



Fakultät Agrarwirtschaft, Volkswirtschaft und Management

Masterthesis

in the course of Studies International Management (MBA)

to obtain the academic degree

Master Degree

**Is Ghana Equipped to Benefit from the European Partnership Agreements?
A Qualitative Multi -Stakeholder Study of Opportunities and Barriers faced by
Ghanaian Fresh Fruit and Vegetable Exporters to the EU.**

Presented by:

Victoria Afua Agbai

Issue Date: 18.01.2018

Due Date: 18.06.2018

First Supervisor: Prof. Dr. Christian Arndt

Second Supervisor: Prof. Dr. Ulrich Schnelle

Abstract

The Economic Partnership Agreement between Ghana and the EU largely been publicized in terms of the benefits that Ghana stands to gain in terms of duty and quota free access to one of the most important markets in the world, the European Market.

However, there are several key issues that have not been fully addressed from the Ghanaian side particularly in relation to food safety standards, independent conformity assessments and the accreditation required by some certification bodies in Ghana.

Perhaps, because of a lack of grassroots level appreciation of standards, Ghana had a ban placed on the export of 5 vegetables (chilli pepper, bottle gourds, luffa gourds, bitter gourds and eggplants) into the European Union. Even though the ban has been lifted as of 1st January 2018, there are many structural challenges which needed to be addressed urgently in order for Ghana to benefit from the Economic Partnership Agreements.

Keywords: Economic Partnership Agreements. Opportunities. Challenges. Structures

Acknowledgments

I would like to express my gratitude to Prof. Dr. Ulrich Schnelle for sparking my interest in the topic and for providing the initial guidance.

I would also like to thank Prof. Dr. Christian Arndt for providing assistance throughout the research.

I am grateful to Prof. Dr. Erskin Blunck, Mrs. Sybille Reimer and Mrs. Jutta Schnell for their support for the duration of the MBA.

My sincere gratitude goes to all the interviewees who provided me with valuable information and a context for the research. These include: Mrs. Ruth Adjei, Mr. Nico van Staalduinen, Mr. Peter Oppong-Bio, Mr. Christian Knebel, Mr. Frank Oberschilp, Mr. Kofi Essel and Mr. Lawrence Yankey.

I am especially grateful to Mr. Ivan Hendrix for providing me with the contact details of three of the interviewees.

I am grateful to my friends and family for the constant emotional support throughout the MBA. I am especially grateful to Mrs. Emefa Merkpör, Mr. Edem Atsiatorne and Ms. Elizabeth-Joan Quansah who read my drafts and provided valuable feedback.

Finally, I would like to thank Jude Amoako- Adusei for his support. Thank you for your patience and empathy throughout this period.

Table of Contents

Abstract.....	I
Acknowledgments	II
Table of Contents	III
List of Abbreviations	VI
List of Figures.....	VII
List of Tables	VIII
1 Introduction	1
1.1 Background for the Study	1
1.2 Statement of Problem	2
1.3 Aims and objectives of the Study	3
1.3 Scope of Study	4
2 Literature review	5
2.1 Origins of Trade Partnership Agreements	5
2.2 Benefits of Trade Partnership Agreements.....	7
2.3 Winner's vs. Losers	8
2.4 Non- Tariff Barriers to Trade	13
3 Why have the EPAs not taken off?	15
3.1 The EU-ACP Trade Agreements	15
3.2 EPAs with West Africa.....	17
3.3 Why have some Countries Refused to Sign the Economic Partnership Agreements?.....	18
3.4 The Situation of Ghana	20
3.5 Ghana and the interim EPA	23
3.6 Ghana and the Hypothesis	24
4 Research Methodology	25
4.1 Definition of research methodology	25
4.2 Research Choices.....	27
4.3 Research Approaches	28
4.4 Research Strategies	30
4.5 Data Collection	31

4.5.1	Primary Data.....	31
4.5.2	Secondary Data.....	31
4.6	Research Design	31
4.7	Interviews	32
4.8	Research Biases and Limitations	33
5	Case Study on Institutional Frameworks.....	34
5.1	Key Institutions Relating to Exports in Ghana.....	34
5.1.1	The Ministry of Food and Agriculture	35
5.1.2	Ministry of Trade and Industry.....	35
5.1.3	Plant Protection & Regulatory Services	35
5.1.4	The Council for Scientific and Industrial Research.....	36
5.1.5	Food Research Institute (FRI)	36
5.1.6	The Ghana Export Promotion Authority (GEPA)	36
5.1.7	Ghana Standards Authority	37
5.1.8	Customs Excise and Preventive Service.....	37
5.2	Key findings from the Case Study.....	38
6	Framework for Exporting from Ghana.....	39
6.1	Background Information.....	39
6.2	Opportunities for Ghanaian exporters	40
6.3	Challenges facing the Ghanaian Exporter	42
6.3.1	Lack of knowledge and adherence to standards by farmers	43
6.3.2	Lack of accreditation to Ghanaian certification institutions.....	43
6.3.4	Lack of vertical integration.....	43
6.3.5	Weak supporting institutions for exporters	44
7	Discussion	45
7.1	Building the Interview Guide	45
7.2	Selection of Respondents.....	45
7.3	Findings regarding the institutional framework for export.....	46
7.4	Findings regarding the opportunities	47
7.5	Findings regarding the barriers	48
8	Summary	50
8.1	Conclusions and Recommendations	50
8.2	Further Research.....	51
	Appendix.....	52

References..... 92

List of Abbreviations

AGOA	African Growth Opportunities Act
AU	African Union
ECOWAS	Economic Community of West African States
EC	European Commission
EPA	European Partnership Agreement
EU	European Union
FTA	Free Trade Agreement
FDI	Foreign Direct Investment
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GSS	Ghana Statistical Service
IEPA	Interim Economic Partnership Agreement
IF'S	International Firms
IMF	International Monetary Fund
LDCs	Least Developed Countries
MERCOSUR	MERcado COMun del SUR
NBSSI	National Board for Small Scale Industries
NAFTA	North American Free Trade Agreement
OECD	Organization for Economic Cooperation and Development
PTA	Preferential Trade Agreement
ROOS	Rules of Origin
SACU	South African Customs Union
SPS	Sanitary and Phytosanitary Measures
SSA	Sub-Saharan Africa
UNCTAD	United Nations Conference on Trade and Development
WTO	World Trade Organization
WW II	World War Two

List of Figures

Figure 1: Resource Map of Africa	11
Figure 2 : Map showing ECOWAS Nations.....	17
Figure 3: Map showing Ghana's strategic location	20
Figure 4 : The Research Onion	25
Figure 5 : Author's elaboration of research approach	29
Figure 6 : Procedure for exporting Traditional Items from Ghana.....	39
Figure 7: Procedure for exporting non- traditional items from Ghana	40
Figure 8 : SWOT analysis of Ghanaian exporters	44

List of Tables

Table 1 : EPAs implemented	16
Table 2 : Ghana's Tax Regime	21
Table 3 : Ghana Investment Incentives.....	22
Table 4 : Locational Incentives for Foreign Investment in Ghana	22
Table 5 : Exemptions from Port Duties	23

1 Introduction

1.1 Background for the Study

The European Partnership Agreements (Hereafter EPA) between the Economic Community of West African States (hereafter ECOWAS) and the European Union (hereafter EU) were initiated with the aim of giving greater access to the EU market. The EU market is one of the largest single markets in the world and represents an opportunity for the countries in the ECOWAS Region to sell their products (European Commission, 2018).

There are two Agreements which will be mentioned throughout this research. One of them is a regional agreement between the 16 member state ECOWAS and the EU. The other agreement is an interim economic partnership agreement between Ghana and the EU.

The EPAs between African, Caribbean and Pacific (hereafter ACP) regions and the EU, were enacted with the signing of the Cotonou Agreement on 23rd June 2000. The ACP-EU Partnership Agreements which were concluded for a 20-year period from 2000 to 2020 has been seen to be the most comprehensive partnership agreement between developing countries and the EU. Since 2000, it has been the framework for EU's relations with 79 countries from the ACP regions (European Commission, 2018).

The Economic Community of West African States, (hereafter ECOWAS) represent a regional block in Africa and are obligated to fulfil their duties and responsibilities as per the agreement, which include opening up 80% of their markets to EU imports in exchange for being able to have duty free and quota free access to the EU market (European Commission, 2018).

Although the EPA's have been placed in very positive light, questions may be raised as to how Ghana and the ECOWAS member states can obtain maximum benefit from the agreement bearing in mind the weak trade infrastructure in many of these countries as well as the ever increasing number of rules regarding food safety, sanitary and phytosanitary conditions, Intellectual property rights etc. in the EU and other developed regions of the world. (Brenton P, Hoppe M, & Newfarmer R, 2008)

Considering the fact that many countries in West Africa have varieties of fresh fruit and vegetables (for example, Mangoes, Chili, Smooth Cayenne Pineapples and Bananas) which may not be patronized in the EU market because of the effects of rules like EU regulation 1677/88 which requires Class One bananas to curve less than 10mm every

10cm or EU regulation 2257/94 stating that bananas must be "free of abnormal curvature" and should be at least 5.5 inches'. (Commission Regulation (EC) No 2257/94 of 16 September 1994 laying down quality standards for bananas (Commission Regulation (EC) No 2257/94).

Although this law was repealed on 19th December 2017, many consumers still expect their fresh fruit and vegetables to look unblemished (Commission Regulation (EU) No 1333/2011)

Also, most signatories to the Economic partnership agreements still export primary products like fresh fruit and vegetables which are highly perishable and therefore require a highly advanced logistic system in order to control the potential losses from food spoilage etc. Timing plays a key role in ensuring that the fruit moves from the farm to fork within the shortest space before the fruit ripens, which is usually up to 72 hours (Wiley J., 2008) Regarding the organizational structures needed, Wiley makes mention of that fact that the industries related to the export of highly perishable items like fresh fruit require large infusions of labour and capital and that some of the most vital inputs like fertilizer, cartons and pest control mechanisms are cheaper when bought on a large scale. According to Wiley, this has meant that the profit from the export of such products then come under control of large multinational firms and not the indigenous people who grow them (Wiley J., 2008)

This research is aimed at contributing to the body of knowledge about the partnership agreement between Ghana and the EU. The aim is to find out what a country like Ghana would need to do in order to gain the benefits spelled out in the partnership agreement

1.2 Statement of Problem

Ghana signed the Interim Economic partnership (Hereafter IEPA) with the EU in July 2016 (Joy Online, 2016) . The IEPA will allow Ghana to export certain categories of products which include processed cocoa products, fruit, vegetables and fish duty and quota free to the EU.

The IEPA would also give the EU access to the Ghanaian market as it is entitled to exporting specified categories of its products duty and quota free to Ghana.

However, there have been many concerns raised as to the inequalities inherent in the two economies and the potential job losses in the Ghanaian manufacturing sector as a result of direct competition with European imports (Joy Online, 2016)

More importantly, the question that may be raised is whether Ghana has all the necessary structures in place for creating a balance of trade with the EU.

A study of some key institutions responsible for the export of fish to the EU found loopholes in the development and the implementation of food safety standards and gaps in the conformity assessment regime in Ghana (Beyens, 2015).

There have been several issues with Ghana's exports to the EU and other key destinations. The EU issued a number of food safety alerts in 2014 regarding products like peanut butter, maize meals etc. for containing aflatoxins, which are known to be cancer causing agents (Joy Online)

The EU placed a ban of 5 vegetables from Ghana in October 2015. These vegetables included chilli pepper, bottle gourds, luffa gourds, bitter gourds and eggplants.

A statement released by the European Commission attributed the ban to the number of interceptions in the EU destinations ports due to the presence of harmful organisms in the plant commodities, (Ghanaian Times, 2017).

Even though the ban was lifted on 1st January 2018, these incidents point perhaps to a lot of underlying issues in the food safety and inspection structures in Ghana. All of these need to be addressed in order for Ghanaian exporters to take advantage of the duty and quota free access to the EU market.

1.3 Aims and objectives of the Study

This study will seek to analyse the opportunities and challenges faced by Ghanaian exporters of fresh fruit and vegetables within the context of the European partnership agreements.

The study will seek to analyse whether Ghana is in a position to benefit from the EPA and whether Ghana is equipped with the necessary infrastructure to support companies that will want to take advantage of the quota and duty free access to the EU market.

Some of the questions the research will seek to answer include:

1. Are there structures that should have been put in place by Ghanaian authorities in order to benefit from the EPA that were not put in place?
2. What are some of the hurdles that Ghanaian exporters face when exporting their produce to the EU?
3. What are the opportunities Ghanaian exporters of fresh fruit and vegetables can take advantage of under the EPA?

1.3 Scope of Study

Since there are many issues that can be discussed within the context of the EPA, the researcher has decided to narrow the focus of the study to the following.

- I. What is the framework for exporting from Ghana?
- II. What are some of the challenges exporters of fresh fruits and other food items face when exporting their produce?
- III. What are some of the opportunities presented by the EPAs?
- IV. Are there structures that should be put in place in order for Ghana to gain maximum benefit from the EPAs?

1.4 Structure of the Study

This research is made up of 8 chapters. First of all, the reader is presented with background information on the ACP-EU partnership agreements. This is then followed by a theoretical analysis of key issues like the origins and benefits of trade agreements, non-tariff trade barriers etc.

Chapter 3 takes a closer look at why the EPAs have not taken off and delves deeper into the historical underpinnings of the negotiations as well as some of the contentious issues. This chapter also discusses the situation of Ghana on a macroeconomic level

The research methodology is discussed in chapter 4. Chapter 5 expands on a case study carried out about the institutional framework of export in Ghana and points out some of the challenges with these institutions.

Chapter 6 discusses the opportunities and challenges faced by Ghanaian exporters of fresh fruit and vegetables.

In chapter 7, the results of the interviews conducted are analysed. This is followed by a summary of the research findings and with recommendations for further research in chapter 8.

2 Literature review

Trade has played and continues to play a key role in the relatively fast paced growth of a number of East Asian countries like South Korea and also now more recently in China's growth rate (Brenton P et al., 2008).

The expectation would be that ECOWAS and Ghana could experience the same or close levels of growth and development if the barriers to trade are reduced or removed completely. For this to happen, it will mean reducing or removing non-tariff trade barriers, strengthening backbone infrastructure such as access to finance, logistics and strengthening weak institutional frameworks that support the export sector in Ghana (Brenton P et al., 2008).

According to the Observatory of Economic Complexity, Ghana exported \$37Billion and imported \$37.6Billion, which resulted in a negative trade balance. These figures might suggest an imperative to increase Ghana's export capacity and perhaps turn Ghana into a net exporter rather than a net importer (Observatory of Economic Complexity, 2016).

This will require strengthening producer understanding of the use of both local and international standards at the grassroots level, which would then translate into a national appreciation of food safety standards and requirements.

2.1 Origins of Trade Partnership Agreements

Preferential Trade Agreements (Hereafter PTAs) have greatly increased in number since the end of WWII. These agreements have been vital in their role of linking the economies of the member countries and are said to be responsible for about half of global trade (Mansfield E., 2012)

According to Mansfield and Milner, gaining an understanding of international trade agreements is crucial as trade accounts to a large extent for the growth of several economies. One of the examples that Mansfield and Milner cite is that, for the 110 largest economies in the world, overseas trade accounted for 65% of their total income in 1957. In 2005, that figure increased to almost 90% (Mansfield E., 2012)

In spite of these figures, it is sometimes unclear why certain governments choose to enter them and why other governments choose not to enter into PTAs (Mansfield E., 2012)

For example, the Nigerian government has been unwilling to ratify the regional EPA with the EU which has considerably held the regional discussions back. One of the arguments

that the Nigerian government put forward is the threat of job losses in its manufacturing sector should it sign the EPA (allAfrica.com, 2018)

The traditional arguments that have been made in favour of free trade have been gains from specialization and exchange (Irvin D., 2015). This idea is that countries can gain more if they focus their energies on producing certain specific goods more efficiently and then then exchanging these items with items other countries are more efficient at producing.

This idea was put forward by Adam Smith, who set out a case for free trade by advocating “an obvious and simple system of natural liberty” in which individuals would be free to pursue their own interests, while the governments would provide the legal frameworks within which trade would take place (Irvin D., 2015).

This brings in a political dimension to the discussion on trade agreements which some free trade economists like Friedrich Hayek have opposed. Many free market economists make mention of the role of the market as an equalizer and the fact that governments should not interfere with the market. However, considering that many of these bilateral agreements are signed on a country level, it is impossible to ignore the political underpinnings of the decision as to which agreement to enter or not.

Some economists like Ha Joon Chang have claimed that ‘there is no such thing as free trade’ since most modern day markets under capitalism are held together by regulations which define their scope and limitations and therefore even limit freedom of choice for the consumer (Chang H.J., 2011).

However, following the widespread liberalisation of trade barriers as well as the onset of globalization in the 1990’s, we have witnessed an ever increasing number of trade agreements ratified between various countries and regional blocs. Some of these trade agreements include the EPA’s with the ACP countries (Chaudhuri, 2014)

Some other examples of free trade areas include the MERCOSUR, which is supposed to develop into a customs union with a common external tariff. (Krueger, 1993)

Another example of a free trade area is the South African Customs Union (Hereafter SACU). The SACU, which is the world’s oldest customs union, was formed in 1910. It maintains a common external tariff on imports from outside the customs area and negotiates agreements with third parties as a unified front (SACU, 2018)

2.2 Benefits of Trade Partnership Agreements

Mansfield and Milner define PTAs as a set of activities that are geared towards fostering economic integration among member states by improving and stabilizing each member's access to the other participants' market. Fundamentally, entering into a PTA means that each member adjusts their trade policies in order to grant mutual access to the other's market (Mansfield E., 2012)

It must be noted that this usually takes a long time to achieve and requires a certain amount of commitment to the process. A cursory look at the history of the formation of the EU suggests that there must be an aim for forming an economic zone or entering into a PTA. To buttress this point, the EU was formed primarily with the aim of ending the wars that plagued Europe at the time. From its inception in 1960 till 2018, it can be said that it has taken 58 years for the EU to evolve into the institution that it is today. Additionally, a lot has been done in this period to raise the standards in the various countries in order for all member states to enjoy the benefits of being in the union (europa.eu, 2018) This raises a number of questions regarding the similarities and differences inherent in the Ghanaian market as against the European markets especially in terms of adherence to standards and how these markets are fundamentally structured.

Developing a fuller understanding of international trade agreements is vital because trade has been an integral part of the growth of the global economy and contributes heavily to several national economies.

For example, Germany, one of the strongest economies in Europe exported goods to the value of 116.1 billion euros according to figures released in March from the German federal statistics bureau (Deutsches Statistisches Bundesamt, 2018)

Holland, the second largest exporter of agricultural produce after the USA is reported to have made a total of €92bn in agricultural exports for 2017 (Statistics Netherlands [CBS], 2018)

In - country produce amounted to 40.5 billion dollars while 3.5 billion dollars of food was imported into Holland and then re-exported, with Germany being Holland's biggest export destination. The next largest export markets are Belgium which bought goods worth €10.4bn and the UK (€8.6bn) followed by France with €8bn worth of imports (CBS, 2018)

This points to the fact that trade is really important to these economies. It must also be mentioned that many European countries are very well connected by a network of roads, air, sea freight and locomotive services that facilitate the free movements of goods and services across the continent.

In relation to the EPA, Schiff and Hinkle point out that the EU is perhaps Sub-Saharan Africa's most important trading partner and purchases on average 31% of its exports and imports up 40% of its products. For that reason, care must be taken to maintain the trade relationship between Sub-Saharan Africa and the EU as breakdown of that relationship could have a significant impact on most of sub-Saharan Africa (Schiff M, 2004).

In order for Ghana or to benefit from the partnership agreement, a lot must be invested into in terms independent conformity assessment mechanisms, value addition to raw materials and a strict adherence to international standards as well as the national standards of the importing countries.

This means that efforts must be made to get business people in Ghana to appreciate the strictness of European standards and the consequences of non-compliance not just for them but also for the country as a whole. This can be seen in the ban of five vegetables (chilli pepper, bottle gourds, luffa gourds, bitter gourds and eggplants) from Ghana to the EU Market.

2.3 Winner's vs. Losers

So who actually benefits from PTA's and who get the short shrift? What are some of the factors that account for higher gains for one trading partner over the other?

Aid agencies such as Oxfam have raised concerns regarding the embedded inequalities in a reciprocal agreement with the EU which they fear will accrue more to the interests of the EU rather than the agreement partners in the ECOWAS and the larger ACP region.

