

# SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

Volume 16 Number 2, April - June, 2014

## In this Issue

### ENABLING GROWTH: PERSPECTIVES AND CHALLENGES



Although Africa has weathered the storm of the global economic and financial crises rather well, it remains vulnerable to continuing economic frailty in advanced economies and fear of slowdown in emerging markets, particularly China.

Page... 3

### CRIMINALISATION & FAIR TREATMENT OF SEAFARERS - THE ROLE OF THE JUDICIARY



The question that maritime lawyers need to ask themselves is whether it is appropriate for coastal states faced with maritime accidents to call masters and crews to task as common criminals or whether investigation and remedial action is better left to shipping authorities, with restitution of damages being processed through international liability and compensation regimes as civil claims.

Page... 12

## Also in this Issue

GOVERNMENT ENGAGES PRICEWATERHOUSE COOPERS AS TRANSACTIONS ADVISOR FOR THE BOANKRA INLAND PORT AND EASTERN RAILWAY LINE PROJECT

15

THE INCREASING SPATE OF MARITIME PIRACY AND ARMED ROBBERY IN THE GULF OF GUINEA/WEST AFRICA COAST: IMPLICATIONS FOR GHANA'S MARITIME SECTOR

17

MARITIME TRADE REVIEW (JANUARY - MARCH, 2014)

20

THE AXLE LOAD REGIME IN GHANA: IMPLEMENTATION CHALLENGES AND ITS IMPACT ON TRANSIT TRADE

34

### Our Vision

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

### Our Mission

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

**Published by:**  
Ghana Shippers' Authority  
5th Floor, Enterprise House  
High Street, Accra  
P.O. Box GP 1321, Accra  
**Tel. 233-302-666915/7**

**Editor-in-Chief**  
Dr. Kofi Mbiah  
  
**General Editor**  
Fred Asiedu - Dartey

**Assistant Editor**  
Frederick Atogiye  
  
**Advertising Executives**  
Joseph Atta Frimpong  
Pamela Dei Frimpong (Mrs.)

**Designed & Printed by:**  
**Unik Image- 0302 253756**  
**0302 231527**

# Trans Global Logistics Ltd.

*We Don't Work For You, We Work With You*

Our excellent logistic service based on our Commitment, Coordination, Co-operation and Communication.

## SERVICES

- Customs Clearing (Sea, Air & Land)
- Freight Forwarding (Sea, Air, & Land)
- Warehouse & Consignment Management
- Haulage
- Door-to-Door Service
- Consolidation
- Shipping Agent
- Project Management
- Oil & Gas project handling



A member of —



World Cargo Alliance

## OFFICE

134 Commercial Warehouse Area,  
Tema Main Harbour  
P. O. Box 3108  
Tema

## CONTACT

Tel: +233 (30320) 2222 /6935  
Fax: +233 (30320) 6568  
E-mail: [trans@transglobalgh.com](mailto:trans@transglobalgh.com)  
Website: [www.transglobalgh.com](http://www.transglobalgh.com)





# ENABLING GROWTH: PERSPECTIVES AND CHALLENGES

A Presentation of the African Development Bank, on the occasion of the Borderless Alliance Conference 2014, Sheraton Hotel and Towers, Ikeja, Lagos, Nigeria 26 – 28 February, 2014

## INTRODUCTION

Africa today is regarded as the next frontier for investments. The continent stands as one of the fastest growing regions of the world. Six of the ten fastest growing economies are in Africa. In a seeming season of sustained global economic crisis, African economies have remained resilient.

Indeed, since the start of the new millennium, Africa's real GDP has grown at 4.5 percent per year, while real income per capita has increased by 2.1 percent per year. African growth has outperformed both Latin America and developed economies

over the last 5 years, successfully weathering the global financial crisis of 2008/9. In 2011, total African real GDP was US\$0.95 trillion (2000 prices). The latest forecast from the World Bank for Africa's GDP growth over the period 2013–2015 is 5 percent, outperforming many developed countries.

In addition, there have been steady improvements in economic policy and the business environment generally, leading to a more favorable investment climate. Inflation is generally lower and exchange rates more fundamentally aligned than 20 years ago. Risk to capital has reduced,

and personal security has generally improved in a large number of countries.

With improvement in the policy and business environments, the risk to capital has fallen and foreign direct investment (FDI) has grown. Between 2001 and 2011, net inflows of FDI averaged 3 percent of GDP each year for Africa, compared to around 1.2 percent of GDP in the previous decade. For Africa, FDI plus remittances represented 5.6 percent of GDP on average between 2000 and 2010, compared with Official Development Assistance and official aid, which amounted to 3.3 percent of GDP.

Africa's political landscape has witnessed major changes over the last two decades. There are now more representative governments, more democratic elections, and more peaceful transitions of power – all of which have contributed to rising democratization scores.

## Economic outlook for West Africa

Here in West Africa, trends have been quite similar. Growth has accelerated, making the region arguably the fastest growing region of the continent, with growth around 6.7% in 2013 and estimated to reach 7.4% in 2014. There are however wide variations within the region in terms of resource endowments and the sectors driving economic growth at country level.

- Much of this growth was led by strong performance of oil and mining sector, which made the bulk of the USD 15.1 billion<sup>1</sup> FDI inflows registered in 2012, arguably the largest volume of FDI of any other regions in the continent.
- Nigeria, Guinea, Ghana and Niger's resource sector attracted an estimated 88% of total FDI to the region. Oil and mining sector remain predominant in Nigeria,

<sup>1</sup>UNCTAD regional trends in FDI [http://unctad.org/en/PublicationChapters/wir2013ch2\\_en.pdf](http://unctad.org/en/PublicationChapters/wir2013ch2_en.pdf)

despite increasing diversification, and is the main driver of the unprecedented high growth in Ghana, Liberia



and Sierra Leone in recent years. Nigeria's largest announced Greenfield project in 2012 amounted to nearly USD 2 billion to increase oil production. The other large Greenfield projects for Nigeria were in manufacturing and information and communications, signaling some diversification. Ghana has announced it expects at least \$20 billion in investment in the oil industry over the next five years, primarily from foreign companies.

- Economic recovery from political stabilization and the Sahelian drought are the key major determinants of double digit growth in Ivory Coast and economic recovery of Mali, Senegal and the Gambia respectively,
- Monetary policy of the WAEMU continued its prudent stance with priority given to controlling inflation with fixed exchange rate pegged to the euro. In 2013, the CFA Franc appreciated vis-à-vis the dollar, reflecting US economic situations well as the low inflation and increased trade surpluses of the Eurozone.

#### **Growth not Inclusive**

Amidst these regional and sub-

regional successes, important challenges remain.

First, growth has not been inclusive, without jobs and adequate social protection, largely commodity driven, while income inequality has increased. African countries have not successfully translated growth into poverty reduction compared to other developing regions. The growth elasticity of poverty in Africa has been estimated at only -1.3 compared to -2.3 in South Asia and -2.5 in Latin America and the Caribbean, respectively. Unemployment remains high overall, but youth and women unemployment is so widespread with the potential of a social time bomb in many countries, if not addressed.

Second, domestic policies have tended to focus on crisis management or on assuaging issues arising from domestic politics, rarely on strategic measures to ensure economic transformation. Countries endowed in natural resources have seen an adverse impact on domestic competitiveness, especially affecting agriculture and manufacturing. The enclave nature and capital intensity of natural resource exploitation have inhibited job creation.

Even as growth has risen overall, the continent has experienced deindustrialization, declining agricultural productivity, rising food and nutrition insecurity.

Third, although Africa has weathered the storm of the global economic and financial crises rather well, it remains vulnerable to continuing economic frailty in advanced economies and fear of slowdown in emerging markets, particularly China. Coping with these pressures requires efficient regulatory and support structures backed-up by effective public administrations.

#### **No one single pathway to economic transformation, but common trends observable**

Given the foregoing, it is no wonder that debates have been generated

questioning whether Africa is rising indeed. Skeptics have also quickly pointed to past experiences of the “boom and burst cycles”, to buttress their claim. These debates have certainly not been lost on the Bank. It is for this reason therefore that the theme of “enabling growth” has been particularly welcome. Thus in addressing the subject, it is necessary to particularly note that Global experience indicates that there are multiple pathways to structural transformation. However, once set in motion, the process proceeds along a well-established path.

- First, the structure of the economy changes depicting an increase in the share of manufacturing coupled with a sustained decline in that of agriculture.
- Second, the share of agriculture employment falls while that of the total labour force in other sectors of the economy increases. Third, economic activity shifts from rural areas to the cities leading to an increase in the degree of urbanization.
- In countries where economic transformation has taken place, the middle class has become larger, changes have happened in the way politics works, with emphasis on market-friendly policies and government has become more effective. Experience shows, however, that transformation processes are not uniform. The points of departure matter as much as the leadership and the politics. The process can reveal weaknesses and contradictions in each country,





notably an increase in poverty incidence and higher levels of inequality that have to be dealt with.

### SO WHAT THEN ARE THE ENABLERS AND DRIVERS OF GROWTH?

Given the foregoing it is therefore



necessary to look at socio-economic transformation from broad perspective, in terms of a comprehensive change that encompasses the modernization of Africa's economy, society and institutions. Against the foregoing cautionary backdrop, we now turn to a number of elements considered as the enablers and drivers of growth, especially from an African perspective.

#### • ENABLERS OF GROWTH

**Creating capable developmental states:** In all cases where structural transformation has succeeded, the state has played a crucial role in the process. Unfortunately, the West Africa region is arguably one of the most fragile from a political and security stand point. With nearly half of its countries classified as fragile states, the region exemplifies the problems of state building. This therefore reinforces the need to build developmental states that are able to mobilize the population and build national consensus around a common development agenda, and ensure that adequate resources are committed to achieve it. Above all, the African developmental state must be accountable and responsive to the needs of its population.

**Trade and Industrialization:** Trade continues to be recognised as a key engine of growth. Its catalytic role has

been clearly evident in many regions of the world, especially China. There are projections that in the early 2060s, the share of Africa's trade with the EU and the US is expected to be only half of today's (about 54% of total trade). That to China and other emerging economies will rise in tandem. To reduce its vulnerability to commodity price fluctuations and improve its competitiveness, Africa must develop a robust manufacturing sector and increase inter-regional trade flows in manufactures. These will be important determinants of future success. In West Africa however, poor cross-border and trade facilitation infrastructure, as well as the weaknesses of human capacity and national and regional institutions, property rights and legal enforcement, remain highly relevant challenges to trade and regional integration. Market fragmentation also remains a critical barrier.

**Infrastructure Development:** Africa faces an acute shortage of quality infrastructure, both hard and soft. Current estimates put the medium-term infrastructure-financing gap at US\$390 billion, the bulk of which is for power and energy. Beyond these, and in a longer perspective, the gap can be estimated to run in trillions of dollars. Scaling up infrastructure provision will bolster economic growth, poverty reduction and social inclusion. Partnering with the private sector in infrastructure development is also considered critical.

**Pursuing climate resilient development:** Growing climate change concerns imply that Africa may need to take a different development path from that followed by other regions of the world. This being global/regional public good, African leaders must engage other global partners to ensure that the continent has resources and sufficient capacity to pursue a green path to industrial development, based on low-energy intensity, low-carbon, and clean technologies.

### Harnessing Regional Integration:

The West Africa region remains one of the least integrated regions in Africa and in the world from a trade perspective. The share of ECOWAS intra-regional trade has remained low, at 9.7% of total trade; for the WAEMU, intra-regional trade is 14.5%. This is lower than several other Sub-Saharan Regional Economic Communities (RECs), and it is even lower compared to other RECs outside of Sub-Saharan Africa. Regional integration is critical in promoting peace and security. Furthermore, regional cooperation in the development of infrastructure will lower transaction costs, enhance the development of regional markets, and make manufacturing production and exports more competitive. Regional integration can also contribute to reducing the regulatory burden facing African firms and boost intra-African trade.

#### • DRIVERS OF GROWTH

**Good leadership** will be crucial in helping African countries minimize income inequalities and related social tensions in times of rapidly changing socio-economic situations. Experiences from across the world indicate that while economic development and eradication of poverty can derive from many economic models, success comes from a political leadership that has vision and capacity to implement it. Political stability is critical for national planning, sustaining macroeconomic policies and for creating a good investment climate. It is important for the provision of social services, maintenance of peace and security, encouraging private sector participation in the economy and the incorporation of the rural sector into the modern economy.

**Climate change** will be a key factor in Africa's growth trajectory. The recent drought in the Sahel region of West Africa has shown the vulnerability of the region to climate change. Thus, countries and regional economic communities must incorporate climate change as a key crosscutting issue in their development strategies,

providing financing for both mitigation and adaptation while also emphasizing technology transfer, and research, this is particularly given the impact of climate change on agricultural productivity, food and water security, disease control, biodiversity and land degradation.

With respect to interconnectedness, Africa has opened up to the world in the past few decades as never before—with the private sector taking the lead. Africa's Diaspora sends home resources every year that exceed total ODA for some countries on a per capita basis. The ICT industry is bringing real benefits to Africa in terms of information flow, domestic and international trade, public service provision, human capacity development and innovation and skill enhancement. Africa's economic infrastructure remains a key constraint to interconnectedness and hinders countries from linking and benefiting from the domestic, regional and global opportunities. Railways, a common and cheap form of transportation elsewhere in the developing world, has been slow to develop in Africa. The existing railway infrastructure is old and little investment has been attempted in the last decades. The road infrastructure, though vaster, is uneven and concentrated in urban areas. Rural parts of the countries are poorly served. Infrastructure development will be important for connecting Africa to itself and the rest of the world, and to help it benefit from the economies of agglomeration.

**Urbanization** implies important spatial interactions at the national level that can provide transformative growth opportunities for Africa, but also serious challenges. Urban concentrations of population allow for popular mobilization and for technological innovation and specialization across a range of areas including transportation, education and health. Industry clusters can enhance domestic productivity and raise export competences as happened in China. But urban areas

also provide serious challenges to governments, especially in supply of housing, infrastructure—notably power, water and sanitation, and services, including controlling pollution and crime. Importantly, policies could have an urban bias, as urban dwellers begin to exercise their economic and political power. Strategies will be needed to ensure that benefits of urbanization are maximized while the negative effects are mitigated.

**Science, technology and innovation:** Africa's sustained growth, competitiveness and economic transformation will require investments in new technologies and innovations including in the areas of education, health and bio-sciences, agriculture, and clean energy. African countries would also need to put in place incentives to retain high calibre individuals who excel in science, research and technology to contribute to Africa's development.

**Socio-Economic equality, investing in human and physical development:** Africa has a population of one billion people, which continues to grow. Most of the people are also youth. Africa has more than 500 million people of working age (15 to 64 years). In West Africa about 40% of the population is under 15, and nearly 70% under 30. By 2040, Africa's labour force is projected to reach 1.1 billion, overtaking China's or India's. In 1980, only 28 per cent of Africans lived in cities. Presently, it is estimated that 40 per cent do – which is a share close to China's and larger than India's – and the share is projected to increase. Converting this population bulge into a “demographic dividend” will require aggressive job creation, with corresponding innovative investments in health and education (particularly education in science, technology and skills development).

**Managing natural resource**

**in a sustainable manner:** Africa is endowed with approximately 12 per cent of the world's oil reserves, 40 per cent of its gold, 60 per cent of the world's uncultivated arable land, and vast water, other mineral and forest resources. The natural resource sector is expected to generate, in net present terms, more than US\$ 600 billion (US\$30 billion per annum) in government revenue over the next 20 years. Proper management, including value addition of these resources will translate into substantially improved fiscal positions for governments, the private sector and households that can be used to create other forms of wealth and accelerate poverty reduction.

