Assessing the preparedness of stakeholders for the cabotage law in Ghana

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ASSESSING THE PREPAREDNESS OF STAKEHOLDERS FOR THE CABOTAGE LAW IN GHANA

By

LOGODAM PANLOGO BENJAMIN

Ghana

A dissertation submitted to the World Maritime University in partial Fulfilment of the award of the degree of

MASTER OF SCIENCE

In

MARITIME AFFAIRS

(MARITIME LAW AND POLICY)

2018
DECLARATION

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this University or elsewhere. Where other sources have been used, they have been duly acknowledged.

Signature: ................................

Date: 29th Oct 2018

Supervised by: Dr. Maximo Q. Mejia JR.

Professor

Supervisor’s affiliation: Law and Policy Specialization
ACKNOWLEDGEMENT

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I am much appreciative to Mr. Owusu Ansah the Director General of the Ghana Maritime Authority, My Boss and Godfather Hon. Joseph Kofi Adda the Member of Parliament for Navrongo Central constituency (Minister of Aviation) Republic of Ghana, My Family and the entire staff of the GMA for their support for my successful completion of my programme.

I will also want to thank all my course mates for everything we shared together academically, it has been a wonderful experience and I pray, we shall make the desired change for the betterment of the maritime fraternity for a safe, secure and cleaner oceans.
ABSTRACT

This dissertation looked at the preparedness of stakeholders for the cabotage regime in Ghana. Cabotage law reserves inland maritime activities for nationals of the country.

Primary data was collected using questionnaire and 60 respondents were engaged in the study. Response rate was high since all the questionnaires were returned answered. Descriptive and explorative analyses, made up of frequency tables, bar and pie charts were employed. A further statistical test (chi-square) was used to aid conclusions.

It was discovered upon careful analysis that, the Ghanaian shipping industry is not ready for the cabotage regime. So far, the only country practicing cabotage that the authorities of Ghana have contacted to learn from their exploit and challenges is Nigeria. Also new vessels and watercrafts have not been purchased, training of personnel to acquire the requisite knowledge and skills to take up roles previously played by foreigners is on the low side, and education of stakeholders for the regime is at its bottom. The draft bill, although it is prepared; it is yet to be sent to parliament of Ghana.

It is recognizable, the efforts made to make Ghana a maritime cabotage country, yet they are inadequate for the advent of the regime. Since no evidence of readiness exist, it is recommended that the Ghana Maritime Industry trains people to be able to fit into roles played by non-citizens, seek more ideas from countries that have taken the lead in the cabotage regime, educate stakeholders about the cabotage law and its benefits, and assist local shipping operators to acquire shipping vessels. Therefore, it is important that when the Cabotage Bill is sent to the Parliament of Ghana, much education and sensitization be made before the bill is passed it into Law.

Key Words: Cabotage, Stakeholder, Preparedness, Bill.
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<tr>
<td>DG</td>
<td>Director General</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GHAPORHA</td>
<td>Ghana Ports and Harbours Authority</td>
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<tr>
<td>GMA</td>
<td>Ghana Maritime Authority</td>
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<tr>
<td>GSA</td>
<td>Ghana Shippers Authority</td>
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<tr>
<td>GT</td>
<td>Gross Tonnage</td>
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<td>Km</td>
<td>Kilometers</td>
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<td>MOU</td>
<td>Memorandum of Understanding</td>
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<td>NAFTA</td>
<td>North America Free Trade Agreement</td>
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<td>RMU</td>
<td>Regional Maritime Authority</td>
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<td>Sq</td>
<td>Square</td>
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<td>UK</td>
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<td>UNCTAD</td>
<td>United Nation Convention on Trade and Development</td>
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CHAPTER ONE

1.1 BACKGROUND

Ghana occupies a geographical space of two hundred and thirty-nine thousand, four hundred and sixty km. sq. approximately as the size of UK. The country is made up of 10 regions. The country’s Maritime neighbors include Benin Republic, Niger Republic, Chad Republic, Republic of Cameroon, Republic of Equatorial Guinea, and Democratic Republic of Sao Tome and Principe (Central Intelligence Agency US, 2014). With an estimated population of 29.46 million (Ghana Statistical Service, 2017) and a wide stretch of coastline, the country is positioned for greater maritime trade across the globe especially in the area of shipping.

The vision of the Ghana Maritime Authority is to become a premier maritime administration in West and Central Africa, promoting national and international maritime development with a mission to provide a and conducive climate in the maritime sector to enhance safe, secure and efficient shipping activities within the seas and inland waters of the country, to protect the marine environment from vessel and other sources of pollution, to oversee the training, engagement and welfare of Ghanaian Seafarers. Therefore, a promising future in the maritime industry. (Ghana Maritime Authority, 2002).

Over the years the shipping industry has been dominated by foreign operators who by their huge capital and sophisticated technology, among others who have taken the chunk of this coastal activity. The impact is a big chasm between the local and foreign frontiers in the shipping industry. Although competition, they say is the catalyst for development, the claim is true only when the competing ground is free and fair.

The Ghanaian government has initiated a policy of promoting Ghanaian ownership/operations of ships.

In addition, currently the Domestic Shipping Draft (Cabotage) Bill, 2017 will soon be sent to parliament of Ghana to be passed into law to sanitize the shipping environment along the coast. At the core of the pages of the bill is an act to restrict the use of foreign vessels in local trade in order to promote the development of indigenous tonnage and to establish a cabotage Vessel Financing Fund, and for related matters (Ghana’s Draft Domestic Shipping Bill, 2017). The law, in a nutshell wants shipping done in way that will effectively benefit the indigenes.

Some of the restrictions in the Ghana Draft Domestic Shipping Bill, 2017 are highlighted:

- Restriction on vessels to engage in local trade
- Restriction on towage
- Restriction on trading in inland waterways
- Restriction on Carriage of petroleum products among others.

There are potential challenges to face after the passage of this law. The foremost example we can cite is the Philippines. Marine transport cost rose too high after the passage of the cabotage law. Now, the country has modified its cabotage laws. President Benigno Aquino III signed the Philippine Competition Act in 2015, which made operations on the waterways very competitive. The aim of the repeal was to ensure that transportation cost becomes bearable for the indigenes of the state. Therefore, by allowing foreign shipping operators to ship domestic cargoes within Philippines sovereign territorial waters, it will help bring down transportation cost. To ensure that the new law works, the Philippine Competition Committee championed it. National trade groups also supported the call to repeal the cabotage law because they discovered that the Philippines archipelago has been taken over by international traders including Japan, South Korea, China, Vietnam and Malaysia who claimed they could ship cargoes internationally cheaper than domestic shipping (The Maritime Executive, 2015).

The closest neighbor to have passed the law is Nigeria. Sam (2013) in assessing the cabotage policy prospects and challenges in Nigeria noted that, the conditions under which waivers were obtained by foreign firms were not all that challenging, and that more foreign ships gained access into the cabotage regime in Nigeria. This is because there was insufficient Nigerian fleet to cater for the Nigerian cabotage. Thus, with the addition of waiver, the greater percentage of the responsibilities of the indigenous vessel holders have been shifted to foreigners making the cabotage Act weak and at the same time defeating the goal of the Act from the onset.

Uya (2004) identified finance as a major challenge. He observes that shipping business involves huge capital. A quick look at the important economic roles shipping play in the economy of Nigeria, it becomes imperative for the government to motivate or assist in the process acquiring vessels by providing funds for stakeholders in the industry to acquire ships and out of their earnings, become self-sufficient and reliant as time progresses.

Bivbere (2008) observed that the cabotage regime is meant to allow vessel owners a stake in the shipping business. Yet, five years after the cabotage law became operational in Nigeria, foreigners have took over the business because of their advanced knowledge in the shipping business. The local vessels finds it extremely difficult to compete with other foreign vessels, thus, efforts in ensuring increased local participation in the industry did not see the light.

Akinjide – Balogun (2008) and Sam (2013) also discuss the fact that the Nigerian harbours do not meet international standards and are unsuitable for commercial businesses. They also charge high tariffs not matching the services they render. She further bemoaned the inadequate supply of crafts and plants, difficulty in accessing documents, dilapidated port infrastructure, low labour productivity, volatile dock labour, corruption, vandalism, and criminal acts, among others as inhibitors of the regime.
Human resources constraints and manpower development initiatives were some of the impediments crippling the progress of the cabotage regime. The complex nature the regime needs full time training of seafarers particularly of ship officers and engineers and that was lacking in Nigeria (Nweze, 2006).

The American cabotage policy under the Jones Act, which requires and emphasizes that for ships to be part of cabotage in American coast, they must be built, owned, crewed, and registered in the United States is heavily on the attack by critics. They believe that the world is a global village now and that foreigners must be given the opportunity to engage in shipping activities globally.

From the foregoing, it is clear that, Nigeria, the closest neighbour of Ghana faced huge challenges after the passage of the cabotage law. The Philippines have bucked out of the law, America’s cabotage is heavily criticized. The question worth asking is, how prepared is the shipping industry to better position itself for this beautiful local content deal in order not to repeat their neighbour’s mistakes?

Agama and Alisigwe (2018) finds that if a country is well positioned in terms of human skill and expertise with adequate vessels to carry out their maritime tasks without the help of foreign aid, it will help to build a viable maritime industry, create jobs for the indigenes and will eventually result in a very stable and vibrant economy. This means that adequate preparation is needed before the commencement of the regime. This study will look at the preparedness of stakeholders for the yet-to-be-passed Ghana Domestic Draft Shipping Bill 2017. It will also measure the economic impact the law will have on Ghanaians.

1.2 Objectives

The principal aim of this study is the assessment of the readiness of stakeholders in the maritime industry for the cabotage law in Ghana and covers the following objectives:

1. Assess the readiness of stakeholders for the cabotage bill.
2. Gauge stakeholders’ knowledge in the cabotage law.
3. Measure the economic impact the bill will have on the indigenous Ghanaian shipping industry.
4. Determine some of the possible challenges the law will pose to the blue economy.
5. Assess the sustainability of the bill when passed into law.
6. Recommend whether it is necessary to pass the bill into law.
1.3 Research questions

These research questions will be used to guide the research:

1. Are stakeholders prepared to welcome the cabotage law?
2. What do the stakeholders know about the cabotage law?
3. What economic impact will the bill have when passed into law?
4. What challenges will the law pose to the shipping industry?
5. How sustainable will the law be?
6. Should parliament pass the bill into law?

1.4 Scope of the Study

The scope of coverage of the study is the maritime industry in Ghana with a special focus on the stakeholders involved in the indigenous shipping activities, particularly those operating in Tema and Takoradi. The time scope for the study is rather short, as it has not been possible to carry out a fully detailed study within the stipulated period.

1.5 Significance of the Study

The study will reveal how prepared stakeholders in the maritime industry are to embrace the cabotage regime.

It will also form a wealth of literature for future research in this area.

1.6 Structure of the Study

The study comes in Six Chapters. The introduction, objectives of the study, research questions, key assumptions and limitations, scope of the study, significance and organization of the study are contained in Chapter One.

Chapter Two captures the background of the study.
Chapter Three is on the methodology used to conduct the study. It captures the research design, the research instrument, the method of data collection, the population, the sample, the sampling technique, the statistical tool and package used for the analysis of the data.

Chapter Four comes with comprehensive analysis and presentation of data.

Chapter Five presents the discussion of findings or results.

The last Chapter focuses on the summary, discussions, conclusions and recommendations.

