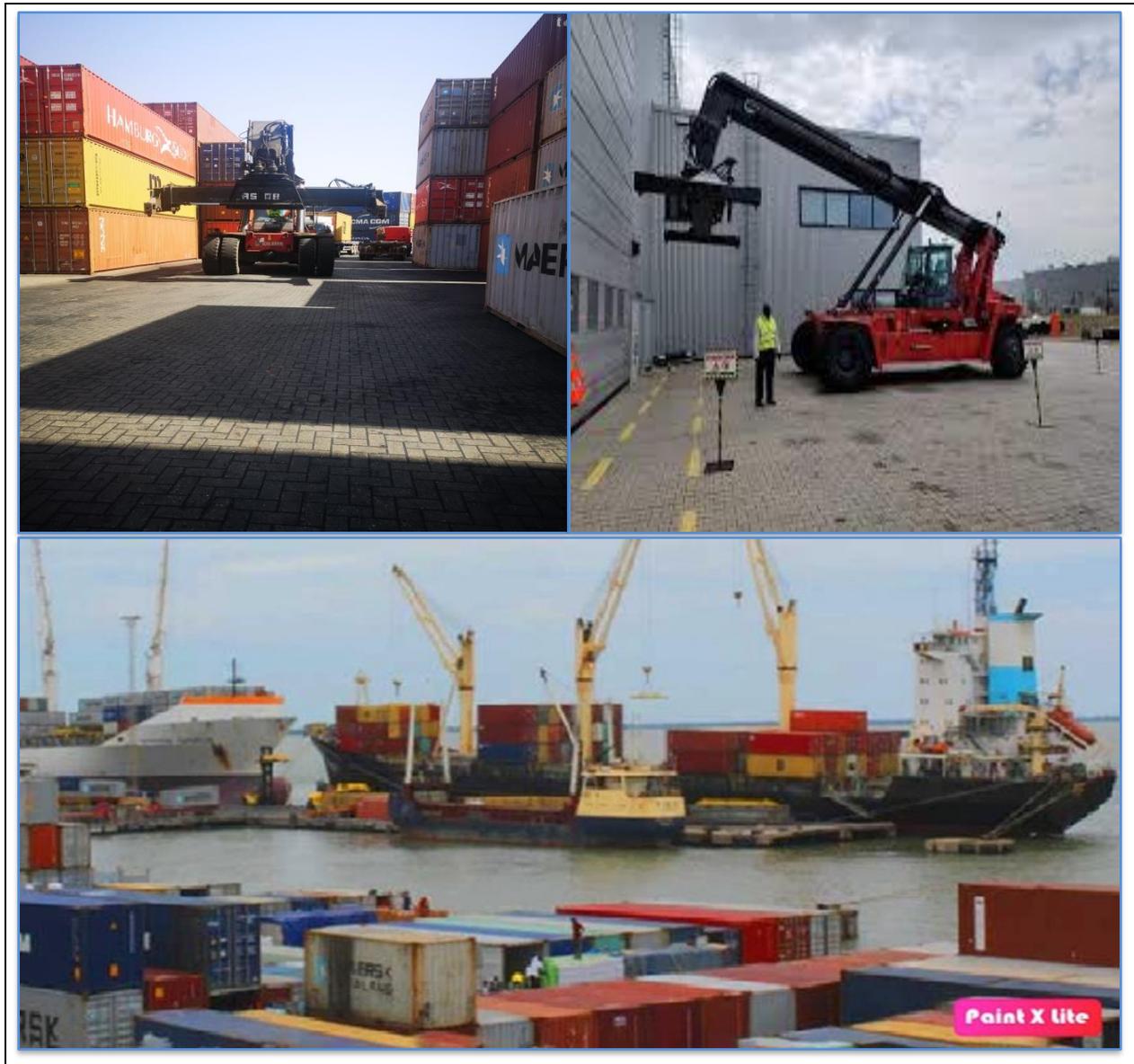




Performance Audit on Cargo Handling by the Gambia Ports Authority (GPA)



SEPTEMBER 2021

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List of Acronyms

Acronyms	
ASYCUDA	Automated System for Customs Data
DLEAG	Drug Law Enforcement Agency
FSQA	Food Safety and Quality Authority
GMA	Gambia Maritime Administration
GOTG	Government of the Gambia
GPA	Gambia Ports Authority
GRA	Gambia Revenue Authority
MOHSW	Ministry of Health and Social Welfare
MoTWI	Ministry of Transport, Works and Infrastructure
NDP	National Development Plan
SDG	Sustainable Development Goals
SIS	State Intelligence Services
SOE	State Owned Enterprise
TEU	Twenty Equivalent Unit
Ro-Ro	Run on/Run off
UN	United Nations

EXECUTIVE SUMMARY

Background

Gambia Ports Authority (GPA) is mandated to handle all cargoes entering The Gambia through the seaport which accounts for 80% of international trade¹. Cargo handling services involve pre-berth arrangements for vessels, berthing, discharging, storage, and finally delivery to the consignee.

The port of Banjul is a public service port thus the authority owns the infrastructure and performs the complete range of services required for the functioning of the port system, which means that the authority owns, maintains, and operates all port infrastructures, equipment, and port assets including cargo handling. The port is a branch of a government ministry (Ministry of works) essentially making the government responsible for the formulation of policies, regulations, monitoring and supervisions, fund facilitation, etc.²

The cargo traffic of the port Banjul has over the years been increasing and the volume of throughput handled between 2016 and 2020 amounts to 12,515,516 twenty-foot equivalent units (TEU). More than 70% of the cargo traffic are transits cargoes as the port of Banjul also serves a regional hinterland exceeding beyond its national borders and acting as a maritime gateway for transiting cargoes for countries such as Senegal, Mali, Guinea Bissau, and Guinea Conakry.

This audit is motivated by numerous factors which include:

- (a) the public outcries about the congestion at the port resulting in delays in cargo delivery,
- (b) the Government's concern over the performance of the port of Banjul as stipulated in the 2018-2021 National Development Plan,
- (c) International Trade and Economic benefit of the port of Banjul,
- (d) achieving efficient maritime transport supports the achievement of the United Nation's 2030 sustainable development agenda and
- (e) Support rendered by the World Bank geared towards reforms of SOEs in the Gambia to increase fiscal space and to improve the effectiveness of public resource management.

¹ National Development Plan 2018-2021

² UNCD Maritime Research 2017

The main objective of the audit was to assess the efficiency and effectiveness of mechanisms put in place by GPA in the provision of cargo handling. The audit assessed the extent and capacity in terms of infrastructure, equipment, administrative and legal framework required in the provision of effective cargo handling services. The audit covered the period of five years from January 2016 to December 2020.

The audit used three main methods of data collection, this includes interviews with key players involved in cargo handling, documentary review, and site visits.

Main Findings

a) Vessel turnaround time

The vessel turnaround time at the port of Banjul is significantly below standard. Mostly, the vessel turnaround time is delayed at anchorage, where it takes the vessels between 10 to 15 days on average to be able to berth. Discharging containerized cargo takes on average 2 to 3 days and for bulk cargo, depending on the tonnage, it may take up to 5 to 7 days to discharge.

Depending on the number of empty containers to be loaded, it may take another 3 to 5 days on average to load the empty containers onto the vessel. This takes the average vessel turnaround time for container vessels to between 17 to 23 days on average and 18 to 27 days for bulk vessels.

This is due to the limited berth availability, absence of modern discharging equipment such as mobile cranes, mobile gantry cranes which prolong the vessels' turnaround time, Terminal congestion, and inefficient stevedore operations.

b) Congestion at the port of Banjul

Terminal congestion is one of the major challenges faced by GPA in the cargo handling process. Studies have reported that the port of Banjul has a container dwell time of 7 to 8 days³ which is mainly caused by the congestion. This congestion is precipitated by numerous factors ranging from terminal space management, terminal layouts, aged stevedore workers, plants availability, importers using the port as a storage facility to the high level of bureaucracies involve in the clearing process.

³ Ports master plan 2019 - 2021

c) Private Sector Participation in the Ports of Banjul (Public-Private Partnership)

The Gambia did not have the legal framework to attract private participation such as granting of concessions and other forms of public-private collaboration. The port of Banjul is one of the few ports in Africa that operate as a public service port without a single aspect of its operations that is privatized or managed by the private sector. Numerous investors, both national and international companies have shown interest in collaborating with GPA but none of them were successful.

According to the management of GPA, the environment that should make it possible to venture into such partnership is not in place and there is also a deficiency in the negotiation skills (administrative framework) in this area thus the legal framework and the required skills set/capacity should be instituted before this is possible.

d) Lack of established supervision and monitoring mechanisms

It was noted that the government of The Gambia does not issue performance contracts to GPA as an SOE nor did it set performance indicators for effective supervision and monitoring. The operations of GPA are only monitored by the internal audit unit/ audit committee who reports to the Board of Directors. The performance of the port is not measured as the mechanism to ensure such is not in place.

Furthermore, the only monitoring mechanism in place is not active as we have noted that the audit committee does not meet frequently. We also noted from review of minutes that internal audit reports are not discussed at board meeting.

CONCLUSION

- a) The port of Banjul did not have the required capacity in terms of infrastructure, machinery/equipment/plants, and stevedores to optimally discharge vessels. The mechanisms put in place by the authority is not capable of handling the current traffic rate of the port resulting in a long vessel turnaround time affecting the efficiency rating of the port of Banjul.
- b) The stacking method is not in line with the layout and design of the terminals, although this is done to accommodate increasing container cargoes. However, it restricts the easy maneuvering of plants and increases the number of shifting thus contributing to the overusing of the plants and slowing down service delivery.
- c) Eighty percent (80%) of the dockworkers falls within the age bracket of 40 years and not strong enough to cope with the requirements of the work leading to delays in discharging cargoes.

- d) There is no legal and administrative framework in granting concessions or collaborating with private operators in the maritime sector. This has limited public-private partnerships in a sector that requires huge capital investments as well as technical expertise that the GoTG/GPA may not be able to afford. The port of Banjul is one of few ports in the sub-region without any form of PPP in its operations.
- e) The monitoring mechanisms in place are not adequate to effectively monitor the activities of GPA. The systems in place are not robust enough to be able to set indicators and be able to measure whether the port is prudent, efficient, and effective.

RECOMMENDATION

- a) Management should consider increasing the berthing capacity at the port to meet the demand of the calling vessels and uphold the desired competitiveness of the port with sister ports in the region. The ports should also consider obtaining and installing the relevant cranes at the wharf to ensure timely unloading and discharge of cargo from the quay to the terminals to shortened vessel turnaround time. Window berthing can also be introduced as it is done in many countries to shorten vessel turnaround time.
- b) The management should consider expanding the terminals to match the raising demand of throughput and be able to handle the anticipated increase cargoes in the future. In addition, the management of GPA needs to expedite the implementation of the Port Master Plan 2019 -2024, which will help to decongest the port, fasten the service delivery, and increase the competitive advantage of the port of Banjul.
- c) The GoTG in collaboration with the management of GPA should consider amending the existing laws of the GPA and build a strong legal framework that will attract and accommodate private sector participation in the operations of the port. In addition, the PPP Unit of the Ministry of Finance should ensure with all urgency to complete the drafting of the PPP policy framework and ensure that all the required steps are taken promptly to put it in motion. The public-private partnership policy framework should be extensive enough to be able to address and mitigates risks involved in such partnerships and ensure that the country gains the most possible benefit.
- d) The audit committee should be consistent and regular in their meetings and all the relevant officers from the various ministries should endeavor to attend these functions as the sittings of the committee with all the members onboard avails the system the chance of scrutiny and possible recommendations for improvements. Furthermore, the board should ensure that the internal audit reports are discussed and actions are

taken to remedy the concerns raised and conduct follow-up on the reports of the internal audit unit to ensure that issues raised are resolved.

CHAPTER ONE

1.0 Background

1.1 Introduction

The Gambia Ports Authority was established in 1972 by an Act of Parliament as a service port. The port is managed and controlled by The Gambia Port Authority (GPA). GPA is the only port in the Gambia which is mainly responsible for the provision of cargo handling services in the country.

Cargo handling is one of the most essential activities in the operations of any port. It is generally defined as the handling of all kinds of goods (bulk, breakbulk, liquid, RO-RO vessels, and all other containerized cargoes) within the framework of multimodal transportation. Its activities involved pre-berthing arrangements, berthing, stevedoring/unloading and loading, storage, and delivery. Cargo handling as a core service of GPA is the main revenue-generating activity of the Authority. GPA handles both imported and exported cargoes but concentrates more on imported cargoes.

The imported cargoes handled by GPA during the period 2016 to 2020 were mainly containerized and bulk cargoes. Total throughput of 12,515,516 was received and handled by the ports between 2016 and 2020⁴.

Banjul port does not only handle national imports (cargoes meant for local consumption) and exports but the port serves as a regional hinterland exceeding beyond its national borders and acting as a maritime gateway for transiting cargoes for countries such as Senegal, Mali, Guinea Bissau, and Guinea Conakry. GPA has handled up to 49,478 Twenty-Foot Equivalent Units (TEU) of transit cargoes between 2016 to 2020⁵. This highlights that more than 70% of the throughput handled by GPA is not meant for national consumption rather for other countries within the sub-region⁶.

Cargo handling operations generally require great collaboration between the public sector institutions as well as private operators operating within the maritime domain⁷. At the port of Banjul, GPA collaborates with several public sector institutions such as the Gambia Revenue Authority (GRA) for customs collections on imported cargoes, Gambia Maritime Administration (GMA) for the regulation of maritime transports, Ministry of Health (MOH) for health vigilance on calling vessels, cruise members and imported cargoes, Food Safety and Quality Authority (FSQA) for quality assurance on food imported and lastly, all

⁴ National Development Plan 2018-2021

⁵ Records from GPA

⁶ Activity Report- GPA-2019

⁷ World Bank – Trend in the world container port

security outlets (Police, Drug Law Enforcement Agency, Immigration, State Intelligence Services, and the Army) for vigilance on contrabands and security-related threats emanating from the usage of the port. This collaboration also extends to the private sector operator such as the shipping agencies or companies, clearing agents, and delivery truck drivers.

