THE IMPACT OF THE GCNET ON CLEARING TIME AT THE PORT OF TEMA

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DECLARATION

I hereby declare that this study is my original work conducted between August 2006 and May 2007 under the supervision of Professor Assimeng and Madam Joana Botchway of the Regional Maritime University.

Where quotations and ideas have been taken from other authors and works, these have been duly acknowledged. I further declare that the study or any part of it has not been submitted for an award of degree anywhere.

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DEDICATION

I DEDICATE THIS STUDY TO THE WORLD’S GREATEST MOTHER, MRS MARGARET MANTE WHOSE CONTRIBUTION TO MY WHOLE LIFE AND MY EDUCATION IS BEYOND MEASURE. I FURTHER DEDICATE THIS WORK TO MY TREASURED HUSBAND MR. TITUS ADJEI AND MY CHILDREN (JENNIFER ADJEI, JASMINE ADJEI AND JEFFREY ADJEI) FOR YOUR SUPPORT AND ENCOURAGEMENT. YOU ARE GIFTS FROM GOD.
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Upon solemn reflection the only word that comes to mind is “EBENEZER” this is truly how far the lord has brought me. My profound gratitude goes to the most high God, the creator of the heavens and the earth, for without him life would have been meaningless.

This research has been the result of other people’s assistance and co-operation.
I wish to express my sincere thanks to all who have helped in one way or another to make it a success. I cannot overlook the untiring assistance given me by my supervisors Professor Assimeng and Madam Joana Botchway.

I also wish to acknowledge and thank the respondents and interviewees for making time off their busy schedules to contribute to the success of this research.
I cannot express my gratitude to other lecturers of the Regional Maritime University who made various corrections and suggestions to the success of this research. I am particularly grateful to my course mates for their contribution. To the entire staff and students to the Department of maritime studies, I say thank you.

III
ABSTRACT

The Ghana Customs Excise and Preventive Service has for several years dealt with the clearing of goods at the Ports of Ghana. Current global trends made it necessary for Customs Excise and Preventive Service (CEPS) to restructure its mode of operations. The bone of contention was to do with the facilitation of trade.

In its quest to facilitate trade, CEPS changed its system of clearing in 1990 to the System called the Automated System of Customs Data (ASYCUDA), and then to the Ghana Community network (GCnet) in the year 2003.

ASYCUDA had been introduced to reduce the clearing time of goods at the Ports. ASYCUDA was however faced with the problem of delay in clearing goods and was not as successful as it was expected to be. The GCnet was subsequently introduced with the aim of improving more on the clearing time.

This research compared ASYCUDA clearing time with GCnet clearing time and established the average ASYCUDA and GCnet clearing time. A comparison of the clearing time of the two systems was done to determine if GCnet had actually reduced clearing time.

The research was conducted at the Port of Tema. The Port of Tema was chosen because the respondents of the survey questionnaire are Freight forwarders / Clearing agents. This group is easily located at the Port of Tema where the business of clearing goods is centered.

A combination of non random sampling methods, specifically purposive sampling and simple random sampling were used in sampling. The sample consisted of seventy four Clearing agents and ten Customs officers. An expert on the GCnet and another expert on ASYCUDA were interviewed. Unstructured interviews were used for the experts while structured interviews were used for the Freight forwarders and Customs officers.
Unstructured interviews were used to collect more information from Freight forwarders and Customs officers. The Structured interviews ensured uniformity of questions while the unstructured interviews provided information on the issues that needed to be further discussed. Findings from the study indicated that a significant number of respondents believed that the GCnet was a faster method of clearing as compared to ASYCUDA.

In order to improve on the system, Customs needs to get stakeholders actively involved in trade facilitation as well as improve on its own staff and the GCnet system. Freight forwarders must be made the target group for the educational programme of Customs because Freight forwarders are the life line to the business of imports and export clearing in Ghana.
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CHAPTER ONE

BACKGROUND OF THE STUDY

1.1 INTRODUCTION

Customs administrations play a vital role in the growth of international trade and development of the global marketplace.

The role of Customs has now expanded to include national security, in particular the security and facilitation of legitimate trade from threats posed by terrorism, trans-national organized crime, commercial fraud, counterfeiting and piracy. Given this role, the efficiency and effectiveness of Customs procedures can significantly influence and advance economic competitiveness as well as social development by promoting international trade and investment in a safer trading environment.

In an article by Michel Danet (2008, p1) titled, "Customs harmonization and facilitation of international trade", the author is of the opinion that, in today's highly challenging world, trade and investment flow towards efficient, supportive and facilitative locations. At the same time it will rapidly ebb away from locations which are perceived as a barrier to international trade and growth. Modern production and delivery systems, linked with the dramatic potential of new forms of electronic commerce, make swift and predictable Customs clearance an important prerequisite for national prosperity and economic development.

As a result of these challenges, the World Customs Organization (WCO) revised and updated its Kyoto Convention to ensure that it met the current demands of international trade. This revised version was adopted by the WCO council in June 1999 and entered into force on February 2006 after 40 Contracting Parties to the original Kyoto Convention of 1974 had acceded to the Protocol of Amendments to the revised Convention.
In its revised form, the Kyoto Convention is widely regarded as the blueprint for modern and efficient Customs procedures in the 21st century. Once implemented widely, it provides international commerce with the predictability and efficiency that modern trade requires. The principles in the revised Kyoto Convention promote trade facilitation, and also ensure that the statutory functions of Customs are not compromised. Cross-border movement of goods is the key element in any international trade transaction and a Customs presence is an essential and statutory feature for the movement of such goods. The manner in which Customs provides for swift and efficient clearance of these goods reflects the quality of service provided by the government to the public.

The revised Kyoto Convention provides a comprehensive set of uniform principles for simple, effective and predictable Customs procedures with effective Customs control. It thus responds to the key needs of both modern day Customs administrations and the demands of international trade by providing a balance between the Customs functions of control and revenue collection and that of trade facilitation. This assurance of simple and standard procedures harmonized across administrations facilitates and boosts international investment and trade. The principles for efficient and simple clearance procedures in the revised Kyoto Convention apply equally to all goods and all means of transport (carriers) that convey goods into or out of a Customs territory. The formalities for all carriers on entering or leaving a Customs territory are also uniform.

Encouraging national economic growth is one of the key objectives for developing countries. To achieve this, developing countries must play a greater role in international trade. Simplifying the procedures to move goods across borders reduces administrative barriers, thereby encouraging small and medium-sized enterprises to become involved in international trade and attract foreign investment. This results in greater economic development. A number of developing countries played an active role during the revision of the Kyoto Convention. This has ensured that the revised provisions take into account their contributions and address their particular concerns.

The expression “electronic commerce” refers to the method of conducting business today and is the technique for the exchange of information in trade. Today’s Customs administrations have to accommodate modern business practices and the impact e-commerce can have on Customs procedures has influenced the swift and efficient clearance of goods.
Recognizing these changes in today's business practices and the role of electronic commerce, the revised Kyoto Convention requires Customs to apply information technology to support Customs operations. Wherever it is cost-effective and efficient for both Customs and the trade, it provides administrations with detailed guidelines on how to apply and implement information technology for the clearance of goods, carriers and persons. This assists Customs to deal with the demands generated by electronic commerce. This has affected international trade and Ghana is no exception. In most countries Customs is responsible for international trade and this is no different in Ghana.

The Ghana Customs Excise and Preventive Service (CEPS), is a Para military institution mandated by state law (PNDC Law 330, 1993) to perform several functions among which are:

- The collection of all customs revenue and other assigned taxes which should be appropriately accounted for.
- The facilitation of trade and movement of people across neighbouring borders as well as providing security for persons within Ghana and ensuring compliance with the laws of Ghana.
- The facilitation and enhancement of economic development and investment as well as establishing a good working relationship with industry and investors.

Trade facilitation requires a coordinated approach by trade partners to remove all obstacles to the free movement of goods and people. An important aspect of this facilitation involves clearing of goods, which Ghana Customs has dealt with for a long time, without much success.

An article by Bainiah, A (2007 p1) with the title "GCnet / GCMS- A modern solution to a business problem" explains that Customs documentation and clearing in Ghana was done manually until 1990. Thereafter the ASYCUDA (Automated System for Customs Data) was introduced. This system was an improvement upon the manual system since data was entered by the use of a typewriter on a standardized form. With the ASYCUDA the Importer / Freight forwarder had to make a self declaration of the required information on the imported goods.

However there were several problems with ASYCUDA. The most significant of the problems was that any person who needed information on the document had to study the hardcopy which had to be moved around physically by someone to make it available to whoever was interested in that particular document.
This particular problem created a leeway for declarants to alter the information that appeared on the Single Administrative Document (SAD) form, the standard document used for ASYCUDA. This was because only a small fraction of officers had access to the information on each consignment of goods landed by any ship, enabling Importers/ Freight forwarders to dodge the appropriate duties and taxes that had to be paid. ASYCUDA also caused delays in the clearing of goods at the Port, because one had to move documents physically to the various officers to be processed.

The need to improve on the ASYCUDA required the introduction of a system that would curtail the problems mentioned above. In line with the then Government’s macro-economic reforms, CEPS was tasked to streamline its controls and processing functions to facilitate trade. In pursuance of this, CEPS undertook measures to create a good corporate image by improving on the customs clearing system and enhancing revenue collection with the introduction of the GCnet.

1.2 THE GCNET

An improved version of Customs declarations known as the Ghana tradenet was introduced in the year 2002 by Societe Generale de Survieillance (SGS). The Ghana Trade Net comprised the Ghana Customs Management System (GCMS) and the Ghana Community network (GCnet). The GCnet is an Electronic Data Interchange (EDI) system for processing trade and customs declarations, and the payments involved by all parties connected to the system. The system allows relevant statutory bodies such as the Food and Drugs Board to issue exemptions, permits or approvals through the system. The revenue agencies could also monitor revenue collections. It also enables the Bank of Ghana to keep on line records of all duties and taxes paid at the ports. The statistical service department could also extract data from the system for statutory reports.