1.7 Key Assumptions and Limitations

The following are the key assumptions and potential limitations:

- Professionals and stakeholders in the maritime industry who will contribute to the research may demand money for the contributions they make.
- The Ghana Maritime Authority’s readiness to push for the enactment of the cabotage law.
- Ghana Shippers’ Council’s willingness to release data on the performance of the industry.
- Short length of time for finishing this research.
- Delays in gaining access to special populations or materials.
- Low response rate in questionnaire administration that might affect the rate of progress of the research.
- Data limitations in the maritime industry are another anticipated setback. In most instances, there is absence of data. Where the data are available, they will be inefficient.
- Technological advancement in data collection and analysis is a challenge to most researchers.
CHAPTER TWO

REVIEW OF LITERATURE

2.1 Definition of a Stakeholder

A stakeholder is a member of a group or a class without whose support the organization or company would collapse (Freeman and Reed, 1983). In other words, any person or group of persons with an interest or concern in something, especially, business is a stakeholder. It can be viewed in another way as a type of system in which all the members or participants in the group are viewed as having an interest in its success. Decisions of stakeholders can have a positive or negative impact on the business as a whole.

2.2 Role of the Stakeholder in an Organization

The enormous role played by stakeholders in an organization can never be ignored. According to Fremond (2000), stakeholders are seen as:

2.2.1 Investors or Resource Providers

Stakeholders are usually regarded as large investors. They put resources into the organization. They either add or take from their stakes in a company or an organization according to the company’s financial performance. In an ideal manner, stakeholders play the role of monitors of everyday investors, seeing into the organization’s financial reports and compelling management to modify strategies to suit the current trends in business if it becomes necessary. Certain stakeholders, known as futuristic investors, will in most cases expect unrealistic returns on their investments and when such expectations are not met, divulges the news to the public.

2.2.2 Decision makers

The board of directors are characteristically, the decision makers. They are made up of notable executives and occasional outsiders whose contributions are huge in financial terms as a form equity for the company. They wield the power to disrupt decisions or bring in new ideas to the company. The board of directors, who double as stakeholders, have the power to choose all levels of senior management - including the chief executive officer - and remove them upon unsatisfactory performance if required. The future of the company is shaped by the board of directors and are directly involved in all major business decision.
2.2.3 Corporate conscience / Monitors

Generally, stakeholders whose contributions are high constitute the high profile investors. They ensure that companies would not trample on human rights and environmental laws. They supervise the company’s loan acquisition procedures and investments in the global competitive market, and may vote against any business decisions if they are considered unprofitable to the company and may lead to the collapse of the business.

2.2.4 Direct managers

In privately owned and publicly traded businesses, investors, especially large investors often directly take part in business decisions on the management level.

While the board of directors is sometimes not directly involved in controlling a company, some stakeholders prefer to be fully part of the company by directly assuming management positions. Stakeholders can sometimes take over certain departments of the company or organization. For example, the human resources or research and development units, to control the business to ensure its progress.

2.3 Types of Stakeholders

The types of stakeholders in the lenses of Carroll (1999) are as follows:

2.3.1 Primary Stakeholders – They are the type who take part in the internal commercial activities of the organization such as customers, suppliers, consumers, stockholders, creditors, employees etc.

2.3.2 Secondary Stakeholders – usually referred to external stakeholders those whose activities are not directly linked with the success or otherwise of the business. However, they are affected or may be affected by or can affect the operations of the business. Examples are the general public, communities, activist groups, business support groups, and the media.

2.3.3 Excluded Stakeholders – include kids or the community. This is so because they do not affect the business economically. In another sense, the public may be seen as part whilst other are excluded.
2.4 Stakeholders in the Ghana maritime industry

The maritime industry has stakeholders consisting of Ghana Immigration Service, Ghana Revenue Authority, Energy commission, National Petroleum Authority, Petroleum Commission, and Environmental Protection Agency, Oil and Gas Companies, Oil and Gas Service Providers, Academic Institutions, Non-Governmental Agencies, Ministries, Departments and agencies (Ghana Maritime Authority, 2015).

2.5 Maritime and Port of Ghana, Where We Have Come From

Act 630 of 2002 of the Parliament of Ghana gave birth to the Ghana Maritime Authority (GMA). The GMA has a thirteen-member Governing Board made up mainly institutional representative from the key maritime agencies. It is headed by the Director General and shares the following visions:

- to become the leading maritime administrator in West and Central Africa.
- to promote national and international maritime advancements.
- to monitor, regulate and coordinate activities in the maritime economy.

The maritime industry has regulators made up of Ghana Immigration Service, Ghana Revenue Authority, Energy Commission, National Petroleum Authority, Petroleum Commission, and Environmental Protection Agency. The players of the industry also include oil and gas companies, oil and gas service providers, academic institutions, non-governmental agencies, ministries, departments and agencies (Ministry of Transport, 2002).

Foreign trade in the then Gold Coast was done by about forty landing sites spread around the coast nearly 500 years ago. By the 1900’s these had accumulated into six main ports of trade. From 1920 to the 1940s, the face of road and rail networks changed which gave way to expansion work in the Takoradi Port. When roads expanded and direction of trade shifted during the post-independence era, construction of the Ghana’s second port, Tema Port also started.

Sir William Halcrow and partners began the construction of Tema in 1954. The port plan was made up of two breakwaters enclosing an area of 500 acres of water with twelve berths, eight of which were situated on two quays, four transit sheds, offices, two cocoa sheds and sites for a dry dock, a slipway and a workshop. By 1958, the project had seen steady a progress to enable a cargo vessels. It recorded that the Oti River was the first vessel to berth after the construction. But when the port was officially opened on 18th June 1963, “M/V” Avacus was the first call. As soon as it was commissioned in 1963, regular traffic however started and it has been so till date.

Construction of quays began in 2003. During that period, the existing sheds were pulled down to pave way for preliminary construction for the planned dedicated container terminal measuring 250,000sqm within the main harbour.
The year 2005 saw the first phase of the dedicated container terminal being constructed. Also in that same period, pavements, rail markings and installation of ship to shore gantries and rubber tyred gantries were done. The Meridian Ports Services Ltd. took over the running of the container terminal with the Bollore and APM Groups owning 70% and the Port authority controlling the remaining 30%. Various reconstruction and restructuring activities characterized the period spanning 2005 and 2006. Mention can be made of the privatization of some major port services like stevedoring and shore handling, and ISPS Code implementation.

Also, cocoa sheds at the western side of the port were pulled down and relocated the adjacent vehicle car park to make way for the second phase of the container terminal. There was a significant improvement in private sector participation in port operations and activities during that period. In order to free general berths for commercial vessels, the port developed a marine complex and docking bay for its own tugboats.

In 2007, there was the second phase of the container terminal construction. A 140,000sqm container mechanical workshop was built. This was simultaneously done with the Golden Jubilee Terminal, which also covered a 140,000sqm land area. The purpose of these construction works was to ease the pressure on the port.

Since the port exceeded its 500,000 TEU in 2008, a target expected to be realized in 2010, work towards developments stated in its master plan for the future immediately started. In terms of stevedoring activities, the private sector dominates, handling about 75% of the services while the Ghana Port Authority handles the remaining 25% (Ghana Ports and Harbours Authority, 2017)

2.6 Maritime and Port of Ghana, the Way Forward

On 18th October 2017, the Director General, Mr. Kwame Owusu, of the Ghana Maritime Authority (GMA), signed a memorandum of understanding (MoU) with Nigerian Maritime Administration and Safety Agency (NIMASA) to collaborate on maritime operations. The agreement signed by the two directors, Mr. Kwame Owusu and Dr Dakuku Peterside, focused on knowledge sharing and transfer, capacity-building initiative, cabotage implementation and enforcement processes among others. This occurred in Mr. Owusu’s visit to Nigeria, showing the effort the maritime industry is putting in to secure its future (New Telegraph, 2017).

There are three major governmental agencies charged with the responsibility of shaping the future of the maritime industry. They are Ghana Ports and Harbours Authority (GHAPOHA), Ghana Shippers Authority (GSA) and the Ghana Maritime Authority (GMA), which are mandated to supervise, coordinate and regulate the activities of the maritime industry. Furthermore, the Regional Maritime University (RMU), a sub- regional institution set up by five West Africa countries namely Ghana, Liberia, Cameroon, Gambia and Sierra Leone to train students and seafarers to attain global standard in maritime education and training to make them employable in
the competitive global maritime industry, are all indicative of the maritime and ports effort to honour its obligation (Ministry of Transport, 2002).

With these three major agencies in place performing their roles, Mr. Kwame Owusu (D-G, GMA) believes that the cabotage regime will be a blessing to Ghanaians.

2.7 Ghana’s Maritime Trade Review (January-March 2018)

The global economic output growth for 2017 is 3.8%, a 0.2 percentage point higher than the forecast. This is made known by IMF World Economic Outlook - April 2018. The volume of world merchandise trade also saw a significant growth of approximately 5% (WTO Trade Forecast, April 2018) as against a forecast of nearly 4%. This significant performance, in the economic output growth for 2018 is expected to hit approximately 4%, barring any changes in geopolitical or financial landscape. It is however expected once again that, world merchandise trade will see a moderation in growth to about 4.4% in 2018. In Europe and China, the first quarter of 2018 recorded growth in merchandise trade. However, there are some uncertainties that could affect growth. The trade war between the US and China on tariff measures is a potential threat and could slow down trade. The likelihood of a decision by the Trump Administration to withdraw the United States from the North American Free Trade Agreement (NAFTA) is a particular risk in the coming months, this sends shivers down the spine of most economies, and whether the UK is able to conclude an orderly Brexit is a big challenge. In the shipping industry, the first quarter was brisk for the shipping lines. Carriers have started reaping the benefits of cost savings and synergies of the Mergers & Acquisitions (M&A) that were characteristic in the year 2017. On the local front, Ghana’s seaborne trade volume recorded a marked increase of approximately 28.3% for the first quarter (Q1) 2018 over the same period in 2017, in line with world trade performance. This impressive increase could also be attributed to stability in the political landscape, increased confidence in the economy, as well as the coming into force of the highly ambitious trade facilitation programs, such as the Ghana National Single Window and the Port Paperless Clearance System at the ports. Some comparison of Ghana’s Cargo Throughput Performance is highlighted below:

Cargo throughput for Quarter 1 (Jan-Mar) 2018 increased by 28.25% compared to the same period of 2017 (i.e. Quarter 1 2017). Total import and export trade volume in Quarter 1 2018 increased by 27.05% compared to Quarter 1 2017. Total transit/transshipment trade volume in Quarter 1 2018 increased by 58.02% over Quarter 1 2017. (Ghana Shippers Authority, 2018).
Table 1. Summary Comparison of Ghana’s Cargo Throughput Q1 2018 and 2017

<table>
<thead>
<tr>
<th>Trade type</th>
<th>Quarter 1 2018 (mt)</th>
<th>Quarter 2 2017 (mt)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Import and Export</td>
<td>5,908,222</td>
<td>4,650,493</td>
<td>27.1%</td>
</tr>
<tr>
<td>Total Transit</td>
<td>298,704</td>
<td>189,031</td>
<td>58.0%</td>
</tr>
<tr>
<td>Cargo Throughput</td>
<td>6,206,926</td>
<td>4,839,524</td>
<td>28.3%</td>
</tr>
</tbody>
</table>

In addition, ports share of cargo throughput for January – March 2018 indicates that the seaports of Ghana (Tema and Takoradi) for Quarter 1, 2018 was 6.21 million metric tonnes. Cargo throughput for the Port of Tema was approximately 4 million metric tonnes which is 66% of the total, whilst the Port of Takoradi accumulated 2.1 million metric tonnes, representing 34% of the total seaborne trade. Transit/Transshipment imports amounted to 269,767 metric tonnes, whilst transit/transshipment exports recorded 28,937 metric tonnes (Ghana Shippers Authority, 2018).

2.7.1 Ports Share of Cargo Throughput for January – March 2018

Cargo throughput for the seaports of Ghana (Tema and Takoradi) for the first quarter Q1 2018 was 6.21 million metric tonnes (mt). Cargo throughput for the Port of Tema was 4.1 million mt representing 66% of the trade and higher than that of Takoradi (34%). Transit/Transshipment imports amounted to 269,767 metric tonnes, whilst transit/transshipment exports recorded 28,937 metric tonnes. Table 2 below displays the summary performance for the period in review (Ghana Shippers Authority, 2018).

