

SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

VOLUME 23 NO. 2, APRIL - JUNE, 2021



MARITIME SECURITY THREATS IN THE GULF OF GUINEA: GHANA'S EXPERIENCE

ALSO IN THIS ISSUE

- MARITIME SECURITY THREATS IN THE GULF OF GUINEA: Ghana's Experience
- FORTUNES OF BAMBOO, CANE, RATTAN ARTISANS DWINDLE
- WHY FREIGHT RATES ARE HIGH RIGHT NOW AND HOW SHIPPERS CAN ADAPT?
- TIME TO PROTECT GHANAIAN SEAFARERS
- WHEN A SHIP IS AN "ARRIVED SHIP"
- GHANA'S STRATEGY TO BOOST EXPORTS: THE CONTRIBUTION OF THE GHANA SHIPPERS' AUTHORITY (GSA)
- HOW WELL ARE AFRICA'S LANDLOCKED COUNTRIES INTEGRATED WITH THE CONTINENT - ASSESSMENT OF THE BEST AND LEAST INTEGRATED.

ISSN 0855-5148



No Drama Out Of Your Crisis!

**Contact Our Marine Experts For
All Your Marine Insurance Needs**

- Marine Cargo
- Marine Hull
- Freight Forwarders Insurance
- P&I

f t i @ @ghanaunionassurance.com
Email: gua@ghanaunionassurance.com
Website: www.ghanaunionassurance.com
Tel: +233 302 780 627-30



SHIPPING REVIEW

GHANA'S AUTHORITATIVE QUARTERLY MARITIME JOURNAL

VOLUME 23 NO. 2, APRIL - JUNE, 2021

In this Issue



PAGE 02

Maritime Security threats in the gulf of Guinea: Ghana's Experience

The most important issue in combating piracy is therefore not necessarily the issue of resources, but rather the lack of effective cooperation and coordination between maritime security bodies.



PAGE 30

How well are Africa's Landlocked Countries Integrated with the Continent - Assessment of the Best and Least Integrated

Regional integration is imperative for Africa, more so for landlocked countries because it can transform them from being landlocked to land-linked. It helps to link landlocked countries to international markets, create larger markets that are attractive to the investment and trade which is also critical for generating sustained growth, creating jobs and transitioning to inclusive growth.

ALSO IN THIS ISSUE

Fortune of Bamboo, Cane, Rattan Artisans Dwindle	09
Why freight rates are high right now and how Shippers can adapt?	12
Time to Protect Ghanaian Seafarers	15

When a Ship is an "arrived ship"	18
Ghana's Strategy to Boost Exports: The Contribution of the Ghana Shippers' Authority (GSA)	27



Our Vision

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

Our Mission

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

Published by:
7th Floor, Ghana Shippers' House
No. 12 Cruickshank Street,
Ambassadorial Enclave, West Ridge,
P. O. Box GP 1321, Accra
Tel. 233-302-666915/7

Editor -in- Chief
Ms Benonita Bismarck
General Editor
Mr. Frederick Atogiye

Advertising Executives
Mr. Kojo Frimpong
Printed by:
Unik Image - 0302 253756
0302 231527



MARITIME SECURITY THREATS IN THE GULF OF GUINEA: Ghana's Experience

By Abdul Haki Bashiru-Dine, Ghana Shippers' Authority

THE GULF OF GUINEA

The Gulf of Guinea is a vast and diverse region stretching from Senegal to Angola, covering approximately 6,000 km of coastline. It is an important shipping zone for transporting oil and gas, as well as goods to and from Central and Southern Africa. On any day, there are about 1,500 fishing vessels, tankers and cargo ships navigating its waters. Piracy, armed robbery at sea, kidnapping of seafarers, illegal fishing, smuggling, trafficking and transnational organised crime pose a major threat to maritime security in the Gulf of Guinea and ultimately to the economic development of the entire region.

MARITIME PIRACY – DEFINITION

Legally, according to Article 101 of the 1982 United Nations Convention on the Law of the Sea (UNCLOS), maritime piracy is defined as any of the following acts:

- a. Any illegal acts of violence or detention or any act of depredation committed for



private ends by the crew or the passengers of a private ship or a private aircraft and directed:

- i. on the high seas, against another ship or aircraft or against persons or property on board such ship or aircraft
- ii. against a ship, aircraft, persons or property in a place outside the jurisdiction of any State;
- b. Any act of voluntary

participation in the operation of a ship or of an aircraft with knowledge of facts making it a pirate ship or aircraft;

According to international law, therefore, piracy at sea is an act of violence or detention perpetrated on the high seas against a ship outside of state's jurisdiction of 12 nautical miles off its coast.



Armed robbery Against Ships

IMO Resolution A.922(22)¹: Armed robbery is any unlawful act of violence, detention or any act of depredation or any threat other than an act of piracy directed against a ship or persons or property on board such a ship within a State's jurisdiction over such offences.

An identical definition is now found in IMO resolution A.1025(26) which is the new Code.

The above definition draws a clear distinction between Piracy and armed robbery. However, in the case of Piracy the act occurs on the High Seas, whereas Armed Robbery against ships takes places usually within territorial waters.

Enforcement measures in relation to piracy and armed robbery against ships in generally, the flag State that has granted to a ship the right to fly its flag has the exclusive right to exercise legislative and enforcement jurisdiction over its ships.

However, there are exceptions such as piracy in which third States have legislative and/or enforcement jurisdiction.

Article 100: All states have to cooperate to the fullest extent

possible to repress piracy on the High Seas or outside the jurisdiction of any State.

Article 105: Grants the right to any State to seize pirate ships or aircraft or taken by piracy and under the control of pirates and arrest the persons and seize the property on board. This can be done only on the high seas or in any other place outside the jurisdiction of any State.

Article 107: A seizure on account of piracy may be carried out only by warships or military aircraft or other ships or aircraft clearly marked and identifiable as being on government service authorized to that effect.

MARITIME SECURITY THREATS IN THE GULF OF GUINEA

While maritime insecurity in the Indian Ocean is dominated by piracy, threats in the Gulf of Guinea manifest in a variety of ways. The territorial waters and Exclusive Economic Zones (EEZs) of Nigeria, Benin, Togo and Ghana are considered areas at greatest risk of the following types of criminality.

- *Piracy and*

armed robbery at sea – Pirate activity in the Gulf of Guinea differs from that in the Indian Ocean. Somali pirates focus on kidnap for ransom, capturing vessels and holding their cargo and crew in order to extract money from a ship-owner. In the Gulf of Guinea pirates launch attacks primarily from Nigeria, with the aim of stealing cargo, equipment or valuables from a vessel and its crew. Kidnapping of crew-members happens, but it is rarer than in the case of the Indian Ocean and so the levels of violence are high as the Gulf of Guinea where pirates are less concerned with maintaining the wellbeing of hostages.

Of the 58 incidents of attempted and successful piracy/armed robbery in the Gulf of Guinea that were reported to the International Maritime Bureau (IMB) in 2012, 37 involved the use of firearms. In the first three months of 2013, 15 incidents (including three successful hijackings) were recorded.

- *Theft of oil and other cargo* – Attacks on chemical tankers and vessels carrying refined petroleum are well choreographed and demonstrate that hijackers have good knowledge of how to operate these specialized vessels as well as accurate intelligence on ships' locations and the type of cargo they carry. Tankers that are attacked are usually moored or carrying out ship-to-ship transfers at sea and so are



¹Code for Investigation of Crimes of Piracy and Armed Robbery Against Ships, 2001.

vulnerable to being detected and boarded.

Their crew is held while the cargo is transferred to smaller vessels by the hijackers to be resold onshore. It is estimated that 40 per cent of Europe's oil imports and close to 30 per cent of the United States' imports of petroleum products must travel through the Gulf of Guinea each year, and security concerns could affect Nigeria's and Angola's exports of crude oil.

- *Illegal, unreported and unregulated fishing* – West Africa is one of the world's main locations for illegal, unreported and unregulated (IUU) fishing. Almost 40 per cent of the fish caught in West African waters is taken illegally. This fact rarely features heavily in discussions of maritime security in the Gulf of Guinea, but it is of critical economic significance for West African governments, who collectively lose as much as \$1.5 billion annually because of IUU fishing. It is also of importance to international actors, as illegally caught fish is often destined for the European Union and Asian markets and there are links between vessels involved in IUU fishing and other forms of organized crime at sea – including drug-smuggling.

- *Trafficking of counterfeit items, people, narcotics and arms* – Many of the busy seaports in the Gulf of Guinea lack sufficient oversight. The apparent capacity can be undermined by corruption, allowing smuggling routes to become established. According to United Nations Office on Drugs and Crime (UNODC) estimates, 50 tonnes of cocaine worth US\$2 billion transits West Africa annually.

The potential destabilizing effect that the transit of illegal goods could have on West African states where incomes are low and law enforcement is not stringent is illustrated by Guinea-Bissau. Often referred to as a

'narco-state', the value of drug flows in this West African country rivals that of its official economy.

OVERVIEW OF 2020 PIRACY/ARM ROBBERY INCIDENTS IN THE GULF OF GUINEA

In 2020, piracy in the Gulf of Guinea demonstrated both a continuation of previous years' tendencies as well as new and rising trends, particularly in terms of Pirate Action Groups' tactics (PAGs). When comparing the years 2018, 2019 and 2020, the figures show an almost perfect hyperbola in actual maritime accidents, with the number of occurrences falling from 135 in 2018 to 121 in 2019 and increasing from 121 in 2019 to 130 in 2020 (cf. Figure 1). The subsequent graphical representations depict the identified threat profile.

MARITIME PIRACY – THE GLOBAL PICTURE

Although piracy has long been a significant problem globally, it was only recently that Ghana's high seas started to gain notoriety for the crime. According to some figures, contemporary maritime piracy peaked in 2010, with around 445 reported incidents. Figures covering 2020 show that while pirates attacked 162 ships in 2019, the number of ships attacked grew to 195 in 2020. Half a dozen of those attacks took place

along the coast of Ghana. As one report suggests, 135 crew members “were kidnapped from their vessels in 2020, compared to 134 in 2019, with the Gulf of Guinea accounting for more than 95% of crew numbers kidnapped globally.”

A 2014 report by the United Nations Conference on Trade and Development (UNCTAD) calls piracy off the coast of Somalia “an organized crime” and given the scale, “level of sophistication and degree of violence of incidents reported, may be considered a special case.” The pirates, the report said, are essentially “motivated by the prospect of large monetary gains from ransom payments and cargo theft...”

Also, Statista, a globally respected website that serves as a source of credible social and economic data, reports that the “regions most likely to come under threat from pirate attacks include Indonesia, Malaysia and Nigeria.” It is believed that “the abundance of natural resources in the countries themselves or adjacent areas” serves as pirates' attractions. Thus, as Statista has found, “strategic passages for oil transport such as Bab-el-Mandeb, near Somalia, or the Strait of Malacca off the Indonesian coast have become notorious targets for maritime

Type of Attack	2018	2019	2020
Attempted incidents	19	15	20
Suspicious approaches	9	7	19
Boarding	43	15	22
Thefts	11	17	22
Kidnappings	20	24	26
Fired upon incidents	8	12	8
Hijackings	4	2	5
Armed robberies	21	29	8
Total	135	121	130

Figure 1. Overview of incidents for 2018, 2019 & 2020



crime.” In the context of Ghana, a nation that started commercial drilling and export of crude oil in 2010, it is unclear whether the increasing cases of pirate attacks can be linked to the riches of the oil industry.

MARITIME PIRACY/ARMED ROBBERY AT SEA - GHANA'S PICTURE

In the latest incident, a commercial fishing vessel, the ‘Iris S’, operating from the Ghanaian port of Tema was reportedly boarded approximately 100 nautical miles south of Cotonou in Benin. The 500 gross ton vessel, which is nearly 40 years old, had a crew of 36 aboard and being a slower moving ship would have been an easier target for the pirates.

