

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

The Ghanaian market continues to offer many opportunities for U.S. exporters of consumer-ready food products and remains a key access point for entry into the West Africa region. Demand for these products is expanding rapidly in Ghana, while the U.S. share has remained relatively low at only 5 percent. This report presents background information and tips for exporters interested in entering this market.

General Information:

SECTION I MARKET OVERVIEW

Ghana is an important U.S. agricultural export market and offers expanding market opportunities due to its remarkable record of economic growth as well as its liberal import policies. Ghana's estimated population of 23.8 million is growing at approximately 2.1 percent annually. Also, the Government of Ghana (GOG) is positioning Ghana as the gateway to the larger West African market (over 250 million people).

Ghana's agricultural sector is largely subsistence-based, and employs over 60 percent of the population and contributes about 37 percent of GDP. Agricultural growth for 2010 is estimated at 5 percent but this rate may not be achieved due to the recent floods in the northern part of Ghana. Ghana's agriculture consists of 80 percent crop production, 10 percent livestock, poultry and fishery production, and 10 percent forestry. Domestically produced food products that are traditionally consumed in Ghana include cereals (corn, rice, sorghum), tubers (cassava, yam), beans, and other local fruits and vegetables. Despite some growth in the agriculture sector, Ghana remains a major importer of agricultural food products, including bulk commodities such as rice and consumer-ready food products such as poultry. There is a high demand for imported food products, especially consumer ready products, due to the limited selection of products provided by the underdeveloped domestic agricultural and food processing sector in Ghana. The leading suppliers of intermediate and processed products to Ghana are the EU, Asia and South Africa. U.S. exporters are advised to explore entering the expanding Ghanaian market and those interested in doing business in Ghana can seek assistance of the USDA/FAS office in Accra to develop business relationships with local companies, importers, and agents.

Ghana operates a relatively free market, and most tariffs are low. Ghana has stated its commitment to the ECOWAS Common External Tariff (CET) which it adopted in 2005 and is implementing it. Ghana harmonized its tariff rates of 0%, 5%, 10%, and 20% with those of the ECOWAS. Although Ghana has been slow to take full advantage of the enhanced market access offered under the African Growth and Opportunity Act (AGOA), it is increasing efforts in this area.

Ghana was the second country (after Cote d'Ivoire), to sign an interim bilateral Economic Partnership Agreement (referred to as EPA-light) with the European Commission in December 2007. The implementation of this agreement eliminated most tariffs on virtually all of Ghana's exports to Europe and on 80 percent of imports from the EU over the next 12 years (2022).

Advantages and Challenges

Advantages	Disadvantages
Ghana's population of 23.8 million is growing at an annual rate of nearly 2.1 percent per annum.	The average per capita income in Ghana is estimated at \$746.40. The monthly minimum wage in Ghana is \$62.2.

The Government of Ghana (GOG), in line with its WTO obligations, has liberalized trade.	Some freight consolidators in the United States are unwilling or unable to meet ordering and shipping requirements of Ghanaian importers.
Ghana has an active and entrepreneurial middle class and a fast growing private sector.	U.S. consumer ready foods are not readily available in Ghana, while products from EU, South Africa, and Asia are in greater supply.
The HRI sector is expanding and is requiring more consumer ready products and ingredients.	Some U.S. firms view Ghana as too small a market for entry.
Ghanaian consumption patterns have changed towards Western foods as a result of urbanization, women working outside the home and shift in lifestyles of the large youth population.	U.S. consumer ready foods typically have shorter shelf life labeling and longer transit times, thereby reducing shelf life of U.S. products in Ghana.
Middle-class incomes are rising and there is higher demand for healthy foods. The retail sector is shifting to more western style shops and convenience stores.	Infrastructure in Ghana is poor, energy and production costs are increasing. The infrastructure for processing, storage and distribution of consumer ready foods and other perishable products is limited in Ghana.
U.S. grocery items entering Ghana can be re-exported to neighboring West African countries (a market of 250 million people).	The tropical climate is not conducive to displaying many imported food products in the traditional open air-markets which still remain prevalent in Ghana.
Ghana will continue to import HVP items as most are not produced domestically. Ghana's domestic food processing capacity is still under-developed.	Most retail food outlets lack the expertise and capital needed to modernize and expand to meet the demands of the increasing retail market in Ghana.
Increasing rural to urban migration is raising demand for consumer ready foods. Ghanaian consumers perceive U.S. consumer ready foods as being of high-quality and demand for these is growing.	Some U.S. exporters are not as responsive to importer requests regarding price quotations, packaging and documentation as their EU and Asian competitors.

