United States Department of Agriculture
Foreign Agricultural Service

GAIN
Global Agricultural Information Network

Required Report: Required - Public Distribution

Date: January 27,2021

Report Number: GH2020-0015

Report Name: Exporter Guide

Country: Ghana

Post: Accra

Report Category: Exporter Guide

Prepared By: Joshua Taylor

Approved By: Daniel Archibald

Report Highlights:

Though down by four places on the World Bank's Ease of Doing Business ranking, the Ghanaian food market remains a great prospect for U.S. exporters. U.S. agricultural exports to Ghana increased nearly 7 percent to $135 million in 2019. Available 2020 data indicates that major slowdowns in economic activity slashed Ghana's agricultural imports by as much as a fifth from the year prior. U.S. exports showed greater resiliency, down by only 12 percent in that period, and remain well-poised to rebound in 2021.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

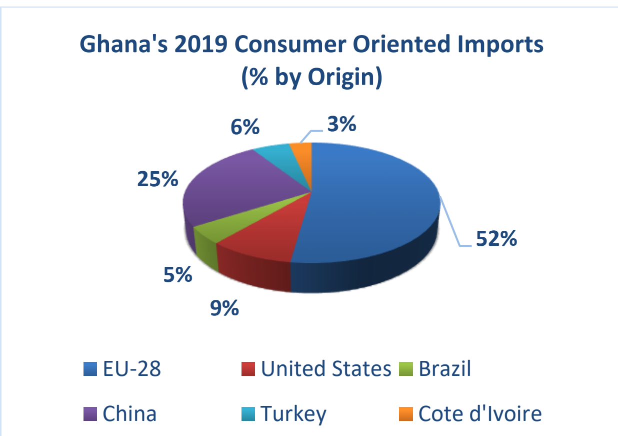
Market Fact Sheet: Ghana

Executive Summary

The value of Ghana's agricultural and related imports was $2.04 billion in 2019; a decrease of 1.4 percent from 2018. Ghana's market is relatively advanced compared to others in the region. Retail sales in Ghana continue to increase along with appreciable GDP growth in recent years. Ghana's economy is highly dependent on exports of primary commodities such as gold, cocoa, and oil. Principal agricultural exports are cocoa, timber, horticultural products, and fish/seafood. Principal agricultural imports are forest products, wheat, rice, chicken, soybeans & soybean meal, dairy products, and fish.

Imports of Consumer-Oriented Products

Externally sourced consumer-oriented products dominate the Ghanaian market. Among the major source countries are China, Netherlands, Belgium, the United States, Turkey, Brazil, and Côte d'Ivoire.



Even though demand for processed foods continues to grow, inefficient production, high energy costs, and poor quality of local raw materials preclude the development of a viable processing industry. The industry accounts for less than 35 percent of all processed foods on the market.

Food Retail Industry

Retail outlets stock a wide range of processed foods due to growing demand from changes in consumption habits among the growing urban and middle-class population. Analysts forecasted retail spending to increase to $11 billion by 2019, and actual sales exceeded that estimate. Imported, high-value food products represent nearly 40 percent of available goods in this industry.

Quick Facts CY 2019

Imports of Consumer-Oriented Products: *$952 million*

List of Top 10 Growth Products in Host Country

1) Forest Products	2) Snack Foods
3) Dairy Products	4) Processed Vegetables
5) Fruit/Veg Juices	6) Non-alcoholic beverages
7) Breakfast cereals	8) Beef & Beef Products
9) Poultry	10) Condiments/Sauces

Food Industry Gross Sales in 2019: *$12 billion*

Top 10 Host Country Retailers

1) Melcom	2) Shoprite
3) Palace Superstores	4) Maxmart
5) Citydia	6) Koala
7) Marina	8) Game
9) All Needs	10) Garden Mart

GDP/Population

Population *(millions)*:	31.07 (2020 est.)
GDP *(billions USD)*:	67.07 (2019)
GDP per capita *(USD)*:	2,202 (2019)

Sources: World Bank, Trade Data Monitor (TDM), Ghana Statistical Service (GSS), Industry Sources

Strengths	Weaknesses
A very open market compared to other countries in the region. A comparatively advanced market per ease of doing business.	Economy is mainly cash driven. Significantly higher cost of freight incurred in getting U.S. high value products to market.
Opportunities	**Threats**
Ghanaian consumers associate U.S. products with high quality. High demand for U.S. products. A fast-growing economy is creating higher demand for imported products.	Competition is strong from established suppliers in Europe and Asia. A strong dollar can harm price competitiveness of U.S. products.