**Effective private and public sector development:** In recent years there has been a greater recognition of the private sector's role as the engine of growth and a fundamental shift in Africa's policy approach to the private sector with many countries now considering it a key partner in development. In Africa, the sector is dominated by the informal sector. Formal private sector wage employment accounts for only 10 per cent of total employment, with the exception of South Africa where it represents 46%. Private sector initiatives as well as those undertaken in collaboration with the public sector will be important in creating employment and in adding value to Africa's natural resources. In the ECOWAS in recent years, the private sector has also emerged as a new driver of regional integration, with new players operating across countries in the areas of agro-industry, banking, transport, and ICT.







A private sector-led regional sea-link project is expected to contribute to deeper trade integration by sea.

### **Innovative financing mechanisms:**

Among others, Africa urgently needs to bridge an infrastructure gap, which already costs the continent USD\$40 billion a year in lost growth. Experience further indicates that excessive reliance on revenues from commodities, whose prices are susceptible to shocks and volatility or external aid to support economic development is not ideal. This therefore necessitates the search for innovative ways of financing development. Enhanced domestic resource mobilization has emerged as a more sustainable model to shore up financing gaps and for self-reliance. The success stories of East Asia and more recently, China and India, have shown the value of a growth path that is underpinned by high levels of domestic savings and investment. Although challenges remain, significant untapped domestic resource mobilization potential is foreseen in Africa. Some potential sources are: mobilizing public finance; managing natural resource revenues; tackling illicit capital flows; air travel levies, sovereign wealth funds including inter-generational funds based on exhaustible natural resources, carbon taxes dedicated to financing investments in clean energy etc.

**Global factors and the Changing Rules of the Game:** Beyond domestic factors, Africa needs to pay heed to global forces and the changing rules of the game. As the world becomes more integrated, Africa cannot afford

to remain isolated. It is now well acknowledged that China's influence in Africa will increase considerably in the coming decades. But as China rebalances its model towards a domestic consumption driven rather than an export led economy there will be implications for Africa's long-term growth prospects, including the quest for industrialization. The continent should continue to see the older markets of Europe and America and South-South Cooperation as part of a broader diversification strategy

### **Optimism on the horizon**

There is certainly optimism on the horizon that Africa's moment has come. The African Development Bank shares that perspective. However, acutely aware of the need for it to sustain the tempo, the Bank together with the AU and the UNECA has been actively involved in a number of initiatives, among them, the Agenda 2063. The Bank is promoting new, innovative and sustainable ways of financing Africa's development, among them the promotion of the Africa 50 (Legacy) Fund, in addition to key roles in the PIDA and infrastructure development. Furthermore, in support of the AU Agenda 2063, the Bank is dedicating this year's annual meetings scheduled for Kigali, Rwanda, to the topic "The Next 50 Years: The Africa We Want", aimed at provoking serious thoughts on Africa's development trajectory in the years ahead.

To guide its overall continental operations, the Bank has recently launched its Ten Year Strategy (2013 - 2022, which is anchored on overall concept of transformation with the inclusive growth and transition to green economy are core pillars, which directly align with the foregoing objectives.

### **Regional Bank Group Portfolio Performance West Africa**

Focusing specifically on West Africa, the Bank has also remained active in

the region, having been guided in its intervention by the West Africa Regional Integration Strategy Paper (WA-RISP) whose key pillars are: (i) linking regional markets and, (ii) building capacity for effective implementation of the regional integration agenda. Key areas for intervention have been construction and rehabilitation of transnational roads, hydroelectric dam and plants, high tension transmission and interconnection lines, as well as the implementation of an integrated financial system in the West Africa Monetary Zones (WAMZ), as well as the soft sides of infrastructure dealing with trade facilitation. Thus as of December 1<sup>st</sup>, 2013, the Bank's regional operations portfolio in West Africa included 43 multinational operations for a global amount of UA 667 million (\$1,023.31 billion). The portfolio is predominantly focused on the infrastructure sector, especially energy and transport, which accounts for 26 interventions for a total of UA 513 million (787.04 million) or 76.91% of commitments. The finance and social sectors account for 14.95% and 4.79% respectively. The predominance of infrastructure is due to the priority accorded to these sectors in the Bank's support for regional integration and, consequently, the considerable resources mobilized by the Bank for electrical interconnections and road corridor projects.

There is also the new Initiative currently being developed, targeted at the Mano River Union subset of the ECOWAS, under a renewed commitment to the challenges of fragility, with a view to accelerating development, connecting people and building capacity. The initiative is targeted to support and intervene in four key sectors: Energy, Transportation, ICT and Trade Facilitation, with projected cost implications of about \$4.5 billion. A second phase of the initiative will be focused on devising strategies for resource mobilisation.



# CRIMINALISATION & FAIR TREATMENT OF SEAFARERS - THE ROLE OF THE JUDICIARY

By John Hare, Professor Emeritus in Shipping Law, University of Cape Town

## INTRODUCTION

The past decade has seen a plethora of complaints about the practice of some shore states that clap seafarers in irons (at least figuratively) after a maritime casualty. There has been much academic discussion and writing on the topic, spurred largely by the conspicuous use (and at times clearly abuse) of national criminal justice systems in the wake of usually all-too-conspicuous disasters. It is not only headline disasters such as the Exxon Valdez, Erika, Prestige and Costa Concordia that have seen ship's masters put into the stocks: seafarers have for centuries been subjected to punishment for their perceived misdemeanours. And there continue to be arrests of masters for comparatively minor infringements of laws, often thinly disguised to force the payment of what is in reality a bribe, bureaucratically clothed as a 'fine'.

The seafarers' life is increasingly hard and unglamorous. A constant fear of being thrown into jail in a hostile country will surely keep the feet of many aspirant seamen hard aground.

## Background

A career at sea (especially, if we are to believe the Rolls of Oleron, for a pilot) is not for the faint hearted. As if the sea itself is not a difficult and dangerous enough taskmaster, the seaman has to contend at times with perils far worse. History is replete with stories of sadistic psychopathic Captain Ahab's who persecute their small, encapsulated worlds with excesses and abuses unseen and unheard by the broader community on land. When seamen pluck up courage and opportunity to complain, their plight is too often ignored by deaf and uncaring ears. Fortunately, and largely through the efforts of NGO's like the Missions to

Seamen and the ITF, there is now considerable institutional notice being taken of their plight, and the recent Maritime Labour Convention (MLC) now in force bodes well for improvement in working conditions and treatment of seafarers generally.<sup>1</sup> The crucial test will be implementation and policing of MLC provisions, but the Convention will surely make a positive contribution.

While on-board conditions are set to improve with the MLC, the environment in which masters and crews serve society has at the same time taken a dangerous turn for the worse, in two respects. First, the scourge of modern-day piracy that holds the shipping industry to ransom exposes ships and their crews to dangers not encountered since the times of ferocious pirates and their licensed though equally rapacious cousins, privateers.<sup>2</sup> Today's pirates

<sup>1</sup>The Maritime Labour Convention, 2006 which came into force in August 2013. For background see Couper *Voyages of Abuse* Pluto Press 1999.

<sup>2</sup>Pirates have always been regarded as criminals against humanity. Privateers were pirates with Letters of Marque entitling them to prey on enemy ships during times of hostility. Both were, and remain, barbarous villains.





are ruthless criminals against which unarmed and untrained seamen have little chance of resistance. The world's lawyers and bureaucracies continue to dance around the issue, debating peripheral semantics like whether pirates are terrorists and terrorists are pirates. Many countries can't quite decide whether all piracy is a crime in their legal systems and even if it is, whether they have the jurisdiction to try and punish pirates. And many pirates once captured, are simply released onto their own beaches, again to ply their barbarous trade with impunity.

Yet the same world that can pussyfoot around the criminal responsibility of pirates seems to have little difficulty in using its bureaucratic legal and criminal justice systems to introduce yet another, rather more insidious, peril of the sea to blight the vocation of the sailor: the criminalisation of master, officers and crew following accidents at sea.

Consider the example of the Erika. In December 1999 the tanker Erika broke in two and sank 60 miles off Penmarch Point in Brittany, spilling some 14 000 tons of heavy fuel oil from her cargo tanks. The vessel had been chartered by Total in good faith on the basis of certification issued by the classification society Rina. The master was arrested by French authorities and detained in a French

jail for a week before being released by the Paris Tribunal which acquitted him of all charges. Of significance is that the Master of the Erika had only held command of the vessel for a month and a half before the sinking.

<sup>3</sup>

In most cases, there was little or no opprobrious conduct on the part of the master though there was conspicuous ecological or property damage. Yet these masters were all publicly pilloried in the stocks of the local criminal justice systems. "Justice" perhaps being not an entirely suitable description.

The question that maritime lawyers thus need to ask themselves is whether it is appropriate for coastal states faced with maritime accidents to call masters and crews to task as common criminals or whether investigation and remedial action is better left to shipping authorities, with restitution of damages being processed through international liability and compensation regimes as civil claims.

Where, for instance, should the line be drawn when on-board personnel cause an accident by an error? In times past, it was generally sufficient that a shipping enquiry be held by a specialist tribunal, in which the actions of the master and crew were assessed as to fault and blameworthiness by shipping experts. Sanction of suspension or cancellation of a mariner's certificate of competency is surely the most appropriate first stage procedure – and this lies within the remit of most jurisdictions' marine courts of

enquiry. If the actions assessed properly by a marine court of enquiry show criminality, then (and usually only then) is the time for prosecutors to enter the fray.

In the above example of detention however, the examination of the conduct of the master and crew involved the intervention of the criminal law enforcement authorities of the affected state. And the most pressing question of all then arises: does this process result in the fair treatment of seafarers consequent upon a maritime accident.

### PHILOSOPHICAL REASONS FOR THE ARREST OR DETENTION OF MASTER AND CREW

The early origins of criminal laws were founded upon the desire to wreak revenge on the perpetrator in a manner that would satisfy the victim and society, severe enough to act as a deterrent. Only in comparatively recent times have criminologists looked to more constructive motivation of punishments such as restorative justice and rehabilitation of the offender.

But the maritime world seems to have fallen back to the primary motivation of vengeance in its treatment of seafarers who cause or even who are innocently drawn into a maritime casualty. Much of the reasoning for what many criminologists would regard as a retrogressive step, is to be found in the general acceptance of a strict, no-fault no-nonsense criminal responsibility for environmental damage.

Once the principle is established that if there is a discharge of oil the master is guilty of an offence, then the law-makers and society are more ready to accept without question that if there is a collision, or if there is a grounding, or if there is damage to an

<sup>3</sup>Readers are referred to the astounding content of the BBC interview with the master of the Erika of which a transcript is attached as Appendix A. No contact took place between the young and entirely blameless master, and his shipowner employer.



the making of the shipping industry itself. The reality of ship owning corporate structures, with one-ship companies having obfuscated beneficial ownership and bearer shares, results in an inability to find, and find quickly, a 'shipowner' to take the public rap.

underwater telecoms cable or even (as has happened in some West African countries) there is a delivery of cargo less than the manifested quantity, the master is guilty of an offence. The rule of law, of fairness and due process is given a back seat by a society which accepts that there must be a human face in the dock.

This practice smacks of scapegoat. In many instances a maritime state faced with a serious environmental problem resulting from a maritime casualty faces an electorate rapidly turned into a mob. The outrage, not entirely unjustified, must be directed somewhere. And the state can so easily deflect the anger directed at itself by shifting conspicuous blame onto those most intimately and often defencelessly connected with the casualty - the master and crew. That deflection is often rooted in politics. The politics of a lack of preparedness of the shore state to deal with the casualty, and the politics of perhaps bad decisions taken by the state leading up and even contributing to the casualty. The attitude of the Spanish government in refusing refuge access to the *Prestige* at a stage when she and her cargo may still have been saved, comes to mind. Similar examples are legion.

Another possible reason may be of

Absent a corporate owner, shore states facing a casualty are quick to point an accusatorial finger at those readily available in their jurisdiction: the officers and crew.

There is another angle to this practice of finger-pointing. The defence of nautical fault is perhaps the most useful in the arsenal of exclusions of liability given to a carrier by the Hague-Visby Rules. Where cargo loss is caused by an act, neglect or default in management of the ship the carrier walks away from cargo claimants, scot-free.<sup>4</sup> This exclusion has been the bane of the cargo claimant lawyer for generations. It was removed from the Hamburg Rules and is absent also from the carrier's exclusions of the Rotterdam Rules. But much of the world's cargo is still carried under Hague-Visby, and is likely to remain so for some years to come.

#### Alternatives to criminalisation

Is there a viable alternative to criminalisation of a seafarer's actions to satisfy the mob or to deflect attention from state ineptitude or shipowner's self-interest?

Until criminalisation of conduct causing injury and death and later of environmental damage paved the way for the criminalisation of much lesser transgressions, the shipping

industry was comfortable with the process of formal enquiry. A maritime accident, anywhere in the world, should elicit an administrative enquiry from the flag state or from a state affected by that accident. The Marine Court of Enquiry, thus convened, has the primary purpose of ascertaining the facts so that it can make a finding which may help in preventing a repeat occurrence. Its reach goes beyond those immediately involved. It may for example look at shortcomings in navigational aids or in the conduct of those ashore. And, as part of its punitive purpose, it may then reach a finding on the blameworthiness of those whose conduct caused or contributed to the happening of the accident. Most countries give such tribunals the power to cancel or suspend the certificates of competency of mariners found to blame. Culpability is addressed, fairly, by those with shipping experience, usually advised by nautical assessors. Loss of standing, pride and the ability to earn a living from one's profession was always considered heavy enough punishment without the 'accused' ever seeing the inside of a prison cell.

Ghana has been no exception to this practice: the Ghanaian enquiry procedure after a casualty involving a Ghanaian ship anywhere, or any ship in Ghanaian waters is entrusted to a Wreck Commissioner, who conducts a formal investigation with the powers of a District Court, duly assisted by not less than two assessors who are persons who have nautical, engineering or any other special skills or knowledge as the occasion demands, to assist the Wreck Commissioner in a formal investigation.<sup>5</sup> This procedure is based on English precedent, and is found in many parts of the world, with or without the necessity of a preliminary (and purely administrative) investigation.

<sup>4</sup>Hague-Visby Rules Art IV Rule 2(a).

<sup>5</sup>Ghana Shipping Act, 2003, Chapter 16. If suspension or cancellation of certificates of competency are envisaged, the assessors shall have nautical experience





### INTERNATIONAL INSTRUMENTS PROVIDING FOR ARREST OF MASTER AND CREW ON CRIMINAL CHARGES

It has been mentioned earlier in this paper that there should be situations, generally recognised as legitimate, in which criminal sanction against seafarers is allowed. Let us examine some:

#### Oil Pollution Offences

Many countries have criminalised the MARPOL prohibitions on the discharge of oil and other related offences committed in relation to the carriage of oil cargoes and bunkers.<sup>6</sup> But the sovereign power of a state to criminalise MARPOL obligations must not conflict with the convention itself. Thus, MARPOL subjects those obligations and prohibitions to the over-ride that they will not apply to a discharge of oil resulting from damage to the ship 'provided all reasonable precautions have been taken' after the damage to prevent or minimise the spill. This is in effect a 'due diligence' exclusion which only falls away if the state proves that the

owner or master acted recklessly or with intent.<sup>7</sup> There is no reverse onus, and to the extent that a state party to MARPOL enacts such a reverse onus, it should be void as a breach of its treaty obligations.

The reality is that most states<sup>8</sup> provide for criminal prosecution of seafarers at least in situations involving oil pollution. Many states refer such prosecutions to the criminal justice system, preserving their domestic requirements of proving criminal responsibility, and hopefully the requirements of fair process.

#### Environmental Laws

Outside of oil pollution, some countries have enacted legislation to protect the environment and to punish transgressors who cause environmental loss or damage. Thus the Australian legislation of which the master of the *Sheng Neng 1* fell foul.<sup>9</sup> The Great Barrier Reef Act imposes a strict liability on the master for entering or damaging the reef area (though there is a due diligence exemption in that the offence only requires a failure to take all reasonable steps and to exercise due diligence to prevent the vessel ... being used in committing the offence).<sup>10</sup>

This type of legislation is also found in

United States' marine sanctuaries where the focus would appear to be on restorative civil liability rather than punitive damages. Nevertheless there is provision for a \$100 000 fine for any transgression of the US National Marine Sanctuaries Act.<sup>11</sup>

### INTERNATIONAL EFFORTS TO ADDRESS CRIMINALISATION AND PROMOTE FAIR TREATMENT OF SEAFARERS

The international shipping community is alive to the problems of unfair treatment of seafarers and especially to the over-zealous use of criminalisation. Much has been said, and a fair amount achieved in the direction of improving the lot of the seafarer at the hands of shore state authority.