Reports in Ghanaian media said the ‘Iris S’ had departed Port on May 26, 2021 and while operating in the water off Benin spotted an unidentified vessel near the horizon. Approximately an hour after the first sighting, two skiffs approached the fishing vessel, forcing it to stop and seven armed pirates boarded. In the reports, the crew said they were uncertain if the vessel spotted on the horizon was acting as a mother ship for the skiffs.

The armed boarders rummaged the vessel, stealing personal possessions from the crew and equipment. They left the fishing vessel after about an hour, taking

five crew members. The kidnapped individuals included the captain, chief officer, second officer chief engineer, all Korean nationals, as well as another engineer who was Filipino. The remaining 31 crew members were unharmed.

In the previous assault on May 19, 2021 pirates boarded the fishing vessel *Atlantic Princess* approximately 65 miles south of Tema. In that incident, they initially took the vessel but later departed kidnapping five crew members from the fishing vessel.

Dryad's Global Maritime Security data Repositing analysis shows that overall pirate incidents are down in the region so far in 2021 compared to a year ago. They reported that there has been a total of six (6) incidents versus eleven (11) last year. The number of crew kidnapped, however, has risen slightly to a total of 61 individuals in 2021.



CHALLENGES OF MARITIME INSECURITY IN GHANA AND GULF OF GUINEA

An effective response to counter maritime security threats requires human resources, technical resources and a coordination system. In West Africa, the human resources exist in terms of the number of staff and their qualifications. Technical resources are being acquired – as shown by recent statements regarding the procurement of patrol boats.

The most important issue in combating piracy is therefore not necessarily the issue of resources, but rather the lack of effective cooperation and coordination between maritime security bodies.

This regional problem is also relevant to Ghana where, despite political assurances to the contrary, there is scant evidence of any significant cooperation between the navy and the maritime police.

This cooperation, which is crucial for managing the maritime domain, is also lacking in other West African countries.

THE ECONOMIC COST OF MARITIME INSECURITY

Brandon Prins, a Professor of Political Science & Global Security at the University of Tennessee published an article (May 2021) in which he argues that mainly “piracy ultimately affects developing countries with weak governments.”



The reason is that “criminals, insurgents and other groups see opportunities to raise money for their land-based battles by stealing from passing ships. For instance, militant groups in Nigeria, particularly in the Niger River Delta region and the Gulf of Guinea, siphon oil off tanker ships and resell it on the black market.”

The cost of pirate attacks runs into millions of dollars. For example, a 2020 report of the European Union on maritime piracy states: “Today, the most common form of maritime piracy and armed robbery in the Gulf of Guinea is the hijacking of ships, with a focus on kidnapping and ransom payments. In West Africa, the economic cost of piracy was estimated at more than €750 million in 2017.”

Titled “Piracy in the Gulf of Guinea, EU and international action,” the report makes it clear that “Regional cooperation is a central mechanism for fighting maritime crime in general and tackling piracy and armed robbery at sea in particular.”

After long neglecting their maritime zones, the report says, “states in the Gulf of Guinea are becoming increasingly aware of maritime security. As maritime security in Africa also has a global impact, maritime crime in the Gulf of Guinea has become a global concern.”

ADDRESSING PIRACY/ARMED ROBBERY IN THE GULF OF GUINEA

To address issues of maritime insecurity in the Gulf of Guinea, in October 2019, Nigeria hosted the Abuja Global Maritime Security Conference (GMSC) where delegates from various Gulf of Guinea States discussed some of the recent trends affecting the maritime security of the region. It was revealed that the Navy of various states did not have the resources needed to tackle the well-funded and well-equipped pirates.

Also, the Conference highlighted the fact that there is a lack of cooperation between the Navy of countries and other Authorities, while they asked for more investments in infrastructure, environment, education and job creation in the Niger Delta from where many pirates are believed to emanate.

Addressing Piracy in Ghana

Piracy/Armed robbery at sea poses a serious threat to the territorial waters of Ghana. Pirates/armed robbers are attacking ships to steal both personal belongings as well as cargo. In some cases, crew are taken by pirates for ransom.

Local authorities have put in place several measures including that the anchorage areas for the two major ports (Tema and Takoradi)

are regularly patrolled by the security officers of Ghana Ports and Harbours Authority (GPHA) and the territorial waters are patrolled by the Ghana Navy. The regular patrols by both GPHA and the navy are said to be deterring piracy activities.

In January 2020, Ghana's Maritime Security sector urged for more investment towards enhancing maritime security, in order to protect Ghana's territorial waters after the rise in maritime security threats across the West African sub-region.

Maritime Legal Challenges in the Gulf of Guinea/ Ghana

Obviously, there is the need to strengthen anti-piracy responses and counter-piracy capacity in the region. However, one of the major gaps confronting current and future counter-piracy efforts in the region is the legal complexity within which Gulf of Guinea piracy is cast. This article provides a snapshot of the legal challenges and the corresponding responses required to address the challenges.

Whereas the legal developments and experiences from Somalia have relevance for the Gulf of Guinea, piracy in the region presents distinct legal challenges. The complexities are evolving and unsettled. Nonetheless, current and future counter-piracy responses (national, regional and international) have to navigate these legal conundrums.

The successful prosecution of any crime depends, foremost, on the ability to establish jurisdiction over the suspects, followed by an assembling of the requisite evidence to prove the crime. Although Somali pirates operated with considerable skill and resolve, aided by sophisticated criminal networking, their *modus operandi* fit largely into the paradigm of traditional piracy. In this context, a ship is hijacked and held in a safe



haven while payment of a ransom is negotiated. This profile makes both the establishment of jurisdiction and the relevant collection of evidence for prosecution uncomplicated, especially when the pirates are generally Somalis. The process of ransom negotiations, payment of the money, which may be transferred directly to the pirates or through intermediaries and through banks, leave footprints that aids investigation and criminal prosecution of pirates.

The Gulf of Guinea presents a different scenario, with its hybrid of traditional and insurgent piracy. Unlike Somalia, pirates of West Africa frequently disable ship equipment and take control of the ship. This model necessitates not just combating “crimes of piracy” but also those offenses provided under the 1988 Convention for the Suppression of Unlawful Acts at Sea against the Safety of Maritime Navigation (SUA) and its 2005 Protocols that are directed at safeguarding the safety and security of the ship. This gives rise to *mix jurisdiction* in relation to the 'heads' of crime and therefore multiple criminal investigation and prosecution requirements.

There are further complications arising from the mix jurisdiction. Piratical incidents in the region are both inward and outward. These characteristics make the

distinction between piracy and armed robbery at sea problematic and render the jurisdictional interests complex. For example, there are instances where Nigerian pirates enter the territorial sea and at times, port areas of other states (especially Benin and Togo) to hijack ships, which are then commandeered to the shores of the Niger Delta.

From the perspective of Benin or Togo this scenario is an example of an *inward-outward* case of piracy, but from Nigeria's perspective, it is an example of *outward-inward* piracy. Both States would have immediate and significant jurisdiction founded on *sovereignty* and an interest in the protection of their national security and economic interest. This situation poses a dilemma of overlapping jurisdiction over the same offense.

LOOKING FORWARD

Piracy and illegal activity in the Gulf of Guinea and Ghana must be prevented, halted, countered and contained. Security enforcement agencies and the shipping industry are adjusting their response mechanisms to criminal groups' ingenuity and resourcefulness and vice versa, which have resulted in an on-going and complex cycle.

Efforts are being made to share information and intercept maritime criminals by maritime stakeholders at all levels, including national

Maritime Operation Centres (MOCs), Multi-National Maritime Coordination Centres (MMCCs), sub-regional centres (CRESMAO and CRESMAC), regional institutions, International Criminal Court (i.e., ICC) and the shipping industry. Yet, the threat has enlarged both in-depth and across the region.

The year 2021 continues to provide challenges to the international community, with occurrences in the first few months of the year indicating a rise in pirate threats and actions. With 23 occurrences thus far reported from Ghana to Gabon, including two hijackings, two cases of mass kidnapping and seven cases occurring beyond 150 nautical miles from the shore, the identified threat profile for 2020 is expected to grow.

CONCLUSION

Maritime security cooperation and coordination between countries of the Gulf of Guinea is crucial in overcoming the challenges of Piracy and armed robbery at Sea. Economic development and job opportunities for the youth would also enhance the fight against Maritime Security in the West African Sub-region. There is therefore the need for governments of states within the sub-region to continue to collaborate and pool their resources together in order to deal with this canker.

WE GO WHERE YOU GO!

YOUR CARGO'S SOLID PROTECTION
FROM SOURCE TO DESTINATION IS
ASSURED!

Get a competitive
quote from us now.

Wholesale
Commodities

Public
Liability

Personal
Accident

Contract
All Risks

Fire and
Allied Perils

Automobile
All Risks

Motor

Burglary

Marine

Goods-In
Transit

Bonds

All these **products**
JUST A CALL AWAY!
Call us **NOW**

Powered by **Loyalstar**

Head Office: No. 3, Justice A. Brobbey Avenue, Mile 7, Achimota, Accra. GW-1054-6659

☎ 050 167 3428 / 050 155 5203 / 050 153 0481 / 050 153 0295 📞 050 153 0485

📧 loyaltyinsurancegh 🌐 loyaltyinsurancegh.com 📱 @LoyaltyInsGh



Writer

FORTUNES OF BAMBOO, CANE, RATTAN ARTISANS DWINDLE

By Maclean Kwofi, Contributing writer

The once vibrant business of processing bamboo, cane and rattan in some parts of the country is fast losing its lustre due to a combination of factors. These include poor patronage of the artefacts by local people, dwindling export fortunes and over-dependence on cheap imports.

It means that low patronage by local consumers and the general dwindling export fortunes of non-traditional exports from the country have negatively impacted the sub-sector which about two decades ago provided a source of livelihood for thousands of people within the value chain and their dependents within the value chain.

Consequently, the majority of the youth who learnt the job have diverted into other trades and working as construction labourers, drivers' mates, head porters among others.

Because of the lack of a permanent place to ply their trade, members of the Bamboo and Rattan Association are scattered in various parts of Accra, including locations in Cantonments such as the Switchback Road, and near the Flair Hospitality Institute close to the headquarters of the Ghana National Fire Service, the Dimples-Dworwulu junction and the Spintex road.

INTERACTIONS

An elderly man, Mr Isaac Amoako, who has been a

bamboo and cane artisan for close to 40 years, said the slump in patronage had forced a large number of his colleagues into petty trading, farming, driving and other jobs.

"I can say that when things were good in this industry, I normally sold about 16 of the 40-foot containers of the artifacts annually," he recounted.

"However, things have drastically changed to the extent that I cannot even sell half a container for a whole year; our enviable business has become a hand-to-mouth business," he stated.

Another artisan around the Switchback Road in Accra, Mr Kweku Asamoah, attributed the low patronage to high preference for foreign products, adding that their biggest competitors were the Chinese who were highly advanced in technology.

He, however, expressed the belief that locally made bamboo, cane and rattan products could match their counterparts on the international market if the government supported it.

"Even though the Chinese products had better finishing and packaging, their wares are not as durable as our products. Artifacts made from Ghana last between 30 and 50 years before developing any defects," he said.



Another artisan, Mr Stephen Duah, added that the ban on government ministries, departments and agencies from using public funds to provide Christmas gifts was hampering the growth of the industry.

“The fortune of our business started dropping since the government in 2013 announced that it had banned the government ministries, departments and agencies from using public funds to provide Christmas gifts.”

IDENTIFYING THE CHALLENGES

However, in identifying the reasons for the challenges faced by the artisans, there was the need for the crafters to be innovative to make their products appealing to the people.

For instance, they need to come out with new designs and also ensure that they are able to improve on their finishing.