By this system Customs can electronically process declarations and perform related functions. The related functions include the electronic transmission and integration of manifests, validation of entries submitted by declarants, payment of duties and taxes, maintenance of Customs codes and regimes, generation of reports and the audit of these functions. Through the Ghana Tradenet’s EDI platform, users of the system are able to interface with the GCMS to transmit messages and receive responses electronically among themselves.
The various public sector agencies connected to the GCNET include the Ministry of Trade and Industry (MOTI), Ministry of Finance (MOF), The Bank of Ghana (BOG) and Customs, Excise and Preventive Service (CEPS). The Agencies involved are Shipping lines, AFGO, Freight forwarders and other participating Banks. The Ghana Tradenet therefore provides a medium for exchanging trade information between businesses on one hand and government agencies on the other.

1.3 THE RESEARCH PROBLEM

It was believed that the introduction of the GCnet could significantly reduce the turnaround time for processing trade and Customs documents as well as the inherent duplication and costs. This could have led to the realization of the goal of making Ghana the gateway to West Africa and the main hub for business activities in the sub region.

As much as it is believed by some stakeholders that the GCnet is an improvement of the ASYCUDA, they still complain about certain shortcomings. The main one being the time it takes to clear consignments. Although the time GCnet takes to clear goods is assumed to be better than that of ASYCUDA, there is still the need to ascertain the views of the users of the GCnet. This is because of the complaints about the clearance time among others. The ASYCUDA and GCnet clearing time would need to be compared to ascertain if the GCnet is a better clearing system in terms of time. This research therefore seeks to answer the question of whether the GCnet has reduced clearing time to the satisfaction of the port users.

1.4 RESEARCH OBJECTIVES

The study seeks to find out if the GCnet has reduced clearing time to the expectations of the Importer/ Freight forwarder. This could be done by comparing the GCnet’s clearing time at the Port of Tema with that of its predecessor, the ASYCUDA. It is only by comparing the clearing time for both that one can make an informed decision about which of the two systems has significantly reduced clearing time of goods at the Port of Tema.
In order to ascertain the efficiency of the GCnet as compared to ASYCUDA, the following would be established.

1. Establish of the average ASYCUDA and GCnet clearing time.
2. Compare the ASYCUDA clearing time with GCnet clearing time.
3. Determine if the introduction of the GCnet has reduced average clearing time to the expectations of the Importer/Freight forwarder.

1.5 SIGNIFICANCE/JUSTIFICATION OF THE STUDY

For several years, the import and export trade in Ghana has been bedeviled with several problems. The advent of globalization made it imperative for the government of Ghana to turn things around to create the right environment for import and export activities. It is only when a country provides a conducive environment for trade that investors are attracted.

In an article by Owusu Ansah, A (2006 p1) titled “Efforts at enhancing Customs operations to facilitate trade for Ghanaian Importers and Exporters” the author states that, in line with this realization, the government of Ghana set up an agenda of macro-economic reforms. CEPS was tasked to streamline its control and processing functions, which in the opinion of many observers, could act as obstacles to trade and business operations in the country. Consequently, CEPS is closely re-aligning its border and Port management operations with investment facilitation strategies to promote economic development and facilitate international business. The re-defined role of CEPS is to create the necessary platform for the private sector to pick up as the engine of growth. CEPS recognizes that it has a leading role to play in creating a dynamic innovative and vibrant private sector capable of competing in the global market.

The researcher hopes to establish the actual clearing time using the GCnet. This information could be used to further improve the system. The study would also provide concrete information to the government agencies who are stakeholders in the GCnet and or the Port of Tema to see the clearing time problem as a problem for “all on deck”. This would help in the formulation of policies that would go a long way to reduce clearing time. The study would also provide insight as to whether the GCnet has had any significant impact on clearing time.
The GCnet, which was formally launched by his Excellency, Alhaji Aliu Mahama (Vice President of the Republic of Ghana) in December 2002, was deployed at the Port of Tema in June 2003. The Port of Tema has used the system for three (3) years. The question one would ask is this – is the GCnet really an improvement of ASYCUDA?

This study intends to answer this question. The study would also establish the justification for the abolition of ASYCUDA and the introduction of the GCnet. This would throw more light on the issue of whether the introduction of the GCnet was necessary at all. A study of the clearing time of the GCnet is long overdue since it’s operations began in January 2003. The study will go a long way to confirm or refute the allegation that CEPS has been putting impediments in the way of Importers and subsequently prolonging clearing time. It is in line with these complaints and bad image that the GCnet was introduced. If the GCnet is really solving the problem of delays in clearing, it would also impact positively on the image of CEPS as well as the clearing system in general.

1.6 SCOPE AND LIMITATIONS OF THE STUDY

1.6.1 SCOPE

The study is limited to the Port of Tema, although the Port of Tema is not the only Port in Ghana. The GCnet system is in use at both sea Ports in Ghana, namely, the Port of Tema and the Port of Takoradi. The researcher selected the Port of Tema because it is the main port of entry for imported goods.

The Tema Port Newsletter (May-August, 2006 vol. 1 no. 1 p 5) indicates that seventy percent (70%) of imported goods are imported through the Port of Tema. Another reason why the researcher chose the Port of Tema is because the researcher is a resident of Tema and this would make data collection easier. The environs of the Port of Tema were excluded from the study. This is because the Tema Township is a metropolis. Although the Port happens to be located there, the immediate environs of the Port have no direct link with CEPS procedures at the port. The environs comprised the immediate surroundings of the Port and the Tema Township.
The study solicited information from stakeholders of the GCnet. The stakeholders are the Banks, Freight forwarders, Traders (Importers), Ministry of Trade and Industry, the Shipping lines, the Ghana Ports and Harbours Authority, CEPS, Ministry of Finance and the Destination Inspection Companies. The study was restricted to the study of the pre GCnet clearing system (ASYCUDA) and the GCnet system. The study provided more insight on how the GCnet has influenced clearing time in the perception of Importers and Freight forwarders. The opinion of all the various users of the system was used to assess the performance of the GCnet. Hundred questionnaires were prepared and distributed and a retrieval rate of 84% was registered.

1.6.2 LIMITATIONS

The study focused on the ASYCUDA and the GCnet clearing system. This is because the Customs clearing system is of paramount importance to all stakeholders in the import and export business. The two clearing systems (ASYCUDA and GCnet) were studied in relation to time needed to complete any one transaction.

Ideally, the study should have covered the complimentary systems (cargo clearance by Shipping lines, clearance by Ghana Ports and Harbours Authority etc) to the GCnet. These systems are the supporting systems used by users of the GCnet when dealing with the clearance of goods. A study of these complimentary systems could not be done because the study would cover too broad an area and would be too loaded to yield any detailed information. The researcher hopes that in future, research would be conducted in these areas to provide more information. The environment, (Port of Tema) where the researcher gathered the information was not the best. This is because the respondents were busy attending to clearing duties and were sometimes too busy to spare time to interact with the researcher.

The researcher also needed to move physically to the Port of Tema to administer the questionnaire. This was rather time consuming and prolonged the research time. This happened due to the fact that some of the respondents had to be contacted physically several times before the filled questionnaires could be retrieved.

The time frame for the submission of the research was rather too short and did not allow an in depth study into the problem. Some respondents needed to have the questionnaire read to them with the researcher recording the answers. Such respondents did not probably give accurate answers.
This was because they were in a Customs area and probably answered the questions in line with what they thought Customs officers wanted to hear. A significant number of such respondents would not give the facts on the ground. Fortunately only an insignificant number of such respondents were in this category.

In the case of respondents who could neither speak nor write English or Twi, there was a need to get an interpreter. There was a possibility of some degree of misinterpretation, which could cause alteration in the real answers given.

1.7 OPERATIONAL DEFINITION

1. Clearing- The removal of imported goods from the Customs area to its final destination.
2. Documentation- The correct preparation and presentation of relevant documents on a consignment of goods.
3. Congestion- Overcrowding of containers and consignments at the Port as a result of inadequate space.
4. Sub Region- All countries in West Africa.
5. Importer- Any person who imports or exports goods into or out of Ghana.
6. Clearing Agent- A registered Customs House Agent who transacts business with Customs on behalf of Importers and Exporters.
7. Shipping line- Any person(s) or company appointed by a carrier of goods (ships) to act on the carrier's behalf.
8. Government Arms- Governmental or quasi governmental organizations.
9. Stakeholders- Any company, person or party who has interest in any consignment or cargo handled by Customs.
The study is organized into five chapters:

**Chapter One** is about the nature and background of the research problem. It identifies the research topic, the objectives of the study, justification of the study, the scope and limitations of the study.

**Chapter Two** comprises literature review. It discusses current research knowledge on the subject.

**Chapter Three** delves into the methods and techniques available for data collections, which comprises survey and case studies which provided both qualitative and quantitative data.

**Chapter Four** deals with data presentation and analysis.

**Chapter Five** comprises summary, conclusion and recommendations.
CHAPTER TWO

LITERATURE REVIEW

2.1 CUSTOMS PROCEDURES

In an article by Martey, E (2006 p1) titled "Removing bottlenecks in the management of Ghana's import and export business" the author asserts that Governments all over the world, have a high priority to attain economic growth for their countries and ensure the economic and social wellbeing of their citizens. On the global level, the economy of most countries has attained economic growth through international trade.

African countries who have been trailing behind in economic growth have found it necessary to increase their foreign exchange through increased international trade. This would boost their economic growth.

In a bid to attract more international trade, most African countries have tried to streamline Customs procedures through reforms.

Wilson, J. F (2001) in his publication "Carriage of goods by sea" suggests that more international trade can only be attracted with the facilitation of trade. No matter how efficient these reforms seem, Customs systems seem to be fraught with numerous problems such as delayed and inefficient Customs services, leading to poor quality of service.