A paper released by Oxfam titled 'Slamming the door on Development' pointed out that a one of the major problems inherent in the reciprocal nature of the trade agreement is that, since the EU for example has an income level over one thousand times that of the Pacific, a reciprocal agreement between such unequal regions may have the same rules for each party, but the result will favour the EU over the ACP countries (Oxfam, 2006)

The paper goes on to draw a comparison with the EPA of putting a schoolboy in a boxing ring with a heavyweight pro. Even if the schoolboy is given a few extra points on the scorecard, the basic rules of boxing are the same for each, and the boy will get beaten up every time. The paper goes on to cite a statement from the European Commission (hereafter EC) "Our experience tells us that FTAs between a large market like the EU and small economies are not easily sustainable and often lead to a deficit for the weaker partners" (Oxfam, 2006)

In the case of West Africa, A report by the African Development Bank suggests that as a region with a total GDP of US \$352.7 billion in 2012, West Africa is a poor region consisting of many low income countries including 11 least developed countries (hereafter LDCs). The report goes further to buttress the aforementioned point by pointing out that the combined GDP of all the 15 ECOWAS Member States in 2012 was 2.1 percent of the combined GDP of the European Union, 2.2 percent of the US GDP, 13.5 percent of France, 14.5 percent of the United Kingdom and was also less than the GDP of South Africa (African Development Bank, 2012)

In the light of the above, one might understand the fear that some of the regional signatories have regarding potential impacts of signing the EPA on their economies. On the regional level, three countries, Nigeria, Gambia and Mauritania have refused to sign the EPA's (Madu, 2016)

The Nigerian president, in his address to the European Parliament is quoted to have mentioned the mismatch of the two regions (Europe-ECOWAS) in terms of technology and manufacturing experience and therefore raised concerns about the potentially negative impact of the agreement on Nigeria's industrialisation programme (allAfrica.com, 2018) This is in sharp contrast with other countries like Ghana which seems to be keen on ratifying the agreements. The Ghanaian minister of trade is noted to have said that Ghana would encourage Nigeria to sign, since the negotiations are being carried out with West Africa forming one economic bloc and in order to reap the full benefits of the agreement, all the parties need to be in agreement to be able to complete the process (Ghana Web, 2017)

One might question why Ghana is so eager to sign the EPAs bearing in mind all the issues that have been raised in terms of revenue loss, the concerns raised by local manufacturing businesses, as well as warnings from international organisations regarding the risks from the signing of the EPA. On one hand, it can be appreciated that the country stands to lose 28 per cent of export revenue from exporting horticulture, tuna and cocoa products which would amount to over US\$50 million annually according to figures from the Ghana Ministry of Trade and Industry (Ghana Web, 2016)

On the other hand, an article which appeared in German newspaper *Die Zeit* pointed out that for many years, countries such as Ghana have been the dumping ground for cheap chicken from Europe, among others.

Typically, these are leftovers from domestic production, which are less popular with European customers, who prefer the less fatty portions of the birds, like the breast. The consequence of Europeans' particular preference is not only that these industrially raised birds

are fed with growth inducing hormones and anti-biotics but more importantly that large quantities in Europe are left unsold. Traders have reportedly taken to disposing off these remaining products in various countries in Africa.

The problem this raises is that Europe's remains are sold so cheaply that the local farmers can no longer compete. Even though many individuals and non-profit organisations have raised concerns about this development, the exports of chicken from the EU to African countries have almost tripled since 2009.

In 2009, the quantity exported quantity increased from 199,000 tons to 592,000 tons.

According to the aid organization Bread for the World, West Africa is hit hardest by EU low-cost exports. The farmers there would have production costs of about 1.80 euros per kilo, whereas European chicken costs only half that amount. The organisation fears that because of EPA, the pressure on farmers will increase even more. They mention that since the beginning of 2009, many states had only been allowed to raise customs duties by a maximum of 35 percent, which was not enough to sustain domestic poultry production (Die Zeit, 2015)

Manger suggests that the rapid increase of PTAs between global north and the global South is striking since compared with even minor tariff reductions on a multilateral basis, they do not create much trade. He goes on to say that the increasing number of agreements creates a patchwork of different rules that create a burden for exporters as these agreements usually come with a barrage of paperwork and bureaucracy. He further argues that if the complex rules are hard to follow for major trading firms, they are simply too costly for most companies from developing countries (Manger, 2009)

Manger suggests that in the case of developing countries, individual PTAs with developed economies offer limited export prospects as many PTAs actually tend to exclude those goods in which developing countries have a comparative advantage (Manger, 2009)

If this is the case, why are countries like Ghana so willing to participate in these partnership agreements? On the firm level, one might ask whether an assessment has been made to ascertain how many indigenous Ghanaian firms have the capacity to meet the export requirements or if it is simply the case of scrambling to gain the benefits irrespective of the requirements involved as well as the consequences that come with non-compliance. On the European level, what might account for wanting to sign an economic partnership agreement with a country that seems to struggle with complying with the standards required?

For example, in terms of cocoa, the two largest producers of cocoa beans ,Ghana and the Ivory Coast, both of whom signatories to the economic partnership agreement are, produce about 70 per cent of the cocoa in the world, but receive just about two per cent of the \$100 billion a year revenue of the chocolate industry (African Centre for Economic Transformation, 2017)

Some of the companies that gain the most from the chocolate industry include Mars Inc. which makes chocolate products such as Snickers, M&M's, Milky Way bars, Twix and Mars bars. The company recorded Sales in 2012 of \$16.8 billion (TEDx UBC, 2013)

Another company, global food giant Nestle produces labels such as Wonka, Butterfingers, Baby Ruth's and other chocolate bars. The company recorded sales in Sales 2012 of \$12.808 Billion (TEDx UBC, 2013)

Ferrero, which is owned by an Italian family, makes popular products such as Nutella and Ferrero Rocher. The company's Sales in 2012 reached \$5.627 Billion (TEDx UBC, 2013) All this points to the urgency of value addition by developing countries of their primary products.

Another factor which might place one party in a position to gain more than the other party from a partnership agreement is the efficiency of the firms in one region relative to the efficiency of the firms in the partner region or country.

The question that would follow would be; what kind of firms are able to trade internationally? What are the things that characterize them and to whom do the benefits largely accrue within the context of the EU- ECOWAS Trade Partnership Agreement?

Reference can be made here to the phenomenon of superstar exporters. The phenomenon of the superstar exporters is based on firm level where economists like Thierry Mayer posit that 'nations do not trade: it is firms that trade' (Mayer, 2008)

Mayer points out some characteristics of international firms (hereafter IF's) including the fact they are rare; usually, a handful of firms account for most aggregate international activity. Another characteristic of IFs is their belonging to an exclusive club. They are usually bigger, generate higher value added, pay higher wages, employ more capital per worker, have more skilled workers and therefore usually have a higher productivity (Mayer, 2008).

One might look at an international company like ThyssenKrupp AG, which has 158,739 employees' worldwide and recorded sales of 41,447 million euros for the 2016/ 2017 fiscal year as a prime example of a superstar international company (ThyssenKrupp AG, 2017)

2.4 Non- Tariff Barriers to Trade

Sanitary and Phytosanitary measures (Hereafter SPS) can act to impede trade in agricultural and food products in several ways. The trade impacts of SPS measures can be grouped into three categories (Spencer H: Loader R, 2001)

First of all, of SPS measures can prohibit trade by imposing an import ban or by prohibitively increasing production and marketing costs. Secondly, they can divert trade from one trading partner to another by laying down regulations that discriminate across potential supplies. Finally, they can have the impact of reducing overall trade flows by increasing costs or raising barriers for all potential suppliers (Spencer H: Loader R, 2001)

In certain instances, stricter SPS measures are applied more to imports than domestic supplies, for example, where higher risks are associated with supplies from other countries. This is usually the case observed in imports from developing countries. But, even where comparable SPS measures are applied to both imported and domestic supplies, SPS measures can act to impede trade by, for example, imposing higher costs of compliance on importers than on domestic suppliers (Spencer H: Loader R, 2001)

One study that attempted to quantify the costs of compliance with SPS measures by developing countries. This study measured the costs of upgrading sanitary conditions in the Bangladeshi frozen shrimp industry to satisfy EU and US hygiene requirements (Spencer H: Loader R, 2001)

It is estimated that \$ 17.6 million was spent on upgrading plants between 1997 and 1998. This represents an average expenditure per plant of \$ 239,630. The total industry cost required to maintain HACCP was estimated to be \$ 2.2 million per year (Spencer H: Loader R, 2001). Further, the Government of Bangladesh is estimated to have spent \$ 283,000 over this period and predicted an expenditure of \$ 225,000 per year to maintain a HACCP monitoring program (Spencer H: Loader R, 2001)

Another study assessed the degree to which SPS requirements could impede exports of agricultural and food products from African countries through a survey of Codex Alimentarius contact points. Of the participating countries, 57% indicated that exported products had been rejected within the previous two years after border inspections had been carried out. The main reasons given were microbiological spoilage or contamination. Even though all of these countries inspected food products prior to export, most considered that financial constraints limited the effectiveness of these procedures and that, in particular, testing and inspection facilities were inadequate (Spencer H: Loader R, 2001)

The United Nations Conference on Trade and Development (hereafter UNCATD) defines

Non- tariff barriers as “ policy measures other than tariffs that can potentially have an economic effect on international trade in goods” (UNCTAD, 2017)

Spencer H. and Loader R. shed more light on the impacts of non –tariff measures on developing countries by pointing out that even though there has been a liberalization of tariff and quantitative restrictions, there has been a greater concern about the impact of other measures, many of which at first sight are not trade-related. Global recognition of the fact that technical measures such as food quality and SPS requirements can impede trade particularly in the case of developing countries has dawned. Even though the Uruguay Round addressed the impact of these requirements on trade (through the Technical Barriers to Trade and SPS Agreements), concerns have been expressed that developing countries often lack the resources to participate effectively in the institutions of the WTO, and thus may be unable to exploit the opportunities provided by these agreements (Spencer H: Loader R, 2001)

Spencer and Loader point out that while tariff and quantitative restrictions on trade in agricultural and food products have gradually been relaxed, attention has been drawn to how technical measures such as food safety regulations, labelling requirements and quality regulations may actually slow down or totally impede trade. A prime example can be found in a study that found the costs associated with technical requirements and customs procedures in the EU to be equivalent to a tax of 2% on the value of goods shipped. This effect would probably be felt more in the case of an exporter from a developing country bearing foreign exchange rates and quality infrastructure in mind. It can be observed that, in the case of agricultural and food exports in particular, compliance with technical requirements is a prerequisite of successful export trade as importing countries are typically stricter with items that their indigenes will consume (Spencer H: Loader R, 2001)

3 Why have the EPAs not taken off?

3.1 The EU-ACP Trade Agreements

A major objective of the Lomé IV Convention and previous agreements was to improve the trade performance of the African, Caribbean and Pacific (hereafter ACP) nations with the goal fostering their economic growth and development. Because of this, the European Community (EC) offered non-reciprocal trade preferences to products originating in ACP countries (Busse, 2004)

The Cotonou Agreement, which was concluded in June 2000, provided the framework for a shift from a system of non-reciprocal trade preferences to EPAs (Busse, 2004)

ACP countries that ratify EPAs are mandated to set up a free-trade area with the EU. This means opening up their domestic markets for specified categories of products from the EU within a specified time frame which is negotiated on a country by country basis (Busse, 2004).

The strategy chosen for implementing the EPAs have included having a gradual and managed relaxation or removal of trade barriers as against EU imports. This is meant to culminate among others, in an enhanced market access for ACP countries to the EU, negotiations on trade in services, a deepening of the regional integration process between ACP countries, and increased co-operation in trade-related areas like competition and investment (Busse, 2004)

Even though the terms of the EPA were to have given room to the ACP countries to decide on the geographical configuration of future EPAs, the EU has not been inclined to negotiate bilateral FTAs with such a large number of countries, but rather prefers to conclude EPAs with various regional groupings of ACP countries. As at the time of writing (June 2018), the EU had already started negotiations with groupings of countries as shown in the table below (Busse, 2004)

Table 1 : EPAs implemented

West Africa
Côte d'Ivoire
Ghana
Central Africa
Cameroon
Eastern and Southern Africa (ESA)
Mauritius
Madagascar
Seychelles
Zimbabwe
Southern African Development Community
Botswana
Lesotho
Namibia
South Africa
Swaziland
Caribbean
Antigua and Barbuda
Bahamas
Barbados
Belize
Dominica
Dominican Republic
Grenada
Guyana
Jamaica
St Lucia
St Vincent
St Kitts and Nevis
Suriname
Trinidad and Tobago
Pacific
Fiji

Papua New Guinea

Source: (Busse, 2004)

3.2 EPAs with West Africa

One of these regional groupings is ECOWAS region in which Ghana is located and is the focus of this study.

Figure 2 : Map showing ECOWAS Nations



Source: Renewable Energy Magazine. 2012. Online

Founded in 1975, ECOWAS is a group of sixteen West African countries which has substantially reduced trade barriers between its member countries and aims to create a customs union with a common external tariff and a common trade policy (Busse, 2004)

It must be mentioned that, while ECOWAS countries may benefit from improved or more secure access to EU markets, it is unclear whether ECOWAS countries will be in a position to open up their domestic markets. One of the main arguments against the removal of import duties from EU products is the significant decline in government revenue.

For example, according to a World Bank report on the revenue impacts of the implementation of the EPA, Ghana's total government revenue is estimated to fall by 1.6 percent after the full implementation of the EPA's (MacLeod, Uexkull V, & Lulu S, 2015)

There are also predictions of an increase in unemployment which may provoke heightened economic insecurity and political instability. Therefore, each government within ECOWAS has to assess the likely impact of opening up their domestic markets and thoroughly consider all policy options (MacLeod et al., 2015)

3.3 Why have some Countries Refused to Sign the Economic Partnership Agreements?

According to an article published by the United Nations, because certain portions of the Cotonou Agreement expired at the end of 2007, efforts had begun in 2002 to negotiate the original non- reciprocal trade deals and replace these with the EPAs. Apparently, progress has been difficult and slow. Within the Southern African Development Community (hereafter SADC), 14 member states broke with the region's unified approach and signed individual IEPAs (United Nations, 2008)

Some countries left the SADC negotiating group entirely in favour of joining other regional economic groupings that were bargaining separately with the EU. The rest simply refused to sign. In West Africa, it has already been mentioned that Gambia, Nigeria and Mauritania refused to sign the partnership agreements.

According to an article by Traidcraft, the negotiators of several African countries have repeatedly stated that the current partnership agreements are not in their development interest. Rwanda's representative to the East African Legislative Assembly is noted to have expressed the sentiment that if the outstanding issues are not resolved, they would be binding the east African community to poor trading terms (Buchholz R., 2012)

A lot of attention has been drawn to the fact that the EPAs do not address the fundamental challenges facing several African countries. Many countries face high unemployment linked to weak productive capacity, are vulnerable to external shocks because of very

limited diversification, and face food insecurity because of lack of investment in agricultural production and infrastructure (Buchholz R., 2012)

According to the article, the former president of Tanzania pointed out that African countries could not continue to export a narrow range of products and import a broad range of finished goods on their way to development. He added the hard work of industrialization and food production needed to be done (Buchholz R., 2012)

However, it would appear that the EC is more concerned with trying to make Africa adhere to its trade policy than addressing the underlying developmental challenges of its trading partners, who seem to be in a position where they are being coerced into agreeing to EPAs out of fear of losing market access rather than by the prospect of improving their economic future. Unless the EC listens to the alternative proposals made by African countries, the underlying conflict between EC and African trade partners regarding the best industrial strategies for Africa's development will blight EU-African relations for a long time to come (Buchholz R., 2012)

3.4 What are the contentious issues in the EPAs?

Many regional blocs in Africa have made efforts to create regional custom unions with the aim of boosting intraregional trade. Regional markets are key to increasing productive capacity and stimulating infrastructural development. Unfortunately, the EPA s have considerably slowed down progress towards regional integration by fostering tensions between LDCs which already receive non-reciprocal market access to the EU market under the 'Everything But Arms scheme' and hence do not stand to gain from signing an EPA and non-LDCs like Ghana which stand to lose preferential market access if they don't sign an EPA (Buchholz R., 2012)

Additionally, the EPAs have imposed different market access arrangements on countries in the same region, which means more efforts will be geared towards controlling their borders for EU imports rather than forming functioning customs unions (Buchholz R., 2012)

The Deputy Chairperson of the African Union (hereafter AU) Commission echoes this by pointing out that the advantage for Africa lies in is regional integration and boosting intra-regional trade. The question is then whether the EPAs can help Africa to integrate its markets (Buchholz R., 2012)

3.4 The Situation of Ghana

Ghana is one of 56 African countries. The West African nation is situated on the West Coast and is home to about 28 million people (Ghana Statistical Service, 2016)

The World Bank classified Ghana as a middle income country in 2014. Subsequently, many countries reduced their aid budgets and shifted their attention towards promoting trade and business partnerships rather than the traditional approaches to country engagement (International Monetary Fund, 2013)

Ghana's economy grew by 4.9% during the first quarter 2016 which represents a higher growth than the 4.1% recorded during the same period in 2015. The country's GDP growth rate is expected to reach around 7.5% by 2018 (Dilek et al, 2017)

In 2015, Ghana entered into an agreement with the International Monetary Fund for economic assistance. In 2017, the Credit Facility programme was extended by another year following an assessment by the IMF board (Business and Financial Times, 2018)

Ghana has attempted to position itself as the "Gateway to Africa" because of its location which can serve as an access point to other West African nations (KPMG Africa, 2017)

Figure 3: Map showing Ghana's strategic location



Source: pinkballoon.nl. 2018. Online

Because the country is very peaceful in comparison to some other countries in the region, many foreign companies set up in Ghana first and then gradually expand to other countries in the West African sub-region (Citifmonline, 2018)

Ghana has tried to increase its share of foreign direct investment and offers the following incentives to foreign investors (GIPC, 2018)

Table 2 : Ghana's Tax Regime

Tax Regime and Investment	
Tax Rates	
Corporate Tax	25%
Rent Tax	8%
Mineral Royalties	5%
VAT	15%
NHIL	2.5%
Hotels	22%
Companies Engaged In Non- Traditional Ex- port	8%
Companies Listed On The Stock Exchange	22%

Source: Ghana Investment Promotion Centre. 2018. Online.

Table 3 : Ghana Investment Incentives

Investment Incentives		
Tax Holidays (From Start of Operation)		
Real Estate (Certified Low Cost Housing)	5 Years	1%
Rural Banks	10 Years	1%
Cattle Ranching	10 Years	1%
Tree Cropping (e.g. Coffee, Oil Palm, Shea-Butter and Coconut)	10 Years	1%
Livestock Excluding Cattle And Poultry	5 Years	1%
Fish Farming, Poultry And Cash Crops	5 Years	1%
Agro-Processing – Converting Fish, Livestock Into Edible Canned Products	5 Years	1%
Waste Processing (Including Plastics and Polythene)	7 Years	1%
Free Zones Enterprise/Development	10 Years	0%

Source: Ghana Investment Promotion Centre. 2018. Online.

Table 4 : Locational Incentives for Foreign Investment in Ghana

Locational Incentives (Tax Rebates)	
a) Manufacturing industries located in:	
Accra and Tema	25%
All other regional capitals	18.75%
Located outside regional capitals	12.50%
b) After the initial 5-year tax holiday period, agro-processing enterprises which use local agricultural raw materials as their main inputs shall have corporate tax rates fixed according to their location as follows:	
Accra-Tema	20%
Other Regional Capitals (except Northern, Upper East and Upper West Regional Capitals)	15%
Outside Regional Capitals-	10%
Northern, Upper East and Upper West Regions (capitals and all other locations)	5%

Table 5 : Exemptions from Port Duties

Exemptions from port duties
Industrial plant, machinery or equipment and parts thereof are exempted from customs import duty under the HS Codes chapter 82, 84, 85 and 98. An enterprise whose plant, machinery or equipment and parts are not zero rated under the Customs, Excise and Preventive Service Management Act, 1993 may submit an application for exemption from import duties and related charges on the plant, machinery or equipment or parts of the plant, machinery or equipment to the Centre.
Other guarantees include ;Investment Guarantees
Constitutional guarantee
Investment laws which guarantee 100% transfer profits, dividends, etc.
MIGA membership
Bilateral Investment Promotion Treaties (BITs)
Double Taxation Agreements (DTAs)

Source: Ghana Investment Promotion Centre. 2018. Online.

3.5 Ghana and the interim EPA

According to a report by Action Aid Ghana, Ghana has a long history of trade with the EU which it started in 1975 with the signing of the first Trade Accord: Lomé I Convention.

In June 2000, the Cotonou Agreements were signed with the aim of creating a framework for improving trade relations between the EU and the signatories to the EPAs.

Because the waiver granted by the WTO under GATT PART IV was due to expire on 31st December 2007, Ghana and 3 other ACP countries that did not want to experience disruptions in their trade with the EU were forced to sign Interim Economic Partnership Agreements (Hereafter IEPA) pending further negotiations for a substantive EPA (Action Aid Ghana, 2014)

According to the report, Ghana's Ministry of Trade explained that signing the IEPA was a practical step to preserve the country's market access to the EU and to avoid 'costly' trade disruptions which could potentially cause significant damage to the country's non-traditional export sector (Action Aid Ghana, 2014)

It is necessary to mention again that some of the fundamental reasons cited by the EU for negotiating the EPA remain in contention even till date (June 2018).

These arguments include among other that signing a comprehensive EPA would imply a complete elimination of import duties and taxes, and the inclusion of all economic sectors within the coverage of the free trade area as well as including agreements on trade in services and trade related areas (Action Aid Ghana, 2014)

The fear that has often been expressed is that ACP countries would remain a market for European products and a source of cheap raw materials and labour. Some policy analysts have often expressed the fear that this broad focus on free trade without taking into account the essentially unequal relationship between the more developed EU and less developed countries like Ghana would result in even more inequalities and would defeat the so-called poverty reduction and development focus of the EPA (Action Aid Ghana, 2014) According to Action Aid Ghana, as at 1st January 2008, Ghana started exporting all of its products duty and quota free into the EU. However, rice and sugar were exempted as they had a transitional period of 2010 and 2015 respectively. In exchange, Ghana agreed to liberalize 80% of its imports from the EU, representing 81% of tariff lines over 15 years - January 2008 to 2022 (Action Aid Ghana, 2014)

3.6 Ghana and the Hypothesis

The researcher developed a hypothesis which was then tested with interviews with the various stakeholders involved in the non-traditional export sector as well as the parties involved in the IEPA with Ghana. The hypothesis developed was:

1. Are there structures that should have been put in place by Ghanaian authorities in order to benefit from the EPA that were not put in place?

