

2004

A comparative study of import transit corridors of landlocked countries in West Africa

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WORLD MARITIME UNIVERSITY

Malmö, Sweden

**A COMPARATIVE STUDY OF IMPORT TRANSIT
CORRIDORS OF LANDLOCKED COUNTRIES IN
WEST AFRICA**

By

MICHAEL ACHAGWE LUGUJE

Ghana

A dissertation submitted to the World Maritime University in partial fulfillment of the requirements for the award of the degree of

MASTER OF SCIENCE

In

MARITIME AFFAIRS

(PORT MANAGEMENT)

2004

Declaration

I certify that all the material in this dissertation that is not my work has been identified, and that no material is included for which a degree has previously been conferred on me.

The contents of this dissertation reflect my own views, and are not necessarily endorsed by the University.

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Acknowledgements

I am most grateful to Mr. Ben Owusu-Mensah, Director General of the Ghana Ports and Harbours Authority, and the entire Management for taking such a bold decision by offering me this opportunity and sponsorship to study at the World Maritime University (WMU).

I wish to thank Messrs. Sammuel Ntow-Kummi and Wisdom Segbefia of the GPHA, for their practical advice and support, and also Mrs. Esther Gyebi-Donkor of the Tema Port Marketing Department and Mrs. Naa Densuah Aryeetey of the Ghana Shippers' Council for their encouragement and documentary support.

My appreciation to the following for their tremendous support in providing me with most of the information that I needed for this study. They include Messrs. Emmanuel Yoda and Victor Fofana of the Burkina Faso Chamber of Commerce, Yaya Yedan of the Burkina Faso Shippers Council, Paul Ansah, Marketing Manager of Takoradi Port, Alan Aopare of Delmas, Tema, Djedje Gnakale, head of the Commercial Department of Abidjan Port, Jean-Paul Nicoué and Gameli Toussa of the Commercial departments of Cotonou and Lomé Ports respectively. My deepest appreciation to Mr. Abraham Mensah, Human Resources Manager, GPHA Headquarters for facilitating and coordinating all my information needs from Ghana.

I am also grateful to my immediate boss Mr. Oscar Cudjoe and all my colleagues in the Public Affairs department as well as all staff of the Personnel and Administration Department of the GPHA Headquarters.

I am highly indebted to my supervisor, Professor Patrick Donner, for his critical and meticulous supervision, which has made this work what it is. I also wish to thank Professor Shuo Ma for his initial pieces of advice, which shaped and enriched this

work. My thanks also go to Ms. Inger Battista for her expert linguistic supervision, as well as the staff of the WMU Library for their invaluable assistance.

Above all, I give glory to God almighty for his grace and mercy that have taken me through this course successfully. My heartfelt thanks to my wife Baaba for her prayer, love, understanding and endurance throughout my absence from home in pursuit of this course.

To all, who in diverse ways, have contributed to the successful completion of this work and who made my stay in Malmö worthwhile, I say; may God richly bless you.

Abstract

Title of Dissertation: **A Comparative Study of Transit Corridors of Landlocked Countries in West Africa**

Degree: **MSc**

This dissertation is an analysis of transit trade and transport with emphasis on the various seaport corridors used by the Landlocked Countries (LLCs) in West Africa for their import and export shipment.

A brief look is taken at the seaborne trade type, volume, distribution and growth trend of the three LLCs of West Africa, i.e. Burkina Faso, Mali and Niger. This shows that seaborne trade is growing steadily, and that each of the LLCs uses more than one seaport transit corridor. As a result, five seaport corridors are keenly competing for the landlocked transit traffic.

The competitive status of each of the transit corridors is examined on the basis of the regional share of transit traffic per corridor, distance, infrastructure and other facilities, logistics costs, the legal and institutional framework and overall quality of service delivery. This reveals that each corridor is fairly competitive; but several constraints, both internal and external, still exist, which need urgent attention.

The basic requirements for a sustainable transit trade development are investigated. This shows that transit trade can only be facilitated with a strong political will backed by a practical and an effective legal and institutional framework as well as a solid, well-maintained and judiciously used infrastructure base.

Finally, Ghana's transit corridor is thoroughly assessed through a SWOT analysis, which reveals that the prospects for Ghana to become a transit gateway are very bright, but conscious, committed and practical efforts must be made in order to

achieve this objective. The study, therefore, recommends a wide range of measures to be undertaken by Ghana, and indeed any other competing country, so as to improve and sustain the growth of transit trade through its corridor.

KEY WORDS: Transit Corridors, Landlocked Countries, West Africa.

Table of Contents

Declaration	ii
Acknowledgements	iii
Abstract	v
Table of Contents	vii
List of Tables	xi
List of Figures	xii
List of Abbreviations	xii
1. Introduction	
1.1 Background	1
1.2 The Problem	3
1.3 Objectives	4
1.4 Methodology	4
1.5 Limitations of the study	5
2. Seaborne Trade of Landlocked West Africa	
2.1 Background	6
2.2 Type and direction of the trade	7
2.3 Volume	9
2.4 Growth trend	10
3. Transit Corridor Analysis	
3.1 Share of landlocked transit trade by main transit corridor ports	14
3.1.1 Abidjan Port	14
3.1.2 Lome Port	16
3.1.3 Cotonou Port	17
3.1.4 Dakar Port	18
3.1.5 Tema Port	19
3.1.6 Takoradi Port	20

3.2 Road/rail infrastructure and distances	21
3.2.1 Dakar (Senegal) corridor	21
3.2.2 Abidjan (Côte d'Ivoire) corridor	22
3.2.3 Tema/Takoradi (Ghana) corridor	22
3.2.4 Lome (Togo) corridor	23
3.2.5 Cotonou (Benin) corridor	23
3.3 Port infrastructure and facilities	23
3.3.1 Dakar Port	24
3.3.2 Abidjan Port	24
3.3.3 Tema Port	25
3.3.4 Takoradi Port	26
3.3.5 Lome Port	26
3.3.6 Cotonou Port	27
3.4 Corridor transport costs	28
3.4.1 Port transit cost	29
3.4.2 Road transport cost	31
3.4.3 Rail transport cost	34
3.5 Corridor facilities and service quality	35
3.5.1 Road/rail network	35
3.5.2 Port facilities	38
3.5.3 Customs and other administrative facilitation	40
3.5.4 Port transit time	42
3.6 Legal and institutional framework for transit trade	44
3.6.1 Legal framework	44
3.6.2 Institutional framework	48
3.6.2.1 Regional institutions	48
3.6.2.2 National institutions	49
3.6.2.2.1 Government bodies	49
3.6.2.2.2 Public sector institutions	49
3.6.2.2.3 Shippers Councils	50
3.6.2.2.4 Road transport/haulage enterprises	50

3.6.2.2.5 Clearing and Forwarding Agencies	51
3.7 Corridor constraints and remedial efforts	52
3.7.1 Senegal	53
3.7.2 Côte d’Ivoire	53
3.7.3 Ghana	54
3.7.4 Togo	54
3.7.5 Benin	55
4. Prerequisites for a sustainable transit trade development	
4.1 Introduction	57
4.2 Infrastructure	59
4.2.1 Port facilities and services	59
4.2.2 Road/rail facilities and services	60
4.2.3 Inland waterways and airfreight	62
4.3 Legal framework	63
4.4 Institutional framework	65
4.4.1 Customs administrations	65
4.4.2 Road and rail haulage	66
4.4.3 Freight forwarding	67
4.5 Summary observations	68
5. SWOT Analysis of Ghana’s transit corridor	
5.1 Strengths	72
5.1.1 Strategic geographic location	72
5.1.2 Availability of two commercial ports for transit	72
5.1.3 Increased private sector participation in port operations	73
5.1.4 Sub regional Representative’s office for the LLCs	73
5.1.5 Port infrastructure development projects	73
5.1.6 Presence of Representatives of the LLCs in Ghana	74
5.1.7 Ghana’s political stability and commitment to regional integration	74
5.2 Weaknesses	75

5.2.1 Language and currency difference	75
5.2.2 Physical infrastructure deficiencies	76
5.2.3 Absence of a structured and vibrant Port Community	77
5.2.4 Lack of a deliberate national policy and regulation on transit trade	78
5.3 Opportunities	79
5.3.1 Political goodwill enjoyed by Ghana in the sub region	79
5.3.2 Sub regional integration efforts by ECOWAS and UEMOA	80
5.3.3 Current relative political stability in the three LLCs	80
5.3.4 The political crisis in Côte d’Ivoire	80
5.4 Threats	81
5.4.1 Competing corridor efforts	81
5.4.2 Current positive economic growth trends in the sub region	82
5.4.3 Burkina Faso as a second transit country for Mali and Niger	82
5.4.4 Lack of or ineffective implementation of the ISRT Convention	82
6. Conclusion and Recommendations	
6.1 Conclusion	83
6.2 Recommendations	86
6.2.1 Regional/Inter-state level	86
6.2.2 National level	88
6.2.3 Institutional level	91
6.2.3.1 Ghana Ports and Harbours Authority	91
6.2.3.2 Customs, Excise and Preventive Service	93
6.2.3.3 Ghana Shippers’ Council	94
6.3 Concluding Remarks	95
References	96
Annex	99

Tables

Table 2-1	Import and Export Destinations of LLCs of West Africa	7
Table 2-2	Seaborne Trade volume of Landlocked West Africa	10
Table 2-3	Landlocked Transit Traffic by Corridor in West Africa	12
Table 3-1	Percentage Share of Transit Trade per Corridor	14
Table 3-2	Landlocked Transit Traffic – Abidjan	16
Table 3-3	Landlocked Transit Traffic – Lome	16
Table 3-4	Landlocked Transit Traffic – Cotonou	17
Table 3-5	Landlocked Transit Traffic – Dakar	18
Table 3-6	Landlocked Transit Traffic – Tema	19
Table 3-7	Landlocked Transit Traffic – Takoradi	20
Table 3-8	Distances from Transit Ports to Landlocked Destinations	21
Table 3-9	Stevedoring Charges for 20' import container	30
Table 3-10	Sea Freight Charges (Euros/Box)	30
Table 3-11	Sea Freight Charges (Euros/20' Box)	30
Table 3-12	Road Transport Costs to Niamey, Niger (2001-2003)	31
Table 3-13	Road Transit Transport Cost/Container (Tema and Lome)	32
Table 3-14	Maersk Line Road Transit Transport Tariff for 20' Container	33
Table 3-15	Corridor Service Quality Ranking	44
Table 3-16	Status of Ratification of International Conventions Related to Transit Trade by LLCs and their Transit Neighbours in West Africa	45

Figures

Figure 1	Political Map of Western Sub Saharan Africa	xv
Figure 2	Physical Map of West Africa – Road and Rail Network	xvi
Figure 3	Seaborne Traffic of Landlocked Countries in West Africa	11
Figure 4	Percentage Share of Landlocked Traffic per Transit Corridor	15

Abbreviations

ACIS	Advanced Freight Control Information Systems
ADF	African Development Fund
ASYCUDA	Automated System for Customs Data
BLD	Direct Bill of Lading
CANAC	Canadian International Rail-related Solutions Company
CBC	Conseil Burkinabè des Chargeurs
CCIA-BF	Chambre de Commerce, d'Industrie et d'Artisanat du Burkina Faso
CCO	Customs Conventions on Containers
CEPS	Customs, Excise and Preventive Service
CFA Franc	Franc de la Communauté Financière d'Afrique
C&F	Clearing and Forwarding
CMR	Convention for the International Carriage of Goods by Road
CNUT	Conseil Nigérien des Utilisateurs des Transports Publics
DNT	Direction Nationale des Transports
ECOWAS	Economic Community of West African States
EMACI	Entrepôts Maliens en Côte d'Ivoire
FAL	Convention on Facilitation of International Maritime Traffic
GAINDE	Computerised Customs Clearance System in Senegal
GATT	General Agreement on Tariffs and Trade
GCNet	Ghana Community Network
GPHA	Ghana Ports and Harbours Authority
GPRTU	Ghana Private Road Transport Union
GSC	Ghana Shippers' Council
ICD	Inland Clearance Depot
ISRT	Inter-State Road Transit
KC	Kyoto Convention
LLC	Landlocked Country
MOU	Memorandum of Understanding

MOWCA	Maritime Organisation for West and Central Africa
NEPAD	New Partnership for Africa's Development
NITRA	Niger Transit
NY	New York (Convention on Transit Trade of LLCs)
OCBN	Office des Chemins de fer Benin - Niger
OED	Operations Evaluation Department
OPEC	Organisation of Petroleum Exporting Countries
OTRAF	Organisation des Transporteurs Routiers du Burkina Faso
SADC	Southern African Development Cooperation
SDV	Scac – Delmas - Vieljeux
SITARAIL	The Abidjan–Ouagadougou rail transportation company
SWOT	Strengths, Weaknesses, Opportunities and Threats
SYDAM	Système Douanier pour l'Administration
SYDONIA	Système Douanier automatisé
TC	Transit Country
TIR	Customs Convention on the International Transport of Goods under Cover of TIR Carnets
TRE	Transport Routier inter-Etats
TRIE	Transit Routier inter-Etats
UDEAC	Union Douanier et Economique des Etats de l'Afrique Central
UEMOA	Union Economique et Monétaire Ouest Africaine
UNCLOS	United Nations Convention on the law of the Sea
UN/ECE	United Nations Economic Commission for Europe
UNCTAD	United Nations Conference for Trade and Development
UNDP	United Nations Development Programme
USA	United States of America

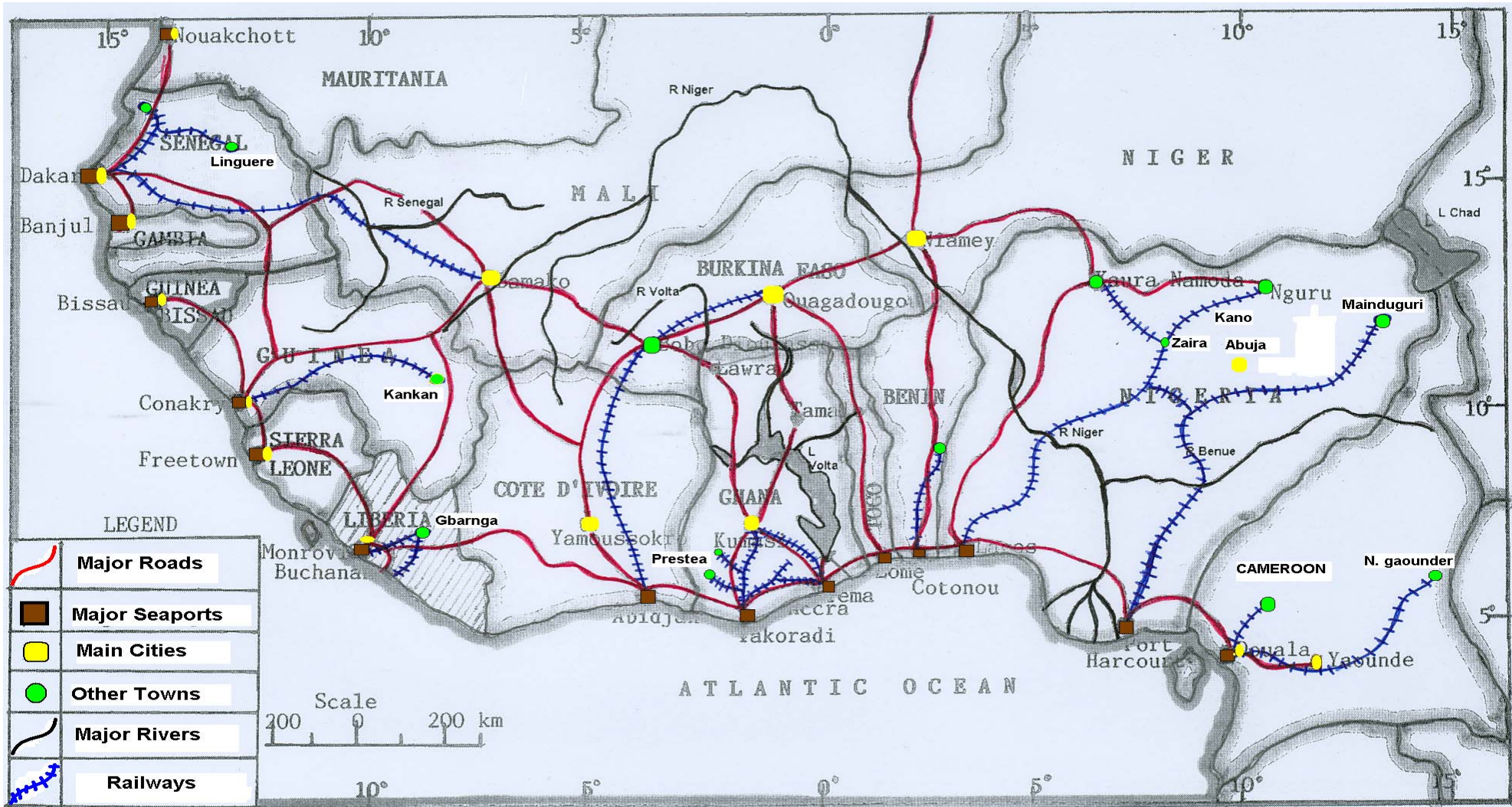
POLITICAL MAP OF WESTERN SUBSAHARAN AFRICA



Source: <http://www.sitesatlas.com/Maps/Maps/705.htm>

Figure 1

PHYSICAL MAP OF WEST AFRICA



Source: Adorkor J.K. (1993)
Figure 2

CHAPTER ONE

INTRODUCTION

1.1 Background

Access by Landlocked Countries (LLCs) to the use of the seaports of coastal countries, otherwise called Transit Countries (TCs) is a legal right under the United Nations Convention on the Law of the Sea (UNCLOS). A coastal state is, therefore, obliged to open her ports for use by LLCs. However, beyond this legal obligation by coastal countries to their landlocked neighbours are commercial, diplomatic and socio-cultural benefits that such trading partners stand to enjoy. West Africa comprises 16 countries. Of these, thirteen have direct access to the sea while only three (Burkina Faso, Mali and Niger) are landlocked (see Figure1).

Politically, these sixteen countries were once colonised by France, Great Britain and Portugal. The dominant colonial master in the region was France with ten countries, while Great Britain and Portugal administered four and one countries respectively. Liberia is the only country in the region, which was not colonised. Colonisation brought in its wake the institution of different languages and currencies. Thus, the ten former French colonies speak French while those of Britain and Portugal spoke English and Portuguese respectively. The former French colonies currently belong to the single currency zone, the CFA Franc, while each of the former British and Portuguese colonies have individually different currencies. The only three LLCs in West Africa are former French colonies. Naturally therefore, these traditionally have been using neighbouring Francophone coastal countries as their transit corridors.

The fact that there are only three LLCs in a sixteen-member country region should have afforded the LLCs considerable options for alternative transit corridor choices. However, this has not been the case due to “a variety of factors, including the high cost of constructing and maintaining new transit corridors and differences in languages and currencies, which have acted to preserve the predominance of traditional corridors” (Evlo, 1994, p. 4).

Therefore, traditionally, transit trade in West Africa has remained mainly between the LLCs of Burkina Faso, Mali and Niger, which constitute the hinterland on the one hand, and on the other hand, their neighbouring Francophone coastal countries of Senegal, Côte D’Ivoire, Togo and Benin. The reason being mainly due to the colonial and linguistic ties between these countries, which led to the development of common road and rail infrastructure between some of them. For example, there is a rail line linking Ouagadougou, the capital of Burkina Faso to Abidjan (Côte d’Ivoire) and another rail line linking Bamako (Mali) to Dakar (Senegal) (see Figure 2).

Consequently, Anglophone countries like Ghana and Nigeria have over the years been left out of the transit trade as far as the landlocked hinterland is concerned. However, as time went by, transport and communication networks improved, ECOWAS (Economic Community of West African States) and other regional cooperative efforts were also embarked upon. This made it possible for the LLCs to broaden their sources of supply of maritime services. Beside these reasons, the political instability in some parts of the West African sub region has also made it strategically unsafe for the LLCs to continue relying solely on their traditional Francophone transit corridors. This resulted in some of the LLCs formulating deliberate national strategic policies to use other transit corridors in addition to their traditional ones. As a result, transit operators began exploring other corridors, especially Ghana in the late 1980’s. Since its inception, the transit traffic through Ghana has been increasing considerably.

1.2 The Problem

It is worth noting that in the traditional transit corridor countries, the transit trade is a familiar activity and therefore, several deliberate initiatives were undertaken to facilitate and develop this trade. On the contrary, Ghana has had to begin exploring ways to manage this trade after landlocked shippers had already begun using the corridor. Like any new and especially unprepared entrant, Ghana does not appear adequately ready to effectively manage the transit trade. Yet the transit traffic continues to grow by each passing year. Unfortunately, just as the traffic grows through the corridor, so are the difficulties in managing the trade. These difficulties span all stages of the corridor right from the ports through the inland road network to frontier posts. Indeed, these difficulties are encountered also within the LLCs themselves, which impact negatively on the competitiveness of Ghana's corridor.