1.2 Motivation

This audit was motivated by the following factors

i. Public outcries on delays in receiving cargoes from the port of Banjul

Over the years there has been numerous public outcries regarding the congestion at the port of Banjul resulting in delays in cargo delivery. The public has shown concerns as consignees are compelled to pay congestion fees and demurrages to the shipping agencies or companies because of the congestion in the port of Banjul⁸. According to the major importers in The Gambia, payments of demurrages and congestion fees are contributing factors to skyrocketing prices of essential commodities in The Gambia as these charges are added to the market prices of commodities⁹.

As most of the goods consumed in the Gambia are being imported, delay in accessing these goods and incurring additional charges may cause high market prices which negatively affects the citizens due to their income level.

It has also been indicated by the users of the port that vessels would arrive in The Gambian waters and be at anchorage for 14 to 21 days before a berthing space is available for the vessel to berth and another 8 days of cargo dwell time due to lack of space and inadequate equipment at the port¹⁰.

ii. Government's concern over the performance of the port of Banjul

The performance of the port is of utmost importance to the government of The Gambia (GOTG) as the port of Banjul is a state-owned enterprise (SOE) and the only maritime port that also serves as a gateway for the export/import trade of the Gambia accounting for over 80% of total international trade¹¹. It is also one of the most important revenue generation points through customs duties, GMA charges, and port shore handling fees. The National Development Plan (NDP 2018-2023) indicated that the port of Banjul failed in adequately playing its part in fueling development and driving the economy.

⁸ <https://ajot.com/news/cma-cgm-announce-emergency-pcs-in-banjul-gambia>

⁹ <https://thepoint.gm/africa/gambia/headlines/importers-claim-increase-demurrage-causes-price-hike>

¹⁰ <https://www.freedomnewspaper.com/2021/02/21/open-letter-to-the-managing-director-of-gambia-ports-authority/>

¹¹ The Least Developed Country Report For THE GAMBIA-November 2019

The NDP (2018-2023) further stated that the size of the port as a medium-size port has constrained the efficiency of the port operations as the current condition of the port is without mobile cranes, the problem of small container terminals as well as manual terminal operating systems.

Also, GPA is concerned with enhancing the overall performance of the port especially in the light of the fierce competition between ports within the subregion which relies highly on port efficiencies. GPA's concerns also extend to the impact of inefficiencies on the competitiveness of The Gambia economy¹².

iii. International Trade and Economic benefit of the port of Banjul

Efficiency in cargo handling operations is a major driver of trade competitiveness and economic development¹³ and with the Banjul port accounting for 80% of the international trade, the concept of efficiency is most critical for the international trade and economic development of the country. The port of Banjul is the only maritime gateway handling 80% of international trade. The port also serves as a regional feeder for Senegal, Guinea Bissau, Guinea Conakry, and Mali accounting for 70% of the throughput handled by GPA¹⁴. These countries depend economically to a large extent on the performance of the port of Banjul

Cargo handling is the core business of GPA and the budget involved in its operation from 2016 to 2020 is D 3,251,952,000 (Three Billion Two Hundred and Fifty-One Million Nine Hundred and Fifty-Two Thousand Dalasi)¹⁵. This is more than what any other government ministries or SOEs have spent over the years and despite all this, cargo handling is not done optimally as indicated in the ports master plan 2019.

On the other hand, the ports facilitate the generation of revenue through the custom duties charged on all the cargoes handled by GPA, and these duties are collected by GRA on behalf of the state. For the period under audit, revenue collected on custom duties constituted 30% of yearly revenue collections by GRA for the state. Indirect estimates suggest that re-exports account for about 80 percent of total exports and 20 percent of foreign-exchange earnings. The re-export trade also contributes significantly to government revenue as imported goods are subject to tariffs even if intended for re-export.¹⁶ Also, the port caters for direct and indirect jobs. GPA employs 1,144 staff for its operations as of 2020. Other operators like clearing agents, truck drivers, shipping agencies or company operators, and other casual workers are all employed in the

¹² The Least Developed Country Report For THE GAMBIA-November 2019

¹³ World Bank – Trend in the world container port

¹⁴ Activity Report- GPA-2019

¹⁵ Approve Budget 2016 -2019 and Estimate Budget 2020

¹⁶ Diagnostic Trade Integration Study for the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries July, 2007

maritime transport sector making this sector one of the highly employed sectors in The Gambia.

To safeguard these economic benefits, the port of Banjul needs to maintain its competitiveness given the fierce inter-port competition, and a major strength for port competitiveness is efficiency in cargo handling. However, Banjul's competitive edge has narrowed somewhat, as efficiency improvements have stalled while other regional ports have sought to improve¹⁷ and if care is not taken, the country tends to lose its trade benefits to its neighboring countries like Senegal and Guinea Conakry.

iv. It promotes the Sustainable Development Goals (SDGs)

The Gambia is a subscriber of the United Nations SDGs agenda 2030 thus this audit is motivated by the fact that achieving efficient maritime transport supports the achievement of the United Nation's 2030 sustainable development agenda. The international maritime industry is a key stakeholder and plays an important role in contributing to global sustainability¹⁸.

According to the UN's transportation matrix for SDGs, transport in general cuts across achieving all the SDGs. For example, in achieving SDG 2, transport means like global shipping companies are using innovative transportation refrigerators to transport fruits and vegetables across the world economically which contributes to ending poverty and achieving food security¹⁹. Similar roles are played by the international maritime sector on each of the remaining 16 SDGs striving to achieve economic, environmental, and social sustainability.

It was also indicated in the UN report on sustainable freight transport in support of the 2030 agenda that inadequate and poor conditions of maritime transport infrastructure, as well as limited and constrained physical access to ports and inadequate hinterland connections, can undermine the sector's role as a driver of trade, global economic integration, and sustainable development.

In addition, achieving economies of scale, ensuring effective time management, and enhancing land connections and global access is a must for its sustainable development²⁰.

¹⁷ Diagnostic Trade Integration Study for the Integrated Framework for Trade-related Technical Assistance to Least Developed Countries July, 2007

¹⁸ Transport Research Part D- Transport and Environment January 2020

¹⁹ United Nations Global Compact and KMPG November 2016

²⁰ Sustainable freight transport in support of the 2030 Agenda for Sustainable Development

v. *World Bank's Interest in Conducting Performance Audit on All the SOEs in The Gambia.*

In support of the Government's drive to reform the State-Owned Enterprises, the World Bank through the Gambia Fiscal Management Development Project has made performance audit of SOEs as a condition for budget support.

This came because of the findings from the commission of inquiries of financial dealings of the Former President and his close associates and the special audit conducted by Ernest & Young on all SOEs after the change of Government in 2017. Both reports revealed poor governance, poor financial management, improper spending, and state intervention in the operations and management of SOEs (including the GPA).

1.3 Audit Objective

The objective of the audit is to assess the extent to which the measures put in place by the Gambia Ports Authority have ensured the efficient and effective handling of cargo.

1.4 Audit Questions

To what extent are the measures put in place by the Gambia Ports Authority efficient and effective to handle cargoes received at the Ports of Banjul.

1.4.1 Sub Questions:

1. Does the port ensure that there is adequate berthing space to receive arriving vessels in a timely manner?
2. Does the port ensure that congestion is minimized through efficient unloading, transfer, storage, and stacking methods?
3. Has the Ports Authority ensured the efficient and effective documentation and scanning of arriving cargoes?
4. Has the Ports Authority ensured timely clearance of cargo?
5. Have the ports ensured the timely transfer of the transiting containers?
 - a) To what extent are efficient and effective supervision and monitoring mechanisms put in place?

- b) To what extent is GPA collaborating with the private sector to facilitate greater efficiency and effectiveness in its operations

1.5 Assessment criteria

The assessment criteria were drawn from the ports act 1972, ports master plan 2019 – 2024, Labor Act of 2007, Port Dues and Rates Regulation, April 2013, UNCD Maritime Transport, terminal layout as well as general discussions with the Management of GPA

a) Management of terminal space at the port of Banjul

According to the port master plan 2019 – 2021 (which highlights strategies and plans to enhance service delivery), GPA aims to achieve a dwell time of 5 days and below.

In addition, according to the terminal layout provided by GPA, Terminal 22 has a dimension of 16,700 square meters design for stacking 900 containers and Terminal PWD has a dimension of 15,600 square meters design for stacking 900 containers.

Discussions with the Management of GPA have also revealed that the design of the container terminals requires a four-row stacking method.

b) Application of rent charges to ease congestion

The Port Dues and Rate Regulation of April 2013, provides that, *The Authority may reduce or waive storage charges:*

- i. When goods are detained by the Department of Customs and Excise where chief collector certifies that the detention is in no way attributable to the importer or his agent.*
- ii. In exceptional circumstances where hardship is involved. It should be noted that import rents are penal and are in the interest of all concerned importers to remove the cargo from the Authority's transit sheds and stacking areas before the rent-free period elapses.²¹*

c) Catering for efficient and effective dockworkers which include stevedores

Section (120) subsection (1) of the Labour Act 2007, states that "the Gambia Ports Authority is responsible for the recruitment of dockworkers on such terms and conditions as it may be determined as appropriate"

²¹ Port Dues and Rates Regulation, April 2013

d) Establishment of monitoring and supervision mechanism as a service port

According to the world bank report on Alternative port management structure and ownership models, *Under a service port, the port authority offers the complete range of services required for the functioning of the seaport system. The port owns, maintains, and operates every available asset (fixed and mobile), and cargo handling activities are executed by labor employed directly by the port authority. Service ports are usually controlled by (or even part of) the ministry of transport (or communications) and the chairman (or director-general) is a civil servant appointed by, or directly reporting to, the minister concerned.*

e) Vessel turnaround time

There is no specific standard for vessel turnaround time in the maritime industry but research in the area stipulated that the shorter the vessel turnaround time of a port, the more competitive the port. Most ports in West Africa have a vessel turnaround time of 5 days and below. IMANI (2017) indicated that port of Tema in Ghana has vessel turnaround time of 5.1 days and the port of Dakar is the only port that offers window berthing in the sub-region to obtain a short vessel turnaround time²².

²² https://www.ide.go.jp/English/Data/Africa_file/Company/senegal06.html

CHAPTER TWO:

2.0 Design of the Audit

2.1 Audit Scope

The audit examines cargo handling by Gambia Ports Authority in Banjul for the period 1 January 2016 to 31 December 2020. The audit is conducted at the Ports Authority head office. The selected period has allowed us to conduct an in-depth review and analysis to establish the trend of the performance on Cargo Handling by the Gambia Ports Authority.

2.2 Audit Methodology

We analysed the data gathered by using both quantitative and qualitative methods of analysing data to support our findings. Various techniques (including tables and graphs) were applied in presenting audit findings. The audit was conducted with the following methods of gathering data and information

2.2.1 Interview

Interviews and/or discussions were held with the officers of the Gambia Ports Authority and the various stakeholders from the public and private sectors that are involved in cargo handling. Such institutions include security personnel posted at the seaport, Gambia Revenue Authority, officers from the Ministry of Health, and Food Safety and Quality Authority. Discussions were also held with the private sector institutions including the Shipping agencies or companies, Clearing agents, Truck drivers, and Importers.

These discussions were aimed at gathering firsthand information from the different key players involved in the cargo handling process. The discussions were also designed to enhance our understanding of the cargo handling system operated by the Gambia Ports Authority to identify the gaps within the system and highlight areas for improvement. **Appendix a** shows the key players of various institutions interviewed.

2.2.2 Document review

We reviewed relevant documents relating to cargo handling to gather a comprehensive understanding and reliable information on the measures put in place by the authorities of the Ports towards improving cargo handling in the Gambia.

The documents reviewed enabled us to have a thriving understanding of the audit topic, operations, and systems to facilitate cargo handling by the Gambia Ports Authority to establish the root causes of the identified problems which when corrected would help to improve the current situation. Documents reviewed are detailed in **appendix b**

2.2.3 Site Visit

Site visits were also conducted to have first-hand knowledge of how cargo is handled at the port of Banjul. We visited all the quay/Jetty where the vessels would berth to unload and load cargoes. We also visited all the three container terminals where containers are stacked as well as the mechanical garage of the port and the container scanning unit. Site visits were also conducted at the dry dock terminals at the bund road.

CHAPTER THREE

3.0 Description of the Audit Area

3.1 Background of the Auditee

The Gambia Ports Authority (GPA) is a state-owned enterprise that was established in 1972 by the Ports Act to operate the ports of the Gambia on a commercial basis. The Gambia Ports Authority is only port in the country situated in Banjul serves as a service port with five functional berthing spaces. The port of Banjul consists of the main port and terminals for container cargoes, bulk cargoes, and Ro-RO. An extension of the port is established 2.5 kilometers away from the main port which serves as a dry dock for empty containers and a parking space for imported vehicles.

The Gambia Port Authority is headed by a Managing Director who is overall responsible for the day-to-day administration of the port's affairs. The Managing Director in performing his functions is assisted by the Deputy Managing Director. The Managing Director reports directly to the Board of Directors who is the oversight institution responsible for starring the affairs of the ports. The members of the Board are appointed by the Ministry of Finance and Economic Affairs. Administratively, the Ministry of Work and Transport is the line Ministry of the Port that represents the port's affairs in the cabinet.

In its functions, GPA is responsible for coordinating vessel traffic as well as the handling of cargoes. GPA mainly handles bulk and containerized cargoes which account for 80% of the country's international trade. The authority also handles transits cargoes meant for other countries in the region. Between 2016 and 2020, GPA handled 12,515,516 throughputs.

Appendix c shows the organogram detailing the departments and units under the Managing Director.

3.1.1 Mandate

The Gambia Ports Authority is mandated to manage and provide all necessary marine and harbor facilities, cargo handling equipment, and storage as well as to regulate, enhance, and carry out regular maintenance of the complex²³.

²³ Ports Act

3.1.2 Vision

“The Gambia Ports Authority will strive to provide first-class services in a safe and efficient environment, which continuing to upgrade and expand its facilities in all areas to ensure its customers are satisfied, as well as establishing the necessary infrastructure to transform the Banjul Port into an important regional hub.²⁴”

3.1.3 Mission

“The mission of the Ports Authority is “To excel as a leading maritime center for trade logistics and distribution²⁵”.