Importers become frustrated when confronted with these problems, and in order to cut these out, the Importers and Exporters become an aid to corruption in Customs. Corruption has therefore thrived in many Customs areas in most developing countries in spite of reforms in Customs. This situation has only compounded the problem of Trade facilitation.
Studies of the World Customs Organization (WCO) however suggest that reforms in Customs areas probably fail because they may be contrary to “accepted” norms and rules. This is because a lot of formal institutions consist of both formal and informal rules. The informal rules are as important as the formal rules.

Thus for any reform to be effective, the informal rules must be integrated into the formal for the efficient and effective operations of the institution. It is widely believed that corruption in many African countries is prominent in the Customs services as well as other government institutions.

Martey E, (2006 p1) further states that in pursuance of a solution to corruption which has woven itself into international trade, the World Bank, the International Monetary Fund (IMF) in the 1980’s and the Uruguay Round (1986-1994) General Agreement on Tariffs and Trade (GATT) negotiations led to the World Trade Organisations (WTO) Agreements in 1995, which has had significant impact on the trade policies of most developing countries.

The WCO, which has been very instrumental in International trade facilitation, was established in 1952 as the Customs Co-operation Council. The WCO is an intergovernmental body with a mission to enhance the effectiveness and efficiency of Customs administrations.

In order to fulfill it’s mission, the WCO assists member states to curb the challenges of the current business environment and adapt to unstable circumstances, by promoting communication and co-operation among members as well as international organizations.

In order to achieve this objective, it has become imperative for member states to use an information system from which information on inter and intra-national trade would be easily accessible.

One such current system in international trade is the Electronic Data Interchange that has become a vital aspect of Customs procedures. Although not all members states of the WTO use Electronic Data Interchange (EDI), most advanced countries have incorporated it in their Customs procedures. A few African countries including Ghana also use the EDI in Customs procedures.
African countries, often fraught with a myriad of economic problems need to increase their foreign exchange through increased international trade. In a bid to attract more international trade, most African countries have tried to streamline Customs procedures through reforms. However, no matter how efficient these reforms seem, Customs systems seem to be fraught with numerous problems such as delayed and inefficient Customs services, leading to poor quality of service. Importers become frustrated when confronted with these problems and in order to cut these out, the Importers and Exporters become an aid to corruption in Customs. Corruption has therefore thrived in Customs areas in most developing countries in spite of reforms in Customs.

These reforms probably fail because they may be contrary to "accepted" norms and rules. This is because a lot of formal institution consists of both formal and informal rules. The informal rules however are as important as the formal ones. Thus for any reform to be effective, the informal rules must be integrated into the formal for efficient and effective operations of the institution. It is widely believed that corruption in many African countries is prominent in the Customs services as well as other government institutions. This situation has only compounded the problem of trade facilitation. In order to curtail this problem, it has become necessary to hasten Customs procedures. This could probably be done with the use of the EDI.

The global emphasis on trade as a lifeline to growth has similarly influenced Ghana in its trade liberalization policy leading to the introduction of the EDI.

2.2. CUSTOMS PROCEDURES IN GHANA.

Customs procedures are as follows:

- Purchase an IDF (import declaration form) from the Ministry of trade and industry.
- Submit completed IDF together with Bill of Lading or Airway Bill, Invoice and Packing list to the appropriate Destination Inspection Company (DIC), depending on the country of export of the goods.
- Obtain FCVR (Final classification and valuation report) from the DIC.
- Submit declaration electronically to Ghana Customs Management System (GCMS) through the Ghana Community Network (GCnet) where the facility is available or purchase and complete the Single Administration Document (SAD) at the station of import where GCnet is not available on validation of the declaration or after acceptance of SAD.
- Pay relevant duties at the Bank where applicable.
• Proceed to the Long room with the hard copy of the declaration for further processing by compliance officers or summit pay-in slips together with the SAD to the Customs cashier for processing.

• Proceed to the outdoor (Cargo section) for examination and release of the Goods.

NOTE that the examination of goods may be done by a scanner or physical examination. The procedures described above include the use of the EDI known as the GCnet in Ghana. Since the inception of the GCnet, the practice of sending the declaration electronically is believed to have reduced clearing time, thereby facilitating trade.

2.3 GHANA CUSTOMS

One cannot talk about the use of EDI in the facilitation of international trade without mentioning Customs. The Ghana Customs Excise and Preventive service was established in 1839. The main purpose for the establishment of this institution was to boost international trade. CEPS performed several functions as a Civil Service Department until it became an autonomous institution in 1986 under PNDC Law 144 of 1986. Thereafter CEPS performed other agency duties all geared towards trade facilitation. Presently, CEPS is responsible for the collection of about fifty five percent (55%) of national tax revenue derived from indirect taxes.

CEPS is responsible for the collection of Import Duty, Import VAT, Export Duty, Petroleum Tax and other taxes. Presently, the VAT Service collects Excise Duty on behalf of CEPS, with the exception of that on Petroleum products.

These duties and taxes are used to finance the country's recurrent budget and development projects in the health, education, housing, transport sector etc. CEPS ensure the protection of revenue by preventing smuggling. This is done by physically patrolling the borders and other strategic points, examination of goods and search of premises as well as documents relating to goods. As an institution on the country's borders, CEPS plays a major role in surmounting external aggression and maintains the territorial integrity of Ghana. CEPS is therefore a part of the country's security network.
In addition to its revenue function, it also performs non-revenue functions on behalf of government ministries and agencies. The non-revenue function covers enforcement of laws relating to revenue, security, copyright, public health, imports and export restrictions, prohibitions etc. One could say with all confidence that it would be suicidal for CEPS to have continued using the manual system of clearing if it were to match other countries “toe to toe” in access to information on international trade in their home country.

The many functions of CEPS relating to international trade made it necessary for CEPS to have a shared common database. This could be achieved by the use of the EDI. CEPS however are not only involved with revenue. In order that CEPS performs these functions to meet international standards, it has a vision to provide World Class Service. This is reflected in its mission statement that states that the organization expects.

“To design and implement effective strategies and programmes to collect, account and protect Customs, Excise and other assigned tax revenues at a minimum cost, while facilitating trade, investment and the movement of people across the borders of Ghana through effective and transparent service delivery”.

In pursuance of its mission, CEPS has a policy which seeks to:

- Provide service that is efficient, fair and transparent.
- Provide sufficient research to ensure the service is effective in the performance of its duties.
- Recruit, train and maintain a highly qualified and motivated Workforce.
- Ensure the public is aware of CEPS contribution to the nation

Customs regimes are all geared towards facilitation of international trade. Ghana Customs operations cover the following regimes;

1. Import Regime
2. Export Regime
3. Customs Bonded Warehousing
4. Free Trade Zones
5. Transit and Transhipment
An article by Emmanuel Martey with the heading "Removing Bottlenecks in the management of Ghana's Import and Export Business" dated 4-5 October 2006 page 2, presented at the 4th National Shippers Day indicates the following statistics:

"Ghana's maritime cargo throughput increased from 5.0 million tonnes in 1990 to over 11.3 million tonnes in 2005, an increase of more than 126%. For the year 2005, Ghana's seaborne import was 7.4 million tonnes".

In spite of the significant increase in seaborne imports, there is still much to be done if the country is to attain the maximum capacity of imports. This is because there are numerous problems associated with trade transactions in Ghana. This is more pronounced in cargo clearance at the seaports of Tema and Takoradi. Exports provide foreign exchange revenue, which is needed for the importation of raw materials, machinery and equipment. The magnitude of exports greatly influences the economy of a country. A close look at the economy of Ghana revels that there has not been any significant growth. This is probably due to a major emphasis on imports to the detriment of exports.

For a developing country like Ghana, one cannot consider exports without imports. In Ghana, imports form the "nerve centre" around which a significant chunk of activities revolve. This is due to the simple reason that a large percentage of items used in Ghana are imported. This has culminated in a large percentage of Ghanaians being traders, either on a large or small scale. Ghana derives 70% of its internally derived revenue from imports through Customs duties and taxes. Indeed Ghana Customs expects to perform better with the use of the EDI. This is because it is believed that this will speed up transactions on international trade as well as the clearing of goods at the Ports and other entry points.
2.4 TRANSITION FROM THE MANUAL SYSTEM TO GCnet

Ghana Customs used a manual system of clearing until ASYCUDA which was developed by UNCTAD was introduced.
The United Nations Development Programme (UNDP) presented a written paper to CEPS on the Automated System of Customs Data (ASYCUDA). The UNDP requested that CEPS made a proposal. CEPS Management decided to change from the manual system to ASYCUDA. The proposal was funded by UNDP. Preparations for the transition were made in 1988 and ASYCUDA was launched in 1986. ASYCUDA was first launched at the Port of Tema and the Kotoka International Airport in 1990.

The Project team comprised of

- The train the trainers and
- The technical team

While these two (2) groups were trained in the United Kingdom, the System Administrators were trained in Switzerland.

The parent project co-coordinator was the community computer centre (CCC) which was in Togo.

CEPS officers were trained by the CCC in Ghana. Clearing Agents were also trained by the CCC on how to use the Single Administrative Document, SAD (The standard form for ASYCUDA). Togo still used the ASYCUDA. ASYCUDA however had its challenges.

2.5 CHALLENGES OF ASYCUDA.

The introduction of ASYCUDA was a problem. Though staff of CEPS had been educated about it, the staff felt there was likely to be laying off of staff. The ASYCUDA had been recommended by the UNDP and the then military Government. Thus CEPS just went along with ASYCUDA without much commitment. The challenges stemmed right from management.
Management:
The management of CEPS was divided about ASYCUDA because the functions of CEPS seemed to have been taken over by another organisation. Management resisted because they felt their roles would be submerged. The resistance of Management became very obvious in the acquisition of logistics such as computers.

Purchase of Personal Computers.
Personal computers were quite expensive when ASYCUDA was introduced. Though there was funding for the purchase of computers, what was purchased was not enough for the entire CEPS officers in Ghana. As if this were not enough, officers further compounded the problems.