As part of the research, the author travelled to Ghana and spent 10 days meeting various stakeholders in the export sectors well as stakeholders in the implementation of the EPAs between the EU and Ghana.

4 Research Methodology

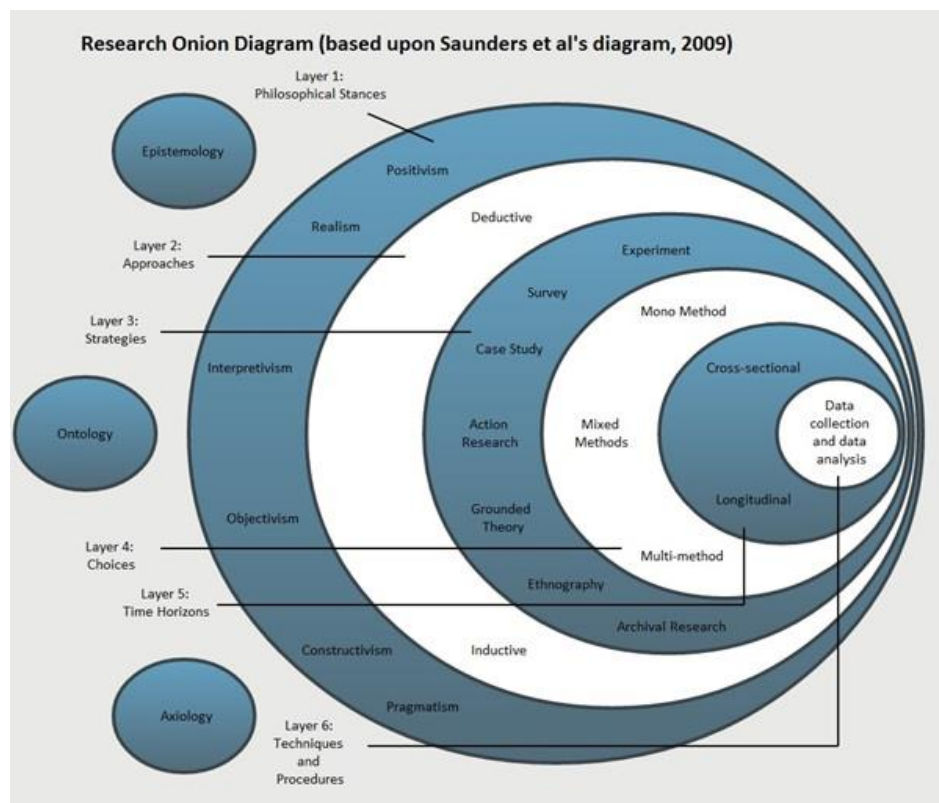
4.1 Definition of research methodology

Research methodology can be defined as a systematic way of solving a problem. It can be said to be the science of studying how research is to be carried out, or put differently, the procedure by which a researcher goes about the work of describing, explaining and predicting phenomena (Rajasekar, 2013)

The purpose of research on the other hand is to discover answers to questions through the application of scientific procedure (Kothari C.K, 2004)

The author made use of portions of the process onion developed by (Saunders, 2007) in order to derive the most suitable research approach and strategy. The research onion describes the various steps an author must undertake when developing a research methodology. The research onion begins with philosophies at the outmost layer, followed by approaches, strategies, choices, time horizons and with techniques and procedures at the core of the onion. It must be emphasized that only certain portions of the research onion were used by the author. Figure 3 below shows the research onion in detail:

Figure 4 : The Research Onion



Source: Saunders, M., Lewis, P. and Thornhill, A. 2007. Research Methods for Business Students.

1.1 Research Philosophy

Research philosophy essentially deals with the assumptions we make on a daily basis or the different perspectives we hold of the world. These in turn underpin our research strategy as well as the methods we choose (Saunders, 2007).

According to the authors, epistemology, ontology and axiology are the three main ways of thinking about research philosophy.

Epistemology basically has to do with what is considered to be acceptable knowledge in a field of study. It is subdivided into positivism, realism and interpretivism. Positivism has to do with the philosophical stance of the natural scientist (Saunders, 2007)

Positivism is based on a well -structured methodology that facilitates replication and generates law-like generalizations. Law-like generalizations, as pointed out by the authors imply that researchers exploring the same research topic should generate similar conclusions. Realism on the other hand relates to the fact that objects have an existence independent of the human mind (Saunders, 2007)

The basic tenet of realism is that, reality does not depend on the human mind and as such it opposes idealism. Realism is sub-divided into two categories which are: direct realism and critical realism. Direct realism posits that what you see is what you get: what we experience through our senses portrays the world (Saunders, 2007)

Interpretivism points out the necessity for the researcher to understand differences between humans in our role as social actors. This emphasizes the difference between conducting research among people rather than objects such as trucks and computers (Saunders, 2007).

Moreover, the interpretivist advocates that generalisability is not of crucial importance (Saunders, 2007).

Ontology on the other hand raises questions of the assumptions researchers have about the way the world operates and the commitment held to particular views (Saunders, 2007) Objectivism and subjectivism are the two main aspect of ontology. Whereas objectivism postulates that the position in which social entities exist in reality external to social actors concerned with their existence, subjectivism on the other hand holds that social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence. Pragmatism makes the claim that the most important determinant of the research philosophy adopted is the research question. In the sense that one approach may be 'better' than the other for answering particular questions (Saunders, 2007)

Further, if the research question does not state explicitly that either a positivist or interpretivist philosophy is assumed, then this supports the pragmatist's standpoint that it is absolutely possible to work with both philosophies (Saunders, 2007)

A paradigm can be said to be a way of examining social phenomena so that particular understandings of these phenomena can be gained and explanations attempted (Saunders, 2007)

Functionalist, interpretive, radical humanist and radical structuralism make up four aspects of the research paradigm.

The study made use of pragmatism as well as interpretivism as guiding philosophies for the research. The purpose of the thesis is not to generate law-like generalizations. In addition, the goal of the study was to try to generate an understanding of some social events.

4.2 Research Choices

The aim of quantitative research is to determine a relationship between an independent variable and a dependent variable in a population. Quantitative research designs are either descriptive or experimental. While a descriptive study establishes relationships between variables, and experiment seeks to establish causality (Rajasekar, 2013)

Babbie defines quantitative methods as methods that emphasize objective measurements as well as the statistical, mathematical or numerical analysis of data collected through polls, questionnaires and survey. It typically involves the manipulation of pre-existing statistical data by using computational techniques. Quantitative research focuses on gathering numerical data and then generalizing it across groups of people to explain a phenomenon (Babbie, 2010)

The distinguishing factor about quantitative research is that it deals in numbers, logic and an objective stance. Quantitative research focuses on numeric and unchanging data and detailed convergent research rather than divergent reasoning which involves the generation of ideas about a research problem in a spontaneous, free-flowing manner.

The overarching aim of a quantitative research study is to classify features, counts then and construct statistical models in an attempt to explain what is observed (Babbie, 2010)

Hennik, Hutter and Bailey define qualitative research as an approach that enables a researcher to examine people's experiences in detail by making use of a specific set of research methods like interviews, focus group discussions, observation, content analysis, visual methods and biographies (Hennink, 2010).

The feature that sets qualitative research apart is that it enables the researcher to identify issues from the perspective of the study participants and understand the meaning and interpretations that they give to behaviours, events or objects (Hennink, 2010).

Accordingly, in carrying out qualitative research, the researcher needs to be open-minded, empathetic, be flexible and have the ability to listen to people telling their own story (Hennink, 2010).

The researcher made use of a qualitative methodology in carrying out the research as it enabled her to identify the key issues pertaining to Ghana and the IEPA from the perspective of the stakeholders.

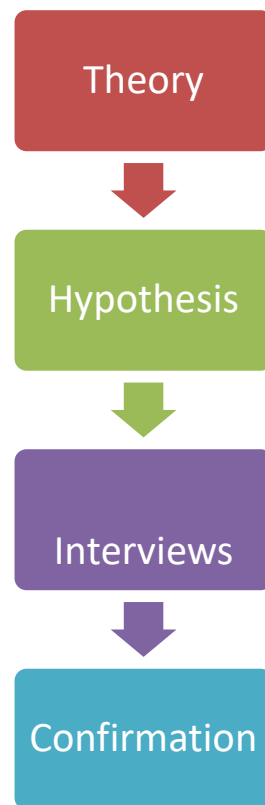
4.3 Research Approaches

According to (Saunders, 2007) there are two main research approaches to follow when conducting a scientific research; deductive and inductive approach. The deductive approach starts with the development of a theory and hypothesis and then designing a research strategy to test the hypothesis. This is particularly useful for research topics with wealth of existing theories and literatures (Saunders, 2007). On the other hand, the inductive approach begins with data collection, followed by data analysis and then formulation of a theory. This is especially useful for research topics with limited existing literature (Saunders, 2007). The major difference between deductive and inductive approaches is that deductive approaches lay emphasis on moving from theory to data whereas inductive goes from data to theory. Moreover, the deductive approach mainly applies to quantitative studies while inductive approach employs qualitative studies (Saunders, 2007).

Gabriel suggests that a deductive approach typically begins with a hypothesis and generally places an emphasis on causality. Deductive reasoning works from general to the more specific. Inductive reasoning on the other hand works the other way, moving from specific observations to broader generalizations and theories (Gabriel D., 2013)

Sometimes referred to as a top-down approach, in deductive reasoning, the researcher might begin with a theory about a topic of interest and then narrow down to a more specific, testable hypothesis.

The researcher then collects observations to address the hypothesis. This enables the researcher to test the hypothesis and confirm or disprove the original theories (Troachim W., 2006). The researcher made use of a deductive approach in coming to her conclusions.

Figure 5 : Author's elaboration of research approach

Source: Troachim W.2006. Retrieved from socialresearchmethods.net. Online

4.4 Research Strategies

According to (Saunders, 2007), experiments, survey, case studies, action research, grounded theory, ethnography and archival research are some of the main types of research strategies. An experiment is a type of a causal study in which researchers investigate the how a change in an independent variable affects a dependent variable.

These types of studies are typically conducted in the natural sciences and within the social sciences, typically in psychology. The main goal here is to determine a causal relationship between two variables (Saunders, 2007)

A survey is a type of a research strategy commonly associated with the deductive approach and is typically conducted in business and management research to collect data from a large population in an economical way. It is therefore more applicable for exploratory and descriptive research. It is typically employed to answer research questions correlating to who, what, where, how much and how many involved in a problem of study (Saunders, 2007)

A case study is a strategy for doing research which involves an empirical investigation of a contemporary phenomenon within its real life context using multiple sources of evidence (Saunders, 2007)

It is most frequently used in explanatory and exploratory research to answer research questions related with ‘‘why, who and what’’ aspects in the case framework. Case study strategies can either be single or multiple cases and holistic or embedded cases.

Action research usually deals with four themes in literature, with the first being an emphasis on the research purpose. (Saunders, 2007)

The second theme concerns the participation of practitioner and researchers in a research (Saunders, 2007) The third theme places emphasis on the iterative nature of the process of diagnosing, planning, taking action and evaluating. The final theme suggests that action research should have implications beyond the immediate project (Saunders, 2007).

Grounded theory is related to both inductive and deductive approaches. It is a strategy that seeks to develop and build theories as well as predict and explain behaviours (Saunders, 2007)

Ethnography adopts the approach of induction. It is usually helpful to researchers who intend to attain rich understanding about a specific context and interpret it from the standpoint of the actors involved (Saunders, 2007)

Archival research relates to studies that make use of administrative records as well as documents as the primary source of data. This research strategy is mostly used when the

research questions, be they exploratory, descriptive or explanatory to be answered are focused on the past and changes that have taken place over time (Saunders, 2007). The author makes use of a case study to analyse the weaknesses of the institutions that are meant to support the export sector in Ghana.

4.5 Data Collection

4.5.1 Primary Data

Saunders, Lewis and Thornhill define primary data as: “data collected specifically for the research project being undertaken”. Primary data is collected from original sources because this data is not available anywhere else. This kind of data needs to be collected directly from the target population. Some of the methods used to collect primary data include surveys, questionnaires, community forums, focus groups as well as in-depth interviews (Saunders, 2007). The researcher collected primary data by conducting interviews with various Ghanaian and European stakeholders.

4.5.2 Secondary Data

Secondary data can be defined as data used for a research project that were originally collected for some other purpose (Saunders, 2007). They are obtained from unpublished or published sources such as books, journal and magazine articles, organizations websites, companies’ minutes of meetings and accounts of sales of goods or services, companies’ copies of letters, government publications, industry statistics and reports, voice and video recordings, pictures etc. The researcher made use of a number of secondary data sources including, books, online journals and news articles.

4.6 Research Design

The goal of the research was to gain a deeper understanding of the framework that governs north-south trade specifically related to how Ghana can gain access to the EU market in the face of seemingly insurmountable odds. In order to do this, the author had to gain a deeper understanding of international trade. The research started with understanding the context of exporting to the EU market and why some countries have been more successful than others. The researcher then started digging deeper into the Ghanaian and African case regarding exporting to the EU specifically and international trade in general.

Secondary data proved to be very useful in understanding the historical context of the entrenchment of the dollar bananas in the EU in the bid to gain an understanding of why Latin American countries seem to be so heavily represented with their produce in Germany and some other European markets. This led to further research into the ‘banana wars’ and the politics of international trade as well as the functioning of the World Trade Organization to a certain extent.

It was also necessary to gain an understanding of concepts like the superstar exporter phenomenon, absolute and comparative advantage etc. as they form the backdrop against the strength and dominance of European firms and how the countries in the ECOWAS Region, many of whom are LDC’s can compete with such firms on an even keel.

4.7 Interviews

The researcher made use of semi-structured interviews in order to collect qualitative data. Effort was made to have a representative of each stakeholder group in the EPA negotiations or those that would be affected by it, included in the interviews. These included representatives from the EU delegation to Ghana, exporters, government agencies, private consultants and other individuals who provided useful insights.

5 persons granted interviews in person which were recorded and subsequently transcribed. 3 persons were interviewed who did not want to be recorded for fear of reprisal. 1 interview was done via phone with a representative of the United Nations Conference on Trade (UNCTAD) to provide further insight on non-tariff measures & how they work out in real life.

The interviews were held informally since the author knows many of the subjects due to her previous work experience. Some of the subjects were introduced to the researcher through third parties.

The researcher prepared lists of questions for each group of stakeholders. There were times when other topics came up unexpectedly. This generated more questions from the researcher which enabled her to glean more information from the respondents.

The timing of the interviews was flexible and were made to suit the needs of the interview subjects. Most of the interviews were done in less than one hour.

The interviews were meant to test the opinions of Ghanaian stakeholders regarding what systems and structures needed to have been put in place for gaining maximum benefit from the EPA.

It was helpful to get first hand impressions from the various actors on the ground in Ghana. The information obtained from the interviews served as the foundation for the recommendations and conclusions from the research.

4.8 Research Biases and Limitations

It must be made mention that the researcher was born in Ghana and lived there until April 2016. While in Ghana, she worked at the German Chamber of Commerce. Her interest in contributing to the development of her country led her to organize a seminar for companies wanting to export their products to Germany.

However, the researcher took steps to ensure that the research was devoid of her personal opinions, biases or expectations that may adversely affect the results of the research.

5 Case Study on Institutional Frameworks

According to (Yin R., 2013), a case study is one of many social science research strategies. Carrying out a case study is seen to be the preferred method when the primary research questions are ‘‘how’’ and ‘‘why’’ questions, or when the researcher has little or no control over behavioral events. Case studies may also be used when the focus of the study is contemporary as opposed to a historical phenomenon (Yin R., 2013)

Beyens, Failler and Asiedu conducted a case study on the institutional challenges and constraints for Ghana in exporting fishery products to the European Union.

The results of the case study which included among others; the growing difficulty for institutions to adapt to the more stringent EU regulations and to develop new sets of domestic rules as well as the lack of collaboration between key institutions which hampers the establishment of an efficient food safety system. This case study is expanded to include some more regulatory agencies that concern this paper (Beyens, 2015)

The case study by Beyens and her colleagues provides insights on the factors hampering the exports of fruits and vegetables from Ghana to the EU.

5.1 Key Institutions Relating to Exports in Ghana

A cursory analysis of the key institutions that are involved in the non-traditional export sector Ghana highlights the difficulty that a first time exporter may have in trying to ship their products outside of the country.

The first thing once notices is that these institutions are many. The first time exporter may not know where to start from in the long and often arduous process. Beyens and her colleagues point out a lack of coordination among these institutions as a factor that hampers the growth of the sector.

More importantly however, it is the lack of resourcing of these institutions that has created the biggest stumbling block to exports from Ghana.

Below is a detailed analysis of the institutions involved in the export of non-traditional exports, of which fruits and vegetables fall under.

5.1.1 The Ministry of Food and Agriculture

The Ministry of Food and Agriculture is responsible for developing and executing policies and strategies for the agricultural sector in Ghana (Ministry of Food & Agriculture Ghana, 2018)

According to the Oxford business Group, Agriculture is fundamental to Ghana's economy and employs almost 50% of the population. Although its share of GDP has decreased in recent years, it continues to be vital to growth. With a number of crops and segments performing well below capacity, there is ample opportunity for greater investment and modernisation from private sector players (Oxford Business Group, 2017)

The Agricultural sector in Ghana is made up of five main subsectors:

- Crops: Cereals and Starchy Crops
- Livestock: Cattle, Sheep, Goats, Pigs, Poultry
- Fisheries: Marine, Inland and Aquaculture
- Forestry
- Cocoa

Ghana Cocoa Board, under the Ministry of Finance & Economic Planning is responsible for cocoa affairs in the country (Ministry of Food & Agriculture Ghana, 2018)

The Ministry of Lands & Mineral Resources has responsibility for the Forestry Commission, while the Ministry of Fisheries and Aquaculture Development is responsible for the fisheries sub-sector (Ministry of Food & Agriculture Ghana, 2018)

5.1.2 Ministry of Trade and Industry

The Ministry of Trade and Industry is the government agency responsible for both internal and external trade as well as the promotion of Ghanaian industries. The Ministry of Trade and Industry establishes policies so that trade and industry grow competitively within domestic, regional and international markets. The goal is to facilitate economic growth and employment creation for vulnerable groups. The Ministry of Trade and Industry has sought to promote Ghana as a major manufacturing and commercial centre in West Africa (Beyens, 2015) (Ministry of Trade and Industry Ghana, 2018)

5.1.3 Plant Protection & Regulatory Services

The Plant Protection and Regulatory Services (hereafter PPRSD) was established in 1965 by the Prevention and Control of Pests and Diseases OF Plants Act, 307 which has been

replaced by the “Plants and Fertilizer Act, 2010 (Act 803). PPRSD is the national institution whose mandate is to organize, regulate, implement and coordinate the plant protection services needed of the country (Plant Protection and Regulatory Services Ghana, 2018)

5.1.4 The Council for Scientific and Industrial Research

The Council for Scientific and Industrial Research (Hereafter CSIR) is mandated to carry out scientific and technological research for national development. The CSIR is mandated among others, to pursue the implementation of government policies on scientific research and development, assist the government in the formulation of Science and Technology policies for national development. Some international buyers have recognised the CSIR as certified institution for carrying out certain specific tests in line with independent conformity assessments as a pre-requisite for export (Council for Scientific and Industrial Research Ghana, 2018)

5.1.5 Food Research Institute (FRI)

Food Research Institute (Hereafter FRI) is one of the thirteen affiliate Institutes and Centres of the Council for Scientific and Industrial Research (CSIR). The CSIR-FRI is mandated to conduct applied market oriented research into food processing and preservation, food safety, storage, marketing etc. and also to advise government on its food policy. The FRI is recognised by some international buyers for carrying out tests like Aflatoxin and Mycotoxin levels in certain grains and cereals (Food Research Institute Ghana, 2018)

5.1.6 The Ghana Export Promotion Authority (GEPA)

The Ghana Export Promotion Authority (Hereafter GEPA) is responsible for the facilitation, development and promotion of Ghanaian exports.

The agency’s focus has primarily been diversifying Ghana’s export base from the traditional exports like Gold, Cocoa Beans, Timber Logs and Lumber. The agency is supposed to be the first point of call for exporters and acts as an intermediary between exporters and buyers (Ghana Export Promotion Authority, 2018)

5.1.7 Ghana Standards Authority

The Ghana Standards Authority (Hereafter GSA) is a government agency responsible for developing, publishing and promoting standards in the country.