3.1.4 Specific Objectives of the Ports

Provide such marine services deemed to be expedient to the public interest.

3.1.5 The activities carried out by the Ports

The operations and activities of the port regarding cargo handling are classified into categorized into two main categories. These are:

i. Containers related activities:

- Coordinating the vessel traffic
- Loading and unloading of containers with vessel cranes
- Transferring of containers from quay to the terminals and from the terminals to quay using container trailers and reach stackers
- Providing space and facilitating the reach stackers for the handling of containers for stripping and unstuffing
- Coordinating and facilitating gate passes for the exit of containers through private-owned trailers
- Tracking of empty containers and receiving of the empty container at bund road upon return by the consignee.

ii. Non-containerized cargo:

- Handling of bulk: unloading of bulk cargoes such as cement, rice, flour, and other non-containerized cargoes by hoppers and other equipment.

²⁴ <http://www.gambiaports.gm/content/109/page/mission-and-vision?>

²⁵ <http://www.gambiaports.gm/content/109/page/mission-and-vision?>

- Facilitating exit (direct delivery) upon completion of custom processes
- Handling of RO-RO imported vehicles by unloading, storage at terminals, and facilitate exit upon completion of the customs clearance process

In addition, other activities that are taking place at the port of Banjul outside the core business of GPA include the following:

- The maritime base for the Gambian National Navy because of its ideal position at the mouth of the river.
- Operation of the ferry services

3.1.6 Funding arrangement

Gambia Ports Authority is a state-owned enterprise. The Authority is not sub-vented by the government rather it funds its activities from the revenue generated from its operations. However, the government offers financial support by serving as guarantors through the MoFEA when the GPA wants to access loans and grants.

According to the annual budget reports of the Ports, GPA has executed a total budget amount of D3, 251,952,000 (three billion, two hundred and fifty-one million, nine hundred and fifty-two thousand dalasi) between 2016 to 2020. The table below highlights the annual budget execution of GPA.

Table 1: Showing actual budget for GPA from 2016 to 2020.

Year	Actual Amount (D)
2016	363, 749, 000 .00
2017	532, 935, 000 .00
2018	552, 927, 000 .00
2019	677, 888, 000.00
2020	1,124, 453,000.00
Total	3,251, 952,000.00

3.2 Systems and process description

3.2.1 Roles and Responsibilities of key players in cargo handling

The key players in the Cargo handling process comprise both internal and external players. The internal players are key ports staff while the external are other public and

private institutions/individuals who access port either for control (public institution) or for business (private institutions and individual)

a) Internal players

I. Managing Director

The managing director is overall responsible for the day-to-day operation of the Ports Authority

II. Deputy Managing Director

The Deputy Managing Director assists in the day-to-day operations including representing him at some official functions.

iii. The Technical Services Unit

The technical services unit is responsible for maintaining the ports plants and their daily upkeep. The unit is also responsible for the maintenance and repairs of plants and sending information about their availability to the operation department every morning where the need arises, a daily summary and a situational report is written to management when there is a critical situation needing management attention.

iv. The Harbor and Marine Services Unit

The unit is responsible for allocating berths to vessels, provide pilotage services to the vessel, that is guiding them to berth, ensure safe navigation and ship watering (selling fresh water to ship crews).

v. Traffic Operations and Logistic

This unit is responsible for cargo handling operations at the port and has the following units under its purview for its day-to-day operations;

- The planning unit
- The stevedore administration unit,
- The stevedore operation unit, and
- The equipment management unit and the operators.

a) The Planning Unit

The planning unit under the traffic operations is responsible for providing information on the daily ship movements, review vessel performance daily, monthly traffic statistics, vessel turnaround time, utilization of the port facilities, such as the berth occupancy, traffic

throughput, productivity like tones per gang hour, containers move per hour and the annual preparation of the traffic analysis.

b) Stevedore Operations Unit

Stevedore Operations Unit under the purview of the traffic operations is responsible for supervising the functions of discharging and loading of cargo from and in ships/ vessels, prepare timesheets, shifting certificates, and prepare a manifest summary of discharging and loading of vessels liaising with the various shipping agencies or companies.

c) The Stevedore Administration Unit

This unit is responsible for maintaining and reviewing the Dock Labor Register, recruitment of laborers from the register for engagement on board, issuing of standby, processing subsistence and payment of subsistence to dock workers, processing wages payment to dock workers, and performing and ensuring roll calls among others.

d) Equipment Management Unit (EMU).

This unit is responsible for the assessment and evaluation of plant performance with the use of a checklist form, to provide information on daily plant availability and level of utilization.

vi. Operators

They are responsible for operating port plants and are classified based on grading to determine their category to operate state of the earth cargo handling equipment from heavy machines to light machines and the certified senior operators as trainers are responsible for training lower categories of operators.

vii. Gears Unit

This unit manages the allocations of cargo gears, maintains their inventory and maintenance. Maximum availability of cargo gears contributes to the efficient movement of ship hooks, therefore enhances the level of ship productivity.

viii. Gate Operations

They are responsible for counter-checking all cargo going out of the port, their function also includes summarizing all deliveries to measure gate throughput.

ix. Delivery and Documentation

They monitor the revenue generated by traffic onshore handling, storage, and reefer charges. They are responsible for the periodic comparative analysis on the state of revenue generated from cargo handling, as a monitoring tool to check revenue variations.

x. The Rating Section

They are responsible for processing all cargo handling charges, sells delivery orders, shipping notes, vehicle stickers, receive payments on all cargo handling charges for onward banking daily. They also maintain a cashbook on daily revenue collections and monthly cumulative collections.

b) External Players

b1) Public Sector Institutions

i. Gambia Maritime Administration

The Gambia Maritime Administration is responsible for the regulation of the maritime industry in The Gambia. In the administration's regulatory functions, its charges aid to navigate dues, sea protection levy, registration fee of shipping service providers, registration fee of freight forwarders, and freight levy. They collaborate extensively with GPA to ensure that all the players in the maritime industry are functioning in accordance with the stipulated marine laws and regulations of The Gambia.

ii. Gambia Revenue Authority

The Gambia Revenue Authority is responsible for the levy and collection of revenue relating to imported cargoes. The collections by GRA range from custom duties, value-added tax, import duties, eco-levy and exercise duties to environmental tax.

In the implementation of its tax regime, GRA established a custom seaport operation unit responsible for processing all the cargoes passing through the seaport to ensure the right taxes are charged and collected. The operations of the customs department at the seaport consist of examination, scanning, and valuation. The examination of the cargoes involves stripping and unstuffing the container to verify whether what was declared corresponds to what is seen in the container which is then be valued by the valuation team on the ground and finally closes the container for scanning.

iii) The security apparatus

State security institutions such as the Police, National Drug Law Enforcement Agency, Immigration, State Intelligence Services, and the Army are all involved in the cargo handling process for vigilance on contrabands and security-related threats emanating from the usage of the port. A task force is formed for inspecting all the cargoes coming through the seaport.

- a) The Police focus on preventing illegal arms and ammunition from coming into the country,
- b) National Drug Law Enforcement Agency focuses on drugs and other contrabands
- c) Immigration for clearing cruise members and passenger ships,
- a) State intelligence service and the army focus on state intelligence-related matters within the seaport.

iv) Food Safety and Quality Authority

FSQA is responsible for inspecting food and consumable cargoes to ensure that imported foods and feed commodities coming through the seaport meet the required food standard, fit for human consumption, and ensure that the packaging and labeling are in English and in accordance with the relevant laws and standards. The expiry dates of the commodities are also inspected.

v). Public Health

The Public Health Office represents the Ministry of Health and is responsible for the inspection and assessment of all the vessels after berth to ensure that the vessel has met the required international health standards. The Public Health Officers also inspect the hygiene of the vessels, examination of medical health certification, the temperature of the vessel, as well as the waste product and sanitary condition of the vessels. In addition, vessels transporting medical items are required to provide samples for medical examination and verification of cargo as to whether they are hygienic and have met the required health standards and verification of the medical content of drugs via the port.

b2) Private Sector Institutions

i) Shipping agencies or companies

The shipping agencies are key shipping service providers that represent the owners of the vessels in The Gambia. They are primarily involved in the import and export of Cargoes i.e the facilitation, handling, and transportation of cargoes from a particular country to The Gambia and vice versa. Shipping agencies in The Gambia are involved in different types of cargo transportation namely; containerized cargo, bulk cargo, Roll on - Roll off transportation (cars), and liquid bulk transportation. The shipping agencies play a pivotal role in the cargo handling process thus collaborate with GPA, GRA, clearing agents/consignees, and GMA.

ii) Clearing and forwarding agents

Clearing and forwarding agents are also shipping service providers representing the consignee/importers in clearing their cargo at the port. In the process of clearing and forwarding cargoes from the port of Banjul, the consignee is required to engage the service of a clearing and forwarding agent hence making their presence in the cargo handling process essential. The clearing and forwarding agents on behalf of the consignee/importer facilitate and process all the necessary paperwork from the shipping agencies, GPA, GRA, and all the relevant authorities stationed at the seaport. They are involved in the clearing of all the different categories of cargoes and once all the paperwork processes and examinations are completed, the clearing and forwarding agents end the clearing process by arranging the logistics and transportation of the cargo to the consignee's destination.

iii) Consignee/Importers

The consignee is the addressee and owner of the cargo coming through the seaport. The involvement of the consignee/importer in the cargo handling process is limited in the sense that the clearing and forwarding agents act on their behalf. They are however responsible for the resources funding the clearing expenses. They also make the decision on when the clearing process begins which also has a direct impact on the cargo handling process.

iv) Truck Drivers

The truck drivers are the last players of the cargo handling process as they are hired by the consignee directly or through the clearing and forwarding agent to transport the cargo to the destination of the consignee. If it is a containerized cargo, the truck driver is required to return the empty container after offloading.

3.2.2 System description

Process description-Cargo handling

a) Arrival of vessels

When a vessel is expected at the Port of Banjul, a vessel notification in the form of a manifest is sent to the port by the shipping agency indicating when the vessel is expected to arrive in The Gambian waters, the cargoes on board, and all other relevant information regarding the vessel. The detail on such notification includes the country of origin, the type, and size of the vessel, etc. This will help the ports to prepare for the berthing of the vessel as well as putting in place the necessary logistics for unloading the cargoes. This notification is done forty-eight (48) hours before the arrival of the vessel. The vessels

coming to the port of Banjul are usually carriers of containerized cargoes, Bulk Cargoes, Ro-Ro, and Liquid Cargoes.

A containerized cargo refers to goods or items being packed or loaded in containers and placed on the vessel for shipment while bulk cargo on the other hand refers to such goods or items that are not containerized but are placed on board the vessel such items include but are not limited to sugar, rice, flour, cement, etc.

When a bulk cargo of goods like sugar, rice, and flour arrives at the ports, they are delivered directly to the consignee. These are considered as direct cargoes i.e they are offloaded from the vessel and are directly placed on the trucks by the dock workers who are solely responsible for discharging the bulk cargoes and ready for delivery to the consignee without necessarily going through the processes of stacking and storage at the terminals. However, in any case, a degree of inspection and scanning is carried out to ascertain or identify the cargo by the team of inspectors drawn from various public institutions.

For containerized cargoes, the cargo is offloaded on the quay (wharf). The unloaded containers are recorded before it is placed on the container trailer for transportation to the storage yard. These cargoes are recorded in tally cards and then inputted in the digital system by ports clerks. This is to ensure that what is unloaded and received at the quay are rightly captured as highlighted in the manifest. This is because the cargoes when unloaded become the responsibility of GPA from that point. These containerized cargoes have an indirect delivery system unlike bulk cargoes as these types of cargoes are concealed in metal boxes thus would have to go through screening and other security checks before they are delivered to the consignee. Containers are offloaded at the quay by stevedores using vessel-attached cranes.

When the cargoes are unloaded at the quay, they are transferred to the storage yard by trailer trucks for storage in the container terminals. There are three container terminals at the port of Banjul namely: terminal 22 which has 16,700 square meters and design to accommodate 900 containers. The second container terminal is called PWD with a square meter of 15,600, designs to house 700 containers, and lastly, is the north terminal, 9,500 square meters, and can accommodate up to 400 containers.

Terminal 22 houses all the empty containers and serves as a temporal storage facility before they are transferred for loading in the vessels. The PWD terminal is used to accommodate all local cargoes and also serves as a facility for cargo screening, inspections as well as an offloading place for containerized cargoes. Finally, as the port of Banjul serves as a regional feeder for other countries, the north terminal is used for stacking transit cargoes awaiting delivery. The north terminal is also used to store export containers.

b) Obtaining the release from the shipping agencies or companies

Prior to the berthing of the vessel, precisely one week before the expected date of the arrival of the vessel, a notification is sent to the consignee regarding the estimated arrival time of the cargo. The consignee may choose to start the paperwork process after that notification or decide to wait until the cargo is discharged. However, a document for release must be obtained from the shipping agency before the cargo can be declared and processed for delivery. In obtaining the release document, the consignee/clearing agent must submit the original bill of lading to the shipping agency to confirm ownership and from that point, local charges are charged by the shipping line for the release of the container.

c) Declaration of cargo

When an agent or consignee receives a notice of arrival, it is required to prepare a declaration with the GRA at the head office which is entered in a way book and brought to the customs seaport operations then an examination of the containers is done once it has been issued a gate pass by GPA. In preparing this declaration, the consignee/clearing agent uses the bill of lading issued by the shipping agency at the point of departure. This bill of lading provides general information about the cargo on board the vessel. In preparing this declaration, the consignee or the clearing agent provides the information on the bill of lading to the GRA personnel who keys the information into the GRA customs integrated system called the ASYCUDA which determines the quotation to be charged depending on the cargo type and quantity. Some of the key information in the declaration are; the name of the vessel, the shipping line, consignee, description of the cargo, and the payments. The ASYCUDA has an inbuilt system that has assigned codes in the system that recognizes the type of cargo and payments required once the information in the declaration is keyed in. The preparation of this declaration is supervised and confirmed by the Director of Operation at the GRA. The Director reviews and confirmed the accuracy of the entries by logging into the ASYCUDA system. Once the declaration is reviewed by the Director of customs and certified, it is then printed and entered in a way book and brought to the customs seaport operations for an examination of the containers. This entry of the printed declaration is done manually. The certified declaration is used as the basis for the examination of containers/cargoes.

d) Valuation and Payment of Cargo

The ASYCUDA system in addition to the description of the cargo automatically recognized the relevant payment type and category. This helps to generate the amount payable base on an in-built tariff in the system. Once the system-generated declaration is produced, the respective payments are effected at the GRA head office and the

declaration is recorded in the way book and sends to customs for examination and confirmation of cargoes or containers.