This is why the government's decision to support the industry to acquire more knowledge in the business while exposing them to new ways of competing in the world market was apt.

The government through the Ministry of Lands and Natural Resources established the Bamboo and Rattan Unit (BRU) in 2018, a dedicated unit to promote bamboo and rattan resources.

It is also taking steps to support Ghanaians to be trained in bamboo production.

REVIVING THE INDUSTRY

To revive the industry, there should be collaborative efforts among all stakeholders to promote the trade and

development of bamboo and rattan products in Ghana due to the enormous economic advantage to be gained from the sector.

This is because transforming the industry will enable the country to benefit from the \$60 million global bamboo economy, create jobs, protect the environment, and reduce pressure on the environment by replacing timber with bamboo.

Ghana is indeed highly regarded in the use of bamboo and rattan in West Africa because of the ability of those raw materials to reduce pressure on the forest.

USE OF THE PRODUCT

Both bamboo and rattan are used in construction works, furniture making and charcoal burning.

Bamboo shoots are used for food, watershed protection and carbon sequestration (the process of removing carbon from the atmosphere and depositing it in a reservoir among others).

The artifacts designed from bamboo, cane and rattan consist of basketry, lamp holders, both living and dining room chairs and tables, wardrobe among others.

The artifacts and products are basically used for decoration and as room and outdoor furniture. A living room set ranges between GH¢1,300 to GH¢2,000.

Like other antiques, artifacts are cherished by their owners, with some designs originating from deep-rooted cultural practices and are identifiable to a particular region or country. Many others are handed down from generations.



YOU COULD BE ROBBED **AND** **YOU WOULDN'T** **KNOW**

It is your responsibility to ensure your pension contributions are paid regularly. Let us help you to track that.

Update your records with us and let us keep you updated.

CONTACT US VIA

☎ 0242435037 📞 *447*70#

📘 🌐 📧 🐦 @petratrust

✉ customerservice@petratrust.com

achieve more

PETRA 





WHY FREIGHT RATES ARE HIGH RIGHT NOW AND HOW SHIPPERS CAN ADAPT

Swelling freight rates and container shortage have become a global challenge disrupting supply chains across industries. Over the last six (6) to eight (8) months, shipping freight rates across transportation channels have gone through the roof. This has had a consequential impact on allied functions and industries, such as auto, manufacturing among others.

To mitigate the soaring impact, one needs to scrutinize the key reasons behind the absurd rise in freight prices globally.

CAUSES OF RISING FREIGHT RATES

The COVID-19 pandemic

The shipping industry has been one of the worst-hit sectors by the Covid-19 pandemic. Firstly, all the major oil-producing nations have cut down production drastically due to the pandemic, which has created a demand-supply imbalance resulting in pricing pressures. While crude oil prices were hovering around US\$ 35 per barrel until recently, they are

currently, more than US\$ 55 per barrel.

Secondly, surging demand for goods and shortage of empty containers is another reason for distribution going haywire which has in turn caused freight rates to rise so significantly. With the pandemic bringing production to a halt in the first half of 2020, companies had to step up manufacturing to meet the sky-high demands. Also, with the pandemic-related restrictions disrupting the aviation industry, there was enormous pressure built up on ocean shipping for the delivery of goods. This in turn had a knock-on effect on the turnaround time of containers.

Continued reliance on split shipments

E-commerce retailers have been comprehensively using split shipments for years now for multiple reasons. Firstly, goods need to be picked from inventories across different locations. Secondly, breaking order into sub-

orders, especially if it belongs to different categories can help enhance the speed of delivery. Thirdly with not enough room on a single truck or plane for an entire shipment, it may have to be divided into individual boxes and transported separately. Split shipments happen on an extensive scale during cross-country or international shipment of goods.

Additionally, customers requiring to ship goods to multiple locations may also encourage split shipments. The more the shipments, the higher the shipping costs, therefore the trend ends up being an expensive affair and often harmful to the ecosystem.

Brexit increases freight rates for goods to and from the UK

Besides the pandemic, Brexit has caused a lot of cross-border friction, owing to which the cost of shipping goods to and from the country has surged exorbitantly. With Brexit, UK has had to give up on several subsidies it availed under the EU umbrella. With the

transfer of goods to and from the UK now being treated as intercontinental shipments, coupled with the pandemic complicating the supply-chains the freight rates for goods to and from the UK have already quadrupled. Additionally, friction at the border has also prompted shipping firms to reject previously agreed contracts which again meant that companies trying to transport goods were forced to pay increased spot rates. Global freight rates have further escalated due to this development.

Shipment Imports from China

Apart from the above reasons, another major reason behind these surged prices is the tremendous demand for containers in China. China being the largest manufacturer in the world there is a huge dependence of western countries such as the US and Europe on China for various goods. Therefore countries are willing to shed double or triple the price to procure goods from China. So while container availability has shrunk drastically through the pandemic there is a huge demand for containers in China where the freight rates too are substantially high. This has also contributed significantly to the price hike.

Other factors in the current scenario

Apart from the aforementioned points, there are a few lesser-known contributors to the high freight rates. Communication issues stemming from last-minute diversions or cancellations in the current scenario are one of the reasons for booming freight prices. Also, the transportation sector, like other industries, tends to have ripple effects when corporations take major actions. So, when the market leaders (the largest carriers) decide to increase their

costs to recoup losses, the overall market rates are inflated too.

The industry can resort to several measures to put a check on the rising freight rates. Altering the day or time for the shipment and transporting during 'calmer' days such as Mondays or Fridays, instead of Thursdays that are generally earmarked as the busiest can reduce freight costs by 15–20% annually.



Companies can plan in advance to club and ship multiple deliveries at once instead of individual deliveries. This can help companies avail discounts and other incentives from shipping companies on bulk shipments. Over-packaging can augment the overall shipment costs, besides damaging the overall ecosystem. Therefore, companies should look at avoiding it. Additionally, smaller companies should seek the services of integrated transportation partners for shipments as outsourcing can help them focus on their core operations.

WHAT CAN BE DONE TO COUNTER RISING FREIGHT RATES?

Advance Planning

One of the most effective ways to combat these high freight rates is advance planning of shipments. Cargo cost is increasing every day.

To avoid paying surged charges and avail early bird facilities, companies have to strategically plan their shipments well in advance. This can help them save a considerable amount of cost & help them avoid delays. Using digital platforms to leverage historic data on the freight costs to predict the rates as well as the trends affecting the rates also comes in handy when planning in advance for the shipment.

Ensuring transparency

It is digitization that can usher in a strategic transformation in the Shipping and Logistics industry. Currently, there is a tremendous lack of visibility and transparency amongst the players of the ecosystem. Therefore re-inventing processes, digitizing shared operations and implementing collaborative technologies can maximize efficiency and reduce trading costs. Besides building resilience for supply chains, it will help the industry to bank on data-led insights, thereby helping players make informed decisions.

The industry, therefore, needs to adapt technologically bringing about a systemic shift in the way it operates and trades.

Source: CNBC TV18



PRIORITY INSURANCE COMPANY LIMITED

PRIORITY INSURANCE COMPANY LIMITED is an indigenous Ghanaian Company duly licensed by the National Insurance Commission (NIC) to underwrite non-life insurance business. PRIORITY INSURANCE is a member of the prestigious TOBINCO GROUP OF COMPANIES that enjoys excellent reputation in various sectors of the Ghanaian economy, notably the pharmaceutical, banking, media, building and construction industries. PRIORITY INSURANCE offers a comprehensive portfolio of innovative and customer-oriented insurance products designed to deliver effective covers for various needs of individuals, households,

businesses, enterprises and corporate entities. At PRIORITY INSURANCE, we always commit ourselves to being a loyal and dependable partner in the Insurance Industry. The Company provides insurance and risk management solutions in Motor; Fire; Bonds; Accident; Burglary; Marine and Aviation; Liability Policies - including Workmen's Compensation, Public Liability, Product Liability, Professional Indemnity, Bankers Indemnity, Directors and Officers Liability; Assets All Risks; Business Interruption; Engineering / Contractors' All Risks; Erection All Risks; Cash-in-Transit; Goods-in-Transit; and other innovative non-life insurance products.

Our priority can be summarized under three (3) broad areas:

- Solid capital base
- Fair and prompt settlement and payment of legitimate claims
- Excellent customer service and Nation-wide network of offices. Saturday Insurance at the Head Office We are open to business on Saturdays at the Head Office, Priority House, Avenor Junction, between the hours of 9:00 a.m. - 2:00 p.m. Contact Details Contact Priority Insurance on

Hotline

050 571 9499 / 055 301 9060

PRIORITY INSURANCE ... "WE ARE ON YOUR SIDE"

Branches:

- Kumasi Sunyani Tamale Wa Dambai
- Koforidua Suhum Nkawaw Somanya
- Accra Madina Spintex Dansoman Tema
- Ho Hohoe Aflao Akosombo
- Takoradi Tarkwa Cape Coast Elubo
- Kasoa Swedru Oda Makessim

PRIORITY INSURANCE CO. LTD

...we are on your side.

we are EVERYWHERE!

INSURE WITH PRIORITY Motor | Fire | Marine & More.

055 301 9060 | 050 571 9499

www.priorityinsuranceghana.net

Download our APP

Download on the App Store GET IT ON Google Play



Writer

TIME TO PROTECT GHANAIAN SEAFARERS

By Maclean Kwofi

On June 25, 2021, Ghana joined the rest of the world to mark another International Day of Seafarers, a day set aside to celebrate the invaluable contribution of seafarers to the worldwide commerce and economic system.

Almost 80 per cent of the world's goods trade is transported by ships and behind these ships are the seafarers who work relentlessly to ensure smooth flow of trade using the sea. The day honours their contributions and is celebrated to show reverence to them.

How it started

The celebration of the day, which is the focal point of the significant contribution of the seafarers, began 11 years ago after the International Maritime Organisation (IMO), a specialised agency of the United Nations (UN) responsible for regulating shipping, designated June 25 as International Day of the Seafarer in 2010.

Since 2011, the IMO celebrates the Day online urging people to support and promote sailors/seafarers who are essential to global trade and transport.

The purpose of the celebration of the Day of the Seafarers is to express appreciation to seafarers for their significant contribution to the world's economy and for the risks as well as personal costs they bear while on their jobs.

The day is also observed to urge private ship companies and owners to provide their seafarers' adequate facilities for a safe journey on the seas.

The sea is the life blood of the planet. Since the dawn of history, human beings have gone to sea and today seafaring remains one of the world's most important professions.

About 1.7 million seafarers provide the labour force that literally keeps the global economy moving and the world benefit from that, whether rich or poor and whether countries are small or big.

The theme

The theme for this year's celebration which is "a Fair Future for Seafarers," could not have been more opportune, given the havoc wreaked on seafarers and their families by the coronavirus (COVID-19) pandemic and its attendant travel restrictions.

In an answer to a survey questionnaire on the IMO's website asking seafarers how the pandemic had changed the future of seafaring, a whopping 73 per cent of respondents said things had changed for the worse.

This, therefore, should be a concern to all stakeholders in the shipping and transport industry including Ghana.



Cabotage Bill

In an attempt to protect Ghanaian seafarers, the Director General of the Ghana Maritime Authority (GMA), Mr Thomas Kofi Alonsi, said the authority has been at the forefront of championing a Cabotage Bill designed to ensure that more seafarers gain employment.

“We are determined to ensure that a sizable percentage of jobs is reserved for our seafarers by foreign vessels operating within Ghana’s maritime jurisdiction.

“While the draft bill is going through the processes to be laid before Parliament and debated before being passed, the authority is exploring other avenues of compelling foreign vessels operating solely within our waters to employ local seafarers.

“We have included as part of our conditions for the renewal and granting of operating permits and licenses for vessels operating solely within our maritime jurisdiction, a requirement for proof of employment of local seafarers.