SECTION II: EXPORTER BUSINESS TIPS

General and Agricultural Trade Situation

Ghana operates in a relatively free market environment and aims to make itself the gateway to the larger West African market. Ghana is a significant exporter and importer, with total exports of all products estimated at \$5.73 billion (gold, cocoa, timber, diamonds) and imports estimated at \$8.44 billion (petroleum, food, machinery and equipment, industrial raw materials) in 2009.

Ghana’s agricultural product imports in 2009 are estimated to be at 800 million down, from \$1 billion due to the high cost of products (according to unpublished trade data). Ghana is an important U.S. agricultural export market of bulk, consumer oriented commodities. Ghana is a major purchaser of U.S. rice, poultry, and high-value food products (processed fruits and vegetables, vegetable oils, fruit and vegetable juices, wines and beer, sugars and sweeteners) and forest products such as hardwood lumber, and panel products. Major export competitors for the Ghanaian market are the EU, South Africa and Asia. Ghana continues to maintain strong trade relations with the EU, especially the United Kingdom and the Netherlands. Trading with Asia, especially China, has increased dramatically in the past few years.

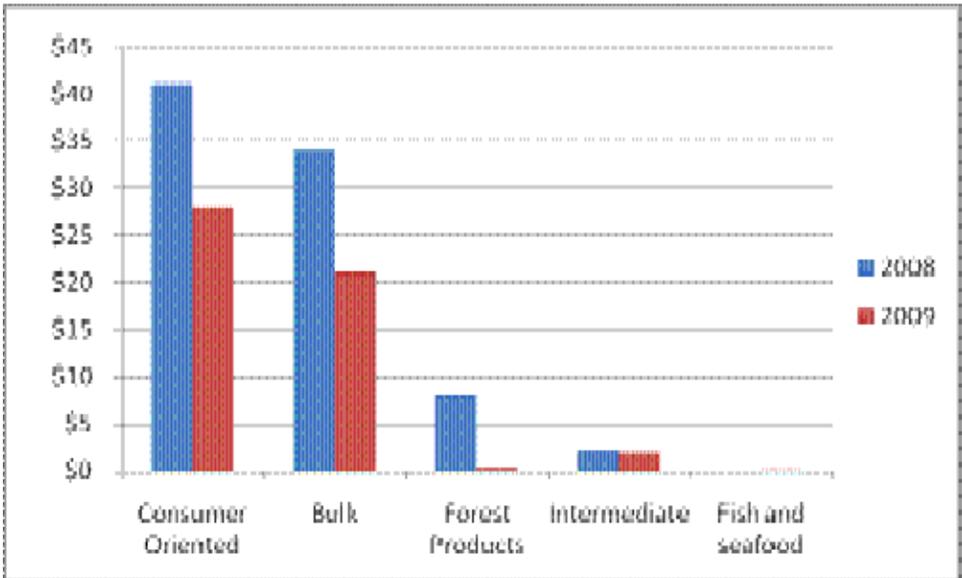
In 2009 Ghana’s agricultural exports were approximately \$1.6 billion, primarily wood and timber products and cocoa (which accounts for two-thirds of total agricultural exports). Major export destinations were the EU and the United States. In 2009, Ghana remained a net exporter of agricultural, fish and forestry products to the United States. Ghanaian exports of these products to the U.S. in 2009 reached \$115 up from \$77.7 million in 2008 due to larger cocoa bean and processed cocoa product (cocoa paste and cocoa butter) shipments and forest products.

US Agricultural Exports to Ghana

The U.S. export of agricultural, fish and forestry products to Ghana in 2009 is \$52 million down from \$86.5 million (FAS BICO data). Poultry and rice make up the largest portion of these US exports. The downward trend in US exports in 2009 to Ghana occurred because there were no exports of U.S. wheat to Ghana that year.