Many shipping bodies have been involved in this process, notably the CMI, BIMCO, the ITF, INTERTANKO, the ICS, the ISF, the International Group of P&I Clubs Numast, and the Nautical Institute. All have reported up the line to the IMO and the ILO as a result of which there was useful input in the negotiations leading up to the finalisation of the Maritime Labour Convention, 2006.<sup>12</sup>

### THE ROLE OF THE JUDICIARY IN THE QUEST FOR FAIR TREATMENT OF SEAFARERS

How can the judiciaries of the maritime world help alleviate the plight of the seafarer? The start must surely be the dictum of Lord Stowell in *The Minerva*<sup>13</sup> where the learned judge suggested that the court should be the 'upper guardian' of seamen, of whom he spoke as 'favourites of the law'. This view has

<sup>6</sup>MARPOL Regulations 9 and 10.

<sup>7</sup>MARPOL Regulation 11(b).

<sup>8</sup>Perhaps the most notable (some would say notorious) is the United States' Oil Pollution Act, 1990, s 1002(a) of which makes the responsible party liable for discharge. Limitation is relatively easily broken by the provisions of s 1004(c), and criminal prosecution may follow a spill.

<sup>9</sup>See the factual record above. The Great Barrier Reef Marine Park Act, 1975.

<sup>10</sup>Ibid, s 38FA.

<sup>11</sup>33 U.S.C. § 1443.

<sup>12</sup>Adopted in 2006 and to come into force a year after 30 ratifications comprising a third of the world's tonnage have ratified or acceded to the Convention.

<sup>13</sup>*The Minerva* (1825) 1 Haggard 347 at 358 quoted in *Hare Shipping Law*, *op cit* at 284. Lord Stowell went further, saying that seafarers required protection 'even against themselves'.

long formed part of English law. Thus the words of Kay:

*'The Court of Admiralty always sought to protect (seamen) against circumvention, oppression and injustice and even against misapprehension and error, and was anxious that they should not be harassed with litigation...'*<sup>14</sup>

Protection against oppression and injustice would be a clear duty of any maritime judge applying domestic or international law to assess the actions of a seaman involved in a casualty. But perhaps not so simple is the suggestion that seamen should also be protected against 'misapprehension and error'. By implication, the judicial system's role here would be to ensure that a seaman's fault is adjudged upon a correct assessment of the facts. And this brings us back to the procedural rules of the particular jurisdiction, and the role of the Marine Court of Enquiry.

Countries whose system harks back to the English Merchant Shipping Act will have in place the mechanism for the convening of a Marine Court of Enquiry after any maritime incident causing damage, loss or injury.

Many states (such as Ghana) accord to the Marine Court of Enquiry a judicial status – in Ghana, that of a District Court. And as such, proceedings would surely be subject to principles of the rule of law.

The role of the Court of Marine Enquiry is crucial to the way collateral damage flowing from a casualty is dealt with, including the decision of whether or not criminal charges should follow; and the outcome of civil liability suits. The Court is charged with making a finding on the

facts of the matter, and arising from those facts, on the causative fault of those involved – who may have been on board or ashore. In relation to those on board whose actions were causative, the Court of Marine Enquiry is then empowered to take punitive action, normally limited to the cancellation or suspension of certificates of competency.<sup>15</sup> Further recommendations relating to nav aids or onshore facilities or controls are also appropriate.

With this system of informed assessment available, albeit at a lower level of the judicial hierarchy than the High Court, maritime states should exercise restraint in preferring criminal charges against seamen just because they were on board a ship that has suffered a casualty. The formal enquiry procedures should enable prompt convening of a Court of Marine Enquiry to ensure the presence of witnesses and the preservation of evidence. It is perfectly acceptable for those witnesses to be required to remain in the jurisdiction pending the enquiry, yet in all but extreme situations of dereliction of duty house/hotel detention is clearly preferable to detention in a prison, with or without criminal charges being laid.

Judges in maritime states who understand the plight of the seaman, and perhaps also the reasons why the seaman is so often the scapegoat of



an inaccessible shipowner, can play a significant role in ensuring that their marine court of enquiry procedures are fair, and that they are fairly applied. On occasions, applications for release from prison are brought on behalf of detained seamen. Seized with such applications, judges can play their traditional role as guardians of seamen not entirely dissimilar to their roles as upper guardians of children. This means no disrespect to seamen: the reality is that a foreign seaman, speaking a foreign language, usually without recourse to funds and often without legal representation, needs the protection of the courts.

It is not uncommon for a challenge of bail conditions to be brought before the High Court where seamen are charged. Not uncommon also, is the clear indication that an inordinately high bail amount is set, clearly to discourage the seaman from absenting from the jurisdiction, or worse, to encourage some form of commitment to the payment of costs or damages arising from an incident is circumstances where the true owner of the ship has not come forward.

More complex is the question of the laying of criminal charges. The correct procedure must usually be for a Court of Marine Enquiry first to make its investigation and its expert

<sup>14</sup>Kay *Shipmasters and Seamen* 2nd Ed, 1895 at 330.

<sup>15</sup>In South Africa, the Court of Marine Enquiry has the power to cancel or suspend not only South African national's certificates, but also those of foreigners. But the reach of such a suspension would probably not extend beyond South Africa's own waters. See Hare *Shipping Law*, *op cit* at 380.





assessment. Informed by the enquiry, it is then for the prosecuting authorities to decide whether to initiate criminal charges. Often (such as in relation to the Costa Concordia) the state takes an early view of prosecuting. But even then, the charges should be put on hold until the Court of Marine Enquiry has run its process.

Many judges intermeddle in the decision of the prosecuting authority to lay charges against a seaman? The Rule of Law requires that the functions of judges and prosecutors be, and appear to be, independent of each other. In essence, it would be inappropriate for a court to intervene and attempt in any way to block or even to influence the prosecution of seamen. And this appears to be the position in both the civilian inquisitorial and the common law accusatorial systems. But once those seamen are before the court facing criminal charges, a judge is surely required to do his or her part in ensuring fair, impartial and effective administration of justice.

There are of course exceptions where seamen have committed a statutory crime, and where fast-track prosecution without a Court of Marine Enquiry is appropriate. This is usually the case in relation to pollution and drug offences. Usually these charges are met with a plea bargain, and settled in the lower criminal courts without recourse to High Court judges unless allegations

of ill-treatment are made. And imprisonment is seldom necessary. It is also clearly accepted that, upon informed findings by a Court of Marine Enquiry, it may be appropriate for the shore state to exact punishment that goes beyond the powers of the Enquiry. Thus where there is loss of life or serious injury, or where there is serious pollution or other property damage caused, criminal charges may rightly flow. But the proper trial of such criminality, should be well-informed by the prior proceedings of the Court of Marine Enquiry – as should the decision to proceed with a prosecution in the first place. And again here the judiciary has a role to play as the upper guardian of seamen, proactively preventing oppression and the harassment of litigation.

### CONCLUSIONS

Where does all this leave the seafarer? Will young people of the future chance a career at sea when they have to contend with the terrors of modern piracy and frightening administrative unfairness if things go wrong? Many believe that these threats, coupled with the undoubted disappearance of much of the 'romance' of a life at sea in tanker or container trades, will result in a dire shortage of seamen. The continuing efforts of the IMO and the ILO to improve the lot of the seafarer are commendable. Responsible states and their courts will be guided accordingly and will hopefully begin to regard seafarers as those in need not of rough and ready treatment bordering on abuse, but of special protection. Being away from one's home and the support system that one's home country provides, is good

reason enough for that special treatment. Language barriers, bureaucratic and autocratic arrogance, and a lack of understanding of how a foreign legal system operates must be a terrifying sequel to what is always a traumatic experience when a ship is involved in an accident.

Understanding that accidents do happen and that mistakes can be made, should allow those who have charge of an investigation to show appropriate respect for the rights of the human involved in what for that person is always a tragedy. Recognizing basic human rights and dignity; recognizing reasons behind reticence to speak up – language and sheer fear being high on the list; recognizing that often the truly culpable errors have been made not by the seamen in the dock, but by their owners and operators by putting them to sea on unseaworthy, substandard ships in the first place; all these sensitivities can only help in making the seafarer feel less threatened, and thereby make him or her more cooperative.

For if seafarers are really given the protection to which the law has always believed them entitled, it is not unreasonable to suggest that the enquiry itself may benefit from the willing disclosure of more truths and fewer lies – in less time. And the custodian of that protection is the court and its judiciary.

With an understanding of the plight of the distressed seaman after a maritime casualty and an acceptance of the court's role as the upper guardian of those serving at sea, the judiciary is the seaman's bulkhead against Kay's oppression and injustice; misapprehension and error; and harassment by litigation. It is here that judges the world over can and should make a difference.

*(This article is an excerpt of a paper presented at the 9th Maritime Seminar for Judges in Ghana, 2013)*



# GHANA SHIPPERS' AUTHORITY

## DON'T PAY MORE ON PORT CLEARING CHARGES

Acting under the auspices of the Ministry of Transport and in accordance with the Ghana Shippers' Authority Regulation 2012, (L.I. 2190), the Ghana Shippers' Authority has on behalf of shippers concluded negotiations of charges administered at the ports by Clearing Agents and Freight Forwarders as follows:

### Professional Fees of Clearing Agents / Freight Forwarders for the Sea Ports

SERVICE	AGREED MAXIMUM CHARGE
<b>1. GENERAL CARGO</b>	<b>GHC</b>
i. <b>Conventional</b> Minimum charge up to 100 metric tons e.g. Steel products, plates, drums, etc	220.00
Any metric ton thereafter	1.17
ii. <b>Bagged</b> e.g. Sugar, Flour, Rice, etc. per metric ton	0.72
<b>2. VEHICLES</b>	<b>GHC</b>
i. Saloon Cars	300.00
ii. Commercial Vehicles (Mini Buses, Vans, 3 Seater Estates etc)	432.00
iii. Trailers, Trucks, Buses etc	540.00
iv. Motor Bikes etc	96.00
v. Earth Moving Equipments eg. Excavators, Bulldozer, Dumpers	720.00
• Unstuffing Vehicles in Containers attracts an extra charge of:	80.00/20" 160.00/40"
<b>3. CONTAINERISED CARGO</b>	<b>GHC</b>
i. 1 X 20"	480.00
ii. 1 X 40"	640.00
iii. Part container goods up to 5 metric tons	192.00
iv. Any metric ton thereafter	24.00
<b>4. SPECIAL SERVICES (Documentation)</b>	<b>GHC</b>
The Bulk or Containerised or Vehicle charge applies + a processing fee as shown below:	
i. Warehousing	140
ii. Ex-Warehousing	140
iii. Bond to Bond	200
iv. FCVR Processing	100/BL
v. FCVR Petition	75/petition
vi. Clearance Permit	150
vii. Pre Entry (KIA)	150
viii. Dangerous Goods	300/TEU
ix. Permits & Licenses from MDA - Electronic Manual	25 50
<b>5. FORMS/SERVICE</b>	<b>CHARGE/FEE</b>
Import Declaration Forms Amendment	As per issuing Authorities
Delivery Order	As per Shipping Agent
Terminal Handling Charges	As per terminal operator
Dangerous Goods Surcharge	GHC9.00

### Professional Fees of Clearing Agents / Freight Forwarders for K.I.A

SERVICE	AGREED MAXIMUM CHARGE
<b>PERSONAL EFFECTS (IN KILOS)</b>	<b>GHC</b>
01 - 20	68.00
21 - 40	76.00
41 - 60	84.00
61 - 80	92.00
81 - 100	102.00
101 - 150	184.00
151 - 200	195.00
201 - 300	208.00
301 - 400	229.00
401 - 500	256.00
<b>COMMERCIAL GOODS (IN KILOS)</b>	<b>GHC</b>
01 - 20	81.70
21 - 40	88.50
41 - 60	102.00
61 - 80	120.10
81 - 100	217.10
101 - 150	220.95
151 - 200	229.30
201 - 300	259.20
301 - 400	283.40
401 - 500	312.00
Cargoes in excess of 500 kilograms attract GHC0.20 per additional kilogram	
<b>OTHER CHARGES</b>	<b>GHC</b>
Human Remains	250.00
Saloon Cars (per vehicle)	200.00
Commercial Vehicles (Mini Bus)	250.00
Motor Cycle (per unit)	100.00
Dangerous Goods per air way bill	350.00

### Professional Fees of Clearing Agents / Freight Forwarders for Aflao and Elubo

SERVICE	AGREED MAXIMUM CHARGE
<b>CUSTOMS CLEARANCE CHARGES</b>	<b>GHC</b>
Articulated Truck	500.00
Cargo Truck Load	400.00
Saloon Cars Import	400.00
Van and Bus Import	400.00
20' Footer Container	300.00
40' Footer Container	500.00
<b>TRANSIT</b>	<b>CFA</b>
Saloon Car	200,000.00
Van	250,000.00
Articulated Trucks	300,000.00
Cargo Trucks	250,000.00
Articulated Load	500,000.00
Cargo Truck Load	300,000.00
<b>EXPORT</b>	<b>GHC</b>
Articulated and Cargo Trucks	200.00
Dangerous Goods	350.00/ Transaction

### Deconsolidation (At The Golden Jubilee Terminal)

SERVICE	AGREED MAXIMUM CHARGE
<b>GOODS IN CONTAINER</b>	<b>GHC/Rate</b>
Maximum cost of a 20' container (20' container = 28cbm)	1,800.00 with a rate of 64.00 per cubic meter
Maximum cost of a 40' container (40' container = 56cbm)	3,000.00 with a rate of 54.00 per cubic meter (56cbm)
<b>NOTE:</b>	
Maximum cost of a 40' container with 3 vehicles = GHC 3,900.00 with a rate of GHC1,200.00/saloon car and GHC 1,500.00/SUV	
Maximum cost of a 40' with 5 cars = GHC 4,290.00 with a rate of GHC 850.00/saloon car and GHC 1,000.00/SUV	

### Deconsolidation (At Own CFS)

THC FOR GENERAL GOODS	AGREED MAXIMUM CHARGE
<b>VOLUME</b>	<b>THC RATE IN GHC</b>
0 - 1.0cbm / 0 - 99kgs	238.05
1.1 - 2.0cbm / 100 - 199kgs	322.00
2.1 - 3.0cbm / 200 - 300kgs	386.40
3.1 - 4.0cbm / 301 - 400kgs	434.70
4.1 - 5.0cbm / 401 - 500kgs	499.10
5.1 - 6.0cbm / 501 - 800kgs	531.30
6.1 - 7.0cbm / 801 - 1000kgs	563.50
7.1 - 8.0cbm / 1001 - 1300kgs	611.80
8.1 - 9.0cbm / 1301 - 1500kgs	626.75
9.1 - 10cbm / 1501 - 1700kgs	661.25
Any 1cbm thereafter	30.00

### Transit Charges Tema and Takoradi

SERVICES	AGREED MAXIMUM CHARGE
<b>TRANSIT CHARGES</b>	<b>CFA</b>
Textiles/TEU	630,000.00
Alcoholic Beverages/TEU	540,000.00
Others e.g. Biscuits, Candies, Slippers, etc/TEU	270,000.00
Saloon Cars	270,000.00
4WD and Vans	297,000.00
Trucks, Buses and Trailers	495,000.00
Bulk Cargo - Non Containerized - Direct Delivery	3,600.00/mt
Shed Cargo - Indirect Delivery	4,050.00/mt
<b>NOTE:</b> These transit charges include all expenses except port rent/demurrage. Apart from the approved charges, there should be no fees - miscellaneous, other charges, etc	

### HEAD OFFICE

5th Floor, Enterprise House,  
High Street  
P. O. Box GP 1321, Accra  
Tel: + 233 (0)302 666915-7/  
666463  
Fax: + 233 (0) 302 668768  
E-mail: info@shippers-gh.com  
Website:www.shippers.org.gh

### TEMA

5th Floor, GPHA Towers  
P M B, Tema  
Tel: +233 (0) 303 953374-6  
Fax: +233 (0) 303 205592  
E-mail: gsatema@shippers-gh.com

### KUMASI

4th Floor, SSNIT House, Harper Road, Adum.  
P O Box 6604, Kumasi  
Tel: + 233 (0) 3220 - 22533/  
29751  
Fax: + 233 (0) 3220 - 29751  
E-mail:gsaksi@shippers-gh.com

### TAKORADI

2nd Floor, Takoradi Shippers' Centre  
P O Box 902, Takoradi  
Tel: + 233 (0) 3120 21739  
Fax: + 233 (0) 3120 21749  
E-mail:gsatdi@shippers-gh.com

### SHIPPER COMPLAINTS & SUPPORT UNITS

• **Kotoka International Airport - Aviance Cargo Village**  
Tel: +233 (0) 302 958136

• **Aflao Border**  
Tel: +233 (0) 3625 30961;  
Mobile: +233 (0) 20 9538394

• **Takoradi Port**  
Tel: +233 (0) 3120 91754

• **Elubo Border**  
Tel: +233 (0) 3122 22122;  
Mobile: +233 (0) 20 8267489;  
Fax: +233 (0) 3122 22012

• **Paga Border**  
Mobile: +233 (0) 26 3603290

**Toll Free: 0800 30005**

- The agreed rates take effect from 1st October 2013.
- Charges exclude VAT and NHIL.
- Shippers should insist on receipts for every payment.
- In case of any challenges please contact the Ghana Shippers' Authority through any of the contacts provided herein.