It does this through standardization, metrology and conformity assessment activities. Some of these activities include testing, inspection and certification. The core mandate of the agency is to ensure that goods and services produced in Ghana, whether for local consumption or for export are safe for consumption and are of a high quality (Ghana Standards Authority, 2018)

5.1.8 Food and Drugs Authority (FDA)

The Food and Drugs Authority is another national regulatory authority which is responsible for the regulation of food and drugs, but also food supplements, herbal and homeopathic therapies, veterinary medicines, cosmetics, medical devices, household chemical substances as well as tobacco (Beyens, Failler and Asiedu 2017)

Beyens, Failler and Asiedu mention that the Food and Drugs Authority is recognized for its role in the domestic and regional market as well as in relation to goods imported to Ghana. It must be noted that the primary concern for the Food and Drugs Authority is that imported food and drug products that reach the consuming public are safe, of high quality and efficacious in the case of drugs (Beyens, Failler and Asiedu 2017)

5.1.8 Customs Excise and Preventive Service

Beyens, Failler and Asiedu report that the Customs Division of the Ghana Revenue Authority is responsible for the collection of various taxes including; import duty, import value added tax (VAT), export duty, import excise and other taxes. (Beyens, Failler and Asiedu 2017)

These taxes are used to finance the country's budget and development projects. Taxes are collected by physically patrolling the borders (Tema Port, Takoradi port and Kotoka international airport) and other strategic points, examining goods and collecting documents relating to the goods. (Beyens, Failler and Asiedu 2017)

As part of efforts to streamline the revenue collection process, the single electronic online network GC-Net declaration of the Ghana Trade Net was created. Users can track their consignment at any time. (Beyens, Failler and Asiedu 2017)

Beyens and her team note that although this declaration is taking on more and more importance, it has not yet reached its total capacity. (Beyens, Failler and Asiedu 2017)

5.2 Key findings from the Case Study

In the case study conducted by Beyens and her colleagues, they found developing countries prepared to export fish and fishery products to the EU are confronted with significant institutional challenges. They also found to a large extent a certain consistency in the type of food safety problems experienced by these countries, including but not limited to;

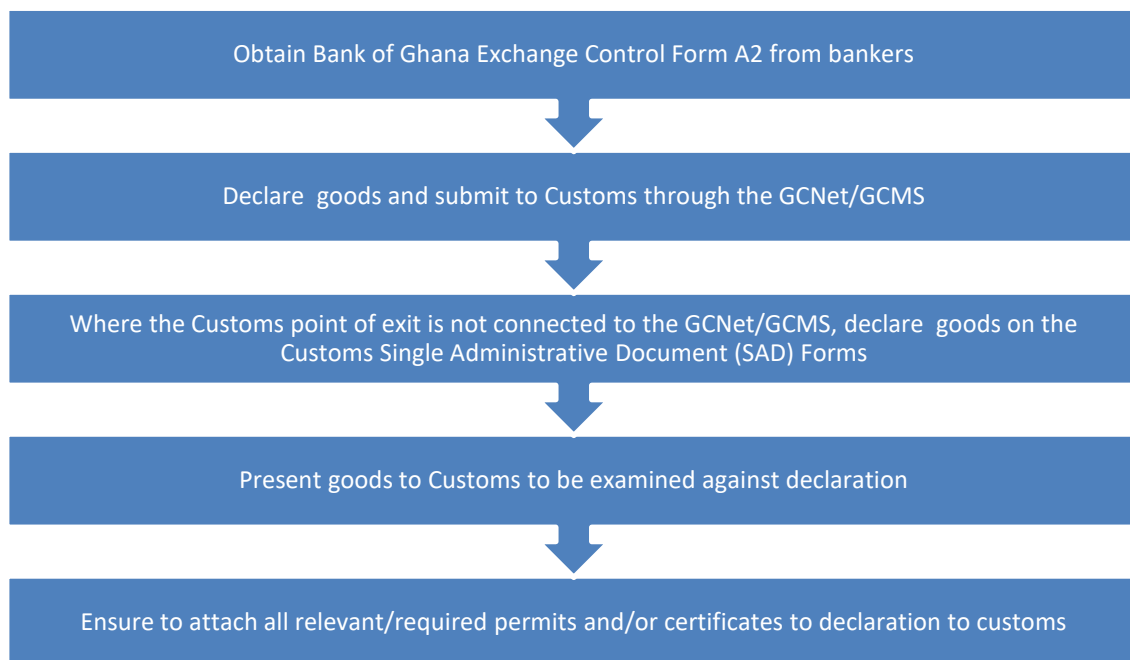
- Spotted food safety legislation in several institutions, resulting in incomplete coverage. Some of the legislation was not always based on risk assessment. Additionally, some of the legislation produced was not in line with market standards (Beyens, 2015)
- (Beyens, 2015) found that there were insufficient food inspectors who often suffered from inadequate training and logistical support, and lack of clear inspection procedures.
- (Beyens, 2015) and her colleagues found that many testing laboratories not always accredited ISO 17025 for specific tests. These laboratories were found to have inadequate facilities, poorly trained staff and lack of financial capacity and no regional reference laboratory (Beyens, 2015)
- They found similar enforcement procedures used both for the Food Safety Department and the testing laboratory department which amounts to a conflict of interest (Beyens, 2015)
- (Beyens, 2015) also identified a focus on control systems being harnessed primarily on export rather than on enlarging other small and medium enterprises feeding the country, resulting in poor food safety and hygiene lack of knowledge. Fundamentally, this would make it difficult to improve exports as well as the free movement of goods across Africa (Beyens, 2015)

6 Framework for Exporting from Ghana

6.1 Background Information

Exports from Ghana are classified into two categories. The first one being traditional exports like Gold, Cocoa, Timber and hydrocarbons. The process for exporting traditional items is summarized in the table below. Traditional export items however are broken down into various classifications each of which have a responsible agency. For example, all mineral items are handled by the Minerals commission of Ghana. All timber and sawn wood products come under the jurisdiction of the forestry commission while the marketing of cocoa is handled by the Ghana Cocoa Marketing Company and the Ghana Cocoa Board (Ministry of Food & Agriculture Ghana, 2018)

Figure 6 : Procedure for exporting Traditional Items from Ghana



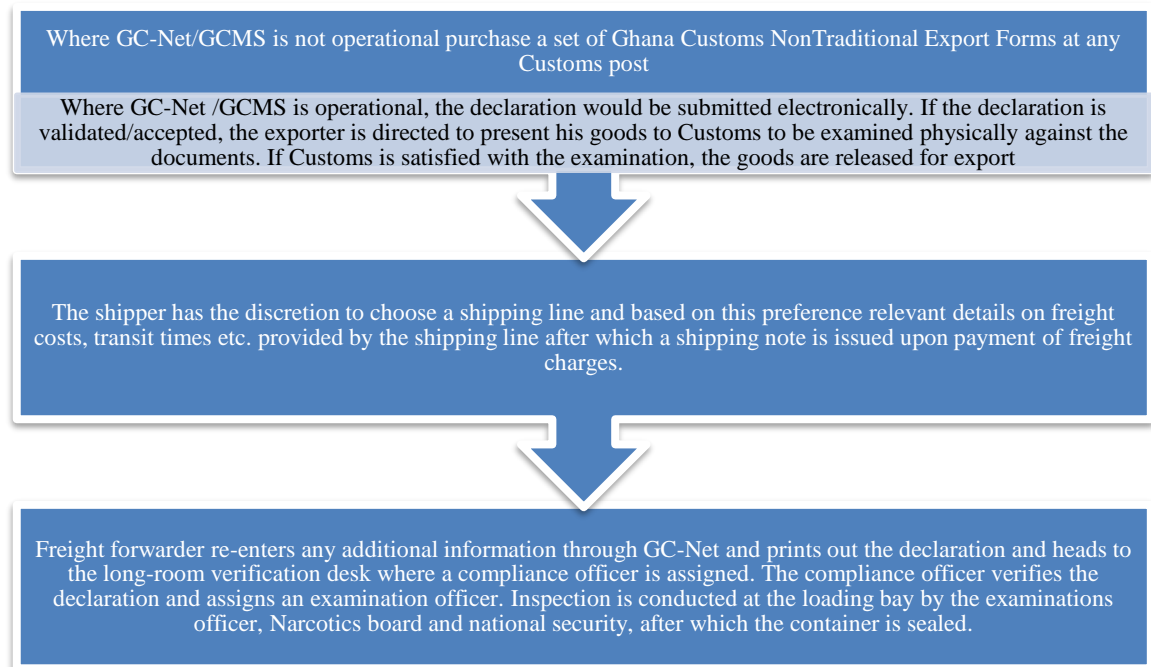
Source: Ghana Ports and Harbors Authority. 2018. Online

The legal framework for the export of non-traditional items is quite similar. However the main agency responsible for non- traditional exports is the Ghana Export Promotion Authority. This institution, whose activities fall under the Ministry of Trade and Industry, was set up in 1969 as part of efforts to diversify the Ghanaian economy away from Gold, Cocoa, refined and unrefined minerals as well as timer and sawn lumber. Non- traditional export items include, yams, cassava, bananas, plantain, pineapples, citrus, coffee, wheat

bran, cocoa shell, shea nuts, textiles, ceramics, handicrafts and charcoal (Ghana Export Promotion Authority, 2018)

Below is a table which sets out the process for exporting non-traditional items.

Figure 7: Procedure for exporting non- traditional items from Ghana



Source: Ghana Ports and Harbors Authority. 2018. Online

6.2 Opportunities for Ghanaian exporters

In the first eight months of 2014, Ghana made receipts of 1.8 billion dollars from the non-Traditional export sector. In 2015, the government raised the target for export revenue from the non-traditional sector to 5 billion dollars annually (Joy Online, 2014)

The author is of the opinion that earnings from non- traditional items can actually be greater if more of the value addition of export items is done in Ghana rather than exporting mainly raw materials.

As an example, the natural cosmetic product industry was estimated to be worth 30 billion dollars in 2014 and is estimated to grow at an annual rate of 10% until 2019.

In comparison to this figure, the Ghana Export Promotion Authority recorded revenues of 248 million dollars from the sales of oils, seeds and nuts from Ghana in 2016 (Ghana Export Promotion Authority, 2018)

Globally, there has been and continues to be a switch towards healthy alternatives and super foods. Some of these which include Baobab and Moringa, are found in abundance in Ghana. A survey by the Euromonitor International in 2017 found that healthy food consumption is said to increase to one trillion dollars in monetary terms (Euromonitor International, 2017)

All these present an opportunity for Ghanaian exporters to diversify their market reach and increase their export potential.

In terms of diversifying the market, there is an opportunity for exporters in the non-traditional export market to look at other markets than the typical ones in order to sell their products or increase their sales. According to the Ghana Export Promotion Authority sector reports, some countries like Vietnam were among the top 5 buyers of oils, nuts and seeds from Ghana (Ghana Export Promotion Authority, 2018)

Nigeria was the highest buyer of vegetable and animal oils from Ghana (Ghana Export Promotion Authority, 2018) and therefore exporters should explore other countries in Africa as an alternative market for their goods.

EU standards are quite high and can actually be said to be prohibitively high (Otsuki, 2001). A study on the impact on EU regulations using an analysis is based on trade and regulatory survey data for 15 European countries and nine African countries between 1989 and 1998 found that the implementation of the new aflatoxin standard in the EU would have had a negative impact on African exports of cereals, dried fruits and nuts to Europe. The new EU standard, which would reduce health risk by approximately 1.4 deaths per billion a year, would decrease these African exports by 64% or US\$ 670 million, in contrast to the adoption of rules set through an international standard (Otsuki, 2001)

Apart from this, intra- regional trade in Africa is the lowest in the world. 69% of goods produced in Europe were exported to other countries on the continent. Asia had intra-regional trade standing at 52%, North American intra-regional trade stood at 50% while intra- regional trade in Africa stood at 18%. This represents an opportunity for Ghanaian exporters to lead the way in connecting the market starting with West Africa. This will call for improved infrastructure and a political will but should not be impossible (World Economic Forum, 2018).

All these present opportunities for Ghanaian exporters to increase their market share by exporting both finished and semi-finished products in Africa, Asia, Europe and the rest of the world.

Ghanaian exporters can start exporting to neighboring countries which would give them an opportunity to test their quality and adherence to standards and most of all to gain experience before targeting more sophisticated markets like the European and north-American markets.

6.3 Challenges facing the Ghanaian Exporter

The Ghanaian exporter is in a very precarious situation in terms of the fact that they face daunting odds in trying to get their products on the market primarily because the institutions that are supposed to support non-traditional exports, though they function, are quite weak.

Apart from that, there is still a major emphasis on traditional exports like cocoa, crude oil and gold and much less emphasis on the development of standards as well as the implementation of the standards to guide the export of non-traditional products like fruits, vegetables etc.

According to the Observatory of Economic Complexity (OEC), some of the top exports of Ghana include Gold (\$4.43B), Cocoa Beans (\$1.89B), Coconuts, Brazil Nuts, and Cashews (\$987M), Crude Petroleum (\$960M) and Sawn Wood (\$367M) (Observatory of Economic Complexity, 2016)

The structures for exporting these kinds of products have been well established from decades of export of these kinds of products. This can be juxtaposed against the export of lesser known products like Moringa, baobab and cassava which are new to importing countries and for which standards are being developed both locally and internationally.

Below is a section from an interview with an exporter of cassava chips which buttresses above made point:

.....‘‘they did not know what information they wanted. I think they had also never received such a consignment before. They were not even sure of the requirements we needed to meet and therefore there was a lot of referral. So it was a lot of trial and error. It was really the first time commercially that anyone was sending anything like this from Ghana’ (Peter Oppong- Bio _ Interview in Appendix 2).

The challenges faced by the Ghanaian exporter essentially culminate from a number of factors. Starting with the supply chain and ending up with the key institutions that are supposed to support their activities. Thus, any effort to address these challenges must be a multi-pronged. Some of the challenges identified may be broken down as follows:

6.3.1 Lack of knowledge and adherence to standards by farmers

Many of the interviewees mentioned that a lot of farmers are not aware of the quality standards regarding fertilizer application periods, soil and crop management as a tool for preventing pest infestation etc. this poses a big problem as farmers form the backbone of the food supply system and eventually, exports. Most of the interviewees mentioned that there was a big problem in terms of education farmers, most of who live in rural areas about the need to adhere to standards.

6.3.2 Lack of accreditation to Ghanaian certification institutions

Many of the respondents pointed out that there were problems with the governmental institutions responsible for carrying out independent conformity and assessment tests and issue certificates to exporters to the effect that their products conform with the relevant international standards. Although some of the exporters were not able to point out that this was due to a lack of accreditation, an independent quality consultant who was interviewed mentioned this as the main bottleneck. Because some of these institutions are not accredited, the results of the tests are not accepted. This problem is exacerbated by the inspection authorities who were known to have allowed certain goods to pass border control even though they should not have passed the checks.

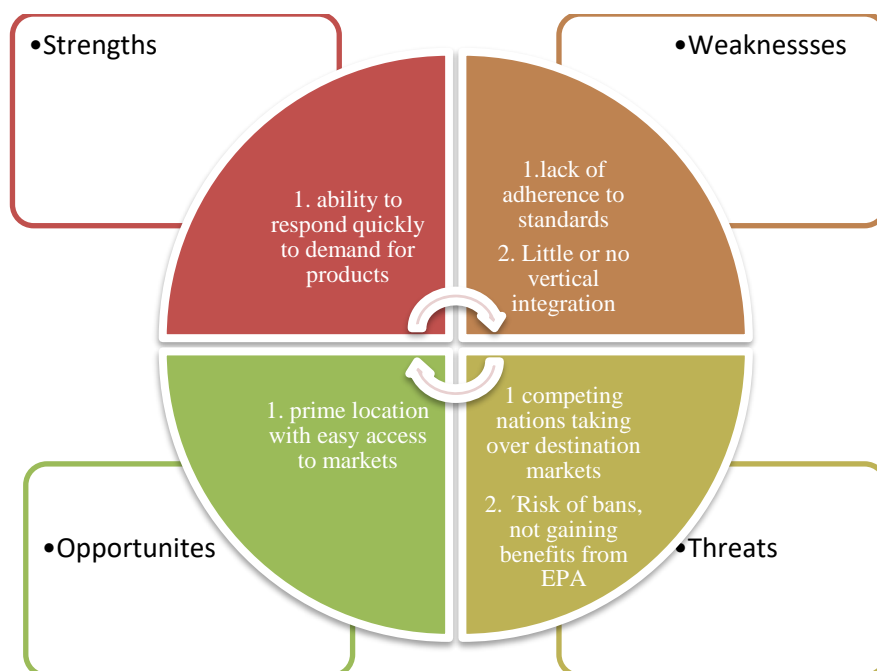
6.3.4 Lack of vertical integration

One of the issues that came up was the fact that many exports are not vertically integrated. Many of them use out growers or actually go onto local markets, purchase the needed quantities of goods and ship them. Although one of the interviewees mentioned that their company did not have farms when they started, they did make efforts to train farmers from whom they obtained raw materials. In addition, they had a processing plant where they would cut, package and label all their export products. This reduced their risk of having food flies, mould etc. from their products as opposed to exporters who ship fresh fruits and vegetables.

6.3.5 Weak supporting institutions for exporters

The overwhelming challenge that the author identified was with the key supporting agencies that should ordinarily support exporters. One of the most important agencies, the Plant Protection and Regulatory services is reported to for a long time not have been equipped with the tools and equipment for carrying out their work. One of the subjects mentioned that they did not have a shed for carrying out their checks, they could not provide exporters of fresh fruit and vegetables with the right temperature for storing their products until they were loaded on flights. It was reported that they did not have uniforms, and sometimes had to carry out inspections using flashlights. Poor remuneration of the inspectors from this institution and others at the ports made them susceptible to bribes. They therefore allowed certain products to be shipped which should under normal circumstances not been allowed. Below is a swot analysis carried out by the author to illustrate the challenges and opportunities of the Ghanaian exporter of fresh fruit and vegetables:

Figure 8 : SWOT analysis of Ghanaian exporters



7 Discussion

The author consulted a number of bibliographical material before developing the hypothesis which guided her field research and choice of interviewees. The hypothesis sought to address the framework for exporting from Ghana and whether or not certain structures should have been put in place before signing the IEPA. This chapter will focus on validating the hypothesis by means of interview analysis.

7.1 Building the Interview Guide

The first step that was taken before embarking on the field research was to identify all the stakeholders involved in the interim partnership agreement with Ghana.

Once these were identified, specific questions were developed for each group of stakeholders.

Because the interviews were semi-structured, there were instances where unplanned questions came up. At other times, some of the questions had to be rephrased to ensure that the subject understood and could speak to the issues raised.

On the whole, the sequence of the questions were followed although there were many follow up questions. There were moments where the discussion veered completely off track but were still related to the issues being addressed and there also moments where some of the respondents wanted to speak off the record. It was in these moments that a lot more meaningful information was released.

While developing the questions, a lot of attention was paid to the issues surrounding the partnership agreements as this is the core of the research. Questions regarding opportunities and barriers facing Ghanaian exporters of fresh fruit and vegetables, fresh cut fruits and other types of foods were posed to the respondents. The respondents were encouraged to express their thoughts and opinions about any of the issues surrounding the partnership agreements in relation to Ghanaian exporters.

7.2 Selection of Respondents

Initially, 8 interviewees were selected, most of whom the author had met while working at the German Chamber of Commerce. Former colleagues of the author provided contacts of some potential interviewees. Two companies were contacted in the initial stages who did not want to be interviewed. Many of the officials at the state agencies responsible for

standards implementation either declined the interviews or did not want to be recorded, possibly out of fear of reprisals. Some of the interviews were not possible because of schedule conflicts.

An EU consultant provided the contact details of three persons who were later interviewed. In order to have a comprehensive overview of the issues, care was taken to interview at least one person from each stakeholder group.

Five interviews were conducted in person and one was conducted via telephone. Most of the interviewed lasted up to 30 minutes and one went up to 50 minutes. The language of all the interviews was English. The full transcript of the interviews is provided in the appendix attached.

7.3 Findings regarding the institutional framework for export

When asked about the institutional framework surrounding the export of fresh food out of the country, many of the respondents said that the framework was weak and needed to be upgraded in order for Ghana to gain maximum benefit from the EPA. Some of the issues raised included the fact that there were too many institutions involved, some of whom seemed to duplicate the work of the others.

Primarily, the problem was at the PPRSD which is responsible for plant protection and is perhaps the most vital institution in the export process. Unfortunately, it also seems to be the most ill equipped and is therefore unable to perform its duties. Some of the issues mentioned included poor remuneration of staff which makes them susceptible to bribes, lack of equipment like lighting, unavailability of sheds, cooling chains etc. are some of the factors which makes them unable to carry out their duties.

One of the respondents mentioned certain Ghanaian characteristics like empathy, which should not come much into play in business, coupled with corruption as to why certain products which were not supposed to have passed border inspection, did.

In the words of the respondent, ‘‘it is partly corruption, partly tradition and feeling pity for people. On the part of the people who are doing the checks. If you bring vegetables and let’s say this is a pepper. I have to physically inspect the pepper to see if there are no food flies etc. you are a small farmer who then tells me ‘this 5,000 euros, I need it ok?’...because I have invested all this and.... ‘‘Ok now for 200 cedis, I will sort you out. But there is nobody in Europe saying Victoria paid 200 cedis and so let them in’’.

One of the interviewees described the governmental agencies responsible for the export sector as being fragmented, making it difficult for the first time exporter to know which agency to go to first. Another stated that information dissemination was quite low and that they faced situations where the laws had been changed and they were not aware.

The exporter gave examples of the stamp on EUR1 form being changed by Ghana Customs without informing EU customs resulting in huge import duty charges even though these are normally tax free. He also gave an example of the Narcotic board deciding to demand originals of company's registration during a night export shipment.