US Agricultural Export to Ghana CY 2009

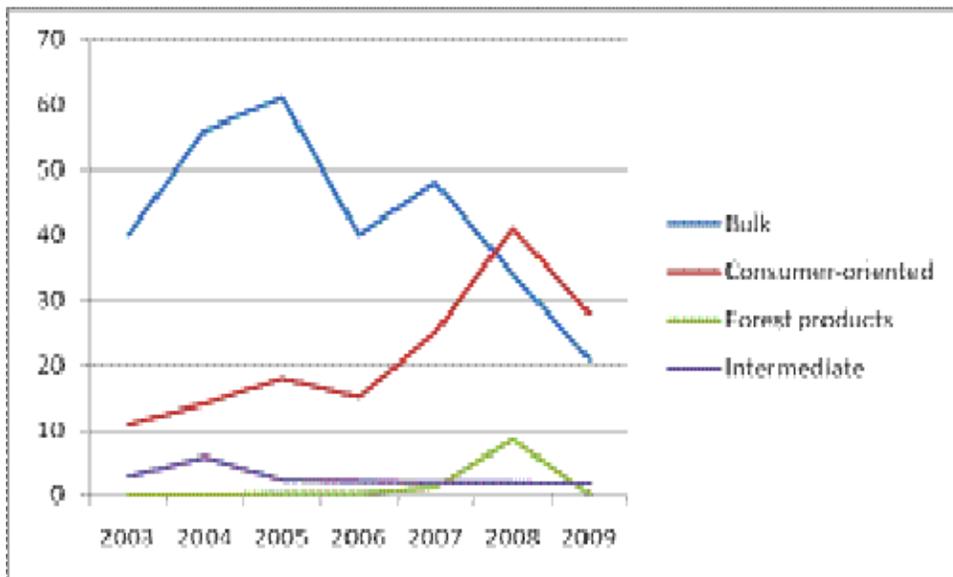
\$ Million



Source: FAS BICO Report

US Agricultural Export to Ghana CY 2009

\$ Million



Source: FAS BICO Report

Buyers' Preferences and Regulations

Ghanaian importers prefer consumer-ready products with the following characteristics:

- Relatively small-sized products prepared and packaged for one-time use;
- Bulk, intermediate products and ingredients that can easily be re-packaged in Ghana without huge additional production costs;
- Perishable food products processed and packaged for long shelf-life, and not requiring much refrigeration (such as milk powder, instant beverage drinks, etc);
- Mixed containers of high-value products and brands;
- Food products packaged with long 'Best Before' dates.

Product Registration and Regulations

All processed food products must be registered with the Food and Drugs Board (FDB), Ghana, prior to being exported to Ghana. The FDB is the GOG regulatory body for food product manufacturing, importation, advertisement and distribution in Ghana.

The importer typically pays for the cost of the product registration unless the exporter agrees to pay this cost. U.S. exporters are advised to contact the FAS/Accra office in Ghana when importers make such requests from them.

Import Duties and Collections

The Ghana Customs Excise and Preventive Service (CEPS) is the GOG institution responsible for the collection of import duty. In 2001 the Ghana TradeNet was established to provide a fully integrated customs management software connected over a network to various operators who

interact with Customs in the processing of import and export transactions to and from Ghana. Some of these operators include the banks, shipping companies, certification and licensing agencies as well as users of trade information.

The Ghana TradeNet is made up of two main components:

1. **The Ghana Customs Management System (GCMS)**, which provides the CEPS with a fully integrated computerized system for the processing and management of Customs Declarations and related activities. This system is designed to work in an Electronic Data Interchange (EDI) environment, where Manifests and Single Administrative Documents (SAD) are electronically received and automatically processed. In 2003 Ghana moved away from the use of the Automated Customs Management System (ASYCUDA) in processing Customs Declarations and adopted a modified Direct Trader Input system (DTI) that provides for online submission of custom documents and duty payments.

Ghana Community Network (GCNet) is a platform enabling GCMS to share data and other relevant information with all the parties involved in the processing of trade documents and customs clearances. The GCNet operates a seamless electronic system that links all trade operators, revenue agencies, and regulatory bodies through a "Single Window" system. The current set up contrasts sharply with the pre-GCNet situation, when trade operators had to shuttle from one agency to the other, while processing their trade and Customs transactions.

By using GCNet/GCSM, consignments could be cleared within 1-2 days, however, it takes practically about a week as opposed to an average of 2-3 weeks clearance time in the past.

Port Concessions and Destination Inspection Scheme

In March 2002, Ghana adopted a port concession by transferring port operations to private sector operators with the aim to significantly increase Ghana's cargo reception, storage, bonded warehousing and clearance capabilities, as well as providing consumers with a broader commercial choice. As such Ghana has become a cargo hub and transit route to land-locked Africa, attracting more external business through Ghanaian ports and borders.

