fill gaps in trade financing. The



bank assumes credit and country risks that the private sector is unable or unwilling to accept. It also helps to level the playing field for U.S. exporters by matching the financing that other governments provide to their exporters.

Ex-Im Bank provides working capital guarantees (pre-export financing); export credit insurance; and loan guarantees and direct loans (buyer financing). No transaction is too large or too small. On average, 85% of our transactions directly benefit U.S. small businesses.

With more than 70 years of experience, Ex-Im Bank has supported more than \$400 billion of U.S. exports, primarily to developing markets worldwide. Since its operating charter was renewed in 1986. Since its inception the US Eximbank declared its first profit in 1996. At the direction of congress, Eximbank has instituted the most significant overhaul of its programmes since 1960 to make them as accessible, affordable and competitive as possible for US exporters.

COTE D'IVOIRE

The Republic of Cote d'Ivoire has maintained a consistent policy in providing state support for the development of that country's export sector.

⁵www.ecgd.gov.uk

⁶ECGD- Mission and Status Review 1999-2000 Page 8

This policy has helped the country achieve a comparative advantage in the development of their traditional and non-traditional export commodities compared to Ghana.

In Cote d'Ivoire the Export Promotion Agency known as APEX-CI manages the country's Export Development Fund known as FADEX (Fonds d'Appui au Développement des Exportations) which fund is used both for direct financing and for investment and promotional purposes.

APEX-CI also has another fund for exports that it manages called FAMEX. These funds are literally interest free since they are given out as reimbursable grants of up to 85% of export expenditures incurred by exporters and other companies and institutions providing export related services.

Comparative Statistics between Ghana and Cote d'Ivoire

1. Cote d'Ivoire has overtaken Ghana in the production of Cocoa
2. Pineapples: CI 260,000 MT
Ghana 26,000 MT
3. Cashew: CI 200,000 MT
Ghana 10,000 MT
4. Coffee: CI 160,000 MT
Ghana 6,000 MT

NIGERIA NEXIM

The Nigerian Export-Import Bank (NEXIM) was established by Act 38 of 1991 as an Export Credit Agency (ECA) with a share capital of N500, 000,000 (Five Hundred Million Naira) held equally by the Federal Government of Nigeria and the Central Bank of Nigeria. The Bank which replaced the Nigerian Export Credit Guarantee & Insurance Corporation earlier set up under Act 15 of 1988, has the following main statutory functions: -

- Provision of export credit guarantee and export credit insurance facilities to its clients.
- Provision of credit in local

currency to its clients in support of exports.

- Establishment and management of funds connected with exports.
- Maintenance of a foreign exchange revolving fund for lending to exporters who need to import foreign inputs to facilitate export production.
- Maintenance of a trade information system in support of export business.
- Provision of domestic credit insurance where such a facility is likely to assist exports.

The Bank presently provides short and medium term loans to Nigerian exporters. It also provides guarantees for loans granted by Nigerian Banks to exporters as well as credit insurance against political and commercial risks in the event of non-payment by foreign buyers. The Bank is also the government's National Guarantor under the ECOWAS Inter-state Road Transit programme.

In all cases, the funds are given out at concessionary interest rates with flexible terms of payment. In all instances quoted, export finance support is given by statutory public corporations owned by government and not the private sector.

EXPORT FINANCING THE CASE OF GHANA

Export Finance Company Ltd.

In August 1989, the Bank of Ghana with the active support of the Ministry of Trade and Industries (MOTI) promoted the establishment of the Export Finance Company Ltd. to provide financial support to exporters of non-traditional products. The Export Finance Company Ltd. was established to carry out the following functions:

1. To grant loans and/or provide other forms of credit to exporters;
2. To carry out business as a finance house and to issue and

deal in commercial paper;

3. To raise loans for the purpose of financing exports;
4. To offer and accept guarantees in respect of export finance, and
5. To carry out all functions and duties incidental or ancillary to the production of export commodities and export of non-traditional exports.

The company was to achieve the above objectives by operating the following financing schemes:

- a) Pre and Post-shipment Credit Scheme;
- b) Export Credit Guarantee Scheme
- c) Export Insurance Scheme;
- d) Export Refinance Scheme;

The company was expected to commence business with an initial capital of US\$18.1million. Of this amount only €120 million was raised, which amounted at the time to a meager 0.09% of the initial capital expected. It is worth mentioning that although the company was sponsored by the Bank of Ghana and the Ministry of Trade and Industry both institutions of Government did not put any capital into the company. Interestingly, private insurance companies (which are known to be risk averse) were requested to contribute towards the company's initial capital.

The company was restructured during the governorship of Dr. Duffour with the Bank of Ghana assuming 58 percent, and Ghana Export Promotion Council 21 percent ownership respectively, the remaining 21 percent shares are held by the initial seven insurance companies. Unfortunately, however, due to delays in the restructuring process, Dr. Duffour was unable to recapitalize the company before his term expired.

The Bank of Ghana under the incumbent governor did not continue with the restructuring exercise pursued by the former administration.

To the contrary, Export Finance Co. Ltd., the only Export Credit Agency in the country providing exporters with primary export financing facilities, has received a letter from the Bank of Ghana (its majority shareholder) requesting the company to either recapitalize to the new mandatory level of €10 billion or close down by December 2005; a very interesting phenomenon at this time in the development of the country's trade policy.

EXIMGUARANTY COMPANY (GHANA) LIMITED

In 1994 the Bank of Ghana promoted and established the Eximguaranty Company (Ghana) Ltd. Eximguaranty was set up purposely to provide the banking sector with guarantees and insurance cover for the export sector. The shareholders of the company are:

Bank of Ghana	98%
Trust Bank	1%
National Investment Bank	1%

Specifically, Eximguaranty Co. Ltd. was to operate the following schemes:

1. Export Credit Guarantee Scheme
2. Export Credit Insurance Scheme
3. Export Refinance Scheme

As with the Export Finance Company Ltd., structural deficiencies during the setup of Eximguaranty Co. Ltd. (i.e. inadequate funding and absence of recourse to reinsurance) have been largely responsible for the company not having done too well on the market since it commenced business.

The company last year received €5 billion budgetary support from the government, and another €5 billion as a grant from the Export Development and Investment Fund (EDIF). This injection has allowed the company to succeed in recapitalizing and has therefore not received a recapitalization or closure notice from the Central Bank. In spite of the injection this company's capital is still woefully inadequate for its operations.

LINES OF CREDIT FROM

DONOR INSTITUTIONS

There have been various other interventions in the provision of trade finance in the Ghana from the country's bilateral and multilateral partners. These include:

1. Private Enterprise and Export Development Project (PEED)
2. Trade and Investment Program (TIP)
3. Trade and Investment Reform Program (TIRP)
4. Funds for Small and Medium Enterprise Development (FUSMED)
5. Trade and Investment Program (TIPCEE)

These interventions have all proved either too expensive for industry participants to access, or too short in duration to make any meaningful impact. Indeed it is ironic to expect another country to bring their tax payers funds to come and support another country's export sector so the supported country's goods and services can go and compete with the donors' own goods in the international market.

EXPORT DEVELOPMENT AND INVESTMENT FUND (EDIF)

- Promoted by the Ghana Export Promotion Council
- Set up under Ministry of Trade and Industry
- Commenced operations in 2002
- Funded by 0.5% of all imports and percentage of divestiture funds
- Funds divided into Credit and Development Accounts
- Provides financing to Designated Financial Institutions (DFIs) for on-lending to non-traditional exporters
- Currently has 16 Designated Financial Institutions (DFIs) 14 Banks and 2 Non-bank Financial Institutions
- Cannot lend directly to customers
- Only companies with majority Ghanaian shareholding can apply for assistance
- Customers seeking development funds from EDIF should apply

directly to the fund Secretariat.

- Interest rate: 12% - 2% to EDIF and 10% to DFIs

The present structure of the Export Development and Investment Fund (EDIF) does not assist exporters efficiently and effectively. The Fund has become another credit institution and literally replicating all the work that the Designated Financial Institutions (DFIs) are doing while bearing no risk. The timeliness that is needed in the efficient delivery of credit facilities to support the export sector is completely lost on them.

TRADE FINANCE THE WAY FORWARD

The arguments raised in this paper suggest that almost every country that has successfully traveled the path of export-led growth placed a lot of priority on ensuring that appropriate structures and schemes that would enable them to provide specialized and custom-designed financial services for exporters were properly put in place.

In almost all instances Export Credit Agencies and/or Export Import Banks were established as development institutions with 100 percent government shareholding to provide the needed support to the trade sector. In the light of the above I make the following recommendations.

1. As in the case of Nigeria, EDIF should be converted into EximBank Ghana. The funds presently received by EDIF will serve as a continuous source of injection into this bank, which may make losses but should be encouraged to endeavour to cover its costs. The Bank will have at least two divisions: Export Credit Division and Export Guarantee and Insurance Division.

2. The Export Finance and Eximguaranty Companies should be liquidated and absorbed into this new bank. Export Finance Company will be the Export Credit Division of the Bank while Eximguaranty will continue with its functions as the Export Guarantee Division with an additional Insurance function.

The benefits of the expertise gained by the staff of these two companies should NOT be lost to the Ghanaian economy.

3. The use of Designated Financial Institutions should be abolished with the establishment of the Eximbank. The bank through its Credit Guarantee Division should encourage other banks in the country to provide financing to the exports sector in designated products and services and at agreed rates of Interest and then apply to the Eximbank for refinancing.