SECTION I. MARKET OVERVIEW

Ghana's economy continued to grow in 2019, recording an estimated real gross domestic product (GDP) growth of 7.1 % according to the African Development Bank Group's African Economic Outlook. COVID-19 severely curtailed economic growth in 2020, and the country's economic outlook worsened, but overall Ghana still expects to post modest growth despite the challenges. A robust economy in recent years places Ghana among Africa's 10 fastest-growing economies. Ghana imported an estimated $1.5 billion of agricultural products in 2019. Available import data for 2020 shows Ghana's total agricultural imports down an estimated 21 percent. Through October 2020, U.S. agricultural exports to Ghana were down only 12 percent on the year, and well-positioned to rebound in 2021.

With an estimated population of nearly 31.1 million in 2020, Ghana's market is the second largest in West Africa behind only Nigeria. There continues to be rapid urbanization, and as a result of recent gains in economic growth, the middle-class is fast emerging, with increasingly prosperous consumers who embrace western brands, products and lifestyles. Most consumers in Ghana are price sensitive, but quality is never overlooked. The growing middle-class values premium products.

Ghana slipped four spots to be ranked 118th in the 2020 World Bank's Ease of Doing Business or trading across borders index but the country offers expanding market opportunities due to its remarkable record of political stability, strong economic growth, and relatively liberal import policies. There is high demand for imported food products, especially consumer ready products, due to limited selection of products provided by the underdeveloped domestic agricultural and food-processing sector.

"Advantages" and "Challenges" facing U.S. exporters

Advantages	**Challenges**
Ghana's population of 31.1 million is growing at 2.21 percent per annum with an increasingly fast emergence of a middle-class.	Significantly higher cost of freight incurred in getting U.S products onto the Ghanaian market.
56.7% of Ghana's population was urban in 2020. Migration to the capital and southern parts of the country is expected to continue in 2021 and beyond, potentially boosting the demand for high-value products (HVPs) and making consumers reachable.	Existence of imitations of U.S. products by unscrupulous businesses who take advantage of the high demand to the detriment of consumers. This affects consumer confidence and invariably impacts future demand for U.S. goods.
Real GDP growth of 7.1% was recorded in 2019, and until COVID-19 was primed for sustained economic growth. The reviving economy is expected to further fuel personal	Many businesses have supply chains oriented towards more entrenched trading partners such as European, South African and Asian exporters.

expenditure in the years ahead.	
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.	Many U.S. exporters view Ghana as too small a market and there are few U.S. freight consolidators who are willing to meet the requirements of Ghanaian importers.
Ghanaian consumers perceive U.S. food products to be of high quality and value.	Competition is strong from traditional suppliers in Europe and Asia.
Post expects significant growth in tourism due to positive coverage by multiple widely read news and travel sites.	U.S. consumer ready foods are less available in Ghana, compared with products from EU, South Africa, and Asia.
The Government of Ghana (GOG), in line with its WTO obligations, has liberalized trade for most food and agricultural products.	In select sectors, such as frozen poultry, the GOG continues to take a more negative stance towards imports.
Insufficient domestic production and processing means import demand in Ghana for processed products and inputs will remain high.	Most Ghanaian consumers are price sensitive.
The HRI sector continues to expand and requires more consumer ready products and food ingredients.	Some Ghanaian retailers prefer products with 13-digits barcode (EAN/IAN) to the 12-digits UPC.
U.S. grocery items entering Ghana can be re-exported to neighboring West African countries (a market of about 400 million people).	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.