**NB.** Negotiated charges of other shipping service providers would be published in due course.





## GOVERNMENT ENGAGES PRICEWATERHOUSE COOPERS AS TRANSACTIONS ADVISOR FOR THE BOANKRA INLAND PORT AND EASTERN RAILWAY LINE PROJECT

The Government of Ghana has signed a contract with Messrs Pricewaterhouse Coopers (PwC) for the provision of Transaction Advisory Services for the development of the Boankra Inland Port and the Eastern Railway Project.

This project falls within the broad Ghana Trade and Investment Gateway (GHATIG) Programme. In this programme Government seeks to achieve rapid economic growth by transforming Ghana into a major manufacturing, processing and multimodal transportation hub in the sub-region, through the development and improvement in transportation and port infrastructure, among others.

In furtherance to the above, the Ministry of Transport, acting through its agencies the Ghana Shippers' Authority (GSA), the Ghana Ports and Harbours Authority (GPHA) and the Ghana Railway Development Authority (GRDA) is promoting the development of Boankra Inland Port and the rehabilitation of the 330 kilometre Eastern Railway Line as a single project; bearing in mind that

the railway is central to the success of the Inland Port.

At the signing ceremony on July 10, 2014, the Minister of Transport, Mrs. Dzifa Attivor underscored the importance of the project and noted that there was also pressure from the citizenry and civil society organizations for the delivery of this and other critical transport infrastructure and services for accelerated socio-economic development. She noted that the procurement of the Transactions Advisor was an important step in Government's efforts to deliver the project.

As a major component of this project, the Boankra Inland Port on completion is expected, among other benefits, to ease congestion at the seaports of Tema and Takoradi, create job opportunities,

reduce the aggregate transport cost of international cargo to importers and exporters from the middle and northern parts of Ghana. It will also facilitate the use of Ghana's Transit Trade corridor by the landlocked countries of Burkina Faso, Mali and Niger, and promote the establishment of export processing zones in the vicinity of the inland port and also enhance and facilitate customs examination, duty payment and cargo clearance.

The Hon. Minister noted that considering the huge financial investments required to deliver the



The Hon. Min. of Transport, Mrs Dzifa Attivor



The Transaction Advisory Team is made up of Pricewaterhouse Coopers (Lead Consultants/ Financial Advisor), AECOM (Technical Advisor: Port and Rail), Vision Consultant Ltd (Transport Economists, Planners and Engineers) and Patton Boggs/Fugar & Co. (Legal Advisor). The Transaction Advisor would

project. Specifically, these would include feasibility studies on the project, development of financial and economic models, provision of advisory services and the management of the procurement processes leading to the appointment of the Private Sector Partner.

The Transaction Advisors are expected to complete the assignment within 24 months.

project and the inadequate government budgetary resources, Government has adopted the Public Private Partnership (PPP) as a strategic investment option for financing critical infrastructure projects.

The Minister lauded the collaborative efforts of the Public Investment Department of the Ministry of Finance in steering the processes leading up to the appointment of PwC as Transactions Advisor for this project and the World Bank for providing funding.

also be working with a Project Development Team made up of the Ministries of Transport, Finance, Information and Justice & Attorney General, the Ghana Ports and Harbours Authority, Ghana Shippers' Authority, Ghana Railway Development Authority and the Ghana Railway Company Limited

The role of the Transactions Advisor would involve the PPP transaction structuring and international competitive tendering for the engagement of a Private Sector Partner for the execution of the

Mr. Felix Addo, a Country Senior Partner of PwC thanked the Hon. Minister and assured her that his team comes to the job with a wealth of experience that spans several years and would do all it takes to deliver the assignment timeously.

The ceremony was attended by representatives of the World Bank, Ministry of Finance, Ghana Ports and Harbours Authority, Ghana Shippers' Authority, Ghana Railways Development Authority, Consultants and Media Practitioners.



## GHANA SHIPPERS' AUTHORITY

### SHIPPERS ALERT!

#### REQUIREMENTS FOR THE EXPORT OF CHARCOAL

The attention of the Ghana Shippers' Authority has been drawn to the continued exportation of charcoal through the ports of Ghana without the relevant export permits.

In view of the above, the Ghana Shippers' Authority wishes to remind all exporters that exportation of charcoal without a Charcoal Export Permit, embossed with the official seal of the Energy Commission is illegal.

The breach of this requirement is an offence under section 8:4 and 5 of the Renewable energy Act, Act 832 and is liable on summary conviction to a fine not exceeding two thousand penalty units or to a term of imprisonment not exceeding five years or both. Where the culprit is a corporate body that body will be liable on summary conviction to a fine not exceeding five thousand penalty units.

In the light of the above, the Ghana Shippers' Authority wishes

to treat exporters of charcoal to comply strictly with the requirements in order to avoid any undesirable consequences. The Energy Commission is located at Ghana Airways Avenue, Airport Residential Area (Behind Alliance Française), Tel.: 0302 813756/7 or Email: [info@energycom.gov.gh](mailto:info@energycom.gov.gh).

Exporters may also contact the Authority for any further information or clarification they may require on this notice.

Signed

CHIEF EXECUTIVE OFFICER  
GHANA SHIPPERS' AUTHORITY  
Tel.: 0302 666915/7, 0302 666463  
Fax: 0302 668768  
Email: [info@shippers.org.gh](mailto:info@shippers.org.gh)  
Website: [www.shippers.org.gh](http://www.shippers.org.gh)





# THE INCREASING SPATE OF MARITIME PIRACY AND ARMED ROBBERY IN THE GULF OF GUINEA/WEST AFRICA COAST: IMPLICATIONS FOR GHANA'S MARITIME SECTOR

BY Abdul Haki Bashiru, Ghana Shippers Authority

## INTRODUCTION

Maritime piracy or armed robbery and terrorism are terms used to describe violent acts carried out by malevolent actors operating at sea. The latter are typically correlated with the acts of war committed by rogue ideologues while the former connotes criminal activities committed by brigands for profit.

Such characterizations are shortsighted and fail to demonstrate the true meaning of the terms. Moreover, they invite conjectures about the nature of these threats and the factors that give rise to them.

Recent suggestions that a nexus may be forming between pirates and terrorists add further obfuscation to understanding the differences between them. Although there are similarities between the perpetrators of these acts, there are also defining characteristics that allow us to distinguish one from the other.

Policymakers must be able to clearly distinguish these two phenomena in order to develop effective countermeasures.

The intent of this paper, however, is to seek to establish the implications of the rising incidence of piracy along the West African Coast (Gulf of Guinea) on Ghana's growing maritime sector.

There has been an ascendancy in piracy

and armed robbery against ships operating on the coast of West Africa or the Gulf of Guinea. In the last two years, there have been quite a number of reported piracy cases which threaten to undermine the safety and security of the maritime industry across the sub-region.

It has been reported that Piracy on the Gulf of Guinea has now overtaken piracy in Somalia. A report by the International Maritime Bureau (IMB) and other seafarers' groups indicate that 966 sailors were attacked along the West African Coast in 2012, compared with 851 off the Somali coast which previously recorded higher numbers of attacks.

Unfortunately, maritime piracy along the coast of West Africa differs from that off Somalia and may eventually prove harder to deal with. While on the Somali coast there is a large concentration of patrolling warships - from the US Navy, NATO, the EU and others - as well as reconnaissance aircrafts, all acting in a coordinated fashion, the Gulf of Guinea has several national coastlines to patrol with no single unified policing body.

The sudden increase in pirate activities in the Gulf of Guinea and the increasing threat of terrorism in neighbouring Nigeria has raised grave security

concerns to oil shipments in the West African sub-region and these are invariably too close for comfort as far as Ghana's oil installations are concerned.

## Definition

Despite serving as the representative body for international peace and stability, the United Nations (UN) does not offer a satisfactory definition for terrorism, armed robbery at sea or piracy. For instance, piracy is defined by the UN in Article 101 of its Convention on the Law of the Sea (UNCLOS) as an act of violence or robbery carried out for private ends against another ship or person while on the high seas (Division for Ocean Affairs and the Law of the Sea, 1982). This definition is ambiguous and restricts how states may pursue piratical instances vis-à-vis international law.

Similarly, the UN has not been able to provide the international community with an acceptable definition for terrorism. Not having a universal definition for terrorism is problematic in itself, but it becomes more difficult when states must distinguish between piracy, terrorism, and other acts of maritime depredation.

## IMPLICATIONS FOR GHANA'S MARITIME SECTOR

The current situation of increase in reported maritime piracy and armed

robbery cases along the Gulf of Guinea should be a major concern to Maritime Authorities and surely would have negative consequences on the maritime sector in West Africa and Ghana for that matter.

Apart from the insecurities and high business cost this threat poses to the maritime sector of West African States along the West Coast, there is also the risk of reduced competitiveness of shipments to and from West Africa going through the Gulf of Guinea. Some of the most foreseeable negative impact of this development on Ghana's maritime sector include:

### 1. High Cost of Shipping

Due to the insecurities along the Gulf of Guinea, arising out of the many reported piracy cases, ship owners and charterers would be circumspect in traversing this route (Gulf of Guinea) because of the potential of piracy attacks. An increasing number of ships are now avoiding the Suez Canal route and taking the longer route around the Cape of Good Hope. For instance, A.P. Moller-Maersk, one of the world's largest shipping lines, is routing some of its oil tankers around the Cape of Good Hope instead of through the Suez Canal. Naturally, taking the much longer route around the Cape adds both time and expense to each shipment. Diverting from the canal to the Cape on a trip from the Middle East to refineries in the Mediterranean doubles typical transport time from 15 to 30 days. This naturally would lead to an increase in freight charges on cargoes.

### 2. High Cargo Insurance Premiums

The dramatic rise of piracy in the Gulf of Aden is changing the insurance landscape. While piracy is not a new insured risk, the increase in pirate attacks along the Gulf has affected premiums and coverage. Ships that continue to pass through the Gulf of Aden and the Suez Canal

have to purchase a war risk insurance coverage. According to a recent report by UNCTAD, insurance premiums for ships traveling through the Gulf have risen from between 0.05% and 0.175% of the value of their cargo, compared to between 0% and 0.05% in 2008. Premiums for kidnap and ransom coverage have reportedly increased by as much as 1,000%. The additional costs due to piracy are passed on to consumers as shipping companies recoup most of their losses through their protection and indemnity clauses.

### 3. Reduced competitiveness of Shippers

The effects of increased piracy activities in the Gulf of Guinea would also affect Ghana's maritime trade competitiveness. High shipment cost, high insurance premiums and general increase in cost of doing business would all adversely affect the competitiveness of shippers in Ghana. In view of the fact that a number of ships are avoiding the Suez Canal route and taking the longer route around the Cape of Good Hope, this naturally would lead to an increase in transport cost and invariably lower competitiveness of shippers, especially for perishable goods and time (fashion) sensitive goods such as clothing.

### 4. Low vessel calls at the ports.

Increased piracy attacks would eventually increase the risk profile of our waters and would serve as a drawback to vessel calls at our ports. This would render our ports eventually redundant as shipping companies

would most likely move their businesses to less risky locations. The impact of piracy on shipping companies, such as, delays due to escaping maneuvers, damage to the ship and cargo, loss of safe and cash money, loss of cargo, loss of hire, loss of operation during the attack, investigation procedures, loss of the whole ship as a cause of hijacking, cost of ransom, negotiating and delivering the money for ship and seafarers release, investigation costs, and contractual penalties due to delayed or damaged delivery would most likely serve as disincentives to the companies.

### 5. Loss of Revenue to the State

The maritime sector in Ghana is by far the highest contributor to the country's tax revenue base. Low vessel calls at the ports of Tema and Takoradi resulting from fear of pirate attacks would certainly affect the volumes of cargo throughput on which duties and taxes are levied. This would hinder revenue generation and ultimately affect the government's ability to carry out its developmental agenda.

### 6. Negative impact on the National Economy

Loss of revenue resulting from low productivity of the maritime sector may have negative implications on the national economy. There would be shortfalls in revenue depriving the economy of needed capital for socio-economic activities. Loss of







jobs emanating from reduced port operations and parallel operators would lead to unemployment and effectively put more stress on the nation's GDP.

The failure of the maritime sector to support the national economy as a result of the growing piracy activities can also lead to hardship and high cost of living among the populace. High cost of imports would lead to high prices and increasing inflation.

#### 7. Risk of Terrorist Activities

The incidents of piracy and hijackings are linked to terrorism also. Therefore, the increasing spate of piracy along the Gulf of Guinea may lead to terrorist organizations infiltrating the country's maritime waters, given that there is also a growing level of militancy across West Africa as witnessed in Mali and Nigeria with Islamic fundamentalist groups like Boko Haram etc. The sea and other inland waters are channels by which terrorists groups could launch attacks. The success of world trade depends to a large extent on effective hub ports which serve as high volume trade centres. Therefore, hub ports are attractive targets as attacks on them will cause major shocks to the world's trading system.

#### 8. Threat to National Security

Increasing piracy cases along the Gulf of Guinea has negative implications for the national security of West African States and Ghana for that matter. Increased

piracy and arm robbery cases may result in destabilizing West African States including Ghana leading to insecurity. Maritime infrastructure such as the ports and oil installations could be potential targets

for pirates and their extremist associates.

In the high risk area of Gulf of Aden and Somalia coast there are Naval vessels from 16 countries patrolling the area in order to deter piracy attacks and hijacking incidents. The price tag with this act of providing some sort of security is taxing national economies; with the global economy already in crisis this is another burden which does not only end in keeping vessels in the region but once and if pirates are apprehended, the price tag goes up with regard to money spent to keep them in custody and try them in courts of law, although some steps have been taken to reduce these costs by regional agreements but still costs are quite high.