The payments made at the GRA office as per the declaration include the following: customs duties, import duties, processing fee, environmental tax, and ECO levy which is levied on importers that are not importing from the ECOWAS countries.

Once the agent or consignee pays, a receipt is issued which the agent/ consignee produces at the customs alongside the declaration as evidence of payment.

e) Examination and scanning of cargo

The examination of containers or cargoes at the ports is done by a team (taskforce) comprising officers representing various public institutions such as the Police, Public Health, Food Safety, and Quality Authority, the Drug Law Enforcement Agency, Customs, Army, State Intelligent Service, and Immigration.

When containers or cargoes are being examined, the certified declaration is compared with the physical items in the containers to ensure that what is declared is exactly what is in the containers or as per the cargoes.

During the examination process, the container which is mostly sealed from the country of departure is open and contents are offloaded gradually by the inspecting team (taskforce) for confirmation and verification of items declared. These items are checked against the declaration made by the agent or consignee. When the team is satisfied with the content of the container, the items are returned to the container and locked. Where variation or differences such as under-declaration or wrong specification are noted between the declarations and physical items in the container or cargo, the GRA is notified by the examining team and the consignee or agent is referred back to GRA for the appropriate remedial action to be taken i.e to assess whether the agent has intentionally under-declared or misinformed authority. If that is the case a penalty is charged on the under-declared items.

Once the team is satisfied, a clearance is issued by ports by way of a gate pass which gives way for an exit for the container or cargo. The gate pass is certified by all the institutions present at the examination ground by appending the institutions' stamps or seals including GRA confirming that the cargo was verified and confirmed.

As the container finds its way out, it passes through the scanning machine for the final examination. At this point, the items in containers are further examined to reinforce the physical inspection. During these scanning, an officer from GRA is usually present to ensure that the declarations tally with the images produced. Where the irregularities are

noted, the container is denied exit, and the scanning team notifies GRA and GPA for further processing.

f) Delivery of the container or cargo to consignee

When the container is offloaded from the vessel, the responsibility of the container shift from the vessel to the ports authority until it is handed over to the consignee. The container when offloaded at the quay, it is moved to the storage area for stacking. During this period the consignee is required to produce a delivery Order (DO) to the port before he/she has access to this container. The delivery order issued to the consignee by the port authority is sold to the consignee via the shipping agency which should be signed and stamp by the shipping agency /company indicating that all the necessary payments and logistics have been met by the consignee. This delivery order is in three copies (original, duplicate, and triplicate)

When the consignee produces the delivery order to the ports at the Accounts Office, the original copy is detached and kept with the accounts office for processing of bills for payment of ports handling fees and for internal audit purposes. When all the fees due from the consignee are paid, the port issue the consignee with a gate pass which is signed and stamped by all the relevant authorities situated in the seaport premises to enable the consignee to take his/her container out of the port. The ports then hand over the responsibility of the container to the consignee. The consignee is required to move the container for the stacking/storage to the delivery area and all the way through until the container is cleared and leaves the port finally. However, the consignee is further charged demurrages/storages fees after seven days if the container is not evacuated from the ports.

In moving these containers from the storage area, the consignees hire trucks to move these containers. The containers are lifted and loaded on these trucks by reach stackers which are owned by the Ports Authority.

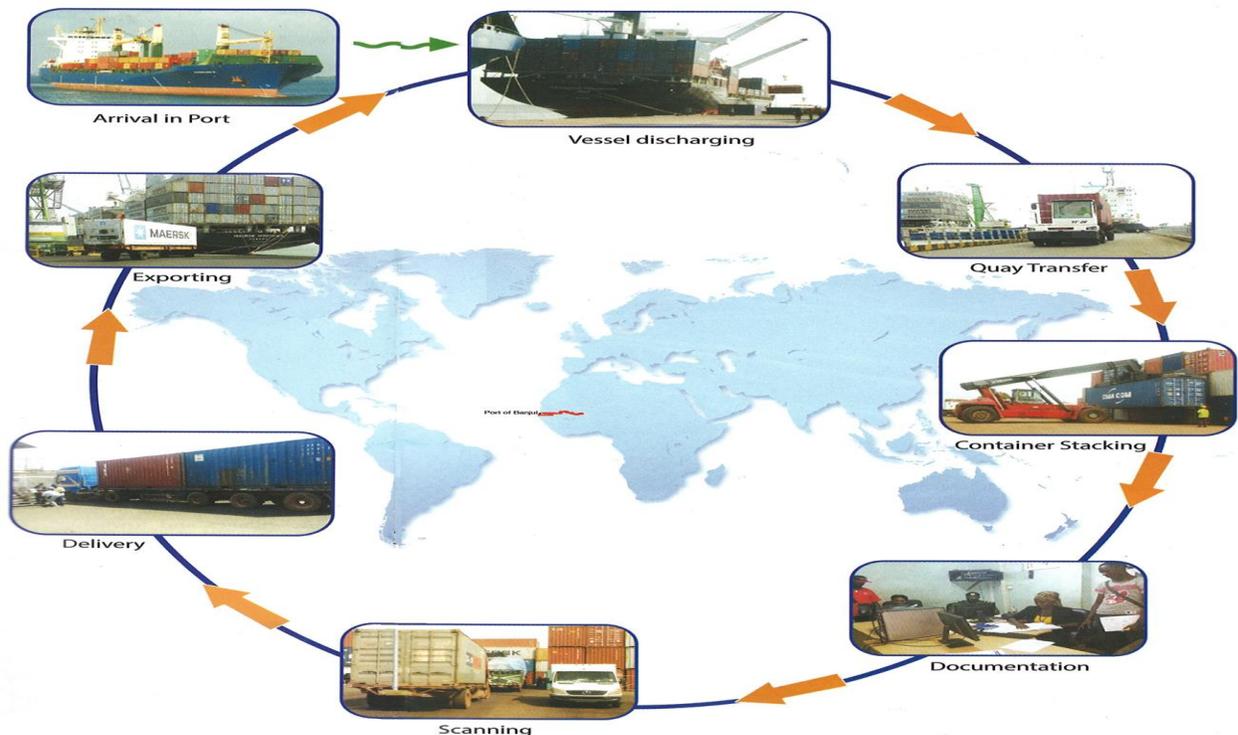
g) Transit containers or Cargoes

Transit containers like other containers when offloaded from the vessel, they are verified and confirmed as the same process as local cargoes and move from the quay to the stacking area for temporary storage within the ports. The transit containers are stripped and unstuffed within the premise of the port and are stuffed in cargo trucks for delivery to the designated country. The loaded trucks are assessed by GRA and required to pay duties before exit.

h) Return of empty containers

The various shipping agencies or companies that bring cargo into the Gambia are surely responsible for returning the empty containers. When the container leaves the port after being cleared, the responsibility of returning the container to the port for stacking rests with the consignees, as a deposit fee is paid to the shipping agencies/companies before the containers are allowed to leave the port. Other consignees may decide not to pay the deposit and offload the items in the container in the premises of GPA. However, once the containers are moved out of the premises of the port, they are returned to the Ports via the port's wing at the Bund Road by a port-appointed contractor who receives and stacks the containers on behalf of the ports at the bond road until it is requested for reloading onboard the vessels by the shipping agencies/companies. The shipping agencies/companies are charged by GPA for transporting the empty containers from bond road to the wharf at 20 euros each. The containers once received at the port are parked at the area designated for the shipping agencies /companies for collection. After seven days, if these empty containers are not collected, the shipping agency is charged a storage fee per container.

Picture 1: Picture Showing Cargo Handling Processes



Source: Xibarr Yi Magazine

CHAPTER FOUR: Audit Findings

This chapter presents the findings, conclusions, and recommendations to the Gambia Port Authority to improve efficiency and effectiveness in handling cargoes or vessels received in the Gambia

4.1 Long vessel turnaround time

There is no specific standard for vessel turnaround time in the maritime industry but research in the area stipulated that the shorter the vessel turnaround time of a port, the more competitive the port. Most ports in West Africa have a vessel turnaround time of 5 days and below. IMANI (2017) indicated that the port of Tema in Ghana has a vessel turnaround time of 5.1 days and the port of Dakar is the only port that offers window berthing in the sub-region to obtain a short vessel turnaround time²⁶.

Ports efficiency is mainly determined by the vessel turnaround time i.e the time taken between the arrival of a vessel to its departure²⁷. This includes the time the vessel spends at anchorage before berthing, time spent on the berthing space discharging cargoes, and finally loading empty containers before departure.

The audit has revealed that the vessel turnaround time at the port of Banjul is significantly below standard. The vessel turnaround time differs on average from vessel to vessel depending on the cargo type on the vessels. Mostly, the vessel turnaround time is delayed at anchorage, where it takes the vessels between 10 to 15 days on average to be able to berth. At berth, the number of days spent depends on the type of cargo being discharged and the size of the vessel. Discharging containerized cargo takes on average 2 to 3 days and for bulk cargo, depending on the tonnage it may take up to 5 to 7 days to discharge as only 1000 tons are dischargeable in a day. Mostly, shipping lines will request for empty containers and export cargoes to be loaded on board if there are any, and depending on the number of empty containers to be loaded it may take another 3 to 5 days on average to load the empty containers onto the vessel. This will take the average vessel turnaround time for container vessels to between 17 to 23 days on average and 18 to 27 days for bulk vessels.

²⁶ https://www.ide.go.jp/English/Data/Africa_file/Company/senegal06.html

²⁷ <https://www.cogoport.com/shipping-terms/vessel-turnaround-time-16>

Causes of delays:

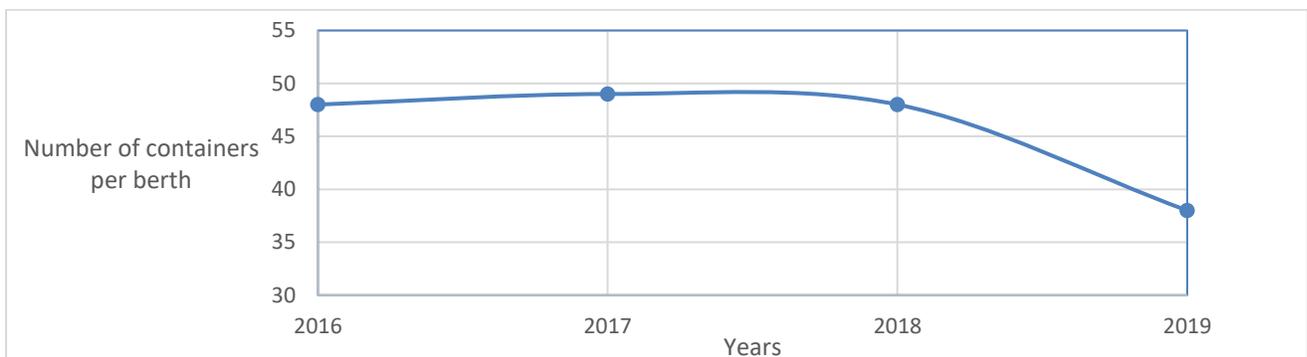
I. Limited number of berthing spaces accommodate various ships calling the port

The port of Banjul is only equipped with four (4) berthing spaces. These are Banjul wharf constructed in 1971, measuring 128m long and 18m wide with two berths, an inner berth, an outer berth, and the New Banjul Jetty constructed in 1981 and extended in 1994 has two outside berths 3A and 3B and inner berths 4A and 4B. The available berthing spaces are unable to accommodate promptly, the vessels that are calling the port of Banjul.

In addition to the limited berths, the available berthing spaces are not big enough to accommodate bigger vessels. Discussions with the management of ports revealed that these berths are also shallow and cannot accommodate the big ships. Most vessels calling the ports have a fleet size beyond the capacity of the berthing space of the old Banjul Wharf. Some of these vessels have long drafts as compared to the depth of the berth.

Discussion with the management of some selected shipping lines operating at the ports revealed that the depth of some the berths are only 12 metres thus only vessels with 9 metres long draft can be berthed whilst most of the current ships or vessels in use have a draft length of 29 meters. According to the management of the Ports, for the ports to meet this standard of drafts, the berth requires deeper dredging which is capital intensive which the port cannot afford at the time. A review of the vessel registers during the period under review revealed that the ratio of the berthing space to vessel in 2016 is 1:48, 1:49 in 2017, and 1:48, 1:38 in 2018 and 2019 respectively. (This means that 1 berthing space handles 48 vessels in 2016 and 49 in 2017 and so on.)

Graph 1: showing the average number of containers per berth



II. Ship Cranes are used for discharging (Crane and yard productivity)

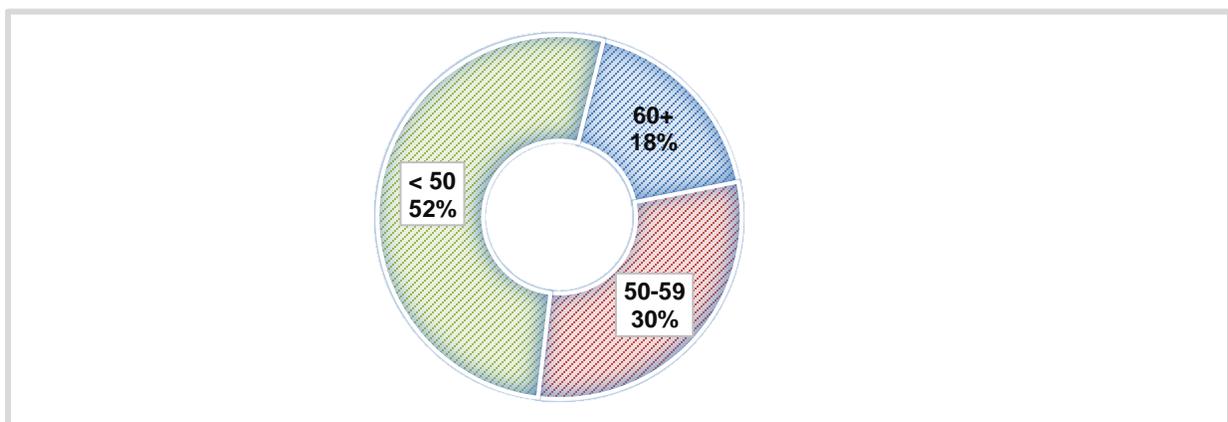
The ports lack mobile harbor cranes or gantry cranes resulting in the use of ship-fitted cranes to offload or discharge containerized cargoes, these are slow as compared to other modern cranes in use. This slow pace of offloading cargoes greatly contributes to the delays in the discharging of the containerized cargoes from the vessels thus increasing the vessel turnaround time. All the vessels calling the port of Banjul must be equipped with cranes as the port of Banjul does not have stationed cranes installed at the quay.