Ghana abolished pre-shipment inspection in 2000, and replaced it with the Destination Inspection Scheme [DIS] backed by computerized risk management, X-ray scanning and physical inspection. Currently, all imported products are subject to destination inspection unless specifically exempted by the Ministry of Trade and Industry. There are no threshold value exemptions; therefore, all imported products are subject to inspection, regardless of their value.

Inspection charges are currently pegged at 1% CIF value. Two companies, appointed by the GOG, provide destination inspection services in Ghana: Gateway Services Limited (GSL) is responsible for sea freight and Ghana Standards Board and Bureau Veritas (GSBV) is responsible for shipments arriving by air and land. Depending on the imported goods, custom clearances may require the approval of the Food and Drugs Board, Ghana Standards Board, National Drug and Narcotics Board, and other agencies at the ports.

Documentations, Export and Customs Clearing

Procedural Steps:

Method of payment

Letters of Credit (LC) are generally accepted as the method used to speed things up in the payment of imported goods. The LC can be irrevocable or confirmed. Most importers utilize inter-bank wire transfers for the payment of their imported goods. The exporter simply ships the items to the importer upon receipt of his bank transfer payments. To establish an LC, a bank may require a signed proforma invoice (attested), an Import Declaration Form (IDF), a pre-shipment notification from the Ghana Shippers Council, a Marine Insurance (normally covered in Ghana but not a precondition). This process may take up more than two weeks. Upon receipt of the bank transfer, the cargo is shipped to Ghana. The shipping time from the U.S. to Ghana by sea is about three weeks on average. Air transport takes about a day. It is advised that confirmed, irrevocable letters of credit opened by Ghanaian banks with correspondent banks in the United States be used to guarantee payment.

There are various stages in the customs clearance process of cargo from the ports of Ghana. The process starts with the valuation of the cargo, declaration of cargo data on to the GCNET, payment of duty and other relevant cargos, verification at the Compliance Section of CEPS, release by the Shipping Agent, delivery by Ghana Ports and Harbors Authority (GPHA) and CEPS physical examination or scanning of cargo before cargo is allowed to exit the port. Importers must appoint a licensed Customs House Agent/clearing agent (Legislative Instrument 1178 1978) with a credible reputation for the clearance of cargo at any freight station in Ghana. The Clearing agent will do the following on your behalf:

Valuation Stage:

All consignments imported into the country must be valued for tax and other purposes.

- Submit the final invoice, Import Declaration Form (IDF) from the Ministry of Trade & Industry, a copy of the Bill of Lading and Packing list (itemizing the value of the packages) two weeks before arrival of vessel to the designated Destination Inspection Company [DIC] for preparation of the Final Classification and Valuation Report (FCVR). The FCVR contains an assessment of the Dutiable Value, Import duty and VAT of the consignment;
- Pick up the Final Classification and Valuation Report [FCVR] from the DIC. Containerized cargo selected for scanning through the Risk Management System procedure of the Destination Inspection Companies is also indicated in the FCVR.

Tax Identification Number (TIN)

- Obtain a Tax Identification Number [TIN] form from the Internal Revenue Service [IRS], if you are a first time importer. Importers require a Tax Identification Number (TIN) for Customs clearance of commercial goods. The TIN is a unique identification number generated by the Internal Revenue Service for every tax payer. This number has to be quoted in the entry that the importer or his representative would send to the GCNET. Without a TIN, customs clearance of cargo from the port is not allowed.

Entry of Cargo Data onto GCNET

- Submit a declaration on the cargo electronically to Customs through the GCNet which is routed to the GCMS. The declaration includes;

- i. Declaration regime (commercial or for domestic use),
 - ii. Consignee Name of vessel,
 - iii. Date of arrival of vessel,
 - iv. Number of packages Delivery terms (e.g. CIF, FOB, EX WORKS),
 - v. Total Invoice Value (TIV) as determined by CEPS or Destination Inspection Company (Breakdown of the TIV into FOB, freight and Insurance),
 - vi. Break-down of Items per consignment Commodity code of the items (10 digits),
 - vii. Customs Procedure Code (CPC) of commodity (this indicates whether Consignment is dutiable, free Exempt etc.),
- When the entry is validated, the GCMS generates and sends a response, commonly referred to as a Declaration, to the front end declarant. The Declaration indicates all the taxes and tariffs that have to be paid on the consignment and the name of the CEPS officer to verify the declaration.

Payment of Duty

- Print out a hard copy of the response from GCMS and submit the signed Customs Declaration and attach all supporting documents such as the Bill of Lading, the Invoice, the IDF, the FCVR, the Packing List, an IRS Certificate as well as other relevant permits and documents at either of the GCNet participating banks (i.e. ECOBANK, Ghana Commercial Bank) in order to make payment. Special Bank Receipts are given to importers or their representatives to acknowledge payment.

