

PRESS STATEMENT

Terminal Handling Charge (THC) Abolished in Ghana

We, the leadership of key Business Associations comprising the Association of Ghana Industries (AGI), Ghana National Chamber of Commerce (GNCC), Ghana Chamber of Mines, Federation of Associations of Ghanaian Exporters (FAGE), Ghana Union of Traders Associations (GUTA), Private Enterprise Federation (PEF), Ghana Root Crops and Tubers Exporters Union (GROCTEU), Ghana Institute of Freight Forwarders (GIFF), Importers and Exporters Association of Ghana, Food and Beverages Association of Ghana (FABAG), Customs Brokers Association of Ghana (CUBAG) and the Greater Accra Regional Shipper Committee (GARSC), representing a critical mass of Shippers (importers and exporters) and businesses in the country wish to bring to the notice of all Shippers and the general public, the recalcitrant attitude of some Shipping Lines/Agents who have blatantly defied the directive of the Honourable Minister of Transport on the Terminal Handling Charges (THC), and continue to impose the Terminal Handling Charge as a local charge on Shippers in Ghana.

It would be recalled that this matter was first brought to the attention of the Honourable Minister for Transport, who quickly called for a suspension of the THC on August 10, 2016 to allow the Ghana Maritime Authority to investigate the matter and advise the Ministry appropriately. Consequent upon the report of the Ghana Maritime Authority the Hon. Minister issued a clear directive on September 2, 2016 abolishing the Terminal Handling Charge (THC) as a local charge in Ghana.

Unfortunately, some Shipping Lines are still imposing the THC on shippers in contravention of the Minister's directive. The conduct of these Shipping Lines clearly defeats Government's efforts towards reducing the cost of doing business in our ports through the trade facilitation measures and infrastructure investments.

We, the critical mass of the business community in Ghana, note as follows:

1. The THC is already embodied in the ocean freight that shippers pay to Shipping Lines, and consequently the THC as a local charge amounts to a duplicated fee which is unfair and illegitimate.
2. Available maritime statistics indicate that the THC will cost the already burdened shippers in Ghana over USD 78 million per year, if this persists.
3. It is inappropriate for Shipping Lines to use such illegitimate means to impose such a cost on Shippers in Ghana who are already paying "Administrative Fees" of over USD 160.00 per TEU (amounting to over USD 83 million per year) to these same Shipping Lines/agents without justification. The survival of our businesses and our competitiveness as a country is seriously threatened by these charges.

4. The following are the Shipping Lines/Agents who have flouted the Honourable Minister's directive, and they don't deserve to continue to do business in our country;
 - a. MSC Ghana Ltd (MSC)
 - b. PIL Ghana Ltd. (PIL)
 - c. CMA CGM Ghana Ltd. (CMA CGM)
 - d. Maersk Ghana Ltd. (MAERSK)
 - e. Intermodal Shipping Agency Ghana Ltd (ISAG)
5. Any attempt by any Shipping Line to impose the THC or hold Shippers' cargo unduly must quickly be brought to the notice of the respective Association with some evidence.
6. Any importer who has made any THC payment after September 2, 2016 when the directive came into effect, should put in a claim to the Shipping Line /Agent for refund.
7. It is very worrying how some Shipping Lines operating in Ghana who were part of the initial meeting chaired by the Honourable Minister of Transport could blatantly disregard the Minister's authority and flout his clear directive that the THC be suspended immediately. These Shipping Lines are still charging the THC.
8. We therefore call on Government and the Ghana Ports & Harbours Authority to begin to consider appropriate sanctions against these recalcitrant Shipping Lines who will not dare to put up such a behavior in their home countries. The authorities must not rule out the denial of entry into the ports of Ghana of these Shipping Lines, if necessary.
9. We expect all Shipping Lines operating in Ghana to respect and remain subject to the laws of Ghana, including rules and regulations of Ghana's Maritime Industry.
10. Finally, if these Shipping Lines/Agents do not stop the imposition of the THC in Ghana, and the authorities do not take appropriate action to stop them, the Business Associations would take further actions as are necessary to ensure that Shippers in Ghana are not treated with disdain. We remain resolute in collective solidarity and will strongly resist any attempt by any Shipping Line to further impose such THC.

SIGNED: *Seth Twum-Akwaboah*
Chief Executive Officer, AGI

For and on behalf of the following;

1. Ghana National Chamber of Commerce (GNCC)
2. Ghana Union of Traders Association (GUTA)

3. Private Enterprise Federation (PEF)
4. Ghana Chamber of Mines
5. Federation of Associations of Ghanaian Exporters (FAGE)
6. Ghana Root Crops and Tubers Exporters Union (GROCTEU)
7. Greater Accra Regional Shipper Committee (GARSC)
8. Ghana Institute of Freight Forwarders (GIFF)
9. Importers and Exporters Association of Ghana
10. Food and Beverages Association of Ghana (FABAG)
11. Customs Brokers Association of Ghana (CUBAG)

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