Today's globalized world is evolving at a fast pace, and so is trade in all its kinds. Consequently, even traditional transit trade countries have constantly explored ways to improve service delivery at all levels so as to make their transit corridors as smooth and business-friendly as possible. This, therefore, brings to bear the urgent need for Ghana's new transit corridor to be thoroughly prepared and improved in order for it to become attractive, competitive and most especially, sustainable.

In the light of the above, various organisations including the Ghana Gateway Secretariat, Ghana Ports and Harbours Authority (GPHA), the Ghana Shippers' Council (GSC), the Customs, Excise and Preventive Service (CEPS), as well as the ministries of trade and of transport, have made and continue to make frantic efforts to make Ghana's corridor the gateway to West Africa. Yet, problems and difficulties still abound in promoting the attractiveness of the corridor. This clearly suggests that something is either fundamentally wrong, or is not being done rightly.

What is the volume of seaborne trade of these LLCs, which the transit countries including Ghana are competing for? What is Ghana's share of this traffic? Is Ghana

competitive as a transit corridor to all the three LLCs? What fundamental issues must be addressed in order to sustainably and profitably develop and manage transit trade? How far has Ghana gone in readiness for this trade? Can Ghana do better in promoting and managing the transit trade? These are fundamental questions regarding the transit trade in West Africa.

1.3 Objectives

In the context of the above questions, the main objectives of this study are to:

- Analyse the seaborne trade volumes of the LLCs in West Africa;
- Determine the share of each of the main transit corridors used by the LLCs;
- Explore the principal factors influencing the growth and development of transit trade;
- Investigate the problems and difficulties of the transit corridors in West Africa;
- Evaluate efforts being made by transit corridor countries to develop this trade;
- Make recommendations that can be implemented by all stakeholders to improve the efficiency and competitiveness of Ghana's transit corridor.

1.4 Methodology

Major sources of information for this study were various study reports by the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP) and the World Bank study reports and conference papers. Statistics and marketing reports from the Ghana Ports and Harbours Authority (GPHA), the Ghana Shippers' Council (GSC) publications, as well as commissioned study reports by Union Economique et Monétaire Ouest Africain (UEMOA); the Burkina Faso Chamber of Commerce and Shippers' Councils have also been reviewed. Relevant conventions of the Economic Community of West African States (ECOWAS) and other related international trade conventions also served as vital sources.

Other sources were the World Maritime University Library and the Internet. Traffic statistics for the ports of Dakar, Abidjan, Lome and Cotonou were retrieved from their websites. These pieces of information had to be supplemented by follow up phone calls. The writer's personal experience in dealing with the transit operators both in the ports of Ghana and also during promotional and study visits to the three LLCs, also provided an invaluable source of information for this study.

1.5 Limitations of the study

In the LLCs, seaborne import statistics are largely not recorded separately from those of local inland imports from the transit countries. As a result, reliable data from the LLCs on their seaborne trade could not be obtained. The transit traffic statistics provided by the various corridor ports are, therefore, considered to be representative of the seaborne trade of the LLCs.

Port authorities and organisations consider their charges as proprietary information and, therefore, they are unwilling to divulge such information, especially those pertaining to the transit trade. The ideal way of obtaining information on charges would have been by direct interviews with shippers. Unfortunately, the constraints of distance and time have made this impossible. Consequently, it was difficult to do a good total corridor logistics cost comparison. However, scanty information on transit costs contained in other publications and commissioned studies were used to provide a cursory corridor cost analysis.

CHAPTER TWO

SEABORNE TRADE PATTERN OF LANDLOCKED WEST AFRICA

2.1. Background

“Landlocked developing countries (LLCs) are generally among the very poorest of the developing countries, with the weakest growth rates, and are typically heavily dependent on a very limited number of commodities for their export earning” (UNCTAD, 1974, p. 5).

The trade pattern of Burkina Faso, Mali and Niger, the only LLCs in West Africa naturally best fit this description. Indeed, international trade of countries in the entire West Africa sub-region is dominated by the export of low-value and high-volume cargo especially agricultural products, timber and mineral ore, and the import of high-value manufactured consumer goods and industrial machines and equipment. Import export traffic imbalance has therefore remained a major weakness to the economies of the region. Intra-African trade is very negligible, especially within West Africa. Consequently, the LLCs’ economies are largely linked to their transit trade, thereby rendering them heavily dependent on international trade for economic development and prosperity.

The climatic conditions of these countries are characterised by desert and semi-desert and, therefore, are unfavourable for any significant agricultural production, while economic conditions do not favour heavy industrialisation either. For this reason, these LLCs produce primary products, especially cotton, livestock, precious minerals and groundnuts for exports. Indeed, cotton is the major export trade commodity representing about 80% of exports for Burkina Faso and Mali, while uranium is the

major export of Niger. Livestock exports are mainly inland to the neighbouring coastal countries including Côte d'Ivoire and Ghana.

2.2. Type and direction of seaborne trade of the three LLCs

These LLCs, like many developing countries, import mainly manufactured products including equipment and machinery, industrial chemicals, petroleum products, cereals including rice, wheat, as well as manufactured household goods. The striking disadvantage of the trade of these countries, which of course is characteristic of most least developed countries, is the great disproportion between imports and exports with the latter representing only between 10-15% of the total external trade. The major trading partners of these countries include the European Union, USA, Asia, and other developing countries (see table 2-1 below).

Table 2-1: Import and Export Destinations of the LLCs of West Africa

Origin & Destination	Import as % of Total			Export as % of Total		
	Burkina Faso	Mali	Niger	Burkina Faso	Mali	Niger
European Union	27.8	26.1	37.1	27.3	30.1	50.3
Japan	1.3	0.6	1.8	2.2	0.5	1.9
USA & Canada	2.3	3.1	10.0	1.4	10.7	4.7
Others	0.3	1.6	0.4	1.5	2.1	0.4
Eastern Europe	2.1	0.3	1.3	0.9	2.1	0.0
OPEC	27.5	0.8	9.7	19.9	5.7	35.4
Other	34.1	60.3	36.0	31.4	35.3	7.3
Other unallocated	4.6	7.1	3.6	15.5	13.5	0.1

Source: Adapted from UNCTAD Least Developed Countries Report 2002

The EU thus constitutes the biggest trading partner of these countries with almost a third of both imports and exports volumes to and from the LLCs. It is, however, important to note that the direction of trades of these LLCs is quite similar to that of most of the coastal countries in the Sub-region including Ghana. For example, according to the UNCTAD Least Developed Countries Report 2002, all developing countries had 29.2% of their trade with the European Union, 10% with Japan and

28.2% with the United States. Compared with their major overseas trading partners, trade between the LLCs and their neighbours within the West Africa sub-region is minimal. The reason for this is mainly that all the countries in the region are developing economies with the coastal countries themselves heavily import-oriented with their exports comprising mainly raw materials and agro products such as cocoa, timber, coffee, and minerals. As a result, most of the intra-West African trade is in livestock and petroleum products. Hence LLCs depend heavily on maritime transport as the most economic means of freight movement.

The sub-region, unfortunately, is not endowed with adequate inland waterways to provide a wider range of alternative modes of transit transport between the LLCs and the seacoast. For example, the Niger River which runs from Nigeria through Benin, Burkina into Mali and northern Côte d'Ivoire (see Figure 2), is not suitable for transit transport due to shallow draft and the heavy dependence on rainfall, which in itself is inadequate in the sub-region.

The Volta Lake in Ghana, could be a very good and less expensive mode of transit transport to the LLCs. Unfortunately, shallow draft coupled with inadequate rainfall has remained a major obstacle to the Lake's efficiency. In addition, the lake is located at about 75 km inland from the sea and also ends mid-way in northern Ghana (see Figure 2). This means that transit cargo will suffer the cost of double handling first from ship to shore at the port, then shore to trucks for road transport to the lake, then truck/shore/barge handling for the lake leg of the transport chain and finally at the northern inland port of Buipe, another unloading either into storage or onto trucks for the final journey to the LLCs. For now, this makes the lake transport alternative a costly one through Ghana's corridor. Presently, therefore, the only viable modes for transit transport in West Africa are road and rail.

Indeed, the predominant mode for all the countries is road. The rail mode is quite limited as there are currently only two regional rail links that are used in the transit

transport in the region. These are the Dakar (Senegal) – Bamako (Mali) rail line, and the Abidjan (Côte d’Ivoire) – Ouagadougou (Burkina Faso) rail line. Another rail line, which serves in transit in West Africa, is the Benin – Niger one (see Figure 2). This rail line however ends in central Benin in the town of Parakou leaving the remaining journey to be covered by road.

The absence of inland water transport coupled with the limited availability of rail networks leaves the LLCs of West Africa heavily reliant on road transport for their transit trade. Distance also remains a natural obstacle to the external trade of the LLCs. These limitations as well as other difficulties put these countries at a great disadvantage in terms of external trade as transport freight costs become disproportionately high. For example, according to UNCTAD’s Review of Maritime Transport, 2003, whereas the average freight cost as a percentage of total import value in 2001, was 8.70 percent for developing economies (excluding Africa), the average for the whole of Africa was 12.65 percent, while West Africa’s LLCs of Burkina Faso, Mali and Niger recorded 22.73 percent, 32.83 percent and 19.34 percent respectively.

Several factors account for such high freight cost suffered by the LLCs in West Africa. Principal among these factors are inefficient management of transport facilities, poorly maintained infrastructure and equipment, imbalanced trades, inadequate overall infrastructure and cumbersome government regulations (UNCTAD, 2003d, p. 117).

2.3. Seaborne trade volume of landlocked West African countries

Given the type of commodities imported and exported by these countries as discussed earlier, the packaging of the cargoes imported has remained largely break bulk for rice, sugar, fertilizers, wheat and wheat flour, etc., while other manufactured household consumables including milk are largely containerised. Of the total imports and exports of these countries, less than 50% is containerised. It must, however, be

emphasized that efforts are being made at all levels to ensure that more and more of these goods are containerised to reap the benefits associated with containerisation such as economical transport costs, shorter transit times, easy handling and storage among others.

The seaborne trade of the landlocked West African countries of Burkina Faso, Mali and Niger has been registering steady growth over the years. From 1,859,156 tons in 1997, total seaborne trade for the region has more than doubled reaching 3,793,317 by 2003. (see Table 2-2).

Table 2-2.

Seaborne Trade Traffic Volume (in Tons) of Landlocked West Africa

	1997	1998	1999	2000	2001	2002	2003
BURKINA FASO	644,241	851,799	730,736	714,627	805,067	1,134,958	1,126,181
NIGER	495,105	603,108	472,424	607,915	765,909	888,521	1,082,789
MALI	719,810	865,976	893,817	771,784	833,221	1,517,090	1,584,347

TOTAL 1,859,156 2,320,883 2,096,977 2,094,326 2,404,197 3,540,569 3,793,317

Source: Compiled from various ports statistics

It must be emphasized that the above statistics are made up of both imports and exports. About 80% of the total represents imports. The percentage of the total seaborne trade, which represents exports, as discussed earlier, thus remains insignificant. It is nonetheless, also showing an increasing trend for all the countries. Mali is the biggest economy among the three countries recording over 100% growth within the period. Niger's trade also more than doubled while that of Burkina Faso grew by about 75%.

2.4. Growth trend of the seaborne trade of these countries

Within the seven-year period 1997-2003, the seaborne trade volume for these countries shows an increasing trend (see Figure 3).

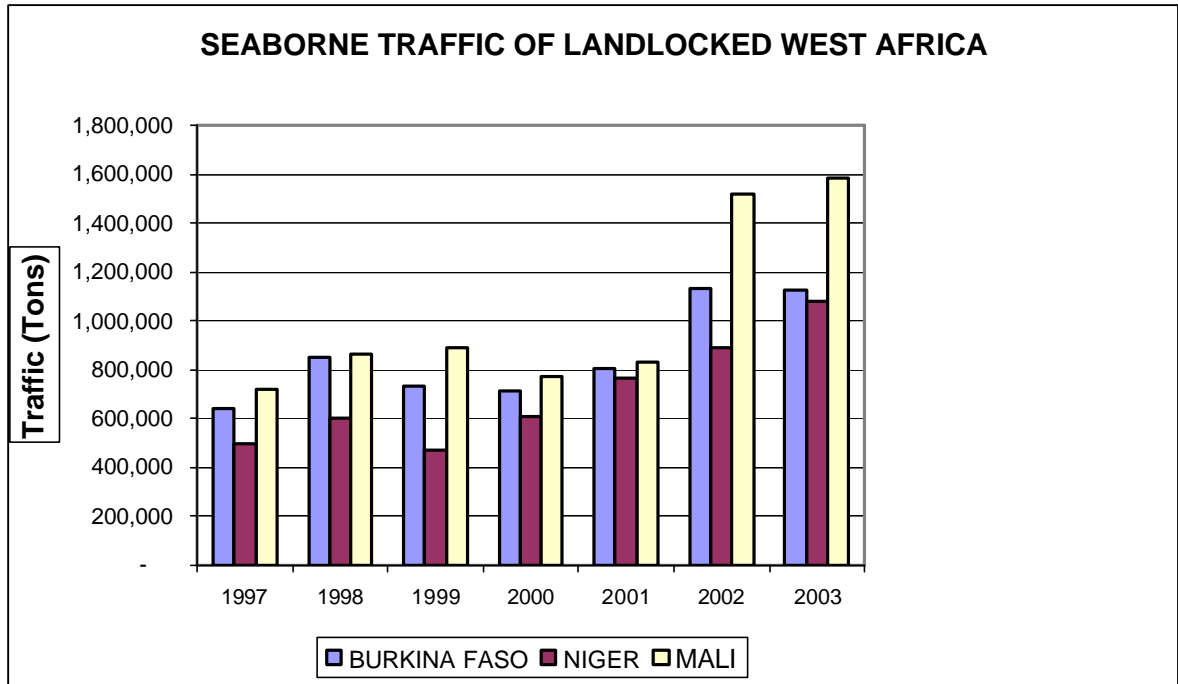


Figure 3

The growth trend of the seaborne trade of the LLCs of West Africa is therefore very encouraging and the total volume is sufficient to attract the attention of coastal countries. Fortunately for these countries, though landlocked, their individual geographical locations give them an advantage of having direct access to at least two transit corridors without crossing over a third state. For example, Mali has direct access to Senegal, Guinea and Côte d'Ivoire, Niger has direct access to Nigeria and Benin, while Burkina Faso is the most strategically located with direct access to four of the coastal countries' corridors, Côte d'Ivoire, Ghana, Togo and Benin (Figure 1.).

In this light, competition is rife among the corridors and ports of the six coastal countries of Senegal, Côte d'Ivoire, Ghana, Togo, Benin and Nigeria. Table 2-3 shows the stiff competition among the various coastal countries and how each of these LLCs have moved away from the use of single transit corridor to multiple corridor use.

Table 2-3: Landlocked Transit Traffic by Corridor in West Africa

BURKINA FASO

PORT	1997	1998	1999	2000	2001	2002	2003
DAKAR	-	-	-	-	-	-	-
ABIDJAN	358,404	515,476	426,995	383,925	436,207	471,289	27,719
TEMA	1,415	15,774	12,720	42,140	78,063	208,948	329,530
LOME	281,926	298,071	273,392	283,392	276,360	384,908	702,694
COTONOU	2,496	22,478	17,629	5,170	14,437	65,044	37,215
TAKORADI	-	-	-	-	-	4,769	29,023
TOTAL	644,241	851,799	730,736	714,627	805,067	1,134,958	1,126,181

NIGER

PORT	1997	1998	1999	2000	2001	2002	2003
DAKAR	-	-	-	-	-	-	-
ABIDJAN	6,217	6,955	1,868	1,196	1,539	3,127	110
TEMA	7,033	13,097	16,969	76,303	116,151	159,680	77,891
LOME	141,798	168,239	107,056	110,731	134,593	171,509	174,986
COTONOU	340,057	414,817	346,531	419,685	513,626	549,693	799,916
TAKORADI	-	-	-	-	-	4,512	29,886
TOTAL	495,105	603,108	472,424	607,915	765,909	888,521	1,082,789

MALI

PORT	1997	1998	1999	2000	2001	2002	2003
DAKAR	245,000	296,000	244,000	195,000	210,000	340,000	652,778
ABIDJAN	447,053	543,839	621,457	549,556	539,168	914,676	176,659
TEMA	-	-	-	256	38,279	144,276	423,147
LOME	13,859	16,289	13,131	11,665	17,047	61,538	220,564
COTONOU	13,898	9,848	15,229	15,307	28,727	46,969	13,977
TAKORADI	-	-	-	-	-	9,631	97,222
TOTAL	719,810	865,976	893,817	771,784	833,221	1,517,090	1,584,347

Source: Compiled from various ports statistics

The fact that competition is keen on landlocked transit cargo between West Africa's ports is clearly manifested in Table 2-3. Each of the three LLCs currently uses at least four corridors in four different countries for their overseas external trade. Statistics for the Port of Lagos in Nigeria was not available. However, a study conducted by GPHA in 2000 into the three LLCs revealed that even Niger, which is strategically located to have benefited much from using the Nigerian corridor, has stopped using its ports due to several reasons including poor security both in the port and along the corridor as well as congestion in the port of Lagos (GPHA Transit Market Study 2000, pp 20,22.). The fact that shippers in Niger have to ignore the distance and use far away ports of Ghana and Côte d'Ivoire only goes to corroborate their non-patronage of Nigeria for the reasons given above, including "the absence of a satisfactory working agreement between Niger and the Nigerian Government on transit traffic" (UNCTAD, 1994a, p. 5).

Similarly, language and distance wise, the Republic of Guinea would have constituted a good transit corridor for Mali (see Figure 1). Unfortunately, this has not been the case due to currency and political differences. Though a former French colony, Guinea does not belong to the CFA zone. This leaves it at the same disadvantage as the non-Francophone countries in the sub-region as far as the transit trade with the landlocked neighbours is concerned.

It is worthy of note that with the exception of Ghana, Nigeria and of course, Guinea, the rest of these coastal countries constitute the traditional transit corridors of landlocked West Africa since the colonial times. The port of Dakar is the only corridor that is not benefiting yet from the diversified transit policy of the LLCs in West Africa. This corridor is rather suffering from such policy as it handles transit cargo for only Mali whose total seaborne traffic is distributed among all the corridors in the sub-region except Nigeria and Guinea-Conakry.

CHAPTER THREE

TRANSIT CORRIDOR ANALYSIS

3.1 Share of Landlocked Transit Trade by main Transit Corridor Ports

The sub-region of West Africa has several ports with various facilities for handling both break-bulk and containerised cargoes. For the transit trade to the three LLCs of the sub-region, the main ports used are Dakar in Senegal, Abidjan in Côte d'Ivoire, Tema in Ghana, Lome in Togo and Cotonou in Benin. Since 2002, Takoradi Port in Ghana has also begun handling transit cargo to the three LLDCs.

Table 3-1 Percentage Share of Transit Trade per Corridor

	1997	1998	1999	2000	2001	2002	2003
ABIDJAN	44%	46%	50%	45%	41%	39%	5%
LOME	24%	21%	19%	19%	18%	17%	29%
TEMA	0%	1%	1%	6%	10%	14%	22%
COTONOU	19%	19%	18%	21%	23%	19%	22%
DAKAR	13%	13%	12%	9%	9%	10%	17%
TAKORADI	0%	0%	0%	0%	0%	1%	4%

Source: Computed from the various Ports Statistics

3.1.1. Abidjan Port

The Port of Abidjan traditionally has remained the dominant port or corridor of transit for the LLCs in West Africa. It handled 44% of the total transit trade for 1997. The port's share increased to 46% and 50% in 1998 and 1999 respectively (Table 3-1). However, from 2000, the port's share began to decline though it still maintained its dominant position. This was partly because of the political crisis, which started in December 1999 when Côte d'Ivoire experienced its first ever military take over in

history. The crisis in the country reached its peak by mid 2002 when the country closed its borders with the landlocked neighbours of Burkina Faso and Mali. This explains the sharp decline in the corridor's share of the transit trade from 39% in 2002 to 5% in 2003 (Table 3-1). Figure 4 shows the graphical view of the growth trend of each corridor's share of the transit trade.