Table 2. Summary of Ghana’s Seaborne Trade (In Mt) Q1 2018

<table>
<thead>
<tr>
<th>Port</th>
<th>Import</th>
<th>Transit/import</th>
<th>*Export</th>
<th>Transit/export</th>
<th>Total</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tema</td>
<td>3,179,479</td>
<td>254,960</td>
<td>632,675</td>
<td>28,937</td>
<td>4,096,051</td>
<td>66%</td>
</tr>
<tr>
<td>Takoradi</td>
<td>690,001</td>
<td>14,807</td>
<td>1,406,067</td>
<td>0</td>
<td>2,110,875</td>
<td>34%</td>
</tr>
<tr>
<td>Total</td>
<td>3,869,480</td>
<td>269,767</td>
<td>2,038,742</td>
<td>28,937</td>
<td>6,206,926</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Exports exclude Ghana’s crude oil export
2.7.2 Comparison of Ghana’s Seaborne Trade for January – March (Q1) 2018 And 2017

Per Cargo Type

2.7.2.1 Import Trade

The first quarter Q1 2018 recorded 3.87 million metric tonnes in import. This is made up of 1.55 million metric tonnes of liner cargo, 438,355 metric tonnes of break bulk, 925,753 metric tonnes of dry bulk cargo and 958,017 metric tonnes of liquid bulk imports. In Table 3 below, it can be seen that imports for the first quarter Q1 2018, increased by 22.7% over the first quarter Q1 in 2017. For the trade types, there were recorded marked increases in liner imports, break bulk imports and dry bulk imports of 40.8%, 38.9% and 27.9% respectively. There was however, a drop of 5.7% in liquid bulk imports (Ghana Shippers Authority, 2018).

Figure 1: Summary of Ghana’s Seaborne Trade (In Mt) Q1 2018

<table>
<thead>
<tr>
<th></th>
<th>Tema</th>
<th>Transit/import</th>
<th>*Export</th>
<th>Transit/Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>Import</td>
<td>3,179,479</td>
<td>254,960</td>
<td>632,675</td>
<td>28,937</td>
</tr>
<tr>
<td>Takoradi</td>
<td>690,001</td>
<td>14,807</td>
<td>1,406,067</td>
<td>0</td>
</tr>
</tbody>
</table>
Table 3. Comparison of Ghana’s Seaborne Trade for January – March (Q1) 2018 And 2017 per Cargo Type

<table>
<thead>
<tr>
<th>TRADE TYPE</th>
<th>Quarter1 2018(mt)</th>
<th>Quarter1 2017(mt)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMPORT:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liner</td>
<td>1,547,356</td>
<td>1,099,053</td>
<td>40.8%</td>
</tr>
<tr>
<td>Break Bulk</td>
<td>438,355</td>
<td>315,640</td>
<td>38.9%</td>
</tr>
<tr>
<td>Dry Bulk</td>
<td>925,753</td>
<td>724,085</td>
<td>27.9%</td>
</tr>
<tr>
<td>Liquid Bulk</td>
<td>958,017</td>
<td>1,015,743</td>
<td>-5.7%</td>
</tr>
<tr>
<td>TOTAL IMPORT</td>
<td>3,869,481</td>
<td>3,154,521</td>
<td>22.7%</td>
</tr>
<tr>
<td>EXPORT:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liner</td>
<td>558,123</td>
<td>360,199</td>
<td>55.0%</td>
</tr>
<tr>
<td>Break Bulk</td>
<td>83,748</td>
<td>135,331</td>
<td>-38.1%</td>
</tr>
<tr>
<td>Dry Bulk</td>
<td>1,354,397</td>
<td>990,030</td>
<td>36.8%</td>
</tr>
<tr>
<td>Liquid Bulk</td>
<td>42,474</td>
<td>10,411</td>
<td>308.0%</td>
</tr>
<tr>
<td>TOTAL EXPORT</td>
<td>2,038,742</td>
<td>1,495,971</td>
<td>36.3%</td>
</tr>
<tr>
<td>TOTAL IMPORT &amp; EXPORT</td>
<td>5,908,223</td>
<td>4,650,492</td>
<td>27.1%</td>
</tr>
</tbody>
</table>

2.7.2.2 Export Trade

In total, export trade volume for Q12018 was approximately 2 million metric tonnes. This shows a 36.3% increase over the first quarter Q 12017. This consisted of 558,123 metric tonnes of Liner items, 83,748 metric tonnes of Break Bulk items, 1,354,397 metric tonnes of Dry Bulk and 42,474 metric tonnes of Liquid Bulk (Ghana Shippers Authority, 2018).

2.7.2.3 Statistics on Maritime Trade

Since 1968, UNCTAD's Review of Maritime Transport has provided coverage of key development affecting international seaborne trade, shipping, the world fleet, ports, freight markets, and transport-related regulatory and legal frameworks.

In 2015, there was a marked progress in international trade. The international community had a unique chance to fulfill its obligation of ensuring that development is sustained in all economic activities of each sector with special focus on the maritime transport. The current edition of
Maritime Transport Review touches on some core issues that are central to maritime transport and its sustainability, as well as some legal issues. The areas highlighted include the following:

2.7.2.3.1 Seaborne Trade
The year 2014 witnessed an upward increase in world gross domestic product (GDP). A 2.5 percent increase was recorded which was up from 2.4 percent in the previous year. The world maritime economy saw a slow-moving recovery, which was led by unsteady growth in developed economies. In the area of world merchandise, trade soared by 2.3 per cent; this is comparably down from 2.6 per cent in 2013 and way below the pre-crisis levels. In the view of UNCTAD, the estimates show that global seaborne shipments have gone up by 3.4 per cent in 2014, which is comparable to that recorded in 2013. A total of 9.84 billion tonnes was recorded because of additions to volumes exceeding 300 million tonnes.

2.7.2.3.2 The Fleet
The world fleet soared by 3.5 per cent during the 12 months to 1 January 2015, representing the lowest annual growth rate in over ten years. At the start of the year, commercial fleet in the world was 89,464 vessels, with 1.75 billion tonnes dwt. The mean age of the world fleet saw a meniscal change during the year 2014 and it is the first time ever in the shipbuilding cycle. Since building of new vessels dropped and there was reduction in scrapping activity, the gap between new tonnage and old fleet widened.

2.7.2.3.3 Freight Costs
Emerging economies, such as Africa and Oceania, contributes about 40 to 70 per cent more on average for the international transport of their imports compared to developed economies. Trade imbalances have always been the reason for this low capacity. Container freight rates was unsteady in 2014 although with varying trends across the various trade lanes. Another area which saw unsteady freight rate was the tanker market. The dry bulk market was not spared either in 2014 and 2015. The period was full of uncertainties regarding demand forecasts as well as surplus capacities.
2.7.2.3.4 Ports

The world fleet soared by 3.5 per cent during the 12 months to 1 January 2015, representing the lowest annual growth rate in over ten years. At the start of the year, commercial fleet in the world was 89, 464 vessels, with 1.75 billion tonnes dwt. The mean age of the world fleet saw a meniscal change during the year 2014 and it is the first time ever in the shipbuilding cycle. Since building of new vessels dropped and there was reduction in scrapping activity, the gap between new tonnage and old fleet widened. The growing increase in size of vessels, the characteristic changes in marketplace due to mergers of shipping lines, changes in shipping routes, the difficulty in seeking public funds to improve transport infrastructure, the shift to alternative fuels, the changes in energy costs, to mention but a few are some economic, environmental and social challenges facing ports all over the globe (UNCTAD report, 2015).

2.8 Ghana Shippers Authority

The Ghana Shippers’ Authority (GSA) has been at the frontline of Ghana’s maritime industry since its establishment in 1974 by NRCD 254. It has over the years collaborated with private and public organisations in the maritime industry to pursue its primary objective of protecting and promoting the interests of Ghanaian shippers in relation to port, ship and inland transport problems in order to ensure safe, reliable and cost effective international transportation and a seamless and modally complementary logistics chain.

For about 40 years, the Authority was known as Ghana Shippers’ Council which by virtue of the Laws of Ghana (revised edition) 1998 Act 562, was changed from the Ghana Sippers’ Council to Ghana Shippers’ Authority. The change of name significantly marks the transformation the Council has gone through over the years. The change was necessary not because it was prompted by the Constitution of the republic of Ghana but also in accordance with the changing trends of modern shipping practices (Ghana Shippers Authority, 2016).

2.9 Takoradi and Tema Harbours in Retrospect

Takoradi harbour is located in the Western Region of Ghana. It is Ghana’s oldest harbor found in the industrial district of Sekondi-Takoradi. Sir Gordon Guggisberg, the British governor of the Gold Coast ordered the construction of the harbour. There were two reasons for the construction of the harbour. These are a terminal point for the Tarkwa railway project and a naval port of the British Empire in times of war. In 1921, the construction of the harbor started and was completed and officially opened on 3rd April, 1928.
The location of the harbour, 225km west of Accra, the capital city of Ghana, and 300km east of Abidjan the capital city of Ivory Coast makes it strategic. What makes this harbour’s location very important is the discovery of the oil in 2007 at Cape Three Points in the Western Region. It is helping to support exploration, production and transport activities at the oil and gas fields. It serves as the main port of call for oil vessels to discharge equipment, chemicals and other supplies that are stored in port sheds as well as private warehouses near the port. These vessel calls have contributed significantly to the increase in calls to the port. Takoradi Port has been the pivot of economic activities in the Sekondi-Takoradi Metropolis and the Western Region as a whole by providing employment for the indigenes through the operation of support service providers in port operations especially through the Ghana Dock Labour Company Limited (GDLC) (Ghana Ports and Harbours Authority, 2014).

Statistically, the harbour handled 31% of Ghana’s seaborne trade, 66% of national Exports and handled 19% national imports in 2012. Leading exports include manganese, bauxite, forest products and bulk and bagged cocoa beans, mining equipment; whiles leading imports include clinker, wheat, petroleum products and containerized cargo. In the beginning the port accommodated about, one million tonnage of cargo, however, due to an expansion in the year 1956 the port was able to cater for 1,153 vessels carrying about two point three million tonnage of cargo.

In 2015 the port was able to accommodate twenty-seven percent of seaborne traffic in the country. Also 15% of national seaborne imports, 68% of national seaborne exports, 6% of National seaborne container traffic and 7% of transit traffic to the Sahelian countries of Burkina Faso, Niger and Mali. Over the years vessel calls to the port has increased from 485 in 2003 to 1,525 calls in the 2015. The increase is attributed to the calls from Oil Supply vessels servicing the Jubilee Oil Fields at Cape Three Points. Since the discovery of oil in 2007, supply vessel calls have increased from 11% to 61% in 201 (Ghana Ports and Harbours Authority, 2014).

As part of meeting the growing demands of customers, plans are ongoing to modernize and expand the port. The project involves the extension of the existing main breakwater to 1.75 kilometres northwards. There will be the provision of a bulk terminal/jetty to handle bulk commodities and dredging of the access channels. The berths will also be dredged to16 meters depth. Upon completion, manganese, bauxite, clinker and limestone and other bulk cargo operations will be transferred to the new jetty. There will be a dedicated berth with a depth of 10meters to cater for the oil supply activities. This will free the existing manganese terminal for the increasing oil services activities in the port. The project will also involve the reclamation of the log pond and the area would be used to construct a quay of length 1km and a depth of 16metres.

Highlights of the expansion:

- Access Channel dredged to 16metres
- Extension of Breakwater 1.08 Northward
- Construction of Bulk Terminals with 16metres depth
• Construction of oil services terminal
• Reclamation of 53,000 hectares of land
• Construction of open storage area for oil field, plant and machinery
• Construction of dual access roads to the port

Tema, popularly known as the industrial city of Ghana also hosts the bigger of the two harbours in Ghana. Tema is found in the Greater Accra Region of Ghana about 35km from the capital town Accra. Construction of Tema Port began in 1954 by Sir William Halcrow and partners. The general port plan originally comprised of two breakwaters enclosing an area of 500 acres of water with twelve berths, eight of which were situated on two quays, four transit sheds, offices, two cocoa sheds and sites for a dry dock, a slipway and a workshop. By 1958, construction was advanced enough to enable a cargo vessel the Oti River to berth. Regular traffic however started after the commissioning in 1962.Ghana’s first president, Osagyefo Dr. Kwame Nkrumah commissioned it.