Verification

- A hard copy of the Declaration, the Bank receipt, and Bill of Lading and all other relevant attaching documents are submitted to the designated Officer at CEPS Compliance Section for Verification of the documents and receipts;
- When no discrepancy is found, the cargo is ruled for First Release [i.e. 'prior to physical examination] or Final Release [i.e. without physical examination];
- Submit a hard copy of the Customs Declaration, the Bank receipt, and Bill of Lading and all other relevant documentation as well as the Delivery Order (earlier purchased from the Shipping Agent) to the Shipping Agents. This is to facilitate preparation of the cargo for physical examination pending release or immediate release as recommended by the CEPS Compliance Office;
- The Delivery Order, (DO) which is in triplicate (green, pink and white or yellow) copies, must contain information such as the name of the consignee, name of vessel, date of arrival, port of loading and the particulars of cargo as indicated in the bill of lading. Other information that must be provided on the delivery order include the Customs House Agent handling the cargo, the bill of lading number; the container number; the seal number and the rotation number of the vessel;
- The Shipping Agent, on receipt of the documents, then prepares the bill for the consignment. After payment of the bill the cargo is authorized for release;
- Effect payment of the relevant GPHA charges at the port;
- Deposit the green copy of the DO with the GPHA Operations for the container to be dropped within 24 hours at the designated bay for physical examination by CEPS, if necessary;

- Present Declaration and accompanying documents to CEPS at the port gate to confirm clearance on the GCMS. GPHA security also checks the waybill covering the goods before the goods leave the port.

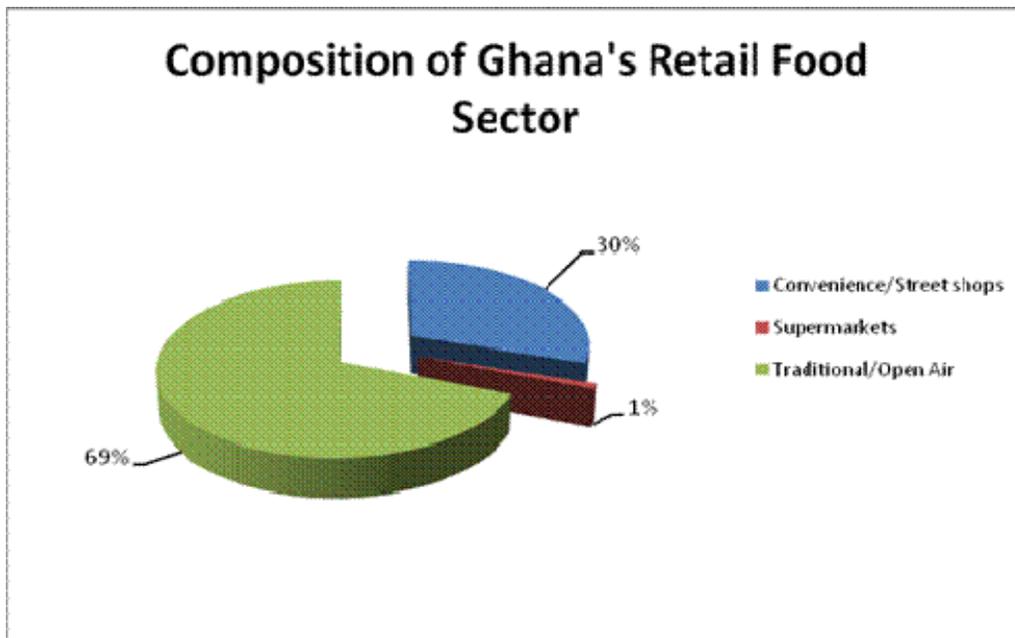
SCAN OPTION

- If your container is to be scanned, then deposit the declaration, the Delivery Order (DO) and the Interchange or evidence of dropping container on the truck at the CEPS office at the scanning area,
- Pick up your Scan number [appointment sheet] from the Scan operations office,
- Present the Appointment sheet to the Check-In Agent at the entrance of the scanner,
- Confirm final clearance of container after the scan at the CEPS office at the scanning.