#### 9. Interference in Global Supply Chain Operations

Ensuring security of maritime supply chains is critical to international trade. The impact of piracy on international level, can affect the maritime industry, such as ports and terminals, cargo owners, seafarers, and the environment, to list a few. Shipping companies especially face one of the great impacts as they are responsible for international trade between countries around the world. In an effort to avoid pirate attacks, an increasing number of vessel owners are altering their fleets from the traditional trading routes. Therefore, as more vessels begin to avoid the area, an imminent impact on cargo delivery times can be expected to take place, which have a direct impact on the cargo owners as well as the

consumers. This may eventually place the market out of balance and cause the freight rates and prices of goods to increase.

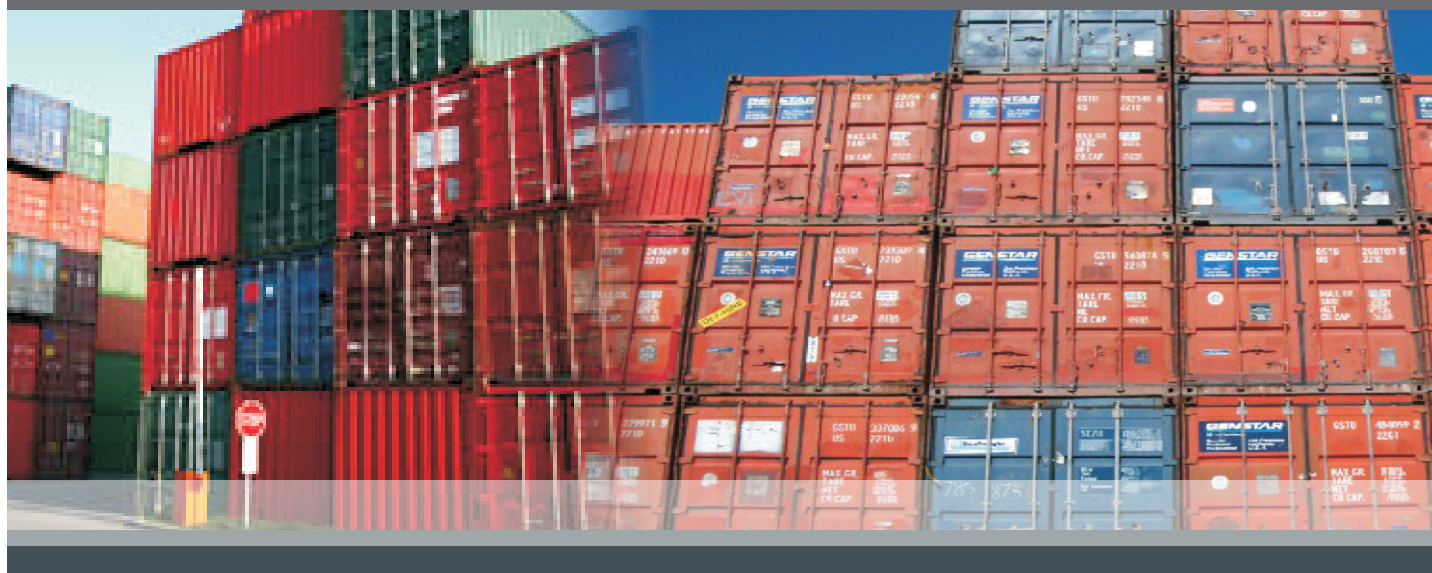
#### CONCLUSION

Any terrorist or piracy attack on any of Ghana's maritime facilities and infrastructure is bound to have a telling effect on the economy. As indicated with respect to the value of the logistics chain, our progress and prosperity is dependent on our international trade. Cocoa, which still remains a major foreign exchange earner largely relies on imports to feed its production process and would have to be exported through the ports to earn the country the vital foreign exchange. So are other foreign exchange earners such as manganese, bauxite and other non traditional products.

Any major security breach occasioned by acts of maritime terrorism would affect the level of confidence reposed by the international community in our transport systems and is likely to be disastrous as it would completely erode our competitive edge and dash Ghana's gateway dreams. The country's ports would become "leprosy ports" where no vessels would want to call. Where they do not become leprosy ports, there is a great likelihood that premiums for war risks would increase to very devastating effects.

In view of the above, the Government of Ghana must take proactive steps to equip the Navy to be in readiness to repel or deal with any incidence of piracy within the country's territorial waters. There must also be close collaboration between Naval Commands and Maritime Authorities of ECOWAS member states and intelligence sharing to deal with this growing menace.

There is no simple solution to the problem of pirate attacks against ships off the coasts of Somalia and the Gulf of Aden; it is complex, and requires international effort from maritime organizations, the maritime industry, and shore organizations to work hand in hand to combat and control piracy. The efforts must be on the national, regional, and international level.



# MARITIME TRADE REVIEW

## (January-March , 2014)

### INTRODUCTION

Total cargo throughput at the ports of Ghana for the review period January-March 2014 amounted to over 5.0 million tons, made up of 3.87 million tons of imports and 1.17 million tons of exports.

Total domestic maritime trade for the period also amounted to over 4.7 million tons. This was made up of

over 3.6 million tons of imports which is 76% of total trade, and over 1.15 million tons of exports which is 24% of total trade.

The port of Tema handled over 75 percent of the total trade which was over 3.56 million tons while the port of Takoradi handled the remaining 25 percent for the period.

Total transshipment and transit

cargoes that passed through the ports of Ghana for the period amounted to 282,781 tons (6% of total trade). Out this, 84 percent or 238,002 tons (5% of total throughput) was recorded as transit for the landlocked countries of Burkina Faso, Mali and Niger.

Table 1 and Fig. 1 below give details of the maritime trade for the period.

<b>Table 1 MARITIME TRADE OF GHANA IN TONS - JAN-MAR 2014</b>					
	IMPORT	EXPORT	TOTAL	% of Port	Transit % of Transshipment
<b>TAKORADI</b>	527,713	673,390	1,201,103	25	
<b>TEMA</b>	3,080,937	482,204	3,563,141	75	
<b>TOTAL</b>	3,608,650	1,155,594	4,764,244		
<b>%SHARE</b>	76	24			
<b>TRANSHIPMENT/TRANSIT</b>	267,422	15,359	282,781	6	
<b>TRANSIT</b>	222,955	15,047	238,002	5	84
<b>CARGO THROUGHPUT</b>	3,876,072	1,170,953	5,047,025		

### January-March 2013 & 2014

Comparing the first quarter performance in 2014 to that of 2013 shows that cargo throughput for the review period decreased by 7 percent. Total import and export for the review period both decreased by 8 percent and 7 percent respectively.. Cargo throughput at the Port Tema also decreased by 10 percent while

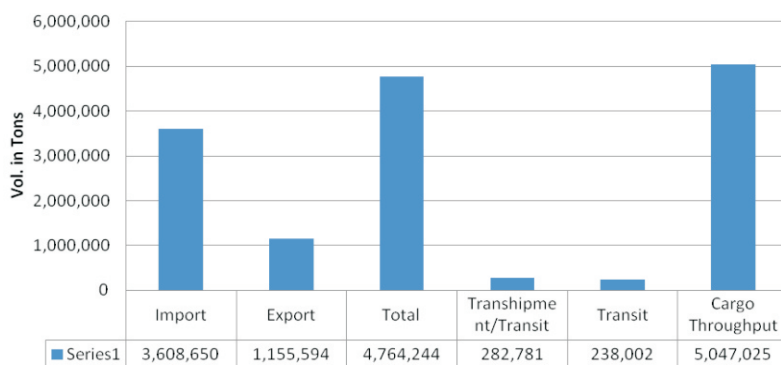
the Port of Takoradi showed a 3 percent increase during the review period.

Over all the transhiment/Transit trade through the ports of Takoradi and Tema recorded a 17 percent increase for the review period. It however decreased by 29 percent at the Port of Takoradi.

Transit trade to Burkina Faso, Mali and Niger followed the pattern of the Transshipment/Transit trade, recording a 15 percent over all increase in activity for the review period while showing a 29 percent decrease at the Port of Takoradi. Table 2 and Fig 2 below give details of the two periods.



**Fig. 1 SUMMARY OF THE MARITIME TRADE OF GHANA IN TONS**  
- January -March 2014



**Table 2 Maritime Trade of Ghana Compared in Tons ( January-March 2013 & 2014)**

	Tema			Takoradi			Total		
	2013	2014	% change	2013	2014	% change	2013	2014	% change
Import	3,565,175	3,080,937	-14	373,517	527,713	41	3,938,692	3,608,650	-8
Export	451,086	482,204	7	786,040	673,390	-14	1,237,126	1,155,594	-7
Total	4,016,261	3,563,141	-11	1,159,557	1,201,103	4	5,175,818	4,764,244	-8
Tranship./Transit	237,035	279,539	18	4,540	3,242	-29	241,575	282,781	17
Transit	203,129	234,771	16	4,540	3,231	-29	207,669	238,002	15
Cargo Throughput	4,253,296	3,842,680	-10	1,164,097	1,204,345	3	5,417,393	5,047,025	-7

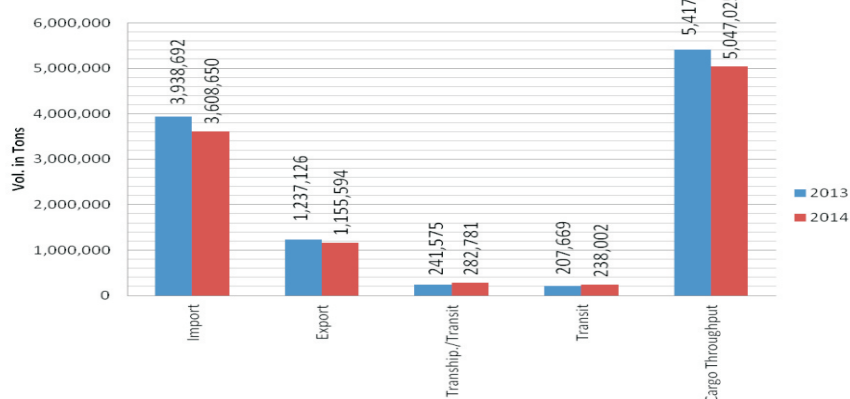
#### IMPORT TRADE

Total Import for the review period was over 3.6 million tons. This was 8 percent less than what was obtained

in the same period of 2013. It is made up of 1.32 million tons of liner items (or 37% of total import), 1.17 million tons of break bulk items (33%),

684,577 tons of dry bulk items (19%), and 426,922 tons of liquid bulk items (12%) as shown in Table 3 below.

**Fig. 2 SUMMARY OF THE MARITIME TRADE OF GHANA IN TONS**  
- January-March, 2013 & 2014



**Table 3 Maritime Trade of Ghana By Type in Tons (January-March, 2013 & 2014)**

		2013	2014	% change	2014 % share
Import	Liner	1,597,450	1,321,334	-17	37
	Break Bulk	563,081	1,175,818	109	33
	Dry Bulk	791,158	684,577	-13	19
	Liq. Bulk	987,003	426,922	-57	12
	Total	3,938,692	3,608,651	-8	
Export	Liner	448,941	465,659	4	40
	Break Bulk	40,848	163,116	299	14
	Dry Bulk	694,721	524,276	-25	45
	Liq. Bulk	52,615	2,543	-95	0
	Total	1,237,125	1,155,594	-7	

Apart from break bulk, made up mostly of bagged items, which saw over 100 percent increase in activity, the rest of the trades, liner, dry bulk, and liquid bulk, recorded decreases in their activities.

#### Liner Import Trade

The total liner tonnage for the review period amounted to 1.3 million tons. This was 17 percent less than what was obtained in the 2013 review period.

The liner import trade for the review period was made up of items such as processed foods which amounted to 166,569 tons, polythene raw materials (151,465 tons), frozen meat/foods (137,019 tons) chemicals

(108,091 tons) and tiles (107,419 tons).

#### Break Bulk Import Trade

The total break bulk import trade amounted 1.17 million tons. This was over 100 percent more than what was obtained in the 2013 review period. Items in this trade include iron/steel/plates/pipes which was 602,689 tons, bagged sugar (298,822 tons), bagged rice 152,389 tons and bagged cement (116,216 tons).

#### Dry Bulk Import Trade

Total dry bulk import for the period amounted to 684,577 tons. It was 13 percent less than the 2013 tonnage. Clinker was one of the major import item in this trade recording a figure of

495,219 tons. This was followed by Cement and Wheat which recorded 71,400 tons and 54,454 tons respectively. Limestone and Fertilizer were next with 33,034 tons and 17,800 tons respectively for the review period.

#### Liquid Bulk Import Trade

This trade recorded a tonnage of 426,922 which was 8 percent less than the 2013 tonnage.. The major items in this trade for the period included petroleum products (294,909 tons), LPG (51,003 tons), crude oil (5,386 tons), and bitumen (1,131 tons). Table 3 above give details of the performance of the trade types.

**Table 4 DIRECTION OF MARITIME IMPORT TRADE OF GHANA IN TONS**  
January-March 2014

	UK	NC	ME	NA	FE	AF	OH	TOTAL	% Share
<b>Liner</b>	42,534	167,174	118,510	45,417	612,867	171,013	163,809	1,321,324	37
<b>Break Bulk</b>	238,300	37,680	13,685	7,740	545,839	29,853	302,721	1,175,818	33
<b>Dry Bulk</b>	211	223,474	315,183	25,835	94,400	25,276	198	684,577	19
<b>Liq. Bulk</b>	15,905	123,102	0	2,992	74,493	185,725	24,705	426,922	12
<b>Total</b>	296,950	551,430	447,378	81,984	1,327,599	411,867	491,433	3,608,641	100
<b>%Share</b>	8	15	12	2	37	11	14	100	

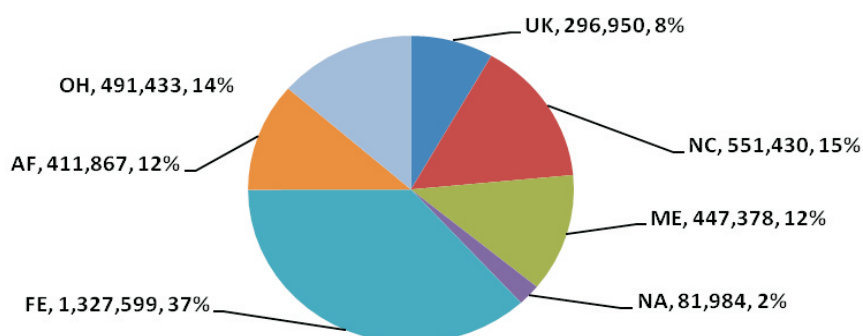
#### Direction of the Maritime Import Trade

Most of the maritime import for the first quarter of 2014 came from the Far East and the North Continent ranges, with the one recording over 1.3 million tons or 37 percent of total import while the other recorded a

tonnage of over 551,430 tons (15% of total import). The Others and the Mediterranean ranges followed with 491,433 tons (14%) and 447,378 tons (12%) respectively. The Africa range recorded 411,867 tons or 11 percent of the total import for the review period. The United Kingdom range had

296,950 tons or 8 percent while the North America range recorded 81,984 tons or 2 percent of the total import. The direction of the maritime import trade is depicted in Table 4 above and Fig. 3 below.

**Fig. 3 DIRECTION OF THE MARITIME IMPORT TRADE OF GHANA IN TONS - January-March 2014**





## EXPORT TRADE

The total export trade for the review period amounted to over 1.1 million tons, a 7 percent decrease from the 2013 period tonnage. This was made up of over 465,659 tons of liner items or 40 percent of total export for the period, 163,116 tons (14 %) of break bulk items, 524,276 tons of dry bulk items (45%) and 2,543 tons of liquid bulk items which was less than one percent of total export. See Tables 3 above and 5 below.

### Liner Export Trade

The total liner export tonnage for the review period was 465,659 tons. The liner trade was made up of cocoa

beans which recorded a tonnage of 148,631, cocoa products with 54,893 tons, sawn timber/lumber recording 48,857 tons and rubber/rubber products recording 26,066 tons. Metal scraps and cashew nuts recorded 25,138 tons and 23,231 tons respectively. Other items include other non-trationals items 28,347 tons, shea nut/shear butter 23,172 tons and processed commodities 14,416 tons.