Apathy and Resistance:
Computers became popular in Ghana in 1986 so when it was introduced to CEPS in 1990 it was surrounded by mystery. Officers were apathetic. The staff of CEPS as well as other government agencies such as the Ministry of trade resisted the use of computers. This was because people did not know much about the use of computers and therefore felt intimidated. Importers and Clearing agents however did not have a choice than to go along with the directive to use the ASYCUDA. This was because the needs of Customs were tailor made in terms of procedures.

CEPS came to the realization that there was a mystery around the use of computers after the introduction of ASYCUDA. CEPS authorized an appraisal on the IMPACT OF COMPUTERISATION. The appraisal was done by Crown Agent of the British Council. The report was compiled by David Green. According to the report the Management of CEPS was myopic about ASYCUDA and only discussed the problems when there were complaints from the public. Customs recommended a change from ASYCUDA due to ignorance about ASYCUDA. Most officers had no idea of the varied functions of ASYCUDA which had all the functions of the Trade net. The Tradenet has all communities that transact business with customs connected to the system.
The last version of ASYCUDA used in Ghana was ASYCUDA version 2.7. UNCTAD appraised the ASYCUDA system in Ghana and recommended the use of either ASYCUDA ++ or the Singapore network (SMS). As a result of the recommendation, the Commissioner of CEPS was invited to Japan to assess the system and he came up with a program similar to the SMS.

In line with the Commissioner's requirement, UNCTAD recommended that CEPS switch from ASYCUDA to EDI. UNCTAD's recommendation was readily accepted by CEPS. UNCTAD also recommended a Government to business (G to B) approach with Computerization. This approach would involve private companies in the Government Sector. A bid was subsequently placed for the implementation of the EDI. This bid was won by the GCnet.

The GCnet has curtailed the problems of ASYCUDA by a small percentage, according to Experts of the network. This is because ASYCUDA was locally networked while the GCnet has each local area being interconnected. With the ASYCUDA, Agents had to prepare inputs for CEPS but with the GCnet, the Agents input information in their front end system.

The GCnet has been successful as a result of certain supportive situations such as:

- The availability of Computers
- Improved technological expertise
- The deployment of modern Technology
- Increased computer literacy among CEPS Staff.

Certain countries in Africa that use the EDI are Nigeria, Ivory Coast and Senegal. The United Kingdom uses the EDI called CHIEF-Customs Handling of Import and Export Freight. The GCnet has not only been successful but has had significant impact on the clearing of goods and subsequently revenue.
2.6 IMPACT OF GCnet

GCnet services claim revenue has improved with the introduction of the network. In spite of this perception, CEPS has not met its target for the past two (2) years (2005 and 2006) probably as a result of non proactive Human resources. Though the computers and system are in good shape, CEPS has not helped the system much probably because CEPS has not been very effective in checking smuggling. Smuggling could be checked through procedures such as transit procedures. The GCnet system is almost faultless but has had problems from the Human Resource. In order to make the GCnet as efficient as possible, there is need for a cultural change in CEPS.

2.7 AUTOMATED SYSTEM OF CUSTOMS DATA. (ASYCUDA)

The Ghana Customs Excise and Preventive Service was using a manual method of documentation for clearing goods until ASYCUDA was introduced in 1989. Although the name suggests that the system is automated, it was not exactly so. This system was partially manual because it required a lot of physical interaction. A look at the ASYCUDA procedure will confirm this.

ASYCUDA had a standardized form, which had to be completed by the Importer/Freight forwarder. All information on the form was provided by the Importer/Freight forwarder i.e. self declaration.

The other relevant documents were attached and presented to a Face Vet officer who checked to ensure that the form been properly completed and the relevant documents attached to the declaration. Face Vet did not require access to computers. The necessary duties and taxes were paid after assessment of taxes by the assessment officer. The declaration then proceeded to the Data input officer who copied the information on the declaration into the computer. A rejection of the information by the computer meant that the declaration could not be registered. A query sheet had to be completed by the Data input officer, and attached to the declaration which was sent to the query desk.

The necessary correction had to be made by the Freight Forwarder and the declaration sent back to the Data input officer. However a successfully entered declaration proceeded to the Verification officer allocated by the computer to the declaration.
The Verification officer received declarations from the Data input officer and checked that the information declared and the declaration printout was correct and in accordance with the supporting documents and conditions governing the applicable Customs Procedure code.

The declaration together with the relevant documents was then sent to the Examination bay where an Examining officer was assigned for examination of the consignment. If the consignment was found to be as declared, the consignment was released by the Releasing officer. In the situation where the contents of the consignment were found to differ from what had been declared, the necessary correction was made by the Freight forwarder and the SAD form went through the process again.

A study of the processes that ASYCUDA went through seems to suggest that it probably prolonged clearing time. This was indeed the complaint of Importers and Exporters. This necessitated the need to switch to another system believed to be faster – the EDI.

2.8 ELECTRONIC DATA INTERCHANGE

In an article by Oriol, J (2007 p 2,3) titled “Electronic Data Interchange in Port management. The experience of the Port of Barcelona” found in the FAL Bulletin # 131, February 1997, Facilitation of trade and transportation in Latin America and the Caribbean, the author explains that Electronic data Interchange (EDI) is a leading data-exchange technology, but perhaps the least known in developing countries. EDI is the exchange of structured messages between computers with no human intervention in the reading or recording of these messages. The boom it is enjoying at present is a logical outcome of the information load companies now labour under.

A look at the procedure for sending a bill of lading for example, shows that in most cases all the data the documents contain, are output from the forwarder’s computer onto paper or some other medium and sent by post, e-mail, fax, courier or other means to the consignee. The consignee reads the message and immediately inputs the relevant information into a computer. Thus the main difference between EDI and e-mail or fax is not the means of transmission but the fact that EDI circumvents the slowest, most error-prone procedures, namely those involving human intervention.
However, if two computers from different companies are to be able to understand one another, without human intervention, the format of the messages to be transmitted needs to be agreed upon before hand. This is relatively straight forward in two-way communications, but when a large number of people, including some from different countries wish to communicate, it is a more complicated matter. In order to solve this problem, the United Nations developed its “rules” for Electronic Data Interchange for administration, commerce and Transport (EDIFACT), now the most widely used language for standardizing EDI messages relating to commerce and transport. Many documents that are commonly used in goods transportation, such as cargo manifests (IFCSUM) and Customs declarations (CUSDEC) have now been standardized.

Electronic document exchange can of course take place using either EDIFACT or any other language the parties may agree upon. However as mentioned above EDIFACT is the most widely accepted standard in commerce and transport. Many documents that are commonly used in goods transportation, such as cargo manifests (IFCSUM) and Customs declarations (CUSDEC) have now been standardized.

Electronic document exchange can of course take place using either EDIFACT or any other language the parties may agree upon. However, as mentioned above EDIFACT is the most widely accepted standard in commerce and transport. For the two computers to understand each other, not only the messages format but also the communications protocol to be used and the times the computers are to be connected must be agreed upon. This is no easy matter for a large number of parties with different systems or even in different time zones. In order to solve this problem of connectivity, clearing centers have been set up.

These are simply computers that function as “letter boxes” handling the message exchange and carrying out checks needed in order to ensure their integrity. Clearing centers may be private, i.e. set up by a specific group to serve its members or public i.e. belonging to value added networks offering this service to the public at large. Examples of Private clearing centers are the Port of Rotterdam International Transport Information System (INTIS) or Port of Antwerp EDI system (SEAGHA). Public EDI clearing services are offered by value added Networks such as General Electric Information Systems (GEIS) or the IBM Information Network (IIN).
For the sake of simplicity, the overall Maritime Transport document-exchange procedure can be broken down into four major message categories. The first and most critical category comprises messages between Port operations and Customs, covering primarily cargo manifests and Customs declarations (combined administrative document). The content, format and transmission procedure for such documents are normally laid down by the Customs administration and are identical for all the points.

Another category of messages includes those between Shipping lines and Shipping agents and often in the case of containerized cargo, between Shipping lines and stacking terminals. The former are basically bills of lading and Customs declarations while the latter are mainly bay plans. Shipping lines need to be in contact with all Ports where their ships operate and thus cannot afford to be bound by one particular document ie the exchange system used in each one. Until recently, each line devised its own communication system. There is now a trend towards standardization.

The third category of messages covers specific inter-port communication. At present, there is communications between Forwarders and their Agents elsewhere, as well as inter-bank communications between different countries. These do not deal strictly with Port business, but rather simple business communications between an agent and its offices in different countries. However the growing concern over the control of hazardous substances has prompted the European Union to initiate a number of projects – such as the Network for Transport in the Mediterranean (NTMM). This project monitors the movement of goods in the Mediterranean region.

The final category of messages comprises communication among the various agents and organizations within a single Port community. Here, messages are shared between Shipping lines, Freight forwarders, the Banks and other stake holders. EDI is not, of course the only tool for document interchange that exists and a decision needs to be made as to the most appropriate procedure and technical medium for each purpose.
However EDI has proved an effective tool for speeding up the Ports merchandise, despite procedures. Nevertheless the newness of the technology and the change in mentality required in view of its paperless nature has made its introduction complex. The major technical and organizational obstacles encountered in implementing EDI are as follows:

**Organizational problems:** The most important problem is getting the parties involved (in the use of EDI) to agree on message and procedure definition. This is particularly difficult for port communities since they include very disparate groups and companies with different, even at times opposing interests and no clear customer supplier relationship. Agreements therefore need to be a product of consensus.

**The change in company or organizational mentality that EDI requires:** Some organizations believe EDI is a threat to their jobs. Others see it as a panacea. This is due to ignorance of the technology and to the fact that suppliers and the media have created false expectations as to what EDI really is.

**Legal aspect:** There is the problem of how to draw up an interchange agreement that all parties can subscribe to and that will give legal sanction to a document interchange with no documents and no signatures for documents relating to public authorities such as customs. It is sometimes necessary to alter certain aspects of the current legislation to bring it in line with the new method of document interchange.

Administration of codes and message versions is another problem that needs to be addressed. One organization or company should be put in charge of administering the codes and implementing message amendments, so that changes can be co-ordinated among all users.