SECTION III: MARKET SECTOR STRUCTURE AND TRENDS

Retail Food Sector

Ghana's retail food sector consists of supermarkets (accounting for 1 percent of total retail sales), convenience stores/small grocery stores (30 percent) and traditional open air markets (69 percent). According to trade sources, retail food sales have grown about 10 percent annually since the enacting of trade liberalization policies by the GOG in 1991. The relative stability of Ghana is encouraging the growth of the expatriate population and Ghana is considered the gateway to other West African countries.

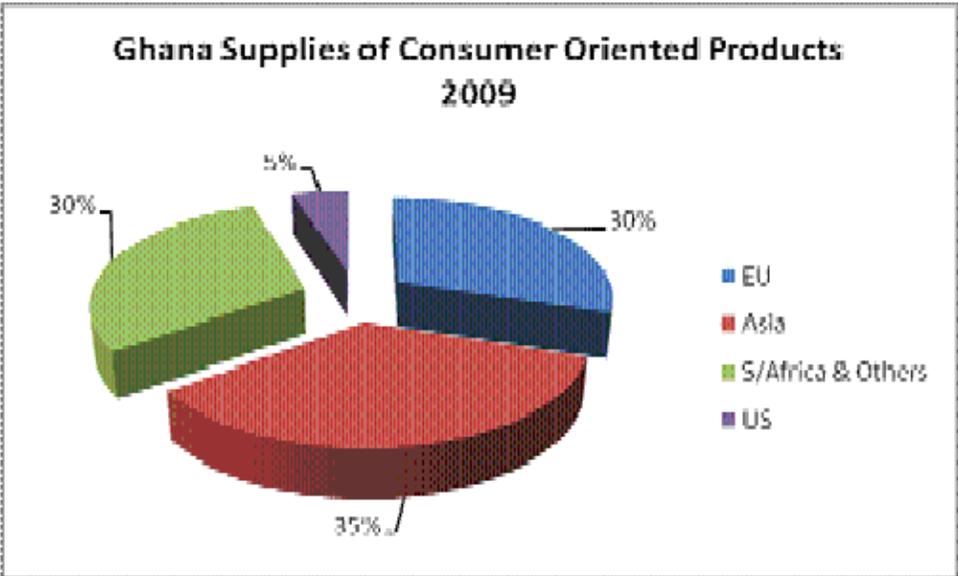


In 2009, consumer-oriented food imports were estimated at \$800 million and industry sources forecast imports could climb to as high as \$1 billion by the end of 2009. Some of these products are re-exported to other African countries. The standard rate of duty for most food products is 20%

(rice) while raw materials are levied a duty of 10% (wheat). A general exemption from payment on the import duty can be granted on items such as ingredients for the manufacture of poultry feeds if certified as such by the Ministry of Agriculture. The major players for distributing imported consumer oriented foods in Ghana are importers/distributors, wholesalers and retailers.

U.S. exports of consumer-oriented products in 2009 accounted for only 6 percent of total imports of these products, compared to 35 percent for the EU and 30 percent for Asian and 29 for South Africa and other suppliers. The low U.S. market share is mostly due to:

- Higher freight charges for shipments from the United States to Ghana. There are few direct sea routes from the United States and most U.S. goods are transshipped through Europe, adding to shipping costs;
- Lack of expiry dates/best before labels on some U.S. products creating difficulty for the Ghanaian importer during clearing process and in marketing products;
- Some U.S. exporters are unwilling to meet Ghanaian importer demands, especially on product specification and documentation;
- Insufficient contact between U.S. exporters of consumer oriented products and Ghanaian importers;
- Strong competition from traditional suppliers such as Asia, South Africa, and the EU;



Source: Ministry of Trade, Ghana Statistical Service, industry

USDA’s BICO report indicates that the value of U.S. consumer oriented and intermediate food exports to Ghana in 2009 reached \$29.9 million, down from \$43 million in 2008 and continue to slow down in 2010. Poultry meat, breakfast cereals, processed fruits and vegetables, fruit and vegetable juices, vegetable oils, pet food, and wines and beer make up most of these imports.

Food Processing (FP)

Although food processing is underdeveloped in Ghana, the sector accounts for nearly 30 percent of Ghana’s manufacturing sector, and according to official sources in the manufacturing industry, has

an estimated 25 percent share of Ghana GDP. Manufacturers are focusing on packaging and selling products in affordable small units for one-time use in order to boost sales and increase market share. A growing concern among Ghanaian consumers with regard to food safety and healthy diets are also increasing demand for higher quality products. As a result, domestic processors are developing and improving food products in order to meet the needs of this niche market.