One of the key things that came up from the interviews was that many of the governmental institutions responsible for conformity assessment lacked the accreditation to carry out specific tests. The results of their tests would then be rejected once the items arrived in the destination countries.

7.4 Findings regarding the opportunities

One of the question the author asked the respondents was why they still choose to export to Europe despite the challenges involved. One of the respondents mentioned the following factors as the reason why they still export to Europe despite the challenges involved.

- Strong currency
- Good income level of the market
- Increasing demand
- Good logistics and cooling chain

Another one of the respondents, who represented a company that is partly British owned said that the company had a marketing engine based in the UK which had identified the UK as their target market. Despite the weakening pound because of the Brexit, she mentioned that there was an opportunity present in the export of mangoes and other lesser known fruit.

In the case of the cassava exporter, there was an opportunity to export to china due to the increasing demand for ethanol.

On the whole, there was a sense of caution in the sense that regardless of all the potential benefits that Ghana could gain from an easier access to the EU market, none of them would be realized without an adherence to the standards in the EU.

7.5 Findings regarding the barriers

All the interviewees mentioned a lack of adherence to standards as one of the main stumbling blocks to the export sector in Ghana. Some of the causes included lack of information dissemination at the grassroots level. One of the respondents, who worked as a consultant, had a situation where he was working with a group of farmers who did not know that there was a national quality policy with information on the rules for pesticide application etc.

Closely related to this is the lack of vertical integration on the part of exporters. Many respondents noted that quite a number of exporters aggregate from markets without checking for fertilizer residues, aflatoxins, and mould and microtoxin levels in the products. The primary concern is meeting orders and making money irrespective of the cost involved later on. These may include bans, ruined reputation etc. not just for them but for the nation as a whole.

When the author pointed out that it is quite expensive to obtain private certification labels like Fairtrade, GLOBAL GAP, Bio etc., one of the respondents replied to this assertion by mentioning that when they started, their core business was processing and as such they relied on out-growers. They did not own any farms at all. They used out-growers whom they certified as a group under the Fairtrade label. She mentioned that they only got into vertical integration when they started having challenges obtaining raw materials because many of the farmers felt like growing pineapples was not as lucrative as growing cocoa which enjoys a lot of subsidies from the government.

Another respondent mentioned that many of the challenges that exporters faced with pests could be managed with agronomy which basically involves crop and soil management.

From the interviews, it appeared that many of the challenges facing Ghanaian exporters of fresh fruit are partly as a result of weak supporting institutional structures.

Some of the barriers are also the result of decisions taken by previous exporters who did not do the right thing but were more concerned with meeting orders and making money.

One of the respondents mentioned how unrealistic it is to expect Bio level product from Africa bearing in mind the climatic conditions in Africa compared to the climate in Europe. In his words, "the optimum temperature for bacteria is between 20 & 40 degrees which is easy to maintain in a country where the average annual temperature is 8 degrees but try to do the same in France where the average temperature is 21 degrees or try to do it in Africa where the temperature is 35 degrees. It's almost impossible"

The respondent also bemoaned the tightening of European regulations in general. He said that there was an agenda to slow down competition not just from Africa but from the rest of the world. In his words ``there is an agenda to slow competition not just from Africa but from other countries. By pushing their standards on them.and these are standards that they used to have in Europe in the 1960's where a cook was not wearing gloves and the mouth piece and the hair cover and all that shit``

8 Summary

8.1 Conclusions and Recommendations

The goal of this research was to analyse the opportunities and challenges faced by Ghanaian fresh fruit and vegetables exporters to the EU within the context of the EPA.

The research made use of a combination of discourse analysis and interviews. This approach allowed the author to generate and test the following hypothesis.

1. Are there structures that should have been put in place by Ghanaian authorities in order to benefit from the EPA that were not put in place?

The analysis showed that indeed, there are many structures which Ghana needed to have put in place before signing the IEPA with the EU.

Further, the only way Ghana can benefit from the IEPA is to comply with the standards that have been set in the EU regarding fresh fruit and vegetables.

This means equipping institutions like PPRSD which are key in the export process and acquiring the necessary accreditation for the governmental conformity assessment institutions.

There needs to be a lot of education of farmers and business people about the importance of standards as a key to selling their products, improving their productivity and efficiency and as a tool for convincing their buyers of the quality of their products.

The research also found that even though European standards are applied the same way to all business partners, the interviews confirmed that the standards are being made tougher all round which could potentially serve as a barrier to business people both in and outside of Europe. The tightening of the standards makes it more expensive to do business in European countries and with European companies. This could potentially erode some of the benefits that Ghanaian exporters could have derived from selling their products to European customers.

8.2 Further Research

More research needs to be done in order to ascertain whether there are any protectionist tendencies on the part of any EU commissioners in their dealings with Africa. More so in the light of the statement made by one of the respondents who mentioned the quest to protect European businesses from competition.

An in-depth analysis of non-tariff trade barriers could be carried out to enable potential exporters to assess the potential risks and rewards associated with doing business with European companies.

Further research needs to be done to address the challenges raised here including the steps that Ghana and other West African countries can take in order to increase their export competitiveness.

Appendix

Appendix 1_ Interview questions	53
Appendix 2_ Transcription of Interviews	55

Appendix 1_ Interview questions

Field Research on Export Competitiveness

26th October_4th November 2017

Accra, Ghana

Questions for Exporters

1. How long have you been exporting your products?
2. How did you find a buyer?
3. What is your export capacity?
4. What were the biggest hurdles you had to overcome in starting to export?
5. On a scale of 1 to 10, what would you say are your biggest challenges in exporting to the European market?
 - Access to finance
 - Certification
 - Phytosanitary problems
 - Logistics
 - Market access
6. Why do you choose to export to the EU despite all the challenges involved?
7. What benefits do you derive from exporting to the EU market?
8. Are you allowed to ship pre-packaged products to the EU market or must they be packaged in the EU?
9. What do you think needs to be done in order for Ghana to gain maximum benefit from the Economic Partnership agreements with the EU?

Questions for EU Officials_ Field Research on Export Competitiveness

1. What is the status on the EPA with the ACP at the moment? What are the benefits that the EU will accrue from the EPA?
2. What are the benefits that Ghana stands to accrue from the European partnership agreement?
3. Do you think that the partnership agreement is skewed in favour of the EU in terms of the revenue Ghana collects from import duty and the fact that Ghana exports raw materials and imports finished products?
4. Do you think the phytosanitary conditions are too strict and represent a non-tariff barrier?
5. What are the things that Ghana is supposed to have done in order to meet the standards required by the EU?
6. What has been the response of the Ghanaian authorities towards the "aid for trade" from the EU?

7. What do you think needs to be done in order for Ghana to gain maximum benefit from the Economic Partnership agreements with the EU?

Questions for Food and Drugs Authority and Ghana Standards Authority_ Field Research
on Export Competitiveness

1. What is the role of the Ghana standards authority in the export process?
2. Do you know what factors came into play in the ban on vegetables from Ghana to the EU?
3. What kinds of tests are the Ghana standards authority currently carry out?
4. What kind of equipment does the Ghana standards authority require to be able to test products to meet international standards?
5. According to the EU, they were ready to provide funding for new laboratory equipment but did not receive cooperation on the part of the GSA, how would you respond to that?
6. What do you think needs to be done in order for Ghana to gain maximum benefit from the Economic Partnership agreements with the EU?

Appendix 2_ Transcription of Interviews

Interview with Peter Oppong- Bio _ Supercare Group of Companies

Victoria: Thank you for agreeing to be interviewed. Could you kindly tell me about your company and what got you into exporting?

Peter: My name is Peter Kofi Oppong-Bio. We have a group of companies and one of the subsidiaries is the Amantsin Agro-processing company which is a commercial cassava plantation. With agriculture, the most important thing is the planting material. With the lifespan of cassava, you have to grow it for about one year before you have enough planting material to multiply.

What that meant was that when we started there were a lot of times when we had so many tubers of cassava that would be going waste because what we needed was the planting material. So the idea came for us to find a use for the cassava.

But cassava has a property which makes it go bad really fast. So the question was, what could we do? How could we process it to be able to get a longer shelf life and to be able to find something to do with the tubers?

With our research, we realized that there was a demand for cassava chips abroad. So that led us to find customers and begin to export.

Victoria: which markets do you export to?

Peter: we started with Turkey and then China. The most quantum went to China (it was also the most problematic).

Victoria: why was it problematic?

Peter: in the beginning, to ship to china, the certification was challenging. We not only had to register with the Ghanaian agencies but also with the Chinese agencies. To do that, they had to set up a small, almost invisible body to do that. We were one of the first companies to do that before other companies got on board because it was such a crazy process.

Victoria: by crazy, you mean cumbersome?

Peter: cumbersome, very very cumbersome. I think we were their test subjects and it got a bit more streamlined after that.

Victoria: what made it cumbersome?

Peter: they did not know what information they wanted. I think they had also never received such a consignment before. They were not even sure of the requirements we needed to meet and therefore there was a lot of referral. So it was a lot of trial and error.

It was really the first time commercially that anyone was sending anything like this from Ghana.

The Turkish market does not require any certification for animal feed. Because it was going to be used for animal feed and was classified as such, there was no need to certification.

For china, it was going to be used in the production of ethanol and was considered food grade. So that was what I think made it cumbersome in the beginning.

Victoria: what was the process you went through? How did you find the buyers from China and Turkey?

Peter: for the Turkish market, we sent a letter introducing our company. They have a business directorate which links your business to a buyer/ processor.

For the Chinese market, it was easy not from searching online but because have a contact there. We had previously done a shipment of cocoa products from CPC and we had gone into that arena. We attended a trade fair in Guandong. It was an ingredient food fair. That's where we met our customers. It is a Chinese state owned company called BBC. They make almost everything; from spices to cocoa products. So what we sell is fully in line with what they do. They could obtain ethanol as well as starch.

Victoria: how long have you been exporting and what is your capacity?

Peter: we don't export much to turkey anymore.

Victoria: why?

Peter: because of currency fluctuations and also honestly because they are not as straightforward in their dealings .i.e payment issues etc. if there is no requirement when you sent is but they used it for food and if there is therefore food spoilage etc . it had been intended as artificial feed, you cannot at that point give specifications. So we stopped that.

Regarding China, we started exporting in 2011 or 2012. Our capacity depends on the output of the farms at any point. We are also aggregators who supply also to the local market.

Monthly we are able to aggregate about 30, forty foot containers. On average 25 to 30 tonnes also depending on the weight of the cassava.

It can be more depending on the season. Cassava is easier to process during the dry season. Its sun dried. Cassava contain cyanide. It has to be sun dried or else you have to cook it. It's more cost effective to dry in the dry season.

Victoria: you once mentioned to me a shipment which you made to china which was subsequently rejected. Do you think you received enough support from the government in terms of how to process the cassava so it would not have gone mouldy?

Peter: there is no support from the government. The most you will do is to pay them for the certification. Before you receive payment from the buyer, you have to send all your documents about the shipment. CSIR will run a test on the cassava. You will keep a sample for them. GSA also does the same thing. I think that the only government input which you even pay for is...I think there is no support whatsoever. The most we got after we had started was.. They held an event for exporters. But there is no support.

Victoria: what's the role of CSIR in the process?

Victoria. They are one of the only recognised bodies in Ghana. They are one of the bodies our buyer recognised when they did their search. They recognised GSA and CSIR. There are a few private institutions but there isn't a streamlined way of checking such shipments because most people do not classify such shipment correctly and the most you have to worry about is mould. What we realized was that we had to do the drying well. A sight test would not have worked. We needed to get a bit more scientific. What we ended up doing was acquire equipment to measure the moisture content.

We bought 4 or 5 equipment to get a certain idea of moisture content. The most sure-fire way was to dry it for another week in addition to the usual drying time of 4 days. The problem was that we were being paid by weight. You are not being paid by quality.

Victoria: what's the role of the GSA? What certification do they give?

Peter: it's not a certification. They also run tests based for example on ISO 9001. When you bring them a sample, they will give you a write up on start content etc.

Victoria: what was the response of the buyers? GSA had done all these tests but the products developed mould. Was it a problem with how the products were handled at the ports? Was there an investigation made as to why the products developed mould? How do you tie that in with the tests that were done?

Peter: what's interesting is that you can send the same sample to CSIR, to GSA and the result would be different because they all use different methods. One method puts the dried cassava into a solution. The other method breaks down the cassava and observed the moisture content. But consistently, we were getting different results (with the same sample) the other thing is that WE send the samples. They do not come for the samples. And you don't send a sample of each sack, you send a sample of what you can reach. Maybe you can reach the first sack or first container, but maybe the 25th was not dried well. Because it's sealed in a container, it takes just one sack and the mould will grow and spoil the whole thing. And because you don't test every sack, you would load and when you got there, there would be a problem.

Victoria: so that means there is a system failure.

Peter: there is a system failure

Victoria: are you suggesting that every sack should have been tested?

Peter: in a perfect society, yes, but that is also very improbable. I would not call it impossible. You CAN test every sack. And these reports take 3-4 weeks to generate and so if you are sending a sample of each sack, then with one shipment of 300 sacks, for each sample with average time of 4 weeks, your shipment would have gone bad already. It takes too long to get the results. There were instances where the container reached the destination port before we got the results.

Victoria: whereas the results are supposed to come before you send the container

Peete: exactly, so those are some of the problems.

Victoria: what would you say are your biggest challenges in the bid to export? If you were to rank them eg access to finance, certification, phytosanitary problems, logistics or market access. Which one would you rank as no1 or no.2?

Peter: regarding finance, if you understand the process, then finance is your biggest issue. But before that, I would rank finance on a lower scale than logistics. You have to be just comes, make sure that the process of drying and making sure that you get the right products. That is key. It is also under logistics because there were certain instances where the product was dried perfectly, but during the transport process, it got contaminated because the driver was supposed to cover the trucks with tarpaulin but he did not and it rained, so by the time it got to the destination, it was spoilt. The driver also does not understand that even a little rain destroys the whole thing. Most of them will not tell you because they drive really long distances (from the north pf the country down south) so he just comes, makes sure that he offloads quickly so that he can leave.

So I would categorize all that under logistics because if your product is perfect... for example, we had an arrangement with a buyer where we were paid when the container was shipped. So if your product is perfect, you would not have a problem. It also depends on your negotiation skills.

Victoria. I am following two hypotheses, one of which is that the Ghanaian does not understand what is going on on a global scale and so he takes decisions without being aware of the impacts of his decision on the business person. Do you agree?

Peter: yes. Because... let me give you an example, in fact, two examples. There was this instance where we were bringing some produce from Nkwanta , northern Volta. When the stuff got to the Tema port, we checked the weight etc. then when we started offloading, we realized that some of the sacks were really heavy. Cos the guys who were lifting, lift 110kg sacks. They are used to that, but it got to a point where the guys said the sacks

were too heavy. We check and find that the bottom had been filled with stones and then filled to the top because we also pay by weight. They wanted to make sure that it was heavy.

We also had a situation in Sunyani. They know that we buy the things dry. In their haste to make money, instead of drying for a week, they would dry for 4 days. I think the information is not distilled enough. It's either that or apathy or not understanding. Even when you give explicit instructions knowing the consequences, they might not follow them. Maybe because you are dealing with the unschooled.

Interview 2_ Mr. Lawrence Yankey_ Independent Quality Consultant

I started by asking 'why do people go into business?' from my experience, anytime we talk to business people, majority of them will tell you that they go into business to make profit. It is a fact but if you focus on profit without focusing on the customer, you are missing the point because it is the customer who will bring the money. So you have to focus on the customer. Identify the customer's needs and organise yourself to be able to satisfy the needs and make sure that even potential customers are aware. If you have a bigger market share, then you can increase your profit, expand your business, create jobs and be able to sustain the business. That is the essence of business and if they want to make money, the business should be sustainable. And you cannot do this without using standards. Because anytime someone is buying anything, he has some expectations and these expectations are based on the characteristics and requirements that he expects from the product that he is buying. And sometimes when you talk to service providers, they say that quality only affects manufacturers.

It is there but they do it better because they stick to the procedures, practises and methods all the time and so are able to satisfy customers all the time. The only thing is they are in direct contact with the customers and so if there is any problem, they see it and try to correct it. But the person who is manufacturing and hiding somewhere, you have to produce and sell. It is only when there is a problem that you tend to... In a country where people can't get things to buy. It happened to us some time ago.. We had to go to the factory to buy certain thing but under normal circumstances, you do not go to the factory. They produce, you go to the retail shop and buy. So when there is a problem, they have to trace it. But for service providers they are always.. and even the people in agriculture, my partner and I had the opportunity to talk to farmer based organisations in west Africa(

both Anglophone and francophone) and were surprised to realize that about 90% of farmer based organisations had not seen the standard for the Agricultural produce that they were producing. Because we were talking to them about standards, quality, safety of agricultural produce but they had not seen it.

Luckily, we had the standard and took them through. They realized that if you have the standard, you can even tell the species that you have to use. The requirement, the pesticides you have to use, all these things are spelt out there. Because they tell you how you have to apply pesticides so that the residue level will be within safety levels. Pathogen requirements are there, bacteria etc. they were surprised and this is important because if we want to talk about export, most of the time, its agricultural produce. That's the way I see it and those guys don't even know about the standards when we talk to them. There used to be EUREGAP and now it's GLOBAL GAP and the GLOBAL GAP is spread to all and people come here to say they want to certify them but there is no organisation in Ghana to check that the people coming are the genuine people because there is no accreditation system in Ghana. It's under the quality policy that they want to establish one so that if somebody is coming to offer some certification, inspection service and all that, you have got to find out that the person has the competence to that and this is what we are trying to do now. So before that, they thought they would not need to do it. They NEED to do it because for the agricultural sector, it is very very important because before, they used to produce and then when they harvest, then they do sorting and selection. Now they want to start with certified planting and breeding materials, now they want to check the soil etc. To make sure that they are all certified products and as you go ahead to produce, if you have to add pesticides and you need to monitor. First, you have to apply the right pesticides and withdraw at the right time and then you monitor to see whether the residue levels are within safety limits so that you do not have to wait till you are ready to export before you check the residue levels and see if its right etc. and these are issues that. If it's a grains and you want to dry it to a certain level so that you do not have micro toxins in it and mould growth, aflatoxins etc. so all these things...they have to consider when they are working on all this and so generally, what is a standard? We in developing countries have a problem. In the developed world, standardization started from the professional and trade associations. They develop standards to help their members to improve upon productivity, improve quality and enhance competitiveness. That's what they do all the time. But in our case, standardization started from the public sector with government organisational set up and they were developing standards, sometimes without the active involvement of the private sector. So sometimes, some of them get the impression that

they are imposing standards on them. They don't appreciate it. Those who appreciate it, they use standards all the time. You learn to do things repeatedly. You do the right thing the first time around, you cut down on waste thereby increasing productivity. You increase quality and enhance competitiveness.

When it comes to competitiveness, I see it in three phases. Three major elements

- ✓ Quality of production
- ✓ Quality of products
- ✓ Quality of supply

Because in all cases, as soon as you produce, you are supposed to produce according to standard. Once you have produces according to standards, you have to establish customer confidence in the product through independent conformity assessment or quality assurance. S your product must be asses by a competent conformity assessment body. So your product must be assessed by competent conformity assessment bodies to issue a report or certificate to the effect that meets the requirements of the applicable standards.

Victoria: do we have such a conformity assessment body in Ghana?

Lawrence: yes, we do

Victoria: Which one?

Lawrence: Ghana standards authority does conformity assessment, Food and Drugs Authority

Victoria: Council for scientific and industrial research (CSIR)

Lawrence: food research institute does some micro toxins but their mandate is not for that purpose. There are other few private sector organisations

Victoria: such as?

Lawrence: SGS

Victoria: I contacted SGS and they said they only so systems certification. They don't do product certification

Lawrence.: they do system certification but that's another thing I would like to talk to you about because now there is a trend going into systems certification, that's why we have GLOBAL GAP and other management systems because we have seen that a focus on products sometimes you come out with.....like with the management systems the way they are trying to look at the things in the country (pause)

Victoria: you were talking about three stages.

Lawrence: the most important of the three stages is first you need to produce according to standards. Let me relate that one to market research. If someone is going into business, most of the time, they would like to do a market research and the result of the research is

used to establish the specification for the product, by the time you finish, or once you have the specifications, you are able to identify accurately, the inputs required for product realization. E.g. if you want to produce this drink, you find out that the people want this type, colour, texture etc. and so when you are organising yourself, you know how to go about it. That's why I started by telling you that for the developed world, they started with standards. So if you are producing, either you have a standard for the product, you study it accurately to determine the input that you will require to produce to meet the requirements of the standards,. So once you use standards, you are able to improve productivity, you are able to improve quality and enhance competitiveness. But unfortunately, most standards are implemented on a voluntary basis so you must appreciate the usefulness/ importance of standards before you can focus on standards. This is the main reason why at one point in Ghana, they wanted to make all the standards mandatory so that people will be forced. In Nigeria they did it and they were having problems. But here, we have not been able to do it. I think it is better to let people know the importance of standards so that they will focus on using it. It's important that you don't force people to use standards. But for products which have got serious health and safety effects for the consumer, these standards are converted into technical regulations which must be complied with by all. So that whereas with voluntary standards, there are no provision for sanctions for non-compliance, with technical regulations, which are also based on voluntary standards, they have provisions for sanctions for non-compliance. So you see that even in Ghana, we have technical regulations for very few products. (Find out if FDA have technical regulations)

The last time I spoke to someone there who I think is a deputy director, they were saying they have a blanket regulation which is applicable to almost all their products which I think is an easier way of doing it. At least they do some regulation but because the products vary from each other, you cannot say that for these products, these are the sanctions. So once you produce according to standards, you have done it. But the people who are coming to buy, do they know that what you have produced meet the requirements or standards?