### Break Bulk Export Trade

The total break bulk export trade amounted to 163,116 tons. It was made up of bagged cocoa beans (98,964 tons) and timber logs (64,152 tons).

### Dry Bulk Export Trade

From Table 5 below, the dry bulk export trade for the review period amounted to 524,276 tons. Manganese recorded the highest tonnage of 277,524 bauxite export amounted to 184,835 tons. Bulk sheanut export recorded 36,628 tons and bulk cocoa beans was 25289 tons.

### Liquid Bulk Export Trade

Liquid bulk export for the review period amounted to over 2,543 tons. This was totally made up of other liquid bulk items like palm oil, palm kernel, etc).

**TABLE 5 DIRECTION OF MARITIME EXPORT TRADE OF GHANA IN TONS, JANUARY-MARCH 2014**

	UK	NC	ME	NA	FE	AF	OH	TOTAL	% Share
<b>Liner</b>	14,594	102,462	52,699	21,228	186,739	28,782	59,155	465,659	40
<b>Break Bulk</b>	12,161	22,315	1,270	11,253	67,261	504	48,352	163,116	14
<b>Dry Bulk</b>	10,000	95,628	0	0	356,059	0	62,589	524,276	45
<b>Liq. Bulk</b>	0	0	0	0	0	2,543	0	2,543	0
<b>Total</b>	36,755	220,405	53,969	32,481	610,059	31,829	170,096	1,155,594	100
<b>%Share</b>	3	19	5	3	53	3	15	100	

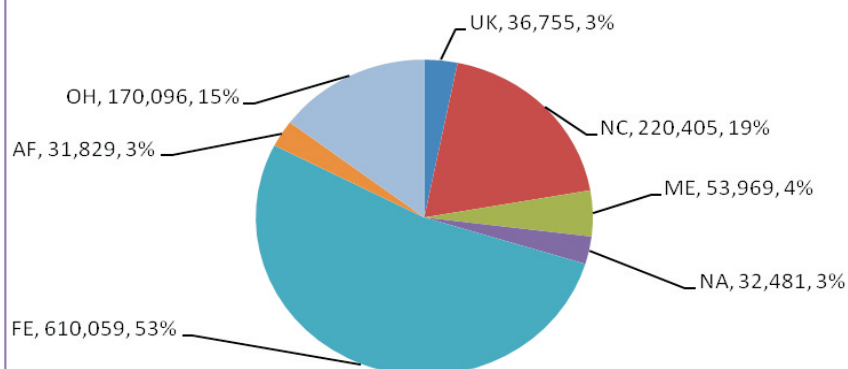
### Direction of the Maritime Export Trade

The 1.1 million tons of maritime export recorded for the first quarter of 2014 was shipped to various destinations in the world. Majority of the items were exported to the Far East and the North Continent ranges.

The Far East range received a total of 610,059 tons (53% of total export) while the North Continent range had a tonnage of 220,405 or 19 percent of total export. A total of 170,096 tons which amounted to 15 percent of the total export was shipped to the Others range while the

Mediterranean range had 53,969 tons or 5 percent. United Kingdom, North America and Africa ranges each had 3 percent. Table 5 above and Fig. 4 below give details of the direction of the export trade for the review period.

**Fig.4 DIRECTION OF THE MARITIME EXPORT TRADE OF GHANA IN TONS - January-March 2014**



## THE TRANSHIPMENT/TRANSIT TRADE

**TABLE 6 TRANSHIPMENT/TRANSIT TRADE THROUGH THE SEAPORTS OF GHANA IN TONS**  
- JAN-MAR 2013 & 2014

COUNTRIES	IMPORT			EXPORT			GRAND TOTAL		
	2013	2014	% Var.	2013	2014	% Var.	2013	2014	% Var.
Benin	1,344	4,905	265	-	-	-	1,344	4,905	265
Burkina Faso	155,859	180,947	16	10,766	2,524	(77)	166,625	183,471	10
Cameroun	-	54	-	-	-	-	-	54	0
Guinea	17	5	(71)	-	-	-	17	5	-71
Ivory Coast	6,177	7,086	15	-	-	-	6,177	7,086	15
Mali	26,396	15,129	(43)	5,811	12,523	116	32,207	27,652	-14
Niger	8,837	26,879	204	-	-	-	8,837	26,879	204
Nigeria	2,649	69	(97)	-	-	-	2,649	69	-97
Others	1,084	13,277	1,125	532	104	(80)	1,616	13,381	728
Senegal	10	4	(60)	26	208	700	36	212	489
Togo	20,506	19,067	(7)	1,561	-	(100)	22,067	19,067	-14
<b>Total</b>	<b>222,879</b>	<b>267,422</b>	<b>20</b>	<b>18,696</b>	<b>15,359</b>	<b>(18)</b>	<b>241,575</b>	<b>282,781</b>	<b>17</b>

Total transshipment and transit trade for the review period was 282,781 tons comprising 267,422 tons of import items and 15,359 tons of export items. The total transshipment and transit tonnage for the review period was 6 percent of cargo

throughput and 17 percent more than what was recorded in the first quarter of 2013.

Transit trade during the review period amounted to 238,002 tons or 5 percent of cargo throughput and 15

percent more than what was recorded in the first quarter of 2013. This is 84 percent of total transshipment/transit tonnage for the review period. See Tables 1, 2 & 6 above and 6A below.

**TABLE 6A TRANSIT TRADE THROUGH THE SEAPORTS OF GHANA IN TONS - JAN-MAR 2013 & 2014**

COUNTRIES	IMPORT			EXPORT			GRAND TOTAL		
	2013	2014	% Var.	2013	2014	% Var.	2013	2014	% Var.
Burkina Faso	155,859	180,947	16	10,766	2,524	(77)	166,625	183,471	10
Mali	26,396	15,129	(43)	5,811	12,523	116	32,207	27,652	-14
Niger	8,837	26,879	204	-	-	-	8,837	26,879	204
<b>Total</b>	<b>191,092</b>	<b>222,955</b>	<b>17</b>	<b>16,577</b>	<b>15,047</b>	<b>(9)</b>	<b>207,669</b>	<b>238,002</b>	<b>15</b>

The share of transshipment and transit trade through the Port of Tema and Takoradi was 279,539 tons (99%) and 3,242 tons.

The transit trade which followed the transshipment/transit pattern was 234,771 tons or 99 percent of total transit trade through the Port of

Tema and 3,231 tons through the Takoradi port. Tables 7 and 7A below give some details.

**Table 7 Transshipment/Transit Trade Through The Seaports of Ghana in Tons - Jan-Mar 2014**

	TEMA			TAKORADI			Grand Total
	Import	Export	Total	Import	Export	Total	
Benin	4,905	-	4,905	-	-	-	4,905
Burkina Faso	177,725	2,524	180,249	3,222	-	3,222	183,471
Cameroun	54	-	54	-	-	-	54
Guinea	5	-	5	-	-	-	5
Ivory Coast	7,081	-	7,081	5	-	5	7,086
Mali	15,129	12,523	27,652	-	-	-	27,652
Niger	26,870	-	26,870	9	-	9	26,879
Nigeria	69	-	69	-	-	-	69
Others	13,277	104	13,381	-	-	-	13,381
Senegal	4	208	212	-	-	-	212
Togo	19,061	-	19,061	6	-	6	19,067
<b>Total</b>	<b>264,180</b>	<b>15,359</b>	<b>279,539</b>	<b>3,242</b>	<b>-</b>	<b>3,242</b>	<b>282,781</b>
<b>% of Port</b>			<b>99</b>			<b>1</b>	



Table 7A Transshipment/Transit Trade Through The Seaports of Ghana in Tons -Jan-Mar 2014

	TEMA			TAKORADI			Grand Total
	Import	Export	Total	Import	Export	Total	
<b>Burkina Faso</b>	177,725	2,524	180,249	3,222		3,222	183,471
<b>Mali</b>	15,129	12,523	27,652	-		-	27,652
<b>Niger</b>	26,870	-	26,870	9		9	26,879
<b>Total</b>	219,724	15,047	234,771	3,231	-	3,231	238,002
<b>% of Port</b>			99			1	

### THE PERFORMANCE OF THE SHIPPING AGENTS IN THE MARITIME TRADE OF GHANA, JANUARY-MARCH, 2013

A total of sixty one (61) Shipping Agents were involved in handling the over 5.0 million tons of cargo in the maritime trade of Ghana for the first quarter of 2014.

#### Liner Trade

A total of fifty two (52) shipping agents took part in the liner trade of over 1.77 million tons or 37 percent of the total maritime trade during the review period.

The highest performer in the liner trade was Maersk Gh. Ltd with 425,865 tons or 24 percent of the total liner cargo. PIL Gh. Ltd with 135,478 tons or 7.6 percent of the liner cargo throughput came next. This was followed by MSCA Gh. Ltd with 133,966 tons (7.56%). Next was Intermodal Shipping Agency with 131,894 tons (7.45%) and Delmas Shipping with 117,978 tons (6.66%). The rest handled between 0.01 percent and 5.28 percent as shown in Table 8 below.

#### Break Bulk

Thirty eight (38) shipping agencies participated in the break bulk trade of 1.32 million tons or 28 percent of total maritime trade for the review period.

Getma Gh was the highest performer in this trade. It handled over 266,240 tons of break bulk export items for the period. This amounted to over 20 percent of the break bulk export trade. Supermaritime was next with over 170,420 tons (12.8%). Scanship handled over 152,400 tons amounting to over 11.4 percent. MSCA Gh. handled over 150,270 tons (11%). The rest of the agents handled between less than one percent and about 5 percent of the trade.

#### Dry Bulk Trade

Seventeen (17) shipping agents handled the over 1.2 million tons of dry bulk cargo or 25 percent of the total maritime trade for the review period.

The highest performers were Hullblyth with over 553,150 tons or

about 46 percent of the total dry bulk trade, Supermaritime 354,667 tons (29%) and Macro Shipping over 100 960 tons (8%). The others handled between less than one percent and about 6 percent.

#### Liquid Bulk Trade

Eleven (11) shipping agents handled the over 429,460 tons of the liquid bulk trade which was 9 percent of the total maritime trade.

The highest performers in this trade were Inchape Shipping Services with 153,452 tons or about 36% percent of the liquid bulk trade, Bulkship & Trade which handled over 108,860 tons or 25 percent of the liquid bulk trade and Daddo Maritime which handled 93,753 tons or 21.8 percent of the liquid bulk trade. The rest of the agents handled between less than one percent and 7 percent.

Table 8 below gives more details of the performance of the shipping agents in the maritime trade for the first quarter of 2014

Table 8 PERFORMANCE OF SHIPPING AGENTS IN GHANA'S SEABORNE TRADE - JAN. -MAR. 2014

IMPORT AND EXPORT - TEMA & TAKORADI					
	IMPORT	EXPORT	TOTAL	% Share of Trade Type	% SHARE
<b>LINER</b>					
A&J SHIPPING SERVICES	11,528	0	11,528	0.65	0.24
ADVANCED MARITIME	209	0	209	0.01	0.00
AFRICAN STEAM SHIP	33	0	33	0.00	0.00
AMT GH. LTD	0	55	55	0.00	0.00
ANDIPEX CO LTD	9,543	0	9,543	0.54	0.20
ANTRAK GH. LTD	30,155	12,953	43,108	2.43	0.91

AQUAMARINE SHIPP. GH. LTD	1,761	112	1,873	0.11	0.04
BEACON SHIPPING HANJIN GH.	36,966	0	36,966	2.09	0.78
BOLLORE AFRICA LOGISTICS	0	7,553	7,553	0.43	0.16
BLUE FUNNEL GH	36,326	0	36,326	2.05	0.77
BULKERS	24	0	24	0.00	0.00
CONSOLIDATED SHIPPING	38	0	38	0.00	0.00
DADDO MARITIME SERVICES	2	0	2	0.00	
DELMAS SHIPP. GH. CMA CGM.	71,909	46,069	117,978	6.66	2.49
DOLPHIN SHIPPING SERVICES	10,623	0	10,623	0.60	0.22
ELDER DEMPSTER GH	48	0	48	0.00	0.00
FAIRPOINT BUSINESS	1,603	0	1,603	0.09	0.03
GETMA GHANA LTD	39,896	197	40,093	2.26	0.85
GLOBAL CARGO & COMMODITIES	13,027	0	13,027	0.74	0.28
GMT SHIPPING LIMITED	5,323	0	5,323	0.30	0.11
GRIMALDI GH. LTD	39,037	11,430	50,467	2.85	1.07
HELP MARINE	2,194	0	2,194	0.12	0.05
HULL BLYTH GHANA	36,378	57,139	93,517	5.28	1.98
ICM LOGISTICS SERVICES LTD	81	0	81	0.00	0.00
INCHECAPE SHIPP. SERVICES GH. LTD	33,420	0	33,420	1.89	0.71
INTERMODAL SHIPPING AGENCY GH. LTD	73,905	57,989	131,894	7.45	2.79
KHUDA SERVICE	6,252	0	6,252	0.35	0.13
KOYANKS COMPANY LIMITED	9,451	0	9,451	0.53	0.20
MACRO SHIPPING GH. LTD	14,077	293	14,370	0.81	0.30
MAERSK GH. LTD	342,674	83,191	425,865	24.05	9.00
MARITIME AGENCIES	75	0	75	0.00	0.00
MOL GHANA LTD	58,327	14,539	72,866	4.11	1.54
MSCA GH. LTD	97,802	36,164	133,966	7.56	2.83
NAVITRANS GH. LTD	23,612	4,659		0.00	
OIL AND MARINE AGENCIES	46,554	18,253	64,807	3.66	1.37
PANALPINA GH LTD	2,125	0	2,125	0.12	0.04
PIL GH. LTD	96,211	39,267	135,478	7.65	2.86
PORTS MARINE LTD	3,753	0	3,753	0.21	0.08
SAFMARINE	0	44,280	44,280	2.50	0.94
SCANSHIP GHANA LTD.	41,010	7,130	48,140	2.72	1.02
SDV GHANA	16,928	0	16,928	0.96	0.36
SEATRADE SHIPPING AND LOGISTICS	3	0	3	0.00	0.00
SEATRANS GHANA LIMITED	1	0	1	0.00	0.00
SEVENLOG LIMITED	564	0	564	0.03	0.01
SHARAF SHIPPING AGENCY	2,632	0	2,632	0.15	0.06
SILVERMARITIME GHANA LTD	1,106	0	1,106	0.06	0.02
STARDEX MARINE CONSULT	5,849	0	5,849	0.33	0.12
SUPERMARITIME GH. LTD	59,949	24,382	84,331	4.76	1.78
TRAMSCO SHIPPING	4,379	0	4,379	0.25	0.09
TRANSGLOBAL SHIPPING	9,234	0	9,234	0.52	0.20
TTV LIMITED	4,475	0	4,475	0.25	0.09
UNITED ARAB SHIPPING AGENCIES	32,495	0	32,495	1.83	0.69
<b>SUB-TOTAL</b>	<b>1,333,567</b>	<b>465,655</b>	<b>1,770,949</b>	<b>100.00</b>	<b>37.43</b>
<b>BREAK BULK</b>					