If this is not done, messages can be rejected because of differences between data bases. It is also important to see the same message versions and codes for as long as possible, as every change presents problems for all users of the system.

Lastly, it is essential to be aware that for implementation of an EDI system, trained staff need to be hired or else existing staff need to be trained properly. One of the major problems associated with all value added networks that are not interconnected is that all parties must agree on one such network to use.
In addition, most networks still leave something to be desired in term of reliability or customer services. Other problems encountered during the implementation of EDI systems are those relating to the application of a young technology. Suppliers are hard to find and poorly trained. Technical Staff in other companies involved in the document interchange may also be untrained and the software products which are often first versions have faulty design.

The main technical difficulties with designing in-house applications are, on the one hand, achieving automatic operation that is 100% reliable and on the other, obtaining a fast system response time which depends on inter alia, the speed of the translator of the communication systems and of the computer’s central processor.

When the use of EDI is optional, the fact that some parties send documents by EDI while others use paper creates great technical and administrative complications. In spite of this, Ghana introduced a form of EDI known as the Ghana Community Network (GCnet).

2.9: THE GHANA COMMUNITY NETWORK (GCnet)

The GCnet is used for the preparation of declaration of all Customs regimes. Imports comprise more than fifty percent (50%) of all Customs regimes. For this reason, there has been a lot of emphasis on the preparation of declarations on imports. The GCnet declaration is however only one of several documents required for the clearance of goods.

The other documents required are:
Original Bill of Lading/Airway Bill
Attested invoice (customs form C61)
Packing list
Import declaration form (IDF)
Final classification and Valuation Report (FCVR)
Tax clearance certificate (issued by the Internal Revenue Service)
Tax payers Identification Number (TIN)
Permits and Licenses as appropriate
The GCnet is a form of Electronic Data Interchange which is a joint Venture company incorporated on November 13, 2003. It's share holders are CEPS, Ghana Shippers Council (GSC), Ecobank Ghana Limited (EBG), Development Finance Holdings Limited (DFH) a subsidiary of Ghana Commercial Bank and Societe General de Surveillance (SGS) of Switzerland.

The GCnet was established to develop and operate a customized electronic system for processing trade on Customs documents, recording the result of this validation and processing its related duty and tax payments. This is carried out by the use of two systems, the Ghana Tradenet and the Ghana Customs Management System (GCMS).

Through the Ghana Tradenet’s Electronic Data Interchange (EDI) platform, users of the system are able to interface with the GCMS and also transmit messages and receive replies electronically between the various parties connected to the system. These parties include key public sector agencies such as the Ministry of Trade and Industry (MOTI), Ministry of Finance (MOF), the Bank of Ghana (BOG), Customs Excise and Preventive Service (CEPS) and the private sector (the Shipping lines, AFGO, the Freight forwarders, Banks etc). The Tradenet thus provides a medium for exchanging trade information between businesses on one-hand and Government agencies on the other.

GCnet’s mission is to provide ICT-based solutions that foster trade development and facilitation, and ensure effective mobilization of trade related revenue. These solutions are primarily sought by Government and statutory agencies to promote trade, business competitiveness and improve revenue collection within the economy, hence the slogan ‘Your B2G Company’ which means ‘your business to Government Company.

GCnet a joint public – private sector partnership, has introduced the Ghana Tradenet, an electronic platform with Electronic Data Interchange (EDI) for the transmission of electronic messages and replies between trade operators and Customs (CEPS) on one part and other regulatory bodies involved in the clearance process for goods through the Ports or who peruse the data generated on the other. The system is presently operational at CEPS Headquarters, Kotoka International Airport, (KIA) Tema Port, Takoradi Port, James Town and the frontier stations of Aflao, Elubo and Paga.
The Tradenet and GCMS perform different tasks to satisfy diverse user operational requirements. GCMS can integrate cargo Manifests electronically from carriers to the system and select cargo to be examined through its risk management module.

The aim of the risk management module is to select goods for processing through a red, yellow or green channel in order to reduce the physical examination of goods to 20%.

**Red Channel:** This refers to high risk goods and or other goods so selected by the system and such goods are subject to physical examination prior to release. These include goods that require inspection to ensure quality, public health and safety.

**Yellow Channel:** This involves more intensive study of documents. Any examination of such goods shall be dependent on the levels of discrepancies detected during the vetting of documents or scanner results.

**Green Channel:** This involves usually low risk goods and may not be subjected to any physical inspection. It involves a reduced vetting level of document and goods may be released without examination.

The GCnet in addition to providing a Risk Management Module also validates Customs declarations, records Customs payments and reports revenue in real time. The system also enables ship owners, Agents or Freight forwarders to submit manifests or declarations expeditiously on a 24 hours/7 days single contact point basis, thereby eliminating delays and costs for Importers and Exporters. The system facilitates quick port clearances in a transparent and consistent manner.

The GCnet was introduced for several reasons, some of which are:

- The removal of constraints to legitimate trade and facilitation of the clearance of goods.
- Enhancing the mobilization of trade related revenue
- The reduction of malpractices associated with the import-export trade
- To address the limitations of ASYCUDA
In the ASYCUDA clearance situation, it could literally take weeks to clear consignments while the GCnet has networked all parties to a common platform. This network ensures that relevant information to each party is readily accessible.

In order to fulfill its desired functions, GCnet has outlined certain requirements which are:

- The Users of the system are to be approved by CEPS and then registered by GCnet.
- After registration, GCnet provides the user with training and installs the front end software (FES) that enables the user to access the Tradenet.
- The FES module installed depends upon the user’s operational needs (e.g. a ship owner/Agent’s FES is primarily for manifest processing and cargo discharge, whilst a Customs House Broker’s FES enables the user to primarily clear goods.
- GCnet recommends that users have a PC with a minimum PIII 900 MHZ, a 56K modem, a printer, a functional phone line, and electronic means for taking daily back ups of transactions, with some anti-virus protection.

For large volume transactions, report generation or other office operations, besides the installation of the GCnet, a PC of a higher specification and a broad link is recommended. It is only after these requirements are fulfilled, that the system can begin to function.

2.10 OTHER FUNCTIONS OF THE GCnet

- It allows the submission of Declarations and Validations 24 hours a day for 7 days
- It provides a platform for centralized verification of all entries
- It provides a risk management module which effectively profiles all consignments into risk categories

- It provides systematic monitoring of consignment movements
- It provides an effective monitoring tool with an audit trail to check officers performance and compliance by declarants
- It builds a Transaction Price Database (TPD)
- It facilitates post clearance to account for all consignments
• It is designed to handle all customs regimes
• It provides accurate “real time” reporting of revenue collection and reconciliation
• It provides accurate “real time” reporting on trade statistics
• It provides an accurate and reliable Database for Development planning and Programming

In addition to these functions, GCnet provides **client training** as well as extensive **client support** by various means that includes:

• A call centre that provides on-line technical support to declarants who use the system
• Refresher training for users especially when new system features or up grades are deployed
• User manuals, Harmonized system (HS) code charts and operational procedures on CD- Roms etc for easy reference
• On-site support to users at their premises
• Short messaging service (SMS) for transmission of relevant information directly to user’s mobile phones
• A GCnet web site with extensive functionalities and relevant information. (eg carrier manifest information, applicable exchange rates, HS and Customs procedure codes, up coming events etc

In addition to the above provisions, a GCnet security system is in place.
The system is very robust and secure. Its security features include log on and Database Access Pass words and a Network Equipped with varied Intrusion Monitoring and Anti-Virus Measures. The above functions of the GCnet suggest that it might be better than the ASYCUDA.

The GCnet system, which is a form of EDI, is expected to have certain benefits as compared to ASYCUDA.

Research done by the GCnet office has revealed several benefits of the GCnet system as compared to ASYCUDA. Generally, GCnet has accelerated clearances at all points of entry connected to the system through the speed of processes and the elimination of unnecessary paperwork.
Records indicate that 81% of consignments at the Kotoka International Airport are cleared within one to two days, as against a pre GCnet situation of two to three weeks. The GCnet has reduced it to one or two days. At the Port of Takoradi, it took an average of two days to clear 70% of consignments. The GCnet has reduced this period to a day.

There has been significant improvement in revenue collection at all CEPS stations connected to the system, through the plugging of most sources of leakages and transparency of operations. Revenue at the Kotoka International Airport increased by 38% in 2003 and by 37.30% in 2004. Revenue at the Port of Tema increased by 48.7% in 2003 and by 42.5% in 2004.

In addition to the above benefits, the GCnet system provides accurate “real time” revenue accounting and reconciliation among all stakeholders (eg CEPS, GCB, EBG, BOG, MOTI, etc). The system also provides systematic monitoring and tracking of consignments from Port to destination, whether destined for home consumption, Warehousing, Transit etc. (eg. Transit Consignments from Tema through Aflao have been monitored until they have exited)
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

The research is a fieldwork of both a qualitative and quantitative nature. It is qualitative in that it seeks to find out people's opinions about the ASYCUDA and the GCnet clearing system. It is quantitative in that analysed data would be used to arrive at results and its interpretation.

3.2 RESEARCH SETTING

The research was conducted in an uncontrolled natural setting at the Sea Port of Tema, a Metropolitan area.

According to the Tema Port Newsletter (May-August 2006) the Port of Tema is located 28 km east of Accra at 5°38'N and 0°01'E. The port of Tema is the larger albeit younger of the two sea Ports in Ghana. It handles 80% of the nation's import and export cargo. The Port has 12 berths besides two others, one dedicated oil berth and the other operated by the Volta Aluminium Company (Valco). The minimum and maximum depths range from 8.0 to 11.5 metres respectively.

There are currently five (5) storage sheds within the port and these are located at terminals seven, nine, ten, eleven and twelve respectively. The port also includes a 100,000 dead weight (dwt) dry dock and slipway facility which is operated by the PSC Tema Shipyard Ltd. There is a dedicated container terminal as well as various off dock container terminals and car parks ran by private operators.