So that's why you have got to subject the product to conformity assessment, testing, inspection, certification etc. these are the things that you have to subject the products to and to be able to do that, there are three types of conformity assessments.

If I produce, I can tell you that my products meet the requirements. That is first party. Or if I want to buy from you, I want to check to see if the product meets the requirements- that is, second party.

But when it comes to quality infrastructure, I am not interested in that. You are interested in the independent conformity assessment because if I am producing and I tell you I have interest in the product, if you are coming to buy, you would also be interested in the independent conformity assessment. The testing laboratory, the certification agency has no interest in the product whatsoever. So the body is only assessing the product in relation to the applicable standard and issues a report or certificate as to whether it meets or does not meet. So if you are able to do that, you can establish consumer confidence in a product.

To be able to do this, the conformity assessment body... conformity assessment is a special thing. So not every laboratory can carry it out. So these bodies must demonstrate competence through accreditation.

Victoria: so that brings me to a major challenge which having spoken to a number of companies, I have identified that.. for example, you go to GSA, they do the testing of the sample, they give you the report, when you send the report to Germany, the German health authorities say this test is not up to international standards. So what is the problem? Is it that GSA does not have the equipment to test orWhere is the disconnect?

Lawrence: the disconnect here...I don't know the nature of the problem you are talking about.

Victoria: for example, I spoke to a German company that buys Moringa from Ghana. They do all the relevant test but when they get to Germany, the checks for dust levels, fertilizer residue etc. are disparate. I also spoke to a company that exports cassava chips. They did tests at CSIR and GSA and the results of the tests were different and when they sent the products, the products were rejected.

The second issue is that there is no institution in Ghana that offers the GLOBAL GAP or BIO certification which means I have to cover all the flight costs etc.

L: even what you are talking about, it's not just an individual. The people who.. You must first let them know what they are supposed to do and you come to monitor it. But just coming one day to come and check-up. So the people should be educated as to what to do.

For the other issue, I mentioned that the conformity assessment body must have the competence. E.g. the food research lab which checks aflatoxins in maize must have the competence in terms of operator skills, equipment, procedures etc. the international methods to be used. They must have confidentiality and all that. All these things they must know and you must also operate in line with the international standard that governs testing. So

a body or laboratory that has not got accreditation for carrying out aflatoxin in maize will have the tests they produce most of the time not recognized.

Victoria: so the issue then is accreditation.

Lawrence: its accreditation. The major issue is accreditation. The accreditations not a one-time thing. The accreditation must be renewed every two or three years so that they know you are still competent and can continue to do it. And this is the problem we have; most of the laboratories do not have accreditation for most of the tests they carry out. I know for some pesticide residues, GSA has accreditation. When it comes to measurement in metrology, they have some accreditation. Microbiology and some heavy metals like mercury in fish etc. they have accreditation for. But its not everything. So these are some of the issues. Accreditation is a big problem. Not that you just say you have finished and they test the products...and one good thing about accreditation is that it provides mutual recognition agreements between trading partners on testing procedures, conformity assessment procedures and results. If in Ghana, like you are talking about the chips etc if they have accreditation for measuring pesticide residue.... You see you can't just measure for pesticide residue in everything. The medium is also important. For examples, if they have accreditation to measure pesticide residue in Moringa and that is recognised, the trading partner will accept the report easily and that is what helps in trading. It's a major problem.

Victoria: the question that comes to mind. I have two questions now. The last time I spoke to Ivan, he mentioned that Ghana was going to receive aid for trade as part of the EPA, to buy better laboratory equipment but the Ghanaian authorities were not forthcoming with cooperation in terms of invoices required to do due diligence etc. required to release the funding from the EU so that they could buy better equipment. This was about two years ago.

Lawrence: this is quite interesting. I happened to be the coordinator for the consultants who were here to train the operators on the use of the equipment bought under TRAQUE. We finished around May this year and what I realised was that they still had some pieces without the proper accessories so that they could use them and they had received those equipment in the laboratories. In the laboratory, if you want to buy any equipment, you have to give specifications of all equipment including the accessories and when they came in, you need to inspect with the specs to be sure that whatever has come is the same as what you requested for. but here, you have some pieces of equipment without the accessories and they can't use them. This is a problem. I don't know if the problem came from

the lab, supplier etc. but I wrote it in the report that it does not help. But I think something happened.

Victoria: this was two years ago. Now they were working on developing the technical standards but the project had been dropped by the Ministry of trade and industry. What accounts for the seeming reluctance on the side of Ghanaian officials to accept this support?

Lawrence: it happens all the time. You hear people say all the time that projects like those from the World Bank force equipment upon them. This is what they keep on saying. But having works with the World Bank while at the GSA, I got to know that it is never the case. That statement is never true. They will tell you the sort of requirements they have, you let us know the equipment you require to do the job, give us the specifications, we will acquire it and you will do the work. And they even find out which types of tests will be carried out and how it will affect your work. You have to convince them and all that. But when people are not prepared to go through all these things, then they say that it is difficult. Even with procuring vehicles, you mention that you need a vehicle but you do not tell them the brand.

Victoria: so basically, it seems like the Ghanaian authorities do not want to do the administrative things. Is it that we want to continue to import rather than export because some people profit from it?

Lawrence: you are bringing in two different issues. People should produce to export so that we can get money to be able to produce and export proper goods, they don't just buy the goods but they want goods that are accompanied by evidence that they meet applicable requirements and that one can be done through conformity assessments. So the idea of getting the right equipment is ; we ourselves must know that the is the equipment that we need to carry out the test. If someone is coming to support you, all you have to do is provide the specifications, but if you are unable to provide the specification and the bad things come, you are not going to do the right thing and this is the problem and for that, I do not know the reason.

Victoria: do you know what led to the ban on the export of 5 vegetables from Ghana?

Lawrence: I am not sure but when there is a ban I believe it is not safe and suitable for human consumption. But I honestly, I do not know.

Victoria: my final question would be with the EU. I read the codex Alimentarius for aflatoxins. But the EU standards are stricter than the global standards. And some researchers are of the view that it consists of a non-tariff barrier. I don't know if this is something you would like to address.

Lawrence: yes, it's a very interesting area. When you look at the international standards, EU standards are regional standards. International standards are a bit lax. As you move from international to regional to national to company level, it becomes stricter. So international standards give you a range and the specifications are all there. You cover all the quality indices. But regional standards might not cover all of them but they have their specifications. They provide the limits into which you have to fall. Especially with respect to food, the standards should be turned into technical regulations: where you look at the situation and the destination of the products because you have to be in liaison with them. Because you cannot sit down here and produce something which is out of specs that would be applicable and then you produce towards that and sell it to them. You need to get the technical regulations when it comes to food. Because we have the CODEX, OIE, international plant protection etc. they all exist but you need to convert them into technical regulations.

Victoria: so that means Ghana needs to develop its own technical regulations.

Lawrence: the ministry of trade has set up a technical regulatory framework but it has not been finalized. It is mentioned in the quality policy that they need to have it. So like I was saying, after you have produced and done the conformity assessment, the next issue is the quality of supply. So you see, if you want to supply, first we have a problem here. People will go and sign a contract, I will supply this quantity at this time and all that but they do not have the means. If you want to be competitive, once you sign the agreement that I will produce 1 tonne of this particular product and I will supply within this particular time frame and all that and: this is the cost and the terms of payment, you need to follow it. Once you do that, straight away, your supply quality is acceptable. But today they do this, next time, they cannot. So these are some of the problems.

Victoria: Interesting.

Victoria: what in your view needs to be done if we want to be an exporting country or gain maximum benefit from the EPA?

Lawrence: I don't know whether the EU.....the partnership agreement... I would prefer that they try to organize and assist the country to get the producers to use the right standards. Do the proper conformity assessment and carry out the proper supply.

Victoria: in that case, would you recommend that.. So from what I understand the producers should be the ones to design their own technical regulations rather than have it imposed on them by GSA?

Lawrence: it is not advisable to get individual to be doing their own agreements. Standards development should be demand driven. They do not have to sit there and decide to do it. So anytime they go to develop standards, for particular standards, all the stakeholders come in. We don't develop standards from scratch. You have may be an international standard and you look at it, adapt it to your target market requirements. And you get a standard that will help you come out with things that will help you meet the demands of the target market. And this is the way it should be done. If you say people should do this, they may not have the expertise to develop standards. GSA does not develop standards by itself. It develops standards with the stakeholders. Because the people there have the expertise to know what goes into a standard. So they bring in the stakeholders, they have the working drafts, they all agree on it. When you finish, it becomes a standards a Ghana standards that people can use, this is a standard that can only be used in Ghana. This is why the WTO has a code of good practises for developing international standards. Where all national standards should be dependent on relevant international standards. You think internationally and act locally

Victoria: do you think there is a problem with education? Getting both parties to understand this?

Lawrence: there is a big problem with education. In the drafting of the quality policy, it came up because people who are sitting on committees to develop standards and they don't know their responsibilities. So they should educate them that if you are on a committee to create standards, these are some of the things that you have to do. I remember when I was there, we used to. Before the beginning of the year, we look at the budget, then we decide on what standards needs to be developed. We do it ourselves, we bring in the stakeholders, they come in and we develop the standards and when we invite them, we tell them to inform their organisations but they don't. They come as people in their personal capacities. They do everything and when they leave the companies, they take the files away. The next person comes and does not know anything about it. So they must let them know that if you are representing an organisation or company, if you are not there, the next person should have access to the files. Because what we realized was that when we have developed the standards and later on change the system and want to change the system to make it demand driven, we ask the stakeholders which standards they want from us. A lot of them came up with a list of standards that we had developed with their

representatives on a committee. So you see that there is a disconnect somewhere. So that's why I agree with you that this education business.....the people should know that they are on that committee and what their responsibilities are. It is very important.

Victoria: some have suggested that maybe Germany should have a representative at the Ghana standards authority to guide that merger. It looks like the standards we have are purely local, so once you leave the borders of this country, you have a lot of problems.

Lawrence: that's not how it's supposed to be. You cannot be purely local. Instead of getting someone from Germany, when you have an international standards, it covers all the criteria. What you do is that, if it is for a product which is going to Germany, then you need to find out their requirements if they have trade obligations, certain requirements etc. all these things should be incorporated into the standards.

Victoria: once a standards has been created, we seems to have a problem in this country with implementation. I don't know if you will agree with me or not.

Lawrence: I do. The people who are producing do not even use standards. So it's not a problem of implementation. They don't even use standards most of the time. Like I told you about the farmer based organisations. They are producing but have not even seen the standards. So how can you produce good maize? It's a big problem. I think that education element is very very important. They need to get the people together and let them know that without standards, you cannot make it.

Victoria: thank you very much.

Interview with Ruth Adjei: General Manager, Blue Skies Ghana Limited

I am Ruth Adjei, general manager of Blue Skies Ghana limited who also doubles as the West Africa general manager. Blue Skies has been around since 1997 when the inception started. The business is a free zone entity and that means that there are some of the duties that we do not pay because it is assumed that you export most of your products.

Victoria: 80% I think

Ruth: 30% allowed unto the local market and 70% for export. Blue skies is mainly and export company. But we are known for juice because that is what we provide for the local market. But the juice represents 40% of the total business. The business itself is the export ad that we do mainly fresh cut. So we do fruit salads, that the core business. We have seven different tropical fruits because we have to get something in the country that grows all year round. When the business started, we started with pineapple to one retailer in the UK.

Victoria: which one:

Ruth: Sainsbury's. and along the line, they wanted all year round fruits. And not every fruit can be obtained all year round. So as a strategy, the business started putting different factories in different places. so we have factories in Egypt, South Africa, Brazil and a small facility in the UK. We have a pack house in Senegal. But we have farm businesses. In Ghana alone, we have about 5 different businesses; mango plantation, pineapple plantation. These are all vertical integration because there was this challenge in the agriculture and we wanted to make sure that we have the raw material.

Victoria: what were the challenges?

Ruth: some of the challenges have come about because most of the farmers say that the government is not supporting them apart from cocoa. So most of them moved in to cocoa. So the other crops that are in the country are not getting the support from the government. Whether subsidized fertilizers or land litigation. So they just decided to pull out of pine-apples, especially the ones we use.

So we had to buy into pineapple farms and start doing it and start encouraging them back into farming and showing them how lucrative it is if you do all the right things. So that why we went into vertical integration for farming. We have been around as I said almost 20 years. February next year will be 20 years. We have had our own challenges. We started with 35 people, in our peak season, we go up to 3500 currently. As we speak now, we are actually doing a little bit of retrenchment because the order has dropped way below what we expected

Victoria: Why?

Ruth: it's all about this Brexit and a little bit the European challenges. So you see a trend of the sales dropping. But in general, this is the time we call our quite time because we ran according to the climatic conditions of Europe so we are in peak from January to around June or July their summer time because that's when they want tropical fruits.

It goes quiet when their strawberries and other things start competing with ours. So that has been one of the major challenges we have had with the Brexit and the depreciation of the pound against the euro and the dollar and anything that we sell in pounds, we get less value for because of the challenges with the Brexit.

Victoria: is the Ghanaian business climate conducive for companies like yours?

Ruth: it depends on how you are looking at it. I wouldn't say it is conducive from one point of view. As a free zone company, I would say that its very very conducive because one of the things a free zone does is it encourages businesses. So when investors come in, they know that if I register as a free zone, I get duty free, at least I get the next ten years tax free. I can do this. If I am not in the capital of any region, I get 0-4% based on the discretion of the commissioner. But it seems everything is changing. The sad aspect is that they changing the goal posts. For those who are already inside, the business, it's a different thing when you say 'we can't sustain the same free zone system that we had''. But going forward, any business that comes in, these are the set of rules. When you have people already in the system and then change the rules, then it becomes a little bit of a concern. And that's one of the things we've been experiencing where in the free zone act, it say that even if you come out of the tax free holiday, which is the ten years, you enjoy between 0-8% depending on which area you are not more than 8% and it's still on their website as 8% . Currently, they are forcing us to pay 15% and we started paying that last year and they said that if you don't pay, they will not allow you to export. So they put hindrances in the way for you to make it. We are trying to sort it out, discuss it and see whether it's practical because we think that it was a wrong thing for us to have paid. But it was just the frustration and the pressure that made us start paying. Because there is nothing mandating us that we should pay. So we are still working on that to stop the payment. So these are some of the challenges we have as a business.

When we want support from the government, it's not that easy when you meet investors and they ask you 'we've realized that you guys are doing very well, what are some of the things we need to do to come in and you have to say XYZ are the reasons why it's good to come in. now you don't have anything to use as a yardstick as to why it's good to come to Ghana. It's very difficult even when it comes to land. The litigation is just...we used

to have almost 200 acres of land we wanted to use for a park. Everything has been encroached upon and this is legal land we had with documents. So when you go on and on with the challenges creeping in and it becomes very difficult for you to operate. We know that there are grants that they give. We know there are funds but anytime we apply, we are told that we are a foreign business. And this is being said because shareholders are foreigners but you have Ghanaians in it so it's almost like a 50-50% then you have locally managed. There is no white on site. Currently, the only white on site is the founder and it's just because we are having a few meetings. So you tend to think that you are being sidelined sometimes when you are doing business as if when you are needed to be used as a showcase then blue skies is mentioned but if not, then you are not part of it. .then sometimes... the founder used to say that he thinks there is some xenophobia attitude when it comes to the business. People think that he used a strong word and he does not want to use a racial word but sometimes you get the feeling as if the foreigner has come to take it but people tend to forget that the job creation, development etc. when we came here, some of the pictures I was looking at from 1997, I couldn't make the place out. And it's just because of the business that we have growing communities and all.

Even the police headquarters was telling us that the crime rate has really gone down in the area because they know that people tend to come because they know they will get a job. We know we are making a slight difference if anything at all but sometimes we think we do not get the support from the government. We get enormous numbers of ministers even presidents to site from other countries. Not from Ghana. Recently, we had a couple of... anytime you see a Ghanaian minister coming, then that person is coming with a foreign minister. So Boris Johnson comes and you see Alan Kyeremanteng. You tend to wonder whether they are coming on their own merit to see what our challenges are and to help or what. So these are some of the areas where we feel we are a little bit... they are not acknowledging us apart from having things like what we call the foundation. In four years, we have done almost 65 projects. Now, they tell us that we should not mention the costs of these projects because when we mention it, theirs will be put into investigation because when we mentioned the schools we did, for the 6 classrooms, we used less than 300,000 GHS and some were using 1.5 million Ghana cedis. So they did not want us to state the amount. So all these things tend to come out.

But let's go straight to your points on the EPA. With the fruits we are doing currently, as I said tropical fruits. When it comes to the EPA, they have commodities and things that they consider that can come from Africa. From my understanding, because we are not so much... the effect of blue skies because first of all, we do 100% value addition. We don't

send raw material out of Ghana. Up to the label, we do everything in Ghana before it goes out and then we send it out and then it goes straight to the shelf. The one that they consider commodities from Ghana from what we do will be pineapple, because they have an influx of pineapples there, they are going to put more taxes on it to make it less attractive for us to go there. So pineapple tax was around 70% for the EPA. But mango is something they don't have. It's not so common. So for that one, the tax is literally 2 or 3%. Irrespective it is still high if you trying to ship with all the costs that come into play. So one of the things that as a private business, including all the other private institutions; we are about 5 big ones. I think Barry Callebaut, pioneer foods, golden exotics. We were about four that tried to lobby the government because the government by then was a little bit relaxed but I think they had not yet realized the implications of that. So when we were going, they had recently removed Hannah Tetteh but she was by then spearheading it. So we went to see her and she explained where they had gotten to and they were going to sign one of the documents at the interim.

Which finally they signed. What it means in layman's terms is that we can export to Europe and they can export down to Ghana. But what we fail to analyse in Ghana is that our standards are not up to what they will allow and this is where the key thing is. If you do not have the standards, irrespective of the treaty you have, they will not allow the things to come in. so we need to work on the government bodies to ensure that theall the.. Whether the food and drugs board, standards board have the standards they want before we will be able to enjoy the treaty. Otherwise, the thing will be there but we will not be able to tap into it. Blue skies does a lot of international audits. All our audits are international with the exception of ...recently, we did food and drugs bard because of the introduction unto the local market. Then we do ethical, we do linking environment to farming, we do global GAP. We brought the group option to Ghana. We do food safety...just name it. We do more than 15 different audits and they are all in line with the standards that they want in Europe. When you want to export things, it's not just about getting a food and drugs board standards, or maybe SGS but if they don't up their standards, it's going to be very difficult to get unto the market. We can sign it but will not be able to export. So that will be the bottle neck when it comes to the EPA.

Victoria: that brings in the question of capital because all those private certifications cost a lot.

Ruth: they do cost a lot.

Victoria: what I have understood from my research is that people are not vertically integrated. So I want to export, I go to Agbogbloshie to buy a few items and I export.

Ruth: correct

Victoria: so where the capital I need to comes set up a place like this...it means I need a lot of capital. Capital is a big bottleneck.

Ruth: let me try and explain something. When we started, we did not have a farm at all. We were using out growers. This is the core of blue skies. It's just the processing. So we were using out growers and we had... we certified the out growers. so this is the cost you are going to have. But when they know the benefits, they do the certification themselves. But we try to do what we call the option 2. What it means is that I am not going to own a certificate. We are going to do it as a group. So blue skies sponsors for that group. Then we have it as farmers of 20 or 25 and they all supply to us or to any other place they want but at least we have a certificate covering all of them.

If you do it individually, then you are going to have serious costs and that's where the cost comes in. we started doing vertical integration 4 or 5 years ago because of the challenges with the raw material. When we started, we did not have a farm at all. We just used out growers. It reminds me of when they banned Ghana cocoa...the things you are talking about....buying it from the market, not looking at quality and just exporting it.

Victoria: there are five vegetables that have been banned from Ghana

Ruth: exactly. They are now trying to do the inspection again. They want to use us for the inspection but we don't do vegetables. We don't mind seriously, but we don't do vegetables and that's what they banned and it comes down to the very things you mentioned that the will buy from Agbogbloshie because they want to meet the orders. You don't cut corners on these things because your reputation is on the line. If we are not able to meet orders, we don't meet orders.

Because why would you want to meet orders if later on they check and you are going to be banned, we quite remember one day when we brought some mangoes in and they have what they call the colonieste rasteá, one of these chemicals, we had to reject everything. So we didn't supply cos you are dealing with a market that would rather you telling them that I can't supply than taking that risk that will ban you for months. So these are the things we do as a business to ensure that it mitigates the risk. We try ti use the local governmental bodies but it's because of the standards that they have. They tell us that they are not internationally accredited. So we could not use them and that is it. So we need to up our game, make sure we are internationally accredited then any business that comes in here will be forced to use the Ghana system to accredit themselves and then you can export.

Victoria: I have gone to the FDA etc. and most of the people I spoke to did not allow me to record or were afraid to tell the truth.

Ruth: you know, when you work in the government sector... sometimes, I wonder if when I leave blue skies, I can go to the government sector. They don't allow you.. You can't do anything. And even if you are in a position where you can make decision, woe unto you if you make a decision where it is going to affect somebody's nephew or niece. They will transfer you. So how do you want people to perform? It is very frustrating.