2. The new Eximbank should aim at providing Ghanaian companies with Suppliers Credit support to enable them penetrate into the West African market with their products. Where possible Buyers' financing (direct loans) should also be considered to importers from the West African region.

3. Care must be taken to ensure that in the implementation of this recommendation very qualified and experienced hands are recruited to

manage the bank, given the very special nature of trade financing. The purpose of this critical institution (Eximbank Ghana) will be defeated if in the recruitment process, unqualified persons or qualified but inexperienced persons are given the task of managing the bank.

4. The Country must seek to provide Matching Funds for Donor initiated projects in the export sector to ensure continuity after those programmes come to an end.

CONCLUSION

Available evidence indicate that commercial banks in developing economies would rather invest their funds in less risky ventures than to place such funds in the development of the export sector which is seen as being very risky.

As part of its mission the U.S. Eximbank states "....We assume credit and country risks that the private sector is unable or unwilling to accept. We also help to level the playing field for U.S. exporters by

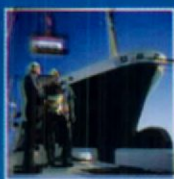
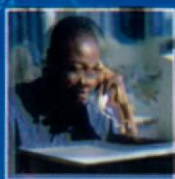
matching the financing that other governments provide to their exporters." Again in the UK NERA's research on the future of ECGD concluded that ECGD's core aim should continue to benefit the UK economy by fulfilling its statutory purpose of facilitating trade. UK exporters would be adversely affected if ECGD did not provide appropriate support"

Nigeria has also converted its Export Credit & Insurance Corporation into the Nigerian Export and Import Bank (NEXIM) and is providing appropriate relieve to exporters in that country through this bank.

Cote d'Ivoire is literally giving interest free credit and grants to its exporters hence the results that country is achieving.

The case may be clear and strong and the needed institutions are all in place to assist with the conversion process, but will our government have the political will to implement? This remains to be seen.

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GHANA'S MARITIME TRANSPORT SECTOR IN 2005 -

Some Landmarks

The year 2005 could be described in simple terms as very promising in view of some prominent developments in the maritime transport sector. These developments have assisted to a greater extent in improving the provision of services to shippers. Some of the major events during 2005 include:

(i) Second Maritime Seminar for Judges

The Ghana Shippers' Council under the auspices of the Ministry of Harbours and Railways and in collaboration with the Ministry of Justice and the Attorney General's Department organized the second maritime seminar for Judges of the Superior Courts of Judicature of Ghana from 28th to 29th October 2005.

Delivering a keynote address at the opening ceremony of the Seminar, His Lordship Chief Justice, Hon. Justice G. K. Acquah said there is no doubt that maritime law is one of the fast growing areas of the law

requiring the careful study and attention of all judges and practitioners in the maritime business. According to him it is appropriate that as judges, entrusted with the responsibility of adjudicating on all types of issues brought before us, we must take steps to equip ourselves creditably enough to match up to the task ahead of us.

The Chief Justice said "of course as judges we are presumed to have the law in our bosom. But having regard to the rapid developments in the law, this presumption cannot now be wholly true. Hence the need for such a seminar to assist us in filling in the gaps. This seminar therefore is meant not only to give us an overview of the maritime law and practice but also to refresh our memories and thereby afford us a further forum for appreciating the scope of our adjudicative role in maritime disputes".

The Attorney-General and Minister for Justice in an address cautioned that proclaiming to be the gateway to the sub-region must not

only be seen in terms of physical maritime infrastructure, even though that is very crucial. According to him, Ghana must develop a strong legal framework which will make it the most attractive forum for the expeditious settlement of maritime disputes by incorporating conciliatory and mediatory dispute settlement mechanisms into relevant contractual documents.

In a welcome address, the Chief Executive of the Ghana Shippers' Council underscored the fact that the increasing numbers of shipping lines, stevedoring and terminal operators, shipping agents, consolidators, freight forwarders and shippers operating in Ghana's maritime trade, the judges would from time to time be called upon to apply international conventions when the domestic jurisdiction is invoked to settle maritime trade related disputes.

Distinguished maritime experts, jurists, and lawyers of high acclaim and repute drawn from Ghana and the international maritime community made presentations at the seminar.



(ii) Improvement in Port Infrastructure

During the year, the Ghana Ports and Harbours Authority (GPHA) took Delivery of Ship-to-Shore and Yard Gantries, which have since commenced operations on trial basis. Already, the use of the equipment has injected considerable discipline in the Container Management System in the Port and consequently, the congestion situation in the Port has improved over the period.

Construction work on quay 2 was completed and subsequently handed over to the GPHA which also brought about an overall improvement in the layout and quayside operations.

The GPHA also took over the stalled devanning yard project during the period and has assured the shipping public of its speedy execution to facilitate the Port's decongestion exercise.

The period also witnessed the completion of the Tema Container Terminal (TCT) at the Tema port. The terminal was inaugurated at a colourful ceremony by the Nation's President, His Excellency J. A. Kufour.

(iii) Tema Port introduces new system to value vehicles:

A computerized system with an elaborate database for assessing the values of imported motor vehicles and levying appropriate import duties on them was introduced at the Tema port.

The system replaced a decade-old manual system which was open to frequent abuse and resulted in weekly losses of hundreds of dollars to the state through short collections.

Only weeks after its introduction in the first week of September 2005, the computerized system began exposing attempts by some importers and clearing agents to make short payments of duties through misrepresentations regarding the values of imported vehicles.

The sector commander in charge of CEPS at Tema, Mr sam Yanchera, said in an interview that the

introduction of the computerized system was being met with subtle resistance from importers and clearing agents who benefited from the ineffectiveness of the previous system. He explained that the previous system relied on an improvised database comprising of an old vehicle manufacturer's manual and bits and pieces of information collected and written in exercise books and on pieces of paper.

(iv) Maersk to establish container terminal:

The government of Ghana signed a memorandum of understanding (MOU) with world shipping giant, AP Moller Maersk, to undertake feasibility works for the establishment of a container terminal in Takoradi.

The signing ceremony, which was performed at the Castle, Osu, on 27th July 2005 was graced by President J. A. Kufour. In a remark, President Kufour welcomed the initiative and urged the shipping community to expedite action on the project, adding that it should approach it with a "win-win mentality". He pledged the government's support and cooperation with the shipping company to give meaning to its long-term aspiration of making Ghana the gateway to the sub-region.

The Minister of Harbours and Railways, Prof. Ameyaw-Akumfi, who signed the MOU on behalf of the government said the facility would greatly ease the pressure on the Tema Harbour. "We believe that by so doing, we will be able to generate employment for a good number of our people," he added.

The Vice President of AP Moller Maersk, Mr Gregory Fennel signed on behalf of his company. Mr. Fennel said he was extremely pleased that the government had accepted to sign the MOU and gave the assurance that his company would explore opportunities to enhance the growth and development of the country.

(v) Ghana, Burkina Faso sign communiqué on rail development:

During the year, Ghana and Burkina Faso issued a communiqué after a joint technical committee calling for a review of the ECOWAS Master Plan on rail development, particularly the one between the two countries, taking into consideration recent developments in the rail sector. It was signed by Ghana's Minister of Harbours and Railways, Prof. Ameyaw-Akumfi and the Minister of Infrastructure, Transport and Housing of Burkina Faso, Mr Hippolyte Lingani.

The communiqué contained the agreement that the proposed rail link between the two countries should pass through specific areas they find to be more convenient.

The two countries proposed that the rail lines should go through Boankra/Kumasi, Techiman, Fulfuso, Tamale, Bolgatanga and Paga in Ghana and Dakola, Po, Manga, Kombissiri and Ouagadougou in Burkina Faso.

The 600 kilometre rail network to link the two countries has been pegged at about \$1 billion. The two countries are also waiting for a response from the African Development Bank (AfDB) where they have jointly forwarded a proposal for a \$5 billion support to do feasibility studies on the project.

(vi) Ghana Maritime Authority gets Director General:

On August 1, 2005, President J. A. Kufour appointed Mr Peter Azuma as the first Director General of the Ghana Maritime Authority.

Mr. Issaka is a graduate of the Kwame University of Science and Technology, Kumasi. In addition to his first degree, he holds several other professional and academic qualifications including: Executive Masters Degree in Business Administration; Master of Science Degree in Ports and Shipping Administration; and Post Graduate Certificates in Shipping and Maritime Transport Studies.

He is a Member of the Chartered Institute of Transport of the United Kingdom. Mr. Issaka has a long working experience of 20 years in the maritime industry. Until his appointment he was the Shipping Commissioner of Ghana having worked his way through the ranks of Planning Officer (Maritime Affairs), Assistant Shipping Commissioner and Deputy Shipping Commissioner with the Ministry responsible for Maritime Transport.

(vii) Tawiah is IOPC Vice:

Mr Emmanuel K. Tawiah, Acting Shipping Commissioner of the Shipping and Navigation Division of the Ministry of Harbours and Railways was elected Vice Chairman of the International Oil Pollution Compensation (IOPC) Fund. He was elected at the International Maritime Organisation's session in London in November 2005.

Mr Tawiah holds B. A. (Hons) and M. A. degrees in Political Science from the University of Ghana and a Postgraduate Diploma in Shipping Management and an MSC in International Shipping from the School of Maritime Studies in Plymouth, U.K.

Mr Tawiah, together with Professor Lee Sik Chai of South Korea will serve as Vice Chairmen under the chairmanship of Mr Jerry J. Rysanek of Canada until the next regular session of the Fund in October 2006.