The harbour serves as a major transit point for goods from land-locked countries to the north of Ghana and also handles trade for industrial and commercial companies that import and export various goods such as petroleum, cement, food, metals, and textiles. Most of the country’s main export, cocoa, is shipped from Tema. The harbour handles 80% of Ghana's national exports and imports (Ghana Ports and Harbours Authority, 2014).

Currently, the port is undergoing an expansion project to increase its capacity and to bring economic gains to the country. The $1.5 billion Tema Port expansion project is progressing steadily with the container terminal facility, which is part of the first phase of the project expected to be opened in June 2019. Also about 70 acres out of 168 acres of land has been reclaimed from the sea for the construction of terminals. The expansion works which began in October 2016 is expected to have its first container berth completed and opened up for operations by the beginning of the 2nd Quarter of 2019 (Joy Business News, 2017).

2.10 The Role of Shipping in the Socio-Economic Life of Ghanaians

Close to 90% of trade in the world is done by international shipping industry. Import and export of goods in a large quantities to meet the modern the demands of the world would not be possible in the absence of shipping. Seaborne trade is by far one of the leading trades in the world and continues to grow, bringing benefits for consumers across the world through economical freight costs. It is estimated that there are over 50,000 merchant ships trading globally, transporting variety cargo. Currently, world fleet is present in over 150 nations, and manned by over a million seafarers across the length and breadth of the globe every. Shipping has increasingly become the backbone of many economies. In recent years, shipping has proven to be a growth industry witnessing an increase in gross tonnage of the world fleet by millions of tonnage per year. In Nigeria, for example, not only is over 70% of all crude oil production transported by ships, more and more oil production activities are now being carried out offshore. This shows that the oil industry relies
heavily on the maritime industry for its smooth operations. Whatever happens in the oil and gas industry is likely to have an effect, either positive or negative on the shipping industry (Nigerian Maritime Industry Forecast, 2018/19).

In the socio-economic life of Ghana, shipping has:

- **Improved revenue**: Shipping lines paid GH¢ 183.3 million taxes in 2016 (Graphic Online, 2018).
- **Improved GDP**: A GDP of 12.8% of the total was recorded for the Transport and Storage sector alone under which the shipping industry falls (Ghana Statistical Service, 2018).
- **Created employment for the citizens**: Data from Ship-Owners and Agents Association of Ghana (SOAAG) reveals that 13 shipping lines alone employs 840 workers without those directly or indirectly linked to the shipping lines at the port (Graphic Online, 2018).

### 2.11 Challenges of Coastal Shipping in Ghana

In the lenses of Ombo (2012), coastal shipping in Africa is hindered by certain factors among which are:

- The dominance of liner shipping in our waters. Most vessels on our territorial waters are owned and operated on liner basis and most of them belong to the defunct line conference members.
- The high cost involved in buying and maintaining ships by individuals.
- The non-existence of apt ship repairs and ship building yards in the continent.
- The inadequate number of trained professional sailors (officers and ratings) to man the ships.
- Seemingly low level of returns on investment which dampens the drive for investment.
- Non-existence of long-term policy framework to regulate the shipping industry.
- Port inefficiencies having a negative effect on the growth of the coastal trade.
- Lack of good roads to link the hinterland transportation (rail and road) to major and minor ports.
- Attachment to colonial masters and relations with imperial countries influence not only the operations of ships but also the direction of trade.
- Navigation and charting of our coastal waters.
- The weakening of maritime security is an evidence of the general dislike for sea travel.
- The increasing global poverty trends and failures in national governance in the wake of gross corrupt practices, and abuse of political offices.
- The growing complexity of the operational strategy of maritime terrorists and criminals which include money laundering, swarm tactics, encrypted communications, weapons handling has invalidated the International Ship and Port Facility Security Code (ISPS).

The above challenges are characteristic of the Ghanaian shipping industry since Ghana is part of Africa.
2.12 Solutions to Ghana’s Coastal Shipping Challenges

To offset the many challenges plaguing the shipping industry, Ombo (2012) suggests the following, which are applicable to Ghana:

- African maritime authorities should design a common maritime policy that will encourage participation in maritime trade and cooperation.
- The maritime organizations of Africa should have a united front and team up with all coastal countries to set up a special fund for coastal shipping operators that will make the purchase of vessels easier.
- Member countries should work out special tax concession to local coastal ship operators
- Soft loans for indigenous coastal operators should be available to enable them obtain loans for the purpose of acquiring modern vessels.
- The regional governments through the Union of African Shippers’ Council should educate the shippers and the general public on the need to access the coastal shipping mode of transportation, which is inexpensive and environmentally friendly.
- In line with the principles of liberalization and global best practices, investors in coastal shipping in the continent should improve on their service delivery in order to attract patronage from the regional shippers.
- To ensure synergy of purpose along with the current development in the liner-shipping sector, coastal shipping operators should pool their resources and form strategic alliances, joint ventures and mergers.
- African governments should craft a comprehensive National Policy on Coastal Shipping addressing every constituent of Coastal Shipping such as passenger movement, cargo transportation, oil field services, port flotillas, security services, tonnage tax regimes.
- Our cabotage regimes must go through a periodic review to conform to best global practices and where it is non-existent be passed into law.
- Establish dedicated berths at ports for coastal vessels.
- Make our customs and immigration procedures simple.
- We must unite in a singular effort to put in place an all-inclusive, clear and coordinated maritime security solution that addresses the problem of insecurity in our waters.

2.13 Shipping Lines in Ghana

Shipping is a robust business in Ghana because of its immense contribution to the economic well-being of the country. The following are the shipping lines operating in Ghana.

- Advanced Maritime Transport
- Adom Mbroso Coldstores Ltd
- Africa Express Line
- Afritramp
• Arkas Line
• Avnash Industry Ghana Ltd
• BP Oil International
• BBC Charting & Logistics
• China Harbour Engineering Company
• China Ocean Shipping CMA CMG
• Eukor Car Carriers
• Euroafrica
• Flour Mills Ghana Ltd
• Glovis
• Gold Star Line
• Golden Star Fish Company Ltd
• Grimaldi Lines
• Hapag-Lloyd
• HB Shipping
• HC Trading
• Hoegh Autoliners
• I.M.T.
• Leone Fishing Company Ltd
• Maersk Line
• Mediterranean Shipping Company
• Messina Lines
• Mitsui O.S.K Lines
• Niledutch
• NMT Lines
• Ocean Fare Company Ltd
2.14 Cabotage

Cabotage is the process of transporting or navigating through the coast, thus the carriage of goods and passengers around a coastal water of a country. Igbokwe (2006, P. 1). Caboter, which is a French word meaning sailing along the coast. However, cabotage is considered in recent times as “coastal trade” or “coasting trade” or “coastwise shipping” which simply means the carriage of goods and persons by ships within same coast or ports in the same country and the a prerogative of a country to run sea traffic. (Skeat, 2013).

Usoro (2003) adds that coastal and inland shipping (Cabotage) has a very wide definition and can be used interchangeably with coastal trade.

In another vein, Ndikom (2010) points out that cabotage reserves all or part of national market opportunity for national flag ships or aircraft, for political, socioeconomic, geo-cultural and security reasons.

Akabogu and Onyuike (2004) defines cabotage as the carrying on of trade along a country’s coast; the transport of goods or passengers from one port or place to another in the same country.

Cabotage law, in the lenses of Bello-Olowookere (2011) is the law that restricts the coastal and inland water trade in a country to local vessels. In summary, cabotage ensures that coastal shipping is controlled by the indigenous people.

In Ghana, cabotage under the Act will consider the protection of:

- goods and passengers from a given coastal or inland point to another point located within the country
- goods and passengers by sea in relation to the exploration, exploitation or transportation of natural resources whether offshore or within the inland and coastal waters;
- goods and passengers on water or underwater (sub-sea) installations;
- goods and passengers originating from a point in Ghana intended for Ghana but transiting through another country then back to Ghana for discharge;
- any other marine transportation activity of a commercial nature in Ghana waters including towage, pilotage, dredging, salvage, bunkering et cetera.
2.15 Types of Cabotage Laws

Cabotage Policy is in two folds: Protectionist and Liberalization Policy.

In the eyes of Ademuni-Odeke (1984) cabotage is one of the various protectionist policies used by a state to protect its domestic fleet from foreign operators. This is a form of restriction used to encourage the construction and development of national merchant marines in a particular trade area through guaranteed supply and demand. In this sense, the foreign operators are thrown out of business. This method is unfriendly to the non-citizens of a country.

Ndikom (2010) supports Ademuni-Odeke (1984) by stating that cabotage is a worldwide idea practiced both in the maritime and aviation industries. It often depends on whether part or all of the shipping industry will be in the hands of the indigenes. He notes that it has been in existence for nearly a century and shares the following features of the law:

- it is a modern-day economic approach for ensuring that local shipping is not abandoned
- it is to bring some determined results, contrary to the relaxed and liberalized economies
- and it is seen as a way of meeting set economic targets, when completion is skewed to one side.

There is a strict Cabotage law. In this, the presence of foreign vessels and personnel are strictly prohibited by the law. Such regime usually stipulates that domestic coastal trades are restricted to ships built, owned, crewed and operated by citizens of the country adopting the regime. A good example of a regime of strict Cabotage laws is the one found in the United States of America. The law under the Act regulates marine business in the United States waters and between United States ports. It specifies that all goods transported by water between the United States ports be carried on the United States flag ships, constructed in the United States, owned by the citizens, and crewed by the citizens who are permanent residents (The Jones Act, 1920). Also, the American Passenger Vessel Service Act of 1886 was a protectionist principle relating to cabotage (PVSA, 1886). It is now clear that all the laws regulating maritime activity in the United States are strict and protectionist.

The strict cabotage regime comes with its challenges. According to Agama and Alisigwe (2018), the strict cabotage regime does no good to the national economy in that it deprives the economy of foreign inputs. It further goes against the principle of globalization.

In the liberalized shipping, Chrzanowski (1985) puts forth the principle of free and fair competition in sea transport, irrespective of the flag the ship is flying. This is supported by Agama and Alisigwe (2018) that a country is said to practise relaxed or liberalized cabotage if its cabotage law does not firmly enforce or require strict compliance with those elements of restrictions mentioned in strict
cabotage. This relaxed cabotage regime gives foreigners some measure of participation in the ownership or building of vessels and their operations in the State’s maritime industry. In this policy, either home or foreign-flag vessels can engage in any shipping activity. Therefore, the basic principle of shipping liberalism is that the merchant marines are free to operate on the freight market without any restriction from the public or government representatives. Cabotage law, according to Igbokwe (2006) can be relaxed or liberalised if the elements of restriction are not binding or are not strictly adhered and there are some elements of foreigners in the ownership or building of the ships used. Many countries such China, Korea, India, Brazil, New Zealand, Australia, Malaysia, et cetera, have carried out reforms of their cabotage policies, making it more relaxed in terms of allowing some level of foreign participation in the domestic shipping trade.

According to Agama and Alisigwe (2018), the best form of cabotage even for developed entity like the United States is a relaxed cabotage regime although the level of such liberalization may vary.

2.16 Cabotage Law as Practiced in Selected Countries.

It has become a norm all over the world that cabotage law is passed and practiced in most countries having a coastline. Countries such as the United States, Asian nations including South Korea, China, and India, European nations including Germany, France, and Italy, and Latin American nations including Brazil and Argentina to mention but a few are all cabotage practicing countries because they enjoy a wide stretch of coastline. It is believed that least 91 countries maintain some form of maritime cabotage and such laws promote shipboard and environmental safety, national security, and good jobs (Deirdre, 2018).

