

# **Ghana Shipping (Amendment) Act Act, 2011 ACT**

## ARRANGEMENT OF SECTIONS

### *Section*

1. Section 1A inserted
2. Section 40 of Act 645 amended
3. Section 42A inserted
4. Section 477 of Act 645 amended
5. Section 479A inserted
6. Section 481 of Act 645 amended
7. Schedule inserted

## **ACT**

### **OF THE PARLIAMENT OF THE REPUBLIC OF GHANA**

#### ENTITLED

### **GHANA SHIPPING (AMENDMENT) ACT, 2011**

AN ACT to amend the Ghana Shipping Act, 2003 (Act 645) to define Ghanaian waters to include the waters in the safety zones around offshore installations and to enable foreign registered ships to trade in Ghanaian waters and for related matters.

#### **DATE OF ASSENT:**

PASSED by Parliament and assented to by the President:

#### **Section IA inserted**

1. The Ghana Shipping Act 2003, (Act 645), referred to in this Act as the principal enactment, is amended by the insertion after section 1 of section 1A.

## "Permit for foreign ships trading in Ghanaian waters

1A. (1) Despite subsection (2) of section 1, a foreign ship that intends to engage in local trade from the coast of Ghana to an offshore installation located within Ghana's maritime jurisdiction may do so if the foreign ship has a permit issued by the Authority.

(2) An application for a permit shall be

(a) made to the Director-General; and

(b) in the form specified in the Schedule.

(3) An application under subsection (2) shall contain

(a) the name of ship;

(b) the Registry of the ship;

(c) the port of registry;

(d) the International Maritime Organisation Number;

(e) the name and address of the registered owner;

(f) the name, address, telephone, fax and e-mail contacts of the applicant's agent in Ghana;

(g) the nature of the intended trade in Ghanaian waters;

(h) the duration of the intended trade in Ghanaian waters; and

evidence that indicates the commitment of the applicant to social responsibility in relation to the training of Ghanaian seafarers and cadets.

(4) The Minister may on the approval of the Board grant the permit subject to

(a) conditions that the Board considers necessary in the national interest; and (2') the payment of the prescribed fee.

(5) The Ghana Maritime Authority shall publish in the *Gazette* the fee for a permit and may revise the fee periodically".

## **Section 40 of Act 645 amended**

2. Section 40 of the principal enactment is amended by the substitution for subsection (1) of

"(I) A Ghanaian ship under twenty-four metres in length or a gross tonnage of one hundred and fifty and every vessel of whatever length or weight trading or operating solely within the inland waters of Ghana shall instead of being registered be licensed."

### **Section 42A inserted**

3. Section 42A of the principal enactment is amended by the insertion after section 42 of section 42A.

"Meaning of ship in relation to mortgages and issues affecting the title and ownership of a ship

42A. In sections 43 to 85 of this Part a reference to ownership or title to a ship extends to a vessel even when the vessel ceases to be a ship as defined in section 481."

### **Section**

### **477 of Act 645 amended**

4. The principal enactment is amended in section 477

(a) by the numbering of section 477 as 477 );

(b) by the addition of paragraph (ee) after paragraph (dd)

"(ee) in respect of the safety and protection of offshore installations, mobile offshore drilling units, pipelines and cables in an area within Ghana's maritime jurisdiction." ; and

(c) by the insertion of a new subsection (2)

"(2) A person who commits an offence under this Act, is liable on summary conviction to

(a) a fine of not more than five thousand penalty units or a term of imprisonment of not more than five years or to both in respect of an individual, or

- (b) a fine of not less than ten thousand penalty units and not more than fifteen thousand penalty units in the case of a body corporate."

#### **Section 479A inserted**

5. The principal enactment is amended by the insertion after section 479 of section 479A.

##### "Issue and form of Maritime Circulars

479A (1) The Authority may issue maritime circulars for the purpose of disseminating to the shipping and fishing industries and mariners relevant information on

- (a) safety,
- (b) security,
- (c) pollution prevention, and
- (d) any other relevant matter.

(2) The maritime circulars shall be in the form of

- (a) Shipping Notices, which convey mandatory information to be complied with under the relevant legislation and Instrument, and
- (b) Guidance Notes which give significant advice and guidance relating to the
  - (i) improvement of security,
  - (ii) safety of shipping and of life at sea, and
  - (iii) prevention of pollution from shipping and offshore installations."

#### **Section 481 of Act 645 amended**

6. Section 481 of the principal enactment is amended

(a) by the substitution for the definition of "Ghanaian waters" of

"Ghanaian waters" includes the internal waters, inland waters, territorial sea and waters around offshore installations located in an area within the country's maritime jurisdiction."