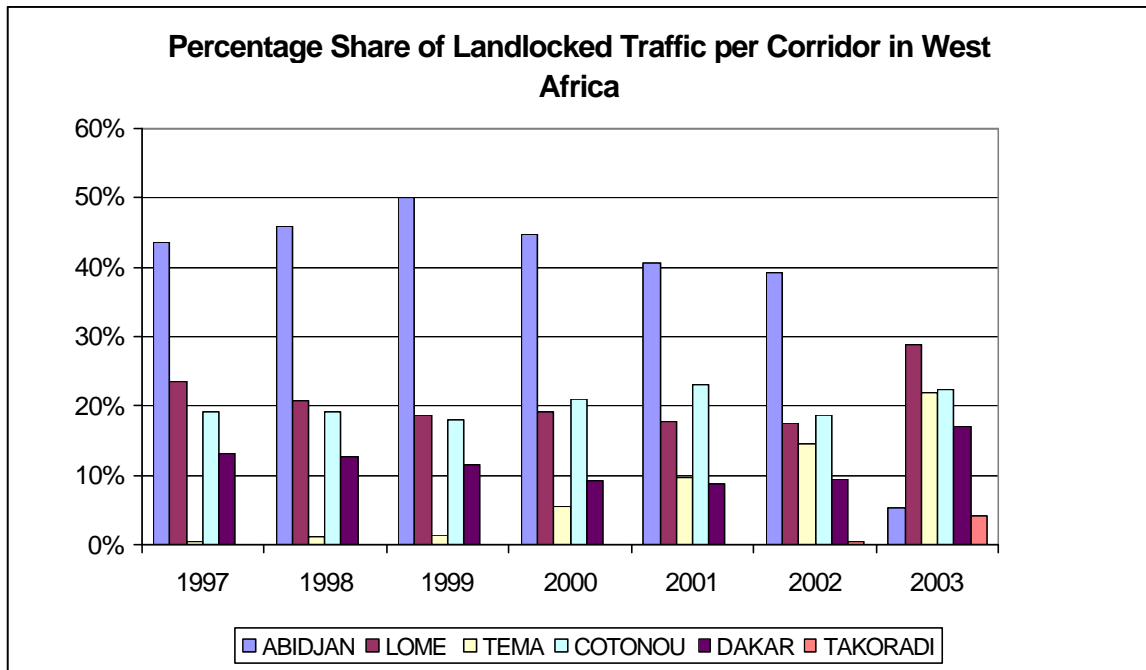


Figure 4

The impact of political instability on trade in general thus becomes clearly manifested by the exponential drop in transit traffic through Abidjan by 34 percentage points just within one year between 2002 and 2003. However, as shown in Table 3-2, the port of Abidjan's dominant role in the landlocked transit does not apply to all the three landlocked destinations of Burkina Faso, Mali and Niger. The port held a dominant position only with regards to transit traffic for Mali and Burkina Faso. It has a comparative disadvantage for Niger due to many reasons including distance, which will be discussed subsequently in this chapter.

Table 3-2 Landlocked Transit Traffic - Abidjan

COUNTRY	1997	1998	1999	2000	2001	2002	2003
B.FASO	358,404	515,476	426,995	383,925	436,207	471,289	27,719
NIGER	6,217	6,955	1,868	1,196	1,539	3,127	110
MALI	447,053	543,839	621,457	549,556	539,168	914,676	176,659
TOTAL	811,674	1,066,270	1,050,320	934,677	976,914	1,389,092	204,488

Source: Port Autonome d'Abidjan – Service Commercial

Mali and Burkina Faso therefore are the key transit customers for the Abidjan corridor while Niger remains a minor customer. The current ongoing conflict in the transit country has however eroded the dominant position of the corridor and sent the key customers making deliberate efforts to use as many corridors as possible.

3.1.2. Lome Port

Lome Port also has been one of the traditional transit ports for the LLCs of West Africa. It has however played second role in terms of its share of the trade for several reasons. Togo also experienced political crisis in the early 90's, which led to the port losing much of its transit traffic to neighbouring ports of Cotonou and Abidjan. However, the situation relatively stabilized in the country and transit traffic picked up again. This led to the port taking the second position after Abidjan from 1997 to 1999, albeit registering a decreasing share. It however lost its second position marginally to Cotonou Port from 2000 to 2002. In 2000, while Lome's share of the transit traffic was 19% that of Cotonou was 21%. (see table 3-1).

Table 3-3 **Landlocked Transit Traffic - Lome**

COUNTRY	1997	1998	1999	2000	2001	2002	2003
B.FASO	281,926	298,071	273,392	283,292	276,360	384,904	702,694
NIGER	141,798	168,239	107,239	107,056	134,594	170,509	174,986
MALI	13,859	16,289	13,131	11,335	17,047	61,538	220,564
TOTAL	437,583	482,599	393,762	401,683	428,001	616,951	1,098,244

Source: Port Autonome de Lome – Service Commercial

Just like Abidjan, Lome Port also does not dominate the share for all the LLCs. From 1997 to 2002, Burkina Faso was the main customer for Lome Port in terms of transit traffic. This was followed by Niger while Mali recorded the least traffic through the port. However, in 2003 while Burkina Faso still remained the principal transit customer for Lome, Mali placed second leaving Niger in the third position. Burkina transit traffic through the port was 702,694 tons in 2003 that of Mali was 220,564 tons while the traffic for Niger was 174,986 tons. (Table 3-3). Burkina thus remains the key transit customer for Lome with a traffic representing more than 50% of the total transit traffic for Lome since 1997.

3.1.3. Cotonou Port

The port of Cotonou in Benin also benefits from the traditional corridor relationship in the sub-region being traditionally used by Niger. The port however has remained in the third place behind Abidjan and Lome until 2000-2002 when it handled marginally, more cargo than Lome to place second on the share of transit trade to the three LLCs. From 2003, the port lost its short-lived second position to Lome again with the latter even recording the biggest share of transit traffic for the entire region, Abidjan having lost her hitherto dominant position due to political crisis in the country. For 2003, out of the total transit trade for the landlocked region, Abidjan handled 5%, Cotonou and Tema each handled 22%, while Lome handled 29%. Dakar handled 17%, while Takoradi's share was 4%. (see Table 3-1). The combined share of Tema and Takoradi places Ghana's corridor in the second position after Lome, with a total share of 26%.

Table 3-4 Landlocked Transit Traffic - Cotonou

COUNTRY	1997	1998	1999	2000	2001	2002	2003
B.FASO	2,497	22,478	17,629	5,170	14,437	65,044	37,215
NIGER	340,057	414,817	346,531	419,685	513,626	549,693	799,916
MALI	13,898	9,848	15,299	15,307	28,727	46,969	13,977
TOTAL	356,452	447,143	379,459	440,162	556,790	661,706	851,108

Source: Port Autonome de Cotonou – Service Commercial

Table 3-4 also shows that Niger constitutes the key transit client of Cotonou Port. Niger transit trade traffic accounts for over 90% of the total transit traffic through Cotonou. This trend has prevailed through out the period under review from 1997-2003. Out of the total transit traffic for the port in 2003, for example, 799,916 tons was Niger traffic leaving Burkina Faso and Mali with only 37,215 tons and 13,977 tons respectively.

3.1.4. Dakar Port

The port of Dakar in Senegal, handles only Malian transit trade (see table 3-5).

Table 3-5 Landlocked Transit Traffic - Dakar

COUNTRY	1997	1998	1999	2000	2001	2002	2003
B.FASO	-	-	-	-	-	-	-
NIGER	-	-	-	-	-	-	-
MALI	245,000	296,000	244,000	195,000	210,000	340,000	652,778
TOTAL	245,000	296,000	244,000	195,000	210,000	340,000	652,778

Source: <http://www.portdakar.sn/statis.php?id=3&sr=5&co=3>

Several factors including distance have remained the main handicaps of the Dakar corridor as far as the transit trade of Burkina Faso and Niger are concerned. These factors are discussed in detail subsequently in this chapter. Although competing with other ports for only Malian transit traffic, the port of Dakar's share of the regional transit traffic was 13% for 1997-1998. This share declined in subsequent years until 2003 when it increased to 17% (see Table 3-1). However, looking at Dakar's share only from the Malian transit trade perspective, the corridor remained the second most preferred port from 1997 to 2002. In 2003, as a result of the political crisis in Côte d'Ivoire, Dakar dominated the transit trade for Mali registering the biggest share of transit traffic to Mali in the sub region. For example, out of the total Malian transit traffic of 1,584,347 tons in 2003, Dakar alone handled 652,778 tons representing about 43% of the total. (see Tables 2-3 & 3-5).

3.1.5. Tema Port

Ghana's corridor and ports are new entrants into the transit business. Indeed until from the late 1980s to early 1990s, Ghana's ports were not handling any transit cargo at all. Even the early years during which Ghana's corridor experienced transit traffic recorded very negligible figures. It was not until the second half of the 1990s that transit traffic through Ghana attained quantifiable levels. Tema Port's share of the transit traffic since 1997 shows the infancy status of Ghana's corridor as a transit route to the LLCs in West Africa. From 1997 to 1999, transit traffic through Tema constituted only 1% of the total regional landlocked transit traffic. The Port's share has however been increasing considerably over the years growing from 1% in 1999 to 22% in 2003. (see Table 3-1).

Since Ghana's entry into the transit market, the corridor has served only Burkina Faso and Niger until 2000 when Malian transit cargo begun passing through Ghana (see Table 3-6).

Table 3-6 Landlocked Transit Traffic - Tema

COUNTRY	1997	1998	1999	2000	2001	2002	2003
B.FASO	1,415	15,774	12,720	42,140	78,063	208,948	329,530
NIGER	7,033	13,097	16,969	76,303	116,151	159,680	77,891
MALI	-	-	-	256	38,279	144,276	423,147
TOTAL	8,448	28,871	29,689	118,699	232,493	512,904	830,568

Source: GPHA Port Operations Department, Tema Port

Ghana's corridor thus offers a great potential for transit trade to the landlocked neighbours. This is clearly manifested by the exponential growth in transit traffic through the corridor. Within the five-year period 1999 –2003 alone, transit traffic has grown from a meagre 29,689 tons in 1999 to 830,568 tons in 2003, (Table 3-6). This represents a growth of about 2,800%. In spite of such record, Tema still trails behind Lome and Cotonou ports as far as the share of the landlocked transit trade is concerned.

3.1.6. Takoradi Port

Ghana fortunately has two ports (Tema and Takoradi), which are both available to handle transit trade in all its forms. The Port of Takoradi traditionally, was an export-oriented port, which handled over 60% of the country's exports annually. This role has, however, changed over time and the port is today competing favourably with Tema for both imports and exports of Ghana and indeed the neighbouring LLCs. Though in competition, the two ports, which are currently under one public organisation called the Ghana Ports and Harbours Authority (GPHA), also complement each other. Takoradi Port started handling landlocked transit traffic in 2002. The port's LLC transit throughput was 18,912 tons for 2002, representing 1% of the total LLC transit traffic for the region. By the end of 2003, transit traffic through Takoradi was 156,131 tons, representing a growth of about 725%. (see Table 3-7). This, thus, gave the port a regional share of 4%. (see Table 3-1).

Table 3-7 Landlocked Transit Traffic - Takoradi

COUNTRY	1997	1998	1999	2000	2001	2002	2003
<u>B.FASO</u>	-	-	-	-	-	4,769	29,023
NIGER	-	-	-	-	-	9,631	29,886
MALI	-	-	-	-	-	4,512	97,222
TOTAL	-	-	-	-	-	18,912	156,131

Source: GPHA – Marketing Department, Takoradi Port

It must be emphasized that, as a deliberate policy to encourage the use of Takoradi Port for transit, GPHA has undertaken a number of projects ranging from a massive promotional campaign of the port in the LLCs, to special rebates on various port charges on cargo and vessels calling at the port with transit cargo.

3.2. Road/Rail infrastructure and distances

Table 3-8 Distance from Transit ports to landlocked destinations

Transit Corridor Port \ Landlocked Destination	Bobo-Dioulasso (Burkina Faso) Distance (Km)	Ouagadougou (Burkina Faso) Distance(Km)	Bamako(Mali) Distance (Km)	Niamey (Niger) Dist.(Km)
Abidjan (Côte d'Ivoire)	793	1148	1230	1688
Tema/Takoradi (Ghana)	1395	1040	1840	1200
Lome (Togo)	1345	990	1790	1234
Cotonou (Benin)	1415	1060	2200	1056
Dakar (Senegal)	1615	1970	1200	2510

Source: UNCTAD, GPHA, CATRAM Consultants.

3.2.1. Dakar (Senegal) Corridor

The distance from the port of Dakar to Bamako the capital of Mali is 1,200km, making Dakar the nearest transit port fort Mali. Two modes are available for transit to Bamako from Dakar:

- The rail route linking Dakar directly to Bamako – 1,240 km
- The road route – 1,200 km

Dakar's geographical location poses a major obstacle to its competitiveness for the transit trade for Burkina Faso and Niger. It is the longest corridor and therefore the furthest from the major transit destinations for Burkina and Niger (see Table 3-8). This distance factor, as will be seen in subsequent data, has resulted in the Dakar corridor recording zero % in transit trade for Burkina and Niger. It thus leaves this corridor concentrating on only Malian transit trade, which is being hotly competed for by all the other competing corridors. It must be emphasized that the road network from Dakar to Bamako has been in a bad condition for quite some time thus weakening the corridor's already limited competitive position. Rehabilitation work on the Senegalese portion of the road was expected to be completed by the end of 2003. The rail system, which was also criticized for its inefficiency, had been given on concession and is being rehabilitated to improve its performance.

3.2.2. Abidjan (Côte d'Ivoire) Corridor

The Ivorian corridor has two modes of transport serving Burkina Faso. The rail/road corridors. Each mode passes through the industrial region and city of this LLC, Bobo Dioulasso. There is a marginal difference in the distances between road and rail routes from Abidjan to Ouagadougou. Table 3-8 shows a distance of 793 km from Abidjan to Bobo and 1,148 km from Abidjan to Ouagadougou. For the Bobo region of Burkina Faso, Abidjan is the nearest port.

The Abidjan corridor serves Mali and Niger by road only (see Figure 2).

Generally, the road and rail networks linking the Côte d'Ivoire-Burkina Faso corridor are in very good condition. However, political conflict in the transit country has led to the closure of her borders with Burkina Faso since late 2002.

3.2.3. Tema/Takoradi (Ghana) Corridor

Ghana's corridor serves the three LLCs by road only as the country lacks rail connection to her northern borders. Transit cargo bound for Mali and the Bobo region of Burkina Faso has two alternatives routes (see Figure 2).

- **Route One:** (Tema/Takoradi-Kumasi-Techiman –Tamale – Paga-Ouagadougou-Bobo-Bamako) covering a distance of 1,395 km to Bobo and 1,840 km to Bamako.

- **Route Two:** (Tema/Takoradi-Kumasi-Techiman-Bole-Wa-Hamile-Bobo- Bamako) covering a distance of 1,030 km to Bobo and 1,485 km to Bamako. Using Route Two for Bobo and Malian shippers therefore shortens the distance by 360 km.

Currently, Route Two in Ghana is not very motorable and therefore not being much patronized. Truckers are therefore compelled to use route one which makes the corridor non-competitive distance wise.

Route Three from Ghana to Niger passes through (Kumasi-Tamale-Bolga-Bawku) in Ghana and (Tenkodogo-Fada N'grouma-Kantchari) in Burkina Burkina Faso to Niamey in Niger covering a distance of 1,200 km.

The roads of Route One of Ghana's corridor are generally very good as rehabilitation is currently going on to improve on the few sections, which are bad. Route Two, however, as mentioned earlier is very bad and currently unused. Route Three to Niamey in Niger, is also very good except the 20 km portion from Bawku to Kulungugu in Ghana.

3.2.4. Lome (Togo) Corridor

Togo's corridor serves the LLCs by road only. Lome to Ouagadougou in Burkina Faso covers a distance of 990 km, while Lome to Niamey has to pass through Burkina Faso territory covering a distance of 1,234 km. The Lome corridor is therefore the shortest to Ouagadougou in Burkina Faso.

The road network linking this corridor to Burkina is very good except a 40 km hilly portion of the road in northern Togo, which poses grave difficulties for old trucks.

3.2.5. Cotonou (Benin) Corridor

This corridor serves Niger by two modes; road and rail (see Figure 2).

The rail corridor ends at Parakou in central Benin midway to the border with Niger, where cargo is then transferred by road to Niamey in Niger. This combined rail/road corridor to Niger covers a distance of 1,056 km. The all road corridor covers an equal distance from Cotonou to Niamey. As shown in Table 3-8, the Benin corridor is also the nearest to Niamey. The road/rail corridor network linking Benin to Niamey is good except for the inefficiency of the rail system due to old stock of rail coaches.

On the other hand, Burkina Faso and Mali are linked to Cotonou Port by road only.

A small portion of the road linking Benin to Burkina Faso, which was in a very bad condition, was being rehabilitated and expected to be completed by the end of 2003.

3.3. Port Infrastructure and facilities

Each of the competitor ports in the sub-region has the basic infrastructure to handle both vessels and cargo. Each port's basic infrastructure, especially facilities for transit cargo, will be covered in this section.

3.3.1. Port of Dakar (Senegal)

Dakar Port, as mentioned earlier, serves only Mali for transit. Dakar is a sheltered port formed by two jetties. With an entrance channel depth of 11 metres and a total quay length of 1,074 metres, the port of Dakar has facilities for handling general cargo and containers. The port handled 9 million tonnes of cargo in 2002. Of this total throughput, transit traffic to Mali was approximately 340,000 tons representing 3.8% of total throughput.

Facilities for Malian transit traffic through the port of Dakar include:

- Exclusive terminal and berthing facilities for vessels calling with Malian cargo,
- 17,000 m² of open storage, 2,365 m² of closed storage
- Free storage period of 20 days.
- Special rebates on port handling charges
- VAT exemption on port service charges for Malian cargo and warehouses.

3.3.2 Port of Abidjan (Côte d'Ivoire)

The port of Abidjan handles transit cargo for all the three LLCs. The port is situated on a lagoon and connected to the sea by a channel 2.8 km long. The port of Abidjan is described as the biggest port in the West African sub-region with an annual throughput of 15 million tons in 2001. This figure far outweighed the combined throughput of the ports of Dakar, Tema, Lome and Cotonou in the same period. It has dedicated terminals for containers, fruits and other types of cargo. The port has 34 berths with a maximum depth of 12.5 metres and capable of berthing 60 ships at the same time. Facilities for transit through Abidjan include:

- Dedicated terminal facilities for Burkina Faso and Mali transit cargo
- 10,100 m² of closed storage for Burkina Faso,
- 3,300 m² of open storage for Burkina Faso
- 6,000 m² of closed storage, and 4,683 m² duty-free warehouse for Mali,
- 22,401 m² of open storage area for Mali.

- Rebates ranging from 20-50% of port and handling charges,
- Free storage period of 20 days but negotiable up to 40 days for some key shippers.
- Customs escort provided free of charge
- Representation of the transit shippers on the Board of Directors of Abidjan Port.
- Port Authority's liaison offices in Bamako (Mali) and in Ouagadougou (Burkina Faso). The Ouagadougou office is also responsible for Niger.

The storage facilities stated above were developed and are run by the Shippers' Council and Chamber of Commerce of Burkina Faso and the EMACI of the Malian transport directorate respectively.

3.3.3. Port of Tema (Ghana)

Tema Port has a total water area of 1.7 million m² with an access channel depth of 12.5 metres. The port has 12 multipurpose berths with depths ranging from 7.6 metres to 11.5 metres. These facilities, therefore, make the port capable of handling all types of cargo including containers and general cargo. Work begun in 2003 to build a dedicated container terminal in the port by extending the existing quay length of quay number 2 from 300 metres to 500 metres. This will give the port modern container handling capacity and enable it to receive modern generation container ships. Tema Port's annual total throughput for 2003 was 7.3 million tons.

Facilities for transit in Tema include:

- 18,000 m² of land leased to Burkina Faso for facilities dedicated to transit; this is currently being considered for development.
- 3,500 m² of transit storage warehouse dedicated to the LLCs
- Special parking facilities within the port area for trucks loading transit cargo
- Plot of land leased to Mali for the construction of storage facilities
- Office accommodation provided by the port Authority to the LLCs representatives in the port.
- 21 days free storage

- Paid Customs Escort provided
- Port Authority's Sub-regional liaison office in Ouagadougou (Burkina Faso) with responsibility for Mali and Niger.

3.3.4 Port of Takoradi (Ghana)

Takoradi Port has a total quay length of 1,369 metres with an access channel depth of 11.3 metres. The port has a total of 8 berths of which 5 are multipurpose, and 3 are dedicated with depths between 7.93 metres and 9.14 metres. Takoradi has a covered storage area of 58,000 m² and an open storage area of 277,000 m². Work also begun in early 2004 to build 3 new 40,000 tons capacity warehouses to beef up the storage capacity of the Port. With these facilities, the port is capable of handling all types of cargo including containers and general cargo.

Facilities for transit in Takoradi include:

- Special competitive tariffs for with rebates ranging from 10% to 50% on vessel charges, port dues, stevedoring and terminal handling charges.
- Special parking facilities within the port area for trucks loading transit cargo
- 21 days free storage
- Paid Customs Escort provided
- Port Authority's Sub-regional liaison office in Ouagadougou (Burkina Faso) with responsibility for Mali and Niger.