ANTRAK GH. LTD	4,301	703	5,004	0.38	0.11
AQUA MARINE SHIPPING GH. LTD.	1	0	1	0.00	0.00
BEACON SHIPPING HANJIN GH.	10,206	0	10,206	0.77	0.22
BLUE FUNNEL GH.	2,189	0	2,189	0.16	0.05
BLUE SEA MARITIME	0	16,207	16,207	1.22	0.34
BOLLORE AFRICA LOGISTICS	0	293	293	0.02	0.01
DELMAS SHIPP. GH. CMA CGM	17,067	9,546	26,613	2.01	0.56
FACULTY LOGISTICS LTD	27,000	0	27,000	2.04	0.57
FANTEGA COMPANY LTD.	58,052	0	58,052	4.38	1.23
GETMA GH. LTD	266,243	0	266,243	20.07	5.63
GLOBAL CARGO AND COMMODITIES	65,380	0	65,380	4.93	1.38
GMT SHIPPING GH. LTD	52,930	0	52,930	3.99	1.12
GRIMALDI GH. LTD	1,009	0	1,009	0.08	0.02
HELP MARINE GH. LTD	37	0	37	0.00	0.00
HULL BLYTH GH. LTD	960	21,563	22,523	1.70	0.48
ICM LOGISTICS SERVICES LTD	27	0	27	0.00	0.00
INCHECAPE SHIPPING SERVICES	6,024	0	6,024	0.45	0.13
INTERMODAL SHIPPING AGENCY GH. LTD	16,407	16,319	32,726	2.47	0.69
MACRO SHIPPING GH. LTD	61	0	61	0.00	0.00
MAERSK GH. LTD	78,991	47,054	126,045	9.50	2.66
MAP SHIPPING LIMITED	978	0	978	0.07	0.02
MAXITUDE VENTURES LTD.	5,611	0	5,611	0.42	0.12
MOL GHANA LTD	4,893	0	4,893	0.37	0.10
MSCA GH. LTD	148,372	1,899	150,271	11.33	3.18
NAVITRANS	3,863	251	4,114	0.31	0.09
OIL AND MARINE AGENCIES	6,518	145	6,663	0.50	0.14
PANALPINA GH. LTD	92	0	92	0.01	0.00
PIL GHANA LTD	43,295	866	44,161	3.33	0.93
PORTS MARINE LTD	2	0	2	0.00	0.00
SCANSHIP GH. LTD	117,641	34,768	152,409	11.49	3.22
SDV GHANA LTD	5,265	0	5,265	0.40	0.11
SEATRADE SHIPPING AND LOGISTICS	14,163	0	14,163	1.07	0.30
SEATRANS GHANA LTD	12,125	0	12,125	0.91	0.26
SEVENLOG LIMITED	17,836	0	17,836	1.34	0.38
SHARAF SHIPPING AGENCY	0	0	0	0.00	0.00
SILVERMARITIME GHANA LTD	10,000	0	10,000	0.75	0.21
SUPERMARITIME GH. LTD	156,922	13,500	170,422	12.85	3.60
UNITED ARAB SHIPPING AGENCIES	9,071	0	9,071	0.68	0.19
<b>SUB-TOTAL</b>	<b>1,163,532</b>	<b>163,114</b>	<b>1,326,646</b>	<b>100.00</b>	<b>28.04</b>
<b>DRY BULK</b>					
BEACON SHIPPING	211	0	211	0.02	0.00
BOLLORE AFRICA LOGISTICS	0	13,499	13,499	1.12	0.29
DAMCO LOGISTICS	3,500	0	3,500	0.29	0.07
DELMAS SHIPP. GH. CMA CGM	0	6,000	6,000	0.50	0.13
GMT SHIPPING	0	32,300	32,300	2.68	0.68
GLOBAL CARGO AND COMMODITIES	71,400	0	71,400	5.93	1.51
GRIMALDI GHANA	336	0	336	0.03	0.01
HULL BLYTH GH. LTD	528,008	25,143	553,151	45.95	11.69
INCHCAPE SHIPPING SERVICES	0	5,065	5,065	0.42	0.11

INTERMODAL SHIPPING AGENCY GH. LTD	1,000	40,705	41,705	3.46	0.88
MAERSK GH. LTD	1,000	0	1,000	0.08	0.02
MAP SHIPPING LTD	0	0	0	0.00	0.00
MACRO SHIPPING GH. LTD	219	100,742	100,961	8.39	2.13
MOL GHANA LTD	198	0	198	0.02	0.00
MSCA GH. LTD	26	0	26	0.00	0.00
SCANSHIP GH. LTD	0	19,834	19,834	1.65	0.42
SUPERMARITIME GH. LTD	78,679	275,988	354,667	29.46	7.50
<b>SUB-TOTAL</b>	<b>684,577</b>	<b>519,276</b>	<b>1,203,853</b>	<b>100.00</b>	<b>25.45</b>
<b>LIQUID BULK</b>					
AJ SHIPPING SERVICES	9,181	0	9,181	2.14	0.19
BULKSHIP & TRADE LIMITED	108,867	0	108,867	25.35	2.30
DADDO MARITIME SERV. GH. LTD	93,753	0	93,753	21.83	1.98
DELMAS SHIPPING GHANA	1,131	0	1,131	0.26	0.02
DW CABLE NET SHIPPING GH LTD	10,870	0	10,870	2.53	0.23
GETMA GHANA LTD	8,846	0	8,846	2.06	0.19
INCHCAPE SHIPPING SERVICES	153,452	0	153,452	35.73	3.24
MACRO SHIPPING LTD	43	0	43	0.01	0.00
OIL & MARINE AGENCIES	9,186	0	9,186	2.14	0.19
SEA & SHORE	5,386	0	5,386	1.25	0.11
SUPERMARITIME GH. LTD	26,208	2,543	28,751	6.69	0.61
<b>SUB-TOTAL</b>	<b>426,922</b>	<b>2,543</b>	<b>429,465</b>	<b>100.00</b>	<b>9.08</b>
<b>GRAND TOTAL</b>	<b>3,608,598</b>	<b>1,150,588</b>	<b>4,730,913</b>	<b>100.00</b>	<b>100.00</b>

### THE PERFORMANCE OF SHIPPING LINES/CHARTERERS IN THE MARITIME TRADE OF GHANA, JANUARY- MARCH, 2014.

A total of ninety three (93) shipping lines and charterers participated in the carriage of the over 4.7 million tons of maritime trade comprising over 3.6 million tons of imports and over 1.1 million tons of exports during the first quarter of 2014.

#### The Liner Trade

Seventy four (74) shipping lines and charterers handled the over 1.79 million tons of liner cargo or 38 percent of the total maritime trade for the first quarter of 2013.

The highest performer was Maersk Line accounting for 431,648 tons representing 24 percent of the total liner trade. Pacific International lines followed with 140,564 tons or about 8 percent of the liner trade. Mediterranean and Goldstar lines

came next with 133,960 tons or 7 percent and 97,332 tons or 5 percent of the liner trade. The rest of the shipping lines and charterers handled between less than one percent and 4 percent of the liner trade for the review period.

#### The Break Bulk Trade

A total of sixty (60) shipping lines and charterers participated in this trade which amounted to over 1.32 tons during the review period. This tonnage was made up of 1.16 million tons of import and 163,114 tons of export.

Safmarine was the highest performer handling 242,957 tons or 18 percent of the total break bulk trade. This was followed by China Ocean Shipping (151,885 tons or 11.4%) and Mediterranean Shipping line (150,271 tons or 11.3%). The rest handled between less than one percent and 9 percent.

#### The Dry Bulk Trade

Nineteen (19) shipping lines participated in the over 1.2 million tons or 23 percent of dry bulk trade for the period under review. This comprised 684,577 tons of import and 524,276 tons of exports.

The highest performer was HC Trading with 553,150 tons or about 46% of the total dry bulk trade. IMT followed with 312,288 tons (25.9%). The least performers were Hanjin Shipping and Mitsui OSK lines with 211 tons and 197 tons or less than one percent of the dry bulk trade.

#### The Liquid Bulk Trade

A total of fourteen (14) shipping lines and charterers participated in the liquid bulk trade of 429,422 tons accounting for 9 percent of the maritime trade.

Fuel Trade was the highest performer in this trade with 78,850 tons or 18



percent. Cirrus Oil was next with 28,681 tons or 6.6 percent of the liquid bulk trade. Eagle West Africa and Avnash were next with 20,367 tons (4.7%) and 17,992 tons (4%).

The least performer was Universal Africa line with 43 tons or less than one percent of the liquid bulk trade. Table 9 below shows the detailed performance of the shipping lines

and charterers involved in Ghana maritime trade for the the first quarter of 2014.

**Table 9 PERFORMANCE OF SHIPPING LINES/CHARTERERS IN GHANA'S SEABORNE TRADE  
- JAN - MAR. 2014**

<b>IMPORT AND EXPORT - TEMA - TAKORADI</b>					
	<b>IMPORT</b>	<b>EXPORT</b>	<b>TOTAL</b>	<b>%SHARE / TRADE TYPE</b>	<b>%SHARE</b>
<b>LINER</b>					
ADVANCED MARITIME TRANSPORT	209	0	209	0.01	0.00
AFRICA EXPRESS LINE	3,999	8,946	12,945	0.72	0.27
AFRITRAMP	35	1,147	1,182	0.07	0.02
AMT LINES	0	55	55	0.00	0.00
AMANDI GH	38	0	38	0.00	0.00
ARKAS LINE	36,356	9,747	46,103	2.56	0.97
ALPHA REEFER	1,748	0	1,748	0.10	0.04
AVNASH	35,400	0	35,400	1.97	0.74
BBC CHARTERING	75	0	75	0.00	0.00
BOLLORE AFRICA LTD	0	5,134	5,134	0.29	0.11
CCB LA COMPAGNE DU CAP BLANC	822	0	822	0.05	0.02
CHINA OCEAN SHIPPING	38,286	6,314	44,600	2.48	0.94
CHINA SHIPPING	17,552	4,659	22,211	1.23	0.47
CMA CGM	43,213	27,528	70,741	3.93	1.48
CONTI GMT SHIPPING	2,083	0	2,083	0.12	0.04
COSCO LINES	3,645	0	3,645	0.20	0.08
COSCON	1	0	1	0.00	0.00
DARYA SHIPPING	3	0	3	0.00	0.00
DELMAS	28,635	18,541	47,176	2.62	0.99
EAGLE WEST AFRICA SERVICES	6,898	11,636	18,534	1.03	0.39
ECO	38	0	38	0.00	0.00
EUKOR CAR CARRIERS	4,215	0	4,215	0.23	0.09
EVERGREEN SHIPPING LINE	16,928	7,553	24,481	1.36	0.51
FUELTRADE	56	0	56	0.00	0.00
GLOBAL ACE	482	0	482	0.03	0.01
GLOVIS	2,632	0	2,632	0.15	0.06
GOLDSTAR LINES	58,347	38,985	97,332	5.41	2.04
GREEN SEAS	5,613	0	5,613	0.31	0.12
GREEN SHIPPING	4,174	0	4,174	0.23	0.09
GRIMALDI LINES	40,760	12,246	53,006	2.95	1.11
HANJIN SHIPPING	37,155	13,196	50,351	2.80	1.06
HAPAG LLOYD	46,502	18,253	64,755	3.60	1.36
HB SHIPPING	218	0	218	0.01	0.00
HC TRADING	31,047	19,153	50,200	2.79	1.05
HOEGH AUTOLINES	2,902	0	2,902	0.16	0.06
HONG GLORY	271	0	271	0.02	0.01
HUAL LINES	10	0	10	0.00	0.00
IMC CHINA	288	0	288	0.02	0.01

IMT	0	107	107	0.01	0.00
J. MAR (SEA FOODS) LTD.	17,348	0	17,348	0.96	0.36
JAPAN TUNA ASSOCIATION	246	0	246	0.01	0.01
K' LINES	630	0	630	0.04	0.01
MAERSK LINE	342,584	89,064	431,648	23.99	9.06
MEDITERANEAN LINE	97,796	36,164	133,960	7.45	2.81
MESSINA LINES	10,462	3,487	13,949	0.78	0.29
MITSUI O.S.K LINES	57,709	14,539	72,248	4.02	1.52
NAVITRANS	10,947	0	10,947	0.61	0.23
NECOTRANS	1,680	0	1,680	0.09	0.04
NILEDUTCH	11	2,198	2,209	0.12	0.05
NIPPON YUSEN KAISHA	11,572	3,184	14,756	0.82	0.31
NMT LINES	3,753	0	3,753	0.21	0.08
NORDANA LINES	430	0	430	0.02	0.01
NOVELLE	617	0	617	0.03	0.01
OLAM GHANA	3	0	3	0.00	0.00
OTHER	78,765	3,141	81,906	4.55	1.72
PACIFIC INT. LINES	101,297	39,267	140,564	7.81	2.95
RAMANI DISTRIBUTION	2	0	2	0.00	0.00
RIGLAND INTERNATIONAL	9,234	0	9,234	0.51	0.19
RESOURCE MARINE LTD	1	0	1	0.00	0.00
RMR	1,105	0	1,105	0.06	0.02
ROYAL BOW	2	0	2	0.00	0.00
SAFMARINE	24,221	38,408	62,629	3.48	1.31
SALLUAM LINES	1,724	112	1,836	0.10	0.04
SBM SHIPPING	4,907	0	4,907	0.27	0.10
SINOWAY CHARTERING GROUP LTD.	4	0	4	0.00	0.00
TUNE CHEMICAL TANKERS	6,595	0	6,595	0.37	0.14
UNITED ARAB SHIPPING AGENCIES	32,648	13,596	46,244	2.57	0.97
UNITED STEEL CO.	0	0	0	0.00	0.00
UNIVERSAL AFRICA	13,297	293	13,590	0.76	0.29
UNIMAR GROUP	3,383	0	3,383	0.19	0.07
UNSPECIFIED SHIPPING LINE	12,645	0	12,645	0.70	0.27
VITOL	52	0	52	0.00	0.00
WE 2 SEAFOODS CO. LTD	344	0	344	0.02	0.01
WEST COAST FROZEN FISH	1,603	0	1,603	0.09	0.03
ZIM LINE	15,296	19,005	34,301	1.91	0.72
<b>SUB-TOTAL</b>	<b>1,333,549</b>	<b>465,658</b>	<b>1,799,207</b>	<b>100.00</b>	<b>37.77</b>
<b>BREAK BULK</b>					
AFRICA EXPRESS LINE	23	0	23	0.00	0.00
AMANDI GH.	2,018	0	2,018	0.15	0.04
AFRITRAMP	5	0	5	0.00	0.00
ATALA LTD	3,050	0	3,050	0.23	0.06
B5 PLUS LTD	30,395	0	30,395	2.29	0.64
BURCANS SHIPPING	4,600	0	4,600	0.35	0.10
CHINA OCEAN SHIPPING	122,618	29,267	151,885	11.45	3.19
CHINA SHIPPING	2,486	0	2,486	0.19	0.05
CMA CGM	15,577	7,724	23,301	1.76	0.49
CONTI GMT SHIPPING	28,117	0	28,117	2.12	0.59
COSCO LINES	74	0	74	0.01	0.00