SECTION II. EXPORTERS BUSINESS TIPS

Ghana's relatively liberalized trade policy creates an opportunity for more formal trade between the United States and Ghana. U.S. exporters are encouraged to consider the expanding market opportunities in Ghana, and businesses interested in doing business in Ghana should follow the links below for more information:

http://www.gipcghana.com/; http://mobd.gov.gh/doing-business-in-ghana/

http://www.statsghana.gov.gh/

Modern retail had been restricted to Accra and Kumasi but there is growing presence across all regional capitals now, though a sizable portion of the population still prefers to do their weekly shopping at the traditional markets. This trend is fast changing, however, as the size of the middle class continues to increase. The comparatively accommodating business environment makes Ghana more attractive as an investment destination relative to many of its neighbors. A number of foreign retailers have expressed a desire to expand their presence in Ghana, and to take up space in the proliferation of new commercial developments. These include Shoprite, Game, Burger King, KFC, and Pizza Hut, among others.

E-commerce is also picking up in Ghana. Ghana's internet market is dominated by its mobile operators, which have a national penetration rate of over 80 percent according to the National Communications Authority. Local online delivery retailers such as Jumia and Okada that were already undergoing rapid expansion, played a key role in the continuation of commerce for restaurants, grocery stores and other food and beverage retailers amid COVID-19 restrictions.

Like most countries in Sub-Saharan Africa, Ghana presents exciting opportunities to food retail business, buoyed by fast urbanization, rising household incomes, a growing middle class, and a transformation in eating habits mainly due to changing lifestyles. Consumption patterns of the majority of the population (especially the urban dwellers) is gradually favoring western foods, leading to the launch of brands like KFC, Pizza Hut, Second Cup, and recently Burger King. Retailers prefer stocking relatively smaller volumes of consumer-ready food products, prepared and packaged for one-time or minimal period use only because many consumers do remain price sensitive. Consumer demand for these products is high due to their relative affordability.

U.S. exporters are encouraged to explore the expanding and rapidly maturing Ghanaian market that continues to offer market opportunities. U.S. agribusiness firms interested in doing business in Ghana can seek assistance from the USDA/FAS office in Accra to initiate and develop business relationships with local companies, importers, and agents. Market requirements by Ghanaian importers include:

- requiring services of freight consolidators in the United States to handle their ordering and shipment to minimize cost of shipping,
- preference for purchasing mixed containers,
- seeking exclusive distribution/agency agreements from exporters, and
- preference for visibly displayed production and expiry date expressed in the format; *dd-mm-yyyy*.

Market entry tips

The first point of contact for entry into the Ghanaian market is typically the Importer/Distributor. An exporting firm could also appoint an agent or sign an agreement to make a local business entity the sole representative. U.S. exporters are encouraged to take one or more of the following steps to ensure easy access to the Ghanaian market:

- Contact the USDA/FAS office located in the US Embassy in Accra, Ghana, to assist in identifying credible importers/distributors.
- Directly contact the importer/distributor or the local agent that would register the products with the Foods and Drugs Authority.
- Identify and sell through consolidators based in the United States who are already serving the West African region. Such consolidators usually have a good understanding of local market practices.
- Exhibit at the various USDA sponsored and endorsed trade shows, which are well attended by Ghanaian importers and are suitable venues for face-to-face meetings and networking.
- Offer flexible shipping volumes and small-sized packaging with well displayed readable manufacture date and date of expiration.

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS AND IMPORT PROCEDURES

The current Ghanaian administration reviewed import procedures in Ghana and reduced the number of agencies undertaking joint inspections at the ports from sixteen to three. Currently, the remaining agencies include the Ghana Standards Authority (GSA), Food and Drugs Authority (FDA) and Customs Division of the Ghana Revenue Authority (GRA). Officers from the National Security or Narcotic Controls Board join the inspection team based on intelligence.

The GOG has introduced the paperless port system to promote efficiency, reduce the turnaround time of vessels, and minimize the human interface to reduce corruption. Follow the link below for more information on the paperless port project:

https://ghanaports.gov.gh/page/35/Ghana-Ports-Is-Going-Paperless

Ghana operates a relatively free market. It adopted the ECOWAS Common External Tariff (CET) that requires member countries to simplify and harmonize ad valorem tariff rates. The CET has a five (5) rate bands as follows:

0% - essential social commodities
5% - basic raw materials, capital goods and specific inputs
10% - intermediate products
20% - final consumer goods
35% - specific goods for economic development

There is a 15 percent sales tax in Ghana. The sales tax rate is a tax charged to consumers based on the purchase price of certain goods and services. Visit https://shippers.org.gh/index.php/cargo-clearance-tariff-guidelines/ for more information on Cargo Clearance Tariff guidelines.