During our discussions with the shipping lines, it was emphasized that they are struggling to call the port of Banjul as the ships with cranes are phasing out of the industry and it is usually not cost-effective to use those small vessels due to the long vessel turnaround time. Further discussion with the management of the ports revealed that there are instances where some cranes break down in the middle of operations thus bringing discharging to a halt. It takes time before the mechanics got this fixed for discharging to continue thus extending vessel turnaround time.

III. Inefficient Stevedore

Stevedoring which is the act of loading and unloading cargo on/off vessels is also a contributing factor to the long vessel turnaround time affecting the port of Banjul. Discussions held with bulk importers highlighted that up to 70% of the importers complained about the slow pace of the stevedores. The claims of the importers were substantiated by the information received from GPA, which highlighted that 18% of the stevedores are aged 60 and above and 30% between 50 to 59 years. This highlights that 48% of the stevedore workforce consists of aged workers who do not have the strength to discharge the vessels efficiently and effectively.

Chart 1: Pie Chart showing the ages of Stevedores



According to the interviews conducted with the officials of the ports, some of the dockworkers subcontracts their relatives to work on their shifts and this is mainly because those dockworkers are old but still in the system. In addition, major bulk importers such as Jah Oil highlighted that the inefficiency during discharge has prompted the company to procure and installed hoppers at the ports to fasten the unloading process. Other importers also purchase hoppers and suction machines to increase the rate of tonnage discharged. It is noteworthy that these are capital-intensive machines that the importers had to resort to due to the inefficiency of the stevedores.

IV. Terminal Congestion

The terminal is where the containers are stacked when they are received from the quay or wharf. The port currently operates two terminals namely; Terminal 22 and PWD. We noted during a site visit that these terminals were always at full capacity or congested. The containers at these terminals were indiscriminately stacked and in rows of four. This makes the sorting of containers very difficult and time-consuming.

In addition to the indiscriminate stacking of containers, we noted that other ports activities were carried out at the terminals. These activities include un-stuffing transit containers and loading them in trucks, stripping and un-stuffing of local containers, container examination, and inspection, scanning of containers and loading of containers for exit. These activities according to management are normally carried out at a designated and controlled area outside the terminals but due to space problems, they are carried out within the terminals. As these processes/activities are being carried out, more containers are discharged from the quay for stacking at the terminal. These cause serious congestion at these terminals. The congestion of these terminals contributes significantly to the long vessel turnaround time.

Consequences

a. The risk of Banjul Port losing its trade competitiveness to other competitors

According to the World Bank²⁸, A shorter turnaround time in port is a positive indicator that could signal the level of port efficiency and trade competitiveness. Conversely, a longer time at the port signals inefficiency and has a negative impact on trade competitiveness. From the discussions conducted with importers, it was highlighted that most of them are considering using the port of Dakar due to the long waiting time to access their cargoes. This was amplified by the shipping lines during our discussion with them that due to the slow pace of anchorage and offloading of cargoes they are considering calling the neighboring port of Dakar where the turnaround time is shorter. This is substantiated by the NDP 2016-2021 which claimed that the port is losing its trade

²⁸ UNCD Matime Reasearch 2017

competitiveness due to the inefficiency of the port's operations. In addition, As seen in the throughput data, the percentage throughput rate is increasing at a decreasing rate i.e 10% increase in 2018, 4% in 2019, and 2% in 2020. The long vessel turnaround time is one of the contributing factors to this decrease in growth which reduces trade and revenue.

b. Importers paying congestion fees and demurrages.

Berthing congestions comes at a cost to the importers or consignees. As confirmed with the shipping lines, due to the amount of time the vessels have to spend at anchorage, containerized cargo owners are sometimes bill to pay congestion fees which ranges between 300 to 400 dollars per container and bulk cargo owners are required to pay demurrages after the designated agreed time elapses without discharging, these demurrage charges range between 5,000 to 15,000 dollars²⁹ depending on the size of the vessel and agreement between the owners of the vessels and the charterer (importer) before departure. Major importers like Jah Oil, George Banna, and others have highlighted that they were compelled to lose thousands of dollars on demurrage charges due to the berthing congestion and other inefficiencies at the port of Banjul. This has contributed to skyrocketing prices in essential commodities in The Gambia as the cost of congestion fees and demurrages are added to the shipping cost of the businessmen who would also spread it and add it to the prices of commodities. Since more than half of The Gambian populace is categorized to be within the poor bracket, skyrocketing prices on essential commodities like food is a threat to the country's food sufficiency as many may not be able to afford these essential commodities.

c. Slowing down the revenue collections

The berthing of vessels is not only the point of entry but also a start of a whole process which includes the collection of revenue such as duties on imported cargoes. The vessel must berth and discharge before revenue can be collected by GRA on the cargoes thus the slow berthing situation at the port of Banjul to a large extends slows down revenue collection in this area. Given that The Government of The Gambia depends highly on rapid revenue collection for funding of development projects, delayed revenue collection due to delay in berthing has a negative impact on rapid domestic resource mobilization of the country which may contribute to the slow progress of development projects because of slow inflow into the consolidated revenue fund of which GoTG utilizes.

d. Shipping lines reducing their calls to the port of Banjul

Discussions with major shipping lines such as the Maersk line and CMA operating at the port of Banjul have resort to using larger shipping vessels operating in other neighboring

²⁹ Discussions with shipping lines and importers

ports as a way of reducing the number of calls, they made to the port of Banjul due to the long vessel turnaround time. Similarly, the management of the MSC shipping line said that due to the long vessel turnaround at the port of Banjul, it has reduced the calling of the port of Banjul from 36 - 38 calls per year in 2017 to 11 - 13 calls in 2020. Bollore and OBL have also highlighted frustrations faced with their clients because of the turnaround time leading to the reduction in the number of consignments handled. This has led to revenue loss both on the side of GPA and GRA as when the shipping line reduces calls, the revenue for ports goes down and similar faith applies to the customs revenue collection.

Conclusion

GPA has failed to achieve a short vessel turnaround time due to the limited berth availability, which is unable to optimally handle vessel calls, lack of modern port equipment to fast-track vessel unloading and loading, inefficient stevedores, and congested terminal space.

The authority did not have the required capacity in terms of space, equipment and dock labour workforce to handle the increasing traffic of the port of Banjul. The vessel turnaround time of the port of Banjul is far behind that of competing sister ports who have achieved a vessel turnaround time of 5days and below. Long vessel turnaround time translates or is an indication of the port inefficiency.

Recommendation

For the GPA to address the problem of long vessel turnaround time, causes to the problems cannot be addressed in isolation rather a holistic approach needs to be employed.

Firstly, management should consider upgrading and increasing the capacity of the berths to match the current demand of modern vessels and/or to respond to the prevailing circumstance of the ports. This will help to support the economics of scale, increase revenue for the ports, increase ports calls and uphold the desired competitiveness of the port with sister ports.

The management of GPA should expedite the implementation of the port master plan and five years business plan as it outlines the technicality involved in the extension of the berths.

Secondly, the ports should consider acquiring and installing the relevant cranes at the quay or wharf to ensure timely unloading and discharge of cargoes from the quay to the terminals. This ensures decongestion from the quay and will contribute significantly to the short vessel turnaround time at the port. Furthermore, this will reinforce the vessel

fitted cranes and help to curb the downtime as a result of a breakdown in the vessel cranes which periodically occur. While it is highly needed to install these stationed cranes, hoppers, and suction, management should be on alert that the installation of such equipment would also have to be done alongside infrastructure development to support this advancement. It is critical that this is considered as the installation of such equipment would fasten the discharge rate hence shortening the time vessels spend at berth and eventually decongesting the berthing traffic.

Management Response

a. The Risk of Banjul Port losing its trade competitiveness to other competitors

Management accepts the recommendation for increased berth capacity to accommodate more vessels and thus reduce ships waiting time at the anchorage and achieve faster ship turnaround time. The GPA has commissioned a new Master Plan 2019-2038 and Business Plan 2019-2023, which has recommended the extension of the New Banjul Wharf northwards of its present location by 345m as one of the urgent components.

Resource Mobilization efforts are underway with the support of MoFEA for access to concessionary funding from the EIB. The GPA has recruited Royal Haskoning of the Netherlands as Consultants to assist in the preliminary design, tender process and identification of a construction contractor through an EPC project. Part of the project preparatory activities, which the GPA is funding from internal resources, includes the consultancy contract with Royal Haskoning.

The GPA has also advertised for the recruitment of a consultancy firm for the preparation of a comprehensive ESIA to cover all the components of the Port Expansion project mentioned in the master plan, including the Jetty Extension. The exercise is expected to commence in October 2021 for 6 to 9 months. This is required in order to provide potential contractors with geo technical information necessary for the submission of designs for the new Jetty Extension. The Pre-Qualification of Construction Contractors has also been launched and the deadline for submission is Friday 8th October 2021. This procurement method is being launched parallel to the ESIA in order to gain lead time for the next phase in the tender for the firms to be shortlisted, such that the project is expected to start in the first quarter of 2022.

The design of the new Jetty Extension is proposed to accommodate ship-to-shore (STS) cranes such that gearless vessels can be handled with a higher output in terms of crane productivity.

b. Importers Paying Congestion Fees and demurrages

With the realization of the Jetty Extension, it is expected that ships waiting time at the anchorage will be reduced, thus allowing for 3 container vessels to be berthed and handled simultaneously. Thereafter, shipping lines will be engaged with a view to removing the congestion surcharge, which has a direct correlation with the lack of adequate berth accommodation.

Siltation is a recurrent natural phenomenon in the estuary in Banjul and causes draft restrictions at the berths normally allocated for bulk vessels. Dredging alongside the inner berths to achieve deeper draft will increase the berth availability for the handling of bulk vessels. The dredging exercise will be funded by the GPA at an estimated cost of Euros 1.3 million to be implemented during the second half of 2022, following a needs assessment by way of bathymetric surveys. Similar exercise was conducted in March 2021 at a cost of Euros 1.2 million and this has significantly increased the ships accommodation capacity by 40% as 5 berths are available.

c. Slowing down the revenue collections

Management has noted the observation and accepts the fact that delay in ships berthing, and handling slows down the revenue collection in terms of import duties by GRA.

d. Shipping lines reducing their calls to the Port of Banjul

In 2020, Maersk made fewer calls when compared to the previous year, which may be attributable to the congestion in Banjul, coupled with the global slowdown in economic activity. However, the threat of cargo diversion to neighbouring ports is a potential risk faced by the Port against the ships increased waiting times at the anchorage. MSC having reduced calls in Banjul may not necessarily be only as a result of the increased ships waiting times as containers bound for Banjul on this line have not been transshipped via other ports. Notwithstanding, the need for increased berth capacity is the way forward to address this potential loss of business as mentioned.

4.2 Congestion at the port of Banjul

Terminal 22 has a dimension of 16,700 square meters design for stacking 900 containers and Terminal PWD has a dimension of 15,600 square meters design for stacking 900 containers³⁰.

³⁰ Information provided by port

According to the Management of GPA, the layout and the plants available in its container terminals requires a four-row stacking method.³¹

According to the port master plan, 2019 – 2021, GPA aims to achieve a dwell time of 5 days and below.

Terminal congestion is one of the major challenges faced by GPA in the cargo handling process. Studies have reported that the port of Banjul has a container dwell time of 7 to 8 days³² which is mainly caused by the congestion at the port. The congestion is precipitated by numerous factors ranging from terminal space management, terminal layouts, plants availability, importers using the port as a storage facility to the high level of bureaucracies involve in the clearing process.

Causes of the congestion at the port of Banjul.

4.2.1 Inadequate terminal space at the port.

The terminal space at the port of Banjul is unable to optimally accommodate the current rate of container cargoes arriving at the port due to growth in traffic inflow without a corresponding terminal expansion. A review of the port layout and site visits has revealed that the port has three terminals (i.e Terminals twenty-two, former Public Works Department (PWD) terminal, and the North terminal) designated for the storage of container cargoes, however, all three terminals are storing beyond their respective capacities thus adding on to the congestion at the port. For example, Terminal 22 is designed to stack 900 containers but is stacking 1,500 containers and Terminal PWD which is design to stack 900 containers is stacking 1,200 containers³³.

In addition, we noted that these container terminals are not only used for the storage of container cargoes as designated but were also used for other activities such as stripping/unstuffing of containers for examination, loading of containers on trucks for delivery and other activities which according to management were supposed to be carried out at a designated area outside these terminals but due to space problem at the port, they could not be carried out elsewhere except at the terminal which occupies the space where the containers were to be placed.