The IOPC Fund, established in 1992 and currently made up of 66 member states, is a world wide inter-governmental organization, set up by states providing compensation to victims of oil pollution damage resulting from spills of persistent oil from tankers.

(viii) Terminal and Stevedoring Operators Association launched:

The year also saw the launching and swearing in of the executives of the Terminal Operators and Stevedores

Association of Ghana (TOSAG). The Deputy Minister of Trade and Industry, Mr Kwadwo Affram who was present at the ceremony called on all terminal and stevedoring operators to improve their operations to attract more vessels to Ghana's ports. He said this would create the enabling environment to establish Ghana as the Gateway to trade in West Africa.

Nana Ama Okrakubea, the President of the Association said terminal and stevedoring operations in the country have undergone tremendous changes with the acquisition of gantry cranes at the ports to boost performance. She said the aim of the Association was to increase local companies' participation in port operations and increase local employment as well as open new investments.

(ix) Inauguration of Shipper Committees

The Tamale and Bolgatanga/Bawku Shipper Committees of the Ghana Shippers' Council were also inaugurated in the course of the year.

Delivering his keynote addresses at the inauguration of the two Committees, Prof. Ameyaw-Akumfi, Hon. Minister of Harbours and Railways noted that in spite of the fact that a major part of the Ghana Shippers' Council's work is conducted in the South, precisely on or near the sea, the Council has realized that its activities and services need to benefit all persons and operators who use the services of all modes of transport sea, land, rail, air, inland waterway, and even those who carry goods in transit through our territory to the neighbouring countries beyond the country's borders.

The Chief Executive of the Ghana Shippers' Council, Mr. Kofi Mbiah said the establishment of the Shipper Committees is seen by the Council as part of the infrastructural framework necessary to build the appropriate communication links for achieving competitiveness, an essential

element in today's import and export business.

He said the problems and aspirations of the importer and exporter differ depending on where they are located. So that, even though the sea continues to serve as the major means of transportation for the import and export business, most of the difficulties faced by the import and export shipper in the hinterland cannot be addressed from the shoreline. "The need to build an antennae is important" he said.

According to Mr Mbiah, the formation of such committees enables the Council, to better understand the local conditions within which the importers and exporters operate and thus to tailor its deliverables and service solutions to meet their particular needs. According to him, no computer will provide this information, only people can hence the extension of the shipper committees to other parts of the country.

(X) Exhibition of Sealed Grid System (SGP)

In July 2005, the Nigerian Shippers' Council, under the auspices of Maritime Organisation of West and Central Africa (MOWCA) hosted a meeting of member states to discuss modalities for testing the SGP.

The meeting agreed to start the SGP test with a caravan from Abidjan on August 17, 2005 to reach Abuja through Lagos on the August 30, 2005. Subsequently, the Local Organising Committee (LOC) of the SGP in Ghana under the chairmanship of the Ghana Shippers' Council organized and hosted a reception and an exhibition of the test Caravan in Ghana.

The test Caravan was exhibited at a well-attended reception in the Council's premises in Tema on August 24 2005. The shipping community, Transporters including CEPS, generally accepted the SGP as a practical system for facilitating inter-state road transit trade in West and Central Africa.

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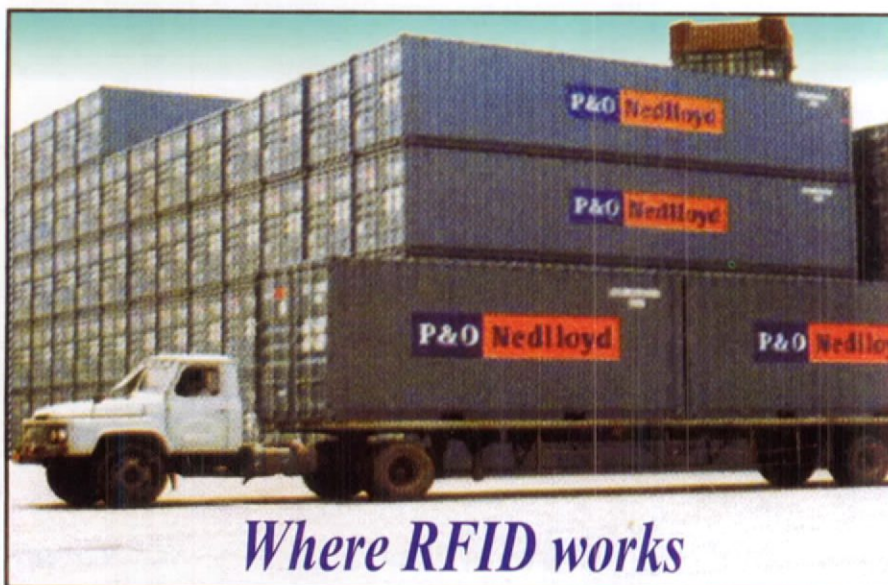
To Be or Not To Be?

Radio frequency identification (RFID) seems to offer great promise to the container industry, with its perennial cost drive and increasing security concerns. But a recent thesis at the Erasmus University's faculty of Maritime Economics and Logistics by Rafael Lemaitre posed the question whether RFID can actually add value to maritime container operations. **Piet Jan ten Thije** reports.

Much has recently been written about the economic viability of Radio frequency identification (RFID) for major shippers such as Wal-Mart. As explained in 'Mirage or reality', CI January 2005, pp48-49, the retail industry sector has much to gain from the improved inventory control offered by the system. However, the same cannot be said for all shippers, and much remains to be done regarding the necessary introduction of global standards.

But what about other industry sectors within the container transport business? According to a recent study produced by Rafael Lemaitre of Erasmus University in Rotterdam: 'Unless there is a major external driver such as security, with the US government and American industries as its main proponents, RFID is unlikely to find its way to the global container industry any time soon.'

There would be issues with global technical standardization, while also it is unclear what the value to the industry will be. There is, on the other hand, a strong case to be made for the use of RFID in the container industry in a local environment like a terminal. The more detailed, timely and precise information allows for better terminal utilization and lower physical handling cost.'



Where RFID works

To make sense of this statement, it helps to remind ourselves what RFID is all about. Essentially, it is only another identification tool. The buzzword RFID sometimes obscures this function. The technology has been around since the 1950s, but has only recently become available at a reasonable price. An RFID system comprises a tag, made up of a microchip with an antenna, a reader with an antenna, and the software capable to manage the flow of data. Contrary to barcodes, RFID tags do not need to be actively swiped. Being in the vicinity of the readers is enough for the tag's data to be registered. Passive tags are activated by the energy of the reader. Active tags need a battery to permanently transmit their presence to their environment.

There is no standardization yet in the hardware, software or radio frequencies used. If RFID is used by only one company with the confines of its own controlled environment, this is not a problem. But as soon as RFID is applied to an open system, with multiple (often unknown) participants, RFID tags need to be

readable by everyone, and interpreted in the same way.

To understand what is revolutionary about RFID, it needs to be compared with its predecessors. All are associated with identification, yet perform different functions. Some are more unique-identification proper, others are more a means to capture that unique identification, sometimes enriched with information on the whereabouts of the object and other object attributes.

Wal-Mart and the US military are the oft-quoted proof of the great potential of RFID. In the case of Wal-Mart, it has been keen to see its vendors change over to RFID because the retail industry is characterized by a relatively high-value cargo and a great number of different articles moved in box-in-box-on-pallet. It also involves a high risk of economic obsolescence (e.g. modish or seasonal products), necessitating the need to adapt quickly to changing consumer tastes. Physical and administrative handling make up the bulk of retail's logistics cost.

Warehouse and shop floor operations are the main focus of logistics, rather than transport. Keeping track of thousands of different articles, as well as building up the pallet with the right articles and breaking down the pallet again by putting all the articles on the right shelf, is no minor task.

The supply chain will be geared towards pushing large numbers of articles through the pipeline quickly and with an ability to redirect flows swiftly. Up to now, stock control has mainly been maintained by barcodes. These are swept at pallet-level at the warehouse gate, at packet-level for sorting and picking purposes, and at article-level at the counter in the supermarket.

In the retail scenario, compared with barcodes, RFID can significantly improve data quality, while also reducing the cost of administrative handling. The investment in RFID tags and equipment is more than compensated by reduced capital tied up in inventory, reduced write-off of obsolete existing stock, and the earlier view of changes in consumer tastes leading to a reduction in write-off of obsolete future stock.

The reduction of administrative handling cost itself would not be enough for Wal-Mart to warrant the investment in RFID. Rather, it is the applied value of the increased data quality. Only through its enormous buying power has Wal-Mart been able to enforce technological standardization in this semi-closed loop system.

In the case of military applications, Operation Desert Storm during the first Iraqi conflict in 1991 showed that control over military supplies at the battlefield still had short-comings. Often, containers had to be unpacked near the frontline to verify its contents. The value of the cargo was immeasurable. The cost of stock-out meant the difference between life and death. It was vital to know if the supplies had arrived on the battlefield, where they were and who they should be sent to. Then, barcodes were used for

identification of larger objects and articles (e.g. Helicopters, ammunition pallets). Since then, the US military has further improved its battlefield logistics.

The value of RFID in the military scenario lies in the marked increase in data quality. Under chaotic battlefield conditions, RFID can instantly and automatically provide the much-needed insight in stocks. If the value of the supplies is immeasurable, then the value of knowing where they are must be pretty close to that. Technical standardization in such a closed loop system is not an issue.

For customs and law enforcing agencies, all aspects of US life have come under scrutiny for their vulnerability to terrorism since 9/11. The maritime industry, which ships millions of containers each year in and out of the country, is not exception. Historically, ocean containers have been physically secured with seals, while the administrative control is built around the ship's manifest and the bill of lading (B/L) documents.