Tema is ISPS code compliant. This is facilitated by the following resource persons:

The port facility security officer
Deputy port facility security officer
Port emergency response and support
Medical emergency and support
Port security support
3.3 POPULATION AND SAMPLE

The population for the survey comprised operational personnel of the Ghana Commercial Bank, and Ecobank Ghana, Customs Excise and Preventive Service, Personnel of the Destination Inspection Companies, Freight forwarders, Importers and Experts who operated ASYCUDA and the GCnet.

3.4 THE SAMPLE

METHOD OF SAMPLING

Simple random sampling (probability) method was used in selection of the sample. The sample was chosen to represent the population of interest. The population consisted of people using the GCnet for the documentation of consignments.

Cluster sampling was combined with simple random sampling. Cluster sampling was necessary since the respondents of interest were located mainly at the port of Tema. Cluster sampling also made it easier to contact the clearing Agents and others involved in clearing of goods. Random sampling was used for the benefits of eliminating sampling bias as a result of preferences of the person selecting the sample. According to Kwabia k (2006) in his published work “Theory in social research”, when a sample is biased, data obtained may not be representative of the population as a whole.

Cluster sampling was combined with stratified sampling in that the sample chosen for the survey was located at the Port of Tema and comprised various professionals. Others included are those who used to operate the ASYCUDA and those who operate the GCnet. The sample consisted of (10) customs officers, one expert on the ASYCUDA and another on the GCnet. These persons were selected for the relevant information about the two systems because they have a rich store of knowledge about the research area.

The proportion of respondents was chosen for the following reasons:

- The Port of Tema. Out of these, seventy four (74) Freight forwarders were selected A total of about a hundred and eighty registered Freight forwarders operate at at random to represent Clearing agents at the Port.
Few Customs Officers have had the opportunity of working with both ASYCUDA and GCnet at the Port of Tema. As a result of this the subjects were identified by going to the Customs offices at the Port of Tema as well as the Container Depot at the Port of Tema, where subjects are often found.

The researcher took advantage of being a Customs Officer to solicit the assistance of the Customs Officers to get respondents to be more willing to take part in the survey. Each respondent was approached as an individual and the purpose of the survey explained to him as well as the confidentiality of it.

Freight forwarders were only chosen as respondents after a pre-test had confirmed that they had actually used the ASYCUDA as well as the GCnet clearing system. Customs Officers used as respondents were pre-tested by finding out if the Officers worked with the ASYCUDA prior to working with the GCnet.

One of the Experts who used to operate the ASYCUDA happened to be known personally by the researcher. The researcher contacted him for an interview on the ASYCUDA. Another Expert on the GCnet was contacted at the GCnet office at Premier Towers, Accra.

3.5 TOOLS AND METHODS OF DATA COLLECTION

Both primary and secondary data was collected in this research. Secondary data was collected form written and oral sources. Borders, K S and Abbot B B, in their published work "Research Design and Methods, a process Approach", the authors state that written data can be obtained from Textbooks, journals, periodicals, articles and presentations written by individuals. In this research, other vital information was collected from Freight forwarders, CEPS Officers and other officials.

Unstructured interviews were used for the Experts while structured questionnaires were used for the Freight forwarders and Customs Officers. Unstructured interviews were used for the Experts to create a congenial atmosphere in order to gather as much information as possible.
Each respondent was issued with the questionnaire in the Port of Tema (which is the normal working environment) and answered it at the same place. Each respondent was given a maximum of one week to complete the questionnaire. This was done to allow respondents complete the questionnaire in a relaxed atmosphere. Literate respondents filled it themselves while the researcher filled it for six (6) respondents with no other persons within ear shot according to the structure of the questionnaire. Oral unstructured interviews were also used to gather more information from respondents.

In some cases, there were several call-backs before the questionnaires were returned. On collection, the researcher quickly read through the answers to ascertain if there were any unanswered questions. The attention of the respondents was drawn to the importance of answering all questions. Both closed and open-ended questions were used. These provided extra information, which gave more insight into the use of the GCnet.

3.6 VALIDITY AND RELIABILITY

In order to ensure validity and reliability of data gathered, erroneous variables were kept under control as much as possible. The effect of other people within the respondents’ environs was minimized. This was done by ensuring that respondents filled out the questionnaire alone and away from other people. The researcher did this by encouraging the respondents to answer the questionnaires independently. This was to limit the source of error in the information given.

To ensure the absence of respondent bias, respondents were advised to answer questions independently of any other person and given ample time to answer questions in a relaxed atmosphere. Information provided in the questionnaire was counter checked by the use of closed and open-ended questions. Purposive and simple random sampling was used to ensure that each respondent had an equal chance of being selected. The homogeneity of the sample probably reduced sampling error. The instructions used for data collection was standardized by virtue of the fact that it was a structured questionnaire. Respondent bias was reduced as every sample unit answered the same questions.
CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This chapter focuses on the analysis of the primary data collected through questionnaires as well as structured and unstructured interviews.

4.1 ANALYSIS OF QUESTIONNAIRE

4.1.1 PERSONAL INFORMATION

The data collected for analysis started with the socioeconomic background of the respondents. (Refer to Appendix One for a sample of the questionnaire). A total of eighty-four (84) respondents were used. Thirty (30) of the respondents were females while fifty four (54) were males. Out of the 84 respondents, 18 were below age 29, 21 between age 30 and 39, 33 between age 40 and 49 and 12 between age 50 and 59. The age distribution of the respondents is captured in Table 4.1 below.

Table 4.1- Age Distribution of Respondents

<table>
<thead>
<tr>
<th>AGE</th>
<th>Number</th>
<th>PERCENTAGE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-24</td>
<td>6</td>
<td>7%</td>
</tr>
<tr>
<td>25-29</td>
<td>12</td>
<td>14%</td>
</tr>
<tr>
<td>30-34</td>
<td>9</td>
<td>11%</td>
</tr>
<tr>
<td>35-39</td>
<td>12</td>
<td>14%</td>
</tr>
<tr>
<td>40-44</td>
<td>18</td>
<td>21%</td>
</tr>
<tr>
<td>45-49</td>
<td>15</td>
<td>18%</td>
</tr>
<tr>
<td>50-54</td>
<td>9</td>
<td>11%</td>
</tr>
<tr>
<td>55-59</td>
<td>3</td>
<td>4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>84</td>
<td>100%</td>
</tr>
</tbody>
</table>
Thirty (36%) respondents were females while fifty four (64%) were males.

About 46% of the respondents had tertiary education, while 43% of respondents had secondary level education. About 11% of them had middle school education.

About 56% of the respondents were married, 32% were single and the rest were divorcees, widows or married but separated.

4.1.2 KNOWLEDGE OF GCnet AND ASYCUDA

Respondents were asked the full meaning of the GCnet. (GCnet means Ghana Community network). Only fifty-seven (57) of the 84 respondents gave the right meaning. Out of the twenty-seven (27) left, 15 of the respondents gave the wrong meaning and 12 of them did not even attempt giving the meaning of the GCnet. The response on the meaning of the GCnet is indicated in Figure 4.1 below.

Figure 4.1 Meaning of GCnet
Respondents were also asked to give the full meaning of ASYCUDA. (ASYCUDA means Automated System of Customs Data). Only 30 of the 84 respondents gave the right meaning of ASYCUDA. Of the 54 respondents left, 15 of them made attempts but failed. However a large percentage (46%) did not attempt giving the meaning of ASYCUDA. The response on the meaning of ASYCUDA is shown in figure 4.2 below.

**Figure 4.2 Meaning of ASYCUDA**

Reviewing the answers the respondents gave to the meaning of ASYCUDA and the GCnet, it appears most of them understand and appreciate the GCnet better than the ASYCUDA. Whereas only 14% did not attempt giving the meaning of the GCnet, almost half of the respondents (46%) did not attempt giving the meaning of ASYCUDA. Responses on the meaning of ASYCUDA and GCnet gave an impression that system users do not really care about the meaning of abbreviations. Surprisingly, respondents who use the GCnet on a daily basis could not tell the full meaning of the abbreviation.

Respondents were also asked what kind of system the GCnet is. Out of the 84 respondents, six (7%) of the respondents said it was like the ASYCUDA clearing system. However seventy-two respondents (86%) said it was an electronic clearing system. Three (4%) of the respondents did not know what the GCnet is and three (4%) did not answer the question. The response to what kind of system the GCnet is, is found in Figure 4.3.
From the responses of the respondents, it is clear that majority of them understand what the GCnet is. This buttresses the fact that majority of the respondents (84%) seem to understand and appreciate the GCnet system. This is not surprising. One would definitely expect respondents to appreciate a system in use better than one that has gone into oblivion.

When respondents were asked why the GCnet was installed, fifty-one of them were at a consensus that, it was installed to reduce clearing time. About 36% of the respondents were of the opinion that the GCnet was installed to remove manual delays. Below is Figure 4.4 which shows the responses on why the GCnet was installed. Reasons given by the respondents for the installation of the GCnet are very much the same as some objectives of the company which introduced the GCnet.
One very important question in the questionnaire was respondents evaluation of the GCnet system as compared to the ASYCUDA system. When respondents were asked whether they thought the GCnet clearing system was better than the ASYCUDA, 89% said it was better than the ASYCUDA clearing system and 11% said it was not better than the ASYCUDA clearing system. Although the word better is subjective, respondents might have assessed the ASYCUDA and the GCnet with several indicators. Majority of them think the GCNET is better than ASYCUDA. The responses of the respondents are found in Figure 4.5 below.
FIGURE 4.5 Respondents response as to whether the GCnet is better than ASYCUDA.