“We intend to enforce these regulations religiously. We are confident that these efforts will bear fruits very soon,” he said.

Much to be done

On his part, the President of the Seafarer Centre, Ghana, Mr Edem Loh-Mensah, said “Indeed, we commend the GMA for its efforts. We are encouraged by the audience given us thus far; however, we admit there is much more to be done.

“We acknowledge the hard work and effort into getting the Cabotage Bill to where it is presently.

“We have been duly updated on progress with the opening of the Ghana Shipping Registry

and making it more economically viable for both the nation and the seafarer community-at-large,” he said.

Myriad of challenges

The President said the centre recognised the deplorable conditions in which workers in the fishing sector operate.

“We call on the GMA and the sector minister to, as a matter of urgency, look into the myriad of challenges and help alleviate the plight of our people.

“We have seen very robust systems elsewhere in the employability of the seafarer and we believe if this is looked at critically and made a priority by the government as is the case in the Philippines and other countries we will go a long way too, not just offering employment but also providing avenues to generate enough income for the government,” he added.

Way forward

Going forward, Parliament should expedite actions on the passage of the Cabotage Bill into law to help sustain jobs for Ghanaians in the maritime industry.

The GMA should also ensure strict enforcement of its new permit condition for locals to benefit.

The challenges and problems faced by Ghanaian seafarers should receive serious attention from all stakeholders to protect them. After all, the key agenda is a fair future for seafarers and so, Ghanaian seafarers must benefit from Ghana’s maritime jurisdiction.

Pull quote

“While the draft bill is going through the processes to be laid before Parliament and debated before being passed, the authority is exploring other avenues of compelling foreign vessels operating solely within our waters to employ local seafarers.”





ShippersApp



ShippersApp

An easier way of getting your shipping and logistics information

-  Shipping News
-  Maritime Trade Statistics
-  ETA/D of Vessels
-  Charges at the Ports
-  Lodging of Shipper Complaints



www.shippers.org.gh

HEAD OFFICE: 7TH FLOOR, GHANA SHIPPERS' HOUSE NO. 12, CRUICKSHANK STREET, AMBASSADORIAL ENCLAVE, WEST RIDGE. TEL: +233 (0) 302 - 666915-7/ 668769 E-MAIL: INFO@SHIPPERS.ORG.GH



Writer

WHEN A SHIP IS AN “ARRIVED SHIP”

By A. G. Buabeng, Legal Practitioner

The basic problem of an “arrived ship” is economic. The day-to-day running cost of a large vessel are extremely high. If, therefore a ship is kept waiting in an area of a port named as the destination in a voyage charterparty because of congestion in the port, it becomes a matter of contention whether the cost should be borne by the shipowner or the charterer.

The respective arguments of the shipowner and the charterer were expounded by Scrutton LJ, arguably one of the finest commercial judges ever to adorn the English Bench in *Van Nievet Goudrian and Co's Stoomart Maatschappij v. Forslind and Son* (1925) 22 LILR 49, 51 where he stated:

“On the other hand the charterer has said “How ridiculous it is that my time for loading or discharging should begin before I have got into a berth where I can load or discharge, and until my ship gets into the place where I can load and discharge it is absurd to make payment for time waiting to get there”. On the other hand, the shipowner has said. “You have got the cargo at the port; you

have to make arrangements for the berth and if you cannot get a berth, why should my ship be waiting around at my expense when it is due to the fault of your arrangements that you cannot get there”.

Almost invariably, modern voyage charterparties provide a specified number of days called lay days or lay time during which the vessel must load or unload.

Days spent in these operations in excess of the lay days are charged to the charterer at a daily rate, representing liquidated damages to the shipowner and known as demurrage. This may amount to a four-figure sum per day.

The most authoritative statement of law on the commencement of lay days was succinctly expounded by Kennedy LJ. In *Leonis Steamship Co. Ltd. v. Rank Ltd.* [1908] 1 K.B. at pp 517-518 where he said:

“The ship's obligations therefore under such a charterparty, the performances of which must precede the commencement of the lay days – are these. First, the ship

must have arrived at her destination, and so be within the designation of an “arrived ship”. Till then she is not entitled to give notice of readiness to load. Thirdly, she must in fact be, so far as she is concerned, ready to load”.

It must be appreciated that the question of whether this is an “arrived ship” is of fundamental importance. It is a problem of global character. For the problem is more than fundamental since the commencement of lay days usually hangs on whether first and foremost the ship is an “arrived ship”.

To appreciate the problem in its right perspective, it must be observed that it is important to recognise that voyage charters are of three types, depending on whether the loading and discharging point is specified as berth, dock, or port. The position with regard to berth and dock charters is relatively straightforward. It has been established that the vessel becomes an “arrived ship” when it enters the specified berth. Vide *Stag Line v. Board of Trade* [1950] 2



KB 194. See also the *Isabelle* [1984] 1 Lloyd's Rep. 366 on dock Thorman v. Dougate SS Co. [1910] 1 KB respectively.

In both cases the risk of delay in reaching the specified berth or dock must be borne by the shipowner.

The same rule also applies in cases where the charterer, having an express right to nominate the berth or dock, nominates a busy one, with the result that delay inevitably occurs. The courts have taken the view that there would be little value to the charterer in having such an option if he was obliged to consult the convenience of the shipowner before exercising it. Vide *Reardon Smith Line v. Ministry of Agriculture* [1963] AC 691..

It is however a case of port charterparty which raises a number of problems on the issue of an "arrived ship". The present writer, after a very diligent research in the Ghana Law Reports, Supreme Court Ghana Law Reports and the Ghana Bar Reports did not come across a single law reported case in which the issue of an "arrived ship" in a port charter-party has been considered by the Courts. This is hardly surprising since invariably voyage charterparties have a foreign jurisdiction clause for the resolution of issues arising out of or in connection with such charterparties.

In the absence of decided Ghanaian cases; in what constitutes an "arrived ship" to enable lay time or lay days to commence provided the other two preconditions referred to earlier in this article are satisfied, the present writer, regrettably though it is, may refer to cases decided in foreign jurisdictions especially in England for the elucidation of what is meant by an "arrived ship". In doing so, the present writer will discuss the earlier authorities on the issue and the first case which readily comes to mind is the locus classicus of *Leonis v. SS Rank Ltd.* [1908] 1 KB 499 where a ship was chartered to load at Bahia Blarea. When she arrived, the port was crowded with vessels and she could not get to a berth, so anchored in the river in the port. There she remained for about five weeks before a berth was available. It was held that she was an "arrived ship" when she anchored in the river.

Kennedy LJ. defined the shipowner's obligation as being to bring his ship into the port in the commercial sense of the word as opposed to the geographical, administrative or other senses. This area, he dubbed perhaps unfortunately as the "commercial area" and defined that by saying:

".... the commercial area of a port, arrival within which makes the ship an "arrived ship" and as such

entitled to give notice of readiness to load, and at the expiration of the notice begin to count lay days, ought, I think be that area of the named port of destination on arrival within which the master can effectively place his ship at the disposal of the charterer, the vessel herself being, then, so far as she is concerned, ready to load, and as near circumstances permit to the actual loading "spot"..... where ship waiting for access to that spot usually lie".

The term "commercial area" was seized upon by the House of Lords and applied in far more restricted manner in *Sociedad Financiera de Bienes Raices S. A. v. Agrimpex Hungarian Trading Company for Agricultural Products*. The *Aello* 1961 AC 135. The vessel in this case arrived at Buenos Aires to load maize. Owing to the fact that too many ships were chasing too little grain the harbour authorities had decided that vessels should not enter the dock area, where they usually waited, until a cargo was ready for them, but should wait at an anchorage twenty-two miles downstream in an open roadstead. At the time, many vessels were waiting there owing to the acute congestion in the docks. The House of Lords, by a bare majority, held that the *Aello* was not an "arrived ship", as she was not within the commercial area of the port. It is extremely difficult to distil from judgement in *The Aello* the exact ratio in relation to the commercial area.

The only judgement which attempts to expand the definition is the dissenting judgment of Lord Radcliffe... He rejected the test of the part of the port where commercial operations are carried on as too indefinite as "commercial operations embrace a great variety of different activities, many of which are properly carried on in different parts of the port and also rejected the test adopted by the Court of Appeal, namely "that part of the port where a ship can be

loaded when a berth is available albeit she cannot be loaded until a berth is available.....". He added that "commercial area" as applied to ships awaiting for cargo is more accurately understood as defining a set of circumstances relevant to the voyage and the port than as delimiting "part of the port where a ship can be loaded"

Lord Jenkins thought the commercial area was the area in which the actual loading spot is to be found and to which vessels seeking to load cargo of the relevant description usually go, and in which the business of loading such cargo is usually carried out"

Lord Morris emphasised the need for the vessel to arrive within the area which contained the places where the loading would take place and approved the Court of Appeal's definition.

The commercial area, therefore, where it is featured, clearly encompass a far narrow area than that conceived by Kennedy and Buckley L. JJ. Its further divorce from the other limits with which a port may be bound, although it enabled the bold and progressive approach in *The Delian Spirit* 1971 Lloyd's Rep 506 to the effect that the commercial area could extend beyond the physical or geographical area of the port albeit this involved distinguishing *The Aello* generally operated in the charterers favour.

This apparent inconsistency gave rise to dissent as to whether the law had been changed by the *Aello*.

A change, however, was definitely seen in the *Johanna Oldendorff*. In this case, *E. L. Oldendorff and Co. GmbH v. Tradax Export SA* the facts of which are these: In December, 1967 *Johanna Oldendorff* was chartered to load a bulk cargo of grain in the USA and deliver it to a port in the United Kingdom named by the charterer out of a range of Avonmouth, Hull, Glasgow and Liverpool / Birkehead (the two to

count as one port). In the case of first three mentioned ports the charterer specifically provided that the vessel should be treated as an "arrived ship" when she was at one of the usual anchorages for vessels waiting to enter these ports viz Walton Bay, Spurn Head and Tail o' the Bank respectively. The charterparty was silent as to the position at Liverpool. The charterer nominated Liverpool as the port of discharge. The *Johanna Oldendorff* arrived at the Mersey Bar Light on January 2, 1968. The port was congested and there was no berth immediately available. The following day she proceeded to Princess Wharf, within the dock area of the port, and cleared customs. She was then ordered by



the Port Authorities to return to the Bar Light Vessel some seventeen miles from the dock area and anchor whilst awaiting a berth, this being the usual waiting area in the circumstances. Shortly after from departure from Princess Wharf, the ship's agents gave notice of readiness to discharge.

The *Johanna Oldendorff* remained at the Bar Light Vessel for seventeen days until a berth was available. The shipowners claimed demurrage on the basis she was "arrived ship" on January 3 and that the date from which the lay days are to be computed.

Donaldson J (as he then was) at first instance reported in 1971 2 Lloyd's Report 96 and the majority of the

Court of Appeal reported in 1972 3 ALL ER 420 (Buckley & Roskill LJ Denning MR dissenting reluctantly considered themselves to be bound by the much criticised decision of the House of Lords in the *Aello supra* and to hold that the *Johanna Oldendorff* was not an "arrived ship" when she anchored at the Mersey Bar seventeen miles from Liverpool, after being ordered by the authority and notice of readiness to discharge having been given to the charterers. On appeal to the House of Lords, the Law Lords however availed itself of its power to decline to follow its own previous decisions in accordance with the Practice Statement of July 26 1966 which is reported in 1966 1 WLR 324.