Not entirely disinterested parties within American industry suggest that RFID in the form of 'e-seals' could provide additional security to containers. An e-seal is a specific application of RFID, a smart successor to the classic container seal. The value of RFID would lie in automatic reading of the seal number plus an audit log showing when and where a seal was tampered with.

But the actual value towards reducing security threats should be viewed with some caution. Like now, there is little stopping a terrorist changing seals after he has accessed the container. Administration of seal numbers is a notoriously fraught area for both terminal operators and carriers.

Automatic reading would improve the initial data capture, but not be any guarantee for effective, reliable and interoperable processing of this data. Security is priceless, but it is unclear whether e-seals would actually bring any additional security, nor how technical

standardization on both readers and seals across the world in an open system bracing many industries would be difficult.

Which brings us to container tracking employed by the container industry. Intuitively, the global tracking of containers in itself seems like a 'no-brainer'. All major ocean carrier have been trying to achieve this for the last 30 years.

The value of a container is low for a container operator, around USD2,500 for standard 40ft container. Handling cost, both physical and administrative, is a minor share (10-15%) of overall operational cost. Transport tends to be the biggest logistical cost. Knowing the exact location of a container fleet can, however, prevent unnecessary and expensive repositioning.

Container terminals and depot therefore report all moves in and out of their premises. Increasingly, all larger carriers receive this information by electronic data interchange (EDI) direct from their suppliers' systems.

Initial data entry of the container number with time/date at the gate remains a manual affair in most terminals. Although, increasingly, optical character reading (OCR) captures the container number automatically.

The value of RFID in the global container tracking scenario would lie in capturing the container details automatically. Although this would probably improve data quality compared with manual input (but not compared with OCR), it would not markedly increase supply chain visibility.

It is true that RFID could be used to expand the reporting of subsequent transport events all the way to customer premises, but only if customers would be willing to share this data using EDI with ocean carriers. And, as with the e-seals, achieving global technical standardization across such an open system would be difficult.

On the other hand, terminal operators have much to gain through the deployment of RFID, which might explain why some have been so strongly promoting its global acceptance. For the terminal, the main costs are physical handling and storage. With this comes an interest in data quality. Larger terminals rely on a combination of sophisticated storage/handling optimization software and manual input of position/container numbers by straddle carrier operators.

Terminal operators want to maximize throughput using smart stack planning. Incorrect data leads to unnecessary and expensive container handling, as well as decreased throughput capacity.

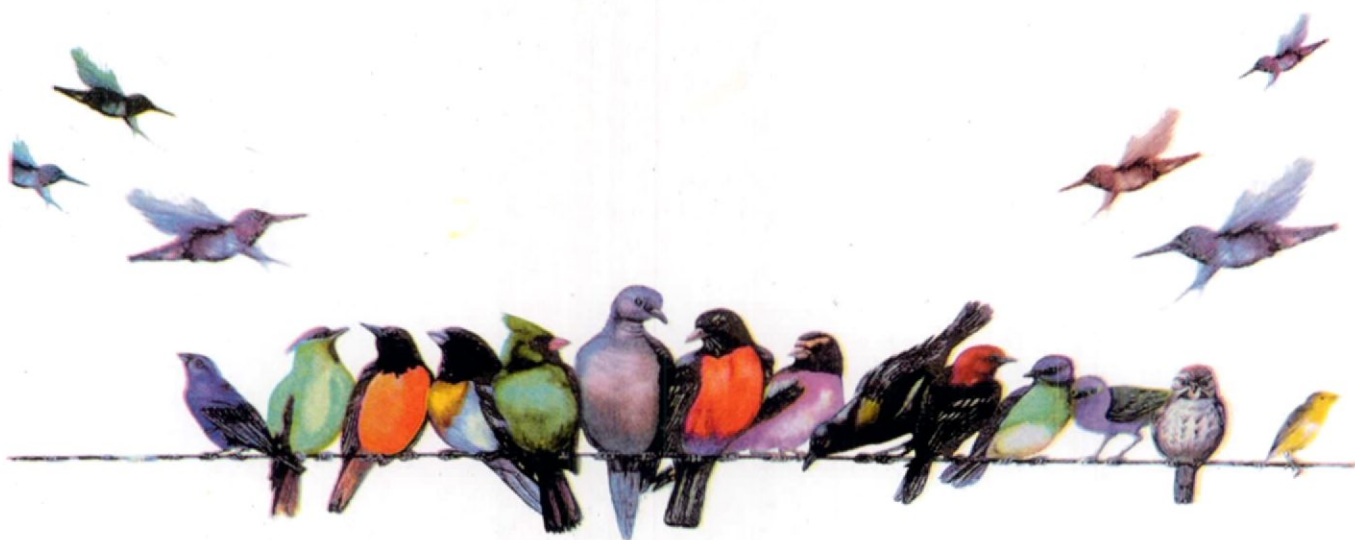
OCR cannot be used internally within a terminal. For a successful OCR-scan, a container has to follow a specific path through the terminal gate. However, inside a terminal, containers move all over the place.

The value of RFID would lie in automatic capturing of the location of individual containers whereas, currently, this is done manually and not continuously. An investment in RFID could be paid for by the savings in the number of handlings per container and the increased terminal capacity. With current global shortages in terminal capacity, this could prove a compelling argument. Technical standardization in such a closed system would not be a problem.

In conclusion, RFID can add value to container operations, but only locally. For global container flows, RFID would improve little compared with traditional seals and OCR. However, it seems the strong technology lobby in the US will force RFID upon the industry regardless. In that scenario, the carrier community is best served by stalling, then selecting the cheaper passive tags, and subsequently renegotiating with the benefiting terminals. If not, RFID will prove a costly investment with little savings to show for it.

(Containerisation International - July 2005)

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MARITIME TRADE REVIEW

(JANUARY SEPTEMBER, 2005)

TABLE 1 SUMMARY OF CARGO THROUGHPUT AT THE PORTS OF GHANA (January-September, 2005)

Total cargo throughput for the period January to September, 2005 was more than 8.9 million tons, consisting of more than 6 million tons of imports. This constitutes about 68% of total throughput and more than 2.8 million tons of exports, constituting nearly 32%.

This included over 500,000 tons of transit import cargo for the neighbouring countries and over 18,880 tons of cargo from the landlocked countries as exports. The port of Tema accounted for about 61% of total throughput while Takoradi port handled about 33%.

	Imports	Exports	Total	% Share
TEMA	4,701,482	701,620	5,403,102	61
TAKORADI	884,230	2,094,346	2,978,576	33
TRANSIT	504,446	18,883	523,329	6
THROUGHPUT	6,090,158	2,814,849	8,905,007	
% SHARE	68	32		100

Fig. 1 SUMMARY OF CARGO THROUGHPUT AT THE PORTS OF GHANA (January-September, 2005)

Maritime trade of Ghana for the period under consideration amounted to more than 8.3 million tons with imports recording over 5.5 million tons and exports amounting to more than 2.7 million tons.

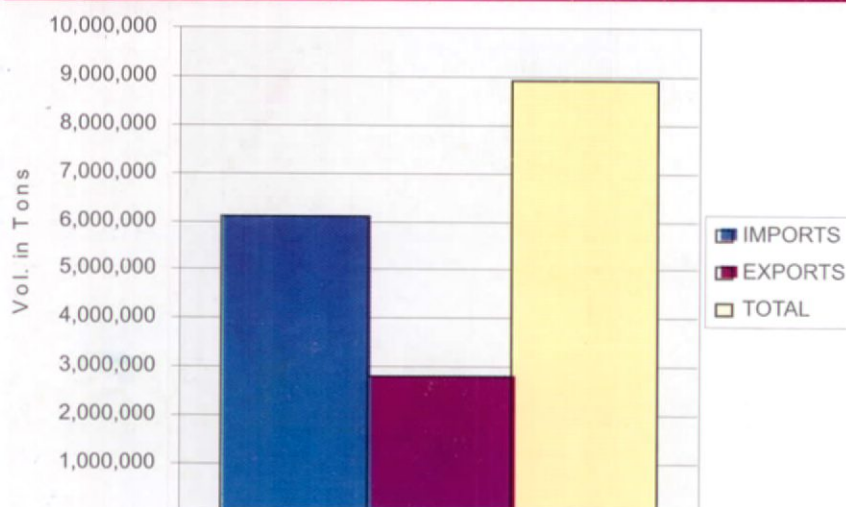


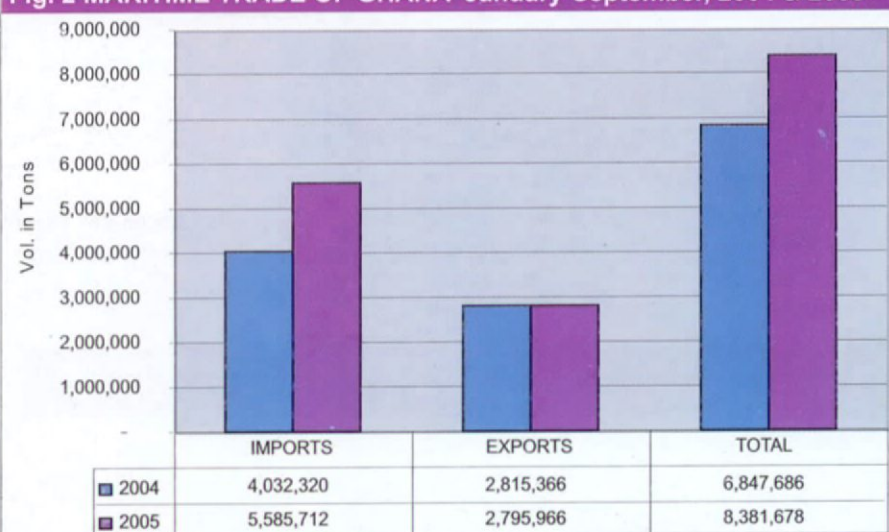
TABLE 2 MARITIME TRADE OF GHANA (January- September, 2004 & 2005)