2.16.1 United States

America’s cabotage is by far the most popular of the cabotage laws around the world today. Also known as Jones Act, it is strictly enforced to protect indigenes from foreign interferences in the cabotage business (Kareem, 2005).

“The Jones Act” is the popular name usually given to the American cabotage. Washington’s Senator Wesley I. Jones was the sponsor and it was named after him in 1920. Before the coming into force of the Jones Act, there was an existing legislation passed in 1886. The US Passenger Services Act, they call it, specified that no foreign vessel is permitted to transport passengers between ports or places in the US. A penalty of US $200 is imposed on each passenger who violates the law. This implies that America had prevented foreign ships from trading within its coast before the advent of the Jones Act. Another act, called the US Merchant Marine Act of 1936, was enacted after the Jones Act of 1920. This law gave US government the power to prevent
foreign ships that have been built cheaply by means of subsidy to operate in the US domestic trade. This was to ensure that vessels are built to conform to high standards to prevent marine accidents (Kareem, 2005).

Asoluka (2003) describes it as “strict”. This is due principally to the fact that it promotes, protects and maintains the US domestic merchants in the strictest manner, not liberalizing or relaxing any facet of it. In the act, it is clearly spelt out that all waterborne goods transported between US ports are to be transported by US owned ships, manufactured in the USA, owned by US citizens and crewed entirely by US natives. Characteristically, as stated earlier, the US cabotage regime is strict and that cannot, however, be said to be absolute because some exemptions and relaxations were present. In 1999 for example, a Law was enacted, called the Federal Law, which permitted a person to operate a foreign-built vessel in the US maritime trade provided the person had entered into a binding agreement and had acquired the requisite registration and certification.

2.16.2 France

France had enacted cabotage law and practiced it for over 500 years now. French vessels were reserved all navigational powers and foreign vessels were barred from operating within the ports along her coast. Over the years there have been some concessions though, the country has maintained the goal of their cabotage regime till date (Nweze, 2006).

Cabotage in Europe is dominated by France. It is by far the second largest market in Europe for Cabotage. In January 2016, the merchant fleet under the French flag was made up of 298 vessels of over 100 gross tonnage (GT), among which 168 vessels were assigned to transport and 130 were service vessels. (Ministry of Ecology, 2016).

For freight transport, approximately 354 million tonnes were handled in the large ports of metropolitan France in 2015. The port of Marseilles is the port with the most developed activity accumulating approximately 82 million tonnes, followed by the port of Le Havre with nearly 68 million tonnes and then Dunkirk 47 million tonnes. (Ministry of Transports, 2015). These are indicative that France is doing well in the maritime economy.

2.16.3 Brazil

Brazil began her cabotage regime by first reserving only goods for the local vessels. As time progressed, goods and passengers in cabotage trade were allowed (Brazilian Constitutions of 1946 and 1988). At the later part of the year 1995, a Federal law 9,432/97, was enacted which allowed for cabotage shipping, provided they are chartered by Brazilian shipping companies through bareboat, time and voyage charters. However, as a result of the 7th constitutional Amendment in August, 1995, foreign cruise vessels were granted the permission to use their coastal and inland
waters and by so doing opened its wide coast stretch of approximately 7, 500 kilometres to foreigners (Asoluka, 2003).

To sum up, the type of maritime cabotage law practiced by country is a function of the national, strategic and business interests of the country and the political aim of the Government to guide and to protect their domestic shipping economy from foreign competition so as to give it enough room, capacity and control to stand on its feet, competing favourably with foreign operators. (Nweze, 2006).

2.16.4 Malaysia

Malaysia practices the relaxed cabotage regime. This allows foreign registered vessels to be temporarily licensed by the Domestic Shipping Licensing Board (DSLB) and operate within their territorial waters. Malaysian cabotage, established under the Malaysian Merchant Shipping Ordinance, 1952, regulates domestic shipping and protects it from foreign dominance although it is relaxed (Nweze 2006).

In 1994, according to Asoluka (2003) certain changes were made in the law which subsequently were included in the merchant shipping Amendment Act 1994 to carry on coastwise trading. The amendments were aimed at ensuring that foreign vessels are fully registered under the regime and to regulate their activities. The amendment regulated and controlled the licensing of ships engaged in domestic shipping and issued three types of licenses, namely, unconditional licenses, conditional licenses and temporary licenses under stipulated conditions to be met and based on applications by the parties concerned. The first two licenses are granted to only indigenous companies; whilst temporary licenses are issued to foreign operators to meet gaps in local tonnage. Over time, the Malaysian Ship Owners Association (MASA), like most cabotage countries, faced the challenge of unavailable Malaysian vessels to carry the cargo. This was even more serious in the domestic carriage of chemical and oil.

2.16.5 Nigeria

In 2003, Nigeria saw the birth of a regime called the cabotage regime. A regime that reserves the local shipping business for the local people. It is a Nigeria first approach to the local shipping business. The Acts’ main aims were to assist those who are in the maritime trade to have control over all economic activities and to provide jobs for the teeming, qualified seafarers. It was observed over the years that foreign dominance was huge principally because of their huge capital base coupled with their advanced knowledge in maritime business. These necessitated a regime
that would give support to the indigenous people in the maritime trade. In West Africa, Nigeria is the only cabotage country and the successful implementation of her cabotage law is a good example for all countries in Africa.

The requirement to engage in the maritime trade is to own vessels built, registered and crewed in Nigeria. Most cabotage countries are challenged as soon as they begin the regime. Nigeria was not spared either. The challenge of acquiring vessels, getting the required training to handle some sophisticated aspect of the trade, to mention but a few were great. In the midst of these challenges, cabotage business is still operational in Nigeria and will in the future become the envy of many coastal countries both in Africa and the world over (Nweze, 2006).

2.17 Cabotage Bill in Ghana, What it contains

The domestic shipping (cabotage) bill, 2017 is an Act to restrict the use of foreign vessels in local trade in order to promote the development of indigenous tonnage and to establish a cabotage Vessel Financing Fund, and for related matters. It is to be passed by Parliament and assented to by the President.

Following are extracts of the most important provisions of the bill:

Part I – Application

1. (1) This Act applies to vessels;
   - constructed in Ghana;
   - registered in Ghana;
   - owned by Ghanaian citizens;
   - manned by Ghanaian officers and crew;
   - and of foreign registration licensed to engage in local trade within Ghana’s maritime jurisdiction.

(2) This Act does not apply to;

(a) government ships engaged in non-commercial service;
(b) ships and aircrafts of the Ghana Armed Forces; and
(c) a warship, naval auxiliary or other non-commercial ship owned or operated by a State.

**Regulatory Agency**

2. (1) The Authority (GMA) shall be the Regulatory body for the implementation of this Act.

(2) The Director-General may delegate powers, duties or functions under this Act to any person, entity or relevant agency to be exercised or performed on behalf of the Authority.

**Part II - Restriction on Vessels to Engage In Local Trade**

**Prohibition on local trade**

3. A vessel shall not engage in the carriage of cargo and passengers within Ghana’s maritime jurisdiction unless that vessel is wholly

(i) built and registered in Ghana;

(ii) owned by a Ghanaian citizens; and

(iii) manned by Ghanaian officers and crew

**Restriction on towage**

4. (1) A tug or vessel not wholly owned by a person who is a Ghanaian citizen shall not

(i) tow any vessel from a port, offshore terminal, landing site or any place within Ghana’s maritime jurisdiction to another port, offshore terminal, landing site or place within Ghana’s maritime jurisdiction; or

(ii) carry any substance whatsoever whether of commercial value or not from a port, offshore terminal, landing site or any place within Ghana’s maritime jurisdiction to another port, offshore terminal, landing site or place within Ghana’s maritime jurisdiction.

(2) Nothing in this section shall preclude a foreign vessel from, rendering assistance to any person, vessel or aircraft in danger or distress within Ghana’s maritime jurisdiction.
Restriction on Carriage of petroleum products.

5. A vessel, tug, or barge of whatever description not wholly owned by a person who is a Ghanaian citizen shall not engage in the carriage of:

(i) materials or supply services to and from oil rigs, platforms and installations whether offshore or onshore or within any port, offshore terminal or landing site or place within Ghana’s maritime jurisdiction; or

(ii) petroleum products from a port, offshore terminal, landing site or place within Ghana’s maritime jurisdiction, to another port, offshore terminal, landing site or place within Ghana’s maritime jurisdiction.

Restriction on trading in inland waterways

6. A vessel of whatever type or size shall not engage in local trade in the inland waterways of Ghana unless the vessel is wholly owned by a Ghanaian citizen.

Non-application to certain foreign vessels

7. (1) Notwithstanding sections 3-6, a foreign vessel may;

(a) engage in activities related to a marine pollution emergency or to any threatened risk thereof with the approval of the Director-General or the coordinator of the National Oil Spill Contingency Plan;

(b) engage in any ocean research activity commissioned by the Department of Fisheries or any other department responsible for such research in consultation with the Director-General; or

(c) conduct Marine Scientific Research sponsored by a foreign Government that has sought and received the consent of the Minister in consultation with the Director General.

(2) Notwithstanding the provisions of subsection (1), the requirement for the Director-General’s determination shall not apply to any vessel engaged in salvage operations for the purpose of rendering assistance to persons, vessels or aircraft in danger or distress in Ghanaian waters and vessels involved in pollution response.
Offences

8. A Master, owner or an operator of a vessel that engages in local trade in contravention of sections 3, 4, 5 and 6 of this Act, commits an offence and shall be liable on summary conviction to a fine not less than ten thousand penalty units and not exceeding twenty thousand penalty units or to a term of imprisonment not exceeding forty-eight months or to both.

Part III – Cabotage Registration

Requirement to register vessels for local trade

9. (1) Every vessel intended to engage in local trade within Ghana’s maritime jurisdiction shall be duly licensed by the Registrar of Ships and the details entered in a register book for vessels and owning companies engaged in local trade.

(2) No vessel shall be registered unless it satisfies all the requirements for eligibility as set forth under this Act and any Regulation, guidelines or procedures relating to this Act that may be made by the Minister or the Authority.

(3) A vessel intended for use in local trade whether for coastal or on inland waterways shall obtain the applicable licenses, certificates, permits, and approvals as shall from time to time be determined by the Director-General and relevant government agencies.

(4) Vessels registered under this Part shall be issued with a Cabotage Registration Certificate.

(5) The Registration Certificate shall be granted pursuant to the payment of a fee published in the Gazette by the Director-General.

(6) The fee prescribed under subsection (5) shall be reviewed periodically.

Vessels eligible for cabotage registration

10. For the avoidance of doubt, vessels that may be eligible for registration under this Act to engage in local include but not limited to

(a) passenger vessels;

(b) crew boats;

(c) bunkering vessels;

(d) fishing vessels;

(e) barges;
(f) off-shore service vessels;
(g) tugs;
(h) anchor handling tugs;
(i) offshore supply vessels;
(j) floating, storage and offloading units;
(k) floating, production, storage and offloading units;
(l) flotel;
(m) seismic vessels;
(n) dredgers;
(o) oil tankers;
(p) bulk carriers;
(q) container vessels;
(r) multi-service vessels;
(s) rigs
(t) cable or pipe laying vessels; and
(u) any other vessel or watercraft that shall be prescribed by the Director-General.

Register books and entries

11. The Registrar of Ships shall keep such books as is necessary for the purpose of this Act including a register book for
   (a) vessels engaged in local trade for both coastal and inland waters;
   (b) vessels engaged in local trade solely in inland waterways;
   (c) foreign owned vessels;
   (d) exempted vessels;
   (e) bareboat chartered vessels;
   (f) vessel owning companies;
(g) fishing vessels; and
(h) any other register as the Registrar of ships may deem necessary

Registration Requirement

12. (1) Subject to the exemptions contained in this Act, a vessel shall not be registered for use in local trade unless the Director-General is satisfied that the

(a) vessel is wholly owned by a Ghanaian citizen or by a company wholly owned by Ghanaian citizens;

(b) shares in the vessel and the company are wholly held by Ghanaian citizens free from any trust in favour of any person not a citizen of Ghana;

(c) vessel is on bareboat charter to a Ghanaian citizen and is under the full control and management of Ghanaian citizens or a company wholly owned by Ghanaians in accordance with subsection (1)paragraph (a);

(d) vessel is owned by a company registered in Ghana and the percentage of shares in the company owned by Ghanaian citizens is not less than sixty percent;

(e) vessel is exclusively manned by Ghanaian officers and crew; and

(f) vessel possesses all certificates and documents in compliance with relevant international and regional maritime conventions to which Ghana is a party including all safety and pollution requirements imposed by Ghanaian law and any relevant international convention in force.