Lord Reid, Viscount Dilhorne, Lord Diplock and Lord Simon of Glaisdale all considered the majority decision in the *Aello* to be inappropriate and were therefore able to accept the shipowner's contention that the *Johanna Oldendorff* was an "arrived ship" when at the Bar anchorage. The test which will now govern future cases in the commencement of lay time in respect of port charterparties is in issue is that formulated by Lord Reid in the *Oldendorff* case as follows:

"....., the essential and effective factor is that before a ship can be treated as an "arrived ship" she must be within the port and at the immediate and effective disposition of the charterer and that her geographical position is of

secondary importance” Before a ship can be said to have arrived at a port is she cannot proceed immediately, to berth, she must have reached a position within port where she is at the immediate and effective disposition of the charterer, if she is at a place where waiting ships usually lie, she will in such position unless some extraordinary circumstances proof of which would lie on the charterer”. This test was accepted by Lord Diplock and Lord Simon of

Johanna Oldendorff, the Court of Appeal took the view that the decisive factor was whether or not the vessel was immediately and effectively at the disposal of the charterer. There was no reason why a vessel should not be an “arrived ship” merely because she was outside the strict port limits provided that she had reached the normal waiting place for that port and was effectively at the disposal of the charterer. It is pertinent to observe that the Court of Appeal in



Gilaisdale. The House of Lords accordingly, by a majority overruled the *Aello*.

Within four years after their Lordships have overruled the *Aello*, they were provided with yet another opportunity to consider the issue of “arrived ship” in the *Martha Envoy*, 1977 to ALL ER 849. In the *Martha Envoy*, the charterer nominated Brake, a river port on the Weser as the port of loading but no berths were available there. The vessel had been instructed not to proceed upstream but to wait at the Weser Light. The lightship was stationed in the Weser estuary at a point some 25 miles downstream from Brake, and was the normal waiting place at that port for vessels of the size of *Martha Envoy*, since there were no suitable anchorages on the river within the port itself at which vessels could lie while waiting for a vacant berth.

In reviewing the criteria for an “arrived ship” expounded in the

reaching this conclusion followed an American arbitration award in *Maritime Bulk Carriers v. Garmac GrainCo.*[1975]. AMC 1826.

Lord Denning in the English Court of Appeal, in following the New York decision said “The merchants and shipping men on both sides of the Atlantic used the same standard form of contract and the same words or phrases. They should be interpreted in the same way in whichever place they came up for decision. No matter whether in London or New York, the result should be the same”,

On appeal, the House of Lords had no difficulty in rejecting this hearsay and restoring the position established in the *Johanna Oldendorff*.

The *Martha Envoy* was not an “arrived ship” while anchored at the Weser Light, since she was not within the limits of the port of Brake.

So the attempt to bring consistency to English and American Law on this point failed. As stated by Benedict on Admiralty 3rd Edition at p. 231 “American authorities have generally adopted a test of commercial good sense regarding the vessel's anchorage location, geographical considerations are only of minimal importance and a vessel can be considered an “arrived ship” while waiting at a customary anchorage site outside the geographical and physical limits of the port, especially if the vessel's movements are still subject to some control by the local authorities as e.g. through the assignment of berth station. Recent English authority, however, more deferential to precedent than practicality, insists that a vessel is not arrived – if it drops anchor of the designated, ports legal, fiscal and administrative limits”.

So far, the present writer has considered the position at common law in respect of “arrived ship” but this common law position may be varied by a contractual provision in a voyage charterparty.

For instance, the Baltic and International Maritime Council (BIMCO) publishes a number of standard voyage charterparties covering a wide variety of commodities and situations which may have provisions shifting risk of delay.

It is also pertinent to observe that decisions of other common law jurisdictions are only of persuasive authority in Ghana. In the light of the above, the courts in Ghana in determining what constitutes an “arrived ship” are not bound to follow the English authorities which have been analysed above.

As already indicated, there may be provisions in voyage Charterparties which will vary the common law position already discussed in this paper. Such provisions will place the risk of berthing delays on the charterer.

The most common provisions are considered briefly by the present writer and as follows:

(I) **"Whether in berth or not".**

This phrase, intended for use in berth charterparties justifies the giving of notice of readiness before the vessel's berth, so long as she is within the port.

(II) **"Whether in port or not".**

This phrase justifies the giving of notice outside port limits, so long as the ship is at a usual waiting area, for the port. It has been said to justify the giving of the notice when 200 miles from the port, so long as the vessel was at a usual waiting area from the port. It did not justify the giving of notice when 400 miles from the port, where the vessel had to wait to join a convoy to protect her from enemy attack.

(III) **"Always accessible".**

Where the charterer undertakes that the berth shall be always accessible he is responsible for delays caused by congestion or by physical obstructions but not for delays caused by bad weather. Vide *Seacrystal Shipping Ltd. v. Bulk Transport Group Shipping Co. Ltd.* The *Kyzikos* [1989] 1 Lloyd's Rep. 1 HL. It does not render the charterer liable for delays in leaving the berth caused by e.g. tidal conditions. Vide *London Arbitration 1/197* (L.M.N 463).

(IV) **"Time lost waiting for a berth clause"**

Perhaps, the most common of these clauses designed to shift the risk of delay is the Gencon clause which provides that "Time lost in waiting for berth" to count as loading (or discharging

time"). The object of this clause is to shift the risk before the vessel becomes an "arrived ship" i.e. from the time when it could have entered a berth had one been available. Thus in the case of a berth charter, it will cover the period while the vessel is waiting in port until a berth is available. Alternatively, in the case of the port charter it will apply while the vessel is waiting outside the port and even while it is waiting inside the port in circumstances where according to the *Johanna Oldendorff* criteria it is not "immediately and effectively" at the disposal of the charterer. The crucial question in each case is whether the basic reason for the delay is the unavailability of a berth.

(V) **"Reachable on arrival"**

The warranty applies to any place, whether a berth, wharf, sea terminal, vessel or lighter where the ship is to load or discharge. Vide *The Laura Prima* 1982 1 Lloyd's Rep 1 at p 6. The word "arrival" does not have its technical meaning referring to the place where notice of arrival can be tendered and the charterer's obligation arises as soon as the vessel has arrived in the popular or business sense and has reached the place where, if no reachable berth is designated she will be held up. Vide *(The Angelos Lysis)* 1964 2 Lloyd's Rep 28. The obligation of the charterer is to designate and procure a place where the vessel is able to reach on her arrival. The cause of any unreachability is immaterial and no distinction is drawn between commercial congestion and navigational obstacles.

(VI) **"Whether in free pratique or not"**

Provision in a voyage charter that once the ship has arrived at the port and tendered notice of readiness, if required, lay time will count in accordance with the charter-party whether or not free pratique has been granted by the authorities.

It is pertinent to observe that when a ship arrives at a port from foreign country, the authorities need to satisfy themselves as to the state of health of those on board and will then grant free pratique, that is, official permission for them to make physical contact with the shore.

As can be gleaned from the above, the common law cases on when the ship is "arrived ship" can be altered by clauses in Gencon form and Asbatankvoy form.

As already indicated by the present writer, the question of arrived ship is economic and very fundamental.

If a ship is not "an arrived ship", at common law no notice of readiness to load or discharge if the charterparty so stipulates can be given even if the ship is ready to load or discharge.

It is the present writer's hope in the not-too-distant future, while shipping continues to be the major artery of international trade, the courts in Ghana will have the opportunity to determine the vexed issue of when a ship becomes an "arrived ship".

When this is done, it will surely advance our maritime jurisprudence which is still in its infancy.

The Present writer is a Legal Practitioner. His email address is alexbuabeng@yahoo.co.uk.



GHANA SHIPPERS' AUTHORITY



BACKGROUND

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

SERVICES TO SHIPPERS

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

Head Office, Accra

Tel: +233 (0) 302 – 666915-7/ 666463

Tema: Tel: +233 (0) 303 – 953374-6

Kumasi: Tel: + 233 (0) 3220 – 22533/29751

Takoradi: Tel: + 233 (0) 3120 – 21739

Tamale: Tel: 0302 906571

Toll Free Line: 080030055

Website: www.shippers.org.gh

Samartex Timber & Plywood Company Limited

Samartex Timber & Plywood Company Limited was established in 1995. After it took over from African Timber & Plywood Company (AT&P).



Nursery



Plantation



From 1995 Samartex Timber & Plywood Company Limited has transformed through a massive program of investment and rehabilitation to become the leading sustainable and socially responsible timber company in Ghana.

Samartex is located in Samreboi Western Region, and it has a workforce of about 2000 employees with offices in Accra and Takoradi.

Samartex is also involved in the regeneration of the natural resources at its disposal through the establishment of plantation and agroforestry schemes. Samartex has evolved into the development of value-added products with non-timber forest products (NTFPs) like Thaumatin sweetener, Honey and downstream processing of wood pieces that would otherwise be considered waste into carvings.

OUR MISSION

To achieve a sustainable balance between human and ecological needs of all aspects of society that interacts with our activities and deliver operational excellence in all facets of our business by conducting it more sustainably to promote the wellbeing of our shareholders, employees, and other stakeholders.

OUR VISION

To become the leading sustainable and socially responsible wood processing firm in Africa through the optimum use of our natural resources.

VALUES

- Quality
- Re-forestation
- Social Responsibility
- After sales Services



Business Location

Samartex Timber and Plywood Company Limited
P.O. Box 1, Head Office
Tano Road – Samreboi
Western Region, Ghana, West Africa
Digital Address: WY-3429-2029

BRANCHES

Accra Branch – Logistics Office

P. O. Box CT 809, Cantonment
Greater Accra Region
Ghana, West Africa
Digital Address: GA-073-1695

Takoradi Branch – Shipping Office

P. O. Box TD 713, Takoradi
Western Region
Ghana, West Africa
Email: Takoradi.office@samartex.com

Corporate Social Responsibility- Samartex



Samartex Hospital

A 93 bed hospital facility, caring for over 2,000 employees and 3,000 dependants, as well as over 3,500 private patients monthly, from about 60 communities within 2 municipalities

Our facilities include: A male ward, Female and childrens ward, Maternity ward, Covid 19 Isolation ward. Fully equipped laboratory, Theatre, Xray and scan unit, Pharmacy, 24hour ambulance service.

Staff strength of 65 with minimum 3 medical doctors at post



Road construction and maintenance

A population of over 400,000 people benefit from samartex constructed and maintained road network totalling over 200kilometers, cutting across three(3) districts.

Not only roads, but also maintenance and construction of wooden bridges, culverts and steel bridges

Jobs carried out include: Scarification, Reshaping and graveling, Pot holes filling, Chip-sealed, Pushing and formation, Bridge and culverts construction, Reshaping and sectional gravelling, Steel bridge maintenance



EDUCATION AND TRAINING

Samartex operates a School Complex provides a fee-free education from Nursery to JHS with a total enrolment of 1,307 both wards of employees and non-employees.

Runs a fee-free 3 years NVTI certified Apprenticeship training programme in (auto-electrical, welding, heavy duty mechanics, general electrical, mechanical engineering, lathe turning, building and technology, etc.)

And has a management trainee programme to groom young Ghanaian graduates to take up key management positions.

Open for Industrial attachment training and national service placement for graduates.

PROVISION OF POTABLE DRINKING WATER

Aside supplying her employees with potable drinking water, samartex extends provision of free treated pipe borne water to inhabitants of Samreboi community

Samartex has gone further to install boreholes within close by communities where our water supply lines do not reach

However challenges in Illegal/ legally claimed mining activities have increased turbidity of water from the tano river, requiring more chemical treatment and directly affects cost of production as well as potability of drinking water. This compelled samartex to opt for the construction of additional 8 bore holes for produciton and community usage.

Commercial Insurance Products

We've got you covered!



Commercial Assets Insurance

Protect the continuity of your business with products such as goods in transit, business interruption and bonds insurance.

- Money • Fidelity Guarantee • Goods in Transit Cover • Fire Insurance
- Business Interruption Insurance • Burglary Insurance • Bonds
- Comprehensive Office Insurance • Combined Fire and Burglary Insurance



Specialist Business Insurance

From engineering insurance to marine & cargo, we'll cover you for a wide range of unique industry risks.