We had an expatriate who was managing one of our farms. We had complaints that he was having challenges with managing or smoking or keeping bad company. We had the police CID tell us that they had someone from Blue skies and that was when we made the decision not to work any longer with expatriates. Because all he has to do is say he is from blue skies and that will be it.

We don't cut corners, it doesn't matter whether you are my good friend, my sister or whatever. The law applies to everybody. Whether it is quality, a dismissal etc. so it makes people more efficient.

It makes people more productive. They know what the rules and regulations are. People do not think that 'I am related to the president and so can have my way. My sister is the most disciplined person on site because she knows that if I have to sack, she will be the first person. Because I am not going to cut corners. So it makes it easy to get people to get the job they are supposed to do. But when you try to influence the decision making of the government bodies that are supposed to give us the quality we want, we will never get anywhere and those things happen almost all the time.

Even one of the junior directors at the EPA.... Have I told you that I was asked to sit on the council of plant protection?

Victoria: oh really?

Ruth: oh God. When they called me, I was like I have to get the chief agronomist on board. And they were like 'just put your name there and we will change it when he comes''. So I went there and suddenly, I was being sworn in, in the presence of the media. All I knew was I was going to have a meeting. So we are on this plant quarantine.

Victoria: that's a big problem also.

Ruth: we use them a lot because anything that we have to bring in, they have to certify us. So they use us as their case study because they know the standards we have. But the problem we have is that they don't have the room to operate so it's becoming very very difficult for them to be able to put things in place.

So they set this council up and we are bring over critical of everything because at the end of the day, we are talking about Ghana and not just the regulatory services or any business. They don't have uniforms. They wear their own uniforms. Some of them are under sheds at the barriers. How will somebody like this look at a truckload of mangoes coming in or nay fruits coming in or...do you understand? It's a big thing. And we complain when we get the army worms. They are supposed to be looking at this and they don't have where to sit even so look at these things. So we are having another meeting in Kumasi. Its such a responsibility and that's why I shy away from these things.

So we will see whether we can help them set up these things. I hope our mandate is just 2to 3 years so that some of us can disappear.

Because we use them, at least we have a little bit of knowledge on what we can do to make a difference. So we hope to help them out. But it's a typical case of.... if you go to their headquarters, you will be embarrassed. It's at Pokuase

Victoria: they seem to be the biggest problem. Not that it's intentional.

Ruth: they don't have the resources.

Victoria: for example, with the ban on vegetables, they are responsible. I was going to ask you a question: I interviewed the CEO of a German company which buys Moringa from Ghana. They do the tests here and when they get to Germany, they do another one and find dust levels which are beyond the accepted levels. I have understood that it's a question of accreditation. But you would wonder where we are going wrong.

Ruth: we are going wrong because who sets the standards in Ghana? Who is monitoring the standards? Who is making sure that it is happening? We are very self-critical. Look, anytime it gets to the audits....i quite remember marks and spencer; when they were coming to Ghana, the first pre- audit they did, the woman gave usI will never forget, about 6 different A4 sheets of actions and wrote at the bottom '' I don't think they will pass it''. And she did that in April and we were supposed to do the audit in June. Luckily for us, the founder was there. So we looked at the list; most of them were minor but the major one was to shut the factory down and do a flooring; you know when you need the floors...

Victoria: for example for ISO 9001

Ruth: so we said 'ok, is this the list that you have? We will meet it. They said ''oh no that will take like magic 'we said we would meet the standards. When they came for the real audit, the woman was supposed to give us gold but it was our first audit, she will give us silver because she has never gone to any factory with such high standards. It's your determination.

And this is the thing that I think that sometimes, people want to make more money. Sometimes we break even. On several years, we just break even. But you want to be able to have a business that you will have the next year. Not every year that you will make profit. So when businesses in Ghana understand that, it is going to be very easy. When you go to the farms, all you need is one year for them to make losses and they start shouting they want to pull out. I went to one of the farms in South Africa and this guy was planting pomegranate. And it takes almost 5 years before it starts fruiting. Just like mango. And when you go to the farm, the yearly investments he makes... and he is very confident. 'oh I will be harvesting in the next three years'. Ghanaians do not have the patience for those things. We want quick money. All I need is one time with losses and i am shaking in my boots. It's a mind-set. When I say support from the government, encourage people. One senior person in the government told me that everybody wants the government to help and he doesn't know whether governments help in other countries. Governments help in every country when it comes to agriculture. Without that, there is no agriculture. If you don't give them subsidies, they won't survive. So you need to have it. If you go to the Ivory Coast, their mangoes; the government gives them the go ahead to inspect. So there is always an inspector.

Victoria: so in the case of Ghana for example, you have us having entered the IMF agreements which has this neo liberalized thinking; small governments, little or no subsidies. How does that tie into what you just said about government subsidies?

Ruth: the problem with thati am not really good with the IMF conditionalities but if you say low subsidies, that means you are trying to say, don't help your farmers for example. Don't help this, don't do that. You are collapsing yourso all you are doing, you are not even producing anything. You don't have industries at all. So how do you survive? And we think they are doing us a favour? There is nothing like free lunch the last time I checked.

Our director always says (referring to Ghana. He holds dual citizenship) 'I wish I could tell my country that this IMF agreement, it is not good for us'. Stop this, do that. Because sometimes we don't read between the lines. If you even read the fine lines, it's somebody making his personal gain, so they just close their eyes to sign. Is it for our personal gain or are we looking at the broader picture of the whole country? So sometimes you tend to doubt the decision they have made. Whether it's actually for the benefit of the country or a few individuals. It becomes very very difficult to appreciate when these things are coming up. It's not easy.

Victoria: I noticed that you put a question mark against my question about capacity.

Ruth: I was not sure what you wanted to know.

Victoria: how much do you export per day. I was looking more at the logistics because for fresh fruit, the supply chain has to be very strong.

Ruth: that's the backbone really. So what happens is that for pineapple, we say that in 48 hours we get it on the table. For mangoes, we bring it in and ripen it.

Victoria: so you export and ripen it there?

Ruth: everything is done here. So we add value here.

Victoria: and have the challenges at the cargo village been resolved?

Ruth: when you say challenges, which ones do you mean?

Victoria: for example, I attended the 74th exporter's forum and they were talking about the fact that there is no shed at the holding centre.

Ruth: oh that is only for those who are doing things like whole fruits. So they want temperature like 20 degrees. Ours is actually chilled, not frozen.

Victoria: so do you have your own cold vans etc.?

Ruth: everything, trailers, trucks, everything. So we control it till the aircraft. So what happens is that wefrom the farm, it comes to site. If its pineapple, when we go round, you will see it sitting outside. In less than two days, it has to go on otherwise, we reject it. Because it starts to ferment, mould etc. so in 4 hours, it is sanitized, processed, no additives, no pasteurization, nothing. Then it goes through a cooling chamber, we call it the blast chamber. Bring it down below 5 degrees where the microorganisms sleep. They do not multiply. Then you pack and export. So all these things are temperature control. From the first room to the last room are temperature controlled.

For the capacity, when we started, it was 10 tonnes. Now its 30 tonnes a day of finished products. Our raw material usage is 700 tonnes a week.

Victoria: it looks like in Ghana, we don't pay much attention to raw materials. So they set up the Ayensu factory without having sorted out the issues around raw materials.

Ruth: exactly, so you need to know that before you get into the business you are in.

Interview 6 _ Mr. Kofi Essel_ Food & Drugs Authority Ghana

Victoria: I am looking at the EPA's and following a hypothesis that although the EU has an interest in promoting Ghana's development, there are still some protectionist agenda from their side. On the Ghanaian side, that there are certain things which we were supposed to have done and did not do for which reason we are not gaining much benefit from the EPA. I am looking at the example of the ban on 5 vegetables from Ghana. So I am speaking to all the stakeholders involved in this sector.

Yesterday, I had a meeting with GSA and today would like to talk to the FDA: what is the role of the FDA in the export process for starters?

Mr. Essel: the FDA as a regulatory agency is responsible for food safety. For foods that are imported, exported or locally produced and consumed.

In so doing, we look at the national standards that are defined for these foods. So whatever parameters exist in terms of safety concerns, we have to adhere to. I.e. if you have standards for pesticide levels in plantain, pesticide levels in veggies or fruits. How do we ensure that these are done? We do not do this alone because there are certain practises that are regulated by other state agencies. E.g. the ministry of agricultural has extension officers who are supposed to provide some extension services to the agricultural sector so that eventually, whatever is exported will meet these requirements.

Unfortunately, we have not been able to play so well by the rules in terms of some produce. It is now that some inter-ministerial bodies have been put together and are drawing up all the necessary structures and mechanisms to address these problems in terms of crop production, pack houses and the export of the produce, if not for local consumption. National standards for vegetables are being developed. As we speak we have national standards for chilli, okra and some other produce; which is a step in the right direction.

Unfortunately, what we have failed to do is nationally, we have allowed individuals and exporters to develop their own operations. There is no national agenda because they were not major export commodities. Vegetables are not a major export commodity. Our major export commodities have always been the traditional export items like cocoa.

When the non- traditional exports (NTE's) became a major issue, you had the Ghana export promotion authority (GEPA) taking them up and helping them to develop national standards to enable them meet international standards. What we have to understand is this: the international market has its own requirements whether there is a national standard or not. As an exporter, you have to make sure that you are able to meet the needs of the buyer.

So if the buyer says you cannot use a certain pesticide on your farm, don't disregard that. Unfortunately, we have people who do not own the farms. They only found a market and they think they can just put some vegetables in a box and export.

The structures for driving these things are not there for the individual businessman, and typical of a Ghanaian businessman, he will not seek advice even to appreciate that there are regulations that guide their operations. So we have had situations where someone has a brother or sister in Europe who tells them that for example, green or red pepper would sell. So that's all they are looking at. They forget however that the UK would have European laws that would guide those foods. If Ghana does not have, it does not mean that the other country does not have. So the questions should have been '' and what are the requirements? ''

To the extent that you may have to get packaging size, the size of the pepper being exported etc. but in situations where people do not do these things, they do it at the blind side of the authorities.

Currently, I think the Ministry of Trade (MOTI) is trying to put together a structure through the NBSSI, the GSA and other agencies to streamline the export of these commodities. ''you don't just get up and take them there''.

Victoria: you were talking about people doing things on the blind side of the authorities. One of the exporters that I interviewed mentioned that the laws are sometimes changed without their being aware of it early enough.

Mr. Essel: Laws are changed where? In Europe?

Victoria: Here. And in my interviews...

Mr. Essel: here in Ghana....you see, the Ghanaian laws will change based on the.. you see, you want the Europeans to buy your commodities, and so the laws will have to change not because we have a Ghanaian law or not but rather to benchmark the Europeans but we will of course take our practises into account....so we bring it very close...but the bottom line is that the product is safe. Whether it is eaten in Europe or eaten in Ghana.

Victoria: what this exporter was talking about was that sometimes, the laws are changes without their being made aware of it early enough. What I have found in the research that I have done is that there seem to be so many independent steps that need to be taken along the export process. E.g. GSA; FDA; PPRSD; so many institutions. So sometimes, someone wants to export, he wants to do the genuine thing but does not know where to start.

Mr. Essel: they should start with the GEPA. I appreciate the concern and it is a genuine one. Efforts are being made to streamline the process so you do not have too many repetitions of operations as is currently happening.

Victoria: there seems to be an overlap of duties

Mr. Essel: irrespective of what each one of them is looking for, it is not because GSA is doing xyz and so is the FDA, but rather, that what GSA wants to do is ensure that there is safe food. If each agency is asking you to export safe food, how can you then export and have your food rejected.

So I think the issue of streamlining the regulatory framework is in the right direction but the most important thing is that they should first and foremost appreciate what they are exporting, who is buying it, what are the laws of the importing country as far as the product is concerned. You may have situations where the foreign authorities have to come to Ghana to inspect the produce. For example, with the barring terrorism act, we have had FDA officials from the USA coming to Ghana to come and look at facilities. So don't just go out there, pick anything from Agbogbloshie and sit somewhere in the corner of your garage and say you are an exporter. If it is serious business and if they want to do it, they should do it right!

Victoria: some of the concerns I have heard is that unlike other countries where demand for standards is industry driven, here it seems to be imposed from the government and there does not seem to be enough education at the grassroots level.

Mr. Essel: I would deny that because if you look at the standard setting procedure, you have industry representatives in the process. There is no way GSA will write a standard without the involvement of industry and the FDA regulates standards put together by the GSA.

It is something they themselves have put together and we are only regulating it. In the technical committees that GSA puts together, you have industry players represented, you have consumers, you have academia represented etc. a committee cannot be set up without industry players. Otherwise, that committee cannot do its work. They are stakeholders and should therefore be part of the decision making.

Victoria: what structures do we need to put in place to gain maximum benefit from the EPA?

Mr. Essel: let us sit back and look at where we are going and what we have not done well and I think work as a country to address them. We have a penchant for the firefighting approach. A typical example is that for so many years, we sat down when the EU wanted us to do something about aflatoxins in peanuts. Eventually, we had to advise ourselves and suspend the export of peanuts to the EU before the EU banned us from exporting peanuts. Why did we go to sleep? We also seem to be unconcerned about what we are

even eating locally, if what we are eating locally is a reflection of what we are exporting, then it shows that we are either doing well or not doing well.

If you are exporting what is bad, then what you are eating is probably also bad. And so it is something that the FDA as an agency of the state will have to work together with other agencies like GSA, the research institutions, academia etc. to be able to develop, formulate formidable structures that will ensure safety of the food that we are either eating locally or exporting.

The export is geared towards increasing the economy of the country and bringing in more revenue and so we have to pay attention to it.

And so our exporters should not jump out of the blue and begin to pack anything. They should talk to the authorities and invest in the business.

Interview with Nico van Staalduinen_ European Business Organisation

In the EPA between the EU and ECOWAS, that part has been ratified by both parties but not by the whole ECOWAS. There are only two countries that have an EPA with the EU at the moment; Ivory Coast and Ghana. So all the other ones do not have an EPA. And this is an interim EPA and it has more advantages for Ghana if the ECOWAS EPA's would have been implemented.

The status is that Europe started the implementation already and that means that Ghanaians can continue to send anything we produce duty free to the EU as long as they meet EU standards and regulations. Ghana on the other hand, has not opened the market to the EU. In fact, (off cuff) this is a little confidential...Ghana was supposed to have started negotiating about that last month but it has been cancelled and there has not been a new date set yet.

Ghana is now trying to delay it because it will cost them money. I also know that there are certain people including the minister of finance who want to renegotiate the EPA but the EU does not know anything about it yet. So that's the status at the moment.

Victoria: what are the benefits that the EU will accrue from the EPA?

Nico: the benefits.. And that is where Ghana makes a big mistake... the benefits do not come as much from Ghana's pockets as from the other countries who export to Ghana. Because suddenly, I think to start with 15% and ending up with 75% of the goods from Europe can enter Ghana duty free and not from Turkey or Brazil, China, India... and they are the competitors.

So Ghana is actually overestimating that effect. It's the other ones that should be worried because now suddenly, there is between 5&20% advantage of European trade to Ghana compared to the other ones and have never heard anybody in Ghana saying that. They are always concentrating on what we are missing out on much more dangerous for the BRICS countries.

Victoria: do you anticipate that there will be a push back from American multinationals against the EPA: that ACP countries will erode some of their markets?

Nico: the biggest danger of countries like Costa Rica, Guatemala, Columbia to export bananas were always the European overseas areas where they grow bananas. Don't underestimate that the UK & France have a load of Caribbean islands who are considered to be EU and they could always export duty and quota free to the EU. That was their biggest competitor and because they are legitimately European land, probably ST. Martin is half French, half Dutch...so it's actually part of the EU and there is more competition there than for Ghana. I do not think that it has any effect on Ghana. Ghana is actually at par with these European overseas areas. Because Ghana can also export duty free.

Victoria: if there is a kick against the ACP EPA, it will have no effect. Is that what you are saying?

Nico: some of these countries but I don't think Columbia counts. Maybe Guatemala is on the list of the most impoverished countries in the world. They do not pay duty and they never have. That's why countries like Mauritania are actually not pushed to sign an EPA while they are an ECOWAS member....because already they can export duty free. So what's the use of signing? You are only pleasing the other ones. If I were Mauritania, I would say 'I will sign but what am I getting from you? ' Because now you need me. Cos it's a poor country which has basically nothing except fish and sand.

So the main profit that Ghana will gain at the expense of exporters in other Caribbean and Central American countries who are not under EU.

So it does not affect Ghana at all and I don't think that this small part of the whole EPA will force Europe ...the only thing is that America, and I don't know why because it is not in their direct interest....America hardly produces bananas.

Victoria: well they own the companies that produce the bananas in Latin America.

Nico: I know. Dole and chicquita

Nico: that's their only interest. But I don't think because of that, the whole EPA will be amended.

Victoria: has it considerably slowed down the process? Or has the biggest problem been here?

Nico: the biggest problem has been here and that has been taken away because we can export duty free. But the thing is that we can now export duty free and they can't. They can put a duty on it and with the way Mr. Trump is closing America, it will be more difficult.

The real problem is, an economic problem. They are so professional with these companies and that gives them a big price and production advantage.

I had somebody about a month ago...the director of GTP and Vlisco was complaining to me about Chinese. And I said, there are two problems....by now there are so many designs on the market that there should not be exclusivity or do you mean your drawing is different from my drawing? If they copy your designs, you have a reason to complain. If people import it without paying taxes, you have a reason to complain. But if they are able to export to Ghana because they produce much cheaper than you, to me, that's free trade and you do not have any reason to complain.

''yeah, you disappoint me, you are supposed to represent European Investment''.. I said '' no, I am here for free trade'' and I think not paying duty is an offence, copying your things is an offence but being more competitive than you are is not an offence. The production of a Chinese is even much bigger than any European country and very much higher than that of Ghana. So that is fair play.

It has nothing to do with closing the market or putting trade barriers. That is fair play.

I wrote an article once about someone who was complaining that a Chinese in Ghana was competition with him and it was not fair. So I wrote 'the Chinese is probably working 7 days a week, living on the top floor of his company, his wife and kids and everyone are involved, they only have lunch and dinners and work the rest of the time. They don't leave for funerals, they do not go out, all they do is build their company. Do you want to force them to attend funerals and start dancing and going out... and is that then fair competition? Or are you prepared to work seven days a week with your whole family and is that then also fair competition?

Victoria: my hypothesis is despite the development agenda of the EU for Africa, are there protectionist tendencies on the part of some EU commissioners?

Victoria: o. looking for example at a study titled ''saving two in a billion which outs that the aflatoxin allowance levels in the EU are more stringent and would only amount to saving two in a billion lives from the risks. There has been a lot of debate about whether or not the EU employs non- tariff barriers.

Nico: the thing is they require the same things for European companies .i.e . Exactly the same thing ...but there is a big difference.. In that the optimum temperature for bacteria is between 20 & 40 degrees and to control.. For example... the Nordic countries are

against salmonella. If they find a trace of salmonella...while they are also EU .i.e. Sweden, Norway, Finland... they block even Holland or UK products because there is Salmonella in it. It has to be 100% absence of salmonella which is easy to maintain in a country where the average annual temperature is 8 degrees but try to do the same in France where the average temperature is 21 degrees or try to do it in Africa where the temperature is 35degrees. It's almost impossible.

So..... The EU as a whole has the same standards. All over the world, anybody who wants to export to Europe. Although it is not discriminatory, it is much more difficult for us and that is why I do not understand why people always.....and I really hate them when EU officials are pushing Ghanaians to go ECO, BIO etc. It's unrealistic here. If I have a farm here....you can never compete.

Victoria: what do you mean when you say unrealistic... because I know for example that we did not use artificial fertilizer in Ghana in the past. It is widely known that West Africa & African nations at large have the lowest fertilizer application rates in the world? If I did not use fertilizer and now as part of the oil and gas development plan, there is downstream beneficiation and we are supposed to produce fertilizer and also have companies that are pushing the fertilizer agenda...how then do I, after having bought the fertilizer, go for BIO certification. Doesn't that go against what I did in the first place?

Nico: no, because you can also fertilize your land with bio, organic materials.

Victoria: but the standard for BIO is much higher than even the EU standards.

Nico: I know but what I am saying is.. the problem with ECO and BIO in Africa is, apart from some other problems, I think....you are much younger. I am 60 years old. I saw in the 1960's that almost everything that is happening here today was not allowed in Europe. There was no petrol station which was built...(draws) if I have a petrol pump here, and a car there coming for petrol, in the olden days, they put the thing in, gave it petrol, it is leaking on the floor, the car drives off. I could build a petrol station at that time with maybe 100,000 euros.

Today, they have to have an underground reservoir, they have to have special things that if one drop of petrol falls here, it does not get into the underground water system, plus a number of things.

That means a petrol station today in Europe does not cost 100,000 anymore but a million. But when they were developing in Europe, nobody was talking about ECO and BIO and recyclable....we did not even have sliding places for invalids (disabled ramps). I grew up without these things. An invalid was stuck in the 1960's there like an invalid here is and I think there is an agenda. There is an agenda to slow competition not just from Africa

but from other countries. By pushing their standards on them. And I think if Ghana and Africa want to defend themselves, they should say ok' we have our standards. one is our local standards, 2 is our regional standard, 3 is our export standard and that standard is so high that we have only one verification for the US, EU and wherever in the world. This is ECOWAS and this is that standards that they used to have in Europe in the 1960's where a cook was not wearing gloves and the mouth piece and the mouth piece and the hair cover and all that shit.