3.3.4. Port of Lome (Togo)

The port of Lome has a total quay length of 1,549 metres. The port has four main berths and one Ro-Ro berth with depths between 9.5 metres up to 14 metres. Total storage is made up of 50,000 m² of warehouses and 2,000,000 m² of open storage. These facilities enable the port to handle all types of cargo including containers. It must be emphasized, that the port of Lome is a free port and therefore all cargo passing through it, even for local consumption, are free from customs duties. The port also handles transit cargo to all the LLCs in West Africa. Facilities for transit in Lome include:

- Burkina Faso – 2 warehouses of 10,000 m²
- Burkina Faso - 20,000 m² of land in port area
- Mali - 20,000 m² of land in port area
- Mali - 1 warehouse of 5,000 m²
- Niger - 24,000 m² of land within port area
- Niger - 1 warehouse of 5,000 m²
- 25 days free storage but still negotiable from shipper to shipper
- Inland vehicle car park for transit truck, 5 km away from the port
- A very efficient and well coordinated paid Customs escort provided
- One representative from each of the LLCs using Lome port serve on the Lome Port Authority's Board of Directors
- Preferential rebates on port charges and other taxes on transit cargo

3.3.5. Port of Cotonou (Benin)

The port of Cotonou has a total quay length of 2,490 metres, six berths with depths between 10 and 11 metres, an access channel depth of 12.5 metres and a total water area of 400,000 m². Facilities for transit in Cotonou include:

- Land in the free zone area made available to Burkina Faso, Mali and Niger to develop their own facilities. Burkina Faso has already built one warehouse of 5,000 m² and an open storage facility of 6,000 m².
- 20 days negotiable free storage period
- Paid Customs escort provided

The basic port infrastructure in the various competing corridors clearly shows how each of the ports is capable of handling the normal transit traffic to the three LLCs. Leaving out the port of Dakar in view of its distance from the other two LLCs, a comparison of the ports of Abidjan, Tema, Lome and Cotonou in terms of physical size and basic infrastructure, clearly ranks Abidjan first followed by Tema and then Cotonou and Lome. For transit, however, Abidjan and Lome provide better facilities

than Tema and Cotonou, Tema's position being understandable, given that Ghana's corridor is new in the transit business.

3.4. Transport Costs

The notion of cost remains an approximation in a transport transaction. This is especially so in third world countries where the transport sector is characterised by informal small-scale operators, where there are no special restrictions. All an individual needs is to purchase a truck and get it registered. Afterwards, one is free to decide which route to ply depending where there is cargo to carry. Though there are a few road transporters unions, these are often not very effective. Transport regulations are also fragmented from country to country and sometimes applied arbitrarily. This, thus makes it difficult to reliably determine the costs of road transport, especially for cargo across national frontiers.

Port charges also vary from country to country, port to port and also from commodity to commodity. This uncertainty over the exact cost of transport is confirmed by a study commissioned by the Burkina Faso Ministry of Transport and conducted by CATRAM Consultants of Paris. In this study, it came out that the transport cost per kilometre differed from one stakeholder to the other. For example, the national public transport company, the private road transporters' union, and a textiles manufacturing company, quoted 26 CFA/t/km, 28 CFA/t/km and 30 CFA/t/km respectively.

In view of this discrepancy, several commissioned studies in West Africa have had to draw conclusions based on the scanty and estimated costs, which were available. Nevertheless, such rough estimates have proven to portray a fair picture as a basis of comparison of the various transport corridors in the sub-region.

The cost parameters to be considered on each corridor will, therefore, primarily include port charges, road/rail transport costs and administrative costs.

3.4.1. Port transit costs

Port transit of cargo raises a number of charges. These include charges on the cargo and charges on the vessel. Other charges also involve the handling of the cargo from ship to shore and/or shore to ship in the unloading or loading operations (stevedoring charges), as well as shore handling charges. There are other costs that the ship incurs by staying in port. These costs differ depending on whether the port is managed privately or publicly.

According to Karanga (2000, pp. 55-57), in a study on port costs within the OUEMOA region, the port of Abidjan was very expensive in terms of port charges on cargo. Indeed, the study established that Abidjan was twice as expensive as Tema. Tema was the least expensive. The study compared the ports in terms of port charges to ships, port charges on cargo, ship immobilization costs and cargo handling charges. On ship charges, Tema Port was the cheapest while Abidjan was the most expensive. Data was not available for Lome and Cotonou. With regard to cargo charges, Tema again came out cheaper on the whole than the other competitor ports. Abidjan again came out more expensive than the other ports regarding cargo-handling charges. For example, shore-handling charges for a 20' container in Tema was estimated to cost 60,000 CFA against 130,000 CFA in Abidjan, more than twice the cost in Tema.

Regarding vessel immobilization costs, the study was able to obtain information on all the main ports in the sub-region. Tema again came out cheaper while Cotonou and Lome were the most expensive. On stevedoring charges for 20' container, the study showed Abidjan as the cheapest port where it cost 30,000 CFA per box, followed by Tema. Cotonou port was the most expensive port with 60,000 CFA per box (see Table 3-9).

Table 3-9 Stevedoring charges for import 20' container (excl. reefers), CFA/Box)

Port	Abidjan	Tema	Lome	Cotonou
Cost	30,000	40,000	50,000	60,000

Source: CATRAM Consultants as provided by DELMAS, 2002

It must, however, be emphasized that this study was done in 2000, well before the peak of the crisis in Côte d'Ivoire, which led to the diversion of cargo to other neighbouring ports, thus causing congestion. For example, immediately following the crisis in Côte d'Ivoire, congestion was recorded in the other ports causing vessel time in port to increase dramatically up to 30 days in Tema, 15 days in Lome and Cotonou and 10 days in Abidjan (CATRAM, 2003. p. 119). This situation improved as frantic efforts were made by these competitor ports to cope with the new traffic. The situation today will, therefore, be different, though there is still evidence of congestion in Tema and Cotonou.

Table 3-10 Sea Freight charges (Euros/box)

Port	Abidjan	Tema	Lome	Cotonou
20' import container from Europe (excluding reefer)	1,000	1000	1000	1000
40' import container from Asia (excluding reefer)	1,600	1,600	1,600	1,600

Source: CATRAM Consultants as provided by DELMAS, 2002

Table 3-11 Sea Freight charges (Euros/20' box)

Port	Abidjan	Tema	Lome	Cotonou
Northern European Ports	1,570	1,600	1,600	1,600
Mediterranean Ports	1,150	1,300	1,300	1,300

Source: CATRAM Consultants as provided by MAERSK LINE, 2002

Table 3-10 on sea freights as provided by DELMAS shipping line shows no difference in costs between the competitor ports. On the contrary, Table 3-11 by Maersk Line shows Abidjan as being slightly cheaper than the other ports. This could be explained by the fact that given Abidjan's size and annual traffic, the fixed costs per vessel call are shared among a relatively large number of containers, thereby translating into lower unit costs. The charges for cargoes from Mediterranean ports

are, however, lower than from the northern European ports. The conclusion that can be drawn from the above is that, regarding the maritime transport costs, the choice of the loading port in Europe is more important than that of the unloading port in West Africa.

3.4.2. Road transport costs

Road transportation of goods between the various competing ports and their landlocked destinations is characterized by keen competition among road haulage operators from both the transit countries and the LLCs. As a result, pricing of cargo haulage is erratic and subject to negotiation taking into consideration several parameters.

In this light, official transport tariffs, when available at all, are only used as a basis for negotiation. The road transport sector is not well regulated and as a result, prices increase as and when the business environment dictates. Table 3-12 illustrates this phenomenon.

Table 3-12 Road transport cost to Niamey in the Republic of Niger: 2001-2003

Period	Tema Port	Lome Port	Cotonou
2001– before Côte d’Ivoire crisis	29,000 CFA/ton	30,000 CFA/ton	31,000 CFA/ton
Mid 2002 beginning of crisis	32,000 CFA/ton	30,000 CFA/ton	31,000 CFA/ton
Close of 2002	35,000 CFA/ton	31,000 CFA/ton	31,000 CFA/ton
2003	40,000 CFA/ton	33,000 CFA/ton	32,000 CFA/ton

Source : Tema Port Marketing and Customer Service Department

The erratic trend of transport costs is more pronounced in Ghana’s corridor. Between 2001 and 2003, road transport costs per ton increased from 29,000CFA to 40,000CFA (see Table 3-12). Table 3-13 shows charges for the BLD or BL ‘Direct’ (Through Bill of Lading) for containers by Delmas, a French Shipping line operating in the West Coast of Africa.

Table 3-13

Road transit transport cost for container (maximum 28 tons in 40') – Tema and Lome

Description (route)	Distance (Km)	Total cost (Euros)	Cost (Euros/Km)	Comment
Tema - Ouagadougou	1040	2567	2.47	Cost excludes: - BLD fee . 100 Euros - transit bond: 0.25% of C.I.F. value of goods in Ghana and Burkina Faso
Lome - Ouagadougou	990	2537	2.57	Cost excludes: - BLD fee . 100 Euros - road guarantee fund: (Burkina and Togo)0.52% of C.I.F. value of goods
Tema – Bobo Dioulasso	1395	3018	2.16	Cost excludes: - BLD fee . 100 Euros - transit bond: 0.25% of C.I.F. value of goods each in Ghana and Burkina Faso
Lome - Bobo Dioulasso	1345	2704	2.0	Cost excludes: - BLD fee . 100 Euros - road guarantee fund: (Burkina and Togo)0.52% of C.I.F. value of goods
Tema- Niamey	1200	3290	2.74	Cost excludes: - BLD fee . 100 Euros - transit bond: 0.25% of C.I.F. value of goods each in Ghana and Burkina Faso
Lome- Niamey	1234	3184	2.58	Cost excludes: - BLD fee . 100 Euros - road guarantee fund: (Burkina and Togo)0.52% of C.I.F. value of goods - Escort fees
Tema - Bamako	1840	4120	2.24	Cost excludes: - BLD fee . 100 Euros - transit bond: 0.25% of C.I.F. value of goods each in Ghana and Burkina Faso - road guarantee fund . 0.52% of C.I.F.in Mali - Escort fees
Lome - Bamako	1790	4073	2.28	Cost excludes: - BLD fee . 100 Euros - road guarantee fund: (Burkina and Togo)0.52% of C.I.F. value of goods

Source: Delmas BLD Tariff

Cost statistics for Dakar, Abidjan and Cotonou were not available. A careful analysis of the tariff as provided for Tema and Lome shows a direct and positive relation

between the distance and the cost. For example, Tema to Ouagadougou covers a distance of 1,040 km and costs 2,567 Euros, representing 2.47 Euros/km, while Lome to Ouagadougou at 990 km costs 2,537 Euros, representing 2.57 Euros/km. The striking thing however is that on some of the routes, shorter distances turned out to be even more expensive than longer distances. For example, Tema to Niamey, a distance of 1,200 km costs 3,290 Euros, while Lome to Niamey, a distance of 1,234 km costs 3,184 Euros (see Table 3-13).

Whereas the tariff as provided by Delmas portrays the various corridors as being costly on the basis of their distance from the landlocked destinations, Table 3-14 as provided by Maersk Line for container haulage gives a different picture.

Table 3-14 Maersk Line tariff for 20' container

Abidjan - Ouagadougou	1,100,000 CFA
Lome - Ouagadougou	1,050,000 CFA
Tema - Ouagadougou	850,000 CFA

Source: CATRAM Consultants

Again, Ghana comes out cheaper than the other competitors. OTRAF (Burkina Road Transporters Union) gives the various corridor transit transport costs for a return trip per truck as follows:

<u>Corridor</u>	<u>Cost/return trip/truck</u>
Abidjan –Ouagadougou	600,000 CFA
Lome- Ouagadougou	475,000 CFA
Tema- Ouagadougou	375,000 CFA
Abidjan –Bobo Dioulasso	450,000 CFA
Lome- Bobo Dioulasso	600,000 CFA
Tema- Bobo Dioulasso	500,000 CFA

It can be observed that distance is no longer the base for the cost in the above case. For example, Tema to Ouaga is 1040 km long yet, it cost 375,000 CFA, whereas Lome to Ouaga which is short at 990 km costs 475,000 CFA. As will be seen later in

this chapter, this situation can be explained by the peculiarities on each of the corridors in terms of number of checkpoints and illegal fees which are collected by security forces on the roads. Though figures for the corridors for Mali and Niger are not available, transit from Lome and Tema passes through Burkina Faso as a third country transit route. By extension, therefore, the transit corridor competitiveness in terms of transport cost to Mali and Niger may not vary much, in which case, Ghana's corridor remains the cheapest while Côte d'Ivoire is the most expensive for Ouagadougou. For Bobo Dioulasso, however, Abidjan by virtue of being the nearest port is the cheapest route.

The fact that Ghana's corridor is cheaper also came out in a study conducted by the Burkina Chamber of Commerce in 2003. Using 100 tonnes of rice as the basis of comparison between Tema and Lome, transport costs from Tema to Ouagadougou were 2,250,000 CFA whereas that for Lome to Ouaga was 2,650,000 CFA. Tema thus, is cheaper by 400,000 CFA.

3.4.3. Rail transport cost

Only two out of the five competitor corridors covered in this study have direct rail connections to the landlocked destinations. These are the Abidjan-Ouagadougou and the Dakar-Bamako corridors. (see Figure 2).

CATRAM's study (2003, p.117), established that on the Abidjan-Ouagadougou route, the rail mode costs far less than the road. The study established that the cost of transporting a 40' container by rail from Abidjan to Ouagadougou equals the cost of transporting a 20' container by road. Therefore, all things being equal, the corridors of Côte d'Ivoire and Senegal must be more competitive in the sub-region by virtue of their rail connections. This has, however, not been the case for Senegal as "the performance of the Bamako-Dakar corridor is hampered by insufficient rail capacity, derailments and poor maintenance of rolling stock" (UNCTAD, 2003, p. 115). This may partly explain why, in spite of Dakar's nearness to Bamako and the availability

of road and rail modes, the corridor still loses a greater percentage of Mali's transit cargo to other competitor ports.

3.5 Facilities and Quality of Service

Price is not the only criterion in determining the competitiveness and efficiency of a transit corridor. The entire service quality along the corridor ranging from port facilities, port/corridor transit times and condition of road/rail network to facilitation of passage along the route regarding checkpoints among other things, are all key considerations for shippers in determining the choice of corridor to use. This is because the quality of these parameters could either increase or reduce the total cost of transport to the shipper. The following issues will, therefore, be examined:

- The quality of road/rail network
- Port facilities, especially for storage
- Customs and other administrative facilitation
- Port transit times

3.5.1. Road/rail network

The road and rail infrastructure has already been discussed earlier in this chapter. A brief summary of the quality of this infrastructure is therefore provided in this section.

Dakar – Bamako Corridor – The Senegal portion of the road linking Dakar to Bamako has been bad, but improvement works begun last year, and was expected to be completed by the end of 2003. Roads in the Mali portion of the corridor are, however, generally in good condition. The rail line connecting Dakar to Bamako was also bedevilled with a myriad of problems rendering it inefficient. Therefore, early 2003, the rail system was conceded to CANAC of Canada for its rehabilitation and management to ensure efficiency of this mode of transport.

Abidjan-Bobo Dioulasso-Ouagadougou Corridor – The rail and road infrastructure on this corridor is in very good condition. Socio-political unrest has, however, led to the closure of the corridor since early 2003.

Abidjan- Bamako Corridor – This corridor has only road infrastructure which is in very good condition in both countries. Niger transit through Abidjan passes through Burkina Faso as a third country. Generally, the road network in both Burkina Faso and Niger is very good.

Tema/Takoradi-Ouagadougou Corridor – Generally, this corridor's roads are very good. The Accra-Kumasi road portion in Ghana is currently being rehabilitated and expanded. The Kumasi-Kintampo portion in Ghana is not very good but is also being rehabilitated. However, from Kintampo in Ghana right up to Ouagadougou in Burkina Faso, the road is first class.

Tema/Takoradi-Bobo Dioulasso corridor – This corridor is shorter through the Kumasi-Techiman-Bole-Bamboi-Hamile route in Ghana, and then Ouessa-Bobo – Dioulasso in Burkina Faso. This covers a distance of 1,030 km. But the road from Techiman right down to Bobo is not motorable. Hence, traffic for this region currently has to go through Ouagadougou before reaching Bobo, extending the distance by 360km to reach 1,395 km. This makes Ghana not very competitive on that corridor.

Tema/Takoradi-Bamako corridor – Cargo for Bamako, Mali has to pass through Burkina Faso as a third state since Mali has no direct access to Ghana. For this reason, Malian cargo goes through the same corridors for Burkina as above. Therefore, the Hamile-Ouessa corridor is the shortest to Mali from Ghana at 1,578 km, but due to its bad roads, Malian transit cargo through Ghana also has to pass through Ouagadougou and then via Bobo to Bamako thus prolonging the distance to 1,938 km.

Tema/Takoradi-Niamey corridor – Generally the roads on this corridor are very good, except the Bawku-Kulungugu portion of 20 km in Ghana, which is bad and needs urgent rehabilitation. It must be emphasized that Niger transit cargo through Ghana must also pass through Burkina Faso as a third state, as Niger has no direct access to Ghana.

Lome-Ouagadougou corridor – the roads in this corridor are very good except a 40 km portion in northern Togo, which is very mountainous and thus poses great difficulty to trucks.

Lome-Bamako corridor – Except for the mountains in the northern Togo portion of this corridor, the road network on this corridor is very good. It, however, passes through Burkina Faso as a third state.

Lome-Niamey corridor – Roads on this corridor too are very good. Transit cargo for Niamey, Niger also passes through Burkina Faso.

Cotonou-Burkina Faso corridor – The Benin portion of this road is not very good. However, rehabilitation is expected to be completed in 2004. The Burkina portion is very good.

Cotonou-Bobo Dioulasso-Bamako corridor – Transit cargo for Mali and the Bobo region in Burkina from Benin also passes through Ouagadougou.

Cotonou-Niamey corridor – This corridor offers a bimodal transport. A combination of rail and road. The rail corridor (540 km) ends at Parakou in central Benin, midway to the border with Niger. Then cargo has to continue by road to Niamey. For the rail network, though in good shape, inefficient management and old rolling stock have been cited for its non-reliability. The road from Parakou to Niamey is, however, very good. There is a direct road link from Cotonou to Niamey, but its full use for transit cargo haulage has been hampered by a state engineered monopoly by the railway

company as the only mode to be used for transit cargo. There are plans by the Benin government to review this policy.

From the above analysis of the road/rail networks of the competitor corridors, one could conclude that regarding the quality of road infrastructure; all the corridors seem to be fairly comparable.

3.5.2. Port facilities

Facilities in the various competitor ports especially for transit trade have been discussed at the beginning of this chapter. This part will therefore examine how sufficient those facilities are to the transit trade.

The Port of Dakar – Dedicated facilities are made available to transit traffic to Mali. These facilities have both rail and road connection to the main rail and road networks leading directly to Bamako in Mali. Port documentation procedures are not yet fully computerized. The Customs is operating a computer system called GAINDE, but this system is not very effective, which causes some delays. On the whole, Dakar is not too much hard pressed for capacity to handle transit trade as it currently handles only Malian transit cargo.

The Port of Abidjan – Historically, Abidjan Port has been the traditional and main transit port for Mali and Burkina Faso. As a result, several facilities were made available for transit traffic. As discussed earlier, adequate storage facilities are available to the various shippers of the three landlocked countries. The port is also adequately resourced in terms of cargo handling equipment for quick loading and unloading of vessels.

However, Customs procedures in the port have been cited as a big obstacle to landlocked transit traffic in Abidjan. Shippers complain that transit cargo is subjected to the same stringent customs controls as domestic cargoes. This causes undue delay to transit cargo in the port. Customs documentation is being processed through a

computerised system called the SYDAM. Unfortunately, rigorous controls by customs have eroded the benefits of this system to transit shippers.

Port of Tema – This port is a new entrant to the transit trade. This is evidenced by the fact that insufficient facilities have been provided for transit cargo in terms of storage space. Burkina Faso is preparing to develop the land leased to her by the Port Authority to build a warehouse and office accommodation. Mali and Niger are still conspicuously absent in terms of their readiness to invest in storage facilities. In fact, Tema has had to contend with heavy congestion in 2002 at the peak of the crisis in Côte d’Ivoire, which led to the diversion of a greater chunk of transit cargo to the port. Indeed, this congestion problem in Tema is still evident in 2004 and likely to continue until current port extension work on quay number 2, and the development of a container terminal in the port is completed. Transit shippers have complained of congestion and the inadequacy of shore handling equipment for containers in the port, which lead to undue delays and consequently, longer port transit time.