There has been increased interest shown by suppliers from the EU, Asia, and South Africa in the Ghanaian intermediate/food ingredient sector and these suppliers have been quick to adapt to the requirements of this growing sector. Ghanaian food processors perceive U.S. food ingredient suppliers as reliable in terms of volume, standards, and quality but U.S. exporters are constrained by:

- Limited knowledge of the Ghanaian food ingredient market;
- Strong competition from the EU, South Africa, and Asian suppliers;
- Local infrastructure and operational capital are limited and local production costs are high;
- Ghanaian importers lack knowledge of food ingredients available from the U.S.;
- Limited contact between Ghanaian businesses and U.S. exporters.

Major Exports to Food Processing Sector

Bulk	Intermediate	Processed
Edible and inedible Fat Raw Sugar Refined Sugar Malted Barley Wheat Rice	Corn Starch Dairy Products Ethanol Fruit Juice Concentrate Fruit pre-mixes & syrup Ice Cream Pre-mixes Other Beverage Bases Flavors, Sweeteners, Micro nutrients, other ingredients for food and feedstuff processing, etc.	Baking mixes Yeast & Baking Powder Jam & Jellies Mayonnaise Salad Dressing Sauces, Spices Tomato Ketchup Seasonings, etc

Food Service (HRI)

Ghana’s food service sector consists of hotels, restaurants and institutional contracts (HRI). The HRI sector is valued above \$500 million and has been expanding rapidly over the past five years. This sector represents a growing market for imported food ingredients. Growth in the HRI sector is driven by economic growth, changing consumption patterns, an expanding tourism sector. Increasing urbanization, more women working outside the home and changing lifestyle of the large youth population have led to greater consumption of western style convenience foods. The largest and fastest growing segment of HRI is the quick service restaurants (QSR) and this segment is

expected to continue to experience strong growth as convenience QSRs become more and more important in the Ghanaian way of life. In the hotel segment, major international hotels being built, renovated, or expanded in Ghana include the Holiday Inn (operational), Marriot, Sheraton, Hilton, Alisa Hotels, La Palm and others. This has resulted in increasing demand from the HRI sector for high-quality food ingredients. U.S. products with best market prospects include potato chips, sauces, seasonings, pastry mixes, canned foods, wine, beer, ice cream, and fruit juices. The import duty on these products is 20 percent.

Seafood/Frozen Fish

Fisheries in Ghana constitute an important sector in national economic development, and are estimated to contribute 3 percent of the total GDP and 5 percent of the GDP in agriculture. Fish is the cheapest, and preferred, source of animal protein, contributing about 60 percent of all animal protein intake in Ghana. Ghana fish production has been fluctuating, and declining since 2000 from 460,000 MT down to 436,000 MT in 2008 according to the Ministry of Agriculture. While the national average fish requirement is approximately 800,000 metric tons annually, the domestic fish catch (production) and imports only provide about half of this requirement. As a result, Ghana is a large net importer of seafood and in 2008 Ghana imported fish worth \$275 million, up from \$260 million in 2007.

Ghanaians perceive U.S. seafood to be of a higher quality than other supplies, although high freight rates often make imports from the U.S. less competitive. Ghana's seafood imports are mostly from the African region (Mauritania, Angola, Morocco, Namibia and Senegal). The EU, especially, Holland also supplies seafood to Ghana.

Ghana also exports some fresh tuna and processed canned tuna to the EU.

Sea food /frozen fish Data from 2006-2009 ('000 MT)

	2006(Tons)	2007(Tons)	2008(Estimates)	2009(Estimates)
Total Market size	675	840	900	900
Total production	400	375	436.6	436.6
Total Exports	45	56.9	56	56
Total Imports	165.6	212	191	191
Imports from the US	0	0	0	0

Source: Ministry of Food and Agriculture, Estimates from industry sources.

Aquaculture

Commercial fish farming as a major farming activity in Ghana is a recent development. Presently there are six commercial aquaculture farms operating in Ghana. For the last five years aquaculture production has increased from 950 MT in 2003 to 5,600 MT in 2008 as a result of proliferation of commercial fish farming, especially the cage farms on the Volta Lake. There is a new aquaculture company supported by the Danish government that is expected to produce over 5,000 MT of fish in the near future. Tilapia is the major species farmed and constitutes over 80 percent of aquaculture production, with catfish accounting for the remaining 20 percent. According to the Ministry of Food

and Agriculture (MOFA) estimates, the production from ponds and culture-based fisheries is worth over US\$ 1.5 million a year.