When asked whether in their opinion there is a significant reduction in clearing time with the introduction of the GCnet clearing system, 75 of the 84 respondents said there has been a significant reduction in clearing time with the introduction of the GCnet. This confirms their responses that the GCnet clearing system is a better system as compared to the ASYCUDA clearing system. Majority of the respondents believed that there has been a significant reduction in clearing time with the GCnet indicating that they probably assessed the two systems on the basis of time. The responses of the respondents to the question above is shown in Figure 4.6 below.
Respondents were asked how long it took to clear goods using the ASYCUDA system. Twenty-one respondents (25%) said it took four days to clear with ASYCUDA while the same number said it took more than one week to clear goods with ASYCUDA. Twelve respondents (14%) said it took five days to clear consignments with ASYCUDA. The same number of respondents said it took six days to clear with ASYCUDA while eighteen (22%) respondents said it took seven days to clear with ASYCUDA. This is found in figure 4.7.
The response for the ASYCUDA clearing time therefore ranged from four days to more than one week. Though 32% of the respondents said they did not know the average clearing time for the ASYCUDA, all respondents responded to the time it took to clear consignments under the ASYCUDA system. Though, the responses contradict, it could be that the 32% who said they did not know the average clearing time for the ASYCUDA intuitively knew the time it took to clear goods under the ASYCUDA clearing system.

Out of the total number of respondents asked if they knew the average clearing time for the GCnet, seventy five (89%) responded in the affirmative while only nine (11%) of the respondents had no idea of the average clearing time for the GCnet.

Although nine people responded that they did not know the average clearing time for the GCnet, they appeared to intuitively have an idea of the clearing time for the GCnet. Eighteen respondents (21%) said it took between six to twelve hours to clear with the GCnet while thirty three (39%) said it took between thirteen to twenty four hours. The same number of people (39%) said it took two days to clear with the GCnet. The responses indicate that it takes between 6 hours and two days to clear goods at the port of Tema with the GCnet. The responses on the average time it takes to clear goods using the GCnet, is captured in Table 4.2 below.
Table 4.2 Respondents response to the clearing time of GCnet

<table>
<thead>
<tr>
<th>GCnet Clearing Time</th>
<th>NUMBER</th>
<th>PERCENTAGE (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-12 hours</td>
<td>18</td>
<td>21.43</td>
</tr>
<tr>
<td>13-24 hours</td>
<td>33</td>
<td>39.29</td>
</tr>
<tr>
<td>Two days</td>
<td>33</td>
<td>39.29</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100</td>
</tr>
</tbody>
</table>

The least period used for clearing with ASYCUDA was four days while that of the GCnet is six (6) to twelve (12) hours. The maximum days for clearing with ASYCUDA according to the respondents was more than one week while that for GCnet is two days. The minimum clearing time for ASYCUDA has been reduced by about sixteen (1600%) to eight times (800%) with the GCnet.

Again with the GCnet the maximum clearing time for ASYCUDA has been improved about four times (400%). The responses to ASYCUDA and GCnet clearing time show that ASYCUDA is less effective as compared to the GCnet. This was probably due to the fact that data on consignments was not captured from source leading to potential errors and manipulations. There were also many manual checks including the validation of declarations. These problems led to prolonged periods in clearing consignments at the Ports.

It became obvious that the solution to the ASYCUDA associated problems did not lie in making modest improvement in the efficiency of existing business operations but a radical reinvention and redesigning of customs business processes to bring about improvement in customs clearance.

Consequently, CEPS selected a system that uses an Electronic Data Interchange (EDI) platform for the transmission of messages and replies electronically between various parties involved in the import and export business. This system, the GCnet (a component of the Ghana Trade Net) has proved more efficient and effective as compared to the ASYCUDA.
According to the records of CEPS, GCnet clearance time at the Kotoka International Airport is on the average four hours while that of the Port of Tema and Takoradi is between one and two days. The range of clearing time given by respondents for the Port of Tema (six hours to two days) falls in line with the range of time observed by CEPS.

Indeed stakeholders of the GCnet as well as users have confirmed that the GCnet is a much better means of clearing goods at the Port of Tema than the ASYCUDA.

When respondents were asked, if they could suggest any deficiencies in the GCnet, sixty (71%) of them said yes and twenty-four (29%) said no. A further probe on what they thought would be the cause of the deficiency indicated that nine (9) respondents (11%) believed the deficiency was caused by the staff manning the system. Thirty (30) people (36%) believed the deficiency was caused by the GCnet system itself while forty five (45) respondents (54%) believed that the deficiency was caused by other agencies involved in clearing such as Shipping lines and Ghana Ports and Harbours Authority (GPHA).

According to respondents, after spending only a few minutes at the compliance seat at Customs and proceeding to the Port, they had to wait a whole day or more to retrieve containers for examination. Furthermore the procedure for processing of Customs documents is still cumbersome. In spite of these constraints, the clearance time has been reduced to about one to two days.

From the responses of respondents, it could be inferred that problems associated with the use of the GCnet was largely caused by other agencies. This is clearly indicated by the fact that more than half (54%) of the respondents said the deficiency of the GCnet is caused by other agencies involved in clearing. The responses on the deficiencies of the GCnet is indicated in figure 4.8 below.
When asked if there was a need to improve on the GCnet to reduce clearance time, seventy eight (78) respondents (93%) said yes and the rest (7%) said no. Respondents believed that certain things could be done to improve on the GCnet to reduce clearing time. Thirteen (13) respondents (16%) did not answer this question while twenty nine (29) respondents (35%) said staff manning the system needed to be updated from time to time through training. Twenty six (26) respondents (31%) said other agencies had to be connected to the system to prevent delays. Sixteen (16) respondents (19%) said more computers had to be made available to make access to the system easier to all users and stakeholders. A large number of respondents therefore believed that to reduce clearing time, other agencies had to be connected to the system and the staff upgraded through training from time to time.

This observation of the respondents is very vital as it gives a clear indication of what aspect of the GCnet needs to be addressed for a holistic improvement. If the Ghana Community Network Services would take these suggestions seriously to improve on training and get other agencies involved, some success would be chalked. This could make the GCnet much better than it is presently.
4.2 INTERVIEW WITH ASYCUDA AND GCNET EXPERT

4.2.1 AN INTERVIEW WITH A GCnet EXPERT – 20TH APRIL 2007 AT 9:52 AM

The researcher interviewed an expert on the GCnet at the GCnet office at the Premier Towers in Accra to obtain first hand information on the GCnet. As stated earlier an unstructured interview was used.

According to the expert, the GCnet was introduced from Malaysia into Ghana. According to the expert, the GCnet was introduced in Ghana to correct the shortcoming of the ASYCUDA. These shortcomings were -

ASYCUDA was not networked to all the stakeholders in clearing and
ASYCUDA had a lot of manual clearing processes leading to delays in clearing cargo at the port.

When asked whether the Ghana Community network services had an objective indicating a time range within which goods could be cleared with the GCnet, the expert said there was no such objective. When asked why there was not, the expert gave several reasons. The expert explained that the Ghana Community network services (Providers of the Network) could not really call the system their own. This was because it was not under their control for the reason that there were several processes and steps in clearing resulting in Multivariate users. The clearing process was procedural so if somebody in a particular agency failed to act at the right time, this had a rippling effect which could eventually affect clearing time.

According to the expert, the system relies on electrical power which is not very reliable. Although the providers are aware of this problem, they cannot do much about that. He further said that there was a need to have a suitable generator in all custom’s areas to keep the GCnet running 24 hours a day.

According to the expert, the main problem of the GCnet was the Multivariate nature of the users. The Expert indicated that in spite of this problem, the GCnet has chalked a lot of success in reducing clearing time to one or two days. The expert reiterated that this clearing time could have been better still if the network providers had a better hold and control on the system.
According to the expert, however, the system was still in its early stages and was bound to have petty problems. The Expert concluded that the Network providers were therefore still working hard to improve further on the GCnet and see how best to circumvent the problem associated with multiple users.

4.2.2 AN INTERVIEW WITH AN ASYCUDA EXPERT- 26TH JUNE 2007
AT 10:15 AM

The researcher interviewed an expert on ASYCUDA at the Ghana link Network Services office (A Destination Inspection Company) An unstructured interview was used.

Information gathered from the expert indicated that the ASYCUDA was introduced by Customs to curtail the problems of manual clearing and also reduce clearing time associated with the use of the manual system then in use. According to him, ASYCUDA was a fully automated system just as GCnet. However, for reasons that cannot be discussed, ASYCUDA was shrouded in mystery with several challenges. A fully automated system should have had all officers being computer literate and having access to computers as well as the system. This however was not the situation. Only a few computers were provided in an office called the “Computer Room” at the port of Tema. This office was occupied by a few officers (about twenty) who were the only people who had access to the ASYCUDA. All other Customs officers had no access to the system. As if this were not enough, no other agency involved in imports/exports such as the Banks had access to the system. It should however be noted that ASYCUDA was introduced at a time that a lot of people were not computer literate. Officers generally were not interested in learning about the system and accepted the status quo.

This of course aggravated the situation where documents were being carried around from one office to the other as with the manual system. Thus, the purpose of ASYCUDA as an automated system was defeated. This resulted in delays in clearing such that it could take as long as a week to clear goods. If there were errors in the declaration leading to queries, it could take as long as two weeks to clear a consignment.

According to the expert, ASYCUDA definitely did not achieve its objectives. This was due to the initial capital outlay in the acquisition of the computers and training of Personnel as well as other reasons. In spite of the short falls of ASYCUDA, it was still better than the Manual System, the official said.
CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY

This study was done with the aim of establishing and comparing ASYCUDA with GCnet clearing time. This information was the basis of determining if the GCnet clearing time is an improvement of the ASYCUDA clearing time. Simple random sampling was combined with a non random purposive and cluster sampling. The sample consisted of fifty four (54) males and thirty (30) females, bringing the total respondents to eighty four (84).

The questionnaire sought to find out respondents knowledge of the two systems being studied. A large percentage of respondents (57%) gave the correct meaning of GCnet. Responses to the meaning of ASYCUDA showed that only 35.71% gave the correct meaning. A large majority of respondents (86%) knew that the GCnet is an electronic clearing system. While 61% of respondents believed that the GCnet was installed to reduce clearing time, 36% believed it was installed to remove manual delays. A large majority of respondents (98%) said the GCnet is better than the ASYCUDA. This view was buttressed by the same percentage of respondents (89%) who said GCnet had reduced clearing time significantly.