The Ghanaian authorities, in their commitment to boost the transit trade, have since 2002 been promoting Takoradi, the second port in the country to handle transit cargo. However, Takoradi lacks adequate storage facilities to handle the transit trade effectively. Consequently, works, which have commenced to build three warehouses in the port, are expected to be completed by March 2005.

In Tema Port, Customs has introduced a computerized documentation system called the GCNet to facilitate and quicken cargo clearance processes through the port. However, a symposium on Ghana’s corridor as a transit route, held in Accra in early 2003, lamented the inefficiency of the system. Shortcomings of the system cited by this symposium include the slow transfer of computerized declarations from Clearing Agents’ computers to the GCNet server; an inadequate number of outlets for connections of Agents to the system and poor skills of some clearing agents regarding the operations of the system.

The Customs escort system is also cited as a cause of delays in Tema Port. It was reported by the above symposium that the unofficial Customs escort fees per truck in Ghana increased from 100,000 Cedis in 2002, to 250,000 Cedis in 2003. This amount, it is reported, sometimes goes up to 400,000 Cedis. Note, however, that these fees are in addition to the official 50,000 Cedis per day per escort.

Port of Lome – On the whole this port is adequately resourced in terms of storage facilities for transit. In spite of the unexpected excess traffic that it handled as a result of the Ivorian crisis, the port still shows no physical sign of congestion. Escort services are managed by the Port Authority and involve the Customs, the Police and the Gendarmerie (Municipal Police). The escort system in Togo is hailed as a model in the sub-region. A standardized, official and fixed escort fee is charged per truck while the inclusion of the police in the escort team helps avoid many stops on the road along the corridor up to the border. However, other studies have indicated that the benefit of the smooth movement along this corridor is eroded by long delays and extortion of heavy sums of money at the Togo-Burkina border. Customs in Togo are implementing UNCTAD's information processing computer software called the SYDONIA (ASYCUDA in English). The same software is being operated in the three LLCs. Unfortunately, the systems of each country have not been linked to enable inter-state customs information exchange so as to facilitate the transit business.

Port of Cotonou – Although the port has facilities in the free zone area for transit, only Burkina Faso has developed her property. The port itself is reported to be suffering from acute congestion due to heavy transit traffic through the port to neighbouring Nigeria. There is, therefore, clear evidence of congestion in the port. A 30 year concession for the construction and operation of a new container port in Benin has, however, been awarded to Bouygues Group (France), (UNCTAD, 2003,

p.114). This is expected to relieve the port of Cotonou, which according to the UNCTAD Review “has reached its saturation level”.

3.5.3. Customs and other administrative facilitation

Apart from facilities and procedures in ports, how smoothly cargo moves along the road or rail routes till it arrives at its destination also constitutes a major determinant of the quality of a transit corridor. Customs are involved right from facilitating quick documentation in port to escorting transit cargo to a country’s borders. Other security agencies such as the police and immigration services also play key roles in ensuring that transit operators comply with national road and immigration regulations. In exercising their individual responsibilities, these various security agencies, rather than being facilitators of transit trade, have constituted a big obstacle to transit trade in West Africa. Inland transport costs are exorbitantly high due to delays caused by these agencies through numerous unnecessary roadblocks as well the extortion of illegal fees from transporters and shippers.

Several studies have established that road barriers constitute the greatest obstacle to road transport in the West African sub-region. Citing an ECOWAS workshop in 1997, on the TRIE (Transit Routier Inter Etats) protocol on road transit and trade facilitation, N’Guessan (2003. p.35.) established on average that within the corridors of West Africa, the total distance travelled by all trucks carrying transit cargo is about 41,250,000 km with a roadblock at each distance of 40 km. This gives a total of 1,031,250 roadblocks within the sub-region. At an average cost of 2000 CFA per roadblock, about 2 billion CFA (approximately \$3.3 million) are lost annually to illicit roadblocks alone. This, of course, translates into higher transport costs.

UEMOA (Union Economique et Monetaire Ouest Africaine) also conducted a study in December 2000, on the number of road blocks on the main trunk roads of West Africa and came out with the following results:

<u>Route</u>	<u>Number of road blocks</u>
Abidjan – Ouagadougou	37
Tema/Takoradi – Ouagadougou	15
Lome – Ouagadougou	34
Cotonou - Niamey	34

Source: CATRAM Consultants

The study concluded that the number of roadblocks for the Cotonou-Ouagadougou corridor should be almost equal to that of Cotonou – Niamey. It could also be inferred that the Abidjan – Bamako corridor would have almost the same number of roadblocks as that of Abidjan-Ouagadougou. Subsequent studies have confirmed an increase in the number of roadblocks on these corridors. According to CATRAM (2003, p.126), since the beginning of the Ivorian crisis in late 2002, the number of roadblocks had increased to 60 on the Abidjan-Ouaga corridor. Also, a symposium on the Ghanaian corridor held by the transit countries in mid 2003 reported that the roadblocks on the Tema/Takoradi – Ouagadougou corridor had increased to 35. It should be observed that Ghana’s corridor, which was the best in terms of the number of roadblocks, has lost that advantage.

The road transit time or vehicle turnaround time in days varies with the distance to be covered, the physical condition of roads and the number of roadblocks or checkpoints. Obviously, the impact of these numerous checkpoints on cargo transit times cannot be overemphasized. This translates into high inventory costs for shippers, unprofitable ventures for the truck owner and, ultimately very high transport costs for the shipper leading to inflationary retail prices of goods in the LLCs. This view is amply substantiated by the UNCTAD Review of Maritime Transport (2003, p. 116), which reported that freight costs, as a percentage of total import value for landlocked developing countries in sub-Saharan Africa was the highest in the world at 20.69% in 2001. “High import transport costs inflated the

consumer prices of imported goods, and high transport cost for exports undermined competitiveness in foreign markets”. (UNCTAD,2003,p.116). Unfortunately, limiting the number of roadblocks and checkpoints to only the officially required minimum is the prerogative of individual states. A solution to this must to be sought in regional and/or bilateral cooperation.

3.5.4. Port Transit time

According to CATRAM (2003,p.128), port transit times to all the competitor corridors are very long. This is definitely implied from the above analysis of the facilities and services in each of the ports. A shipper survey conducted by CATRAM revealed the following port transit times:

Abidjan	-	1 to 3 weeks
Cotonou	-	7 to 8 days
Lome	-	3 to 10 days
Tema	-	2 to 10 days.

These results make it very difficult to determine an average transit time by which to compare these competitor ports. Port transit times, of course, can vary depending on various factors including port congestion, labour strikes and other incidents. However, taking these results on their face value, Abidjan Port is the worst with up to three weeks while Tema appears better than the rest with transit time varying between 2 and 10 days.

The entire corridor service quality thus spans from good facilities in port with quick handling and delivery of cargo in good security, all at an affordable cost, to faster and smooth customs procedures in port and along the road leading to less stoppages en route so as to ensure on time delivery at destination and short turnaround of vehicles. The elements of corridor quality are therefore many. CATRAM’s study did a synoptic shipper survey on all the essential parameters of service quality on each transit corridor and came out with the results shown in Table 3-15. Note that Dakar was not covered in that study. The ranking was from 1 (very bad), to 5 (very good).

Table 3-15 Corridor service quality ranking

Creteria	ABIDJAN	TEMA	LOME	COTONOU
Procedures	3.33	4.50	3.75	3.00
Storage	3.00	4.50	4.00	3.00
Cargo handling	3.33	4.50	4.25	3.00
Roadblocks	1.33	4.50	3.80	3.00
Security	3.00	4.50	4.00	4.50
Traffic Congestion	3.33	4.50	3.60	2.50
Unofficial charges	1.00	4.50	3.33	2.00
Official charges	1.50	4.50	4.33	1.00
Billing (transparency)	3.00	4.50	4.33	3.00
TOTAL	22.83	40.50	35.40	25.00

Source: CATRAM Consultants

The survey results put Tema (Ghana) as the overall best in terms of corridor service quality. Lome (Togo) follows closely as the second best corridor while Abidjan (Côte d’Ivoire) ranks last. It must, however, be emphasized that this survey was conducted before the peak of events in Côte d’Ivoire. This, therefore, means that, although Abidjan is likely to maintain its worst position in corridor service delivery, Tema (Ghana) might lose the best corridor slot since the Ivorian crisis caused heavy congestion in the port. This coupled with current port extension work has caused the congestion, which still remains evident today. Numerous roadblocks are also reported to have sprung up along the corridor from 15 in 2000, to 35, by the end of 2003.

3.6 Legal and Institutional Framework

3.6.1. Legal framework

The transport systems in West Africa, like in any part of the world, are subject to individual domestic national laws as well as a myriad of regulations and administrative directives. Since transit transport involves passing through other countries, the legal framework of transit transport is based on a combination of international and domestic law instruments. Consequently, West African countries

have had to accede to or ratify international conventions on trade and transport facilitation. Unfortunately, as shown in Table 3-16, many of these countries have not acceded to or ratified most of these international conventions.

All the countries have, however, ratified GATT (General Agreement on Tariffs and Trade) and are, therefore, bound by at least article V of GATT relating to transit trade. Under this article, “contracting parties undertake to grant passage to goods in transit to and from other contracting states via the routes most convenient for international transit” (UNCTAD, 1994, p.4). By this, parties accept that transit goods are exempt from customs duties and other related duties and taxes within the transit country except for charges relating to transport and transit as well as administrative expenses commensurate with the cost of services rendered. Perhaps the most controversial issue is how to determine what is acceptable as “commensurate administrative expenses entitled by transit or with the cost of service rendered”. In West Africa, individual countries have interpreted this statement differently resulting in different charges from one country to the other.

Table 3-16 Status of ratification of International conventions related to transit trade by LLCs and their main transit neighbours in West Africa

COUNTRY	CONVENTION						
	UNCLOS	FAL	GATT	CCO	UN/ECE	KC	NY
Landlocked Countries							
Burkina Faso			+				+
Mali	+		+				+
Niger			+				+
Transit Countries							
Senegal	+	+	+			+	+
Côte d'Ivoire	+	+	+			+	
Ghana	+	+	+				
Togo	+	+	+				
Benin	+	+	+				

Source: compiled from various sources

UNCLOS = United Nations Convention on the Law of the Sea

FAL = Convention on Facilitation of Maritime Traffic

GATT = General Agreement on Tariffs and Trade

CCO = Customs Conventions on Containers

UN/ECE	= International Convention on the Harmonization of Frontier Control of Goods
KC	= International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention)
NY	= New York Convention on Transit Trade of LLCs

West African countries have complemented these international transit transport conventions by regional legal instruments such as the Treaty of ECOWAS (Economic Community of West African States). Two complementary instruments, the Inter-State Road Transport (TIE) and Inter-State Road Transit (TRIE) conventions adopted by the Member States in 1982, followed this Treaty. These regional conventions have also been complemented by various bilateral agreements and operational arrangements concluded between West African LLCs and their transit neighbours (see Annex A). This amalgam of various conventions, therefore, gives the legal framework of transit transport in West Africa a very wide scope. However, compared to the legal framework for transit in Western Europe, many experts have described that of West Africa as very incomprehensive. Whereas European member states have backed their trade conventions with the necessary political will and implemented those conventions effectively, the opposite is the case in West Africa.

Nevertheless, ECOWAS has made major strides in many areas including: a) the establishment of a trans-West African road network, which sets minimum road standards and axle load limits for the system, b) the establishment of a regional third party motor insurance system, c) harmonization of highway legislation on matters such as legislation of vehicles, issue of driving licence, organization of technical inspection, road safety, and methodology for compilation of road statistics, and d) maintenance of the ECOWAS institutional machinery for intergovernmental consultations and decisions on matters related to transit trade.

According to Evlo (1994, p.5), “the main weakness of the legal framework for transit in West (...) Africa relates to implementation of decisions. Once decisions have been adopted by ECOWAS (...) bodies, implementation is left to the political will of individual states”. And given the diversity of the various countries, harmonization of such systems to facilitate transit transport and trade has always taken as very long time to accomplish. This explains why, though the TRIE Convention was adopted in 1982, the framework is still not operational in West Africa as of today.

The TRIE Convention seeks to introduce an international customs system in the ECOWAS sub-region. Kodjo Evlo predicted correctly back in 1994 that this convention “is not likely to be operational in the near future because the single customs declaration document which is the main pillar of the system is no longer acceptable in some member countries”. Today, ten years down the line, the TRIE Convention is yet to see full and successful implementation in West Africa. Each member country, therefore, has her own system in place as far as managing the transit trade is concerned, especially in the areas of customs documentation, transit security bonds and guarantees, corridor facilitation and the officially acceptable number of checkpoints, among others.

A study conducted by UEMOA (West African Economic and Monetary Union), a sub-regional body made up of the former French colonies of West Africa, after reviewing the ECOWAS TRIE and TIE conventions, established that 70% of the rules governing transport and transit within the UEMOA region are based on bilateral instruments and national regulations. Seven out of the sixteen ECOWAS countries constitute the UEMOA.

In a 2003 World Bank Africa Region study on the problems of integrated management of the corridors of sub-Saharan Africa, N’Guessan N’Guessan concluded (p.21) that “without exception, the 16 member States of ECOWAS are

applying (various) “TRIEs” which are different from the (actual) TRIE called “Convention A/P4/5/82 of May 29, 1982”.

Several examples of how transit trade in West Africa is regulated differently by individual member nations go to buttress N’Guessan’s assertion. For example, the customs bond on transit cargo as a security against diversion of the cargo in the transit country is applied differently in each country as the cargo traverses each jurisdiction till it arrives at its destination. This leads to long transit times, as new bond documents must be processed at each customs border entry. The transit fund too is not harmonized. Whereas it is 0.25% of the C.I.F. value of the cargo in Burkina Faso, it is 0.50% in Mali. Axle load requirements are also different from country to country.

3.6.2. Institutional framework

The institutional framework for transit transport in West Africa straddles both national and regional institutions. Regionally, two main institutions embody transit transport. They are the main ECOWAS body and its francophone subset UEMOA having sixteen (16) and seven (7) member States respectively. At the national level, each Member State has respective institutions that are mandated to manage transport and transit trade.

3.6.2.1. Regional Institutions

In their bid to promote economic integration and international trade, governments in West Africa have established a number of regional institutions. Notable among these institutions are the Economic Community of West African States (ECOWAS) and the West African Economic and Monetary Union (UEMOA), which was formed out of ECOWAS by the former French colonies in West Africa. Another major institution is the Maritime Organisation of West and Central Africa (MOWCA).

Principal among the initiatives of ECOWAS in relation to transit trade facilitation within the West African sub-region were the promulgation of the TRIE and TIE conventions in 1982. As discussed earlier in this chapter, these conventions, though very laudable and actually remaining the key to trade and transit transport facilitation, have largely been ineffective as members States have not implemented them effectively. Consequently, transit trade and transport still remains heavily constrained and very expensive, especially to the LLCs.

3.6.2.2. National Institutions

- **Government bodies**

The ministries of transport remain the leading institutions representing governments in matters relating to transport policy formulation, as well as in issues regarding investment and management of key national infrastructure such as ports, railways and inland waterways. However, some countries have separate ministries in charge of certain national assets such as ports. For example, Ghana's government created a separate ministry to be responsible for Ports, Harbours and Railways. In matters relating to government taxes, police and immigration as well as consular services, the ministries of finance, interior and foreign affairs respectively, also play important roles in promoting transit trade.

- **Public sector institutions**

Public sector institutions have hitherto functioned as autonomous bodies managing national assets such as ports, railways and telecommunication facilities among others in West Africa. The advent of structural adjustment programmes have encouraged many public bodies to operate on commercial lines by encouraging private sector participation. This has achieved modest results leading to some port activities being largely operated by the private sector. For example, in the ports of Dakar, Abidjan and Tema/Takoradi, cargo-handling activities have been privatised. However, these activities in Lome and Cotonou ports are still operated by state monopolies. There is,

however, an increasing trend towards privatised port activities to foster greater competition and enhance service quality and profitability.

- **Shippers' Councils**

These institutions remain very influential bodies in West Africa and indeed, in other regions of the African continent. The basic mandate given to Shippers' Councils by governments is to manage imports and exports of their respective countries.

Typically, they have been responsible for:

- (1) Managing bilateral cargo sharing arrangements stipulated in bilateral or regional agreements, these agreements normally reserve two thirds of LLDCs transit cargo to be carried by their national road carriers;
- (2) managing exclusive port facilities under inter-State bilateral agreements; and
- (3) managing on behalf of their States, the 40/40/20 cargo sharing formula stipulated in the United Nations Convention on the Code of Conduct for Liner Conferences. (Evlo, 1994, p.9).

This is especially evident in West Africa as in almost all the ports the LLCs have representatives of their shippers' council to carry out these functions. For example, CBC (the Burkina Faso Shippers' Council is present in the ports of Côte d'Ivoire, Ghana, Togo and Benin. The Entrepôts Maliens of Mali and CNUT of Niger are also present in certain corridor ports to execute this function for their respective countries. The first two functions are the most active and relevant today in West Africa. This is because, with the collapse of practically all the national shipping lines in Africa, the cargo sharing function of shippers' councils is now nonexistent.

- **Road transport and haulage enterprises**

In West Africa cargo haulage, especially by road, has remained largely informal and being carried out by small-scale private operators. In the transit countries, haulage companies of the LLCs carry two thirds of their national transit cargo as enshrined in

various bilateral agreements between the LLCs and their transit counterparts. For example, OTRAF (Burkinabe Road Transporters Union) has offices in all the transit corridors used by Burkina Faso. The informal nature of the road haulage has remained a major handicap to transit trade in the region. Many of the drivers of these trucks are illiterate; “over 70% of the vehicle fleet involved in transit haulage is above 15 years and are often not suitable for customs transit security seals”. (N’Guessan, 2003, p. 23). Since the trucks cannot be securely sealed by Customs, suspicion is rife, and, therefore, transit cargo has to be subjected to numerous controls on the roads and at frontier crossings. This causes undue delays, thereby leading to exorbitant overall transport costs. The old age of the vehicle fleet also leads to frequent breakdowns during transit. This prolongs vehicle turnaround times, thus making the haulage venture less profitable. Low profitability leads to poor maintenance, as spare parts are expensive, thus the vicious cycle continues.

The rail haulage sector has remained largely public sector controlled, mostly owned and managed by the two countries. For example the Benin railway line to Parakou is jointly owned and managed by the OCBN (Office des Chemins de Fer Benin – Niger). The Dakar-Bamako rail corridor is managed jointly by Mali and Senegal by public institutions. The Abidjan-Ouagadougou rail line was also managed by two joint public corporations, but has since the late 1990’s been privatised with joint public-private sector ownership under a company called SITARAIL from both Côte d’Ivoire and Burkina Faso.

- **Clearing and Forwarding (C & F) Agents**

In West Africa, the profession of clearing and forwarding is mainly dominated by a few large foreign enterprises. These are sometimes subsidiaries of shipping lines. A few examples include SDV (Scac, Delmas, Vieljeux) of France, Maersk Sealand of Denmark and GERMA ALRAINE Nigeria Ltd. There are also indigenous C & F agents whose number has been on the rise in recent years. These normally operate in

the informal sector. Recent reports of many studies have identified the small-scale C & F agents as a bottleneck in the transit business.

One realisation is that the majority of shippers in the LLCs have no knowledge of the ports they use. They, therefore, rely solely on the advice of their C & F agents. As a result, the latter, sometimes take undue advantage of the former's ignorance to raise exorbitant charges, thereby making certain corridors unpopular in the eyes of the transit shippers. Another bottleneck posed by the informal C & F agents to the transit business is the generally low educational level of most of them leading to their inability to adjust to modern day business technologies needed to facilitate trade. For example, a workshop on the transit corridor through Ghana identified the poor knowledge of the transit C&F agents regarding the recently installed GCNet (an IT system to quicken customs clearance) by Ghana Customs, as a major setback in the smooth transit of cargo through Ghana's corridor.

3.7 Corridor Constraints

The constraints to the smooth development and management of transit trade in West Africa span national frontiers. At the national level, constraints relate to inadequate port facilities, cumbersome customs clearance and escort formalities, relatively poor road infrastructure, and numerous checkpoints along the road with its attendant extortion of illegal fees from truck drivers. The regional constraints could be summed up as the lack of political will by member states to fully and effectively implement the TRIE and TIE conventions of ECOWAS. As a result, customs documentation systems are not harmonized. The vehicle fleet is very old and does not conform to international standards for customs seals, and therefore, there is still the need for customs escort for transit cargo.

Road regulations also remain country specific, thus, resulting in delays along the corridors through numerous checkpoints. Axle load limitation and inter-state vehicle and cargo insurance regulations are also still country-specific. The problem of a third transit state also persists with Burkina Faso remaining an obstacle to transit trade for

its landlocked neighbours. Carrier's liability for damage and or loss of cargo in transit also remains a constraint, as currently the Way Bill is the only evidence of contract of carriage, which does not contain specific clauses on the carrier's liability. The CMR Convention would provide an antidote in this case. Unfortunately, not a single country in West Africa has ratified this convention.