Victoria: that brings me back to what I was saying about protectionism. That you have for example laws that were made 20 years ago that a banana should not be less than 5.5 cm, have abnormal curvature..

Nico: they are changing that now because they are finding out that it is nonsense.

Victoria: yes, but they have been established. So the consumer has that in his mind. He expects cucumbers to be straight, bananas to be spotless. Looking at the kind of products that we have, how do we compete? Or how are we able to enter the market in the first place?

Nico: you can only follow the EU regulations but if you make three standards....'' you know, I was active in the poultry and game meat...I started with a very small investment and it did not even look like what today is the standards for poultry and game meat. I managed to invest 5,000 guilders which was 2500 euros, and if I want to do the same things which I did at that time, I need to invest 250,000 -300,000 euros which I did not have at that time but managed to grow. I think in Africa, we should use this to grow in this direction and when we are big enough, we export.

But otherwise, there is no way they are going to say 'let's forget it because these people are from Africa''. You can bring Akrantie in your luggage but if they find out, they will seize it. You are not selling it commercially or anything. They are limiting even the choice of people living in Europe.

I brought a beautiful red snapper in a polystyrene box, fresh, I put it in my suitcase. Then I arrived in Amsterdam and my suitcase did not arrive. It was on the next flight. When a suitcase arrives late unaccompanied, customs opens it. Boom. My fish. They said to me 'you can sign an agreement that we throw it away. I said '' but it is for myself'' no, it's not allowed. So the laws are for everybody but it's much more difficult for us to comply. And about ECO, if I am a farmer here (draws) this is my farm and here is a village and here is a forest and here is a stream going, and I am farming here cos of that stream and here is another village, and I am going ECO here, the whole day, pests and everything from this forest are coming, birds, chickens, animals from this village are shitting on my

land, and any pollution to the river will end up on my land, and that's why it is very difficult to do ECO farming in Ghana.

Because in Europe, (draws) I am a farmer, here is my house, but the guy next to me is also a farmer and this is his land. Everybody has irrigation from boreholes, there is nobody throwing pollution on the ground which can get into the underground water, and then you can do ECO farming.

The best way to do eco farming in Ghana is, find a piece of land, where other farmers are using pesticides, fertilizer etc. and you farm here because then any animal must cross this heavily infested area first before getting to your farm. But that's not what they want to hear.

I think this whole ECO... I was importing about 90,000 kilos of poultry from France alone and I had maybe 200 kilos ecological chicken and even today where the market is bigger, I do not think it is still up to 10% and they are pushing *US* to do that. It is bullshit. Do where the majority of the market is. Where the 90% is. They are pushing us to do the most difficult part. I work with the EU but I am not happy with these kinds of things with the EU at all. So they make it difficult but some things are difficult and you can't change that.

Victoria: what are the things Ghana is supposed to have done/ what structures should have been put in place to gain maximum benefit from the EPA?

Nico: at this moment, you know there is a stop of the export of 5 vegetables from Ghana to the EU?

Victoria: yes

Nico: the main reason in my eyes but the EU will never tell that is corruption.

Victoria: Corruption on whose side?

Nico: Ghanaian side.

Nico: it is partly corruption, partly tradition and feeling pity for people. On the part of the People who are doing the checks. If you bring vegetables and let's say this is a pepper. I have to physically inspect the pepper to see if there are no food flies etc. you are a small farmer who then tells me 'this 5,000 euros, I need it ok?'...because I have invested all this and.... Ok now for 200 cedis, I will sort you out. But there is nobody in Europe saying Victoria paid 200 cedis and so let them in.

They are just looking ''oh no, there is shit, residue...decline it''. That's the main reason. Because any Ghanaian can check as much as a European can check if there is residue or anything. One thing that makes it extra difficult ''if you spray your crops, there is always a warning that 10 days before the harvest, you are not allowed to spray anymore'' which

is sufficient in Europe. But if you are farming next to a forest like I just mentioned, in those 10 days, crickets can do a lot of harm, so you think “i’ll do it 5 days” trust me, they will catch the residues and they will do something.

What Ghana in my opinion can actually do and I always say the Chinese way is..(Draws) this is Ghana: Kumasi, Accra, tamale. If this is china, and they say they want to be an agricultural nation, they will say, we are killing any animal, anything we want, we are flattening this and going for agriculture. They make sure there are roads to the airport, everywhere straight to Tema, with no hindrances.

They make sure there are no pests and animals on here and they are able to farm and continue. But here, nobody does that. You can do it on a smaller scale.... But still in logistics, speed is key. If I send goods out and they don’t sail on that ship, one day is okay but if it becomes 2, 3,

Or 4 day, I am in big trouble. But we need something like this. It can be on a smaller scale but land ownership and everything is disturbing it.

Victoria: some of the proposals from the EU seem to want to replicate the system in the EU e.g., monoculture. But some have suggested that the small scale farmer is more sustainable than large agricultural tracts.

Nico: small scale farming can only survive on high value crops. All commodities have to be big scale. So for like tomatoes you can be small scale. There are people farming tomatoes all year round especially in Holland on 5 or 11 hectares and they can work with their family and run the whole farm but that is highly industrialized small scale farming. The kind of small scale farming done here is not sustainable.

Victoria: some people have suggested that anything that grows too big becomes a cancer. Some are pushing especially in Holland the permaculture idea etc. looking at environmental issues.

Nico: Holland is the wrong example. Almost all Dutch farmers are small scale farmers. Even the potato farmers, who are the biggest producers, are small scale farmers. They farm nothing compared to Australian, Ukrainian and South African or American farmers. They are all small scale farmers. A potato farmer with 200 acres is a big farmer but it’s nothing compared to an Australian who has 60,000 hectares and he calls himself a small scale farmer.

For any commodity, you need large farms...and don’t forget one thing. Look at the people employed in farming over the last 100 years in the US and EU. The pattern is almost the same. It went from over 50% to less than 2%. And you can do whatever you want, either you give up farming completely and Africa will move in the same direction. The only

question is how can you make it diversify quick enough to employ people because there is really... every government in Africa wants to do something for small scale farmers. You know why? If 50% of your population are engaged in farming and you do something for farmers, you have 50% of the votes.

In Holland, we used to have something called the boer partei, the farmers party. At the time in the 1960`s, 10% of the Dutch were still farmers. But when the number of farmers went down, that party disappeared. It`s interesting to do something only for political gain for small scale farmers. And we are moving in the next 90 years to heavily reduced farmers.

Victoria: there is a documentary on land grabbing (landraub) that details the disadvantages of large scale commercial farming because of fertilizer as well of talk of the wastage of 40 million tonnes of food from farm to fork in Holland alone each year. There are issues with displacement etc.

Nico: I think we waste more with small scale farmers...or rather, the losses are different. Big scale farmers have storage, small scale farmers don`t. They bring small quantities to sellers. Small quantity transport is more expensive per kilo and if they don`t have enough, they go to waste. The only advantage is to pick and select ripe crops.

And that`s why they can have the best. A tomato which is not 100% ripe has less taste than a ripe tomato. What the large scale farmers do... they don`t go every day to check the tomatoes; they go every two or three day and that means that some are a bit too ripe, some are a bit too green. So, quality wise, the small scale farmers have an advantage. But that advantage is nothing in Africa. Because there is nobody who is prepared or at least the quantities of people prepared to pay for that extra quality are not there.

Victoria: you think?

Nico: how many people here are going to the supermarket and buying ecological vegetables compared t 26 million people?

Victoria: but isn`t what we have already ecological? As compared to Europe where more people are moving towards going to farmers markets because they want...

Nico: nobody pays extra for it. If you put two tomatoes next to each other, the people who are prepared to pay extra is not even 1% of the population. The demand is too small. If I hear the poultry people complaining... they could do free range chicken here but nobody is paying more for free range chicken. Everybody is looking for cheap chicken meat and that part, they can`t compete at all. So there is a big danger.

Victoria: what needs to be done in order for Ghana to gain maximum benefit from the EPA

Nico: go according to their standards. That's the only thing you can do. And make sure you are really competitive.

Questionnaire_ Peelco Ghana

1. How long have you been exporting your products?

Since 2006

2. What varieties of the fruits you export are demanded in the EU market?

What makes these varieties sought after as against other varieties? Pineapple, coconut, papaya and mango as fresh cut. Demanded because of fresh harvest and packing. Fruits processed in Europe all arrive by sea freight. Which is either not harvested full ripe or is not fresh due to the long transit time. Therefore a lot of vitamins and aroma are reduced in the sea freight produce.

3. To which countries / regions do you export (also others than EU-member countries)?

EU only (Germany) due to the high standards. In A lot of countries outside the EU the cost for labor is quite low and fruits are cut in the supermarkets (of course not with a long self-life)

4. How did you find a buyer?

Through our partner Schumacher GmbH, who supplies fresh fruits (not cut) and his vegetables since many years. (To find a buyer without an existing connection / reputation is almost impossible.)

5. What is your export capacity?

We are now at 120ton a month and around 30% capacity

6. What were the biggest hurdles you had to overcome in starting to export?

Delayed or cancelled flights, maintaining the cooling chain temperature during flight.

Do you also experience barriers after having started, or hurdles expanding export activities?

Bad roads, water shortages during dry seasons, power failures, unreliable rental export vehicles, lack of support from government institutions.

7. On a scale of 1 to 10, what would you say are your biggest challenges in exporting to the European market?

We assume 10 is big problem and 1 is no problem:

Access to finance

7: in the beginning due to 45 days terms of payment there is a lot to pre-finance.

Certification

4: in terms of qualification

10: in terms of cost: IFS Certificate includes travel cost from German TÜV auditor at more than 100 EUR per hour travelling time in flight! + Hotel + catering, etc.

10: in terms of local certification for the EU but needed for general operation.

Local certificates are below EU standards and time wasting.

Phytosanitary problems

1: no problem for export

7: problem for import. After certification with Phytosanitary department (PPRSD) still applications are needed to import i.e. mangoes by air or by sea.

· Logistics

5: in Ghana. Bad roads, especially after rain. Poor repairs works on export truck if repair cannot be done in the company

7: limited choice of flight destinations and export days. You can fly every day on KLM or British airways but at a high price

7: trucking in Europe: Strict delivery deadlines at customers' destination. The customers want the products in time – no matter if produced “around the corner” or in Africa.

· Market access

10: for newcomers without any contacts

5: for our company because existing contacts are used. Beside of that no new customers

· Others

8. Why do you choose to export to the EU despite all the challenges involved?

EU is a market where quality comes first and not everyone can provide that.

9. What benefits do you derive from exporting to the EU market? (as compared to a) not exporting, or b) exporting to other regions

- Strong currency (EUR)

- Good logistics and cooling chain

- Good income level of the market

- increasing demand

10. Are you allowed to ship pre-packaged products to the EU market or must they be packaged in the EU?

We do the final packaging here, even in trays with the customers brand.

11. What do you think needs to be done in order for Ghana to gain maximum benefit from the Economic Partnership Agreements with the EU?

Changes in (export) procedures needs to be announced in advance.

Examples:

Stamp on EUR1 form was changed by Ghana Customs without informing EU customs resulting in huge import duty charges. (Normally tax free).

Narcotic board decided to demand originals of company's registration during a night export shipment.

Goods purchase form Free Zone to another Free Zone company require a pad lock form Ghana customs.

MOST IMPORTANT: Frequent exporters to the EU should not be included in procedures to eliminate problems caused by not well known exporters. Reputable companies with more than 10 years of export and more than 2500 exports are suffering under the implementation and delays of these rules.

References

- Action Aid Ghana. (2014). Ghana_under_interim_epa_and_implications_for_socio-economic_development.
- African Centre for Economic Transformation (2017, June 2). Fact that Ghana and Ivory Coast are still cocoa price takers is criminal. Retrieved from <http://acetforafrica.org/media/fact-that-ghana-and-ivory-coast-are-still-cocoa-price-takers-is-criminal-minister/>
- African Development Bank. (2012). Establishment of a single monetary zone in ECOWAS: An Examination of Macroeconomic Convergence and Policy Harmonization Issues.
- AllAfrica.com (2018, April 5). Why Nigeria Won't Sign Economic Partnership Agreement With EU.
- Babbie, E. (2010). *The Practice of Social Research*.
- Beyens, F. & A. (2015). Institutional challenges and constraints for Ghana in exporting fishery products to the European Union.
- Brenton P, Hoppe M, & Newfarmer R. (2008). *Economic partnership agreements and the export competitiveness of Africa*: The World Bank.
- Buchholz R. (2012). EPAs - still pushing the wrong deal for Africa.
- Business and Financial Times. (2018). President confirms ending Ghana's IMF programme this year - Business & Financial Times Online. Retrieved from <https://thefonline.com/2018/business/president-confirms-ending-ghanas-imf-programme-this-year/>
- Busse, B. & G. (2004). The Impact of ACP/EU Economic Partnership Agreements on ECOWAS Countries: An Empirical Analysis of the Trade and Budget Effects.
- Chang H.J. (2011). *23 Things They Don't Tell You About Capitalism*.
- Chaudhuri, S. (2014). Foreign direct investment in developing countries: A theoretical evaluation.
- Citifmonline. (2018). Ghana and Sierra Leone ranked as the most peaceful countries in West Africa.
- Commission Regulation (EC) No 2257/94. Commission Regulation (EC) No 2257/94.
- Commission Regulation (EU) No 1333/2011. Commission Regulation (EU) No 1333/2011 of 19 December 2011).

- Council for Scientific and Industrial Research Ghana. (2018). Mandate of Council for Scientific and Industrial Research. Retrieved from <http://csir.org.gh/>
- Deutsches Statistisches Bundesamt. (2018). German Exports in 2018. Retrieved from <https://www.destatis.de/EN/FactsFigures/NationalEconomyEnvironment/ForeignTrade/ForeignTrade.html>
- Die Zeit (2015, January 20). Billigfleisch für Afrika: Die Zeit.
- Dilek et al. (2017). Ghana economic update 2017 : Shifting Ghana's competitiveness into a higher gear.
- Euromonitor International. (2017). Heath and Wellness: The Trillion Dollar Industry. Retrieved from <https://blog.euromonitor.com/2012/11/health-and-wellness-the-trillion-dollar-industry-in-2017-key-research-highlights.html>
- Europa.eu. (2018). The history of the European Union.
- European Commission. (2018). ACP - The Cotonou Agreement. Retrieved from https://ec.europa.eu/europeaid/regions/african-caribbean-and-pacific-acp-region/cotonou-agreement_en
- Food Research Institute Ghana. (2018). Functions of the Food Research Institute. Retrieved from <http://foodresearchgh.org/>
- Gabriel D. (2013). Inductive and Deductive Approaches to Research.
- Ghana Export Promotion Authority. (2018). Role of Ghana Export Promotion Authority. Retrieved from <https://www.gepaghana.org/>
- Ghana Standards Authority. (2018). Function of the Ghana Standards Authority.
- Ghana Statistical Service. (2016). Projected population by sex, 2010 - 2016.
- Ghana Web (2016). EPAs in limbo as Nigeria, others refuse to sign. Retrieved from <https://www.ghanaweb.com/GhanaHomePage/business/EPAs-in-limbo-as-Nigeria-others-resist-to-sign-420096>
- Ghana Web (2017). Akufo-Addo must use diplomacy to get Nigeria to sign EPA.
- Ghanaian Times. (2017). EU lifts ban on exports of five vegetable crops - Ghanaian Times. Retrieved from <http://www.ghanaiantimes.com.gh/eu-lifts-ban-on-exports-of-five-vegetable-crops/>
- GIPC. (2018). Tax & Incentives - Ghana Investment Promotion Centre (GIPC). Retrieved from <http://www.gipcghana.com/invest-in-ghana/why-ghana/tax-regime-and-incentives.html>
- Hennink, H. & B. (2010). *Qualitative Research Methods*.

- International Monetary Fund. (2013). GHANA. Retrieved from <https://www.imf.org/external/pubs/ft/scr/2013/cr13187.pdf>
- Irvin D. (2015). *Free Trade under Fire*.
- Joy Online. Non-traditional exports: Ghana faces EU ban. Retrieved from <https://www.myjoyonline.com/business/2014/February-12th/non-traditional-exports-ghana-faces-eu-ban.php>
- Joy Online. (2014). Non-traditional exports: Ghana faces EU ban.
- Joy Online. (2016). Ghana signs interim Economic Partnership Agreement with the EU. Retrieved from <http://www.myjoyonline.com/business/2016/August-1st/ghana-signs-interim-economic-partnership-agreement-with-the-eu.php>
- Kothari C.K. (2004). *Research Methodology: Methods and Techniques*.
- KPMG Africa. (2017). Ghana: The gateway to West Africa.
- Krueger, A. (1993). *Free Trade Agreements as Protectionist Devices: Rules of Origin*. Cambridge, MA: National Bureau of Economic Research.
- MacLeod, J., Uexkull V, E. J., & Lulu S. (2015). Assessing the Economic Impact of the ECOWAS CET and Economic Partnership Agreement on Ghana.
- Madu, U. (2016). ECOWAS-EU EPA: A regional (dis)integration tool?
- Manger, M. S. (2009). *Investing in Protection*. Cambridge: Cambridge University Press.
- Mansfield E., M. H. (2012). *Votes, Vetoes, and the Political Economy of International Trade Agreements*.
- Mayer, T. (2008). *The Happy Few: The Internationalisation of European Firms: New Facts based on Firm-level Evidence*.
- Ministry of Food & Agriculture Ghana. (2018). Agriculture in Ghana.
- Ministry of Trade and Industry Ghana. (2018). Role of Ministry of Trade.
- Observatory of Economic Complexity. (2016). Ghana Country Profile. Retrieved from <https://atlas.media.mit.edu/en/profile/country/gha/>
- Otsuki, W. & S. (2001). Saving two in a billion: quantifying the trade effect of European food safety standards on African exports. Retrieved from https://econpapers.repec.org/article/eejfpoli/v_3a26_3ay_3a2001_3ai_3a5_3ap_3a495-514.htm
- Oxfam. (2006). Slamming the Door on Development: Analysis of the EU's response to the Pacific's EPA negotiating proposals.

- Oxford Business Group. (2017). *The Report: Ghana*. Retrieved from <https://oxfordbusinessgroup.com/ghana-2017/country-profile>
- Plant Protection and Regulatory Services Ghana. (2018). Mandate of the Plant Protection and Regulatory Services Ghana.
- Rajasekar, P. & C. (2013). *Research Methodology*: CRC Press. Retrieved from <https://arxiv.org/pdf/physics/0601009.pdf>
- SACU. (2018). South African Customs Union. Retrieved from <http://www.sacu.int/show.php?id=394>
- Saunders, L. & T. (2007). *Research Methods for Business Students*.
- Schiff M, H. E. (2004). *Economic Partnership Agreements between sub-Saharan Africa and the EU: A Development Perspective*.
- Spencer H: Loader R. (2001). The Impact of Sanitary and Phytosanitary Barriers to Agricultural Exports from Developing Countries: The Role of Sanitary and Phytosanitary Requirements. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.460.8369&rep=rep1&type=pdf>
- Statistics Netherlands. (2018). Dutch agricultural exports at record high. Retrieved from <https://www.cbs.nl/en-gb/about-us/contact/press-office>
- TEDx UBC. (2013). Child Slavery: The Bitter Truth behind the Chocolate Industry. Retrieved from <http://www.terry.ubc.ca/2013/11/26/child-slavery-the-bitter-truth-behind-the-chocolate-industry/>
- ThyssenKrupp AG. (2017). Annual Report 2016/2017. Retrieved from https://www.thyssenkrupp.com/media/investoren/berichterstattung_publicationen/update_23_11_2017/en_10/neu2_gb_2016_2017_thyssenkrupp_gb_eng_web.pdf
- Troachim W. (2006). *Deduction & Induction*.
- UNCTAD. (2017). Data on Non- Tariff Measures: NTM Hub. Retrieved from <http://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures.aspx>
- United Nations. (2008). New EU trade deals divide Africa. Retrieved from <http://www.un.org/en/africarenewal/newrels/new-trade-pact-08.html>
- Wiley J. (2008). *The Banana: Trade Wars and Globalization*.
- World Economic Forum. (2018). Africa's greatest economic opportunity: trading with itself. Retrieved from <https://www.weforum.org/agenda/2018/01/why-africas-best-trading-partner-is-itself/>

-
- Yin R. (2013). *Case Study Research: Design and Methods (Applied Social Research Methods) Fifth Edition*.

Ehrenwörtliche Erklärung

Ich erkläre hiermit ehrenwörtlich:

1. dass ich meine Abschlussarbeit selbstständig und ohne fremde Hilfe angefertigt habe,
2. dass ich die Übernahme wörtlicher Zitate aus der Literatur sowie die Verwendung der Gedanken anderer Autoren an den entsprechenden Stellen innerhalb der Arbeit gekennzeichnet habe.

Ich bin mir im Weiteren darüber im Klaren, dass die Unrichtigkeit dieser Erklärung zur Folge haben kann, dass ich von der Ableistung weiterer Prüfungsleistungen nach §15 Abs. 3 SPO – AT Bachelor bzw. §14 Abs. 3 SPO – AT Master ausgeschlossen werden und dadurch die Zulassung zum Studiengang verlieren kann.

Northingen 18.06.2018
Ort, (Datum)


(Unterschrift)