CONTI LINES	1,642	0	1,642	0.12	0.03
DARYA SHIPPING	14,163	0	14,163	1.07	0.30
DELMAS SHIPP. GH. CMA CGM	1,492	1,822	3,314	0.25	0.07
EAGLE WEST AFRICA SERVICES	1	0	1	0.00	0.00
ECO	21	0	21	0.00	0.00
E.S.L	0	5,752	5,752	0.43	0.12
EUKOR CAR CARRIER SERVICES	509	0	509	0.04	0.01
EVERGREEN SHIPPING LINES	5,265	293	5,558	0.42	0.12
GLOBAL ACE	2	0	2	0.00	0.00
GOLDSTAR LINE	13,429	15,780	29,209	2.20	0.61
GRIMALDI LINE	1,056	0	1,056	0.08	0.02
IMC CHINA	2,973	0	2,973	0.22	0.06
HANJIN SHIPPING	10,307	9,703	20,010	1.51	0.42
HAPPAG LLOYD	6,518	145	6,663	0.50	0.14
HC TRADING	289	10,000	10,289	0.78	0.22
HIPPO GH. LTD	87,969	0	87,969	6.63	1.85
HONG GLORY	58,052	0	58,052	4.38	1.22
HOEGH AUTOLINERS	8	0	8	0.00	0.00
I.M.T	0	8,000	8,000	0.60	0.17
MAERSK LINE	78,991	41,182	120,173	9.06	2.52
MARVEL OCEANWAY S.A	1,498	0	1,498	0.11	0.03
MEDITERANNEAN SHIPPING LINE	148,372	1,899	150,271	11.33	3.15
MESSINA LINE	549	0	549	0.04	0.01
MITSUI O.S.K LINES	4,367	0	4,367	0.33	0.09
NAVITRANS	791	0	791	0.06	0.02
NECOTRANS	475	0	475	0.04	0.01
NILEDUTCH	33,200	0	33,200	2.50	0.70
NIPPON YUSEN KAISHA	2,839	703	3,542	0.27	0.07
NMT LINES	2	0	2	0.00	0.00
OLAM GHANA	17,639	0	17,639	1.33	0.37
OLAM INTERNATIONAL	3,000	0	3,000	0.23	0.06
OTHER	55,829	0	55,829	4.21	1.17
PACIFIC INTERNATIONAL LINES	44,617	866	45,483	3.43	0.95
RAMANI DISTRIBUTION	19,998	0	19,998	1.51	0.42
RMR SHIPPING	1	0	1	0.00	0.00
RESOURCE MARINE LTD	6,027	0	6,027	0.45	0.13
ROYAL BOW	8,998	0	8,998	0.68	0.19
SALLAUM LINES	1	0	1	0.00	0.00
SAFMARINE	237,085	5,872	242,957	18.31	5.10
SINOWAY CHARTERING LTD	10,000	0	10,000	0.75	0.21
SPLIETHOFF	0	5,500	5,500	0.41	0.12
TOPSHEEN SHIPPING GROUP LTD	28,112	0	28,112	2.12	0.59
UNITED ARAB SHIPPING	9,495	1,860	11,355	0.86	0.24
UNICARGO	0	16,207	16,207	1.22	0.34
UNIVERSAL AFRICA LINES	61	0	61	0.00	0.00
UNSPECIFIED SHIPPING LINE	33,865	0	33,865	2.55	0.71
ZIM LINE	2,879	539	3,418	0.26	0.07
<b>SUB-TOTAL</b>	<b>1,163,536</b>	<b>163,114</b>	<b>1,326,650</b>	<b>100.00</b>	<b>27.85</b>
<b>DRY BULK</b>					
CHINA OCEAN SHIPPING	0	19834	19834	1.64	0.42

CHEMICO	15800	0	15800	1.31	0.33
CMA CGM	0	6000	6000	0.50	0.13
DANGOTE	71400	0	71400	5.91	1.50
EVERGREEN SHIPPING	0	13499	13499	1.12	0.28
FLOUR MILLS GH. LTD	12123.27	0	12123.27	1.00	0.25
GOLD STAR LINE	1000	40705	41705	3.45	0.88
GRIMALDI LINES	335.75	0	335.75	0.03	0.01
HANJIN SHIPPING	211.37	0	211.37	0.02	0.00
HC TRADING	528007.8	25143	553150.78	45.76	11.61
I.M.T	0	313288	313288	25.92	6.58
MAERSK LINE	1000	0	1000	0.08	0.02
MEDITERANNEAN SHIPPING	25.78	0	25.78	0.00	0.00
MITSUMI O.S.K LINES	197.7	0	197.7	0.02	0.00
OLAM	25000	0	25000	2.07	0.52
OCEANCREST	3500	0	3500	0.29	0.07
OTHER	0	5065	5065	0.42	0.11
SBM SHIPPING	25756.12	0	25756.12	2.13	0.54
UNIVERSAL AFRICA LINE	218.96	100742	100960.96	8.35	2.12
<b>SUB-TOTAL</b>	<b>684,577</b>	<b>524,276</b>	<b>1,208,853</b>	<b>100.00</b>	<b>23.25</b>
<b>LIQUID BULK</b>					
AVNASH	17,992	0	17,992	4.19	0.38
CIRRUS	28,681	0	28,681	6.68	0.60
CCB LA COMPAGINE DU CAP BLANC	9,181	0	9,181	2.14	0.19
CMA CGM	1,131	0	1,131	0.26	0.02
CHASE PETROLEUM	5,895	0	5,895	1.37	0.12
EAGLE WEST AFRICA	17,824	2,543	20,367	4.74	0.43
FUELTRADE	78,850	0	78,850	18.36	1.66
GREEN SEAS	6,857	0	6,857	1.60	0.14
I.M.T	3,258	0	3,258	0.76	0.07
MAERSK LINE	15,905	0	15,905	3.70	0.33
OTHER	230,962	0	230,962	53.78	4.85
SBM SHIPPING	4,958	0	4,958	1.15	0.10
TEMA OIL REFINERY	5,386	0	5,386	1.25	0.11
UNIVERSAL AFRICA LINE	43	0	43	0.01	0.00
<b>SUB-TOTAL</b>	<b>426,922</b>	<b>2,543</b>	<b>429,422</b>	<b>100.00</b>	<b>9.01</b>
<b>GRAND TOTAL</b>	<b>3,608,584</b>	<b>1,155,591</b>	<b>4,764,175</b>	<b>100.00</b>	<b>100.00</b>

## GATEWAY SERVICES LIMITED



**SERVICES**

PRICE VERIFICATION  
AND ANALYSIS/HS CODE  
CLASSIFICATION

TRADE SECURITY

CARGO SCANNING

CAPACITY BUILDING

TRADE FACILITATION

*We Make Global Trade Flow Smoother And Safer*





# BOND WAREHOUSING & DUTY LOAN

23-01-16

**BOND**  
Your Success, Our Passion

000098 2301040420415

Pay to the order of **GHC 20,000.00**

Pay to the order of **Twenty thousand cedis only**

Being **Warehousing & duty loan**

*[Signature]*  
Signature

PAYABLE AT BOND COUNTERS / CLEARED THROUGH FIDELITY BANK GHANA LTD.

Do not write stamp or print below this line

\*000098\* 23010404\* 2301040420415

No more headaches,  
no more delays!  
Call us today.

[www.bond.com.gh](http://www.bond.com.gh) | 030 320 5550

**BOND**

Your Success, Our Passion.





# THE AXLE LOAD REGIME IN GHANA:

## Implementation Challenges and its Impact on Transit Trade

### INTRODUCTION

Trade is a very significant economic activity that facilitates the development of nations the world over, more so international trade. International trade involves the exchange of services, goods, and capital among various countries and regions, without much hindrance. It accounts for a good proportion of a country's gross domestic product. It is also one of the important sources of revenue for a developing country like Ghana.

At the core of international trade are trade regimes and protocols that facilitate both regional and intra-regional trade relations. The Economic Partnership Agreement (EPA) currently under consideration between the ECOWAS Sub-region and the European Union is a clear manifestation of the critical role that trade plays in the development of national economies.

In West Africa, inter-state trade activities have existed over many years but the full extent of desired benefits are yet to be experienced. According

to a World Bank study in 2010, if the ECOWAS Sub-region were to trade among itself effectively, it would have yielded well over 20 billion dollars yearly.

The road transport sector is considered to be the main industry that facilitates trade in the sub-region. Transport owners, truckers and haulage operators are some of the active key players in the trade and transport sector. These key players facilitate the movement of goods and services across borders.

One of the major challenges in this road transport sector is the implementation of a harmonized axle load policy across the sub-region. Axle load is the acceptable weight of cargo a vehicle is allowed to carry. An axle load policy is intended, among other things, to prolong the lifespan of roads.

Currently, the ECOWAS sub-region has no harmonized axle load regime and this has effectively reduced the movement of goods and services across the ECOWAS sub-region and the

UEMOA region. While Ghana for example, has an axle load limit of 60 tons, the rest of the ECOWAS sub-region and the UEMOA region have 68 tons as the allowable load limit.

The lack of uniformity in the axle load limit brings about disruption in the chain of cargo movement across the sub-region, a situation which negatively affects the competitiveness of shippers. Haulage companies in Ghana have had to move to neighbouring ports to do business because of the dwindling fortunes of the transit business in Ghana.

### CHALLENGES IN IMPLEMENTING AXLE LOAD CONTROL REGIME IN GHANA

The regulation on Axle Load Control is contained in Convention A/P.2/5/82 regulating Inter-State Road Transportation (ISRT) between ECOWAS Member States which was adopted in 1982, and also known as the ISRT Convention.

The implementation of the Axle Load Control regime has been lull till Niger began to enforce it in January, 2009.





This followed reinforcement by UEMOA's 2005 Axle Load Limit Policy in Regulation No.14/2005/CM/UEMOA. The UEMOA regulations outlined permissible load limits for various truck types.

These regulations were in line with the relevant provisions of the ECOWAS ISRT Convention. The Axle Load regulations stipulate that the maximum axle load of vehicles authorized to undertake interstate road transportation must not exceed 11.5 metric tons per axle.

Ghana, although not a member of UEMOA, adopted these same standards in its Axle Load Policy programme. Ghana and Togo joined in the strict enforcement of the axle load limit in mid - 2009 and the situation has ruffled the transit trade operations in Ghana ever since.

Even though Ghana begun the enforcement in July 2009, other UEMOA Member States agreed to implement the Axle Load Control in June 2010. It is interesting to note that since then there have been several postponements of the implementation date by UEMOA and ECOWAS Member States, with the latest deadline including the implementation of the Supplementary Act, set for July 1, 2012, , for heavy cargo vehicles, and January 1, 2014 for hydrocarbon vehicles.

The non-uniform enforcement of the Axle Load Control regime in the Sub-region has created difficulties for countries such as Ghana that began full enforcement when its neighbours

were not doing same. Average transport costs shot up by about 50% and this resulted in the loss of substantial cargo bound for neighbouring countries that were not implementing the regime.

Other challenges that Ghana faced included inadequate weighing equipment to ensure a smooth implementation of the regime. Some of the available weighbridges were also not efficient, their readings were incoherent. In the light of the foregoing some personnel in charge of the weighbridges took advantage to exploit the system.

A study by the Ghana National Cargo Transporters Association in 2012 aimed at engaging government to simplify the process for weighing trucks and make it fair, transparent and efficient to support the implementation of the common axle load policy found some challenges including; lack of good road networks, harassment by some law enforcement officers such as the Police, Immigration and Customs officers, inability of Ghanaian truck drivers to speak the French language, high number of Police and Customs checkpoints. All these challenges according to the study tend to increase transportation costs.

Again, the practice in Ghana is for some truck owners to reinforce their trucks to enable them carry excessive load. This increases the tare weight of the trucks and limits the amount of cargo they could carry if they are to comply with the approved axle weight limits on the roads.

Consequently, truck owners who have not been able to immediately change the tare weights of their trucks have relocated to neighbouring countries where the regime is not strictly enforced.

The Ghana Highways Authority (GHA) that was in charge of enforcing the Axle Load regime initially pegged the

maximum allowable tonnage for the six axle vehicles at 51 metric tons (mt).

Following review of the limits at the UEMOA level, Ghana now implements an allowable limit of 60 mt and imposes fines on any excess of up to 68 mt, and a higher fine thereafter. However, the UEMOA countries are allowing up to 68 mt, after which fines are imposed. This lack of harmonization in the implementation of the Axle Load Control regime is worrying and would be detrimental to the competitiveness of the Ghana corridor if no steps are taken by Ghana to fall in line with the rest of the Member States.

### IMPACT OF AXLE LOAD IMPLEMENTATION ON THE TRANSIT TRADE

The Implementation of the axle load regime in Ghana has led to a significant reduction in the transit trade traffic through the seaports of Ghana. This has come with serious unemployment challenges because of the lack of activity of transit trade operators.

In Ghana today, transit operators have seen their businesses collapse because of the axle load policy Ghana is implementing. Presently, a number of Ghanaian haulage trucks have moved into neighbouring Benin, Togo, Nigeria, and Cote d'Ivoire where the axle load limit is not being enforced.

The General Manager of Hippo Transport Ltd a leading cargo transport company in Ghana, for instance mentioned at a seminar organized by the Borderless Alliance and the Ghana Shippers' Authority on May 20, 2014 in Accra that the company had moved more than 150 trucks out of the total of 200 trucks from the Tema Port to neighbouring ports where conditions for transit trade were more friendly. He said the company had only 25 trucks left in Ghana. This, he said will lead to some job and revenue losses to the nation.

Statistics from the Ghana Shippers' Authority and the Ghana Ports and Harbours Authority indicate a reduction in transit volumes through

Ghana since the start of the implementation of the axle load policy. The figures show that transit cargo stood at about 1.07 million tons in 2008. The figure after the implementation of the Policy reduced to 523,609 tons in 2009 and further declined to 448,229 tons in 2010.

Currently, the transit volumes recorded in 2013 was about 600,000 tons. This slight increase is reflecting an increase in Burkina Faso trade volumes through Ghana.

### **EFFORTS AT RESOLVING SOME OF THE CHALLENGES**

The implementation of the Axle – Load Policy has generated a lot of fierce and heated debates among truckers, haulage operators, transport owners and the authorities responsible for its implementation, i.e., the Ghana Highway Authority (GHA) and the Ministry of Roads and Highways in Ghana.

Consequently, several forums have been held at various locations all intended to resolve the challenges associated with the implementation of the axle load limit.

The most recent of such forums was held on May 20, 2014 at the Coconut Grove Regency Hotel in Accra. It was organized by the Borderless Alliance and the Ghana Shippers' Authority under the theme 'Removing Trade Barriers in West Africa'. It was to address the differences between truckers, transport owners and the Ghana Highways Authority over the axle load limit of 60 tons. The meeting saw in attendance many players in the maritime, transport and trade industry in Ghana and from other nations.

Just like other forums, opinions were divided at this forum. While the transporters were demanding an increase in the axle load limit from 60 tons to 68 tons as is the case in neighboring countries such as Nigeria and Togo, the GHA insisted on 60 tons.

According to the transporters, an increase in the axle load will enable them compete effectively with their

counterparts in the ECOWAS sub-region since they are currently losing market share to them (counterparts). The GHA on the other hand explained that maintaining the 60 tons limit was a more acceptable considering the nation's road network, and that an increment would lead to a quicker deterioration of the country's roads leading to accidents and breakdown of trucks.

The Minister for Roads and Highways, Alhaji Amin Amidu Sulemani in a speech stated that high allowable axle loads would result in extra cost in road maintenance and therefore stakeholders should not be too concerned about their loss of revenue but rather pay much attention to the deterioration of the country's road infrastructure.

The Deputy Minister for Transport, Mrs Joyce Bawah-Mogtari, in her statement emphasised government's commitment in enforcing the axle load policy and its readiness to collaborate with stakeholders in the transport sector to address challenges hindering the successful implementation of the policy so as to create a cost-effective and safe transportation of goods along the country's corridors.

According to her, road accidents, frequent breakdowns and damages to the nation's roads are some of the effects of overloading and therefore appealed to stakeholders to embrace the implementation of the policy.

### **CONCLUSION**

It is evident from the above discussion that a harmonized axle load implementation regime will allow for the free movement of goods, services and persons within the West Africa sub-region. The current situation whereby the load limit does not favour one side of the competition does not provide for a level playing field. However, there is the need to protect the country's road

infrastructure; but it is the opinion of many experts that merely implementing an axle load regime is not the best answer.

In the short to medium term, Ghana should take a second look at the current axle load limit of 60 tons and review it to 68 tons to be at par with its neighbouring countries. This would provide a fair competitive platform to the country's transporters and shippers in relation to their counterparts.

In the long term however, government should endeavour to revamp the country's rail infrastructure since rail transport is the cheapest form of transport, especially for cargo. Rail transport in the carriage of cargo is the best way to go. It is being done elsewhere in East Africa, notably Kenya and Uganda. This has led to a significant increase in trade volumes and reduced cost because of the capacity of rail transport to carry large volumes of cargo.

The Eastern and Western rail corridors should be tackled with the needed urgency to link up with the Boankra inland port. This would create the needed push for the national economy. This strategy if effectively implemented would help reduce the congestion at the ports, reduce cost of shipments and also create jobs, thereby growing the economy. The development of rail transport would also open up the country's ports as the “hub port” for the West African sub-region because of the unique advantages Ghana has over its neighbours in the sub-region.