Controlling Interest in Ghanaian Company

13.(1) A vessel shall not be registered for use in local trade unless the controlling interest in the company is vested in a Ghanaian citizen.

(2) The controlling interest shall not be deemed to be vested in a citizen of Ghana where;

(a) sixty percent of the shares in the company are not held by such citizen;

(b) sixty percent of the shares are held in trust in favour of any person that is not a citizen of Ghana;
(c) majority of the voting power in the company is not held by a citizen of Ghana;

(d) through any contract or understanding it is so arranged that more than forty percent of the voting power may be exercised, directly or indirectly on behalf of any person who is not a citizen of Ghana;

(e) interest in the company in excess of forty percent is conferred upon or permitted to be exercised by any person who is not a citizen of Ghana.

The review of the wealth of literature available has revealed that extensive work has been done by other researchers in this area. Areas they touched on have provided a base upon which this research is built. Where there were a dearth of material, brief information has been provided.

This review touched on myriad of areas; who a stakeholder is, the role they play, some challenges of the shipping industry, some successful cabotage practicing countries, what the cabotage bill contains, to mention but a few.

In the light of the provisions made by the cabotage bill, it is obvious that the indigenes stand to gain from it. The registration of foreign vessels at a fee under cabotage is itself a source of revenue for the state. The collaboration between the local and foreign owned vessels will ensure a smooth growth in the maritime business. Another area of progress lies in the cabotage Vessel Finance Fund which will assist the local shipping industry to acquire vessels to expand the industry.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
A research is a careful study of a subject, especially in order to discover new facts or information about it. It could be seen as a means by which challenging problems are solved. A methodology is a set of methods and principles used to perform a particular activity. A research methodology therefore, according to Webster (1998) is the use of suitable methods to investigate a particular problem and forms the framework of the entire research process. This implies that a badly designed method will produce an equally bad result and vice versa.

3.2 Instruments or Tools Used
Primary and secondary data were used for the study. Under the primary source, questionnaires were designed and used to obtain information from subjects (stakeholders in the shipping industry), while extraction was done from existing databases of agencies in the shipping industry as our secondary data.

The questionnaires contain multiple-choice questions with possible answers, which are designed to reflect diverse opinions. Close-ended questions made up of simple alternative questions having various options to be chosen from, based on individual stakeholder’s perspective were given out. This type of questions helps obtain immediate answers and are easy to analyze. Also, open-ended questions which gave respondents room to express views more precisely were included.

We are not ignorant of some of the ethical issues in research of this nature. Data collected from respondents contain sensitive information and permission was sought from respondents before putting the information out. Personal details or biodata of respondents are held in high confidentiality. Respondents were assured that this research is for academic purposes only and not for any monetary or political gains.

The questionnaire was designed in two parts. The first part collected respondents’ biodata while the second part solicited information relating to the goal of the study.
Secondary data consist of information that already exists somewhere, having been collected for another purpose (Kotler, 1997). It consists of published articles, textbooks, magazines, newspapers, project and materials on the related subject from the internet etc.

For our secondary sources, data were taken from Ghana Shippers Authority (GSA) Annual Reports, UNCTAD’s Maritime Trade Review and Articles, published and unpublished, relevant to the study were also considered.

Extraction from secondary sources is usually not organized (Webster, 1998). Organization was done to suit the objectives of the study.

3.3 Research Population and Sample Size

Due to the practical impossibility of engaging all subjects because populations are usually too large in their entirety, it was necessary to select a representative sample of a more manageable size. This sample was then used to draw conclusions about the population. A sample that misrepresents the population introduces sampling error and produces inaccurate estimates of the population (Webster, 1998). The population of study was stakeholders in the shipping industry.

It was not possible to study all the population so 60 respondents were sampled and issued with questionnaires. All the questionnaires were returned answered.

3.4 Sampling Procedures Employed

Simple random sampling and stratified sampling were used. The simple random sampling ensures that each sample of some given size has the same probability of being selected. The stratified sampling is suitable here because there are two shipping ports (Tema and Takoradi) which represent the strata. From each stratum, a sample was taken by forcing the proportion of the sample to conform to the pattern of the population (Webster, 1998). The distribution of the questionnaire was evenly done to fully cover the stakeholders in the industry.

3.5 Statistical Techniques Used in Analyzing the Data.
Data analysis means categorizing, ordering, screening, coding, manipulating and summarizing answers to research questions (Webster, 1998). The purpose of analysis is to reduce data into interpretable form so that the aim of the research can be achieved.

Both descriptive and explorative techniques are employed in this research to describe and explore the data. Frequency distribution tables cross tabulations and charts are fully employed to bring out the unique features in the data collected.

Further analysis, Chi-square test, was done to aid conclusions.

3.5.1 The Chi-square test

Pearson's chi-squared test is a non-parametric test used to assess three types of comparison: goodness of fit, homogeneity, and independence.

A test of goodness of fit establishes whether an observed frequency distribution differs from a theoretical distribution.

A test of independence assesses whether unpaired observations in two variables, expressed in a contingency table, are independent of each other (e.g. polling responses from people of different nationalities to see if one's nationality is related to the response).

For all three tests, the computational procedure includes the following steps:

1. Calculate the chi-squared test statistic, which resembles a normalized sum of squared
   Select a desired level of confidence (significance level, p-value or alpha level) for the result of the test.

2. Compare to the critical value from the chi-squared distribution with (df) degrees of freedom and the selected confidence level (one-sided since the test is only one direction, i.e. is the test value greater than the critical value), which in many cases gives a good approximation of the distribution

3. Accept or reject the null hypothesis that the observed frequency distribution is the same as the theoretical distribution based on whether the test statistic exceeds the critical value of 0.05.

4. If the test statistic exceeds the critical value of 0.05, the null hypothesis (H0: there is no difference between the distributions) can be rejected, and the alternative hypothesis (H1: there is a difference between the distributions) can be accepted, both with the selected level of confidence.

Calculating the test-statistic

The value of the test-statistic is \( \chi^2 = \sum_{i=1}^{n} \frac{(O_i - E_i)^2}{E_i} = N \sum_{i=1}^{n} \frac{(O_i/N - p_i)^2}{p_i} \)

Where
\[ \chi^2 = \text{Pearson's cumulative test statistic} \]

\[ O_i = \text{the number of observations of types } i \]

\[ N = \text{total number of observations} \]

\[ E_i = Np_i = \text{the expected (theoretical) count of type } i, \text{ asserted by the null hypothesis that the fraction of type } i \text{ in the population is} \]

\[ n = \text{the number of cells in the table. (Chernoff and Lehmann, 1954)} \]

The chi-squared statistic can then be used to calculate a p-value by comparing the value of the statistic to a chi-squared distribution. The number of degrees of freedom is equal to the number of cells minus the reduction in degrees of freedom. The result about the numbers of degrees of freedom is valid when the original data are multinomial and hence the estimated parameters are efficient for minimizing the chi-squared statistic. More generally however, when maximum likelihood estimation does not coincide with minimum chi-squared estimation, the distribution will lie somewhere between a chi-squared distribution with and degrees of freedom (Gravetter and Wallnau 2004).

**Assumptions**

The chi-squared test, when used with the standard approximation must obey the following assumptions.

**Simple random sample**

The sample data is a random sampling from a fixed distribution or population where every collection of members of the population of the given sample size has an equal probability of selection. Variants of the test have been developed for complex samples, such as where the data is weighted. Other forms can be used such as purposive sampling.

**Sample size (whole table)**
A sample with a sufficiently large size is assumed. If a chi-squared test is conducted on a sample with a smaller size, then the chi-squared test will yield an inaccurate inference. The researcher, by using chi-squared test on small samples, might end up committing a Type II error.

**Expected cell count**

Adequate expected cell counts. Some require 5 or more, and others require 10 or more. A common rule is 5 or more in all cells of a 2-by-2 table, and 5 or more in 80% of cells in larger tables, but no cells with zero expected count. When this assumption is not met, Yates's correction is applied.

**Independence**

The observations are always assumed independent of each other. This means chi-squared cannot be used to test correlated data (like matched pairs or panel data). In those cases, McNemar's test may be more appropriate.

A test that relies on different assumptions is Fisher's exact test; if its assumption of fixed marginal distributions is met, it is substantially more accurate in obtaining a significance level, especially with few observations. In the vast majority of applications, this assumption will not be met, and Fisher's exact test will be over conservative and not have correct coverage (Chernoff and Lehmann 1954).

The statistical package used to analyze the data was SPSS.
CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter presents the analysis of the primary data collected for the study. The questionnaires administered to the stakeholders in the maritime trade are presented. Frequency tables and charts (bar and pie) are employed to bring out the distinctive features in the data.

Furthermore, descriptive and explorative statistical tools are used in this Chapter to answer the research questions asked in this study.

Table 4: Distribution of Age.

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 years or less</td>
<td>2</td>
<td>3.3</td>
</tr>
<tr>
<td>26-35 years</td>
<td>26</td>
<td>43.3</td>
</tr>
<tr>
<td>36-45 years</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>46 years and above</td>
<td>26</td>
<td>43.3</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100</td>
</tr>
</tbody>
</table>

From table 4, it is seen that two age categories constituted the highest age category. They are those who are between 26-35 (43%) and those who are 46 years and above (43%). The least age category are those who are 25 years or below (3.3%).

Table 5: Distribution of Gender.

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>53</td>
<td>88.3</td>
</tr>
<tr>
<td>Female</td>
<td>7</td>
<td>11.7</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 5 shows the percentage distribution of the gender of respondents. The male respondents (88.3%) were more than the female respondents (11.7%).
Table 6: Distribution of Type of Stakeholders

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel Traffic Management Information System Operator</td>
<td>14</td>
<td>23.3</td>
</tr>
<tr>
<td>Planners, Monitors and Instructors</td>
<td>16</td>
<td>26.7</td>
</tr>
<tr>
<td>Marine Engineers/ Mechanics</td>
<td>8</td>
<td>13.3</td>
</tr>
<tr>
<td>Others</td>
<td>22</td>
<td>36.7</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 6 shows that nearly 37% of stakeholders were in the ‘Others’ category. The least stakeholder group was Marine Engineers and Mechanics (13.3%). Vessel Traffic Management Information System Operators and, Planners, Monitors and Instructors were 23.3% and 26.7% respectively.

Table 7: Distribution of Working Experience.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 years or less</td>
<td>22</td>
<td>36.7</td>
</tr>
<tr>
<td>6-10 years</td>
<td>12</td>
<td>20.0</td>
</tr>
<tr>
<td>11-15 years</td>
<td>6</td>
<td>10.0</td>
</tr>
<tr>
<td>16-20 years</td>
<td>2</td>
<td>3.3</td>
</tr>
<tr>
<td>21 years and above</td>
<td>18</td>
<td>30.0</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>

From table 7, it is evident that respondents who have worked for five years or less (36.7%) represented the highest. Few (3.3%) have worked between 16 and 20 years. Thirty percent have also worked for 21 years and above representing the second highest.
Figure 2: Percentage Distribution of Harbours Respondents are Close to.

Figure 2 shows that, 68% of the respondents are working at Tema harbour whilst 32% are at Takoradi harbour.

Figure 3: Percentage Distribution of Qualification of Respondents.
From figure 3, it is observed that 58.3% of the respondents have first degree and above. They represent the highest group of respondents. The lowest category are those who hold a diploma certificate (10.0%).