- Marine and Cargo Insurance • Engineering Insurance • Cyber Insurance
- Aviation Insurance • Contractors All Risk • Business Travel Insurance Plus
- Hole in One • Events Liability Insurance • Cyber Liability Insurance
- Tailor-made policies



Corporate Insurance

Secure the value of your business assets, from your vehicles to your electronic equipment.

- Assets All Risk Insurance • Motor Fleet



Commercial Liability Insurance

Get covered for liabilities created by your business, your employees or the products you produce.

- Public Liability Insurance • Product Liability Insurance • Stevedore and Shore Handling • Professional Indemnity • Directors' and Officers' Indemnity



Employee Benefit

Take care of your most important asset - your employees - with personal accident insurance and workers' compensation.

- Group Personal Accident Insurance • Worker's Compensation

Sign up for a policy today
0302-220966

Hollard.
Insurance

GHANA'S STRATEGY TO BOOST EXPORTS: THE CONTRIBUTION OF THE GHANA SHIPPERS' AUTHORITY (GSA)



Pineapple, one of Ghana's non-traditional export products, being packaged for export

Background

The Ghanaian economy, like any other developing economy in the world, is largely import-dependent. This has resulted in balance of payment deficits, instability of the cedi against the dollar and other international currencies, a low local manufacturing and industrial base with its accompanying challenges such as unemployment.

The economy is also characterised by export products that are shipped in their raw state without value addition. This situation is denying the country significant foreign exchange and other attendant benefits.

The Transformational Agenda

In an effort to ensure the country reaps maximum benefits from its export trade, the President of the Republic, H.E. Nana Addo Danquah Akufo-Addo in 2017 launched the "One District, One Factory" policy as part of his vision of moving Ghana Beyond Aid. The policy is aimed at creating jobs for Ghanaians through the setting up of factories and industries which will in turn move the country towards greater industrialization. The policy has seen the establishment of some factories around the country since its inauguration.

At the core of Ghana's export trade facilitation, development and promotion is the Ghana Export Promotion Authority (GEPA) - the national export trade support institution of the Ministry of Trade and Industry (MOTI). GEPA is aggressively pushing its mandate with the support of public and private stakeholders to diversify Ghana's export base from the traditional gold and other unprocessed minerals, cocoa beans, timber logs and lumber. Currently, there are over three hundred and eighty-three (383) different Non-Traditional Export products categorised under agricultural, processed/semi processed and handicrafts that the organisation is promoting in order to increase the country's export base.

In an effort to boost Ghana's exports, GEPA has reviewed the National Export Development Strategy to align with the Government's agenda for industrial transformation. The National Export strategy is expected to serve as a blueprint that provides the roadmap for the attainment of revenue targets and also reflect government policies, programmes and projects such as the One District One Factory (1D1F), Strategic Anchor Industries, Development of Small and Medium Scale Enterprise (SMEs), Industrial Revitalization, Export Diversification, Industrial Park/Economic Zones, Planting for Export and Rural Development, among others.

GEPA believes that one of the surest ways of achieving the export revenue target of USD5.3 billion by 2021 would be through the implementation of the National Export Development Strategy.

GSA's Contribution to Boosting Ghana's Exports

In reviewing the Export Strategy, the GEPA set up a committee of which the Ghana Shippers Authority (GSA) is a member. The GSA was established in 1974 by NRCD 254 as a state agency under the Transport Ministry to protect and promote the interest of importers and exporters in relation to port, ship and inland transport problems in order to ensure safe, reliable and cost-effective cargo handling. The GSA was added to the Export Strategy Committee for several reasons including the following:

First, prior to serving on the National Export Strategy Committee, the GSA and GEPA have in the past several years collaborated and continue to do so in organising seminars and workshops across the country to educate exporters on export requirements, processes and business opportunities. In the past few years, the two organisations have intensified their sensitization programmes by holding several seminars/workshops for hundreds of exporters and trade associations



Forum held for exporters in the Western Region of Ghana



Staff of the GSA interacting with a pineapple exporter on his farm in the Central Region of Ghana

across the country. The exporters were educated on various topical areas such as Logistics, Packaging, Cargo Consolidation, Incoterms 2020, African Continental Free Trade Area (AfCFTA), Export Financing, etc. The GSA has also participated in trade fairs organised by GEPA for exporters.

For exporters operating in the hinterlands of Ghana who are unable to participate in the seminars, the GSA organises regular visits to their places of operation in order to get first-hand information on challenges confronting their businesses in order to provide them with the needed assistance. Some of the export trade associations that the GSA engages on regular basis include the Greater Accra Art and Craft Dealers Association, Sea Freight Pineapple Exporters of Ghana Konkomba Yam Farmers and Exporters Association, National Association of Handicraft Exporters, Manya Krobo Mango Farmers Association, Ghana Vegetable Exporters Association, Ghana Root Crops and Tubers Exporters Union, Ghana Yam Producers and Exporters Association, among others.

The GSA, as part of its services to importers and exporters has established Shipper Complaints and Support Units (SCSUs) at the borders of Elubo, Aflao, Paga, the Takoradi port, Kotoka International Airport and Akanu to assist them in resolving shipment challenges associated with cross-border trade.

In addition, the GSA on a daily basis resolves shipment complaints of exporters such as high and illegal charges by shipping service providers, delays in the logistics value chain among others that are reported at its offices in Accra, Tema, Takoradi Kumasi and Tamale.

The rising cost of doing business in Ghana's ports has been a source of concern to shippers and the country at large. The GSA as part of its functions regularly negotiates freight rates and port charges on behalf of shippers in Ghana in order to ensure that they remain competitive in their business transactions. For instance, for the past twenty (20) years, the GSA has collaborated with the Cocoa Marketing Company (CMC) to negotiate the freight rates and conditions of shipment of Ghana's cocoa to destinations across the world with shipping lines for every cocoa season. This

has contributed in making Ghana's cocoa more competitive on the world market.

The GSA is undertaking some infrastructural projects that will contribute to boosting Ghana's exports. The Boankra Integrated Logistics Terminal (BILT), when completed, aside from serving the transport needs of exporters will also provide a whole area for the development of light industry that will see to the processing and value addition of some raw materials before export.

The automation of the clearing processes in the country's ports has resulted in paperless operations and swifter clearing and forwarding of cargoes, quick turnaround time, etc. The GSA supported the automation process via of the Ghana Community Network Systems about two decades ago and assisted in sensitizing shippers and other shipping industry stakeholders on the paperless port system.

The GSA's six large warehouses at the Tema Port help in providing warehousing facilities to exporters, including shippers from landlocked countries of Burkina, Mali and Niger transiting through the Tema Port. Currently, JDL Exports Ltd, an occupant of one of the warehouses has facilities for processing some products for export.

The GSA's Logistics Platform in Takoradi was established to serve the needs of exporters in the growing oil and gas industry in the Western Region. It has warehouses for storage and a large expanse of land for the development of platforms for pipe storage and other related services.

Conclusion

The coming into effect of the African Continental Free Trade Area (AfCFTA) presents huge prospects for the growth of Ghana's export trade, the national economy at large and an increase in inter-state trade among African countries. This new opportunity requires renewed commitments of agencies along the export value chain in order to boost the country's exports. The GSA and GEPA are already committed to this cause and can only find more innovative ways of collaborating to better serve the Ghanaian exporter.



The Takoradi Logistics Platform

GHANA SHIPPERS' HOUSE

CONFERENCE FACILITIES



- 540 SEATING CAPACITY CONFERENCE ROOM
- 100 SEATING CAPACITY CONFERENCE ROOM
- UNDERGROUND & SURFACE PARKING FOR 320 VEHICLES
- 2-600 KVA STANDBY GENERATOR
- HIGH SPEED INTERNET INFRASTRUCTURE

HEAD OFFICE

7TH FLOOR, GHANA SHIPPERS' HOUSE NO. 12, CRUICKSHANK STREET,
AMBASSADORIAL ENCLAVE, WEST RIDGE. TEL: +233 (0) 302 - 666915-7/ 668769
E-MAIL: INFO@SHIPPERS.ORG.GH



How Well are Africa's Landlocked Countries Integrated with the Continent - Assessment of the Best and Least Integrated.

By Anab Abudu, African Landlocked countries Advocate & Freelance Researcher

The COVID-19 pandemic has accentuated the maritime system's importance as the most reliable, efficient and cost-effective method of transporting goods internationally¹ but landlocked countries miss out on these advantages benefits because they lack direct access to the sea. Some of these nations may have coastlines, but they are only on closed seas².

For landlocked developing countries (LLDCs), being landlocked alone more than doubles the costs of imports and exports compared to their maritime neighbours³. Their challenges are further aggravated by their limited capacities (institutional and human) and dependence on a very limited number of commodities for export earnings⁴. [Virtually all the landlocked countries of Africa, Asia and South America were at a point colonized by European powers who were drawn to their vast size and rich natural resources and most have still remained dependent on natural resource exports even after political independence]

Of the world's forty four (44) landlocked countries, the United

Nations lists 32 (which makes up about a fifth of the world's nations) as developing economies being home to nearly half a billion people; 16 are located in Africa, 10 in Asia, 4 in Europe and two (2) in Latin America. Kazakhstan is the world's largest landlocked country covering an area of 2.67 million km² and bordered by Russia, China, the Kyrgyz Republic, Uzbekistan, Turkmenistan and the landlocked Caspian Sea⁵ (it is considered as such because the Caspian Sea is in reality a large lake, contrary to its name).

*Sub-Saharan Africa and Central Asia are homes to the most landlocked countries.*⁶

- Doubly landlocked countries

Two countries; Liechtenstein in Western Europe and Uzbekistan in Central Asia are the only doubly landlocked countries in the world. They are considered doubly landlocked because they are surrounded by other landlocked countries. Liechtenstein is 'locked' by two (2) other landlocked countries; Switzerland and Austria while Uzbekistan is 'locked' by five (5) landlocked countries; Afghanistan, Kazakhstan,

Kyrgyzstan, Tajikistan and Turkmenistan.

- Landlocked countries in Africa

Botswana, Burundi, Central African Republic, Chad, Ethiopia, Lesotho, Malawi, Rwanda, South Sudan, Swaziland, Uganda, Zambia, Zimbabwe, Burkina Faso, Mali and Niger⁷ make up the 16 landlocked countries in Africa. Chad being the largest, covers an area of 495,755 square miles⁸ while Ethiopia takes the spot as being the most populous. Eswatini also ranks as being both the smallest and least populous.

- Special Trade and Developmental Challenges of Landlocked Developing Countries (LLDCs)

As of 2019, the share of landlocked developing countries in world trade was only 1.105 per cent⁹. These figures are reflected in the GDP and Human Development Indices (HDI) of LLDCs. In 2015 for instance, a third of the countries that were ranked by the Human Development Index as having low human development were landlocked. These were the countries with the lowest life expectancies, education levels and per-capita income. In

¹ IMO, 2020. World Maritime Day 2020- sustainable shipping for a sustainable planet. available at <https://www.imo.org/en/MediaCentre/PressBriefings/Pages/31-World-Maritime-Day-2020.aspx>. accessed 2020.Dec.27

² World Population Review, 2021. Landlocked Countries 2021. Available at <https://worldpopulationreview.com/country-rankings/landlocked-countries>. accessed July 19, 2021

³ UN-OHRLLS, 2014. Vienna Programme of Action for LLDCs for 2014-2024

⁴ United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), 2014. "Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024".

⁶ Bhattarai, Kaushal, "Export Performance of Landlocked Countries: with Special Reference to Developing Economies" (2019). Masters Theses. 4572. <https://thekeep.eiu.edu/theses/4572>

⁷ UN-OHRLLS, 2014. "LANDLOCKED DEVELOPING COUNTRIES Things to KNOW, Things to DO"

addition, about forty (40) per cent of the population of these nations do not have access to electricity". To bring it home, fourteen (14) of Africa's sixteen (16) landlocked countries are ranked "low" on the human development index (HDI)¹⁰.