As a result of GOG collaboration with local and external stakeholders (including local farmers, local companies, World Bank, WHO, FAO, NEPAD, etc), local production of aquaculture has been increasing. According to the Government of Ghana (GOG) Ghana is aggressively pursuing ‘the Aquaculture Development Policy’ as a profitable business venture. However, growth in the sector is being threatened by increasing costs of aquaculture feedstuffs which now constitute more than 70 percent of total cost of production. Currently fish feed is being imported from Israel. This opens export market opportunity for U.S. fish aquaculture feedstuffs, feed ingredients and technology into Ghana.

Dairy Sector

The milk industry in Ghana is characterized by near total dependence on bulk milk imports (primarily powdered milk and processed milk products). The total volumes average about 50,000-120,000 tons of milk equivalent per year. Ghana exhibits very low levels of liquid milk consumption. Domestic milk production in Ghana is low and is conservatively estimated at 36,000 liters. Only a very small amount of this enters formal marketing channels. Demands for dairy and dairy products by the major dairy processors in Ghana are estimated to be approximately 100,000 tons annually. Ghana’s dairy processors (including ice cream, baby foods, chocolate milk, yoghurt, and long-life milk producers) rely on combining and reconstituting milk powder imported mostly from the European Union (Netherlands, Denmark). Processed infant formula, cheese, and butter, as well as high-end ice cream, are also imported.

Dairy imports were valued at more than \$100 million in 2008. U.S. dairy product exports to Ghana grew from \$290,000 in 2006 to \$5.0 million in 2008, but dropped drastically to \$83,000 likely due to higher costs.

U.S. market share remains small despite the Ghanaian customer’s perception of the high quality of U.S. processed dairy products because U.S. supplies are disadvantaged by the higher freight costs as compared to products from the EU.

Growing population, increasing urbanization, and rising per capita income are expected to stimulate rising demand for dairy based products. Meanwhile, domestic production remains insufficient due to increasing production/processing costs, non-competitiveness of the industry, and the failure to incorporate more advanced technologies.

Additionally, there is export potential for livestock genetics, fodders and dairy-based food processing inputs which will likely increase if local infrastructure is improved and production/processing costs lowered.

	2006	2007	2008	2009(estimated)
Total Market Size	90	95	100	100
Total Local Production	0.001	0.001	0.001	0.001
Total Exports	0	0	0	0

Total Imports	89.999	94.999	99.999	100
Imports from the U.S.	0.29	1.19	5.09	0.083(actual)

Note: Figures in millions of dollars and only include formally marketed products and estimates from industry contacts.

SECTION IV: MARKET ENTRY STRATEGY

New-to-market exporters from the United States should consider the following market entry strategies and tactics:

- Appoint a local agent/distributor or representative in Ghana to register the products with the appropriate GOG regulatory bodies, to introduce their products to the market, and to develop consumer demand. For assistance contact the FAS Office, U.S. Embassy, Accra-Ghana;
- Identify and sell through consolidators based in the United States who are already serving the West African region;
- Exhibit at trade shows in the United States, which are attended by Ghanaian importers. This will also make follow-up contacts easier;
- Offer food product shipments in mixed lot containers and flexible shipping volumes.
- Support activities for in-store, and point-of-sale promotions in numerous small-sized outlets;
- Adopt a pricing strategy which encourages importers to initiate buying activities with U.S. suppliers.

SECTION IV BEST PROSPECTS

Product Types Offering the Most Sales Potential

The following are the consumer-oriented products with the best prospects and most sales potential in the Ghanaian market:

1. Frozen poultry and fish products
2. Fruit preparations and juices
3. Canned fruits and vegetables
4. Tomato puree/ketchup
5. Bottled vegetable cooking oil
6. Milk (liquid milk, skimmed and whole powdered milk)
7. Spices and sauces including soy sauce
8. Mixed seasoning
9. Condiments
10. Breakfast cereals
11. Margarine/butter
12. Pasta products
13. Snack foods (biscuits, cakes, etc.)
14. Confectionery products (candies, gums, etc.)
15. Ice cream and yoghurt concentrates
16. Spirits, liqueurs
17. Beers and Wines

18. Non-alcoholic beverages (Tea, coffee, fruit drink)
19. Bakery and other food ingredients (yeast & baking powder)
20. Mayonnaise and salad dressing
21. Baby foods
22. Canned soups/powdered soups
23. Health food products

SECTION V: POST CONTACT AND FURTHER INFORMATION

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