**Figure 4:** Percentage Distribution of Whether Respondents Have Heard about Cabotage Law.

Figure 4 shows that 83% of the respondents have heard about the cabotage law as against 17% who have not.

**Table 8:** Distribution of Knowledge about the Cabotage Law.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating employment for indigenes in the maritime industry</td>
<td>22</td>
<td>36.7</td>
</tr>
<tr>
<td>Protection of territorial waters</td>
<td>16</td>
<td>26.7</td>
</tr>
<tr>
<td>Regulating the activities of the maritime industry</td>
<td>8</td>
<td>13.3</td>
</tr>
<tr>
<td>Promoting the use of local vessels</td>
<td>14</td>
<td>23.3</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 8 indicates that, 36.7% of respondents think that cabotage law is about creating employment for the indigenes in the maritime industry. Nearly 27% sees cabotage law as a way of protecting territorial waters from foreign operators. In addition, 23.3% claim it as a step to promote the use of local vessels whilst the least percentage (13.3) of respondents regard the law as a way of regulating the activities of the maritime industry.

**Figure 5:** Percentage Distribution of Respondents Knowledge about the Bill being sent to Parliament of Ghana.

Figure 5 reveals that 67% of respondents are aware that the cabotage bill is about to be sent to Parliament of Ghana. However, 33% are not aware.

**Table 9:** Distribution of Necessity to Pass the Bill into Law.

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>58</td>
<td>96.7</td>
</tr>
<tr>
<td>No</td>
<td>2</td>
<td>3.3</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>
From table 9, 96.7% of respondents said it is necessary to pass the bill into law whilst 3.3% feels it is not necessary.

**Table 10**: Distribution of the Threats the Law will pose to the Maritime Industry.

<table>
<thead>
<tr>
<th>Threat</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>There will be lack of trained personnel to manage the maritime industry</td>
<td>10</td>
<td>16.7</td>
</tr>
<tr>
<td>It will kill competition</td>
<td>20</td>
<td>33.3</td>
</tr>
<tr>
<td>There will be trade limitation</td>
<td>18</td>
<td>30.0</td>
</tr>
<tr>
<td>There will be dissatisfaction in wage structure for Ghanaians in the maritime industry</td>
<td>12</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 10 displays the threats the cabotage law will pose to the maritime industry. The highest percentage (33.3%) of respondents claim that cabotage law will kill competition. The least percentage (16.7%) of respondents believe that there will be lack of trained personnel to manage the maritime industry.

**Figure 6**: Percentage Distribution of Education of Respondents on the Cabotage Law.

From figure 6, it is realized that only 27% of the respondents are aware of the cabotage law and what it is about, whilst 73% of the respondents have no any idea about the cabotage law.
Figure 7: Percentage distribution of knowledge on if cabotage-practicing countries have been contacted for Ideas.

From figure 7, it is observed that respondents (46.7%) remain neutral as to whether countries who have taken the lead in the cabotage business have been consulted for ideas. Nearly 33% of respondents agreed and 3.3% disagreed.

Figure 8: Percentage distribution of whether personnel are being trained for the cabotage regime.
From figure 8, 36.7% of respondents disagree that personnel are being trained to take up roles previously played by foreign operators whilst 13.3% strongly agree.

![Pie chart showing responses to training question.]

**Figure 9:** Percentage Distribution of Whether Ghana Maritime Authority is doing its Best for the Bill to be passed into Law.

From figure 9, 45% of respondents strongly agree that the Ghana Maritime Authority is doing its best to ensure that the cabotage bill is passed into law. Thirty-five percent agree, 17% remain neutral whilst 3% disagree.
4.2 Analysis of the Economic Benefits of the Cabotage Regime.

Table 11: Opinions on Economic Benefits of the Cabotage Regime.

<table>
<thead>
<tr>
<th></th>
<th>SA</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghanaian shipping operators will be better off when the cabotage law becomes operational.</td>
<td>20 33.3</td>
<td>30 50.0</td>
<td>10 16.7</td>
<td>0 0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>The cabotage regime will bring employment to Ghanaian seafarers.</td>
<td>30 50.0</td>
<td>24 40.0</td>
<td>4 6.7</td>
<td>2 3.3</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>Shipbuilding and repair industries will expand during the cabotage regime.</td>
<td>20 33.3</td>
<td>26 43.3</td>
<td>14 23.3</td>
<td>0 0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>Revenue will improve under cabotage regime.</td>
<td>30 50.0</td>
<td>20 33.3</td>
<td>10 16.7</td>
<td>0 0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>Trading on inland waters in Ghana will be reserved for the local people.</td>
<td>12 20.0</td>
<td>28 46.7</td>
<td>16 26.7</td>
<td>4 6.7</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>Shipping trade will be affordable to Ghanaians.</td>
<td>14 23.3</td>
<td>18 30.0</td>
<td>28 46.7</td>
<td>0 0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>There will be increased domestic fleet</td>
<td>12 20.0</td>
<td>28 46.7</td>
<td>14 23.3</td>
<td>6 10.0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
<tr>
<td>National defense and security will improve because of restrictions on foreign shipping operators.</td>
<td>10 16.7</td>
<td>30 50.0</td>
<td>16 26.7</td>
<td>2 3.3</td>
<td>2 3.3</td>
<td>60 100</td>
</tr>
<tr>
<td>The cabotage law will attract new businesses to the maritime sector.</td>
<td>10 16.7</td>
<td>34 56.7</td>
<td>10 16.7</td>
<td>6 10.0</td>
<td>0 0</td>
<td>60 100</td>
</tr>
</tbody>
</table>

SA – Strongly Agree
A – Agree
N – Neutral
D – Disagree
SD – Strongly Disagree
From table 11, 50% of respondents agreed that cabotage regime will make Ghanaian shipping operators better. Fifty percent again strongly agreed that cabotage bill will bring employment to Ghanaians. 43.4 % agree that shipbuilding and repair industries will expand during the cabotage regime. 50% again strongly held that revenue will improve under cabotage regime. 46.7% agreed that trading on inland waters in Ghana will be reserved for the local people.46.7% held a neutral view that shipping trade will be affordable to Ghanaians. There will be increased domestic fleet was a view held by 46.7% of the respondents. In the area of national defence and security, 50% of the respondents agreed that it will improve because of restrictions on foreign shipping operators.56.7% claimed that cabotage law will attract new businesses to the maritime sector.

Table 12: The Harbour Worked Against Enough Vessels and Watercrafts Have Been

Built/Purchased for Operation During the Cabotage Regime.

<table>
<thead>
<tr>
<th>The Harbour worked</th>
<th>Count</th>
<th>% within Enough vessels and watercrafts have been built/purchased for operation during the cabotage regime.</th>
<th>% of Total</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Takoradi Harbour</td>
<td>19</td>
<td>.0% 46.9% 18.2% 31.7%</td>
<td>.0% 25.0% 6.7% 31.7%</td>
<td>0 15 4</td>
<td>19</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tema Harbour</td>
<td>41</td>
<td>100.0% 53.1% 81.8% 68.3%</td>
<td>10.0% 28.3% 30.0% 68.3%</td>
<td>6 17 18</td>
<td>41</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>100.0% 100.0% 100.0% 100.0%</td>
<td>10.0% 53.3% 36.7% 100.0%</td>
<td>6 32 22</td>
<td>60</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 13: Type of Stakeholder against Preparedness for the Cabotage Regime.

<table>
<thead>
<tr>
<th>Type of Stakeholder</th>
<th>Count</th>
<th>Agree</th>
<th>Disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vessel Traffic Management Information System Operator</td>
<td>14</td>
<td>4</td>
<td>10</td>
<td>100.0%</td>
</tr>
<tr>
<td>% within Type of Stakeholder</td>
<td>28.6%</td>
<td>71.4%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% within Stakeholders are prepared for the cabotage regime.</td>
<td>21.1%</td>
<td>24.4%</td>
<td>23.3%</td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>6.7%</td>
<td>16.7%</td>
<td>23.3%</td>
<td></td>
</tr>
<tr>
<td>Planners, Monitors and Instructors</td>
<td>16</td>
<td>4</td>
<td>12</td>
<td>100.0%</td>
</tr>
<tr>
<td>% within Type of Stakeholder</td>
<td>25.0%</td>
<td>75.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% within Stakeholders are prepared for the cabotage regime.</td>
<td>21.1%</td>
<td>29.3%</td>
<td>26.7%</td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>6.7%</td>
<td>20.0%</td>
<td>26.7%</td>
<td></td>
</tr>
<tr>
<td>Marine Engineers/ Mechanics</td>
<td>8</td>
<td>2</td>
<td>6</td>
<td>100.0%</td>
</tr>
<tr>
<td>% within Type of Stakeholder</td>
<td>25.0%</td>
<td>75.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% within Stakeholders are prepared for the cabotage regime.</td>
<td>10.5%</td>
<td>14.6%</td>
<td>13.3%</td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>3.3%</td>
<td>10.0%</td>
<td>13.3%</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>22</td>
<td>9</td>
<td>13</td>
<td>100.0%</td>
</tr>
<tr>
<td>% within Type of Stakeholder</td>
<td>40.9%</td>
<td>59.1%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% within Stakeholders are prepared for the cabotage regime.</td>
<td>47.4%</td>
<td>31.7%</td>
<td>36.7%</td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>15.0%</td>
<td>21.7%</td>
<td>36.7%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>19</td>
<td>41</td>
<td>100.0%</td>
</tr>
<tr>
<td>% within Type of Stakeholder</td>
<td>31.7%</td>
<td>68.3%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% within Stakeholders are prepared for the cabotage regime.</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td></td>
</tr>
<tr>
<td>% of Total</td>
<td>31.7%</td>
<td>68.3%</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

From table 13, Vessel Traffic Management Information System Operators who are part of stakeholders in the maritime industry disagree (71.4%) that the maritime industry is ready for the cabotage regime. The same view was expressed by Planners, Monitors and Instructors (75.0%). 75.0% of Marine Engineers and Mechanics disagreed that stakeholders in the maritime business
are ready for the cabotage regime. Others disagree (68.3%) that stakeholders are prepared for the cabotage regime.

**Table 14: Chi-Square Tests**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Df</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>1.423</td>
<td>3</td>
<td>.700</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>1.409</td>
<td>3</td>
<td>.703</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>.832</td>
<td>1</td>
<td>.362</td>
</tr>
</tbody>
</table>

N of Valid Cases 60

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 2.53.

**Table 15: Symmetric Measures**

<table>
<thead>
<tr>
<th></th>
<th>Value</th>
<th>Approx. Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nominal by Nominal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phi</td>
<td>.154</td>
<td>.700</td>
</tr>
<tr>
<td>Cramer's V</td>
<td>.154</td>
<td>.700</td>
</tr>
<tr>
<td>Contingency Coefficient</td>
<td>.152</td>
<td>.700</td>
</tr>
</tbody>
</table>

N of Valid Cases 60

**Hypothesis**

**H₀**: Stakeholders are not prepared for the cabotage law in Ghana.

**H₁**: Stakeholders are prepared for the cabotage law in Ghana.

From table 11, the Pearson Chi-Square statistic (0.700) is greater than the default p-value of 0.05. We therefore fail to reject the null hypothesis and conclude that stakeholders in the maritime industry are not ready for the cabotage regime.
CHAPTER FIVE

5.0 DISCUSSION OF RESULTS

From the analysis of the sample data obtained, it is revealed that the stakeholders in the Maritime Authority in Ghana are made of experienced people who have worked for periods spanning 2-30 years. These experienced people can help train the younger generation to replace them during old age and retirement.

Education is key in any human endeavor. This is reflected in stakeholders sampled. Close to 58% had a first degree and above – an indication of a knowledgeable workforce. The complexity of the maritime business requires a workforce very knowledgeable in the sector. The changing trends in shipping business has made it necessary to constantly upgrade the knowledge base of stakeholders in the sector. It is against this backdrop that the stakeholders in the maritime economy includes the academic institutions offering maritime disciplines. If more than half of the respondents had a minimum of a first degree or better, then the sector can compete very well on the global market.