The websites of the three aforementioned agencies (GSA, FDA, and the Customs Division of GRA) along with those of the Ghana Ports and Harbour Authority (GPHA), Ghana Shippers' Authority, and the Ghana Trade Hub (also referred to as the Ghana National Single Window) provide valuable information on requirements for imported food, language and labeling, fees and charges, and procedures for specific commodities:

Ghana Standards Authority: https://www.gsa.gov.gh/
Food and Drugs Authority: https://fdaghana.gov.gh/
Customs Division of GRA: https://gra.gov.gh
Ghana Ports and Harbours Authority: https://ghanaports.gov.gh/default
Ghana Shippers' Authority: https://shippers.org.gh/
Ghana Trade Hub/Ghana National Single Window: https://www.ghanastradinghub.gov.gh/

For additional information about Ghana's import food standards & regulations and import procedures, please visit: https://www.fas.usda.gov/data/ghana-fairs-country-report-2

SECTION IV. MARKET STRUCTURE AND TRENDS

Ghana's food service industry or market has recorded impressive growth in recent years, with the retail stores sector retaining the top position as the most rapidly growing segment. Retail outlets stocking imported high-value food products, particularly convenience stores (including gas station shops) and supermarkets continue to proliferate across the cities as eating habits and taste of Ghanaian consumers change towards western foods. This represents sales opportunity for multiple U.S. products. For additional information about the distribution structure of the Ghanaian retail market, please visit https://www.fas.usda.gov/data/ghana-retail-foods-report

The hotels and restaurants sector of the food market has been identified as being the segment with the second most rapid growth after the retail stores. There has been a sharp increase in the number of restaurants within the past two years. The rise in the population of Ghana's middle class and urban dwellers, along with the swelling tourist/business travel have contributed to a surge in patronage of the services of hotels and the teeming restaurant sector. Sales opportunities exist for U.S fish products, beef & beef products, pork & pork products, dairy products, and condiments & sauces. For detailed information about the restaurant sector of the Ghanaian food market, visit https://www.fas.usda.gov/data/ghana-ghana-s-restaurant-sector-represents-opportunity-us-food-and-beverage

Third in terms of rapid growth in the food market is the fast food/take away services sector, which also witnessed remarkable growth in recent times, with the likes of KFC, Chicken Republic, Barcelos and Papa Ye (a local brand) adding to their number of outlets. The first Burger King outlet was launched in May 2018 in Accra, and a second outlet followed five months later, in October 2018. These offer sales opportunities for U.S. meat and meat products. There is an increasing popularity of phone/internet food ordering and delivery services due to the heavy traffic movement that is usually typical of the two main cities, Accra and Kumasi. The restaurants and fast foods services segments make use of this innovative method to satisfy customers.

Ranked fourth, and after the fast food/take away services sector is the cafés segment. This segment includes cafés, pizza shops, grills, and steak houses. This segment of the food market in Ghana is growing appreciably, with Vida e Caffè, Pizza Hut, Second Cup, Pinkberry and Steak Escape among the foreign franchises to enter the market space. Also included in this segment are smaller and usually informal restaurants that serve simple cheap meals and drinks (mainly local Ghanaian dishes and instant noodles). Sales opportunity exists for U.S. poultry meat and products as well as condiments & sauces.

Best consumer-oriented product prospects based on growth trends

With an all-time record export sale of US$600,000.00 to Ghana in CY 2019 and a percentage change of 30.5 in export sale to Ghana for CYs 2018-19, beef & beef products were among the top 10 best consumer-oriented product prospects based on growth trends. Forest products, snack foods NESOI, dairy products, processed vegetables, and fruit & vegetable juices occupied the 1st through the 5th position respectively. Non-alcoholic beverages, breakfast cereals, beef & beef products, poultry meat & products, and condiments and sauces were ranked from the 6th position through the 10th respectively.