A question on the GCnet and the ASYCUDA clearing time showed that indeed the GCnet is an improvement on ASYCUDA. Respondents gave a range of four days to more than one week for ASYCUDA and a range of six (6) hours to two (2) days for the GCnet. These responses conform to the GCnet office time frame of four hours for Kotoka International Airport and Maximum of two days for the port of Tema and Takoradi.

A large percentage of respondents (71%) believe that there are deficiencies in the GCnet. A significant number of respondents (54%) believe that the deficiencies in the system are caused by other Agencies involved in clearing such as the Shipping lines and Ghana Ports and Habours Authority.
A significant number of respondents (93%) said, there was need to improve further on the GCnet to reduce clearing time. On the issue of how to improve further on the system, various suggestions were given by respondents.

These were:

1. Staff manning the system need to be updated from time to time through training.
2. Other agencies have to be connected to the system to prevent delays.
3. More computers have to be made available to make access to the system easier to all users and stakeholders.

5.2 CONCLUSION

In the late 1980's several attempts were made unsuccessfully to reduce clearing time by shortening procedural steps whilst still maintaining the existing manual processing of documents. Indeed each attempt at reducing the number of steps in the clearance process rather worsened the situation. This led to increased clearing time with its associated multiple problems. These problems included increased cost of clearing and congestion at the Port.

This situation prevailed till 1990, when CEPS introduced a Customs management information system developed by UNCTAD. The system known as ASYCUDA proved ineffective. This was due to the fact that data was not captured from source leading to potential errors and manipulations. As if this were not enough, there were a lot of manual processes, which included the validation of declarations.

This of course led to a situation where Importers/Freight forwarders complained about the clearing system and customs in particular. Ports are a corridor for the movement of goods internationally so problems created at the Ports led to a bad international image for Ghana.

There was therefore need to correct the problems associated with the clearing of goods at the Ports of Tema and Takoradi. The advent of Vision 2020, led Ghana to set itself the target of becoming the Gateway to Africa through trade facilitation and investment promotion.
In order to make Ghana a Gateway to Africa, the GCnet was introduced to replace ASYCUDA. This was done with the expectation that the GCnet would remove manual delays and eliminate bureaucratic impediments. This would eventually reduce clearing time. The introduction of the GCnet has indeed reduced clearing time significantly as observed from this research.

The GCnet has improved the clearing time of ASYCUDA by four times (400%). This indeed is an achievement. As much as GCnet has been found to be an improvement of ASYCUDA, it also has its shortcomings. Although Clearing agents/Freight forwarders are highly appreciative of the GCnet system, they believe that the system could be improved further to make clearing time much less.

Customs therefore need not be complacent about the GCnet but rather work hard to improve upon the system in an innovative manner. Information gathered from respondents however indicates that the shortcomings of the system could also be significantly attributed to the other agencies associated with clearing at the ports. What this means is that customs will be able to improve more on the GCnet by ensuring that other agencies involved with clearing are also involved in the improvement programme.

The GCnet has proved that a well designed strategy using information and communication technology as an enabler can produce remarkable results in business. Responses to the questionnaire indicate clearly that Importers, Exporters and Freight forwarders are of the firm belief that GCnet is a better clearing system as compared to the ASYCUDA. In spite of the fact that GCnet is better, it needs to be further improved.

5.3 RECOMMENDATIONS

The study has shown that the GCnet is a faster system of clearing than ASYCUDA. However certain problems associated with the GCnet have been identified that need to be corrected. If these corrections are done, GCnet will make long strides and be much better than the GCnet we know today.
COLLABORATION WITH OTHER STAKEHOLDERS

There is a need for close collaboration between Customs and other stakeholders such as GPHA. A collaborative business environment will enhance the effort of Customs at improving its business environment. For Customs to be successful with its clearing system, there is a need to bring all the relevant agencies on board. With the GCnet system, this could be done by ensuring that relevant Agencies such as the Shipping lines are all hooked onto the net. This will eliminate the situation where a clearing agent would spend only four (4) hours at the GCnet but end up having to wait another day to get his container conveyed to the examination bay by GPHA or other private companies.

In addition to relevant stakeholders in the Import and Export business, all government arms concerned with the movement of goods also need to be hooked to the GCnet. Such government arms include Ministry of Trade and Ghana Investment Promotion Council.

TRAINING

According to information from the information technology department of CEPS, Only a small fraction of customs officers have been trained to use the GCnet and only a small percentage have access to the GCnet. There is need for the Management of CEPS to train all line Customs officers on the GCnet instead of restricting it’s use to a few officers. The Management of CEPS also needs to conduct in service training from time to time on the GCnet system to update Officers knowledge. The management of CEPS also needs to provide more computers and accessories to the various collections. This of course would be worthless without connecting these collections (stations) to the GCnet. The Management of CEPS therefore needs to get all Customs stations connected to the GCnet as against the few presently connected.

USE OF SCANNERS

There is a need to make maximum use of scanners in order to reduce physical examination of consignments and excessive local handling that results in increased cost of doing business and prolonged periods for business transactions.
REDUCTION OF SYSTEM “DOWNTIME”

The system “down time” which is a regular occurrence needs to be brought to the barest minimum to reduce further the period of doing business on the GCnet. This could be done by ensuring system connectivity all the time.

EDUCATION OF FREIGHT FORWARDERS

Clearing Agents/Freight forwarders have to be educated further on the use of the GCnet since they form a larger percentage of the users of the GCnet. In addition to this the freight forwarders need to be monitored to ensure that they use the GCnet efficiently and effectively.

IMPROVEMENT IN PORT INFRASTRUCTURE

Other problems that need to be addressed include the infrastructure at the Ports. GPHA needs to improve on various aspects of its infrastructure as short comings of these impact negatively on the work of CEPS.

All the above suggestions would be ineffective in the absence of significant coordination among regulatory Agencies. Customs therefore needs to work together with other stakeholders in the Import and Export Business in improving on it’s clearing system.
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Tema Port Newsletter 2006 May-August vol. one No 2

APPENDIX ONE – SAMPLE OF QUESTIONNAIRE

Dear Sir/Madam,

I am a student of the Regional Maritime university I am doing this research to find out the impact of the GCnet on clearing time of the imports at the Port of Tema. The research is purely academic and is part of the requirement for the MA Ports and Shipping Administration. Any information provided will be treated as private and confidential.

(Please circle answer as appropriate)

SOCIOECONOMIC BACKGROUND

Section A

1) Age Group
1.1 20-24 years
1.2 25-29 years
1.3 30-34 years
1.4 35-39 years
1.5 40-44 years
1.6 45-49 years
1.7 50-54 years
1.8 55-59 years
1.9 Other (Please Specify) ....................

2) Gender
2.1 Male
2.2 Female

3) What is your education background?
3.1 No formal education
3.2 Primary School
3.3 Middle School
3.4 Secondary School
3.5 Tertiary Level
3.6 Other (Please Specify) ....................
4) What is your marital status?
   4.1 Single
   4.2 Married
   4.3 Married but separated
   4.4 Divorced
   4.5 Widowed

Section B

THE ASYCUDA AND GCnet.

5) What is the full meaning of GCnet? .........................................................

6) What is the full meaning of ASYCUDA? ....................................................

7) What is the GCnet like? ..............................................................................
   7.1 Like the ASYCUDA clearing system
   7.2 An electronic clearing system
   7.3 Do not know
   7.4 Other (Please Specify) .................................................................

8) Why was the GCnet installed?
   To
   8.1 Remove manual delays
   8.2 Reduce clearing time
   8.3 Reduce corruption
   8.4 Other (Please Specify) .................................................................

9) Do you think the GCnet clearing system is better than the ASYCUDA?
   9.1 Yes
   9.2 No
10) Do you think there is significant reduction in clearing time with the introduction of the GCnet?
10.1 Yes
10.2 No
Please explain your answer .................................................................
........................................................................................................

11) Do you know the average clearing time for ASYCUDA?
11.1 Yes
11.2 No
If no go to question 13.

12) Which of the following corresponds to ASYCUDA clearing time?
12.1 Less than 12 hours
12.2 12-24 hours
12.3 Two days
12.4 Three days
12.5 Four days
12.6 Five days
12.7 Six days
12.8 Seven days
12.9 More than one week

13) Do you know the average clearing time for the GCnet?
13.1 Yes
13.2 No
If no go question 15
14) The GCnet has a clearing time (for the Port of Tema) of
14.1 Less than 6 hours
14.2 6-12 hours
14.3 13-24 hours
14.4 Two days
14.5 Three days
14.6 Four days
14.7 Five days
14.8 Six days
14.9 Seven days
14.10 More than one week

15) Can you think of any deficiencies in the GCnet?
15.1 Yes
15.2 No
If no, go to question 17.

16) Which of the following is the cause of the deficiency?
16.1 The GCnet system itself
16.2 The staff manning the system
16.3 The other agencies involved in clearing eg Bank, GHAPHOHA
16.4 Other (Please Specify) .................................................................

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<td>2. GHAPHOHA</td>
<td>5</td>
<td>4</td>
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<td>3. GCNET</td>
<td>5</td>
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<td>5</td>
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<td>1</td>
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</table>
18) Do you think there is a need to improve further on the GCnet to make clearing time less than what it is presently?
18.1 Yes
18.2 No
If Yes, where lies the need? ..............................................................

19) Please suggest what you think could be done to reduce GCnet clearing time
...........................................................................................................
...........................................................................................................
...........................................................................................................
...........................................................................................................
...........................................................................................................
...........................................................................................................

Thank you very much
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<td>Deputy operations manager (GCnet)</td>
<td>GCnet</td>
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<td>26/06/07</td>
<td>Deputy Operations manager (Ghana Link Network Services)</td>
<td>ASYCUDA and GCnet</td>
</tr>
<tr>
<td>09/07/07</td>
<td>CEPS Officers</td>
<td>ASYCUDA and GCnet</td>
</tr>
<tr>
<td>25/07/07</td>
<td>Freight Forwarders</td>
<td>ASYCUDA and GCnet</td>
</tr>
</tbody>
</table>