(1') by the insertion, in the appropriate alphabetical order of the following definitions:

"Ghana's maritime jurisdiction" means the jurisdiction exercisable by Ghana as a coastal state in the

various maritime zones under international law and in accordance with the jurisdiction specified in the Ghana Maritime Zones (Delimitation) Act, 1986 (PNDL 159);

"mobile installation" means an installation that is designed or intended to be moved from place to place without major dismantling or modification, whether or not it has its own motive power;

"mobile offshore drilling unit" means a mobile offshore drilling unit as defined in the 1979 Mobile Offshore Drilling Unit Code and the 1989 Mobile Offshore Drilling Unit Code as amended; and

"offshore installation" means an artificial structure including a floating structure that is not a ship which is used or intended to be used in or on, or anchored or attached to the seabed for the purpose of the exploration for, or the exploitation or associated processing of petroleum."

Schedule inserted

7. The principal enactment is amended by the insertion after section 482 of the following Schedule:

"SCHEDULE (Section 1A (2))

Permit to trade in Ghanaian waters by a foreign ship

1. Name of ship-
2. Registry of the ship.....
3. Port of Registry.....
4. International Maritime Organisation Number of Ship-
5. Registered Owner.....
6. Address of Registered Owner: .....
7. Name and address of Agent in Ghana: .....
8. Nature of the approved trade in Ghanaian waters.....

9. Period of validity of permit".....

10. Conditions attache&.....

*Minister*

*Ministry Responsible for Transport*

Date-.....

Date

of Gazette notification:

**Ghana Shipping (Amendment) Act Act, 2011**

**MEMORANDUM**

The main object of this Bill is to extend the definition of "Ghanaian waters" to include the waters within the five hundred metres safety zone generated automatically around installations in the exclusive economic zone beyond the territorial sea.

The involvement of Ghanaians in the supply vessel business is one of the real opportunities to inject local content into the oil and gas development. The Ghana Shipping Act, 2003 (Act 645) imposes restrictions on the trading of foreign registered ships in Ghanaian waters to Ghanaian ships. However, the current definition of Ghanaian waters is limited to the twelve nautical miles territorial sea. "Ghanaian waters" is defined as the internal waters including inland waters and the territorial seas of Ghana.

This amendment would, in effect, extend the scope of local trade and coastal shipping. The area in which the trade is reserved would be extended from the twelve nautical miles to which it is limited to at present, that is, the territorial sea , to include the trade from shore to any oil and gas installation that will be established more than twelve nautical miles away like the Jubilee field which is approximately sixty-three nautical miles offshore.

However, while seeking to attain a greater inclusion of local content, cognisance is taken of the fact that there are not enough Ghanaian ships at present with the technical specifications required by the industry to perform various services. It is prudent in the short term to permit other vessels to provide services from the shore to the installations in instances where there are no Ghanaian vessels available or capable of providing those services so as to avoid operational bottlenecks which will disrupt the production schedule by operators of offshore facilities.

Consequently, it has become necessary to amend the Ghana Shipping Act, 2003 (Act 645) to make provision for exemptions to foreign-flagged vessels to carry out local trade to offshore installations on a temporary basis, subject to the payment of prescribed fees and charges. This amendment empowers the Board of the Ghana Maritime Authority to grant permits to foreign ships, to trade in or from Ghanaian waters,

including servicing oil platforms and installations for specified purposes and duration subject to conditions that the Board considers fit.

Section 40 of the Act has been amended by the substitution for section 40 (1) of a new section 40 (1). The purpose of this amendment is to correct the correlative equivalence of a ship of twenty four metres wrongly equated to a ship of fifteen tonnes. The correct equivalence should be to a tonnage capacity of one hundred and fifty and not a weight measurement in tonnes.

It has become necessary to include the definition of "ship" in relation to mortgages and issues affecting the title and ownership of a ship.

International convention requires a maritime administration to carry out specific functions in respect of mobile offshore drilling units and other offshore installations following the Mobile Offshore Drilling Units Code developed by the International Maritime Organisation. Therefore it is necessary to amend section 477 of the Act to give power to the Minister to make Regulations in respect of the operation of mobile offshore drilling units and other offshore installations within Ghana's maritime jurisdiction.

Furthermore, a general penalty has been provided in *clause* 4 for the contravention of Regulations. The ceiling set by this *clause* is fifteen thousand penalty units.

Section 479 of the Act has also been amended by the insertion of a new section 479A to provide for the issue of maritime circulars by the Authority and the form the circulars are to take.

Section 481 of the Act has also been amended to provide the definitions of new words and phrases in the Bill as a result of the amendments.

Finally, a Schedule to the Act has been inserted to provide the form of a permit for a foreign ship to trade in Ghanaian waters.

HON. ALHAJI COLLINS DAUDA (M.P.)

*Minister responsible*