However, we noted during their site visit and review of port documents that the GPA in its move to implement the port extension master plan 2019-2024 to expand and decongest the port for effective handling of cargo and its related activities rented land from Sadia trading for additional storage area in July 2019 with a dimension of 25,918meter square

³¹ Management discussion

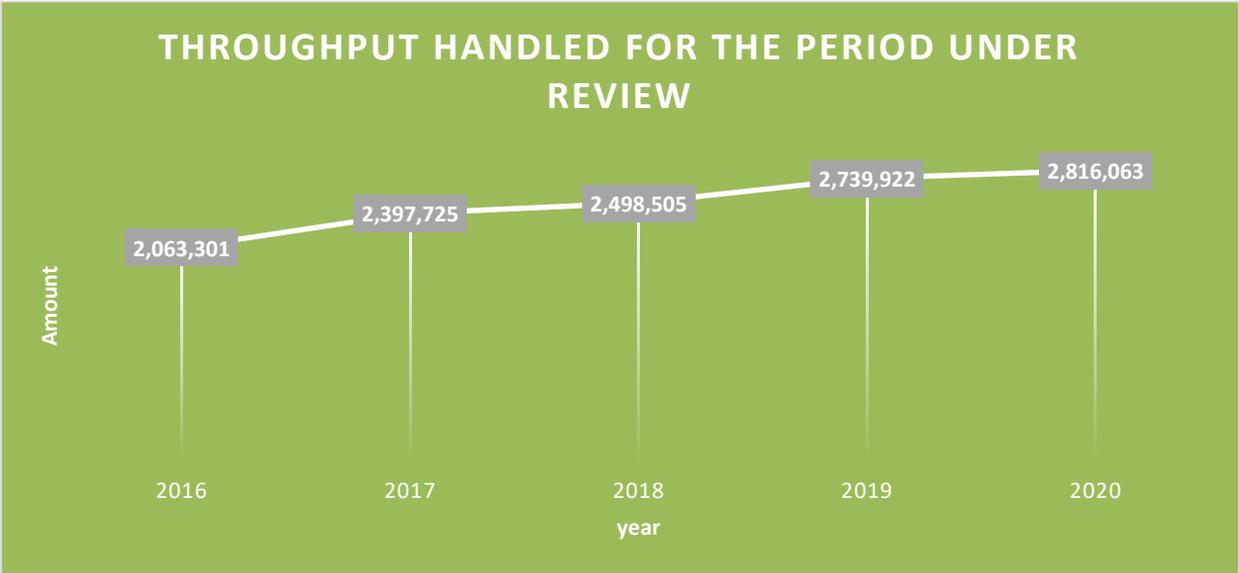
³² Ports master plan 2019 - 2021

³³ Discussion with GPA management

at a rental rate of 9.22 USD per meter square equivalent \$238,964 per annum but fail to utilize it for its intended purpose for that particular commercial year, the business arrangement of paying these huge amounts of monies only to access the service later while there is still congestion at the port is neither economical nor effective. A visit to this rented land revealed only a small portion as at the time of visit was utilized to store imported vehicles awaiting clearance with the port's terminals left to battle with issues of space for incoming containers.

Furthermore, we have noted that the expansion process has started as private land in addition to the Sadia rented land, which was acquired and is now designated for transit containers. The property situated along Bund Road was acquired in 2017 from Busura trading measuring 6000 meters square at an annual rate of USD7050 per meter square to March 2022 for the storage of empty containers which amounts to 2,250,000 Dalasis annually. The rented property is being used as the construction is ongoing. Although positive steps are taking to resolve the congestion at the port, the pace at which solutions are implemented is extremely slow. In addition, other acquisition engagements such as the acquisition of KG5, Muslim High School, and other family and communal lands are also taking a lot of time to be accomplished. In the light of this, it is not reasonable to think that the GPA can meet the timelines of decongesting the port as stipulated in the port master plan 2019 -2024 in the short run is feasible.

Graph 2: Showing the throughput growth at the port of Banjul.



As a result of the limited terminal space at the port of Banjul, the following effects take place.

a) Poor stacking method

According to the management of GPA, The stacking method to be used in a port depends on the layout of the terminal and the plants utilized by the port in its operations. The layout of the Banjul port was designed to accommodate a four-row stacking method and the plants in use for stacking are the reach stackers.

We noted during our site visit that the Ports is stacking containers in the twelve-row stacking method. This according to the management of the port was due to the increase in throughput without a corresponding terminal capacity enhancement to accommodate or match the current storage request of container cargoes. We noted instances where thirteen to fourteen-row stacking methods are used which is far below the standard of the four-row stacking method found in other ports within the sub-region.

In addition, best practices in container stacking require that containers are stack distinctly in order of dispatch, transit, shipping line/company, and empties³⁴. We noted that the stacking method in place at the port of Banjul makes it difficult to trace and track containers as containers are not segregated or sorted by order of shipping lines i.e all the containers are stacked indiscreetly irrespective of the shipping line which makes it difficult during the searching. As a result of this, the service delivery is delayed as a lot of time is taken to locate the containers before they can be cleared. This was substantiated by the confirmation of the Director of traffic who highlighted in an interview that the limited space has resulted in a system that makes it difficult to locate the container during the clearing process. Clearing agents have also raised concerns during an interview that, sometimes it takes them days to locate containers and would sometimes have to pay casual workers to search for the containers within the terminals.

This stacking method does not only affect the workflow of GPA or the delay in service delivery but it also affects the shipping lines who also find it hard to locate their empty containers and would result in having employees at the port searching for their containers.

b) Overusing of plants

Another implication of the limited space is the overusing of plants. We noted during the site visits that GPA currently has nine (9) available reach stackers, however, due to the intensive nature of the work, not all these plants will be available for use at once, that is they will be operated on a shift basis (some will be switch on while other are left to cool off or be on standby mode). In light of this, plant availability information is rolled out to the operations department daily. The practice with regards to the plants' allocation would mean a reach stacker is allocated to a vessel during discharge and loading of containers and only two reach stackers would be allocated to all the three terminals for delivery to

³⁴ Port of Ghana and lome

consignees. These two reach stackers would be crisscrossing between offloading and loading of containers for dispatch/delivery which according to the management is not healthy and ideal for these plants as it exerts enormous pressure on their operational life. Furthermore, considering the number of containers that are requested for delivery and dispatch daily, it is not reasonable to think that only two containers at a time can meet or cope with the demand of the consignees or clients. This does not only add to client frustration but also cause severe damages to these machines as they would be forced to operate beyond planned time which is the case in most instances according to management. For example, discussion with the mechanical department, when the plants are functional, they are used for 20 hours a day and are only given 4 hours cooling period. Extractions from the plant timesheet revealed that a particular plant has clocked 8000 hours of operation in less than a year. This is equivalent to three hundred and thirty-three (333) days of continuous operation for that particular plant in less than one year.

It should be noted that these are machines that may break down at some point due to mechanical fault resulting from intense use or due to normal cause of operation. When the breakdown of plants coincides with the berthing of two or more vessels, the terminal will still be left to battle with only one reach stacker to deal with the inflow and movement of containers, thus overworking the plants and delaying further the delivery services. Similarly, the ports wing where these empties are normally handled also is allocated only one reach stacker to offload return containers from trucks and load other containers to return to the ports main yard or terminals. Considering the inflow of return containers from the consignees to be offloaded from private trucks and the empty containers to be load on trucks to return to the main yard of the ports, all these are to be carried out using only one reach stacker, this causes serious delays as most truck driver or trailer must have to wait hours and sometimes days for the reach stackers to discharge the empty containers off their trailers/trucks. According to the discussion held with port staff, this sole reach stacker has sometimes recalled if the port's operations are at peak leaving non at this spot. This does not only affect service delivery by the port but amounts to losses for these waiting drivers or truck owners whose livelihood depends on the earn realized from these vehicles.

Currently, the stacking method in use due to the limited space puts pressure on the plants and at the same time slows down the process of delivering the cargoes to the importers. This was amplified by the Deputy Director of technical service that the limited capacity of the port and poor stacking methods restricts the free maneuvering of the plant and cause frequent breakdown to the plant which is not economical and leads to heavy fuel consumption.

Overusing the plants will not only degrade the plants but will limit their life spans which defeat the essence of value for money considering the high cost associated with these plants.

Despite, the mounting pressure of work on these few existing reach stackers and other plants of the ports coupled with considerable delay in service delivery by the ports to its users/customers, we noted during our site visit that three reach stackers were procured in December 2020 including container trailers and spreaders. These are, however, yet to be commissioned. If they were commissioned, they will to a large extent help in improving service delivery and reduce the overusing of plants. These plants as they are kept laying or stationed at these spots are subjected to wear and tear as go over time.

Picture 2: showing private trailers waiting for reach stackers to off load empty containers



Pictures taken by the Audit team during their site visit on 24 June 2021

4.2.2 Importers using the Port as a storage area

The port should auction cargoes that spent three months at the port without been cleared by the consignee. However, this process should be initiated by GRA.

The Port Dues and Rate Regulation of April 2013, provides that, *The Authority may reduce or waive storage charges:*

- (a) When goods are detained by the Department of Customs and Excise where chief collector certifies that the detention is in no way attributable to the importer or his agent.*

(b) In exceptional circumstances where hardship is involved. It should be noted that import rents are penal and are in the interest of all concerned importers to remove the cargo from the Authority's transit sheds and stacking areas before the rent-free period elapses.³⁵

A review of the GPA internal audit reports have over the years emphasized and discourage the number of rent waivers issued to importers who are mostly profit-making entities. We have noted that one hundred and fifteen million, five hundred and thirty-six thousand, seven hundred and eighty-nine dalasi (GMD 115,536,789) were issued as rent waivers between 2016 to 2020.

As stipulated in the GPA act 1972, the issuing of waivers is at the discretion of the Managing Director whom the applicant has to convince that the delay was due to economic hardship or some very genuine problems which affected the applicants' ability to clear the cargoes within the given the time. The act is not however clear on what documents to submit to back the applicants' claim nor is there a monitoring mechanism in place to ensure that waivers issued are well supported as the internal audit who reports directly to the board do not have access to the waivers application documents for scrutiny.

In addition, a review of the port rent register revealed that the rent charges are ascending in the first periods but at a certain point, the amount payable is fixed which may prove to be conducive to the importers as it is clear to them that the payable amount will be fixed irrespective of the number of days the cargo spent at the port. For example, the amount paid after 3 months of rent could be the same as the amount paid after 6 months and with rent waiver possibility, the amount may even be lesser. Furthermore, the policy of moving the cargoes to be auctioned after the designated 3 months is not fully implemented which could contribute to importers not being in a rush to clear their cargoes especially in the light of expensive rent charges outside the port, they may be will willing to let their cargoes lay down at terminals which are usually fully secured and cheaper than outside.

Port rent fees are designed for the main purpose of discouraging the users of the port from using the port as a storage facility which contributes to congestion but in the event where this occurs, the institution must ensure it is rewarded accordingly by implementing the full dictates of the act and only issuing waivers when applicants are thoroughly screened to ensure the applications are only approved for genuine applicants.

Conclusion

The port of Banjul does not have the required terminal space to handle the current throughput optimally, as a result, staking methods that are below standards are used to

³⁵ Port Dues and Rates Regulation, April 2013

accommodate container cargoes which restricts the easy maneuvering of plants and increase the number of shiftings thus contributing to the overusing of the plants.

The limited number of plant availability also contributes immensely to the overusing of plants and also slow down the service delivery. Lastly, issuing rent waivers does not also help reduce congestion and leads to loss of revenue.

Recommendation

Firstly, there is an urgent need for the expansion of the terminals to match the current rate of increased throughput and be able to handle the anticipated increase in the future. The management of GPA is aware of this as captured in the Port Master Plan 2019 - 2024, the plans documented were reviewed and endorsed by the Government of The Gambia hence if implemented, it is expected to decongest the port, fasten the service delivery thus increasing the competitive advantage of the port of Banjul. Although there are plans in place, their implementations are slow and need to be expedited. The management of GPA should be prudent in its business arrangements with the private landowners, a huge amount of investments to decongest the port should not be made only to utilize those places after one year or two years while they still grapple with congestion. Such investments should only be made when the place is readily available for use. To gain value for money, Management should ensure that the elapsed rent or leased periods are compensated by not paying the subsequent rent/lease fees to cover up for the lost time. It will be unfair and tantamount to the wastage of taxpayers' money to pay for services that were not utilized.

Secondly, it is of utmost importance that the plant availability of the port is augmented. We are aware that these are capital intensive plants and will be unreasonable to request for GPA to acquire a fleet of them but also have a limited quantity in place will not be prudent nor will it be efficient or effective as the limited available quantity will be overused and end up having a short life span. The same applies to efficiency and effectiveness, as operations will be slow affecting efficiency and the service will not be conducted optimally thus affecting effective service delivery. The management of GPA should lay emphasis on purchasing reach stackers in their yearly budgets and flagging it as critical in their budgets. The procured reach stackers should be commissioned as soon as possible as the port cannot afford to invest huge amounts of monies in those plants and leave them idling while it struggles with plant availability. The newly procured plants can to a large extent reduce overusing existing ones and improve service delivery. Going forward, management should ensure that plants are commissioned in a shorter period after delivery, otherwise, the value for money is compromised leaving such expensive plants unused when they are critical in improving the current status of the port.

Thirdly, rent waivers are indeed an important aspect of cargo handling and crucial in maintaining a strong partnership with the users of the port. It translates to supporting the users of the port and waiving down costs during difficult conditions beyond their control. However, strong mechanisms should be put in place to ensure that rent waivers are approved for genuine applicants and that the process is not abused. The port mustn't be seen as a potential storage facility as this leads to port congestion which has a negative impact on the operations of the port.

Management should institute a system that requires rent waiver applicants to submit concrete documentary evidence supporting their application. All tax waiver applications with the necessary supporting documents must be filled and made available for review by internal and external auditors this enhances accountability improve transparency.

Management Response

4.2.1 Inadequate terminal space at the Port

The daily stock of containers stacked at the available terminal areas is well above the existing storage capacity, which leads to non-adherence to the optimal stacking pattern, given the equipment in use for handling containers. This causes congestion, lots of shifting required to access both import and export containers on a first-in first-out basis, increases the dwell time and resultant demurrage charges.

Devanning of containers within the import terminals cannot be avoided given that the Port is a designated customs zone and due to the requirements of GRA for inspections to determine duties to be levied on goods, containers cannot leave the Port area without being subject to stripping.

The rental of private property at Bund Road (Sadia) is currently being used for the storage of import vehicles and ro-ro cargo, which would otherwise have been handled within an already congested port area. Another private property along Bund Road has been on annual rent by the Port for the stacking of empty containers.