	TEMA			TAKORADI			TOTAL		
	2004	2005	% Diff	2004	2005	% Diff	2004	2005	% Diff
IMPORTS	3,066,461	4,701,482	53	965,859	884,230	(8)	4,032,320	5,585,712	39
EXPORTS	691,133	701,620	2	2,124,233	2,094,346	(1)	2,815,366	2,795,966	(1)
TOTAL	3,757,594	5,403,102	44	3,090,092	2,978,576	(4)	6,847,686	8,381,678	22
TRANSIT	412,618	405,987	(2)	64,854	117,342	81	477,472	523,329	10
THRU'PUT	4,170,212	5,809,089	39	3,154,946	3,095,918	(2)	7,325,158	8,905,007	22

The Tema port accounted for more than 84% of total imports for Ghana while the Takoradi port recorded

About 16%. For exports, Takoradi port handled 75% while Tema port handled a little over 25%. (See Table 2 and Figs. 1 & 2)

Total throughput at the ports of Ghana for the period was 22% more than what was obtained for the same period last year. While total imports increased significantly by 39% during the period, total export decreased by 1%. Total transit traffic for the period increased by 10%. Significant increases continued to be recorded in cargo throughput at the port of Tema; an increase of about 39% was recorded over last year figure, as compared to the 2% decrease in the throughput at the Takoradi port. This may be due to a decreasing trend emerging in the imports handled at the Takoradi port. For the period under consideration, imports handled at the Takoradi port

Fig. 2 MARITIME TRADE OF GHANA January-September, 2004 & 2005


fell by 8% though transit traffic also increased significantly 81%. Transit trade through the Tema port

decreased by 2%. (See Table 2 above).

Table 3 Comparison of Maritime Trade Through the Ports of Ghana (January - September, 2004 & 2005)

	Tema			Takoradi			Total		
	2004	2005	% diff	2004	2005	% diff	2004	2005	% diff
IMPORTS									
Liner	1,686,315	2,452,388	45	199,341	198,197	(1)	1,885,656	2,650,585	41
Dry Bulk	673,098	852,918	27	715,878	661,415	(8)	1,388,976	1,514,333	9
Liq. Bulk	707,048	1,396,176	97	50,640	24,617	(51)	757,688	1,420,793	88
Total	3,066,461	4,701,482	53	965,859	884,229	(8)	4,032,320	5,585,711	39
Add Transit	405,898	387,176	(5)	64,854	117,270	81	470,752	504,446	7
Total Import	3,472,359	5,088,658	47	1,030,713	1,001,499	(3)	4,503,072	6,090,157	35
EXPORTS									
Liner	427,002	479,164	12	479,493	396,977	(17)	906,495	876,141	(3)
Dry Bulk	32,641	44,450	36	1,644,741	1,697,369	3	1,677,382	1,741,819	4
Liq. Bulk	231,489	178,007	(23)	-	-	-	231,489	178,007	(23)
Total	691,132	701,621	2	2,124,234	2,094,346	(1)	2,815,366	2,795,967	(1)
Add Transit	6,720	18,811	180	-	72	-	6,720	18,883	181
Total Export	697,852	720,432	3	2,124,234	2,094,418	(1)	2,822,086	2,814,850	(0)

PERFORMANCE OF THE MARITIME TRADE IN GHANA

IMPORT

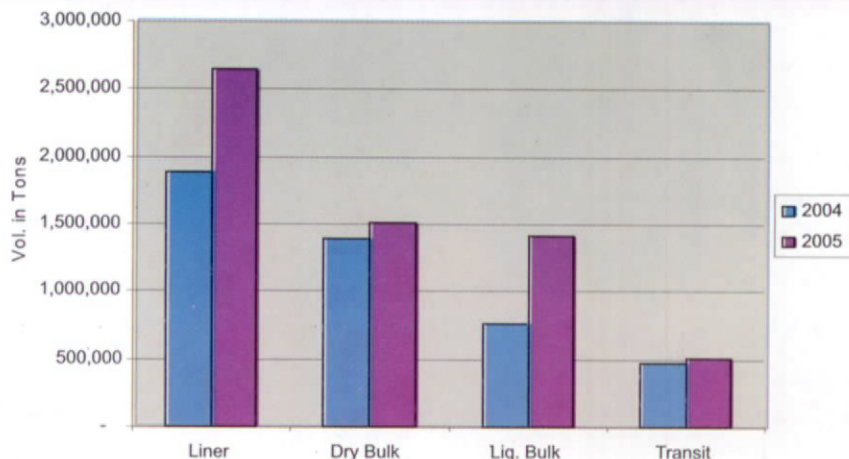
For the period, January to September 2005, total import including transit traffic through the port of Tema was 47% higher than what was obtained in 2004. The transit import traffic fell by 5% while total import for Ghana

(excluding transit traffic) increased by 53%. Liner, dry bulk and liquid bulk imports increased by 45%, 27% and 97% respectively.

Through the port of Takoradi, total import (including transit) declined by 3% as compared to the same

period last year. All the trades, liner, dry bulk and liquid bulk imports declined considerably by 1%, 8% and 51% respectively. Transit import though seems to be on the increase, topping last year's figure by 81%.

Fig. 3 PERFORMANCE OF THE MARITIME IMPORT TRADE OF GHANA - January-September, 2004 & 2005



EXPORT

Through the port of Tema, total export (including transit cargo) for 2005 was about 3% more than what was obtained in 2004 for the same period of January to September. Total export for Ghana (excluding transit export) through the Tema port also increased by only 2%. The dry bulk export through Tema was 36% higher

than the previous period while liner exports increased by 12%. The liquid bulk export declined by 23% while transit export increased by over 100% from over 6,700 to over 18,800.

Through the port of Takoradi, total exports (including transit) declined by 1% and the total Ghanaian export for the period also fell by the same

margin. Meanwhile dry bulk export increased by 3% while liner export declined by 17. Transit through the Takoradi port was 72 tons.

COMMODITIES

Rice, sugar, iron /steel/ plates/ pipes, processed foods/beverages and chemicals constituted the major liner imports for the period. For the dry bulk imports clinker, grains and limestone were the major cargo discharged for Ghana, while liquid bulk included crude oil, petroleum products and chemicals.

Cocoa beans, log timber, sawn timber/lumber and cocoa products, the traditional exports of Ghana, continue to dominate the liner export traffic at the ports of Ghana. Non-traditional exports that were recorded in the liner export of Ghana for the period included cashew nuts, processed commodities, cotton/cotton seeds, pineapples, sheanuts and metal scraps.

MARISCAPE

Cont. From page 36

The tags conform to the ISO 18000-7 standard using a radio frequency of 433.92 MHz. Conformity with this standard ensures that they can be deployed in all RFID IT networks worldwide which are based on ISO standards. In actual use ST-676 tags are attached directly to containers. They contain sensors for the doors and lights as well as for the internal temperature and humidity of the container. They are also equipped to register knocks or impact. The Brooks product, subjected to testing simultaneously, is a disposable RFID equipped seal for multimodal containers.

Testing entailed fitting containers with the seals in Southern California. These were then transported by truck to

the port of Los Angeles where they were transshipped for shipment to Hong Kong. On arrival they were once again transshipped to be forwarded by truck to their final destinations where the seals were checked, opened electronically and removed. One feature of the test required that six of the seals be intentionally broken open in transit. In each case this incident was reported immediately.

Goods' security levels raised

Savi networks LLC again in conjunction with Mitsui recently introduced an information network under the name of "SaviTrak". Tests entailed tracking a normal commercial consignment of consumer goods from a factory in China

to a distribution centre in Southern California. In the opinion of the two companies, the tests conducted in both directions have raised the level of security for the goods, the data precision and the transparency along the supply chain and thereby proven the commercial advantage of both the network and the RFID units. The Savi-Track service is offered as a container handling option.

The goods were trucked from the factory in Guangdong (China) to the port of Yantian, shipped from there to Long Beach (USA) and then forwarded by truck to their destination in California. (*International Transport Journal 43/44 2005*)

DIRECTION OF THE MARITIME TRADE OF GHANA

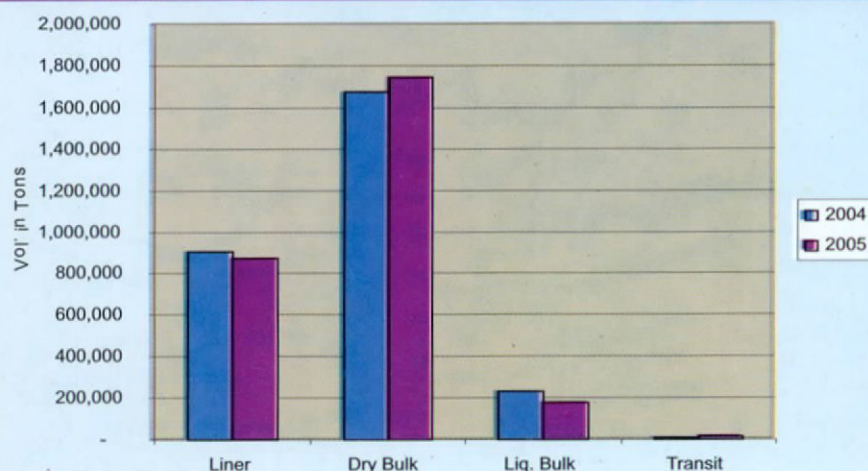
IMPORTS

For the period under consideration the Africa range continued to constitute the source of increasing imports to Ghana. Out of the total imports of 5,585,715 tons, 30% came from this range.