Despite some progress made, LLDCs still lag behind other developing countries in terms of their telecommunications infrastructure, including broadband Internet access, which plays a crucial role in increasing connectivity, boosting the competitiveness of enterprises and facilitating international trade which as a consequence affects their integration into global and regional markets.

- From Landlocked to Landlinked

Luxembourg is well-connected to the rest of Europe by roads, railways, airlines and can count on being able to export goods and labor through Belgium, the Netherlands and France almost effortlessly. While in direct contrast, Ethiopia's nearest coasts are across borders with Somalia and Eritrea, which are usually beset with political turmoil, internal conflict and poor infrastructure,¹¹ making it to rely on the more efficient port and logistics infrastructure of Djibouti which is relatively far, therefore increasing transport costs for imports and exports (especially also that freight rates to continent are already high). These goes further to hurt its regional and global integration.

While landlocked countries in Europe have developed

neighbours, those in Africa tend to find themselves in communities which "are in "mixed" neighborhoods, often characterized by fragile states grappling with challenges of reconstruction and transformation, alongside island economies and middle income countries, which also require innovative instruments to support their participation in regional programs"¹².

European landlocked countries also have a long history of interdependence supported with better transit infrastructure than in other developing regions. Due to the free movement of goods and services through the European Union; trade by landlocked members is less dependent on sea access. The highly developed economies bordering them allows them to trade in high value goods using several transport modes which reduces their transport costs and also increase their export earnings. These conditions allow them to avoid the trap of landlockedness.

-- Vienna Programme of Action (2014-2024)

The Vienna Programme of Action (VPoA) - (a major initiative to accelerate the economic development of landlocked developing countries) recognizes that an important strategy to address the special development needs and challenges of landlocked developing countries arising from landlockedness is to among other things help "to effectively implement bilateral, regional and international legal

instruments and strengthen regional integration"¹³. The programme therefore has Regional integration and cooperation as one of its six (6) priorities of action. United Nations Office of the Representative for the Least Developed Countries Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) aptly captures that cooperation and integration with transit countries "is a sine qua non for improved connectivity in transport, energy; information and communications technology for landlocked countries".

The Vienna Programme of Action (VPoA) specifically requires landlocked developing countries to take actions towards:

- a. promoting regional integration by strengthening regional trade, transport, communications and energy networks;
- b. promoting harmonization of regional policies so as to strengthen regional synergy, competitiveness and regional value chains;
- c. strengthening their participation in bilateral and regional integration frameworks.

- Regional Integration

Regional integration is imperative for Africa, more so for landlocked countries because it can transform them from being landlocked to land-linked. It helps to link landlocked countries to international markets, create

⁸ Amanda Briney, 2018. The 10 Largest Landlocked Countries. Available at <https://www.thoughtco.com/largestlandlocked-countries-4158616>. Accessed July 19, 2021.

⁹ WTO, 2021. WTO examines progress in landlocked developing countries' trade performance. Available at https://www.wto.org/english/news_e/news21_e/devel_26apr21_e.htm. Accessed July 20, 2021

¹⁰ WorldAtlas, 2021. Landlocked Countries In Africa. <https://www.worldatlas.com/articles/landlocked-countries-in-africa.html>. accessed July 19, 2021

¹¹ Goldberg J., 2018. The Economic Struggles of Landlocked Countries - Why Are Only a Few Landlocked Countries Successful?

¹² AFRICAN DEVELOPMENT BANK GROUP, 2015. Regional Integration Policy and Strategy (RIPoS) 2014-2023.

¹³ UN-OHRLLS, 2014. Vienna Programme of Action for LLDCs for 2014-2024

larger markets that are attractive to the investment and trade which is also critical for generating sustained growth, creating jobs and transitioning to inclusive growth¹⁴.

On the whole, Africa scores low on regional integration and according to the African Development Bank (AfDB), the African integration agenda has suffered because the priorities of development partner priorities have not always aligned with it¹⁵. But economic integration links are growing goaded by the instruments such as the World Trade Organization's Trade Facilitation Agreement and the African Continental Free Trade Agreement (AfCFTA) which provide opportunities for landlocked countries to link up to external markets and global value chains.

- The Africa Regional Integration Index

The Africa Regional Integration Index (ARII) developed by the African Union Commission (AUC), the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (ECA), assesses the regional integration status and efforts of countries that are members of the eight regional economic communities recognized by the African Union. It compares each country to the other countries in its regional economic community and to the countries of Africa as a whole.

The Index provides a snapshot of progress made by member states. It shows that while some countries are opening up and showing positive results, particularly in terms of trade and macroeconomic policy alignment, others are holding back and as a consequence missing out on

opportunities that come with better integration.

The 2019 index is the basis on which this assessment of landlocked countries is made.

a realization.

- Index Scoring system

The index scores performance on each indicator and dimension on a scale from 0 to 1.

Table showing the overall performance of all 16 Landlocked countries in all the five dimensions of Regional Integration

In all the five dimensions of Regional Integration										
S/N	Country	Trade Integration Rank	Productive Integration Rank	Macroeconomic Integration Rank	Infrastructural Integration Rank	Free movement of people Rank	Regional Integration (Overall Score) Rank		Rank	
1	Botswana	0.455	11	0.354	11	0.371	0.384	23	0.434	3
2	Zimbabwe	0.570	5	0.225	17	0.157	0.261	19	0.187	12
3	Uganda	0.464	9	0.277	9	0.505	0.385	24	0.186	15
4	Burkina Faso	0.434	14	0.367	10	0.188	0.190	30	0.170	16
5	Mali	0.485	12	0.186	40	0.545	0.354	28	0.148	20
6	Lesotho	0.555	7	0.252	37	0.297	0.469	40	0.144	29
7	Chad	0.486	10	0.163	39	0.669	0.669	50	0.103	32
8	Malawi	0.466	13	0.245	11	0.145	0.145	31	0.102	34
9	Niger	0.425	15	0.073	49	0.462	0.069	50	0.096	36
10	Eswatini	0.710	3	0.097	48	0.195	0.195	42	0.086	39
11	Ethiopia	0.477	16	0.066	50	0.174	0.174	33	0.079	40
12	Zambia	0.433	18	0.074	51	0.262	0.262	41	0.067	41
13	Mozambique	0.390	20	0.354	38	0.236	0.236	35	0.062	42
14	Central African Rep.	0.362	21	0.015	52	0.433	0.433	47	0.043	45
15	Burundi	0.301	22	0.121	44	0.179	0.179	43	0.017	52
16	South Sudan	0.290	#N/A	0.000	#N/A	0.000	0.000	#N/A	0.000	#N/A

Source: ARII 2019

The index analyses integration from five dimensions - *trade integration, productive integration, macroeconomic integration, infrastructural integration and the free movement of people*. It looks at the performance of all sixteen (16) landlocked countries on the index and assesses their rankings on the index. It also discusses the top and bottom performers overall and per each of the five (5) dimensions. It is important to note that due to the multidimensional nature of the Index, there are a few surprises i.e. some countries' dimensional and overall rankings are higher or lower than expected. This can happen when a country posts exceptional performance on a given indicator.

The 2019 ARII concluded that broadly trade (spurred by the AfCFTA) and macroeconomic integration on the continent are moving ahead at a reasonable pace, but infrastructure connectivity, productive capacity and free movement of people across borders evidently need improving to make true integration

A score closer to 0 indicates low performance which means a country is less integrated, while scores closer to 1 indicate high performance meaning a country is better integrated. A country's performance is considered average/moderate if it records a score around 0.5.

Trade Integration

The trade integration looks at the performance of countries on five (5) indicators to assess the extent to which a country trades with others in the region;

- *average intra-regional import tariffs* (measures the ad valorem equivalents of the minimum rates of the tariffs that a country has levied on its imports from the other countries in its region),

- *share of intra-regional exports over GDP* (measures the value of the goods that a country has exported within the region as a percentage of that country's gross domestic product),

- *share of intra-regional imports*

¹⁴ AFRICAN DEVELOPMENT BANK GROUP, 2015. Regional Integration Policy and Strategy (RIPoS) 2014-2023.

¹⁵ Ibid

Performance on the Trade Integration dimension



Source: Author

over GDP (measures the value of the goods that a country has imported from within the region as a percentage of that country's gross domestic product.),

-share of intra-regional trade (the sum of a country's exports and imports within the region as a proportion of all of the region's intra-regional trade) and -signing or ratification of the AfCFTA (indicator reveals whether countries have signed or ratified the African Continental Free Trade Area agreement).

Eswatini was the surprisingly the best performer (1st) in this dimension with a score of 0.730 among landlocked countries and continent-wide. The Central African Republic was worst performing among landlocked countries and forty-sixth (46th) in the continental ranking recording a score of 0.282 on the index.

Productive Integration

This dimension scores how the productive capacities of a country complement those of other countries in the region; that is, if it specializes in those stages of production where it has a comparative advantage and can

benefit from economies of scale. The productive integration dimension is measured by three indicators:

-share of intra-regional intermediate exports indicator which measures a country's exports of intermediate (semi-finished) goods to the region (REC) as a percentage of all of that country's exports of goods to the region.

-share of intra-regional

intermediate imports indicator referring to a country's imports of intermediate (semifinished) goods from within the region as a percentage of all of that country's imports of goods from the region.

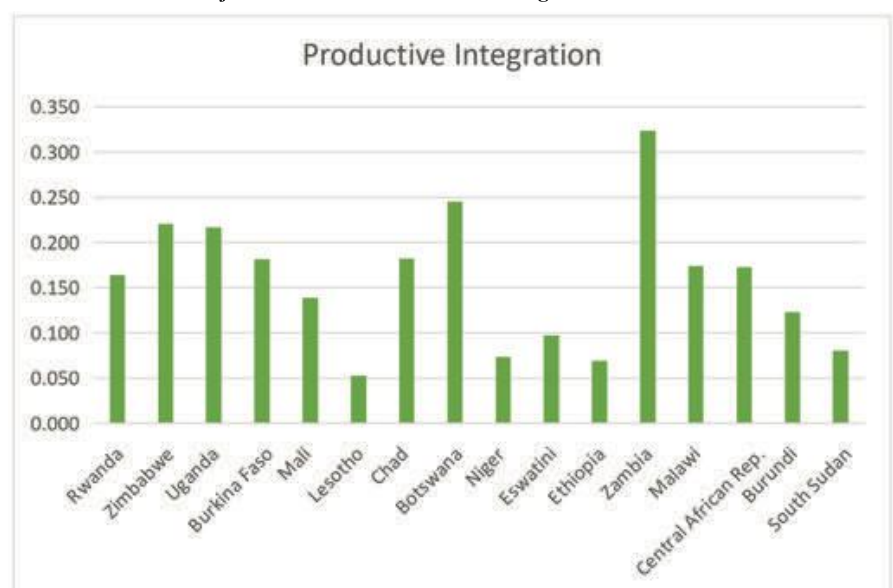
-merchandise trade complementarity index compares a country's export profile to the export profile of the region (REC). This indicator is calculated by the index as the sum of the absolute value of the difference between the import shares and the export shares of the countries under study vis-à-vis the region divided by two.

The report found Zambia as best performing in this dimension among landlocked countries but fifth (5th) continent-wide with a score of 0.324. Lesotho was the bottom performer among landlocked countries and ranked fifty-second (52nd) continent-wide with a 0.052 score.