This thus calls for sub-regional and bilateral level arrangements in order to overcome the regional constraints. Overcoming the regional constraints automatically leads to overcoming the national constraints, as agreements reached at the regional level must be implemented at the national level. It must be stressed that the ECOWAS TRIE and TIE conventions seek to address these constraints, but their implementation at the national level still remains a mirage. Some of the numerous constraints are, however, specific to individual corridors in the sub-region.

3.7.1 Senegal

As discussed earlier, the Dakar corridor basically serves only one of the LLCs in West Africa, that is Mali. The corridor enjoys both rail and road routes serving Bamako. At the port level, special facilities including a terminal and storage areas are dedicated for Mali. The constraints of this corridor have been the poor and inefficient rail system due to old and inadequate rolling stock leading to frequent breakdowns. This often results in piles of Malian cargo waiting for long times at the Port of Dakar. Poor roads, especially within Senegalese territory, also have remained a major constraint. The rail system has, however, been recently conceded to the private sector for rehabilitation and management. Construction and rehabilitation of the roads was also expected to be completed by the end of 2003. On this corridor, customs formalities have largely been described as smooth and less cumbersome.

3.7.2 Côte d'Ivoire

The only major constraint of this corridor has been customs formalities, which are described as extremely bureaucratic and time-consuming. It is reported by some

shippers that transit cargo could sometimes stay in the port for up to a week due to customs delays alone.

The rail corridor of Abidjan was also constrained by managerial and technical difficulties. But the transfer of its management to the private sector has improved the entire system and it is said to be operating quite efficiently. Perhaps the most devastating constraint of this corridor is the recent socio-political conflict, which has engulfed Côte d'Ivoire since late 2002. This led to border closures with the northern LLCs of Mali and Burkina Faso leading to a sharp drop in transit traffic through Abidjan. For the Abidjan corridor leading to Niger, cumbersome and rigorous customs procedures and numerous checkpoints and stoppages within the territory of Burkina Faso constitute another major constraint.

3.7.3 Ghana

Ghana's corridor naturally has more constraints than advantages. This is only natural as the corridor until the late 1980's had not experienced any transit trade. Indeed, major activities regarding transit only begun as recently as the early 1990's. As discussed in previous chapters, Ghana began recording moderate transit traffic only as from 1997.

Ghana's constraints include a few short stretches of the road from Accra to Kintampo on the corridor's route one which are bad, the non motorable state of the Bole - Bamboi road, inadequate port facilities, especially for storage in both the Tema and Takoradi Ports, language and currency differences and lack of rail network among other things. These and other issues peculiar obstacles facing Ghana's corridor will be examined in detail in Chapter 5 of this study.

3.7.4 Togo

The constraints of this corridor include the 40 km long hilly portion of the road in the north, and reports of heavy extortion by border control personnel at Togo's northern

frontier with Burkina Faso. Just like the case of Ghana, Malian and Nigerien transit through Lome faces serious problems within the Burkina Faso territory, thus posing a major constraint to transit through Lome. Lack of rail infrastructure also remains a major constraint for this corridor.

3.7.5 Benin

Constraints for transit through Cotonou Port include heavy congestion with its resultant delays. Customs formalities are also cumbersome. The rail/road transshipment of cargo from Parakou, where the rail line ends, leads to double handling with its attendant added costs and damage to cargo during the transfer from rail wagons to road trucks. The rail stock itself is reported to be very old and, therefore, breaks down frequently leading to stockpiles of Niger cargo in the port. This goes to compound the congestion problem and leads to increased inventory cost for transit shippers. Plans are currently underway to involve the private sector in the management of the rail system. This is expected to improve the route's efficiency.

The road corridor to Burkina Faso and Mali is constrained by 200 km of bad road in the Benin territory towards the north. But that road is currently under construction and expected to be completed by the end of 2004. Of course, as is the case with the other corridors discussed earlier, Burkina Faso, as the third country remains a major constraint to the Cotonou corridor as far as Malian transit trade is concerned. The congestion problem in Cotonou Port is also expected to ease when the new container port, which is currently under construction in Benin, is completed.

From the analysis above, the constraints of the landlocked transit corridors of West Africa cannot be overemphasized. Consequently, several efforts are being made to remedy some of the constraints including the building of roads, the concession of rail infrastructure to the private sector, the building of new ports and the extension of existing ones, among other initiatives. Efforts are also being made to ensure the full implementation of the ECOWAS protocols on inter-state road transit and transport

with its attendant simplification and harmonization of customs procedures and documentation among other provisions. Various transit countries are also entering into bilateral agreements with their landlocked neighbours with the view to facilitate and promote transit trade and transport between them.

Facilitating transit trade for the LLCs is a social obligation of the transit and or coastal country. It also brings with it several mutual benefits to both or all countries involved. In West Africa, several efforts have been and continue to be made to facilitate this business. Yet, constraints still abound. Are there specific measures or pre-conditions that must be in place to ensure a smooth and sustainable transit between LLCs and their transit neighbours? How do the current efforts by countries in the West Africa sub-region fit into these overall basic requirements for transit trade development? Chapter Four will explore these questions.

CHAPTER FOUR

PREREQUISITES FOR A SUSTAINABLE TRANSIT TRADE DEVELOPMENT

Introduction

Discussions from the previous chapters brought to light the state of the transit trade and transport in West Africa today. Countries in the sub-region have taken steps to ratify certain international trade conventions, although, these efforts leave room for improvement. These have been complemented by regional level efforts by the Economic Community of West African States (ECOWAS) to regulate and improve trade among member states. Further down, various bilateral arrangements have been reached between transit countries and their landlocked neighbours, all in the effort to improve transit trade between them. National level efforts are also being made in each corridor country to facilitate transit trade. Yet, according to the World Bank, “international corridor transport in most of Sub-Saharan Africa is costly, slow, and unreliable”. (World Bank, Operations Evaluation Department [OED] Report, 1995, p.1.)

This view is widely confirmed by the analysis of corridor constraints in chapter three of this study. So what basics then need to be in place to ensure an efficient and sustainable transit trade in any part of the world? In an attempt to find the answer to this thorny question, several studies have been undertaken by the United Nations Conference on Trade and Development (UNCTAD), the World Bank, United Nations Development Programme (UNDP), and many other sub-regional organisations such as ECOWAS, Union Economique et Monetaire Ouest Africaine

(UEMOA), Union Douniere des Etats de l’Afrique Centrale (UDEAC), Southern African Development Cooperation (SADC), just to mention a few. It must be emphasized that UNCTAD has been and remains the principal organisation, which is at the forefront of exploring into this subject and indeed, UNCTAD has made ample recommendations and also designed various information technology solutions aimed at facilitating transit trade. Some of these solutions designed by UNCTAD include the Automated Systems for Customs Data (ASYCUDA) and the Advanced Freight Control Information Systems (ACIS) software for customs data processing and road/rail cargo tracking respectively.

Perhaps the ingredients for a sustainable transit trade development can most easily be deduced from a World Bank report, which asserts that

transit is best thought of as a chain including all the physical, organizational, and administrative operations needed to carry goods from their origin to their destination. Not only transport by land, sea or air is involved, but also collection, handling, insurance, customs and many other activities. (World Bank, [OED], 1995, p.2.)

Similarly, Douglas Anglin in his paper, ‘ The Politics of Transit Routes in Landlocked Southern Africa’, contended that

landlocked states judge the adequacy of their outlets to the sea (...) on the basis of three criteria. These are 1) the extent to which transit rights are politically assured, 2) the capabilities of available routes and port facilities, and 3) the costs involved. (Anglin, 1973, p.98).

The issue of political assurance of transit rights raises one universal precondition for any successful trade and efficiency in service delivery, i.e., political stability. A politically stable region fosters trade and, therefore, lays the foundation for all other corridor efficiency mechanisms to be put in place. For example, the political crisis in

Côte d'Ivoire led to the corridor falling from the first position to the last as at 2003 in the transit business in West Africa.

The above analysis, therefore, clearly indicates that transit trade, its development and growth is a multifaceted venture which requires concerted efforts both at the national, regional, as well as the international level. Points number 2 and 3 in Douglas Anglin's corridor efficiency indicators above have been corroborated by many UNCTAD and World Bank studies on the prerequisites for an efficient transit trade development. These will be discussed broadly under infrastructure, legal framework, institutional framework and facilitation.

4.1 Infrastructure

The corridor constraints discussed previously in this study clearly manifest the crucial need for adequate infrastructure as well as other related services in both the Transit Country (TC) and the Landlocked Country (LLC) if transit between them is to be efficient and sustainable.

4.1.1 Port facilities and services

An efficient port is one that is flexible and able to adapt to the needs of its customers in line with modern technology such as containerisation and electronic data transfer. Ports in the transit country must have deeper access channels and berths to be able to receive bigger vessels, as well as adequate cargo handling equipment to ensure vessels are loaded and unloaded quickly and efficiently. Also, sufficient storage facilities must be available to receive transit cargo in the ports. A well-equipped port with adequate storage facilities enables it to receive bigger vessels and discharge or load them quickly, thus reducing the ship time in port and, therefore, its costs. The benefits generated to ships in the form of reduced costs could translate into lower freight rates, thereby reducing total corridor costs to transit shippers. Similarly, adequate warehousing facilities for transit prevents port congestion with its attendant costs by way of reduction in free storage periods, congestion surcharges imposed by shipping lines and the ultimate loss of business by ports.

Good infrastructure alone cannot make a port an efficient node in a transit corridor. Within the port, security must be effective and cargo clearance procedures and formalities must be simplified and fast. This thus calls for the development of effective and indeed computerized customs clearance procedures in ports as well as the development of Inland Clearance Depots (ICDs) in both the transit country and the LLC to facilitate the speedy movement of cargo.

A corridor may have the entire infrastructure it takes for efficient movement of cargo, but in this era of competition where customers have a wider choice, ports must be market-oriented. Consequently, ports must “seek to provide flexibility, responsiveness, friendliness and efficiency to its clients” (UNCTAD, 1994, p.5). Indeed, UNCTAD has been at the forefront of helping ports with guidelines for marketing policy development. In their bid to achieve this goal, ports have in recent times undertaken several initiatives including the Port Community concept, which brings together all the stakeholders in the port industry where joint marketing and promotional campaigns are undertaken to promote ports. This concept is highly developed in major European ports. In West Africa, the Port Community system is effective in Abidjan and Lome. Tema Port has also prepared the initial proposals for the Port Community to be established very soon.

4.1.2. Corridor road and or rail facilities and services

One cardinal requirement of an efficient transit corridor is the availability of good road and/or rail networks. If roads in the corridor are very good, cargo transit times will be shorter, vehicle maintenance costs will be low as truck breakdown will be less frequent, vehicle turn around times will be shorter thereby leading to faster evacuation of cargo from the ports, thus avoiding congestion. The total result will be a less expensive corridor as all the resultant savings will translate into moderate ship freight costs, port and haulage charges. The presence of a rail network along a corridor greatly enhances the corridor’s competitiveness. Rail transport is more

profitable to the shipper due to the large quantities that are transported in any shipment. Rail transport is also faster as it is subjected to fewer controls en route.

Indeed, as compared to road transport, studies have shown that rail transport is a cheaper alternative. Therefore, a corridor that has both rail and road facilities has a greater edge over its competitors. This is obviously the case in West Africa and explains why Côte d'Ivoire until 2003 dominated the transit trade. It is worth noting, however, that rail and road facilities can only be worth their salt if their development is closely coordinated to avoid wasteful duplication of capacity. Once developed, these facilities must be well maintained. The rail system must have adequate and modern rolling stock while the road vehicles too must be modern and also well maintained so as to make them suitable for modern cargo handling and customs security systems. It must be recalled that, though Senegal has both rail and road infrastructure connecting her to Mali, Malian transit cargo has remained dominated by Côte d'Ivoire and even distant corridors such as Ghana and Togo due to technical and management inefficiencies in the Senegalese rail system in particular. A modern and well-maintained fleet of road haulage vehicles and rail rolling stock facilitates the regular, efficient and quick transportation of cargoes to and from the hinterland while minimizing congestion at ports and breakdowns along the corridors.

The availability of road and rail facilities in one corridor brings in its wake the need to liberalize the transport business to allow both modes to compete. If government regulations seek to protect one mode, competition is stifled and quality and efficiency undermined. For example, in the case of Benin, over 80% of transit cargo to Niger must use the combined road/rail haulage company OCBN. As a result, piles of transit cargo had to wait in the port some times for weeks if not months for rail. Yet this rail system suffers from old rolling stock, which breaks down frequently, thus incurring huge costs to shippers. This has resulted in Benin losing transit trade to other more distant corridors such as Togo, Ghana and even far away Côte d'Ivoire. The final effect of this long distance that shippers had to travel to bring in transit

cargo is higher total transport cost and, consequently, exorbitant retail prices of goods in the LLC.

Cargo sharing agreements between TCs and LLCs have also not helped the transit business. For example, transit countries transporters are entitled to one third of transit cargo, while LLC transporters must carry the rest. This has often led to delays and congestions in ports, as trucks from these LLCs are, characteristically very old and poorly maintained. This leads to breakdowns on the roads and, therefore, longer transit times. Yet, trucks from the TC cannot load the cargo after exhausting their share of the one third. Thus, an efficient corridor will be one, which succeeds in harmonizing these cargo haulage regulations between the TC and LLC so as to promote free competition and thereby enhance quality haulage at affordable cost.

4.1.3. Inland waterways and airfreight

As competition is rife and shippers seek best quality at least cost, corridors that are blessed with several modes of transport facilities to the landlocked destinations will always have the edge. In this direction, inland waterways and air freight options have also been suggested as alternatives to rail and road for developing transit trade.

Inland waterways are, however, natural endowments, which are practically non-existent in West Africa. This is because the River Niger, which runs across the sub region (see Figure 1) is said to be too shallow. This handicap, coupled with the inadequate rainfall patterns in the region, has made this mode currently impossible. The Volta Lake in Ghana could have been a trump card for the country in its transit corridor development, but the lake also suffers from shallow drought and inadequate rainfall. In addition, the lake is located 70km north of Tema port. Therefore, cargo must first move by road from the port to the lake.

Airfreight, though an option, is still not a popular alternative world wide due to the cost and other technicalities peculiar to airfreight transport. In West Africa, this

alternative remains simply impracticable because facilities for such operations remain highly inadequate, if not non-existent, in the LLCs.

Whatever mode is available in a particular corridor needs to be well coordinated, maintained, and constantly upgraded to meet the changing needs of business. This must, however, be done not only at each individual country level but incorporating the regional trade requirements. As a result, road regulations relating to axle load limitations, road user fees, vehicle insurance and licensing, as well as road transit charges need to be harmonised between the LLC and its TC neighbour. International Conventions such as the CMR and TIR, which have largely resulted in the success stories of transit trade in Europe have not seen full ratification and implementation in many countries of the third world. It must be emphasized that ECOWAS protocols, such as the TIE and TRIE, which were inspired by the TIR convention, exist with the view to harmonizing road and transit transport systems in the West African Sub-region, but as discussed earlier, the implementation of these protocols has remained very poor.

4.2 Legal framework

Transit trade involves traversing two or more countries. Its development and efficiency, therefore, requires some agreement between the countries involved. This can only be ensured if such countries ratify and implement relevant international trade and transport conventions. Several trade and transit transport related conventions have been drafted by UNCTAD and other relevant international regulatory bodies (see Table 3-16). However, as discussed earlier in this study, ironically, most of the countries in West Africa involved in the transit trade have not ratified many such conventions. Even ECOWAS conventions such as the TIE and TRIE, which have been ratified by Members States, are yet to see full implementation in the sub-region.

Compliance with trade agreements, unified transport regulations across countries for example on vehicle axle-loads, dimensions, insurance and documentation among other things are central to transit trade development. These can better be achieved through bilateral and sub-regional agreements. Such agreements, however, need strengthened institutional machinery to monitor and enforce their provisions. It is worthy of note that strict ratification and compliance with international, regional, as well as bilateral agreements have contributed greatly to the smooth transit trade in Western Europe and other developed economies of the world. For example, almost all European countries have ratified and are implementing all the major international trade conventions most specifically, the TIR convention on transit trade and the CMR (Geneva convention, 1956) on the contract for international carriage of goods by road.

The Carrier's liability, among other issues, is one major difficulty facing the transit transport in West Africa. For example, the ECOWAS Brown Card only covers third party insurance for cargo vehicles and not the cargo itself. The only contract of carriage currently, is the Consignment Note, which does not clearly specify the liability of the carrier for damage to, or loss of, cargo in transit. Perhaps, a solution to this issue may be found in the ongoing discussions on the need to promote multimodalism in transportation where the multimodal transport operator assumes all responsibility from origin to destination delivering cargo door-to-door. Unfortunately, the convention on multimodal transport is yet to receive the required ratifications for its entry into force and subsequent implementation.

An efficient transit corridor is, therefore, one whose regulatory framework is based on ratification of international and regional trade conventions, incorporates them into the national legislations of the transit partners and implements them strictly to ensure harmonised procedures and regulations across national jurisdictions.

4.3 Institutional framework and facilitation

Closely tied to the legal framework for transit is the institutional framework and how it facilitates trade and transit. This is because the corridor is a network of several entities or institutions whose individual roles either contribute to make or unmake the corridor in terms of its efficiency and competitiveness. These agencies include government ministries, customs authorities, port authorities, shippers' councils, clearing and forwarding agents, road and rail haulage companies, insurance companies, and the banking industry. An efficient corridor is one in which all these actors work in unison with the sole aim to promote trade by harmonising systems and sharing relevant information so as to ensure a cost effective, smooth, quick and secure flow of transit trade along the entire corridor right from the port of the Transit Country (TC) through Inland Container Depots of the LLC and/or TC to the final destination of the landlocked shipper.

Each of these actors above manages information on their individual operations at different locations along the corridor. The entire corridor supply chain (from sea port to road check points to border crossing area and finally to the inland destination or vice versa) needs a harmonized information flow and regulatory mechanisms to reduce delays and ultimate total logistic costs. Principal among these actors are the customs administrations, freight forwarders and road and rail transport companies.

4.3.1. Customs Administrations

Customs procedures and documentation remain the greatest bottleneck in transit development, especially in West Africa as seen in previous chapters of this study. An efficient corridor is, therefore, one in which customs procedures and documentation between the LLC and TC are harmonized in line with international models. This presupposes that the countries involved must revise their laws and regulations to introduce international instruments to facilitate movement of goods. Clear examples of international instruments include the Kyoto convention and the International Convention on the Harmonization of Frontier Control of Goods (UN/ECE). For this

effort to succeed, parallel arrangements must be in place to simplify cargo verification, eliminate cargo escort and bond charges as well as harmonize cross-border operations. UNCTAD has developed various computerised software packages to assist in harmonizing customs procedures with the view to enhancing speedy operation. These include the ASYCUDA for customs formalities as well as the ACIS with its Border pass Monitoring Systems (BPMS) subset. If the trade is not well developed in West Africa and is bedevilled with serious difficulties, the simple cause remains cumbersome customs procedures in each of the countries, both TC and LLC. Each custom administration has one form of computerised system or another. Examples include the GAINDE in Senegal, SYDAM in Côte d'Ivoire, GCNet in Ghana and the SYDONIA (ASYCUDA), which was developed by UNCTAD and is currently being implemented in Benin, Togo, Burkina Faso, Mali and Niger.

Unfortunately, beside the fact that these systems are not harmonised at the regional level, they each remain saddled by varying technical difficulties thus rendering them inefficient even at the country level. Perhaps one of the measures to ensure the efficiency of West Africa's transit corridors is to move towards harmonizing the various customs information systems by adopting UNCTAD's ASYCUDA (SYDONIA), which fortunately, is already in use, albeit ineffectively, in a good number of the countries involved.

4.3.2. Road and Rail Haulage

This sector's importance to transit has already been highlighted in earlier discussions. This sector needs modern fleets of vehicles and rolling stock, which must be well maintained and renewed to meet growing trade needs. In addition, the human resource base in this sector must also be upgraded and constantly refreshed to guarantee the needed skills for the industry, which is getting more and more sophisticated with the advent of Information Technology. In West Africa, one drawback of the road sector is the predominance of small-scale informal and semi-formal operators who are very difficult to supervise by the state apparatus. In most

cases drivers are illiterate, thus making it difficult to train them in any modern day technology related to cargo transport by road. Similarly, harmonized regulations on axle load limitations and other related road charges are a prerequisite for transit trade development. For example, the legally acceptable axle load for ECOWAS is 11.5 tons per axle, yet that of Mali is 13 tons while that of Côte d'Ivoire is 10 tons. In this case Malian trucks loading transit cargo from Abidjan fall innocent victims to Ivorian axle load regulations thus leading to unnecessary delays and illegal charges along the corridor.