Far East and North Continent were the next highest source of import to Ghana, each recording 21% and 18% respectively. Mediterranean Europe followed with 9%, with North America and the United Kingdom ranges recording 8% and 1% respectively. The Others range recorded 12%.

Liner imports formed about 47% of total imports for the period, coming mainly from the Far East, North Continent, Mediterranean Europe

Fig. 4 PERFORMANCE OF THE MARITIME EXPORT TRADE OF GHANA - January-September, 2004 & 2005



and Others ranges.

(See Table 4 and Fig. 5 above)

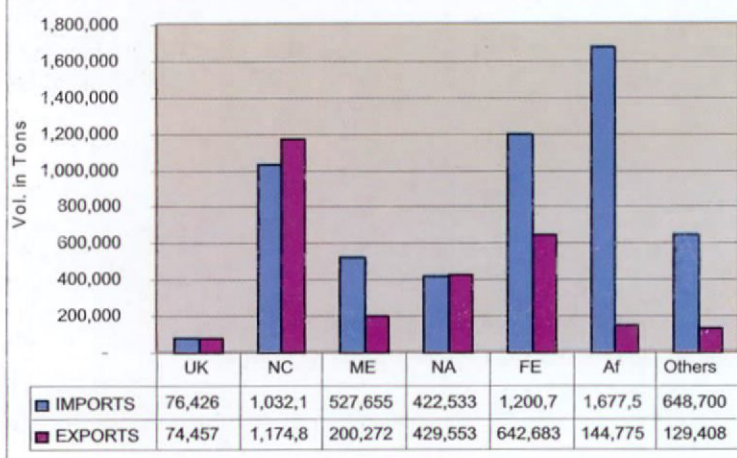
Dry bulk import was the second largest import trade with 27% of total imports for the period.

The share of liquid bulk import was 25% of total imports for the period.

TABLE 4 DIRECTION OF MARITIME IMPORTS OF GHANA - January-September, 2005

Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total	% Share
Liner	76,019	558,211	322,491	215,675	807,675	194,961	475,556	2,650,588	47
Dry Bulk	407	369,174	84,789	173,176	388,838	0,538	117,397	1,514,334	27
Liq. Bulk	-	104,762	120,375	33,682	4,210	1,102,017	55,747	1,420,793	25
Total	76,426	1,032,147	527,655	422,533	1,200,723	1,677,531	648,700	5,585,715	
% Share	1	18	9	8	21	30	12		100

Fig. 5 DIRECTION OF THE MARITIME TRADE OF GHANA - January-September, 2005



EXPORTS

For the period under consideration, the highest Ghanaian exports went to the North Continent range, recording over 42% out of the total 2,795,966 tons of exports. The next range to receive the highest exports from Ghana was Far East recording 23% of total export, followed by the North America range where 15% was recorded.

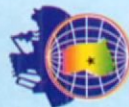
Dry bulk exports constituted over 62% of total exports, while the share of liquid bulk amounted to 6%. Liner exports captured the remaining 32%. (See Table 5 below and Fig. 5 beside).



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TABLE 5 DIRECTION OF MARITIME EXPORTS OF GHANA - January-September, 2005

Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total	% Share
Liner	74,457	294,000	98,032	49,664	239,428	97,342	23,219	876,142	31
Dry Bulk	-	823,465	102,240	272,475	403,255	40,315	100,068	1,741,818	62
Liq. Bulk	-	57,353	-	107,414	-	7,118	6,121	178,006	6
Total	74,457	1,174,818	200,272	429,553	642,683	144,775	129,408	2,795,966	
% Share	3	42	7	15	23	5	5		

DIRECTION OF MARITIME TRADE: 2004 VERSUS 2005**Imports**

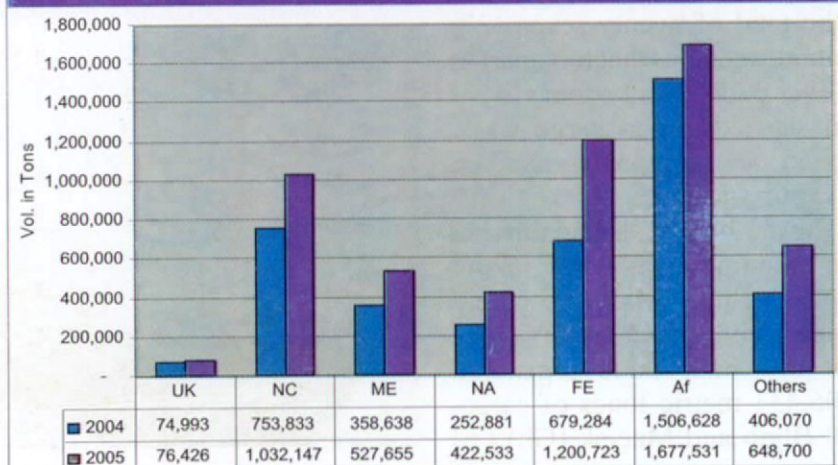
Total maritime imports for January to September 2005 was 39% more than

what was obtained in the same of 2004. This same trend can be seen on all the import trade ranges of Ghana. For the whole import trade range there were increases ranging between

3% for the United Kingdom to 42% for the Far East. (Table 6 below)

TABLE 6 DIRECTION OF MARITIME IMPORTS OF GHANA - January-September, 2004 & 2005

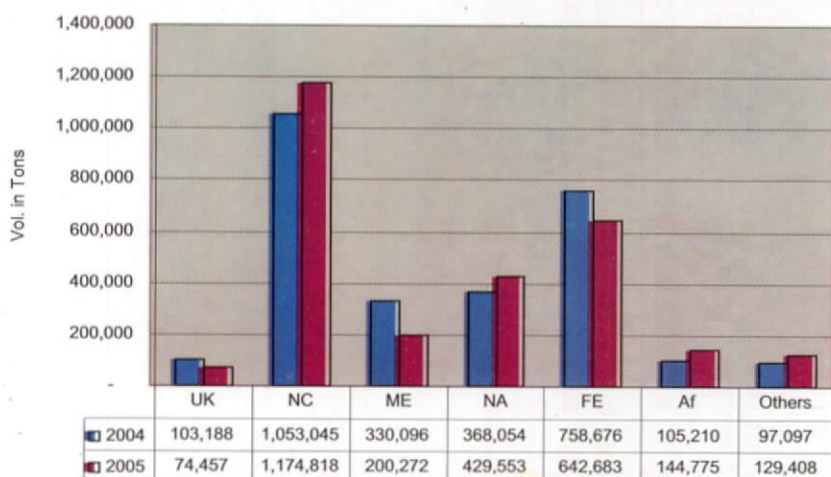
Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total
LINER								
2004	74,993	418,932	255,737	112,305	542,870	131,809	349,017	1,885,663
2005	76,019	558,211	322,491	215,675	807,675	194,961	475,556	2,650,588
% diff	1	33	26	92	49	48	36	41
DRY BULK								
2004	-	224,999	92,436	99,694	129,642	795,138	47,067	1,388,976
2005	407	369,174	84,789	173,176	388,838	380,553	117,397	1,514,334
% diff	-	64	(8)	74	200	(52)	149	9
LIQ. BULK								
2004	-	109,902	10,465	40,882	6,772	579,681	9,986	757,688
2005	-	104,762	120,375	33,682	4,210	1,102,017	55,747	1,420,793
% diff	-	(5)	1,050	(18)	(38)	90	458	88
TOTAL								
2004	74,993	753,833	358,638	252,881	679,284	1,506,628	406,070	4,032,327
2005	76,426	1,032,147	527,655	422,533	1,200,723	1,677,531	648,700	5,585,715
% diff	2	37	47	67	77	11	60	39

Fig. 6 DIRECTION OF MARITIME IMPORT OF GHANA - January-September, 2004 VS 2005**Exports**

In the export trade, total export decreased by 2% as compared to what was recorded for the same period last year. This was a reflection of what happened within the various export trade ranges. There were decreases of 28% in the United Kingdom range, 39% in the Mediterranean Europe range and 15% in the Far East range. The increases were in the North Continent (12%), North America (17%), Africa (38%) and the Others (33%) ranges.

TABLE 7 DIRECTION OF MARITIME EXPORTS OF GHANA - Jan.- Sep. 2004 & 2005

Range/Trade	UK	NC	ME	NA	FE	Af	Others	Total
LINER								
2004	99,124	354,153	118,241	46,370	153,889	95,416	39,302	906,495
2005	74,457	294,000	98,032	49,664	239,428	97,342	23,219	876,142
% diff	(25)	(17)	(17)	7	56	2	(41)	(3)
DRY BULK								
2004	4,064	645,353	152,301	209,862	604,787	3,220	57,795	1,677,382
2005	-	823,465	102,240	272,475	403,255	40,315	100,068	1,741,818
% diff	-	28	(33)	30	(33)	1,152	73	4
LIQ. BULK								
2004	-	53,539	59,554	111,822	-	6,574	-	231,489
2005	-	57,353	-	107,414	-	7,118	6,121	178,006
% diff	-	7	(100)	(4)	-	8	-	(23)
TOTAL								
2004	103,188	1,053,045	330,096	368,054	758,676	105,210	97,097	2,815,366
2005	74,452	1,174,818	200,272	429,553	642,683	144,775	129,408	2,795,966
% diff	(28)	12	(39)	17	(15)	38	33	(1)

Fig. 7 DIRECTION OF MARITIME EXPORT OF GHANA - Jan. - Sep., 2004 VS 2005

PERFORMANCE OF SHIPPING AGENTS IN THE MARITIME TRADE

Maersk (Gh.) Ltd. continued to dominate in the liner trade as the lead shipping agency during the period January to September, 2005 under review. It chalked a market share of 29% out of the total liner trade of 3,526,595 metric tonnes.