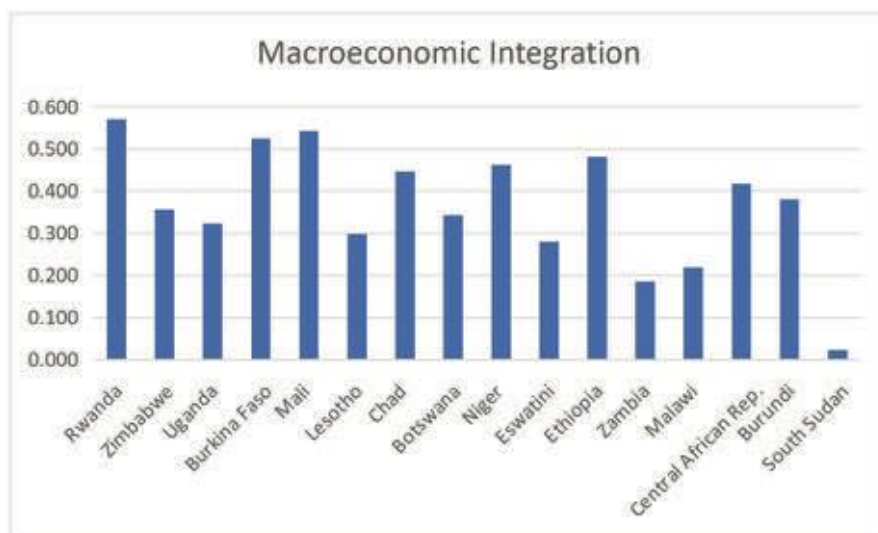
Macroeconomic Integration

The dimension considers the degree to which a country is macroeconomically coherent with its neighbours and helps investors to calculate the value and potential of their investments. The specific indicators on this dimension involve:

Performance on the Productive Integration dimension



Source: Author

Performance on the Macroeconomic Integration dimension

Source: Author

-regional inflation differential measures the difference between a country's inflation rate and the inflation rate targeted by the region. In cases where country data is not available, the indicator uses the minimum positive rate (that is, the lowest non-negative inflation rate) of the region.

-regional convertibility of currency evaluates the ease with which foreigners and businesses can transact. More specifically, it counts the number of countries within the region (REC) with which a country shares a common currency or with whose currency its own currency is convertible.

-number of bilateral investment index considers the treaties in force. For lack of comprehensive data on regional foreign direct investment, the number of bilateral investment treaties in force is used as a proxy for the scope of cross-border capital flows. This number is net of treaties that have not been ratified and treaties that have been terminated.

Rwanda was the top performer in this dimension among landlocked countries and fourth (4th) continent-wide scoring 0.570; a moderate/average score on the index. Mali followed in second place among landlocked countries

but fifth (5th) continentwide scoring 0.542. South Sudan was the bottom performer among landlocked peers managing a dismal score of 0.023. It's ranking on the continental level was not available.

Infrastructural Integration

According to the 2018 edition of the African Development Bank's Infrastructure Development Index, infrastructure investments account for over half of recent economic growth in Africa. This growth is principally driven by improvements in information and communication technology. To fuel the most growth, however, infrastructure must be developed to facilitate connections not only within a country, but between a country and its region and beyond. Indicators in this dimension measures

- the proportion of intra-regional flight connections that is, the number of a country's flight connections to and from points within the region as a percentage of all

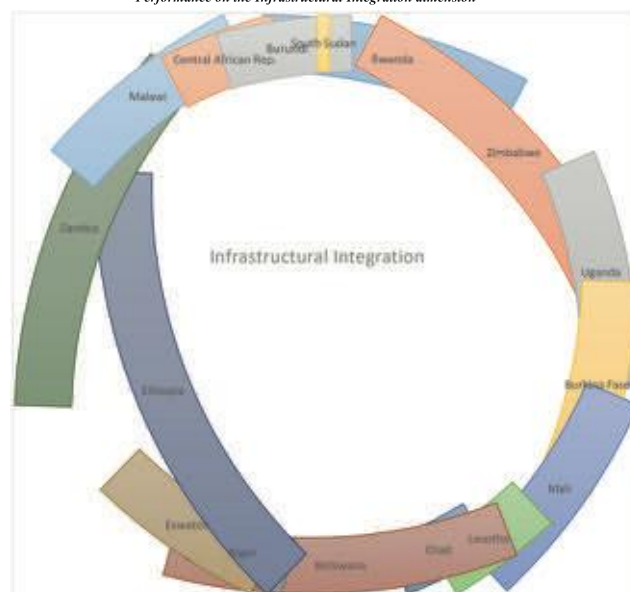
intra-regional flight connections.

-AfDB infrastructure development index is a composite index of nine measures of the state of electricity, transport, information and communication technologies, water and sanitation in an area. Indicators of a more regional nature – cross-border road connectivity, cross-border electrical infrastructure, the cost of mobile roaming – would be preferred, but comprehensive, reliable data on these elements is not presently available.

With a less than average score of 0.316, Ethiopia was the top performer on this dimension. Continent-wide, it ranked tenth (10th). South Sudan with a drearily low score of 0.009 was the bottom performer among landlocked countries and continentwide.

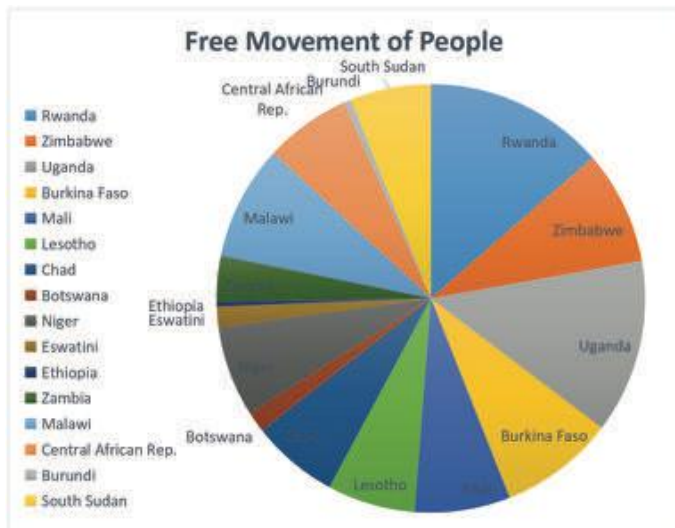
Free Movement of People

Welcoming visa policies mean more business, more investment, and more innovation. They make it possible to scale up local ventures, build economies of scale and develop efficient value chains. Digital technology plays a role: recent developments are streamlining entry processes and making it possible for more students, traders and residents to

Performance on the Infrastructural Integration dimension

Source: Author

Performance on the Free Movement of People dimension



Source: Author

travel, exchange knowledge, and build new markets. Specific indicators measuring the free movement of people looked at

- the free movement of persons protocol (Kigali) which measures whether a country has ratified the Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment.
- the number of countries that require a visa which counts the number of countries whose citizens strictly require a visa when travelling to each of the other countries in the region.

- the number of countries that may obtain a visa on arrival indicator which counts the number of countries whose citizens may be granted visas on arrival by the other countries in the region. It captures the ease with which people from that country can move around the region for tourism, business or day-to-day transactions.

Unsurprisingly Rwanda was best performing among landlocked countries on this dimension scoring a high of 0.907 but placing sixth (6th) on the continental

landlocked country on the dimension, managing a score of 0.037, it placed forty-ninth (49th) on the continental rankings beating Eritrea which was the worst performer on the dimension placing fifty-second (52nd).

In terms of overall performance, South Sudan's was been the most dismal compared to all countries and among landlocked countries as well recording 0.147 on the overall regional integration scoreboard. Its weaknesses are evident in the macroeconomic and infrastructure dimensions, where it ranks last. The dimension on which it performs better than other countries is free movement of people in which it beats Botswana, Eswatini, Ethiopia, Zambia and Burundi.

- Top Performer

Rwanda placed third (3rd) overall on the continental ranking and first (1st) on the ranking with

ranking. It came behind Comoros, Djibouti and surprisingly Somalia who were best performers (first) continent-wide recording 1.000 score and others including Mauritania and Mozambique. While Burundi was bottom-performing

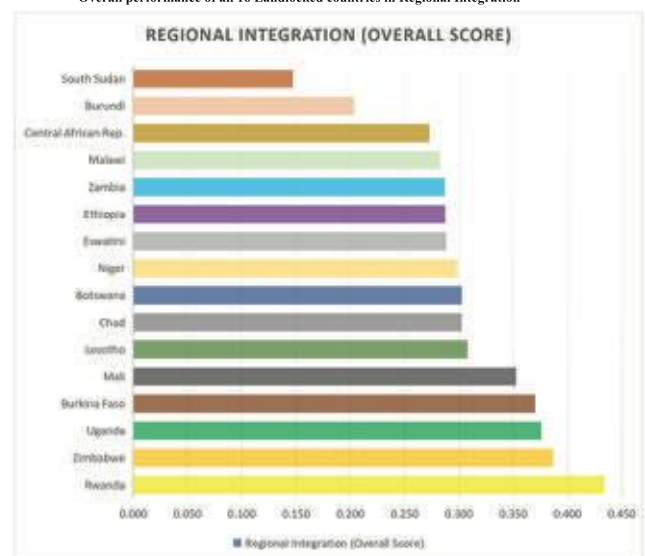
landlocked countries with an overall regional integration average score of 0.434 which is below the average score on the index. It ranked highest among landlocked countries in two dimensions; macroeconomic integration and free movement of people and performed well in the others.

Conclusion

Rwanda's 0.434 score placed it third on the continental ranking and also as top-most performing landlocked country. This performance is below the average score on the index's scoring scheme. On the continental ranking however, not only were three (Central African Republic, Burundi and South Sudan) out of the sixteen (16) landlocked countries featured as part of the bottom ten performers, South Sudan scored a stingy 0.147, placing last.

In conclusion, even though the second most integrated country on the continent; Kenya scored 0.444 also below the average, confirming that most of the continent is not well integrated, landlocked countries who will be major beneficiaries of better integration are also the least integrated.

Overall performance of all 16 Landlocked countries in Regional Integration



Source: Author

¹ The European Sting, 2019. Partnerships key to taking landlocked countries out of poverty: UN Chief.



REGULATING THE MARITIME INDUSTRY

OUR CORE BUSINESS IS TO:

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

Head Office

L: No 19 Mayer Road, Ridge-Accra
A: PMB 34, Accra, Ministries Post Office
GPS: GA-001-0461
T: +233 302660506, 6621 22

F: +233 302 677703
E: info@ghanamaritime.org
W: www.ghanamaritime.org

Tema Office

L: Community 1 Harbour Roundabout
A: P.O. Box 1613, Tema Community 1
GPS: GT 024-8286
T: +233 303207872, +233 302207673

Takoradi Office

L: 58 South Road Chapel Hill
A: P.O. Box 701 194, Takoradi
GPS: WS 129-4746
T: +233 312003460



Your Most Trusted Partner!

With over 180 branches, 300 plus ATMs and a strong asset base, we are confident of building a strong relationship with our Customers. Choose GCB for your...

- ▶ Transaction Banking Services
- ▶ Bank Financing
- ▶ Trade Financing
- ▶ Investment Solutions
- ▶ Management and Staff Loans
- ▶ Foreign Exchange Transactions
- ▶ ICUMS/UNIPASS
- ▶ Electronic Banking

Visit any of our nearest branches or get in touch.

Customer Service: 0202 111 177 0264 270 236

WhatsApp: 0202 422 422 **Web:** www.gcbbank.com.gh

Toll Free: 0800 422 422

Follow GCBBankLimited [YouTube](#) [Twitter](#) [Facebook](#) [LinkedIn](#) [Instagram](#)





BE CALM IN ANY STORM!

For import or export, protect your shipment with Enterprise Marine Cargo Insurance.

Call us today!



— Dream **Big** with us. —

Talk to your Insurance Broker or call us on
0548231149 or 0204954801

Email: CustomerService.insurance@enterpriseplcgroup.com or

www.enterpriseplcgroup.net/gb

Download the Enterprise Advantage App:  