The GTTI Annex has been acquired at D24 million from the owners and the structures demolished, the area being earmarked for the relocation of the present head office complex. Muslim Senior Secondary School owners have expressed their willingness to sell the school site to GPA and independent valuation is being prepared by Management in order to guide the negotiation for the financial compensation. Meanwhile, MoBSE have allocated a school facility in Brusubi for the immediate relocation of the School to allow GPA access the site. This is expected to be achieved by end October 2021 and part of the area, together with the adjacent GTTI Annex, utilized as storage terminals.

With the proposed relocation of the present Head Office Complex, the current site occupied by the office will be rehabilitated by uprooting the pavement and raising it to a higher level with proper storm water drains. The depression along these areas of the north and south container terminals bordering the head office complex form part of the Basic Yard Extension Phase I.

Negotiations are at an advanced stage for the settlement of 2 of the remaining properties to be acquired in the Half-Die area within the contiguous zone of the Port, the area measuring about 22,000 m². The owners of these properties are requesting for amounts in excess of what the independent valuation by the GPA calls for. Another challenge linked to the acquisition of the Half-Die properties is the demand by the Katchikally occupants for compensation by the GPA before the Half-Die property owners can be allowed access to the alternative plots at Katchikally being allocated as part of the compensation package.

The GPA has solicited Government support for access to the unallocated portions of the Bund Polder for the construction of off-dock terminals to relocate all activities in the cargo handling processes that have human interference, which is desirable to optimize ship productivity and port performance.

a) Poor Stacking Method

The poor stacking method is the direct outcome of the need to accommodate an increasing volume of containers, which is not matched by corresponding increase in the storage areas. The opportunity to adopt the recommended stacking pattern compatible with the equipment in use could only be achieved with the increase in the space allocation.

b) Overusing of Plants

The increased demand on the equipment due to the cargo handling needs to service two vessels simultaneously, 4 storage terminals, and the off-dock sites; the limited turning aisles, at times less than 6 meters whereas 15 meters clearance is required between container blocks; the continuous operations round the clock; all of these contribute to the frequent breakdown of the equipment, particularly the reach stackers used in container lifting. Notwithstanding, the GPA annually makes provision in its recurrent budget for the procurement of additional equipment to complement the existing fleet. Contracts have been signed and 2 new reach stackers are expected to be delivered by January 2022 by the manufacturer Konecranes.

4.2.2 Importers using the Port as a storage area

The granting of rent waivers is currently discouraged except in situations where duty-free or Government consignments are involved. Other instances of granting waivers arise when goods owners already pay for delivery and could not receive cargo due to congestion and the amount of shifting required that could practically not be done at the material time.

The system of documenting rent waivers is already in place as all delivery orders are lodged with the Rating Manager. Management will implement an improved administrative system that will allow for formal applications with supporting documents to be attached for ease of verification and audit purposes.

The delivery time for port handling equipment is part of the criteria in the procurement evaluation process and 6 months is the average from the date of award to manufacture, supply and delivery.

4.3 Inefficient Stevedoring Services

Section (120) subsection (1) of the Labour Act 2007, states that “the Gambia Ports Authority is responsible for the recruitment of dockworkers on such terms and conditions as it may be determined as appropriate”

A stevedore or handling operator is any physical or moral person carrying out ship loading and offloading operations, including related operations such as the storage or removal of goods to and from a warehouse or open storage yard³⁶.

Stevedoring is the operations from ship hatch to crane hook, before discharging on land or truck. During our interviews with major importers and the shipping lines, concerns and frustration about the slow pace of discharging of cargoes were brought forward. A review of the dockworker register revealed that forty-eight percent (48%) of the stevedores who are responsible for discharging cargoes are aged workers above the age of 50-60 years. Given the nature of the work, it is not reasonable to believe that aged workers between 50-60 years can be efficient and effective. According to the major importers, there are times where they would have to result in hiring some helping hands to make the discharging of bulk cargoes faster especially when the days for demurrages are fast approaching. This is an additional cost for the importers which they claim would be added to the cost of goods in the markets.

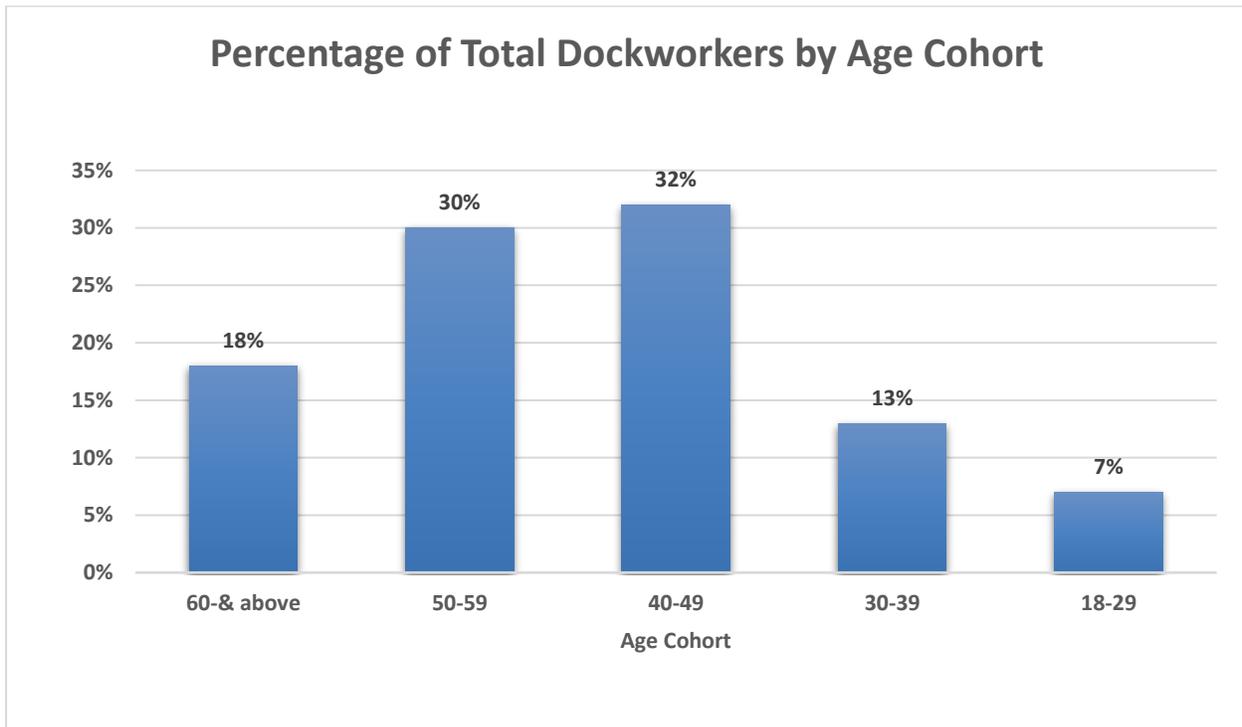
Discharging of containerized cargoes requires dockworkers to climb on the vessels to place the crane hooks on the containers which cannot be done by workers aged 50 and

³⁶ World Bank -Study on regulation of private operators in the port of Djibouti

above, as we were opportune to visit the quay during discharge, dock workers were seen at five heights on top of the vessel and we were told such is also done in the night shifts and sometimes in very harsh weather conditions like rains and winds thus it will be an occupational hazard to have aged workers do such work. Furthermore, the aged workforce does not only affect the stevedores, but it cuts across all the categories of dockworkers. The dockworker register revealed that 18% of the dockworkers are 60 years and above which is in violation of the general order governing all public institutions.

According to the management of GPA the dockworkers were absorbed through negotiation with the Ministry of Trade with the dock labor act of 2007 that did not capture the retirement age of the dockworkers, nor did it include the age limits of hiring dockworkers. Management also highlighted that the Labor Act was under review during the audit exercise and that the institution is working on privatizing the stevedoring at the port of Banjul. Furthermore, both the management of GPA and the Internal Audit Department who reports to the Board of Directors confirmed that the aged workers are aware that they are not in the position when it comes to strength to carry out the required work thus most of them subcontract their position to younger people, in some case their sons and relative to cover their shifts on their behalf then the remuneration is made in the names of the aged workers who then agree with the subcontracted on the percentages to be split. The graph below demonstrates the share of dockworkers by age cohort.

Graph 3: Percentage of total Dockworkers by Age Cohort



Source: Dockworkers Register 2018, GPA

As can be seen from the graph, 48% of dockworkers are 50 years and above, only 20% is made up of the youth and that is between 18 and 39 years of age. The graph has shown that almost half of the workforce is aged.

Due to the ageing workforce of the dockworkers which includes the stevedores, discharging cargoes, especially bulk is not efficient. In addition, the subcontracted workers are put at risk as the insurance does not cover them but instead covers those on the payroll. Furthermore, quality may be compromised with the subtracted workers because they are not trained officially nor are they officially under GPA for disciplinary action against inefficient and ineffective performance.

Picture 3: showing dockworkers in action



Picture taken during the audit team's site visit at ports premises on 8 June 2021

Conclusion

The stevedore operation at the port of Banjul is unable to optimally handle the amount of throughput coming due to the aging workforce. Eighty percent (80%) of the workforce consists of age 40 years and above of which 18% has met the retirement age of 60 years but are still in the system. Furthermore, dockworkers that are old are unable to cope with the requirements of the work had to result in subcontracting family members or outsiders that are neither trained nor obliged to operate according to the dock labour act 2007 as they were not officially employed thus can lead to occupational hazard as they are not covered by insurance and can as well compromise the quality of service rendered.

Recommendation

It is crucial that the Dock Labor Act is reviewed as soon as possible to suit the labor requirement of the ports. The act should be in line with the General Order and should capture the retirement clause of retiring workers as soon as they are 60 thus depriving

people of having their position in perpetuity. Once the act is reviewed and updated, all the workers due for retirement should be laid off and GPA should hire the required people who are capable of handling the responsibilities attached to the work.

Management of GPA should forthwith address the issue of registered dockworkers subcontracting as this can lead to an occupational hazard and can very likely affect the quality of work rendered by the subcontractors who are not trained and not an employee of ports.

Lastly, most if not all the ports in the region are using the stevedores of private companies in the form of private-public partnership thus the management of GPA should consider a similar approach.

Management Response

Management is aware about the inherent weaknesses in the Dock Labour system and is implementing a new arrangement whereby a subsidiary cargo handling company is expected to be established by January 2022. The issue about subletting of tickets is usually among members within the register and has also been identified as one of the main reasons for low productivity due to the ageing workforce. Noting that such issues emanated from a Labour Ordinance in 1963 before the establishment of the GPA, dockworkers, presumably have had this notion of “jobs-for-life” and due to the contending issues involved in industrial relations, the most pragmatic approach for holistic resolution of the perennial problems associated with dock labour management, the requirement for improved performance to meet customer expectations and address the clamour for improved terms and conditions of employment by the Dockworkers Union can only be resolved with the proposed cargo handling company.

4.4 Lack of established supervision and monitoring mechanisms

As a public service port, the Port Authority owns the infrastructure and performs the complete range of services required for the functioning of the port system, which means that the authority owns, maintains, and operates all port infrastructure, equipment, and port assets, including cargo handling. Hence the port is a branch of a government ministry (Ministry of works) essentially making the government responsible for the formulation of policies, regulations, monitoring and supervisions, fund facilitation, etc.³⁷.

During the audit exercise, we noted that the government of The Gambia neither issues performance contracts to GPA as an SOE nor does it set performance indicators for effective supervision and monitoring. The operations of GPA are only monitored by the internal audit unit/ audit committee who reports to the Board of Directors. The performance of the port is not measured as the mechanism to ensure such is not in place.

Furthermore, the only monitoring mechanism in place is not active as we have noted that the audit committee does not meet frequently. In 2019 not a single meeting was convened and only two meetings were held in 2020 thus making this mechanism dormant, affecting the monitoring and supervision function of the audit committee. In addition, a review of the board meeting minutes revealed that the internal audit reports which bear salient and important lapses in the operations of the ports were not frequently discussed by the board and no actions were taken to ensure the findings in the internal audit reports are resolved.

We have also noted that apart from the budgets and audited financial statements and activity reports, no other monitoring and supervision reports are sent to the Ministry of Works (line Ministry of GPA), Ministry of Finance and Economic Affairs (the custodian of government collected revenues) and the National Assembly (which acts as a watchdog ensuring that the executive branch is prudent and efficient in providing public service to the citizenry). The set of documents/reports submitted are neither sufficient to inform the stakeholders about the performance of the port nor does it create room for scrutiny and possible recommendation for improvements. The financial statements may reflect a good financial performance, this, however, cannot prove that the authority is economical, efficient, and effective.

According to the management of GPA, the last performance contract signed between the government and GPA was in 2001 which begs the question as to how GoTG can determine whether the GPA is prudent, efficient, and effective. An interview with the director of internal audit highlighted that the only monitoring mechanism in place is the internal audit unit, which reviews and reports to the board of directors quarterly, those

³⁷ UNCD Matime Research 2017

reports are hardly discussed by the board hence resulting in weaknesses in the system to be persistent.

The absence of such mechanisms can compromise performance as there are no set targets for the institution and it makes it impossible for performance to be measured. Areas that need improvements may not be easily identified for improvements. In addition, the board not discussing on quarterly internal audit report defeats the purpose of instituting that control mechanism in the first place and it contributes to weaknesses in the system as actions will likely not be taken to remedy the issues and strengthen the systems.

Conclusion

The monitoring mechanisms in place are not adequate to effectively monitor the activities of GPA. The systems in place are not robust enough to be able to set indicators and be able to measure whether the port is prudent, efficient, and effective. The set of reports sent to the authorities (i.e Ministry Works, Ministry of Finance, and National Assembly) are not comprehensive to indicate whether the port is performing to expectation as the mechanisms to ensure such are not in place.

Recommendation

The importance of strong monitoring and supervision cannot be overemphasized; thus the line ministry of GPA and other relevant authorities should ensure that there are adequate monitoring mechanisms for improved performance and effective service delivery to the citizenry.

A performance contract should be agreed upon and signed between MOFEA and GPA through the Ministry of Transport. Such a performance contract should include measurable indicators relating to the economy, efficiency, and effectiveness, and the indicators should be monitored and measured regularly to ensure that lapses in the systems are promptly identified and remedied. In addition, a comprehensive report of assessment and evaluation of the set indicators should be prepared and sent to the Ministry of Transport, MOFEA, through the Board of Directors. Subsequently, the MOFEA should equally endeavor to follow up on the achievements of the set indicators. The reports from the reviews should be published.

