

April 21 2020

H. E. Nana Addo Dankwa Akufo-Addo  
President of the Republic of Ghana  
Jubilee House

Dear Mr. President,

**Plugging huge revenue gaps occasioned by Covid-19: GCNET and West Blue remain your best port revenue assurers.**

Greetings your Excellency! I hope you and your family are doing well in these perilous times.

I have not heard from your office since I petitioned you on crucial trade facilitation issues occasioned by the apparent termination of the contracts of West Blue and GCNET. Ordinarily an acknowledgement of my letter to your office would have sufficed but never mind, we are all aware of your strenuous efforts to contain the covid-19 pandemic.

If on the other hand you are still expecting the respective sector Ministers of Trade and Finance to provide responses, then before they do, may I bring to your attention additional worrying incidents of false starts with the UNI-PASS system.

The state-owned daily, The Ghanaian Times, on April 20, 2020 published the header "Freight forwarders decry delays in clearing goods at Takoradi Port". The paper stated among others that;

*"Some freight forwarders at the Takoradi Port have expressed dissatisfaction about the failure of the UNI-PASS system to clear goods electronically and seamlessly at the port. They alleged that since April 1, when Ghana Link Services started to implement the UNI-PASS/Integrated Customs Management Systems (ICUMS), valuation was being done manually resulting in delays in clearing of goods. Sources among the freight forwarders at the Takoradi Port said unlike the GCNet/West Blue systems where documents were electronically available for direct access anytime and any day in the end to end chain that was not the case with the new UNI-PASS/ICUMS systems..."*

*(See <https://www.ghanaiantimes.com.gh/freight-forwarders-decry-delays-in-clearing-goods-at-takoradi-port/>)*

A second report published two days ago by the influential Business and Financial Times newspaper titled “Takoradi port goes back to manual process as angry importers call for unipass-icums halt” stated among others;

*“There is total chaos at the Takoradi Port since April 1, when Ghana Link services started to implement its supposedly superior UNIPASS/Integrated Customs Management Systems (ICUMS), with freight forwarders left frustrated and in utter shock and disappointment. The frustrated Freight forwarders are mulling over the failure of the UNIPASS system to clear goods electronically and seamlessly at Takoradi Port. Currently, valuation is being done manually at Takoradi Port, resulting in delays when clearing goods. Sources among the Freight forwarders at Takoradi say, unlike the GCNet/West Blue system wherein documents are electronically available for direct access anytime, any day in the end to end chain, that is not so with the new UNIPASS/ICUMS systems. While importers are not able to access the Tax Identification Numbers of their companies and other registration details in the new system, the system-handlers themselves are having challenges with manifest declarations, handling and processing.... The paper has it that only two vessels have so far docked at Takoradi Port since closure of the country's borders. However, the UNIPASS/ICUM system has not been able to release even 20 percent of about 300 containers on the first vessel that docked at the port two weeks ago, not to talk of the second vessel which docked last week.” (See <https://thebftonline.com/2020/economy/takoradi-port-goes-back-to-manual-process-as-angry-importers-call-for-unipass-icums-halt/>)*

A third report published a week earlier by Multimedia, titled “**UNI-PASS failure puts government under intense pressure**” **predicted the above situation.** (See <https://www.myjoyonline.com/opinion/UNI-PASS-failure-puts-government-under-intense-pressure/>)

The above reports do not only deal a blow to the enhanced paperless system that propelled an increase in port revenues from GHS 8bn in 2016 to a little over GHS 13bn in 2017 and 2018, working with WEST BLUE and GCNET port technologies, it is likely to detract from the assured average daily revenues of almost GHS 33m and ultimately jeopardise the flow of trade.

It is entirely probable that these incidents of false starts with the UNI-PASS system are expected with installing new technology systems. However, it is difficult to ascertain this claim, as there has been no independent verification of the robustness of the system. Second and crucially, this is not the time to be playing games with the most significant revenue earner for the country.

Covid-19 has erased almost 6% of the country's expected end-year growth of 7.5% leaving in its trail huge gaps in our finances. Our Minister of Finance, Ken Ofori-Atta wrote a sobering article in last week's Financial Times, titled ‘What does an African finance minister do now?’ in the light of COVID-19.

Ken correctly understands that “The world is changing. The German chancellor doesn't want to hear about debt-to-GDP ratios. Unthinkable stimulus packages are being announced, trumping orthodoxies and with no talk of a moral hazard: the G20 packages may end up close to \$8tn. Their generous tool kits are not available to us. I am green with envy... ..I need answers” he said.

I am also envious of the fact that Ghana, a lower middle-income country was left out of these generous debt-relief packages for the poorest 77 countries of the world- even though we managed to receive almost \$500m in debt stand still from the World Bank.

This amount constitutes less than a third of guaranteed port revenues for this year under the GCNET-WEST BLUE ports systems scenario pre-covid-19.

So, in taking up the Finance Minister's request for answers, I can only suggest the following re - UNI-PASS.

- 1) Temporarily suspend operations of UNI-PASS and allow GCNET and West Blue to operate for the remainder of the year in order to assure the nation of revenues, most likely GHS10bn given depressed trade activity due to covid-19.
- 2) Conduct an independent review of the UNI-PASS system.
- 3) The Ministry of Trade and Finance should share revenue projections from implementing UNI-PASS with Ghanaians.

I do not know what data Custom and Tax Commissioners presented to your Trade and Finance Ministers and the Senior Minister's Task Force on ports to warrant your apparent blessing of the UNI-PASS system. However, I am convinced that when the above steps are sanctioned, these officers who appear to be taking directives from superiors with non-existent data will have a rethink. They could be vindicated on the superiority of UNI-PASS too.

Right now though is not the time for playing games.

Revenues are a critical part of this country's path to recovery post covid-19, and I agree with a very Senior Official in Ghana's Finance Ministry, who justified your suspension of the partial lockdown to me; that " The economic cost is so significant, no revenues coming in at all, we won't be able to function economically."

Indeed, we are in the worst of times, in choppy waters. Let us not rock the boat any further.

Yours sincerely,



Franklin Cudjoe  
(Founding President & CEO)

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