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Ghana remains a major importer of food and agricultural products. These imports will continue to grow as Ghana's underdeveloped food processing sector is unable to meet increasing demand. Food imports mostly comprise bulk, intermediate and consumer-oriented commodities such as rice, wheat, sugar and poultry. U.S. exports of agricultural and related products to Ghana in 2019 was $135 million, up by nearly 34 percent from $101 million in 2018. Although U.S. exports to Ghana had mostly been rice, poultry and wheat, exports of U.S. snack foods NESOI, dairy products, fruit and vegetable juices, non-alcoholic beverages, breakfast cereals, beef & beef products, forest products, hides & skins, and planting seeds recorded significant growth in 2019. Based on year over year growth in 2019, the 10 best U.S. high-value consumer-oriented product prospects categories for the Ghanaian market in descending order are; forest products, snack foods NESOI, dairy products, processed vegetables and fruits & vegetable juices. Non-alcoholic beverages, breakfast cereals, beef & beef products, poultry meat & products and condiments & sauces complete the list of 10 best U.S. high-value consumer-oriented product prospects categories in that order.

The 2019 top 10 leading suppliers of agricultural and related products to Ghana in descending order are; Vietnam, Belgium, Canada, China and the United States. Malaysia, Russia, Thailand, the United Kingdom and Brazil are the remaining suppliers. Imports of consumer-oriented food from the European Union remains strong.

Ghana's Agricultural and Related Imports for 2015-2019 (in millions of dollars)

Source of Imports	2015	2016	2017	2018	2019
U.S.	89.43 (5.2%)	78.00 (4.5%)	119.50 (5.6%)	100.95(4.9%)	135.12(6.6%)
World	1,716.15	1,751.02	2,116.71	2,069.34	2,040.44

Source: Trade Data Monitor LLC

Ghana's BICO Imports for 2015-2019 (in millions of dollars)

Product	2015	2016	2017	2018	2019
Bulk[1]	*15.17*	*1.82*	*31.68*	*18.40*	*12.97*
Bulk[2]	284.35	289.88	298.95	342.64	273.35
Intermediate[1]	*8.42*	*9.03*	*5.80*	*5.36*	*6.05*
Intermediate[2]	488.25	441.13	614.86	505.32	513.35
Consumer Oriented[1]	*51.85*	*58.00*	*65.59*	*58.79*	*72.22*
Consumer Oriented[2]	721.67	747.58	889.73	856.68	951.68
Ag. Rel. Products[1]	*13.99*	*9.15*	*16.43*	*18.40*	*43.88*
Ag. Rel. Products[2]	221.88	272.43	313.17	364.70	302.06
***Total*[1]**	***89.43***	***78.00***	***119.50***	***100.95***	***135.12***
Total[2]	**1,716.15**	**1,751.02**	**2,116.71**	**2,069.34**	**2,040.44**

Source: Trade Data Monitor LLC

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

Office of Agricultural Affairs
American Embassy
No 24, Fourth Circular Rd.,
Cantonments, Accra, Ghana
Tel: 233-302-741590
Fax: 233-302-741478
E-mail: agaccra@fas.usda.gov
www.fas.usda.gov

[1] Sourced from the United States
[2] Sourced from the World

Links to other government sources:

https://www.fas.usda.gov/GATS (Trade Data)

https://www.export.gov/article?series=a0pt0000000PAtrAAG&type=Country_Commercial__kav
(Ghana Country Commercial Guide prepared by the Department of Commerce)

Contacts of Ghana government regulatory agencies:

Ghana Revenue Authority (GRA) HEAD OFFICE
Location: Off Starlets' 91 Road, near Accra Sports Stadium
Postal: P. O. Box 2202, Accra-Ghana
Phone: 0800900105 (Toll free)
Email: info@gra.gov.gh

Food and Drugs Authority (FDA) Head Office
Mail: P. O. Box CT 2783, Cantonments – Accra, Ghana
Telephone Lines: (+233) – 302-233200/ 235100, (+233) – 0299802932/3 (Hotline)
0800151000 (Toll free)
Email: fda@fdaghana.gov.gh

Ghana Standards Authority (GSA)
Address: P O Box MB245, Accra - Ghana
Tel: (+233-302) 506991-5 / 500065/6
Email: gsanep@gsa.gov.gh/gsadir@gsa.gov.gh

Veterinary Services Directorate (VSD)
Ministry of Food and Agriculture
http://mofa.gov.gh/site/?page_id=88

Plant Protection & Regulatory Services Directorate (PPRSD)
Ministry of Food and Agriculture
http://mofa.gov.gh/site/?page_id=85

Attachments:

No Attachments