4.3.3. Freight Forwarding

This profession, given its crucial role in the entire transport chain must be developed to improve its service quality so as to lead to overall efficiency of any transit corridor. In West Africa in particular, the sector of late has been flooded by many informal sector clearing and forwarding agents who often lack the requisite professional skills and in some cases lack the aptitude to adjust to modern IT training requirements. For example, at a stakeholder forum in Lome in 2002, shippers were reported to have complained about the poor skills of forwarding agents in the Lome Port. It has also been noted that the Customs GCNet programme in Ghana is not achieving its desired result of simplifying cargo clearance procedures leading to quicker formalities. A symposium on Ghana's transit corridor, organised by the LLCs of Mali and Burkina Faso in 2003, highlighted the incompetence of clearing agents regarding the operations of the GCNet as one major reason for the delays in processing customs documentation.

An efficient corridor will, thus be one in which regional policies are formulated to identify the training needs of all operators, especially clearing agents and transport operators, so as to build up the requisite regional capacity and enhance the knowledge and skills of such key constituents. These efforts should embrace key institutions such as the Government ministries for policy formulation as well as the

national shippers' councils to coordinate the needs identification and training implementation, monitoring and evaluation.

4.4 Summary Observations

The foregone discussion clearly demonstrates the fact that an efficient transit corridor is a complex system with sub-systems involving a multitude of actors who mostly have different interests and yet who work together in a harmonized and simplified way to satisfy their mutual as well as individual interests. Such a system becomes even more complex as it involves different countries with different legal jurisdictions. For instance, corridor transit facilitation requires among other things, common infrastructural development policies for roads, rails, ports and inland dry ports or terminals. Transport regulations in each country must incorporate the regional setting, customs systems in the region must be harmonised to include single documents, common frontier controls, shared customs and trade data and harmonized transit security bond payments, among other formalities and procedures.

For all the above conditions to be realized, bilateral agreements are crucial as according to UNCTAD, “transit agreements are the starting point, as they form the basis for the development of various protocols along transit corridors”. (UNCTAD, 2003a, p.7). It is these agreements fashioned out in line with international and regional trade and transport conventions that will result in the perfect knitting of all the actors' operations, regulations and information systems in a harmonized and seamless flow of transit traffic along a corridor, thereby minimizing delays and fraud, and ultimately leading to reduced transit transport cost. But what is the precondition for all this to be possible?

According to Cervenka, (1973, p.316), “it is the cooperation among participating countries that is decisive. For regional cooperation to succeed, it requires participating states to view projects in terms of regional rather than national

benefits”. If Cervenka’s argument for cooperation between countries means ratifying bilateral and multilateral agreements, then the World Bank’s Report 1995, contends that ratification alone is not enough. The report stated, “Neither bilateral nor multilateral agreements have yet contributed much to facilitating the transit traffic of Landlocked Developing Countries”. (World Bank OED Report, 1995, p. 2.).

The report goes on to cite several examples of such agreements involving LLCs, which have not yielded the desired results till date. They include the Northern Corridor Transit Agreement signed by Burundi, Kenya, Rwanda, Uganda, and Zaire; the Central African Customs Union, created in 1964, the TIE and TRIE conventions by West African countries of ECOWAS, and the Preferential Trade Area for Eastern and Southern Africa. It will be recalled that previous chapters of this study identified the position of Burkina Faso as a third transit country to Mali from Ghana, Benin and Togo, and also to Niger from Ghana and Côte d’Ivoire, as a major bottleneck in the transit trade facilitation within the region. Yet, Burkina Faso has signed bilateral road transport agreements with Mali, Niger, Ghana, Togo, Benin and Côte d’Ivoire. (see Annex A). Indeed, like all her other neighbours, Burkina Faso is signatory to the ECOWAS protocol on the free movement of persons and goods across countries of the sub-region. The World Bank report, therefore, identifies the caveat that underlies the success of any trade agreement. It concludes that, “Transit agreements can only work if they are backed by political will and the capacity of governments to actually control their agencies”.

Indeed, one could not agree more with this assertion. Without a strong political will, naturally, agreements will be signed, conventions ratified, protocols signed and couched in all the fine words and language, but implementation on the ground will remain illusory as it is influenced by the whims and caprices of individual governments who have hitherto remained very parochial when it comes to the actual implementation of regional and/or bilateral agreements.

So far, the analysis of the five transit corridors in the scope of this study show,

relatively similar features of the corridors in terms of constraints and facilities regarding transit trade in the West African Sub-region. However, some of the corridors, such as Côte d'Ivoire, Senegal, Togo and Benin, have a number of traditional advantages in terms of common language, culture, currency and infrastructure. The experience of these corridors in transit trade also dates back to the colonial times.

Ghana as a competing corridor in the transit business in West Africa only began handling transit traffic in the early 1990s. Yet, this corridor is very competitive as shown in the previous chapters of this study. Therefore, this competitive potential needs to be sustained, strengthened and promoted. What then are Ghana's strong points in this highly competitive landlocked transit market? How weak is Ghana vis-à-vis the competition? The next chapter seeks to answer these pertinent questions through Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of Ghana as a transit corridor to landlocked West Africa.

CHAPTER FIVE

S.W.O.T. ANALYSIS OF GHANA'S TRANSIT CORRIDOR

The advantages of trade and for that matter transit trade to the economy of any country cannot be overemphasized. Trade brings in its wake increased revenue, more employment for the population, promotion of harmony between the partners and leads to common efforts at promoting their mutual interest, thereby fostering regional or international cooperation, which is one of the key catalysts of the so called globalisation of world business today. Ghana is a new entrant to the transit trade in West Africa, yet the corridor is already becoming a force to reckon with. For example, out of the total landlocked West Africa's transit trade volume of 3,793,317 tons in 2003, Ghana's corridor alone handled 986,699 tons, representing a share of 26%. In the ports and along the corridor's roads up to the northern borders, there is physical evidence of this brisk transit trade through Ghana. This is creating good business and employment opportunities in various sectors of the economy including hotel and catering, transport, banking and freight forwarding.

Therefore, the growth of the transit trade through Ghana is by extension a growth of the country's entire economy. Besides, the development of infrastructure, facilities and services to facilitate transit trade has an added advantage to the country, as it would automatically improve conditions and the available services for the importers and exporters in the central and northern parts of Ghana. It is in this light that Ghana's government has been promoting efforts at positioning the corridor as the gateway to West Africa. These efforts, coupled with the relative political peace

enjoyed in the country, have led to some moderate gains in attaining the gateway objective of Ghana.

Given this development, and coupled with the fact that transit trade promotion is in line with the broader objectives of Ghana's Gateway project, there must be a deliberate approach and strategy to promote, grow and sustain the transit trade through Ghana's corridor to the LLCs. This strategy can be well formulated in the light of the corridor's strengths, weaknesses, opportunities and threats.

5.1. Strengths

5.1.1 Strategic geographical location – Ghana's location in the region (see Figure 1) makes the corridor accessible in terms of distance to the three LLCs of Burkina Faso, Mali and Niger. For example, the distances from Ghana's ports to the capitals of the LLCs are 1040km, 1,200km and 1,485km for Burkina Faso, Niger and Mali respectively. This marginal difference in the distances from Ghana's ports to the LLC's destinations shows how strategically located Ghana is for transit to the landlocked neighbours. It must, however, be emphasized that the distance for Mali is when route two (Tema/Takoradi-Kumasi-Techiman-Wa-Hamile) is used. However, this route is currently not used due to the bad nature of the road from Techiman to the border at Hamile. As a result, Malian cargo goes first through Ouagadougou, thus increasing the distance to 1,840km.

5.1.2. Availability of two commercial ports for transit – Ghana is the only corridor in the region offering two ports for handling transit traffic. The two ports are competing to improve service quality while complementing each other to attract and sustain the growth of the business through Ghana. Transit shippers, therefore, have the singular opportunity of choosing between two ports within the same country. These two ports are under the management of the Ghana Ports and Harbours Authority (GPHA), a State-owned semi-autonomous organisation with financial autonomy, thereby giving it a relatively free hand to run the ports commercially and competitively to meet modern day market and customer needs.

5.1.3 Increased Private Sector participation in port operations – government’s recognition of the private sector as the engine of growth with the subsequent involvement of private operators in port operations is a great asset to the corridor. Currently, seven private companies are undertaking cargo-handling operations in Ghana’s ports. In Tema, some shipping lines have also developed inland container clearance depots, which are helping to decongest the port. This private sector enhanced competitive environment is helping greatly in promoting the required investment and development of other relevant facilities, which ultimately are contributing in improving service delivery and overall efficiency in the ports and along the corridor.

5.1.4 Ghana Ports’ Sahelian Sub regional Representative Office in Ouagadougou – This office, opened by GPHA, is aimed at bringing Ghana’s ports to the doorsteps of the LLCs where first hand information can be collected on shipper interests and concerns, while at the same time giving the landlocked shippers the opportunity to interact with the ports on a day-to-day basis through this office.

5.1.5 Port infrastructure projects – Currently, massive development projects in the ports of Tema and Takoradi, coupled with the short to medium term projects aimed at positioning the ports as the highly efficient maritime gateway to the country and sub region are a major strength of the corridor. For example, Tema port is currently undergoing extension work, which includes the building of a container terminal. These facilities are expected to be ready for use by early 2005. Also in Tema, land has been leased to Burkina Faso, represented by her Chamber of Commerce (CCIA-BF), which are also in the process of building storage facilities for the country’s transit traffic. In Takoradi Port, storage facilities are also being developed and scheduled to be completed by early 2005. Ghana Customs is also implementing the GCNet computer programme to facilitate and quicken customs documentation processing in the ports. Ghana has professional institutions, which contribute

immensely to promoting transit trade. Principal among these bodies is the Ghana Shippers Council (GSC), which is playing key roles in facilitating transit trade. Some of the achievements of this institution include a number of Memoranda of Understanding (MOU) between Ghana's shippers and those of the three LLCs. The Council also owns a number of warehousing facilities for storage. Currently, there is joint project by the GSC and GPHA, to develop an Inland Port in Boankra. This project, when completed, will serve as an intermodal terminal facilitating import/export trade, especially for the LLCs, while helping to decongest the country's seaports.

5.1.6 The presence of professional Shipper and Government representatives of the LLCs in Ghana – The three LLCs each have representatives in the ports of Ghana to help cater for the needs of their transit shippers as well as protect their national interests in the corridor. These representative bodies presently in Ghana include Burkina Faso's Chamber of Commerce and Handicrafts (CCIA-BF), Shippers Council (CBC), and road transporters union (OTRAF), Niger's Shippers Council (CNUT) and state owned clearing and forwarding agency (NITRA), as well as Mali's National Transport Directorate (DNT). As a result, policy matters regarding transit, as well as transit problems are easily discussed and communicated to the transit shippers through these representatives. Consultations are also easily engaged in with these partners to further enhance the corridor's potential.

5.1.7 Political stability and government's commitment to regional integration – within the West African sub region today, Ghana is described as one of the most peaceful countries, thus promoting investor and transit shipper confidence through the corridor. Ghana is also at the forefront of regional initiatives aimed at promoting integration and trade. As a result, the political climate is favourable regarding intra-regional trade. Consequently, Ghana currently has several bilateral trade agreements with her neighbours. Though no specific agreement is yet in place for transit facilitation per se, this political interest is a major stride in the efforts at promoting

Ghana for transit. One major sub regional transit facilitation initiative is the ECOWAS' TRIE (Inter-State Road Transit) convention on regional road transit facilitation. Ghana is currently taking steps to fully implement this convention in its territory. In addition, there are ongoing efforts at promoting joint road and rail infrastructure development between Ghana and Burkina Faso. For example, "a loan agreement has been signed between Burkina Faso, Ghana and Mali, and the African Development Fund (ADF), to finance a road project linking the three countries" (OT Africa Line, 2004, Mali Endorses Road Links with Burkina Faso and Ghana section, paragraph 1).

Similar joint efforts are underway between Ghana and Burkina Faso in the area of rail and road infrastructure development. (Joint Communiqué by the Transport Ministers of Burkina Faso and Ghana. May 17,2003, Accra).

5.1.8 Other major strengths of Ghana's corridor include the good security in her ports and her weak currency, the Cedi, in relation to the CFA Franc (1000 CFA was exchanging for 16,000 Cedis as at January, 2004). For these reasons, local cost of doing business in Ghana is relatively cheaper as compared to the other competing corridors.

5.2 Weaknesses

5.2.1 Language and currency differences – Ghana is Anglophone while the LLCs are all Francophone. This, therefore, creates a communication barrier between the transit shippers and their Ghanaian service providing institutions. For example, the LLC transit operators have cited this handicap as the reason why they are unable to negotiate competitive road transport tariffs in Ghana. There are several private warehousing facilities in Ghana close to the ports. But she shippers complain they are not able to make good use of these facilities as they find it difficult negotiating with the private owners of these facilities due to the language problem.

As a result of the currency differences, coupled with a non harmonised banking system in the region, it is very difficult and expensive to transfer money through the banking system between Ghana and the LLCs. Consequently, landlocked shippers are compelled to travel to Ghana carrying large sums of money to transact their transit business. This, of course, poses a great security risk.

5.2.2 Physical infrastructure deficiencies

- ***Ports*** – Currently, both the ports of Tema and Takoradi lack adequate storage facilities for transit traffic. Only one transit shed of 3,500 m² capacity has been allocated for transit storage for the three LLCs, while Takoradi at present has no sheds dedicated to transit at all. Transit traffic in this port, therefore, has to share storage facilities with local cargo. Berthing facilities in Tema are also currently inadequate. The Quay Two, which has 2 deeper berths for the deep drafted break-bulk cargo vessels, is the only facility currently for handling container vessels. Therefore, break bulk transit cargo vessels are always compelled to move out of port to give priority to container vessels. This creates congestion and extends vessels' time in port with its attendant hikes in costs. Current extension works at Quay Two in Tema and the building of warehouses in Takoradi are, therefore, aimed at overcoming this weakness.
- ***Rail*** - Ghana's corridor lacks rail infrastructure to provide an alternative and indeed a cheaper option for the transit of cargo to the LLCs. The current rail infrastructure is only limited to the southern part of the country. Current efforts by Government to rehabilitate the rail network and, ultimately, extend the rail from Kumasi to the northern border with Burkina Faso is, therefore, a welcome move to overcome this weakness.
- ***Roads*** – The road network from the ports up to the central city of Kumasi, though motorable, needs some rehabilitation. The road from Kumasi to

Techiman also needs rehabilitation. The major weakness of the corridor in terms of roads is the Route Two to Bobo Dioulasso (Burkina Faso) and Mali. That is the Techiman-Bole-Bamboi-Wa-Hamile corridor. The bad nature of this route is a major setback for Ghana in terms of her competitiveness for the transit cargo to and from Mali as well as the southwestern part of Burkina. The Bawku-Kulungugu route (20km) stretch of the road is also not good for the Niger bound transit trade.

- ***Inland Water transport*** – The Volta Lake is suffering from shallow draught and inadequate rainfall pattern. Besides, the lake is not linked directly to the sea but rather is located 75 km inland and ends up north at Buiepe. Ghana's inability for now, to use the lake as an alternative mode of transport for transit thus remains a major weakness. There is therefore the need for further feasibility work and necessary investment so that the lake could be promoted as a viable alternative transit transport mode.

5.2.3 The absence of a Port Community – the port community system is lauded as a good concept that brings together all the stakeholders of the port and transport business within a corridor so as to facilitate the promotion and growth of the port's business while satisfying the individual interests of the members. The port community normally includes the port authority, shipping lines and agencies, freight forwarders, road/rail haulage companies, Customs administrations, insurance companies, the Police administration, among other bodies. The concept is working very well in Abidjan and Lome where the Port Community is undertaking several initiatives including marketing promotional efforts to sell the ports and their corridors to the business community. For example, in Ghana the Police, who are responsible for road traffic is ignorant about what the port is doing to attract transit trade, and in 2002, Customs suddenly decided to increase the escort fee without consulting the port authority nor the transit shipper representatives in Ghana. The National Insurance Company has also taken decisions in the past and reviewed

policies on transit transport without consulting the port authority nor the transit shippers' representatives. The Driver and Vehicle-Licensing Authority (DVLA) of the Ministry of Roads and transport is advocating a reintroduction of a ban on long haul cargo trucks from the roads between 1800hrs and 0600hrs, totally ignorant of the impact of such a decision on the transit trade. There is, therefore, an urgent need for a port or transit corridor community, which will bring together all these key actors in the business so as to ensure constant dialogue and coordinated decision making if the transit trade through Ghana is to be sustained.

It must, however, be emphasized that some efforts are being made in this regard. Initial preparations have been made for the port community in Tema to be inaugurated in due course. There are also inter-ministerial initiatives between Ghana and Burkina Faso to establish joint transit corridor monitoring committees.

5.2.4 Lack of a deliberate policy and regulation on transit transport and trade –

Currently, Ghana has no policy specifically geared towards developing and promoting transit trade. Trade related policies as at today are only in the area of bilateral trade joint commissions with Burkina Faso and Mali. But the transit transport component of these policies has yet to be clearly specified and implemented practically. The ECOWAS initiative on transit trade and transport facilitation is also yet to see practical implementation in Ghana. The consequences of this deficiency are manifold. Firstly, road transport tariffs are erratic and increasing with the volume of traffic in the ports, the haulage industry itself is saddled with several bottlenecks as transport owners are not properly registered and, thus are not properly regulated. Cargo owners, therefore, go shopping for trucks each time they have cargo to be transported. This has given a field day to clandestine extortionist intermediaries who call themselves transport commissioners. They front as people who can find the trucks for the transit shippers for a fee. Secondly, the Customs escort system also leaves much to be desired. For example, 50,000 Cedis per escort per day is charged officially for this service. Yet shippers, after paying this official fee, are again at the mercy of the designated escort Officer who also then negotiates

another fee. This fee is reported to range from 200,000 to 400,000 Cedis per truck. Again, along the corridor, Police checkpoints abound where transit truckers are allegedly harassed, delayed and various sums of money extorted from them.

The road transport consignment note (waybill) remains the only evidence of contract of carriage. As a result, the road carrier's liability is only implied and not very clear. There have, therefore, been some incidents where transit cargo got diverted and sold in local markets leaving the transit shipper at a loss as to who to hold responsible for the loss. The transit imbalance of traffic with imports far outweighing exports remains a major weakness to any corridor. In the case of Ghana, the corridor is yet to attract the only major export cargo of the LLCs, i.e. cotton. Some regulations of the Ghana Customs are not helping the effort at attracting the LLC's exports through Ghana. For example transit exports through Ghana from the LLCs attract a fee of US\$200 per truckload, whereas in the competitor corridors, transit exports attract no such charges.

A clear and deliberate policy and legal framework on Ghana's transit trade incorporating and addressing all the above stated deficiencies should, therefore, be treated as a matter of urgency.

5.3 Opportunities

The challenges facing Ghana's new transit corridor are many, but the prospects are good with a number of opportunities, which must be converted into strengths.

5.3.1 Political goodwill enjoyed by Ghana in the sub region and indeed Africa – currently Ghana is viewed as a shining example of a peaceful and investor friendly country in the volatile West Africa. The LLCs are thus very confident in Ghana and are willing to do business with the country. Burkina Faso and Mali have already signed agreements with Ghana for various joint infrastructure projects, including road and rail.

5.3.2 Sub regional integration efforts by ECOWAS and UEMOA – These sub regional bodies have a deliberate programme to facilitate intra regional trade through the development of road infrastructure, the establishment of joint border control points between countries, the simplification and harmonisation of customs procedures and documentation systems, as well as road transport policies regarding vehicle and driver licensing, axle load limitations and insurance, among other things. There are currently intensified efforts to ensure full implementation of these policies by member countries. This will go a long way to create golden opportunities for transit through Ghana.

5.3.3 The current relative political stability in the three LLCs – the three LLCs are currently enjoying relative political stability. This is reflecting in steady growth in their economies in terms of increased trade. Indeed, these countries, especially Burkina Faso and Mali, are embarking on a massive cotton production, their major export crop. This development will provide more opportunities for the transit business through Ghana. If Ghana positions itself strategically for these cotton exports, this will guarantee some relative import/export balance in the transit traffic for the LLCs, thereby making the use of the corridor more attractive for both shippers and road haulage companies.

5.3.4 The political crisis in Côte d'Ivoire – the current lingering political crisis in Côte d'Ivoire has led to the diversion of the LLC's transit cargo to neighbouring corridors including Ghana. This therefore, provides a golden opportunity for Ghana to do all it takes to satisfy these transit shippers and thereby win their loyalty and confidence. If Ghana succeeds in exploring this opportunity to the fullest, it will be difficult for the transit shippers to leave the corridor even when the crisis in Côte d'Ivoire is resolved.