Secondly, both the board and the audit committee should be consistent and regular in their meetings to discuss the internal audit reports to follow up on the implementation of their recommendations for improvements. The monitoring authorities (NAMs, MoFEA,

MoT) during their reviews should also follow up on the reports of the internal audit unit to ensure that issues raised are resolved.

Management Response

The Audit Committee schedules quarterly meetings between the Board meetings but could not have met as required in 2019 due to the expiry of the tenure of the Board as at then and the time lapse between the appointment of the new Board by Government. The Minutes of the Board Audit Committee meetings held are always reported to the Board by the Chairman of the Committee and Board consideration and decisions thereto recorded in the minutes of the meeting of the Board of Directors.

The Ministry of Finance, through the PPP Directorate, has engaged the Authority with a view to reintroducing the performance contract system in 2022 for better monitoring of enterprise performance based on quantitative and qualitative targets to be agreed.

4.5 Lack of legal framework and expertise to accommodate Private Sector Participation in the Ports of Banjul (Public-Private Partnership)

Building and maintaining an efficient and effective port requires huge financial investments, highly developed managerial skills coupled with sophisticated technological advancement which the governments of developing countries are mostly unable to shoulder due to other pressing development projects such as health care and education. Consequently, great collaboration in this sector became necessary and over the past decades, public-private partnerships have emerged as a mechanism to leverage greater private investment participation in port development and most importantly, to access specialized skills, innovations, technologies, and infrastructure development³⁸. In Africa, public-private partnerships have catapulted and transformed small ports into medium and large ports, this includes the port of Tema, the port of Douala, the port of Cotonou, and the port of Dakar. Private sector participation in the operations of ports can be in various areas ranging from terminal operations, stevedoring, building of infrastructures, provision of machinery to technological supports.

In The Gambia, this is however not the case. The country did not have the legal framework to attract private participation such as granting of concessions and other forms of public-private collaboration. The port of Banjul is one of the few ports in Africa that operate as a public service port without a single aspect of its operations that is privatized or managed by the private sector. GPA owns the infrastructure and performs all the complete range of services required for the functioning of the port system including cargo handling. Numerous investors, both national and international companies have shown interest in

³⁸ World bank: Review of Maritime Transport 2017

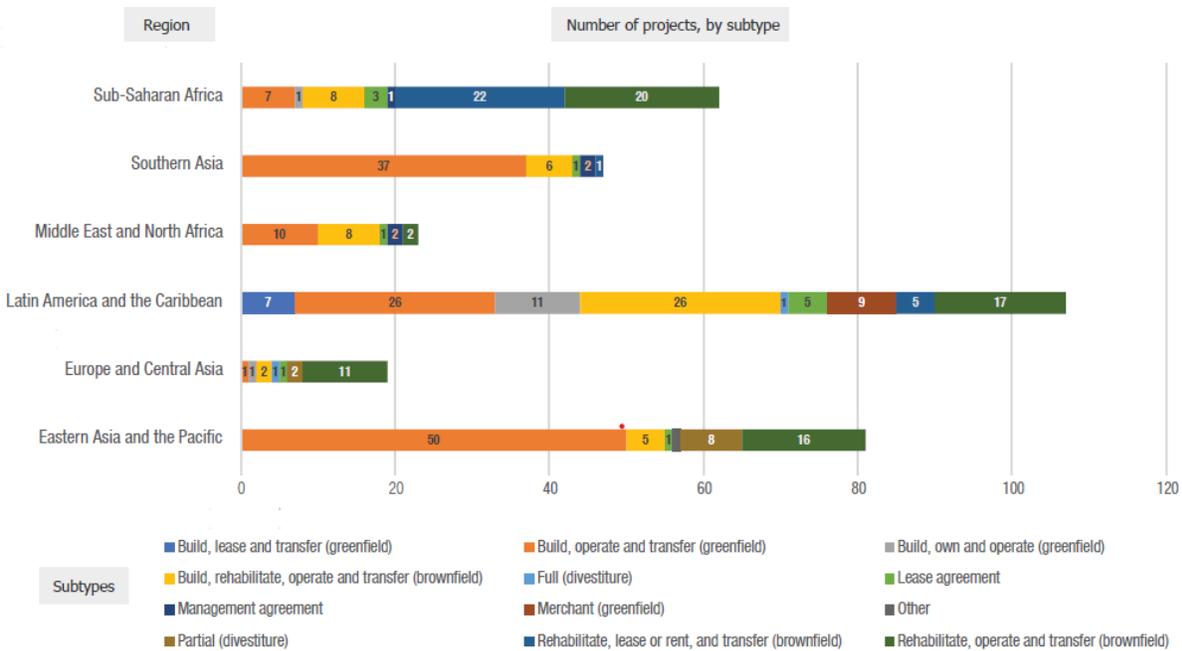
collaborating with GPA but none of them were successful. A classical example is a proposal of DP world (a company from Dubai) to build ports, operate, and transfer it at an agreed period which was unsuccessful resulting in the company approaching the port of Dakar where they are currently operating and contributing significantly to the transformation of the port of Dakar. Today, the port of Dakar is ranked as one of the most performing ports in the sub-region.

According to the management of GPA, the environment that should make it possible to venture into such partnership is not in place and there are also deficiencies in the negotiation skills in this area thus the legal framework and the required skills set/capacity should be instituted before this is possible. Management also highlighted that the PPP unit under the Ministry of Finance has initiated the drafting of a PPP act which when finalized will get the ball rolling making it possible to have both national and international investors venture into certain operations of the port.

The absence of a legal frame and the required expertise in negotiating and issuing concessions and other PPP agreements have limited private sector participation in the operations of the port of Banjul which has to a large extent deprived the need for collaboration of the private sector. It is not reasonable to believe that GPA can in isolation from the private sector operate the port efficiently and effectively due to the required resources. For example, the port master plan 2019-2024 highlighted that the permanent solution needed to resolve the challenges of the port is to relocate the port which will require an amount of around five hundred million dollars (\$500,000,000) which GPA/Government could not fund resulting in them coming up with short term solutions that would require lesser finances thus if all the required mechanisms were in place such solution could have been easily implemented with the collaboration of the private sector.

In addition, the limited berthing space, unavailability of gantry cranes, limited terminal space, plant availability, stevedoring, and others are major impediments that could have been remedied with the inclusion of the private sector to provide the required financial resources, managerial expertise, and technological support which would have enhanced the performance of the port contributing to its comparative advantage within the sub-region. Furthermore, the private sector participation would not only improve port performance but would have increased employment opportunities in the sector, increase tax revenue, skill transfers, and many other benefits that would have spur socio-economic development.

Graph 4: Showing that Sub-Sharan Africa is one of the leading regions in private sector participation in port infrastructure development 2012 – 2017.



Source: Maritime Transport Review 2017-UNCTAD

Conclusion

The mechanisms needed for private sector participation in the port operation are not in place. The government of The Gambia has failed to develop the required legal framework and expertise in the area amidst private sector interest in participating in the sector. GoTG has for the longest time been aware that it is unable to fund the maintenance of the port nor is the proceeds of GPA enough to maintain optimally its operations yet GoTG preferred the lobbying of the unsustainable developmental loans and grants to the private sector inclusion. This has hindered efficient and effective port operations, affected potential employment opportunities in the area as well revenue generation.

Recommendation

To attract and accommodate private sector participation in the operations of the port, it is paramount that the systems (legal and administrative framework) which are the pillars and foundations are strongly built.

Firstly, the management of GPA in collaboration with its line Ministry should conduct a comprehensive review of the legal and regulatory framework governing the port sector in order to determine whether amendments to existing laws (GPA act and regulations) may be necessary or whether new legislation is required to accommodate the private sector. In addition, the PPP Unit of the Ministry of Finance and Economic Affairs should with urgency complete the drafting of the PPP policy framework and ensure that all the required steps are taken promptly to put it in motion. The public-private partnership policy framework should be extensive enough to be able to address and mitigate risks involved in such partnerships.

Secondly, there is a need to identify and mobilize basic administrative and technical resources to prepare and manage public-private partnerships to ensure that the country gains the most from PPE negotiations. In negotiating private sector participation, the right port model has to be chosen, according to the World Bank, there are four main port management models i.e Public Service Port, Tool Port, Landlord Port, and Private Service Port. Most ports, especially in developing countries are now using the landlord port model where the port authority acts as a regulatory body, while port operations especially cargo handling are carried out by private companies, and infrastructure, particularly terminals, are leased to private operating companies. This type of model requires a broad set of legal, managerial, and technical capacities which are not in place thus this may be applicable in the future.

However, in the near future, the tool port model can also be considered and can be used as a transition from a public service port model to a landlord port model as done in many countries. Under the tool port model, cargo handling onboard vessels and the quay is carried out by private cargo handling or stevedoring firms while terminal equipment such as cranes, trailers, spreaders, forklifts, trucks, and infrastructures are managed by the port authority. Since the management of GPA is on the verge of privatizing stevedoring thus that is in line with the tool port model hence management is urged to pursue that project with urgency. Other aspects such as infrastructures and equipment which requires huge capital investments and technical expertise can also be studied/researched and if feasible can also privatize with the right tools and frameworks in place.

Management Response

The notion that DP world proposal to the GPA being unsuccessful resorting to the firm approaching the Port of Dakar should be treated in the context that while the GPA was based on an unsolicited offer, the case of Dakar was by way of public tender. Improved performance as a result of private concession also needs to be reviewed against the increased business, cost effectiveness of the services being provided and the benefits to

the lessor. However, it is a known fact that private capital is a game changer in all of the port ownership and management models across the sub region, and the GPA cannot be left out.

The institutional framework that will guide private participation in port management and operations is being provided with the formulation of the PPP law, which can reliably be reported that it is at the drafting stage. Government is also soliciting grant funding through AfDB and the Africa Legal Support Facility (ALSF) for PPP Transaction Advisory services, technical assistance and training on PPP negotiation skills and strategies.

The review of the Ports Act 1972 has already been set in motion following a Board decision on same and the GPA in-house Legal Officer is tasked to prepare the necessary engagements with all the relevant stakeholders to see the process through AG's Chambers, Cabinet and subsequently assent by the National Assembly. The process is expected to be completed during 2022.

The decision to improve the Port within its present location in Banjul is based on the demand study for the next 20 years (2019 to 2038) as opposed to the proposal for its relocation to the southern coastline as the forecast in terms of volume does make a strong business case.

Appendices

Appendix A : Showing the officials key players interviewed

Description of Directorates/Offices	Number of Staff	Designation
Central Level (Ministry)		
Gambia Ports Authority	1	Managing Director
	2	Director and deputy director of internal Audit
	1	Director of traffic Operations
	3	Relevant staff
Public Institution		
Custom Sea Port Operations	1	Manager
National Drug Law Enforcement Agency	6	Relevant Staff
Food Safety and Quality Authority	2	Relevant Staff
Public Health	2	Relevant Staff
Private Institutions		
Shipping lines		
Bollore Transport Logistic Africa	1	Vessel Operator
MSC	2	Operation Manager
Maersk	2	Relevant Staff
CMA CGM	1	Managing Director
OBL	1	Chief Executive Office
Clearing Agencies		
JPS General Procurement Services	1	Manager
	2	Agency's
Jamjo Clearing and Forwarding	1	Manager
Wallymang	1	Manager
Conteh Julla Forwarding and Clearing Agency	1	Manager
EL Mansour	1	Relevant Staff
Major Importers		
Jah Oil	1	Finance Manager
M. G Jallow	1	Manager
George Banna	1	Managing Director
Truck drivers		
Truck drivers	4	Drivers
Total Number of Individual Interviewed	39	

Appendix B: showing key documents reviewed

Documents reviewed	Purpose for review
Activity Reports	To obtain knowledge on the complete and ongoing activities of the port.
Productivity Report	To obtain knowledge on the growth of the port's operations.
Master Plan and five Year Business Plan	To know the strategic targets/ objectives and operations of the port.
Plant Availability Report	To know the number of plants available at given times for its timely provision of services.
Ports Act	To establish the laws governing the port's operations in relation to Cargo handling.
Throughput Reports	To understand the trend of growth of traffic of at the port.
Internal Audit Reports	To obtain knowledge on the challenges in the provision of Cargo handling services in the port.
Ports Dues and Rates	To obtain knowledge on the various charges levied by the port.
Port of Banjul Layout and Berthing Size	To understand the layout and dimension of the port.
Stevedore Register	To assess the youthfulness of the dock workers and GPA readiness in providing stevedore service.
Contract agreement between GPA and Sadia Trading.	To understand the agreement and conditions of the land rented

Appendix C: Showing the organogram of GPA



Acronyms & Abbreviations Backpage

Source: Provided by GPA

Glossary

Anchorage: A designated place in the sea where ships are anchored whilst they wait for next available berth at a dock.

Berth: A place designated for vessels at a dock.

Break bulk Vessel: A vessel designed to transport cargo packaged in bags, drums, barrels and so on but not containerized nor in the form of liquids or grains.

Bulk cargo Vessel: A vessel designed to transport cargo that is unpackaged and not containerized.

Container Dwell Time: The time a container spends in a port before its discharged to the consignee.

Containerized Vessel: A vessel earmarked to ship containerized cargo.

Demurrage: Amount payable by the consignee for delay in loading and offloading of cargoes from vessels after the allowed free period elapses

Five Height: This is when five containers are placed on top of each other.

Liquid Bulk Cargo Vessel: A vessel designed to transport cargo in the forms of liquids and gas.

Public Service Port: A state owned port that solely performs the whole range of port related services without the practice of public private partnership.

Run on/Run off (Ro-Ro) Vessel: A ship designed to transport wheeled cargo such as cars.

Stevedore/Dock worker: A person responsible for the loading and offloading of cargo from vessels.

Throughput: The amount of cargo tons (TEU) that are handled by the port

Turnaround time: The time a vessel spends in a port. It includes the time spent in both the anchorage and the berth.

Quay/Wharf: A stone or concrete platform where ships could dock to load or offload cargo. It includes the berths for mooring ships.