SDV (Gh.) Ltd, Super Maritime and Hull Blyth followed in that order with a share of 9.3%,

8.8% and 8.8% respectively. The remaining agencies had shares ranging from 0.01% to 6.1%. Out of the total of twenty-seven (27) shipping agencies that took part in the liner trade, twenty-four (14) of them carried import cargo while thirteen (13) companies handled the export traffic.

The dry bulk trade had thirteen (13) shipping companies taking part with Super Maritime taking the lead with a share of 46%. The total dry bulk trade registered 1,506,433 metric tones of cargo. Hull Blyth and Maersk (Gh) Ltd

followed in that order with a share of 36% and 8% respectively. Only five (5) shipping agencies took part in the dry bulk export but handled over 53% of the total trade.

The Liquid bulk trade, which totalled 1,598,800 metric tonnes of cargo, had GEK Shipping taking the lead share with 56%. Scanship and Oceanic Roro followed in that order with 25% and 7% respectively. Among the ten (10) companies that participated in the liquid bulk trade only two (2) of them dealt in export cargoes.



GHANA SHIPPERS' COUNCIL
PERFORMANCE OF SHIPPING AGENTS IN GHANA'S SEABORNE TRADE
SEPTEMBER, 2005- JANUARY- IMPORT AND EXPORT
VOLUME OF TRADE (IN TONNES)

SHIPPING AGENT				
SHIPPING AGENT/	IMPORT	EXPORT	TOTAL	%SHARE
CHARTERER				
<u>LINER</u>				
BLUE FUNNEL	131	0	131	0.00
MAXITIDE VENTURE	455	0	455	0.01
REDLINE GH. LTD	446	25	471	0.01
COAL	723	0	723	0.02
SANTA SHIPP.	7,051	0	7,051	0.20
SEALANE	8,500	0	8,500	0.24
FAIRPOINT SYS.	8,869	0	8,869	0.25
GETMA GH. LTD	9,273	0	9,273	0.26
CROSS OCEAN	23,700	0	23,700	0.67
MAP SHIPPING	25,732	0	25,732	0.73
OCEAN LANE	34,484	0	34,484	0.98
BLUE SEA	13,832	21,164	34,996	0.99
PONWA	27,219	11,822	39,041	1.11
PANALPINA	25,335	20,198	45,533	1.29
MOL GH. LTD.	44,863	22,046	66,909	1.90
ISAG	40,025	48,517	88,542	2.51
GMT SHIPPING	119,896	0	119,896	3.40
SCANSHIP GH. LTD.	111,805	21,291	133,096	3.77
SEATRANS	150,313	0	150,313	4.26
GLOBAL CARGO	171,520	0	171,520	4.86
OCEANIC RORO	156,104	17,421	173,525	4.92
MARITIME AGENCY	207,141	4,091	211,232	5.99
ANTRAK GH. LTD.	175,713	40,593	216,306	6.13
HULL BLYTH	232,027	78,625	310,652	8.81
SUPERMARITIME	172,303	140,850	313,153	8.88
SDV GH. LTD.	182,575	144,103	326,678	9.26
MAERSK GH. LTD.	700,550	305,395	1,005,945	28.52
SUB-TOTAL	2,650,454	876,141	3,526,595	42.08
<u>DRY BULK</u>				
ANTRAK GH. LTD.	357	0	357	0.01
SDV GH. LTD.	2,000	0	2,000	0.06
CROSS OCEAN	3,000	0	3,000	0.09
OCEANIC RORO	8,807	0	8,807	0.27
PANALPINA	2,633	6,332	8,965	0.28
SEATRANS	13,498	0	13,498	0.41
GLOBAL CARGO	29,382	0	29,382	0.90
MAP SHIPPING	32,586	0	32,586	1.00
SCANSHIP	13,184	37,109	50,293	1.54
MACRO SHIPPING	0	168,823	168,823	5.19
MAERSK GH. LTD.	66,998	201,593	268,591	8.25
HULL BLYTH	1,163,417	0	1,163,417	35.73
SUPERMARITIME	178,472	1,327,961	1,506,433	46.27
SUB-TOTAL	1,513,977	1,741,818	3,255,795	38.85

GHANA SHIPPERS' COUNCIL
PERFORMANCE OF SHIPPING AGENTS IN GHANA'S SEABORNE TRADE
SEPTEMBER, 2005- JANUARY- IMPORT AND EXPORT
VOLUME OF TRADE (IN TONNES)

SHIPPING AGENT				
SHIPPING AGENT/	IMPORT	EXPORT	TOTAL	%SHARE
CHARTERER				
LINER				
LIQUID BULK				
MARITIME	182	0	182	0.01
ADOM SHIPPING	2,824	0	2,824	0.18
PANALPINA	13,878	3,988	17,866	1.12
BULK SHIPPING	28,934	0	28,934	1.81
SEATRANS	29,712	0	29,712	1.86
HULL BLYTH	46,136	0	46,136	2.89
SUPERMARITIME	62,981	0	62,981	3.94
OCEANIC RORO	104,320	0	104,320	6.52
SCANSHIP	231,539	174,019	405,558	25.37
GEK SHIPPING	900,287	0	900,287	56.31
SUB-TOTAL	1,420,793	178,007	1,598,800	19.08
GRAND TOTAL	5,585,224	2,795,966	8,381,190	100.00

PERFORMANCE OF SHIPPING LINES /CHARTERERS

A total of Fifty-eight (58) Shipping Lines and Charterers participated in the liner trade during the period under review, January-September 2005. Maersk Sealand continued with its dominance of the liner trade with a share of 11% out of the total tonnage of 3,526,728mt. Delmas and Other Shipping lines followed with a share of 4% each. The

rest had shares ranging from 0.01% to 3.0%.

Thirty-One (31) Shipping Lines and Charterers took part in the dry bulk trade of 3,256,155 metric tonnes. Out of this number, twenty-two (22) lines handled import cargoes while fourteen (14) carried exports. IMT Lines carried a total of 1,035,345 metric tons representing the top share of 12%. Scancem followed with a share of 5% and the rest of Shipping Lines carried

from 0.02% to 4%.

Liquid bulk trade totalled 1,598,800 metric tonnes and NNPC continued with its dominance in the trade with a share of 11% representing 900,287 metric tons. Vitol Lines carried 4% of the total liquid bulk cargo to place second after NNPC. All the remaining companies that participated in the liquid bulk trade carried imports with only two (2) carrying exports.

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GHANA SHIPPERS' COUNCIL
PERFORMANCE OF SHIPPING LINES IN GHANA'S SEABORNE TRADE IMPORT
JANUARY- SEPTEMBER, 2005 METRIC TONNAGE

SHIPPING LINE				
SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
MERADA	11	0	11	0.00
GETMA	126	0	126	0.00
THS ARBO & CO.	196	0	196	0.00
ECOMARINE INT. SEATRADE	281	0	281	0.00
SCANTRAND CHARTERING	291	0	291	0.00
MAINPORT AFRICAN SHIPPING	375	0	375	0.00
GLOBAL PORTSIDE	455	0	455	0.01
BABURA LINE	446	25	471	0.01
SICOL SHIPPING	0	651	651	0.01
K' LINES	652	0	652	0.01
ASIATIC SHIPPING SERVICE	682	0	682	0.01
NAVECO	0	765	765	0.01
BOCS ANTWERPEN	1,058	0	1,058	0.01
OCEANIC RORO	93	1,717	1,810	0.02
LYCOPODIUM ENG.	2,092	0	2,092	0.02
ACSA	2,910	0	2,910	0.03
UNION ESPONOLA	2,728	0	2,728	0.03
SEATRADE	2,861	0	2,861	0.03
LYKES LINES	2,932	0	2,932	0.03
TRAMP BULK	3,294	0	3,294	0.04
CASANO SHIPPING	0	3,479	3,479	0.04
SEALIFT	3,501	0	3,501	0.04
NEW SEA FISH	3,869	0	3,869	0.05
PORTSIDE SHIPPING	4,820	0	4,820	0.06
CEREAL INV. CO. S/A	5,000	0	5,000	0.06
USINA BAZAN SA	6,000	0	6,000	0.07
GRUPO PORTO	6,702	0	6,702	0.08
VIETNAM SEA TRANSPORT	7,022	0	7,022	0.08
ICECLIMATED INT.	7,051	0	7,051	0.08
DARYA SHIPPING	7,682	0	7,682	0.09
IRMAOS LTD	8,000	0	8,000	0.10
SPLIETHOFF	0	8000	8,000	0.10
AFRICAN STEAMSHIP	0	9,071	9,071	0.11
TRANS ATLANTIC	9,531	0	9,531	0.11
L&C TRANSPORTATION	9,899	0	9,899	0.12
YARA INT.	3,369	7,000	10,369	0.12
LOUIS DREYFUS	10,971	0	10,971	0.13
DONG THAP COMM.	11,560	0	11,560	0.14
AFRICAN EXPRESS LINE	11,488	2,001	13,489	0.16
NORDANA LINES	13,952	0	13,952	0.17
KIEN HUNG SHIPPING	14,555	0	14,555	0.17
ANODAD NAREE	15,621	0	15,621	0.19
SAFMARINE	3,513	14,848	18,361	0.22