5.4. Threats

Opportunities come with a number of threats, which must not be lost sight of if the opportunities are to be converted into strengths for Ghana's corridor.

5.4.1 Competing corridor efforts

- **Dakar (Senegal)** – There are current efforts in Senegal to position the corridor for transit trade. The rail line from Dakar to Bamako has been concessioned and is being rehabilitated, expanded and refurbished. The road infrastructure in the corridor too is being rehabilitated. The port itself is embarking on a massive expansion of its container terminal and handling facilities. This corridor is the shortest to Mali. Therefore, when these projects are completed, Ghana's competitive position as far as Mali is concerned will be seriously undermined.
- **Cotonou (Benin)** - a second port is currently under construction to handle the country's container traffic. Work is reported to have commenced and the project is expected to be completed by the close of 2005. This will relieve Cotonou Port of its current congestion, hence more competition for Ghana's new transit corridor.
- **Abidjan (Côte d'Ivoire)** – until late 2002, this corridor used to be the giant of transit to Mali and Burkina Faso. Efforts are currently underway to resolve the political crisis in the country. The corridor boasts of good road/rail connection as well as common currency and official language with the LLCs. Therefore, when the crisis is resolved, Abidjan will bounce back into action to reclaim its dominant position in the transit traffic, thus posing a great challenge to Ghana's corridor, and indeed, all the other competing corridors in the sub region.

5.4.2 Current positive economic trends in the sub region – the general trend in the economies of countries in the sub region shows positive growth indicators. This means that local traffic for the coastal countries will be growing, thereby posing heavy strain on their ports and road infrastructures. This could lead to congestion in ports with its attendant repercussions on transport costs, port transit times, and excess demand on neighbouring ports infrastructure. Therefore, if this growth trend persists with no proactive measures to provide enough port capacity for future traffic, all ports are at risk of overstressing their capacities as a result of having to contend with diverted cargo from neighbouring ports suffering from congestion.

5.4.3 Burkina Faso as a second transit country for Mali and Niger – For Mali and Niger transit shippers using Ghana’s corridor, the Burkina territory remains a great bottleneck. Customs procedures in this country are extremely cumbersome creating a fertile ground for undue delay of trucks and the consequent extortion of illegal fees by security forces from truckers. Ironically, there are bilateral agreements on road transport and transit between Burkina Faso and her two landlocked neighbours of Mali and Niger. (see Annex A). Ghana’s landlocked transit corridor, thus, remains highly vulnerable to the problem in Burkina Faso.

5.4.4 The ineffective or lack of implementation of the ECOWAS trade facilitation conventions in the sub region – The political difficulties and divergent parochial interests of member states of ECOWAS, which continue to inhibit the implementation of the TRIE and TIE conventions for transit facilitation, remains the major threat to the transit business in any of the corridors in the region, including Ghana.

From the analysis so far, it is clear that the prospects for Ghana to position itself as a flourishing transit corridor to the three LLCs are very bright, but the challenges of the corridor in terms of the numerous weaknesses and threats are equally daunting. What then can Ghana do in order to overcome these challenges?

CHAPTER SIX

CONCLUSIONS AND RECOMMENDATIONS

6.1 Conclusion

This study, which is a thorough examination of the transit trade and transport sector in West Africa, covered the following major topics:

- Sea trade volume and pattern of the LLCs in West Africa
- The share of this trade by the main seaport corridors in the region
- A transit corridor analysis assessing the various facilities in place for transit
- An overview of the essential mechanisms that are required for transit trade development and facilitation
- A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of Ghana's transit corridor

The study revealed that the landlocked transit trade volume is growing steadily. It is essentially seaborne, as intra West African trade is currently very negligible. This trade is highly import oriented with very negligible export volumes, with the major export commodity for these countries being cotton. For various reasons, the study revealed that each of the LLCs use at least two corridor seaports for its foreign trade imports. These countries are linked to their coastal transit neighbours by road, and in limited cases by rail. Given that there are five seaport corridors serving three LLCs, the competition for the landlocked transit traffic is very tough in the sub region.

The corridor analysis of the study assessed each country in terms of its physical and institutional facilities as well as legal framework for transit. The study revealed each corridor has the basic port, road and institutional facilities that make them capable of handling transit cargo. Of course, some of the corridors are ahead of others due to various factors ranging from traditional, colonial, and cultural as well as linguistic ties that they enjoy with the LLCs. This notwithstanding, the new transit corridors such as Ghana, are also competing favourably. On the whole, ports and road infrastructure in each of the corridors are fairly good, albeit, in varying degrees. This thus makes all the corridors fairly competitive in the trade. A corridor cost analysis, though not very comprehensive due to lack of adequate data, put Ghana's corridor at a relative advantage. The corridor service quality analysis also put Ghana ahead of the other competitors.

Customs documentation, escort and procedural delays, numerous police and other control checkpoints along the roads with their attendant delays and monetary extortions were revealed by the study as a common constraint to the transit trade in all the corridors in West Africa. This, the study concluded is due largely to the lack of, and/or ineffective implementation of the ECOWAS' Inter-State Road Transit (TRIE) Convention. The effect of political instability on a country's trade was also highlighted by the study. This became evident as Abidjan, which used to be the number one transit corridor, lost almost all the traffic to neighbouring ports due to the socio-political crisis in that country.

Apart from the ineffective and sometimes non-implementation of relevant international as well as ECOWAS conventions on transit trade, other constraints to transit trade common to all the corridors as revealed by this study, include lack of inland water transport, limited rail transport, relatively old fleets of road haulage vehicles, which are largely operated by very small-scale operators who are very difficult to coordinate and train. The road carrier's liability is difficult to determine due to lack of clear-cut regulation. This also came up as a setback to the promotion

of transit in the region. The clearing and forwarding agency profession in the region is also not very adequate as it is essentially made up of informal operators who sometimes are not well qualified. This has led to some reported difficulties in facilitating transit trade in Ghana and Togo.

The study explored what basic concepts need to be in place in any setting in order to promote the development of the transit trade. Well-developed and maintained ports, road, rail and inland water infrastructure are identified as major prerequisites for transit trade promotion. Since the trade involves two or more countries, the study also revealed that there must be bilateral and/or regional agreements backed by ratified relevant international trade conventions to pave the way for a smooth flow of transit trade through any corridor or region. However, the study revealed that such conventions and agreements already exist and indeed have been signed and been ratified by countries in West Africa. Unfortunately, the study noted that these regulations have not been fully and strictly implemented to achieve the desired objective. In this light, the study asserted that perhaps the fundamental precondition for development and enhancement of transit trade in any corridor is a good political will to ensure that all the conventions are incorporated into national legislation and appropriate mechanisms put in place to ensure full implementation and compliance.

As all the other four competing transit corridors are categorised as being traditionally at an advantage in the transit business due to their colonial, linguistic as well as common currency lineage with the LLCs, the study dedicated its Chapter 5 to a careful diagnosis of Ghana's corridor, which can be described as the only new and supposedly 'traditionally disadvantaged' corridor among the rest as far as transit trade experience to the LLCs is concerned. The S.W.O.T. analysis of Ghana revealed, though new in the business and also disadvantaged in terms of common language and currency, the corridor is promising and has the potential to become the dominant route for transit to the LLCs. Indeed, as at 2003, this corridor already ranks second to Togo in terms of the share of landlocked transit traffic handled. The

strengths and opportunities thus are a plus to the corridor, which must be consolidated and continuously exploited. However, the study also revealed a number of weaknesses of, and threats to Ghana's corridor, which require urgent attention and appropriate action if the corridor is to survive in this highly competitive and volatile transit trade in the West African sub region.

The action that is needed to make Ghana the preferred and sustainable transit corridor for the LLCs involves concerted efforts by the Government, both at national and regional levels, as well as other relevant national institutions including the Ministries of Ports, Harbours and Railways, Roads and Transport, Regional Integration and NEPAD (New Partnership for Africa's Development), the Ghana Ports and Harbours Authority, the Shippers Council, Customs Administration, road transport unions, private port operators and shipping lines and agencies, the Ghana and Immigration Police Services, the Gateway Secretariat, among other organisations. Therefore, for Ghana to achieve her transit gateway objective, the bottom line is for the Government as the chief architect to demonstrate a strong political will, backed by concrete measures that carefully define the individual and collective roles and responsibilities of all the above actors, to work through constant dialogue, cooperation and coordination.

6.2 Recommendations

In the context of the overall study analysis and findings, it is clear that measures to position Ghana as a competitive and sustainable transit corridor need a synergy approach spanning the various key actors mentioned earlier in the this study. To achieve this, the following immediate and short to long-term actions are recommended:

6.2.1 At the Regional/Inter-State Level

- Simplification and harmonisation of Customs formalities are one of the basic requirements to facilitate transit trade. Fortunately, these and other relevant

transit facilitation provisions are well incorporated in the ISRT (TRIE) Convention of ECOWAS. A uniform application of this convention at the regional level is, however, lacking. Therefore, the Government of Ghana must bring its influence to bear on member states of ECOWAS to fully implement this Convention. Côte d'Ivoire, Togo and Benin have individually attempted to implement this convention on their territories but because the LLCs are not doing the same, such individual efforts have not yielded the desired result. Therefore, current efforts by Ghana to implement the convention very soon are laudable, but the desired effect will only be attained if all LLCs also join in implementing the convention. Ghana and her LLC neighbours have not yet ratified other relevant international conventions. Efforts must be made to examine all such conventions in order to ratify those whose provisions have not already been incorporated into existing ECOWAS conventions.

- Currently, Cargo in transit is not being insured, while the road carrier's liability is also not very well defined. Therefore, there is the need to review the ECOWAS third party motor insurance for road vehicles to incorporate cargo insurance too. The CMR Convention, which is currently facilitating transit in Europe and in some North African countries, clearly defines the carrier's liability among other pertinent issues. ECOWAS must, therefore, consider either ratifying this convention or incorporating some of its provisions, especially on carrier's liability, into regional legislations or other instruments.
- Bilateral agreements on road transit have been signed between the LLCs, yet cumbersome procedures in Burkina Faso territory continue to hamper transit traffic flow to Mali and Niger. The Government should, therefore, implore the three LLCs to review their bilateral agreements in order to incorporate current concerns and also engage in constant dialogue so that Burkina will

become a facilitator in the promotion of Ghana as a transit corridor to her neighbours.

- ECOWAS and UEMOA should continue to pursue ongoing efforts at creating joint border checkpoints in the region to reduce delays for cargo and vehicles in transit.
- The road haulage sub-sector continues to be characterised by old fleets of vehicles and driver illiteracy, thereby making it difficult to implement modern transit facilitation measures in the area of customs sealing and cargo tracking information technology. Governments must, therefore, adopt policies to help the sector in obtaining funding to invest in new vehicle fleets and also design special training programmes to help improve the literacy, especially of drivers in the sector.
- While the long term efforts at achieving a single currency for the ECOWAS region are being pursued, Ghana and her LLC neighbours should urgently involve their banking sectors in all bilateral arrangements to facilitate trade. These will enable the banks to review their policies on the transfer on money by transit shippers to Ghana to transact their business. As mentioned earlier, it is extremely expensive and cumbersome to arrange inter bank money transfer between Ghana and her LLC neighbours, thus compelling shippers to travel to Ghana with huge sums of money, thereby exposing to them to all forms of risks and inconveniences.

6.2.2 At the National level

- The Government of Ghana must as a matter of urgency come out with a deliberate national policy on transit trade and transport development. This policy must clearly state the country's objective as far as transit development is concerned. Such a policy must incorporate all the actors in the business by

defining their individual and collective duties and responsibilities. With such a policy in place and being fully implemented, sub-sector initiatives and goals could then be set by each actor to facilitate the trade. As the situation is today, the Customs and Police in Ghana do not seem to appreciate the benefits the country derives from promoting transit trade. Neither do they appreciate the cost and efforts being expended in promoting the corridor in such a highly competitive market. The result of such perceived ignorance might be the reason why significant sums of money are extorted from transit shippers by Customs escorts at the ports and by the police at the various checkpoints along the corridor. The policy must also provide for the setting up of national transit facilitation committees to comprise all the actors so that they can exchange ideas and share grievances. By so doing, problems can be solved, as each actor knows the impact of their internal actions on the collective goal of promoting the transit corridor.

- The Government should continue to pursue policies to promote socio-political peace and harmony, as well as prudent macro-economic policies and other measures needed to create an enabling environment for a sound, profitable and cost effective trade in and through Ghana.
- The Government should continue to give the needed support and boost to current joint efforts by GPHA and GSC to build the Boankra Inland Port so as to enable the project to be completed on schedule. In line with this project, the government should expedite action on the rehabilitation of the rail infrastructure linking the two ports to the inland port as the Boankra project will be a white elephant if it is not linked to the seaports by rail.
- The proposed medium to long-term plans by the government to extend the rail line from Kumasi to the northern borders of Ghana to facilitate transit trade with the LLCs is a great opportunity worthy of pursuit.

- The Government should also vigorously pursue its current proposals to connect the Volta Lake in Akosombo with the port of Tema by rail. This will provide a rail/inland water multimodal transport mode to shippers in the LLCs as well as other parts of northern Ghana. In pursuit of this project, the Government should, simultaneously consider improving the capacity of the Volta Lake in terms of providing the needed draft and other relevant infrastructure.
- As a matter of urgency, the Government must expedite action to ensure the full construction of the roads along the transit corridor. The most important road, which needs special attention and urgent construction, is the Techiman-Bamboi-Bole-Wa-Hamile road. This road, as highlighted in this study, is crucial if Ghana wants to be competitive in terms of transit traffic to Mali and southwestern Burkina Faso. Burkina Faso is currently constructing the road in her territory of the corridor from Bobo to Ouessa/Hamile. Therefore, current construction work on some portions of the road between Techiman and Bole should be speeded up while urgent efforts should also be made to construct the rest of the road up to the border at Hamile. The 20 km portion of the Ghana-Niger corridor from Bawku to Kulungugu also needs urgent rehabilitation.
- The Government should get the Customs to review the existing policy where transit exports from the LLCs must pay \$200 per truckload. This is detrimental to the competitiveness of these countries' exports in the world market. Besides, export transport through other competing ports does not suffer such a cost. Ghana, therefore, stands to lose greatly if the Customs continue to charge such a fee. Similarly, while efforts at implementing the ISRT (TRIE) Convention, which will ultimately lead to the abolishment of the customs escort system for transit are underway, the Government should

get the Customs to streamline the fee charged for providing escort. The current situation where transit shippers are subjected to all forms of exorbitant extra charges for escort after paying the official 50,000 Cedis per escort per day is a threat to sustaining the transit business through Ghana. As mentioned in earlier points, the Ghana Police, should be educated and motivated to play the appropriate role of facilitators to the transit trade to avoid the current situation of reported harassment and extortion of transit shippers and truckers along the corridor.

6.2.3 At the institutional level

6.2.3.1 Ghana Ports and Harbours Authority (GPHA)

Ongoing efforts by GPHA at promoting the Tema and Takoradi ports for transit should be encouraged and pursued with much vigour and sustenance. Specifically,

- Cargo handling safety as well as security in the ports should be strengthened with the view to the total elimination of damages to and pilferage of cargo. Each port should set up a transit facilitation committee, which should meet monthly to review transit service delivery in the ports and recommend further action to continuously enhance total customer satisfaction in the ports.
- There is a need for a review of the Authority's berthing policy so as to accord some priority berthing to vessels carrying transit cargo.
- The French language proficiency training programme should be given a further boost and all frontline staff of the Authority as well as other member organisations of the port community should be motivated to take the lessons in order to facilitate communication and ultimately provide a better customer service to the LLC transit operators.

- As a matter of urgency, practical steps should be taken to provide permanent transit truck terminals in Tema and Takoradi similar to Togo's 'Terminal du Sahel'. Although presently, the need for such facility is much more pressing in Tema, there is also the need for some proaction in Takoradi before it becomes too late.
- GPHA should continue to encourage and/or support the LLCs to develop their own warehousing facilities in and around the ports. This will not only ease congestion in the ports and help reduce ship turn round time, but will also help foster partnership and thereby maintaining the loyalty of the landlocked customers to Ghana's corridor. Burkina Faso, which has already initiated steps to develop their facilities should be encourage to speed up their project while Mali and Niger should also be encouraged to follow suit.
- GPHA's Sub regional Representative's office in conjunction with the marketing departments of the two ports should be given the support to produce a brochure on all the official charges on transit cargo and trucks within Ghana's territory for all LLC shippers through their Shippers' Councils and Chambers of Commerce. This will help shippers to be better informed on costs on the corridor so as to avoid the current situation where some Clearing and Forwarding Agents are exploiting the ignorance of shippers to extort monies under the pretext of increased port and other ancillary charges.
- GPHA should urgently encourage and facilitate the inauguration of the Tema Port Community (Tema Port Development and Promotion Association). Such bodies serve as port service facilitation clusters, which have been instrumental in the prosperity of many ports such as Abidjan, Antwerp, Le Havre, just to mention a few. When inaugurated, members of the Association may consider visiting some of these older associations to

draw useful lessons on good practice. Needless to say that one of the principal benefits of such bodies is their contribution to the marketing efforts and budgets of ports. The establishment of a similar body in Takoradi should also be pursued.

- GPHA in collaboration with the Ministries of Trade, Roads and Transport and Ports, Harbours and Railways, as well as the Port Community, when inaugurated, should arrange to form transit facilitation clusters in each region along the corridor. Membership of such facilitation clusters should be drawn from the regional Administrations, Shippers' Council, Customs, the Police and the Private Road Transport Union. The LLCs should also be encouraged to form similar clusters in their territories.

These transit trade and transport facilitation clusters constitute a rich partnership between the public and private sectors. Through such clusters, major obstacles and possible improvements to transit trade and transport are identified while knowledge, information and solutions are shared among members as well as with other associated networked clusters in other locations along the corridor. Ultimately, such clusters promote improved trade and distribution channels through an efficient use of available infrastructure along the corridors.

6.2.3.2 Customs Excise and Preventive Service (CEPS)

- While waiting for the full implementation of the Inter-State Road Transit (TRIE) Convention, which will lead to the abolishment of the escort system, CEPS should as a short term measure streamline their policy on escort service provision, especially regarding the fees charged. The Service should also streamline their operations at all the frontier posts and also ensure that all fees charged are official.

- The GCNet facility should be upgraded to give adequate access to all clearing and forwarding agents. The C &F Agents and other users should also be given adequate training on the use of the system to avoid the current situation where delays are still encountered for lack of sufficient knowledge by some users.
- Customs should liaise with UNCTAD for the necessary assistance to ensure that the GCNet system is flexible enough for its ultimate integration or interconnection with the ASYCUDA system, which is currently being implemented in Burkina Faso and other countries in the sub region. As efforts towards implementing the ECOWAS Inter-State Road Transit (TRIE) Convention are underway, the ASYCUDA is an invaluable facilitator in the objective of the convention to harmonize customs documentation.

6.2.3.3 The Ghana Shippers Council (GSC)

- The Council's efforts so far in facilitating trade and transit are commendable and need to be strengthened. Further efforts need to be made in collaboration with the private sector to provide adequate warehousing facilities especially for transit. This the Council should pursue as part of its agreements with shippers organisations in the LLCs.
- The Council in collaboration with the Ghana Private Road Transport Union (GPRTU) as well as their neighbours in the LLCs should undertake a vigorous campaign to sensitize and educate truck owners and drivers on the various road user regulations and codes both in Ghana and the LLCs
- The Council's efforts at venturing into the road haulage business are a laudable one and should be explored further. The Council should also provide good input to the government and other private sector operators to

help mobilise the requisite investment to solve the current problem of inadequate fleet of road trucks on the corridor.

6.3 Concluding Remarks

Although not exhaustive of all the issues pertaining to transit trade, the study did provide a sufficient and necessary overview of the transit trade and transport sub-sector in West Africa today. It can serve as a working document for a sustainable transit trade development in any corridor. Indeed, this study is meant to complement previous studies on this subject, as well as the efforts and achievements of the sector so far, rather than nullify them.

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Annex A
**Bilateral and Regional Agreements Between Landlocked Countries and their
Transit Neighbours in West Africa**

	Regional Agreements	Road haulage Agreements	Railway Agreements	Port Agreements
BURKINA FASO	ECOWAS MINCOMAR / (MOWCA) UEMOA	NIGER MALI GHANA TOGO COTE D'IVORE BENIN	COTE D'IVORE	COTE D'IVORE TOGO BENIN GHANA
MALI	ECOWAS MINCOMAR (MOWCA) UEMOA	COTE D'IVORE BURKINA FASO	SENEGAL	TOGO BENIN MAURITANIA COTE D'IVORE SENEGAL
NIGER	ECOWAS MINCOMAR (MOWCA) UEMOA	BENIN BURKINA FASO NIGERAI GHANA COTE D'IVORE		BENIN

Source: UNCTAD/LDC/94 (with slight modification)