The view expressed by the various stakeholders regarding Ghana’s readiness for the cabotage regime has shown that enough preparation is needed. The stakeholders included marine engineers and mechanics, vessel traffic management information system operators, planners, monitors, instructors and students from the regional maritime university in Ghana.

The Director General of the Ghana Maritime Authority, Mr. Kwame Owusu, visited Nigeria in preparation towards Ghana’s Cabotage Law. The visit was aimed at fostering good relationship and to share knowledge in cabotage regime. Yet, the study revealed that only Nigeria, has been contacted in the midst of about 119 cabotage practicing countries. This indicates that there exist more work to be done in knowledge acquisition in the cabotage regime.

Concerning knowledge about cabotage, employment creation for the indigenes in the maritime industry was the view upheld by the majority of stakeholders. This shows that cabotage is understood as employment for the people. The teaming local seafarers who seem being sidelined by foreign shipping companies in the country are desirous to see the dawn of the cabotage regime, principally because it will give them work to do. This will also ensure that unemployment among the seafarers is totally eradicated or lessened. In the 21st century, the burden of most governments has been employment creation. If the maritime sector is able to shift from foreign dominance to local dominance, Ghana’s unemployment pressure will ease.
It is a distinctive feature of regimes that once they become operational, challenges rear their ugly heads. The cabotage law is no exception. Stakeholders claim the law will kill competition, limit trade and bring about dissatisfaction in wage structure for Ghanaians seafarer and the majority of the industry players. Another challenge is that there are inadequate trained personnel to manage the maritime industry. Competition is good. It makes competitors do their things not only right, but better. By bringing on cabotage, there will be local dominance in the shipping economy resulting in a non-competitive shipping operations. In other words, there will be a relaxed shipping economy. However, a balanced, fair, competitive platform should be encouraged to move the industry at a faster pace.

However, on the other hand it is believed by some industry players that wage structure discrepancies will become a cancer because it is identified to be one of the challenges the regime will bring in its wake. When the law becomes operational, it is feared that local ship owners will not give seafarers attractive salaries. They will not pay their workers international wages, thereby creating tensions and disaffections resulting in low productivity. This a key area to be considered when the regime is out-doored.

Before the take-off of any regime, education and training must precede. These have not been fully done in order to ensure that stakeholders are aware of the regime. If the education about cabotage is low and training is lacking then the purpose of the regime has been defeated right from the start.

In Nigeria, prior to the cabotage regime, the Seafarers Development Programme in conjunction with the state sent personnel to India and United Kingdom to learn their cabotage strategies (Bello-Olowookere, 2011). This helped them to acquire the basic training required to start the cabotage regime. As to whether countries that have taken the lead in the cabotage business have been contacted for ideas, stakeholders in the maritime business in Ghana remain neutral. This neutrality is explained in two ways. Either people have been sent for training but they are not aware or they have not sent personnel for training at all.

It is still clear that the maritime cabotage law, if properly harnessed will make possible the attraction of new businesses to the maritime sector. It also came up that by assisting the local ship owners acquire vessels through loans and government subsidies, the number of vessels owned domestically will increase providing a solid ground for the cabotage regime to thrive. The analysis have shown that not a single new vessel has been acquired in preparation for the regime. A practice which is not a good sign for the cabotage regime. Revenue generation has been the goal of most governments. It is out of revenue developmental project are done. Views expressed by respondents showed that revenue will improve under cabotage regime. This is especially true in that certification and registration of vessels for cabotage will be done at a fee. Another area of growth will be the local shipbuilding and repair industry. When vessels are built locally and are repaired
locally, when they are faulty, there will be expansion of the industry. More skilled indigenous artisans will cease the opportunity to improve their economic statuses.

Security of the shipping industry is of utmost importance to all people in the sector. If shipping is constantly under the attack of robbers, the industry stands to be unattractive to clients and customers. Foreigner who have advanced technologies are usually the perpetrators of attacks. By restricting foreign operations and regulating their activities, national defense and security will improve.

It is obvious that the Ghana Maritime Authority is doing its best to ensure that the cabotage bill is passed into law. Their recent visit to Nigeria, is a proof of that. Yet, there are more successful cabotage countries outside Africa to be contacted to tap from their experiences to make the coming regime a prosperous one. The design of the draft bill, is another sign that efforts are being made to usher in the regime.
CHAPTER SIX

6.0 SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

6.1 SUMMARY OF FINDINGS

The research assessed the preparedness of stakeholders for the cabotage law in Ghana. Sixty stakeholders were sampled and it was discovered through Chi-Square analysis that stakeholders in the Maritime Industry are inadequately prepared to usher in the cabotage regime.

It was hypothesized that stakeholders are not ready for the cabotage regime against the alternative that stakeholders are ready for the regime. The null hypothesis was not rejected based on the calculated Chi-Square statistic (0.700) which was greater than the default p-value of 0.05. Conventionally, if the test statistic is greater than the default p-value we fail to reject the null hypothesis.

The stakeholders engaged in the research were made up of Vessel Traffic Management Information System Operators, Planners, Monitors Instructors, Marine Engineers, Mechanics and Others. They showed their disagreement to the statement that Ghana maritime industry is prepared for cabotage with the respective percentages 74.4, 75, 75, 59 and 68.

Another outcome was that education in the cabotage law is low. There has not been enough education to prepare stakeholders’ mind for the regime. Although our sample result showed that 83% of stakeholders have heard about the cabotage law as against 17% who have not, it is obvious hearing about the law is different from education in the law.

Nearly 50% of respondents said that the regime will make life of the Ghanaian shipping operator improve. Another 50% percent strongly agreed that cabotage regime will create employment for Ghanaians. In the shipbuilding and repair business, 43.4 % agreed that that sector will expand during the cabotage regime. Again, 50% strongly held that revenue will see an upward trend under cabotage regime.

About trading on inland waters in Ghana, 46.7% agreed that it will be reserved for the local people. Also, 46.7% held a neutral that shipping trade will be affordable to Ghanaians. Close to 47% supported the view that there will be increased domestic fleet.

In the area of national defence and security, 50% of the respondents agreed that it will improve because of restrictions on foreign shipping operators and 56.7% claimed that cabotage law will attract new businesses to the maritime sector.
6.2 CONCLUSIONS

It has become clear from our discussion that, Ghana is not fully prepared for the cabotage regime. Although the cabotage regime promises a better way of harnessing the resources in the shipping business for the benefit of the indigenes, preparations to welcome the regime are inadequate.

The sophisticated nature of the shipping industry requires adequate training of personnel to acquire the requisite skills to take up roles previously played by foreign operators. This is lacking according to the views expressed by respondents.

It was also revealed that education about the cabotage regime is low. Stakeholders in the shipping industry who have a stake in the success or otherwise of the industry have not been full educated to equip them for the regime. In order to see the success of the regime players of the industry must be made to know and understand the content of it.

Shipping vessels have not been acquired and many successful cabotage countries have not been contacted for ideas concerning cabotage. So far, only Nigeria, Ghana’s closest neighbour in the cabotage regime has been contacted.

6.3 RECOMMENDATIONS

If Ghana is hopeful of venturing into the cabotage regime and become successful, then it is recommended that adequate preparation be made ahead of time. The preparations are broken down as follows:

- Train people to be able to fit into roles played by non-citizens. This is particularly important to ensure that no gaps are created when the law becomes operational.
- Seek more ideas from countries that have taken the lead in the cabotage business. The rich experiences of countries who are already in the business will help the new entrants to succeed.
- Educate stakeholders about the cabotage law and its benefits.
- Assist local shipping operators to acquire shipping vessels through granting of loans.
and subsidies. Shipping operators are encouraged to form partnerships to be able to assist in vessel acquisition.

Lastly, it is recommended sufficient measures are putting in place by all the stakeholders to help the country in its attainment and realization of a successful cabotage regime.
QUESTIONNAIRE

Dear Respondent,

This questionnaire is designed to solicit information about the preparedness of stakeholders for the cabotage law in Ghana. It is solely for academic purposes. Respondents are assured that any information provided will be kept confidentially.

Part A: Personal Information

*Please indicate your choice of answer by placing a tick [✓] in the boxes provided.*

1. Age
   - 25yrs or less [ ]
   - 26-35yrs [ ]
   - 36-45yrs [ ]
   - 46yrs and above [ ]

2. Sex
   - Male [ ]
   - Female [ ]
3. Marital Status

- Married [ ]
- Single [ ]
- Widowed [ ]
- Divorced [ ]
- Others [ ]

4. What type of work do you do in the maritime industry?

……………………………………………………………………………………………………
……………………………………………………………………………………………………

5. How long have you been working in the maritime industry?

- 5 years or less [ ]
- 6-10 years [ ]
- 11-15 years [ ]
- 16-20 years [ ]
- 21 years and above [ ]

6. Indicate the harbour you are working with.

- Takoradi harbour [ ]
- Tema harbour [ ]

7. Academic/Professional Qualification

- First degree and above [ ]
- Diploma [ ]
- Senior High School [ ]
- Others (Professional Certificates, etc.) [ ], Specify………………….
Part B: General Questions On Cabotage

8. Have you heard about the cabotage law?
   Yes [ ]
   No [ ]

9. What do you think the law is about?
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
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   ……………………………………………………………………………………………

10. Are you aware that the cabotage bill is in the Parliament of Ghana for it to be pass into law?
    Yes [ ]
    No [ ]

11. Do you think it is necessary to pass this bill into law?
    Yes [ ]
    No [ ]
    If yes, why do you think it is necessary? …………………………………………………
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………
    If no, why do you think it is not necessary? …………………………………………………
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………
12. What are the likely threat(s) you think the law will pose to the Ghanaian shipping industry?

[Blank Space]

13. Do you think enough education has been given to stakeholders in the industry concerning the cabotage law?

Yes [ ]
No [ ]

14. What economic benefit(s) do you think the law will bring to the shipping industry?

[Blank Space]

Show your level of agreement or disagreement to the following statements.

15. The cabotage policy is seen as protectionist and against the spirit of free competition.

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]

16. Stakeholders are prepared for the Cabotage regime.

Strongly Agree [ ]

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17 Enough vessels and watercrafts need to be build / purchase for the operations of the cabotage regime.

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]

18 The Ghana Maritime Authority need to contact other countries practicing the cabotage regime for ideas concerning the law.

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]

19 There is a need to train officers and crew to take up roles previously played by foreign operators.

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]

20 Ghanaian shipping operators will be better off when the cabotage law becomes operational.

Strongly Agree [ ]
Agree [ ]
Neutral [ ]
Disagree [ ]
Strongly Disagree [ ]
21 Ghana Maritime Authority is doing its best to ensure that the cabotage bill is passed into law.

  Strongly Agree [ ]
  Agree [ ]
  Neutral [ ]
  Disagree [ ]
  Strongly Disagree [ ]

22 The cabotage regime will bring employment to Ghanaian seafarers and the sector as a whole.

  Strongly Agree [ ]
  Agree [ ]
  Neutral [ ]
  Disagree [ ]
  Strongly Disagree [ ]

23 Shipbuilding and repair works industries will expand when the cabotage regime becomes operational.

  Strongly Agree [ ]
  Agree [ ]
  Neutral [ ]
  Disagree [ ]
  Strongly Disagree [ ]

24 The country’s revenue will improve when the cabotage regime becomes operational.

  Strongly Agree [ ]
  Agree [ ]
  Neutral [ ]
  Disagree [ ]
  Strongly Disagree [ ]

25 Trading on inland waters in Ghana will be reserved for the local people.

  Strongly Agree [ ]
  Agree [ ]
  Neutral [ ]
  Disagree [ ]
  Strongly Disagree [ ]
26 Shipping trade will be affordable to Ghanaians.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

27 There will be increased domestic fleet.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

28 National defence and security will improve because of restrictions on foreign shipping operators.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

29. The Cabotage law will attract new businesses to the maritime sector.

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
</table>

Thank you for sparing your time.


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