GHANA SHIPPERS' COUNCIL

PERFORMANCE OF SHIPPING LINES IN GHANA'S SEABORNE TRADE IMPORT JANUARY- SEPTEMBER, 2005 METRIC TONNAGE

SHIPPING LINE

SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE
LINER				
CSAV	18,972	0	18,972	0.23
S. BACO LINER		20,500	20,500	0.24
GST SHIPPING	22,149	0	22,149	0.26
COSCO INTERNATIONAL	26,413	0	26,413	0.32
OTAL	28,525	24	28,549	0.34
UNICARGO	5,263	25,100	30,363	0.36
CHINA SHIPPING	28,516	3,198	31,714	0.38
EUROAFRICA	27,972	9,550	37,467	0.45
CMA/CGM FRENCH LINES	30,847	7,777	38,617	0.46
P&O NEDLLOYD	27,361	11,822	39,183	0.47
DOLE SHIPING	14,742	32,843	47,590	0.57
VERTOM		69,450	69,450	0.83
GOLD STAR LINE	38,294	45,752	84,046	1.00
MOSK LINES	78,713	34,568	113,281	1.35
CONTI LINES	134,770	0	134,770	1.61
MESSINA LINES	112,164	40,569	152,733	1.82
SOAFRIMEX	171,520	0	171,520	2.05
GRIMALDI LINES	156,381	26,372	182,754	2.18
MEDITERANEAN SHIPP. CO.	197,301	3,983	201,289	2.40
PACIFIC INTL. LINES	159,972	46,346	206,258	2.46
OTHER	306,561	13,339	319,906	3.82
DELMAS	181,621	144,088	325,715	3.89
MAERSK SEALAND	697,001	293,305	990,343	11.82
SUB-TOTAL	2,650,511	876,143	3,526,728	42.08
DRY BULK				
MESSINA LINES	357	0	357	0.00
DELMAS	2,000	0	2,000	0.02
VERTOM		2,000	2,000	0.02
ADON RICE INC.	3,000	0	3,000	0.04
MITSUI OSK LINES		3,382	3,382	0.04
TANK AFRICA	1,887	5,991	7,878	0.09
UGLAND	0	7,933	7,933	0.09
GRIMALDI LINES	8,807	0	8,807	0.11
ORIENT	12,038	0	12,038	0.14
AFRICA EXPRESS LINE	15,250	0	15,250	0.18
SEA BOARD		14,778	14,778	0.18
CARGILL INT. S/A	15,200	0	15,200	0.18
POLYTRA	16,259	0	16,259	0.19
COSCO	20,000	0	20,000	0.24
GEAR BULK	28,400	0	28,400	0.34
SOAFRIMEX	29,382	0	29,382	0.35
EUROAFRICA	3,999	26,583	30,582	0.36

GHANA SHIPPERS' COUNCIL

PERFORMANCE OF SHIPPING LINES IN GHANA'S SEABORNE TRADE IMPORT
JANUARY- SEPTEMBER, 2005 METRIC TONNAGE

SHIPPING LINE					
SHIPPING LINE/ CHARTERER	IMPORT	EXPORT	TOTAL	%SHARE	
LINER					
DENSAY	32,509	0	32,509	0.39	
SAFMARINE	0	41,639	41,639	0.50	
BULKER	0	43,850	43,850	0.52	
NAVECO SHIPPING		52,211	52,211	0.62	
OLDENDORFF	58,7	0	58,700	0.70	
NORDEN	93,1	0	93,155	1.11	
MAERSK SEALAND	44,1	74,959	119,157	1.42	
MERADA	145,8	31,134	176,989	2.11	
PACIFIC INT. LINES	186,204	0	186,204	2.22	
BULKHANDLING	0	242,221	242,221	2.89	
OTHER	143,335	118,282	261,617	3.12	
INTER BULK	257,099	41,513	298,612	3.56	
SCANCEM	396,700	0	396,700	4.73	
IMT		1,035,345	1,035,345	12.35	
SUB-TOTAL	1,514,3	1,741,821	3,256,155	38.85	
LIQUID BULK					
MEDITERRANEAN SHIPPING	1	0	182	0.00	
DANNIBROG REDERI AS.	6	0	600	0.01	
CHINA SHIPPING	2,1	0	2,174	0.03	
EUROAFRICA	7,1	0	7,128	0.09	
TRAFIGURA	7,1	0	7,130	0.09	
TANK AFRICA	9,016	0	9,016	0.11	
SMB	17,487	0	17,487	0.21	
PACIFIC INT. LINES	28,600	0	28,600	0.34	
BULKHANDLING	32,340	0	32,340	0.39	
GRIMALDI LINES	104,320	0	104,320	1.24	
OTHER	113,3	3,988	117,313	1.40	
VITOL	198,2	174,019	372,223	4.44	
N.N.P.C	900,2	0	900,287	10.74	
SUB-TOTAL	1,420,7	178,007	1,598,800	19.07	
GRAND TOTAL	5,585,7	2,795,971	8,381,683	100.00	

Impact launches a new 45-foot box
Impect Intermodal BV, based in Rotterdam (Netherlands) has put a new 45-foot high-cube container on the market which is "pallet-wide", that is to say that two standard 120-cm-long pallets can be loaded into the "pallet-wide high-cube container" (PWHC).

The box is patented and is officially called the "45-foot Impect Container". According to the manufacturer, it will definitely be able to hold its own in competition with trailers, 45-foot curtain-sided boxes and special automobile transporters. It is also well-suited to intermodal transport by inland and shortsea shipping, rail and lorry.

The Impect box has a system of rails on the floor which allows in combination with the well-known (Joloda Sate and Track System) loading and unloading of unit loads even where there are no handling ramps available.

Impact describes the option of transporting up to six cars in one 45-foot Imopect as a particularly innovative solution. The automobiles can thus be transported door-to-door or from the shipper to the final recipient without risking any damage or incurring any extra costs on account of intermediate handling.

(*International transport Journal* June 2005)

The world's largest aviation hub

For many years now Sheikh Mohammed bin Rashid al-Maktoum, crown prince of Dubai (United Arab Emirates UAE), has nurtured a dream for his country, which he has been implementing step by step. Besides Jebel Ali port and Dubai Logistics City, he is planning to construct the world's largest airport, World Central Jebel Ali Airport, which will be able to handle 120 million passengers and 12 million tones of cargo annually. It will have six runways and a large number of cargo terminals. Construction work is slated to start in February 2006, with the first aircraft

taking off and landing as early as 2007. World Central is part of a long-term plan to prepare Dubai for the time when the oil runs out, and should serve as a catalyst for further economic development.

Besides construction work at World Central there are building activities at Dubai International Airport too, where a huge complex is in the course of completion. Passage volumes here are projected to rise from 20 million passengers annually to 70 million passengers in the next two years. The expansion costs are estimates at EUR 3.5 billion. After South Korea's Incheon airport Dubai International Airport is the fastest-growing airport in the world today. Over and above this Abu Dhabi International Airport (also UAE) is being expanded, with a cash injection of AED 25 billion (USD 6.8 billion).

National flag carrier Emirates is hoping to benefit from the huge project. By buying 100 additional long-haul aircraft from Boeing and Airbus it will be able to reach every destination in the world non-stop. This move will simultaneously strengthen local freight volumes, the new freight centre and nearby Dubai Logistics City. (*International Transport Journal*, 51-52 2005)

Global security network is closer

The World Customs Organisation (WCO) has issued its 'Framework of standards to secure and facilitate global trade', representing the first step to a global security regime.

The framework, from the WCO's high-level strategic group on security, covers both customs-customs and customs-business arrangements, and aims to take on board the principles of the US Customs-Trade Partnership Against Terrorism (C-TPAT) internationally.

The framework also includes capacity-building measures to help some less developed countries' customs administrations to develop the capability to put this in place effectively.

A member country submits a letter of intent to the WCO, which assesses its needs to implement the framework in terms of technology and skills, and organize funding for these to be met. For the full text, see www.wcoomd.org

The WCO state: 'While the framework is intended to provide a structured platform for the implementation of trade security measures, it also offers the business community the chance to commit to its principles, and in turn reap a number of trade facilitation benefits'.

The WCO full council in Brussels was expected to approve the framework by the end of June. While membership is voluntary, countries that opt out will be at a competitive disadvantage.

US Customs Commissioner Robert Bonner believed that around 20 or 30 countries could be ready to sign up to achieve critical mass in this programme quickly.

(*Containerisation International*; July 2005)

Successful RFID tests

The two software companies Savi Technology and E.J. Brooks, in partnership with Mitsui, have conducted extensive transpacific field tests using active RFID tags (RFID: Radio Frequency Identification Device). Not only does such a tag indicate the exact location of a container in real time but it also reports any possible opening or other interruption to the security chain.

Mitsui was able to establish that all 65 of the RFID tags deployed for the tests functioned to full satisfaction in transit from Los Angeles to Hong Kong and that no false alarms were triggered. The test incorporated 50 type "ST-676 ISO Container Security tags" made by Savi plus 15 Brooks seals. Both of these types will be available on the market starting in November of this year.

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